

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

**March 16, 2020 (6:30 p.m.)**

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

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

**AGENDA**

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

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

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

**2. PUBLIC COMMENT**

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

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

**3.1. Minutes**

February 24, 2020

*The Board is being asked to approve the Minutes from the February 24, 2020 Regular Board Meeting.*

**3.2. Expenditures**

*The Finance & Administrative Committee recommends the Board approve the January Expenditures.*

**3.3. Financial Reports**

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

#### **4. REGULAR CALENDAR**

##### **ITEMS FOR DISCUSSION AND ACTION**

#### **4.1 GM Report**

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

#### **4.2 District Engineer's Report**

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

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

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

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

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

#### **4.7 Receive update on the meter replacement backlog.**

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

**4.8.1 Sacramento Groundwater Authority Budget Committee.**

**4.8.2 Sacramento Region Water Utility Collaboration Study Steering Committee.**

#### **5. INFORMATION ITEMS**

#### **5.1. District Activities Reports**

5.1.1. Water Operations Report

5.1.2. Conservation Report

#### **5.2. Board Member Reports**

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

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

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

5.2.4. Executive Committee – Jason Green, Robert Reisig

5.2.5. ACWA/JPIA – Ridilla

5.2.6. AD Hoc Committees

5.2.7. Other Reports

#### **6. PUBLIC COMMENT PRIOR TO CLOSED SESSION**

#### **7. CLOSED SESSION - The Board of Directors will meet in Closed Session to discuss the following item**

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

**8. RECONVENE IN OPEN SESSION**

**8.1.** Announce any reportable actions authorized in Closed Session.

**9. DIRECTORS' AND GENERAL MANAGER COMMENTS**

**10. ADJOURNMENT**

Upcoming meetings:

Executive Committee

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

Regular Board Meeting

April 20, 2020, Monday, 6:30 pm at Visitor's /Depot Center, 6730 Front Street, Rio Linda, CA 95673.



**Consent Calendar  
Agenda Item: 3.1**

**Date:** March 16, 2020

**Subject:** Minutes

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

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

**Current Background and Justification:**

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

**Conclusion:**

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

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla:\_\_\_\_\_ Harris:\_\_\_\_\_ Jason Green\_\_\_\_\_ Gifford\_\_\_\_\_ Reisig\_\_\_\_\_.

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

**MINUTES OF THE  
FEBRUARY 24, 2020  
BOARD OF DIRECTORS REGULAR MEETING  
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

**1. CALL TO ORDER, ROLL CALL**

The February 24, 2020 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:30 p.m. at the Visitor’s Depot Center located at 6730 Front Street, Rio Linda, CA 95673. General Manager Tim Shaw took roll call of the Board of Directors. President Jason Green, Director Chris Gifford, Director Robert Reisig, Director Mary Harris, and General Manager Tim Shaw were present. Director Ridilla was absent. Legal Counsel Barbara Brenner was present. Director Gifford led the pledge of allegiance.

**2. PUBLIC COMMENT**

No Public Comment

**3. CONSENT CALENDAR**

**3.1 Minutes**

January 27, 2020

**3.2 Expenditures**

**3.3 Financial Reports**

No public comment.

*It was moved by Director Harris and seconded by Director Gifford to approve the Consent Calendar. Directors Green, Gifford, Reisig, Ridilla, and Harris voted yes. Director Ridilla was absent. The motion carried with unanimous vote of 4-0-0.*

**REGULAR CALENDAR**

**4. ITEMS FOR DISCUSSION AND ACTION**

**4.1 General Manager’s Report**

GM Shaw provided a written report.

No public comment.

*The Board made no action on this item*

**4.2 District Engineer’s Report – Mike Vasquez**

Mike Vasquez provided a written report to the Board of projects in the works since the last meeting of the Board. The report highlighted topics of General District Engineering, Well 16 Pumping Station Construction Project, Well 16 Proposition 84 RWA/DWR \$505 Grant Agreement.

No public comment on this item.

*The Board made no action on this item.*

**4.3 Consider adopting Resolution 2020-01, amending and restating the IRS 457b deferred compensation plan with Variable Annuity Life Insurance Company (VALIC).**

The District's current IRS 457 deferred compensation plan administrator is Nationwide via and plan agreement signed by the General Manager in 2013. All currently participating active employees have their funds invested through the Nationwide plan. Until recently, the General Manager and all the current employees believed that Nationwide was the only plan administrator with an active plan agreement in place. While researching options and logistics to changing the plan administrator, I discovered that the 2003 VALIC 457 plan is remains as a non-terminated plan.

A VALIC 457 Plan representative recently met with all the employees. Among other things, the meeting shed light on the variability among plan administrators (e.g. Nationwide, VALIC, Mass Mutual) on fees and charges and their impact on the overall net gains for investments. For example: the one District employee account has only approximately \$100 more than the total amount of contributions since the start of contributions two years ago. The Nationwide fund the employee selected has yielded a 24% gain, but the excessive Nationwide fees have consumed a large portion of the gains. Further, the Nationwide fee structure is deceptive. (see the supporting documents concerning suits against Nationwide).

No public comment.

*It was moved by Director Harris and seconded by Director Reisig to adopt Resolution 2020-01 to amend and restate the VALIC IRS 457 deferred compensation plan. Directors Reisig, Gifford, Green, and Harris voted yes. Director Ridilla was absent. The motion carried with unanimous vote of 4-0-0.*

#### **4.4 Consider authorizing the execution of a Memorandum of Understanding by and between several specific neighboring water agencies to fund and participate in a study of the feasibility for collaboration among area water agencies.**

On March 8, 2018, Sacramento Suburban Water District (SSWD) received correspondence from the San Juan Water District (SJWD) General Manager, on behalf of the Board of Directors of SJWD, inquiring about the status of the merger discussions previously conducted by SSWD and SJWD. A Sac Suburban / San Juan committee was formed to develop goals and discussion points to bring back to their respective Boards. In May 2018, the SSWD Board approved implementing a SSWD-SJWD Water Management/Re-Organization Ad Hoc Committee (Committee).

The initial Committee meeting was held on October 3, 2018. The Committee directed the SSWD and SJWD General Managers to extend an invitation to all General Managers in the Sacramento Region with the objective of identifying ways the agencies can become more efficient in working together to minimize cost to their customers and optimize the use of their water supplies, personnel, equipment, infrastructure and other resources, as well as improve their ability to influence state and federal policies.

The following Agencies have been participating in the ongoing discussions: SSWD, SJWD, Citrus Heights Water District, Carmichael Water District, Rio Linda / Elverta Community Water District, Del Paso Manor Water District, and City of Folsom. The Fair Oaks Water District and Orange Vale Water Company have chosen to not participate in the subject study.

Throughout the meetings of the General Managers, the Agencies developed a Request for Proposal (RFP) for a Sacramento Region Water Utility Collaboration/Integration Study (Study). As part of the analysis, it is the intent of the selected consultant to identify opportunities for

coordinating or integrating policies, programs, services, projects and activities to create efficiencies, improve results and achieve an overall cost benefit to the Agencies' customers. The Scope of Work is intended to determine a range of alternatives, which include potential integration of selected projects, programs and services, up to and including integration or consolidation of two or more of the Agencies into a single organization. Some of the agencies (including RLECWD) have no interest for consolidation.

In December 2019, five consulting firms responded to the RFP. Of the five consulting firms, four were selected to be interviewed on December 17, 2019 by the General Managers of the participating Agencies. Upon conclusion of the interviews, the panel unanimously recommended to continue discussions with Rafetelis/Tully & Young (RTY) consulting firm.

The Agencies met with RTY on January 22, 2020 to discuss components of the Study. Particular components discussed was the final Scope of Work, which entails combining particular tasks, methodology for tracking costs related to collaboration/consolidation, and schedule. The proposed cost submitted by RTY is approximately \$194,264, which is under the original estimate of \$250,000. SSWD will serve as the lead, or coordinating agency, for the subject Study. The Professional Services Agreement with RTY is included with your Board packets and associated with this agenda item. The Professional Services Agreement stipulates RTY must account for non-consolidation items separately, i.e. RLECWD will NOT be charged for work done by the consultant on merger/consolidation issues.

The Draft Memorandum of Understanding Regarding Collaboration/Integration Study (MOU) is associated with this item and included with your Board packets. The MOU includes the cost allocation spreadsheet. The cost allocation is based the annual operating budget of each participating Agency. Currently, the cost per agency is as low as \$5,000 and as high as \$53,000. The District's cost at this point is approximately \$5,000.

The plan going forward is each Agency will bring before their respective Boards in February 2020, a recommendation to approve participation in the Study, agree on the cost allocation, and approve the MOU. If the Boards who want to participate in the Study agree on those points, it is hopeful to have RTY under contract in March 2020.

Once the agreement is executed, as previously noted, SSWD will be responsible for administration of the project, and will be the primary contact for RTY. The project will be overseen by a Management Committee, composed of at least one executive from each of the participating Agencies. RTY will meet with the Management Committee as necessary, but at least once to initiate the project, and then at the end of each Activity phase. In addition, during the analysis phase of RTY's work, they will need to communicate with each agency's subject matter expert staff as required.

RTY will also need to plan to present the results of each Activity phase to an ad hoc committee of members of each Board of Directors or City Council of each of the participating Agencies (3 meetings total). RTY will present the final results of the study to a facilitated joint meeting of the Boards of Directors/City Councils of the Agencies. The Study is anticipated to be completed in November/December 2020.

No public comment.

*It was moved by Director Gifford and seconded by Director Reisig to authorize the execution of the collaboration study Memorandum of Understanding. Directors Reisig, Gifford, and Green voted yes. Director Harris abstained. Director Ridilla was absent. The motion carried with a vote of 3-0-1.*

**4.5 Consider authorizing submittal of a letter to the Regional Water Authority (RWA) to express the District's concerns regarding the proposed expansion of RWA scope into federal affairs.**

Following the Board Member's report on the January 9<sup>th</sup> Regional Water Authority (RWA) meeting, the Board requested that the GM draft a letter to RWA and bring the draft letter to the February 24<sup>th</sup> Board meeting to Board consideration. The letter is intended to express the District's concerns regarding recent RWA handling of scope expansion issues, e.g. federal affairs.

The Board requested adding a paragraph in the letter for the letter to be included in the RWA packets.

No public comment.

*It was moved by Director Harris and seconded by Director Gifford to authorize submittal of the letter to the Regional Water Authority to express the District's concerns regarding the proposed expansion of RWA scope into federal affairs with the suggested edit. Directors Reisig, Gifford, Green, and Harris voted yes. Director Ridilla was absent. The motion carried with unanimous vote of 4-0-0.*

**4.6 Consider nominating a District Board Member to serve on Sacramento County LAFCo Special Districts Advisory Committee.**

I recommend the Board consider nominating a Board Member to serve on the Sacramento County Local Agency Formation Commission, Special Districts Advisory Committee.

*It was moved by Director Reisig and seconded by Director Harris to nominate Director Mary Harris to the LAFCo Special Districts Advisory Committee. Directors Green, Reisig, Harris and Gifford voted yes. Director Ridilla was absent. The motion carried with unanimous vote of 4-0-0.*

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

No public comment on this item.

*It was moved by Director Reisig and seconded by Director Harris to authorize all Directors attendance to the SDRMA Special Education Day on Tuesday, March 24, 2020. Directors Reisig, Gifford, Green, and Harris voted yes. Ridilla was absent. The motion carried with unanimous vote of 4-0-0.*

**5. INFORMATION ITEMS**

**5.1. DISTRICT ACTIVITY REPORT**

1. Water Operations Report
2. Conservation Report
3. GM Minor Budget Revision (2020-01)

**5.2. BOARD REPORTS**

1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
2. Regional Water Authority –Gifford, Shaw – No Meeting.
3. Sacramento Groundwater Authority – Harris, Reisig – Director Harris gave a verbal report. Director Harris announced she is on the Budget Committee with SGA.
4. Executive Committee – Green. Reisig - Minutes provided.
5. ACWA/JPIA – Ridilla - No Report – Ridilla was absent.



- 6. Ad Hoc Committee – Meeting was held, but update will be provided in closed session.
- 7. Other Reports, e.g

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

**7.1 CONFERENCE WITH LABOR NEGOTIATORS** - (Pursuant to Government Code Section 54957.6) District Negotiators, Shaw, RLECWD Employee General Unit, Teamster Local 150 Meet and Confer regarding position description revisions.

**8. RECONVENE IN OPEN SESSION** – Director Green reported out of closed session that the negotiator was given direction.

**9. DIRECTORS' AND GENERAL MANAGER COMMENTS** –

No Directors comments.

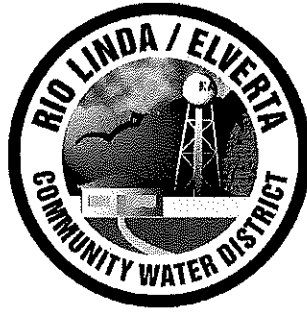
**10. ADJOURNMENT**

President Jason Green adjourned the meeting at 7:58 p.m.

Respectfully submitted,

\_\_\_\_\_  
Timothy R. Shaw, Secretary

\_\_\_\_\_  
Jason Green, President of the Board



**Consent Calendar  
Agenda Item: 3.2**

**Date:** March 16, 2020

**Subject:** Expenditures

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

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

**Current Background and Justification:**

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

**Conclusion:**

I recommend the Board approve the Expenditures for January 2020.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla: \_\_\_\_\_ Harris: \_\_\_\_\_ Jason Green \_\_\_\_\_ Gifford \_\_\_\_\_ Reisig \_\_\_\_\_.

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

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

Type	Date	Num	Name	Memo	Amount
Liability Check	01/02/2020	EFT	CalPERS	For PP Ending 12/28/2019 Paydate 01/02/2020	2,063.29
Liability Check	01/02/2020	EFT	CalPERS	For PP Ending 12/28/2019 Paydate 01/02/2020	1,970.36
Liability Check	01/02/2020	EFT	Nationwide	Deferred Compensation Plan	1,381.38
Liability Check	01/02/2020	EFT	Nationwide	Deferred Compensation Plan	75.00
Bill Pmt -Check	01/02/2020	EFT	Adept Solutions	Computer Maintenance	1,333.00
Bill Pmt -Check	01/02/2020	EFT	Comcast	Phone/Internet	227.25
Bill Pmt -Check	01/02/2020	EFT	Republic Services	Utilities	87.43
Liability Check	01/02/2020	EFT	Internal Revenue Service	Employment Taxes	6,641.94
Liability Check	01/02/2020	EFT	Employment Development	Employment Taxes	1,324.50
Bill Pmt -Check	01/02/2020	EFT	Voyager Fleet Commander	Transportation Fuel	227.24
Transfer	01/02/2020	EFT	RLECWD	Umpqua Bank Monthly Debt Service Transfer	16,500.00
Check	01/02/2020	1093	Franchise Tax Board	Employee Garnishment	792.80
Check	01/02/2020	1094	Customer	Final Bill Refund	95.47
Check	01/02/2020	1095	Customer	Final Bill Refund	100.07
Bill Pmt -Check	01/02/2020	1096	ABS Direct, Inc.	Printing	172.68
Bill Pmt -Check	01/02/2020	1097	Buckmaster Office Solutions	Office Equipment Expense	59.22
Bill Pmt -Check	01/02/2020	1098	Elk Grove Security Systems	Security	84.00
Bill Pmt -Check	01/02/2020	1099	Government Finance Officers Association	Office Expense	150.00
Bill Pmt -Check	01/02/2020	1100	Phelan, Michael	Retiree Insurance	3,150.00
Bill Pmt -Check	01/02/2020	1101	Rio Linda Hardware & Building Supply	Shop Supplies	130.54
Bill Pmt -Check	01/02/2020	1102	SMUD	Utilities	14,349.27
Bill Pmt -Check	01/02/2020	1103	Staples	Office Expense	139.00
Liability Check	01/15/2020	EFT	WageWorks	FSA Administration Fee	76.25
Check	01/17/2020	EFT	ARCO	Transportation: Fuel	529.86
Liability Check	01/15/2020	EFT	QuickBooks Payroll Service	For PP Ending 01/13/20 Pay date 1/16/20	17,682.63
Liability Check	01/16/2020	EFT	CalPERS	For PP Ending 01/13/20 Pay date 1/16/20	2,063.28
Liability Check	01/16/2020	EFT	CalPERS	For PP Ending 01/13/20 Pay date 1/16/20	1,970.34
Liability Check	01/16/2020	EFT	Internal Revenue Service	Employment Taxes	6,467.28
Liability Check	01/16/2020	EFT	Employment Development	Employment Taxes	1,285.19
Liability Check	01/17/2020	EFT	Employment Development	Employment Taxes	179.37
Liability Check	01/16/2020	EFT	Nationwide	Deferred Compensation Plan	1,365.72
Liability Check	01/16/2020	EFT	Nationwide	Deferred Compensation Plan	75.00
Liability Check	01/21/2020	EFT	Kaiser Permanente	Health Insurance	2,578.89
Liability Check	01/21/2020	EFT	Principal	Dental & Vision Insurance	1,601.21
Liability Check	01/21/2020	EFT	Western Health Advantage	Health Insurance	10,039.50
Bill Pmt -Check	01/16/2020	EFT	Verizon	Field Communication	375.89
Check	01/16/2020	EFT	RLECWD - SURCHARGE ACCOUNT 1	Current Monthly Transfer	19,016.04
Check	01/16/2020	EFT	RLECWD - Capital Improvement	Current Monthly Transfer	34,000.00
Bill Pmt -Check	01/16/2020	EFT	Umpqua Bank Credit Card	Computer,Office, Postage, Permits & Fees, Shop Supplies, Tran:	1,088.50
Check	01/16/2020	1104	Suncrest Bank	AMI Meter Loan Payment	23,438.00
Liability Check	01/16/2020	1105	Teamsters Local #150	Union Dues	700.00
Check	01/16/2020	1106	Customer	Final Bill Refund	71.52
Bill Pmt -Check	01/16/2020	1107	VOID	Legal	0.00



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

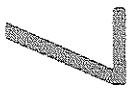
Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	01/16/2020	1108	Cintas Corporation	Safety	28.55
Bill Pmt -Check	01/16/2020	1109	CoreLogic Solutions	Metro Scan	134.75
Bill Pmt -Check	01/16/2020	1110	EKI Environment & Water	Engineering	5,000.00
Bill Pmt -Check	01/16/2020	1111	Oreilly Automotive	Transportation: Maintenance	82.33
Bill Pmt -Check	01/16/2020	1112	PG&E	Utilities	111.56
Bill Pmt -Check	01/16/2020	1113	Rio Linda Elverta Recreation & Park	Meeting Expense	50.00
Bill Pmt -Check	01/16/2020	1114	RW Trucking	Distribution Expense	787.95
Bill Pmt -Check	01/16/2020	1115	Sacramento Business Journal	Office Expense	100.00
Bill Pmt -Check	01/16/2020	1116	Sierra Chemical Company	Chemical Supplies	756.90
Bill Pmt -Check	01/16/2020	1117	Spok, Inc.	Field Communication	15.21
Bill Pmt -Check	01/16/2020	1118	Unifirst Corporation	Uniforms	233.32
Bill Pmt -Check	01/16/2020	1119	Vanguard Cleaning	Janitorial	195.00
Bill Pmt -Check	01/16/2020	1120	WellTec, Inc.	Capital Improvement: Miscellaneous Pump Replacements	2,004.72
Liability Check	01/29/2020	EFT	QuickBooks Payroll Service	For PP Ending 01/25/2020 Paydate 01/30/2020	17,999.82
Liability Check	01/30/2020	EFT	CalPERS	For PP Ending 01/25/2020 Paydate 01/30/2020	2,063.28
Liability Check	01/30/2020	EFT	CalPERS	For PP Ending 01/25/2020 Paydate 01/30/2020	1,970.36
Liability Check	01/30/2020	EFT	Nationwide	Deferred Compensation Plan	1,393.06
Liability Check	01/30/2020	EFT	Nationwide	Deferred Compensation Plan	75.00
Liability Check	01/30/2020	EFT	Internal Revenue Service	Employment Taxes	6,572.94
Liability Check	01/30/2020	EFT	Employment Development	Employment Taxes	1,336.31
Check	01/30/2020	1121	Franchise Tax Board	Employee Garnishment	727.78
Check	01/30/2020	1122	Customer	Settlement for District Damages	332.50
Bill Pmt -Check	01/30/2020	1123	ACWA/JPIA	EAP	23.50
Bill Pmt -Check	01/30/2020	1124	BSK Associates	Lab Fees	1,145.00
Bill Pmt -Check	01/30/2020	1125	Buckmaster Office Solutions	Office Equipment Expense	47.76
Bill Pmt -Check	01/30/2020	1126	Pacific Shredding	Office Expense	27.00
Bill Pmt -Check	01/30/2020	1127	Quill Corporation	Office Expense	193.94
Bill Pmt -Check	01/30/2020	1128	Sacramento County Utilities	Utilities	113.70
Bill Pmt -Check	01/30/2020	1129	Sacramento Local Agency Formation Comm	Annual Dues	474.00
Bill Pmt -Check	01/30/2020	1130	Staples	Office Expense	195.58

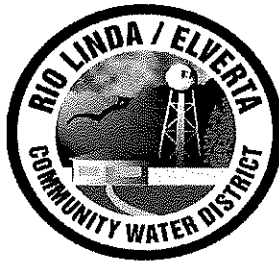
**Total 10000 - Bank - Operating Account**

**#REF!**

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

Type	Date	Num	Payee	Memo	Amount
Transfer	01/16/2020	EFT	RLECWD - Operating	CIP Expense Transfer: Refer to operating check numbers: 1120	2,004.72
<b>10475 - Capital Improvement-Umpqua Bank</b>					<b><u>2,004.72</u></b>





**Consent Calendar  
Agenda Item: 3.3**

**Date:** March 16, 2020

**Subject:** Financial Reports

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

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

**Current Background and Justification:**

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

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

**Conclusion:**

I recommend the Board approve the Financial Reports for January 2020. I further recommend the board accept the Annual Report pursuant to Government Code 66013.

**Board Action / Motion**

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



**CALIFORNIA BROKER COMPENSATION DISCLOSURE REPORT FOR PUBLIC AGENCIES**

Health Plans and Insurance companies are required to provide the following information pursuant to California Insurance Code Section 10604.5 which requires that broker compensation be disclosed to the governing board of any public agency which is covered under a group health insurance policy.

This report is considered informational and you do not need to take any action.

**Information Concerning Insurance Coverage, Fees, and Commissions**

Region: CA  
Name of Insurance Carrier: Kaiser Foundation Health Plan Inc  
Plan Sponsor's Name: RIO LINDA ELVERTA COMMUNITY WATER DISTRICT

**Information Concerning Insurance Contract Coverage**

Insurance Carrier: Kaiser Foundation Health Plan Inc  
Group Contract or Identification Number: 721739  
Approximate number of persons covered at end of policy contract year: 1  
Contract Year from 11/2018 - 10/2019  
Premium Received by Kaiser Foundation Health Plan Inc during your group's contract year: \$6,054.61

**Information Concerning Insurance Contract Fees and Commissions**

Total Amount of Commissions Paid: \$379.59  
Total Amount of Fees Paid: \$23.23

**1) Name and address of the agent, broker, or other person to whom commissions or fees were paid:**

LISI, Inc. (GA)  
1600 W HILLSDALE BLVD STE 201  
SAN MATEO, CA 94402-3766

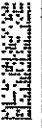
Amount of sales and base commissions paid to LISI, Inc. (GA): \$120.00  
Fees and other compensation paid to LISI, Inc. (GA): \$0.00  
Bonus Amount: \$0.00  
Bonus Purpose:  
Value of Non-Monetary Compensation: \$0.00  
Type/Purpose of Non-Monetary Compensation:

**2) Name and address of the agent, broker, or other person to whom commissions or fees were paid:**

COREMARK INSURANCE SERVICES, INC.  
2520 VENTURE OAKS WAY STE 240  
SACRAMENTO, CA 95833-4228

Amount of sales and base commissions paid to COREMARK INSURANCE SERVICES, INC.: \$259.59  
Fees and other compensation paid to COREMARK INSURANCE SERVICES, INC.: \$23.23  
Bonus Amount: \$23.23  
Bonus Purpose: Bonus  
Value of Non-Monetary Compensation: \$0.00  
Type/Purpose of Non-Monetary Compensation:

006546 2/3



3) Name and address of the agent, broker, or other person to whom commissions or fees were paid:

None

Amount of sales and base commissions paid to None \$0.00

Fees and other compensation paid to None: \$0.00

Bonus Amount: \$0.00

Bonus Purpose: None

Value of Non-Monetary Compensation: \$0.00

Type/Purpose of Non-Monetary Compensation: None

4) Name and address of the agent, broker, or other person to whom commissions or fees were paid:

None

Amount of sales and base commissions paid to None \$0.00

Fees and other compensation paid to None: \$0.00

Bonus Amount: \$0.00

Bonus Purpose: None

Value of Non-Monetary Compensation: \$0.00

Type/Purpose of Non-Monetary Compensation: None

5) Name and address of the agent, broker, or other person to whom commissions or fees were paid:

None

Amount of sales and base commissions paid to None \$0.00

Fees and other compensation paid to None: \$0.00

Bonus Amount: \$0.00

Bonus Purpose: None

Value of Non-Monetary Compensation: \$0.00

Type/Purpose of Non-Monetary Compensation: None

6) Name and address of the agent, broker, or other person to whom commissions or fees were paid:

None

Amount of sales and base commissions paid to None \$0.00

Fees and other compensation paid to None: \$0.00

Bonus Amount: \$0.00

Bonus Purpose: None

Value of Non-Monetary Compensation: \$0.00

Type/Purpose of Non-Monetary Compensation: None

7) Name and address of the agent, broker, or other person to whom commissions or fees were paid:

None

Amount of sales and base commissions paid to None \$0.00

Fees and other compensation paid to None: \$0.00

Bonus Amount: \$0.00

Bonus Purpose: None

Value of Non-Monetary Compensation: \$0.00

Type/Purpose of Non-Monetary Compensation: None

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Date Report Produced: December 2, 2019





**Items for Discussion and Action**  
**Agenda Item: 4.1**

**Date:** March 16, 2020  
**Subject:** General Manager's Report  
**Staff Contact:** Timothy R. Shaw

**Recommended Committee Action:**

N/A this item is not reviewed by committee.

**Current Background and Justification:**

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

**Conclusion:**

No Board action is anticipated for this item.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla:\_\_\_\_ Harris:\_\_\_\_ Jason Green \_\_\_\_ Gifford \_\_\_\_ Reisig\_\_\_\_.  
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.1

Date

Initial Potential Meeting Date

3/16/2020

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

General Managers Report

3/12/2020

Staff Work Completed

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

Committee Review of Item and Staff Work

N/A

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

Formal Legal Counsel Review

N/A

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

GM Review

3/12/2020

Actual Meeting Date Set for Agenda Item

3/16/2020



**Date:** March 16, 2020

**Subject:** General Manager Report

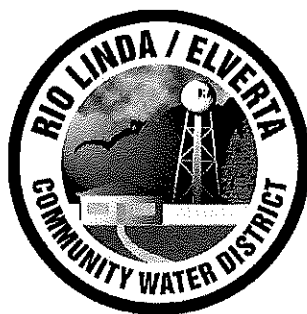
**Staff Contact:** Timothy R. Shaw, General Manager

For the given month, I participated in the following reoccurring meetings and special events: Operations Superintendent and I spent considerable time performing the selection of applicants to fill the two vacancies. Additional time for the human resources (HR) elements for hiring will continue to consume resources before restoring normalcy. Additional HR resources have been necessary to address discovery of issues following the February 6<sup>th</sup> termination of one employee, resignation of another.

1. On Mar 2<sup>nd</sup> The Operations Superintendent and I participated in a meeting requested by Twin Rivers Unified School District (TRUSD) to explore the feasibility of RLECWD teaming up with the Parks District to use the "Bus Barn" facility on 6<sup>th</sup> Ave. A TRUSD Board Member has been advocating against the facility being demolished. The meeting with TRUSD personnel revealed that TRUSD would only consider a sale of the property and would not consider a lease or mutual benefit agreement. Additional impediments include the existence of hazardous materials (e.g. lead paint and asbestos), which can amplify the costs for rehabilitating the existing structures.
2. On Mar 5<sup>th</sup> (morning) I met with Adept Solutions (District's IT service provider) to discuss the transition from on-site server AMI data to cloud-based server. We also discussed the need to change our designated e-mail server for emailing customers' bills.
3. On Mar 5<sup>th</sup> (afternoon), I met separately with two potential respondents for the rate study RFP. Both respondents' questions and comments evidence their genuine interest in working with RLECWD.
4. On March 9<sup>th</sup> and 10<sup>th</sup> The Operations Superintendent and I interviewed 10 applicants for the two vacancies. There were 11 applications received, but one applicant did not respond to our invitation for interview. Among the applicants were three candidates who have experience and the proper licensing to meet the minimum qualifications. Several more had experience or licensing, but not both.
5. On Mar 11<sup>th</sup> (morning) I met with Teamsters Local 150 (meet and confer) regarding a draft policy I've proposed for Working Out of Class (AKA Temporary Upgrade). We also discussed the absence of a Customer Service Technician II position description.

6. On Mar 11<sup>th</sup> (afternoon), the Contract District Engineer, Operations Superintendent, Domenichelli, and Anvil Builders conducted the preconstruction kickoff meeting at the District office and the Well 16 site.
7. On Mar 11<sup>th</sup> I corresponded with RWA to convey my plans to attend the RWA regular Board meeting. Subsequently, RWA emailed to cancel the meeting due to Corona Virus concerns.

I have been engaged in discussion with staff on managing the impacts of the critically low staffing caused by departing employees. Topics include a GM minor budget revision to purchase additional meters due to the pace of replacements exceeding our expectations. Topics also include the organizational structure/staffing ability to manage construction activities for Well 16 pumping station.



## Items for Discussion and Action

### Agenda Item: 4.2

**Date:** March 16, 2020

**Subject:** District Engineer's Report

**Staff Contact:** Mike Vasquez, District Engineer

#### **Recommended Committee Action:**

N/A this item is not discussed at committees.

#### **Current Background and Justification:**

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

#### **Conclusion:**

There is no Board action anticipated for this item.

#### **Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla: \_\_\_ Harris: \_\_\_ Jason Green \_\_\_ Gifford \_\_\_ Reisig \_\_\_  
 (A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.2

Date

**Initial Potential Meeting Date**

3/16/2020

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

District Engineer's Report

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**Staff Work Completed**

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

3/12/2020

**Committee Review of Item and Staff Work**

N/A

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

**Formal Legal Counsel Review**

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

N/A

**GM Review**

3/12/2020

**Actual Meeting Date Set for Agenda Item**

3/16/2020

12 March 2020

**DISTRICT ENGINEER'S REPORT**

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

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

**Subject:** **District Engineer's Report for the 16 March 2020 Board of Directors Meeting (EKI Project No. B80130.00)**

The District Engineer is pleased to submit this brief update of duties and tasks performed for the period of 20 February 2020 to 12 March 2020:

**1. General District Engineering:**

- Reviewed plans and discussed the Electric Avenue development with the Operations Superintendent and General Manager, and provided comments on 3/11/2020.
- Reviewed plans and discussed the Fox Hollow development with the Operations Superintendent and General Manager, and provided comments on 3/11/2020.

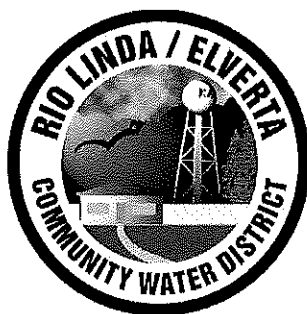
**2. Well 16 Pump Station Construction Project:**

- Received payment and performance bonds along with insurance documents from the contractor, Anvil Builders, Inc.
- Organized, prepared for, and conducted a pre-construction conference on 3/11/2020. In attendance were three members from the contractor's team, two members from the design team with Domenichelli & Associates, the General Manager, and Operations Superintendent.
- Issued the Notice to Proceed to the contractor on 3/11/2020 formally initiating construction and commencing the construction schedule. The contractor is scheduled to be onsite on 3/23/2020 to begin initial construction staging tasks. Substantial construction completion is scheduled for 10/31/2020. Final construction acceptance is scheduled for 12/01/2020.
- Coordinated with the District's labor compliance consultant, Kurey & Associates, to register the project with the California Department of Industrial Relations.

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

Very truly yours,

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



## Items for Discussion and Action

### Agenda Item: 4.3

**Date:** March 16, 2020

**Subject:** Capital Improvement Plan Projects List

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

#### **Recommended Committee Action:**

The Executive Committee forwarded this item on March 2, 2020 onto the March 16, 2020 Board of Directors Meeting Agenda to allow discussion by all Board Members and seek feedback on the next steps, e.g. a public workshop and/or staff preparation of approximate annualized costs associated with the number, scope, and timing of the projects on the Capital Improvement Plan (CIP) Projects List.

#### **Current Background and Justification:**

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

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

#### **Conclusion:**

I recommend the Board review, discuss, and provide feedback to staff on the draft CIP Projects List, and provide direction to staff on next steps to finalize the CIP Projects List.

#### **Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla:\_\_\_ Harris:\_\_\_ Jason Green \_\_\_ Gifford \_\_\_ Reisig\_\_\_.  
 (A) Yea (N) Nay (Ab) Abstain (Abs) Absent



RLECWD Agenda Item Checklist

Item 4.3

Date

**Initial Potential Meeting Date**

3/16/2020

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

**Capital Improvement Plan Projects List**

2/26/2020

**Staff Work Completed**

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

**Committee Review of Item and Staff Work**

3/2/2020

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

**Formal Legal Counsel Review**

N/A

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

**GM Review**

3/12/2020

**Actual Meeting Date Set for Agenda Item**

3/16/2020



## Items for Discussion and Action

### Agenda Item: 4.4

**Date:** March 16, 2020

**Subject:** Operations Foreman Position Description and Pay Scale

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

This item was not discussed at the Executive Committee (product of meet and confer negotiations)

**Current Background and Justification:**

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

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

- The District, pursuant to statutory requirements, needs to have a properly licensed shift supervisor to be the interim designee responsible for making distribution system decisions when the Operations Superintendent is unavailable.
- The District desires to transition backflow prevention assembly license from “desirable qualification” to be designated as one of the “minimum qualifications”. This entailed switching from a certification incentive pay structure to a base pay structure.
- The meet and confer process included the typical proposal / counter-proposal process in determining reasonable compensation for increased responsibilities.

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

**Conclusion:**

I recommend the Board approve the revised Distribution Operator 3 Foreman position description and corresponding pay scale, and further direct the General Manager to fill the position via the District's Lateral Transfer/Promotion policy.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla: \_\_\_\_\_ Harris: \_\_\_\_\_ Jason Green \_\_\_\_\_ Gifford \_\_\_\_\_ Reisig \_\_\_\_\_.

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

## RLECWD Agenda Item Checklist

### Item 4.4

Date

**Initial Potential Meeting Date**

3/16/2020

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

Operations Foreman Position Description and Pay Scale

3/11/2020

**Staff Work Completed**

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

**Committee Review of Item and Staff Work**

2/19/2020

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

**Formal Legal Counsel Review**

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

N/A

**GM Review**

3/12/2020

**Actual Meeting Date Set for Agenda Item**

3/16/2020

## **DISTRIBUTION OPERATOR 3/FOREMAN**

### **General Statement of Duties**

Operates and maintains the District water system including the well, treatment, storage, and distribution facilities; prepares reports for regulatory agencies; and performs chemical tests for water quality.

### **Supervision Received**

Works under the direct supervision of the Operations Superintendent who reviews work for conformance to established standards and procedures. Works under the supervision of the General Manager when the Operations Superintendent is away.

### **Charge Exercised**

Coordinates and directs work of Distribution System Operators 3, 2, and 1, Utility Workers and Laborers may direct trainees, part-time or temporary staff as assigned.

### **Essential Duties and Responsibilities**

- Is the designated Chief Distribution System Operator when the Operations Superintendent is away.
- Operates District water system; makes necessary tests for water quality and adjusts chemical systems as indicated; performs systematic checks electrical systems, pumps, tanks and other system components; maintains operating records as required by law; keeps water system facilities in a clean, neat, and orderly fashion.
- Supervises and evaluates field staff performance.
- Installs and maintains pumps, valves, mains, services, meters, and related water distribution facilities and appurtenances.
- Operates and maintains vehicles and equipment used in water system construction, including backhoe/front end loader, jackhammer, dump truck, tamper, etc.
- Reads water meters; turns services off and on; meets with customers to identify service locations and resolve service problems.
- Maintains inventory of chemicals at wells and assures the safe handling of caustic and toxic materials.
- Performs routine water quality testing; gathers information for reports needed for regulatory agencies and assures conformance of operations to regulatory standards.
- Conducts tours of the District utility system and responds to citizen inquiries regarding water quality or problems with pressure or volume.
- Performs duties of Laborer, Utility Worker, Distribution System Operator 1, 2 and 3 as needed.

- Performs required labor involved in construction and maintenance projects as part of a crew, including pavement cutting, ditch digging, main and pipe repair, laying and backfilling.
- Establish and maintain cooperative working relationships with co-workers, outside agencies and the public.
- Supervises, instructs and assists assigned crews in installing and relocating water lines, valves, fire hydrants and meters, and maintaining the existing water supply system.
- Responds to or assures the proper response to complaints regarding water quality, leaks, pressure loss or no water; explains findings to property owners if necessary.
- Trains and supervises subordinate employees performing the duties of maintenance, construction and operation of the District water system.
- Supervises the use of and assumes responsibility for all materials, supplies and equipment used in the maintenance, construction and operation of the District water system; requisitions such materials, supplies and equipment as needed and budgeted; insures that all necessary materials, supplies and equipment are available by maintaining an inventory of parts and materials and obtaining necessary parts, tools and supplies from the store room.

### **Peripheral Duties**

Operates and performs regular routine maintenance on equipment used in water system, including vehicles and other equipment.

Serves on various employee or other committees as assigned.

Performs on call and emergency work assignments

### **Minimum Qualifications**

#### **Education, Certification and Experience:**

Two years' experience in the operation and maintenance of a water utility or four years' experience in pipeline or other underground construction; possession of a current State Water Resources Control Board Water Distribution Operator Grade III certificate; possession of a valid Backflow Prevention Assembly General Tester, Certificate; possession of a valid Class C California driver's license; graduation from high school; or equivalent.

#### **Necessary Knowledge, Skills and Abilities:**

Familiarity with proper practices in the construction, maintenance and operation of a water utility; familiarity with federal and state regulations regarding water quality control and distribution of potable water; familiarity with pumps, telemetry, and other related water system equipment; ability to operate equipment such as a backhoe, tamper, etc.; ability to work harmoniously with other employees; ability to make decisions independently in accordance with established policy and to use initiative and judgment in carrying out tasks and responsibilities with only general instruction and guidance; ability to use tact and judgment when dealing with the public; ability to lift heavy objects and perform sustained manual work.

## Special Requirements

- Must possess a valid driver's license.
- Must pass pre-employment physical.
- Must pass a drug screening test.

## Tools and Equipment Used

Motorized vehicles and equipment, including dump truck, pickup truck, utility truck, backhoe, tamper, saws, pumps, compressors, sanders, generators, common hand and power tools, shovels, wrenches, detection devices, mobile radio, phone, hand-held computer.

## Physical Demands

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to use hands to finger, handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee frequently is required to stand and talk or hear. The employee is occasionally required to walk; sit; climb or balance; stoop, kneel, crouch, or crawl; and smell.

The employee must frequently lift and/or move up to 25 pounds and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

## Work Environment

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee regularly works in outside weather conditions. The employee frequently works near moving mechanical parts and is frequently exposed to wet and/or humid conditions and vibration. The employee occasionally works in high, precarious places and is occasionally exposed to fumes or airborne particles, toxic or caustic chemicals, and risk of electrical shock. The noise level in the work environment is usually loud.

## General

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job.

### Adjustment to Distribution Operator 3 Foreman Pay Scale

	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Pay Effective 12-01-2019	\$28.01	\$29.13	\$30.30	\$31.51	\$32.77	\$34.08
Convert Backflow Cert from incentive to base	\$28.85	\$30.00	\$31.21	\$32.46	\$33.75	\$35.10
<b>New Pay Scale (\$2 increase applied at step 1)</b>	<b>\$30.85</b>	<b>\$32.08</b>	<b>\$33.37</b>	<b>\$34.70</b>	<b>\$36.09</b>	<b>\$37.53</b>

Effective Date 3-16-2020



## DISTRIBUTION OPERATOR 3/FOREMAN

### General Statement of Duties

Operates and maintains the District water system including the well, treatment, storage, and distribution facilities; prepares reports for regulatory agencies; and performs chemical tests for water quality.

### Supervision Received

Works under the general-direct supervision of the Operations Superintendent who reviews work for conformance to established standards and procedures. Works under the supervision of the General Manager when the Operations Superintendent is away.

### Supervision-Charge Exercised

Supervises-Coordinates and directs work of Distribution System Operators 3, 2, and 1, Utility Workers and Laborers may supervise-direct trainees, part-time or temporary staff as assigned.

### Essential Duties and Responsibilities

Is the designated Chief Distribution System Operator when the Operations Superintendent is away.

Operates District water system; makes necessary tests for water quality and adjusts chemical systems as indicated; performs systematic checks electrical systems, pumps, tanks and other system components; maintains operating records as required by law; keeps water system facilities in a clean, neat, and orderly fashion.

Supervises and evaluates field staff performance.

Installs and maintains pumps, valves, mains, services, meters, and related water distribution facilities and appurtenances.

Operates and maintains vehicles and equipment used in water system construction, including backhoe/front end loader, jackhammer, dump truck, tamper, etc.

Reads water meters; turns services off and on; meets with customers to identify service locations and resolve service problems.

Maintains inventory of chemicals at wells and assures the safe handling of caustic and toxic materials.

Performs routine water quality testing; gathers information for reports needed for regulatory agencies and assures conformance of operations to regulatory standards.

Conducts tours of the District utility system and responds to citizen inquiries regarding water quality or problems with pressure or volume.

Performs duties of Laborer, Utility Worker, Distribution System Operator 1, 2 and 3 as needed.

Performs required labor involved in construction and maintenance projects as part of a crew, including pavement cutting, ditch digging, main and pipe repair, laying and backfilling.

Establish and maintain cooperative working relationships with co-workers, outside agencies and the public.

Supervises, instructs and assists assigned crews in installing and relocating water lines, valves, fire hydrants and meters, and maintaining the existing water supply system.

Responds to or assures the proper response to complaints regarding water quality, leaks, pressure loss or no water; explains findings to property owners if necessary.

Trains and supervises subordinate employees performing the duties of maintenance, construction and operation of the District water system.

Supervises the use of and assumes responsibility for all materials, supplies and equipment used in the maintenance, construction and operation of the District water system; requisitions such materials, supplies and equipment as needed and budgeted; insures that all necessary materials, supplies and equipment are available by maintaining an inventory of parts and materials and obtaining necessary parts, tools and supplies from the store room.

### **Peripheral Duties**

Operates and performs regular routine maintenance on equipment used in water system, including vehicles and other equipment.

Serves on various employee or other committees as assigned.

Performs on call and emergency work assignments

### **Desired-Minimum Qualifications**

#### **Education, Certification and Experience:**

Two years experience in the operation and maintenance of a water utility or four years experience in pipeline or other underground construction; possession of a current State Water Resources Control Board Water Distribution Operator Grade III certificate; possession of a valid Backflow Prevention Assembly General Tester, Certificate; possession of a valid Class C California driver's license; graduation from high school; or ~~any equivalent combination of experience, training and certification.~~

#### **Necessary Knowledge, Skills and Abilities:**

Familiarity with proper practices in the construction, maintenance and operation of a water utility; familiarity with federal and state regulations regarding water quality control and distribution of potable water; familiarity with pumps, telemetry, and other related water system equipment; ability to operate equipment such as a backhoe, tamper, etc.; ability to work harmoniously with other employees; ability to make decisions independently in accordance with established policy and to use initiative and judgment in carrying out tasks and responsibilities with only general instruction and guidance; ability to use tact and judgment when dealing with the public; ability to lift heavy objects and perform sustained manual work.

### **Special Requirements**

~~Must be bondable.~~

Must possess a valid driver's license.

Must pass pre-employment physical.

Must pass a drug screening test.

### **Tools and Equipment Used**

Motorized vehicles and equipment, including dump truck, pickup truck, utility truck, backhoe, tamper, saws, pumps, compressors, sanders, generators, common hand and power tools, shovels, wrenches, detection devices, mobile radio, phone, hand-held computer.

### **Physical Demands**

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to use hands to finger, handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee frequently is required to stand and talk or hear. The employee is occasionally required to walk; sit; climb or balance; stoop, kneel, crouch, or crawl; and smell.

The employee must frequently lift and/or move up to 25 pounds and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

### **Work Environment**

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee regularly works in outside weather conditions. The employee frequently works near moving mechanical parts and is frequently exposed to wet and/or humid conditions and vibration. The employee occasionally works in high, precarious places and is occasionally exposed to fumes or airborne particles, toxic or caustic chemicals, and risk of electrical shock. The noise level in the work environment is usually loud.

### **Selection Guidelines**

~~Formal application, rating of education and experience; oral interview and reference check; job related tests may be required; driving records will be evaluated; drug screening is mandatory, as is a physical to determine capability to meet the physical demands of the job.~~

### **General**

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and is subject to change by the employer as the needs of the employer and requirements of the job.



**Items for Discussion and Action**  
**Agenda Item: 4.5**

**Date:** March 16, 2020

**Subject:** Board Member Participation in Rio Linda Chamber of Commerce

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

The March 2<sup>nd</sup> Executive Committee discussed this item, but appropriately did NOT express a recommended Board action. The Committee did, however, direct an item be placed on the March 16<sup>th</sup> Board agenda.

**Current Background and Justification:**

There are some apparent and substantive limitations for a government agency (non-profit) participating is a group dedicated to increasing commerce (profit). However, there may be one, limited justification for interaction between RLECWD and the Chamber of Commerce: Outreach required by SB-606 to promote efficient water use in commercial, institutional and industrial water customers.

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

**Conclusion:**

I recommend the Board review this staff report and documents associated with this item, then provide staff direction as deemed necessary and appropriate.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla: \_\_\_\_\_ Harris: \_\_\_\_\_ Jason Green \_\_\_\_\_ Gifford \_\_\_\_\_ Reisig \_\_\_\_\_.

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

## RLECWD Agenda Item Checklist

## Item 4.5

Date

**Initial Potential Meeting Date**3/16/2020

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

Board Member Participation in Rio Linda Chamber of Commerce

2/26/2020**Staff Work Completed**

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

**Committee Review of Item and Staff Work**3/2/2020

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

**Formal Legal Counsel Review**N/A

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

**GM Review**3/12/2020**Actual Meeting Date Set for Agenda Item**3/16/2020

**Tim Shaw**

**To:** Tim Shaw  
**Subject:** FW: RLE Chamber of Commerce

**From:** Tim Shaw <GM@rlecwd.com>  
**Sent:** Wednesday, February 26, 2020 8:15 AM  
**To:** Tim Shaw <GM@rlecwd.com>  
**Subject:** FW: RLE Chamber of Commerce

<https://secure.acce.org/wiki/chambers-and-political-engagement/>

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## Chambers and Political Engagement

Chambers of commerce in the US operate almost exclusively as non-profit entities known as 501(c)(6) corporations. Unlike charities, these 501(c)(6) non-profits have the authority under state and federal tax rules to represent their members in public policy debates. They may lobby and take positions on actual or proposed legislation, subject to local, state and federal laws. Chambers may legally endorse candidates for public office and/or ballot propositions (but most do not). The use of general fund revenues for chamber political and lobbying purposes is strictly regulated. The chief executive or another member of the staff is sometimes a state-registered lobbyist. The portion of any member's dues investment allocated to direct lobbying is not deductible as a business expense.

Chambers must consider their positions on issues and candidates, as well as possible actions or positions. Should a chamber of commerce be nonpartisan? How involved can a chamber get in issues potentially affecting its members? Read on to learn how other chambers approach this issue.

**From:** Tim Shaw  
**Sent:** Thursday, February 13, 2020 11:54 AM  
**To:** Robert Reisig <rreisig@rlecwd.com>  
**Subject:** RE: RLE Chamber of Commerce

In addition, laws outside the Act prohibit the use of public resources, such as office equipment, staff time, etc., for campaign or personal purposes. (Education Code Section 7054; Gov. Code Section 8314; Penal Code Section 426; and *Vargas v. City of Salinas* (2009) 46 Cal 4th 1.)

Government Code Section 54964 prohibits an officer, employee or consultant of a local agency from expending or authorizing the expenditure of any local agency funds to support or oppose a candidate or ballot measure. For further information about laws outside the Act, contact the Attorney General's office at (800) 952-5225 or the local district attorney.

#### **D. Campaign Contributions and Disqualification**

Generally, campaign contributions received in connection with an elective office do not serve as the basis for disqualifying an official from voting on a matter affecting the contributor. However, if an elected official or candidate also holds a position on an appointed

**From:** Tim Shaw  
**Sent:** Thursday, February 13, 2020 9:35 AM  
**To:** Robert Reisig <[rreisig@rlecwd.com](mailto:rreisig@rlecwd.com)>  
**Subject:** RE: RLE Chamber of Commerce

Robert:

I will place an item on the next Executive Committee meeting if it's okay with you. Pursuant to current RLECWD policy, any Board Member can place an item on the Board Meeting agenda as long as it's requested within 24-hours of the agenda posting deadline. However, for the reasons explained below, I request your cooperation for going to committee first.

The fundamental mission for a chamber of commerce is the mutual gains (profits) by all member merchants. Although the chambers entities are all typically non-profit organizations. The members who share costs, are share rewards are all for profit businesses. Rio Linda Elverta Water and Rio Linda Elverta Parks agencies are non-profit agencies. Fundamentally, our goals do NOT entail making profits and expanding our franchise. How would you, a Board Member representing 15,000 taxpayers/ratepayers justify spending public money on Chamber of Commerce dues? This is NOT a rhetorical question.

Although it is uncommon, there are incidences of public agencies participating, but not necessarily dues paying, with their local chamber of commerce. Public parks agencies may be the most compatible (least incompatible), of the public agency services for participating with chamber of commerce. Chambers typically have festivals, parades and events that commonly use recreation facilities. In turn, business members of the Chamber can reasonably justify donating to improvements, repairs and upgrades for those recreational facilities.

In contrast RLECWD can only charge customers for the cost of providing service...not more and not less. How would you explain that chamber of commerce membership dues are a cost of providing service? Whatever that answer is, it's going to be a thin line. RLECWD Board Members need to carefully consider the limits they would be pushing.

Another sticky wicket is the prohibition for spending public dollars for political campaigns. It is very common for a Chamber to endorse a candidate or a particular proposition which are for-profit business friendly. If RLECWD or RLERPD are dues paying members and the Chamber endorses a candidate or advocates in favor of or against a measure/proposition on the ballot, we can get in trouble.

Tim Shaw  
GM at RLECWD





## Items for Discussion and Action

### Agenda Item: 4.6

**Date:** March 16, 2020

**Subject:** Consider Revisions to Resolution 2020-01, IRS 457 Deferred Compensation Plan

**Staff Contact:** Timothy R. Shaw, General Manager

#### **Recommended Committee Action:**

The March 2<sup>nd</sup> Executive Committee forwarded this to the March 16<sup>th</sup> Board agenda with the Committee's recommendation for Board approval.

#### **Current Background and Justification:**

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

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

Despite the afore stated miscommunications, the District and its employees continues to desire a more beneficial 457 deferred compensation plan than the existing one. To do so, Resolution 2020-01, which has not been fully executed, needs to be revised, then fully executed.

#### **Conclusion:**

I recommend the Board authorize revisions to Resolution 2020-01 to adopt the VALIC IRS 457 Deferred Compensation Plan, and further authorize the execution of all appurtenant documents.

#### **Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla: \_\_\_\_\_ Harris: \_\_\_\_\_ Jason Green \_\_\_\_\_ Gifford \_\_\_\_\_ Reisig \_\_\_\_\_.  
**(A) Yea (N) Nay (Ab) Abstain (Abs) Absent**

## RLECWD Agenda Item Checklist

### Item 4.6

Date

**Initial Potential Meeting Date**

3/16/2020

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

Consider Revisions to Resolution No. 2020-01, IRS 457 Deferred Compensation Plan

2/26/2020

**Staff Work Completed**

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

**Committee Review of Item and Staff Work**

3/2/2020

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

**Formal Legal Counsel Review**

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

N/A

**GM Review**

3/12/2020

**Actual Meeting Date Set for Agenda Item**

3/16/2020

**RESOLUTION NO. 2020-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RIO LINDA/ ELVERTA  
COMMUNITY WATER DISTRICT TO ADOPT THE VALIC 457 DEFERRED  
COMPENSATION PLAN, AUTHORIZE INDIVIDUALS TO ACT ON BEHALF OF  
THE PLAN AND TERMINATE THE CURRENT ADMINISTRATION AGREEMENT  
WITH NATIONWIDE**

**WHEREAS**, the District desires to adopt, pursuant to Section 457(b) of the Internal Revenue Code, a 457 Deferred Compensation Plan ("Plan") with VALIC Financial Advisors, Inc for nondiscretionary administrative services, including recordkeeping, contribution allocation services and Plan maintenance service; and

**WHEREAS**, an existing 457 Deferred Compensation Plan administration agreement with Nationwide was executed in December 2014; and

**WHEREAS**, the District desires to eliminate Nationwide Retirement Solutions, as authorized plan administrator and allow employee investments in Nationwide to be transferred to the VALIC administrated accounts for the employees.

***NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:***

1. The VALIC Plan attached hereto as Exhibit A shall take effect immediately following the adoption of this resolution.
2. The Board of Directors hereby authorizes the General Manager to execute and deliver to the Administrator of the Plan such documents as may be necessary or desirable in order to carry out the intent of the forgoing resolution and required under the Plan to make the Plan fully effective in accordance with its terms and intent.
3. The District Designates the General Manager, Timothy R. Shaw as the District's signatory as described in Exhibit A.
4. In the event of a change in the office of General Manager, and/or the unavailability of the General Manager, the District designates the person holding the office of President of the District Board of Directors as the alternative signatory.

***APPROVED AND ADOPTED*** by the Board of Directors of the Rio Linda / Elverta Community Water District on this 16th day of March 2020. By the following vote:

AYES:  
NAYS:  
ABSENT:  
ABSTAIN:

ATTEST:

\_\_\_\_\_  
Jason Green  
President, Board of Directors

\_\_\_\_\_  
Timothy R. Shaw  
Secretary of the Board of Directors

**SPECIMEN**  
**SECTION 457(b) DEFERRED COMPENSATION PLAN**  
**GOVERNMENTAL EMPLOYERS**

This specimen plan document (which includes both an Adoption Agreement and a Basic 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 has not been approved by the Internal Revenue Service and 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. The Variable Annuity Life Insurance Company (VALIC) cannot and does not provide legal or tax advice.

**ADOPTION AGREEMENT**  
**SECTION 457(b) DEFERRED COMPENSATION PLAN**  
**(Governmental)**

The undersigned employer hereby adopts or restates, as applicable, this Plan. This Plan shall comprise both (1) this Adoption Agreement and (2) the Basic Plan Document. Article and section references in this Adoption Agreement refer to articles and sections of the Basic Plan Document unless otherwise indicated.

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

Employer Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

1. Plan Effective Date. ("Effective Date.") (Check one.)

- This Plan is being established by the Employer as a new Plan, effective \_\_\_\_\_, \_\_\_\_\_.
- This Plan amends and restates the Plan previously established by the Employer and is effective \_\_\_\_\_, \_\_\_\_\_. The Plan was originally established by the Employer effective \_\_\_\_\_, \_\_\_\_\_.

2. Eligible Employees. (Check one.)

- All Employees shall be eligible to participate.
- The Employer, in its sole discretion, shall determine each Plan Year which Employees shall be eligible to participate in the Plan.
- All Employees shall be eligible to participate except the following Employees (specify which Employees shall not be allowed to participate in the Plan):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. Roth Contributions. (Check one.)

- Designated Roth Contributions are not permitted, and Section 4.10 shall not apply to this Plan.
- Participants may make Designated Roth Contributions (as described in Section 4.10) in lieu of or in addition to pre-tax Elective Deferral Contributions, effective \_\_\_\_\_, \_\_\_\_\_ (insert date not earlier than the later of January 1, 2011 or the date of the Employer's resolution adopting Designated Roth Contributions).

4. Employer Contributions. (Check one.) Note: Employer Contributions are combined with Elective Deferral Contributions and Designated Roth Contributions in applying the contribution limits described in Section 2.18.

- There shall be no Employer Contributions under this Plan.
- Discretionary Employer Contribution. The Employer may, in its absolute discretion, make an Employer Contribution to the Plan, and may determine, in its absolute discretion, how any such Employer Contribution shall be allocated among Plan Participants. This Discretionary Employer Contribution may be a matching or non-matching contribution.
- FICA Opt-out Contribution. As described in Section 4.11, the Employer shall make FICA Opt-out Contributions (contributions other than Elective Deferral Contributions or Designated Roth Contributions) on behalf of the following Employees in lieu of paying/withholding FICA taxes for such Employees and in the amounts indicated below (check applicable box and fill in blanks for required contribution percentages):

- All Employees
- Part-time, seasonal and temporary Employees only
- Other (indicate which Employees shall be eligible for the FICA Opt-out Contributions):

\_\_\_\_\_

\_\_\_\_\_

The required FICA Opt-out Contribution shall consist of the following types of contributions (which must total 7.5% or more of the Participant's Compensation):

- Employer Contribution = \_\_\_\_\_ % of Compensation
- Mandatory Employee Contribution = \_\_\_\_\_ % of Compensation
- Other: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

5. Loans. (Check one.)

- Yes, loans are allowed and Article IX shall apply to this Plan.
- No, loans are not allowed and Article IX shall not apply to this Plan.

6. Unforeseeable Emergency Withdrawals. (Check one.)

- Yes. Withdrawals under Section 6.08 shall be available under this Plan. (Check one.)
  - Withdrawals on account of an illness, accident or need to pay for the funeral expenses of the Participant's primary Beneficiary shall be available effective the later of (a) August 17, 2006, (b) the original effective date of the Plan or, if applicable, (c) \_\_\_\_\_, \_\_\_\_\_ (insert date that this option was first available, if such date was later than August 17, 2006).
  - Withdrawals on account of an illness, accident or need to pay for funeral expenses of the Participant's primary Beneficiary shall not be available.
- No. Withdrawals under Section 6.08 shall not be available under this Plan.

7. 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 6.10. (Check one.)

- Yes, if the total amount payable to a Participant under the Plan does not exceed the dollar amount under Code Section 411(a)(11)(A) (currently \$5,000).
- No. Section 6.10 shall not apply to this Plan.

8. Distribution without Participant's Consent. Small accounts of certain inactive Participants may be distributed without the Participant's consent as described in Section 6.11. (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 6.11 shall not apply to this Plan.

9. Distributions to Individuals in Uniformed Services. (Check one.)

- The Plan does not permit distributions to individuals who are deemed to have a Severance from Employment solely on account of their performing services in the uniformed services and Section 6.13 shall not apply to this Plan.
- Participants who are deemed to have a Severance from Employment on account of their performing services in the uniformed services for a period of 30 days or more may elect to receive a distribution of all or a portion of their Account (subject to the post-distribution restrictions described in Section 6.13).

10. In-plan Roth Conversions. (Check one.) (Note: Employer cannot allow in-plan Roth conversions unless it also elects to allow Designated Roth Contributions under Section 3, above, of this Adoption Agreement.)

- In-plan Roth conversions are not permitted, and Section 6.12 shall not apply to this Plan.
- Participants may convert certain pre-tax amounts to Roth contributions in an "in-plan" rollover/conversion described in Section 6.12, but only if such amounts are currently distributable under the terms of the Plan, effective \_\_\_\_\_, \_\_\_\_\_ (insert date not earlier than the later of January 1, 2011 or the date of the Employer's resolution adopting in-plan Roth conversions).

11. Deductions from Distributions to Eligible Retired Public Safety Officers. (Check one.)

- For distributions after December 31, 2006, an Eligible Retired Public Safety Officer may elect, pursuant to Section 6.14, to have up to \$3,000 of the distribution deducted and paid directly to the provider of an accident or health insurance plan or qualified long-term care insurance plan.
- The Plan does not allow elections by Eligible Retired Public Safety Officers under Section 6.14.

12. Non-spousal Beneficiary Rollovers. As described in Section 8.03, non-spousal Beneficiary rollovers are allowed after December 31, 2006, unless elected otherwise below. (Note: Such distributions are required by law to be allowed after December 31, 2009.)

- Non-spousal Beneficiary rollovers are not allowed prior to January 1, 2010.
- Non-spousal Beneficiary rollovers are allowed effective \_\_\_\_\_, \_\_\_\_\_ (insert date not earlier than January 1, 2007 and not later than December 31, 2009).

13. Required Minimum Distributions for 2009. (Check one of the boxes in each of subsections (a) and (b) below. If none of the boxes in a subsection is checked, the first option shall apply to the Plan.)

(a) For purposes of 2009 required minimum distributions:

- This option reflects VALIC standard operations during 2009.** The provisions of Section 6.05(a) apply (Required Minimum Distributions continue in accordance with the terms of the Plan for Participants or Beneficiaries receiving installment payments unless such Participant or Beneficiary elects otherwise, whereas Required Minimum Distributions are suspended for all other Participants and Beneficiaries).
- The provisions of Section 6.05(b) apply (Required Minimum Distributions continue in accordance with the terms of the Plan for all Participants and Beneficiaries, unless otherwise elected by a Participant or Beneficiary).
- The provisions of Section 6.05(c) apply (Required Minimum Distributions continue in accordance with the terms of the Plan for all Participants and Beneficiaries, but only Participants or Beneficiaries receiving installment payments may elect otherwise).
- Other: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Not applicable (Plan established as a new Plan after 2009). (Do not complete subsection (b) below.)

(b) For purposes of Section 6.05(d), the Plan will treat the following as eligible rollover distributions in 2009:

- This option reflects VALIC standard operations during 2009.** A direct rollover option shall be offered only for distributions that would be eligible rollover distributions without regard to Code Section 401(a)(9)(H).
- Eligible rollover distributions shall include 2009 Required Minimum Distributions and installment payments that include 2009 Required Minimum Distributions.
- Eligible rollover distributions shall include 2009 Required Minimum Distributions, but only if paid with an additional amount that is an eligible rollover distribution without regard to Code Section 401(a)(9)(H).

14. Optional Benefit Accruals under HEART Act. (Check one.)

- The optional benefit accrual provisions described in Section 4.12 for individuals who die or become disabled while performing qualified military service shall not apply.
- The optional benefit accrual provisions described in Section 4.12 for individuals who die or become disabled while performing qualified military service shall apply effective \_\_\_\_\_, \_\_\_\_\_ (insert date not earlier than first day of 2007 Plan Year).

15. Governing Law. This Plan shall be construed under the laws of the State/Commonwealth of \_\_\_\_\_ (insert State/Commonwealth). This Plan shall be subject to any applicable State, county or local deferred compensation rules and regulations.

The Employer hereby causes this Adoption Agreement to be executed by its duly authorized representative on the date specified below.

Employer (Please Print): \_\_\_\_\_

Employer's Signature: \_\_\_\_\_

Name (Please Print): \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_



**PARTICIPATION AGREEMENT  
SECTION 457(b) DEFERRED COMPENSATION PLAN  
(Governmental)**

Complete this page *only* if more than one Employer will adopt this Section 457(b) Deferred Compensation Plan. Each Participating Employer must execute a separate Participation Agreement.

Check here if not applicable and do not complete this page.

The undersigned governmental entity, by executing this Participation Agreement, elects to become a Participating Employer in the Section 457(b) eligible deferred compensation plan identified in the accompanying Adoption Agreement and below (the "Plan"), as if the Participating Employer were a signatory to the Adoption Agreement for the Plan. The Participating Employer accepts, and agrees to be bound by, all of the elections made by the signatory Employer in the Adoption Agreement for the Plan, except as otherwise provided in this Participation Agreement.

1. EFFECTIVE DATE. (Note: The Effective Date of the Participating Employer's adoption of the Plan cannot be earlier than the original effective date of the Plan, as adopted by the signatory Employer. If the Participating Employer is adopting the Plan as a restatement of an existing governmental Section 457(b) plan of the Participating Employer, the Effective Date of the Participating Employer's adoption of the Plan must not be earlier than the later of (i) the original effective date of the Participating Employer's existing Section 457(b) plan, (ii) the effective date of the most recent restatement of the Plan by the signatory Employer, or (iii) the first day of the Plan Year that includes the date the Participation Agreement is executed.)

The Effective Date of the Participating Employer's adoption of the Plan is: \_\_\_\_\_, \_\_\_\_\_.

2. NEW PLAN/RESTATEMENT. The Participating Employer's adoption of this Plan constitutes: (Check one.)

The adoption of a new governmental Section 457(b) plan by the Participating Employer.

An amendment and restatement of a governmental Section 457(b) plan currently maintained by the Participating Employer identified as the \_\_\_\_\_ and having an original effective date of \_\_\_\_\_, \_\_\_\_\_.

The Participating Employer hereby causes this Participation Agreement to be executed by its duly authorized representative on the date specified below.

Plan Name (Please Print): \_\_\_\_\_

Participating Employer Name (Please Print): \_\_\_\_\_

Participating Employer's Signature: \_\_\_\_\_

Name (Please Print): \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Acceptance by the Signatory Employer of the Adoption Agreement.

Signatory Employer Name (Please Print): \_\_\_\_\_

Signatory Employer's Signature: \_\_\_\_\_

Name (Please Print): \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**BASIC PLAN DOCUMENT**  
**SECTION 457 (b) DEFERRED COMPENSATION PLAN**  
**(Governmental)**

**ARTICLE I. INTRODUCTION**

This 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. DEFINITIONS**

- 2.01 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.
- 2.02 Adoption Agreement: The separate agreement which is executed by the Employer and sets forth the elective provisions of this Plan as specified by the Employer.
- 2.03 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.
- 2.04 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.
- 2.05 Code: The Internal Revenue Code of 1986, as amended, and regulations thereunder.
- 2.06 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. The term Compensation includes amounts that are excludable from an Employee's gross income and that are contributed by the Employer at the Employee's election to a cafeteria plan, qualified transportation fringe benefit plan, a Section 401(k) arrangement, a SARSEP, a Section 403(b) arrangement, a SIMPLE plan or another Section 457(b) plan of the Employer. For years beginning after 2008, Compensation shall include "differential wage payments," as that term is defined in Section 2.17 (Includible Compensation).
- 2.07 Deferred Compensation: The amount of Compensation otherwise payable to the Participant that the Participant elects to defer hereunder (as either pre-tax Elective Deferral Contributions or after-tax Designated Roth Contributions), any amount credited to a Participant's Account by reason of a transfer under Section 8.01, or any other amount that the Employer agrees to credit to a Participant's Account (as an Employer Contribution) and that does not exceed the Maximum Limitation.
- 2.08 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 pre-tax Elective Deferral and/or after-tax Designated Roth Contributions, if applicable, that the Participant elects to defer; 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.
- 2.09 Designated Roth Contribution: The amount of a Participant's Compensation that he elects to defer to the Plan (as Deferred Compensation) on an after-tax basis.
- 2.10 Elective Deferral Contribution: The amount of a Participant's Compensation that he elects to defer to the Plan (as Deferred Compensation) on a pre-tax basis.
- 2.11 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).

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- 2.12 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).
- 2.13 Employee: Any individual, whether appointed, elected or under contract, providing services for the Employer for which compensation is paid. For years beginning after December 31, 2008, the term Employee also includes an individual receiving "differential wage payments," as that term is defined in Section 2.17 (Includible Compensation), from the Employer.
- 2.14 Eligible Employee: An Employee who, based on the Employer's elections in the Adoption Agreement, is eligible to participate in the Plan.
- 2.15 Employer: The entity identified in the Adoption Agreement, which entity is a State, political subdivision of a State, or an agency or instrumentality of a State or political subdivision of a State.
- 2.16 Employer Contribution: The amount (if any) that the Employer contributes to the Plan (as Deferred Compensation) that does not reduce (on a pre-tax or an after-tax basis) the Participant's Compensation for the Plan Year.
- 2.17 Includible Compensation: For a taxable year, the Participant's compensation, as defined in Code Section 415(c)(3), for services performed for the Employer. For years beginning after 2008, Includible Compensation shall include "differential wage payments," as defined in Code Section 3401(h)(2) (a payment by the Employer to an individual with respect to any period during which the individual is performing service in the uniformed services while on active duty for a period of more than 30 days, and which payment represents all or a portion of the wages the individual would have received from the Employer if the individual were performing service for the Employer). The amount of Includible Compensation shall be determined without regard to any community property laws.
- 2.18 Maximum Limitation: The maximum amount that may be deferred under this Plan (other than rollover amounts described in Section 8.02) 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 2.18(c) below) or 100% of the Participant's Includible Compensation.
- (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 2.18(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.

- (c) Applicable Dollar Amount: The applicable dollar amount shall be the amount determined in accordance with the following table:

For taxable years beginning in calendar year:	The applicable dollar amount:
2012	\$17,000
2013	\$17,500
2014	\$17,500
2015	\$18,000
2016	\$18,000
2017	\$18,000

The applicable dollar amount shall be adjusted for cost-of-living increases in accordance with Code §457(e)(15).

- (d) [Reserved]
- (e) Age-Based Catch-Up Contributions: In addition to any other limit set forth in this section, a Participant who will attain age 50 (or greater) in the calendar year may contribute an additional amount, which amount is adjusted for cost-of-living increases in accordance with Code §414(v)(2)(C). The Age-Based Catch-Up Contribution limit for the 2017, 2016 and 2015 calendar years is \$6,000 and for the 2014, 2013 and 2012 calendar years is \$5,500.
- (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.
- 2.19 Normal Retirement Age: The age that determines the period during which a Participant may utilize the Catch-Up Limitation of Section 2.18(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 Code Section 415(b)(2)(H)(ii)(I), then such qualified police officer or firefighter may designate an alternative Normal Retirement Age that is between age 40 and age 70½.
- Once a Participant has to any extent utilized the Catch-Up Limitation of Section 2.18(b), his Normal Retirement Age may not be changed.
- 2.20 Participant: Any Eligible Employee who has enrolled in this Plan pursuant to the requirements of Article IV or who has previously deferred compensation under this Plan and who has not received a distribution of his entire benefit under the Plan.
- 2.21 Plan Year: The 12-month period commencing each January 1st and ending on the following December 31st.
- 2.22 Severance from Employment: Termination of the Participant's employment relationship with the Employer. For years after 2008, solely for purposes of the withdrawal restrictions of Code Section 457(d)(1)(A), an individual shall be treated as having been severed from employment during any period the individual is performing service in the uniformed services, as described in Code Section 3401(h)(2)(A). 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.
- 2.23 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 III. ADMINISTRATION

- 3.01 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 6.08 of this Plan.
- 3.02 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 6.08 of this Plan.
- 3.03 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 IV. PARTICIPATION IN THE PLAN

- 4.01 Participant. An Eligible Employee becomes a Participant when he has executed and entered into a Deferred Compensation Agreement with the Employer. An Eligible Employee is not precluded from becoming a Participant by reason of having received a pre-1997 cash-out distribution (upon separation from service) of \$3,500 or less from a Code Section 457(b) plan.
- 4.02 Enrollment in the Plan. An Eligible Employee may elect to defer Compensation for a calendar month by entering into a Deferred Compensation Agreement before the first day of the month in which the Compensation is paid or made available. A new Eligible Employee may defer Compensation payable in the calendar month which includes the first day of employment by entering into a Deferred Compensation Agreement on or before the first day of employment.

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- 4.03 Minimum Deferral Amount. At the time of entering into or amending a Deferred Compensation Agreement hereunder, an Eligible Employee or Participant must agree to defer a minimum periodic amount as specified by the Plan Administrator.
- 4.04 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. The Employer may suspend a Participant's Elective Deferral Contributions and/or Designated Roth Contributions for up to 6 months in the event a Participant takes a hardship distribution from the Employer's Section 401(k) plan or Section 403(b) arrangement if required under the terms of such plan or arrangement. A Participant may change the Beneficiary designated in his Deferred Compensation Agreement at any time by giving written notice to the Plan Administrator.
- 4.05 Revocation of Deferred Compensation Agreement. A Participant may revoke his Deferred Compensation Agreement and his Compensation shall be restored 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.
- 4.06 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 4.05, may again become an active Participant by executing a new Deferred Compensation Agreement with the Employer prior to the beginning of the calendar month for which it is to be effective.
- 4.07 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.
- 4.08 Deferrals of Sick, Vacation, and Back Pay. Subject to approval of the Employer, an Eligible Employee or 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.
- 4.09 Deferrals of Amounts Paid After Severance from Employment. Subject to the approval of the Employer:
- (a) An Eligible Employee or Participant may elect to defer certain amounts that are paid after Severance from Employment, but only if such amounts are
    - (1) paid by the later of 2½ months after Severance from Employment or the end of the calendar year that includes the date of Severance from Employment, and
    - (2) one of the following types of compensation:
      - (i) regular compensation for services rendered by the Eligible Employee or Participant (including base pay, overtime, shift differential, commission, bonus or other similar pay), so long as these amounts would have been paid to the Eligible Employee or Participant prior to termination of employment if the Eligible Employee or Participant had not had a Severance from Employment; or
      - (ii) payments for accrued but unused sick, vacation or other leave, but only if the Eligible Employee or Participant would have been able to use such leave if employment had continued.
  - (b) An Eligible Employee or Participant may also elect to defer amounts paid to the Eligible Employee or Participant during periods when the Eligible Employee or Participant is not performing services for the Employer by reason of qualified military service (as that term is used in Code Section 414(u)(1)), but only to the extent those payments do not exceed the amount the Eligible Employee or Participant would have received if the Eligible Employee or Participant had continued to perform services for the Employer rather than entering qualified military service.
  - (c) An Eligible Employee or Participant may also elect to defer amounts paid to the Eligible Employee or Participant during a period when the Eligible Employee or Participant is not performing services for the Employer because the Eligible Employee or Participant is permanently and totally disabled (as that term is defined in Code Section 22(e)(3)), so long as either:
    - (1) the Eligible Employee or Participant was not a highly compensated employee (as defined in Code Section 414(q)) immediately before becoming permanently and totally disabled, or
    - (2) the plan under which the disability payments are made provides for payments to all Eligible Employees or Participants who are permanently and totally disabled for a fixed or determined period.
- 4.10 Designated Roth Contributions. If elected by the Employer in the Adoption Agreement, the Participant may designate that all or a portion of his/her elective contributions to the Plan be treated as after-tax Roth contributions (referred to herein as "Designated Roth Contributions"). Such designation must be made before the date upon which the amounts designated would otherwise have

been payable to the Participant (but for the election to defer), and such designation must be irrevocable on and after that date. Designated Roth Contributions (and the earnings thereon) shall be accounted for separately from all other contributions to the Plan (including rollovers of Roth contributions from other plans and in-plan Roth conversions) and the earnings on those contributions. If a Participant takes a distribution of less than 100% of his Account (including an In-Service Distribution or an Unforeseeable Emergency Withdrawal), the Participant may designate whether such distribution shall be made from the Participant's pre-tax Elective Deferral Contributions or after-tax Designated Roth Contributions.

- 4.11 Employer Contributions. If elected by the Employer in the Adoption Agreement, the Employer may/shall make contributions (that are not part of the Participant's Compensation) to the Plan as additional Deferred Compensation. Employer contributions may, but need not, be accounted for separately from Employee pre-tax Elective Deferral Contributions, but shall be accounted for separately from Designated Roth Contributions, amounts converted to Roth contributions through an in-plan Roth conversion, and rollover contributions (whether from a non-Roth account or a designated Roth account). If the Employer elects in the Adoption Agreement to make contributions in lieu of withholding/paying FICA taxes (hereinafter referred to as "FICA Opt-out Contributions") for some or all Participants for a given pay period, such contributions must total at least 7.5% of the Participant's Compensation for the pay period, and must be 100% vested at all times. If the Employer requires Participants to make mandatory salary reduction (i.e., pre-tax) contributions to the Plan as a condition of employment (hereinafter referred to as "Employee Mandatory Contributions"), such contributions shall be treated as Employer Contributions for all purposes under this Plan (including the 7.5% of Compensation requirement for FICA Opt-out Contributions).
- 4.12 Compliance with HEART Act. In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Code Section 414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service), if any, provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. If (and only if) the Employer elects in the Adoption Agreement, then effective as of the date elected in the Adoption Agreement, the Plan shall treat an individual who dies or becomes disabled (as defined in Code Section 72(m)(7)) while performing qualified military service with respect to the Employer as if the individual had resumed employment in accordance with the individual's reemployment rights under USERRA, on the day preceding death or disability (as the case may be) and terminated employment on the actual date of death or disability. The Plan will determine the amount of Elective Deferral Contributions (or Designated Roth Contributions) of an individual treated as employed under this section for purposes of applying Code Section 414(u)(8)(C) on the basis of the individual's average actual Elective Deferral Contributions (or Designated Roth Contributions) for the lesser of (i) the 12-month period of service with the Employer immediately prior to the qualified military service or (ii) the actual length of continuous service with the Employer.

## ARTICLE V. INVESTMENT OF DEFERRED COMPENSATION

- 5.01 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 5.02 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.
- 5.02 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 Code Section 457(g) (1). 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.

- 5.03 Benefits Based on Participant's Account Value. The benefits paid to a Participant or Beneficiary pursuant to Article VI 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.
- 5.04 Periodic Reports. Each Participant shall receive periodic reports, not less frequently than annually, showing the then-current value of his Account.
- 5.05 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. This direction shall be effective only until such time as the Participant or Beneficiary exercises his right to direct the investment of such amounts in accordance with the terms of the Plan.

## ARTICLE VI. BENEFITS

- 6.01 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 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 1st 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 6.03.
- 6.02 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 6.01.
- 6.03 Payment Options. A Participant (or a Beneficiary as provided in Sections 6.06 or 6.07) 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 requirements set forth in Section 6.04:
- (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.

- 6.04 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 Code Section 401(a)(9). 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 31st of the calendar year immediately following the calendar year in which the Participant died, or by December 31st of the calendar year in which the Participant would have attained age 70½, 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 31st of the calendar year immediately following the calendar year in which the Participant died.
- (3) If there is no designated Beneficiary as of September 30th of the year following the year of the Participant's death, the Participant's entire interest shall be distributed by December 31st 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 Code Section 401(a)(9).

- (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.



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- (2) If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30th 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 paragraphs (1) and (2), above.
  - (4) If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30th of the year following the year of the Participant's death, distribution of the Participant's entire interest shall be completed by December 31st 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 2.04 of the Plan and is the designated Beneficiary under Code Section 401(a)(9) 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 31st 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 70½; 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 30th of the calendar year in which distribution would be required to begin under subsection (b), or by September 30th 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).

6.05 2009 Required Minimum Distributions ("RMDs").

- (a) Continuation of RMDs for Participants Receiving Installment Payments Unless Otherwise Elected by the Participant; Suspension of RMDs for All Other Participants. This paragraph applies if elected by the Employer in the Adoption Agreement or if no election is made by the Employer in the Adoption Agreement. Notwithstanding the provisions of Code Section 401(a)(9)(H), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are one or more payments in a series of installments (that include 2009 RMDs), will continue to receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect not to receive the distributions that include 2009 RMDs. For all other Participants and Beneficiaries, the requirement to receive the 2009 RMD shall be suspended in accordance with Code Section 401(a)(9)(H).

- (b) Continuation of RMDs for All Participants Unless Otherwise Elected by the Participant. This paragraph applies if elected by the Employer in the Adoption Agreement. Notwithstanding the provisions of Code Section 401(a)(9)(H), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are either (1) equal to the 2009 RMDs or (2) one or more payments in a series of installments (that include 2009 RMDs), will receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.
- (c) Continuation of RMDs for All Participants Unless Otherwise Elected by Participants Receiving Installment Distributions. This paragraph applies if elected by the Employer in the Adoption Agreement. Notwithstanding the provisions of Code Section 401(a)(9)(H), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code Section 401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are either (1) equal to the 2009 RMDs or (2) one or more payments in a series of installments (that include the 2009 RMDs), will receive those distributions for 2009. However, Participants and Beneficiaries receiving installments will be given the opportunity to elect not to receive the distributions that include 2009 RMDs.
- (d) Direct Rollovers. Notwithstanding the provisions of the Plan relating to required minimum distributions under Code Section 401(a)(9), and solely for purposes of applying the direct rollover provisions of the Plan, certain additional distributions in 2009, as elected by the Employer in the Adoption Agreement, will be treated as eligible rollover distributions. If no election is made by the Employer in the Adoption Agreement, then a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Code Section 401(a)(9)(H).

6.06 Post-Retirement Death Benefits. Should the Participant die after he has begun to receive benefits under an annuity payment option, the guaranteed or remaining payments, if any, under the annuity payment option shall be payable to the Participant's Beneficiary commencing with the first payment due after the death of the Participant. If the Beneficiary does not continue to live for the remaining period of payments under the annuity payment option, then the remaining benefits under the annuity payment option shall be paid to the Beneficiary's beneficiary or, if none, the Beneficiary's estate. Should the Participant die after he has begun to receive benefits under any other payment option, 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. Should the Beneficiary die before the completion of payments under an annuity payment option or before distribution of the entire Participant Account, then the value of the remaining payments under the annuity payment option, or the value of the Participant Account in a lump sum, respectively, shall be paid to the Beneficiary's beneficiary or, if none, the Beneficiary's estate. Payment to the Participant's Beneficiary under this section must comply with Code Section 401(a)(9), and with any additional Code limitations applicable to the Plan. 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.

6.07 Pre-Retirement Death Benefits. Should the Participant die before he has begun to receive benefits under Section 6.01, 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 Code Section 401(a)(9), and with any additional Code limitations applicable to the Plan. Should the Beneficiary die before the completion of payments under an annuity payment option or before distribution of the entire Participant Account, the value of the remaining payments under the annuity payment option, or the value of the Participant Account in a lump sum, shall be paid to the Beneficiary's beneficiary or, if none, the Beneficiary's estate.

6.08 Unforeseeable Emergency Withdrawals. If the Employer so elects in the Adoption Agreement, 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)) of the Participant or Beneficiary may also constitute an unforeseeable emergency. Except as otherwise specifically provided in this Section 6.08, 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.

Unless otherwise elected in the Adoption Agreement, then effective as of August 17, 2006, a Participant's unforeseeable emergency includes a severe financial hardship of the Participant's primary beneficiary under the Plan, that would constitute an unforeseeable emergency if it occurred with respect to the Participant's spouse or dependent as defined under Code Section 152. For purposes of this section, a Participant's "primary beneficiary under the Plan" is an individual who is named as a Beneficiary under the Plan and has an unconditional right to all or a portion of the Participant's account balance under the Plan upon the Participant's death.

- 6.09 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.
- 6.10 Participant's Election to Receive In-Service Distribution. If the Employer so elects in the Adoption Agreement, 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 6.10 or under Section 6.11.
- 6.11 Distribution without Participant's Consent. If the Employer so elects in the Adoption Agreement, 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 6.11 or under Section 6.10.
- 6.12 In-plan Roth Conversions. If the Employer so elects in the Adoption Agreement, Participants may elect to convert certain pre-tax Elective Deferral Contributions, Employer Contributions or rollover contributions to after-tax Roth contributions in an in-plan (taxable) conversion. Such conversion shall be accomplished through a direct rollover from the Participant's applicable pre-tax account to his Roth conversion account (such that there is no actual distribution from the Plan). In-plan Roth conversions are expressly limited to amounts that are currently distributable to the Participant under both Code Section 457(d)(1)(A) and the terms of the Plan. Rollover contributions made on or after January 1, 2006 may be converted at any time. Amounts attributable to Elective Deferral Contributions or Employer Contributions generally cannot be converted before the Participant has attained age 70½ or has had a Severance from Employment. If the Employer elects in the Adoption Agreement to allow in-service distribution of small, inactive accounts, such amounts shall also be eligible for conversion under this section. All in-plan Roth conversions shall be taxable to the Participant in the year of the conversion.
- 6.13 Distributions to Individuals Performing Service in Uniformed Services. If (and only if) elected by the Employer in the Adoption Agreement, a Participant who is deemed to have incurred a Severance from Employment on account of performing services in the uniformed services (as defined in chapter 43 of title 38, United States Code) for a period of active duty of more than 30 days may elect to receive a distribution of all or a portion of the Participant's Account under the Plan. However, the Plan will not distribute the Participant's Account without the Participant's consent. If the Participant elects to receive a distribution under this provision, the Participant may not make an Elective Deferral Contribution or a Designated Roth Contribution to the Plan during the 6-month period beginning on the date of the distribution.
- 6.14 Eligible Retired Public Safety Officer Distribution Deduction Election. Unless the Employer elects otherwise in the Adoption Agreement, for distributions in taxable years beginning after December 31, 2006, an "Eligible Retired Public Safety Officer" may elect annually for that taxable year to have the Plan (i) deduct an amount from the distribution which the Eligible Retired Public Safety Officer otherwise would receive (and include in income) and (ii) pay such deducted amounts directly to the provider of an accident or health insurance plan or qualified long-term care insurance contract. The amount deducted (and paid to the provider) may not exceed the lesser of \$3,000 or the amount the Participant paid for such taxable year for qualified healthcare premiums, and which otherwise complies with Code Section 402(l). For purposes of this section: (i) an "Eligible Retired Public Safety Officer" is an individual who, by reason of disability or attainment of normal retirement age, has experienced a Severance from Employment

as a Public Safety Officer with the Employer, (ii) a "Public Safety Officer" has the same meaning as in Section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968, and (iii) the term "qualified health insurance premiums" means premiums for coverage for the Eligible Retired Public Safety Officer, his spouse and dependents, by an accident or health plan or a qualified long-term care insurance contract (as defined in Code Section 7702B(b)).

#### ARTICLE VII. NON-ASSIGNABILITY

7.01 In General. Except as provided in Section 7.02, 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.

7.02 Domestic Relations Orders.

- (a) Allowance of Transfers: Notwithstanding Section 7.01, 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.
- (d) Effective April 6, 2007, a domestic relations order will not fail to be a domestic relations order (1) solely because the order is issued after, or revises, another domestic relations order; or (2) solely because of the time at which the order is issued, including issuance after the annuity starting date or after the Participant's death. A domestic relations order described in this paragraph is subject to the same requirements and protections that apply to domestic relations orders.

#### ARTICLE VIII. TRANSFERS AND ROLLOVERS

8.01 Transfers. This Plan shall accept and allow transfers, pursuant to Code Section 457, 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 8.01 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 paragraph (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 2.18, except that, for purposes of applying the limit of Section 2.18, 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 Code Section 414(d)) 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 paragraph (b) may be made before the Participant has had a Severance from Employment.

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

- 8.02 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.

8.03 Non-spousal Beneficiary Rollovers.

- (a) For distributions after December 31, 2009, and unless otherwise elected in the Adoption Agreement, for distributions between January 1, 2007 and December 31, 2009, a non-spouse Beneficiary who is a "designated beneficiary" under Code Section 401(a)(9)(E) and the regulations thereunder, may roll over, by a direct trustee-to-trustee transfer ("direct rollover"), all or any portion of his distribution to an individual retirement account the Beneficiary establishes for purposes of receiving the distribution. In order to roll over the distribution, the distribution otherwise must satisfy the definition of an Eligible Rollover Distribution.
- (b) Although a non-spouse Beneficiary may roll over directly a distribution as provided in paragraph (a) above, any distribution made prior to January 1, 2010, is not subject to the direct rollover requirements of Code Section 401(a)(31) (including Code Section 401(a)(31)(B)), the notice requirements of Code Section 402(f) or the mandatory withholding requirements of Code Section 3405(c)). If a non-spouse Beneficiary receives a distribution from the Plan, the distribution is not eligible for an indirect "60-day" rollover.
- (c) If the Participant's named Beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account on behalf of the trust, provided the trust satisfies the requirements to be a "designated beneficiary" within the meaning of Code Section 401(a)(9)(E).
- (d) A non-spouse Beneficiary may not roll over an amount which is a required minimum distribution, as determined under applicable Treasury regulations and other Internal Revenue Service guidance. If the Participant dies before his required beginning date and the non-spouse Beneficiary rolls over to an IRA the maximum amount eligible for rollover, the Beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Section 1.401(a)(9)-3, A-4(c) of the regulations, in determining the required minimum distributions from the IRA that receives the non-spouse Beneficiary's distribution.

## ARTICLE IX. LOANS

If the Employer so elects under the Adoption Agreement, 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 X. AMENDMENT OR TERMINATION OF PLAN

- 10.01 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.
- 10.02 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 XI. 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 XII. 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 XIII. 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.

#### ARTICLE XIV. PARTICIPATING EMPLOYERS

- 14.01 Adoption of Plan. With the consent of the Employer, the Plan may be adopted by any other governmental entity described in Code Section 457(e)(1)(A), and each such adopting entity shall be known as a Participating Employer. Such adoption of the Plan shall be evidenced by completion of a Participation Agreement signed by both the Employer and the Participating Employer.
- 14.02 Participating Employer's Plan. Each Participating Employer shall be treated as the sponsor of its own separate governmental Code Section 457(b) eligible deferred compensation plan, subject to the terms and conditions of this Plan document. Accordingly, although the assets of the Plan may be held in a single trust (or annuity contract or custodial account that is treated as a trust), the assets attributable to the Employer and to each Participating Employer shall be accounted for separately. Except as provided below, wherever a right or obligation is imposed upon the Employer by the terms of the Plan, the same shall extend to each Participating Employer under the Plan, and shall be separate and distinct from that imposed upon the Employer.
- 14.03 Participating Employer's Participation. Except as otherwise provided below, it is the intention of the Employer that each Participating Employer shall be a party to the Plan and shall be treated in all respects as the Employer thereunder, with its employees to be considered as Employees or Participants, as the case may be, under the Plan. However, the participation of a Participating Employer in the Plan shall in no way diminish, augment, modify, or in any way affect the rights and duties of the Employer or its Employees under the Plan.
- 14.04 Severance from Employment. For purposes of Section 2.22 (Severance from Employment), the term Employer means the governmental entity that the Participant was employed by (or under contract with) at the time of his termination of employment.

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- 14.05 Plan Administrator. For purposes of Article III (Administration), each Participating Employer shall serve as (or appoint another person to serve as) the Plan Administrator of such Participating Employer's plan. Each Participating Employer (or the person designated by such Participating Employer as the Plan Administrator of that Participating Employer's plan) 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 its participation in the Plan and to make discretionary decisions affecting the rights or benefits of its own Participants under the Plan.
- 14.06 Investments and Administrative Services. Only the Employer shall have the right to enter into contracts or agreements with investment providers or other companies providing administrative services to the Plan. The Employer shall act as the agent of each Participating Employer with respect to such investment contracts and/or services agreements. The Employer's choice of investment and administrative service providers shall be binding on each Participating Employer and, by signing the Participation Agreement, the Participating Employer agrees to be bound by the terms and conditions of any such investment contracts and/or services agreements.
- 14.07 Amendment or Termination of the Plan. Only the Employer shall have the right to amend or terminate the Plan under Article X. The Employer's amendment or termination of the Plan shall be binding on each Participating Employer and, by signing the Participation Agreement, the Participating Employer agrees to be bound by the terms and conditions of any such amendment or termination of the Plan.
- 14.08 Revocation of Participation. A Participating Employer may at any time (by written notice to the Employer) revoke its participation in the Plan, in which case the Participating Employer must adopt its own plan document and provide its own trust or other funding arrangement for the assets attributable to its Participants. If a Participating Employer revokes its participation in the Plan, the Employer shall direct the Trustee of the Plan's trust (and/or the issuer of any annuity contract or the custodian of any custodial account holding Plan assets) to transfer the Plan assets attributable to the Participating Employer's Participants to such separate funding arrangement as soon as administratively practicable following the Participating Employer's revocation of its participation in the Plan.

**RESOLUTION NO. 2020-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RIO LINDA/ ELVERTA COMMUNITY WATER DISTRICT TO ~~AMEND AND RESTATE~~ ADOPT THE VALIC 457 DEFERRED COMPENSATION PLAN, AUTHORIZE INDIVIDUALS TO ACT ON BEHALF OF THE PLAN AND TERMINATE THE CURRENT ADMINISTRATION AGREEMENT WITH NATIONWIDE**

*WHEREAS*, the District ~~desires to adopt~~, pursuant to Resolution No. 2005-14, which amended Resolution No. 2003-01 under the authority of the its Board of Directors pursuant to Section 457(b) of the Internal Revenue Code, a 457 Deferred Compensation Plan ("Plan") with VALIC Financial Advisors, Inc for nondiscretionary administrative services, including recordkeeping, contribution allocation services and Plan maintenance service; and

*WHEREAS*, an ~~additionally existing~~ 457 Deferred Compensation Plan administration agreement with Nationwide was executed in December 2014; and

~~*WHEREAS*, the District desires to amend the Plan and authorize the General Manager to act on behalf of the Plan; and~~

*WHEREAS*, the District desires to eliminate Nationwide Retirement Solutions, as authorized plan administrator and allow employee investments in Nationwide to be transferred to the VALIC administrated accounts for the employees.

***NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:***

1. The VALIC Plan ~~Amendment~~ attached hereto as Exhibit A shall take effect immediately following the adoption of this resolution.
2. The Board of Directors hereby authorizes the General Manager to execute and deliver to the Administrator of the Plan such documents as may be necessary or desirable in order to carry out the intent of the forgoing resolution and required under the Plan to make the Plan fully effective in accordance with its terms and intent.
3. The District Designates the General Manager, Timothy R. Shaw as the District's signatory as described in Exhibit A.
4. In the event of a change in the office of General Manager, and/or the unavailability of the General Manager, the District designates the person holding the office of President of the District Board of Directors as the alternative signatory.



***APPROVED AND ADOPTED*** by the Board of Directors of the Rio Linda / Elverta Community Water District on this ~~24th~~16th day of ~~February~~March 2020. By the following vote:

AYES:  
NAYS:  
ABSENT:  
ABSTAIN:

ATTEST:

\_\_\_\_\_  
Jason Green  
President, Board of Directors

\_\_\_\_\_  
Timothy R. Shaw  
Secretary of the Board of Directors

DRAFT



## **Items for Discussion and Action**

### **Agenda Item: 4.7**

**Date:** March 16, 2020

**Subject:** Update on the District's Backlog of Meter Replacements

**Staff Contact:** Timothy R. Shaw, General Manager

#### **Recommended Committee Action:**

The March 2<sup>nd</sup> Executive Committee discussed this item and forwarded the item to the March 16<sup>th</sup> Board agenda to allow discussion by all Board Members.

#### **Current Background and Justification:**

The District has a backlog of meters needing replacement. These meters have been in service for 12-years and are radio-read meters. In 2008, there was a concentrated effort to replace the manual-read meters with radio-read meters to save the District's ratepayers on labor costs associated with manually reading meters. Consequently, a disproportionately large number of 2008 of meters are now inoperable. The District's current operations staffing level contributed to our inability to keep up with the demand for meter replacements.

The current District meter standard is Automated Metering Information (AMI) meters, which are virtually read continuously. Even if batteries were available for the 2008 radio-read meters, a battery change to continue using meters that don't meet the current infrastructure and require more effort to read would be a wasteful band aid solution.

In February the District ordered 95 new AMI meters and hired a temporary employee to assist in decreasing the backlog of meter replacements. The District has been able to install about 50 of those new meters. A minor budget revision is necessary to order additional meters prior to the end of the current fiscal year.

The District's recruitment and selection process concluded on March 11<sup>th</sup> having interviewed 10 applicants for the two vacancies. The District has made conditional offers of employment to two of the applicants. Both offers were made to employees with state Distribution Operator licenses and considerable experience installing meters. The District intends to continue employing the temporary employee until we reach the hours limit on temporary employee employment (PERS and MOU).

**Conclusion:**

No Board action is required on this item.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla:\_\_\_\_\_ Harris:\_\_\_\_\_ Jason Green \_\_\_\_\_ Gifford \_\_\_\_\_ Reisig\_\_\_\_\_.  
**(A) Yea (N) Nay (Ab) Abstain (Abs) Absent**

## RLECWD Agenda Item Checklist

## Item 4.7

Date

**Initial Potential Meeting Date**3/16/2020

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

Update on the District's Backlog of Meter Replacements

2/26/2020**Staff Work Completed**

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

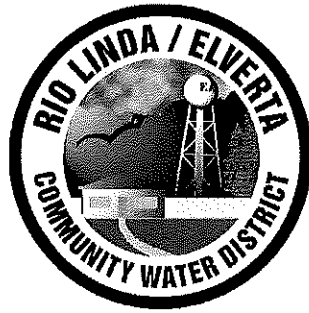
**Committee Review of Item and Staff Work**3/2/2020

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

**Formal Legal Counsel Review**N/A

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

**GM Review**3/12/2020**Actual Meeting Date Set for Agenda Item**3/16/2020



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

**Date:** March 16, 2020

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

**Staff Contact:** Timothy R. Shaw

**Recommended Committee Action:**

N/A

**Current Background and Justification:**

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

**Conclusion:**

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

Particularly, it may be appropriate to approve the assignment of Director Harris to the SGA Budget Committee. Similarly, the Board should consider assigning a Director or the GM to the Sacramento Region Water Utility Collaboration Study Steering Committee (Board action is NOT required to assign the GM).

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla:\_\_\_\_ Harris:\_\_\_\_ Jason Green \_\_\_\_ Gifford \_\_\_\_ Reisig \_\_\_\_.

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



**Information Items**  
**Agenda Item: 5.1**

**Date:** March 16, 2020

**Subject:** District Reports

**Staff Contact:** Timothy R. Shaw, General Manager

**1. DISTRICT ACTIVITY REPORT**

1. Operations Report
2. Conservation Report

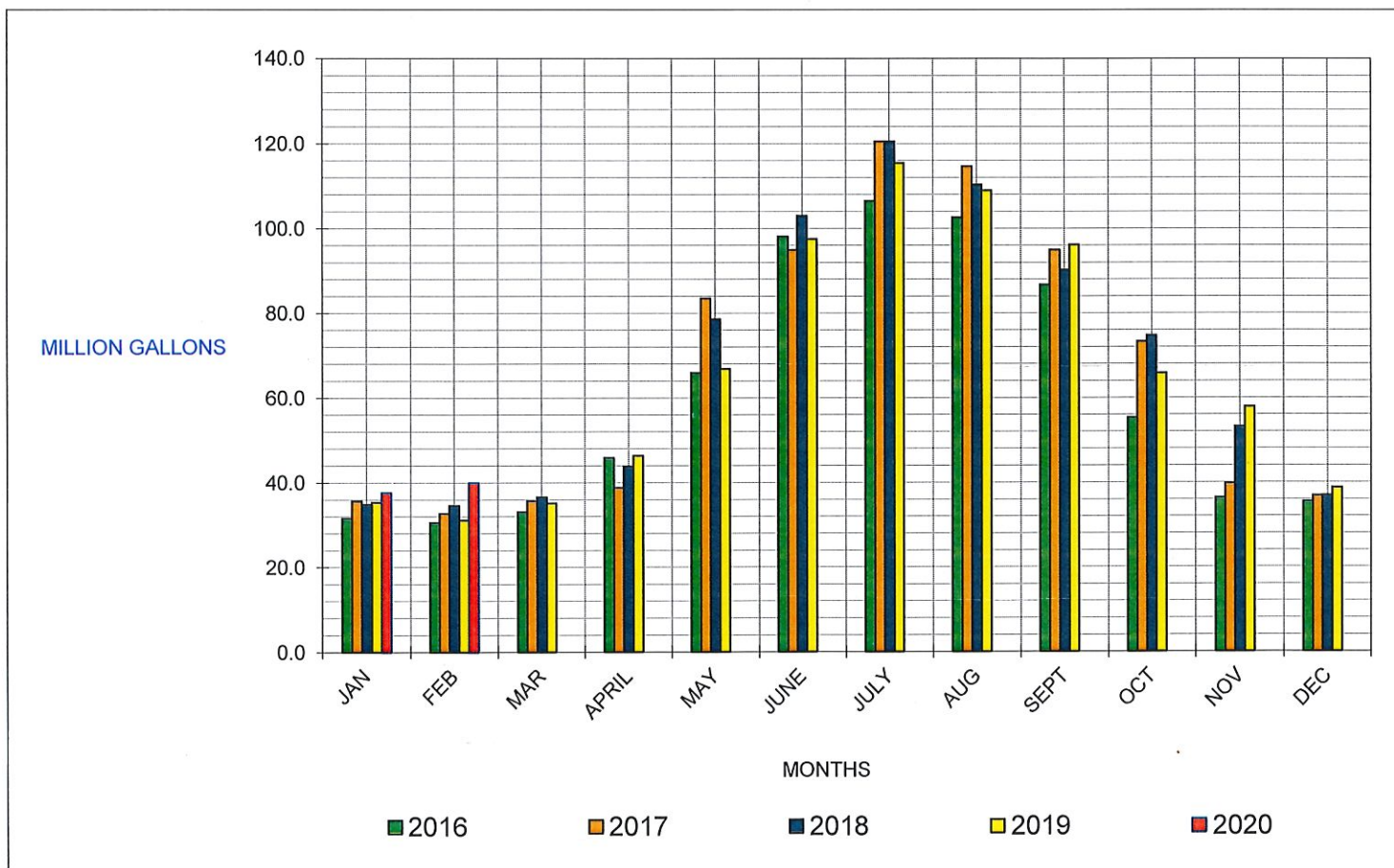


## RIO LINDA/ELVERTA C.W.D.

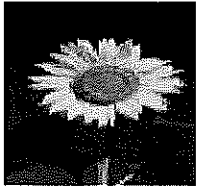
### WATER PRODUCTION

2015 \ 2019

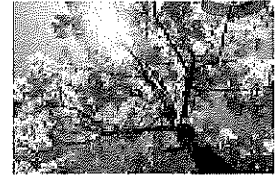
Month	Water Production in Million Gallons					Avg.	SSWD Water Purchases				
	2016	2017	2018	2019	2020		2016	2017	2018	2019	2020
JAN	31.5	35.6	34.8	35.3	37.6	35.0	0.0	0.0	0.0	0.0	0.0
FEB	30.5	32.7	34.5	31.1	40.0	33.8	0.0	0.0	0.0	0.0	0.0
MAR	33.0	35.6	36.5	35.1		35.1	0.0	0.0	0.0	0.0	
APRIL	45.8	38.8	43.7	46.3		43.7	0.0	0.0	0.0	0.0	
MAY	65.9	83.4	78.5	66.8		73.7	0.0	0.0	0.0	0.0	
JUNE	98.0	94.9	102.9	97.5		98.3	0.0	0.0	0.0	0.0	
JULY	106.4	120.5	120.5	115.4		115.7	0.0	0.0	0.0	0.0	
AUG	102.6	114.6	110.3	108.9		109.1	0.0	0.0	0.0	0.0	
SEPT	86.7	94.9	90.1	96.1		92.0	0.0	0.0	0.0	0.0	
OCT	55.2	73.2	74.7	65.8		67.2	0.0	0.0	0.0	0.0	
NOV	36.3	39.7	53.1	57.8		46.7	0.0	0.0	0.0	0.0	
DEC	35.4	36.7	36.8	38.7		36.9	0.0	0.0	0.0	0.0	
<b>TOTAL</b>	<b>727.3</b>	<b>800.6</b>	<b>816.4</b>	<b>794.8</b>	<b>77.6</b>	<b>784.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>







## Conservation Report February 2020



<b>Supplies (kits):</b>	Shower heads(0) Kitchen Aerators(0) Bathroom Aerators(0) Shower Timer(0) Nozzle(0) Toilet Tabs(5) Moisture Meters(0) Water Bottles(0) Toilet Tummy(0) Retro-Fit Kits(1) Welcome Kits(1) Kids Kit(0)
<b>Water Waste</b> (calls, emails, letter, leaks detected, and fixed):	1 Water Waste Call(s) 19 contacts about possible leaks using the AMI system - 5 were called, 5 was mailed, 9 was emailed 5 was confirmed resolved as of 2/29/2020
<b>Water Schedule:</b>	given to customers with all violation letters and new applications
<b>Surveys</b>	0
<b>Workshops, Webinar, Meetings:</b>	None
<b>Fines:</b>	None
<b>Other Tasks:</b>	<ul style="list-style-type: none"> <li>● Assisted with payments and new customers</li> <li>● Processed Payments</li> <li>● Created/completed work orders</li> <li>● Disconnect properties with no service application</li> <li>● Notified and offered customers the ACH payment method</li> <li>● Closed accounts and final billed customers</li> <li>● Printed stamps</li> <li>● Mailed out application requests to new owners</li> <li>● Scanned and uploaded documents into UMS</li> <li>● Reached put to customers with higher than normal water usage</li> <li>● Verbal Demands</li> </ul>
<b>Grant Updates:</b>	None



## Information Items Agenda Item: 5.2

**Date:** March 16, 2020

**Subject:** Board Reports

**Staff Contact:** Timothy R. Shaw, General Manager

### 2. BOARD REPORTS

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

**REGIONAL WATER AUTHORITY  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
Thursday, March 12, 2010, 9:00 a.m.**

5620 Birdcage Street, Suite 110  
Citrus Heights, CA 95610  
(916) 967-7692

**AGENDA**

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

1. **CALL TO ORDER AND ROLL CALL**
2. **PUBLIC COMMENT**
3. **CONSENT CALENDAR**
  - a. Minutes from the November 14, 2019 Regular Board meeting and the January 9, 2020 Regular Board meeting  
**Action: Approve the November 14, 2019 Regular Board meeting minutes and the January 9, 2020 Regular Board meeting minutes**
4. **FISCAL YEAR 2020 – 2021 BUDGET DEVELOPMENT OVERVIEW**  
Presentation: Josette Reina-Luken, Financial and Administrative Services Manager
5. **VOLUNTARY AGREEMENT AD HOC COMMITTEE UPDATE**  
Information Update and Discussion: Kerry Schmitz, Ad Hoc Committee Chair
6. **FEDERAL AFFAIRS AD HOC COMMITTEE UPDATE**  
Information Update and Discussion: Sean Bigley, Ad Hoc Committee Chair
7. **FEDERAL AFFAIRS PLATFORM**  
Presentation: Jim Peifer, Executive Director  
**Action: Approve Federal Affairs Platform**
8. **STRATEGIC PLAN DEVELOPMENT UPDATE**  
Information and Discussion: Jim Peifer, Executive Director
9. **LEGISLATIVE AND REGULATORY UPDATE**  
Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager
10. **STATE REGULATION UPDATE**  
Presentation: Amy Talbot, Senior Project Manager

**11. SACRAMENTO REGION WATER UTILITY COLLABORATION/INTEGRATION STUDY**

Presentation: Paul Helliker, General Manager, San Juan Water District

**12. EXECUTIVE DIRECTOR'S REPORT**

**13. DIRECTORS' COMMENTS**

**ADJOURNMENT**

Upcoming meetings:

Executive Committee Meeting: Wednesday, March 25, 2020, 8:30 a.m. at the RWA Office.

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

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

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

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

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

**53**

Calvary Lutheran Church  
Sanctuary Room  
515 L Street  
Rio Linda, CA 95673

March 2, 2020  
6:00 p.m.

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

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

**Public Comment: None present.**

**Items for Discussion:**

1.	Update from the Contract District Engineer
<p><i>Mike Vasquez summarized his written report to the Committee and provided additional detail on the status of the Well 16 construction contract award to Anvil Builders. Mike Vasquez also reiterated his plans to speak with the Operations Superintendent regarding the Electric Avenue project. Mike provided a summary of the changes to the Capital Improvement Plan Projects List from his engagement until present.</i></p> <p><b><i>The Executive Committee forwarded an item to allow discussion by all Board Members and seek feedback on the next steps, e.g. a public workshop and/or staff preparation of approximate annualized costs associated with the number, scope and timing of the projects on the list.</i></b></p>	
2.	Review and discuss the expenditures of the District for the month of January 2020.
<p><i>The Committee reviewed the expenditures. Director Reisig asked about the Nationwide expenditures. There were three pairs of Nationwide expenditures in January. Director Reisig additionally questioned the \$75 expenditure, i.e. is that a fee the District pays Nationwide and would the District continue to pay the fee when we switch to VALIC. Tim Shaw explained that the 3 pairs of Nationwide expenditures correlates to three paydays in January. Contributions to the employees' 457 accounts are stipulated in the employment contracts (e.g. MOU). The \$75 amount corresponds to an employee enrolled in a Roth IRA. In this case, "expenditure" is a misnomer because the money comes out of the employee's paycheck not a District expense.</i></p> <p><i>Director Reisig also requested the frequency of the expenditure for Michael Phelan. It is a quarterly reimbursement for medical insurance, and it is stipulated in a lawsuit settlement agreement.</i></p> <p><i>Director Reisig asked why there are payments to both Kaiser and Western Health Advantage. Tim Shaw explained that the District receives its medical insurance via a broker. The broker, Coremark provides at least a half-dozen different options for employees. The District's bottom line remains the same.</i></p> <p><i>Director Green asked about the expenditure for pumping a septic tank. Tim Shaw explained that a leak in a District water main collected and filled a property owner's septic tank via the clean out.</i></p> <p><b><i>The Executive Committee forwarded the January 2020 Expenditures Report onto the March 16<sup>th</sup> consent agenda with the Committee's recommendation for Board approval.</i></b></p>	
3.	Review and discuss the financial reports for the month of January 2020.
<p><b><i>The Executive Committee forwarded the January 2020 financial reports onto the March 16<sup>th</sup> Board agenda with their recommendation for Board approval.</i></b></p>	

4.	Discuss the status of meter replacements backlog and the staffing shortage limiting recovery.
<p><i>Tim Shaw provided an up to date status report on staffing improvements and corresponding decrease in the backlog of meter replacements. Tim's report included an estimate of the number of meters already replaced and anticipated for replacement before the end of the fiscal year (250 meters). The backlog, approximately 200 meters, corresponds to the relatively high number of manual-read meters that were replaced with radio-read meters in 2008. The District needs to average approximately 450 meter replacements every year to balance the meters' service life with the total number of meters in service.</i></p> <p><i>Director Green recommended Tim Shaw provide an update post to the District's Facebook page.</i></p> <p><b><i>The Executive Committee directed an item of discussion be placed on the March 16<sup>th</sup> Board agenda to allow all Board Members to participate and receive the update.</i></b></p>	
5.	Discuss the appropriateness and limitations for District participation in the "Rio Linda Elverta Chamber of Commerce". (item requested by Director Reisig)
<p><i>The Executive committee discussed the agenda item report and the supplemental materials included with this item. Tim Shaw elaborated further on the misalignment between a government agency that is NOT for profit and an organization of business coalesced for the primary objective of increasing profits. Tim Shaw further explained the pitfalls of having District money (public dollars) spent for political campaigns. Tim Shaw advised that the limited justification for participating with a Chamber of Commerce would be outreach. Specifically, outreach for the purposes of achieving water use efficiency in Commercial, Industrial, Institutional (CII) customers (reference SB 606).</i></p> <p><i>Director Reisig indicated the he has a personal desire to participate in the Chamber of Commerce, even if he has to pay the membership dues out of his own pocket. However, Director Reisig's membership requires an endorsement from the RLECWD Board of Directors</i></p> <p><i>For the perspective of timing: the Rio Linda Elverta Chamber of Commerce does not currently exist as a legally defined entity. Director Reisig reports that a new group of leaders is trying to re-establish the tax-exempt status and resolve the financial disparity created by the last group of participants who referred to themselves as the "Chamber of Commerce".</i></p> <p><b><i>An item for discussion and possible action will be placed on the March 16<sup>th</sup> Board agenda. Appropriately, there is no Executive Committee recommendation for the Board because the Executive Committee Directors are not in agreement.</i></b></p>	
6.	Discuss new information (received the day after the February Board meeting) requiring a revision to Resolution 2020-01, amending and restating the VALIC 457 Plan
<p><i>Tim Shaw summarized his written agenda item report.</i></p> <p><b><i>The Executive Committee forward an item to revise Resolution 2020-01 to correct the inaccurate verbiage with the Committee's recommendation for Board approval.</i></b></p>	

**Directors' and General Manager Comments**

None

**Items Requested for Next Month's Committee Agenda**

None

**Adjournment**

**7:15 P.M.**

Next Executive Committee meeting: Monday, April 6, 2020 at 6:00 p.m. Visitor's/Depot Center, 6730 Front Street, Rio Linda, CA 95673



**PENDING AND COMPLETED ITEMS  
3-16-2020 BOARD OF DIRECTORS MEETING**

1. **Update the District's Capital Improvement Projects List.** The March 2nd Executive Committee discussed the Capital Improvement Projects List and forwarded an item onto the March 16<sup>th</sup> Board agenda. **Pending**
2. **SB-606 and AB-1668 planning for compliance** – I conducted a pre-bid meeting on March 5<sup>th</sup>. Two respondents attended. Two other respondents have called/emailed with questions. All correspondence conveys legitimate interests. **Pending**
3. **Transition to Cloud-Based Service for District's Advanced Metering Infrastructure (AMI) Vendor** Met with Adept Solutions about the transition. Prodded CUSI and Ferguson (billing and metering vendors respectively) about dragging their feet. **Pending**
4. **Filling the at Distribution System Operator vacancies,** Interviewed 10 applicants. Created the eligibility list. Called the top two ranked candidates and scheduled each to come sign their letters for conditional offers of employment. **Pending**
5. **Backlog of Meter Replacements** The performance of the temporary employee and remaining regular employees (including the Operations Superintendent) has exceeded our expectations and are ahead of schedule. We now need to order additional meters before the end of the fiscal year, which will entail a GM minor budget revision. **Pending**
6. **Execution of Construction Contract for Well 16** the contract with Anvil Builders and the notice to proceed has been executed. Pre-construction meeting was held March 11<sup>th</sup>. **Completed**
7. **Meet and Confer with Teamsters for Revisions to Operator Foreman Position Description and Pay Scale** **Completed.**



## **Agenda Item: 6**

**Date:** March 16, 2020

**Subject:** Public Comment for Closed Session

**Staff Contact:** Timothy R. Shaw, General Manager

### **6. PUBLIC COMMENT FOR CLOSED SESSION**

Public comment for closed session items only. The public is invited to comment on any item listed on the closed session agenda. Each speaker is limited to 2 minutes.





**Closed Session  
Agenda Item: 7.1**

**Date:** March 16, 2020

**Subject:** Closed Session

**Staff Contact:** Timothy R. Shaw, General Manager

7. **CLOSED SESSION** - The Board of Directors will convene to Closed Session to discuss the following item.

**CONFERENCE WITH LABOR NEGOTIATORS** - (Pursuant to Government Code Section 54957.6) District Negotiators, Shaw.

RLECWD Employee General Unit, Teamster Local 150 Meet and Confer regarding proposed new policy affecting non-exempt employee pay and working conditions.



**Reconvene Open Session  
Agenda Item: 8.1**

**Date:** March 16, 2020

**Subject:** Report of Action Taken in Closed Session

**Staff Contact:** Timothy R. Shaw, General Manager

**8.1 Report of Action Taken in Closed Session**

The Board will disclose any reportable actions taken and/or directed in closed session.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Ridilla: \_\_\_\_\_ Harris: \_\_\_\_\_ Jason Green \_\_\_\_\_ Gifford \_\_\_\_\_ Reisig \_\_\_\_\_.

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