

**MINUTES OF THE APRIL 19, 2021
BOARD OF DIRECTORS REGULAR MEETING
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

1. CALL TO ORDER, ROLL CALL

The April 19, 2021 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:30 p.m. via Zoom Video Conference. (late due to technical difficulties experienced by Board Member seeking to participate) This meeting was held in accordance with executive order n-29-20, issued by California governor Gavin Newsom on March 17, 2020, the Ralph M. Brown act (California government code section 54950, et seq.), and the federal Americans with disabilities act. General Manager Tim Shaw took roll call of the Board of Directors. President Jason Green, Director Robert Reisig, Director Mary Harris, Director Chris Gifford, Director Ridilla and General Manager Tim Shaw, Legal Counsel Barbara Brenner, public member Stephanie Suela, and “Koda” were present.

2. PUBLIC COMMENT

Public Member Suela indicated she continues to oppose the recommended rate restructuring. Included in Ms. Suela’s stated reasons for opposing is the as of yet undefined elements of the outdoor water use efficiency. Ms. Suela indicated that she has read SB 606 and AB 1668 and does not find any reference to the 3.3 persons per household that was referenced at the March 15th Board meeting. Ms. Suela requests that the GM provide her with the details of the 3.3 persons per dwelling unit that is used to determine the gallons per day per person for SB 606 et al.

3. CONSENT CALENDAR

3.1 Minutes – March 22, 2021

3.2 February Expenditures

3.3 February Financial Reports

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

REGULAR CALENDAR

4. ITEMS FOR DISCUSSION AND ACTION

4.1 General Manager’s Report

The General Manager presented his monthly report and offered to answer any questions the Board may have. Among the answered questions were on the topics of the Sacramento County Board of Supervisors Workshop on Elverta Specific Plan. Director Harris requested clarification on the meeting with Enersponse X, a business seeking to enroll commercial electricity customers in demand response programs. The General Manager’s explanation of the potential infeasibility due to SMUD vs. PG&E (public vs. private utilities) resulted in comments from public member Suela asserting that SMUD has time of use pricing disincentives that should be leveraged to encourage water conservation and may lead to a finding that rate restructuring is not necessary for addressing the SB 606 and AB 1668 water use efficiency mandates. The General Manager was asked for more information on the meeting with Twin Rivers Unified School District (TRUSD). The General Manager characterized the TRUSD meeting to discuss potential impacts to TRUSD water bills from rates restructuring as productive and clarifying. The

General Manager further reported that TRUSD has assigned a contact person for further coordination on the subject of rates restructuring.

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 and offered to answer questions. The report highlighted topics of Development Reviews, Well 16 Pumping Station Construction Project.

Questions/comments included those on the status of Well 16 and requests if any further sampling has been performed. Director Green commented on the rapid progress occurring on the Fox Hallow subdivision.

The Board made no action on this item.

4.2.2 Revised RFP for Pipe Replacement Project

The Contract District Engineer presented his report and summarized the direction provided at the March 15th Board and April 5th Executive Committee meetings. Director Harris requested clarification on the pipe diameter and timing of the project commencement. The Contract District Engineer also responded to Directors' questions on the need for more resilient pipe materials when to accommodate higher flowrates when Well 16 Pumping Station goes into service.

It was moved by Director Harris and seconded by Director Green to approve the revised RFP for pipe replacement and further direct staff to solicit responses. Directors Green, Ridilla, Gifford, Reisig and Harris voted yes. The motion carried with a roll call vote of 5-0-0.

4.3 Rate Adjustment Proposition 218 Notice

The General Manager presented the item. Questions and comments from Directors and public member Suela included reiteration of the perceived lack of documented statutory delineation of the 3.3 persons per dwelling unit for determining compliance with the gallons per day per person mandates in SB 606. The General Manager explained that a concise explanation of the 3.3 persons per dwelling unit, which is consequent to the inapplicability of using the census population because RLECWD does not serve the entire Rio Linda and entire Elverta census designated places, can be found in the District's 2015 Urban Water Management Plan. The General Manager went on to convey parallel reporting requirements are included in the DRINC Portal (State Water Resource Control Board, Division of Drinking Water online reporting site).

Additional elements discussed included the 5-year (5 annual adjustments). Director Harris encouraged viewing the proposed rate adjustments as the maximum amount the rates will be at the end of 5-years. The General Manager explained that each years adjustment is subject to Board approval. The Prop 218 process requires disclosure of the maximum amount the rates could be. However, for example, the 5 annual adjustments assume a 3% annual inflation of costs of service. If one or more of those years entailed something less than 3%, the Board could implement a lower than authorized adjustment for that year. Public Member Suela reiterated her opposition to the rates adjustment.

The General Manager reviewed the timing of Board Actions needed to enable implementation of the proposed rates adjustment to be effective in July 2021. Director Green observed that the draft notice included in the packets contains highlighted sections to be filled in by Board action, e.g., the location of the public hearing. The General Manager reviewed the nature of the fill-in as a function of the evolving guidance for public gathering during the pandemic. The General Manager conveyed that he and Director Reisig had reviewed a half dozen Prop 218 Notices from water purveyors in our region having performed

the rates adjustment process during the pandemic. Each similarly situated water purveyor conducted their public hearings virtually (e.g., Zoom) exclusively, or a combination of virtual and in-person within the guidance provided for public gatherings. The General Manager suggested that the Board action for authorizing the Prop 218 Notice include authorizing the Chair and General Manager to fill in the public hearing location details as appropriate for the public hearing, especially noting the recent announcement from the governor on planned lifting of all restrictions on June 15th (6-days prior to the proposed public hearing date).

It was moved by Director Reisig and seconded by Director Ridilla to approve the Proposition 218 Notice as described. Directors Green, Ridilla, Gifford, and Reisig voted yes. Director Harris voted no. The motion carried with a roll call vote of 4-1-0.

4.4 Engagement of Independent Auditor.

The General Manager presented the item and explained the corrected misinformation. Misinformation inspired the recommendation of the April 5th Executive Committee, to perform a Request for Proposals (RFP) to engage a new firm for auditing. The existing auditing firm, Fechter and Company has performed to past six audits. The General Manager further explained that the relevant statute, CA Government Code 12410.6 allows for auditing beyond six consecutive years if the audit can be performed by a different licensed auditor at the same firm. Until recently, the District believed such alternative auditor at the same firm was unavailable. Mr. Scott German of Fechter and Company is available. Mr. German prefers a higher level of documentation associated with audit commencement be performed. The engagement documents included with this item reflect Mr. German's required audit commencement documentation.

It was moved by Director Harris and seconded by Director Reisig to authorize the engagement of Mr. Scott German pursuant to Government Code 12410.6. Directors Green, Gifford, Reisig, Harris and Ridilla voted yes. The motion carried with a roll call vote of 5-0-0.

4.5 Waive Sealed Bid Requirements for Procuring a New Dump Truck

The General Manager presented the item and summarized the District's policy for sealed bids for assets exceeding \$25,000. The GM further conveyed his efforts to use collective bidding programs (e.g., CMAS and National Joint Powers Purchasing Alliance or NJPA) available exclusively to government entities. CMAS does not offer dump trucks. Although NJPA has dump trucks, and the contracts indicate the dump trucks are 30% below MSRP, the NJPA price is more than \$10,000 more than a private dealer in Whittier, CA for the same 2021 F650 dump truck. In order to procure the Whittier dump truck and save the ratepayers at least \$10,000, the District would need to waive the sealed bid requirements in the relevant District policy.

It was moved by Director Reisig and seconded by Director Gifford to waive the Districts sealed bid requirements for the procurement of a new dump truck and authorize the purchase not to exceed \$72,000 plus tax and fees. Green, Ridilla, Gifford, Reisig and Harris voted yes. The motion carried with a roll call vote of 5-0-0.

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

No Public Comment on this item.

The Board President announced there was no need for new Board Member assignments this month.

5 INFORMATION ITEMS

5.1. DISTRICT ACTIVITY REPORT

- 5.1.1. Water Operations - Report provided.
- 5.1.2. Conservation - Report Provided.
- 5.1.3 Completed and Pending Items Report- Report provided.

5.2. BOARD REPORTS

- 5.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
- 5.2.2. Sacramento Groundwater Authority – Harris, Reisig.
- 5.2.3. Sacramento Groundwater Authority (RWA and SCGA) 3x3- Reisig- No Meeting.
- 5.2.4 Executive Committee – Green, Reisig - Minutes provided.
- 5.2.5. ACWA/JPIA – Ridilla - No Report
- 5.2.6 LAFCo Special District Advisory Committee – Reisig -No Meeting.

Each primary assigned Board Member was provided the opportunity to report. Director Reisig (3 X 3 Committee) announced that the 3 X 3 Committee has been obviated by the planned multi-agencies workshop to explore consolidation among Regional Water Authority, Sacramento Groundwater Authority and Sacramento Central Groundwater Authority.

6. DIRECTORS’ AND GENERAL MANAGER COMMENTS – Director Harris complimented Director Green on the administration of this meeting

7. ADJOURNMENT

President Green adjourned the meeting at 8:15 p.m.
Respectfully submitted,

Signature on File
Timothy R. Shaw, Secretary

Signature on File
Jason Green, President of the Board