

**Minutes**  
**Rio Linda / Elverta Community Water District**  
**Executive Committee**

June 12, 2024 @ 6:00 P.M.

Visitors / Depot Center  
6730 Front St.  
Rio Linda, CA 95673

The meeting was called to order at 6:00 P.M. The meeting was attended in-person by Director Gifford, Director Cline General Manager Tim Shaw, and Contract District Engineer Mike Vasquez.

**Call to Order:** 6:00 P.M.

**Public Comment:** *There were no public members present.*

**Items for Discussion:**

1.	Contract District Engineer's Update.
<i>The Contract District Engineer presented his written report and expounded on; Phibro mobile media regeneration, the Elk Horn paving project, and operations under short staffing.</i>	
2.	Discuss Extending the Professional Services Agreement with Rawles for Pipe Replacement Project.
<i>The Contract District Engineer presented his written report and reviewed the process previously authorized by the Board. The Executive Committee discussed the relationship of this item to item 7 on the agenda, where staff has now updated the budgeted amounts for the capital improvement projects pursuant to Resolution 2021-03, The updated budget numbers and the carryover of unspent prior years' funding for annual pipe replacement projects provide nearly enough funding for the 2024 project.</i> <i>The Executive Committee forwarded this item onto the June 24<sup>th</sup> Board agenda with the Committee's recommendation for Board approval.</i>	
3.	Discuss Unsolicited Proposal from an Insurance Company for Service Line Replacement Coverage.
<i>The General Manager presented his written report and shared his preliminary analysis of the unsolicited proposal, i.e. brief pros and cons. Director Gifford expressed his concern about authorizing the use of the District's name and local on correspondence from the proposer (an insurance company) to District customers. Director Cline advised that similar insurance is already available to customers via the customers, homeowners' insurance AND without the downside of authorizing use of the District's name and logo.</i> <i>The Executive Committee forwarded the item onto the June 24<sup>th</sup> Board agenda. The Committee does NOT recommend Board approval.</i>	
4.	Discuss Unsolicited, Revised Proposal from Streamline for District Website Services.
<i>The General Manager presented his written report and reviewed the reasons the Executive Committee responded to the prior unsolicited proposal from Streamline. Directors Gifford and Cline asked if the proposer could host an online (e.g. Zoom, Teams etc.) brief demonstration. The General Manager committed to coordinating with the proposer for scheduling a demonstration.</i> <i>The Executive Committee forwarded the item onto the June 24<sup>th</sup> Board agenda with the Committee's recommendation for Board approval subject to change after the demonstration.</i>	

5.	Discuss Withdrawal from the Water Forum.
<p><i>The General Manager presented his written report and summarized the recent developments at Water Forum meetings. Director Gifford asked for clarification on whether the District has already withdrawn from Water Forum. The General Manager explained that the prior Board actions was to decline Water Forum's request for additional funding to cover the shortfall of funding from Sacramento County's decision to cap the funding from Zone 13 tax, which is accessed annually for all properties in unincorporated areas of Sacramento County. Director Gifford expressed that if our ratepayers are taxed then we should continue to participate, i.e., keep our seat at the table.</i></p> <p><i>The Executive Committee forwarded this item onto the June 24<sup>th</sup> Board agenda with the Committee's recommendation to remain in participation of Water Forum negotiations.</i></p>	
6.	Discuss Fiscal Year 2024-2025 Preliminary Budget.
<p><i>The General Manager presented his written report and the draft preliminary budget for fiscal year 2024-2025 and further explained the relationships between this item and items 6a and 7 on this agenda. The Committee discussed the cumulative impact of prolonged inflation on the cost of service. Director Gifford recalled that the District's process &amp; timing for annual performance review of the General Manager is tied to the annual budget adoption process.</i></p> <p><i>The Executive Committee forwarded the preliminary budget onto the June 24<sup>th</sup> Board agenda with the Committee's recommendation for Board approval.</i></p>	
a. Discuss Confirming Annual Rates Adjustment for July 2024 Pursuant to Resolution 2021-03.	
<p><i>The General Manager presented his written report and reminded the Committee of the annual process of the Board confirming the presumed criteria for annual rate adjustment pursuant to Resolution 2021-03. The Committee discussed the relevance to the annual adjustment process to the presumed inflation (3%) in costs of goods, services, employment costs etc. Director Cline observed that the July 2024 column in Resolution 2021-03 represents an increase greater than 3%. The General Manager responded that the presumed 3% increase in materials, services and employment costs is a significant but not exclusive component in the amount of annual adjustments. Other factors include direction on timing of increased cost of service provided by the Board to the consultant for the multi-year Rate Study / Cost of Service Analysis.</i></p> <p><i>The Executive Committee forwarded this item onto the June 24<sup>th</sup> Board agenda with the Committee's recommendation for Board approval.</i></p>	
7.	Discuss Capital Improvement Projects List Inflation Adjustment.
<p><i>The General Manager presented his written report and further explained this is an informational item (i.e., Board action is neither required nor anticipated). Staff should have been updating the Capital Improvement Projects funding amounts commensurate with inflation pursuant to Resolution 2021-03.</i></p> <p><i>The Executive Committee directed staff to include the document reflecting updated funding amounts as an informational item on the June 24<sup>th</sup> agenda.</i></p>	
8.	Discuss Expenditures for April.
<p><i>The Executive Committee forwarded the April Expenditures report onto the June 24<sup>th</sup> Board agenda with the Committee's recommendation for Board approval.</i></p>	
9.	Discuss Financial Reports for April.
<p><i>The Executive Committee forwarded the April Financial report onto the June 24<sup>th</sup> Board agenda with the Committee's recommendation for Board approval.</i></p>	

**Directors' and General Manager Comments:**

X – SMUD News, email from Katie Worth. *The Committee directed staff to seek more information from SMUD on upgrading District facilities lighting to LED lighting.*

**Items Requested for Next Month's Committee Agenda:** *None*

**Adjournment:** 7:05 P.M.