

**RESOLUTION NO. 2005-01**  
**Rio Linda / Elverta Community Water District**  
**A RESOLUTION AMENDING THE DEFERRED COMPENSATION PLAN TO COMPLY**  
**WITH THE "MANDATORY DISTRIBUTION" REQUIREMENTS OF THE INTERNAL**  
**REVENUE SERVICE**

**WHEREAS**, on December 28, 2004 the Internal Revenue Service, hereinafter referred to as the "IRS", provided guidance to clarify legislation enacted by the *Economic Growth and Tax Relief Reconciliation Act of 2001*, that affected the District's 457(b) Deferred Compensation Plan, hereinafter referred to as the "Plan", in respect to the Mandatory Distribution provision; and

**WHEREAS**, the District Board of Directors now wishes to modify the Plan to conform to the guidance provided by the IRS.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Rio Linda / Elverta Community Water District that the District's 457(b) Deferred Compensation Plan is hereby amended to reduce the "mandatory distribution " provisions from \$5,000 to \$1,000 in accordance with the attached "Exhibit A", which is hereby approved and adopted;

**BE IT FURTHER RESOLVED** that the Plan Amendment shall take effect on March 28, 2005 and that the General Manager is hereby authorized and directed to execute and deliver to the Administrator of the Plan such documents as may be necessary to implement the Plan Amendment.

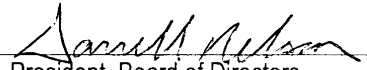
**INTRODUCED AND ADOPTED** on this 21<sup>ST</sup> day of March 2005, by the following vote:

**AYES**, in favor hereof: Nelson, Strutton, Morris, Cater and Harris

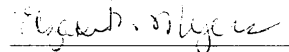
**NOES**: None

**ABSENT**: None

**ABSTAIN**: None

  
President, Board of Directors

ATTEST:

  
Secretary

**MANDATORY DISTRIBUTION AMENDMENT**  
(Code Section 401(a)(31)(B))

**ARTICLE I**  
**APPLICATION OF AMENDMENT**

- 1.1 Effective Date. Unless a later effective date is specified in Article III of this Amendment, the provisions of this Amendment will apply with respect to distributions made on or after March 28, 2005.
- 1.2 Precedence. This Amendment supersedes any inconsistent provision of the Plan.

**ARTICLE II**  
**DEFAULT PROVISION: AUTOMATIC ROLLOVER**  
**OF AMOUNTS OVER \$1,000**

Unless the Employer otherwise elects in Article III of this Amendment, the provisions of the Plan concerning mandatory distributions of amounts not exceeding \$5,000 are amended as follows:

In the event of a mandatory distribution greater than \$1,000 that is made in accordance with the provisions of the Plan providing for an automatic distribution to a Participant without the Participant's consent, if the Participant does not elect to have such distribution paid directly to an "eligible retirement plan" specified by the Participant in a direct rollover (in accordance with the direct rollover provisions of the Plan) or to receive the distribution directly, then the Administrator shall pay the distribution in a direct rollover to an individual retirement plan designated by the Administrator.

**ARTICLE III**  
**EMPLOYER'S ALTERNATIVE ELECTIONS**

- 3.1 ( ) **Effective Date of Plan Amendment**

This Amendment applies with respect to distributions made on or after \_\_\_\_\_ (may be a date later than March 28, 2005, only if the terms of the Plan already comply with Code Section 401(a)(31)(B)).

- 3.2 ( ) **Election to apply Article II of this Amendment to distributions of \$1,000 or less**

In lieu of the default provision in Article II of this Amendment, the provisions of the Plan that provide for the involuntary distribution of vested accrued benefits of \$5,000 or less, are modified as follows:

In the event of a mandatory distribution of \$1,000 or less that is made in accordance with the provisions of the Plan providing for an automatic distribution to a Participant without the Participant's consent, if the Participant does not elect to have such distribution paid directly to an "eligible retirement plan" specified by the Participant in a direct rollover (in accordance with the direct rollover provisions of the Plan) or to receive the distribution directly, then the Administrator shall pay the distribution in a direct rollover to an individual retirement plan designated by the Administrator.

- 3.3 (X) **Election to reduce or eliminate mandatory distribution provisions of Plan (may not be elected if 3.2 above is elected)**

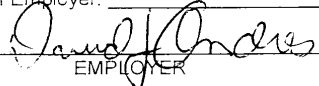
In lieu of the default provision in Article II of this Amendment, the provisions of the Plan that provide for the involuntary distribution of vested accrued benefits of \$5,000 or less, are modified as follows (choose a, b, or c below):

- a. ( ) No mandatory distributions. Participant consent to the distribution now shall be required before the Plan may make the distribution.
- b. (X) Reduction of \$5,000 threshold to \$1,000. The \$5,000 threshold in such provisions is reduced to \$1,000 and the value of the Participant's interest in the Plan for such purpose shall include any rollover contributions (and earnings thereon) within the meaning of Code Sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16).
- c. ( ) Reduction of \$5,000 threshold to amount less than \$1,000. The \$5,000 threshold in such provisions is reduced to \$\_\_\_\_\_ (enter an amount less than \$1,000) and the value of the Participant's interest in the Plan for such purpose shall include any rollover contributions (and earnings thereon) within the meaning of Code Sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16).

This amendment is executed as follows:

Name of Plan: Deferred Compensation Plan

Name of Employer: Rio Linda/Elverta Community Water District

By:  Date: March 21, 2005  
EMPLOYER

David J. Andres, General Manager

**RESOLUTION NO. 2005-02**  
**Rio Linda / Elverta Community Water District**  
**A RESOLUTION ADOPTING THE SACRAMENTO COUNTY MULTI-HAZARD**  
**MITIGATION PLAN**

**WHEREAS**, the Board of Directors of the Rio Linda / Elverta Community Water District recognizes the threat that natural hazards pose to people and property within our community; and

**WHEREAS**, undertaking hazard mitigation actions will reduce the potential for harm to people and property from future hazard occurrences; and

**WHEREAS**, an adopted Multi-Hazard Mitigation Plan is required as a condition of future funding for mitigation projects under multiple FEMA pre- and post-disaster mitigation grant programs; and

**WHEREAS**, the Rio Linda / Elverta Community Water District fully participated in the FEMA-prescribed mitigation planning process to prepare this Multi-Hazard Mitigation Plan; and

**WHEREAS**, the California Office of Emergency Services and Federal Emergency Management Agency, Region IX officials have reviewed the "*Sacramento County, California Multi-Hazard Mitigation Plan*" (December, 2004) and approved it (March 21, 2005) contingent upon this official adoption of the participating governments and entities;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Rio Linda / Elverta Community Water District that the District adopts the "*Sacramento County, California Multi-Hazard Mitigation Plan*" as an official plan; and

**BE IT FURTHER RESOLVED** that the Rio Linda / Elverta Community Water District will submit this Adoption Resolution to the California Office of Emergency Services and Federal Emergency Management Agency, Region IX officials to enable the Plan's final approval.

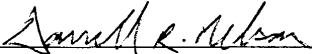
**INTRODUCED AND ADOPTED** on this 18<sup>th</sup> day of April 2005, by the following vote:

**AYES**, in favor hereof: Nelson, Harris, Cater, Strutton, and Morris


**NOES**: NONE

**ABSENT**: NONE

**ABSTAIN**: NONE

  
\_\_\_\_\_  
President, Board of Directors

ATTEST:

  
Secretary

**RESOLUTION NO. 2005-03**  
**Rio Linda / Elverta Community Water District**  
**A RESOLUTION ACCEPTING AN EASEMENT AND RIGHT-OF-WAY**  
**FROM FHK RIO LINDA, LLP FOR 430 ELKHORN BLVD.**

WHEREAS, the Board of Directors of the Rio Linda / Elverta Community Water District entered into an agreement on February 14<sup>th</sup>, 2005 with FHK Rio Linda, a California Limited Liability Company, for on-site and off-site water facility improvements for their project at 430 Elkhorn Boulevard; and

WHEREAS, a permanent easement and right-of-way is necessary for purposes of digging, constructing, reconstructing, repairing and maintaining water distribution pipelines and appurtenances on Assessor Parcel Numbers: 214-0080-040-0000 and 214-0080-048-0000 and 214-0080-049-0000; and

WHEREAS, in order to provide water service to the proposed commercial shopping center development on the property a dedicated easement and right-of-way for water facilities is necessary.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Rio Linda / Elverta Community Water District that the District does hereby accept the dedication of the easement and right-of-way as described in the attached Exhibit 1; and

BE IT FURTHER RESOLVED that the General Manager is hereby authorized and directed to record the above referenced grant easement and right-of-way with the County of Sacramento Clerk-Recorder.

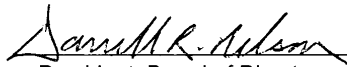
INTRODUCED AND ADOPTED on this 18<sup>th</sup> day of April 2005, by the following vote:

AYES, in favor hereof: Nelson, Harris, Cater, Strutton, and Morris


NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

  
President, Board of Directors

ATTEST:

  
Secretary



NAME: Rio Linda Water District  
ADDRESS: P.O. Box 400  
CITY & STATE: Rio Linda, CA 95673

APN 214-0080-040, 048 & 049

SPACE ABOVE THIS LINE FOR RECORDER USE

EXHIBIT 1 TO RESOLUTION 2005-03

**EASEMENT & RIGHT-OF-WAY**

FOR VALUABLE CONSIDERATION, I/WE **FHK RIO LINDA, A CALIFORNIA LIMITED LIABILITY COMPANY** do hereby

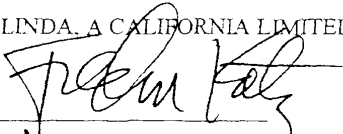
GRANT TO RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT, a County Water District, its successors and assigns, a perpetual right of way over, upon, across and under and easement in, the lands hereinafter described, for the purpose of digging, constructing, reconstructing, repairing, and forever maintaining thereon water distribution pipe lines, accessory appliances and fixtures and connections of such dimensions as grantee may deem necessary for water distribution.

Said property herein referred to is located in Sacramento County, California, and is particularly described as follows:

See Exhibit A and Exhibit B attached hereto and made a part hereof

FHK RIO LINDA, A CALIFORNIA LIMITED LIABILITY COMPANY

By: **X**



**Fred Katz, member**  
Print Name and Title

Date: **March 21, 2005**

DOCUMENTARY TRANSFER TAXS _____
EXEMPTION (R&T CODE) _____
EXPLANATION _____
Signature of Declarant or Agent determining Tax _____

**EXHIBIT A**

A 15.00 foot wide strip of land, the centerline of which is described as follows:

ALL THAT REAL PROPERTY situated in the County of Sacramento, State of California and being a portion of Parcels 1, 2 and 4 as shown on the Parcel Map "Subdivision No. 01-0910", filed for record in the Office of the Recorder of Sacramento County on December 12, 2002 in Book 169 of Parcel Maps, at Page 10. More particularly described as follows:

BEGINNING at a point in the South Right of Way line of Elkhorn Boulevard, from which the Northeast corner of said Parcel 2 bears the following two (2) courses: North 89°00'52" East, 122.43 feet; thence North 01°47'28" West, 75.01 feet; thence from said point of BEGINNING, leaving said right of way line South 00°59'08" East, 28.08 feet to a point hereinafter referred to as Point A; thence South 00°59'08" East, 217.69 feet; thence South 45°59'08" East, 7.42 feet to a point hereinafter referred to as Point B; thence South 45°59'08" East, 104.20 feet; thence South 00°59'08" East, 148.80 feet to a point hereinafter referred to as Point C; thence South 00°59'08" East, 60.20 feet; thence South 89°00'52" West, 268.83 feet to a point hereinafter referred to as Point D; thence South 89°00'52" West, 297.91 feet to a point in the East Right of Way of Rio Linda Boulevard, the point of TERMINUS, from which the Southwest corner of said Parcel 1, along the East Right of Way of said Rio Linda Boulevard bears South 01°48'00" East, 51.50 feet.

The sidelines of said easement shall be lengthened or shorted as necessary to terminate at the property line.

A 15.00 foot wide strip of land, the centerline of which is described as follows:

BEGINNING at the aforementioned "Point A"; thence South 89°00'52" West, 19.07 feet.

A 15.00 foot wide strip of land, the centerline of which is described as follows:

BEGINNING at the aforementioned "Point B"; thence South 44°00'52" West, 35.54 feet.

A 15.00 foot wide strip of land, the centerline of which is described as follows:

BEGINNING at the aforementioned "Point C"; thence North 89°00'52" East, 35.50 feet.

A 15.00 foot wide strip of land, the centerline of which is described as follows:

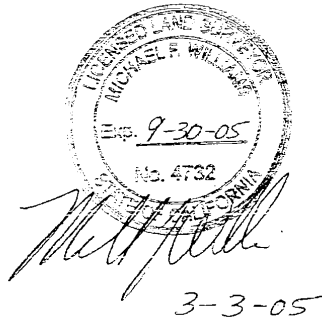
BEGINNING at the aforementioned "Point D"; thence South 00°59'08" East, 27.72 feet.

A 15.00 foot wide strip of land, the centerline of which is described as follows:

BEGINNING at a point in the East Right of Way line of Rio Linda Boulevard, from which the most westerly corner of said Parcel 1, said corner also being a point in the centerline of Rio Linda Boulevard, bears the following three (3) courses and distances: North 01°29'45" East, 29.52 feet; thence North 01°48'00" West, 43.74 feet; thence South 89°00'52" West, 53.31 feet; thence from said point of BEGINNING, North 89°00'52" East, 160.46 feet; thence South 30°59'08" East, 21.41 feet to the point of TERMINUS.

The side lines of said easement shall be lengthened or shortened to terminate at the property line.

End of Description.



A circular professional seal for Michael P. Williams, a Surveyor, with license number No. 4762. The seal includes the text "LICENSED LAND SURVEYOR" and "MICHAEL P. WILLIAMS". Handwritten in the center of the seal is "Exp. 9-30-05". Below the seal is a handwritten signature and the date "3-3-05".

**Rio Linda / Elverta Community Water District  
Resolution 2005-04  
Notice of Completion of Project No. 2004 – 02  
7<sup>th</sup> & K Street Water Main Project**

Whereas, Hard Line Excavating Inc., P.O. Box 10029, Truckee, CA 96162, a private company, hereinafter referred to as "Contractor," and the Rio Linda / Elverta Community Water District located at 730 L St., Rio Linda, California 95673, a California Special District, hereinafter referred to as "District" entered into an construction contract dated January 20, 2005; and

Whereas, the construction contract provided for work associated with "Project No. 2004 – 02 7<sup>th</sup> & K Street Water Main Project", hereinafter referred to as the "Project", for a total cost of \$343,753.92, including Change Orders 1 thru 5; and

Whereas, the Project was substantially completed in a satisfactory manner on, or about May 16<sup>th</sup>, 2005; and

Whereas, the Board of Directors wishes to accept the project as substantially complete.

Now, Therefore be it Resolved by the Rio Linda/Elverta Community Water District Board of Directors that Project No. 2004 – 02 7<sup>th</sup> & K Street Water Main Project is hereby accepted and deemed complete; and

Be it Further Resolved, that the original contract amount of \$276,026.50 and "Change Order Numbers 1 thru 5" at a cost of \$67,727.42, are hereby approved bringing the total construction cost to \$343,753.92; and

Be it Further Resolved, that the General Manager is authorized to file a "Notice of Completion" with the Sacramento County Recorder.

Introduced and Adopted this 16<sup>th</sup> Day of May 2005 by the following vote:

Ayes, in favor hereof: (5) Nelson, Morris, Strutton, Harris, Cater  
Noes: None  
Abstain: None  
Absent: None

  
Darrell Nelson  
President, Board of Directors

Attest:

  
Elizabeth Meyer  
Clerk of the Board

**Rio Linda/Elverta Community Water District**  
**Resolution 2005-05**  
**Adopting the 2005-06 Fiscal Year Budget and**  
**Capital Improvement Program**

*Whereas*, the Board of Directors discussed budgetary and Capital Improvement Program issues for the 2005-06 Fiscal Year at a regular meeting held on April 18<sup>th</sup>, 2005; and

*Whereas*, a public workshop on the Preliminary Draft 2005-06 Fiscal Year Budget, hereinafter referred to as "Budget", and Capital Improvement Program, hereinafter referred to as "CIP", was held on May 9<sup>th</sup>, 2005; and

*Whereas*, a noticed Public Hearing on the Budget and CIP was held on June 20<sup>th</sup>, 2005; and

*Whereas*, the Board of Directors reviewed the Budget and CIP document and provided an opportunity for the Public to comment on the expenditures and revenues identified in the Budget and CIP for the coming fiscal year.

*Now, therefore be it resolved* by Rio Linda/Elverta Community Water District Board of Directors that the 2005-06 Fiscal Year Budget and Capital Improvement Program is hereby approved and adopted for the Fiscal Year beginning July 1, 2005 and ending June 30, 2006 as summarized in the attached "Exhibit 1".

Introduced and Adopted this 20<sup>th</sup> Day of June 2005 by the following vote:

Ayes, in favor hereof: Nelson, Morris, Strutton, Harris

Noes: None

Absent: Cater

Abstain: None

  
Darrell Nelson  
President, Board of Directors

Attest:

  
Clerk of the Board

RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT  
 2005-06 FISCAL YEAR COMBINED BUDGET SUMMARY  
 (All Figures in \$'s)

REVENUE	2003-04	2004-05		2005-06	
	ACTUAL	APPROVED	ESTIMATED	RECOMMENDED	APPROVED
WATER SERVICE RATES	1,154,222	1,261,000	1,225,400	1,379,000	1,379,000
ACCOUNT CHARGES	64,521	64,000	69,190	68,900	68,900
OTHER SERVICE FEES	74,213	88,700	109,300	42,000	42,000
GRANT FUNDING	0	15,000	0	3,500	3,500
INVESTMENT INCOME	78,855	73,000	66,094	68,000	68,000
PROPERTY TAXES	52,871	30,000	15,860	24,000	24,000
DEVELOPMENT FEES	119,083	180,000	365,000	80,000	80,000
DEVELOPMENT FEES - ELVERTA PLAN	0	150,000	195,500	200,000	200,000
MISCELLANEOUS NON-OPERATING INCOME	62,401	2,000	21,226	7,000	7,000
BOND PROCEEDS	0	835,000	470,622	1,082,685	1,082,685
NON-OPERATING SURPLUS CARRYOVER	0	0	0	150,000	150,000
<b>TOTAL REVENUE</b>	<b>1,606,176</b>	<b>2,698,700</b>	<b>2,538,192</b>	<b>3,105,085</b>	<b>3,105,085</b>

EXPENSES					
<b>OFFICERS &amp; EMPLOYEES</b>					
OFFICERS FEES	45,325	49,000	49,377	44,500	44,500
EMPLOYEE WAGES	400,632	428,829	417,860	439,681	434,123
<b>BENEFITS</b>					
UI / WORKERS COMPENSATION	32,694	36,318	39,870	37,280	26,280
FICA / MEDI-CARE	28,848	33,339	30,431	32,993	32,568
RETIREMENT	24,441	71,295	67,000	85,698	80,339
HEALTH INSURANCE	109,066	142,176	115,900	146,213	134,313
MISCELLANEOUS EMPLOYEE EXPENSE	14,610	14,700	13,400	14,400	11,400
<b>OFFICER &amp; EMPLOYEE SUBTOTAL</b>	<b>655,616</b>	<b>777,657</b>	<b>733,838</b>	<b>800,765</b>	<b>763,523</b>

SERVICES & SUPPLIES					
<b>PROFESSIONAL / CONTRACTUAL SERVICES</b>	<b>80,330</b>	<b>129,700</b>	<b>116,113</b>	<b>154,850</b>	<b>154,850</b>
MEMBERSHIPS	19,066	34,300	26,978	30,950	30,950
INSURANCE	21,138	20,700	21,352	22,000	22,000
LABORATORY	19,799	10,700	9,700	10,700	10,700
CONSERVATION	3,140	39,700	22,579	27,700	27,700
ENGINEERING	31	10,000	16,100	50,000	50,000
ALL OTHER	11,245	14,300	19,354	13,500	13,500
<b>FIELD OPERATIONS</b>	<b>278,725</b>	<b>324,500</b>	<b>380,885</b>	<b>443,600</b>	<b>443,600</b>
RADIO METERS	36,455	60,000	55,875	130,000	130,000
CONTRACT REPAIRS	21,840	35,000	43,000	35,000	35,000
PUMPING	179,734	189,500	149,060	199,400	199,400
TRANSPORTATION	4,484	6,000	6,700	7,500	7,500
ALL OTHER	35,201	34,000	126,150	71,700	71,700
<b>OFFICE OPERATIONS</b>	<b>67,873</b>	<b>75,500</b>	<b>66,145</b>	<b>71,150</b>	<b>71,150</b>
POSTAGE	13,082	12,200	14,700	14,500	14,500
OFFICE SUPPLIES	8,404	9,000	8,500	8,500	8,500
EQUIP. MAINT. / REPAIR / LEASING	11,040	14,100	11,964	13,850	13,950
COMMUNICATIONS	8,376	9,000	7,850	8,700	8,700
OFFICE BUILDING	11,011	13,000	10,350	12,500	12,500
ALL OTHER	15,160	16,500	12,781	13,000	13,000
<b>SERVICES &amp; SUPPLIES SUBTOTAL</b>	<b>426,128</b>	<b>529,700</b>	<b>563,143</b>	<b>669,600</b>	<b>669,600</b>

<b>TOTAL OPERATING EXPENDITURES</b>	<b>1,081,744</b>	<b>1,307,357</b>	<b>1,296,981</b>	<b>1,470,365</b>	<b>1,433,123</b>
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Capital Expenditures					
MISCELLANEOUS NON-OPERATING EXPENSE	0	4,500	4,600	2,000	2,000
<b>DEBT SERVICE</b>	<b>278,829</b>	<b>243,512</b>	<b>243,547</b>	<b>243,012</b>	<b>243,012</b>
<b>CAPITAL IMPROVEMENTS:</b>	<b>51,985</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Lane Lane / Front Street Project (Control)	50,212	0	0	0	0
831 E Street Upgrade to 4"	1,563	0	0	0	0
<b>MASTER PLAN IMPROVEMENTS</b>	<b>82,032</b>	<b>835,000</b>	<b>388,590</b>	<b>1,082,685</b>	<b>1,082,685</b>
<b>CAPITAL PLANNING:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
ELVERTA SPECIFIC PLAN	0	150,000	195,500	200,000	200,000
<b>FIXED ASSETS</b>	<b>7,974</b>	<b>39,100</b>	<b>32,852</b>	<b>26,300</b>	<b>26,800</b>

<b>TOTAL NON-OPER. &amp; CAPITAL EXPEND.</b>	<b>420,800</b>	<b>1,272,112</b>	<b>865,089</b>	<b>1,553,997</b>	<b>1,554,497</b>
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FIXED ASSET (SUMMARY)					
VEHICLES	0	17,500	17,463	0	0
DIFFUSING DECHLORINATOR (2)	2,439	0	0	0	0
COMPUTER HARD/SOFTWARE	5,535	2,500	1,000	18,000	18,000
HYDRANT METERS (2)	0	1,700	2,228	1,700	1,700
BORING MACHINE	0	11,000	10,222	0	0
4-DRAWER FIREPROOF FILING CABINET	0	1,500	1,241	0	0
CANVAS GAZEBO AND TABLE	0	900	678	0	0
CARGO CONTAINER	0	4,000	0	4,000	4,000
DIGITAL CAMERAS (4)	0	0	0	600	600
SECURITY SYSTEM	0	0	0	1,500	2,000
VIDEO CAMCORDER	0	0	0	500	500

<b>TOTAL EXPENSES</b>	<b>1,502,544</b>	<b>2,579,469</b>	<b>2,162,070</b>	<b>3,024,362</b>	<b>2,987,620</b>
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<b>NET BUDGET</b>	<b>103,632</b>	<b>119,231</b>	<b>376,122</b>	<b>80,723</b>	<b>117,465</b>
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**RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT  
2005-06 FISCAL YEAR OPERATING BUDGET**

(All Figures in \$'s)

	2003-04	2004-05		2005-06	
	ACTUAL	APPROVED	ESTIMATED	RECOMMENDED	APPROVED
WATER SERVICE RATES	1,154,222	1,261,000	1,225,400	1,379,000	1,379,000
ACCOUNT CHARGES	64,521	64,000	69,190	68,900	68,900
OTHER SERVICE FEES	74,213	88,700	109,300	42,000	42,000
GRANT FUNDING	0	15,000	0	3,500	3,500
<b>TOTAL OPERATING REVENUES</b>	<b>1,292,956</b>	<b>1,428,700</b>	<b>1,403,890</b>	<b>1,493,400</b>	<b>1,493,400</b>
<b>EXPENSES</b>					
<b>OFFICERS &amp; EMPLOYEES</b>					
OFFICERS FEES	45,325	49,000	49,377	44,500	44,500
EMPLOYEE WAGES	400,632	428,829	417,860	439,681	434,123
UI / WORKERS COMPENSATION	32,694	38,318	39,870	37,280	26,280
FICA / MEDICARE	28,848	33,339	30,431	32,993	32,568
RETIREMENT	24,441	71,295	67,000	85,698	80,339
HEALTH INSURANCE	109,066	142,176	115,900	146,213	134,313
MISC. EMPLOYEE RELATED EXPENSES	14,610	14,700	13,400	14,400	11,400
<b>OFFICER &amp; EMPLOYEE SUBTOTAL</b>	<b>655,616</b>	<b>777,657</b>	<b>733,838</b>	<b>800,765</b>	<b>763,523</b>
<b>PROFESSIONAL/CONTRACTUAL SERVICES</b>					
MEMBERSHIPS	19,986	34,300	26,976	30,950	30,950
INSURANCE	21,138	20,700	21,362	22,000	22,000
LABORATORY	19,790	10,700	9,700	10,700	10,700
CONSERVATION	8,140	39,700	22,579	27,700	27,700
ENGINEERING	31	10,000	16,100	50,000	50,000
ALL OTHER	11,245	14,300	19,394	13,500	13,500
<b>FIELD OPERATIONS</b>	<b>278,725</b>	<b>324,500</b>	<b>380,885</b>	<b>443,600</b>	<b>443,600</b>
RADIO METERS	35,456	60,000	55,975	130,000	130,000
CONTRACT REPAIRS	21,840	35,000	43,000	35,000	35,000
PUMPING	179,734	189,500	149,060	199,400	199,400
TRANSPORTATION	4,494	6,000	6,700	7,500	7,500
ALL OTHER	36,201	34,000	126,150	71,700	71,700
<b>OFFICE OPERATIONS</b>	<b>67,073</b>	<b>75,500</b>	<b>66,145</b>	<b>71,150</b>	<b>71,150</b>
POSTAGE	13,082	13,500	14,700	14,500	14,500
OFFICE SUPPLIES	8,404	9,000	8,500	8,500	8,500
EQUIP. MAINT. / REPAIR / LEASING	11,040	14,100	11,964	13,950	13,950
COMMUNICATIONS	8,376	9,000	7,850	8,700	8,700
OFFICE BUILDING	11,011	13,000	10,350	12,500	12,500
ALL OTHER	15,160	16,900	12,781	13,000	13,000
<b>SERVICES &amp; SUPPLIES SUBTOTAL</b>	<b>426,128</b>	<b>529,700</b>	<b>563,143</b>	<b>669,600</b>	<b>669,600</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>1,081,744</b>	<b>1,307,357</b>	<b>1,296,981</b>	<b>1,470,365</b>	<b>1,433,123</b>

5/20/2005

**RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT  
2005-06 FISCAL YEAR NON-OPERATING BUDGET**

(All Figures in \$'s)

REVENUE	2003-04	2004-05		2005-06	
	ACTUAL	APPROVED	ESTIMATED	RECOMMENDED	APPROVED
INVESTMENT INCOME	78,865	73,000	66,094	68,000	68,000
PROPERTY TAXES	52,871	30,000	15,860	24,000	24,000
DEVELOPMENT FEES	119,083	180,000	365,000	80,000	80,000
DEVELOPMENT FEES - ELVERTA PLAN	0	150,000	195,500	200,000	200,000
MISC. NON-OPERATING INCOME	62,401	2,000	21,226	7,000	7,000
BOND PROCEEDS	0	835,000	470,622	1,082,685	1,082,685
NON-OPERATING SURPLUS CARRYOVER	0	0	0	150,000	150,000
<b>TOTAL NON-OPERATING REVENUE</b>	<b>313,220</b>	<b>1,270,000</b>	<b>1,134,302</b>	<b>1,611,685</b>	<b>1,611,685</b>

**Capital Expenditures**

MISCELLANEOUS NON-OPER. (716/724 L St Demolition)	0	4,500	4,600	2000	2000
DEBT SERVICE	278,829	243,512	243,547	243,012	243,012
<b>CAPITAL IMPROVEMENTS</b>	<b>51,965</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
LARA LANE / FRONT STREET	50,312	0	0	0	0
S31 E STREET UPGRADE TO 4-INCH	1,653	0	0	0	0
<b>MASTER PLAN IMPROVEMENTS</b>	<b>82,032</b>	<b>835,000</b>	<b>388,590</b>	<b>1,082,685</b>	<b>1,082,685</b>
PRESSURE SUSTAINING VALVES	46,269	0	0	0	0
HYDRAULIC MODELING	0	0	0	0	0
7th STREET & K STREET PIPELINES	35,863	240,000	351,747	0	0
WELL # 5 ABANDONMENT / PUMP STATION	0	175,000	36,843	223,305	223,305
SCADA SYSTEM	0	150,000	0	0	0
COMPRESSORS	0	4,000	0	0	0
NEW WELL W/ ON-SITE POWER GENERATION	0	266,000	0	859,380	859,380
<b>CAPITAL PLANNING:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
ELVERTA SPECIFIC PLAN	0	150,000	195,500	200,000	200,000
<b>FIXED ASSETS:</b>	<b>7,974</b>	<b>39,100</b>	<b>32,852</b>	<b>26,300</b>	<b>26,800</b>
FIELD	2,439	34,200	29,910	6,300	6,300
OFFICE	5,535	4,900	2,939	20,000	20,500
<b>TOTAL NON-OP. &amp; CAPITAL EXPEND.</b>	<b>420,800</b>	<b>1,272,112</b>	<b>865,089</b>	<b>1,553,997</b>	<b>1,554,497</b>

<b>GRAND TOTAL ALL REVENUE</b>	<b>1,606,176</b>	<b>2,698,700</b>	<b>2,538,192</b>	<b>3,105,085</b>	<b>3,105,085</b>
<b>GRAND TOTAL ALL EXPENDITURES</b>	<b>1,502,544</b>	<b>2,579,469</b>	<b>2,162,070</b>	<b>3,024,362</b>	<b>2,987,620</b>
<b>NET BUDGET</b>	<b>103,632</b>	<b>119,231</b>	<b>376,122</b>	<b>80,723</b>	<b>117,465</b>

6/20/2005



**Rio Linda / Elverta Community Water District  
Resolution 2005-06  
Notice of Completion of Project No. 2005 – 01  
Asphalt Paving Project**

Whereas, Al's Grading & Paving, 3365 PFE Road, Roseville, CA 95747, a private company, hereinafter referred to as "Contractor," and the Rio Linda / Elverta Community Water District located at 730 L St., Rio Linda, California 95673, a California Special District, hereinafter referred to as "District" entered into an construction contract dated April 22<sup>nd</sup>, 2005; and

Whereas, the construction contract provided for work associated with "Project No. 2005 – 01 Asphalt Paving Project", hereinafter referred to as the "Project", for a total cost of \$41,758.65, including Change Orders 1 and 2; and

Whereas, the Project was substantially completed in a satisfactory manner on, or about June 20<sup>th</sup>, 2005; and

Whereas, the Board of Directors wishes to accept the project as substantially complete.

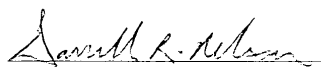
Now, Therefore be it Resolved by the Rio Linda/Elverta Community Water District Board of Directors that Project No. 2005 – 01 Asphalt Paving Project is hereby accepted and deemed complete; and

Be it Further Resolved, that the original contract amount of \$39,905.55 and "Change Order Numbers 1 and 2" at a cost of \$1853.10, are hereby approved bringing the total construction cost to \$41,758.65; and

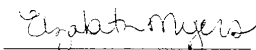
Be it Further Resolved, that the General Manager is authorized to file a "Notice of Completion" with the Sacramento County Recorder.

Introduced and Adopted this 20<sup>th</sup> Day of June 2005 by the following vote:

Ayes, in favor hereof: (4) Nelson, Morris, Strutton, Harris  
Noes: None  
Abstain: (1) Cater  
Absent: None

  
Darrell Nelson  
President, Board of Directors

Attest:

  
Elizabeth Myers  
Clerk of the Board

RESOLUTION NO. 2005-07

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RIO LINDA /  
ELVERTA COMMUNITY WATER DISTRICT APPROVING THE FORM  
OF AND AUTHORIZING THE EXECUTION OF A FIFTH AMENDED AND  
RESTATED JOINT POWERS AGREEMENT AND AUTHORIZING  
PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT  
AUTHORITY WORKERS' COMPENSATION PROGRAM**

**WHEREAS**, the Rio Linda / Elverta Community Water District, a special district duly organized and existing under and by virtue of the laws of the State of California (the "Agency"), has determined that it is in the best interest and to the advantage of the Agency to participate for at least three full years in the workers' compensation program offered by the Special District Risk Management Authority (the "Authority"); and

**WHEREAS**, California Government Code Section 6500 *et seq.*, provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

**WHEREAS**, Special District Risk Management Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 *et seq.*, for the purpose of providing its members with risk financing and risk management programs; and

**WHEREAS**, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus lines broker, or any combination of these; and

**WHEREAS**, participation in Special District Risk Management Authority programs requires the Agency to execute and enter into a Fifth Amended and Restated Joint Powers Agreement (the "Amended and Restated JPA Agreement"); which states the purpose and powers of the Authority; and

**WHEREAS**, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Agency is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AGENCY AS FOLLOWS:**

Section 1. Findings. The Agency Board of Directors hereby specifically finds and determines that the actions authorized hereby relate to the public affairs of the Agency.

Section 2. Fifth Amended and Restated JPA Agreement. The Amended and Restated JPA Agreement proposed to be executed and entered into by and between the Agency and members of the Special District Risk Management Authority, in the form presented at this meeting and on file with the Agency Secretary, is hereby approved. The Agency Board President and/or the General Manager ("The Authorized Officers") are hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver to the Authority the Amended and Restated JPA Agreement in substantially said form, with such changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

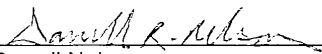
Section 3. Program Participation. The Agency Board of Directors approves participating for three full program years in Special District Risk Management Authority Workers' Compensation Program.

Section 4. Other Actions. The Authorized Officers of the Agency are each hereby authorized and directed to execute and deliver any and all documents which is necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 20<sup>th</sup> day of June, 2005 by the following vote:

AYES: (4) Nelson, Morris, Strutton, Harris  
NOES: None  
ABSENT: (1) Cater  
ABSTAIN: None

  
Darrell Nelson  
President, Board of Directors

  
Clerk of the Board

**RESOLUTION NO. 2005-08 A RESOLUTION AUTHORIZING APPLICATION  
TO THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA  
FOR A CERTIFICATE OF CONSENT TO SELF-INSURE  
WORKERS' COMPENSATION LIABILITIES**

At a meeting of the Board of Directors of the Rio Linda / Elverta Community Water District, a County Water District organized and existing under the laws of the State of California, held on the 20<sup>th</sup> day of June, 2005, the following resolution was adopted:

**RESOLVED**, that the General Manager and/or the Administrative Supervisor are hereby individually and severally authorized and empowered to make application to the Director of Industrial Relations, State of California, for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities on behalf of the Rio Linda / Elverta Community Water District.

**BE IT FURTHER RESOLVED**, that the General Manager and/or Administrative Supervisor are individually and severally authorized and empowered to execute any and all documents required for such application.

I, Darrell Nelson the undersigned President of the Board of Directors of the Rio Linda / Elverta Community Water District, a County Water District formed under the laws of the State of California, hereby certify that I am the President of the Board of Directors of said County Water District and that the foregoing is a full, true and correct copy of the resolution duly passed at the meeting of said Board held on the day and at the place therein specified and that said resolution has never been revoked, rescinded, or set aside and is now in full force and effect.

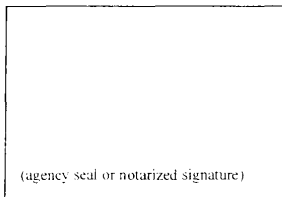
Introduced and Adopted this 20<sup>th</sup> Day of June 2005 by the following vote:


Ayes, in favor hereof: (4) Nelson, Morris, Strutton, Harris  
Noes: None  
Absent: (1) Cater  
Abstain: None

  
\_\_\_\_\_  
Darrell Nelson  
President, Board of Directors

Attest:

**IN WITNESS WHEREOF:** I HAVE SIGNED MY NAME AND AFFIXED THE SEAL OF THE RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT. A COUNTY WATER DISTRICT FORMED UNDER THE LAWS OF THE STATE OF CALIFORNIA.



  
\_\_\_\_\_  
David J. Andres, General Manager/Secretary  
Rio Linda / Elverta Community Water District  
JUNE 21, 2005

(District Original)

**Rio Linda/Elverta Community Water District  
Resolution No. 2005-09  
Establishing Employee Wage Ranges**

**Whereas**, the Board of Directors has responsibility for establishing wage and benefit levels for District employees; and

**Whereas**, District employees are not represented by a recognized employee organization, but have exercised their right to represent themselves individually in their employment relations with the District; and

**Whereas**, the General Manager has met and conferred with the employees on wages, hours and other terms and conditions of employment; and

**Whereas**, the Board of Directors wishes to adopt wage and benefit levels for District employees.

**Now, therefore be it resolved** that the Board of Directors approves the following:

1. Wages for District employees shall be adjusted by 3.3% effective July 1, 2005.
2. On-call Pay shall be increased from \$18.00 per day (\$126.00 per week) to \$25.00 per day (\$175.00 per week) effective July 1, 2005.

Introduced and Adopted this 20<sup>th</sup> Day of June 2005 by the following vote:

Ayes, in favor hereof: 4 Nelson, Morris, Harris and Strutton

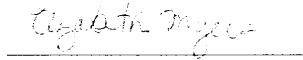
Noes: 0

Absent: 1 Cater

Abstain: 0

  
Darrell Nelson  
President, Board of Directors

ATTEST:

  
\_\_\_\_\_  
Clerk of the Board

**Rio Linda/Elverta Community Water District  
Resolution No. 2005-10  
Approving Revised Standard Specifications**

**Whereas**, the Board of Directors has responsibility for establishing minimum standards for the design, construction, repair and alteration of the water supply, transmission, treatment and distribution facilities, hereinafter referred to as "water facilities", within the Rio Linda / Elverta Community Water District; and

**Whereas**, once work is performed and completed on the water facilities by a licensed contractor, such work is transferred to and accepted by the District to operate and maintain; and

**Whereas**, it is in the Districts' best interests to have uniform standard specifications and details to insure that contractor installed water facilities meet acceptable levels of quality and longevity.

**Now, therefore be it resolved** that the Board of Directors of the Rio Linda / Elverta Community Water District hereby approves and accepts the revised Standard Specifications dated July 18, 2005 as prepared by CDM; and

**Be it further resolved** that the General Manager is authorized to issue the revised Standard Specifications and enforce the provisions contained therein effective upon adoption.

Introduced and Adopted this 18<sup>th</sup> Day of July 2005 by the following vote:

Ayes, in favor hereof: (4) Nelson, Morris, Strutton, and Harris


Noes: None

Absent: (1) Cater

Abstain: None

  
Darrell Nelson  
President, Board of Directors

ATTEST:



Clerk of the Board

**Rio Linda/Elverta Community Water District  
Resolution No. 2005-11  
Approving Revised Cross-connection Control Policy**

Whereas, the Board of Directors has the responsibility under § 7584 of the California Administrative Code to protect the public water supply from contamination by implementation of a cross-connection control program; and

Whereas, the District is required under § 7585 of the California Administrative Code to evaluate the degree of potential health hazard to the public water supply which may be created as a result of conditions existing on a user's premises; and

Whereas, the Cross-connection Control Program will assist in the elimination of connections between the District's water system and other sources of water that may result in the contamination of the water system; and

Whereas, the Board of Directors now wishes to adopt a revised policy on Cross-connection Control.

**Now, therefore be it resolved** by Rio Linda / Elverta Community Water District Board of Directors that the provisions of Chapter 4.09 Cross-connection Control of the District Policies (Title 4 Water System Regulations) is hereby amended to read in its entirety as provided in the attached Exhibit A.

**Be it further resolved** that this resolution shall take effect upon adoption by the Board of Directors.

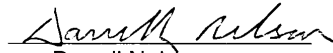
Introduced and Adopted this 15th Day of August 2005 by the following vote:

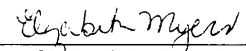
Ayes, in favor hereof: (4) Nelson, Morris, Strutton, and Cater

Noes: None

Absent: None

Abstain: (1) Harris

  
Darrell Nelson  
President, Board of Directors

ATTEST:   
Clerk of the Board

**Chapter 4.09**  
**CROSS-CONNECTION CONTROL**  
(Amended August 15, 2005)

**Sections:**

- 4.09.010 AUTHORITY, PURPOSE & DEFINITIONS
- 4.09.020 INCORPORATION OF COUNTY OF SACRAMENTO REGULATIONS
- 4.09.030 INCORPORATION OF CALIFORNIA TITLE 17 REGULATIONS
- 4.09.100 BACKFLOW PREVENTION POLICY
- 4.09.110 Private Sources That Require Backflow Prevention Devices
- 4.09.120 Systems Carrying Hazardous Substances
- 4.09.130 Sewage Lift, Pump or Ejector Stations
- 4.09.200 BACKFLOW PREVENTION DEVICES
- 4.09.210 Installation
- 4.09.220 Existing Service Connections without Backflow Prevention Devices;  
Upgrading of Existing Devices
- 4.09.230 Operation, Testing, and Maintenance
- 4.09.300 COMPLIANCE WITH REGULATIONS
- 4.09.310 Access for Inspection
- 4.09.320 Noncompliance
- 4.09.330 Liability
- 4.09.340 Additional Penalties

**4.09.010 AUTHORITY, PURPOSE AND DEFINITIONS**

- A.) The Rio Linda/Elverta Community Water District, hereinafter referred to as "District", operates a public water supply under permit issued by the State of California Department of Health Services. In order to comply with the terms of the permit and all State regulations intended to protect the public water supply from contamination or excessive loss of supply, suitable cross-connection prevention devices must be installed at the expense of the consumer. This Chapter supplements and does not supersede local plumbing regulations, codes or ordinances, or State regulations relating to water supply or plumbing regulations. Installation and continuous maintenance of a cross-connection prevention device, where required by District, shall be a condition of water service, including the continuation of existing water service.
- B.) Title 17, §7583-7605 of the California Administrative Code, hereinafter referred to as "Title 17", provides rules and regulations governing cross-connections. §7584 of Title 17 states in part that "The water suppliers shall protect the public water supply system from contamination by implementation of a cross-connection control program. The District is a water supplier within the meaning of Title 17.
- C.) In order to provide for an orderly and adequate means of protecting the District's water system from potential cross-connections, the requirements hereinafter set forth are reasonable and necessary for the protection of the District's water supply and distribution system and the public health and welfare. New water service connections shall be installed and existing water service connections shall be modified to conform to these regulations and requirements as hereinafter set forth.



D.) Those definitions contained in Title 17 §7583 and Section 6.30.020 of the Sacramento County Code shall be used for purposes of determining and interpreting the meaning of certain words in this Chapter 4.09. In the event of a conflict between these two sources, Title 17 shall prevail.

**4.09.020 INCORPORATION OF COUNTY OF SACRAMENTO REGULATIONS.** The regulations of the Sacramento County Code Chapter 6.30, inclusive, hereinafter referred to as "*Protection of Drinking Water*", is hereby adopted, incorporated by reference herein and made a part hereto, insofar as the same are applicable to the protection of the District's water supply and distribution system.

**4.09.030 INCORPORATION OF CALIFORNIA TITLE 17 REGULATIONS.** The regulation of the California Department of Health, Title 17 California Administrative Code, § 7583-7605, inclusive, are hereby adopted, incorporated by reference herein and made a part hereto, insofar as the same are applicable to the protection of the District's water supply and distribution system.

#### **4.09.100 BACKFLOW PREVENTION POLICY**

**4.09.110 Private Sources of Supply That Require Backflow Prevention Devices.** The public water supply system must at all times be isolated from private sources that have the potential for cross-connection or the potential for contamination. Abandonment of the private source of supply or other potential cross-connection condition pursuant to an approved well abandonment permit, building permit or other appropriate permit issued by the County of Sacramento shall be allowed at the sole discretion of the District in lieu of installation of a backflow prevention device in accordance with these regulations. A cross-connection or backflow prevention device shall be required at the service connection on the customer side of the water meter if any of the following conditions exist:

- An auxiliary water supply is on the parcel or serving the parcel receiving water from the District's water system;
- The facility handles any substance under pressure in such a fashion as to permit the substance to possibly enter into the District water system, including water originating from the District water system;
- The facility or parcel has more than one service connection;
- The facility has or has the potential for a cross-connection that could result in the pollution or contamination of the District's water system;
- The structure or structures are used for commercial, industrial or institutional purposes, or has multiple use capabilities;
- The parcel or facility is used for a business purpose determined by the District to have the potential for a cross-connection that may result in the pollution or contamination of the District's water system;
- The structure has a fire sprinkler system or the parcel has a dedicated irrigation system and/or private fire hydrant;
- The parcel or facility as determined by the Board of Directors has the potential for cross-connection.

**4.09.120 Systems Carrying Hazardous Substances.** The public water supply system shall be separated by a air gap system from sewage treatment plant systems, chemical plant systems, or other systems carrying hazardous substances which may jeopardize the safety of the drinking water supply or at any private or public premise on which any material dangerous to health or any toxic substance in toxic concentration is or may be handled under pressure. The air gap shall be located as close as practicable to the service cock, and all piping between the service cock and

receiving tank shall be exposed. All portions of the air gap system, including piping shall be accessible for inspection at any reasonable hour.

**4.09.130 Sewage Lift, Pump or Ejector Stations.** At the service connection to any sewage pumping station, the public water supply shall be protected by a properly installed air gap separation system satisfactory to District, the plans for which must be approved in writing by the District's Manager prior to installation. For a single hose bib water service to the vicinity of a sewage lift station, the District may accept as satisfactory back-flow protection the installation of a double check valve assembly located as close as practicable to the service connection. The service hose bib and connecting riser must be located at the discharge end of the double check valve assembly. The system, including all piping, shall be completely exposed.

#### **4.09.200 BACKFLOW PREVENTION DEVICES**

**4.09.210 Installation.** All backflow prevention devices will be designed and installed as specified by the Rio Linda/Elverta Community Water District. Such backflow prevention device shall be capable of assuring equivalent protection as provided for in the State of California Regulations Relating to Cross-connections (Title 17, Chapter V, Sections 7583-7605, inclusive), as may be amended from time to time. At the time an application for a new water service is made in accordance with these regulations, the General Manager will review said application to determine, in accordance with applicable regulations, the need for a backflow prevention device on the consumer's service. If a backflow device is required, it shall be the consumer's responsibility, and expense, to provide for the installation and continued maintenance of the device in accordance with District standards and at a location approved by the District, by one of the following methods:

- **INSTALLATION BY DISTRICT** - A backflow prevention device may be installed by the District at the sole discretion of the District, and thereby at the consumer's expense. The consumer shall deposit, in advance, the District's estimated cost of the device and installation. The final billing to the consumer shall be the total cost of the work.
- **INSTALLATION BY CONSUMER** - A backflow prevention device may be purchased and installed through arrangements made by the consumer; conditionally, the type and manufacturer of the device shall be specified by the District. Installation is subject to inspection and acceptance by the District prior to providing water service to the parcel.

#### **4.09.220 Existing Service Connections without Backflow Prevention Devices; Upgrading of Existing Devices.**

(A) The District will inspect the premises of existing service connections, and in compliance of the regulations shall determine if the premise(s) require a backflow prevention device. A list of property owners will be established that may require backflow prevention devices. Such list shall be prioritized by the potential for cross-connection with those with the highest potential listed first. If it is determined that a backflow prevention device is required, the installation of a backflow prevention device shall be a condition of continued water service. Abatement of the potential cross-connection shall be accomplished in compliance with the regulations contained in this Chapter 4.09. If a

consumer fails to provide for the installation of the backflow prevention device within a reasonable time limit set forth in a written notification from the District, the District shall suspend water service to the property being served. Alternatively, at the District's option, and upon notification of the consumer, the District may install the backflow prevention device and charge the consumer the entire cost of the device and its installation.

(B) An existing backflow prevention device which fails to meet District standards and specifications shall be upgraded at the consumer's expense following the procedures contained in this Chapter 4.09. Upgrading may include complete replacement of the backflow prevention device, installation of additional devices, or abatement of on-site cross-connection hazards.

**4.09.230 Operation, Testing, and Maintenance.** Backflow prevention devices shall be owned, operated, tested, and maintained by the consumer pursuant to the annual maintenance program prescribed by the District. District personnel or District approved contractors shall inspect and test the backflow prevention devices upon installation and annually thereafter. Charges for inspection and testing shall be set by the District from time to time based on the size and type of device. The consumer may be furnished with test results upon written request. A backflow prevention device that fails its annual test shall be repaired or replaced and retested at the owner's expense.

#### **4.09.300 COMPLIANCE WITH REGULATIONS**

**4.09.310 Access for Inspection.** Rio Linda/Elverta Community Water District personnel and representatives of any governmental health agency shall have the right of ingress to and egress from the consumer's premises at all reasonable hours for the purpose of investigating compliance with this Chapter.

**4.09.320 Noncompliance.** If a consumer fails to comply with this Chapter, the District shall have the right to discontinue water service and, if it deems necessary, physically disconnect the consumer's piping from the District's distribution system.

**4.09.330 Liability.** The District shall not be liable for any injury to persons or damage to property which may result directly or indirectly from the installation or testing of any device to protect the District's public water supply from contamination.

**4.09.340 Additional Penalties.** In addition to the remedies otherwise granted the District by law, any water user who willfully fails to install a backflow prevention device as required by these regulations, or who willfully bypasses or alters such a device may be subject to prosecution and, upon conviction thereof, shall be punishable by a fine not to exceed five hundred dollars (\$500.00) or by imprisonment in the County jail for a period not to exceed six (6) months or by both fine and imprisonment. (California Health & Safety Code § 116820)

**Rio Linda / Elverta Community Water District**

**RESOLUTION 2005-12  
AMENDING POLICY MANUAL Chapter 1.01 - ESTABLISHMENT  
OF MANUAL, Chapter 1.03 - DEFINITIONS, Chapter 1.05 -  
MISSION STATEMENT AND GOALS & Section 2.01.000 thru  
2.01.080 - DIRECTORS**

*Whereas*, the Board of Directors reviewed the provisions of Chapters 1.01, 1.03, 1.05 and Sections 2.01.000 thru 2.01.080 of the Policy Manual during regular Board meetings on May 16, 2005 and July 18, 2005; and

*Whereas*, the Board of Directors now wishes to amend in its entirety the above referenced areas of the Policy Manual.

*Now, therefore be it resolved* by Rio Linda / Elverta Community Water District Board of Directors that Chapters 1.01, 1.03 and 1.05 of the District Policy Manual (Title 1 - General Provisions) and Sections 2.01.000 thru 2.01.080 (Title 2 – Administration and Personnel, Chapter 2.01 – Board of Directors, Sections 2.01.000 – 2.01.080) are hereby amended to read in its entirety as indicated in the attached "Exhibit A".

*Be it further resolved*, that this resolution shall become effective as of August 15, 2005 and hereby repeals Resolution No. 1996-02-02 in its entirety, amends Resolution No. 1996-02-01 in respect to Chapters 1.01 and 1.03 and Sections 2.01.000 thru 2.01.070 and repeals Resolution No. 1996-05-04 in its entirety.

Introduced and Adopted this 15th Day of August 2005 by the following vote:

Ayes, in favor hereof: (5) Nelson, Morris, Strutton, Cater, and Harris

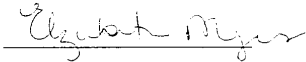
Noes: None

Absent: None

Abstain: None

  
Darrell Nelson  
President, Board of Directors

Attest:



Clerk of the Board

## **Chapter 1.01 ESTABLISHMENT OF MANUAL**

*(Amended August 15, 2005)*

**Sections:**

- 1.01.010 Purpose**
- 1.01.020 Title, Citation and Reference**
- 1.01.030 Validity of Policy**
- 1.01.040 Scope of Authority Conferred**
- 1.01.050 Interpretation and Use**

**1.01.010 Purpose.** It is the intent of the Board of Directors of the Rio Linda/Elverta Community Water District (District) to maintain a Policy Manual. Contained therein shall be a comprehensive listing of the Board's current policies, being the rules and regulations enacted by the Board from time to time. The Policy Manual will serve as a resource for Directors, staff and members of the public in determining the manner in which matters of District business are to be conducted.

**1.01.020 Title, Citation and Reference.** This Manual shall be known as the "Rio Linda/Elverta Community Water District Policy Manual", and may be cited as and referred to herein as "Policy Manual". It shall be sufficient in the conduct of official activity of the District, its departments and officials to refer to this manual and its sections as numbered in lieu of referring to the ordinance, resolution or order establishing the policy contained and compiled herein. It shall be deemed sufficient when amending, repealing or adding to any policy contained herein to refer to this Policy Manual or to sections herein.

**1.01.030 Validity of Policy.** If any policy or portion of a policy contained within this Policy Manual conflicts with any rules, regulations or legislation having authority over the District, said rules, regulations or legislation shall control. Any District policy not contained herein shall not be invalid solely because it is not contained in this Policy Manual.

Policies found to be invalid and policies not contained herein may be brought to the Board's attention by the Board Secretary, the General Manager, any Board member, or any other person, and may be scheduled for review and action on the agenda pursuant to the procedures in Section 1.01.060.

**1.01.040 Scope of Authority Conferred.** The Board may adopt, amend, or repeal policies or regulations contained within this Policy Manual. This Policy Manual does not confer additional authority or limit the existing authority of the Board, any commission, department, or official to administer or enforce any regulation contained herein.

**1.01.050 Interpretation and Use.** Interpretation and use of this manual should be made only in conjunction with the underlying law permitting the establishment of the policy contained herein.

**1.01.060 Adoption/Amendment of Policies.** Consideration by the Board of Directors to adopt a new policy or to amend or repeal an existing policy may be initiated by submitting a written draft of the proposed action to the General Manager, the Board Secretary, or the Board President, and requesting that the item be included for consideration on the agenda at the next regular Board meeting.

Adoption of a new policy, or the repeal or amendment of an existing policy shall be accomplished at a regular Board meeting and shall require a majority affirmative vote of the entire Board.

Before considering any policy action, copies of the proposed action and associated documents shall be included in the agenda information packet distributed to Directors and made available to the public at least three (3) days prior to any meeting at which the action(s) are to be considered.

Notwithstanding the preceding sentence, the Board may add items to its agenda to consider a policy action if such action complies with the Ralph M. Brown Act (*Government Code* §54950 *et seq.*)

## **Chapter 1.03 DEFINITIONS**

*(Amended August 15, 2005)*

### **Sections:**

- 1.03.010 GENERAL**
- 1.03.020 Board, or Board of Directors**
- 1.03.030 County**
- 1.03.040 District**
- 1.03.050 Employee**
  
- 1.03.130 Manager, or General Manager**
- 1.03.150 Oath**
- 1.03.155 Officer**
- 1.03.190 Secretary, or Secretary of the Board**
- 1.03.195 State**
- 1.03.230 Water Works**
- 1.03.235 Water Works System, or Water System**

**1.03.010 General.** For purposes of this Policy Manual, certain terms, phrases, words and their derivatives shall be construed as specified in this chapter, unless otherwise indicated in this Policy Manual. Words used in the singular include the plural and the plural the singular. Words used in the masculine gender include the feminine and in the feminine gender the masculine. Words used in the present tense include the past and the future tenses and vice versa, unless manifestly inapplicable.

**1.03.020 Board, or Board of Directors.** For purposes of this Policy Manual, "Board" or "Board of Directors" shall mean the Board of Directors of the Rio Linda/Elverta Community Water District.

**1.03.030 County.** For purposes of this Policy Manual "County" shall mean the County of Sacramento.

**1.03.040 District.** For purposes of this Policy Manual, "District" shall mean the Rio Linda/Elverta Community Water District.

**1.03.050 Employee.** For purposes of this Policy Manual, "Employee" shall mean an employee of the Rio Linda/Elverta Community Water District, excepting officers of the District unless otherwise indicated.

**1.03.130 Manager, or General Manager.** For purposes of this Policy Manual, "Manager" or "General Manager" shall mean the General Manager of the Rio Linda/Elverta Community Water District.

**1.03.150 Oath.** For purposes of this Policy Manual "Oath" includes an affirmation or declaration in all cases in which, by law, an affirmation may be substituted for an oath, and in such cases, the words "swear" and "sworn" shall be equivalent to the words "affirm" and "affirmed."

**1.03.155 Officer.** For purposes of this Policy Manual, "officer" includes members of the Board, the General Manager, the Secretary of the Board, the Auditor, the General Counsel of the District, other legal counsel retained by the Board, and other persons designated by the Board.

**1.03.190 Secretary or Secretary of the Board.** For purposes of this Policy Manual, "Secretary" or "Secretary of the Board" shall mean the General Manager of the Rio Linda/Elverta Community Water District unless otherwise specified by the Board of Directors.

**1.03.195 State.** For purposes of this Policy Manual "State" shall mean the State of California.

**1.03.230 Water Works.** For purposes of this Policy Manual, "water works" shall mean facilities necessary to the supply, pumping, storage, treatment and distribution of water.

**1.03.235 Water Works System or Water System.** For purposes of this Policy Manual, "water works system" or "water system" shall mean the water works and all facilities and equipment necessary for the administration and operation thereof.

## **Chapter 1.05 MISSION STATEMENT AND GOALS**

*(Amended August 15, 2005)*

Sections:

- 1.05.010 Purpose
- 1.05.020 Mission Statement
- 1.05.030 Goals

**1.05.10 Purpose.** The purpose of the District mission statement and related goals are to provide general guidelines within which District policy shall be developed and implemented.

**1.05.020 Mission Statement.** The mission of the Rio Linda/Elverta Community Water District is to provide, in a manner responsive to District customers, a water supply that is adequate, safe, and potable (according to state and federal standards) and that meets both current and future needs.

**1.05.030 Goals.** The goals of the District are as follows:

- A. Supply water to existing and future customers in a cost-effective manner while operating the District in a financially sound manner;
- B. Construct a distribution system serving the entire District which is adequately sized and looped;
- C. Maintain existing wells and storage in a manner that meets generally accepted water works standards and develop new wells and storage to meet peak flow demands and emergency needs;
- D. Establish a responsive and cordial relationship with customers that include effective communications and notification regarding the affairs and operations of the District;
- E. Complete and maintain a long-range plan for the water system;
- F. Develop and maintain written policies, procedures, and specifications;
- G. Establish a fiscally sound equipment replacement fund;
- H. Participate in interagency cooperation in a manner that encourages respect between the agencies, including such cooperative activities as development of alternative water supplies, cooperative purchasing, mutual aid agreements and water system;
- I. Develop and implement an effective water conservation program;



## Title 2 ADMINISTRATION AND PERSONNEL

**Chapters:**

- 2.01 BOARD OF DIRECTORS
- 2.05 APPOINTED OFFICERS
- 2.10 GENERAL MANAGER
- 2.15 CLASSIFICATION PLAN
- 2.20 COMPENSATION OF OFFICERS AND EMPLOYEES
- 2.25 PERSONNEL RULES
- 2.30 CONFLICT OF INTEREST CODE

### Chapter 2.01 BOARD OF DIRECTORS *(Amended August 15, 2005)*

- 2.01.000 DIRECTORS
- 2.01.005 Governing Body of the District
- 2.01.010 Number of directors: Qualifications
- 2.01.020 Terms of Office
- 2.01.025 Taking Office; Oath
- 2.01.030 Determination of Vacancy
- 2.01.040 Vacancies: Manner of filling
- 2.01.050 Compensation of Directors
- 2.01.055 Election of President and Vice President
- 2.01.060 Duties of President and Vice President
- 2.01.065 Committees and Other Assignments
- 2.01.070 Requests for Information
- 2.01.075 Attendance at Meetings
- 2.01.080 Ralph M. Brown Act
- 2.01.085 Code of Ethics

#### 2.01.000 DIRECTORS

**2.01.005 Governing body of the District.** *(See Ca Water Code §30575 and §30576)* The Board is the governing body of the District. Directors are responsible for monitoring the District's progress in financing and attaining its goals and objectives, while pursuing its mission. The powers of the District enumerated in California Water Code Division 12 shall, except as therein otherwise provided, be exercised by the Board.

**2.01.010 Number of Directors: Qualifications.** *(See Ca Water Code §30500)* The District shall have a board of five Directors each of whom whether elected or appointed, shall be a voter in the District.

**2.01.020 Terms of Office.** (See *Ca Water Code §30502*) The term of office of each Director other than Directors first elected or Directors appointed to fill an unexpired term shall be four years.

**2.01.025 Taking Office; Oath.** (See *Ca Election Code §10554*) Directors elected to office take office at noon on the first Friday in December next following the General District Election. Prior to taking office, each Director shall take and subscribe the official oath and file it with the Secretary (*Ca Water Code §30509*).

**2.01.030 Determination of Vacancy.** (See *Ca Gov Code §1770; Ca Water Code §30508*) An office of a Director of the Board shall be deemed to become vacant when one or more events as specified in California Government Code Sections 1770 et seq. or California Water Code Sections 30500 et seq. have occurred.

**2.01.040 Vacancies: Manner of filling.** (See *Ca Gov Code §1780*) All vacancies occurring in the office of Director shall be filled pursuant to California Water Code Section 30504 and California Government Code Section 1780.

**2.01.050 Compensation of Directors.** (See *Ca Water Code §30507 and Resolution 2002-12 adopted November 18, 2002*) Each director shall receive compensation in an amount determined by resolution of the Board not to exceed one hundred dollars (\$100) for each day's attendance at meetings of the Board or for each day's service rendered as a Director by request of the Board, not exceeding a total of six days in any calendar month, together with any expenses incurred in the performance of his/her duties required or authorized by the Board.

**2.01.055 Election of President and Vice President.** (See *Ca Gov Code §30520*) At its regular meeting in December the Board shall elect one of its members as President and one of its members as Vice President who shall hold office thereafter until their successors are elected and qualify. The election of the President and Vice President shall be by voice vote cast separately for each office with the member with the highest number of votes being deemed elected.

**2.01.060 Duties of President and Vice President.** (See *Ca Water Code §30578*) The President shall preside at all meetings of the Board and act as Chairperson of the Board, shall appoint all committee members as specified in section 2.01.080, shall sign all contracts on behalf of the District, and shall perform all other duties necessary or incidental to his/her office as authorized or imposed by the Board. In the absence of the President or because of the President's inability to act, the Vice President shall take his/her place and perform the duties of the President.

**2.01.065 Committees and Other Assignments.** The Board President shall appoint such standing and/or ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The President of the Board shall make all appointments of Directors to ad hoc and standing Committees. In addition, the President of the Board may designate Board members to represent the Board as needed.

(a) The duties of a standing committee shall be determined at the time of appointment. Standing committees shall only be dissolved by majority vote of the Board.

(b) The duties of an ad hoc committee shall be determined at the time of appointment and the committee shall be considered dissolved when its final report has been made.

- (c) If the Board President or the Board has created a standing committee, then the members of such committee shall be appointed for the year no later than the Board's regular meeting in January.
- (d) All meetings of standing committees shall conform to all open meeting laws (e.g., Ralph M. Brown Act) that pertain to regular meetings of the Board.

**2.01.070 Requests for Information.** Requests for information by Board members regarding District operations should be made through the General Manager or other designated District staff. The General Manager shall designate management or supervisory personnel to respond to inquiries in his/her absence.

**2.01.075 Attendance at Meetings.** Board members are expected to attend all regular and special meetings of the Board, including closed sessions, unless there is good cause for the absence or the absence is pre-approved by the President. A request for absence, except emergency absence, shall be submitted to the Board President in writing as soon as the Board Member becomes aware that he/she may be absent. Absences shall conform to the requirement of Government Code Section 1063 or other applicable law.

**2.01.080 Ralph M. Brown Act.** The Board as a whole and each Director shall comply with the Ralph M. Brown Act.

**2.01.085 Code of Ethics.** The Board of Directors is committed to providing excellence in legislative leadership that result in the provision of the highest quality of services to its constituents. The following rules should be observed in order to assist in the governance of the behavior between and among members of the Board of Directors.

- (a) Directors shall thoroughly prepare themselves to discuss agenda items. Information may be requested pursuant to Section 2.01.090 or exchanged between Directors before meetings in a manner consistent with the Ralph M. Brown Act.
- (b) The dignity, style, values and opinions of each Director should be respected.
- (c) Responsiveness and attentive listening in communication is encouraged.
- (d) The needs of the District's constituents should be the priority of the Board of Directors.
- (e) When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and route their questions through appropriate channels and to responsible management personnel.
- (f) The primary responsibility of the Board of Directors is the formulation and evaluation of policy and strategy to give direction and guidance to District staff. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.
- (g) Directors should commit themselves to emphasizing the positive, avoiding double talk, hidden agendas, gossip, backbiting, and other negative forms of interaction.
- (h) Directors should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues should be avoided.
- (i) Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action Directors should commit to supporting said action and not to create barriers to the implementation of said action.

- (j) The work of the District is a team effort. All individuals should work together in the collaborative process, assisting each other in conducting the affairs of the District.
- (k) Directors should develop a working relationship with the General Manager wherein current issues, concerns, and District projects can be discussed comfortably and openly.
- (l) Directors should practice the following procedures while working with the General Manager, District staff, and District constituents:
  - (1) In seeking clarification on informational items, Directors may directly approach professional staff members to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.
  - (2) In handling complaints from residents and property owners of the District, said complaints should be referred directly to the General Manager or delegated District staff.
  - (3) In handling items related to safety, concerns for safety or hazards should be reported to the General Manager or to the District office. Emergency situations should be dealt with immediately by seeking appropriate assistance.
  - (4) When approached by District personnel concerning specific District policy, Directors should direct inquiries to the appropriate staff supervisor. The chain of command should be followed.

RESOLUTION NO. 2005-13

A RESOLUTION ELECTING TO WITHDRAW FROM THE PUBLIC  
EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

WHEREAS, The Rio Linda/Eiverta Community Water District elected to provide medical benefits to its employees and retirees pursuant to the Public Employees' Medical and Hospital Care Act effective August 1, 2000; and

WHEREAS, The Rio Linda/Eiverta Community Water District is a local agency which has contracted with the Public Employees' Retirement System; and

WHEREAS, the Rio Linda/Eiverta Community Water District now desires not to renew its contract for health care benefits through the Public Employees' Medical and Hospital Care Act effective at the conclusion of the current contract for health benefits which occurs as of December 31, 2005.

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

1. The Public Agency hereby elects not to renew its contract and to withdraw from the Public Employees' Medical and Hospital Care Act effective at the conclusion of the current contract for health benefits which occurs as of December 31, 2005.

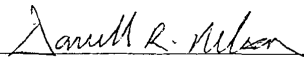
2. The Board of Directors hereby appoints and directs attorney Richard Chinzani to file with the Board of Administration of CalPERS a verified copy of this resolution and to perform on behalf of the District all functions required of it to terminate the contract for medical benefits as above directed.

INTRODUCED AND ADOPTED on this 18<sup>th</sup> day of July, 2005, by the following vote:


AYES, in favor hereof: 4 NELSON, MORRIS, HARRIS, STRUTTON

NOES: 0

ABSENT: 1 CATER

  
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary

**RESOLUTION NO. 2005-14**  
**Rio Linda / Elverta Community Water District**  
**A RESOLUTION AMENDING AND RESTATING THE DEFERRED COMPENSATION**  
**PLAN TO COMPLY WITH INTERNAL REVENUE SERVICE REGULATIONS**

**WHEREAS**, the Rio Linda / Elverta Community Water District ("District") established the Rio Linda / Elverta Water District STARS 457 Deferred Compensation Plan (hereinafter referred to as "Plan") effective March 3, 2003 for the exclusive benefit of its employees and their beneficiaries; and

**WHEREAS**, the Internal Revenue Service ("IRS") has provided guidance regarding plan documents under Internal Revenue Code ("IRC") § 457 that affects the current District Plan; and

**WHEREAS**, the IRS has established a deadline of December 31, 2005 for all state and local government sponsors of IRC § 457(b) plans to adopt revised plan documents that reflect in writing all material benefits of the plan, including any optional features; and

**WHEREAS**, the District Board of Directors now wishes to modify the Plan to conform to the guidance provided by the IRS.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Rio Linda / Elverta Community Water District that the District's 457(b) Deferred Compensation Plan is hereby amended and restated in accordance with the attached "Exhibit A", which is hereby approved and adopted;

**BE IT FURTHER RESOLVED** that the Plan Amendment and Restatement shall take effect on October 17, 2005 and that the General Manager is hereby authorized and directed to execute and deliver to the Administrator of the Plan such documents as may be necessary to implement the Plan.

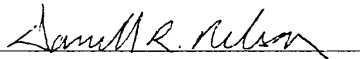
**INTRODUCED AND ADOPTED** on this 17<sup>th</sup> day of October 2005, by the following vote:

**AYES**, in favor hereof: (5) Nelson, Morris, Strutton, Cater, and Harris

**NOES**: None

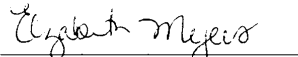
**ABSENT**: None

**ABSTAIN**: None



Darrell Nelson  
President, Board of Directors

ATTEST:

  
Clerk of the Board



## EXHIBIT A

### SPECIMEN SECTION 457(b) DEFERRED COMPENSATION PLAN

#### GOVERNMENTAL EMPLOYERS

This specimen plan document is intended to meet the requirements of an eligible deferred compensation plan under Section 457(b) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, that is sponsored by a governmental employer, as defined thereunder. This document is provided for consideration by the employer and its legal counsel. Modifications may be required depending on the specific facts and circumstances of the employer, including any applicable state or local laws, rules or regulations regarding deferred compensation or retirement benefits for governmental employees. VALIC cannot and does not provide legal or tax advice.

DEFERRED COMPENSATION PLAN  
(Governmental)

ARTICLE I. INTRODUCTION

Rio Linda / Elverta Community Water District (hereinafter the "Employer") hereby establishes the Rio Linda / Elverta Water District Stars 457 Deferred Compensation Plan (hereinafter the "Plan"). The Plan is intended to be an eligible deferred compensation plan under section 457 of the Internal Revenue Code of 1986, as amended. The primary purpose of this Plan is to attract and retain qualified personnel by permitting them to provide for benefits in the event of their retirement or death. Nothing contained in this Plan shall be deemed to constitute an employment agreement between any Participant and the Employer and nothing contained herein shall be deemed to give any Participant any right to be retained in the employ of the Employer.

ARTICLE II. PLAN ELECTIONS

2.01 Plan Effective Date. (Hereinafter the "Effective Date.") (Check one.)

- This Plan is being established by the Employer effective \_\_\_\_\_, \_\_\_\_\_.
- This Plan amends and restates the Plan previously established by the Employer and is effective October 17, 2005. The Plan was originally established by the Employer effective March 3, 2003.

2.02 Unforeseeable Emergency Withdrawals. (Check one.)

- Yes. Withdrawals under Section 7.07 shall be available under this Plan.
- No. Withdrawals under Section 7.07 shall not be available under this Plan.

2.03 Participant's Election to Receive In-Service Distribution. A Participant may elect to receive an in-service distribution of his account balance as described in Section 7.09. (Check one.)

- Yes, if the total amount payable to a Participant under the Plan does not exceed the dollar amount under section 411(a)(11)(A) of the Code (currently \$5,000).
- No. Section 7.09 shall not apply to this Plan.

2.04 Distribution without Participant's Consent. Small accounts of certain inactive Participants may be distributed without the Participant's consent as described in Section 7.10. (Check one.)

Yes, if the total amount payable to a Participant under the Plan does not exceed \$1,000. Such amount will be paid in cash to the Participant.

No. Section 7.10 shall not apply to this Plan.

2.05 Loans. (Check one.)

Yes, loans are allowed and Article X shall apply to this Plan.

No, loans are not allowed and Article X shall not apply to this Plan.

2.06 Governing Law. This Plan shall be construed under the laws of the State of California (insert state). This Plan shall be subject to any applicable State, county or local deferred compensation rules and regulations.

### ARTICLE III. DEFINITIONS

3.01 Account: The account maintained for each Participant reflecting the cumulative amount of each Participant's Deferred Compensation, including any income, gains, losses, or increases or decreases in market value attributable to the investment of the Participant's Deferred Compensation, and further reflecting any distributions to the Participant or the Beneficiary and any fees or expenses charged against the Participant's Deferred Compensation.

3.02 Annuity Contract: If selected by the Employer as an investment option, one or more group fixed, variable or combination fixed and variable annuity contracts issued by The Variable Annuity Life Insurance Company (VALIC) and approved for sale in the Employer's state, or by another insurance company qualified to do business in the Employer's state, which provide for periodic payments at regular intervals, whether for a period certain or during one or more lives, and which are non-transferable.

3.03 Beneficiary or Beneficiaries: The person or persons designated by the Participant in his Deferred Compensation Agreement who shall receive any benefits payable hereunder in the event of the Participant's death. If more than one designated Beneficiary survives the Participant, payments shall be made equally to the surviving Beneficiaries, unless otherwise provided in the Deferred Compensation Agreement. If no Beneficiary is designated in the Deferred Compensation Agreement or if no designated

Beneficiary survives the Participant, then the estate of the Participant shall be the Beneficiary. However, a Participant may designate a contingent Beneficiary (or Beneficiaries) who shall become the primary Beneficiary (or Beneficiaries) under this Plan in the event that no primary Beneficiary survives the Participant.

- 3.04 Code: The Internal Revenue Code of 1986, as amended, and regulations thereunder.
- 3.05 Deferred Compensation: The amount of Normal Compensation otherwise payable to the Participant that the Participant and the Employer mutually agree to defer hereunder, any amount credited to a Participant's Account by reason of a transfer under Section 9.01, or any other amount that the Employer agrees to credit to a Participant's Account and that does not exceed the Maximum Limitation.
- 3.06 Deferred Compensation Agreement: An agreement entered into between a Participant and the Employer and any amendments or modifications thereof, which agreement shall fix the amount of Deferred Compensation; specify the Participant's investment selection with respect to his Deferred Compensation; designate the Participant's Beneficiary or Beneficiaries and incorporate the terms, conditions, and provisions of this Plan by reference.
- 3.07 Eligible Retirement Plan: A plan described in Code section 402(c)(8)(B) to which an Eligible Rollover Distribution may be transferred pursuant to Code section 457(e)(16).
- 3.08 Eligible Rollover Distribution: A qualifying distribution to a Participant, or to a spousal Beneficiary of a deceased Participant, that is described in Code section 402(c)(4).
- 3.09 Employee: Any individual, whether appointed, elected or under contract, providing services for the Employer for which compensation is paid.
- 3.10 Employer: The entity identified in Article I, which entity is a State, political subdivision of a State, or an agency or instrumentality of a State or political subdivision of a State.
- 3.11 Includible Compensation: For a taxable year, the Participant's compensation, as defined in Code section 415(c)(3), for services performed for the Employer. The amount of Includible Compensation shall be determined without regard to any community property laws.
- 3.12 Maximum Limitation: The maximum amount that may be deferred under this Plan (other than rollover amounts described in Section 9.02) for the

taxable year of a Participant. Such amount shall be either the Normal Limitation or Catch-Up Limitation, whichever is applicable.

- (a) Normal Limitation: The maximum amount deferred shall not exceed the lesser of the applicable dollar amount (as described in Section 3.12(c) below) or 100% of the Participant's Includible Compensation, as adjusted by Section 3.12(d) below. Notwithstanding the preceding provisions of this paragraph, for calendar years prior to 2002, the maximum amount deferred shall not exceed such limit or limits in effect for the applicable year pursuant to section 457 of the Code.
- (b) Catch-Up Limitation: For each one of the last three (3) taxable years of a Participant ending before the Participant's attainment of Normal Retirement Age, the maximum amount deferred for each such year shall be the lesser of:
  - (1) twice the applicable dollar amount (as described in Section 3.12(c) below); or
  - (2) the sum of the Normal Limitation, plus that portion of the Normal Limitation not used in each of the prior taxable years of the Participant commencing after 1978 in which (i) the Participant was eligible to participate in this Plan or another eligible plan of the Employer, and (ii) compensation deferred under this Plan (or such other plan) was subject to the deferral limitations set forth in this section.

A Participant may utilize the Catch-Up Limitation only if the Participant has not previously utilized it with respect to a different Normal Retirement Age under this Plan or any other plan.

For years prior to 2002, the limit under this paragraph (b) for any year shall not exceed \$15,000.

- (c) Applicable Dollar Amount For contributions in 2002 and in subsequent years, the applicable dollar amount shall be the amount determined in accordance with the following table:

<u>For taxable years beginning in calendar year:</u>	<u>The applicable dollar amount:</u>
2002	\$11,000
2003	\$12,000
2004	\$13,000
2005	\$14,000
2006 or thereafter	\$15,000

In the case of taxable years beginning after December 31, 2006, the applicable dollar amount shall be adjusted for cost-of-living increases in accordance with Code section 457(e)(15).

- (d) Coordination with Other Plans: For contribution years prior to 2002, the amount excludible from a Participant's gross income for any taxable year under this Plan or any other plan under section 457(b) of the Code shall not exceed \$7,500 (as adjusted for cost-of-living increases in accordance with section 457(e)(15) of the Code) or such greater amount allowed under paragraph (b) of this section, less any amount excluded from gross income under sections 403(b), 402(e)(3), or 402(h)(1)(B) or (k) of the Code, or any amount with respect to which a deduction is allowable by reason of a contribution to an organization under section 501(c)(18) of the Code.
- (e) Age-Based Catch-Up Contributions: In addition to any other limit set forth in this section, and subject to any limitations that may be imposed under present or future federal tax laws and rules, a Participant who will attain age 50 in the calendar year may contribute an additional amount in such year or a subsequent year, according to the following schedule:

<u>Year of Contribution:</u>	<u>Additional Catch-Up Amount:</u>
Prior to 2002	\$ 0
2002	\$1,000
2003	\$2,000
2004	\$3,000
2005	\$4,000
2006 and later	\$5,000

In the case of taxable years beginning after December 31, 2006, the additional catch-up amount shall be adjusted for cost-of-living increases in accordance with section 414(v)(2)(C) of the Code.

- (f) Coordination of Catch-Up Contributions: A Participant may not utilize both the Catch-Up Limitation and the Age-Based Catch-Up Contribution in the same year. The Age-Based Catch-Up Contribution shall not apply for any taxable year for which a higher Catch-Up Limitation applies.
- (g) Excess Deferrals: Any amount deferred in excess of the Maximum Limitation or Age-Based Catch-Up Contribution shall be distributed to the Participant, with allocable net income, as soon as administratively practicable after the Plan determines that the amount is an excess deferral. An excess deferral as a result of a

failure to comply with the individual limitation under Treas. Reg. section 1.457-5 for a taxable year may be distributed to the Participant, with allocable net income, as soon as administratively practicable after the Plan determines that the amount is an excess deferral.

- 3.13 Normal Compensation: The amount of compensation that would be payable to a Participant by the Employer if no Deferred Compensation Agreement were in effect to defer compensation under this Plan.
- 3.14 Normal Retirement Age: The age that determines the period during which a Participant may utilize the Catch-Up Limitation of Section 3.12(b) hereunder. A Participant's Normal Retirement Age shall be age 70½, unless the Participant has elected an alternative Normal Retirement Age by written instrument delivered to the Employer prior to Severance from Employment.

A Participant's alternative Normal Retirement Age may not be earlier than the earliest date that the Participant shall become eligible to retire and receive unreduced retirement benefits under the Employer's defined benefit plan or money purchase plan covering that Participant and may not be later than the calendar year in which the Participant attains age 70½. If the Participant will not be eligible to receive benefits under a defined benefit plan or money purchase plan maintained by the Employer, the Participant's Normal Retirement Age may not be earlier than attainment of age 65 and may not be later than the calendar year in which the Participant attains age 70½.

If the Participant is a qualified police officer or firefighter as defined under section 415(b)(2)(H)(ii)(I) of the Code, then such qualified police officer or firefighter may designate an alternative Normal Retirement Age that is between age 40 and age 70 1/2.

Once a Participant has to any extent utilized the Catch-Up Limitation of Section 3.12(b), his Normal Retirement Age may not be changed.

- 3.15 Participant: Any Employee who has enrolled in this Plan pursuant to the requirements of Article V or who has previously deferred compensation under this Plan and who has not received a distribution of his or her entire benefit under the Plan.
- 3.16 Plan Year: The 12-month period commencing each January 1 and ending on the following December 31.
- 3.17 Severance from Employment: Termination of the Participant's employment relationship with the Employer. For years prior to 2002, references in this

Plan to Severance from Employment shall mean severance of the Participant's employment with the Employer, within the meaning of Code section 402(e)(4)(D)(i)(III), rather than termination of the Participant's employment relationship with the Employer.

- 3.18 Service Provider: The Variable Annuity Life Insurance Company (VALIC), VALIC Retirement Services Company or such other entity as the Employer designates to perform administrative services under this Plan.

#### ARTICLE IV. ADMINISTRATION

- 4.01 Plan Administrator. This Plan shall be administered by the Employer or one or more persons designated by the Employer. The Plan Administrator, if other than the Employer, shall act as the agent of the Employer in all matters concerning the administration of this Plan. The Plan Administrator shall have full power to adopt, amend, and revoke such rules and regulations consistent with and as may be necessary to implement, operate and maintain this Plan, to enter into contracts on behalf of the Employer under this Plan, and to make discretionary decisions affecting the rights or benefits of Participants under Section 7.07 of this Plan.
- 4.02 Employee with Administrative Responsibilities. Any Employee who is charged with administrative responsibilities hereunder may participate in the Plan under the same terms and conditions as apply to other Employees. However, he shall not have the power to participate in any discretionary action taken with respect to his participation under Section 7.07 of this Plan.
- 4.03 Administrative Services. The Employer may enter into an agreement with a Service Provider to provide nondiscretionary administrative services under this Plan for the convenience of the Employer, including, but not limited to, the enrollment of Employees as Participants, the maintenance of Accounts and other records, the making of periodic reports to Participants, and the disbursement of benefits to Participants.

#### ARTICLE V. PARTICIPATION IN THE PLAN

- 5.01 Participant. An Employee becomes a Participant when he has executed and entered into a Deferred Compensation Agreement with the Employer.
- 5.02 Enrollment in the Plan. An Employee may become a Participant as of the first day of any calendar month by entering into a Deferred Compensation Agreement with respect to compensation not yet earned. A new Employee may become a Participant on the first day of employment by entering into a Deferred Compensation Agreement on or before the first



day of employment with respect to compensation not yet earned. The Deferred Compensation Agreement shall defer compensation not yet earned, and each Deferred Compensation Agreement must be made before the beginning of the month in which it is to become effective or, with respect to a new employee, on or before the first day of employment.

- 5.03 Minimum Deferral Amount. At the time of entering into or amending a Deferred Compensation Agreement hereunder, a Participant must agree to defer a minimum periodic amount as specified by the Plan Administrator.
- 5.04 Change in Amount of Deferred Compensation or Beneficiary. A Participant may not amend or modify an executed Deferred Compensation Agreement to change the amount of Deferred Compensation except with respect to compensation to be earned in the subsequent calendar month and provided that notice is given prior to the beginning of the month for which such change is to be effective. A Participant may change the Beneficiary designated in his Deferred Compensation Agreement at any time by giving written notice to the Plan Administrator.
- 5.05 Revocation of Deferred Compensation Agreement. A Participant may revoke his Deferred Compensation Agreement and thereafter be restored to his Normal Compensation in the subsequent calendar month, by giving notice to the Employer prior to the beginning of the month for which such revocation is to be effective.
- 5.06 New Deferred Compensation Agreement Upon Return to Service or After Revocation. A Participant who returns to active service with the Employer after a Severance from Employment, or who has revoked his Deferred Compensation Agreement under Section 5.05, may again become an active Participant by executing a new Deferred Compensation Agreement with the Employer prior to the beginning of the calendar month as to which it is to be effective.
- 5.07 Leave of Absence; Other Absences. Compensation may continue to be deferred under this Plan with respect to a Participant who is on an approved leave of absence from the Employer with compensation, and all of the rules of this Article shall apply with respect to making, amending or revoking any Deferred Compensation Agreement for such a Participant.
- 5.08 Deferrals after Severance from Employment, Including Sick, Vacation, and Back Pay Under an Eligible Plan. A Participant who has not had a Severance from Employment may elect to defer accumulated sick pay, accumulated vacation pay, and back pay under this Plan in accordance with the requirements of Code section 457(b). These amounts may be deferred for any calendar month only if an agreement providing for the

deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an employee on the date the amounts would otherwise be paid or made available. Compensation that would otherwise be paid for a payroll period that begins before Severance from Employment is treated as an amount that would otherwise be paid or made available before an Employee has a Severance from Employment. In addition, deferrals may be made for former Employees with respect to compensation described in Treas. Reg. section 1.415(c)-2(e)(3)(ii) (relating to certain compensation paid within 2 1/2 months following Severance from Employment), compensation described in Treas. Reg. section 1.415(c)-2(g)(4) (relating to compensation paid to participants who are permanently and totally disabled), and compensation relating to qualified military service under Code section 414(u).

#### ARTICLE VI. INVESTMENT OF DEFERRED COMPENSATION

- 6.01 Annuity Contracts and Other Plan Investments. For the purposes of satisfying its obligation to provide benefits under this Plan, the Employer shall invest the amount of compensation deferred by each Participant in Annuity Contracts and other Plan investments as specified in the Participants' Deferred Compensation Agreements. Amounts deferred under this Plan must be transferred to a trust, custodial account or annuity contract described in Section 6.02 within a period that is not longer than is reasonable for the proper administration of the Participant Accounts. Responsibility for the selection of investment alternatives for Plan assets shall be retained by the Employer, and the Employer shall have the right to modify the selection of investment alternatives from time to time. However, Participants and Beneficiaries may allocate amounts held in their Accounts or otherwise credited for their benefit under the Plan among the investment alternatives selected by the Employer, and the Employer shall cause such amounts to be so allocated within a reasonable time after the receipt of Participant instructions, or may instruct the issuer, trustee, or custodian to accept such allocation instructions directly from Participants and Beneficiaries as representatives of the Employer.
- 6.02 Exclusive Benefit. Notwithstanding any provision of the Plan to the contrary, all amounts held under the Plan, including amounts deferred and earnings or other accumulations attributable thereto, shall be held for the exclusive benefit of Plan Participants and Beneficiaries (i) in annuity contracts, or (ii) in trust or in one or more custodial accounts pursuant to one or more separate written instruments. Any such annuity contract, trust, or custodial account must satisfy the requirements of section 457(g)(1) of the Code. The annuity contract, trust or custodial account must make it impossible, prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries, for any part of the assets

and income of the annuity contract, trust or custodial account to be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries. For purposes of this section, the terms Participant and Beneficiary shall also include contingent beneficiaries and/or spouses, former spouses, or children of Participants for whose benefit amounts are being held under the Plan pursuant to the terms of a domestic relations order which has been recognized under the terms of the Plan. Any discretionary authority reserved to the Employer (or to any administrator or administrative committee) under the Plan or under any investment held under the Plan, to the extent the exercise thereof would otherwise be inconsistent with this section, shall be exercised for the exclusive benefit of Plan Participants and Beneficiaries. Any issuer of an annuity contract or trustee or custodian of other investments held under the Plan shall have no authority to pay any amounts from such Plan investments to any creditor of the Employer, and shall have no duty to inquire into the validity of any request by the Employer or by an administrator or administrative committee for distribution of amounts for the benefit of a Participant or a Beneficiary under the Plan.

- 6.03 Benefits Based on Participant's Account Value. The benefits paid to a Participant or Beneficiary pursuant to Article VII of this Plan shall be based upon the value of the Participant's Account. In no event shall the Employer's liability to pay benefits exceed the value of the Participant's Account, and the Employer shall not be liable for losses arising from depreciation or other decline in the value of any investments acquired under this Plan.
- 6.04 Periodic Reports. Each Participant shall receive periodic reports, not less frequently than annually, showing the then-current value of his Account.
- 6.05 Employer-Directed Accounts. Notwithstanding any provision of the Plan to the contrary, the Employer shall direct the issuer, trustee or custodian with respect to the investment of any contributions that are forwarded to the issuer, trustee or custodian prior to the date on which the Participant or Beneficiary completes the necessary paperwork with the issuer, trustee or custodian (or takes such other action or actions as may be necessary) to direct the investment of such amounts. Such direction shall be communicated to the issuer, trustee or custodian by means of a separate written agreement between the Employer and issuer, trustee or custodian, which agreement shall include a default investment option and a default beneficiary designation. This direction shall be effective only until such time as the Participant or Beneficiary exercises his right to direct the investment of such amounts and to designate a Beneficiary in accordance with the terms of the Plan.

ARTICLE VII. BENEFITS

- 7.01 Distribution of Benefits. Except as otherwise provided in this Article, a Participant's Account shall become distributable upon a Participant's attainment of age 70½ or upon Severance from Employment. If the Participant has had a Severance from Employment, the distribution of a Participant's Account shall commence no later than April 1 of the calendar year following the year of the Participant's attainment of age 70½. Distributions shall be made in accordance with one of the payment options described in Section 7.03.
- 7.02 Distribution Procedures. The Employer may from time to time establish procedures for Participant distribution elections, provided that such procedures are not inconsistent with the requirements of Section 7.01.
- 7.03 Payment Options. A Participant (or a Beneficiary as provided in Section 7.06) may elect to have the value of the Participant's Account distributed in accordance with one of the following payment options provided that such option is available under the investment and consistent with the limitations set forth in Section 7.04:
- (a) life annuity;
  - (b) life annuity with 60, 120, or 180 monthly payments guaranteed;
  - (c) unit refund life annuity;
  - (d) joint and last survivor annuity (spouse only);
  - (e) lump sum;
  - (f) term certain annuity with 36, 48, 60, 72, 84, 96, 108, 120, 132, 144, 156, 168 or 180 monthly payments guaranteed;
  - (g) withdrawals for a specified number of years;
  - (h) withdrawals of a specified amount; or
  - (i) any other method of payment agreed upon between Participant and Employer and accepted by the investment provider or Service Provider.

If a Participant fails to elect a payment option, any required payments shall be made under a payment option designated by the Employer.

Notwithstanding the options above, any option that involves a life contingency (or a joint life contingency) shall only be available under an Annuity Contract offered or obtained under the terms of the Plan.

7.04 Required Minimum Distributions.

- (a) No payment option may be selected by the Participant (or a Beneficiary) unless it satisfies the requirements of Code section 401(a)(9) and any additional Code limitations applicable to the Plan. The provisions of this section shall apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year. The requirements of this section shall take precedence over any inconsistent provisions of the Plan. All distributions required under this section shall be determined and made in accordance with the regulations under section 401(a)(9) of the Code. Notwithstanding the other provisions of this section, distributions may be made under a designation made before January 1, 1984, in accordance with section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to section 242(b)(2) of TEFRA.
- (b) The Participant's entire interest shall be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date. If the Participant dies before distributions begin, the Participant's entire interest shall be distributed, or begin to be distributed, no later than as follows:
  - (1) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then unless the surviving spouse elects to apply the 5-year rule (pursuant to subsection (f), below), distributions to the surviving spouse shall begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70-1/2, if later.
  - (2) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then unless the designated Beneficiary elects to apply the 5-year rule (pursuant to subsection (f)), below, distributions to the designated Beneficiary shall begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
  - (3) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest shall be distributed by

December 31 of the calendar year containing the fifth anniversary of the Participant's death.

- (4) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this subsection (b), other than paragraph (b)(1), shall apply as if the surviving spouse were the Participant.

For purposes of this subsection (b) and subsection (d), unless paragraph (b)(4) applies, distributions are considered to begin on the Participant's required beginning date. If paragraph (b)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under paragraph (b)(1). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under paragraph (b)(1)), the date distributions are considered to begin is the date distributions actually commence.

Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions shall be made in accordance with subsections (c) and (d) of this section. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder shall be made in accordance with the requirements of section 401(a)(9) of the Code.

- (c) During the Participant's lifetime, the minimum amount that shall be distributed for each distribution calendar year is the lesser of:
  - (1) the quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or
  - (2) if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the regulations, using the Participant's and spouse's attained ages as of the

Participant's and spouse's birthdays in the distribution calendar year.

Required minimum distributions shall be determined under this subsection (c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

- (d) (1) If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:
  - (a) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
  - (b) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.
  - (c) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.
- (2) If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant's

death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

- (3) Except as otherwise elected (pursuant to subsection (f), below), if the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that shall be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in paragraph (d)(1) and subsection (2).
- (4) If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest shall be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (5) If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under paragraph (b)(1), this subsection (d) shall apply as if the surviving spouse were the Participant.

(e) Definitions.

- (1) "Designated Beneficiary" means the individual who is designated as the Beneficiary under Section 6.02 of the Plan and is the designated Beneficiary under section 401(a)(9) of the Code and section 1.401(a)(9)-1, Q&A-4, of the regulations.
- (2) "Distribution calendar year" means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year that contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under subsection (b). The required minimum distribution for the Participant's first distribution calendar year shall be made



on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, shall be made on or before December 31 of that distribution calendar year.

- (3) "Life expectancy" means life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the regulations.
- (4) "Participant's account balance" means the account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.
- (5) "Required beginning date" means April 1st of the calendar year following the later of:
  - (a) the calendar year in which the Participant attains age 70-1/2; or
  - (b) the calendar year in which the Participant retires.
- (f) Participants or Beneficiaries may elect, on an individual basis, whether the 5-year rule or the life expectancy rule in subsections (b) and (d) applies to distributions after the death of a Participant who has a designated Beneficiary. The election must be made no later than the earlier of September 30 of the calendar year in which distribution would be required to begin under subsection (b), or by September 30 of the calendar year which contains the fifth anniversary of the Participant's (or, if applicable, the surviving spouse's) death. If neither the Participant nor the Beneficiary makes an election under this paragraph, distributions shall be made in accordance with subsections (b) and (d).

7.05 Post-Retirement Death Benefits. Should the Participant die after he has begun to receive benefits under a payment option, the guaranteed or remaining payments, if any, under the payment option shall be payable to

the Participant's Beneficiary commencing with the first payment due after the death of the Participant. Payment to the Participant's Beneficiary must comply with section 401(a)(9) of the Code, and with any additional Code limitations applicable to the Plan. If the Beneficiary does not continue to live for the remaining period of payments under the payment option, then the remaining benefits under the payment option shall be paid to the Beneficiary's beneficiary or, if none, the Beneficiary's estate. In no event shall the Employer be liable for any payments made in the name of the Participant or a Beneficiary before the Employer or its agent receives proof of the death of the Participant or Beneficiary.

7.06 Pre-Retirement Death Benefits. Should the Participant die before he has begun to receive benefits under Section 7.01, a death benefit equal to the value of the Participant's Account shall be payable to the Beneficiary. Such death benefit shall be paid in a lump sum unless the Beneficiary elects a different payment option. Payment to the Participant's Beneficiary must comply with section 401(a)(9) of the Code, and with any additional Code limitations applicable to the Plan. Should the Beneficiary die before the completion of payments under the payment option, the value of the remaining payments under the payment option shall be paid to the Beneficiary's beneficiary or, if none, the Beneficiary's estate.

7.07 Unforeseeable Emergency Withdrawals. If the Employer so elects under Section 2.02, then in the event of an unforeseeable emergency, a Participant may apply to the Employer to receive that part of the value of his Account that is reasonably needed to satisfy the emergency need (including any amounts that may be necessary to pay any federal, state or local income taxes or penalties reasonably anticipated to result from the distribution). If such application for withdrawal is approved by the Employer, the Employer shall direct the issuer, trustee or custodian to pay the Participant such value as the Employer deems necessary to meet the emergency need.

The regulations under section 457(d)(1)(A)(iii) of the Code define an unforeseeable emergency as a severe financial hardship of the Participant or Beneficiary resulting from an illness or accident of the Participant or Beneficiary, the Participant's or Beneficiary's spouse, or the Participant's or Beneficiary's dependent (as defined in Code section 152, and, for taxable years beginning on or after January 1, 2005, without regard to Code section 152(b)(1), (b)(2), and (d)(1)(B)); loss of the Participant's or Beneficiary's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, e.g., as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant or Beneficiary. For example, the imminent foreclosure of or eviction from the Participant's or

Beneficiary's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in Code section 152, and, for taxable years beginning on or after January 1, 2005, without regard to Code section 152(b)(1), (b)(2), and (d)(1)(B)) may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section 7.07, neither the purchase of a home nor the payment of college tuition is an unforeseeable emergency.

A distribution on account of an unforeseeable emergency may not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of deferrals under the Plan.

- 7.08 Transitional Rule for Annuity Payment Option Elections. If this Plan document constitutes an amendment and restatement of the Plan as previously adopted by the Employer and if a Participant or Beneficiary has commenced receiving benefits under an annuity payment option, that annuity payment option shall remain in effect notwithstanding any other provision of this Plan.
- 7.09 Participant's Election to Receive In-Service Distribution. If the Employer so elects under Section 2.03, a Participant may elect to receive an in-service distribution of the total amount payable to him under the Plan if:
- (a) such amount does not exceed the dollar amount under section 411(a)(11)(A) of the Code,
  - (b) no amount has been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the distribution, and
  - (c) there has been no prior distribution under the Plan to the Participant under this Section 7.09 or under Section 7.10.
- 7.10 Distribution without Participant's Consent. If the Employer so elects under Section 2.04, the total amount payable to a Participant under the Plan may be distributed to the Participant without his consent if:
- (a) such amount does not exceed \$1,000,

- (b) no amount has been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the distribution, and
- (c) there has been no prior distribution under the Plan to the Participant under this Section 7.10 or under Section 7.09.

#### ARTICLE VIII. NON-ASSIGNABILITY

8.01 In General Except as provided in Section 8.02, the interests of each Participant or Beneficiary under the Plan are not subject to the claims of the Participant's or Beneficiary's creditors; and no Participant or Beneficiary shall have any right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments hereunder or any interest under the Plan, which payments and interests are expressly declared to be non-assignable and non-transferable.

#### 8.02 Domestic Relations Orders.

- (a) Allowance of Transfers: Notwithstanding Section 8.01, if a judgment, decree or order (including approval of a property settlement agreement) that relates to the provision of child support, alimony payments, or the marital property rights of a spouse or former spouse, child, or other dependent of a Participant is made pursuant to a State domestic relations law ("domestic relations order"), then the amount of the Participant's Account shall be paid in the manner and to the person or persons so directed in the domestic relations order. Such payment shall be made without regard to whether the Participant is eligible for a distribution of benefits under the Plan. The Plan Administrator shall establish reasonable procedures for determining the status of any such decree or order and for effectuating distribution pursuant to the domestic relations order. Where necessary to carry out the terms of such an order, a separate Account may be established with respect to the spouse, former spouse, or child who shall be entitled to make investment selections with respect thereto in the same manner as the Participant.
- (b) Release from Liability to Participant: The Employer's liability to pay benefits to a Participant shall be reduced to the extent that amounts have been paid or set aside for payment to a spouse, former spouse, child, or other dependent pursuant to paragraph (a) of this section. No such transfer shall be effectuated unless the Employer or Service Provider has been provided with satisfactory evidence that the Employer and the Service Provider are released from any further claim by the Participant with respect to such amounts. The

Participant shall be deemed to have released the Employer and the Service Provider from any claim with respect to such amounts, in any case in which (i) the Employer or Service Provider has been served with legal process or otherwise joined in a proceeding relating to such transfer, (ii) the Participant has been notified of the pendency of such proceeding in the manner prescribed by the law of the jurisdiction in which the proceeding is pending by service of process in such action or by mail from the Employer or Service Provider to the Participant's last known mailing address, and (iii) the Participant fails to obtain an order of the court in the proceeding relieving the Employer or Service Provider from the obligation to comply with the judgment, decree, or order. The Participant shall also be deemed to have released the Employer or Service Provider if the Participant has consented to the transfer pursuant to the terms of a property settlement agreement and/or a final judgment, decree, or order as described in paragraph (a).

- (c) Participation in Legal Proceedings: The Employer and the Service Provider shall not be obligated to defend against or seek to have set aside any judgment, decree, or order described in paragraph (a) or any legal order relating to the garnishment of a Participant's benefits, unless the full expense of such legal action is borne by the Participant. In the event that the Participant's action (or inaction) nonetheless causes the Employer or Service Provider to incur such expense, the amount of the expense may be charged against the Participant's Account and thereby reduce the Employer's obligation to pay benefits to the Participant. In the course of any proceeding relating to divorce, separation, or child support, the Employer and Service Provider shall be authorized to the extent permitted by applicable laws to disclose information relating to the Participant's Account to the Participant's spouse, former spouse, or child (including the legal representatives of the spouse, former spouse, or child), or to a court.

#### ARTICLE IX. TRANSFERS AND ROLLOVERS

9.01 Transfers. This Plan shall accept and allow transfers, pursuant to section 457 of the Code, of amounts deferred by an individual under this Plan or another eligible deferred compensation plan meeting the requirements of section 457(g) of the Code, provided the conditions of this Section 9.01 are met.

- (a) Directed by Individual Participant or Beneficiary. A transfer from this Plan to another eligible governmental deferred compensation plan or from another eligible governmental deferred compensation plan to this Plan is permitted only if the transferor plan provides for

transfers, the receiving plan provides for the receipt of transfers, the Participant or Beneficiary whose amounts deferred are being transferred shall have an amount deferred immediately after the transfer at least equal to the amount deferred with respect to that Participant or Beneficiary immediately before the transfer, and in the case of a transfer for a Participant, the Participant whose amounts deferred are being transferred has had a severance from employment with the transferring employer and is performing services for the employer maintaining the transferee plan. Upon the transfer of assets from this Plan under this Section 9.01(a), the Plan's liability to pay benefits to the Participant or Beneficiary under this Plan shall be discharged to the extent of the amount so transferred for the Participant or Beneficiary.

Any such transferred amount shall not be treated as a deferral subject to the limitations of Section 3.12, except that, for purposes of applying the limit of Section 3.12, an amount deferred during any taxable year under the plan from which the transfer is accepted shall be treated as if it had been deferred under this Plan during such taxable year and compensation paid by the transferor employer shall be treated as if it had been paid by the Employer.

(b) Permissive Service Credit Transfers.

Subject to any limitations imposed by an investment provider, if a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in section 414(d) of the Code) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account transferred to the defined benefit governmental plan. A transfer under this Section 9.01(b) may be made before the Participant has had a Severance from Employment.

A transfer may be made under Section 9.01(b) only if the transfer is either for the purchase of permissive service credit (as defined in section 415(n)(3)(A) of the Code) under the receiving defined benefit governmental plan or a repayment to which section 415 of the Code does not apply by reason of section 415(k)(3) of the Code.

- 9.02 Rollovers. A Participant may elect to roll an Eligible Rollover Distribution to an Eligible Retirement Plan. The Participant shall be provided with a description of available rollover rights and rules in advance of such a distribution. A distribution that is an Eligible Rollover Distribution and that is paid in a form other than a rollover shall be subject to mandatory withholding of 20%, or such other mandatory withholding rate as may be

imposed under the Code from time to time. This Plan shall be permitted to accept a rollover distribution from an Eligible Retirement Plan (including a distribution from an IRA) to this Plan, subject to any administrative restrictions imposed by the Plan or by the investment provider. To the extent required under the Code, the Plan shall separately account for any rollover contributions it receives. Rollover contributions to the Plan before January 1, 2006, shall be subject to the same restrictions on distributions applicable to other amounts held under the Plan. Rollover contributions to the Plan on or after January 1, 2006, shall not be subject to the same restrictions on distributions applicable to other amounts held under the Plan, and such rollover contributions may be distributed at any time.

#### ARTICLE X. LOANS

If the Employer so elects under Section 2.05, loans shall be made available to all Participants on a reasonably equivalent basis, but only to the extent permitted under the Annuity Contract or other Plan investment and the provisions of this Article. No loan shall be made available under this Plan unless it satisfies all of the requirements of Code section 72(p) and any other applicable regulatory guidance, including the limitations on the total of a Participant's non-taxable loans from all plans of the Employer for treatment as a tax-free loan. The making of loans under this Plan shall be subject to written guidelines set forth in a separate document (or under the Annuity Contract), which guidelines shall govern the availability, terms and procedures for Participants to obtain loans under this Plan. The availability of loans under this Plan may be suspended, terminated or modified at any time.

#### ARTICLE XI. AMENDMENT OR TERMINATION OF PLAN

- 11.01 Amendment or Termination. The Employer may at any time amend this Plan or terminate this Plan and distribute the Participants' Accounts in conformity with the Code; provided, however, that such amendment or termination shall not impair the rights of Participants or their Beneficiaries with respect to any compensation deferred before the date of the amendment or termination of this Plan except as may be required to maintain the tax status of the Plan under the Code. In the event that the Plan is terminated, amounts deferred under the Plan (and all Plan assets) shall be distributed to all Plan Participants and Beneficiaries as soon as administratively practicable after the termination of the Plan and Participants shall thereafter receive their Normal Compensation.
- 11.02 Amendment and Restatement of Previously Adopted Plan. If this Plan document constitutes an amendment and restatement of the Plan as previously adopted by the Employer, the amendments contained herein shall be effective as of the Effective Date, and the terms of the preceding plan document shall remain in effect through such date.

ARTICLE XII. USERRA

An Employee whose employment is interrupted by qualified military service under Code section 414(u) or who is on a leave of absence for qualified military service under Code section 414(u) may defer additional Compensation upon resumption of employment with the Employer equal to the maximum amount of Compensation that could have been deferred during that period if the Employee's employment with the Employer had continued (at the same level of Compensation) without the interruption of leave, reduced by the amount of Compensation, if any, actually deferred during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave).

ARTICLE XIII. MISTAKEN CONTRIBUTIONS

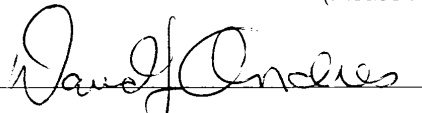
If any contribution (or any portion of a contribution) is made to the Plan by a good faith mistake of fact, then within one year after the payment of the contribution, and upon receipt in good order of a proper request approved by the Plan Administrator, the amount of the mistaken contribution (adjusted for any income or loss in value, if any, allocable thereto) shall be returned directly to the Participant or, to the extent required or permitted by the Plan Administrator, to the Employer.

ARTICLE XIV. RELATIONSHIP TO OTHER PLANS

This Plan serves in addition to any other retirement, pension or benefit plan or system presently in existence or hereinafter established.

IN WITNESS WHEREOF, the Employer has caused this instrument to be executed by its duly authorized representative on this 17<sup>th</sup> day of October, 2005.

Employer Name: Rio Linda / Elverta Community Water District  
(Please Print)

By:   
David J. Andres

Name: \_\_\_\_\_

Title: General Manager



**RESOLUTION 2005-15**

**A RESOLUTION OF THE RIO LINDA / ELVERTA COMMUNITY  
WATER DISTRICT ADOPTING AN ADDENDUM TO  
THE GENERAL MANAGER EMPLOYMENT AGREEMENT**

WHEREAS, the District and General Manger David J. Andres ("General Manager") previously entered into a General Manager Public Employment Agreement ("Agreement") in 2002; and

WHEREAS, Section 5.B of the Agreement grants the District Board of Directors ("Board") the power to increase the General Manager's salary in such amounts and to such extent as the Board may determine; and

WHEREAS, the General Manager's September 2005 performance evaluation was "Satisfactory"; and

WHEREAS, the General Manager has not received a cost of living increase since July 1, 2004; and

WHEREAS, the District and the General Manager intend to execute the attached Addendum to the Agreement that shall grant the General Manager a 3.3% cost of living increase effective November 1, 2005.

NOW, THEREFORE, BE IT RESOLVED that the Rio Linda / Elverta Community Water District does hereby adopt the attached Addendum to the General Manager Public Employment Agreement granting the General Manager a 3.3% cost of living increase effective November 1, 2005.

PASSED AND ADOPTED, this 17<sup>th</sup> day of October, 2005, by the following vote:

AYES, in favor hereof: (4) Nelson, Morris, Strutton, and Cater

NOES: (1) Harris

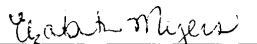
ABSTAIN: None

ABSENT: None



Darrell Nelson  
President, Board of Directors

Attest:

  
Clerk of the Board

**ADDENDUM TO PUBLIC EMPLOYMENT AGREEMENT  
GENERAL MANAGER**

This ADDENDUM ("Addendum") is between the Rio Linda/Elverta Community Water District ("District") and David J. Andres ("Employee") and is dated for convenience on the 17<sup>th</sup> day of October 2005 and is effective on the latest date of signature below.


Section 1. Section 5.D is hereby added to the Agreement to read as follows:

District shall grant Employee a 3.3% cost of living adjustment effective November 1, 2005. This figure acknowledges an increase in the cost of living in fiscal year 2004-2005.


Section 2. All other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the District has caused this Addendum to be signed and executed on its behalf by its Board President. The Employee has also executed this Addendum.

"Employee"

 10/18/2005  
David J. Andres Date

"District"

 10-17-05  
Darrell Nelson Date  
President, Board of Directors

APPROVED AS TO FORM  
on behalf of District

 11/10/05  
Richard Brown Date  
District General Counsel

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**RESOLUTION WAS NOT ADOPTED**  
**Rio Linda / Elverta Community Water District**

**Resolution 2005-16**  
**Amending Section 2.01.110 of the Administrative and Personnel**  
**Regulations to Change the Regular Meeting Days**

*Whereas*, in an effort to provide consistency with other agencies in holding public meetings in Rio Linda on Wednesdays of each week; and

*Whereas*, the Board of Directors wishes to change its regular meeting dates from the third Monday of each month to the fourth Wednesday of each month

*Now, therefore be it resolved* by Rio Linda / Elverta Community Water District Board of Directors that the provisions of Section 2.01.110 of the District Policies (Title 2 Administration and Personnel) is hereby amended to read in its entirety as follows:

**2.01.110 Regular Meetings.** The regular meeting of the Board of Directors shall be held on the fourth Wednesday of each month, except when the fourth Wednesday is a District holiday, in which case the regular meeting shall be held on the third Monday of the month. Meetings shall commence at 7:00 PM and shall be held at the Visitor Center located at 6730 Front Street, Rio Linda.

*Be it further resolved*, that this resolution hereby repeals Resolution No. 2004 - 08 in its entirety and shall become effective as of March 1, 2006.

Introduced and Adopted this 14th Day of November 2005 by the following vote:

Ayes, in favor hereof:

Noes:

Absent:

Abstain:

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Darrell Nelson  
President, Board of Directors

Attest:

---

Clerk of the Board

**RESOLUTION NO. 2005-17**

**A RESOLUTION AMENDING SECTION 2.25.650 OF THE RIO LINDA / ELVERTA  
COMMUNITY WATER DISTRICT POLICY MANUAL AND ESTABLISHING AN  
EMPLOYER – EMPLOYEE RELATIONS POLICY**

**WHEREAS**, the Rio Linda / Elverta Community Water District (“District”) Board of Directors (“Board”) received a request dated August 15, 2005 signed by six employees out of a total of seven employees requesting recognition of the Rio Linda / Elverta Community Water District Employees Association (“Association”) as the exclusive bargaining representative for District employees; and

**WHEREAS**, under Section 2.25.665 of the current Rio Linda / Elverta Community District Policy Manual (“Manual”) states: “The Board of directors shall establish rules regarding the recognition of employee organizations, the determination of appropriate units, and meet-and-confer procedures upon the receipt from an organization requesting to represent one or more District employees.”; and

**WHEREAS**, the Board provided a “Draft” Employer – Employee Relations Policy (“Policy”) for public review at their Special Board of Directors meeting on September 26, 2005; and

**WHEREAS**, the District General Manager met with the employees and their Counsel to review and take input on the “Draft” Policy on October 5, 2005; and

**WHEREAS**, the Board is now prepared to adopt a revised Employer – Employee Relations Policy.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Rio Linda / Elverta Community Water District that the current provisions of Section 2.25.650 of the Rio Linda / Elverta Community Water District Policy Manual are hereby repealed and replaced in their entirety with the attached “Exhibit A”; and

**BE IT FURTHER RESOLVED** that the attached “Exhibit A” is hereby approved and adopted effective October 17, 2005.

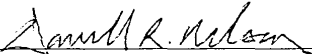
**INTRODUCED AND ADOPTED** on this 17<sup>th</sup> day of October 2005, by the following vote:

**AYES,** in favor hereof: (5) Nelson, Morris, Strutton, Cater, and Harris

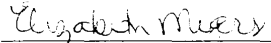
**NOES:** None

**ABSENT:** None

**ABSTAIN:** None

  
\_\_\_\_\_  
Darrell Nelson  
President, Board of Directors

ATTEST:

  
\_\_\_\_\_  
Elizabeth Myers  
Clerk of the Board

## **EXHIBIT A**

### **Employer / Employee Relations Policy**

#### **2.25.650 Employer – Employee Relations Policy**

##### **2.25.655 Purpose.**

The purpose of this Policy is to implement Chapter 10, Division 4, Title 1 of the Government Code of the state of California (Sections 3500 et seq.) captioned “Public Employee Organizations,” by providing equitable, orderly and uniform procedures for the administration of employer-employee relations between the District and its employee organizations and for resolving disputes regarding wages, hours, and other terms and conditions of employment.

##### **2.25.660 Definitions.**

As used in this Policy, the following terms shall have the meaning indicated in this section:

1. “Appropriate unit” means a unit established pursuant to Section 2.25.695.
2. “District” means the Rio Linda / Elverta Community Water District (RLECWD), and where appropriate in this policy, “District” refers to the District Board of Directors, the governing body of the District, or any duly authorized management employee as defined in this policy.
3. “District’s designated representative” means that person or persons designated by the Board of Directors to consult, meet and confer, as provided for in this policy.
4. “Consult or consultation” means to communicate orally or in writing for the purpose of presenting and obtaining views or advising of intended actions.
5. "Day" means calendar day unless expressly stated otherwise.
6. “Employee” means any person regularly employed by the District in a probationary or permanent position.
7. “Employee, confidential” means an employee who, in the course of his or her duties, has access to confidential information relating to the District's administration of employer-employee relations and/or who is privy to decisions of District management affecting employer-employee relations.

8. "Employee, executive" means any employee having significant responsibilities for formulating or administering District policies and programs, including, but not limited to, the District General Manager.

9. "Employee, management" means an executive employee or a supervisory management employee.

10. "Employee organization" means any organization which includes employees of the District which has as one of its primary purposes representing such employees in their employment relations with the District.

11. "Employee, professional" means employees engaged in work requiring specialized knowledge and skills attained through completion of a recognized course of instruction, including, but not limited to, attorneys, engineers, architects, and various types of physical, chemical and biological scientists.

12. "Employee Relations Officer" means the General Manager or his/her duly authorized representative.

13. "Employee, supervisory management" means any employee having authority to recommend the transfer, suspension, layoff, recall, promotion, discharge, assignment, adjustment of grievances or discipline of other employees, or having the responsibility to direct them if, in connection with the foregoing, the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment. In order to differentiate lead-workers, foremen and supervisory management employees, the allocation of classes to supervisory management categories for the purpose of assignment to supervisory management shall be contingent on meeting the following minimum criteria:

Employees in the class should perform a variety of the supervisory tasks listed above in this subsection, but these tasks must include:

- a. Assigning work to subordinate employees;
- b. Reviewing the work of subordinate employees; and
- c. Evaluating the performance of subordinates, when required under any program of employee performance evaluation; and

14. "Employer-employee relations" means the relationship between the District and its employees and their employee organization, or when used in a general sense, the relationship between District management and employees or employee organizations.

15. "Grievance" means any dispute concerning the interpretation or application of rules and regulations governing personnel practices, wages, hours and/or working conditions; however, it does not concern disciplinary actions. Grievance procedures are set forth in Section 2.25.600.

16. "Impasse" means that the representatives of the District and a Recognized Employee Organization have reached a point in their meeting and conferring in good faith where their differences on matters to be included in a Memorandum of Understanding, and concerning which they are required to meet and confer, remain so substantial and prolonged that further meeting and conferring would be futile.

17. "Majority exclusive representative" means an employee organization, or its duly authorized representative, that has been granted formal recognition by the District as representing the majority of employees in an appropriate unit.

18. "Mediation or conciliation" means the efforts of an impartial third person, or persons, functioning as intermediaries, to assist the parties in reaching a voluntary resolution to an impasse, through interpretation, suggestion, determining the facts and advice. Mediation and conciliation are interchangeable terms.

19. "Meet and confer in good faith", sometimes referred to in this Policy as "meet and confer" or "meeting and conferring", means performance by duly authorized District representative(s) and duly authorized representatives of any employee organization recognized as the majority representative of an appropriate unit concerning their mutual obligation to meet at reasonable times and to confer in good faith regarding matters within the scope of representation, including wages, hours, and other terms and conditions of employment, in an effort to:

a. Reach agreement on those matters within the authority of such representatives; and

b. Reach agreement on what will be recommended to the District Board of Directors on those matters within the decision-making authority of the District Board of Directors.

Meet and confer in good faith involves an exchange of ideas, but does not require either party to agree to a proposal or to make a concession.

20. "Memorandum of understanding" means a written summary of the understanding reached as a result of the meeting and conferring process to be signed by the District's designated representative(s) and the representative(s) of the employee organization and presented to the Board of Directors for consideration.

21. "Policy" means, unless the context indicates otherwise, the employer-employee relations ordinance, resolution or policy of the District.

22. "Proof of Employee Support" means (1) an authorization card recently signed and personally dated by an employee, or (2) a verified authorization petition or petitions recently signed and personally dated by an employee, or (3) employee dues deduction authorization, using the payroll register for the period immediately prior to the date a petition is filed hereunder, except that dues deduction authorizations for more than one employee organization for the account of any one employee shall not be considered as proof of employee support for any employee organization. The only authorization



which shall be considered as proof of employee support hereunder shall be the authorization last signed by an employee. The words "recently signed" shall mean within thirty (30) days prior to the filing of a petition.

23. "Recognized employee organization" means an employee organization which has been acknowledged by the District pursuant to this policy as an employee organization that represents employees of the District. The rights accompanying recognition are: formal exclusive recognition, which is the right to meet and confer in good faith as the majority representative in an appropriate unit.

24. "Scope of representation" means all matters relating to employment conditions and employer-employee relations, including, but not limited to, wages, hours, and other terms and conditions of employment, except, however, that the scope of representation shall not include consideration of the necessity for, or organizational structure of any service or activity provided by law. District rights, set out in Section 2.25.670, and employee rights, set out in Section 2.25.665 are excluded from the scope of representation.

**2.25.665 Employee rights.**

A. Employees of the District shall have the right to form, join and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations including, but not limited to wages, hours, and other terms and conditions of employment.

B. Employees of the District also have the right to refuse to join or participate in the activities of employee organizations and shall have the right to represent themselves individually in their employment relations with the District.

C. No employee shall be interfered with, intimidated, restrained, coerced or discriminated against by the District or by any employee organization because of his exercise of these rights.

D. No employee shall be represented by more than one recognized employee organization.

**2.25.670 District rights.**

A. The exclusive rights of the District include, but are not limited to, the right to determine the mission of its constituent departments, divisions, commissions and boards; set standards of service and District fees and charges; determine the procedures

and standards of selection for employment, assignment, transfer and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work or for other legitimate reasons; maintain the efficiency of governmental operations; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; exercise complete control and discretion over its organization and the technology of performing its work; and contract for any service or activity.

B. All rights formerly or presently claimed by or vested in the District on the effective date of this policy and not mentioned in subsection 2.25.670 A are retained by the District unless explicitly waived by the District by resolution of the Board of Directors.

**2.25.675 Meet and confer in good faith— Scope.**

A. “Meet and confer in good faith” means that a public agency, or such representative(s) as it may designate, and representative(s) of recognized employee organization(s), shall have the mutual obligation personally to meet and confer promptly upon request by either party and continue for a reasonable period of time in order to exchange freely information, opinions and proposals, and to endeavor to reach agreement on matters within the scope of representation. The process should include adequate time for the resolution of impasses.

B. The District, through its representative(s), shall meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representative(s) of such recognized employee organizations, as defined in subdivision (b) of Section 3501 of the California Government Code, and shall consider fully such presentations as are made by the employee organization on behalf of its members prior to arriving at a determination of policy or course of action.

C. The District shall not be required to meet and confer on any subject preempted by federal or state law, nor shall it be required to meet and confer on employee or District rights as defined in Sections 2.25.665 and 2.25.670, nor shall it be required to meet and confer on proposed policies, resolutions, ordinances and/or amendments thereto, that do not affect wages, hours or terms and conditions of employment.

**2.25.680 Consultation—Scope.**

A. The District may, at its sole discretion, consult with employees and employee organizations on matters affecting employer-employee relations that are not subject to meeting and conferring.

B. Upon written request, the District, through its designated representative(s), shall consult with an employee who requests the right to represent himself on employer-employee relations matters.

C. Advance notice of actions on matters subject to consultation is not mandatory.

**2.25.685 Advance notice.**

A. Reasonable notice shall be given to each recognized employee organization affected by any ordinance, rule, resolution or regulation directly relating to matters within the scope or representation proposed to be adopted by the District Board of Directors.

B. In cases of emergency when the District determines that an ordinance, rule, resolution or regulation must be adopted immediately without prior notice or meeting with a recognized employee organization, the District shall provide such notice and opportunity to meet at the earliest practicable time following the adoption of such ordinance, rule, resolution or regulation, if within the scope of representation.

**2.25.690 Petition for recognition.**

A. There is one level of employee organization recognition: formal exclusive.

B. The recognition requirements are as follows:

Formal exclusive recognition provides the right to meet and confer in good faith as a majority representative. An employee organization that seeks formal exclusive recognition in conformance with Government Code 3507 for purposes of meeting and conferring in good faith as the majority representative of employees in an appropriate unit shall file a petition with the District's designated representative containing the following information and documentation:

1. Name and address of the employee organization;
2. Names and titles of its officers;
3. Names of employee organization representatives who are authorized to speak on behalf of its members;

4. A statement that the employee organization has, as one of its primary purposes, representing employees in their employment relations with the District;
5. A statement whether the employee organization is a chapter or local of, or affiliated directly or indirectly in any manner with, a regional or state, or national or international organization, and, if so, the name and address of each such regional, state or international organization;
6. Certified copies of the employee organization's constitution and bylaws, and those of any organization with which it is affiliated;
7. A designation of those persons, not exceeding two in number, and their addresses, to whom notice sent by regular United States mail will be deemed sufficient notice on the employee organization for any purpose;
8. A statement that the employee organization recognizes that the provisions of Section 923 of the Labor Code are not applicable to District employees;
9. A statement that the employee organization has no restriction on membership based on race, color, creed, sex or national origin;
10. The job classifications or titles of employees in the unit claimed to be appropriate and the approximate number of member employees therein;
11. A statement that the employee organization has in its possession written proof, dated within thirty (30) days of the date upon which the petition is filed, to establish that employees in the unit claimed to be appropriate have designated the employee organization to represent them in their employment relations with the District; such written proof shall be submitted for confirmation to the District's designated authority; valid dues deduction authorization cards of employee's organization already recognized shall constitute written proof and shall not be required to be dated within thirty (30) days; in the event that more than one signed authorization is submitted to the District from an employee, the signed authorization with the most recent date shall prevail; the signed authorization, upon District request, shall be on a form supplied by the District's designated representative;
12. A request that the District's designated representative recognize the employee organization as the majority representative of the employees in the unit claimed to be appropriate for the purpose of meeting and conferring in good faith on all matters within the scope of representation.
13. The Petition, including the proof of employee support and all accompanying documentation, shall be declared to be true, correct and complete, under penalty of perjury, by the duly authorized officer(s) of the employee organization executing it.

**2.25.695 Appropriate unit.**

A. The District's designated representative, after reviewing the petition filed by an employee organization seeking formal exclusive recognition as majority representative, shall determine whether the proposed unit is an appropriate unit. The principal criterion in making this determination is whether the unit proposed contains the largest feasible group with a community of interest among such employees. The following factors, among others, are to be considered in making such determination:

1. Which unit will assure employees the fullest freedom in the exercise of rights set forth under this Policy;
2. The history of employee relations:
  - a. In the unit,
  - b. Among other employees of the District, and
  - c. In similar public employment;
3. The effect of the unit on the efficient operation of the District and sound employer-employee relations;
4. The extent to which employees have common skills, working conditions, job duties or similar educational requirements;
5. The effect on the existing classification structure of dividing a single classification among two or more units.

B. Provided, however, no unit shall be established solely on the basis of the extent to which employees in the proposed unit have organized.

C. Notwithstanding the foregoing provisions of this section, management, supervisory management and confidential responsibilities, as defined in section 2.25.660 of this Policy, are determining factors in establishing appropriate units hereunder, and therefore such managerial, supervisory and confidential employees may only be included in units that do not include non-managerial, non-supervisory and non-confidential employees. Managerial, supervisory and confidential employees may not represent an employee organization, which represents other employees.

D. The District's designated representative shall, after notice to and consultation with affected employee organizations, allocate new classifications or positions, delete eliminated classifications or positions, and retain, reallocate or delete modified classifications or positions from units. The decision of the District's designated representative shall be final.

**2.25.700 Recognition of employee organizations as majority exclusive representative—Formal recognition.**

The District's designated representative shall:

1. Determine the majority representative of District employees in an appropriate unit by arranging for a secret ballot election or by any other reasonable method which is based upon written proof, and is designed to ascertain the free choice of a majority of such employees; the employee organization found to represent a majority of the employees in an appropriate unit shall be granted formal recognition and is the only employee organization entitled to meet and confer in good faith in an effort to reach agreement on matters within the scope of representation for employees in such unit; this shall not preclude other recognized employee organizations, or individual employees, from consulting with management representatives on employer-employee relations matters of concern to them;

2. Revoke the recognition rights of a majority representative, which has been found by secret ballot election no longer to be the majority representative subject to the limitations set forth in subsection B of this section 2.25.700.

**2.25.705 District's designated representative.**

The General Manager of the District shall be the District's designated representative and Labor Relations Officer and is authorized as the representative of the District Board of Directors to meet and confer or consult with representatives of employee or labor organizations or individuals.

**2.25.710 Resolution of impasses.**

A. Impasse procedures may be invoked only after the possibility of settlement by direct discussion has been exhausted.

The impasse procedures are as follows:

1. Mediation (or conciliation) as agreed to by both parties, is defined in subsection 16 of Section 2.25.660. All mediation proceedings shall be private. The mediator shall make no public recommendations nor take any public position concerning the issues.

2. A determination by the District Board of Directors after a request for information from the parties, which may include the mediator, on the issues of dispute. The nature, format and issues to be considered by the Board shall be determined at their sole discretion.

3. Any other dispute resolving procedures to which the parties mutually agree or which the District Board of Directors may order.

B. Any party may initiate the impasse procedure by filing with the other party (or parties) affected a written request for an impasse meeting together with a statement of its position on all disputed issues. An impasse meeting may then be scheduled by the District's designated representative forthwith after the date of filing of the written request for such meeting, with written notice to all parties affected. The purpose of such impasse meeting is twofold:

1. To permit a review of the position of all parties in a final effort to reach agreement on the disputed issues, and

2. If agreement is not concluded, the Board of Directors will decide in its discretion which impasse procedure to use, if any. In no event will a decision of the mediator or conciliator be binding on the District.

C. The fees and expenses, if any, of mediators or of any other impasse procedure, shall be payable one-half by the District and one-half by the employee organization or employee organizations.

#### **2.25.715 Matters subject to grievance procedure.**

A. All regular permanent and probationary employees in the District service shall have the right to present a grievance.

B. Grievance procedures shall be applicable to disagreements in the interpretation of terminology of ordinances, resolutions and rules adopted pursuant to discussions between a majority representative and the District and within the scope of the meet and confer process.

C. Grievance procedures are included in Section 2.25.600 of the Policy Manual.

#### **2.25.720 Memorandum of understanding.**

A. When the meeting and conferring process is concluded between the District and the recognized employee organization or organizations representing a majority of the employees in an appropriate unit or units, the matters concerning which the parties are in accord shall be incorporated in a written memorandum of understanding signed by the duly authorized representative(s).

B. Ratification of the memorandum of understanding, where required by the constitution and by-laws of the recognized employee organization or organizations shall be accomplished within fifteen (15) calendar days of the date of signature by the respective representative(s). Results of the ratification shall be given, in writing, to the Labor Relations Officer within the prescribed time limit.

C. The memorandum of understanding shall be submitted to the Board of Directors for final determination at the next available regular meeting.

**2.25.725. Membership solicitation and certain activities prohibited during working hours.**

A. Solicitation of membership and activities concerned with the internal management of an employee organization, such as collecting dues, holding membership meetings, campaigning for office, conducting elections and distributing literature shall not be conducted during working hours.

B. Access to District work locations and the use of District paid time, facilities, equipment and other resources by employee organizations and those representing them shall be authorized only to the extent provided for in memoranda of understanding and/or administrative procedures, and shall be limited to lawful activities consistent with the provisions of this policy.

**2.25.730. Use of District facilities--Conditions.**

A. Employee organizations may, with the prior approval of the General Manager, be granted the use of District facilities during non-work hours for meetings of District employees, provided space is available and provided further such meetings are not used for organizational activities or membership drives of District employees. All such requests shall be in writing and shall state the purpose or purposes of the meeting. The District reserves the right to assess reasonable charges for the use of such facilities.

B. The use of District equipment, other than items normally used in the conduct of such business meetings, such as desks, chairs and blackboards, is strictly prohibited, the presence of such equipment in approved District facilities notwithstanding.

**2.25.735. Payroll deduction of dues--Conditions and limitations.**

A. Only a recognized employee organization may be granted permission by the General Manager to have the regular dues of its members deducted from their paychecks, in accordance with procedures prescribed by General Manager.



B. Dues deduction shall be for a specified amount and shall be made only upon the written authorization of the member. Dues deduction authorization may be canceled, and the dues check-off discontinued at any time by the member upon written notice to the General Manager.

C. The employee's earnings must be regularly sufficient after other legal and required deductions are made to cover the amount of the dues check-off authorized.

D. All recognized employee organizations that receive dues by payroll deduction shall indemnify, defend, and hold the District harmless against any claims made, and against any suit instituted against the District arising there from. In addition, all such organizations shall immediately refund to the District any amounts paid to them in error.

#### **2.25.740 Administrative rules and additional rules, regulations and procedures**

A. The General Manager is hereby authorized to establish such rules and procedures as appropriate to implement and administer the provisions of this policy.

B. The District Board of Directors may adopt such policies and regulations necessary or convenient and may, from time to time, adopt additional policies and regulations to implement the provisions of this Employer – Employee Relations Policy and Chapter 10, Division 4, Title 1 of the Government Code of the state (Sections 3500 et seq.).

#### **2.25.745 Construction and severability.**

A. Nothing in this policy shall be construed to deny any person or employee the rights granted by federal and state laws.

B. The rights, powers and authority of the District Board of Directors in all matters, including the right to maintain any legal action, shall not be modified or restricted by this policy.

C. The provisions of this policy are not intended to conflict with the provisions of Chapter 10, Division 4, Title 1 of the Government Code of the State of California (Sections 3500 et seq.).

D. If any provision of this policy, or the application of such provision to any persons or circumstances, shall be held invalid, the remainder of this policy, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

(Final: 10/12/05)

**RESOLUTION NO. 2005-18**

**RESOLUTION APPROVING THE HEALTH BENEFITS MEMORANDUM OF UNDERSTANDING BETWEEN THE ACWA HEALTH BENEFITS AUTHORITY AND THE RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT**

WHEREAS, the Rio Linda / Elverta Community Water District Board of Directors has considered the contract document entitled "Joint Exercise of Powers Agreement Creating the Association of California Water Agencies Health Benefits Authority" (ACWA-HBA) and finds it in the best interest of the District to become a party to said agreement and to obtain health benefits coverage for the eligible employees and dependents of the District in the manner and for the considerations provided for by the Agreement; and

WHEREAS, a "Health Benefits Memorandum of Understanding" with the ACWA-HBA is attached as "Exhibit A".

NOW, THEREFORE, BE IT RESOLVED, by the District Board of Directors as follows:

1. The attached "Exhibit A" is incorporated in this resolution by reference; and
2. The President of the Board of Directors is authorized and approved to sign the "Health Benefits Memorandum of Understanding" in the name of this District on the date of this Resolution; and
3. The District will obtain health benefits coverage effective January 1, 2006 from the ACWA-HBA created by the Agreement and by the associated bylaws, policies and agreements which are subsidiary thereto.


**INTRODUCED AND ADOPTED** on this 17<sup>th</sup> day of October 2005, by the following vote:


**AYES**, in favor hereof (4) Nelson, Morris, Strutton, and Harris  
(1) Cater

**NOES:**

**ABSENT:** None

**ABSTAIN:** None

  
Darrell Nelson, President  
Board of Directors

ATTEST:   
Clerk of the Board

**EXHIBIT A**  
**ACWA Health Benefits Memorandum of Understanding**

**Section I**

Effective January 1, 2006 all full-time regular District employees shall be eligible for all ACWA health plans starting the first day of the month following thirty (30) days after their initial hire date. The District shall pay the full cost of the monthly health premium charges for employees and their qualified dependants up to the following maximums:

- Employee Only .....\$370.00
- Employee Plus One Dependant.....\$731.00
- Employee Plus Two, or More, Dependents.....\$1029.00

**Section II**

As a Participation Agency, the District hereby agrees at all times to abide by the terms and conditions of the ACWA-Health Benefits Authority (ACWA-HBA) Agreement, to abide by all rules, regulations and procedures established by the ACWA-Health Benefits Authority in the establishment and administration of the ACWA-Health Benefits Authority Health Benefits Plan, and to abide by the underwriting eligibility and contribution requirements of Appendix A now in effect and as they may be amended from time to time.

**Section III**

As a Participating Agency, the District hereby further agrees as follows:

- A. **Eligibility:** to provide notice to ACWA-HBA of all persons becoming eligible or ineligible for benefits under the ACWA-HBA Health Benefits Plan within 30 days of the effective date of their eligibility/ineligibility.
- B. **Refunds:** to acknowledge that the maximum credit available to the Agency for overpayments or underpayments resulting from changes in eligibility shall be no more than three months.
- C. **Contributions:** to hold employee contributions in trust until due.
- D. **Recordkeeping:** to establish and maintain all records necessary to achieve compliance with all state and federal laws.
- E. **Disclosure:** to file all periodic or special reports on a timely basis necessary to achieve compliance with all state and federal laws.

**F. Reasonable Audit:** to permit ACWA-HBA or its agent, upon reasonable notice, to review and audit the eligibility and relevant records maintained by the Participating Agency, which may affect the premium collection or benefit eligibility under the ACWA HBA plans.

**G. Consolidated Omnibus Consolidated ACT of 1985 (COBRA):** to take sole responsibility for compliance with all COBRA Rules and Regulations, which include, but are not limited to the following:

(1) Providing all initial COBRA notices to all eligible employees and their eligible dependents;

(2) Providing notice of COBRA rights to all eligible individuals at the time of a qualifying event (as defined under COBRA) in a manner which complies with COBRA's requirements;

(3) Providing notice of elections to insurers, HMO's or other providers;

(4) Establishing billing and collection procedures consistent with the requirements of the law;

(5) Providing timely notice of all applicable conversion privileges;

(6) Providing all qualified beneficiaries with the same rights as available to similarly situated employees.

**H. Continuation of Health Care Coverage (California State Law):** to take sole responsibility for the compliance with the requirements of the State of California's continuance of group health coverage law(s) applicable to all employers in the State including public agencies, as amended from time to time.

**I. Health Insurance Portability and Accountability Act of 1996:** to take sole responsibility for producing and distributing certificates of creditable coverage to former health plan participants and, when needed, to assist insurers by providing all information necessary for issuer to produce and distribute certificates as required by law.

**J. Indemnification:** to indemnify and hold the ACWA-HBA harmless with regard to the following: (a) benefit payments made to ineligible persons as a result of inaccurate eligibility data; (b) all penalties resulting from the Agency's failure to comply with state or federal law; (c) any additional funding requirements which became necessary to meet the benefit and administrative obligations of the Health Benefits Plan.

#### **Section IV**

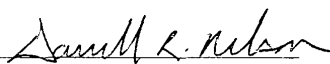
As a participating agency, the District hereby agrees to provide the Secretary of the ACWA-HBA with written notice of intention to modify the plan benefits, contributions or to withdraw from the Plan at least 60 days prior to the proposed effective date of the modification or \ withdrawal.

The District hereby acknowledges that the ACWA-HBA Board of Trustees shall have the right to cancel the Agencies participation if it fails to meet the requirements of Appendix A or the Agency becomes more than 30 days in the arrears in the payment of monthly contributions for health benefit coverage and that the Agency shall remain liable for any arrearage resulting from its termination of participation or cancellation.

**Section V**

The District Board of Directors understands that to qualify as a Participating Agency, the Agency must comply with the requirements of the Joint Exercise of Powers agreement as well as those terms outlined in Appendix A, a copy which is attached hereto and made a part whereof. In the event that the Agency fails to qualify, any money paid by or on behalf of the Agency to provide or maintain health benefits under the ACWA-HBA Health Benefits Plan shall be returned to the Agency and there shall be no further obligation to the Agency. The Secretary of the ACWA-HBA shall notify its Board of Trustees so that it may take action regarding the Participating Agencies HBA membership.

Dated at this 17<sup>th</sup> day of October 2005

By   
Darrell Nelson, President  
Board of Directors

Rio Linda / Elverta Community Water District

**Appendix A**  
**Association of California Water Agencies**  
**Health Benefits Authority Health Benefits Plan**

**Enrollment Requirements**

All eligible employees not enrolled under another group health plan must be enrolled. If the number of employees enrolled through a Participating Agency falls below 100 percent of the persons eligible to enroll as employees, the ACWA-HBA Health Benefits Plan may cancel the coverage for that Participating Agency.

If a non-ACWA-HBA medical plan is offered, then no less than 50% of all eligible employees of the Agency (including those enrolled under Other Agency-sponsored group plans) must be enrolled in the Blue Cross HBA Health Benefits Plan. This provision does not apply if only ACWA-HBA plans are offered.

**Employee Eligibility**

The following individuals are eligible to enroll in all plans:

Eligible Classes

1. All active full-time employees of a Participating Agency and their eligible family members.
2. Retired employees, age 50 or over, who are eligible for the retirement plan of the participating Agency and their eligible family members.

**RESOLUTION NO. 2005-19**

**A RESOLUTION RECOGNIZING THE RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT EMPLOYEE ASSOCIATION AND ESTABLISHING EMPLOYEE BARGAINING UNITS**

**WHEREAS**, the Rio Linda / Elverta Community Water District ("District") Board of Directors ("Board") received a request dated August 15, 2005 signed by six employees out of a total of seven employees requesting recognition of the Rio Linda / Elverta Community Water District Employees Association ("Association") as the exclusive bargaining representative for District employees; and

**WHEREAS**, Section 2.25.665 of the then current Rio Linda / Elverta Community District Policy Manual ("Manual") stated: "The Board of directors shall establish rules regarding the recognition of employee organizations, the determination of appropriate units, and meet-and-confer procedures upon the receipt from an organization requesting to represent one or more District employees."; and

**WHEREAS**, the Board provided a "Draft" Employer – Employee Relations Policy ("Policy") for public review at their Special Board of Directors meeting on September 26, 2005; and

**WHEREAS**, the District General Manager met with the employees and their Counsel to review and take input on the "Draft" Policy on October 5, 2005; and

**WHEREAS**, the Board adopted a revised Employer – Employee Relations Policy pursuant to Resolution 2005-17 on October 17, 2005; and

**WHEREAS**, the Rio Linda / Elverta Community Water District Employee Association, herein after referred to as the "Association", filed for recognition on October 18, 2005; and

**WHEREAS**, the Association's application for recognition was reviewed by the General Manager as the Labor Relations Officer of the District to determine compliance with the applicable sections of the current Employer – Employee Relations Policy (Policy Manual § 2.25.650 et seq.); and

**WHEREAS**, it is now recommended that the Association be recognized and that Bargaining Units be established.



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

1. That the District hereby accepts the Rio Linda / Elverta Community Water District Employee Association "petition for recognition" pursuant to § 2.25.690 of the District's Employer – Employee Relations Policy ("Policy") and that said petition for recognition is in substantial compliance with said Policy; and
2. That the Association has provided written proof in the form of a petition indicating that it represents a majority of Regular Employees in the "appropriate units" indicated below and the District hereby approves the Association as a "recognized employee organization" pursuant to § 2.25.700 of said Policy; and
3. That the following "appropriate units" are hereby approved and created:
  - Management, Supervisory and Confidential Unit - consisting of Regular Employees in the Water Utility Supervisor and the Administrative Supervisor / Water Conservation Coordinator Classifications;
  - General Unit – consisting of Regular Employees in the Water Utility Worker, the Water Utility Operator and the Accounting Technician Classifications; and
4. That Recognition shall not extend to employees hired to positions that are considered extra-help, temporary and/or non-regular appointments.

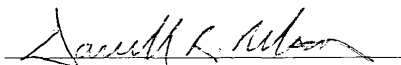
**INTRODUCED AND ADOPTED** on this 14<sup>th</sup> day of November 2005, by the following vote:

**AYES**, in favor hereof: (5) Nelson, Morris, Strutton, Cater, and Harris


**NOES**: None

**ABSENT**: None

**ABSTAIN**: None

  
Darrell Nelson  
President, Board of Directors

ATTEST:

  
Clerk of the Board

## **Resolution 2005 – 20**

### **ADOPTING THE RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT 2005 URBAN WATER MANAGEMENT PLAN**

**Whereas**, the District Board of Directors adopted an Urban Water Management Plan (UWMP) on February 26<sup>th</sup>, 2001; and

**Whereas**, on August 26<sup>th</sup>, 2002 the UWMP was amended at the request of California Department of Water Resources (DWR) to address certain elements not described in the approved document; and

**Whereas**, California Water Code (CWC) §10620 states that “every urban water supplier shall prepare and adopt an urban water management plan” and it is further stated in CWC § 10621 that “each urban water supplier shall update its plan at least once every five years on, or before December 31, in years ending in five and zero; and

**Whereas**, the Rio Linda / Elverta Community Water District has prepared a UWMP in compliance with DWR guidelines, coordinated the UWMP with other local agencies, advertised the availability of the UWMP in the local newspaper, held a public workshop on November 14, 2005 on the UWMP and held a public hearing on the UWMP on December 19<sup>th</sup>, 2005; and

**Whereas**, the Board of Directors now wishes to amend and adopt its 2005 Urban Water Management Plan.

**Now, Therefore be it Resolved** by Rio Linda / Elverta Community Water District Board of Directors that the 2005 Urban Water Management Plan as amended is hereby adopted; and

**Be it Further Resolved** that at a properly noticed public hearing held on December 19<sup>th</sup>, 2005 the Board of Directors considered any and all comments from the public regarding the 2005 Urban Water Management Plan; and

**Be it Further Resolved** that the General Manager is directed to put the document in final form to transmit the approved document to the California Department of Water Resources and to any other state and local agencies as required.

Introduced and Adopted this 19<sup>th</sup> Day of December 2005 by the following vote:

Ayes, in favor hereof: (4) Nelson, Harris, Morris and Strutton

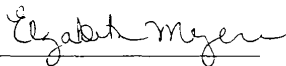
Noes: (0)

Absent: (1) Cater

Abstain: (0)

  
Darrell Nelson  
President, Board of Directors

Attest:

  
Elizabeth Meyer

Clerk of the Board