

**MINUTES OF THE FEBRUARY 22, 2021
BOARD OF DIRECTORS REGULAR MEETING
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

1. CALL TO ORDER, ROLL CALL

The February 22, 2021 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:34 p.m. via Zoom Video Conference. (late due to technical difficulties experienced by Board Member seeking to participate) This meeting was held in accordance with executive order n-29-20, issued by California governor Gavin Newsom on March 17, 2020, the Ralph M. Brown act (California government code section 54950, et seq.), and the federal Americans with disabilities act. General Manager Tim Shaw took roll call of the Board of Directors. President Jason Green, Director Robert Reisig, Director Mary Harris, Director Chris Gifford, Director Ridilla and General Manager Tim Shaw, and Legal Counsel Kerry Fuller were present. Public Member (Stephanie Suela) was present.

2. PUBLIC COMMENT

No public comment.

3. CONSENT CALENDAR

3.1 Minutes – January 25, 2021

3.2 November Expenditures

3.3 November Financial Reports

GM Shaw indicated that staff has discovered an error in the expenditures report approved/forwarded by the error, which was inadvertent, misnumbered a check in the original report. The GM provided a corrected report and recommended the Board consider approving the corrected version.

Director Harris indicated that the draft minutes of the January 25th RLECWD Board meeting were inaccurate. Director Harris specifically indicated that Item 4.4 on the 1-25-2021 minutes should read that the action taken by the Board was to postpone consideration of the customer water consumption data access options until staff has completed customer outreach to determine the number of customers who may be interested in accessing their water consumption data. Director Ridilla, who had made the motion for item 4.4 at the 1-25-2021 meeting, agreed with Director Harris on the intent of his motion.

It was moved by Director Harris and seconded by Director Ridilla to approve the Consent Calendar with the Expenditure Report and the corrected minutes of the 1-25-2021 meeting. Directors Green, Ridilla, Gifford and Harris voted yes. The motion carried with a roll call vote of 4-0-0. Director Reisig unable to participate due to technical difficulties.

REGULAR CALENDAR

4. ITEMS FOR DISCUSSION AND ACTION

4.1 General Manager's Report

GM Shaw provided a written report.

Director Harris inquired about the “new office phone system consultant”. GM Shaw explained that the previous office phone system consultant departed under confrontational circumstances, which included a period of time where the phone system was inaccessible and completely dysfunctional. The new consultant helped the District recover its phone system and is being asked to evaluate the feasibility of features the original consultant could not properly configure. Director Harris expressed questions about

the status of SB 606 and AB 1668 (so called water use efficiency mandates). GM Shaw responded that SB 606 and AB 1668 have been law for awhile now. The 55-gals per day per person for indoor use has received most of the media attention. However, the state continues to work on establishing the definitions for efficient outdoor water use. The messaging and details provided by the state indicate the key elements of outdoor water efficiency will be irrigable acreage and climate within the service areas of the water purveyors.

The Board made no action on this item.

4.2 District Engineer's Report – Mike Vasquez

Mike Vasquez provided a written report to the Board of projects in the works since the last meeting of the Board. The report highlighted topics of General District Engineering, Well 16 Pumping Station Construction Project and 2020/2021 CIP Pipeline Replacement Project RFP (Dry Creek Road North).

Director Green had some questions/requested confirmations on the Fox Hallow project, e.g., where it's planned and when it was originally approved by Sacramento County Planning. Engineer Vasquez had additional updates on the status of the Well 16 Pumping Station. Director Harris asked about the Hexavalent Chromium analysis results for Well 16. Engineer Vasquez responded the results were 6.4 parts per billion (PPB), which is below the anticipated re-established Maximum Contaminant Level (MCL) for Hexavalent Chromium.

The Board made no action on this item.

4.3 Consider selecting and authorizing an option for providing water consumption data to RLECWD customers.

At the January 25th Board meeting, the Board declined to authorize moving forward with phase 2 of the Innov8 /WaterScope pilot study. Consequently, several months of effort toward evaluating a scalable option for customer access to consumption data has been parked. The only other option for consumption data is not scalable. As such, a non-scalable option requires a rate increase.

The absence of any consumption data tool equates to the District poised to perform a rate restructuring which will increase the relevance of the volume of each customer's consumption without providing those customers with a tool to evaluate the ways and means for changing their water consumption patterns. Additional discussion at the 2-8-2021 Executive Committee is documented in the minutes of that meeting (included with your Board packet documents).

The Executive Committee remains in support of exploring and promulgating the scalable option for providing customers with water consumption data, Innov8 / WaterScope. The Executive Committee is mindful of the concerns expressed by other Board Members at the January 25th meeting. Accordingly, the Executive Committee supports purchasing an additional 25 Innov8 devices (down from 50 devices discussed at the January 25th Board meeting). Metron Farnier has confirmed that 25 new devices is reasonable for confirming the integration of Innov8 / WaterScope with the District's billing software, CUSI. If phase 2 of the Innov8/pilot test confirms compatibility with CUSI, the Executive Committee is confident there will be at least thirty (25 new devices + 5 existing devices) customers who will enroll to receive consumption data.

The Executive Committee opines the Board should select one of three options on consumption data at the February 22nd Board meeting:

1. Phase 2 of the pilot study for Innov8 / Water Scope (scalable option funded by a bimonthly fee to only the customers enrolling in the option).
2. Non-scalable consumption data software, e.g., DropCountr, funding for such to be from rates. The Rate Study / Cost of Services Analysis would need to be revised to add approximately \$0.50 (50-cents) of fixed cost to every customer's bimonthly charge.

3. Intentionally decline to provide any consumption data to customers, knowing that the proposed rate restructuring with emphasis shifted to the volumetric portion of rates will likely inspire customer demand for consumption data.

Directors Comments-

Director Harris stated she did not understand why the February 8th Executive Committee forwarded this item onto tonight's agenda given that outreach to gage customer interest in consumption data was not completed. General Manager Shaw explained that the District is on the cusp of implementing a rate restructuring, which will shift the emphasis for the water bills toward the volumetric component. The Executive Committee has repeatedly expressed a preference for providing customers with access to their water consumption data at or before the time the rates are restructured. Director Harris asked the General Manager, "when have you scheduled the rate increase to begin". Director Ridilla responded to request that Director Harris and the District refer to the process as rate restructuring because the majority of the District's customers will experience a lowering of their bills. General Manager Shaw responded that shortly after the Board voted to engage the rate study / cost of service consultant, the consultant asked the Board to stipulate the timing for rate structure adjustment. The General Manager explained that the Board voted to plan for implementing the rate structure adjustment with an effective date of July 1, 2021. Such adjustment is subject to a Proposition 218 process and timing. Director Harris conveyed that she believes it is irresponsible of the District to implement a rate increase during a pandemic when public members cannot attend the meetings in-person. No public comment on this item.

Public Comments-

Public Member Suela expressed agreement with Director Harris. Directors Green, Ridilla and Reisig expressed opposing arguments including the ongoing drought, the disproportionate fixed charge components in the existing rate structure and the appropriateness of charging more for inefficient water use than for efficient water use. Helping currently inefficient water use customers make the necessary water consumption habits changes by providing access to consumption data details is why we are exploring options.

Directors Comments-

Director Ridilla expressed that he had concerns about purchasing too many devices too soon, which had been influenced his opposing moving forward with he item on the 1-25-2021 agenda. Director Green opined that he is confident at least 25 customers will seek the benefits of the Innov8 devices and software.

Public Comments-

Public Member Suela opined that the District's decision to decline to pay \$10,000 to Neptune for transferring consumption data from the on-site Neptune server to the Neptune cloud is inconsistent with the values expressed for consumption data.

GM Comments-

GM Shaw responded that Neptune dictated the change to cloud service, it was not an option given to the District. At the end of the transition to the cloud, Neptune provided a quote (\$10,000) to transfer consumption data, which would be limited to only the bimonthly read data, which is also likely available in our CUSI billing system. The old Neptune data is not as detailed as the current every 15-minutes of readings available through the Neptune 360 software.

Public Comments-

Public Member Suela asked for a list of neighboring water purveyors who are using Innov8 registers and WaterScope software.

General Manager Comments-

GM Shaw responded to indicate many of the neighboring agencies that are providing consumption data access are doing so with the leading software WaterSmart. The General Manager indicate that is a legitimate option, but one that must be funded via a rate increase, where every ratepayer will pay more even if only a

few ratepayers enroll to receive access to the consumption data. Furthermore, WaterSmart was originally only offered to water purveyors with more than 10,000 connections (more than double then number of RLECWD connections).

Director Comments-

Director Harris suggested that the District could use the \$10,000 saved by not funding the consumption data export from on-site Neptune server to the Neptune Cloud.

General Manager Comments-

GM Shaw responded that savings is only possible if the District had ever budgeted for the export cost. Neptune did NOT inform the District of the eventual cost, and the District did not budget for the expenditure. So, there is no \$10,000 excess funding to use.

It was moved by Director Ridilla and seconded by Director Green to authorize the purchase of the additional twenty-five (25) Innov8 devices in accordance with the Terms and Conditions included with the Innov8 Warranty document. Directors Reisig, Ridilla, Gifford and Green voted yes. Director Harris voted No. The motion carried with roll call vote of 4-1-0.

4.4 Authorize any New Board Member Assignments (committees and other) Proposed by the Chair Pursuant to District Policy 2.01.065

No Public Comment on this item.

It was moved by Director Reisig and seconded by Director Gifford to approve the appointment of Director Harris to the SGA Budget Committee. Directors Green, Ridilla, Gifford, Reisig and Harris voted yes. The motion carried with a roll call vote of 5-0-0.

5 INFORMATION ITEMS

5.1. DISTRICT ACTIVITY REPORT

5.1.1. Water Operations - Report provided.

5.1.2. Conservation - Report Provided.

5.1.3 Completed and Pending Items Report- Report provided.

Director Comments- Director Green asked for clarifications on the reasons for meter replacement (Operations Report Agenda Item 5.1.1)

5.2. BOARD REPORTS

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

5.2.2. Sacramento Groundwater Authority – Harris, Reisig.

5.2.3. Sacramento Groundwater Authority (RWA and SCGA) 3x3- Reisig- No Meeting.

5.2.4 Executive Committee – Green, Reisig - Minutes provided.

5.2.4. ACWA/JPIA – Ridilla - No Report

There was general discussion from the Board on the SGA meeting on the topics of the proposed staff increases and corresponding dues increases for member agencies. Director Reisig provided summation of corresponding dialog at the 3X3 Committee (RWA, SGA, SCGA). Director Reisig shared that staffing models have been identified as key attributes for moving forward and further shared that a facilitator has been engaged to help find a consensus. However, it's less definitive as to whether the facilitator should meet with just SGA Board Members, just SGA executive staff, or all of the SGA and SCGA Board Members and staff at the same time.

Comments from Directors and Staff: Director Ridilla shared that he and the other Board members recently received the reminder from Sacramento County about the annual filing of Statement of Economic

Interests (Form 700). Director Harris expressed the challenges she incurs from accessing the Sacramento County Form 700 website from her new computer.

6. DIRECTORS' AND GENERAL MANAGER COMMENTS –

7. ADJOURNMENT

Director Green adjourned the meeting at 8:05 p.m.
Respectfully submitted,

Signature on File
Timothy R. Shaw, Secretary

Signature on File
Jason Green, President of the Board