

**RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT
REGULAR MEETING OF THE
BOARD OF DIRECTORS**

**Conference Call Number
(712) 770-4921
Access Code 386089**

APRIL 20, 2020 (6:30 p.m.)

Visitor's / Depot Center
6730 Front Street
Rio Linda, CA 95673

Our Mission is to provide a safe and reliable water supply in a cost-effective manner.

AGENDA

The Board may discuss and take action on any item listed on this agenda, including items listed as information items. The Board may also listen to the other items that do not appear on this agenda, but the Board will not discuss or take action on those items, except for items determined by the Board pursuant to state law to be of an emergency or urgent nature requiring immediate action. The Board may address any item(s) in any order as approved by the Board.

The public will be given the opportunity to directly address the Board on each listed item during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or any majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection at the District office at 730 L Street, Rio Linda, CA 95673. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the District office at (916) 991-1000. Requests must be made as early as possible, and at least one full business day before the start of the meeting

1. CALL TO ORDER, ROLL CALL and PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENT

2.1. Members of the public are invited to speak to the Board regarding items within the subject matter jurisdiction of the District that are not on the agenda or items on the consent agenda. Each speaker may address the Board once under Public Comment for a limit of 2 minutes. (Policy Manual § 2.01.160).

3. CONSENT CALENDAR (Action items: Approve Consent Calendar Items)

3.1. Minutes

March 16, 2020

The Board is being asked to approve the Minutes from the March 16, 2020 Regular Board Meeting.

3.2. Expenditures

The Finance & Administrative Committee recommends the Board approve the February Expenditures.

3.3. Financial Reports

The Finance & Administrative Committee recommends the Board approve the February Financial Reports.

4. REGULAR CALENDAR

ITEMS FOR DISCUSSION AND ACTION

4.1 GM Report

4.1.1 *The General Manager, Tim Shaw will provide his monthly report to the Board of Directors.*

4.2 District Engineer's Report

4.2.1 *The Contract District Engineer will provide his monthly report to the Board of Directors.*

4.3 Consider authorizing a Professional Services Agreement with Kurey & Associates for labor compliance program.

4.4 Consider directing the next steps for adopting a Capital Improvement Plan Projects List.

4.5 Consider authorizing a Professional Services Agreement with Lechowicz + Tseng for rate study / cost of services analysis.

4.6 Consider adopting Resolution 2020-02, calling an election for three RLECWD Board Members.

4.7 Review and discuss the Governor's Executive Order N-42-20, prohibiting service terminations for non-payment.

4.8 Consider Request from an overcharged customer for a full credit instead of the 2-year limit outlined in Policy 4.31-275.

4.9 Authorize any new Board Member Assignments (committees and other) announced by the Chair pursuant to District Policy 2.01.065.

5. INFORMATION ITEMS

5.1. District Activities Reports

5.1.1. Water Operations Report

5.1.2. Conservation Report

5.1.3. GM Minor Budget Revision

5.2. Board Member Reports

5.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065

5.2.2. Regional Water Authority – Gifford (primary), Shaw

5.2.3. Sacramento Groundwater Authority – Harris (primary), Reisig

5.2.4. Executive Committee – Jason Green, Robert Reisig

5.2.5. ACWA/JPIA – Ridilla

5.2.6. AD Hoc Committees

5.2.7. Other Reports

6. DIRECTORS' AND GENERAL MANAGER COMMENTS

7. ADJOURNMENT

Upcoming meetings:

Executive Committee

May 4, 2020, Monday, 6:00pm Visitor's/Depot Center, 6730 Front Street, Rio Linda, CA 95673

Regular Board Meeting

May 18, 2020, Monday, 6:30 pm at Visitor's /Depot Center, 6730 Front Street, Rio Linda, CA 95673.



**Consent Calendar
Agenda Item: 3.1**

Date: April 20, 2020

Subject: Minutes

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

N/A -Minutes of Board meetings are not reviewed by committees.

Current Background and Justification:

These minutes are to be reviewed and approved by the Board of Directors.

Conclusion:

I recommend the Board review and approve (as appropriate) the minutes of meetings provided with your Board packets.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:____ Harris:____ Jason Green____ Gifford____ Reisig____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

**MINUTES OF THE
MARCH 16, 2020
BOARD OF DIRECTORS REGULAR MEETING
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

1. CALL TO ORDER, ROLL CALL

The March 16, 2020 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:30 p.m. at the Visitor’s Depot Center located at 6730 Front Street, Rio Linda, CA 95673. General Manager Tim Shaw took roll call of the Board of Directors. President Jason Green, Director Chris Gifford, Director Robert Reisig, Director Mary Harris, Director John Ridilla and General Manager Tim Shaw were present. Legal Counsel was present. Director Harris led the pledge of allegiance.

2. PUBLIC COMMENT

No Public Comment

3. CONSENT CALENDAR

3.1 Minutes

February 24, 2020

3.2 Expenditures

3.3 Financial Reports

No public comment.

It was moved by Director Ridilla and seconded by Director Harris to approve the Consent Calendar. Directors Green, Gifford, Reisig, Ridilla, Ridilla and Harris voted yes. The motion carried with unanimous vote of 5-0-0.

REGULAR CALENDAR

4. ITEMS FOR DISCUSSION AND ACTION

4.1 General Manager’s Report

GM Shaw provided a written report.

No public comment.

The Board made no action on this item

4.2 District Engineer’s Report – Mike Vasquez

Mike Vasquez provided a written report to the Board of projects in the works since the last meeting of the Board. The report highlighted topics of General District Engineering and Well 16 Pumping Station Construction Project.

No public comment on this item.

The Board made no action on this item.

4.3 Discuss the Capital Improvement Plan Projects List and provide Board direction to the Contract District Engineer and staff.

The Executive Committee and staff have been developing a CIP Projects List and working toward the initial goal of presenting a draft projects list to the Board of Directors for review and discussion. A draft projects list is included in your package.

No public comment.

The Board directed the agenda item to go back to the Executive Committee to prioritize the list of CIP Projects.

4.4 Consider approving the revised Distribution System Operator 3 Foreman position description and associated revised pay scale

The District initiated a meet and confer process to revise the Distribution Operator 3 Foreman position description and corresponding pay scale in October 2019. For several reasons, the meet and confer process was protracted. We have now reached the conclusion of the process and the Board of Directors may formally approve the revised position description and pay scale.

Due to the protracted process, it is beneficial to summarize the objectives and steps taken to achieve this improvement in organizational structure.

The District, pursuant to statutory requirements, needs to have a properly licensed shift supervisor to be the interim designee responsible for making distribution system decisions when the Operations Superintendent is unavailable.

The District desires to transition backflow prevention assembly license from “desirable qualification” to be designated as one of the “minimum qualifications”. This entailed switching from a certification incentive pay structure to a base pay structure.

The meet and confer process included the typical proposal / counter-proposal process in determining reasonable compensation for increased responsibilities.

The meet and confer process spanned across the annual COLA implementation date, so updating the existing pay scale with accurate and appropriate adjustments must be carefully performed to avoid revising an outdated pay scale.

No public comment.

It was moved by Director Harris and seconded by Director Gifford adopt the revised Distribution System Operator 3 Foreman position description and associated revised pay scale. Directors Reisig, Gifford, Harris Ridilla and Green voted yes. The motion carried with unanimous vote of 5-0-0

4.5 Discuss the appropriateness of participating in the Rio Linda Elverta Chamber of Commerce.

There are some apparent and substantive limitations for a government agency (non-profit) participating in a group dedicated to increasing commerce (profit). However, there may be one, limited justification for interaction between RLECWD and the Chamber of Commerce: Outreach

required by SB-606 to promote efficient water use in commercial, institutional and industrial water customers.

Currently, the Rio Linda Elverta Chamber of Commerce (the Chamber) is not a legally defined entity. The Chamber had its tax-exempt status automatically revoked after several years of not filing tax reports. Director Reisig reports the Chamber is currently endeavoring to renew its tax-exempt status thereby restoring the Chamber as a legally defined entity. If/when the Chamber does restore its tax-exempt status, the IRS subsection for Chambers of Commerce is one which enables Chambers to participate in political campaigning. Several other local, state and federal statutes prohibit the District from spending public dollars on political campaigns. Accordingly, any participation authorized by the District needs to be specific about funding sources and purposes.

Director Reisig stated he had requested this item, but since the time of his request, he has learned new information about the chamber. He feels it would not be appropriate to join the chamber at this time. However, once the chamber becomes more fluid he would like to join the chamber as an honorary member as an elected official of the Board.

No public comment.

The Board took no action on this item.

4.6 Consider authorizing revisions to the approved but not executed Resolution 2020-01 (VALIC 457 deferred comp plan).

The Board approved Resolution 2020-01 at the February 24th meeting. Based on the information provided by VALIC, the language included in Resolution 2020-01 conveys the District is “amending and restating an active IRS 457 deferred compensation plan.

On February 25th (the day after the Board meeting), VALIC emailed to indicate the 2003 VALIC 457 plan was terminated in 2010. Obviously, the amended and restated language is now known to be inaccurate and inappropriate.

To do so, Resolution 2020-01, which has not been fully executed, needs to be revised, then fully executed.

No public comment.

It was moved by Director Reisig and seconded by Director Ridilla to adopt the revised Resolution No. 2020-01 (Valic 457 deferred comp plan). Directors Reisig, Gifford, Green, Ridilla and Harris voted yes. The motion carried with unanimous vote of 5-0-0.

4.7 Receive update on the meter replacement backlog

GM Shaw provided a written report updating the Board regarding the backlog on the meter replacements.

The Board took no action on this item.

4.8 Authorize any new Board Member Assignments (committees and other) announced by the Chair pursuant to District Policy 2.01.065.

No public comment on this item.

4.8.1 Sacramento Groundwater Authority Budget Committee.

It was moved by Director Ridilla and seconded by Director Gifford to approve Director Harris to be on the SGA Budget Committee. Directors Reisig, Gifford, Ridilla and Green, voted yes. Director Harris abstained. The motion carried with a vote of 4-0-1.

4.8.2 Sacramento Region Water Utility Collaboration Study Steering Committee.

The Board directed General Manager Tim Shaw to attend as the representative to the Sacramento Region Water Utility Collaboration Study Steering Committee.

5. INFORMATION ITEMS

5.1. DISTRICT ACTIVITY REPORT

1. Water Operations Report
2. Conservation Report

5.2. BOARD REPORTS

1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
2. Regional Water Authority –Gifford, Shaw – Agenda Provided.
3. Sacramento Groundwater Authority – Harris, Reisig. No Meeting.
4. Executive Committee – Green. Reisig - Minutes provided.
5. ACWA/JPIA – Ridilla - No Report
6. Ad Hoc Committee – Reisig, Harris and Shaw. Negotiating Ad Hoc Committee – dissolved.
7. Other Reports, e.g

6. PUBLIC COMMENT PRIOR TO CLOSED SESSION – No public comment.

7.1 CONFERENCE WITH LABOR NEGOTIATORS - (Pursuant to Government Code Section 54957.6) District Negotiators, Shaw, RLECWD Employee General Unit, Teamster Local 150 Meet and Confer regarding proposed new policy affecting non-exempt employee pay and working conditions.

8. RECONVENE IN OPEN SESSION – The Board convened to open session.

8.1 President Green reported out of closed session that Board adopted the Working Out of Classification Policy. The report out is that the vote was 5-0.

9. DIRECTORS' AND GENERAL MANAGER COMMENTS –

No Directors comments.

10. ADJOURNMENT

President Jason Green adjourned the meeting at 8:02 p.m.

Respectfully submitted,

Timothy R. Shaw, Secretary

Jason Green, President of the Board



**Consent Calendar
Agenda Item: 3.2**

Date: April 20, 2020

Subject: Expenditures

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee recommends approval of the Expenditures for the month of February 2020.

Current Background and Justification:

These expenditures have been completed since the last regular meeting of the Board of Directors.

Conclusion:

I recommend the Board approve the Expenditures for February 2020.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

**Rio Linda Elverta Community Water District
Expenditure Report
February 2020**

Type	Date	Num	Name	Memo	Amount
Liability Check	02/07/2020	EFT	QuickBooks Payroll Service	For PP Ending 02/06/20 Paydate 02/10/2020	6,653.27
Liability Check	02/12/2020	EFT	QuickBooks Payroll Service	For PP Ending 02/08/20 Paydate 02/13/2020	17,829.94
Liability Check	02/13/2020	EFT	CalPERS	For PP Ending 02/08/20 Paydate 02/13/2020	2,063.28
Liability Check	02/13/2020	EFT	CalPERS	For PP Ending 02/08/20 Paydate 02/13/2020	1,925.77
Liability Check	02/13/2020	EFT	Nationwide	Deferred Compensation Plan	1,522.51
Liability Check	02/13/2020	EFT	Nationwide	Deferred Compensation Plan	75.00
Bill Pmt -Check	02/13/2020	EFT	Adept Solutions	Computer Maintenance	1,333.00
Bill Pmt -Check	02/13/2020	EFT	Comcast	Phone/Internet	234.98
Bill Pmt -Check	02/13/2020	EFT	Republic Services	Utilities	87.49
Liability Check	02/13/2020	EFT	Internal Revenue Service	Employment Taxes	9,823.48
Liability Check	02/13/2020	EFT	Employment Development	Employment Taxes	2,217.04
Check	02/13/2020	EFT	Umpqua Bank Credit Card	Computer,Office, Postage, Trans Maint	315.84
Bill Pmt -Check	02/13/2020	EFT	Verizon	Field Communication, Field IT	453.43
Transfer	02/13/2020	EFT	RLECW	Umpqua Bank Monthly Debt Service Transfer	16,500.00
Transfer	02/13/2020	EFT	RLECW	Transfer Capacity Fees from Operating to LAIF Account	86,000.00
Check	02/14/2020	EFT	WageWorks	FSA Administration Fee	76.25
Check	02/17/2020	EFT	ARCO	Transportation: Fuel	526.84
Check	02/13/2020	1131	Customer	Final Bill Refund	20.93
Check	02/13/2020	1132	Customer	Hydrant Meter Deposit Refund	995.20
Check	02/13/2020	1133	Customer	Current Customer Refund for Overbilling	2,590.54
Check	02/13/2020	1134	Customer	Final Bill Refund	3.53
Check	02/13/2020	1135	Customer	Final Bill Refund	66.87
Bill Pmt -Check	02/13/2020	1136	ABS Direct, Inc.	Printing	666.02
Bill Pmt -Check	02/13/2020	1137	Continental Utility Solutions Inc.	Annual Maintenance	3,960.00
Bill Pmt -Check	02/13/2020	1138	CoreLogic Solutions	Metro Scan	134.75
Bill Pmt -Check	02/13/2020	1139	DirectHit Pest Control	Office Maintenance	75.00
Bill Pmt -Check	02/13/2020	1140	Intermedia.net	Telephone	72.93
Bill Pmt -Check	02/13/2020	1141	Oreilly Automotive	Transportation: Maintenance	13.61
Bill Pmt -Check	02/13/2020	1142	PG&E	Utilities	130.01
Bill Pmt -Check	02/13/2020	1143	Quill	Office Expense	115.22
Bill Pmt -Check	02/13/2020	1144	Rio Linda Elverta Recreation & Park Dist	Meeting Expense	50.00
Bill Pmt -Check	02/13/2020	1145	Rio Linda Hardware & Building Supply	Shop Supplies	529.25
Bill Pmt -Check	02/13/2020	1146	RW Trucking	Distribution Supplies	1,098.94
Bill Pmt -Check	02/13/2020	1147	SMUD	Utilities	12,130.76
Bill Pmt -Check	02/13/2020	1148	Spok, Inc.	Field Communication	15.21
Bill Pmt -Check	02/13/2020	1149	Two Brothers Cathodic Services, Inc.	Tank Maintenance	750.00
Bill Pmt -Check	02/13/2020	1150	Unifirst Corporation	Uniforms	233.32
Bill Pmt -Check	02/13/2020	1151	Vanguard Cleaning	Janitorial	195.00
Bill Pmt -Check	02/13/2020	1152	WellTec, Inc.	Pump Maintenance	5,124.07
Liability Check	02/26/2020	EFT	QuickBooks Payroll Service	For PP Ending 02/22/2020 Paydate 02/27/2020	21,337.79
Liability Check	02/27/2020	EFT	CalPERS	For PP Ending 02/22/2020 Paydate 02/27/2020	2,063.28
Liability Check	02/27/2020	EFT	CalPERS	For PP Ending 02/22/2020 Paydate 02/27/2020	1,521.92
Liability Check	02/27/2020	EFT	Nationwide	Deferred Compensation Plan: Employer & Employee Share	1,489.48

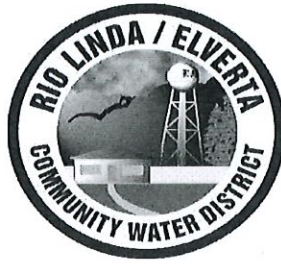


**Rio Linda Elverta Community Water District
Expenditure Report
February 2020**

Type	Date	Num	Name	Memo	Amount
Liability Check	02/27/2020	EFT	Nationwide	Deferred Compensation Plan: Employer & Employee Share	75.00
Liability Check	02/27/2020	EFT	Internal Revenue Service	Employment Taxes	8,280.88
Liability Check	02/27/2020	EFT	Employment Development	Employment Taxes	1,930.33
Liability Check	02/27/2020	EFT	Kaiser Permanente	Health Insurance	862.39
Liability Check	02/27/2020	EFT	Principal	Dental & Vision Insurance	1,380.22
Liability Check	02/27/2020	EFT	Western Health Advantage	Health Insurance	10,039.50
Bill Pmt -Check	02/27/2020	EFT	Voyager Fleet Commander	Transportation Fuel	298.16
Check	02/27/2020	EFT	RLECWD - SURCHARGE ACCOUNT 1	Current Monthly Transfer	45,151.27
Check	02/27/2020	EFT	RLECWD - SURCHARGE ACCOUNT 2	Bi-monthly Transfer	72,869.94
Check	02/27/2020	EFT	RLECWD - Capital Improvement	Current Monthly Transfer	34,000.00
Liability Check	02/27/2020	1153	Teamsters Local #150	Union Dues	658.00
Check	02/27/2020	1155	Customer	Final Bill Refund	88.96
Check	02/27/2020	1154	Customer	Final Bill Refund	83.61
Check	02/27/2020	1156	Customer	Final Bill Refund	5.00
Check	02/27/2020	1157	ABS Direct, Inc.	Printing	182.93
Bill Pmt -Check	02/27/2020	1158	ACWA/JPIA	EAP	18.80
Bill Pmt -Check	02/27/2020	1159	BSK Associates	Lab Fees	240.00
Bill Pmt -Check	02/27/2020	1160	Buckmaster Office Solutions	Office Equipment Expense	41.59
Bill Pmt -Check	02/27/2020	1161	Churchwell White	Legal	1,946.38
Bill Pmt -Check	02/27/2020	1162	Continental Utility Solutions	Field IT	1,000.00
Bill Pmt -Check	02/27/2020	1163	County of Sacramento	Permits	1,097.25
Bill Pmt -Check	02/27/2020	1164	EKI Enviornment & Water	Engineering	5,000.00
Bill Pmt -Check	02/27/2020	1165	Ferguson Enterprises	Meter Maintenance	26,128.66
Bill Pmt -Check	02/27/2020	1166	Sierra Chemical Company	Chemical Supplies	861.30
Bill Pmt -Check	02/27/2020	1167	Churchwell White	Capital Improvement: Well 16	1,715.50
Bill Pmt -Check	02/27/2020	1168	EKI Enviornment & Water	Capital Improvement: Well 16	3,330.00
Total 10000 - Bank - Operating Account					<u>420,307.42</u>

Rio Linda Elverta Community Water District
Expenditure Report
February 2020

Type	Date	Num	Payee	Memo	Amount
Transfer	02/27/2020	EFT	RLECWD - Operating	CIP Expense Transfer: Refer to operating check numbers: 1167 & 1168	5,045.50
10475 - Capital Improvement-Umpqua Bank					<u><u>5,045.50</u></u>



Consent Calendar Agenda Item: 3.3

Date: April 20, 2020

Subject: Financial Reports

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee recommends approval of the Districts Financial Reports for the month of February 2020.

Current Background and Justification:

The financial reports are for the District's balance sheet, profit and loss, and capital improvements year to date.

These financials are to be presented to the Board of Directors in order to inform them of the District's current financial condition.

Conclusion:

I recommend the Board approve the Financial Reports for February 2020.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____
Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

Rio Linda Elverta Community Water District
Balance Sheet
 As of February 29, 2020



ASSETS

Current Assets

Checking/Savings

100 · Cash & Cash Equivalents

10000 · Operating Account

10020 · Operating Fund-Umpqua 673,173.10

Total 10000 · Operating Account 673,173.10

10475 · Capital Improvement

10480 · General 1,728,346.75

10485 · Vehicle Replacement Reserve 15,000.00

Total 10450 · Capital Improvement 1,743,346.75

Total 100 · Cash & Cash Equivalents 2,416,519.85

102 · Restricted Assets

102.1 · Restricted Capital Improvements

10700 · ZIONS Inv/Surcharge Reserve 511,512.22

Total 102.1 · Restricted Capital Improvements 511,512.22

102.2 · Restricted for Debt Service

10300 · Surcharge 1 Account 676,695.14

10350 · Umpqua Bank Debt Service 86,112.16

10380 · Surcharge 2 Account 344,790.05

10385 · OpusBank Checking 3,120,625.96

Total 102.2 · Restricted for Debt Service 4,228,223.31

102.4 · Restricted Other Purposes

10600 · LAIF Account 293,949.73

10650 · Operating Reserve Fund 301,501.07

Total 102.4 · Restricted Other Purposes 595,450.80

Total 102 · Restricted Assets 5,335,186.33

Total Checking/Savings 7,751,706.18

Accounts Receivable 200.00

Other Current Assets

12000 · Water Utility Receivable 91,183.88

12200 · Accrued Revenue 150,000.00

12250 · Accrued Interest Receivable 1,443.51

15000 · Inventory Asset 56,276.61

16000 · Prepaid Expense 48,510.46

Total Other Current Assets 347,414.46

Total Current Assets 8,099,320.64

Fixed Assets

17000 · General Plant Assets 727,153.00

17100 · Water System Facilites 20,760,310.67

17300 · Intangible Assets 373,043.42

17500 · Accum Depreciation & Amort -9,282,773.19

18000 · Construction in Progress 1,313,099.20

18100 · Land 576,673.45

Total Fixed Assets 14,467,506.55

Other Assets

19000 · Deferred Outflows 262,764.00

19900 · Suspense Account 0.00

Total Other Assets 262,764.00

TOTAL ASSETS 22,829,591.19

Rio Linda Elverta Community Water District
Balance Sheet
 As of February 29, 2020

LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	15,524.88
Credit Cards	0.00
Other Current Liabilities	576,067.42
Total Current Liabilities	591,592.30
Long Term Liabilities	
23000 · OPEB Liability	211,573.00
23500 · Lease Buy-Back	705,797.27
25000 · Surcharge 1 Loan	4,189,831.90
25050 · Surcharge 2 Loan	3,210,040.16
26000 · Water Rev Refunding	1,952,591.00
27000 · Community Business Bank	294,204.88
29000 · Net Pension Liability	987,630.00
29500 · Deferred Inflows-Pension	5,192.00
29600 · Deferred Inflows-OPEB	26,811.00
Total Long Term Liabilities	11,583,671.21
Total Liabilities	12,175,263.51
Equity	
31500 · Invested in Capital Assets, Net	7,681,067.46
32000 · Restricted for Debt Service	702,232.24
38000 · Unrestricted Equity	1,674,622.00
Net Income	596,406.00
Total Equity	10,654,327.70
TOTAL LIABILITIES & EQUITY	22,829,591.21

Accrual Basis

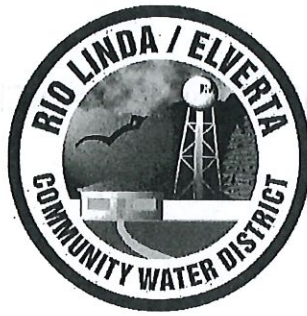
Rio Linda Elverta Community Water District
Operating Profit & Loss Budget Performance
 As of February 29, 2020

	<u>Annual Budget</u>	<u>Feb 20</u>	<u>Jul 19-Feb 20</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
Ordinary Income/Expense					
Income					
Total 40000 · Operating Revenue	2,715,475.00	151,871.47	1,731,937.03	63.78%	983,537.97
41000 · Nonoperating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	400.00	150.99	2,983.88	745.97%	-2,583.88
Surcharg Total 41110 · Investment Revenue	400.00	150.99	2,983.88	745.97%	-2,583.88
41120 · Property Tax	81,856.00	0.00	55,178.14	67.41%	26,677.86
Total 41000 · Nonoperating Revenue	82,256.00	150.99	58,162.02	70.71%	24,093.98
Total Income	<u>2,797,731.00</u>	<u>152,022.46</u>	<u>1,790,099.05</u>	<u>63.98%</u>	<u>1,007,631.95</u>
Gross Income	2,797,731.00	152,022.46	1,790,099.05	63.98%	1,007,631.95
Expense					
60000 · Operating Expenses					
60010 · Professional Fees	142,212.00	5,905.70	54,945.24	38.64%	87,266.76
60100 · Personnel Services					
60110 · Salaries & Wages	716,752.00	68,960.95	475,031.49	66.28%	241,720.51
60150 · Employee Benefits & Expense	472,661.00	30,168.33	271,925.60	57.53%	200,735.40
Total 60100 · Personnel Services	<u>1,189,413.00</u>	<u>99,129.28</u>	<u>746,957.09</u>	<u>62.80%</u>	<u>442,455.91</u>
60200 · Administration	211,230.00	9,372.50	150,947.37	71.46%	60,282.63
64000 · Conservation	300.00	0.00	0.00	0.00%	300.00
65000 · Field Operations	496,200.00	48,448.94	294,550.68	59.36%	201,649.32
Total 60000 · Operating Expenses	2,039,355.00	162,856.42	1,247,400.38	61.17%	791,954.62
69000 · Non-Operating Expenses					
69010 · Debt Service					
69100 · Revenue Bond					
69105 · Principle	139,015.00	0.00	55,015.00	39.58%	84,000.00
69110 · Interest	61,717.00	0.00	31,269.51	50.67%	30,447.49
Total 69100 · Revenue Bond	<u>200,732.00</u>	<u>0.00</u>	<u>86,284.51</u>	<u>42.99%</u>	<u>114,447.49</u>
69125 · AMI Meter Loan					
69130 · Principle	48,281.00	0.00	48,280.64	100.00%	0.36
69135 · Interest	10,233.00	0.00	10,233.28	100.00%	-0.28
Total 69125 · AMI Meter Loan	<u>58,514.00</u>	<u>0.00</u>	<u>58,513.92</u>	<u>100.00%</u>	<u>0.08</u>
Total 69010 · Debt Service	<u>259,246.00</u>	<u>0.00</u>	<u>144,798.43</u>	<u>55.85%</u>	<u>114,447.57</u>
69400 · Other Non-Operating Expense	38,290.00	0.00	0.00	0.00%	38,290.00
Total 69000 · Non-Operating Expenses	<u>297,536.00</u>	<u>0.00</u>	<u>144,798.43</u>	<u>48.67%</u>	<u>152,737.57</u>
Total Expense	<u>2,336,891.00</u>	<u>162,856.42</u>	<u>1,392,198.81</u>	<u>59.58%</u>	<u>944,692.19</u>
Net Ordinary Income	<u>460,840.00</u>	<u>-10,833.96</u>	<u>397,900.24</u>		
Net Income	<u>460,840.00</u>	<u>-10,833.96</u>	<u>397,900.24</u>		

Accrual Basis

Rio Linda Elverta Community Water District
CAPITAL BUDGET VS ACTUAL FISCAL YEAR 2019-20
 As of February 29, 2020

	GENERAL		CHROMIUM MITIGATION & NEW WELLS		VEHICLE REPLACEMENT	
	Annual Budget	YTD Actual	Annual Budget	YTD Actual	Annual Budget	YTD Actual
BEGINNING FUND BALANCE	\$ 1,903,391.00	\$ 1,903,391.00	\$ (29,592.00)	\$ (29,592.00)	\$ 10,000.00	\$ 10,000.00
FUNDING SOURCES						
Fund Transfers						
Operating Fund Transfers In	409,940.00	238,000.00	-	-	-	-
CIP Fund Intrafund Transfers	(5,000.00)	(5,000.00)	-	-	5,000.00	5,000.00
Surcharge 2 Surplus Repayment	-	-	110,201.00	-	-	-
Contributed Funding						
Contributed Facilities (Developers)	-	-	-	-	-	-
Grant Revenue	-	-	400,000.00	-	-	-
Loan Proceeds	-	-	450,000.00	-	-	-
Investment Revenue	4,500.00	4,354.27	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	-
TOTAL FUNDS AVAILABLE FOR CIP PROJECTS	2,312,831.00	2,140,745.27	930,609.00	(29,592.00)	15,000.00	15,000.00
PROJECTS						
A · WATER SUPPLY						
A-1 · Well XX - Cr6 Treatment/Design	-	-	50,000.00	-	-	-
A-2 · Well 16	-	-	800,000.00	86,459.30	-	-
A-3 · Miscellaneous Pump Replacements	40,000.00	2,004.72	-	-	-	-
Total A · WATER SUPPLY	40,000.00	2,004.72	850,000.00	86,459.30	-	-
B · WATER DISTRIBUTION						
B-1 · Service Replacements	30,000.00	-	-	-	-	-
B-2 · Large Meter Replacements	5,000.00	-	-	-	-	-
Total B · WATER DISTRIBUTION	35,000.00	-	-	-	-	-
C · CONTINGENCY						
C-1 · Contingency (10% of Est A,B,& M)	7,500.00	-	85,000.00	-	-	-
TOTAL BUDGETED PROJECT EXPENDITURES	82,500.00	2,004.72	935,000.00	86,459.30	-	-
ENDING FUND BALANCE	\$ 2,230,331.00	\$ 2,138,740.55	\$ (4,391.00)	\$ (116,051.30)	\$ 15,000.00	\$ 15,000.00



Items for Discussion and Action
Agenda Item: 4.1

Date: April 20, 2020

Subject: General Manager's Report

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

N/A this item is not reviewed by committee.

Current Background and Justification:

The General Manager will provide a written report of District activities over the period since the last regular Board meeting. The Board may ask for clarifications and may also provide direction in consideration of the reported activities.

Conclusion:

No Board action is anticipated for this item.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.1

Date

Initial Potential Meeting Date

4/20/2020

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

General Managers Report

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

4/15/2020

Committee Review of Item and Staff Work

N/A

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

Legal Counsel should have enough time to review all potential legal matters for correctness and legality

N/A

GM Review

4/15/2020

Actual Meeting Date Set for Agenda Item

4/20/2020



Date: April 20, 2020

Subject: General Manager Report

Staff Contact: Timothy R. Shaw, General Manager

For the given month, I participated in the following reoccurring meetings and special events: The two new employees have started work at the District. All of the onboarding HR processes are completed. We've also completed the Lateral Transfer Promotion process to fill the Distribution Operator Foreman position. The staffing of the Operations Division is now comprised of: 1 Operations Superintendent, 1 Distribution Operator Foreman, 3-Distribution Operators and 1 Temporary Employee (meter installations). The retention of the meter installation employee enables the District to train new employees while precluding backsliding into a backlog of meter replacements.

COVID-19 best practices have cancelled or postponed most in-person meetings, training and conferences. Virtual meetings have occurred, but meetings with large numbers of attendees generally consume more time and complete less business.

1. On Mar 16th I participated in a virtual meeting to kick off renegotiations of the Water Forum Agreement. The meeting was somewhat confrontational. Confrontations were along similar lines as the growing rift at RWA, wherein the governing members are dominating the outcomes. The meeting failed to establish which agencies would be representing North American River Basin groundwater pumpers.
2. On March 19th I participated in a virtual meeting for the RWA special meeting, A meeting report is included in the Board packets.
3. On Mar 25th (morning), I participated in a CSDA webinar on COVID-19 HR issues.
4. On March 25th (afternoon) I participated in a virtual meeting with area water operations personnel to exchange information and ideas on mitigation measures for COVID-19. One of the tips gained from the meeting was the remote meeting software, which enables virtual meeting, e.g. GoToMeeting, Skype, Zoom and Microsoft Teams. This lead to RLECWD using Zoom. The meeting also included an informative debate on suspending service terminations. Consider that this was one week prior to Executive Order N-42-20.
5. On Mar 30th I had a virtual weekly staff meeting. Normally, I don't detail these weekly meetings in this report, but this was our first virtual meeting. Instead of violating social distancing protocols and crowding into our breakroom, most staff stayed at their desks and participated via Zoom. Subsequently, I ordered 4 new headsets for staff without headsets. I

further instructed staff to not share the headsets. If staff eventually needs to quarantine, they should take the headsets home (still District property) to use for work from home status.

6. On April 2nd I participated in a virtual meeting with Mike Vasquez on scoring the responses to the District RFP for rate study / cost of service analysis.
7. On April 7th District Legal Counsel and I participated in a virtual meeting with Sacramento County Planning, SGA, and some Elverta Specific Plan developer representatives regarding conditions of approval on tentative maps the Developer is trying to influence. Essentially, the Developer has broken off discussions with the District and tried to go around the District for relief from Sacramento County.

The responses to the RFP have been scored. As required, the scoring process is independent of the cost for consultant services. Once the most appropriate respondent, Lechowicz + Tseng was determined, then the cost of services attachment from Lechowicz + Tseng was opened. In my experience, the Lechowicz + Tseng cost was unreasonably high. Appropriately, I contacted Lechowicz + Tseng to explore to potential for reduction in costs. We were able to negotiate a 23% reduction in the costs. The professional services agreement with Lechowicz + Tseng is on the 4-20-2020 agenda for Board consideration.

The meter replacement backlog has been eliminated. The process entailed a GM minor budget revision to provide more funding for meters.



Items for Discussion and Action
Agenda Item: 4.2

Date: April 20, 2020

Subject: District Engineer's Report

Staff Contact: Mike Vasquez, District Engineer

Recommended Committee Action:

N/A this item is not discussed at committees.

Current Background and Justification:

The District Engineer will provide a written report to the Board of Directors on engineering activities since the previous monthly meeting. The Board may ask for clarifications and may also provide direction in response to the report.

Conclusion:

There is no Board action anticipated for this item.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:____ Harris:____ Jason Green____ Gifford____ Reisig____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.2

Date

Initial Potential Meeting Date

4/20/2020

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

District Engineers Report

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

4/15/2020

Committee Review of Item and Staff Work

N/A

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

Legal Counsel should have enough time to review all potential legal matters for correctness and legality

N/A

GM Review

4/15/2020

Actual Meeting Date Set for Agenda Item

4/20/2020

14 April 2020

DISTRICT ENGINEER'S REPORT

To: Tim Shaw, General Manager, Rio Linda / Elverta Community Water District

From: Mike Vasquez, PE, PLS, Principal (EKI), District Engineer (RL/ECWD)

Subject: **District Engineer's Report for the 20 April 2020 Board of Directors Meeting (EKI Project No. B80130.00)**

The District Engineer is pleased to submit this brief update of duties and tasks performed for the period of 13 March 2020 to 14 April 2020:

1. General District Engineering:

- Electric Avenue Residential Development (7 Lots between Cypress Street and Elverta Road) - The developer has not responded to comments provided on 3/11/2020.
- Fox Hollow Residential Development (28 lots 6th Street between Q Street and S Street) - The developer has not responded to comments provided on 3/11/2020.
- Cost of Service and Rate Design Study Request for Proposals – Developed a Proposal Evaluation Score Sheet and assisted the General Manager with reviewing and ranking of six proposal received. This will be discussed on a separate agenda item by the General Manager.
- Capital Improvement Projects List – Revised the projects list. This will be discussed on a separate agenda item.

2. Well 16 Pump Station Construction Project:

- Prepared a contract to engage the District's labor compliance consultant, Kurey & Associates, to coordinate all labor compliance tasks associated with the construction project. Approval of the contract will be requested from the Board of Directors on a separate agenda item.
- Prepared and submitted a quarterly report for the Proposition 84 DWR \$505K grant with updated project status to the Regional Water Authority for the period of 12/1/2019 to 2/29/2020.
- Received 34 contractor submittals. To date, have reviewed and responded to 27.
- Met with the contractor, Operations Superintendent, and Sacramento County inspector to review proposed project improvements within County right-of-way as required in the encroachment permit issued by the County.
- Met with the contractor, Operations Superintendent, General Manager, and design engineer to discuss potential pipeline alignment modifications and pipeline installation methods. The result of this meeting and ongoing conversations is to slightly modify the alignment of the proposed pipeline on 14th Street to minimize impact and asphalt replacement on the 14th Street Roadway.

Tim Shaw, General Manager, RL/ECWD
District Engineer's Report
14 April 2020
Page 2 of 2



- The contractor has mobilized onsite. The “three week look ahead” schedule through 5/9/2020 indicates pipeline installation on U Street and 14th Street. The project remains on schedule to be completed in December 2020.
- Continue to coordinate with the contractor daily to answer questions and be available as a resource to keep the project on schedule.
- The contractor and District staff are complying with COVID-19 orders including social distancing and wearing of masks while onsite for this essential construction project.
- Sacramento County issued Assessor's Parcel Number 202-0170-047 to the project site on 4/7/2020.

Please contact me directly at the office (916) 905-2388, cell phone (530) 682-9597, or email at mvasquez@ekiconsult.com with any questions or require additional information.

Very truly yours,

Mike Vasquez, PE, PLS
Principal (EKI), District Engineer (RL/ECWD)



**Items for Discussion and Action
Agenda Item: 4.3**

Date: April 20, 2020

Subject: Professional Services Agreement with Kurey & Associates for a Labor Compliance Program.

Staff Contact: Mike Vasquez, PE, PLS, Contract District Engineer

Recommended Committee Action:

The item was not discussed by the Executive Committee.

Current Background and Justification:

Kurey and Associates submitted a proposal to continue providing labor compliance services to District for the Well 16 Pumping Station construction project being constructed by Anvil Builders, Inc. Kurey and Associates performed the same role for the District on the L Street Tank Project. The proposed budget for Kurey and Associates' services is \$16,200.00 and will be included as an expenditure of the Well 16 construction project funded by the Opus Bank loan and DWR Proposition 84 grant.

It will be Kurey & Associates' role to ensure that the contractor complies with all California Department of Industrial Relations requirements for the District's public works project. This work will include monitoring labor compliance, apprenticeships, and conduct random audits of workers onsite. It will also include enforcement activities such as investigation of any worker underpayment and nonpayment complaints, and coordinate activities with adjudicating and enforcement agencies. The contract and proposal (referenced as contract Exhibit 1) are attached to your agenda packets.

Conclusion:

I recommend the Board authorize staff to execute a contract and necessary documents with Kurey & Associates to provide Labor Compliance services for the District.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:___ Harris:___ Jason Green ___ Gifford ___ Reisig___.
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.3

Date

Initial Potential Meeting Date

4/20/2020

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Professional Services Agreement with Kurey & Associates for a Labor Compliance Program

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

N/A

Committee Review of Item and Staff Work

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

N/A

Formal Legal Counsel Review

Legal Counsel should have enough time to review all potential legal matters for correctness and legality

N/A

GM Review

4/15/2020

Actual Meeting Date Set for Agenda Item

4/20/2020

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**PROJECT: WELL 16 PUMP STATION LABOR COMPLIANCE FIELD INVESTIGATIONS AND ADMINISTRATIVE SERVICES****PROJECT NO. 2020-01****PROFESSIONAL SERVICES AGREEMENT**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 20th day of April 2020, by and between the Rio Linda Elverta Community Water District, a county water district of the State of California ("District") and Kurey & Associates, ("Contractor") (each individually a "Party" and collectively the "Parties"). There are no other parties to this Agreement.

RECITALS

A. Contractor represents to District that it is a duly qualified and licensed firm experienced in providing Labor Compliance Field Investigations and Administrative services.

B. In the judgment of the Board of Directors of District, it is necessary and desirable to employ the services of Contractor to perform Labor Compliance Field Investigations and Administrative services.

C. Contractor has been selected as sufficiently qualified to provide Labor Compliance Field Investigations and Administrative services to the District

D. Specific consulting services are described in Exhibit 1,. All compensation shall be based the terms provided in this Agreement.

NOW, THEREFORE, in consideration of the promises and covenants set forth below, the Parties agree as follows:

AGREEMENT

Section 1. Recitals. The recitals set forth above ("Recitals") are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 18 of this Agreement, Sections 1 through 18 shall prevail.

Section 2. Term. This Agreement shall commence on the Effective Date and terminate on April 20, 2021 ("Term"), unless the Parties mutually agree in writing to terminate the Agreement earlier or extend the Term pursuant to this Agreement.

Section 3. Effective Date. This Agreement shall only become effective once all of the Parties have executed the Agreement (the "Effective Date"). Contractor, however, shall not commence the performance of the Services until it has been given notice by District ("Notice to Proceed").

Section 4. Work.

(a) *Services.* Subject to the terms and conditions set forth in this Agreement, Contractor shall perform the Services as described in Exhibit 1. services performed by the Contractor which are

beyond the scope of Exhibit 1 shall not receive additional compensation for the performance unless they are approved by the District in writing.

(b) *Modification of Services.* Only the District's General Manager may authorize extra or changed work. Failure of Contractor to secure such a written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and thereafter Contractor shall be entitled to no compensation whatsoever for the performance of such work. Contractor further waives any and all right or remedy by way of restitution or quantum merit for any and all extra work performed without such express and prior written authorization of the General Manager.

Section 5. Time of Performance. Contractor warrants that it will commence performance of the Services within thirty (30) calendar days of the Notice to Proceed and shall conform to normal and customary standards for services provided. The time of performance is a material term of this Agreement relied on by District in entering into this Agreement.

Section 6. Payment. District shall pay Contractor for all Services described in Exhibit 1 and which are to be performed by Contractor.

District shall pay Contractor within thirty (30) days of Project completion, acceptance of the Services by District, and/or receipt of Contractor's invoice for the Services. All payments will be made in accordance with this Agreement.

Section 7. Representations of Contractor. District relies upon the following representations by Contractor in entering into this Agreement:

(a) *Standard of Care.* District has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby warrants that it is qualified to perform the Services as provided in Exhibit 1 and that all of its services will be performed in accordance with the generally accepted contractor practices and standards, in compliance with all applicable federal, state and local laws.

(b) *Independent Contractor.* In performing the services hereinafter specified, Contractor shall act as an independent Contractor and shall have control of the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of District, and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits District provides its employees. In the event District exercises its right to terminate this Agreement, Contractor expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees. Nothing contained herein shall be construed as creating an employment, agency or partnership relationship between District and Contractor.

(c) *Authority.* Contractor represents that it possesses the necessary licenses, permits and approvals required to perform the Services or will obtain such licenses, permits or approvals prior to the time such licenses, permits or approvals are required. Contractor shall also ensure that all sub-contractors are similarly licensed and qualified. Contractor represents and warrants to District that Contractor shall, at Contractor's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and approvals which are legally required for Contractor to practice Contractor's profession at the time the Services are rendered including registration for public works projects with the Department of Industrial Relations.

(d) *No Conflict of Interest.* Contractor represents that no conflict of interest will be created under state or federal law by entering into or in carrying out this Agreement. Contractor

further promises that in the performance of this Agreement, no person having such interest will be knowingly employed. If requested to do so by District, Contractor shall complete and file, and shall cause any person doing work under this Agreement to complete and file, a "Statement of Economic Interest" with the Sacramento County Clerk disclosing their financial interests.

(e) *Prevailing Wage.* Contractor agrees to pay all craftsmen and laborers required as part of the consulting services at least the minimum prevailing wage required by the Department of Industrial Relations of the State of California. Contractor understands and agrees that it is Contractor's responsibility to determine the minimum prevailing wage and to report compliance as required under California law.

Section 8. Conformity with Law and Safety. Contractor shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies having jurisdiction over any or all of the scope of Services, including all provisions of the Occupational Safety and Health Act of 1979 as amended, all California Occupational Safety and Health Regulations, the California Building Code, the American with Disabilities Act, and all other applicable federal, state, municipal and local safety regulations, appropriate trade association safety standards, and appropriate equipment manufacturer instructions. Contractors's failure to comply with any laws, ordinances, codes or regulations applicable to the performance of the Services hereunder shall constitute a breach of contract. In cases where standards conflict, the standard providing the highest degree of protection shall prevail.

If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Agreement, Contractor shall immediately notify the District's risk manager by telephone. If any accident occurs in connection with this Agreement, Contractor shall promptly submit a written report to District, in such form as the District may require. This report shall include the following information: (a) name and address of the injured or deceased persons; (b) name and address of Contractor's sub-Contractor, if any; (c) name and address of Contractor's liability insurance carrier; and (d) a detailed description of the accident, including whether any of District's equipment, tools or materials were involved.

If a release of a hazardous material, substance, or waste occurs in connection with the performance of this Agreement, Contractor shall immediately notify District. Contractor shall not store hazardous materials or hazardous waste within the District limits without a proper permit from District.

Section 9. Excusable Delays. Contractor shall not be in breach of this Agreement in the event that performance of Services is temporarily interrupted or discontinued due to a "Force Majeure" event which is defined as: riots, wars, sabotage, civil disturbances, insurrections, explosion, natural disasters such as floods, earthquakes, landslides, fires, strikes, lockouts and other labor disturbances or other catastrophic events, which are beyond the reasonable control of Contractor. Force Majeure does not include: (a) Contractor's financial inability to perform; (b) Contractor's failure to obtain any necessary permits or licenses from other governmental agencies; or (c) Contractor's failure to obtain the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of the Contractor.

Section 10. Assignment Prohibited. No Party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

Section 11. Ownership and Disclosure of Work Product. District shall be the owner of and shall be entitled to immediate possession of accurate reproducible copies of any design computations,

plans, specifications copies of correspondence, maps, or other pertinent data and information gathered or computed by Contractor (“Work Product”) in the performance of and prior to termination of this Agreement by District or upon completion of the work pursuant to this Agreement. Contractor may retain copies of the above-described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of District, during the term of this Agreement and for a period of one hundred eighty (180) days following expiration of the term of the Agreement.

When this Agreement is terminated, Contractor agrees to return to District all documents, drawings, photographs and other written or graphic material, however produced, that it received from District, its Contractors or agents, in connection with the performance of its Services under this Agreement. All materials shall be returned in the same condition as received.

Section 12. Termination by Default. If a Party should fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violates any of the terms of this Agreement (the “Defaulting Party”), the other Party shall give notice to the Defaulting Party and allow such Party ten (10) days to correct such deficiency. If the Defaulting Party does not correct such deficiency, the other Party may immediately terminate this Agreement by giving written notice of such termination, stating the reason for such termination. In such event, Contractor shall be entitled to receive payment for all services satisfactorily rendered, provided, however, there shall be deducted from such amount the amount of damage, if any, sustained by virtue of any breach of this Agreement by Contractor. If payment under this Agreement is based upon a lump sum in total or by individual task, payment for services satisfactorily rendered shall be an amount which bears the same ratio to the total fees specified in the Agreement as the services satisfactorily rendered hereunder by Contractor bear to the total services otherwise required to be performed for such total fee, provided, however, that there shall be deducted from such amount the amount of damage, if any sustained by District by virtue of any breach of this Agreement by Contractor.

(a) Contractor shall deliver copies of all Work Product prepared by it pursuant to this Agreement.

(b) If District terminates this Agreement before District issues the Notice to Proceed to Contractor or before Contractor commences any Services hereunder, whichever last occurs, District shall not be obligated to make any payment to Contractor. If District terminates this Agreement after District has issued the Notice to Proceed to Contractor and after Contractor has commenced performance under this Agreement, District shall pay Contractor the reasonable value of the Services rendered by Contractor pursuant to this Agreement prior to termination of this Agreement. District shall not in any manner be liable for Contractor’s actual or projected lost profits had Contractor’s completed the Services. Contractor shall furnish to District such financial information, as in the judgment of the District Manager, is necessary to determine the reasonable value of the Services rendered by Contractor prior to termination.

(c) Except as provided in this Agreement, in no event shall District be liable for costs incurred by or on behalf of Contractor after the date of the notice of termination.

Section 13. Liability for Breach. Neither Party waives the right to recover damages against the other for breach of this Agreement including any amount necessary to compensate District for all detriment proximately caused by Contractor’s failure to perform its obligations hereunder or which in the ordinary course of things would be likely to result therefrom. District reserves the right to offset such damages against any payments owed to Contractor. District shall not in any manner be liable for Contractor’s actual or projected lost profits had Contractor completed the Services required by this Agreement. In the event of Termination by either Party, copies of all finished or unfinished

Work Product shall become the property of District. Notwithstanding the above, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

Section 14. Insurance Coverage. During the Term, the Contractor shall maintain in full force and effect policies of insurance set forth herein, which shall be placed with insurers with a current A M Best's rating of no less than A VII, and will provide the District with written proof of said insurance. Contractor shall maintain coverage as follows:

(a) *Professional Liability:* professional liability insurance for damages incurred by reason of any actual or alleged negligent act, error or omission by Contractor or sub-Contractor in the amount of One Million Dollars (\$1,000,000.00) combined single limit each occurrence and annual aggregate. If the Contractor's prime agreement requires the sub-Contractor to carry additional Professional Liability insurance the sub-Contractor shall increase their Professional Liability insurance to meet the prime agreement's requirements for the duration of the Project.

(b) *General Liability.* Contractor shall carry commercial general liability insurance in an amount no less than One Million Dollars (\$1,000,000.00) combined single limit for each occurrence, covering bodily injury and property damage. If commercial general liability insurance or another form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate shall be no less than One Million Dollars (\$1,000,000.00).

(c) *Worker's Compensation Insurance and Employer's Liability.* Contractor shall carry workers' compensation insurance as required by the State of California under the Labor Code.

(d) *Automobile Liability Insurance.* Contractor shall carry Automobile liability insurance covering bodily injury and property damage in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles.

(e) *Policy Obligations.* Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

(f) *Material Breach.* If Contractor, for any reason, fails to maintain insurance coverage that is required pursuant to this Agreement, such failure shall be deemed a material breach of this Agreement. District, at its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, District may purchase such required insurance coverage, and without further notice to Contractor, District may deduct from sums due to Contractor any premium costs advanced by District for such insurance. These remedies shall be in addition to any other remedies available to District.

Section 15. Indemnification. To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782 and 2782.8), Contractor shall defend, indemnify hold harmless and release District, and District's elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents") from and against any and all actions, claims, loss, cost, damage, injury (including, without limitation, disability, injury or death of an employee of Contractor or its sub-Contractors), expense and liability of every kind, nature and description that arise out of, pertain to or relate to acts or omissions of Contractor, or any direct or indirect sub-Contractor, employee, Contractor, representative or agent of Contractor, or anyone that

Contractor controls (collectively “Liabilities”). Such obligations to defend, hold harmless and indemnify District and District’s Agents shall not apply to the extent that such Liabilities are caused in whole by the sole negligence, active negligence, or willful misconduct of District or District’s Agents, but shall apply to all other Liabilities. With respect to third party claims against the Contractor, the Contractor waives any and all rights of any type of express or implied indemnity against District and District’s Agents. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents under Workers’ Compensation acts, disability benefits acts or other employee benefit acts.

Section 16. Notices. Any notice or communication required hereunder between District and Contractor must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to District: Rio Linda Elverta Community Water District
730 L Street
Rio Linda, California 95673
Attention: General Manager
Tel: (916) 991-1000

With courtesy copy to: Churchwell White LLP
1201 K Street, Suite 710
Sacramento, California, 95818
Attention: Barbara A. Brenner, Esq.
Tel: (916) 468-0950

If to Contractor: Kurey & Associates
1264 DuPont Court
Manteca, California, 95336
Attention: Kate Kurey, President
Tel: (209) 946-9601

Section 17. Exhibits. All “Exhibits” referred to below or attached to herein are by this reference incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
Exhibit 1:	Description of Services and Charges.

Section 18. General Provisions.

(a) *Modification.* No alteration, amendment, modification, or termination of this Agreement shall be valid unless made in writing and executed by all of the Parties to this Agreement.

(b) *Waiver.* No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

(c) *Severability.* If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment. If any provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Agreement, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement.

(d) *Counterparts.* This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

(e) *Audit.* District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Contractor's charges to District under this Agreement.

(f) *Entire Agreement.* This Agreement, together with its specific references, attachments and exhibits, constitutes the entire agreement of the Parties with respect to the subject matters hereof, and supersedes any and all prior negotiations, understanding and agreements with respect hereto, whether oral or written.

(g) *Attorney's Fees and Costs.* If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

(h) *Time is of the Essence.* Time is of the essence in this Agreement for each covenant and term of a condition herein.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, this Agreement has been entered into by and between District and Contractor as of the Effective Date.

DISTRICT:

Rio Linda Elverta Community Water District,
a county water district of the State of
California

By: _____
Timothy R. Shaw, General Manager

Date: _____

CONTRACTOR:

Kurey & Associates

By: _____
Kate Kurey, President

Date: _____

EXHIBIT 1: SERVICES and CHARGES

Dated March 5, 2020

March 5, 2020

Rio Linda/ Elverta Community Water District
Attention: Mike Vasquez
730 L. Street
Rio Linda, CA 95673

Subject: Request for Proposals for Labor Compliance Field Investigation and Administrative Services

Dear Mr. Vasquez,

Kurey & Associates (Kurey), a Department of Industrial Relations approved contract administrator, is pleased to submit this proposal to provide Labor Compliance Field Investigation and Administrative Services to the Rio Linda/ Elverta Community Water District (District). Our Team has the experience, the understanding, and the proven methodology necessary to serve your labor standards needs.

The District is seeking the services of a qualified labor compliance provider to assist them with their labor compliance needs for the **Well 16 Pump Station Project**. Specifically, the District has the requirement of monitoring the project to insure all prevailing wage laws and regulations are adhered to. This can be accomplished by having an effective labor compliance investigation, monitoring and enforcement methodology and a proven methodology for administering a labor compliance program.

Our Team is a full-service labor compliance provider. Our services includes include pre-start work such as reviewing bid documents for the appropriate language, conducting pre-bid and pre-construction meetings, responding to inquiries from other parties or adjudicating agencies, periodic site visits (only if mandated by funding), auditing of documents, complete investigations as necessary to determine if violations occurred, record keeping, communication with the affected contractor and awarding body, review of payment requests, and project closeout.

With more than 60 years of labor compliance and construction experience, Kurey has developed an industry-recognized expertise in providing labor standards and compliance services to public infrastructure owners. At the core of our Team's operational philosophy is the resolution of issues before they escalate, making labor standards monitoring and enforcing worry-free for the **Rio Linda/ Elverta Community Water District**. We work closely with the Construction Managers, Project Managers and District representatives as an extension of the team to achieve a common goal: the successful completion of the project with minimal disruptions or delays.

We look forward to discussing our services with you. Should you need any further information, please contact Kate Kurey at (209) 946-9601 or katek@kureyandassociates.com.

Sincerely,

Kate Kurey

PROPOSED SCOPE OF SERVICES

Pre-award Activity

- **Education** – The Team will include labor compliance language in bid advertisements/invitations, as well as confirm that the Instructions to Bidders, the Contract and the General Conditions contain appropriate labor compliance language.
- **Review of Contracting Documents** – The Team will review all contracting documents including Public Works contracts, General Conditions, and bid advertisement language to ensure that the appropriate language to California Labor Code Sections 1771, 1775, 1775.5, and 1815 are included.
- **Job Start Meeting** – The Team will schedule and conduct a labor law presentation at the job start meeting where we will inform contractors of applicable prevailing wage requirements, provide the labor law checklist, provide training of the Department of Industrial Relations (DIR) online submittal process (if applicable), provide the appropriate prevailing wage determination and provide clean copies of all required documents to the contractors. We'll explain how to apply the prevailing wage determinations to overtime, fringe benefits and apprentice/trainee requirements. We will also discuss our role in conducting on-site investigations. Finally, we will collect and store all signed labor law checklists.
- **Provide Technical Assistance to Contractors**–The Team will serve as a resource for contractors and contact each of them to discuss the prevailing wage requirements in an effort to minimize “human error” violations. The Team will be available by phone and email to contractors throughout the project for clarification and education on prevailing wage, certified payrolls and apprenticeship and compliance issues. Training will be provided for the DIR online submittal process for all contractors. If needed, additional face-to-face training sessions can be held.

During Construction Phase

- **Monitor Compliance** – We will perform document intake and review all contractor-supplied Certified Payroll Records and related documents weekly. We'll conduct CPR spot audits and cross-check information with other data sources, including worker field interviews, daily inspector logs, and engineers' diaries. We will check and confirm current and active license status and initial worker's compensation coverage for all contractors through the California Contractors State License Board. We have zero tolerance for prevailing wage violations. This plan is designed to ensure that prevailing wage issues are identified and addressed early. If payrolls are not received, we'll send letters requesting the payrolls.
- **Collect and Review Contractor Submittals** – The Team will ensure that contractors meet filing requirements of Section 1776 of the California Labor Code for all documents including Certified Payroll Records (CPRs), Statements of Compliance, Fringe Benefits, and Employer Contributions for Compliance. For missing documents, we will use a two-step resolution process – first a phone call to the contractor, then a written request with a filing deadline.
- **Monitor Apprenticeships** – The Team will confirm that all apprentices working are actually registered apprentices by the State, and that contractors comply with the apprenticeship provisions of the Labor Code, including Section 1775.5. We will collect and review all DAS 140 and 142 forms.

-
- **Conduct Random Audits** – We will randomly audit CPRs on a monthly basis for completeness and accuracy including the following items: listing of every worker; wages; wages no less than required wages; proper calculation of overtime and straight-time hours; payment of fringe benefits; documentation of nonstandard deductions; apprenticeship employment and training trust contributions; illegal taking of wages; and work hour records. The Team will also conduct random audits and cross-check the CPRs with other documents such as interview sheets, job logs, daily inspection reports, change orders and other data. The Team will corroborate payments shown on CPRs for at least one worker per month per project. This system has proven effective in the early detection of most violations. The Team will verify workers' compensation insurance.

Enforcement Activity

- **Investigate Worker Underpayment and Nonpayment Complaints** – Upon notification or suspicion of an apparent contractor underpayment, the Team will initiate an investigation. This investigation will include interviews with the affected workers, an audit of CPRs, trustee reports and any other relevant documents. We will recommend appropriate action to resolve the matter. If the audit identifies a wage violation, all wage discrepancies will be documented and a Restitution Demand Letter will be sent to the contractor.
- **Coordinate Activities with Adjudicating and Enforcement Agencies** – Resolution of prevailing wage violations will be dealt with swiftly and firmly, in accordance with State requirements. Where necessary, we will assist public institutions in coordinating with the State DIR, Division of Apprenticeship Standards, Division of Labor Standards Enforcement, and Division of Labor Statistics and Research.

Communication Reports to Public Works

- **Other Communication with Public Works** – The Team will maintain a close relationship with our client throughout the project construction regarding labor compliance issues. The District will be provided with all compliance and enforcement action notices, and shall be entitled to copies of all documents received or generated as part of the LCP process. The Team will respond to any Requests for Public Records as notified by the District.

Anticipation of Potential Issues

- **Monitoring procedures and activities each month will be as follows** –
 - a. Review certified payrolls, fringe benefits and related apprenticeship training and contributions on a monthly basis on behalf of the District.
 - b. Report to the District by project and contractor whether labor compliance has been met or whether payment should be withheld
 - c. Meeting with contractors to resolve outstanding prevailing wage or apprenticeship issues, including a recommendation to the District regarding compliance and assessment of penalty
 - d. Be available by phone, email or in person to address questions or issues of concern relating to Labor Compliance requirements.

Firm's Organization/ Credentials/ Professional Experience

Brief Description of Qualifications and Experience:

Our company has contracted with various School Districts, Cities, Counties, Private Entities and Water Districts to administer their labor compliance programs for Federal and State bond-funded projects where labor compliance was mandated. Since our establishment in 2004, we have collectively monitored over \$1.5 Billion worth of construction projects. We have completed the City of Stockton HVAC project (ARRA Funded), Los Banos High School (State Funded), Wysteria Apartment Complex (Federal Funded), Rio Linda/ Elverta Community Water District Well Project (Prop 84 Funded) just to name a few. Currently we have a staff of 4 who perform various tasks. To start in the beginning of the project, our project manager reviews language for construction contracts that explained the labor compliance program requirements, informed contractors of their prevailing wages and labor law obligations at the pre-bid meetings and conducted a pre-job conference for the general contractor and all subcontractors for the purposes of disseminating information regarding prevailing wage laws and regulations. We collected and reviewed certified payroll records and related documents to insure compliance with prevailing wage laws throughout the contract. Comparisons were made between certified payroll records and the Inspector's Daily Report and/or the contractor's daily reports to verify that all subcontractors and their employees were properly being reported. On site interviews were conducted with workers of the contractor and subcontractors to substantiate the information that had been submitted on certified payroll records. We prepared weekly/ monthly reports on the status of each project and made recommendations regarding retention for delinquent and/ or inadequate certified payroll records.

Steps are also taken to verify that contractors and subcontractors were in compliance with apprenticeship laws. Each contractor and subcontractor was required to provide proof that they had sent The Public Works Contract Award Information, Form DAS 140, to the appropriate apprenticeship committee (s) prior to the start of their work. The status of apprentices listed on certified payroll records was verified via the DIR website and apprentice ratios to journeymen were checked at the conclusion of each contract. Contractors and subcontractors were also required to submit evidence that training fund contributions had been paid to either a trust fund or to the California Apprenticeship Council.

Other duties include: issuing a "Notice to Proceed" to the contractor and property owner, receive, review and maintain certified payroll records and related documents to assure compliance with prevailing wage laws, attempt to identify potential labor compliance claim issues before they arise and investigate violations and complaints of underpayment, verify registration of apprentices in the craft or trade being performed, require proof of payment of training fund contributions from contractor(s), conduct job site inspections and interview workers, provided weekly reports to District staff of the status of each project, recommend retention for delinquent and/or inadequate certified payroll records when needed, assist the property owner, contractor, and subcontractor(s) with the completion of required labor compliance documentation, review and sign off on invoices submitted by contractor assuring that all correct documentation has been received, prepare project files with all correspondence, file annual report information to the client on the filing deadline and prevailing wage documents for District archives.

Labor Compliance Project Team

Kate Kurey, President / Project Manager, Kurey & Associates

Specific Responsibilities:

- Review contract language and specifications concerning prevailing wage requirements
- Attend pre-bid meeting
- Provide contractor with prevailing wage decisions.
- Conduct pre-job conference for general contractor and all subcontractors for the purposes of disseminating information regarding prevailing wage laws and Davis Bacon regulations.
- Provide staff training on State and Federal labor and prevailing wage laws.
- Oversee the function of receiving, reviewing and maintaining certified payroll records and related documents to assure compliance with prevailing wage laws throughout the contract.
- Assist in providing monthly reports on the status of each project and recommend retention for delinquent and/ or inadequate certified payroll records.
- Conduct an investigation into any complaint filed by a third party.
- Notify contractor/ subcontractor of any wage or apprenticeship violation with a demand for corrections.
- Follow up with contractor until issue is resolved.
- Prepare investigative report on prevailing wage violations.
- Review all pay requests and notify all parties of status.
- Prepare Request for Forfeiture and represent District in appeal process.
- Provide all ARRA consulting services-if needed.

Ms. Kurey has extensive labor compliance experience. Since 2001, she has served as a labor compliance technician for the Manteca Unified School District, a Public Works Payroll Technician trained under Michael Kurey, Labor Law Consultant with Employers' Advocate, Inc., a Labor Compliance Coordinator for Mascon, Inc., and served as a LCP analyst for clients such as *Brentwood Union School District, Bryon Union School District, Chowchilla Elementary School District, City of Ceres, City of Lathrop, City of Riverbank, City of Stockton, Corolla Engineering Firm, County of San Joaquin, Denair Unified School District, Escalon Unified School District, Farmington Water Company, Gerber Union School District, Keyes Community Water District, Keyes Union School District, Linden Unified School District, Lodi Unified School District, Los Banos Unified School District, Manteca Unified School District, Oakdale Joint Unified School District.*

Ms. Kurey's training includes: California Department of Health/ EPA Region 9 ARRA Training, Foundation for Fair Contracting, Department of Industrial Relations, Department of Labor, The Fresno City College Training Institute (Endorsed by the DLSE), The U.S. Department of Labor Workshop, The Underground Economy, Conference in Palm Springs and Sacramento, Associated Builders Construction Seminar (ABC), Construction Employers' Association Seminar and Personal training conducted by former Senior Deputy Labor Commissioner Michael Kurey.

Melody Matthews, Project Technician, Kurey & Associates

Ms. Melody Matthews was first employed by Kurey & Associates in August, 2009. She developed extensive knowledge of state and federal labor laws, related regulations and procedures for the monitoring and enforcement of prevailing wages. Her responsibilities include the management duties for public and private sector clients that involve renovation and new construction. These duties include but are not limited to:

Specific Responsibilities:

1. Inform contractors of their prevailing wages and labor law obligations at the pre-bid meetings.
2. Conduct pre-job conference for general contractor and all subcontractors for the purposes of disseminating information regarding prevailing wage laws and regulations.
3. Receive, review and maintain certified payroll records and related documents to assure compliance with prevailing wage laws throughout the contract.
4. Provide monthly reports on the status of each project and recommend retention for delinquent and/ or inadequate certified payroll records.
5. Compare payroll wages and benefits (where applicable) with prevailing wage determinations and construction inspection manpower reports.
6. Verify the registration of apprentices in the craft or trade being performed.
7. Require proof of payment of training fund contributions.

Rio Linda/ Elverta Community Water District
Well 16 Pump Station
of General Contractors: 1
of Subcontractors: 8
Construction Value: \$2,691,400.00

Labor Compliance Monitoring Services	Total Consultant Fee
Project Set Up:	\$500.00
Project Technician/ Manager:	\$15,200.00
Close Out Fee:	\$500.00
Total Consultant	\$16,200.00

Approved: _____

Date: _____



**Items for Discussion and Action
Agenda Item: 4.4**

Date: April 20, 2020

Subject: Capital Improvement Plan Projects List

Staff Contact: Mike Vasquez, PE, PLS, Contract District Engineer

Recommended Committee Action:

The Executive Committee initially forwarded this item on March 2, 2020 onto the March 16, 2020 Board of Directors Meeting Agenda to allow discussion by all Board Members and seek feedback on the next steps for adopting the CIP Projects List. The Board of Directors directed staff to bring the CIP Projects List back to the Executive Committee for refinement. The Executive Committee met on April 6, 2020, refined the CIP Projects List, and has forwarded this item to the Board for the April 20, 2020 Board Meeting. The refined CIP Projects List is enclosed in your agenda packets.

Current Background and Justification:

The ultimate goal is for the District Board of Directors to adopt a CIP Projects List that will be used as a tool to establish the District’s Capital Budget to implement capital improvement projects. The final and adopted CIP Projects List will allow the District to proactively designate specific annual amounts in its Capital Budget for specific capital improvement projects that are deemed necessary to be constructed by an established future date. Currently, the District has a cumulative capital improvement project funding balance of \$1.8 million for undefined projects.

Conclusion:

I recommend the Board review, discuss, and provide feedback to staff on the draft CIP Projects List, and provide direction to staff on next steps to finalize the CIP Projects List. If no further refinement or action is deemed necessary by the Board and the CIP Projects List is acceptable, I recommend that the Board adopt the CIP Projects List as presented.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:___ Harris:___ Jason Green ___ Gifford ___ Reisig___.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.4

Date

Initial Potential Meeting Date

4/20/2020

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Capital Improvement Plan Projects List

4/15/2020

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other
Water or special districts, District Engineer, Legal Counsel then laying out business cases,
pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

3/02/20 & 3/16/20

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

N/A

Legal Counsel should have enough time to review all potential legal matters
for correctness and legality

GM Review

4/15/2020

Actual Meeting Date Set for Agenda Item

4/20/2020

Rio Linda / Elverta Community Water District										
Capital Improvement Plan Project List										
4/15/2020										
Priority	Project Name	Funding Source	Budget Amount	Years to Implementation Date (as of 7/1/2020)	Annualized Cost	Project Description (per budget documents)	Last Transaction Date	Amount Paid to Date	Status	Budget FY(s)
1	Annual Pipeline Replacement	District	\$211,200	Annually	\$211,200	This budget item is to develop and complete a pipe replacement project for replacement of approximately 1,100 feet of existing 8-inch diameter pipeline as needed.	N/A	\$ -	This item has not been applied before. It is suggested to perform this annually.	2021-22
2	Well 12A Design	District	\$500,000	15	\$33,333	This budget item is for the plans and specifications to replace Well 12 with a new well that is more efficient and has an expected capacity of 1,500 gpm. The replacement well will be called Well 12A and is anticipated to be located at the Well 12 site. This includes separate designs for (1) tests wells, (2) production well, and (3) above grade improvements (equipping, no treatment), along with preparation of environmental documents and permitting.	5/6/2015	\$ 6,542	On hold pending funding availability. Currently existing Well 12 is pumping 325 gpm into the reservoir.	2021-2036
3	Well 12A Construction	District	\$3,750,000	17	\$220,588	The budget item is for the construction of Well 12A at the Well 12 site detailed as follows: Construction of test wells, production well, and above grade improvements including pump and motor, piping, site work, back up generator, building, electrical, SCADA, demolition of Well 12, and other appurtenances (No treatment). Includes water quality and water capacity testing, construction management, inspection, and labor compliance.	N/A	\$ -	On hold pending funding availability. Currently existing Well 12 is pumping 325 gpm into the reservoir.	2021-2038
4	El Dorado County Water & Power Supply MOU	District	\$275,000			This budget item is a carryover project from previous capital budget. The cost was approved by the Board of Directors as part of a signed Memorandum of Understanding (MOU) between El Dorado Water and Power Authority (EDWAPA) and the District. The purpose of the MOU is for the District and EDWAPA to work together to put EDWAPA's surface water right to use by the District until EDWAPA has a need for them. The project is being administrated by EDWAPA.	9/27/2017	\$ 39,442	Active. Not funded by the District.	2021-2041
5	River Arc Participation	District	\$115,000			The River Arc Project consists of six local water purveyors (Rio Linda / Elverta Community Water District, City of Sacramento, Sacramento County Water Agency, California American Water Company, Placer County Water Agency, and City of Roseville) that are working together to construct a surface water treatment plant that treats Sacramento River water and delivers treated water to the region. The District is participating in this project to bring supplemental surface water into the District to supply the current and future customers with a combination of ground and surface water. This is a long range project that is planned to be built within the next 10 to 20 years.	7/21/2017	\$ 125,011	Suspended, but can opt back in. Not funded by the District.	2021-2041
6	District Office Design and Permitting	District	\$30,000	20	\$1,500	This budget item is to complete plans and specifications for a new District Office that was planned to be built in the 2016/17 capital budget year. The existing office is not large enough for District operations and would require extensive upgrades to meet current code requirements.	12/1/2015	\$ 4,870	Two Rivers Architects: Preliminary Architect for District Office Building. On hold pending funding availability.	2021-2041
Total annualized cost:					\$466,622					



Items for Discussion and Action
Agenda Item: 4.5

Date: April 20, 2020

Subject: Lechowicz + Tseng Professional Services Agreement Rate Study

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

This item was not discussed at the April 6th Executive Committee because this item was previously authorized by the Board when the Board approved the Request for Proposals (RFP).

Current Background and Justification: Strategic Plan Reference 3.2

Pursuant to the RFP for a rate study / cost of service analysis, the District has completed the following:

- Solicited responses.
- Conducted a pre-bid conference and subsequent Q&A process.
- Received 6 responses.
- Scored the response objectively, without consideration of cost, which were submitted separately by each of the 6 respondents.
- Negotiated a reasonable cost scheduled with the highest scoring respondent, Lechowicz + Tseng.

A Professional Services Agreement using the District’s approved format small-scope agreement was prepared and reviewed by Lechowicz + Tseng. The agreement is included with the Board packet documents.

Conclusion:

I recommend the Board authorize the execution of the Professional Services Agreement with Lechowicz + Tseng.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:____ Harris:____ Jason Green ____ Gifford ____ Reisig ____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.5

Date

Initial Potential Meeting Date

4/20/2020

Circle High/Medium/Low priority of Item and Identify if in line with Mission Goal/Strategic Planning issues or state of emergency

Lechowicz + Tseng Professional Services Agreement Rate Study

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

4/2/2020

Committee Review of Item and Staff Work

N/A

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

Legal Counsel should have enough time to review all potential legal matters for correctness and legality

N/A *TS*

GM Review

4/15/2020

Actual Meeting Date Set for Agenda Item

4/20/2020

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

PROPOSAL EVALUATION:
Cost of Service and Rate Design Study

Proposer	Experience / References with similar projects (20)		Firm and Lead Qualifications (40)		Project Understanding, Approach, and Schedule (40)		Point Additions or Deductions	Notes	Point Additions or Deductions	Notes	Totals	Totals	Totals	
	Tim	Mike	Tim	Mike	Tim	Mike	Tim		Mike		Mike	Tim	Mike	Average
	Wildan	15	10	30	32	20	25					-10	No conflict of interest or insurance statements.	65
Bartle Wells	18	15	35	30	27	31			-10	Exceeded page limit	80	66	73	
IB Consulting	20	16	31	31	31	37					82	84	83	
Lechowicz - Tseng	18	17	32	34	33	36					83	87	85	
Raftelis	17	16	30	34	20	31		Exeption to agreement,attorne ys			67	81	74	
RDN Inc	15	15	30	33	35	31		All experience is So. Cal			80	79	79.5	

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**PROJECT: RLECWD Rate Study / Cost of Service Analysis**

PROJECT NO. _____

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this 20th day of April 2020, by and between the Rio Linda Elverta Community Water District, a county water district of the State of California (“District”) and Lechowicz & Tseng, (“Consultant”) (each individually a “Party” and collectively the “Parties”). There are no other parties to this Agreement.

RECITALS

A. Consultant represents to District that it is a duly qualified and licensed firm experienced in providing Water Rates Study and Cost of Service Analysis services.

B. In the judgment of the Board of Directors of District, it is necessary and desirable to employ the services of Consultant to perform Water Rates Study/ Cost of Service Analysis services.

C. Subsequent to a Request for Proposals and selection process, Consultant has been selected as sufficiently qualified to perform Water Rates Study/Cost of Service Analysis services to the District

D. Specific consulting services are described in Exhibit 1, All compensation shall be based the terms provided in this Agreement.

NOW, THEREFORE, in consideration of the promises and covenants set forth below, the Parties agree as follows:

AGREEMENT

Section 1. Recitals. The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 18 of this Agreement, Sections 1 through 18 shall prevail.

Section 2. Term. This Agreement shall commence on the Effective Date and terminate on December 31, 2020 (“Term”), unless the Parties mutually agree in writing to terminate the Agreement earlier or extend the Term pursuant to this Agreement.

Section 3. Effective Date. This Agreement shall only become effective once all of the Parties have executed the Agreement (the “Effective Date”). Consultant, however, shall not commence the performance of the Services until it has been given notice by District (“Notice to Proceed”).

Section 4. Work.

(a) *Services.* Subject to the terms and conditions set forth in this Agreement, Consultant shall perform the Services as described in Exhibit 1. services performed by the Consultant which are

beyond the scope of Exhibit 1 shall not receive additional compensation for the performance unless they are approved by the District in writing.

(b) *Modification of Services.* Only the District's General Manager may authorize extra or changed work. Failure of Consultant to secure such a written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and thereafter Consultant shall be entitled to no compensation whatsoever for the performance of such work. Consultant further waives any and all right or remedy by way of restitution or quantum meruit for any and all extra work performed without such express and prior written authorization of the General Manager.

Section 5. Time of Performance. Consultant warrants that it will commence performance of the Services within thirty (30) calendar days of the Notice to Proceed and shall conform to normal and customary standards for services provided. The time of performance is a material term of this Agreement relied on by District in entering into this Agreement.

Section 6. Payment. District shall pay Consultant for all Services described in Exhibit 1 and which are to be performed by Consultant.

District shall pay Consultant within thirty (30) days of Project completion, acceptance of the Services by District, and/or receipt of Consultant's invoice for the Services. All payments will be made in accordance with this Agreement.

Section 7. Representations of Consultant. District relies upon the following representations by Consultant in entering into this Agreement:

(a) *Standard of Care.* District has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby warrants that it is qualified to perform the Services as provided in Exhibit 1 and that all of its services will be performed in accordance with the generally accepted Consultant practices and standards, in compliance with all applicable federal, state and local laws.

(b) *Independent Consultant.* In performing the services hereinafter specified, Consultant shall act as an independent Consultant and shall have control of the work and the manner in which it is performed. Consultant is not to be considered an agent or employee of District and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits District provides its employees. In the event District exercises its right to terminate this Agreement, Consultant expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees. Nothing contained herein shall be construed as creating an employment, agency or partnership relationship between District and Consultant.

(c) *Authority.* Consultant represents that it possesses the necessary licenses, permits and approvals required to perform the Services or will obtain such licenses, permits or approvals prior to the time such licenses, permits or approvals are required. Consultant shall also ensure that all sub-Consultants are similarly licensed and qualified. Consultant represents and warrants to District that Consultant shall, at Consultant's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and approvals which are legally required for Consultant to practice Consultant's profession at the time the Services are rendered including registration for public works projects with the Department of Industrial Relations.

(d) *No Conflict of Interest.* Consultant represents that no conflict of interest will be created under state or federal law by entering into or in carrying out this Agreement. Consultant further promises that in the performance of this Agreement, no person having such interest will be

knowingly employed. If requested to do so by District, Consultant shall complete and file, and shall cause any person doing work under this Agreement to complete and file, a "Statement of Economic Interest" with the Sacramento County Clerk disclosing their financial interests.

(e) *Prevailing Wage.* Consultant agrees to pay all craftsmen and laborers required as part of the consulting services at least the minimum prevailing wage required by the Department of Industrial Relations of the State of California. Consultant understands and agrees that it is Consultant's responsibility to determine the minimum prevailing wage and to report compliance as required under California law.

Section 8. Conformity with Law and Safety. Consultant shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies having jurisdiction over any or all of the scope of Services, including all provisions of the Occupational Safety and Health Act of 1979 as amended, all California Occupational Safety and Health Regulations, the California Building Code, the American with Disabilities Act, and all other applicable federal, state, municipal and local safety regulations, appropriate trade association safety standards, and appropriate equipment manufacturer instructions. Consultant's failure to comply with any laws, ordinances, codes or regulations applicable to the performance of the Services hereunder shall constitute a breach of contract. In cases where standards conflict, the standard providing the highest degree of protection shall prevail.

If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Agreement, Consultant shall immediately notify the District's risk manager by telephone. If any accident occurs in connection with this Agreement, Consultant shall promptly submit a written report to District, in such form as the District may require. This report shall include the following information: (a) name and address of the injured or deceased persons; (b) name and address of Consultants sub-Consultant, if any; (c) name and address of Consultant's liability insurance carrier; and (d) a detailed description of the accident, including whether any of District's equipment, tools or materials were involved.

If a release of a hazardous material, substance, or waste occurs in connection with the performance of this Agreement, Consultant shall immediately notify District. Consultant shall not store hazardous materials or hazardous waste within the District limits without a proper permit from District.

Section 9. Excusable Delays. Consultant shall not be in breach of this Agreement in the event that performance of Services is temporarily interrupted or discontinued due to a "Force Majeure" event which is defined as: riots, wars, sabotage, civil disturbances, insurrections, explosion, natural disasters such as floods, earthquakes, landslides, fires, strikes, lockouts and other labor disturbances or other catastrophic events, which are beyond the reasonable control of Consultant. Force Majeure does not include: (a) Consultant's financial inability to perform; (b) Consultant's failure to obtain any necessary permits or licenses from other governmental agencies; or (c) Consultant's failure to obtain the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of the Consultant.

Section 10. Assignment Prohibited. No Party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

Section 11. Ownership and Disclosure of Work Product. District shall be the owner of and shall be entitled to immediate possession of accurate reproducible copies of any design computations, plans, specifications copies of correspondence, maps, or other pertinent data and information gathered or computed by Consultant ("Work Product") in the performance of and prior to

termination of this Agreement by District or upon completion of the work pursuant to this Agreement. Consultant may retain copies of the above-described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of District, during the term of this Agreement and for a period of one hundred eighty (180) days following expiration of the term of the Agreement.

When this Agreement is terminated, Consultant agrees to return to District all documents, drawings, photographs and other written or graphic material, however produced, that it received from District, its Consultants or agents, in connection with the performance of its Services under this Agreement. All materials shall be returned in the same condition as received.

Section 12. Termination by Default. If a Party should fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violates any of the terms of this Agreement (the “Defaulting Party”), the other Party shall give notice to the Defaulting Party and allow such Party ten (10) days to correct such deficiency. If the Defaulting Party does not correct such deficiency, the other Party may immediately terminate this Agreement by giving written notice of such termination, stating the reason for such termination. In such event, Consultant shall be entitled to receive payment for all services satisfactorily rendered, provided, however, there shall be deducted from such amount the amount of damage, if any, sustained by virtue of any breach of this Agreement by Consultant. If payment under this Agreement is based upon a lump sum in total or by individual task, payment for services satisfactorily rendered shall be an amount which bears the same ratio to the total fees specified in the Agreement as the services satisfactorily rendered hereunder by Consultant bear to the total services otherwise required to be performed for such total fee, provided, however, that there shall be deducted from such amount the amount of damage, if any sustained by District by virtue of any breach of this Agreement by Consultant.

(a) Consultant shall deliver copies of all Work Product prepared by it pursuant to this Agreement.

(b) If District terminates this Agreement before District issues the Notice to Proceed to Consultant or before Consultant commences any Services hereunder, whichever last occurs, District shall not be obligated to make any payment to Consultant. If District terminates this Agreement after District has issued the Notice to Proceed to Consultant and after Consultant has commenced performance under this Agreement, District shall pay Consultant the reasonable value of the Services rendered by Consultant pursuant to this Agreement prior to termination of this Agreement. District shall not in any manner be liable for Consultant’s actual or projected lost profits had Consultant’s completed the Services. Consultant shall furnish to District such financial information, as in the judgment of the District Manager, is necessary to determine the reasonable value of the Services rendered by Consultant prior to termination.

(c) Except as provided in this Agreement, in no event shall District be liable for costs incurred by or on behalf of Consultant after the date of the notice of termination.

Section 13. Liability for Breach. Neither Party waives the right to recover damages against the other for breach of this Agreement including any amount necessary to compensate District for all detriment proximately caused by Consultant’s failure to perform its obligations hereunder or which in the ordinary course of things would be likely to result therefrom. District reserves the right to offset such damages against any payments owed to Consultant. District shall not in any manner be liable for Consultant’s actual or projected lost profits had Consultant completed the Services required by this Agreement. In the event of Termination by either Party, copies of all finished or unfinished Work Product shall become the property of District. Notwithstanding the above, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or

revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

Section 14. Insurance Coverage. During the Term, the Consultant shall maintain in full force and effect policies of insurance set forth herein, which shall be placed with insurers with a current A M Best's rating of no less than A VII, and will provide the District with written proof of said insurance. Consultant shall maintain coverage as follows:

(a) *Professional Liability.* professional liability insurance for damages incurred by reason of any actual or alleged negligent act, error or omission by Consultant or sub-Consultant in the amount of One Million Dollars (\$1,000,000.00) combined single limit each occurrence and annual aggregate. If the Consultant's prime agreement requires the sub-Consultant to carry additional Professional Liability insurance the sub-Consultant shall increase their Professional Liability insurance to meet the prime agreement's requirements for the duration of the Project.

(b) *General Liability.* Consultant shall carry commercial general liability insurance in an amount no less than One Million Dollars (\$1,000,000.00) combined single limit for each occurrence, covering bodily injury and property damage. If commercial general liability insurance or another form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate shall be no less than One Million Dollars (\$1,000,000.00).

(c) *Worker's Compensation Insurance and Employer's Liability.* Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code.

(d) *Automobile Liability Insurance.* Consultant shall carry Automobile liability insurance covering bodily injury and property damage in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles.

(e) *Policy Obligations.* Consultant's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

(f) *Material Breach.* If Consultant, for any reason, fails to maintain insurance coverage that is required pursuant to this Agreement, such failure shall be deemed a material breach of this Agreement. District, at its sole option, may terminate this Agreement and obtain damages from Consultant resulting from said breach. Alternatively, District may purchase such required insurance coverage, and without further notice to Consultant, District may deduct from sums due to Consultant any premium costs advanced by District for such insurance. These remedies shall be in addition to any other remedies available to District.

Section 15. Indemnification. To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782 and 2782.8), Consultant shall defend, indemnify hold harmless and release District, and District's elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents") from and against any and all actions, claims, loss, cost, damage, injury (including, without limitation, disability, injury or death of an employee of Consultant or its sub-Consultants), expense and liability of every kind, nature and description that arise out of, pertain to or relate to acts or omissions of Consultant, or any direct or indirect sub-Consultant, employee, Consultant, representative or agent of Consultant, or anyone that Consultant controls (collectively "Liabilities"). Such obligations to defend, hold harmless and indemnify District and District's Agents shall not apply to the extent that such Liabilities are caused in whole by the sole negligence, active negligence, or willful misconduct of District or District's Agents, but shall apply to all other Liabilities. With respect to third party claims against the

Consultant, the Consultant waives any and all rights of any type of express or implied indemnity against District and District's Agents. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Consultant or its agents under Workers' Compensation acts, disability benefits acts or other employee benefit acts.

Section 16. Notices. Any notice or communication required hereunder between District and Consultant must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to District: Rio Linda Elverta Community Water District
730 L Street
Rio Linda, California 95673
Attention: General Manager
Tel: (916) 991-1000

With courtesy copy to: Churchwell White LLP
1201 K Street, Suite 710
Sacramento, California, 95818
Attention: Barbara A. Brenner, Esq.
Tel: (916) 468-0950

If to Consultant: Lechowicz + Tseng
PO Box 3065
Oakland, CA 94609
(510) 545-3182
alison@LTmuniconsultants.com

Section 17. Exhibits. All "Exhibits" referred to below or attached to herein are by this reference incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
Exhibit 1:	Description of Services and Charges.

Section 18. General Provisions.

(a) *Modification.* No alteration, amendment, modification, or termination of this Agreement shall be valid unless made in writing and executed by all of the Parties to this Agreement.

(b) *Waiver.* No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

(c) *Severability.* If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment. If any provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Agreement, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement.

(d) *Counterparts.* This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

(e) *Audit.* District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

(f) *Entire Agreement.* This Agreement, together with its specific references, attachments and exhibits, constitutes the entire agreement of the Parties with respect to the subject matters hereof, and supersedes any and all prior negotiations, understanding and agreements with respect hereto, whether oral or written.

(g) *Attorney's Fees and Costs.* If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

(h) *Time is of the Essence.* Time is of the essence in this Agreement for each covenant and term of a condition herein.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, this Agreement has been entered into by and between District and Consultant as of the Effective Date.

DISTRICT:

Rio Linda Elverta Community Water District,
a county water district of the State of
California

By: _____
Timothy R. Shaw, General Manager

Date: _____

CONSULTANT:

By: _____
Title:

Date: _____

EXHIBIT 1: A) SERVICES and B) CHARGES

Dated March 23rd and April 7, 2020 (charges)

DRAFT



March 23, 2020

Rio Linda Elverta Community Water District

**Proposal for a
Cost of Service
and Rate Design Study**

PO Box 3065 | Oakland, CA 94609 | (510) 545-3182 | www.LTmunicconsultants.com



LECHOWICZ + TSENG
MUNICIPAL CONSULTANTS



PO Box 3065
Oakland, CA 94609
(510) 545-3182
LTmuniconsultants.com

33

March 23, 2020

Dear Rio Linda Elverta Community Water District (RLECWD),

Lechowicz & Tseng Municipal Consultants (L&T) is pleased to submit a proposal for the Cost of Service and Rate Design Study. After working in public finance for over 10 years, Alison Lechowicz and Catherine Tseng founded L&T, a women-owned business. Lechowicz & Tseng provides financial planning, rate and fee studies, and management consulting to California public agencies.

L&T specializes in providing services to small public agencies. The vast majority of our clients are agencies serving populations of 25,000 or fewer. Our clients appreciate the administrative support that we provide. We take the lead in data collection and analysis so as not to burden agency staff. L&T emphasizes meeting legal requirements and the financial needs of utilities. We will provide draft recommendation tables and charts that are easy to understand and easy to implement. L&T will be your partner throughout the Proposition 218 process.

We understand the District's main concern for this rate study is compliance with industry best practices, Proposition 218 requirements, and water conservation regulations. The District has a high fixed cost structure and is interested in tiered and/or budget-based rates. The challenge comes when customers are forced to reduce water consumption and RLECWD loses water sales revenues. A key task of the study is to strike the right balance between recovering water supply and peaking costs from volume rates while ensuring revenue stability. L&T's approach is to adhere to American Water Works Association methodologies. We will model long-term reductions in water use while pricing tiers appropriately. This approach served us well in our recent 4-tier rate study for Templeton Community Services District and our 2-tier rate study for the Root Creek Water District.

Our proposal to conduct the rate study is attached. As requested, our cost proposal is provided in a separate envelope. L&T will perform all work for this assignment. No subconsultant or joint venture arrangements are proposed. We have no known personal or organizational conflicts of interest. We hereby confirm that L&T can comply with RLECWD's insurance requirements. If you have any questions, please contact us.

Sincerely,
Lechowicz & Tseng Municipal Consultants

A handwritten signature in cursive script that reads "Alison Lechowicz".

Alison Lechowicz, Principal and Authorized Representative
510-545-3182
alison@LTmuniconsultants.com

TABLE OF CONTENTS

Executive Summary	1
Firm Background & Experience.....	2
What We Do.....	2
Who We Are.....	2
Relevant Experience.....	3
Key Team Members	4
Approach	7
Overview.....	7
Scope.....	7
Deliverables	11
Schedule.....	12
Timeline.....	12
Meetings.....	12
References	13
Root Creek Water District.....	13
Templeton Community Services District.....	14
Town of Discovery Bay	14

Appendix A: Alison Lechowicz and Catherine Tseng Project Lists

Appendix B: Disclosures

EXECUTIVE SUMMARY

Lechowicz & Tseng Municipal Consultants (L&T) is a small Bay Area consulting firm. We specialize in providing utility rate studies to local government agencies. Our principals have over 20 years combined experience conducting water and sewer financial planning and rate projections. Key qualifications of our firm include:

Focused on Small Public Agencies

Nearly all of our rate studies over the past three years have been for agencies serving populations of 25,000 or fewer. We understand the administrative burden of the rate study process and will take the lead in Proposition 218 implementation.

Nature of firm: small, Bay Area firm serving public agencies exclusively located in California

Services: Utility Rate & Fee Studies, Financial Planning, Capacity Fee Studies, Utility Appraisal, Expert Witness, Public Approval Process

Size of firm: three staff members

Location of office: Oakland, CA

Management staff: Alison Lechowicz and Catherine Tseng (resumes included herein)

Registered Municipal Financial Advisor

L&T is registered with the Municipal Securities Rulemaking Board (MSRB) and the Securities Exchange Commission (SEC). Our knowledge of municipal finance will assist in providing a detailed review of the District's current and future potential debt and inform our financial planning tasks.

Experience with Conservation Rate Structures

Subsequent to the San Juan Capistrano court case, volume rates, tiered pricing, and conservation rates are under increased legal scrutiny in California. L&T has extensive experience with a variety of rate structures. The key is to appropriately link the cost of peak pumping, expensive imported water, conservation programs (and other costs as appropriate) to volume rates. As an example, L&T provided a highly successful rate study to the Templeton Community Services District in which we developed four tiers. The price and breakpoint of each tier corresponded to a different source of water.

Employer Identification Number (EIN): 82-0928239
California Small Business Number: 2006322
Municipal Securities Rule Making Board: K1236

FIRM BACKGROUND & EXPERIENCE

WHO WE ARE

Lechowicz & Tseng Municipal Consultants is a women-owned firm founded by Alison Lechowicz and Catherine Tseng. Our objective is to provide financial consulting and management services to local governments. Alison and Catherine have over 20 years combined experience in municipal consulting and public finance. Catherine has a background in urban planning and worked for the City of Oakland before becoming a consultant. Alison has experience working for a civil engineering firm and a background in public administration.

WHAT WE DO

Utility Rate & Fee Studies

Utility rate studies deriving both traditional and innovative rate structures that comply with cost of service principles and Proposition 218 requirements. Address policy goals, customer acceptance, and social influences.

Financial Planning

Comprehensive financial plans focused on immediate needs as well the long-term viability of agencies. Our financial models are flexible and user-friendly to allow for cash flow sensitivity analysis and to illustrate the impacts of policy decisions.

Capacity Charge Studies

Development impact fees and capacity charge studies that offset the cost of expanding infrastructure to serve new development without placing a burden on ratepayers.

Public Approval Process

Lead informational workshops to educate the public about municipal finance. We provide start-to-finish assistance in the rate and fee approval process including presentations to decision makers, publication of reports, and printing and mailing of notices to rate payers (as applicable).

Utility Appraisal

Develop an inventory of utility assets and determine fair market value. We assist public agencies with negotiating the purchase or sale of utility property.

Expert Witness

Testify on behalf of public agencies to defend against lawsuits. We also represent public agencies as street-light customers of California's electric utility providers in rate cases at the CA Public Utilities Commission.

RELEVANT EXPERIENCE

Water Conservation

Public agencies are under increased pressure to conserve water. Under AB 1668 and SB 606, water purveyors could face fines and penalties by 2027 for failure to reduce indoor water consumption. L&T can assist RLECWD in evaluating current usage patterns and developing appropriate water allotments or tiers. We typically use winter water use as a proxy for indoor efficient use. This potentially could serve as a baseline allocation of water linked to lower cost sources of supply.

Conservation Pricing

We understand the District's current rate structure has high cost recovery through fixed charges and lower cost recovery through volume rates. Moreover, the District provides six units of water in the minimum charge. This has the benefit of providing rate stability but doesn't provide a strong conservation price signal. L&T will evaluate alternate rate structures including eliminating or reducing the base allotment of water, adding water tiers, penalties for excessive use, and drought rates for water shortages. For each alternative, we will provide a sensitivity analysis to determine impacts on ratepayer groups.

Proposition 218 Compliance and Outreach

L&T has a breadth of experience with controversial rate, fee, and tax increases. Outreach is particularly important for smaller public agencies. Concerned residents have greater capacity to mobilize opposition to rate increases and meet the Proposition 218 50% protest threshold. We find that when ratepayers understand the need for the fees and the basis of costs they are more accepting of increases. L&T's strategy is to meet with interested stakeholders early in the assignment to hear concerns and clearly explain the need for fees. This process has been extremely beneficial in other studies that we've completed. As example, Alison Lechowicz conducted Public Works workshops for the Cities of Berkeley and Modesto. She also met with developers regarding rate and fee studies conducted for the Town of Discovery Bay and the Templeton Community Services District. Catherine Tseng worked with a 15-member Water Advisory Committee in the City of Davis. The objective is to demonstrate the value of the District's services to ratepayers and the financial constraints associated with new regulations.

KEY TEAM MEMBERS

Alison Lechowicz

PRINCIPAL – MAIN CONTACT PERSON



QUALIFICATIONS

13 years consulting experience
Master of Public Administration
Testified as an expert witness at the
CA Public Utilities Commission
Series 50 – Municipal Advisor
Representative Qualification

Project Manager and Lead Analyst

50% of project responsibility
Financing alternatives and cash
flow projection
Rate recommendations
Public presentations

Catherine Tseng

PRINCIPAL

QUALIFICATIONS

13 years consulting experience
Master of Urban Planning
Bachelor of Architecture

Financial Analyst

33% of project responsibility
Cost allocation
Water conservation
Draft and final reports



***Additional L&T Staff Support Analyst – 17% of project responsibility

Alison Lechowicz



alison@
LTmuniconsultants.com



(510) 545-3182



PO Box 3065
Oakland, CA 94609

EXPERIENCE

- 13 years consulting experience: 3 years Co-founder and Principal at L&T Municipal Consultants, 7 years as Principal and Financial Analyst at Bartle Wells Associates, 3 years as Financial Analyst at Carollo Engineers
- Testified as an expert witness at the CA Public Utilities Commission in electric rate cases of Pacific Gas & Electric, Southern California Edison, and San Diego Gas & Electric
- Municipal Securities Rulemaking Board, Series 50 – Municipal Advisor Representative

EDUCATION

- **Columbia University**
Master of Public Administration
- **University of California, Berkeley**
Bachelor of Science
Conservation & Resource Studies

REPRESENTATIVE ASSIGNMENTS

City of Kerman: Completed a water and sewer rate study for the City. Updated winter water use estimates for single family residential sewer rates. Phased-out discounts for multifamily sewer customers.

Town of Discovery Bay: Long-serving financial consultant for the Town having conducted multiple water and sewer rate studies and capacity fee studies. Assisted the Town in recovering costs for new wastewater regulatory requirements.

Root Creek Water District (Madera County): Financial plan for the District's groundwater basin and agricultural water service. Water, sewer, and storm drain rates and development fees for municipal service.

Stege Sanitary District (Contra Costa County): Sewer rate and connection fee study. Conducted extensive review of water usage patterns to determine flow rates of customer classes. Proposed a 5-year phase-in for a new multifamily rate.

City of Chowchilla: Currently conducting a water, sewer, storm drain, and solid waste rate study. Rates will support the City's recent bond issuances and overcome prior deficit spending for the solid waste enterprise.

Templeton CSD (San Luis Obispo County): Completed a water and sewer rate study. Conducted an analysis of the District's four water sources, determined the marginal cost of each source, and assigned each source to a water rate tier. Evaluated the transition of the District from regional wastewater treatment to local treatment.

Catherine Tseng



catherine@
LTmuniconsultants.com



(510) 858-9228



PO Box 3065
Oakland, CA 94609

EXPERIENCE

- 3 years Co-founder and Principal at L&T Municipal Consultants
- 10 years prior consulting experience: Vice President at Bartle Wells Associates
- 2 years civil servant: City of Oakland
- Specializes in utility rates, capacity charge, and financing plans for public works projects, and Proposition 218 compliance

EDUCATION

- **Columbia University**
Master of Urban Planning
- **University of California, Berkeley**
Bachelor of Arts
Architecture

REPRESENTATIVE ASSIGNMENTS

City of Davis: Water financial plan and rate study assessing various conservation-oriented water rate structures and developed drought surcharge. Worked closely with citizens' advisory committee to develop recommendations to City Council.

City of Vacaville: Cost of service water rate study to eliminate operating deficit and implemented water conservation surcharge to recover lost revenue.

City of Benicia: Raw water rate study to develop rate method for the Valero Refinery. Prepared water rate study and capacity fee study. Developed drought rates to fund additional water supply.

Town of Yountville: Long-range financial plan for the water and wastewater enterprise to phase-out subsidies from the General Fund. Developed recycled water rates for contract negotiations with customers.

Sausalito-Marin City Sanitary District: Wastewater Facilities Financial Plan to fund capital projects and reconcile past expenses. Developed multiple funding strategies for contract negotiations with a partner agency.

City of Menlo Park: Water rate study to fund wholesale water rate increases and drought surcharge implementation. Water capacity charge study.

APPROACH

OVERVIEW

This section describes our scope of services. We used the District's scope as a starting point and made adjustments for our workflow. For the sake of brevity, we have provided a high-level overview of our proposed tasks. L&T agrees to provide all tasks and deliverables described in RLECWD's Request for Proposals.



Task 1:
Data Gathering



Task 2:
Financial Plan



Task 3:
Cost Allocation



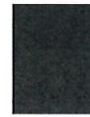
Task 4:
Rate Design



Task 5:
Drought Pricing



Task 6:
Workshops



Task 7:
Reports



Task 8:
Prop 218
Presentations

SCOPE

Task 1 – Project Kickoff and Data Gathering

Kickoff Meeting

L&T will meet with District staff for a project kickoff meeting to review study goals, milestones, identify project team members, and determine roles and responsibilities.

Data Gathering

Assemble the necessary data to complete the study. The goal is to understand the District's financial standing, current rate structure, and utility billing information. L&T will review existing rate studies and financial models. A data needs list will be provided to the District prior to the kickoff meeting.

Task 2 – Financial Plan (Revenue Requirement)

Annual Revenue Requirements

As a first step, review current revenues and revenue sources. With staff input, we will estimate future operating and capital expenditures to estimate annual revenue needs. We will factor in projections of growth, repairs and replacements, cost escalation, conservation, regulatory compliance, and operational changes to ensure that all future expenses are included. L&T will work with the District to determine appropriate inflationary increases.

Recommend Reserves

This subtask involves reviewing the current operating and capital reserves and recommending reserve targets. Our analysis will review the age and condition of the systems, annual depreciation costs, and expenses related to emergencies.

Evaluate Debt Service Coverage

L&T will review budgets, audits, and disclosure documents to understand current debt obligations. We will determine current coverage ratios based on net operating revenues compared to annual debt service expenses. We will also evaluate if the utility has capacity to take on additional debt at the current revenues. Our final rate recommendations will include projections for the District to meet its coverage requirements in the years to come.

Cash Flow Projections

Annual revenue requirements and capital funding needs will be used to develop long-term cash flow projections summarizing the financial position of the utility over the next 10 years. The cash flow projections will estimate rate increases needed to meet annual revenue requirements, debt obligations, and reserve fund targets.

Task 3 – Cost Allocation

Evaluate Customer Billing Data

We will evaluate historical and current water consumption, system water losses, supply and pumping data, and other billing data to estimate future drought and normal year water demands. A key aspect of this task is to determine the amount of water use and revenue collected from meter charges and volume rates.

Functionalize Costs

Functionalization is the allocation of expenses by major operating activities for the utility, including water supply, peak pumping, treatment, storage, transmission, overhead, and administration and/or other categories determined by the District.

Allocation to Customer Classes

After costs have been categorized by function, costs are then allocated to each customer class based on water demand. The result produces fixed and variable revenue requirements for each customer class which can be recovered via fixed charges and usage rates. The allocation to customer classes will be based on American Water Works Association best practices and will meet the proportionality requirements of Proposition 218.

Task 4 – Rate Design

Assess Current Rate Structure and Customer Classifications

Review the District's current rate structures and customer classifications to assess the advantages and disadvantages of the existing systems and to determine compliance with industry standards, court rulings, and water conservation goals. While compliance with Proposition 218 will guide all our recommendations, additional criteria may include: the impact on customer bills, public understanding, revenue stability, ease of implementation, compatibility with the existing billing system, and staff effort needed for administration.

Survey of Local Rates

We will prepare a survey comparing the District's current and proposed bills to local agencies. The survey will be summarized in tables and charts that can be used for outreach, presentations, and the final report. We will also prepare a bill comparison for different levels of water use and different customer classes. The final list of surveyed agencies will be determined by the District.

Rate Alternatives

Based on the criteria developed with staff and the cost of service analysis, we will identify other rate structures or modifications to the current rate structure. This task includes a legal review of current and proposed rate design alternatives. As needed, we will coordinate with the District's Attorney.

Finalize Recommendations

Our rate recommendations will include multi-year rate increases and possible rate structure modifications based on input from staff. We

will calculate the impacts to ratepayers, and if needed, develop an implementation plan to phase-in adjustments to ease the impact on customers.

Task 5 – Drought Pricing

In addition to the prior task, L&T will develop detailed drought rates. Drought rates will reflect multiple step-downs of water conservation to provide maximum flexibility. Our proposal will incorporate any reductions in costs due to lower pumping costs as well as increases in expenses due to conservation programs, purchasing additional water, and/or additional staff time or water patrols. Alternates could include reduction or collapsing of water tiers or allowances, the cost of each tier increases, the water "budget" for each customer is reduced, etc. At the conclusion of this task, we will provide a summary memorandum and financial model to the District.

Task 6 – Workshops and Sensitivity Analysis

Based on input from staff, the Board of Directors, Committees, and the public, L&T will develop a rate sensitivity analysis. We will determine rate impacts under various scenarios possibly including moderate conservation, severe water cutbacks, low growth, high growth, grant funding of projects, debt funding of projects, multiple tiered rates, single tier rates, etc. L&T will present alternatives in a workshop setting

to vet alternates and make adjustments to our recommendations as needed. Sensitivity analysis can often become an iterative process. L&T is flexible to run additional scenarios as needed.

Task 7 – Reports

Submit a draft summary report for District review and feedback. The report will summarize findings and recommendations and discuss key alternatives when applicable. The final report will reflect input received. Our reports are intended to serve as the administrative record for the District and will be compliant with Propositions 218 and 26. All study materials will be submitted to the District in their native format (Word, Excel, Powerpoint, etc.).

Task 8 – Prop 218 Meetings & Presentations

L&T proposes seven (7) in-person meetings for the rate study. In addition to progress meetings with staff, we will present draft results and provide a “Rates 101” educational overview. Topics will include the rate study methodology, funding challenges, and legal requirements. Later meetings will finalize our preferred alternative with the Board. We will submit the final report and request authorization to initiate the Proposition 218 process. Our final presentation will occur at the Proposition 218 hearing. We will give an overview of the rate proposal and adoption procedures. L&T will take the lead in drafting the Proposition 218 notice.

DELIVERABLES

- Data needs list and kickoff meeting
- Financing alternatives including grants, loans, bonds, assessments, and community facilities districts
- Review of prudent reserves
- Cash flows with anticipated funding sources and cost recovery
- Excel-based financial model and cost allocation
- Rate design alternatives including drought pricing
- Bill impacts and rate survey of local agencies
- Rate sensitivity analysis
- Draft and final reports (printed copies as needed)
- Proposition 218 public notices and/or educational materials

SCHEDULE

TIMELINE

Provided below is Lechowicz & Tseng’s draft schedule for the rate study. Our schedule provides for rate implementation by January 1, 2021. We can accelerate the schedule as needed. L&T remains flexible to conduct meetings via telephone and/or webcast due to public health concerns.

PROJECT TASK	MAY	JUN	JUL	AUG	SEP	OCT	NOV
1. Data Gathering & Kickoff	█						
2. Financial Plan	█	█	█	█	█		
3. Cost Allocation		█	█	█	█		
4. Rate Design		█	█	█	█		
5. Drought Pricing		█	█	█	█		
6. Workshops		█	█	█	█		
7. Draft and Final Reports					D	F	
8. Meetings & Presentations	1	2	3	4	5	6	7 PROP 218

D – draft report submitted; F – final report submitted

MEETINGS

- Meeting #1** Kickoff meeting with staff
- Meeting #2** Progress workshop with staff; review preliminary recommendations
- Meeting #3** Public “Rates 101” educational workshop with the Board
- Meeting #4** Sensitivity analysis workshop
- Meeting #5** Present draft recommendations to the Board
- Meeting #6** Present final report to the Board; initiate Proposition 218 process
- Meeting #7** Proposition 218 rate adoption hearing
(minimum of 45 days after mailing public notices)

REFERENCES

Provided below are three project references. Additional references are available upon request. L&T has provided utility rate studies to a wide range of public agencies throughout California. For all references listed here Alison Lechowicz served as Project Manager and Lead Financial Analyst.

ROOT CREEK WATER DISTRICT

2-Tier Water Rate Study

The Root Creek Water District (RCWD) is located in Madera County and was formed to manage groundwater supplies within its basin and provide new utility services for a development area. Madera County required RCWD to secure imported water supply, achieve sustainable yield, and comply with the Sustainable Groundwater Management Act (SGMA) before permitting new development. Ms. Lechowicz served as project manager and lead financial analyst providing rate studies, financial planning, development impact fee studies, and public approval assistance to the District. L&T is also currently engaged in providing a connection fee update for RCWD.



Ms. Lechowicz developed a 2-tier water rate structure for new homes in RCWD's domestic service area. The first tier is tied to base, indoor water demand and supplied with sustainable groundwater. The higher cost tier is associated with outdoor water use and is supplied with imported surface water. Because the residential service area is new, there was no historical water usage data available. Ms.

Lechowicz worked closely with the District's engineer and developers to estimate typical demand. We conducted a survey of typical use throughout Madera and Fresno counties and made adjustments for efficient plumbing fixtures and landscaping.

Nick Bruno
Board President
nick@vdcllc.com
(559) 237-700

TEMPLETON COMMUNITY SERVICES DISTRICT

4-Tier Water Rate Study



The Templeton Community Services District (TCSD) is located in San Luis Obispo County on Highway 101 immediately south of the City of Paso Robles. Lechowicz & Tseng Municipal Consultants completed water and wastewater rate studies for TCSD and Alison Lechowicz served as project manager. New utility rates were unanimously adopted by the Board of Directors on September 18, 2018.

A main task of the study was to analyze TCSD's tiered water rates to comply with Proposition 218 and the San Juan Capistrano court case. Prior to Ms. Lechowicz's work, TCSD did not have an administrative record documenting the cost of service. L&T reviewed the capital and operating expenses of the District's four water sources and developed new tier breakpoints. The revised tiers better reflect long-term supply from each source and how the District operates the water system.

Jeff Brittz
General Manager
jbrittz@templetonscd.org
(805) 434-4900

TOWN OF DISCOVERY BAY



Water and Sewer Rate Studies

Alison Lechowicz has served as the Town of Discovery Bay Community Services District's financial consultant since 2012. The Town of Discovery Bay Community Services District is located in the Bay-Delta region and provides water and wastewater services to a population of 14,000. Ms. Lechowicz has conducted two water and sewer rate studies compliant with Proposition 218.

The studies evaluated operating and capital expenditures, financing alternatives including cash, bonds, and State Loans, cash flow, rate design, and bill impacts. Ms. Lechowicz is currently conducting a utility rate study for the Town that incorporates water conservation targets in response to AB 1668 and SB 606.

Dina Breitstein
Assistant General Manager
dbreitstein@todb.ca.gov
(925) 634-1131

APPENDIX A: PROJECT LISTS

Provided below is a sampling of Alison Lechowicz's project experience since 2010. Prior to 2010, Ms. Lechowicz worked for a civil engineering firm conducting financial analysis for master plans.

CLIENT	PROJECT	DATE COMPLETED
City of Alameda	Sewer Financial Plan and Rate Study	May 2015
City of Anderson	Water and Sewer Rate Study	Ongoing
Town of Apple Valley	Water System Acquisition Feasibility Analysis	July 2011
City of Berkeley	Sanitary Sewer Rate Study	June 2015
City of Carmel-by-the-Sea	Bond Refinancing	October 2010
CA City County Street Light Association	Rate economist and expert witness	March 2010 to present (ongoing)
City of Chowchilla	Water, Sewer, Storm Drain, and Solid Waste Rates	Ongoing
City of Chula Vista	Wastewater Capacity Fee Study	May 2014
	Salt Creek Sewer Basin Impact Fee Study	June 2015
	Depreciation Review	July 2018
City of Clovis	Water User Rates and Fee Study	February 2016
City of Colfax	Sewer Rate Affordability Review	June 2010
City of Colusa	Development Impact Fee Study	June 2011
	Water System Valuation	September 2014
Contra Costa Water District	Water Rate Study	February 2015
City of Cotati	Water and Sewer Rate Study	February 2013
Town of Discovery Bay	Water and Sewer Rate and Capacity Fee Studies	Multiple studies since 2012
City of Emeryville	Sewer Rate Study	November 2016
City of Hemet	Water and Sewer Rate Studies and System Valuations	July 2015
	Water Fund Rental Fee Analysis	August 2018
	Sewer Rate and Capacity Fee Study	May 2015
City of Huntington Park	Water and Sewer Rate Study	November 2011
Indian Wells Valley Water District	Bond Refinancing	December 2012
Irish Beach Water District	Capital Improvement Assessment	March 2011
City of Kerman	Water and Sewer Rate Study	October 2018
Kings River E. GSA	Groundwater Fee Study	February 2018
City of Lancaster	Street Light Valuation	June 2014
City of Lindsay	Water Rate Study	June 2015
McMullin Area GSA	Groundwater Fee Study	June 2018

CLIENT	PROJECT	DATE COMPLETED
City of Morgan Hill	Water and Sewer Rate Studies	November 2011
Napa Berryessa Resort Improvement District	Water and Sewer Assessment	July 2012
Newhall County Water District	Water Rate Litigation Support	November 2012
Nipomo CSD	Blacklake Sewer Rate Study	January 2019
Novato Sanitary District	Capacity Fee Study Sewer Rate Study	March 2016 April 2016
City of Palmdale	Sewer Service Charge Analysis	May 2011
City of Rio Dell	Wastewater Rate Study	May 2014
Root Creek Water District	Water, Sewer, and Storm Drain Rate Study and Financial Plan On-call consulting services	April 2016 Ongoing
San Diego County Water Authority	Cost Allocation Review	May 2011
City of San Fernando	Water and Sewer Rate Study	December 2019
San Joaquin County	Utility Appraisal	November 2018
City of Santa Clarita	Sewer Maintenance Feasibility Study	June 2014
Saticoy Sanitary District	Bank Loan Financing	September 2013
Sewerage Agency of Southern Marin	Long Range Plan Update	June 2010
South Tahoe Public Utility District	Sewer Bond Refunding	September 2012
Stege Sanitary District	Multiple sewer rate and connection fee studies	Multiple studies since 2010
Sunnyslope County Water District	Water and Sewer Bond Refinancing	October 2014
Tahoe Truckee Sanitation Agency	Sewer Fee Ordinance Review	May 2010
City of Tehachapi	Water and Sewer Connection Fee Study	February 2020
Templeton CSD	Water and Sewer Rates and Capacity Fee Study Parks and Fire Impact Fees	November 2018
Triunfo Sanitation District	Water Infrastructure Financing Automated Meter Financing	February 2011 May 2014
Tulare Lake Drainage District	Project Financing Project Financing	March 2012 January 2013
City of Waterford	Sewer Rate Study	June 2019
City of Williams	Development Impact Fee Study	July 2011

Provided below is a sampling of Catherine Tseng's project experience since 2006.

CLIENT	PROJECT	DATE COMPLETED
Alameda County Water District	Water Development Fee Study	January 2012
City of Anderson	Water and Sewer Rate Study	Ongoing
Armona Community Services District	Water and Sewer Rate Study	March 2008
City of Benicia	Raw Water Rate Study and Update Water Rate and Connection Fee Study and Update Drought Rate Study	August 2013 and Sept 2015 February 2013 September 2014
Big Bear Area Regional Wastewater Agency	Wastewater Rate Study	
Big Bear City Community Services District	Water, Sewer, and Solid Waste Rate Study	May 2015
City of Chowchilla	Water, Sewer, Storm Drain, and Solid Waste Rate Study	Ongoing
Coastside County Water District	Water Financing Plan Water Rate Study	August 2009 January 2010
Crestline Sanitation District	Wastewater Rate Study	June 2015
City of Davis	Water Rate Study Water Rate Study Update	March 2013 September 2014
Diablo Water District	Water Bond Financing Bond Refinancing	August 2010 April 2013
El Dorado Irrigation District	Development Impact Fee Study Water Rate Study	October 2008 January 2009
Elk Grove Water District	Water Financial Plan and Rate Study	December 2007
Fairbanks North Star Borough	Bond Refinancing	November 2011 and September 2013
City of Glendale	Water Rate Study	May 2015
City of Hillsborough	Water and Sewer Rate Study	December 2006
City of Hanford	Water Financing	December 2007
Humboldt Bay Municipal Water District	Water Financial Plan	April 2011
Indian Wells Valley Water District	Water Rate Study Bond Financing Water Rate Cost of Service and Development Impact Fee Study	January 2007 August 2009 January 2012 and 2015
City of Menlo Park	Water Rate Study Recycled Water Analysis	May 2015 October 2015
Mid-Peninsula Water District	Water Rate Study	June 2015

CLIENT	PROJECT	DATE COMPLETED
Montara Water & Sanitary District	Water and Sewer Rate Studies	Multiple studies since 2006
Montecito Water District	Drought Rate Study	February 2015
Novato Sanitary District	Bond Financing	October 2011
Olivehurst Public Utilities District	Water Rate Study and Updates	2007, 2009 and 2014
City of Patterson	Water and Sewer Rate and Capacity Fee Studies	Multiple studies since 2010
Riverdale Public Utilities District	Water and Sewer Rate Study	June 2008
Root Creek Water District	Financial Policy Manual	July 2017
Running Springs Water District	Water, Sewer, Fire and Ambulance Rate Studies	July 2010
City of San Bruno	Water and Sewer Rate Study	April 2012
City of San Fernando	Water and Sewer Rate Study	December 2019
Sanitary District No. 5 - Tiburon	Financial Review	September 2013
Sausalito-Marín City Sanitary District	Wastewater Facilities Financing Plan	May 2016
Selma Kingsburg Fowler Sanitation District	Capital Improvements Program Study	March 2008
Solano County Water Agency	Reserve Fund Study	May 2007
Sonoma County Water Agency	Sewer Service Charge and Volumetric Sewer Rate Study	August 2012
City of Tulare	Bond Financing	2010, 2012, 2013, and 2015
Union Sanitary District	Sewer Capacity Fee Study	October 2010
City of Vacaville	Water and Drought Rate Study	October 2015
Town of Yountville	Water and Sewer Rate Study Recycled Water Rate Study	February 2011 April 2012



APPENDIX B: DISCLOSURES

CONFLICTS OF INTEREST

The firm of Lechowicz & Tseng Municipal Consultants and its employees have no personal or professional financial or other interests which could be a conflict of interest.

MUNICIPAL SECURITIES RULEMAKING BOARD

Depending on the extent of services provided under the financial planning task, the study may include municipal advisory activities subject to Municipal Securities Rulemaking Board (MSRB) oversight. Our duties as a Municipal Advisor are listed below:

- Lechowicz & Tseng Municipal Consultants will notify the client in writing, if and when, our services transition into municipal advisory services as categorized by the MSRB. Municipal advisory services will cease when the final report is presented to the client.
- Lechowicz & Tseng Municipal Consultants will provide advice and conduct activities with a “duty of care” and a “fiduciary duty” to the client. Our role and responsibilities during this engagement will continue through the completion of the project.
- Lechowicz & Tseng Municipal Consultants is a registered Municipal Advisor with the Securities and Exchange Commission (SEC Registration No. 867-02374) and the Municipal Securities Rulemaking Board (MSRB ID K1236).
- Lechowicz & Tseng Municipal Consultants has never been cited for any legal or disciplinary action regarding municipal advisory activities.
- Lechowicz & Tseng Municipal Consultants has not and will not receive any compensation from any third party seeking to provide services, municipal securities transactions, or municipal financial products related to this assignment. L&T or any of its employees will not engage in any activities that would produce a direct or indirect financial gain for the firm other than compensation for our services identified in this proposal.

The website address for the Municipal Securities Rulemaking Board (MSRB) is www.MSRB.org. The MSRB’s website provides a municipal advisory client brochure that describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority. The municipal advisory client brochure is accessible via a link on www.MSRB.org or can be downloaded from <http://www.msrb.org/~media/Files/Resources/MSRB-MA-Clients-Brochure>.



THANK YOU



PO Box 3065 | Oakland, CA 94609 | (510) 545-3182 | www.LTmuniconsultants.com

Exhibit 1B



PO Box 3065
Oakland, CA 94609
(510) 545-3182

LTmuniconsultants.com

44

April 7, 2020

Timothy R. Shaw
General Manager
Rio Linda Elverta Community Water District
(916) 991-8891

Dear Tim,

At your request, Lechowicz & Tseng Municipal Consultants (L&T) has revised our budget to perform a Cost of Service and Rate Design Study for the Rio Linda Elverta Community Water District (RLECWD). Our revised budget reflects the following:

- Five (5) trips to RLECWD's office for meetings, workshops, and/or presentations. The dates and times of the trips will be determined by RLECWD. To reduce travel costs, L&T recommends combining trips such that each visit potentially consist of two meetings (a progress meeting with staff in the morning and a public workshop in the afternoon, for example). L&T acknowledges that some conferences may be remote due to public health concerns.
- L&T has reviewed RLECWD's initial water consumption and rate analysis and will use this information to streamline workflow. We will use existing rate data to the greatest extent possible.
- We understand RLECWD currently has a high debt load and is not interested in pursuing additional debt. L&T's analysis of debt coverage and future debt issuances will be limited.
- The rate study is intended to be an iterative process whereby our recommendations are revised with input from staff, the Board, and the public. To conserve budget, L&T commits to a maximum of three major revisions of our rate recommendations.

Sincerely,
Lechowicz & Tseng Municipal Consultants



Alison Lechowicz, Principal and Authorized Representative
510-545-3182
alison@LTmuniconsultants.com

REVISED PROJECT BUDGET

The following table outlines Lechowicz & Tseng Municipal Consultants' proposed budget by task for the Rio Linda Elverta Community Water District's Cost of Service and Rate Design Study. Our proposal includes five (5) in-person meetings.

PROJECT TASKS	HOURS			Total	BUDGET
	Lechowicz	Tseng	Staff Analyst		
	Project Mgr \$195/hour	Financial \$195/hour	\$95/hour		
1. Data Gathering & Kickoff	6	1	10	17	\$2,315
2. Financial Plan	16	6	4	26	\$4,670
3. Cost Allocation	4	20	4	28	\$5,060
4. Rate Design	18	16	2	36	\$6,820
5. Drought Pricing	6	2	2	10	\$1,750
6. Workshops	8	0	0	8	\$1,560
7. Draft and Final Reports	18	12	10	40	\$6,800
8. Meetings & Presentations	16	8	4	28	\$5,060
Subtotal	92	65	36	193	\$34,035
	48%	34%	19%	100%	
Estimated Expenses					\$750
TOTAL PROJECT BUDGET					\$34,785

BILLING RATE SCHEDULE 2020

Lechowicz & Tseng's hourly rate is \$195 for principals and \$95 for staff analysts. No subconsultants are needed for this assignment. The professional time rate includes all overhead and indirect costs. Direct expenses incurred on behalf of the client will be billed at cost. Direct expenses include, but are not limited to:

- Travel, meals, lodging
- Automobile mileage
- Printing and report binding
- Courier services and mailing costs
- Outside computer services or software development
- Special legal services



Items for Discussion and Action
Agenda Item: 4.6

Date: April 20, 2020

Subject: Resolution 2020-02, Calling an Election for Three Board Members

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive committee forwarded this item to the April 20th Board agenda with the Committee's recommendation for Board approval.

Current Background and Justification:

The February 2020 notice from the Sacramento County Registrar of Voters requires that the RLECWD adopt the subject Resolution to enable the RLECWD Board Members' election to be consolidated with the County's general election. This evolution recurs every two years the cost of consolidating the District's election is favorable compared to the costs of independently conducting the elections.

Note: a recent revision to the Sacramento County Elections Code/fees results in charges to the District even when no Board Members appear on the ballot (e.g. incumbents running unopposed). It is possible that consolidating the election when there are no Board Members on the ballot is more expensive, however, the sequence of deadlines does not allow for exercising the option.

Conclusion

I recommend the Board adopt Resolution 2020-02. The Registrar requires RLECWD to complete this action by June 3, 2020.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:___ Harris:___ Jason Green ___ Gifford ___ Reisig ___.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.6

Date

Initial Potential Meeting Date

4/20/2020

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Resolution 2020-02, Calling an Election for Three Board Members

4/3/2020

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

4/06/2020

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

Legal Counsel should have enough time to review all potential legal matters for correctness and legality

N/A

GM Review

4/15/2020

Actual Meeting Date Set for Agenda Item

4/20/2020

RESOLUTION 2020-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
CALLING THE 2020 GENERAL DISTRICT ELECTION**

WHEREAS, an election will be held within the Rio Linda / Elverta Community Water District on November 3, 2020 for the purpose of electing three (3) directors, each for four (4) year terms; and

WHEREAS, a statewide general election will be held within the County of Sacramento on the same day; and

WHEREAS, Election Code § 10403 requires each jurisdiction to file with the Board of Supervisors of the county, and a copy with the Registrar of Voters, a resolution requesting consolidation with a statewide election.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of Rio Linda / Elverta Community Water District as follows:

1. District requests the Board of Supervisors of Sacramento County to consolidate the regularly scheduled General District Election with the statewide election to be held on November 3, 2020. The Election notice shall be combined with all other Special Districts for publication purposes and the consolidated election will be held and conducted in the manner prescribed in the Election code section 10418.
2. The candidates for Director at said election are to paid at the Voter Registrar & Elections Office for the publication of the candidate's statement, pursuant to Election Code §13307.
3. The limitation on the number of words that a candidate may be used in his or her candidate's statement shall be 200 words.
4. The District hereby agrees to reimburse the Registrar of Voters for actual costs accrued, such costs to be calculated by the method set forth in the County's current Election Cost Allocation Procedures.

APPROVED AND ADOPTED by the Board of Directors of the Rio Linda / Elverta Community Water District on this 20th day of April 2020. By the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

ATTEST:

Jason Green
President, Board of Directors

Timothy R. Shaw
Secretary of the Board of Directors

Voter Registration and Elections

Courtney Bailey-Kanelos
Registrar of Voters



Divisions
Campaign Services
Outreach
Precincts
Registration
Vote by Mail
Voting Systems & Technology

County of Sacramento

February 20, 2020

Timothy R. Shaw, General Manager
Rio Linda/Elverta Community Water District
730 L Street
Rio Linda, CA 95673

Dear Timothy R. Shaw:

Preparations are currently in progress for the November 3, 2020 Presidential General Election. Several items will need to be acted upon by your district board in conjunction with the required "election resolution". Please provide in writing the information outlined below.

1. **RESOLUTION CALLING THE ELECTION**

The district election will be held on the same date as the November 3, 2020 Presidential General Election. Pursuant to Elections Code §10403, you are required to file a resolution requesting consolidation and setting forth the exact form of any question(s) or office(s) to be voted upon at such election. The resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election. *Please include in the resolution, in case of a tie vote, the method for determining the winner, and who is responsible for determining winner.*

A. **Elective offices**

Date and purpose of the election.

If a vacancy occurs between the date of your resolution and the beginning of the nomination period, please notify our office immediately.

B. **Candidate's Statement — number of words**

The district board must determine whether to limit candidate statements of qualifications to 200 words or authorize an extension to 400 words (We recommend 200 words). (Reference: Elections Code §13307(a))

C. **Candidate's Statement costs**

The district board must determine whether the individual candidate(s) or the district will pay for the publication of the voluntary candidates' statements included in the County Voter Information Guide. Whether the Candidate or the district pays the cost of the candidate's statement, the candidate statement payment is required at the Voter Registration and Elections office at the time the candidate(s) files their nomination documents, and a statement to this effect must be included in the resolution.

We proudly conduct elections with accuracy, integrity and dignity

Resolution Letter
Page 2 of 2

2. **NOTICE OF DISTRICT ELECTION AND PUBLICATION OF ELECTION NOTICE**

Elections Code §12112 requires that we publish a notice of election that contains the date of the election, the offices for which candidates may file, qualifications required by your principal act, and other information. In an effort to reduce costs to the district(s) while still meeting requirements of code, we will publish one election notice, combining information on all districts scheduled for election on November 3, 2020.

3. **REIMBURSEMENT OF COSTS**

The Board of Supervisors has adopted an ordinance establishing a schedule of fees and charges for the administration of elections by Sacramento County Voter Registration and Elections. **Please refer to the current fee schedule to calculate your cost.**

A bill will be submitted to your district after the November 3, 2020 Election certification.

4. **CERTIFICATION OF MAPS AND BOUNDARIES**

If the map and boundary description on file with our office is current, you must provide a letter verifying that there are no changes.

If there are changes to the map and boundary, please provide a current map and boundary description to the Registrar of Voters. **Our recommended deadline is June 3, 2020** for the November 3, 2020 Election.

Any pending annexation will need to be completed prior to this date and be reflected on the map you provide or certify. This certification may be done by letter or by completion of a certification form in this office. Please contact our mapping department at (916) 875-6248 if you have any questions in this regard.

5. **OTHER**

If your district is contemplating placing a measure on the November 3, 2020 Presidential General Election ballot, please coordinate this with our office at the earliest date possible. The recommended deadline for a district measure to be consolidated with the November election is July 27, 2020. If this deadline cannot be met, contact this office immediately. It is important for your district and our office to coordinate the details of what and how items need to be submitted to us.

If any resolutions necessitate special requirements that the Elections Office needs to fulfill, such requirements need to be listed in the resolution.

6. **RETURN TO VOTER REGISTRATION AND ELECTIONS**

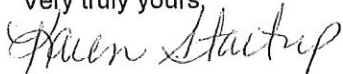
- ▶ Your Resolution
- ▶ Publication of Notice of Election Form
- ▶ Notice of Election
- ▶ Certification of maps and boundaries

Enclosed is a sample resolution which may be of assistance to you in providing the required information. The deadline for submission of the resolution requesting consolidation with the November 3, 2020 Presidential General Election is July 1, 2020.

The nomination period for the November 3, 2020 Election is July 13, 2020 through August 7, 2020. A Candidate's Guide for the election is being prepared and will be made available all candidates at the time they obtain their nomination papers.

If you have any questions regarding the election, or require additional information or clarification of the above, please call my staff at (916) 875-6276.

Very truly yours,



Karen Startup
Campaign Services Manager
Enclosures

Resolution Calling Presidential General Election

RESOLUTION NO. _____

_____ **DISTRICT**

WHEREAS, an election will be held within the _____
_____ District that will affect the following county or counties
_____ on
November 3, 2020, for the purpose of electing _____;
and

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

WHEREAS, Election Code §10403 requires jurisdictions to file with the Board of Supervisors, and a copy with the Registrar of Voters, a resolution requesting consolidation with a statewide election.

THEREFORE, BE IT RESOLVED, that the _____
_____ District requests the Board of Supervisors of Sacramento County to consolidate the regularly scheduled Presidential General Election with the statewide election to be held on November 3, 2020; and

BE IT FURTHER RESOLVED, that the **(check one)**

- Candidate pays at the Voter Registration and Elections office
- Candidate will be billed by the district
- District pays for the candidate statement

for the publication of the candidate's statement, pursuant to Elections Code §13307. The limitation on the number of words that a candidate may use in his or her candidate's statement is (200 or 400) _____ words; and

BE IT FURTHER RESOLVED that the District agrees to reimburse the Registrar of Voters for actual costs accrued, such costs to be calculated by the method set forth in the County's current Election Cost Allocation Procedures.

PASSED AND ADOPTED by the following vote on _____, 202__.

YES Votes	NO Votes	ABSENT	ABSTAIN
_____	_____	_____	_____
(Number)	(Number)	(Number)	(Number)

ATTEST:

General Manager

Board Secretary

PUBLICATION OF NOTICE OF ELECTION

Elections Code §12112 requires the publication of a "Notice of Election." The notice shall contain the date of the Presidential General Election, name the offices for which candidates may file, and state the qualifications required by the principal act for each office, as well as other pertinent information.

_____ (Name of District)

The Registrar of Voters will publish a combined election notice for all districts scheduled for election on November 3, 2020.

Dated:

District Secretary

NOTICE OF DISTRICT ELECTION

_____DISTRICT

Notice is hereby given that a Presidential General Election will be held November 3, 2020 in this district. The offices for which candidates may declare their candidacy are (list title of office and number of positions):

Qualifications: Each candidate must meet the following qualifications for office as specified in the principal act or code under which this district is organized:

Code Reference:

Official declarations of candidacy for eligible candidates desiring to file for any of the elective offices may be obtained from the office of the Registrar of Voters at 7000 65th Street, Suite A, Sacramento, CA 95823-2315, on and after July 13, 2020, and must be filed not later than 5:00 p.m. on August 7, 2020. However, if a declaration of candidacy for an incumbent is not filed by August 7, 2020, any person other than the incumbent shall have until 5:00 p.m. on August 12, 2020, to file a declaration of candidacy for such office.

Appointment to each elective office will be made by the supervising authority as prescribed by Elections Code §10515 in the event there are no candidates or an insufficient number of candidates for such office and a petition for an election is not filed within the time prescribed by Elections Code §10515; that is, by 5:00 p.m. on August 12, 2020.

Dated this _____ day of _____, 202__.

(District Seal)

District Secretary



Items for Discussion and Action

Agenda Item: 4.7

Date: April 20, 2020

Subject: Executive Order N-42-20 Prohibiting Service Terminations

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee recommended to send to the full Board for discussion.

Current Background and Justification:

Governor Newsom issued Executive Order N-42-20 at 2:00 P.M. on April 2, 2020. Staff had already compiled a report and documents for matters related to the subject matter of Executive Order N-42-020. With the unanticipated release of this Order, contradicting the Governor's previously stated position on the subject, staff has scrambled to revise/amend the documents for the April 6th Executive Committee.

The Executive Order suspends service terminations, which is the primary motivation to compel customer payment of the cost of providing service. At the point the District sends out bill, the District has already incurred and paid for the cost of providing service, e.g. payroll, electricity, fuel etc. If the customers do not pay their bills, and the Governor has removed the primary motive, the District may be effectively issuing credit to non-paying customers.

If the COVID-19 crisis extends for months, the cost of providing service without payment by some customers for such service constitutes a running tab of debt. Eventually, the crisis will end and the prohibition for service terminations will be lifted. For some customers, the amount of unpaid balance due to preclude service termination may be insurmountable.

There is an additional wrinkle attributed to landlord-tenant relationships. The landlords cannot evict, the water service cannot be terminated, so whenever the crisis is over, the tenant will owe a cumulative amount of unpaid rent and unpaid utility services bills (water, sewer, electricity etc.).

Conclusion:

The Executive Committee placed this item on the April 20th Board agenda to enable public discussion among all Board Member. There is no simple action the Board could consider to address these matter. These are a complex and enduring problems, which will requiring complex and enduring solutions.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:_____ Harris:_____ Jason Green _____ Gifford _____ Reisig _____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.7

Date

Initial Potential Meeting Date4/20/2020

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Executive Order N-42-20 Prohibiting Service Terminations

4/3/2020**Staff Work Completed**

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other Water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work4/06/2020

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel ReviewN/A

Legal Counsel should have enough time to review all potential legal matters for correctness and legality

GM Review4/15/2020**Actual Meeting Date Set for Agenda Item**4/20/2020

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

EXECUTIVE ORDER N-42-20

52

WHEREAS on March 4, 2020, I proclaimed a state of emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS it is the established policy of the State under Water Code section 106.3 that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes; and

WHEREAS to limit the spread of COVID-19 it is crucial that Californians wash their hands regularly and thoroughly; and

WHEREAS many Californians are experiencing or will experience substantial losses of income as a result of business closures, the loss of work hours or wages, or layoffs related to COVID-19, which may hinder their ability to make payments for water service and subject them to water shutoffs due to non-payment; and

WHEREAS many small businesses that provide services essential to the health and well-being of Californians have experienced substantial reductions in income, which may hinder their ability to make payments for water service and subject them to water shutoffs due to non-payment; and

WHEREAS the California Public Utilities Commission has directed private water utilities under its jurisdiction to implement customer service protections, including a moratorium on service disconnections, during the COVID-19 emergency; and

WHEREAS more than 100 public and private water systems have voluntarily agreed to halt disconnections as well; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with the various statutes and regulations concerning water shutoffs specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and the statutes of the State of California, and in particular, Government Code sections 8567, 8570, 8571, and 8627, do hereby issue the following order to become effective immediately:

IT IS HEREBY ORDERED THAT:

- 1) The authority of urban and community water systems, as defined in Health and Safety Code section 116902, subdivision (d), to discontinue residential service, as defined in Health and Safety Code section 116902, subdivision (c), for non-payment under Health and Safety Code sections 116908 and 116910, is suspended.
- 2) Water systems not subject to the requirements of Health and Safety Code sections 116908 and 116910 shall not discontinue residential

service, as defined in Health and Safety Code section 116902, subdivision (c), for non-payment.

- 3) Water systems shall restore any residential service to occupied residences that has been discontinued for nonpayment since March 4, 2020.
- 4) Water systems shall not discontinue service to any business in the critical infrastructure sectors designated by the State Public Health Officer as critical to protect the health and well-being of all Californians that qualifies as a small business under 13 C.F.R. § 121.201 of the Small Business Administration's regulations.
- 5) The State Water Resources Control Board shall identify best practices, guidelines, or both to be implemented during the COVID-19 emergency (i) to address non-payment or reduced payments, (ii) to promote and to ensure continuity of service by water systems and wastewater systems, and (iii) to provide measures such as the sharing of supplies, equipment and staffing to relieve water systems under financial distress.

Nothing in this Order eliminates the obligation of water customers to pay for water service, prevents a water system from charging a customer for such service, or reduces the amount a customer already may owe to a water system.

Nothing in this Order modifies the obligations of urban and community waters systems to comply with provisions of the Water Shutoff Protection Act not specifically addressed by this Order or other applicable laws, regulations, and guidelines.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 2nd day of April 2020.



GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State

From: Brittney Irvine [REDACTED] >
Sent: Thursday, April 16, 2020 10:20 AM
To: Tim Shaw <GM@rlecwd.com>
Subject: Jason Green and Tim Shaw

Hello Jason, Tim and board of Rio Linda water District.

My water was shut off during the time the government had signed the executive order N-42-20, Stating no one to be shut off. I had called your office and had pleaded with them about not shutting me off during this time and asked for a 4 day extension but they would not. What should have been a \$187.42 bill turned into a \$645.75 bill and this was all in fact paid right away, putting me and 2 families in a bad place.

So I posted on the Nextdoor app. my situation and asked anyone for help/what could I do. It was from this that I got in contact with Denise, Sue Frost, Tina Barkley, and Steve Hartwig. They have been awesome, and have helped me during this time. From my understanding some of you may have even heard of my story.

I have copied and pasted (down below) the situation of what I had been through during that time, the actions and which I took, the dates in which they happened, and response and actions that were taken. I am asking for some reimbursement / credit on to my account for the situation. If you would please take the time to look over my case I would greatly appreciate it.

- Brittney Irvine

Thank you so much for your help on this. I can be reached by email, or phone at [REDACTED], (916) [REDACTED].

Here is all the information on the situation:

[REDACTED] St Rio Linda, CA. 95673

Bill and address is under Jenee and Lee Irvine (mother and father). They have owned this house since the late 90s. I have been paying this bill for years as I live here with my husband and newborn and we took over the accounts without changing names

On March 27th we got a 48hour notice. We would be shut off if not paid in this time for the amount of 187.42.

Rio Linda/Elverta community water District bills are due and billed by monthly. (2month bill on one bill, billed over 2 months).

My husband wouldn't get paid till Friday 04/03/2020 (4 days after shut off day) and no one in the family had money at this time to help. We called Rio Linda/Elverta community water District and asked for an extension to then.

We explained my husband has been affected by covid-19 and that he is working as a plumber in service for residential and commercial, that he comes in contact with lots of people. We explained we had a infant in the home and could not risk our child's safety if my husband cannot shower immediately after coming home. They said no, and that they couldn't help us at all.

On March 30th they came out early morning and shut us off. Again we called and again explained everything, but this time we pleaded even harder, "Please give us a couple days. Please. " We also asked if there was anyone else we could talk too. They told us, "The water is off and we cannot turn it back on till the account is paid in full of \$187.42. There is nothing, nothing we could do. "

When my husband got home at 4:30-5:00pm on Monday 03/30/20 he turned the water back on, so he could shower and clean up before touching anything in the house or the baby.

On Tuesday 03/31/20 the water District came out early morning and completely removed the meter. I actually went outside and talked to the workers as they removed the meter and asked if there was anything I could do. Both me and them were very polite, as they are just doing their job, and I was just doing whatever I needed to do, trying to figure out if I can do anything at all.

(Still Tuesday) I told my husband what had happened and since we could not let him come into the house or touch the baby till he showered, we called family and asked to barrow this money. It put everyone in a bad

situation to get money, but it was worth it for the baby. We then called Rio Linda/Elverta community water District and tried to pay the bill. They told us our bill was now \$626.24 and needed to be paid in full to be turned back on, no exceptions.

Everyone pitched in and took money from things like rent, gas, and grocery money to pay this bill. (Now everyone is REALLY behind over this). My parents and in law paid this bill for us.

I went online to pay and for the first time got charged a convenience fee of \$18.81 for paying online. Now with a total of 645.75.

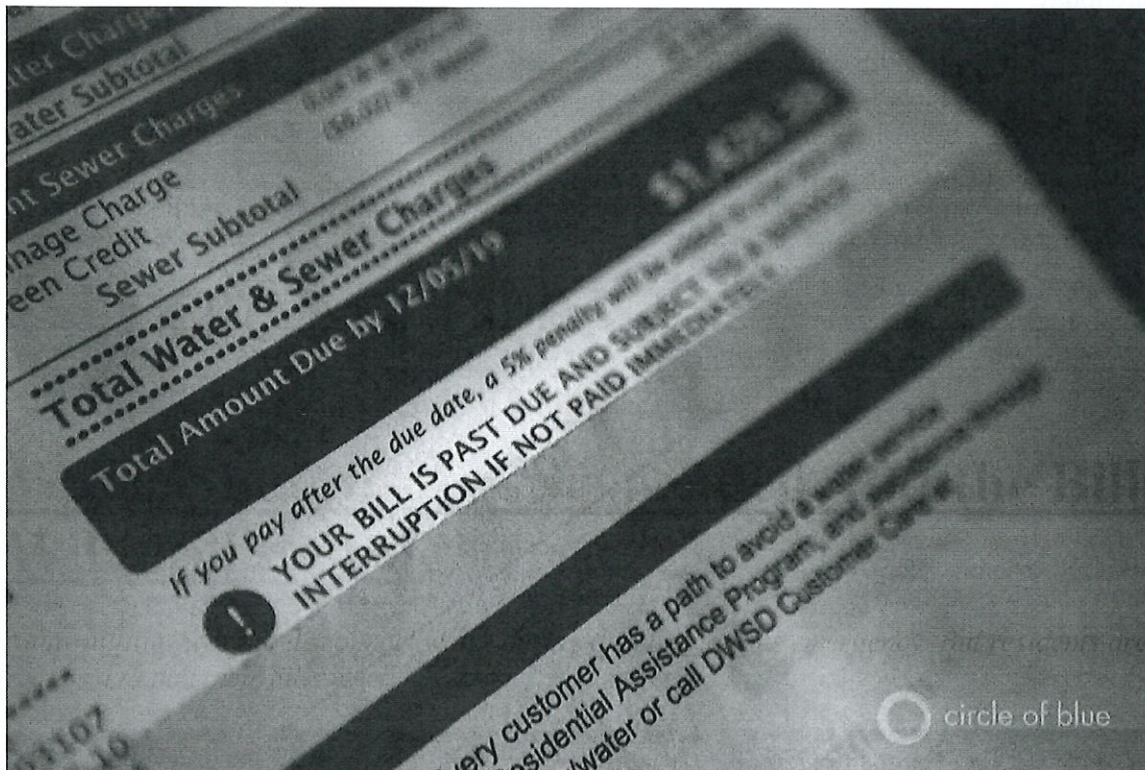
*Rio Linda/Elverta community water District will not expect payment over the phone. They never have. Your options for paying is online or in person. Although since covid-19 they have shut their doors and your ONLY option is to pay online. *.. So why is there a \$18.81 fee for paying online?

We paid all of this anyway and called them to get them out to put the meter back. They came that day about 3-4 hours later and put it back in.



Water Shutoffs Are Suspended, But the Bills Will Still Be Due

Many utilities will not disconnect water during the coronavirus emergency. But residents are still required to pay their bills when it's over.



A resident of Detroit displays a past-due water bill. Photo © J. Carl Ganter/Circle of Blue

By Brett Walton, Circle of Blue

Hundreds of utilities and dozens of state governors and regulatory agencies have responded to the coronavirus emergency by suspending the practice of shutting off water for residents who are late paying their utility bills.

The governors of California, New Hampshire, New Jersey, and Ohio are among those who ordered public utilities to keep water flowing to homes during the pandemic for health reasons. Public service commissions in Illinois, Kentucky, Louisiana, Maine, and Wisconsin that oversee investor-owned utilities have acted to prohibit shutoffs as well.

These orders also direct utilities to eliminate late fees during the emergency period.

But what about after the emergency period? Even though many utilities will not be shutting off water in the coming weeks and months, household water bills will continue to arrive. Residents are expected to pay those bills after the emergency orders are lifted. That could pose problems down the road for both individuals and utilities, argues Greg Pierce, associate director of the UCLA Luskin Center for Innovation.

“It’s going to be a massive challenge to recover the revenue from households that aren’t paying bills,” Pierce, who focuses on drinking water issues, told Circle of Blue. “Low-income residents are not going to have any greater ability to pay six months of bills six months from now than they are today.”

“Utilities,” Pierce added, “will have to expect less than one hundred percent repayment. They’re going to have to eat some of the loss.”

Utility leaders acknowledge that the payback periods will, at minimum, be lengthened. They are also scouring their billing data to develop scenarios for how many customers might not pay on time and how that will affect utility finances.

Extended Terms

Many of the executive orders resemble the language used in the decree issued by California Gov. Gavin Newsom:

“Nothing in this order eliminates the obligation of water customers to pay for water service, prevents a water system from charging a customer for such service, or reduces the amount a customer may already owe to a water system.”

In short: the water will not be turned off, but the bills will keep coming and previous debts still stand.

The order from New Hampshire Gov. Chris Sununu states that once the emergency is over, utilities must give residents at least six months to repay any debts that accrued during that period. Utilities are not allowed to charge late fees, either.

Josh Schimmel is the executive director of Springfield Water and Sewer Commission, which serves about 250,000 people in western Massachusetts. The utility already announced it would halt shutoffs, but Schimmel is still assessing the post-emergency response.

Schimmel said the typical repayment period for customers with overdue bills is about 12 months. That time frame will have to be adjusted, he said.

“I don’t see how we can do that with people out of work,” Schimmel told Circle of Blue.

Springfield is one of the poorest cities in Massachusetts, with a poverty rate nearly three times the state level. Schimmel said that the utility may extend its repayment period for up to three years.

The Illinois Commerce Commission, which regulates that state’s investor-owned utilities, required those companies that provide water service to expand and extend repayment plans for customers during and after the emergency.

Utility Services of Illinois, one of the regulated utilities, said that it will extend the term of repayment plans to 18 months.

Members of Congress, meanwhile, are weighing various proposals to inject short-term assistance to utilities and their customers.

A letter signed by 80 House Democrats and sent on April 7 to House and Senate leaders suggested at least \$12.5 billion in direct aid to utilities to reimburse revenue lost due to unpaid bills, provide customer assistance, forgive debt, and reconnect water service to homes.

House Democrats have also floated the idea of a federal customer assistance program for water bills that would be modeled after a similar program for home heating costs.



Covid-19 Crisis Could Decimate Water Utility Revenue, Worsen Affordability Problems

April 7, 2020/in [Water News](#), [WEF](#) /by [Brett Walton](#)

The economy is on ice and unemployment is off the charts. That combination could dent utility budgets and hurt households.



As businesses and industries shutter, water use patterns in U.S. cities are changing. Photo © J. Carl Ganter/Circle of Blue

By Brett Walton, Circle of Blue

Only a few weeks into the shutdown of large portions of the American economy, the loss of jobs and business is already staggering.

Some 6.6 million people filed unemployment claims last week, according to data released by the Labor Department on Thursday. That number is nearly ten times the previous weekly record, from 1982.

The widespread closure of restaurants, manufacturing facilities, theaters, dentist offices, and universities will reverberate not only in jobs reports. The shutdown will also have immediate and potentially long-lasting consequences for America's water utilities and the people they serve.

Not all of the country's roughly 50,000 public water systems share the same vulnerabilities, analysts say. But all will be affected in some way by changes in water use patterns and prohibitions on turning off water service. They will have customers who are suddenly jobless and cannot pay their bills on time. Late payments could increase. With businesses closing, water sales, which fund the majority of utility budgets, could decline, especially for utilities that rely on a few large industries for the bulk of their revenue.

Declining sales and more late payments are a one-two punch that utility leaders are already steeling themselves to endure.

Many will survive by tapping cash reserves and delaying repair projects. Initially, these moves will buffer financial impacts, according to Fitch Ratings, which tracks the finances of large utilities.

But for some utilities, financial pain will be swifter and more severe. Water rates could soar so that utilities have the cash required for system operations. Fitch also warns that with jobless claims rising and residential demands increasing because more people are staying at home, the affordability of water bills will become a prominent issue.

"If you were already highly concerned about affordability, most likely this series of events is not going to help at all," Jason Mumm, a water rates consultant with FCS Group, told Circle of Blue. "It's going to make things worse unless there is assistance."

Josh Schimmel, executive director of Springfield Water and Sewer Commission, told Circle of Blue that his utility, which serves 250,000 people in western Massachusetts, could see its largest rate increase ever to make up for an expected 5 to 6 percent drop in revenue this fiscal year and next. He is hoping that Congress will throw a lifeline to customers who cannot afford to maintain payments.

"This is the challenge a lot of utilities will have to face," Schimmel said. "We have a lot of infrastructure needs, every utility does. Now is not the time to pull back and do a zero percent increase. The bigger failure would be not having a water and wastewater system that is reliable. We can't afford to have a water crisis on top of any other crisis."

Planning for Uncertainty

Many utilities are already operating under newly imposed constraints. Because water is essential for handwashing and hygiene, hundreds of utilities said they would not turn off water to customers who are late paying their bills during the Covid-19 emergency. The governors of California, New Hampshire, New Jersey, and Ohio were among those who ordered all public water utilities in their states to suspend water shutoffs during the emergency. The Wisconsin Public Services Commission did the same in that state.

The effect of the shutoff prohibitions is a question that will linger in the early months of this crisis. Utility leaders are trying to make sense of their financial vulnerabilities. The National Association of Clean Water Agencies, a trade group for wastewater utilities, said that its members could collectively lose \$12.5 billion in revenue if water use declines 20 percent.

Raleigh Water, which serves North Carolina's capital city and its surrounding area, is one utility attempting to plan for potential disruption.

Robert Massengill, the Raleigh utilities director, said that he is focused on two risk factors: changes in water use and the percent of people who do not pay their bills, which is called the delinquency rate.

Raleigh suspended water disconnections during the emergency and it waived late fees. Water use has not yet changed much, Massengill said. He believes water use in offices and schools is simply being shifted to homes.

Because of its rate structure, Raleigh could see an increase in billed revenue. Residential rates have three tiers, with the cost of water increasing as more water is consumed. With more people at home, residential water bills could rise, especially if use climbs into the more expensive tiers. To blunt a potential shock to household finances, Massengill appealed to the City Council to adjust the threshold for highest-cost tier during the emergency. The Council unanimously approved the measure this afternoon.

Billed revenue becomes actual revenue only after customers pay their bills. That is where uncertainty about the delinquency rate comes in.

Historically, Raleigh's delinquency rate has been quite low, about 0.6 percent of accounts, Massengill explained during a webinar last week. During the winter holidays, when the utility does not shut off water, the rate is about two and a half times higher, he said.

The story is different in Springfield, where the poverty rate of 28 percent is nearly triple the state level.

Schimmel said that the delinquency rate, even before the current financial turmoil, varied between 10 and 20 percent. The coming months could be worse.

"I don't think it's a stretch to say that we could see it go to forty percent," he said.

Springfield is not shutting off water and it waived late fees, which used to provide about 1 percent of utility revenue, Schimmel said. That helps individuals, but it is more lost revenue during the Covid-19 emergency. Water use is down about 10 to 15 percent as well, Schimmel said.

Because so many of his customers struggle to pay their bills, Schimmel is in favor of a federal customer assistance fund for water bills.

“That way the rates we charge reflect the true value of water and those who cannot afford it get a federal subsidy,” he said.

A Water Bailout?

House Democrats proposed a customer assistance fund as part of their coronavirus response bill. The provision, however, was not part of the \$2 trillion aid package that Congress ultimately passed.

Discussions are now underway for the next stimulus bill, which will be on the table when Congress returns on April 20 from its spring break. House Democrats are in favor of household water assistance, as well putting tens of billions of dollars toward water and sewer systems. President Trump has signaled interest in an infrastructure package.

The need for federal action is becoming clearer, Mumm said. He sees parallels between the current economic seizure and the financial crisis that unfolded following the Great Recession. That earlier calamity began more than a decade ago, and resulted in water affordability becoming a top issue for utilities and social justice advocates. Only in the last few years did wages at the lower end of the income distribution begin to rise again.

“The global financial crisis took a long time to dig out from,” Mumm said. “My own worry is that this throws us back to where we were.”



**Items for Discussion and Action
Agenda Item: 4.8**

Date: April 20, 2020

Subject: Request for Full Credit from Overcharged Customer

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

This item was not discussed at Committee because this item elevated to a claim status after the April 6th Executive Committee meeting.

Current Background and Justification:

District Customer "Jeff" endured a recently discovered billing error that had lasted approximately 4 and ½ years. The account information and billing for Jeff was entered as a 1-inch service. In reality, Jeff has a 5/8-inch service.

Pursuant to District policy 4.31.275, Jeff was authorized to receive and was issued a credit for two years of overcharge. Upon learning of the restrictions (specifically the two years limit instead of the 4.5 years of overcharge) of District policy 4.31.275, Jeff emailed to express his lack of acceptance for the policy. I explained to Jeff that the Board Members are the policy makers and no staff member has the authority to supersede or override the policies made by the Board. I further explained that the District policy 4.31.275 is drawn from a complex network of the relevant statutes of limitations.

Jeff responded with a request to appeal to the Board of Directors.

Jeff's redacted request, District policies and relevant statutes are included with your Board packets.

Conclusion:

I recommend the Board review the materials associated with this item, seek affirmation from Legal Counsel on the claims process, statute of limitations and consequences of disregarding statutes, then consider granting or denying Jeff's claim as deemed appropriate by the Board.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla: _____ Harris: _____ Jason Green _____ Gifford _____ Reisig _____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.8

Date

Initial Potential Meeting Date

4/20/2020

Circle High/Medium/Low priority of Item and Identify if in line with Mission/
Goal/Strategic Planning issues or state of emergency

Request for Full Credit from Overcharged Customer

4/15/2020

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other
Water or special districts, District Engineer, Legal Counsel then laying out business cases,
pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

N/A

Review by appropriate Executive or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

Legal Counsel should have enough time to review all potential legal matters
for correctness and legality

N/A

GM Review

4/15/2020

Actual Meeting Date Set for Agenda Item

4/20/2020



Jeff [REDACTED]
To: Tim Shaw

You replied to this message on 3/24/2020 3:04 PM.

To: Tim Shaw

After over paying my water bill for four and a half years it doesn't seem right or fair that I would only get less than half of my money back. As a retired senior on social security I have a fixed income and over paying utility or any other bill decreases the amount I have left over every month for other expenses. I'm asking you to review the District Billing Error form 4.31.275 you signed on 3-12-2020. I believe to be fair I should receive the full 4 & 1/2 years of overcharges on my credit.

Thank You, Jeff [REDACTED]
[REDACTED] Street, Rio Linda
Acc# . 0613[REDACTED]

References relevant to request for full refund of overcharged account.

RLECWD Policy Manual

3.11.100 Claims and Demands. All claims and demands against the District shall be submitted in writing on a form prescribed by the District to the General Manager who shall review them to determine if, under Division 3.6 of Title 1 of the Government Code, they may be paid in the form in which they are

[TITLE 3]

PAGE 21

submitted. If approved by the General Manager any claim or demand which does not conform to the adopted Budget shall be submitted to the Board of Directors for approval or rejection prior to the drawing of a check. If a demand is certified by the General Manager as conforming to the adopted Budget it shall be deemed to have been authorized by the Board and a check may be drawn in payment. A list of such checks shall then be presented to the Board of Directors for ratification at the first meeting after the delivery of the checks.

3.11.110 Claims Accepted from the Tort Claims Act.

1. Claims for money or damages which are excepted by Section 905 of the Government Code from the requirements of Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Division 3.6 of Title 1 of the Government Code, and which are not governed by any other statutes or regulations expressly relating thereto, shall be governed by the procedure prescribed in this section.

2. A claim must be presented and acted upon as required herein as a prerequisite to suit thereon. Any action brought against the District on such a claim shall be subject to the provisions of Section 945.6.

3. The procedure for submission of a claim pursuant hereto shall be the same as that required for a claim not excepted by Section 905 of the Government Code.

4.31.275 District Billing Error. *(approved 5/16/2016 by minute order)* If a billing calculation error is made by the District, the current property owner's bill will be retroactively recalculated for a period not exceeding two years from the date of detection. Any credits or charges owed as a result of the recalculation will be applied to the current property owner's account. Prior property owners within the two year period will not be refunded or billed any additional amounts.

Citation of CA Government Code Regarding Claims

Government Code - GOV

TITLE 1. GENERAL [100 - 7914] (Title 1 enacted by Stats. 1943, Ch. 134.)

DIVISION 3.6. CLAIMS AND ACTIONS AGAINST PUBLIC ENTITIES AND PUBLIC EMPLOYEES [810 - 998.3] (PART 4. ACTIONS AGAINST PUBLIC ENTITIES AND PUBLIC EMPLOYEES [940 - 962]

CHAPTER 2. Actions Against Public Entities [945 - 949] (Chapter 2 added by Stats. 1963, Ch. 1715.)

945.6.

(a) Except as provided in Sections 946.4 and 946.6 and subject to subdivision (b), any suit brought against a public entity on a cause of action for which a claim is required to be presented in accordance with Chapter 1

(commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of this division must be commenced:

(1) If written notice is given in accordance with Section 913, not later than six months after the date such notice is personally delivered or deposited in the mail.

(2) If written notice is not given in accordance with Section 913, within two years from the accrual of the cause of action. If the period within which the public entity is required to act is extended pursuant to subdivision (b) of Section 912.4, the period of such extension is not part of the time limited for the commencement of the action under this paragraph.

(b) When a person is unable to commence a suit on a cause of action described in subdivision (a) within the time prescribed in that subdivision because he has been sentenced to imprisonment in a state prison, the time limit for the commencement of such suit is extended to six months after the date that the civil right to commence such action is restored to such person, except that the time shall not be extended if the public entity establishes that the plaintiff failed to make a reasonable effort to commence the suit, or to obtain a restoration of his civil right to do so, before the expiration of the time prescribed in subdivision (a).

(c) A person sentenced to imprisonment in a state prison may not commence a suit on a cause of action described in subdivision (a) unless he presented a claim in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of this division.

(Amended by Stats. 1971, Ch. 438.)



**Items for Discussion and Action
Agenda Item: 4.9**

Date: April 20, 2020

Subject: Authorize any new Board Member Assignments (committees and other) announced by the Chair pursuant to District Policy 2.01.065

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

N/A

Current Background and Justification:

District policy and various statutes stipulate Board approval of any Board Member assignments.

Conclusion:

I recommend the Board consider approving any specific nominations and assignments as may be deemed necessary and appropriate.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Ridilla:____ Harris:____ Jason Green ____ Gifford____ Reisig____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent



**Information Items
Agenda Item: 5.1**

Date: April 20, 2020

Subject: District Reports

Staff Contact: Timothy R. Shaw, General Manager

1. DISTRICT ACTIVITY REPORT

1. Operations Report
2. Conservation Report
3. GM Minor Budget Revision

RIO LINDA/ELVERTA C.W.D. 2020

REPORT OF DISTRICT OPERATIONS

62

SOURCE WATER DATA

Water Production (Million Gallons)

January	February	March	April	May	June	Year To Date
37.6	40	45.5				
37,607,740	40,007,134	45,529,919				
July	August	Sept.	Oct.	Nov.	Dec.	
						123.10

		Monthly Total		
Gallons = Multiply M.G. by:	1,000,000	45,529,919	Gallons	123,144,793
Cubic Feet = Divide gallons by:	7.48	6,086,888	Cubic Feet	16,463,208
Hundred Cu Ft. = Divide cu. ft. by:	100	60,869	Hundred Cubic Feet	164,632
Acre Ft. = Divide gallons by:	325,829	139.74	Acre Ft.	378

DISTRIBUTION SYSTEM DATA

Water Quality Complaints

Complaints Total (Low Psi Complaints)

January	February	March	April	May	June	Year To Date
0	1 (1)	1 (1)				
July	August	Sept.	Oct.	Nov.	Dec.	
						2

New Services

New Construction	0	0
Existing Homes	0	0
Paid prior to increase. (2 not installed)	0	0
Total of Service Connections to Date ----->		4640

Distribution System Failures/Repairs

Deterioration March 1 thru 31	3	15
Damaged March 1 thru 31	0	0

Bacteriological Sampling

Routine Bacteriological Samples (Distribution System)	20	52
Raw Water Bacteriological Samples (at Wells)	11	11

March 1, 2020 - March 31, 2020

3 - Distribution leaks repaired by District staff, 0 - by Contractor or with Contractor assistance.		
Work Orders Issued - 63	Work Orders Completed - 157	USA's Issued - 46
Repair or Peplace Box - 1	Backflow Test - 1	
Change Out Meter - 39	Change Out Meter - 126	
Conservation - 1	Conservation - 1	
Flow Test - 1	Flow Test - 1	
Get Current Read - 2	Get Current Read - 2	
Possible Leak - 6	Possible Leak - 10	
Pressure Complaint - 1	Pressure Complaint - 2	
Re-Read Meter - 1	Re-Read Meter - 1	
Re-Install Meter - 1	Tag Property - 7	
New Service Quote - 1	Turn Off Service - 4	
Tag Property - 6	Turn On Service - 2	
Turn Off Service - 2		
Turn On Service - 1		

RIO LINDA/ELVERTA C.W.D.

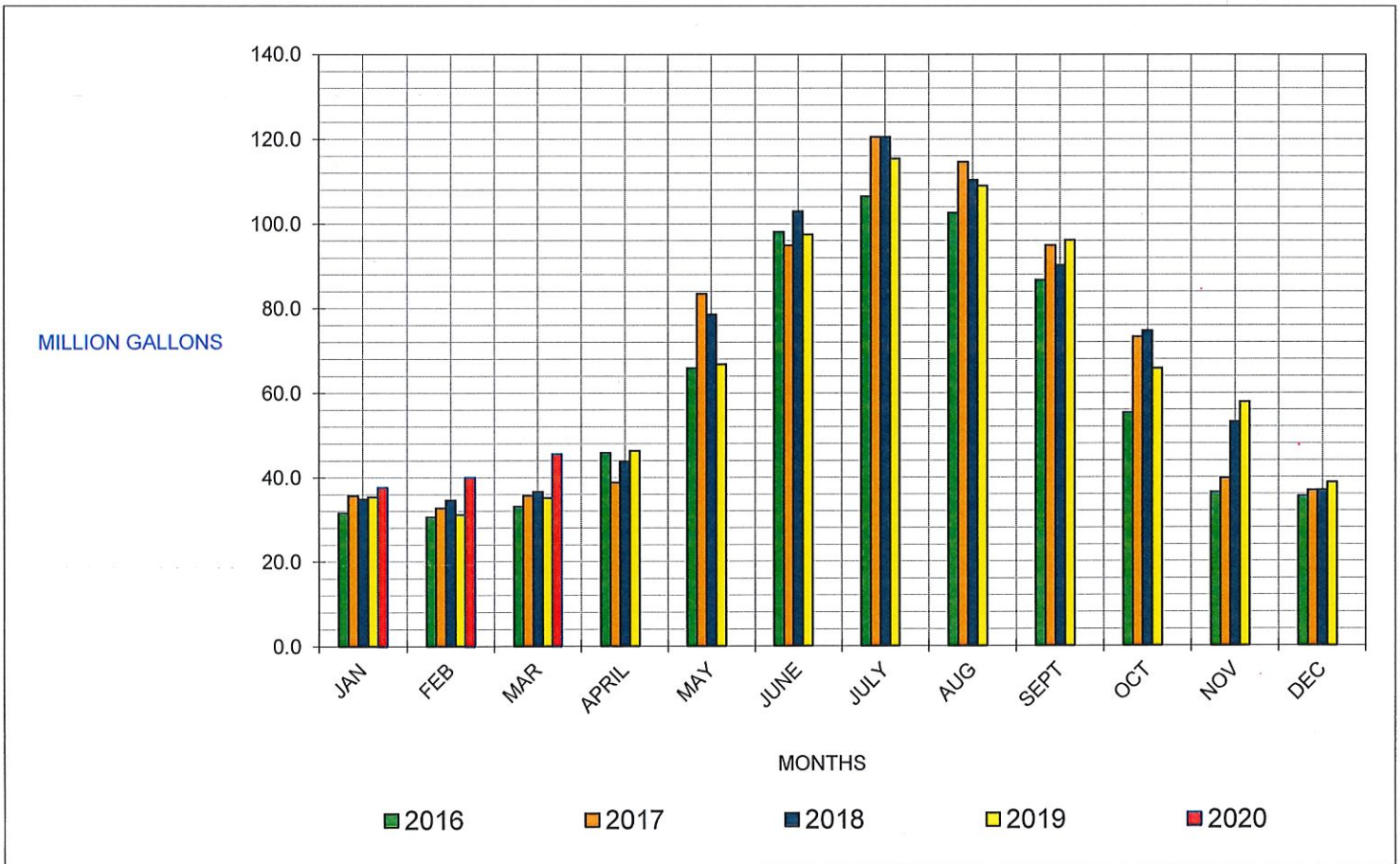
WATER PRODUCTION

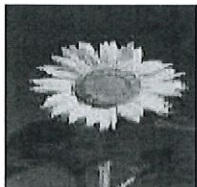
2015 \ 2019

Water Production in Million Gallons

SSWD Water Purchases

Month	2016	2017	2018	2019	2020	Avg.	2016	2017	2018	2019	2020
JAN	31.5	35.6	34.8	35.3	37.6	35.0	0.0	0.0	0.0	0.0	0.0
FEB	30.5	32.7	34.5	31.1	40.0	33.8	0.0	0.0	0.0	0.0	0.0
MAR	33.0	35.6	36.5	35.1	45.5	37.1	0.0	0.0	0.0	0.0	0.0
APRIL	45.8	38.8	43.7	46.3		43.7	0.0	0.0	0.0	0.0	
MAY	65.9	83.4	78.5	66.8		73.7	0.0	0.0	0.0	0.0	
JUNE	98.0	94.9	102.9	97.5		98.3	0.0	0.0	0.0	0.0	
JULY	106.4	120.5	120.5	115.4		115.7	0.0	0.0	0.0	0.0	
AUG	102.6	114.6	110.3	108.9		109.1	0.0	0.0	0.0	0.0	
SEPT	86.7	94.9	90.1	96.1		92.0	0.0	0.0	0.0	0.0	
OCT	55.2	73.2	74.7	65.8		67.2	0.0	0.0	0.0	0.0	
NOV	36.3	39.7	53.1	57.8		46.7	0.0	0.0	0.0	0.0	
DEC	35.4	36.7	36.8	38.7		36.9	0.0	0.0	0.0	0.0	
TOTAL	727.3	800.6	816.4	794.8	123.1	784.8	0.0	0.0	0.0	0.0	0.0





Conservation Report March 2020



Supplies (kits):	Shower heads(0) Kitchen Aerators(0) Bathroom Aerators(0) Shower Timer(10) Nozzle(0) Toilet Tabs(1) Moisture Meters(0) Water Bottles(0) Toilet Tummy(0) Retro-Fit Kits(0) Welcome Kits(0) Kids Kit(2)
Water Waste (calls, emails, letter, leaks detected, and fixed):	1 Water Waste Call(s) contacted 19 customers about possible leaks - 12 were called, 0 was mailed, 7 was emailed 7 were confirmed resolved
Water Schedule:	given to customers with all violation letters and new applications
Surveys	0
Workshops, Webinar, Meetings:	None
Fines:	None
Other Tasks:	<ul style="list-style-type: none"> ● Assisted with payments and new customers ● Processed Payments ● Created/completed work orders ● Disconnect properties with no service application ● Notified and offered customers the ACH payment method ● Closed accounts and final billed customers ● Printed stamps ● Mailed out application requests to new owners ● Scanned and uploaded documents into UMS ● Reached out to customers with higher than normal water usage ● Verbal Demands ● Rereads for 3/20/20 billing cycle ● Created Newsletter for 3/20/20 billing cycle
Grant Updates:	None

OPERATING BUDGET 2019-20

March 16, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 2

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
REVENUE					
40000 OPERATING REVENUE					
40100 Water Service Rates					
40101 Basic Service Charge	772,344.00	1,901,272.00	1,901,272.00	0.00	
40102 Usage Charge	472,615.00	656,303.00	656,303.00	0.00	
40105 Backflow Charge	13,154.00	25,000.00	25,000.00	0.00	
40106 Fire Prevention	6,552.00	13,500.00	13,500.00	0.00	
Total Water Service Rates	1,264,665.00	2,596,075.00	2,596,075.00	0.00	
40200 Water Services					
40201 Application Fees	3,550.00	6,500.00	6,500.00	0.00	
40202 Delinquency	50,354.00	80,000.00	80,000.00	0.00	
40209 Misc. Charges	4,456.00	12,000.00	12,000.00	0.00	
Total Water Services	58,360.00	98,500.00	98,500.00	0.00	
40300 Other Water Service Fees					
40301 New Construction QC	1,236.00	4,000.00	4,000.00	0.00	
40302 Service Connection Fees	8,866.00	10,000.00	10,000.00	0.00	
40304 Other Operating Revenue	1,329.00	6,000.00	6,000.00	0.00	
40305 Grant Revenue-Operating	900.00	0.00	900.00	900.00	Increased for RWA Proposition 84 2015 Implementation Grant
Total Other Water Service Fees	12,331.00	20,000.00	20,900.00	900.00	
TOTAL OPERATING REVENUE	1,335,356.00	2,714,575.00	2,715,475.00	900.00	
41000 NON-OPERATING REVENUES					
41110 Investment Revenue	1,488.00	400.00	400.00	0.00	
41120 Property Taxes & Assessments	2,848.00	81,856.00	81,856.00	0.00	
TOTAL NON-OPERATING REVENUE	4,336.00	82,256.00	82,256.00	0.00	
TOTAL REVENUE	\$1,339,692.00	\$2,796,831.00	\$2,797,731.00	900.00	

OPERATING BUDGET 2019-20

March 16, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 2

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
OPERATING EXPENSE					
60010 PROFESSIONAL FEES					
					Decreased to move \$6K to 60015 and remaining is
60011 General Counsel fees-Legal	\$7,802.00	\$65,000.00	\$30,000.00	(\$35,000.00)	projected expense
60012 Auditor Fees	11,212.00	10,731.00	11,212.00	481.00	Increased to adjust for GASB 75
60013 Engineering Services	25,000.00	70,000.00	70,000.00	0.00	
60015 Other Professional Fees	225.00	25,000.00	31,000.00	6,000.00	Increased to adjust for collaboration study
TOTAL PROFESSIONAL FEES	44,239.00	170,731.00	142,212.00	(28,519.00)	
60100 PERSONNEL SERVICES					
60110 Salaries & Wages					
60111 Salary - General Manager	50,714.00	113,344.00	114,113.00	769.00	Increased per GM contract terms
60112 Staff Regular Wages	258,908.00	569,444.00	579,479.00	10,035.00	Increased per MOU contract terms
60113 Contract Extra Help	0.00	0.00	0.00	0.00	
60114 Staff Standby Pay	8,300.00	18,250.00	18,250.00	0.00	
60115 Staff Overtime Pay	4,818.00	10,200.00	10,200.00	0.00	
Total Salaries & Wages	322,740.00	711,238.00	722,042.00	10,804.00	
60150 Employee Benefits and Expenses					
60151 PERS Retirement	61,565.00	124,190.00	124,770.00	580.00	Increased for projected expense
60152 Workers Compensation	6,987.00	16,054.00	16,054.00	0.00	
60153 Group Insurance	84,583.00	217,740.00	217,740.00	0.00	
					Reduction in retiree insurance \$5309 & increase
60154 Retirees Insurance	8,463.00	22,110.00	36,763.00	14,653.00	\$20K to reclassify CERBT Plan Contributions per
60155 Staff Training	200.00	5,000.00	5,000.00	0.00	GASB 75. **See note page 6.
60157 Uniforms	2,462.00	4,650.00	4,650.00	0.00	
60158 Payroll Taxes	27,392.00	56,494.00	56,916.00	422.00	Increased per contract terms
60159 Payroll Services	646.00	1,200.00	1,200.00	0.00	
60160 457 Employer Contribution	4,690.00	9,425.00	9,568.00	143.00	Increased per GM & MOU contract terms
Total Employee Benefits and Expenses	196,988.00	456,863.00	472,661.00	15,798.00	
TOTAL PERSONNEL SERVICES	\$519,728.00	\$1,168,101.00	\$1,194,703.00	\$26,602.00	

OPERATING BUDGET 2019-20

March 16, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 2

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
60200 ADMINISTRATION					
60205 Bank and Merchant Fees	\$2,993.00	\$4,500.00	\$4,500.00	\$0.00	
60207 Board of Director-Meeting Fees	5,975.00	10,770.00	10,770.00	0.00	
60210 Building Expenses					
60211 Office Utilities	2,621.00	6,000.00	6,000.00	0.00	
60212 Janitorial	1,170.00	2,340.00	2,340.00	0.00	
					Decreased based on current YTD and prior two FY
60213 Maintenance	836.00	7,500.00	5,700.00	(1,800.00)	average
60214 Security	168.00	400.00	400.00	0.00	
Total Building Expenses	4,795.00	16,240.00	14,440.00	(1,800.00)	
60220 Computer & Equipment Maint.					
60221 Computer Systems	9,946.00	25,000.00	25,000.00	0.00	
60222 Office Equipment	1,633.00	3,650.00	3,650.00	0.00	
Total Computer & Equipment Maint.	11,579.00	28,650.00	28,650.00	0.00	
					Decreased based on current YTD and prior two FY
60230 Office Expense	1,295.00	7,000.00	6,000.00	(1,000.00)	average
60240 Postage and Delivery	7,995.00	20,000.00	20,000.00	0.00	
60250 Printing	836.00	3,400.00	3,400.00	0.00	
60255 Meetings & Conferences	73.00	4,000.00	4,000.00	0.00	
60260 Publishing	88.00	800.00	800.00	0.00	
60270 Telephone & Internet	1,853.00	5,500.00	5,500.00	0.00	
60430 Insurance					
60431 General Liability	10,999.00	21,221.00	21,221.00	0.00	
60432 Property	2,806.00	5,611.00	5,611.00	0.00	
Total Insurance	13,805.00	26,832.00	26,832.00	0.00	
60500 Water Memberships					
60501 SAWWA	0.00	110.00	110.00	0.00	
60502 Regional Water Authority	9,355.00	9,355.00	9,355.00	0.00	
60503 SGA	24,210.00	24,210.00	24,210.00	0.00	
60504 ACWA	9,640.00	9,923.00	9,640.00	(283.00)	Decreased to reflect actual expense
60505 CSDA	7,077.00	7,077.00	7,077.00	0.00	
60507 CRWA	0.00	1,326.00	1,326.00	0.00	
Total Water Memberships	50,282.00	52,001.00	51,718.00	(283.00)	
					Decreased based on current YTD and prior two FY
60550 Permits & Fees	8,762.00	40,000.00	30,000.00	(10,000.00)	average
60555 Subscriptions & Licensing	879.00	2,120.00	2,120.00	0.00	
60560 Elections	0.00	0.00	0.00	0.00	
60565 Uncollectable Accounts	0.00	2,000.00	2,000.00	0.00	
60570 Other Operating Expenditures	468.00	500.00	500.00	0.00	
TOTAL ADMINISTRATION	\$111,678.00	\$224,313.00	\$211,230.00	(\$13,083.00)	
64000 CONSERVATION					
64001 Community Outreach	0.00	300.00	300.00	0.00	
64005 Other Conservation Programs	0.00	0.00	0.00	0.00	
TOTAL CONSERVATION	0.00	300.00	300.00	0.00	

69

OPERATING BUDGET 2019-20

March 16, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 2

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
65000 FIELD OPERATIONS					
65100 Other Field Operations					
65110 Backflow Testing	\$397.00	\$3,000.00	\$3,000.00	\$0.00	
65120 Construction Equipment Maintenance	6,440.00	5,500.00	7,500.00	2,000.00	Increased to adjust for projected costs
65130 Field Communication	1,216.00	2,600.00	2,600.00	0.00	
					Decreased to reflect Ferguson/Neptune Maint
65140 Field IT	6,378.00	28,000.00	17,500.00	(10,500.00)	contract change for FY 19-20 only.
65150 Laboratory Services	13,297.00	23,500.00	23,500.00	0.00	
65160 Safety Equipment	481.00	5,000.00	5,000.00	0.00	
65170 Shop Supplies	4,641.00	5,000.00	7,000.00	2,000.00	Increased to adjust for projected costs
Total Other Field Operations	32,850.00	72,600.00	66,100.00	(6,500.00)	
65200 Treatment	12,772.00	18,000.00	18,000.00	0.00	
65300 Pumping					
65310 Maintenance	9,593.00	25,000.00	25,000.00	0.00	
65320 Electricity and Fuel	95,077.00	180,000.00	180,000.00	0.00	
Total Pumping	104,670.00	205,000.00	205,000.00	0.00	
65400 Transmission & Distribution					
65410 Distribution Supplies	20,090.00	37,000.00	37,000.00	0.00	
65420 Meter Maintenance	40,207.00	56,600.00	120,100.00	63,500.00	Increased to adjust for projected costs
65430 Tank Maintenance	0.00	3,000.00	3,000.00	0.00	
65440 Contract Repairs	2,400.00	21,000.00	21,000.00	0.00	
65450 Valve Replacements	0.00	35,000.00	15,000.00	(20,000.00)	R2: Reallocate \$20K to Meter Maintenance
65460 Paving Repairs	8,500.00	25,000.00	25,000.00	0.00	
Total Transmission & Distribution	71,197.00	177,600.00	221,100.00	43,500.00	
65500 Transportation					
65510 Fuel	5,826.00	13,000.00	13,000.00	0.00	
65520 Maintenance	1,735.00	6,000.00	6,000.00	0.00	
Total Transportation	7,561.00	19,000.00	19,000.00	0.00	
TOTAL FIELD OPERATIONS	\$229,050.00	\$492,200.00	\$529,200.00	\$37,000.00	
TOTAL OPERATING EXPENSES	\$904,695.00	\$2,055,645.00	\$2,077,645.00	\$22,000.00	

OPERATING BUDGET 2019-20

March 16, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 2

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
NON OPERATING EXPENSES					
69010 Debt Service					
69100 Revenue Bond 2015					
69105 Revenue Bond 2015-Principle	55,015.00	139,015.00	139,015.00	0.00	Per Loan Payment Schedule
69120 Interest	31,270.00	61,717.00	61,717.00	0.00	Per Loan Payment Schedule
Total Revenue Bond 2015	86,285.00	200,732.00	200,732.00	0.00	
69125 AMI Meter Loan					
69130 Principle	23,955.00	48,281.00	48,281.00	0.00	Per Loan Payment Schedule
69135 Interest	5,302.00	10,233.00	10,233.00	0.00	Per Loan Payment Schedule
Total AMI Meter Loan	29,257.00	58,514.00	58,514.00	0.00	
					Amount for future potential allocation; KL \$\$\$K moved to Meter Maintenance; remaining balance
69400 Other Non Operating Expense	0.00	2,000.00	0.00	(2,000.00)	to Wages per MOU
TOTAL NON OPERATING EXPENSES	\$115,542.00	\$261,246.00	\$259,246.00	(\$2,000.00)	
TOTAL EXPENSE	\$1,020,237.00	\$2,316,891.00	\$2,336,891.00	\$20,000.00	**Total Expense offset by reallocation of CERBT contributions reclassified.
NET INCOME (Income-Expense)	\$319,455.00	\$479,940.00	\$460,840.00	(\$19,100.00)	

67

OPERATING BUDGET 2019-20

March 16, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 2

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
OPERATING FUND BALANCE					
Operating Account Balance June 30		\$634,536.00	\$634,536.00		
Net Revenue		\$479,940.00	\$460,840.00		
					**Reduced to reclassify to GL 60154 per GASB 75.
Transfer to CERBT Funds		(\$20,000.00)	\$0.00	(20,000.00)	Refer to page 2 GL 60154
Transfer to GL 10010 Operating Reserve		(\$50,000.00)	(\$50,000.00)		
Transfer to Capital Improvement Funds		(409,940.00)	(410,840.00)	900.00	Increased to adjust for available funds
Estimated Operating Fund Balance June 30		\$634,536.00	\$1,095,376.00	(\$19,100.00)	
SURCHARGE 1 FUND BALANCE					
Surcharge 1 Fund Balance June 30		\$565,413.00	\$565,413.00		
43010 Surcharge Revenue		523,374.00	523,374.00	0.00	
41110 Investment Revenue		8,000.00	11,000.00	3,000.00	Increased for projected revenue
69155 SRF Principle		(351,403.00)	(351,403.00)	0.00	
69160 SRF Interest		(109,952.00)	(109,952.00)	0.00	
69220 SRF Administration		(2,100.00)	(2,100.00)	0.00	
Estimated Surcharge 1 Fund Balance June 30		\$633,332.00	\$636,332.00	\$3,000.00	
SURCHARGE 2 FUND BALANCE					
Surcharge 2 Fund Balance June 30		\$71,936.00	\$71,936.00		
43050 Surcharge 2 Revenue		439,019.00	439,019.00	0.00	
41110 Investment Revenue		20.00	800.00	780.00	Increased for projected revenue
Surcharge 2 Surplus Repayment		(110,201.00)	(110,201.00)	0.00	
69180 Principle		(210,000.00)	(210,000.00)	0.00	
69185 Interest		(118,818.00)	(118,818.00)	0.00	
Estimated Surcharge 2 Fund Balance June 30		\$71,956.00	\$72,736.00	\$780.00	
LAIF FUND (CAPACITY FEES) BALANCE					
LAIF Fund Balance June 30		\$205,000.00	\$205,000.00		
44100 Capacity Fee Revenue		40,000.00	100,000.00	60,000.00	Increased for projected revenue
41110 Investment Revenue		500.00	3,500.00	3,000.00	Increased for projected revenue
Estimated LAIF Fund Balance June 30		\$245,500.00	\$308,500.00		

** NOTE: GASB 75 requires the Districts CERBT Plan contributions are recorded as expenses. The expense will reduce the OPEB Unfunded Liability at FYE.



Information Items Agenda Item: 5.2

Date: April 20, 2020

Subject: Board Reports

Staff Contact: Timothy R. Shaw, General Manager

2. BOARD REPORTS

1. Announce ad hoc committee(s) dissolved by requirements in Policy 2.01.065
2. Regional Water Authority – Gifford (Primary), Shaw
3. Sacramento Groundwater Authority – Harris (Primary), Reisig
4. Executive Committee – Reisig, Green
5. ACWA/JPIA – Ridilla
6. Ad Hoc Committees –
7. Other Reports

69

**SACRAMENTO GROUNDWATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, April 9, 2020; 9:00 a.m.**

Agenda

The Board will discuss all items on this agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on this agenda, but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection on SGA's website. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact cpartridge@rwah2o.org. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Note: Pursuant to the Governor's Executive Order N-29-20, and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.

We encourage Board members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.

Meeting Information:

To join the meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/654722741>

You can also dial in using your phone.
United States: [+1 \(571\) 317-3122](tel:+15713173122)

Access Code: 654-722-741

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT:** Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

3. CONSENT CALENDAR

Minutes of February 13, 2020 meeting

Action: Approve February 13, 2020 meeting minutes

4. SGA FISCAL YEAR 2020 – 2021 BUDGET

Information Presentation and Discussion, Josette Reina-Luken, Financial and Administrative Services Manager

Action: Adopt Resolution No. 2020-01 to fund the administrative and program budgets for FY 2020 – 2021, and provide for the collection of said funds.

5. CHECK SIGNING AUTHORITY POLICY UNDER THE COVID-19 STATE OF EMERGENCY (SGA POLICY 400.5)

Discussion: Jim Peifer, Executive Director

6. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

Discussion: Jim Peifer, Executive Director

7. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)-RELATED AND GROUNDWATER MANAGEMENT PROGRAM UPDATES

Information Update: Rob Swartz, Manager of Technical Services

8. EXECUTIVE DIRECTOR'S REPORT

9. DIRECTORS' COMMENTS

ADJOURNMENT

Next SGA Board of Director's Meeting – June 11, 2020, 9:00 a.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.

Notification will be emailed when the SGA electronic packet is complete and posted on the SGA website at <http://www.sgah2o.org/meetings/board-meetings/>.

**REGIONAL WATER AUTHORITY
SPECIAL MEETING OF THE BOARD OF DIRECTORS
Thursday, March 19, 2010, 9:00 a.m.**

AGENDA

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Note: Given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference only. Members of the public may call into the teleconference.

We encourage Board members and participants to join the teleconference 15 minutes early. Due to high call volumes, we ask that Board members and participants retry calling in if there is a busy signal or if you cannot successful connect to the meeting when you call in.

Teleconference Information:

To join the meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/556278685>

You can also dial in using your phone.
United States: +1 (872) 240-3212

Access Code: 556-278-685

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT**
- 3. CONSENT CALENDAR**
 - a. Minutes from the November 14, 2019 Regular Board meeting and the January 9, 2020 Regular Board meeting
Action: Approve the November 14, 2019 Regular Board meeting minutes and the January 9, 2020 Regular Board meeting minutes
- 4. FISCAL YEAR 2020 – 2021 BUDGET DEVELOPMENT OVERVIEW**
Presentation: Josette Reina-Luken, Financial and Administrative Services Manager
- 5. VOLUNTARY AGREEMENT AD HOC COMMITTEE UPDATE**
Information Update and Discussion: Kerry Schmitz, Ad Hoc Committee Chair
- 6. FEDERAL AFFAIRS AD HOC COMMITTEE UPDATE**
Presentation and Discussion: Sean Bigley, Ad Hoc Committee Chair

7. FEDERAL AFFAIRS PLATFORM

Information and Discussion: Jim Peifer, Executive Director

Action: Approve Federal Affairs Platform

8. STRATEGIC PLAN DEVELOPMENT UPDATE

Information and Discussion: Jim Peifer, Executive Director

9. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

Information and Discussion: Jim Peifer, Executive Director

10. EXECUTIVE DIRECTOR'S REPORT

11. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming meetings:

Executive Committee Meeting: Wednesday, March 25, 2020, 8:30 a.m. via teleconference.

Executive Committee Meeting: Wednesday, April 22, 2020, 8:30 a.m. at the RWA Office.

Regular Board Meeting: Thursday, May 14, 2020, 9:00 a.m., at the RWA Office.

The RWA Board Meeting electronic packet is available on the RWA website at <https://rwah2o.org/meetings/board-meetings/> to access and print the packet.

Canceled Meetings:

Strategic Planning Workshop: Friday, March 27, 2020, 9:00 a.m., at the Regional San Administrative Offices, 10060 Goethe Road, Sacramento, CA 95827

Report on RWA Special Meeting on March 19, 2020

This was technically a special meeting. However, it was effectively the March 12th regular meeting rescheduled to be a virtual meeting, i.e. no in-person attendees allowed. Inconsistent with the one-week continuation theme, the agenda from the March 12th meeting was changed for the March 19th special meeting. The March 12th agenda item for a presentation from the Sacramento Regional Utilities Collaboration (RLECWD is a MOU signatory) was deleted. Also, a new item was added to the March 19th agenda regarding preliminary discussions on consolidating RWA and SCGA.

Excluding the consent agenda, the only action item considered was the Federal Affairs Platform. As the designated alternate RWA Board Member, with the primary designee (Gifford) unable to participate in the March 19th special meeting, I voted on behalf of RLECWD. My no vote was the only opposition to the Federal Affairs Platform (Item 7). My no vote was consistent with the letter to RWA from RLECWD authorized by the Board, which opposed expanding RWA's scope while ignoring more common interests of RWA member agencies.

Typical RWA Board meetings last about 1 to 1.5 hours. This virtual meeting with a reduced agenda lasted 2.5 hours.

Timothy R. Shaw

General Manager, RLECWD

Minutes
Rio Linda / Elverta Community Water District
Executive Committee

72

Visitors/Depot Center
6730 Front Street
Rio Linda, CA 95673

April 6, 2020
6:00 p.m.

Minutes: The meeting was called to order at 6:00 P.M. The meeting was attended by Director Reisig, Director Green, General Manager Tim Shaw and Contract District Engineer Mike Vasquez. There were no members of the public in attendance.

Call to Order: 6:00 P.M.

Public Comment: None present.

Items for Discussion:

1.	Review and discuss the expenditures of the District for the month of February 2020.
<i>Director Reisig questioned the \$2,590 refund. The refund was to the business owner of Starbucks. The irrigation service line size was reduced during the design review stage, prior to actual construction. However, Starbucks did not submit a revised service application. The result was the District has been overcharging Starbucks from the date service began.</i>	
<i>The Executive Committee forwarded the February 2020 Expenditures Report onto the April 20th Board agenda with the Committee's recommendation for approval.</i>	
2.	Review and discuss the financial reports for the month of February 2020.
<i>The Executive Committee forwarded the February 2020 Financial Reports onto the April 20th Board agenda with the Committee's recommendation for approval.</i>	
3.	Discuss the April 2, 2020 Governor's Executive Order N-42-20 Prohibiting Service Terminations for Non-Payment.
<i>Directors Reisig and Green expressed their concern regarding the subject order. The Directors were particularly perplexed by the potential to create excessive delinquent account balances, virtually insurmountable for some customers. The debt is not forgiven, and the District is prohibited from gifting public funds. Some customers might mistake the Governor's Executive Order as erasing the debt instead of postponing the service termination.</i>	
<i>The Executive Committee forwarded this item onto the April 20th Board agenda.</i>	
4.	Discuss the status of meter replacements backlog and the staffing shortage limiting recovery.
<i>The General Manager updated that the meter backlog has been eliminated. The dedicated efforts of staff have enabled the District to exceed expectations.</i>	
<i>The Executive Committee directed the GM to issue a press release regarding the eliminated backlog of meter replacements.</i>	
5.	Update from the Contract District Engineer.
<i>Mike Vasquez summarized his written report to the Committee and provided additional detail on the status of the Well 16 construction contract award to Anvil Builders. Mike also augmented his report on the Fox Hallow project.</i>	

a. Capital Improvement Plan Projects List, next steps.	
<p><i>Mike Vasquez reiterated the need for the Board to adopt the CIP projects list, how Board approved list will be used to establish a Capital Budget, and the sequencing of the adopted CIP projects list and the inception of the rates study. Mike also explained the rationale for making a separate worksheet in the workbook for the Surcharge 2 funded projects. Mike indicated his intention to place estimated costs and estimated completion target dates into the list to help illustrate the variables and consequences of revising the variables.</i></p> <p><i>The Executive Committee forwarded the item onto the April 20th agenda with a recommendation that the Board provide directions on the next step(s), including public workshops or staff estimates prior to scheduling the Board's consideration of CIP Projects List adoption.</i></p>	
6.	Discuss the biannual (election years) submittals to Sacramento County Elections Office.
<p><i>The Executive Committee forwarded Resolution 2020-02 onto the April 20th Board agenda with the Committee's recommendation for Board approval.</i></p>	
7.	Discuss the form of meeting (regular, electronic, cancelled or rescheduled) to be held for the April 20 th Board of Directors meeting.
<p><i>Directors Green and Reisig recommended the same style of Board Meeting held for the March 16th meeting, lots of space between seats to accommodate social distancing.</i></p>	

Directors' and General Manager Comments

None

Items Requested for Next Month's Committee Agenda: None

Adjournment 7:45 P.M.

ADA COMPLIANCE STATEMENT

In compliance with the Americans with Disabilities Act, if you need special assistance or materials to participate in this meeting, please contact the District Office at 916-991-1000. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting and agenda materials.



**PENDING AND COMPLETED ITEMS
4-20-2020 BOARD OF DIRECTORS MEETING**

1. **Update the District's Capital Improvement Projects List.** The April 6th Executive Committee discussed the Capital Improvement Projects List and forwarded an item onto the April 20th Board agenda. **Pending**
2. **SB-606 and AB-1668 planning for compliance** – We received 6 responses to our rate study RFP. Mike Vasquez and I scored the responses independently. The professional services agreement with the highest ranked respondent is on the April 20th Board agenda. **Pending**
3. **Transition to Cloud-Based Service for District's Advanced Metering Infrastructure (AMI) Vendor** I've continued my pressure on Fergusson and CUSI, we appear to be on the cusp on transitioning to cloud based AMI . **Pending**
4. **Update/Create policy for establishing the threshold on capitalized assets** the District has a past practice (not appearing in written policies) of using \$1,500 as a threshold for capitalizing assets. Anything purchased for less than \$1,500 is considered consumable or operating expense. The District needs to codify its practice and update the dollar amount to a more common, realistic value, e.g. \$5,000. **Pending**
5. **Hexavalent Chromium MCL economic feasibility** the state has finally announced the details of the stakeholder's workshop, April 27th is the first session. I have calendared participation in this virtual meeting. **Pending**
6. **Filling the at Distribution System Operator vacancies,** Both new employees have now started work at RLECWD, Welcome aboard Richard Hayes and welcome back Justin Davis **Completed**
7. **Backlog of Meter Replacements** The backlog of meter replacements has been eliminated **Completed.**