

RESOLUTION NO. 1998-12-01

A RESOLUTION DECLARING THE RESULT OF THE NOVEMBER 3, 1996 BOARD OF DIRECTORS ELECTION

WHEREAS, the Registrar of Voters of the County of Sacramento has certified the results of the official canvass of the November 3, 1996 election;

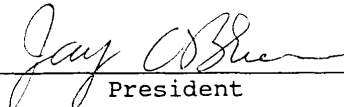
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rio Linda Water District that the results of the November 3, 1998 election held for the purpose of electing two (2) Directors was as indicated in the attached Certificate of Facts provided by the Registrar of Voters of the County of Sacramento.

INTRODUCED AND ADOPTED on this 14th day of December, 1998, by the following vote:

AYES, in favor hereof: O'BRIEN, WICKHAM, GRIFFIN, CATER
BLANCHARD

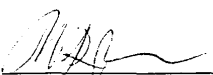
NOES: NONE

ABSENT: NONE



President

ATTEST:



Secretary

RESOLUTION NO. 1998-11-02

A RESOLUTION AMENDING SECTION 2.20.330 OF THE
POLICY MANUAL BY INCREASING SALARIES AND
WAGES AS PROVIDED THEREIN BY 1.9% AND
AMENDING THE BUDGET TO PROVIDE THEREFORE

WHEREAS, Section 2.25.670 provides that in November of each year the General Manager through a meet-and-confer process shall submit for final consideration by the Board a revised compensation plan; and,

WHEREAS, based upon a consideration of changes in the consumer price index for the year ending September 1998, the General Manager has proposed the attached salary and wage plan increasing salaries and wages by 1.9%; and,

WHEREAS, the General Manager has reviewed said proposed change with employees as provided in Section 2.25.670;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT AS FOLLOWS:

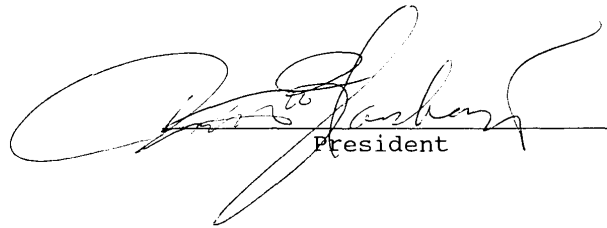
1. Effective November 1, 1998, the salary and wage ranges attached to Section 2.20.330 of the policy manual are hereby replaced with the salary and wage ranges attached hereto.

2. The 1998-99 appropriations budget is hereby amended as follows in order to provide funds to implement Chapter 2.20 of the policy manual:

<u>Line Item</u>		<u>Amount</u>
Salaries & Wages	\$263,808	\$284,741
Unemployment Insurance	\$280	\$285
Worker's Compensation	\$7,144	\$7,272
FICA/Medicare	\$21,390	\$21,783
Public Employees Retirement System	\$25,893	\$26,380
To Contingency Reserve	\$81,034	\$74,884


INTRODUCED AND ADOPTED on this 16th day of November, 1998,
by the following vote:

AYES, in favor hereof: GRIFFIN, CATER, WICKHAM,
O'BRIEN and BLANCHARD
NOES: NONE
ABSENT: NONE



President

ATTEST:



Secretary

SALARY AND WAGE PLAN

Range #'s	Step #'s	1	2	3	4	5	6	7
1	Hourly	\$7.74	\$8.14	\$8.55	\$8.98	\$9.44	\$9.91	\$10.42
	Semi-monthly	\$671.20	\$705.18	\$740.88	\$778.39	\$817.80	\$859.20	\$902.69
	Annual	\$16,108.90	\$16,924.41	\$17,781.21	\$18,681.39	\$19,627.13	\$20,620.75	\$21,664.68
2	Hourly	\$7.94	\$8.34	\$8.76	\$9.21	\$9.67	\$10.16	\$10.68
	Semi-monthly	\$687.98	\$722.81	\$759.41	\$797.85	\$838.24	\$880.68	\$925.26
	Annual	\$16,511.62	\$17,347.52	\$18,225.74	\$19,148.42	\$20,117.81	\$21,136.27	\$22,206.30
3	Hourly	\$8.14	\$8.55	\$8.98	\$9.44	\$9.91	\$10.42	\$10.94
	Semi-monthly	\$705.18	\$740.88	\$778.39	\$817.80	\$859.20	\$902.69	\$948.39
	Annual	\$16,924.41	\$17,781.21	\$18,681.39	\$19,627.13	\$20,620.75	\$21,664.68	\$22,761.45
4	Hourly	\$8.34	\$8.76	\$9.21	\$9.67	\$10.16	\$10.68	\$11.22
	Semi-monthly	\$722.81	\$759.41	\$797.85	\$838.24	\$880.68	\$925.26	\$972.10
	Annual	\$17,347.52	\$18,225.74	\$19,148.42	\$20,117.81	\$21,136.27	\$22,206.30	\$23,330.49
5	Hourly	\$8.55	\$8.98	\$9.44	\$9.91	\$10.42	\$10.94	\$11.50
	Semi-monthly	\$740.88	\$778.39	\$817.80	\$859.20	\$902.69	\$948.39	\$996.41
	Annual	\$17,781.21	\$18,681.39	\$19,627.13	\$20,620.75	\$21,664.68	\$22,761.45	\$23,913.75
6	Hourly	\$8.76	\$9.21	\$9.67	\$10.16	\$10.68	\$11.22	\$11.78
	Semi-monthly	\$759.41	\$797.85	\$838.24	\$880.68	\$925.26	\$972.10	\$1,021.32
	Annual	\$18,225.74	\$19,148.42	\$20,117.81	\$21,136.27	\$22,206.30	\$23,330.49	\$24,511.60
7	Hourly	\$8.98	\$9.44	\$9.91	\$10.42	\$10.94	\$11.50	\$12.08
	Semi-monthly	\$778.39	\$817.80	\$859.20	\$902.69	\$948.39	\$996.41	\$1,046.85
	Annual	\$18,681.39	\$19,627.13	\$20,620.75	\$21,664.68	\$22,761.45	\$23,913.75	\$25,124.39
8	Hourly	\$9.21	\$9.67	\$10.16	\$10.68	\$11.22	\$11.78	\$12.38
	Semi-monthly	\$797.85	\$838.24	\$880.68	\$925.26	\$972.10	\$1,021.32	\$1,073.02
	Annual	\$19,148.42	\$20,117.81	\$21,136.27	\$22,206.30	\$23,330.49	\$24,511.60	\$25,752.50
9	Hourly	\$9.44	\$9.91	\$10.42	\$10.94	\$11.50	\$12.08	\$12.69
	Semi-monthly	\$817.80	\$859.20	\$902.69	\$948.39	\$996.41	\$1,046.85	\$1,099.85
	Annual	\$19,627.13	\$20,620.75	\$21,664.68	\$22,761.45	\$23,913.75	\$25,124.39	\$26,396.31
10	Hourly	\$9.67	\$10.16	\$10.68	\$11.22	\$11.78	\$12.38	\$13.01
	Semi-monthly	\$838.24	\$880.68	\$925.26	\$972.10	\$1,021.32	\$1,073.02	\$1,127.34
	Annual	\$20,117.81	\$21,136.27	\$22,206.30	\$23,330.49	\$24,511.60	\$25,752.50	\$27,056.22
11	Hourly	\$9.91	\$10.42	\$10.94	\$11.50	\$12.08	\$12.69	\$13.33
	Semi-monthly	\$859.20	\$902.69	\$948.39	\$996.41	\$1,046.85	\$1,099.85	\$1,155.53
	Annual	\$20,620.75	\$21,664.68	\$22,761.45	\$23,913.75	\$25,124.39	\$26,396.31	\$27,732.62
12	Hourly	\$10.16	\$10.68	\$11.22	\$11.78	\$12.38	\$13.01	\$13.67
	Semi-monthly	\$880.68	\$925.26	\$972.10	\$1,021.32	\$1,073.02	\$1,127.34	\$1,184.41
	Annual	\$21,136.27	\$22,206.30	\$23,330.49	\$24,511.60	\$25,752.50	\$27,056.22	\$28,425.94
13	Hourly	\$10.42	\$10.94	\$11.50	\$12.08	\$12.69	\$13.33	\$14.01
	Semi-monthly	\$902.69	\$948.39	\$996.41	\$1,046.85	\$1,099.85	\$1,155.53	\$1,214.02
	Annual	\$21,664.68	\$22,761.45	\$23,913.75	\$25,124.39	\$26,396.31	\$27,732.62	\$29,136.59
14	Hourly	\$10.68	\$11.22	\$11.78	\$12.38	\$13.01	\$13.67	\$14.36
	Semi-monthly	\$925.26	\$972.10	\$1,021.32	\$1,073.02	\$1,127.34	\$1,184.41	\$1,244.37
	Annual	\$22,206.30	\$23,330.49	\$24,511.60	\$25,752.50	\$27,056.22	\$28,425.94	\$29,865.00
15	Hourly	\$10.94	\$11.50	\$12.08	\$12.69	\$13.33	\$14.01	\$14.72
	Semi-monthly	\$948.39	\$996.41	\$1,046.85	\$1,099.85	\$1,155.53	\$1,214.02	\$1,275.48
	Annual	\$22,761.45	\$23,913.75	\$25,124.39	\$26,396.31	\$27,732.62	\$29,136.59	\$30,611.62
16	Hourly	\$11.22	\$11.78	\$12.38	\$13.01	\$13.67	\$14.36	\$15.09
	Semi-monthly	\$972.10	\$1,021.32	\$1,073.02	\$1,127.34	\$1,184.41	\$1,244.37	\$1,307.37
	Annual	\$23,330.49	\$24,511.60	\$25,752.50	\$27,056.22	\$28,425.94	\$29,865.00	\$31,376.92
17	Hourly	\$11.50	\$12.08	\$12.69	\$13.33	\$14.01	\$14.72	\$15.46
	Semi-monthly	\$996.41	\$1,046.85	\$1,099.85	\$1,155.53	\$1,214.02	\$1,275.48	\$1,340.06
	Annual	\$23,913.75	\$25,124.39	\$26,396.31	\$27,732.62	\$29,136.59	\$30,611.62	\$32,161.34
18	Hourly	\$11.78	\$12.38	\$13.01	\$13.67	\$14.36	\$15.09	\$15.85
	Semi-monthly	\$1,021.32	\$1,073.02	\$1,127.34	\$1,184.41	\$1,244.37	\$1,307.37	\$1,373.56
	Annual	\$24,511.60	\$25,752.50	\$27,056.22	\$28,425.94	\$29,865.00	\$31,376.92	\$32,965.37
19	Hourly	\$12.08	\$12.69	\$13.33	\$14.01	\$14.72	\$15.46	\$16.24
	Semi-monthly	\$1,046.85	\$1,099.85	\$1,155.53	\$1,214.02	\$1,275.48	\$1,340.06	\$1,407.90
	Annual	\$25,124.39	\$26,396.31	\$27,732.62	\$29,136.59	\$30,611.62	\$32,161.34	\$33,789.51
20	Hourly	\$12.38	\$13.01	\$13.67	\$14.36	\$15.09	\$15.85	\$16.65
	Semi-monthly	\$1,073.02	\$1,127.34	\$1,184.41	\$1,244.37	\$1,307.37	\$1,373.56	\$1,443.09
	Annual	\$25,752.50	\$27,056.22	\$28,425.94	\$29,865.00	\$31,376.92	\$32,965.37	\$34,634.24
21	Hourly	\$12.69	\$13.33	\$14.01	\$14.72	\$15.46	\$16.24	\$17.07
	Semi-monthly	\$1,099.85	\$1,155.53	\$1,214.02	\$1,275.48	\$1,340.06	\$1,407.90	\$1,479.17
	Annual	\$26,396.31	\$27,732.62	\$29,136.59	\$30,611.62	\$32,161.34	\$33,789.51	\$35,500.10

SALARY AND WAGE PLAN

Range #'s	Step #'s	1	2	3	4	5	6	7
22	Hourly	\$13.01	\$13.67	\$14.36	\$15.09	\$15.85	\$16.65	\$17.49
	Semi-monthly	\$1,127.34	\$1,184.41	\$1,244.37	\$1,307.37	\$1,373.56	\$1,443.09	\$1,516.15
	Annual	\$27,056.22	\$28,425.94	\$29,865.00	\$31,376.92	\$32,965.37	\$34,634.24	\$36,387.60
23	Hourly	\$13.33	\$14.01	\$14.72	\$15.46	\$16.24	\$17.07	\$17.93
	Semi-monthly	\$1,155.53	\$1,214.02	\$1,275.48	\$1,340.06	\$1,407.90	\$1,479.17	\$1,554.05
	Annual	\$27,732.62	\$29,136.59	\$30,611.62	\$32,161.34	\$33,789.51	\$35,500.10	\$37,297.29
24	Hourly	\$13.67	\$14.36	\$15.09	\$15.85	\$16.65	\$17.49	\$18.38
	Semi-monthly	\$1,184.41	\$1,244.37	\$1,307.37	\$1,373.56	\$1,443.09	\$1,516.15	\$1,592.91
	Annual	\$28,425.94	\$29,865.00	\$31,376.92	\$32,965.37	\$34,634.24	\$36,387.60	\$38,229.72
25	Hourly	\$14.01	\$14.72	\$15.46	\$16.24	\$17.07	\$17.93	\$18.84
	Semi-monthly	\$1,214.02	\$1,275.48	\$1,340.06	\$1,407.90	\$1,479.17	\$1,554.05	\$1,632.73
	Annual	\$29,136.59	\$30,611.62	\$32,161.34	\$33,789.51	\$35,500.10	\$37,297.29	\$39,185.47
26	Hourly	\$14.36	\$15.09	\$15.85	\$16.65	\$17.49	\$18.38	\$19.31
	Semi-monthly	\$1,244.37	\$1,307.37	\$1,373.56	\$1,443.09	\$1,516.15	\$1,592.91	\$1,673.55
	Annual	\$29,865.00	\$31,376.92	\$32,965.37	\$34,634.24	\$36,387.60	\$38,229.72	\$40,165.10
27	Hourly	\$14.72	\$15.46	\$16.24	\$17.07	\$17.93	\$18.84	\$19.79
	Semi-monthly	\$1,275.48	\$1,340.06	\$1,407.90	\$1,479.17	\$1,554.05	\$1,632.73	\$1,715.38
	Annual	\$30,611.62	\$32,161.34	\$33,789.51	\$35,500.10	\$37,297.29	\$39,185.47	\$41,169.23
28	Hourly	\$15.09	\$15.85	\$16.65	\$17.49	\$18.38	\$19.31	\$20.29
	Semi-monthly	\$1,307.37	\$1,373.56	\$1,443.09	\$1,516.15	\$1,592.91	\$1,673.55	\$1,758.27
	Annual	\$31,376.92	\$32,965.37	\$34,634.24	\$36,387.60	\$38,229.72	\$40,165.10	\$42,198.46
29	Hourly	\$15.46	\$16.24	\$17.07	\$17.93	\$18.84	\$19.79	\$20.79
	Semi-monthly	\$1,340.06	\$1,407.90	\$1,479.17	\$1,554.05	\$1,632.73	\$1,715.38	\$1,802.23
	Annual	\$32,161.34	\$33,789.51	\$35,500.10	\$37,297.29	\$39,185.47	\$41,169.23	\$43,253.42
30	Hourly	\$15.85	\$16.65	\$17.49	\$18.38	\$19.31	\$20.29	\$21.31
	Semi-monthly	\$1,373.56	\$1,443.09	\$1,516.15	\$1,592.91	\$1,673.55	\$1,758.27	\$1,847.28
	Annual	\$32,965.37	\$34,634.24	\$36,387.60	\$38,229.72	\$40,165.10	\$42,198.46	\$44,334.76
31	Hourly	\$16.24	\$17.07	\$17.93	\$18.84	\$19.79	\$20.79	\$21.85
	Semi-monthly	\$1,407.90	\$1,479.17	\$1,554.05	\$1,632.73	\$1,715.38	\$1,802.23	\$1,893.46
	Annual	\$33,789.51	\$35,500.10	\$37,297.29	\$39,185.47	\$41,169.23	\$43,253.42	\$45,443.13
32	Hourly	\$16.65	\$17.49	\$18.38	\$19.31	\$20.29	\$21.31	\$22.39
	Semi-monthly	\$1,443.09	\$1,516.15	\$1,592.91	\$1,673.55	\$1,758.27	\$1,847.28	\$1,940.80
	Annual	\$34,634.24	\$36,387.60	\$38,229.72	\$40,165.10	\$42,198.46	\$44,334.76	\$46,579.21
33	Hourly	\$17.07	\$17.93	\$18.84	\$19.79	\$20.79	\$21.85	\$22.95
	Semi-monthly	\$1,479.17	\$1,554.05	\$1,632.73	\$1,715.38	\$1,802.23	\$1,893.46	\$1,989.32
	Annual	\$35,500.10	\$37,297.29	\$39,185.47	\$41,169.23	\$43,253.42	\$45,443.13	\$47,743.69
34	Hourly	\$17.49	\$18.38	\$19.31	\$20.29	\$21.31	\$22.39	\$23.53
	Semi-monthly	\$1,516.15	\$1,592.91	\$1,673.55	\$1,758.27	\$1,847.28	\$1,940.80	\$2,039.05
	Annual	\$36,387.60	\$38,229.72	\$40,165.10	\$42,198.46	\$44,334.76	\$46,579.21	\$48,937.28
35	Hourly	\$17.93	\$18.84	\$19.79	\$20.79	\$21.85	\$22.95	\$24.12
	Semi-monthly	\$1,554.05	\$1,632.73	\$1,715.38	\$1,802.23	\$1,893.46	\$1,989.32	\$2,090.03
	Annual	\$37,297.29	\$39,185.47	\$41,169.23	\$43,253.42	\$45,443.13	\$47,743.69	\$50,160.71
36	Hourly	\$18.38	\$19.31	\$20.29	\$21.31	\$22.39	\$23.53	\$24.72
	Semi-monthly	\$1,592.91	\$1,673.55	\$1,758.27	\$1,847.28	\$1,940.80	\$2,039.05	\$2,142.28
	Annual	\$38,229.72	\$40,165.10	\$42,198.46	\$44,334.76	\$46,579.21	\$48,937.28	\$51,414.73
37	Hourly	\$18.84	\$19.79	\$20.79	\$21.85	\$22.95	\$24.12	\$25.34
	Semi-monthly	\$1,632.73	\$1,715.38	\$1,802.23	\$1,893.46	\$1,989.32	\$2,090.03	\$2,195.84
	Annual	\$39,185.47	\$41,169.23	\$43,253.42	\$45,443.13	\$47,743.69	\$50,160.71	\$52,700.10
38	Hourly	\$19.31	\$20.29	\$21.31	\$22.39	\$23.53	\$24.72	\$25.97
	Semi-monthly	\$1,673.55	\$1,758.27	\$1,847.28	\$1,940.80	\$2,039.05	\$2,142.28	\$2,251.13
	Annual	\$40,165.10	\$42,198.46	\$44,334.76	\$46,579.21	\$48,937.28	\$51,414.73	\$54,017.60
39	Hourly	\$19.79	\$20.79	\$21.85	\$22.95	\$24.12	\$25.34	\$26.62
	Semi-monthly	\$1,715.38	\$1,802.23	\$1,893.46	\$1,989.32	\$2,090.03	\$2,195.84	\$2,307.00
	Annual	\$41,169.23	\$43,253.42	\$45,443.13	\$47,743.69	\$50,160.71	\$52,700.10	\$55,368.04
40	Hourly	\$20.29	\$21.31	\$22.39	\$23.53	\$24.72	\$25.97	\$27.28
	Semi-monthly	\$1,758.27	\$1,847.28	\$1,940.80	\$2,039.05	\$2,142.28	\$2,251.13	\$2,364.68
	Annual	\$42,198.46	\$44,334.76	\$46,579.21	\$48,937.28	\$51,414.73	\$54,017.60	\$56,752.24
41	Hourly	\$20.79	\$21.85	\$22.95	\$24.12	\$25.34	\$26.62	\$27.97
	Semi-monthly	\$1,802.23	\$1,893.46	\$1,989.32	\$2,090.03	\$2,195.84	\$2,307.00	\$2,423.79
	Annual	\$43,253.42	\$45,443.13	\$47,743.69	\$50,160.71	\$52,700.10	\$55,368.04	\$58,171.05
42	Hourly	\$21.31	\$22.39	\$23.53	\$24.72	\$25.97	\$27.28	\$28.67
	Semi-monthly	\$1,847.28	\$1,940.80	\$2,039.05	\$2,142.28	\$2,251.13	\$2,364.68	\$2,484.39
	Annual	\$44,334.76	\$46,579.21	\$48,937.28	\$51,414.73	\$54,017.60	\$56,752.24	\$59,625.32

SALARY AND WAGE PLAN

Step #'s		1	2	3	4	5	6	7
43	Hourly	\$21.85	\$22.95	\$24.12	\$25.34	\$26.62	\$27.97	\$29.38
	Semi-monthly	\$1,893.46	\$1,989.32	\$2,090.03	\$2,195.84	\$2,307.00	\$2,423.79	\$2,546.50
	Annual	\$45,443.13	\$47,743.69	\$50,160.71	\$52,700.10	\$55,368.04	\$58,171.05	\$61,115.96
44	Hourly	\$22.39	\$23.53	\$24.72	\$25.97	\$27.28	\$28.67	\$30.12
	Semi-monthly	\$1,940.80	\$2,039.05	\$2,142.28	\$2,251.13	\$2,364.68	\$2,484.39	\$2,610.16
	Annual	\$46,579.21	\$48,937.28	\$51,414.73	\$54,017.60	\$56,752.24	\$59,625.32	\$62,643.86
45	Hourly	\$22.95	\$24.12	\$25.34	\$26.62	\$27.97	\$29.38	\$30.87
	Semi-monthly	\$1,989.32	\$2,090.03	\$2,195.84	\$2,307.00	\$2,423.79	\$2,546.50	\$2,675.41
	Annual	\$47,743.69	\$50,160.71	\$52,700.10	\$55,368.04	\$58,171.05	\$61,115.96	\$64,209.95
46	Hourly	\$23.53	\$24.72	\$25.97	\$27.28	\$28.67	\$30.12	\$31.64
	Semi-monthly	\$2,039.05	\$2,142.28	\$2,251.13	\$2,364.68	\$2,484.39	\$2,610.16	\$2,742.30
	Annual	\$48,937.28	\$51,414.73	\$54,017.60	\$56,752.24	\$59,625.32	\$62,643.86	\$65,815.20
47	Hourly	\$24.12	\$25.34	\$26.62	\$27.97	\$29.38	\$30.87	\$32.43
	Semi-monthly	\$2,090.03	\$2,195.84	\$2,307.00	\$2,423.79	\$2,546.50	\$2,675.41	\$2,810.86
	Annual	\$50,160.71	\$52,700.10	\$55,368.04	\$58,171.05	\$61,115.96	\$64,209.95	\$67,460.58
48	Hourly	\$24.72	\$25.97	\$27.28	\$28.67	\$30.12	\$31.64	\$33.24
	Semi-monthly	\$2,142.28	\$2,251.13	\$2,364.68	\$2,484.39	\$2,610.16	\$2,742.30	\$2,881.13
	Annual	\$51,414.73	\$54,017.60	\$56,752.24	\$59,625.32	\$62,643.86	\$65,815.20	\$69,147.09
49	Hourly	\$25.34	\$26.62	\$27.97	\$29.38	\$30.87	\$32.43	\$34.07
	Semi-monthly	\$2,195.84	\$2,307.00	\$2,423.79	\$2,546.50	\$2,675.41	\$2,810.86	\$2,953.16
	Annual	\$52,700.10	\$55,368.04	\$58,171.05	\$61,115.96	\$64,209.95	\$67,460.58	\$70,875.77
50	Hourly	\$25.97	\$27.28	\$28.67	\$30.12	\$31.64	\$33.24	\$34.93
	Semi-monthly	\$2,251.13	\$2,364.68	\$2,484.39	\$2,610.16	\$2,742.30	\$2,881.13	\$3,026.99
	Annual	\$54,017.60	\$56,752.24	\$59,625.32	\$62,643.86	\$65,815.20	\$69,147.09	\$72,647.67

RESOLUTION NO. 1998-11-01

A RESOLUTION APPROVING A SETTLEMENT AGREEMENT
FOR A LAWSUIT AGAINST NORTHRIDGE WATER DISTRICT

WHEREAS, the Rio Linda/Elverta Community Water District filed a lawsuit regarding a pipeline capacity agreement it had entered into with Northridge Water District; and

WHEREAS, the Board has determined that the Settlement Agreement attached hereto resolves the dispute between the Rio Linda/Elverta Community Water District and the Northridge Water District;

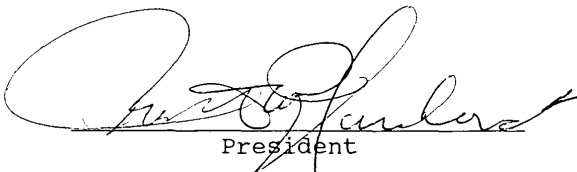
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rio Linda/Elverta Community Water District hereby authorizes and directs the President of the Board to execute the attached Settlement Agreement on behalf of the District.

INTRODUCED AND ADOPTED on this 5th day of November, 1998, by the following vote:

AYES, in favor hereof: Blanchard, Griffin, Paine,
Quackenbush, Wickham

NOES: None

ABSENT: None


President

ATTEST:


Secretary

SETTLEMENT AGREEMENT

This Agreement is made this 23rd day of November, 1998 by and between the Northridge Water District ("Northridge") and the Rio Linda/Elverta Community Water District ("Rio Linda").

RECITALS

A. On October 19, 1994, Northridge and Rio Linda executed a Capacity Agreement (the "Capacity Agreement") under which Rio Linda acquired a share of Northridge's right to use capacity in the San Juan Pipeline and a share of the capacity of the Northridge Pipeline.

B. On December 20, 1996, Rio Linda filed a lawsuit against Northridge and Boyle Engineering Corporation ("Boyle"). That lawsuit presently is pending as *Rio Linda Water District v. Northridge Water District*, San Joaquin County Superior Court No. CV 002942.

C. Rio Linda's April 17, 1997 first amended complaint in that lawsuit contains three causes of action against Northridge. The first cause of action is for rescission of the Capacity Agreement. The second cause of action is for declaratory relief regarding Rio Linda's rights and duties under the capacity agreement. The third cause of action alleges that Northridge breached the implied covenant of good faith and fair dealing in the Capacity Agreement.

D. On May 22, 1997, Northridge filed a general denial of Rio Linda's first amended complaint, and a cross-complaint for breach-of-contract damages against Rio Linda.

E. On June 18, 1997, Rio Linda filed an answer denying most of the material allegations in Northridge's cross-complaint.

F. On March 31, 1998, Rio Linda filed a verified petition for writ of mandate and complaint for injunctive relief against Northridge in *Rio Linda/Elverta Community Water District v. Northridge Water District*, Sacramento County Superior Court No. 98CS00890. In that action, Rio Linda alleges that certain actions taken by Northridge to use the San Juan Pipeline and the Northridge Pipeline violated the California Environmental Quality Act. Northridge denies these allegations.

G. Both Northridge and Rio Linda, each without conceding the validity of the other party's positions in the pending lawsuits, desire to terminate the Capacity Agreement and settle the pending lawsuits according to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of these recitals and the mutual promises made in this Agreement, Northridge and Rio Linda agree as follows:

1. At the time of execution of this Agreement, Northridge and Rio Linda shall contemporaneously execute and deliver all of the following.

(a) Northridge shall deliver to Rio Linda: (1) a cashier's check for \$3,071,369 (three million, seventy-one thousand, three hundred sixty-nine dollars), payable to the order of Rio Linda; and (2) an executed assignment of Northridge's claims against Boyle that are based on Boyle's estimates of the costs of constructing the San Juan Pipeline and the Northridge Pipeline, substantially in the form of the attached exhibit A. After this assignment is made, Rio Linda shall be responsible for all costs and attorney fees associated with pursuit against Boyle of any claims covered by the assignment, and shall be entitled to receive 100 percent of any recovery on those claims. Northridge shall respond to properly issued Public Records Act requests and subpoenas regarding these claims, but otherwise shall not have any responsibility regarding Rio Linda's pursuit of these claims.

(b) Rio Linda's attorneys shall execute and deliver to Northridge's attorneys a request for dismissal with prejudice, substantially in the form of the attached exhibit B, of Rio

Linda's causes of action against Northridge in *Rio Linda Water District v. Northridge Water District*, San Joaquin County Superior Court No. CV 002942.

(c) Northridge's attorneys shall execute and deliver to Rio Linda's attorneys a request for dismissal with prejudice of Northridge's cross-complaint against Rio Linda substantially in the form of the attached exhibit C, in *Rio Linda Water District v. Northridge Water District*, San Joaquin County Superior Court No. CV 002942.

(d) Rio Linda's attorneys shall execute and deliver to Northridge's attorneys a request for dismissal with prejudice of its petition for writ of mandate and complaint for injunctive relief against Northridge in *Rio Linda/Elverta Community Water District v. Northridge Water District*, Sacramento County Superior Court No. 98CS00890, substantially in the form of the attached exhibit D.

(e) Rio Linda shall execute and deliver to Northridge a written withdrawal of its protest to the petition of the Placer County Water Agency ("Placer") presently pending before the State Water Resources Control Board ("SWRCB") concerning the amendment of Placer's water rights, which Northridge shall promptly transmit to the SWRCB.

(f) Northridge shall execute a written notice of termination of the July 1997 Standstill and Cooperative Defense Agreement between Northridge and Boyle, which Northridge shall promptly transmit to Boyle.

2. Rio Linda shall indemnify, hold harmless, protect and defend Northridge, its directors, officers, agents and employees from and against any and all liabilities, claims, demands, damages, losses, disabilities or expenses (including attorney fees and litigation costs) of every nature arising out of, or in connection with: (a) Northridge's assignment of claims against Boyle that is described in subparagraph 1(a)(2) of this Agreement; and (b) any claim asserted by Boyle against Northridge based on or concerning the January 25, 1994 AGREEMENT FOR PROFESSIONAL SERVICES

between Northridge and Boyle. Rio Linda acknowledges receiving a copy of that agreement from Northridge.

3. Rio Linda transfers to Northridge all of Rio Linda's rights, title and interests in the Capacity Agreement. The Capacity Agreement, and all of Rio Linda's and Northridge's rights and obligations under the Capacity Agreement, are hereby terminated.

4. Rio Linda shall not initiate litigation in any court concerning, or take any action before any administrative agency opposing, any of the following:

a. The petition presently pending before the SWRCB concerning the amendment of Placer's water rights to expand the authorized place of use to include the service area of Rio Linda and the other areas described in the petition;

b. The Environmental Impact Report ("EIR") that is being prepared by Placer concerning the delivery of water to, and the use of water in, the service area of Rio Linda and the other areas described in the EIR;

c. The execution of a contract with the United States under the Warren Act or any other applicable federal law for the delivery of water from Folsom Lake to the service area of Rio Linda or any of the other areas described in the EIR;

d. The construction, operation and maintenance of water-conveyance pipelines extending from Walerga Road to other locations that are not west of 34th Street;

e. The delivery of water to locations within the proposed authorized place of use that is described in the petition referenced in subparagraph a. above, except for the delivery of water to locations within the boundaries of Rio Linda; and

f. The delivery of water to McClellan Air Force Base, and the installation, operation and maintenance of facilities for that purpose.

5. Paragraph 4 of this Agreement shall not limit the right or ability of Rio Linda to review documents, attend hearings, provide written or oral comments on, or otherwise participate in any administrative proceedings regarding any of the matters described in paragraph 4 of this Agreement, so long as such comments or participation is not opposition to any of these matters.

6. Rio Linda waives, releases and forever discharges Northridge, and its officers, directors, agents and employees from any and all rights, liabilities, claims, demands, losses, costs and attorney fees, whether based on tort, contract or any other theory of recovery, that Rio Linda has against Northridge or any of its officers, directors, agents or employees as of the date of execution of this Agreement, except for rights and liabilities based on this Agreement. Rio Linda acknowledges that this release applies to all claims for injuries, damages or other losses whether or not those injuries, damages or losses are known or unknown, or patent or latent. Rio Linda specifically waives the application of section 1542 of the California Civil Code to this Agreement. Section 1542 of the California Civil Code provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Rio Linda acknowledges that this waiver applies to claims and damages that may exist as of the date of execution of this Agreement but which Rio Linda does not know exist, and which, if known, would materially affect Rio Linda's decision to execute this Agreement, regardless of whether or not Rio Linda's lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

7. Northridge waives, releases and forever discharges Rio Linda and its officers, directors, agents and employees from any and all rights, liabilities, claims, demands, losses, costs and attorney fees, whether based on tort, contract or any other theory of recovery, that Northridge has against Rio

Linda or any of its officers, directors, agents or employees as of the date of execution of this Agreement, except for rights and liabilities based on this Agreement. Northridge acknowledges that this release applies to all claims for injuries, damages or other losses whether or not those injuries, damages or losses are known or unknown, or patent or latent. Northridge specifically waives the application of section 1542 of the California Civil Code to this Agreement. Section 1542 of the California Civil Code provides:

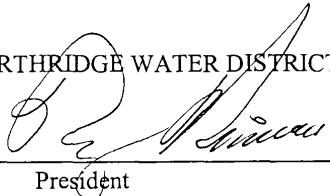
A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Northridge acknowledges that this waiver applies to claims and damages that may exist as of the date of execution of this Agreement but which Northridge does not know exist, and which, if known, would materially affect Northridge's decision to execute this Agreement, regardless of whether or not Northridge's lack of knowledge is the result of ignorance, oversight, error, negligence, or any other cause.

8. The provisions of this Agreement shall bind and inure to the benefit of successor entities of Northridge and Rio Linda.

Dated: November 23, 1998

NORTHRIDGE WATER DISTRICT

By 
President

Attest:

By: 
Secretary

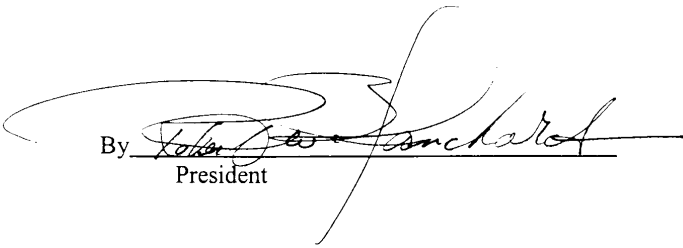
Dated: November 23, 1998

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT


November 23, 1998

-6-

7722\A2111698abl

By  _____
President

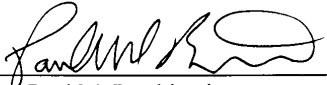
Attest:

By:  _____
Secretary

APPROVED AS TO FORM:

Dated: November 23, 1998

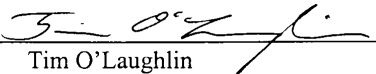
BARTKIEWICZ, KRONICK & SHANAHAN
A Professional Corporation

By  _____
Paul M. Bartkiewicz

Attorneys for Northridge Water District

Dated: November 23, 1998

O'LAUGHLIN & PARIS, LLP

By  _____
Tim O'Laughlin

Attorneys for Rio Linda/Elverta Community Water
District

EXHIBIT A

Assignment of Causes of Action

In consideration of the mutual promises made in the November 23, 1998 Settlement Agreement between Northridge Water District (“Northridge”) and Rio Linda/Elverta Community Water District (“Rio Linda”), and to the extent authorized by the January 25, 1994 AGREEMENT FOR PROFESSIONAL SERVICE between Northridge and Boyle Engineering Corporation (“Boyle”), Northridge transfers and assigns to Rio Linda all of Northridge’s right, title, and interest in and to any causes of action that Northridge may have against Boyle based on Boyle’s sole negligence in making estimates of the costs of constructing the San Juan Pipeline and the Northridge Pipeline. The “San Juan Pipeline” is the water-conveyance pipeline owned and operated by the San Juan Water District, originating at the San Juan Water District’s treatment plant in Granite Bay, California and terminating at the C-Bar-C Park in Citrus Heights, California. The “Northridge Pipeline” is the water-conveyance pipeline owned and operated Northridge, originating at the C-Bar-C Park in Citrus Heights, California at the terminus of the San Juan Pipeline, and terminating at Walerga Road in North Highlands, California, and the proposed but unconstructed water-conveyance pipeline from Walerga Road to 32nd Street in Rio Linda, California.

Dated: November 23, 1998

NORTHRIDGE WATER DISTRICT

By _____
President

EXHIBIT B

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address) Tim O'Laughlin, State Bar No. 116807 TELEPHONE NO 530-899-9755 William C. Paris, III, State Bar No. 168712 O'Laughlin & Paris, LLP 870 Manzanita Court, Suite B, Chico, CA 95926		FOR COURT USE ONLY
ATTORNEY FOR (Name) <u>Plaintiff Rio Linda Water District</u> <small>Insert name of court and name of judicial district and branch court, if any</small> San Joaquin County Superior Court		
PLAINTIFF/PETITIONER <u>RIO LINDA WATER DISTRICT</u> DEFENDANT/RESPONDENT: <u>NORTHRIDGE WATER DISTRICT</u>		
REQUEST FOR DISMISSAL <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): <u>Contract, Declaratory Relief and Other</u> Causes of Action		CASE NUMBER CV002942

— A conformed copy will not be returned by the clerk unless a method of return is provided with the document. —

1. TO THE CLERK: Please dismiss this action as follows:

- a. (1) With prejudice (2) Without prejudice
- b. (1) Complaint (2) Petition
- (3) Cross-complaint filed by (name): on (date)
- (4) Cross-complaint filed by (name): on (date)
- (5) Entire action of all parties and all causes of action
- (6) Other (specify): * Entire action and all causes of action against defendant Northridge Water District only.

Date: November 23, 1998

Tim O'Laughlin
(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)

(SIGNATURE)

Attorney or party without attorney for:

Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

2. TO THE CLERK: Consent to the above dismissal is hereby given.**

Date: November 23, 1998

Alan B. Lilly
(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)

(SIGNATURE)

Attorney or party without attorney for:

Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant Northridge Water District

(To be completed by clerk)

3. Dismissal entered as requested on (date):
4. Dismissal entered on (date): as to only (name):
5. Dismissal not entered as requested for the following reasons (specify):
6. a. Attorney or party without attorney notified on (date):
- b. Attorney or party without attorney not notified. Filing party failed to provide
 a copy to conform means to return conformed copy

Date: _____ Clerk, by _____ Deputy

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address) Alan B. Lilly, State Bar No. 107409 (916) 446-4254 David T. Sammond, State Bar No. 173410 Bartkiewicz, Kronick & Shanahan, LLP 1011 22nd Street, Suite 100 Sacramento, CA 95816 ATTORNEY FOR (Name) Defendant and Cross-Complainant Northridge	TELEPHONE NO. 446-4254 FOR COURT USE ONLY
Insert name of court and name of judicial district and branch court, if any Water District San Joaquin County Superior Court	
PLAINTIFF/PETITIONER: RIO LINDA WATER DISTRICT DEFENDANT/RESPONDENT: NORTHRIDGE WATER DISTRICT	
REQUEST FOR DISMISSAL <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): Contract, Declaratory Relief and other Causes of Action	CASE NUMBER CV002942

— A conformed copy will not be returned by the clerk unless a method of return is provided with the document. —

1. TO THE CLERK: Please dismiss this action as follows:

- a. (1) With prejudice (2) Without prejudice
- b. (1) Complaint (2) Petition
- (3) Cross-complaint filed by (name): Northridge Water District on (date): May 22, 1997
- (4) Cross-complaint filed by (name): on (date):
- (5) Entire action of all parties and all causes of action
- (6) Other (specify):*

Date: November 23, 1998

Alan B. Lilly
 (TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)
 * If dismissal requested is of specified parties only, of specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed

(SIGNATURE)

Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

2. TO THE CLERK: Consent to the above dismissal is hereby given.**

Date:

(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)
 ** If a cross-complaint—or Response (Family Law) seeking affirmative relief—is on file, the attorney for cross-complainant (respondent) must sign this consent if required by Code of Civil Procedure section 581(i) or (j).

(SIGNATURE)

Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

(To be completed by clerk)

3. Dismissal entered as requested on (date):
4. Dismissal entered on (date): as to only (name):
5. Dismissal not entered as requested for the following reasons (specify):
6. a. Attorney or party without attorney notified on (date):
 b. Attorney or party without attorney not notified. Filing party failed to provide
 a copy to conform means to return conformed copy

Date: _____ Clerk, by _____, Deputy

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address) Tim O'Laughlin, State Bar No. 116807 TELEPHONE NO 530-899-9755 William C. Paris, III, State Bar No. 168712 O'Laughlin & Paris, LLP 870 Manzanita Court, Suite B, Chico, CA 95926	FOR COURT USE ONLY
ATTORNEY FOR (Name) Petitioner Rio Linda/Elverta Community Insert name of court and name of judicial district and branch court, if any Water District Sacramento County Superior Court	
PLAINTIFF/PETITIONER: RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT DEFENDANT/RESPONDENT: NORTHRIDGE WATER DISTRICT	
REQUEST FOR DISMISSAL <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): Petition for Writ of Mandate	CASE NUMBER 98 SC00890

— A conformed copy will not be returned by the clerk unless a method of return is provided with the document. —

1. TO THE CLERK: Please dismiss this action as follows:
- a. (1) With prejudice (2) Without prejudice
- b. (1) Complaint (2) Petition
 (3) Cross-complaint filed by (name): on (date):
 (4) Cross-complaint filed by (name): on (date):
 (5) Entire action of all parties and all causes of action
 (6) Other (specify):*

Date: November 23, 1998

Tim O'Laughlin
(TYPE OR PRINT NAME OF ATTORNEY PARTY WITHOUT ATTORNEY)
* If dismissal requested is of specified parties only, of specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed

(SIGNATURE)

 Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

2. TO THE CLERK: Consent to the above dismissal is hereby given.**
 Date:

(SIGNATURE)

 Attorney or party without attorney for:
 Plaintiff/Petitioner Defendant/Respondent
 Cross-complainant

(To be completed by clerk)

3. Dismissal entered as requested on (date):
 4. Dismissal entered on (date): as to only (name):
 5. Dismissal not entered as requested for the following reasons (specify):
 6. a. Attorney or party without attorney notified on (date):
 b. Attorney or party without attorney not notified. Filing party failed to provide
 a copy to conform means to return conformed copy

Date: _____ Clerk, by _____ Deputy

RESOLUTION NO. 1998-07-1

A RESOLUTION ADOPTING THE APPROPRIATIONS
BUDGET FOR THE 1998-99 FISCAL YEAR

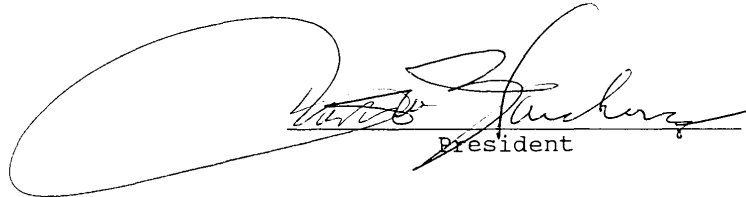
BE IT RESOLVED by the Board of Directors of the Rio Linda Water District that the resources indicated in the budget attached hereto are hereby appropriated for expenditures and reserves for the fiscal year beginning July 1, 1998 and ending June 30, 1999 as indicated in said budget.

INTRODUCED AND ADOPTED on this 20th day of July, 1998, by the following vote:


AYES, in favor hereof: Blanchard, Griffin, Paine, Wickham

NOES: NONE Quackenbush

ABSENT: NONE


President

ATTEST:


Secretary

1998-99 APPROPRIATIONS BUDGET

CURRENT RESOURCES:

From Beginning Unappropriated Funds	\$0
From Restricted Funds:	
From Developer Fees	\$120,349
From First Trust - Reserve Fund	\$408,500
From Reserves:	
From Rate Stabilization Reserve	\$470,658
From Cash Flow Reserve	\$357,879
From Contingency Reserve	\$70,152
From Self-Insurance Reserve	\$11,370
From Unemployment Reserve	\$1,895
From Capital Improvement Reserve	\$1,204,032
Water Service Rates:	
Basic Service Charge	\$335,000
Usage Charge	\$200,000
Rate Stabilization Charge	\$128,000
Multiple Unit Charge	\$5,000
Backflow Charge	\$9,000
Hydrant Meter Charge	\$120
Fire Protection Service Charge	\$1,700
Bad Debts	\$0
Account Service Charges:	
Late Payment Fee	\$19,870
NSF Check Fee	\$1,075
Service Disconnect Fee	\$2,625
Lien Administration Fee	\$768
Other Water Service Fees:	
Service Installation Fee	\$18,000
Service Modification Fee	\$100
Plan Check Fee	\$500
Field Service Call Fee	\$1,000
System Damage Charges	\$0
Miscellaneous Revenue	\$100
Investment Income:	
House Rental	\$5,845
Tower Leases	\$17,000
Earnings on Monies	\$108,000
Property Taxes & Related	\$36,000
Development Fees	\$18,000
TOTAL ALL CURRENT RESOURCES	<u>\$3,552,539</u>

APPROPRIATIONS:**Expenses:**

Officers Fees:	\$38,500	
Salaries & Wages:	\$279,604	
Unemployment Insurance:	\$280	
'Workers' Compensation:	\$7,144	
FICA/Medicare	\$21,390	
Public Employees Retirement System:	\$25,893	
Group Insurance	\$30,847	
Uniforms	\$1,660	
Training	\$3,500	
Meetings & Conferences:	\$6,500	
Memberships:	\$12,570	
Legal Expense	\$100,000	
Elections	\$5,500	
Permits/Certifications	\$3,260	
Insurance	\$21,000	
Laboratory Services	\$9,500	
Cross-Connection Control	\$9,000	
Conservation:	\$5,250	
Engineering Services:	\$2,000	
Communications:	\$3,500	
Publishing:	\$15,600	
Building	\$7,350	
Transmission & Distribution:	\$9,300	
Treatment:	\$5,200	
Pumping:	\$127,550	
Construction Equip Maint	\$2,000	
Transportation:	\$12,000	
Small Tools & Shop Supplies	\$2,000	
Safety Equipment	\$900	
Bank Charges	\$550	
Printing	\$5,000	
Postage	\$14,000	
Computer Supplies	\$2,500	
Office Supplies	\$9,000	
50th Anniversary Event	\$5,000	
Publications	\$2,900	
Office Equip Maint	\$2,590	
716 L Street Expenses	\$600	
724 L Street Expenses	\$1,000	
		\$811,938
Debt Service Expenditures:		
Bond Administration	\$2,275	
1994 COP's Interest	\$332,963	
1994 COP's Principal	\$70,000	
Dump Truck L/P	\$10,836	
		\$416,074
Capital Expenditures:		
Equipment/Facilities Replacement Program	\$137,250	
Capital Acquisition/Improvement Program	\$508,000	
		\$645,250

To Restricted Funds:

To Developer Fees	\$0	
To First Trust - Reserve Fund	<u>\$408,500</u>	\$408,500

To Reserves:

To Rate Stabilization Reserve	\$195,696	
To Cash Flow Reserve	\$361,429	
To Contingency Reserve	\$81,034	
To Self-Insurance Reserve	\$14,985	
To Unemployment Reserve	\$2,122	
To Capital Improvement/Acquisition Reserve	<u>\$615,512</u>	

TOTAL ALL APPROPRIATIONS \$3,552,539

RESOLUTION NO. 1998-07-1

A RESOLUTION ADOPTING THE APPROPRIATIONS
BUDGET FOR THE 1998-99 FISCAL YEAR

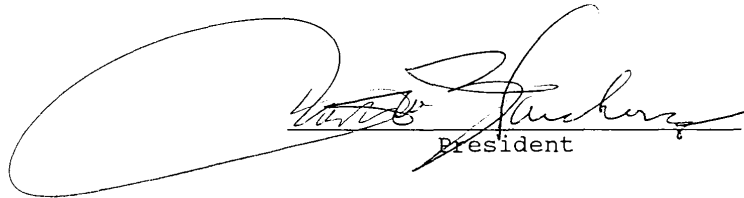
BE IT RESOLVED by the Board of Directors of the Rio Linda Water District that the resources indicated in the budget attached hereto are hereby appropriated for expenditures and reserves for the fiscal year beginning July 1, 1998 and ending June 30, 1999 as indicated in said budget.

INTRODUCED AND ADOPTED on this 20th day of July, 1998, by the following vote:


AYES, in favor hereof: Blanchard, Griffin, Paine, Wickham

NOES: NONE Quackenbush

ABSENT: NONE


President

ATTEST:


Secretary

RESOLUTION NO. 1998-05-01

A RESOLUTION AUTHORIZING THE PRESIDENT OF THE BOARD TO EXECUTE A MEMORANDUM OF UNDERSTANDING FOR PARTICIPATION IN THE AMERICAN RIVER BASIN COOPERATING AGENCIES REGIONAL WATER MASTER PLAN

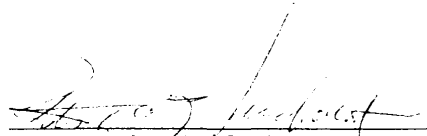
BE IT RESOLVED by the Board of Directors of the Rio Linda/Elverta Community Water District that the President of the Board of Directors is hereby authorized and directed to execute documents necessary to secure the Districts participation in the American River Basin Cooperating Agencies Regional Water Master Plan Memorandum of Understanding Number 2 which is attached hereto.

INTRODUCED AND ADOPTED on this 18th day of May, 1998, by the following vote:

AYES, in favor hereof: Blanchard, Griffin, Paine, Wickham


NOES: None

ABSENT: Quackenbush



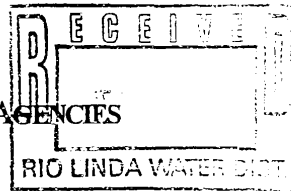
President

ATTEST:



Secretary

AMERICAN RIVER BASIN COOPERATING AGENCIES
REGIONAL WATER MASTER PLAN



MEMORANDUM OF UNDERSTANDING NUMBER 2

REGARDING CONTRACTING FOR CONSULTANT AND PROGRAM
MANAGER SERVICES FOR REGIONAL WATER MASTER PLAN PHASE I

THIS MEMORANDUM OF UNDERSTANDING (hereinafter "MOU") is entered into on _____, 1998 by and between Arcade Water District, Carmichael Water District, Citrus Heights Water District, City of Sacramento, City of Folsom, City of Roseville, County of Sacramento, Fair Oaks Water District, Natomas Central Mutual Water Company, Northridge Water District, Orange Vale Water Company, Placer County Water Agency, and San Juan Water District (hereinafter "Participants").

RECITALS

WHEREAS, the purpose of this MOU is to memorialize an agreement and understanding of the Participants with respect to contracting with the Consultant Team, (hereinafter "Consultant") and a Program Manager, as well as related services, contracts, expenses, and materials for the purpose of completing Phase I of the Regional Water Master Plan; and

WHEREAS, the scope of work to be performed in Phase I of the Regional Water Master Plan was negotiated by an Executive Committee of the Participants; and

WHEREAS, the Participants believe it to be in their best interest, as well as the public's best interest to complete the Regional Water Master Plan by entering into a contract with Montgomery Watson for development of Phase I of the Regional Water Master Plan described more fully in Task Order 98-01, and to enter into a contract with Water Resource Consultants for Program Management services throughout Phase I.

NOW THEREFORE, in consideration of the mutual obligations set forth herein, the Participants agree as follows:

1. **Executive Committee:** The Participants hereby form an Executive Committee consisting of one representative of each Participant's Board or Council and one representative of each Participant's Staff. Representatives named may, from time to time or permanently, designate an individual from their respective agency, to act on the representative's behalf. Meetings of the Executive Committee are open to the public and may be attended by anyone authorized by any representative. The purpose of the Executive Committee will be to: a) review and comment on the development of the scope of work and budget to be included in a contract with

the Consultant for the Regional Water Master Plan; b) direct the actions of the Program Manager, possibly through a subcommittee; c) receive Consultant's draft reports for Phase I and to comment upon said draft, d) update respective Participants and other bodies on the status of the report for Phase 1, and e) recommend contracts, task orders, and expenses necessary for the progress and prosecution of the project. The Executive Committee shall establish a Coordinating Committee, consisting of five members of the Executive Committee, selected by the Executive Committee. The Coordinating Committee shall coordinate and monitor the activities of project consultants and Program Manager, develop meeting agendas and programs, and serve as a sounding board for ideas and issues. The Executive Committee shall appoint the Chair of the Coordinating Committee, who shall also serve as Executive Committee meeting leader, and primary contact for the American River Cooperating Agencies group. The Executive Committee shall meet as necessary at locations and times determined by the committee.

2. **Decisions of the Executive Committee:** The Participants expect and intend that decisions of the Executive Committee may be made by consensus. At the request of any Executive Committee member, the Executive Committee may make decisions by vote, with each represented participating agency having one vote. The vote of the majority of the represented participating agencies will be the decision of the Executive Committee.
3. **Coordination with Consultant and Participants:** San Juan Water District will act as the lead agency in contracting with the Consultants and Participants to complete Phase I of the Regional Water Master Plan. Tasks associated with this coordination will include, but not be limited to:
 - Developing and administering contracts, which have been approved by the Executive Committee for the services of the Consultants.
 - Serve as the contracting and fiscal agent for receiving recommendations from the Executive Committee, approving, and paying invoices from the project consultants, Program Manager, or other related expenses
4. **Cost Sharing, Invoices:** San Juan Water District will be responsible for administering the contracts for the services of the consultant team, the Program Manager and any miscellaneous consulting or related expenses. It is understood and agreed, that these contracts create binding financial obligations to the participants, who shall pay an equal share of the total costs (cost divided by the number of participants), as follows:

Not To Exceed Costs for Each Participant

Participant	Task Order 98-01 costs	Miscellaneous services, materials & expenses	Program management costs	Total Cost
Arcade WD	\$25,000	\$5,000	\$10,000	\$40,000
Carmichael WD	\$25,000	\$5,000	\$10,000	\$40,000
Citrus Heights WD	\$25,000	\$5,000	\$10,000	\$40,000
City of Folsom	\$25,000	\$5,000	\$10,000	\$40,000
City of Roseville	\$25,000	\$5,000	\$10,000	\$40,000
City of Sacramento	\$25,000	\$5,000	\$10,000	\$40,000
County of Sacramento	\$25,000	\$5,000	\$10,000	\$40,000
Fair Oaks WD	\$25,000	\$5,000	\$10,000	\$40,000
Natomas CMWC	\$25,000	\$5,000	\$10,000	\$40,000
Northridge WD	\$25,000	\$5,000	\$10,000	\$40,000
Orange Vale WC	\$25,000	\$5,000	\$10,000	\$40,000
Placer County WA	\$25,000	\$5,000	\$10,000	\$40,000
San Juan WD	\$25,000	\$5,000	\$10,000	\$40,000
TOTAL:	\$325,000	\$65,000	\$130,000	\$520,000

Upon receipt of the invoices from a consultant or other service or material providers, San Juan Water District will forward copies of the invoices to each of the Participants, who within forty-five (45) days of the date of said invoices, shall remit its stated share of said invoice to San Juan Water District. In the event one or more of the Participants believes an invoice should not be paid in whole or in part, the dispute shall be resolved by the Executive Committee as set forth in Section 2. The Participants agree to exercise good faith and diligence in the resolution of any disputed invoice amounts; provided, however, that notwithstanding any provision contained herein, San Juan Water District shall be reimbursed by each of the Participants for its respective share of any and all money ultimately paid to the Consultants by San Juan Water District, up to the ceiling specified in Section 5 below.

5. **Price Ceiling:** In no case shall the total value of goods or services procured pursuant to this MOU exceed forty thousand dollars (\$40,000) dollars per participant, plus the amount in MOU I, except by Amendment to this MOU. In the event that a portion of these costs are offset by grants received from non-Participants, the total contract amount will be reduced accordingly and apportioned per the cost sharing method outlined in Section 4 above.

6. **Additional Participants:** Should Participants beyond those initial Participants included in the introductory preamble and listed in the cost sharing recital be added after this MOU is executed, the total costs of the project to date shall be reapportioned among all Participants such that each Participant pays an equal share of the total costs.

7. **Notices:** Any invoice, payment, demand, notice or other written communication related to this MOU will be provided to each Participant.
8. **Term of MOU:** This MOU shall remain in force until all services and contracts covered by this MOU have been completed and performed, and all payments required under this MOU have been made.
9. **Amendments:** Any amendments to this MOU must be in writing and executed by all Participants.
10. **Counterparts:** This MOU may be executed by the Participants in separate counterparts, each of which when so executed and delivered to San Juan Water District shall be an original, but all such attached counterparts shall together constitute by one and the same instrument. San Juan Water District will, in turn, provide Participants with copies of said executed counterparts.
11. **Incorporation of MOU I:** This MOU (MOU II) incorporates MOU I and participants not signatory to MOU I are agreeing to pay their share of total project costs to date.
12. **General Provisions:** Each Participant understands and agrees that there is no agency relationship between the Participants. It is further understood and agreed by the Participants that, notwithstanding anything contained herein, the employees of each Participant shall continue to be entirely and exclusively under the direction, supervision and control of the employing party.

Each Participant understands and agrees that any internal, in-house or administrative costs or expenses incurred by any Participant related to that Participant's obligations under this MOU shall be the sole responsibility of the party incurring said costs and expenses. This instrument and any attachments hereto constitute the entire MOU between the Participants concerning the subject matter hereof.

RESOLUTION NO. 1998-04-01

A RESOLUTION AUTHORIZING THE PRESIDENT OF THE BOARD TO EXECUTE AN EMPLOYMENT AGREEMENT WITH MICHAEL L. PHELAN FOR GENERAL MANAGER SERVICES

WHEREAS, on October 23, 1995 the Board of Directors entered into an employment agreement with Michael L. Phelan to serve as General Manager; and

WHEREAS, both parties desire to modify the terms of said agreement and extend its term;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rio Linda/Elverta Community Water District that the President of the Board is hereby authorized and directed to execute the "Employment Agreement" attached hereto employing Michael L. Phelan as General Manager of the District until April 15, 2001.

INTRODUCED AND ADOPTED on this 26th day of April, 1998, by the following vote:

AYES, in favor hereof: Griffin, Paine, Quackenbush, Wickham
Blanchard

NOES: None

ABSENT: None


President

ATTEST:


Secretary

1 performing occasional teaching, writing and consulting services so
2 long as these other activities are not performed during normal
3 business hours of the Employer and do not interfere with Employee's
4 performance of his obligations under this Agreement.

5 **3. Term of Agreement.** This Agreement shall commence on the
6 date set forth above and shall continue continuously thereafter
7 until April 15, 2001. This Agreement shall automatically renew for
8 an additional period of two (2) years unless it is terminated by
9 either party providing written notice to the other party of such
10 party's desire to terminate the Agreement at least ninety (90) days
11 prior to the expiration of the then current term. Notwithstanding
12 these terms and provisions the Agreement may be terminated as
13 provided in Section 4 below.

14 **4. Termination of Agreement.**

15 A. Termination by Employee. Employee may terminate this
16 Agreement at any time during the term thereof by providing Employer
17 with three (3) months written advance notice of his intention to
18 terminate this Agreement. Should Employee provide his three (3)
19 months written notice, the District shall have the right to waive
20 all or a portion of the notice period and terminate the
21 relationship at an earlier date selected by it.

22 B. Termination by Employer. Employer may terminate this
23 Agreement without cause or reason at any time during the term of
24 this Agreement, or any extension thereof, upon election by the
25 Board and in such event Employer will pay to Employee all monies
26 due through the date of termination of the relationship, plus a

1 lump sum cash payment equal to six (6) months net salary. The Board
2 will provide Employee twenty-four (24) hours advance notice of its
3 intention to vote on the question of termination of Employee's
4 services.

5 C. Good Cause Termination. Employer may terminate this
6 Agreement for good cause at any time during the term of this
7 Agreement, or any extension thereof, after the Board has provided
8 Employee seventy-two (72) hours advance notice of the Board's
9 intention to vote on the question of termination of Employee's
10 services. At the meeting of the Board at which the vote to
11 terminate Employee's services is considered, the Employee shall be
12 given the opportunity to respond before the Board either in public
13 or in closed session, at Employee's option.

14 D. Definition of Good Cause. For the purposes of this
15 Agreement, good cause is defined as follows: 1) committing any
16 felony crime or any crime involving moral turpitude; 2) immoral or
17 indecent conduct that adversely reflect upon the reputation of the
18 District; 3) repeatedly failing to comply with Employee's
19 obligations under this Agreement; 4) repeatedly failing to comply
20 with policies, standards and regulations of the District that are
21 lawfully adopted from time to time and are not in conflict with
22 this Agreement; 5) falsifying Employer records; 6) failure to carry
23 out a lawful direction of the Board; 7) repeated unauthorized use
24 of Employer equipment, time, materials or facilities; 8) unlawful
25 harassment and 9) inability to perform essential functions of the
26 position of General Manager/Secretary to the Board because of

1 sickness, accident, injury, mental incapacity or health for a
2 period of four (4) successive weeks beyond any use of accrued paid
3 leave for one-third (1/3) of the normal work days of the District
4 during a period of four (4) consecutive months.

5 F. Dissolution or Consolidation of District. Notwithstanding
6 any other provision herein, should the Employer or its successor
7 terminate this Agreement within six months previous to or
8 subsequent to dissolution or consolidation of the District,
9 Employee shall receive the maximum severance pay permitted pursuant
10 to Section 53260 of the Government Code.

11 5. **Annual Goal Setting, Performance Rule and Professional**
12 **Involvement.**

13 A. Annual Goal Setting. On or before March 31, 1996 and
14 annually thereafter, Board with the assistance of Employee, shall
15 define or reconfirm a mission statement for the District, and
16 establish related goals and performance objectives that it
17 determines necessary for the proper operation of the District and
18 in the attainment of Board's policy objectives. Board shall further
19 establish a relative priority among those various goals and
20 objectives. They shall generally be attainable(within the time
21 limitations as specified and the planned annual operative and
22 capital budgets

23 B. Performance Review. Board, including all members, will meet
24 with Manager for at least one (1) day each year in the month of
25 April to review the District's progress and problems in terms of
26 the effectiveness of the General Manager/Secretary and Board as a

1 team and to prepare a written review of Manager's performance. The
2 written review should reflect the consensus of the majority of the
3 Board members. In effecting the provisions of this paragraph, the
4 Board and Manager mutually agree to abide by the provisions of
5 applicable law.

6 C. Professional Affiliations. Subject to prior Board approval,
7 District agrees to pay the dues and subscriptions of Manager
8 necessary for his continuation and full participation in the
9 International City/County Management Association and such other
10 national, state, and local professional organizations desirable for
11 the good of the District.

12 D. Professional Meetings. Subject to prior Board approval,
13 which shall not be unreasonably withheld, District agrees to
14 provide time with pay for Manager's attendance at annual meetings
15 of aforementioned professional organizations and, subject to budget
16 limitations, to pay travel and subsistence expenses of Manager
17 while attending such professional meetings.

18 **6. Hours of Work and Leave.**

19 A. Hours of Work. It is recognized that the position of
20 General Manager/Secretary is a full-time executive position
21 requiring the exercise of independent judgment on the part of
22 Manager and requiring periods of extended work outside normal
23 office hours dealing with the business of the District for such
24 activities as Board meetings, committee meetings, community
25 functions, and operational emergencies. Manager in consultation
26 with the Board will be expected to establish regular working hours

1 during the District's office hours. The Manager may occasionally
2 take time off because of such extended work, as may be appropriate.
3 Both parties recognize that such time off cannot be hour-for-hour
4 because of the demands of the position.

5 B. Leave. (1) Employee shall accrue 5 hours of sick leave and
6 6.67 hours of vacation leave per pay period. Employee is expected
7 to use all earned vacation entitlement within one year of the time
8 it is earned. During each fiscal year and at his own discretion,
9 Manager may elect to receive at his normal rate of pay up to 87
10 hours of vacation pay in lieu of vacation time off. Manager is
11 expected to consult with the Board prior to any use of vacation
12 leave in excess of three (3) working days within two (2)
13 consecutive weeks. Manager shall be paid per current District
14 policy for unused accrued vacation and sick leave upon termination
15 of his appointment hereunder.

16 (2) In addition to the leave provided hereinabove, on April 1,
17 1998, and on April 1 of each year thereafter, the Employee shall be
18 granted eighty (80) hours of paid administrative leave which may be
19 used during the next twelve (12) months in the same manner and
20 fashion as vacation leave; provided, however, that administrative
21 leave remaining unused at the end of the twelve (12) months shall
22 expire and, further, no payment for unused administrative leave
23 shall be granted upon termination of employment.

24 **7. Vehicle and Moving Expenses.**

25 A. Vehicle. Manager's duties require that at all times during
26 his service with the District he shall have the use of a

1 radio-equipped vehicle. To that end, District at all times shall
2 provide Manager with exclusive use of a District owned vehicle at
3 no cost to Manager. Use of said vehicle shall be solely on District
4 business and at such other times while Manager, based upon his on
5 judgement, is available to respond to District emergencies. Manager
6 shall not permit operation of the vehicle by other than District
7 employees or officials.

8 B. Moving Expenses. District shall reimburse Manager one-half
9 (1/2) the cost of moving his household belongings from Willits,
10 California to a residence within thirty (30) minutes travel time of
11 the District, provided that such reimbursement shall not exceed
12 \$2,000. Employee will provide to Employer written receipts
13 reflecting the costs incurred by Employee in the moving his
14 residence.

15 **8. Compensation.**

16 A. Salary. District agrees to pay Manager for his services the
17 salary designated on the employee salary and wage plan as Range 47
18 Step 7, payable in installments at the same time as employees of
19 the District are paid. District may increase said salary and/or
20 other benefits of Manager in such amounts and to such extent as the
21 Board may determine that it is desirable to do so on the basis of
22 the performance review of said Manager as provided for in Section
23 5 hereinabove.

24 B. Group Insurance. Employee and his dependents shall be
25 entitled to participate in group insurance programs maintained by
26 the District according to the terms and conditions of participation

1 in such programs established from time-to-time for the other
2 employees of the District. At the current time the programs
3 provided to the District to its employees includes medical, dental,
4 vision and life insurance. Notwithstanding any other policy of the
5 District, the District will pay the full cost of the medical and
6 dental coverage for Employee and his eligible family and the cost
7 of vision and life insurance for Employee only.

8 C. State Public Employees Retirement System. District shall
9 maintain its agreement with the State Public Managers Retirement
10 System (PERS). District shall pay all "employer" contributions for
11 PERS on behalf of Employee and Employee shall pay the is "employee"
12 contribution of seven percent (7%) of gross salary. Both parties
13 acknowledge the obligation to make certain payments for federal
14 Social Security and Medicare.

15 **9. General Provisions.**

16 A. Bonds. District shall bear the full cost of any fidelity or
17 other bonds required of the Employer under any law or ordinance.
18 Employer shall furnish all information and take other steps
19 necessary to enable the District to obtain such bonds.

20 B. Applicable Law. This Agreement is drawn to be effective in
21 the State of California and shall be construed in accordance with
22 California laws.

23 C. Amendment or Waiver. No amendment or variation of the terms
24 of this Agreement, except compensation, shall be valid unless made
25 in writing and signed by the Employee and a duly authorized
26 representative of Employer other than Employee. A waiver any term

1 or condition of this agreement shall not be construed as a general
2 waiver by Employer, and Employer shall be free to reinstate such
3 term or condition with or without notice to Employee.

4 D. Severability. If any provisions of this Agreement is held
5 by a court of competent jurisdiction to be invalid, void, or
6 unenforceable, the remaining provisions shall be nonetheless
7 continued in full force and effect without being impaired or
8 invalidated in any way.

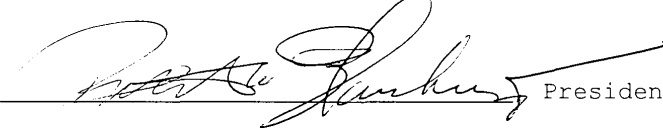
9 E. Notices. Any notices to be given by either party to the
10 other may be effected by personal delivery in writing or by mail,
11 registered or certified, postage pre-paid with return receipt
12 requested. Mail notices shall be addressed to the parties at the
13 address appearing next to their signature below, but each party may
14 change such address by written notice in accordance with this
15 section. Notices delivered personally shall be deemed communicated
16 as of the date of actual receipt; mailed notices shall be deemed
17 communicated as of two (2) days after the date in which they are
18 mailed.


19 F. Entire Agreement. This Agreement supersedes any and all
20 other agreements, either oral or in writing, between the parties
21 with respect to the employment of Employee by Employer and contains
22 all the covenants and agreements between the parties with respect
23 to that employment. Each party to this Agreement acknowledges that
24 no representations, inducements, promises or agreements, orally or
25 otherwise, other than those set forth herein have been made by
26 either party or anyone acting on behalf of any party and that no

1 other agreement, statement or promise not contained in this
2 Agreement shall be valid or binding. Any modifications to this
3 Agreement will be effective only if it is in writing signed by the
4 parties hereto.

5 IN WITNESS HEREOF this Agreement was executed on the date set
6 forth above.

7 RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

8
9 BY:  President

10
11 , Employee

12

RESOLUTION NO. 1998-05-01

A RESOLUTION AUTHORIZING THE PRESIDENT OF THE BOARD TO EXECUTE A MEMORANDUM OF UNDERSTANDING FOR PARTICIPATION IN THE AMERICAN RIVER BASIN COOPERATING AGENCIES REGIONAL WATER MASTER PLAN

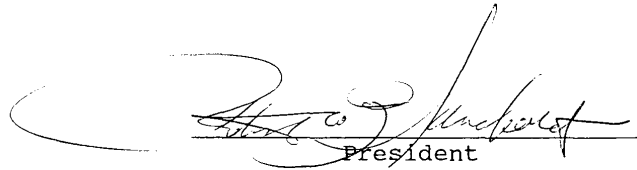
BE IT RESOLVED by the Board of Directors of the Rio Linda/Elverta Community Water District that the President of the Board of Directors is hereby authorized and directed to execute documents necessary to secure the Districts participation in the American River Basin Cooperating Agencies Regional Water Master Plan Memorandum of Understanding Number 2 which is attached hereto.

INTRODUCED AND ADOPTED on this 18th day of May, 1998, by the following vote:

AYES, in favor hereof: Blanchard, Griffin, Paine, Wickham

NOES: None

ABSENT: Quackenbush


President

ATTEST:



Secretary

RESOLUTION NO. 1998-03-01

A RESOLUTION AMENDING SECTION 2.01.110 BY
CHANGING THE REGULAR BOARD MEETING DAY FROM
THE THIRD WEDNESDAY OF EACH MONTH TO THE
THIRD MONDAY OF EACH MONTH

BE IT RESOLVED by the Board of Directors of the Rio Linda
Water District that Section 2.01.110 of the Policy Manual is
hereby amended to read as follows: (strikeout indicates
deletions, *italics* indicate additions)

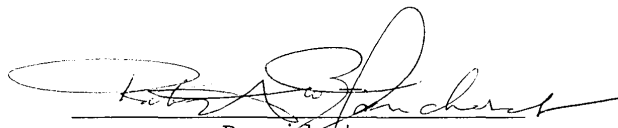
2.01.110 Regular Meetings. The regular
meeting of the Board of Directors shall be held on the
~~third Wednesday~~ *third Monday* of each month at 7:00 p.m.
at the District Office.

INTRODUCED AND ADOPTED on this 18th day of March, 1998, by
the following vote:

AYES, in favor hereof: Blanchard, Griffin, Paine
Quackenbush, Wickham


NOES: None

ABSENT: None



President

ATTEST:



Secretary

RESOLUTION NO. 1998-03-02

A RESOLUTION CALLING THE 1998 GENERAL DISTRICT ELECTION

WHEREAS, an election will be held within the Rio Linda/Elverta Community Water District on November 3, 1998 for the purpose of electing two directors; and

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

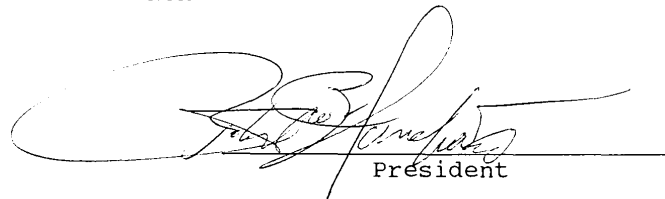
WHEREAS, Election Code §10403 requires jurisdictions to file with the Board of Supervisors, and a copy with the Registrar of Voters, a resolution requesting consolidation with a statewide election.

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

1. The District hereby requests the Board of Supervisors of Sacramento County to consolidate the regularly scheduled General District Election with the statewide election to be held November 3, 1998.
2. Candidates for Director at said election are to pay for the publication of the candidates statement, pursuant to Election Code §13307 and the limitation on the number of words within any such statement is 200 words.
3. The District hereby agrees to reimburse the Registrar of Voters for actual costs accrued, such costs to be calculated by the method set for the in the County's current Election Cost Allocation Procedures.


INTRODUCED AND ADOPTED on this 18th of March, 1998, by the following vote:

AYES, in favor hereof:	Griffin, Quackenbush, Paine, Wickham, Blanchard
NOES:	None
ABSENT:	None



President

ATTEST:



Secretary

RESOLUTION NO. 1998-02-01

A RESOLUTION AWARDING A BID FOR THE ELKHORN
BOULEVARD WATER LINE RELOCATION PROJECT

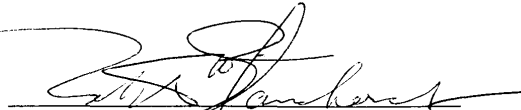
WHEREAS, the District's engineer has prepared plans, specifications, and contract documents for the relocation of water lines along Elkhorn Boulevard between 14th and 24th streets; and

WHEREAS, the District received 21 bids for the project and has received from its engineer a recommendation to award the contract to the lowest bidder;


NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rio Linda/Elverta Community Water District that the General Manager is hereby authorized to execute aforementioned contract documents awarding the contract to Sierra National Construction on behalf of the District.

INTRODUCED AND ADOPTED on this 24th day of February, 1998, by the following vote:

AYES, in favor hereof: ~~Paine~~, Griffin, Quackenbush,
NOES: Wickham, Blanchard, Wickham
ABSENT: Paine


President

ATTEST:


Secretary

RESOLUTION NO. 1998-01-01

A RESOLUTION BY THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT REQUESTING THE SACRAMENTO LOCAL AGENCY FORMATION COMMISSION TO REORGANIZE THE RIO LINDA AND ELVERTA RECREATION AND PARK DISTRICT AND THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT INTO THE RIO LINDA/ELVERTA COMMUNITY SERVICES DISTRICT

WHEREAS, the Board of Directors of the Rio Linda and Elverta Recreation and Park District and the Board of Directors of the Rio Linda/Elverta Community Water District desire to initiate proceedings pursuant to the Cortese-Knox Local Government Reorganization Act of 1985 (Government Code §§56000 et seq.) to reorganize the two Districts into the Rio Linda/Elverta Community Services District; and,

WHEREAS, said Boards of Directors in full agreement with the Legislature of the State of California have determined that a single multipurpose agency, rather than a number of limited purpose agencies, would be better able to assess and be accountable for community service needs and financial resources and, therefore, is the best mechanism for establishing community service priorities and coordinating governmental services within the community; and,

WHEREAS, said Boards of Directors have determined that it is in the best interest of the residents of the Rio Linda and Elverta community to reorganize to form one politically unified entity responsible to the voters of said community to formulate and represent the interests of the community in order to protect those interests;

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

Section 1. This resolution constitutes a resolution of application pursuant to §56650 of the Government Code adopted in order to reorganize the Rio Linda and Elverta Recreation and Park District (Park District) and the Rio Linda/Elverta Community Water District (Water District) into a single new community services district to be known as the Rio Linda/Elverta Community Services District (CSD), all to be accomplished as required by §56839 of the Government Code. Said reorganization shall consist of the simultaneous creation of the CSD and the dissolution of the Park District and the Water District to be effective July 1, 1998.

Section 2. The territory within the CSD shall include all that territory within the boundaries of the Park District plus that territory located within the boundaries of the Water District not

located within the boundaries of the Park District.

Section 3. At the time of its formation, the CSD shall provide the following services pursuant to §61600 of the Government Code as follows:

To supply the inhabitants of the district with water for domestic use, irrigation, sanitation, industrial use, fire protection, and recreation;

Public recreation including, but not limited to, aquatic parks and recreational harbors, equestrian trails, playgrounds, golf courses, swimming pools, or recreational buildings.

To construct, maintain, and operate flood protection works and facilities, subject to the following conditions:

(1) The planning, design, construction, maintenance, and operation of flood protection works and facilities, or substantially similar works or facilities, is not within the authority of another public agency, except that a public agency and the district are not precluded from entering into agreements for the district to provide those services.

(2) The governing body of the city or county in which the services specified in paragraph (1) are to be provided by the district has consented to the district providing those services.

The CSD shall have all powers and authorities provided in the County Water District Law (Water Code §§30000 et seq.) and the Recreation and Park District provisions in the Public Resources Code (§§5780 et seq.) necessary and incidental to the provision of the services described above. The CSD may provide any or all services permitted by the Community Services District Law subject to the provisions therein.

Section 4. In those portions of the territory in the newly-formed CSD within which any of the specific services described in Section 3 hereinabove were actively provided in July of 1997 by another district or private water purveyor, said other district or private water purveyor shall continue to provide said services until such time as an agreement is entered into between the CSD and other district or purveyor making other provisions to provide said services. The sphere of influence of the newly-formed CSD shall be established as its boundaries, except as may be adjusted to conform to the provisions of this section.

Section 5. In order to assure initial continuity in the provision of services, the officers and employees of the CSD shall be designated as follows:

- A. Directors. The directors of the CSD at the time of formation shall include four directors from each of the dissolved districts. The Board of each of the districts to be dissolved shall determine either by lot or other means those directors. Those eight directors shall then

select from the remaining membership of the boards of the two dissolved districts a ninth director. The expiration of the terms of each director shall be determined as follows:

At their first meeting, directors shall classify themselves by lot into two classes, as nearly equal in number as possible, and the terms of office of the class having the lesser number shall hold office until noon on the first Friday in December of 2001 while the terms of office of the class having the greater number shall hold office until noon on the first Friday in December of the 1999. Upon the expiration of the terms of directors whose terms first expire, the number of members of the Board of Directors shall be reduced to seven (7) directors and only three (3) directors positions shall be filled.

- B. General Manager, Secretary and Finance Officer. The General Manager/District Secretary of the Water District shall become the General Manager, Secretary, and Finance Officer of the newly-formed CSD as provided in §61240 and §61737.04 of the Government Code under the same terms and conditions of his employment agreement in effect at the time of dissolution of said Water District.
- C. Other Officers. The General Counsel and the Auditor of the Water District shall assume those duties for the CSD as provided in §61244 of the Government Code under the same terms and conditions of services agreements in effect at the time of dissolution of said Water District.
- D. Employees. Every employee of the Park District and the Water District shall be employed by the CSD without loss of seniority essentially in his or her same position receiving essentially the compensation and benefits current at the time of dissolution of the existing districts. The Administrator of the Park District shall be employed as Assistant General Manager performing similar duties as in his previous position (excepting those duties assigned herein to district officers) under the same terms and conditions of his employment agreement in effect at the time of dissolution of said Park District.
- E. Title 2 of the Policy Manual of the Water District initially shall be used to govern matters related to officers and employees to the extent feasible and not otherwise in conflict with this resolution.

Section 6. Any rates or charges for services and/or facilities previously established by the Park District and the Water District shall become a rate or charge to be collected by the CSD pursuant to the provisions of §61621 of the Government Code.

Section 7. All assets, including future entitlements to prop-

erty tax revenues, of the Park District and of the Water District shall become the assets of the CSD. Except as otherwise provided in Section 8 below, all liabilities of the Park District and of the Water District shall become the liabilities of the CSD. Title 3 of the Policy Manual of the Water District initially shall be used to govern matters related to financial matters of the CSD in a manner consistent with this resolution to the extent feasible.

Section 8. The indebtedness of the Water District generally known as the Rio Linda Water District Certificates of Participation (1994 Water System Improvement Project) is exclusively a lien against the net revenue deriving from the operations of the water system of that District and no other funds or property of that District are liable for the payment of the installment payments thereon. Said indebtedness will become an indebtedness of the CSD in a similar manner exclusively as a lien against the net revenue deriving from the operations of the water system of the CSD and no other funds or property of the District will be liable for the payment of the installment payments thereon.

Section 9. All existing and new assets and future revenues derived from the assets and from the operations of the water system and future property tax revenues as previously allocated to the Water District shall be the sole source of monies used by the CSD to support the operation and maintenance of said water system and to fund capital acquisitions and improvements and to pay interest and principal payments on debt related thereto. Such assets and revenues shall be accounted for separately in a Water Utility Enterprise Fund.

Section 10. All existing and new assets and future revenues derived from the operations of recreation programs and parks and recreation facilities and future property tax revenues as previously allocated to the Park District shall be used by the CSD to support the operation and maintenance of recreation and park facilities and programs. Such assets and revenues shall be accounted for separately in a Recreation and Park Fund.

Section 11. All assets and revenues other than those described in Sections 9 and 10, and not otherwise restricted or proscribed, shall be accounted for in a General Fund.

Section 12. The Presidents of the Board of Directors and the Secretaries of the Rio Linda and Elverta Recreation and Park District and the Rio Linda/Elverta Community Water District are hereby authorized and directed to sign all documents required in connection with this resolution of application, and to do and perform everything necessary to carry out the purpose of this resolution. The General Manager and the General Counsel of the Rio Linda/Elverta Community Water District, in consultation with representatives of the Sacramento Local Agency Formation Commission

(LAFCO), shall cause to be prepared and submitted to LAFCO the fees, forms, maps, legal descriptions, environmental documents, and other materials necessary to carry out the purpose of this resolution and shall perform the functions of chief petitioners to whom all notices shall be mailed to at P.O. Box 400, Rio Linda, CA 95673.

Section 13. Subsequent to the adoption of this resolution by the Boards of Directors of the Rio Linda and Elverta Recreation and Park District and the Rio Linda/Elverta Community Water District, said Boards agree that all decisions or actions affecting the proposed reorganization, including but not limited to actions creating new contractual obligations or the purchase of fixed assets, excepting matters involving existing litigation, shall require a majority of each Board for approval.

Section 14. This resolution shall not be effective until such time as the Board of Directors of the Rio Linda & Elverta Recreation and Park District has adopted a substantially similar resolution. If no substantially similar resolution is adopted by March 31, 1998, this resolution automatically shall be repealed.

Section 15. It is hereby requested that in response to this resolution action be taken by LAFCO and by the Board of Supervisors of the County of Sacramento to create the Rio Linda/Elverta Community Services District in a manner consistent with §56839 and §57081 of the Government Code and with this resolution.

Section 16. The Sacramento Local Agency Formation Commission requires that it be the lead agency under CEQA for reorganization matters under the Cortese-Knox Act. However, LAFCO will not initiate the CEQA process without having received this resolution and associated application materials and fees. Therefore, this resolution was adopted without the benefit of environmental review. At the same time, §56839 of the Government Code requires LAFCO to approve or conditionally approve the formation of the proposed new district if this resolution becomes effective. Therefore, the adoption of this resolution would constitute an irrevocable act of this Board, unless otherwise provided, and would be subject to prior CEQA review. Therefore, the Board of Directors of the Rio Linda and Elverta Recreation and Park District requests that LAFCO condition its approval of the creation of the CSD upon review and certification of the CEQA documentation by the Boards of Directors of the Rio Linda/Elverta Community Water District and the Rio Linda and Elverta Recreation and Park District. Further, the right to repeal this resolution after reviewing the CEQA documentation prepared by LAFCO is reserved to said Boards and such act to repeal by either Board shall terminate the proposed reorganization.

INTRODUCED AND ADOPTED on this 5th day of January, 1998, by the following vote:

AYES, in favor hereof: Blanchard, Griffin, Paine, Quackenbush

NOES: Wickham

ABSENT: None



Robert W. Blanchard

President

ATTEST:



Secretary