

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

JUNE 15, 2020 (6:30 p.m.)

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

Join Zoom Meeting

<https://us02web.zoom.us/j/84834182801?pwd=VjlicXNDcDA5bTdGdGpoS3hFaE5zUT09>

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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

May 18, 2020

The Board is being asked to approve the Minutes from the May 18, 2020 Regular Board Meeting.

3.2. Expenditures

The Finance & Administrative Committee recommends the Board approve the April Expenditures.

3.3. Financial Reports

The Finance & Administrative Committee recommends the Board approve the April 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. Consider ratifying a field change order for the Well 16 Pumping Station project to accommodate standard SMUD pull box requirements.

4.4. Consider authorizing a preliminary, generally described easement on the Well 16 project necessary to accommodate SMUD facilities. Such easement to be legally described and recorded by SMUD subsequent to SMUD facilities completion.

4.5. Consider authorizing a response to Robin Perry's request that RLECWD relinquish or modify an existing easement on the parcel adjacent to the Well #14 parcel.

4.6. Consider adopting a Preliminary Budget for fiscal year 2020/2021.

4.7. Consider providing direction to staff in response to requests for clarifications from the rate study consultant.

4.8. Receive staff report on the Governor's Executive Orders relevant to District operations and consider providing direction to staff as may be deemed necessary and appropriate.

4.9. Consider adopting Resolution 2020-03 authorizing an Administrative Services Agreement with Empower for the District's IRS, Section 457 Deferred Compensation Plan.

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

5. INFORMATION ITEMS

5.1. District Activities Reports

5.1.1. Water Operations Report

5.1.2. Conservation Report

5.1.3. GM Minor Budget Revision # 3 for Fiscal Year 2019/2020.

5.1.4. Completed and Pending Items 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

6. DIRECTORS' AND GENERAL MANAGER COMMENTS

7. ADJOURNMENT in memory of Jane Lee Smith

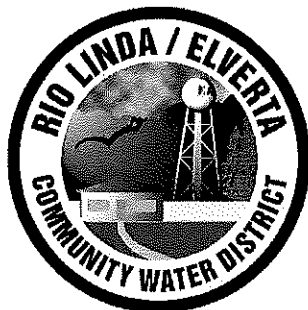
Upcoming meetings:

Executive Committee

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

Regular Board Meeting

July 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: June 15, 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
MAY 18, 2020
BOARD OF DIRECTORS REGULAR MEETING
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

1. CALL TO ORDER, ROLL CALL

The May 18, 2020 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:33 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, Director John Ridilla and General Manager Tim Shaw were present. Director Mary Harris called into the meeting by telephone. Kerry Fuller called into the meeting as the representative for Legal Counsel. Director Green led the pledge of allegiance.

2. PUBLIC COMMENT

No Public Comment

3. CONSENT CALENDAR

3.1 Minutes

April 20, 2020

3.2 Expenditures

3.3 Financial Reports

Director Reisig requested a correction be made in section 4.7 of the April 20, 2020 minutes that the word unanimous be removed since the vote was 4-1-0.

No public comment.

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

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 and Well 16 Pumping Station Construction Project.

No public comment on this item.

The Board made no action on this item.

4.3 Consider Ratifying the Field Change Order on Well #16 Project.

Anvil Builders, Inc., the contractor for the Well 16 Pump Station Project, notified me of unsuitable existing soil conditions at the western part of the Well 16 site on April 30, 2020. The unsuitable existing condition consisted of wet soil that could not dry due to a hard pan layer located beneath it. Soil in this condition cannot be compacted to the 90% compaction requirement, and therefore surface features such as pavement, concrete slabs, and structures cannot be constructed overtop. This encumbered an approximately 50' x 80' area, about 2' deep, for a total volume of about 300 cubic yards.

Upon notification from the contractor, I immediately met with the General Manager and Operations Superintendent to discuss next steps. The contractor needed a response by that evening on how the District wanted to proceed, or construction would be delayed without immediate resolution. The General Manager, Operations Superintendent, and I agreed that the unsuitable soil needed to be removed from the site and new, suitable soil, would need to be installed in its place. I received a quote from the contractor, not to exceed \$18,000, with work beginning the following morning. In agreement with the General Manager and Operations Superintendent, in the afternoon of April 30, 2020, I authorized the contractor to perform the required work and avoid any construction delay claims.

For the District to ratify this change order, the Board is requested to authorize staff to execute a construction contract change order and necessary documents with the contractor. This \$18,000 change is a 0.67% increase in the construction contract amount of \$2,691,400.00 and utilizes 4.2% of the \$428,600 construction contingency.

No public comment.

It was moved by Director Reisig and seconded by Director Harris to approve the construction contract change order in the amount of \$18,000.00 Anvil Builders, Inc. Directors Reisig, Gifford, Harris Ridilla and Green voted yes. The motion carried with unanimous vote of 5-0-0.

4.4 Consider Approving a Policy and Amount for Future (if needed) Field Change Orders on Well 16 Project.

Construction is dynamic and often times requires swift resolution of unforeseen conditions and changes at the construction site to prevent the District from incurring construction delay charges and to keep the contractor moving forward efficiently and on schedule. As discussed in Item 4.3 of this Board Meeting's agenda, staff moved swiftly to provide the Well 16 Pump Station contractor with direction to mitigate an unforeseen soils condition and to prevent potential delay claims. To ratify the increased contract budget to perform the additional soils work, staff requested that the Board take action in Item 4.3 to formally approve the construction contract change order 18 days after the work was directed to proceed. Had staff waited the 18 days to receive authorization from the Board to approve the additional soils work, the contractor could have been on standby while the District provided direction.

To avoid potential delays in construction and contractor delay claims, staff is requesting the Board adopt a policy authorizing staff to execute as needed future construction contract change orders and necessary documents with Anvil Builders, Inc. in amounts not to exceed \$25,000 for the Well 16 Pump Station Project. This would allow staff to quickly execute budget amendments with the Well 16 contractor for unforeseen or additional construction work deemed necessary to keep construction on schedule, and in the best interest of the District and its rate payers. It is proposed that the General Manager, Operations Superintendent, and District Engineer all assess that any additional construction work is deemed necessary before authorizing the contractor to proceed with any work and approving change orders. The Executive

Committee and Board will be informed monthly with any changes in construction work and budget amendments.

No public comment.

It was moved by Director Reisig and seconded by Director Ridilla to authorize staff to execute as needed future construction contract change orders and necessary documents with Anvil Builders, Inc. in amounts not to exceed \$25,000 for the Well 16 Pump Station Project. Directors Reisig, Gifford, Harris, Ridilla and Green voted yes. The motion carried with unanimous vote of 5-0-0.

4.5 Consider Authorizing the Annual Declaration of Doubtful Recovery Debt.

The District is a tax-exempt, non-profit government agency owned by the Rio Linda/Elverta community. When customers do not pay for the water services provided, and for which the District has incurred costs (payroll, energy, materials, etc.), the District has a responsibility to recover the costs via all reasonable methods. Failure to collect the cost of providing service results in transferring the cost burden from the non-paying customers to the paying customers. Pursuant to statutory requirements and District policy, the District must make all reasonable efforts to recover the cost of providing service.

Sometimes, despite all reasonable efforts, the District cannot recover the cost of providing service. Circumstances leading to non-recovery of costs include; bankruptcy declarations, short sells and other means of transferring property ownership faster than the District can record liens, failure by the District to exercise all reasonable efforts within the statutory time limits and/or pursuant to statutory requirements.

In the circumstances where the district cannot recover the cost of providing service, the District is compelled to declare the debt as "doubtful recovery" AKA write off (although the term write off is prone to connote the private sector accounting principle of writing off the loss as a tax deduction.

Pursuant to District Policy 3.05.140, included with your Boards packets is the list of accounts for consideration to be declared as doubtful recovery.

No public comment.

It was moved by Director Ridilla and seconded by Director Reisig to approve the list of accounts totaling \$4,027.21 to be written off. Directors Reisig, Gifford, Ridilla and Green voted yes. Director Harris abstained. The motion carried with a vote of 4-0-1.

4.6 Consider Authorizing a District Policy Establishing a Threshold for Capitalized Assets.

The District currently has no policies on the threshold for capitalizing assets. A document, *GFOA Primer Capitalization Thresholds*, is included with your Committee packets. The Government Finance Officers Association (GFOA) document provides a concise explanation and reasoning a for establishing a threshold for capitalizing assets.

Despite the above stated absence of a policy, our annual independent audit report inaccurately conveys the District has a policy and established threshold. Other District practices and documents are consistent with this de facto threshold for capitalizing assets at \$1,500. This threshold is uncommonly low. It should be raised, as recommended by GFOA, to \$5,000.

No public comment.

It was moved by Director Ridilla and seconded by Director Gifford to adopt Capital Assets Policy 3.05.180. Directors Reisig, Gifford, Green, Ridilla and Harris voted yes. The motion carried with unanimous vote of 5-0-0.

4.7 Consider Authorizing a District Policy Establishing a Threshold for Processing Checks to Reconcile Closed Accounts.

The District does not have a policy of the minimum amount of refund to process when a customer's account is closed. This results in waste and inefficiency when refund checks are processed for small amounts. Checks are processed now for a few cents, e.g. \$0.68. In context, the District cost for processing a refund check is at least \$15. This excludes any valuation of the Board Members' time for signing checks, and sometimes Q&A on why we process such small check amounts.

No public comment.

It was moved by Director Harris and seconded by Director Reisig to adopt the Policy 3.05.170 Customer Final Bill Refunds. Directors Gifford, Green, Ridilla, Reisig and Harris voted yes. The motion carried with unanimous vote of 5-0-0.

4.8 Consider Authorizing the District's Withdrawal from the Regional Water Authority.

The RLECWD Board began its last discussed withdrawing from RWA when RWA adopted its policy, 500.16 clarifying how withdrawing member agencies obligation to fund unfunded liabilities. The Board discussions endured sporadically for about one year and concluded last spring with the turnover on the RLECWD Board. The estimated withdrawal liability provided by RWA is \$17,451.

More recently RLECWD and RWA have experience philosophical and programmatic divergence in the areas of expanding scope (e.g. Federal Affairs and Voluntary Agreements) and governance transparency (e.g. Brown Act compliance and perpetual advisory or ad hoc committees). The RLECWD Board has authorized a letter expressing the District's concerns without achieving the desired RWA redress. Multiple email outreach attempts in plain language have either been ignored, defended with narrowly construed interpretation or brushed off. These responses and lack thereof are not necessarily the opinions of the RWA Board of Directors.

Existing RWA policy empowers a single Board Member to place an item on an upcoming RWA agenda. One possible RLECWD approach could be to neutralize the current influence of the RWA Executive Director, Board Chair and like minded RWA members to place policy revisions onto the upcoming RWA Board agenda. If that does not produce the desired outcome, the District is free to exercise its withdrawal option, which has financial consequences.

Based on the withdrawal liability of \$17,451 and the current annual membership dues for RLECWD, the District would break even (amount saved from not paying annual dues = amount paid in withdrawal liability) in two years.

No public comment.

It was moved by Director Ridilla and seconded by Director Gifford for the District to withdrawal from membership in the Regional Water Authority (RWA). Directors Reisig, Gifford, Green, Ridilla and Harris voted yes. The motion carried with unanimous vote of 5-0-0.

4.9 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.

5. INFORMATION ITEMS

5.1. DISTRICT ACTIVITY REPORT

5.1.1. Water Operations Report

5.1.2. Conservation Report – No report was provided.

5.2. BOARD REPORTS

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

5.2.2. Regional Water Authority –Gifford, Shaw –Agenda Provided.

5.2.3. Sacramento Groundwater Authority – Harris, Reisig. No Meeting.

5.2.4. Executive Committee – Green, Reisig - Minutes provided.

5.2.5. ACWA/JPIA – Ridilla - No Report

5.2.6. Ad Hoc Committee –None

5.3. OTHER REPORTS – No Completed and Pending Items report.

6. DIRECTORS' AND GENERAL MANAGER COMMENTS – None.

7. ADJOURNMENT

President Jason Green adjourned the meeting at 7:34 p.m.

Respectfully submitted,

Timothy R. Shaw, Secretary

Jason Green, President of the Board



**Consent Calendar
Agenda Item: 3.2**

Date: June 15, 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 April 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 April 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
April 2020**

Type	Date	Num	Name	Memo	Amount
Liability Check	04/08/2020	EFT	QuickBooks Payroll Service	For PP Ending 04/04/20 Paydate 04/09/2020	17,143.95
Liability Check	04/09/2020	EFT	CalPERS	For PP Ending 04/04/20 Paydate 04/09/2020	2,284.76
Liability Check	04/09/2020	EFT	CalPERS	For PP Ending 04/04/20 Paydate 04/09/2020	1,055.60
Liability Check	04/09/2020	EFT	Nationwide	Deferred Compensation Plan: Employer & Employee Share	1,221.65
Bill Pmt -Check	04/09/2020	EFT	Adept Solutions	Computer Maintenance	1,333.00
Bill Pmt -Check	04/09/2020	EFT	Comcast	Phone/Internet	234.93
Bill Pmt -Check	04/09/2020	EFT	PG&E	Utilities	66.36
Bill Pmt -Check	04/09/2020	EFT	Republic Services	Utilities	86.52
Liability Check	04/09/2020	EFT	Internal Revenue Service	Employment Taxes	5,969.24
Liability Check	04/09/2020	EFT	Employment Development	Employment Taxes	1,174.93
Bill Pmt -Check	04/09/2020	EFT	Umpqua Bank Credit Card	Computer, Office, Postage, Trans Maint, Licensing	1,549.43
Bill Pmt -Check	04/09/2020	EFT	Voyager Fleet Commander	Transportation Fuel	227.36
Transfer	04/09/2020	EFT	RLECWD	Umpqua Bank Monthly Debt Service Transfer	16,500.00
Check	04/09/2020	1198	Customer	Hydrant Meter Deposit Refund	723.70
Check	04/09/2020	1199	Customer	Final Bill Refund	5.34
Check	04/09/2020	1200	Customer	Final Bill Refund	239.07
Bill Pmt -Check	04/09/2020	1201	ABS Direct, Inc.	Postage, Printing	5,863.06
Bill Pmt -Check	04/09/2020	1202	ACWA/JPIA	EAP	23.50
Bill Pmt -Check	04/09/2020	1203	Churchwell White	Legal	480.90
Bill Pmt -Check	04/09/2020	1204	CoreLogic Solutions	Metro Scan	134.75
Bill Pmt -Check	04/09/2020	1205	Elk Grove Security Systems	Security	84.00
Bill Pmt -Check	04/09/2020	1206	Employee Relations	New Employee Hire Expense	132.70
Bill Pmt -Check	04/09/2020	1207	Intermedia.net	Telephone	75.02
Bill Pmt -Check	04/09/2020	1208	Med 7 Urgent Care Centers	New Employee Hire Expense	199.00
Bill Pmt -Check	04/09/2020	1209	Oreilly Automotive	Transportation Maintenance; Pump Maintenance	457.86
Bill Pmt -Check	04/09/2020	1210	Phelan, Michael	Retiree Insurance	3,150.00
Bill Pmt -Check	04/09/2020	1211	Rio Linda Elverta Recreation & Park Dist	Meeting Expense	50.00
Bill Pmt -Check	04/09/2020	1212	Rio Linda Hardware & Building Supply	Shop Supplies	312.81
Bill Pmt -Check	04/09/2020	1213	Sierra Chemical Company	Chemical Supplies	861.30
Bill Pmt -Check	04/09/2020	1214	SMUD	Utilities	13,675.12
Bill Pmt -Check	04/09/2020	1215	Spok, Inc.	Field Communication	15.19
Bill Pmt -Check	04/09/2020	1216	USA BlueBook	Safety; Lab Supplies	2,864.57
Bill Pmt -Check	04/09/2020	1217	Vanguard Cleaning	Janitorial	195.00
Check	04/15/2020	EFT	WageWorks	FSA Administration Fee	76.25
Check	04/17/2020	EFT	ARCO	Transportation: Fuel	446.60
Liability Check	04/22/2020	EFT	QuickBooks Payroll Service	For PP Ending 04/18/2020 Paydate 04/23/2020	18,458.62
Liability Check	04/23/2020	EFT	CalPERS	For PP Ending 04/18/2020 Paydate 04/23/2020	2,604.54
Liability Check	04/23/2020	EFT	CalPERS	For PP Ending 04/18/2020 Paydate 04/23/2020	1,055.60
Liability Check	04/23/2020	EFT	Nationwide	Deferred Compensation Plan: Employer & Employee Share	1,196.72
Liability Check	04/23/2020	EFT	Internal Revenue Service	Employment Taxes	6,623.28
Liability Check	04/23/2020	EFT	Employment Development	Employment Taxes	3,123.55
Liability Check	04/23/2020	EFT	Kaiser Permanente	Health Insurance	862.39
Liability Check	04/23/2020	EFT	Principal	Dental & Vision Insurance	1,474.78



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

Type	Date	Num	Name	Memo	Amount
Liability Check	04/23/2020	EFT	Western Health Advantage	Health Insurance	9,358.06
Bill Pmt -Check	04/23/2020	EFT	Verizon	Field Communication, Field IT	464.85
Check	04/23/2020	EFT	RLECWD - Capital Improvement	Current Monthly Transfer	34,000.00
Check	04/23/2020	EFT	RLECWD - Capital Improvement	Vendor refund - Well 10 Project	1,308.20
Check	04/23/2020	EFT	RLECWD - SURCHARGE ACCOUNT 1	Bi-monthly Transfer	130,259.31
Check	04/23/2020	EFT	RLECWD - SURCHARGE ACCOUNT 2	Bi-monthly Transfer	72,978.69
Check	04/23/2020	EFT	RLECWD - CalPERS CERBT	Annual CERBT Budget Contribution	20,000.00
Liability Check	04/23/2020	1219	Customer	Final Bill Refund	10.93
Check	04/23/2020	1220	Customer	Final Bill Refund	1.16
Bill Pmt -Check	04/23/2020	1221	BSK Associates	Lab Fees	1,570.00
Bill Pmt -Check	04/23/2020	1222	EKI Environment & Water	Engineering	5,000.00
Bill Pmt -Check	04/23/2020	1223	Ferguson Enterprises	Meter Maintenance	25,989.30
Bill Pmt -Check	04/23/2020	1224	ICONIX Waterworks	Distribution Supplies	724.08
Bill Pmt -Check	04/23/2020	1225	Oreilly Automotive	Transportation: Maintenance	32.16
Bill Pmt -Check	04/23/2020	1226	RW Trucking	Distribution Supplies	620.83
Bill Pmt -Check	04/23/2020	1227	Unifirst Corporation	Uniforms	229.61
Total 10000 - Bank - Operating Account					<u>416,860.13</u>



Consent Calendar Agenda Item: 3.3

Date: June 15, 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 April 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 April 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
Balance Sheet
 As of April 30, 2020



ASSETS

Current Assets

Checking/Savings

100 · Cash & Cash Equivalents

10000 · Operating Account

10020 · Operating Fund-Umpqua 652,708.43

Total 10000 · Operating Account 652,708.43

10475 · Capital Improvement

10480 · General 1,764,174.65

10485 · Vehicle Replacement Reserve 15,000.00

Total 10450 · Capital Improvement 1,779,174.65

Total 100 · Cash & Cash Equivalents 2,431,883.08

102 · Restricted Assets

102.1 · Restricted Capital Improvements

10700 · ZIONS Inv/Surcharge Reserve 515,060.23

Total 102.1 · Restricted Capital Improvements 515,060.23

102.2 · Restricted for Debt Service

10300 · Surcharge 1 Account 806,955.13

10350 · Umpqua Bank Debt Service 119,140.67

10380 · Surcharge 2 Account 295,926.90

10385 · OpusBank Checking 3,120,625.96

Total 102.2 · Restricted for Debt Service 4,342,648.66

102.4 · Restricted Other Purposes

10600 · LAIF Account 295,201.01

10650 · Operating Reserve Fund 301,590.70

Total 102.4 · Restricted Other Purposes 596,791.71

Total 102 · Restricted Assets 5,454,500.60

Total Checking/Savings 7,886,383.68

Accounts Receivable 0.00

Other Current Assets

12000 · Water Utility Receivable 87,495.90

12200 · Accrued Revenue 150,000.00

12250 · Accrued Interest Receivable 2,153.92

15000 · Inventory Asset 56,276.61

16000 · Prepaid Expense 32,284.64

Total Other Current Assets 328,211.07

Total Current Assets 8,214,594.75

Fixed Assets

17000 · General Plant Assets 727,153.00

17100 · Water System Facilities 20,759,002.47

17300 · Intangible Assets 373,043.42

17500 · Accum Depreciation & Amort -9,282,773.19

18000 · Construction in Progress 1,313,099.20

18100 · Land 576,673.45

Total Fixed Assets 14,466,198.35

Other Assets

19000 · Deferred Outflows 262,764.00

19900 · Suspense Account 11.86

Total Other Assets 262,775.86

TOTAL ASSETS 22,943,568.96

Rio Linda Elverta Community Water District
Balance Sheet
 As of April 30, 2020

LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	42,351.34
Credit Cards	60.00
Other Current Liabilities	579,565.07
Total Current Liabilities	621,976.41
Long Term Liabilities	
23000 · OPEB Liability	211,573.00
23500 · Lease Buy-Back	705,797.27
25000 · Surcharge 1 Loan	4,189,831.90
25050 · Surcharge 2 Loan	3,210,040.16
26000 · Water Rev Refunding	1,952,591.00
27000 · Community Business Bank	294,204.88
29000 · Net Pension Liability	987,630.00
29500 · Deferred Inflows-Pension	5,192.00
29600 · Deferred Inflows-OPEB	26,811.00
Total Long Term Liabilities	11,583,671.21
Total Liabilities	12,205,647.62
Equity	
31500 · Invested in Capital Assets, Net	7,681,067.46
32000 · Restricted for Debt Service	702,232.24
38000 · Unrestricted Equity	1,674,622.00
Net Income	679,999.64
Total Equity	10,737,921.34
TOTAL LIABILITIES & EQUITY	22,943,568.96

Rio Linda Elverta Community Water District
Operating Profit & Loss Budget Performance
 As of April 30, 2020

9

	<u>Annual Budget</u>	<u>Apr 20</u>	<u>Jul 19-Apr 20</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
Ordinary Income/Expense					
Income					
Total 40000 · Operating Revenue	2,715,475.00	157,504.11	2,136,953.90	78.70%	578,521.10
41000 · Nonoperating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	400.00	17.11	1,914.23	478.56%	-1,514.23
Surcharg Total 41110 · Investment Revenue	400.00	17.11	1,914.23	478.56%	-1,514.23
41120 · Property Tax	81,856.00	0.00	55,178.14	67.41%	26,677.86
Total 41000 · Nonoperating Revenue	82,256.00	17.11	57,092.37	69.41%	25,163.63
Total Income	<u>2,797,731.00</u>	<u>157,521.22</u>	<u>2,194,046.27</u>	<u>78.42%</u>	<u>603,684.73</u>
Gross Income	2,797,731.00	157,521.22	2,194,046.27	78.42%	603,684.73
Expense					
60000 · Operating Expenses					
60010 · Professional Fees	142,212.00	5,480.90	70,244.64	49.39%	71,967.36
60100 · Personnel Services					
60110 · Salaries & Wages	722,042.00	52,883.47	575,071.21	79.65%	146,970.79
60150 · Employee Benefits & Expense	472,661.00	49,362.08	350,409.02	74.14%	122,251.98
Total 60100 · Personnel Services	<u>1,194,703.00</u>	<u>102,245.55</u>	<u>925,480.23</u>	<u>77.47%</u>	<u>269,222.77</u>
60200 · Administration	211,230.00	6,546.37	168,531.48	79.79%	42,698.52
64000 · Conservation	300.00	0.00	0.00	0.00%	300.00
65000 · Field Operations	529,200.00	50,544.61	395,159.76	74.67%	134,040.24
Total 60000 · Operating Expenses	<u>2,077,645.00</u>	<u>164,817.43</u>	<u>1,559,416.11</u>	<u>75.06%</u>	<u>518,228.89</u>
69000 · Non-Operating Expenses					
69010 · Debt Service					
69100 · Revenue Bond					
69105 · Principle	139,015.00	0.00	55,015.00	39.58%	84,000.00
69110 · Interest	61,717.00	0.00	31,269.51	50.67%	30,447.49
Total 69100 · Revenue Bond	<u>200,732.00</u>	<u>0.00</u>	<u>86,284.51</u>	<u>42.99%</u>	<u>114,447.49</u>
69125 · AMI Meter Loan					
69130 · Principle	48,281.00	0.00	48,280.64	100.00%	0.36
69135 · Interest	10,233.00	0.00	10,233.28	100.00%	-0.28
Total 69125 · AMI Meter Loan	<u>58,514.00</u>	<u>0.00</u>	<u>58,513.92</u>	<u>100.00%</u>	<u>0.08</u>
Total 69010 · Debt Service	<u>259,246.00</u>	<u>0.00</u>	<u>144,798.43</u>	<u>55.85%</u>	<u>114,447.57</u>
69400 · Other Non-Operating Expense	0.00	0.00	0.00	0.00%	0.00
Total 69000 · Non-Operating Expenses	<u>259,246.00</u>	<u>0.00</u>	<u>144,798.43</u>	<u>55.85%</u>	<u>114,447.57</u>
Total Expense	<u>2,336,891.00</u>	<u>164,817.43</u>	<u>1,704,214.54</u>	<u>72.93%</u>	<u>632,676.46</u>
Net Ordinary Income	<u>460,840.00</u>	<u>-7,296.21</u>	<u>489,831.73</u>		
Net Income	<u>460,840.00</u>	<u>-7,296.21</u>	<u>489,831.73</u>		

Accrual Basis

Rio Linda Elverta Community Water District
CAPITAL BUDGET VS ACTUAL FISCAL YEAR 2019-20
As of April 30, 2020

	GENERAL		CHROMIUM MITIGATION & NEW WELLS		VEHICLE REPLACEMENT	
	Annual Budget	YTD Actual	Annual Budget	YTD Actual	Annual Budget	YTD Actual
BEGINNING FUND BALANCE	\$ 1,903,391.00	\$ 1,903,391.00	\$ (29,592.00)	\$ (29,592.00)	\$ 10,000.00	\$ 10,000.00
FUNDING SOURCES						
Fund Transfers						
Operating Fund Transfers In	409,940.00	340,000.00	-	1,308.20	-	-
CIP Fund Intrafund Transfers	(5,000.00)	(5,000.00)	-	-	5,000.00	5,000.00
Surcharge 2 Surplus Repayment	-	-	110,201.00	-	-	-
Contributed Funding						
Contributed Facilities (Developers)	-	-	-	-	-	-
Grant Revenue	-	-	400,000.00	-	-	-
Loan Proceeds	-	-	450,000.00	81,413.80	-	-
Investment Revenue	4,500.00	4,873.97	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	-
TOTAL FUNDS AVAILABLE FOR CIP PROJECTS	2,312,831.00	2,243,264.97	930,609.00	53,130.00	15,000.00	15,000.00
PROJECTS						
A - WATER SUPPLY						
A-1 - Well XX - Cr6 Treatment/Design	-	-	50,000.00	-	-	-
A-2 - Well 16	-	-	800,000.00	106,945.76	-	-
A-3 - Miscellaneous Pump Replacements	40,000.00	2,004.72	-	-	-	-
Total A - WATER SUPPLY	40,000.00	2,004.72	850,000.00	106,945.76	-	-
B - WATER DISTRIBUTION						
B-1 - Service Replacements	30,000.00	-	-	-	-	-
B-2 - Large Meter Replacements	5,000.00	-	-	-	-	-
Total B - WATER DISTRIBUTION	35,000.00	-	-	-	-	-
C - CONTINGENCY						
C-1 - Contingency (10% of Est A,B,& M)	7,500.00	-	85,000.00	-	-	-
TOTAL BUDGETED PROJECT EXPENDITURES	82,500.00	2,004.72	935,000.00	106,945.76	-	-
ENDING FUND BALANCE	\$ 2,230,331.00	\$ 2,241,260.25	\$ (4,391.00)	\$ (53,815.76)	\$ 15,000.00	\$ 15,000.00



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

Date: June 15, 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

6/15/2020

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

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.

6/11/2020

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

6/11/2020

Actual Meeting Date Set for Agenda Item

6/15/2020



Date: June 15, 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: The two new employees have started work at the District. This reporting period was influenced by VALIC Deferred Compensation Plan documents executions and lack thereof. Also, unanticipated resources were expended on discussions with Regional Water Authority (RWA) representatives subsequent and consequent to the District's notice of withdrawal of membership.

1. On May 19th I participated in a scheduled phone meeting with one of the respondents to the District's rate study RFP. The respondent requested information on what may have improved their ranking.
2. On May 28th I met with USA Glass to request a quote for installing plexiglass extension in the customer service lobby to enable reopening of the lobby. A few days later, I similarly met with TWL Construction. Both entities are local contractors.
3. On June 2nd, I met with Raftelis to as part of the Sacramento Regional Water Utilities collaboration study. In my opinion, the meeting was very productive and informative.
4. On June 3rd I met with the Contract District Engineer to discuss SMUD easement at Well 16 Pumping Station issues.
5. On June 4th I participated in a the RWA special meeting to share COVID-19 reopening plans, anticipated issues and mitigations of issues.
6. On June 8th, Director Green and I participated in a meeting with the Chair of the RWA Board, Kerry Schmitz and an RWA Executive Committee member, Ron Greenwood. The meeting was requested to discuss and provide further insights on the District's decision to withdraw membership in RWA.
7. On June 9th, I met separately with Director Harris and Director Reisig regarding agenda items on the June 11th SGA agenda with particular ramifications to the District.
8. On June 11th I participated in the SGA regular board meeting.

Additional items of interest:

Throughout the reporting period I corresponded with Ferguson and Neptune regarding the overdue transition to cloud-based service for our water metering program. In some overlapping aspects, I also had several conversations and office visits with Adept Solutions, IT consultants regarding changes to our IT consulting needs when the transition is complete.



Items for Discussion and Action
Agenda Item: 4.2

Date: June 15, 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

6/15/2020

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

District Engineers Report

6/11/2020

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

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

6/11/2020

Actual Meeting Date Set for Agenda Item

6/15/2020

10 June 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 18 May 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 14 May 2020 to 10 June 2020:

1. General District Engineering:

- Electric Avenue Residential Development (7 Lots between Cypress Street and Elverta Road) - The developer has not responded to comments provided on 3/11/2020.
- Fox Hollow Residential Development (28 lots 6th Street between Q Street and S Street) - The developer has not responded to comments provided on 3/11/2020.

2. Well 16 Pump Station Construction Project:

- The contractor has completed installation of pipeline, valves, hydrants, and air/vacuum release valves in U Street and 14th Street. Pavement restoration and bringing utility covers to grade has also been completed. The pipeline had been pressure tested, disinfected, and has been connected to the District's distribution system. The Sacramento County inspector has been satisfied with the contractor's work within the County's right of way.
- Grading operations continue at the well site. The control building slab has been poured and SMUD vaults have been installed.
- The "three week look ahead" schedule through 6/26/2020 indicates well site grading, structural, and electrical work. Sound wall and control building work is anticipated to continue.
- Processed the contractor's first invoice.
- To date, have responded to 50 contractor submittals.
- To date, have responded to 15 contractor Request for Information letters.
- Continue to coordinate with the contractor daily to answer questions and be available as a resource to keep the project on schedule.
- The contractor and District staff continue to comply with COVID-19 orders.

Please contact me directly at the office (916) 905-2388, cell phone (530) 682-9597, or email at 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: June 15, 2020

Subject: Consider ratifying a field change order for the Well 16 Pumping Station project to accommodate standard SMUD pull box requirements

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

Recommended Committee Action:

This item was discussed at the June 1, 2020 Executive Committee Meeting, resulting in the Committee's action to forward this item to the Board for the June 15, 2020 Board Meeting with a recommendation for approval.

Current Background and Justification:

The Well 16 Pump Station construction contractor notified staff that SMUD pull boxes for the Well 16 Pump Station Project would cost more than the allotted amount anticipated and required by the design engineer in the bid documents. The bid documents for the Well 16 Pump Station Project required bidders to allow up to \$5,000 of budget for SMUD pull boxes since SMUD had not formally issued their permit with their design components before the Well 16 Pump Station project was advertised for bid in November 2019, and bids were received in January 2020.

The design engineer claims that there was no reasonable way of knowing exactly what design components SMUD would require until SMUD's design was received, and therefore did not include design of SMUD pull boxes in the bid documents. But, as mentioned above, the design engineer did include a \$5,000 allotment to be included in the bids in anticipation of some type of SMUD pull boxes.

The total cost to purchase and install the pull boxes as required by SMUD is \$15,000, of which \$10,000 is in addition to the budget included in the construction contractor's bid, and would be a contract change order to the construction contractor. Staff authorized the construction contractor to perform the work to avoid any delay charges pursuant to previous direction to do so from the District Board of Directors in amounts under \$25,000.

The construction contractor received SMUDS's design in May 2020, while it was determined that the design engineer received the design from SMUD in February 2020, after bids were received. SMUD claims that their pull box design is standard and it may have been reasonable for the design engineer to assume a design more consistent to SMUD's, therefore adding a larger allotment for budget. While it is

debatable that the design engineer should have included a pull box design more consistent to SMUD's final design in the bid documents and thereby allowing the District to receive a fixed cost for the pull boxes at the time of bidding, the District is ultimately responsible to install the pull boxes per SMUD's design. It is reasonable to expect that had the SMUD design been received before bidding was advertised and included in the bid documents, the bid for installation would have been more than the allotted \$5,000.

This \$10,000 change, if ratified by the Board, is a 0.34% increase in the construction contract amount of \$2,691,400, and utilizes 2.3% of the \$428,600 construction contingency.

Conclusion:

I recommend the Board authorize staff to ratify a field construction contract change order and necessary documents with the construction contractor Anvil Builders, Inc. to ratify the SMUD pull boxes change order at the Well 16 site.

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

6/15/2020

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

Consider ratifying a field change order for the Well 16 Pumping Station project to accommodate standard SMUD pull box requirements

5/28/2020

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

6/1/2020

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

6/11/2020

Actual Meeting Date Set for Agenda Item

6/15/2020



Items for Discussion and Action

Agenda Item: 4.4

Date: June 15, 2020

Subject: Consider authorizing a preliminary, generally described easement on the Well 16 project necessary to accommodate SMUD facilities. Such easement to be legally described and recorded by SMUD subsequent to SMUD facilities completion.

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

Recommended Committee Action:

This item was discussed at the June 1, 2020 Executive Committee Meeting, resulting in the Committee's action to forward this item to the Board for the June 15, 2020 Board Meeting with a recommendation for approval.

Current Background and Justification:

SMUD has requested a preliminary/generally described 5 foot wide easement on the District's Well property for construction, access, and maintenance of SMUD electrical facilities. The grant of easement is attached to this Agenda Item. This is a typical grant of easement request from SMUD, that needs to be approved by the Board of Directors. Approving this preliminary easement is the first phase of SMUD's request and will allow SMUD's facilities to be installed at the Well 16 site with flexibility on location in coordination with the District.

Once the SMUD facilities are installed in their final and approved location, SMUD will then perform a field survey of the facilities and prepare an easement with a formal legal description of their location. This legally described easement will take the place of the initial generally described easement. SMUD is also requesting that the Board approve granting of the legally described easement subsequent to the legal description that will be provided by SMUD in the future.

It has been verified with SMUD Land Agent, Sarah Gentilcore, that Board approval for the preliminary easement and future legally described easement do not need Board approval by resolution. Easement preparation and recordation fees will be SMUD's responsibility.

Conclusion:

I recommend the Board approves the preliminary/generally described easement and approves that SMUD record the future legally described easement, and authorize staff to execute grants of easement and necessary documents to grant the easements to SMUD at the Well 16 site.

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

6/15/2020

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

Consider authorizing a preliminary, generally described easement on the Well 16 project necessary to accommodate SMUD facilities. Such easement to be legally described and recorded by SMUD subsequent to SMUD facilities completion

5/28/2020

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

6/1/2020

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

6/11/2020

Actual Meeting Date Set for Agenda Item

6/15/2020

RECORD AT REQUEST OF AND RETURN TO:
 Sacramento Municipal Utility District
 Attention: Real Estate Services – B 209
 P. O. Box 15830
 Sacramento, CA 95852-1830

No Fee Document – Per Govt. Code Sec. 6103 & 27383
 No County Transfer Tax Per R & T Code 11922

SMUD BY: _____ JY _____ SG _____

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY _____

APN: 202-0170-047-0000

R/W U-2020/060
 SO 30159905

GRANT OF EASEMENT

Rio Linda Elverta Community Water District, a California county water district ("District"), Grantor, is the owner of record of that certain real property located in Sacramento County, California, designated by the above referenced Assessor's Parcel Number and more fully described as follows:

As described in that certain Irrevocable Offer of Dedication and Grant Deed from Elverta Associates LLC ("Grantor") to the Rio Linda Elverta Community Water District, a California county water district ("District"), dated April 23, 2019, and recorded in the office of the Recorder of Sacramento County on May 6, 2019 in Book 20190506 of Official Records at Page 0533.

Grantor hereby grants to SACRAMENTO MUNICIPAL UTILITY DISTRICT, a municipal utility district, Grantee, and its successors and assigns, the right from time to time to construct, place, inspect, remove, replace, maintain and use electrical and communication facilities consisting of underground conduits, wires and cables, with associated, above-ground or below-ground transformers, transformer pads, pedestals, service equipment, terminals, splicing, switching and pull boxes, switch and fuse cubicles, cubicle pads, and all other necessary fixtures and appurtenances (Facilities), within the following Easement Area described in EXHIBIT A attached hereto and made a part hereof.

Said right includes the trimming and removal by Grantee of any trees or foliage along the Easement Area considered necessary for the complete enjoyment thereof and the right of ingress to and egress from said Easement Area for the purpose of exercising and performing all rights and privileges granted herein. In addition, the Easement Area shall be kept clear of any building or other structure and Grantor will not drill or operate any well within the Easement Area.

(Continued)

Grantor understands and acknowledges that the Facilities will be installed within the Easement Area based on Grantee's design and actual site conditions. Upon completion of the installation, Grantee shall obtain a survey by a licensed land surveyor setting forth a legal description of the area actually occupied by the Facilities and required for complete enjoyment of the rights granted herein. Grantee will, within a reasonable period of time, record a Notice of Final Description of Easement Area referencing this document and setting forth the legal description of the surveyed area, which will thereupon become the Easement Area. Upon recordation of the Notice of Final Description, the scope of the easement granted by this document shall be limited to the property described in the Notice of Final Description plus the rights of ingress and egress.

Dated: _____

Grantor: **Rio Linda Elverta Community Water District, a California county water district**

By: _____

Print Name: _____

Title: _____

EXHIBIT A

The centerline of the 5 foot Easement Area shall be coincidental with the centerline of the said Facilities constructed in, on, over, under, across and along the Grantor's property. Additionally, the Easement Area will include the area occupied by Grantee Facilities and appurtenances.

The legal description herein, or the map attached hereto, defining the location of this utility easement, was prepared by Grantee pursuant to Section 8730 (c) of the Business and Professions Code.



Items for Discussion and Action Agenda Item: 4.5

Date: June 15, 2020

Subject: Request Received from Robyn Perry Regarding the Existing Easement on a Parcel Adjacent to the Well #14 Parcel

Staff Contact: Tim Shaw, General Manager

Recommended Committee Action:

This item was not discussed at committee as the phone call and written request was received on June 10th (subsequent to the June 1st Executive Committee meeting).

Current Background and Justification:

The subject request, which is more specifically described in the documents associated with this item, was not discussed at the June Executive Committee. Ms. Perry, apparently affiliated with real estate transactions, expressed the need for an expedient response. I advised Ms. Perry that a natural, reasonably anticipated consequence to a compressed timeframe would likely be a conservative response from the District's perspective, e.g. a no unless and until additional information is available. Nevertheless, Ms. Perry requests a District response.

The subject easement on the parcel adjacent to and east of the Well #14 parcel was recorded in 2006. The need for the easement is to connect a future well (Well #14) to the existing RLECWD water main in West 4th Street. The District acquired the Well #14 parcel asset and associated easement at significant rate-payer expense. The Well #14 project remains a legitimate option for future capacity to this day. It is reasonable to interpret that real estate interest in the adjacent parcel are presuming the 14-years that have lapsed represent a diminishing interest in the project by the District.

Ms. Perry is requesting that the District relinquish the easement. In the absence of relinquishment, Ms. Perry request the District consider a convenient relocation of the easement as the potential purchaser of the parcel indicate an incompatibility of the existing easement location with the planned usage of the parcel. The former would only be appropriate if the District declared the Well #16 parcel to be permanently infeasible, effectively declaring the parcel as an unneeded asset. The later is relatively more feasible, with the stipulation that the District will not be liable for any costs associated with surveying, mapping and recording the alternative easement location.

Conclusion:

I recommend the Board authorize staff to respond to Ms. Perry to explain the District's preclusion to relinquishing a public asset (the easement), and further direct staff to express limitations for funding any costs associated with relocating the existing easement.

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

6/15/2020

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

Request Received from Robyn Perry Regarding the Existing Easement on a Parcel Adjacent to
the Well #14 Parcel

6/11/2020

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

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

6/11/2020

Actual Meeting Date Set for Agenda Item

6/15/2020

Tim Shaw

From: Perry, Robyn <Robyn.Perry@marriott.com>
Sent: Monday, June 8, 2020 9:58 AM
To: Tim Shaw
Cc: Lori Najera
Subject: FW: Water Line Easement Location APN 206-0200-060-0000
Attachments: IMG_5667.jpg

Dear Tim,

The below is what I have sent to the Sacramento County Planner, requesting that the water line easement that was created 14 years ago during the parcel split, be abandoned or removed. Since the RLECWD originally required the easement as a "Mitigation Measure", I am approaching you for assistance in removing this requirement.

As explained below, the easement is causing the potential buyer concern since it would be in the middle of their property and prevent them from using the property to the fullest.

Is removing or abandoning the easement for a water line something you are able to grant us?

Thank you for the consideration.

Robyn Perry
916-992-6064 (h)
916-616-8477 (m)
1101 Woodwright Way
Rio Linda CA 95673

Senior Business Support Analyst, One Yield Help Desk
 10400 Fernwood Road, Bethesda, MD 20817
 240-632-6000, options 3,4

 [Open a Ticket](#)  [Start a Chat](#) ^{new}

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INFORMATION
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BONVOY

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From: Perry, Robyn
Sent: Friday, June 5, 2020 8:57 PM
To: sacplan@saccounty.net
Subject: RE: Water Line Easement Location APN 206-0200-060-0000

I meant to include a picture of the plot plan where I have circled the easement location. This an older parcel map we prepared for the division; but it shows the easment. The parcel that is now for sell is the one labeled "Parcel B". And the potential buyers own the APN 206-0200-008. You can see that the easement would run through the two parcels; which is undesirable. Hopefully this helps Please be sure to contact me if you have any questions.

Thank you!!

Robyn Perry

Senior Business Support Analyst, One Yield Help Desk
10400 Fernwood Road, Bethesda, MD 20817
240-632-6000, options 3,4

 Open a Ticket  Start a Chat ^{new}



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From: Perry, Robyn
Sent: Friday, June 5, 2020 8:48 PM
To: sacplan@saccounty.net
Subject: Water Line Easement Location APN 206-0200-060-0000

Hello Planner,

I have a vacant parcel of land that was part of a subdivision 14 years ago, located in Rio Linda, CA. We divided a 4.18 acre parcel into 2- 2 acre parcels. We sold one parcel to the Rio Linda/Elverta Community Water District (RLECWD) several years ago. When we applied for the split, there was a Request/Requirement from the water agency that stated this:

Mitigation Measure A: Rio Linda/ Elverta Community Water District

Approval shall be conditioned on connection to the Rio Linda/Elverta Community Water District water system, or in lieu of connection, submittal to the County of a waiver letter issued by the District. No private well construction permit shall be issued this property, unless a waiver letter has been filed with the County.

To facilitate the future, POTENTIAL water line from the parcel the RLECWD eventually purchased, to the parcel we still own (APN 206-0200-060-0000), a 5 foot easement was provided along the South border of APN 206-0200-060-0000), between W. 4th street and the rear of the RLECWD parcel, since the existing water line for the RLECWD exists along W. 4th Street.

We are now attempting to sell the remaining parcel 206-0200-060-0000 to the neighbor that shares the South borderline. The easement is in a place that the potential new owner says will prevent them from utilizing the property in a way that they plan. Can the easement be easily relocated? Or can the RLECWD elect to provide a "waiver letter" abandoning the easement?

I look forward to your reply. If you can reply within 3 days of receiving this email, I would truly appreciate it. We have a timeline in which we need to provide the buyers with a response.

Kind regards,

Robyn Perry

916-992-6064 (H)
916-616-8477 (M)
1101Woodwright Way

Rio Linda, CA 95673

Senior Business Support Analyst, One Yield Help Desk
10400 Fernwood Road, Bethesda, MD 20817
240-632-6000, options 3,4

 [Open a Ticket](#)  [Start a Chat](#)^{NEW}



INFORMATION
TECHNOLOGY



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Items for Discussion and Action

Agenda Item: 4.6

Date: June 15, 2020

Subject: FY 2020-2021 Preliminary Budget

Staff Contact: Tim Shaw, General Manager

Recommended Committee Action:

The Executive Committee forwarded this item onto the June 15th agenda with the Committee's recommendation for Board approval.

Current Background and Justification:

The June Executive Committee discussed the known and anticipated changes in funding and costs reasonably anticipated for fiscal year 2020/2021. Areas of discussion included a possible decrease in property taxes due to the economic downturn associated with COVID-19 and the transition from an arbitrary/legacy basis for funding capital improvements to a projects-based funding of capital improvements.

This will be the first budget adoption process where the planned transfer of capital improvements funding will not be an arbitrary number. The capital budget is based on anticipated project costs and timing. Because the money for the capital budget is transferred out of the operating budget, the operating budget is directly influenced by this improved practice.

District policy recommends a preliminary budget adoption prior to the beginning of each fiscal year. The essence of this practice is to allow for Board authorized spending after July 1st (beginning of the next fiscal year), but before the prior fiscal year end balances are available due to invoices and revenues received at or near June 30th.

As has been the approach in the past few years, the budgeted amount for active employee medical insurance is based on the maximum cost possible from the current collective bargaining agreement. If the year lapses without experiencing the maximum cost for medical insurance, then there is a budget windfall available for allocating to other District expenses, e.g. additional pipe replacements. Similarly, the budgeted amount for Cost of Living Adjustments (COLA) pursuant to the collective bargaining agreement is the maximum possible. In the current economic conditions, it is unlikely the stipulated Consumer Price Index will yield the maximum (3%) COLA.

It is appropriate for the Board to schedule a public hearing for the adoption of the Final Budget in conjunction with the August 19, 2019 regular Board meeting.

Conclusion:

I recommend the Board approve the Fiscal Year 2020-2021 Preliminary Budget as recommended by the Executive Committee. I further recommend the Board direct staff to schedule the public hearing for the planned consideration of the Final Budget for August 17, 2020 (the regular monthly Board meeting in August).

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

6/15/2020

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

FY 2020-2021 Preliminary Budget

5/28/2020

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

6/01/2020

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

6/11/2020

Actual Meeting Date Set for Agenda Item

6/15/2020

**PRELIMINARY
OPERATING BUDGET
2020-21**

Agenda Item 4.6

		2019-2020 ACTUAL JULY 19-MAR 20	2019-2020 BUDGET	2020-2021 BUDGET	DIFFERENCE	EXPLANATION
REVENUE						
	40000 OPERATING REVENUE					
	40100 Water Service Rates					
	40101 Basic Service Charge	1,256,947.00	1,901,272.00	1,901,272.00	0.00	No change until new Water Rate Study Completed
	40102 Usage Charge	585,860.00	656,303.00	656,303.00	0.00	No change until new Water Rate Study Completed
	40105 Backflow Charge	21,960.00	25,000.00	25,000.00	0.00	
	40106 Fire Prevention	10,660.00	13,500.00	13,500.00	0.00	
	Total Water Service Rates	1,875,427.00	2,596,075.00	2,596,075.00	0.00	
	40200 Water Service Fees					
	40201 Application Fees	5,000.00	6,500.00	6,500.00	0.00	
	40202 Delinquency	75,950.00	80,000.00	90,000.00	10,000.00	Increased based on prior year actual
	40209 Misc. Charges	4,736.00	12,000.00	7,000.00	(5,000.00)	Decreased based on prior year actual
	Total Water Services	85,686.00	98,500.00	103,500.00	5,000.00	
	40300 Other Water Service Fees					
	40301 New Construction QC	1,698.00	4,000.00	4,000.00	0.00	
	40302 Service Connection Fees	8,856.00	10,000.00	10,000.00	0.00	
	40304 Other Operating Revenue	6,883.00	6,000.00	6,000.00	0.00	
	40305 Grant Revenue-Operating	900.00	900.00	0.00	(900.00)	Decreased to eliminate RWA grant reimbursements
	Total Other Water Service Fees	18,337.00	20,900.00	20,000.00	(900.00)	
	TOTAL OPERATING REVENUE	1,979,450.00	2,715,475.00	2,719,575.00	4,100.00	
	41000 NON-OPERATING REVENUES					
	41110 Investment Revenue	1,897.00	400.00	400.00	0.00	
	41120 Property Taxes & Assessments	55,178.00	81,856.00	88,500.00	6,644.00	Increased based on prior 3 year average
	TOTAL NON-OPERATING REVENUE	57,075.00	82,256.00	88,900.00	6,644.00	
TOTAL REVENUE		\$2,036,525.00	\$2,797,731.00	\$2,808,475.00	10,744.00	

PRELIMINARY
OPERATING BUDGET
2020-21

Agenda Item 4.6

		2019-2020 ACTUAL JULY 19-MAR 20	2019-2020 BUDGET	2020-2021 BUDGET	DIFFERENCE	EXPLANATION
OPERATING EXPENSE						
	60010 PROFESSIONAL FEES					
	60011 General Counsel fees-Legal	\$10,327.00	\$30,000.00	\$15,000.00	(\$15,000.00)	Decreased based on prior year actual
	60012 Auditor Fees	14,212.00	11,212.00	11,500.00	288.00	Increased to adjust for projected increase annual financial audit
	60013 Engineering Services	40,000.00	70,000.00	70,000.00	0.00	
	60015 Other Professional Fees	225.00	31,000.00	34,000.00	3,000.00	Increased for Prop 218 rate study contract. Prior FY budget was not spent and is carried over into the 20-21 FY budget.
	TOTAL PROFESSIONAL FEES	64,764.00	142,212.00	130,500.00	(11,712.00)	
	60100 PERSONNEL SERVICES					
	60110 Salaries & Wages					
	60111 Salary - General Manager	81,959.00	114,113.00	118,087.00	3,974.00	Increased to adjust for projected cost
	60112 Staff Regular Wages	419,050.00	579,479.00	583,330.00	3,851.00	Increased to adjust for projected cost
	60113 Contract Extra Help	0.00	0.00	0.00	0.00	
	60114 Staff Standby Pay	13,100.00	18,250.00	18,250.00	0.00	
	60115 Staff Overtime Pay	8,079.00	10,200.00	10,200.00	0.00	
	Total Salaries & Wages	522,188.00	722,042.00	729,867.00	7,825.00	
	60150 Employee Benefits and Expenses					
	60151 PERS Retirement	92,355.00	124,770.00	132,665.00	7,895.00	Decreased to adjust for projected costs
	60152 Workers Compensation	11,919.00	16,054.00	18,115.00	2,061.00	Actual Annual Contribution Change
	60153 Medical & Benefit Insurance	127,973.00	217,740.00	217,740.00	0.00	Increased using employee allowance and GM per MOU/Contract amounts
	60154 Retirees Insurance	12,513.00	36,763.00	36,200.00	(563.00)	Decreased to adjust for projected costs
	60155 Staff Training	222.00	5,000.00	5,000.00	0.00	
	60157 Uniforms	3,214.00	4,650.00	6,550.00	1,900.00	Increased to adjust for projected costs
	60158 Payroll Taxes	44,566.00	56,916.00	57,825.00	909.00	Increased to adjust for projected costs
	60159 Payroll Services	894.00	1,200.00	1,200.00	0.00	
	60160 457 Employer Contribution	7,391.00	9,568.00	13,850.00	4,282.00	Increased to adjust for projected costs
	Total Employee Benefits and Expenses	301,047.00	472,661.00	489,145.00	16,484.00	
	TOTAL PERSONNEL SERVICES	\$823,235.00	\$1,194,703.00	\$1,219,012.00	\$24,309.00	

PRELIMINARY
OPERATING BUDGET
2020-21

		2019-2020 ACTUAL JULY 19-MAR 20	2019-2020 BUDGET	2020-2021 BUDGET	DIFFERENCE	EXPLANATION
60200 ADMINISTRATION						
60205	Bank and Merchant Fees	\$3,658.00	\$4,500.00	\$4,500.00	\$0.00	
60207	Board Meeting Expense	9,025.00	10,770.00	11,370.00	600.00	Increased based on prior year actual
60210	Building Expenses					
60211	Office Utilities	4,099.00	6,000.00	6,000.00	0.00	
60212	Janitorial	1,755.00	2,340.00	2,340.00	0.00	
60213	Maintenance	935.00	5,700.00	4,200.00	(1,500.00)	Reduced based on prior 3 year average
60214	Security	252.00	400.00	400.00	0.00	
	Total Building Expenses	7,041.00	14,440.00	12,940.00	(1,500.00)	
60220	Computer & Equipment Maint.					
60221	Computer Systems	15,160.00	25,000.00	25,000.00	0.00	
60222	Office Equipment	2,208.00	3,650.00	660.00	(2,990.00)	Reduced to adjust contract printer usage fees (see GL 60250 outsourced billing) and expired Neopost Maintenance Contract
	Total Computer & Equipment Maint.	17,368.00	28,650.00	25,660.00	(2,990.00)	
60230	Office Expense	2,424.00	6,000.00	6,000.00	0.00	
60240	Postage and Delivery	12,772.00	20,000.00	20,000.00	0.00	
60250	Printing	2,773.00	3,400.00	6,000.00	2,600.00	Increased to adjust for outsourced printing costs; refer to GL 60222
60255	Meetings & Conferences	73.00	4,000.00	3,000.00	(1,000.00)	Reduced based on prior 3 year average
60260	Publishing	88.00	800.00	200.00	(600.00)	Decreased to adjust for prior year actual
60270	Telephone & Internet	2,706.00	5,500.00	3,700.00	(1,800.00)	Decreased to adjust for prior year actual
60430	Insurance					
60431	General Liability	16,693.00	21,221.00	22,775.00	1,554.00	Increased to adjust for actual
60432	Property	4,208.00	5,611.00	5,611.00	0.00	
	Total Insurance	20,901.00	26,832.00	28,386.00	1,554.00	
60500	Water Memberships					
60501	SAWWA	0.00	110.00	110.00	0.00	
60502	Regional Water Authority	9,355.00	9,355.00	0.00	(9,355.00)	Decreased to adjust for cancellation in membership
60503	SGA	24,210.00	24,210.00	26,179.00	1,969.00	Increase includes 8.133% annual increase
60504	ACWA	9,640.00	9,640.00	10,122.00	482.00	Increase includes 5% annual increase
60505	CSDA	7,077.00	7,077.00	7,431.00	354.00	Increase includes 5% annual increase
60507	CRWA	0.00	1,326.00	1,392.00	66.00	Increase includes 5% annual increase
	Total Water Memberships	50,282.00	51,718.00	45,234.00	(6,484.00)	
60550	Permits & Fees	30,727.00	30,000.00	31,000.00	1,000.00	Increased to adjust for prior year actual
60555	Subscriptions & Licensing	1,546.00	2,120.00	2,120.00	0.00	
60560	Elections	0.00	0.00	2,400.00	2,400.00	Increased for Election Year
60565	Uncollectable Accounts	0.00	2,000.00	2,000.00	0.00	
60570	Other Operating Expenditures	601.00	500.00	500.00	0.00	
TOTAL ADMINISTRATION		\$161,985.00	\$211,230.00	\$205,010.00	(\$6,220.00)	

PRELIMINARY
OPERATING BUDGET
2020-21

Agenda Item 4.6

		2019-2020 ACTUAL JULY 19-MAR 20	2019-2020 BUDGET	2020-2021 BUDGET	DIFFERENCE	EXPLANATION
64000 CONSERVATION						
64001	Community Outreach	0.00	300.00	300.00	0.00	
64005	Other Conservation Programs	0.00	0.00	0.00	0.00	
TOTAL CONSERVATION		0.00	300.00	300.00	0.00	
65000 FIELD OPERATIONS						
65100 Other Field Operations						
65110	Backflow Testing	\$1,047.00	\$3,000.00	\$3,000.00	\$0.00	
65120	Construction Equipment Maintenance	6,704.00	7,500.00	7,500.00	0.00	
65130	Field Communication	1,817.00	2,600.00	2,600.00	0.00	
65140	Field IT	10,795.00	17,500.00	19,800.00	2,300.00	Increased for SCADA backup service; AMI Meter Cloud Service
65150	Laboratory Services	15,107.00	23,500.00	23,500.00	0.00	
65160	Safety Equipment	3,012.00	5,000.00	5,000.00	0.00	
65170	Shop Supplies	5,080.00	7,000.00	7,000.00	0.00	
Total Other Field Operations		43,562.00	66,100.00	68,400.00	2,300.00	
65200	Treatment	15,831.00	18,000.00	18,000.00	0.00	
65300 Pumping						
65310	Maintenance	14,870.00	25,000.00	25,000.00	0.00	
65320	Electricity and Fuel	131,748.00	180,000.00	180,000.00	0.00	
Total Pumping		146,618.00	205,000.00	205,000.00	0.00	
65400 Transmission & Distribution						
65410	Distribution Supplies	22,488.00	37,000.00	37,000.00	0.00	
65420	Meter Maintenance	94,078.00	120,100.00	0.00	(120,100.00)	Decreased to move to Capital Budget; removed GL account from Operating Budget
65430	Tank Maintenance	768.00	3,000.00	3,000.00	0.00	
65440	Contract Repairs	2,733.00	21,000.00	21,000.00	0.00	
65450	Valve Replacements	0.00	15,000.00	15,000.00	0.00	
65460	Paving Repairs	8,500.00	25,000.00	25,000.00	0.00	
Total Transmission & Distribution		128,567.00	221,100.00	101,000.00	(120,100.00)	
65500 Transportation						
65510	Fuel	7,671.00	13,000.00	13,000.00	0.00	
65520	Maintenance	2,367.00	6,000.00	6,000.00	0.00	
Total Transportation		10,038.00	19,000.00	19,000.00	0.00	
TOTAL FIELD OPERATIONS		\$344,616.00	\$529,200.00	\$411,400.00	(\$117,800.00)	

**PRELIMINARY
OPERATING BUDGET
2020-21**

Agenda Item 4.6

		2019-2020 ACTUAL JULY 19-MAR 20	2019-2020 BUDGET	2020-2021 BUDGET	DIFFERENCE	EXPLANATION
TOTAL OPERATING EXPENSES		\$1,394,600.00	\$2,077,645.00	\$1,966,222.00	(\$111,423.00)	
NON OPERATING EXPENSES						
	69010 Debt Service					
	69100 Revenue Bond 2015					
	69105 Revenue Bond 2015-Principle	55,015.00	139,015.00	145,736.00	6,721.00	Per Loan Payment Schedule
	69120 Interest	31,270.00	61,717.00	57,490.00	(4,227.00)	Per Loan Payment Schedule
	Total Revenue Bond 2015	86,285.00	200,732.00	203,226.00	2,494.00	
	69125 AMI Meter Loan					
	69130 Principle	48,281.00	48,281.00	49,789.00	1,508.00	Per Loan Payment Schedule
	69135 Interest	10,233.00	10,233.00	8,725.00	(1,508.00)	Per Loan Payment Schedule
	Total AMI Meter Loan	58,514.00	58,514.00	58,514.00	0.00	
	69400 Other Non Operating Expense	0.00	0.00	2,000.00	2,000.00	Increased to normal annual budget amount
TOTAL NON OPERATING EXPENSES		\$144,799.00	\$259,246.00	\$263,740.00	\$4,494.00	
TOTAL EXPENSE		\$1,539,399.00	\$2,336,891.00	\$2,229,962.00	(\$106,929.00)	

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PRELIMINARY
OPERATING BUDGET
2020-21

Agenda Item 4.6

		2019-2020 ACTUAL JULY 19-MAR 20	2019-2020 BUDGET	2020-2021 BUDGET	DIFFERENCE	EXPLANATION
NET INCOME (Income-Expense)		\$497,126.00	\$460,840.00	\$578,513.00	\$117,673.00	
OPERATING FUND BALANCE						
Operating Account Balance June 30			\$634,536.00	\$634,536.00		
Net Revenue			\$460,840.00	\$578,513.00		
Transfer to GL 10010 Operating Reserve			(\$50,000.00)	\$0.00	(50,000.00)	Decreased to adjust for no transfer
Transfer to Capital Improvement Funds			(410,840.00)	(578,513.00)	167,673.00	Increased to adjust for available funds
Estimated Operating Fund Balance June 30			\$634,536.00	\$634,536.00		
SURCHARGE 1 FUND BALANCE						
Surcharge 1 Fund Balance June 30			\$565,413.00	\$636,332.00		
43010 Surcharge Revenue			523,374.00	523,374.00	0.00	
41110 Investment Revenue			11,000.00	11,000.00	0.00	
69155 SRF Principle			(351,403.00)	(360,494.00)	9,091.00	Per Loan Payment Schedule
69160 SRF Interest			(109,952.00)	(100,860.00)	(9,092.00)	Per Loan Payment Schedule
69220 SRF Administration			(2,100.00)	(2,100.00)	0.00	
Estimated Surcharge 1 Fund Balance June 30			\$636,332.00	\$707,252.00		
SURCHARGE 2 FUND BALANCE						
Surcharge 2 Fund Balance June 30			\$399,687.00	\$400,487.00		
43050 Surcharge 2 Revenue			439,019.00	439,019.00	0.00	
41110 Investment Revenue			800.00	800.00	0.00	
Surcharge 2 Surplus Repayment			(110,201.00)	(107,171.00)	(3,030.00)	Per District Repayment Schedule
69180 Principle			(210,000.00)	(220,000.00)	10,000.00	Per Loan Payment Schedule
69185 Interest			(118,818.00)	(96,597.32)	(22,220.68)	Per Loan Payment Schedule
Estimated Surcharge 2 Fund Balance June 30			\$400,487.00	\$416,537.68		
LAIF FUND (CAPACITY FEES) BALANCE						
LAIF Fund Balance June 30			\$205,000.00	\$308,500.00		
44100 Capacity Fee Revenue			100,000.00	60,000.00	(40,000.00)	Decreased for projected revenue
41110 Investment Revenue			3,500.00	2,000.00	(1,500.00)	Decreased for projected revenue
Estimated LAIF Fund Balance June 30			\$308,500.00	\$370,500.00		

**PRELIMINARY CAPITAL BUDGET
2020-21**

	GENERAL	FUTURE CAPITAL IMPROVEMENT PROJECTS	VEHICLE & LARGE EQUIPMENT REPLACEMENT	TOTAL
ESTIMATED BEGINNING BALANCE	2,287,796.00	0.00	15,000.00	2,302,796.00
FUNDING SOURCES				
Fund Transfers				
Operating Fund Transfers In	578,513.00	0.00	0.00	578,513.00
CIP Fund Intrafund Transfers	(420,592.00)	345,592.00	75,000.00	0.00
Beginning Balance Redistribution**	(2,211,200.00)	2,211,200.00	0.00	0.00
Surcharge 2 Surplus Repayment	107,171.00	0.00	0.00	107,171.00
Investment Revenue	0.00	3,500.00	0.00	3,500.00
TOTAL FUNDS AVAILABLE FOR CIP PROJECTS	341,688.00	2,560,292.00	90,000.00	2,991,980.00
PROJECTS				
A · WATER SUPPLY				
A-1 · Miscellaneous Pump Replacements	40,000.00	0.00	0.00	40,000.00
Total A · WATER SUPPLY	40,000.00	0.00	0.00	40,000.00
B · WATER DISTRIBUTION				
B-1 · Service Replacements	30,000.00	0.00	0.00	30,000.00
B-2 · Small Meter Replacements	120,000.00	0.00	0.00	120,000.00
B-3 · Large Meter Replacements	5,000.00	0.00	0.00	5,000.00
Total B · WATER DISTRIBUTION	155,000.00	0.00	0.00	155,000.00
TOTAL BUDGETED PROJECT EXPENDITURES	195,000.00	0.00	0.00	195,000.00
ESTIMATED ENDING BALANCE	146,688.00	2,560,292.00	90,000.00	2,796,980.00
<p>**NOTE: The Beginning Balance Redistribution is a one-time reallocation from the General beginning fund balance to Future Capital Improvement Projects.</p>				



Items for Discussion and Action Agenda Item: 4.7

Date: June 15, 2020

Subject: Clarifications Requested by Rate Study Consultant

Staff Contact: Tim Shaw, General Manager

Recommended Committee Action:

This item was discussed at the June 1st Executive Committee. The Committee forwarded this item onto the June 15th Board agenda, and the Committee intentionally withheld any recommendations.

Current Background and Justification:

Staff participated in a kickoff meeting with the rate study consultant. In the kickoff meeting, the consultant requested some general parameters for the study, e.g. the projected start date for the proposed new rate structure. Typically, a new structure is designed and computed for an effective date coinciding with either the start of a fiscal year or the start of a calendar year (July or January). A copy of the typical bi-monthly billing tasks calendar is included with your board packets to illustrate the complexities and lead time associated with a billing cycle that spans two months. It shows that an effective date for implementing any rate structure changes in January 2021 is impractical because the rate study, prop 218 process and Board adoption of a new rate structure would be needed prior to November 2020 to accommodate such timeline. The 45-day notice period for the prop 218 process would require the rate study to be complete in September, which is unlikely and unnecessarily rushed.

Other feedback requested by the consultant is staffing needs and timing. Staff advised that licensed water treatment operator personnel would be required when the state re-implements the Hexavalent Chromium Maximum Contaminant Level (MCL). Accordingly, RLECWD may not need licensed treatment operators until 2022. Continuing future staffing, organizational structure changes, the District contracted CPS-HR in 2017 to prepare a new position description, Administration Manager. The new position description was completed in May 2018. The change has been parked since 2018 for lack of funding

Conclusion:

I recommend the Board provide direction to staff regarding the requested clarifications from the rate study consultant. Although the Executive Committee thoroughly discussed this item, the Committee did not provide any recommendations for Board direction. However, as illustrated in the first paragraph of

Background and Justification above, I recommend the Board direct the effective date of any rate structure change be after (later than) January 2021.

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

6/15/2020

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

Clarifications Requested by Rate Study Consultant

5/28/2020

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

6/1/2020

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

6/11/2020

Actual Meeting Date Set for Agenda Item

6/15/2020

RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT

2 0 2 0 BILLING SCHEDULE

January 2020

S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2020

S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

March 2020

S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2020

S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May 2020

S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25	26	27	28	29	30

June 2020

S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

- SCHEDULED METER READING
- SCHEDULED SHUT-OFFS
- LATE FEES APPLIED
- HOLIDAYS- OFFICE CLOSED
- SCHEDULED PRE-SHUT OFF TAGS
- STATEMENT DATE

730 L STREET, RIO LINDA, CA 95673 (916) 991-1000
Normal Office hours are Monday through Friday from 7 am - 4 pm, unless otherwise noted.



Items for Discussion and Action Agenda Item: 4.8

Date: June 15, 2020

Subject: Governor's Executive Orders Status

Staff Contact: Tim Shaw, General Manager

Recommended Committee Action:

The June 1st Executive Committee discussed this item and directed an item be placed on the June 15th Board agenda. No possible and/or foreseeable Board action was concluded regarding this item.

Current Background and Justification:

Two of the Governor's Executive Orders issued during the COVID-19 declared emergency have direct, substantial impact on RLECWD operations. One of the orders, N-25-20, waives the limits that temporary employees can work as a temporary employee. Without the waiver, CalPERS limits the employment of temps to 1000-hours in a fiscal year. Similarly, the current collective bargaining agreement with Teamsters Local 150 limits temporary employees to 100-days (equivalent to 800-hours). The District currently employs one temporary employee, who has been extremely valuable in the District's success in resolving the meter replacement backlog.

Executive Order N-42-20 precludes termination of service for non-payment. The amount owed is not waived, but the cash flow and ability of the District to continue paying the bills for operating costs can be impacted if the delinquency rate and duration of delinquencies extends.

Staff has reached out to CSDA, and SGA legislative advocacy contacts to request information on any legislative dialog which may lead to plans, dates on revoking and/or modifying these executive orders. CSDA responded essentially that there is nothing being discussed now, but they will keep us posted. We received no response from the RWA/SGA legislative advocate.

Staff continues to monitor news sources for any dialog. The recent dialog on suspending the moratorium on evictions has been the closest content to date.

Conclusion:

There are no recommended or anticipated Board actions associated with the current status of Executive Orders N-25-20 and N-42-20. However, this item is included in the "Discussion /Action" section of the June 15th Board agenda to enable the Board to consider action 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 4.8

Date

Initial Potential Meeting Date6/15/2020

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

 Governor's Executive Orders Status

6/11/2020**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 WorkN/A

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

Formal Legal Counsel ReviewN/A

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

GM Review6/11/2020**Actual Meeting Date Set for Agenda Item**6/15/2020



Items for Discussion and Action

Agenda Item: 4.9

Date: June 15, 2020

Subject: Resolution 2020-03, Authorize Empower 457 Plan

Staff Contact: Tim Shaw, General Manager

Recommended Committee Action:

This item was not discussed at committee, the events necessitating and enabling this item did not transpire until after the June 1st Executive Committee.

Current Background and Justification:

In March 2020, the Board of Directors adopted Resolution 2020-01 approving the Administrative Services for IRS 457 Deferred Compensation Plan with VALIC, which authorized staff to execute all appurtenant documents associated with the VALIC 457 plan. Unfortunately, the VALIC personnel did not perform the administration and execution of documents in a timely manner. Additionally, some of the responses to staffs repeated requests for status of the overdue documents were causes for concern.

In response to these concerns, staff reached out to a trusted retirement investment planning professional, Brett Meyer of Ameriprise Financial Services. Mr. Meyer evaluated the plan documents of VALIC, Nationwide, Mass Mutual and other similar services as well as the District's particulars. Mr. Meyer recommends the District use the nations 2nd largest IRS 457 plan administrator for government agency employers, Empower Retirement Services.

As previously described, the transfer of funds from Nationwide to VALIC did not transpire. Accordingly, Resolution 2020-03 authorizes the transfer of employee funds from Nationwide to Empower.

Conclusion:

I recommend the Board adopt Resolution 2020-03 authorizing execution an Administrative Services Agreement with Empower for the District's IRS 457 Deferred Compensation Plan.

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 4.9

Date

Initial Potential Meeting Date6/15/2020

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

Resolution 2020-03, Authorize Empower 457 Plan

6/11/2020**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 WorkN/A

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

Formal Legal Counsel ReviewN/A

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

GM Review6/11/2020**Actual Meeting Date Set for Agenda Item**6/15/2020

RESOLUTION NO. 2020-03

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

WHEREAS, the District desires to adopt, pursuant to Section 457(b) of the Internal Revenue Code, a 457 Deferred Compensation Plan (“Plan”) with Empower, Great West Life and Annuity Company (Empower) 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, a 457 Deferred Compensation Plan Administrative Service Agreement with VALIC was approved on March 16, 2020 including authority to transfer investments from Nationwide to VALIC; and

WHEREAS, the stipulated transfer of funds from Nationwide to VALIC has not materialized due to recurring delays from VALIC employees and officers; and

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

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Empower 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 15th day of June 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



ADMINISTRATIVE SERVICES AGREEMENT

This Administrative Services Agreement ("Agreement") sets forth the general terms and conditions under which Great-West Life & Annuity Insurance Company ("Great-West") will provide administrative services to the undersigned Plan Sponsor with respect to Plan Sponsor's defined contribution plan (the "Plan" or "Plans") established pursuant to Code section 401(a), 401(k) or 457(b) (as applicable).

1. Definitions

"Agreement" includes this base Administrative Services Agreement as well as the attached Schedule of Services and a separately executed fee schedule or fee proposal ("Fee Schedule").

"Business Day" means any day, and only for as many hours as, the New York Stock Exchange is open.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Empower" and "Empower Retirement" refer to Great-West and its affiliates with respect to products and services offered in the retirement markets, including but not limited to recordkeeping and communication services.

"Plan Sponsor" and "Employer" refer to the undersigned Employer, the Plan Sponsor, Plan Administrator, named fiduciaries, and other delegates of the Employer (other than Empower), as dictated by the context.

2. Services Provided by Empower

2.1. Services. Empower will provide the services set forth in this Agreement (collectively the "Services"). In the performance of the Services, Empower will act as a non-discretionary service provider directed by the Plan Sponsor in compliance with applicable laws and regulations. The parties agree that the purchase and sale of securities for the Plan, except for employer stock and unaffiliated self-directed brokerage, will be effected through GWFS Equities, Inc., a broker/dealer affiliate of Empower.

2.2. Non-Fiduciary Status. Plan Sponsor acknowledges that the Services are ministerial and are not intended to involve the exercise of any discretion that would cause Empower to be a fiduciary or Plan Administrator as defined under the Code, the Investment Advisors Act of 1940, or state law, as applicable. Nothing in this Agreement or otherwise shall result in Empower having any discretionary authority or responsibility for the administration of the Plan, including management of the Plan or disposition of Plan assets. Empower shall not render, or have any authority or responsibility to render, investment advice for a fee or other compensation, direct or indirect, with respect to any Plan assets.

2.3. No Tax or Legal Advice. Nothing in this Agreement is intended to constitute legal or tax advice from Empower to Plan Sponsor, or to any other party. Plan Sponsor understands that Empower has not given and may not give legal advice. All issues should be reviewed and discussed with Plan Sponsor's legal counsel and/or tax adviser.

3. Responsibilities of Plan Sponsor

Plan Sponsor acknowledges that Empower cannot effectively perform the Services without Plan Sponsor's cooperation. Accordingly, Plan Sponsor acknowledges and agrees that it will fulfill the following duties and obligations.



3.1. Plan Administrator. Plan Sponsor, a designated employee or committee, or a third party retained by Plan Sponsor or named in the Plan (other than Empower or one of its affiliates) will be the "plan administrator" and "named fiduciary" as defined by applicable law.

3.2. Provision of Information. Plan Sponsor or its designee, including any third parties retained by or on behalf of the Plan or Plan Sponsor, will provide all information necessary for Empower to perform the Services in a manner and format that does not require manual intervention or manipulation by Empower. Plan Sponsor acknowledges and agrees that Empower shall not bear any responsibility for any penalties or other costs incurred as a result of Plan Sponsor's failure to provide such information in a timely manner. Plan Sponsor further acknowledges and agrees that Empower may charge an additional fee if any necessary information is not provided on a timely basis, or in an electronic format usable by Empower without any manual intervention or manipulation. Plan Sponsor agrees that Empower shall be entitled to fully rely upon the accuracy and completeness of information Plan Sponsor submits and that Empower shall have no duty or responsibility to verify such information. If, as a result of incorrect or incomplete information furnished by Plan Sponsor, it becomes necessary to repeat any calculation or service, complete any new forms or revise any completed forms, Empower reserves the right to charge an additional fee. Each party agrees to bear its own interconnect transmission costs and is solely responsible for its own acts and omissions relating to transmitting, receiving, storing and handling documents and information, including the maintenance of all equipment, software and testing necessary to effectively, reliably and securely send and receive such documents and information.

3.3. Remitting Contributions and Allocation Instructions. Plan Sponsor agrees that it is solely responsible for collecting and remitting all initial and recurring contributions and loan repayments to Empower electronically via Empower's plan sponsor website, or another mutually agreed-upon manner within the time prescribed by applicable law. Plan Sponsor acknowledges that Empower is not responsible for monitoring the amount and/or timeliness of such contributions and loan repayments. In the event that a Plan participant ("Participant") does not elect investment options, Plan Sponsor directs Empower to invest the contribution in the default investment option under the Plan at the time the contribution is received. Plan Sponsor acknowledges that Empower reserves the right to either reject contributions remitted via ACH without proper proceeds or to assess an additional processing charge, and that in such event Empower further reserves the right to reject all future ACH contribution remittances from Plan Sponsor. With respect to Plan- or Plan Sponsor-initiated distributions or rollovers, Plan Sponsor hereby instructs and authorizes Empower to rely upon the information on Empower's recordkeeping system for purposes of tax reporting and withholding, and to treat payees with U.S. addresses as U.S. persons and payees with foreign addresses as foreign persons. Plan Sponsor certifies that such information is accurate and compliant with the Foreign Account Tax Compliance Act (FATCA) and the Code, and that required documentation supporting such information has been collected by Plan Sponsor.

3.4. Plan Document and Compliance Responsibilities. Plan Sponsor has the responsibility to ensure that the Plan documents are accurate and complete and that the Plan is being operated in accordance with its terms and applicable law. Plan Sponsor shall provide Empower with a signed copy of the Plan document and all amendments to the Plan document within thirty (30) days after such document and/or amendment is adopted. Plan Sponsor acknowledges that it is responsible for reviewing the accuracy and completeness of all Plan document services performed by Empower, if any. Plan Sponsor is solely responsible for ensuring that a Plan is qualified under the Code.

3.5. Disclosures. Plan Sponsor agrees to comply with all of its notice and disclosure responsibilities under applicable law.



3.6. Investment Options. Plan Sponsor is responsible for the selection of all investment options made available under the Plan ("Investment Options") based on Plan Sponsor's independent evaluation, or that of its registered investment advisor, consultant, broker or other agent, as applicable. Plan Sponsor must notify Empower in writing of the Investment Options intended to be serviced by Empower and such Investment Option services are only provided as agreed upon by Empower and may be subject to certain limitations or conditions. Plan Sponsor acknowledges that the Plan's transition to Empower may be delayed if there is a change in the investment option selections.

As part of the Services provided by Empower, the Plan's assets may be invested in a group annuity contract and/or array of funds offered by Great-West, its affiliates or other investment providers (the "Investment Program"). Empower may add, delete and/or replace available investment options offered under the Investment Program with at least sixty (60) days written notice to Plan Sponsor or the Plan fiduciary. This notice will explain the fund change, communicate the timeline and effective date of the fund change, provide information on fees received by Empower or an affiliate from a fund company, and explain Plan Sponsor's or the Plan fiduciary's right to opt out of the change. Plan Sponsor or the Plan fiduciary will be deemed to have approved such change unless Plan Sponsor's or Plan fiduciary's written objection is received by Empower within the sixty (60) day notice period. If Plan Sponsor or the Plan fiduciary objects to the fund change, Empower may terminate this Agreement, but will continue to provide services for at least sixty (60) days after the effective date of the fund change.

If allowed within the Investment Program, Plan Sponsor may request an addition, deletion, and/or replacement with respect to investment options available in the Plan. Plan Sponsor must provide Empower with notice of the intended change sixty (60) days prior to the intended date of the fund lineup modification. Empower must confirm, in writing, its ability to administer any requested fund additions, deletions and/or replacements prior to these changes being implemented. Once Empower receives notice of such fund change request, Empower will assess the Plan's pricing and the selected fund company's administrative requirements. Empower reserves the right to decline a fund change request if Empower is unable to administer the fund requested. Additionally, Empower reserves the right to reevaluate and modify the Fee Schedule as part of the request, and the Plan Sponsor acknowledges that such a request could impact the fees paid by the Plan or Plan Sponsor. The Plan Sponsor shall provide sufficient notice of the Plan's desired fund change to provide Empower with the opportunity to conduct the necessary review and to ensure that Plan participants can be provided with notification of fund changes at least thirty (30) days prior to the effective date of the change. If applicable, Plan Sponsor agrees to cooperate with Empower to create and deliver all necessary participant communications, and acknowledges that there may be an additional cost for such communications.

If Plan Sponsor offers Plan Investment Options that are recordkept outside of this Agreement ("Outside Assets"), Plan Sponsor hereby instructs Empower to restrict any and all transfers between the Outside Assets and the Plan assets recordkept under this Agreement. If Plan Sponsor has selected a Great-West annuity product, Plan Sponsor agrees that any provision(s) of the group annuity contract to the contrary are inoperable with respect to the Plan.

Plan Sponsor acknowledges that Empower or its affiliates may receive fees from mutual fund families or other Investment Option sponsors or their affiliates for providing certain administrative or other services thereto ("Fund Service Fees"). Plan Sponsor may request additional information regarding such fees at any time. If the provider of an Investment Option causes an Investment Option to become unavailable, Empower will notify Plan Sponsor as soon as practicable after the Investment Option Sponsor notifies Empower. If any employer securities are included as an Investment Option or are otherwise contributed under the Plan, (i) Plan Sponsor shall be responsible for any Securities and Exchange Commission (the "SEC") or state registration, prospectus delivery or Form 11-K annual



reporting requirements; and (ii) Empower shall not be responsible for the enforcement of or compliance with any SEC or Employer regulations or policies related to insider trading in Employer securities or the reporting of such trading. Plan Sponsor acknowledges that the SEC requires mutual fund companies to establish procedures to prevent market timing and excessive trading. Plan Sponsor agrees to adhere to the terms and conditions of such procedures included with this Agreement, as amended from time to time.

3.7. Payment of Plan Expenses. Plan Sponsor may direct Empower in writing to deduct Plan expenses from the Plan to the extent Plan Sponsor has determined that deduction is specifically allowed by the Plan document and applicable law, and to remit to the party designated by the Plan Sponsor.

3.8. Direction by Plan Sponsor. In performing the Services, Empower is acting at the direction of the Plan Sponsor or other named fiduciary of the Plan. Plan Sponsor agrees to provide direction in a manner reasonably requested by Empower, and Empower may rely upon any such direction, whether provided electronically or in writing, by a person that Empower reasonably believes to be authorized to act on behalf of the Plan Sponsor or other named fiduciary. Plan Sponsor agrees that all services and procedures to be followed by Empower as set forth in any service profile, summary plan description (if applicable), plan administrative guide, administrative form or other similar document will constitute direction by the Plan Sponsor to Empower, unless Plan Sponsor indicates otherwise. Plan Sponsor specifically intends that Empower will have no discretionary authority with respect to such "deemed" approved transactions, and that Empower's responsibility is limited solely to confirming it has been provided in good order and in accordance with the procedure.

3.9. Electronic Delivery. Empower will deliver plan-related documents to Participants under this Agreement in an electronic manner, to the extent available, including the following:

3.9.1. Quarterly benefit statements will be posted to the participant website after quarter end. Participants will receive an annual notice advising them of the availability of the quarterly statement on the participant website and the right to receive a paper copy of the statement.

3.9.2. Plan notices to be delivered by Empower will be delivered via email to the Participant's work utilized email address as provided to Empower by the Plan Sponsor or, if the Participant has affirmatively elected on the participant website, to the email address provided by the Participant or, if neither, via regular mail.

By providing Empower with a Participant's work utilized email address, the Plan Sponsor confirms that delivery of plan-related documents to such work utilized email address satisfies the Department of Labor's regulations (§2520.104b-1) regarding electronic delivery of plan-related documents. Participants may elect on the participant website or by contacting an Empower customer services representative to receive quarterly statements and plan notices via regular mail at any time.

3.10. Review of Reports. Plan Sponsor and Participants are responsible for reviewing and monitoring reports made available by Empower (whether provided electronically, by posting on an Empower website, or otherwise) regarding Plan activity, transactions and investments to verify that the investments indicated in the reports properly reflect the investment directions provided by the Plan Sponsor or the investment elections made by Participants, as applicable. Empower's performance of its obligations under this Agreement shall be conclusively presumed to be accurate unless Plan Sponsor or a Participant provides Empower with proper notice of discrepancies.



3.11. Error Correction. If Empower makes an Investment Option transaction error, and it is brought to Empower's attention in a timely manner, Empower will, at its own expense, retroactively correct the error by putting the Participant back in the financial position where the Participant would have been had the error not occurred. In the case of other Empower errors, Empower will, within a reasonable time after being notified of or discovering such error, notify the Plan Sponsor and, as authorized by Plan Sponsor, take commercially reasonable steps consistent with Internal Revenue Service, Department of Labor and other agency guidelines, where applicable, to correct such error. Empower will have no liability for an error or mistake caused by acts or omissions of the Plan Sponsor, Participants or any other third party. If a correction is made at Empower's expense and results in a net loss, Empower will bear the loss. However, if the correction results in an unintended net gain, Empower will retain the gain as compensation for services provided to the Plan and to defray costs of servicing the Plan including offsetting net losses as described above.

3.12. Requirement to Appoint a Trustee. Plan Sponsor is responsible for determining whether to appoint a trustee to provide trust services to the Plan and for selecting the trustee. If Plan Sponsor chooses to fund the Plan exclusively through a Great-West group annuity contract, if available, the annuity contract may be used in lieu of a separate trust agreement, and Plan Sponsor will be considered the deemed trustee. If a trust agreement is used, Plan Sponsor agrees to have the trustee execute such agreement and all other documents required to establish and operate the trust.

Any trustee or custodian selected by Plan Sponsor for the Plan must be able to interface with Empower's recordkeeping system in a "passive" role and all assets must be transferred to the omnibus custodial bank account. Plan Sponsor agrees to require the trustee or custodian to provide to Empower all information in the possession of the trustee or custodian that is necessary for the performance of Empower's duties under this Agreement.

If Plan Sponsor chooses to retain Wells Fargo Bank, N.A. ("Wells Fargo") to serve as a Plan trustee or custodian, Plan Sponsor agrees to execute any and all documents required to establish the trust or custodial account. If Plan Sponsor, another entity or named employees serve as trustee of the Plan and Wells Fargo does not serve as a trustee, Plan Sponsor agrees to enter into a custodial agreement or other applicable agreement with Wells Fargo for the receipt of contributions..

Plan Sponsor acknowledges that any change to the trustee and/or custodial setup or relationships during implementation may delay the Effective Date.

4. Fees & Charges

4.1. Fees. Plan Sponsor agrees to pay Empower for the Services in accordance with the Fee Schedule, excluding any applicable sales, use, excise, services, consumption and other taxes or duties as described in Section 4.2 below. To the extent not paid by the Plan, Plan Sponsor agrees to pay Empower for services provided to the Plan. To the extent fees are not guaranteed in the Fee Schedule, Empower reserves the right to change its fees upon ninety (90) days' advance written notice to Plan Sponsor. Plan Sponsor directs Empower to debit from the Plan the amount of fees payable to any outside third parties retained by Plan Sponsor to provide plan administration, investment advisory, or other services ("Plan Service Providers"), as detailed in the Fee Schedule, and to remit the fees directly to the Plan Service Provider.

4.2. Taxes. Unless Plan Sponsor provides Empower with a valid and applicable exemption certificate, Plan Sponsor will reimburse Empower for sales, use, excise, services, consumption and other taxes or duties that Empower is required to collect from the Plan Sponsor and which are assessed on the



purchase, license and/or supply of Services. Plan Sponsor and Empower shall each bear sole responsibility for all taxes, assessments and other real property related levies on its owned or leased real property, personal property (including software), franchise and privilege taxes on its business, and taxes based on its net income or gross receipts. If applicable, Plan Sponsor and Empower shall reasonably cooperate to more accurately determine each party's tax liability and to minimize such liability to the extent legally permissible.

5. Confidential Information

5.1. In order to perform the Services, both parties may have access to certain information of the other party, including, without limitation, trade secrets, commercial and competitively sensitive information of the party related to business methods or practices, and proprietary software or websites of the party ("Confidential Information"). For the purpose of clarity, any software or website owned, licensed or made available by Empower ("Empower Software") is Confidential Information of Empower. The parties mutually agree to hold all Confidential Information of the other party in confidence and not to disclose any Confidential Information of the other party to anyone except the parties' affiliates, suppliers, and respective personnel in connection with the performance or receipt of Services hereunder or as directed or approved by the other party or its agents. Confidential Information does not include: information that is otherwise in the public domain through no action of the non-disclosing party; information that is acquired by a party from a person other than the other party or its agents without any obligation of confidentiality; or information that is independently developed by a party without reference to the Confidential Information of the other party.

5.2. In the event a party is required to make a legally required disclosure of the other party's Confidential Information, such party shall notify the other party of the disclosure as soon as reasonably practicable, and shall cooperate with any efforts by such party to obtain protective treatment of such Confidential Information to the extent permitted by law. The foregoing shall not apply to broad-based regulatory examinations associated with a party's general business or operations, to disclosures made in conjunction with a law enforcement investigation, or where notice is prohibited by law.

6. Privacy & Data Security

6.1. Empower and Plan Sponsor agree to maintain and hold in confidence all Nonpublic Personal Information received in connection with the performance of Services under this Agreement ("NPI"). Empower and Plan Sponsor agree that their collection, use and disclosure of any and all NPI is and will be at all times conducted in compliance with all applicable data protection and/or privacy laws, rules and/or regulations. NPI includes personally identifiable financial information as defined by Title V of the Gramm-Leach-Bliley Act. Plan Sponsor authorizes Empower to disclose NPI to its affiliates, service providers, and Plan Service Providers, in accordance with Empower's Privacy Notice, a copy of which is attached to this Agreement.

6.2. The parties will use best efforts to secure NPI through the use of appropriate physical and logical security measures, and will take all commercially reasonable organizational and technical steps to protect against unlawful and unauthorized processing of NPI. For purposes of this section, NPI includes user credentials, passwords, and other authentication data that enables Plan Sponsor, its authorized agents, or Participants to access Empower Software. The parties will promptly notify the other in the event of (i) any breach of the party's security measures that results in unauthorized access to NPI; (ii) the consequences of the breach; and (iii) the corrective action taken to remedy the breach.

6.3. Upon request, Empower will provide Plan Sponsor or its designated agent with information (which may include NPI) received from or in relation to Participants in connection with the



performance of services under this Agreement including recorded phone calls and written and electronic correspondence. To the extent Plan Sponsor requests such information, Plan Sponsor agrees to indemnify Empower and to waive, absolve and forfeit any claims against Empower for providing such information to the Plan Sponsor or its designated agent.

6.4. For purposes of Rule 14(b)-1 and Rule 14(b)-2 of the Securities Exchange Act of 1934, as amended from time to time, Plan Sponsor authorizes Empower, and/or its affiliates and services providers, to provide the name, address and share position of the Plan with respect to any class of securities registered under the Investment Company Act of 1940 when requested by such SEC registrant for purposes of shareholder meetings. The above-referenced rules prohibit the requesting SEC registrant from using the Plan's name and address for any purpose other than corporate communications of the type contemplated under the rules.

7. Business Continuity & Disaster Recovery

7.1. Empower will maintain business continuity and disaster recovery procedures to address the security, integrity and availability of the technology, operational, financial, human and other resources required to provide the Services. Such procedures shall be designed to enable Empower to continue to perform mission-critical Services in the event of a natural disaster or other interruption of normal business operations. Further, Empower agrees to review and test such disaster recovery procedures at least once annually.

7.2. GWFS Equities, Inc.'s current Business Continuity Plans Notice is attached to this Agreement. By executing this Agreement, Plan Sponsor acknowledges receipt of this Notice.

8. Records & Audit

8.1. **Record Retention.** Empower shall retain all records in its custody and control that are pertinent to performance under this Agreement in accordance with its record retention policy and as required by applicable law. Subject to the foregoing, each party agrees to return or destroy the other party's Confidential Information and NPI once it is no longer required for the purpose of performing or receiving the Services, provided that the parties are not obligated to destroy copies of Confidential Information or NPI that must be retained for audit, legal or regulatory purposes, or is stored in non-readily accessible electronic format, such as on archival systems.

8.2. **SSAE 16.** Each year upon the request of Plan Sponsor, Empower will provide Plan Sponsor with a copy of the review performed by Empower's external auditors under the "Statement of Standards for Attestation Engagements Number 16 Reporting on Controls at a Service Organization of the American Institute of Certified Public Accountants (SSAE16) SOC 1, or any new or replacement standard or protocol established by the American Institute of Certified Public Accountants.

9. Intellectual Property Rights

9.1. **Plan Sponsor Materials.** As between the parties hereto, excluding the Empower Materials (as defined below), Plan Sponsor shall own all trademarks, trade names, logos, trade dress, and other Confidential Information provided or made accessible by Plan Sponsor to Empower in providing the Services (collectively, the "Plan Sponsor Materials"). Plan Sponsor Materials do not include data and information in the form maintained by Empower or supplied to Plan Sponsor by Empower. Plan Sponsor grants to Empower a nonexclusive, nontransferable and non-sublicensable license to use Plan Sponsor



Materials in connection with its provision of the Services. Plan Sponsor grants Empower a limited, revocable right and license to use Plan Sponsor's trade name, logo or trademark, general Plan design information, and aggregated data that does not contain NPI in materials created by Empower and for the purpose of promotion, advertisement or prospecting for new clients, including, without limitation, media releases, requests for proposals, case studies, and sales and marketing material.

9.2. Empower Materials. As between the parties hereto, Empower and its affiliates shall own all materials, documentation, user guides, forms, templates, business methods, trademarks, trade names, logos, websites, Empower Software, technology, computer codes, domain names, text, graphics, photographs, artwork, interfaces, and other information or material provided by Empower or its affiliates hereunder (collectively, the "Empower Materials"). Empower grants to Plan Sponsor and Participants (as applicable) a nonexclusive, non-transferable and non-sublicensable license to use the Empower Materials during the term of the Agreement solely for purposes of using Empower's Services hereunder and subject to the terms and conditions set forth in this Agreement and any terms of use associated with Empower Software. All rights with respect to the Empower Materials not specifically granted hereunder are reserved by Empower.

10. Liability & Indemnification

10.1. Empower agrees to indemnify the Plan Sponsor from and against any and all expenses, costs, reasonable attorneys' fees, settlements, fines, judgments, damages, liabilities, penalties or court awards asserted by a third party (collectively, "Damages") to the extent resulting from Empower's breach of this Agreement, negligence, or willful misconduct. Notwithstanding anything to the contrary herein, Empower shall not be liable to Plan Sponsor for any Damages resulting from: 1) any acts or omissions undertaken at the direction of the Plan Sponsor or any authorized agent thereof; 2) any direction of any third party retained by Plan Sponsor to provide services relating to the Plan, including but not limited to prior service providers, investment advisors, or any authorized agent thereof; or 3) any performance of the Services that is in strict compliance with the terms of this Agreement.

Plan Sponsor acknowledges that Empower and its directors, officers, employees and authorized representatives are not responsible for the investment performance of any Investment Options under the Plan.

10.2. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL, OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR PROFIT) EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10.3. Insurance. Empower will, at its own cost and expense, procure and maintain in full force and effect throughout the term of this Agreement insurance coverage that is reasonably appropriate to the Services provided under this Agreement. The requirements in this section are not intended to, and will not in any way, limit or qualify the liabilities and obligations of Empower under this Agreement.

11. Dispute Resolution

The parties shall engage in reasonable and good faith discussions to resolve any dispute arising out of or relating to this Agreement. If the parties are unable to agree between themselves, the parties will submit the dispute to non-binding mediation conducted by a private mediator agree to by both parties.



If the parties cannot agree on a mediator, the mediator may be selected by a nationally recognized, independent arbitration or mediation organization to which the parties mutually agree. The costs of mediation shall be borne equally by the parties, and each party shall pay its own expenses. If the parties are unable to resolve the dispute through non-binding mediation, either party may initiate litigation; provided, however, that if one party requests mediation and the other party rejects the proposal or refuses to participate, the requesting party may initiate litigation before the expiration of the above period.

12. Termination

12.1. Effective Date. This Agreement will be effective as of the Effective Date specified in the Signature Page and will continue in effect for the initial term, if any, specified in the Fee Schedule and will continue thereafter until terminated in accordance with the termination provisions of this Agreement.

12.2. Termination. This Agreement may be terminated by either party, in whole or in part, by delivering sixty (60) days advance written notice to the other party. Plan Sponsor directs Empower to deduct any and all outstanding expenses and fees owed to Empower from the Plan's trust on the termination date, unless paid by Plan Sponsor. Plan Sponsor agrees to amend the Plan, if necessary, to provide for the payment of expenses from the Plan consistent with the foregoing. Upon termination of this Agreement, Empower will cease to provide the Services. Plan Sponsor acknowledges that after the termination of this Agreement, Plan Sponsor will be responsible for performing all actions required to be taken with respect to the Plan including, but not limited to: processing of contributions, loans and distributions, and the distribution of forms to Participants. On and after the actual date of termination of this Agreement, Empower shall have no further obligations hereunder except as set forth in this subsection. Notwithstanding the foregoing, upon a written request by Plan Sponsor, Empower will provide Plan Sponsor, or a designated successor service provider, with Plan data and other information residing on Empower's recordkeeping system in Empower's standard format or another mutually agreeable format. Any request for Empower to provide information other than in its standard format shall be at Empower's sole discretion, and Plan Sponsor agrees to pay all fees, costs and expenses associated with such a request.

12.3. Plan Termination. If the Plan terminates, Empower may utilize any procedures promulgated by the U.S. Department of Labor or other applicable regulatory agencies for abandoned or orphaned plans, including the facilitation of distributions to payees and any other required plan termination requirements.

13. Miscellaneous

13.1. Affiliates & Agents. Plan Sponsor acknowledges and agrees that Empower may utilize the services of affiliates, agents, vendors and suppliers selected by Empower. Empower's use of any such party will not relieve Empower of its obligations hereunder, and Empower shall at all times remain liable for the performance of the Services hereunder.

13.2. Relationship of the Parties. The relationship between the parties is that of independent contractors. Neither Empower nor its personnel shall be considered employees of Plan Sponsor for any purpose. None of the provisions of this Agreement shall be construed to create an agency, partnership or joint venture relationship between the parties or the partners, officers, members or employees of the other party by virtue of either this Agreement or actions taken pursuant to this Agreement.



13.3. No Third Party Beneficiaries. This Agreement is solely for the benefit of the parties hereto and their affiliates and is not intended to confer any rights or remedies upon any other person.

13.4. Assignment. This Agreement shall be binding upon and inure to the benefit of each of the parties, their affiliates, successors and permitted assigns; provided, however, that neither party may assign its rights or obligations hereunder without the other party's prior written consent. Notwithstanding the foregoing, a party may assign this Agreement in connection with: (i) the sale of substantially all of its assets or the assets of any business unit to an entity that assumes the assignor's obligations under this Agreement; (ii) a merger, acquisition or divestiture; and/or (iii) a transfer to a parent or affiliate, in each case without the other party's consent.

13.5. Entire Agreement. This Agreement, including all Exhibits, Schedules, notices and attachments, constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior drafts, agreements, negotiations and proposals, written or verbal, relating to the Services. Except as otherwise provided herein, this Agreement may be modified only by an Amendment signed by authorized representatives of each party. Notwithstanding the foregoing, Empower may unilaterally amend the Agreement in order to comply with applicable laws, to add or enhance the Services, or to update the method of providing the Services, by providing written notice to Plan Sponsor at least 30 days in advance of the effective date of such change and explaining Plan Sponsor's right (if any) to opt out of the change. Service elections or modifications that alter the terms of the Schedule of Services or the Fee Schedule may be reflected in a new version of such document, which will be produced by Empower and made available to Employer, and which shall replace all prior versions of such document(s). Any Empower notices or policies that are attached to or referenced in this Agreement may be modified by Empower at any time. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of such provision or any other provision hereof and no waiver shall be effective unless made in writing.

13.6. Governing Law; Waiver of Jury Trial. This Agreement shall be construed and enforced in accordance with and governed by the laws of the state of the Plan Sponsor's residence, without regard to conflict of law principles, and any claim arising under or related to this Agreement shall be subject to the exclusive jurisdiction of the federal and state courts located in the Plan Sponsor's state of residence. Both parties agree to waive any right to have a jury participate in the resolution of any dispute or claim arising out of, connected with, related to or incidental to this Agreement to the fullest extent permitted by law. Plan Sponsor agrees that to the extent it can assert sovereign immunity under applicable law, it waives such sovereign immunity to the extent necessary to permit Empower to enforce the terms and conditions of this Agreement under the dispute resolution mechanism specified herein. Plan Sponsor further agrees to not assert sovereign immunity as a defense to any claim or action that Empower may bring relating to this Agreement.

13.7. Unclaimed Property. With respect to any unclaimed property, Empower's standard policy is to follow state unclaimed property regulations and escheat assets in those accounts to the Plan or Participant's state of residence based on Empower's records. By executing this Agreement, Plan Sponsor acknowledges and agrees that this standard policy will be applied to any unclaimed property associated with the Plan. However, Plan Sponsor may direct Empower, in writing, to treat the Plan's unclaimed property in a different manner. If Plan Sponsor directs Empower to dispose of such assets in any manner that differs from or is inconsistent with Empower's standard policy, Plan Sponsor understands and agrees that it is solely responsible for (i) determining whether any assets in those accounts are payable to any State or other jurisdiction under applicable escheat or unclaimed property



laws; and (ii) issuing proper directions to Empower and the Trustee (as applicable) as to disposition of such assets.

13.8. Website Services. Empower will, as part of the Services, host, maintain and make certain information available to Plan Sponsor and Participants on a website or websites (the "Website Services"). Plan Sponsor will not use or permit any use of the Website Services (i) in any unlawful or illegal manner; (ii) in any way that could impair the Website Services or any other party's use thereof; or (iii) to distribute, sell, resell, license or transfer any of Plan Sponsor's rights to access or use the Website Services or make the Website Services available to any third party. Any user credentials, including user identification and passwords, established by Plan Sponsor and its delegates or any Participant (each a "User ID") is issued to a specific user and may not be shared or used by any individual other than that user. Plan Sponsor will be responsible for the compliance by its users with the applicable terms of this Section. Empower may terminate the User ID, or portions thereof, for any user involved in a breach of this Section. Plan Sponsor acknowledges that transmissions through the internet are inherently unsecure, that virus protection software, firewalls and other security measures are not foolproof, and that the Website Services and their content are not invulnerable to fraud or hacking. In addition, Plan Sponsor acknowledges that Empower shall from time to time perform scheduled or emergency repairs, maintenance, and disaster recovery testing on the websites, and that such activity, or other circumstances beyond Empower's reasonable control, may cause the Website Services to be unavailable or delayed. Plan Sponsor agrees that Empower shall not be liable for any such delays or downtime in the Website Services, or for any virus or malicious access to the Website Services by third parties, provided that Empower has implemented and maintained security features with respect to the Website Services that are consistent with this Agreement and commercially reasonable industry standards.

13.9. Force Majeure. Neither Empower nor Plan Sponsor shall be liable to the other for any and all losses, damages, costs, charges, counsel fees, payments, expenses or liability due to delay or interruption in performing its obligations hereunder, and without the fault or negligence of such party, due to causes or conditions beyond its control, including, without limitation, labor disputes, riots, war and war-like operations including acts of terrorism, epidemics, explosions, sabotage, acts of God, civil disturbance, governmental restriction, transportation problems, failure of power or other utilities including phones, internet disruptions, fire or other casualty, natural disasters, or disruptions in orderly trading on any relevant exchange or market, or any other cause that is beyond the reasonable control of either party

13.10. Severability. The provisions of this Agreement are severable, and if for any reason a clause, sentence, paragraph or provision of this Agreement is determined to be invalid by a court or federal or state agency, board or commission having jurisdiction over the subject matter thereof, such invalidity will not affect other provisions of this Agreement that can be given effect without the invalid provision.

13.11. Notices. All formal notices required by this Agreement will be in writing and shall be sent to Empower as set forth below and to the most current Plan Sponsor and trustee address on file with Empower. All notices sent shall be effective upon receipt.

Notice To Empower:

Great-West Life & Annuity Insurance Company
 Empower Retirement Division
 8515 East Orchard Road
 Greenwood Village, CO 80111



With a copy to:
Great-West Life & Annuity Insurance Company
8515 East Orchard Road
Greenwood Village, CO 80111
Attn: General Counsel

13.12. Headings; Defined Terms; Counterparts. Section headings used in this Agreement are intended for reference purposes only and shall not affect the interpretation of this Agreement. Unless the context requires otherwise, capitalized terms defined in this Agreement have the meanings set forth herein for all purposes of this Agreement including any Schedules or Exhibits. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. The parties' execution and delivery of this Agreement by facsimile, email, or electronic copies shall have the same force and effect as execution and delivery of an original.

13.13. Survival. The provisions of the following sections shall survive the termination of this Agreement: Fees & Charges; Confidential Information; Privacy & Data Security; Record Retention; Intellectual Property Rights; Indemnification; Limitation of Liability; Dispute Resolution; Governing Law; Waiver of Jury Trial; Unclaimed Property; Website Services; Survival; Severability; No Third-Party Beneficiaries; and any other section that would by its context be reasonably expected to survive termination.

13.14. Signatures/Corporate Authenticity. Plan Sponsor has been provided a signature page ("Signature Page") that applies to this Agreement as well as to certain other documents, which are listed thereon. By signing the Signature Page, the parties certify that they have read and understood this Agreement, that they agree to be bound by its terms, and that they have the authority to sign it. This Agreement is not binding on either party until signed by both parties.



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Sample



BUSINESS CONTINUITY PLAN NOTICE

GWFS Equities, Inc., a subsidiary of Great-West Life & Annuity Insurance Company and affiliate of Great-West Life & Annuity Insurance Company of New York* ("the Company"), maintains a comprehensive business continuity plan designed to respond reasonably and effectively to events that lead to significant business disruption, such as natural disasters, power outages, or other events of varying scope. This plan defines critical functions and systems, alternate work locations, vital books and records, and staff resources, and provides for the continuation of business operations with minimal impact, depending on the severity and scope of the disruption. The plan is reviewed and tested no less than once annually to ensure that the information in the plan is kept current and that documented recovery and continuity strategies adequately support its business operations. Of utmost importance to the plan is the ability for customers to maintain access to securities accounts and assets in those accounts.

In the event that one of the Call Centers or back office operation facilities becomes unavailable for any reason, calls would be re-routed to one of the firm's alternative call center or operations facilities.

In the event of a significant business disruption to the primary office and/or data center, access to customer accounts will be provided via the Company's Web site and voice response system, operated from an alternative data center. Customer Service will continue to be provided by re-routing telephone calls to a Call Center located in one or more alternative sites located outside of the region.

While no contingency plan can eliminate the risk of business interruption, or prevent temporary delays with account access, the firm's continuity plan is intended to mitigate all reasonable risk and resume critical business operations within 24 hours or the next business day, whichever is later.

* Record keeping and administrative services are provided by Great-West Life & Annuity Insurance Company, and in New York, Great-West Life & Annuity Insurance Company of New York, or one of its subsidiaries or affiliates. Securities offered in your account may be offered through another broker/dealer firm other than GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company. Please contact your investment provider for more information if needed.

This disclosure is subject to modification at any time. The most current version of this disclosure can be found on the Web site or can be obtained by requesting a written copy by mail.

BCP – GWFS Customer Notice (Ed. Sept. 2012)



Privacy Notice

The Great-West Family of Companies protects your privacy. We have policies to keep your nonpublic personal information private. We may share it with affiliates and third parties that we do business with, and in other ways permitted by law.

Our websites

When you visit our websites, we may collect technical and navigational information, such as device type, browser type, Internet protocol address, pages visited, and average time spent on the websites. We use this information for a variety of purposes, such as maintaining the security of your online session, online advertising, facilitating site navigation, improving our websites' design and functionalities, and personalizing your experience. Additionally, we use temporary and/or persistent cookies, web beacons and other similar technologies ("cookies") to support the operation of the Great-West Family of Companies' websites. Cookies are text files that are placed by a client server onto the browser of a visitor to a website. These files are harmless to your computer, and store navigation information as you move throughout the website. These cookies help us to collect information about visitors to our websites. We also use cookies for security purposes and to personalize your experience, such as customizing your screen layout. On their own cookies do not contain or reveal any personally identifiable information. However, if you choose to furnish us with personally identifiable information, this information can be associated with the data collected using the cookies.

The Great-West Family of Companies and third-party service providers we hire may use cookies in online advertising. We do not share personally identifiable information about our customers with these third-party service providers, and they do not collect such information for us. These third-party service providers help us determine which products and services offered by the Great-West Family of Companies may be of interest to you. These service providers may collect information about your activity on our websites using cookies and other technologies to analyze, for example, pages visited, search engine referrals, browsing patterns, and responses to advertisements and promotions. Such service providers may only collect and use such information for purposes specified by us and not for their own purposes. Third-party advertising companies may use these cookies to optimize the placement by the Great-West Family of Companies of our online advertisements on unaffiliated websites. We do not share personally identifiable information about our customers with these third-party service providers, and they do not collect such information for us. You can refuse or delete cookies. Most browsers and mobile devices offer their own settings to manage cookies. If you refuse a cookie when accessing one of the Great-West Family of Companies' websites, or if you delete cookies, you may experience some inconvenience in your use of our websites. For example, you may not be able to sign in and access your account, or we may not be able to recognize you, your device, or your online preferences.

Information we collect

We collect and store information. It comes from forms that you complete, when you access our websites, from business you have conducted with us and other parties we do business with, and from consumer and insurance

- Great-West Life & Annuity Insurance Company
- The Great-West Life Assurance Company (US operations)
- Great-West Life & Annuity Insurance Company of New York
- Great-West Financial Retirement Plan Services, LLC
- Advised Assets Group, LLC
- GWFS Equities, Inc. ‡
- The Canada Life Assurance Company (US operations)
- Emjay Corporation
- Empower Retirement ‡‡
- FASCore, LLC
- Great-West Life & Annuity Insurance Company of South Carolina
- Great-West Capital Management, LLC
- Great-West Funds, Inc.
- Great-West Trust Company, LLC
- Westkin Properties Ltd.

‡ GWFS Equities, Inc. is a Member of the Securities Investor Protection Corporation ("SIPC"). You may obtain information about SIPC, including the SIPC brochure, by contacting SIPC:

Securities Investor Protection Corporation
805 15th Street, N.W. Suite 800

Washington, D.C. 20005-2215
Email: asksipc@sipc.org
Tel: (202) 371-8300

Information about SIPC is also available at www.sipc.org.

‡‡ Empower Retirement refers to the products and services offered in the retirement markets by Great-West Life & Annuity Insurance Company, Great-West Life & Annuity Insurance Company of New York, and their subsidiaries and affiliates.



<p>reporting companies.</p> <p>Security of your information</p> <p>We have physical, administrative, and technical safeguards in place to protect your privacy.</p> <p>Access to information</p> <p>The only employees who have access to your records are those who need it for business reasons.</p> <p>Our information sharing practices</p> <p>We limit the information we share and the parties we share it with. We share your information to help you do business with us. What we share depends on the types of products or services you request. As we are only permitted to share your information in ways described in this notice, the Great-West Family of Companies do not respond to "do not track" signals or similar digital privacy mechanisms. For example, we may share information:</p> <ul style="list-style-type: none"> • from business forms that you complete (such as your name, address, SSN, plan or ID number, assets and income from your application) • about your business with us, or others (such as your policy or contract coverage and benefits and payment history) • about your relationship with us (such as the products or services you purchased) • from your employer, benefit plan sponsor, or group product (such as your name, address, SSN, plan or ID number and age) • from consumer and insurance reporting organizations (such as your credit, financial or health history; please note, these organizations may retain information provided to us and disclose it to others) • from other third parties (such as health and demographic information) • from visitors to our websites (such as information you provide online by completing forms, site visit data and "cookies") <p>Sharing of health information</p> <p>We won't share your health information, unless such sharing is permitted or required by law. For a description of how we share your health information, please contact our Privacy Officer at the address noted below.</p> <p>Sharing information with other parties</p> <p>You may permit us to share your information with other parties. Your information may be shared without your consent with our affiliates and other third parties if permitted by law. We do not share your information for any purpose that requires an opt-in or opt-out.</p> <p>Our affiliates are listed and include, but are not limited to, our broker-dealers and our trust company. Your information may be shared to serve you better or to make it easier for you to do business with us.</p> <p>We may also share your information with vendors and financial institutions. Vendors perform services for us such as processing transactions. Financial</p>	<p>Revised 08/2015 (standard + CA)</p>
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institutions such as banks have marketing agreements with us. We have agreements with these parties requiring them to protect the privacy of your information. They are not allowed to use the information other than as specified or permitted by law.

Other disclosures that may be made without your consent, include:

- To detect or prevent fraud & other criminal activity;
- To a medical professional for eligibility or audit purposes;
- In response to a question from a government agency;
- For purposes otherwise permitted or required by law;
- In response to a subpoena or court order;
- To a group policy holder to report claims experience or for an audit;
- In connection with a sale or merger of all or part of our business;
- To a government agency to determine your eligibility for benefits they may have to pay for;
- To a peer review committee to evaluate a medical professional;
- To a certificate holder or policyholder to provide information about the status of a transaction.

Our treatment of information about former customers

If our relationship ends, we will not share your information with third parties except as the law requires or permits.

Access to information

You may access your information by submitting a written request that describes the information. We will respond within 30 business days or as required by state law. Our response will explain the nature and substance of the information on record. We will identify, if recorded, the parties we shared your information with over the last 2 years.

Right to Correct, Amend or Delete Information. You may submit a written request to us to correct, amend or delete any information in our records. We will respond to your request within 30 business days or as required by state law.

If we agree to your request, we will notify you in writing. We will provide the corrected information to any person you identify that has received the information in the last 2 years and to any insurance reporting organization we may have provided the information to over the last 7 years. If we refuse your request, we will explain why and you will have the right to file a statement of disagreement.

We reserve the right to revise this policy as needed. If changes are made, we'll send you a revised notice and post the new policy on the www.greatwest.com website.

Chief Privacy Officer
 Great-West Life & Annuity Insurance Company
 8525 East Orchard Road
 Greenwood Village, CO 80111



Procedures for Complying with Fund Company

Market Timing and Excessive Trading

The prospectuses, policies and/or procedures of certain fund companies require retirement plan providers offering their fund(s) to agree to restrict market timing and/or excessive trading ("prohibited trading") in their funds. The following procedures describe how we, as your recordkeeper, will comply with fund company instructions designed to prevent or minimize prohibited trading.

Various fund companies instruct intermediaries to perform standardized trade monitoring while others perform their own periodic monitoring and request trading reports when they suspect that an individual is engaging in prohibited trading. If an individual's trading activity is determined to constitute prohibited trading, as defined by the applicable fund company, the individual will be notified that a trading restriction will be implemented if prohibited trading does not cease. (Some funds may require that trading restrictions be implemented immediately without warning, in which case notice of the restriction will be provided to the individual and plan, if applicable). If the individual continues to engage in prohibited trading, the individual will be restricted from making transfers into the identified fund(s) for a specified time period, as determined by the applicable fund company. Individuals are always permitted to make transfers out of the identified fund(s) to other available investment options. When the fund company's restriction period has been met, the individual will automatically be allowed to resume transfers into the identified fund(s).

Additionally, if prohibited trading persists, the fund company may reject all trades initiated by the plan, including trades of individuals who have not engaged in prohibited trading.

Note: certain plan sponsors have or may elect to implement plan level restrictions to prevent or minimize individual prohibited trading. To the extent that such procedures are effective, we may not receive requests for information from the fund companies or requests to implement the restrictions described above.



Schedule of Services

Services provided by Empower

- A. **Recordkeeping Services - Core Services.** The following services are core recordkeeping and communication services available to all plans.

Implementation Services:

Empower will provide the following conversion services prior to the receipt of assets:

- Gathering initial plan information;
- Coordinating conversion assets from a prior service provider;
- Reconciling plan assets;
- Loading records onto the recordkeeping system; and
- Assisting Employer's payroll office or payroll vendor to process the next scheduled payroll to Empower on or after the implementation period.

Implementation Period:

Merging Plan:

An existing Employer Plan that is converting to Empower will be subject to an implementation period to facilitate the movement of Participant, Alternate Payee and Beneficiary records and Plan assets from the prior record keeper and/or trustee to Empower.

Blackout Notice Services:

Initial Blackout Notices:

Empower will assist in the preparation of the initial transition blackout notice and will provide the blackout notice to the Plan Sponsor for distribution to Participants, Alternate Payees and Beneficiaries, as requested by the Plan Sponsor. A "Blackout Period" is defined as any period of more than three consecutive Business Days during which the Participant, Beneficiaries and Alternate Payees are prohibited or restricted from exercising certain otherwise available rights, such as directing investment of their accounts, obtaining loans or making distributions. During the implementation period, Plan Sponsor's prior record keeper's improper reporting or incomplete transferred records may impact the blackout period end date. Such an impact may cause an extension of the blackout period, resulting in a second notice. Empower may agree to provide this additional blackout notice if the parties agree in writing.

Future Blackout Notices:

If mutually agreed to in writing, Empower may provide blackout notices to the Plan Sponsor for distribution to Participants, Alternate Payees and Beneficiaries for fund or other ongoing plan changes that result in a period of more than three (3) consecutive Business Days where the Participant, Alternate Payee and Beneficiary are restricted from exercising certain otherwise available rights such as directing investments of their accounts, obtaining loans or taking distributions.

Establishment of Accounts:

1. Participant Accounts:

- a. Participant accounts shall be established and maintained for each Employer-approved new enrollee and each employee or former employee with a balance in the plan ("Participant"). Each Participant's account record shall consist of the



Participant's name, Social Security number ("SSN"), mailing address, date of birth, and any such other information as required from time to time for provision of services to the Plan.

- b. On and after the receipt of assets, Empower shall maintain a record of each Participant's investment option allocation and transaction received in good order to the recordkeeping system, including:
 - (i) Current and historical investment allocations and percentages for each available investment option.
 - (ii) Current account balances of each Participant in each available investment option and money source.
 - (iii) An accounting of each transaction made to each available investment option and money source.
- c. Empower shall provide each Participant with access to his or her account and investment information via a Web site, the voice response unit ("VRU") and the Client Service Center toll-free telephone number. Participants may use these services to change allocations of future deferrals and/or initiate transfers between and among investment options available under the Plan(s).
- d. Empower shall make available to each Participant a quarterly account statement in Empower's standard format.

Additionally, confirmation will be provided of every completed change requested by a Participant. Participants will also have access to their account activity via the VRU and the Web site.

- e. If applicable, Empower will include vesting information on Participant statements, provided that Plan Sponsor provides Empower with all vesting information required under applicable law.

2. Alternate Payee Accounts

If the Plan accepts Qualified Domestic Relations Orders ("QDROs"), Plan Sponsor hereby instructs Empower to complete an administrative review of all Employer-approved QDROs submitted on or after the Effective Date of this Agreement to ensure that Empower can determine the amount of the Alternate Payee's award, mailing address and SSN. If elected by the Alternate Payee in good order and in a manner satisfactory to Empower, an Alternate Payee account will be established pursuant to the terms of the QDRO, the Plan requirements in effect on the date of account establishment.

3. Beneficiary Accounts

If elected by the Beneficiary(ies) in good order and in a manner satisfactory to Empower, Empower will establish a Beneficiary account pursuant to the terms of the Plan requirements in effect on the date of establishment.

Contribution Processing:

Contributions sent directly via the PSC and processed with ACH funding by 12:00 Midnight Mountain Time (2:00 am Eastern Time) will be allocated effective the next Business Day (at that Business Day's unit value). Empower may allow other contribution methods which may require different timing. Empower will provide additional information upon request.

In the event that a Participant has not affirmatively elected an investment allocation, Plan Sponsor instructs Empower to allocate to a default fund(s) chosen by the Plan Sponsor.

Distributions and Forfeitures:

Empower will create and maintain a record of any distribution, including the distribution reason, from the Plan made with respect to each Payee. If applicable, Empower will provide a Code §402(f) Notice of Special Tax Rules on Distributions to the Payee at the time of distribution. Unless otherwise agreed to in writing, Empower is not responsible for issuing any other Participant, Alternate Payee or Beneficiary notice required by the Code, as applicable. Distributions will be made within two (2) Business Days if Empower receives instructions in good order.

1. Participant Distributions

Empower will make distributions to Participants pursuant to the Plan Sponsor's and Participant's distribution requests received in good order.

2. Alternate Payee Distributions

Upon receipt by Empower of an Alternate Payee's distribution request in good order and in a manner satisfactory to Empower and completion of a QDRO administrative review discussed above, Empower shall process a distribution pursuant to the terms of the QDRO, the Plan and the Code, as applicable and in effect on the date of the distribution. Plan Sponsor instructs Empower to determine the amount due to the Alternate Payee based solely on the account records on Empower's recordkeeping system.

3. Beneficiary Distributions

Plan Sponsor instructs Empower to pay the claimant listed on the Death Benefit Claim form signed by the Plan Sponsor unless there is a conflict between the designation on file with Empower and the claimant listed on the Death Benefit Claim form. In the event of a conflict, the Plan Sponsor will determine which Beneficiary designation will control.

4. Forfeiture Processing

If applicable, Empower will calculate forfeiture amounts based upon the Participant's vesting and will place the forfeiture amounts in a separate Plan account as instructed by the Plan Sponsor.

5. Participant Termination Services

If the services described in this subsection is made available to the Plan Sponsor by Empower, and if the Plan provides for de minimis Participant accounts to be distributed after termination, then the Plan Sponsor instructs Empower to distribute communication material to the terminated Participant informing them of their distribution options. Such information includes communicating to the Participant that if he/she does not take a distribution of the



account that it will be automatically rolled over into the Plan Sponsor-elected de minimis IRA. Plan Sponsor also instructs Empower to automatically roll any monies remaining in the Plan after a certain period of time following these communications to the rollover provider selected by the Plan Sponsor.

Plan Sponsor permits Empower to send out communication material to terminated participants informing them of their distribution options.

Transfers:

Participant, Alternate Payee and Beneficiary-initiated transfers will be processed and effective the Business Day they are received at Empower's home office, if received before the close of the New York Stock Exchange (typically 4:00 p.m. Eastern Time or such earlier time as may have to be implemented to comply with any applicable future law, rule or regulation). If transfers are received at Empower's home office after the close of the New York Stock Exchange, transfers will be processed and be effective the next Business Day (or such earlier time as may have to be implemented to comply with any applicable future law, rule or regulation).

Tax Reporting of Distributions:

1. Plan Sponsor appoints Empower as its agent to perform income tax withholding and reporting for all Payee distributions and agrees to provide all necessary information needed by Empower to perform these services.
2. Empower shall deposit the income tax withheld with the Internal Revenue Service ("IRS") and other appropriate governmental entities, as applicable, on or before the applicable due dates for such remittances.
3. Empower will complete necessary tax reporting forms for Payee distributions, file the tax reporting forms with the IRS and send copies to the Payee.

Plan Loans:

Empower will process Participant account reduction loans pursuant to the Plan's loan policy and Empower's loan procedures, as amended from time to time. Plan Sponsor agrees to provide an authorization for all Participant loan requests.

Ongoing Plan Resources:

1. Empower will provide the Plan Sponsor access to Plan information and electronic approval capabilities via the PSC.
2. Empower will provide the Plan Sponsor access to a Plan Services Representative for assistance with plan questions.
3. Empower shall provide periodic Employer Plan Reports in Empower's standard format.

Participant Rollover Contributions:

Plan Sponsor directs Empower to process Participant rollover contributions received in good order pursuant to the Participant's direction in accordance with procedures provided by Empower to the Plan Sponsor and without any further Plan Sponsor approval or authorization.



Communication and Education (subject to applicable law):

1. Standard forms, notices and other information necessary for the service provided to the Plan will be provided to Plan Sponsor and to Participants via the PSC and/or through enrollment meetings.
2. Empower will provide investment education and communication materials, which may include education and planning tools, newsletters, brochures, or other materials.

B. Elective Services. The following elective services are available upon Plan Sponsor meeting certain requirements. Additional fees may apply.

1. Eligibility Determination

Plan Sponsor can instruct Empower to calculate Participant eligibility based on Plan Sponsor's instructions as to the Plan's eligibility requirements. Plan Sponsor instructs Empower to reject the enrollment of any Participant determined to be ineligible. For each ineligible determination, Plan Sponsor instructs Empower to notify the Participant to contact the Plan Sponsor if he or she wishes to appeal the determination.

2. Online Enrollment

Plan Sponsor can instruct and authorize Empower to allow online Participant enrollment. Plan Sponsor instructs Empower to issue a Personal Identification Number ("PIN") to every eligible employee, allowing enrollment in the Plan through the Web site and VRU.

3. Automatic Enrollment

Empower can perform automatic enrollment and deferral increase services, and create and mail initial and annual automatic enrollment notices, as elected by Plan Sponsor in good order and in a form acceptable to Empower.

4. Deferral Processing

Plan Sponsor can instruct and authorize Empower to provide for deferral processing by the Plan Sponsor via the Web site. Participants may access the Web site to input the required payroll deferral amount/percentage information. Plan Sponsor acknowledges that the Deferral Processing service described in this Section shall only be available as long as Empower is the sole record keeper for the Plan.

If Plan Sponsor uses Empower's Automatic Enrollment services, Deferral Processing does not require separate election.

5. Vesting Services

Plan Sponsor needs to provide Empower all information necessary to perform vesting services. Employer hereby instructs and authorizes Empower to:

- a. Maintain each Participant's vesting percentage on Empower's recordkeeping system;
- b. Display the Participant's vested account balance on the quarterly statements; and
- c. Calculate and process withdrawals and/or loans according to the vested percentage.

6. Loan Approval



Plan Sponsor can instruct and authorize Empower to process, without further Plan Sponsor approval, Participant loan requests submitted in a manner acceptable to Empower. If the Plan is subject to spousal consent requirements, loans may only be initiated by paper forms and not online or by VRU. Plan Sponsor agrees to specifically authorize each principal residence loan request.

7. Distribution Processing

Plan Sponsor can instruct and authorize Empower to process, without further Plan Sponsor approval, requests for distributions in good order and in a manner acceptable to Empower. If Plan Sponsor does not provide the Participant's termination date or other required information, Plan Sponsor instructs Empower to route the request to Plan Sponsor for approval before processing the distribution.

8. In-Service Distributions at Age 59½ (for 401(k) and 401(a) Plans Only)

Plan Sponsor can instruct and authorize Empower to process, without further Plan Sponsor approval, Participant age 59½ in-service distribution requests received in good order and in a manner acceptable to Empower. If the Participant's birth date information has not been provided, or if there is a discrepancy between the birth date on the system and the birth date on the form, Empower is instructed to rely on the birth date specified by the Participant on the form.

9. Voluntary In-Service DeMinimus Distributions (for Governmental 457(b) Plans Only)

Plan Sponsor can instruct and authorize Empower to process, without further Plan Sponsor approval, Participant initiated DeMinimus distribution requests received in good order and in a manner acceptable to Empower. If vesting is applicable and the Participant's birth date information has not been provided, or if there is a discrepancy between the birth date on the system and the birth date on the form, Empower is instructed to rely on the birth date specified by the Participant form.

10. Automated Mandatory Distributions (De Minimis)

Empower can perform automated mandatory distributions of small account balances, as elected by Plan Sponsor in good order and in a form acceptable to Empower.

11. Beneficiary Record Keeping

If Empower is and remains the sole record keeper for the Plan during the term of this Agreement, Plan Sponsor can instruct and authorize Empower to accept, maintain and file, without Plan Sponsor's signature, Beneficiary Designation forms received by Empower in good order and in a manner acceptable to Empower. Upon request, Plan Sponsor agrees to provide Empower with any and all Beneficiary information filed with the Plan by the Participant prior to the Effective Date of this Agreement.

If the spousal consent rules apply, Plan Sponsor shall provide Empower with instructions as to the portion of the Participant account for which a Beneficiary may be designated without spousal consent under the Plan. Plan Sponsor instructs Empower to rely on the marital status specified by the Participant on the Beneficiary Designation form and to obtain spousal consent, when applicable.



12. Investment Advisory-Related Services

If the Plan Sponsor meets the relevant underwriting and other requirements, Advised Assets Group, LLC ("AAG"), a federally registered investment adviser and wholly owned subsidiary of Empower, may offer fund performance data and/or similar services regarding the investment options in the Plan through the Plan's recordkeeping and administrative relationship with Empower.

AAG, may separately offer Empower Retirement Advisory Services (Online Investment Guidance, Online Investment Advice and Managed Account service) to the Participants in the Plan through the Plan's recordkeeping and administrative relationship with Empower. Plan Sponsor may instruct AAG to make Empower Retirement Advisory Services available to Plan Participants in accordance with the terms and conditions of the Empower Retirement Advisory Services Agreement between AAG and Plan Sponsor.

Special Investment Options:

1. Self-Directed Brokerage Accounts

Plan Sponsor can choose to offer a self-directed brokerage option ("SDB"). Plan Sponsor agrees to complete and execute all documents required to activate the SDB.

2. Life Insurance

If, at the time of conversion, the Plan has existing life insurance policies, limited services may be available as described in Empower's life insurance guidelines and policies, as updated from time to time. If Empower determines that such services will be offered, Empower will remit insurance premiums to the applicable life insurance provider pursuant to Plan Sponsor's instructions as to the timing and manner of premium remittance. Plan Sponsor may be required to retain a third-party administrator to perform certain compliance and other services. Life insurance cannot be added to an existing Plan. Additional fees may apply.

C. Plan Document Services

Empower will offer a volume submitter plan document, a standard summary plan description and plan document amendments required by changes in applicable laws and regulations. If Plan Sponsor declines to use Empower's volume submitter plan document, it acknowledges that Empower will not be responsible for providing plan document updates or other plan document services as described in the Agreement.



**Items for Discussion and Action
Agenda Item: 4.10**

Date: June 15, 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.

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: June 15, 2020

Subject: District Reports

Staff Contact: Timothy R. Shaw, General Manager

1. DISTRICT ACTIVITY REPORT

1. Operations Report
2. Conservation Report
3. GM Minor Budget Revisions #3 for Fiscal Year 2019/2020
4. Completed and Pending Items Report

RIO LINDA/ELVERTA C.W.D. 2020

REPORT OF DISTRICT OPERATIONS

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SOURCE WATER DATA

Water Production (Million Gallons)

January	February	March	April	May	June		Year To Date
37.6	40	45.5	57.9	95.9			
37,607,740	40,007,134	45,529,919	57,951,598	95,888,048			
July	August	Sept.	Oct.	Nov.	Dec.		
							276.90

		Monthly Total		
Gallons = Multiply M.G. by:	1,000,000	95,888,048	Gallons	276,984,439
Cubic Feet = Divide gallons by:	7.48	12,819,258	Cubic Feet	37,030,005
Hundred Cu Ft. = Divide cu. ft. by:	100	128,193	Hundred Cubic Feet	370,300
Acre Ft. = Divide gallons by:	325,829	294.29	Acre Ft.	850

DISTRIBUTION SYSTEM DATA

Water Quality Complaints

Complaints Total (Low Psi Complaints)

January	February	March	April	May	June		Year To Date
0	1 (1)	1 (1)	4 (4)	2 (2)			
July	August	Sept.	Oct.	Nov.	Dec.		
							8

New Services

New Construction	0		0
Existing Homes	0		0
Paid prior to increase. (2 not installed)	0		0
Total of Service Connections to Date ----->			4640

Distribution System Failures/Repairs

Deterioration May 1 thru 31	5		24
Damaged May 1 thru 31	0		0

Bacteriological Sampling

Routine Bacteriological Samples (Distribution System)	16		82
Raw Water Bacteriological Samples (at Wells)	0		11

May 1, 2020 - May 31, 2020

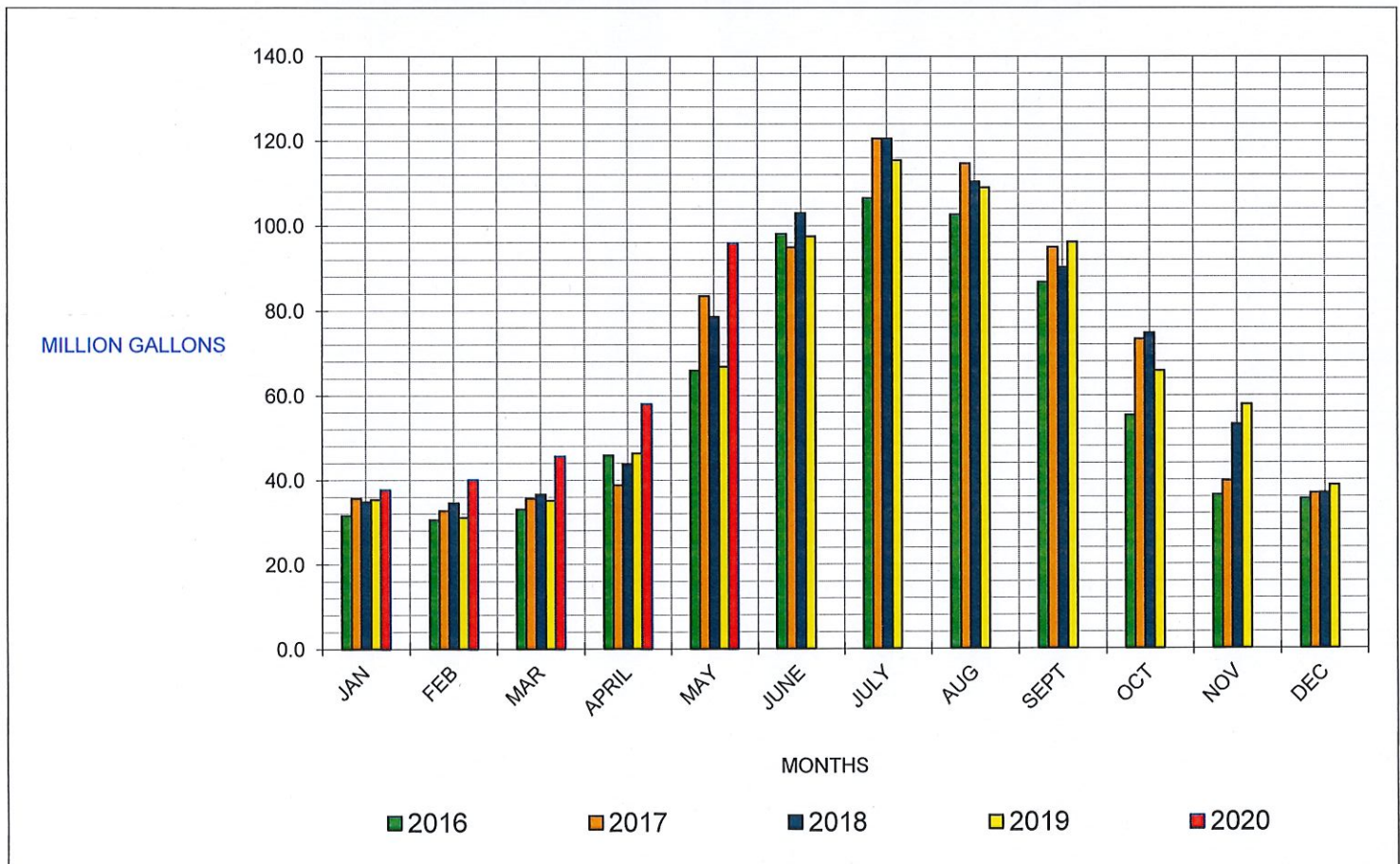
5 - Distribution leaks repaired by District staff, 0 - by Contractor or with Contractor assistance.		
Work Orders Issued - 74	Work Orders Completed - 49	USA's Issued - 70
Repair or Replace Meter Box - 1	Repair or Replace Meter Box - 1	
Change Out Meter - 41	Change Out Meter - 18	
Flow Test - 1	General Complaint - 1	
Get Current Read - 2	Flow Test - 1	
Other Work - 1	Get Current Read - 2	
Possible Leak - 11	Possible Leak - 9	
Pressure Complaint - 2	Pressure Complaint - 3	
Repair - 3	Repair - 1	
Re-Install Meter - 1	Re-Install Meter - 1	
Tag Property - 5	Tag Property - 5	
Turn Off Service - 3	Turn Off Service - 3	
Turn On Service - 3	Turn On Service - 4	

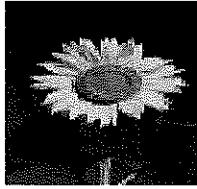
RIO LINDA/ELVERTA C.W.D.

WATER PRODUCTION

2015 \ 2019

Month	Water Production in Million Gallons						SSWD Water Purchases				
	2016	2017	2018	2019	2020	Avg.	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	45.5	37.1	0.0	0.0	0.0	0.0	0.0
APRIL	45.8	38.8	43.7	46.3	57.9	46.5	0.0	0.0	0.0	0.0	0.0
MAY	65.9	83.4	78.5	66.8	95.9	78.1	0.0	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	
TOTAL	727.3	800.6	816.4	794.8	276.9	784.8	0.0	0.0	0.0	0.0	0.0





Conservation Report May 2020



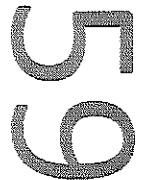
Supplies (kits):	Shower heads(0) Kitchen Aerators(0) Bathroom Aerators(0) Shower Timer(10) Nozzle(1) Toilet Tabs(2) Retro-Fit Kits(0) Welcome Kits(0) Kids Kit(0)
Water Waste (calls, emails, letter, leaks detected, and fixed):	1 Water Waste Call(s) contacted 9 customers about possible leaks - 5 were called, 0 was mailed, 4 was emailed 3 were confirmed resolved
Water Schedule:	given to customers with all violation letters and new applications
Surveys	0
Workshops, Webinar, Meetings:	None
Fines:	None
Other Tasks:	<ul style="list-style-type: none"> ● Assisted with payments and new customers ● Processed Payments ● Created/completed work orders ● Disconnect properties with no service application ● Notified and offered customers the ACH payment method ● Closed accounts and final billed customers ● Printed stamps ● Mailed out application requests to new owners ● Scanned and uploaded documents into UMS ● Reached out to customers with higher than normal water usage ● Verbal Demands ● Rereads for 5/20/20 billing cycle ● Created Newsletter for 5/20/20 billing cycle ● Created Report for High Usage Exceptions
Grant Updates:	None

OPERATING BUDGET 2019-20

June 15, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 3

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
REVENUE					
40000 OPERATING REVENUE					
40100 Water Service Rates					
40101 Basic Service Charge	772,344.00	1,901,272.00	1,901,272.00	0.00	
40102 Usage Charge	472,615.00	656,303.00	656,303.00	0.00	
40105 Backflow Charge	13,154.00	25,000.00	25,000.00	0.00	
40106 Fire Prevention	6,552.00	13,500.00	13,500.00	0.00	
Total Water Service Rates	1,264,665.00	2,596,075.00	2,596,075.00	0.00	
40200 Water Services					
40201 Application Fees	3,550.00	6,500.00	6,500.00	0.00	
40202 Delinquency	50,354.00	80,000.00	80,000.00	0.00	
40209 Misc. Charges	4,456.00	12,000.00	12,000.00	0.00	
Total Water Services	58,360.00	98,500.00	98,500.00	0.00	
40300 Other Water Service Fees					
40301 New Construction QC	1,236.00	4,000.00	4,000.00	0.00	
40302 Service Connection Fees	8,866.00	10,000.00	10,000.00	0.00	
40304 Other Operating Revenue	1,329.00	6,000.00	6,000.00	0.00	
40305 Grant Revenue-Operating	900.00	900.00	900.00	0.00	Increased for RWA Proposition 84 2015 Implementation Grant
Total Other Water Service Fees	12,331.00	20,900.00	20,900.00	0.00	
TOTAL OPERATING REVENUE	1,335,356.00	2,715,475.00	2,715,475.00	0.00	
41000 NON-OPERATING REVENUES					
41110 Investment Revenue	1,488.00	400.00	400.00	0.00	
41120 Property Taxes & Assessments	2,848.00	81,856.00	81,856.00	0.00	
TOTAL NON-OPERATING REVENUE	4,336.00	82,256.00	82,256.00	0.00	
TOTAL REVENUE	\$1,339,692.00	\$2,797,731.00	\$2,797,731.00	0.00	



OPERATING BUDGET 2019-20

June 15, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 3

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
OPERATING EXPENSE					
60010 PROFESSIONAL FEES					
					Decreased to move \$6K to 60015 and remaining is
60011 General Counsel fees-Legal	\$7,802.00	\$65,000.00	\$30,000.00	(\$35,000.00)	projected expense
60012 Auditor Fees	11,212.00	10,731.00	11,212.00	481.00	Increased to adjust for GASB 75
60013 Engineering Services	25,000.00	70,000.00	70,000.00	0.00	
60015 Other Professional Fees	225.00	25,000.00	31,000.00	6,000.00	Increased to adjust for collaboration study
TOTAL PROFESSIONAL FEES	44,239.00	170,731.00	142,212.00	(28,519.00)	
60100 PERSONNEL SERVICES					
60110 Salaries & Wages					
60111 Salary - General Manager	50,714.00	113,344.00	114,113.00	769.00	Increased per GM contract terms
60112 Staff Regular Wages	258,908.00	569,444.00	579,479.00	10,035.00	Increased per MOU contract terms
60113 Contract Extra Help	0.00	0.00	0.00	0.00	
60114 Staff Standby Pay	8,300.00	18,250.00	18,250.00	0.00	
60115 Staff Overtime Pay	4,818.00	10,200.00	10,200.00	0.00	
Total Salaries & Wages	322,740.00	711,238.00	722,042.00	10,804.00	
60150 Employee Benefits and Expenses					
60151 PERS Retirement	61,565.00	124,190.00	124,770.00	580.00	Increased for projected expense
60152 Workers Compensation	6,987.00	16,054.00	16,054.00	0.00	
60153 Group Insurance	84,583.00	217,740.00	200,289.00	(17,451.00)	Decreased to move \$17,451 to GL 60502 Reduction in retiree insurance \$5309 & increase \$20K to reclassify CERBT Plan Contributions per GASB 75. **See note page 6.
60154 Retirees Insurance	8,463.00	22,110.00	36,763.00	14,653.00	
60155 Staff Training	200.00	5,000.00	5,000.00	0.00	
60157 Uniforms	2,462.00	4,650.00	4,650.00	0.00	
60158 Payroll Taxes	27,392.00	56,494.00	56,916.00	422.00	Increased per contract terms
60159 Payroll Services	646.00	1,200.00	1,200.00	0.00	
60160 457 Employer Contribution	4,690.00	9,425.00	9,568.00	143.00	Increased per GM & MOU contract terms
Total Employee Benefits and Expenses	196,988.00	456,863.00	455,210.00	(1,653.00)	
TOTAL PERSONNEL SERVICES	\$519,728.00	\$1,168,101.00	\$1,177,252.00	\$9,151.00	

OPERATING BUDGET 2019-20

June 15, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 3

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
60200 ADMINISTRATION					
60205 Bank and Merchant Fees	\$2,993.00	\$4,500.00	\$4,500.00	\$0.00	
60207 Board of Director-Meeting Fees	5,975.00	10,770.00	10,770.00	0.00	
60210 Building Expenses					
60211 Office Utilities	2,621.00	6,000.00	6,000.00	0.00	
60212 Janitorial	1,170.00	2,340.00	2,340.00	0.00	
60213 Maintenance	836.00	7,500.00	5,700.00	(1,800.00)	Decreased based on current YTD and prior two FY average
60214 Security	168.00	400.00	400.00	0.00	
Total Building Expenses	4,795.00	16,240.00	14,440.00	(1,800.00)	
60220 Computer & Equipment Maint.					
60221 Computer Systems	9,946.00	25,000.00	25,000.00	0.00	
60222 Office Equipment	1,633.00	3,650.00	3,650.00	0.00	
Total Computer & Equipment Maint.	11,579.00	28,650.00	28,650.00	0.00	
60230 Office Expense	1,295.00	7,000.00	6,000.00	(1,000.00)	Decreased based on current YTD and prior two FY average
60240 Postage and Delivery	7,995.00	20,000.00	20,000.00	0.00	
60250 Printing	836.00	3,400.00	3,400.00	0.00	
60255 Meetings & Conferences	73.00	4,000.00	4,000.00	0.00	
60260 Publishing	88.00	800.00	800.00	0.00	
60270 Telephone & Internet	1,853.00	5,500.00	5,500.00	0.00	
60430 Insurance					
60431 General Liability	10,999.00	21,221.00	21,221.00	0.00	
60432 Property	2,806.00	5,611.00	5,611.00	0.00	
Total Insurance	13,805.00	26,832.00	26,832.00	0.00	
60500 Water Memberships					
60501 SAWWA	0.00	110.00	110.00	0.00	
60502 Regional Water Authority	9,355.00	9,355.00	26,806.00	17,451.00	Increased to adjust for RWA Withdrawal
60503 SGA	24,210.00	24,210.00	24,210.00	0.00	
60504 ACWA	9,640.00	9,923.00	9,640.00	(283.00)	Decreased to reflect actual expense
60505 CSDA	7,077.00	7,077.00	7,077.00	0.00	
60507 CRWA	0.00	1,326.00	1,326.00	0.00	
Total Water Memberships	50,282.00	52,001.00	69,169.00	17,168.00	
60550 Permits & Fees	8,762.00	40,000.00	30,000.00	(10,000.00)	Decreased based on current YTD and prior two FY average
60555 Subscriptions & Licensing	879.00	2,120.00	2,120.00	0.00	
60560 Elections	0.00	0.00	0.00	0.00	
60565 Uncollectable Accounts	0.00	2,000.00	2,000.00	0.00	
60570 Other Operating Expenditures	468.00	500.00	500.00	0.00	
TOTAL ADMINISTRATION	\$111,678.00	\$224,313.00	\$228,681.00	\$4,368.00	
64000 CONSERVATION					
64001 Community Outreach	0.00	300.00	300.00	0.00	
64005 Other Conservation Programs	0.00	0.00	0.00	0.00	
TOTAL CONSERVATION	0.00	300.00	300.00	0.00	

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OPERATING BUDGET 2019-20

June 15, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 3

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
65000 FIELD OPERATIONS					
65100 Other Field Operations					
65110 Backflow Testing	\$397.00	\$3,000.00	\$3,000.00	\$0.00	
65120 Construction Equipment Maintenance	6,440.00	5,500.00	7,500.00	2,000.00	Increased to adjust for projected costs
65130 Field Communication	1,216.00	2,600.00	2,600.00	0.00	
65140 Field IT	6,378.00	28,000.00	17,500.00	(10,500.00)	Decreased to reflect Ferguson/Neptune Maint contract change for FY 19-20 only.
65150 Laboratory Services	13,297.00	23,500.00	23,500.00	0.00	
65160 Safety Equipment	481.00	5,000.00	5,000.00	0.00	
65170 Shop Supplies	4,641.00	5,000.00	7,000.00	2,000.00	Increased to adjust for projected costs
Total Other Field Operations	32,850.00	72,600.00	66,100.00	(6,500.00)	
65200 Treatment	12,772.00	18,000.00	18,000.00	0.00	
65300 Pumping					
65310 Maintenance	9,593.00	25,000.00	25,000.00	0.00	
65320 Electricity and Fuel	95,077.00	180,000.00	180,000.00	0.00	
Total Pumping	104,670.00	205,000.00	205,000.00	0.00	
65400 Transmission & Distribution					
65410 Distribution Supplies	20,090.00	37,000.00	37,000.00	0.00	
65420 Meter Maintenance	40,207.00	56,600.00	120,100.00	63,500.00	Increased to adjust for projected costs
65430 Tank Maintenance	0.00	3,000.00	3,000.00	0.00	
65440 Contract Repairs	2,400.00	21,000.00	21,000.00	0.00	
65450 Valve Replacements	0.00	35,000.00	15,000.00	(20,000.00)	R2: Reallocate \$20K to Meter Maintenance
65460 Paving Repairs	8,500.00	25,000.00	25,000.00	0.00	
Total Transmission & Distribution	71,197.00	177,600.00	221,100.00	43,500.00	
65500 Transportation					
65510 Fuel	5,826.00	13,000.00	13,000.00	0.00	
65520 Maintenance	1,735.00	6,000.00	6,000.00	0.00	
Total Transportation	7,561.00	19,000.00	19,000.00	0.00	
TOTAL FIELD OPERATIONS	\$229,050.00	\$492,200.00	\$529,200.00	\$37,000.00	
TOTAL OPERATING EXPENSES	\$904,695.00	\$2,055,645.00	\$2,077,645.00	\$22,000.00	

OPERATING BUDGET 2019-20

June 15, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 3

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
NON OPERATING EXPENSES					
69010 Debt Service					
69100 Revenue Bond 2015					
69105 Revenue Bond 2015-Principle	55,015.00	139,015.00	139,015.00	0.00	Per Loan Payment Schedule
69120 Interest	31,270.00	61,717.00	61,717.00	0.00	Per Loan Payment Schedule
Total Revenue Bond 2015	86,285.00	200,732.00	200,732.00	0.00	
69125 AMI Meter Loan					
69130 Principle	23,955.00	48,281.00	48,281.00	0.00	Per Loan Payment Schedule
69135 Interest	5,302.00	10,233.00	10,233.00	0.00	Per Loan Payment Schedule
Total AMI Meter Loan	29,257.00	58,514.00	58,514.00	0.00	
69400 Other Non Operating Expense	0.00	2,000.00	0.00	(2,000.00)	Amount for future potential allocation; K2 \$33K moved to Meter Maintenance; remaining balance to Wages per MOU
TOTAL NON OPERATING EXPENSES	\$115,542.00	\$261,246.00	\$259,246.00	(\$2,000.00)	
TOTAL EXPENSE	\$1,020,237.00	\$2,316,891.00	\$2,336,891.00	\$20,000.00	**Total Expense offset by reallocation of CERBT contributions reclassified.
NET INCOME (Income-Expense)	\$319,455.00	\$480,840.00	\$460,840.00	(\$20,000.00)	

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OPERATING BUDGET 2019-20

June 15, 2020

3.07.500 Minor Revisions and reallocations between line items by General Manager; Revision 3

	JUL-DEC 2019 ACTUAL UNAUDITED	CURRENT 2019-2020 BUDGET	REVISION 2019-2020 BUDGET	DIFFERENCE	EXPLANATION
OPERATING FUND BALANCE					
Operating Account Balance June 30		\$634,536.00	\$634,536.00		
Net Revenue		\$480,840.00	\$460,840.00		
Transfer to CERBT Funds		(\$20,000.00)	\$0.00	(20,000.00)	**Reduced to reclassify to GL 60154 per GASB 75. Refer to page 2 GL 60154
Transfer to GL 10010 Operating Reserve		(\$50,000.00)	(\$50,000.00)		
Transfer to Capital Improvement Funds		(410,840.00)	(410,840.00)	0.00	Increased to adjust for available funds
Estimated Operating Fund Balance June 30		\$634,536.00	\$1,095,376.00	(\$20,000.00)	
SURCHARGE 1 FUND BALANCE					
Surcharge 1 Fund Balance June 30		\$565,413.00	\$565,413.00		
43010 Surcharge Revenue		523,374.00	523,374.00	0.00	
41110 Investment Revenue		8,000.00	11,000.00	3,000.00	Increased for projected revenue
69155 SRF Principle		(351,403.00)	(351,403.00)	0.00	
69160 SRF Interest		(109,952.00)	(109,952.00)	0.00	
69220 SRF Administration		(2,100.00)	(2,100.00)	0.00	
Estimated Surcharge 1 Fund Balance June 30		\$633,332.00	\$636,332.00	\$3,000.00	
SURCHARGE 2 FUND BALANCE					
Surcharge 2 Fund Balance June 30		\$71,936.00	\$71,936.00		
43050 Surcharge 2 Revenue		439,019.00	439,019.00	0.00	
41110 Investment Revenue		20.00	800.00	780.00	Increased for projected revenue
Surcharge 2 Surplus Repayment		(110,201.00)	(110,201.00)	0.00	
69180 Principle		(210,000.00)	(210,000.00)	0.00	
69185 Interest		(118,818.00)	(118,818.00)	0.00	
Estimated Surcharge 2 Fund Balance June 30		\$71,956.00	\$72,736.00	\$780.00	
LAIF FUND (CAPACITY FEES) BALANCE					
LAIF Fund Balance June 30		\$205,000.00	\$205,000.00		
44100 Capacity Fee Revenue		40,000.00	100,000.00	60,000.00	Increased for projected revenue
41110 Investment Revenue		500.00	3,500.00	3,000.00	Increased for projected revenue
Estimated LAIF Fund Balance June 30		\$245,500.00	\$308,500.00		

** NOTE: GASB 75 requires the Districts CERBT Plan contributions are recorded as expenses. The expense will reduce the OPEB Unfunded Liability at FYE.



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**PENDING AND COMPLETED ITEMS
6-15-2020 BOARD OF DIRECTORS MEETING**

1. **Update the District's Capital Improvement Projects List.** The Board has adopted the Capital Improvement Plan Projects List. Staff has used the adoption as the source document for the Fiscal Year 2020/2021 Preliminary Capital Budget to be considered at the June 15th Board meeting **Completed**
2. **SB-606 and AB-1668 planning for compliance** – We have executed all professional services agreement documents and participated in several preliminary meetings with the rates study consultant. **Pending**
3. **Transition to Cloud-Based Service for District's Advanced Metering Infrastructure (AMI) Vendor** The latest in a long list of excuses and requests for even more details has been addressed, but the transition is not yet complete. **Pending**
4. **Update/Create policy for establishing the threshold on capitalized assets** the District adopted policies at the May 18, 2020 meeting. **Completed**
5. **Hexavalent Chromium MCL economic feasibility** I participated in the April 27th stakeholders' workshop. The process from here on proceeds in lockstep. The anticipated state re-adoption of the Hexavalent Chromium MCL is summer of 2021. **Pending**
6. **Adoption of FY 2020/2021 Preliminary Budget and scheduling of a public hearing for consideration of a Final Budget** the Preliminary Budget and scheduling of a future public hearing for the Final Budget is on the June 15th agenda **Pending**
7. **Notifying the Regional Water Authority of the RLECWD Board's decision to withdraw membership.** The notification letter was transmitted to RWA and an invoice for the RWA employees' unfunded pension liability and retiree medical liability was received. RLECWD staff performed a minor budget revision to enable payment of the withdrawal liability invoice. The payment to RWA via check was performed. **Completed.**
8. **Minor edit to the collective bargaining agreement to enable more efficient implementation of Cost of Living Adjustment stipulated in the agreement.** The minor edit is necessary and reasonable to make the implementation timing less awkward since we no longer have semi-monthly pay periods. **Pending**



Information Items Agenda Item: 5.2

Date: June 15, 2020

Subject: Board Reports

Staff Contact: Timothy R. Shaw, General Manager

2. BOARD REPORTS

1. Report 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

Minutes
Rio Linda / Elverta Community Water District
Executive Committee

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Visitors/Depot Center
 6730 Front Street
 Rio Linda, CA 95673

June 1, 2020
 6:00 P.M.

Minutes: The meeting was called to order at 6:05 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. The meeting remote participation application had no participants.

Call to Order: 6:05 P.M.

Public Comment: None Present

Items for Discussion:

Items for Discussion:

1.	Review and discuss the expenditures of the District for the month of April 2020.
	<i>The Executive Committee forwarded the April 2020 Expenditures Report onto the June 15th Board agenda with the Committee's recommendation for Board Approval.</i>
2.	Review and discuss the financial reports for the month of April 2020.
	<i>Director Reisig requested additional information on the timing for receipt of annual tax revenues from Sacramento County. Such was proved by the General Manager.</i> <i>The Executive Committee forwarded the April 2020 Financial Report to the June 15th Board agenda with the Committee's recommendation for Board approval.</i>
3.	Discuss the Preliminary Budget Adoption for Fiscal Year 2020-2021.
	<i>General Manager Tim Shaw summarized the District Policy for adopting a preliminary budget prior to the beginning of the upcoming fiscal year. Tim Shaw further explained that this preliminary budget adoption is the first budget where the capital budget allocation is NOT based on an arbitrary funding level previously stipulated by the state's compliance order. Director Reisig requested the source of funding for the \$17,451 RWA withdrawal liability approved by the Board at the May 18, 2020 meeting. The General Manager responded that the funding is essentially from lower than budgeted costs in the employee medical insurance and legal fees line items of the 2019/2020 budget. Full details are included in the GM minor budget revision executed consequent to the May 18th Board approval of RWA withdrawal.</i> <i>The Executive Committee forwarded the Fiscal Year 2020/2021 Preliminary Budget onto the June 15th Board agenda with the Committee's recommendation for Board approval. The Executive Committee further directed an item to enable the Board to consider scheduling a Public Hearing for final Budget adoption in August 2020.</i>
4.	Discuss feedback Requested by Rate Study Consultant.
	<i>General Manager Tim Shaw explained that a recent meeting with the rate study consultant yielded questions from the consultant that should be answered by the Board. These questions include timing of the rate structure changes implementation, e.g. effective January 2021 or July 2021, or some other date. Questions also included timing for staffing changes needed when the state re-adopts the Hexavalent Chromium Maximum Contaminant Level (MCL). The Executive Committee briefly discussed these items, and;</i> <i>The Executive Committee forwarded this item onto the June 15th Board agenda to allow for discussion and possible action by all Board Members. The Executive Committee intentionally withheld any recommendations.</i>

<p>5. Discuss Statutory Expiration of Governor’s Executive Orders.</p>
<p><i>General Manager Tim Shaw explained that he reached out to various legislative advocacy contacts for any “chatter” regarding plans to sunset Executive Orders N-42-20 or N-25-20. Only the CSDA contact (Dane Wadle) responded, and there has been no indications the Governor will repeal either of these Executive Orders in the near term. Additionally, there are no news articles speculating on such action. There is recently drafted legislation intended to curtail the Governors unilateral power to declare Executive Orders; timing and adoptions of such is not likely anytime soon. The General Manager also explained the relevance to the District for these two particular Executive Orders, suspending service terminations for non-payment and waiving the restrictions on the length of employment for temporary employees. Director Green requested an update on the number of residential customers who failed to pay before the shut off date (if the shut off date had been enforceable). The General Manager responded that the number of delinquent accounts was typical, i.e. within normal range. The General Manager speculated that the letter included with the shut off (non-shut off in this case) notices, wherein the clarification included that any debt associated with non-payment for services is CANNOT be waived, may have helped preclude elevated incidences of non-payment.</i></p> <p><i>The Executive Committee forwarded this item onto the June 15th Board agenda. The Executive Committee stipulated the item be included in the discussion/action section, but the Committee did not stipulate a recommended Board action.</i></p>
<p>6. Discuss Requests Received from SMUD Regarding Well 16 Project.</p>
<p><i>The Contract District Engineer updated his written agenda item report on this item. The original report was based on the information provided by the sub-contractor to the Well 16 design engineer. The sub-contractor had asserted that the SMUD pull box requirements were discretionary, i.e. beyond standard requirements and further that the SMUD request was only recently disclosed. The General Manager reached out to SMUD contacts after the District Engineer’s report was submitted, and the General Manager determined that the SMUD requirements were timely submitted and essentially standard requirements. The Executive Committee directed the District Engineer to correspond with the sub-contract engineer to correct the misleading information and appropriately admonish the sub-contract engineer.</i></p> <p><i>The District Engineer also summarized his written report on the need for the District to dedicate an easement to SMUD at the Well 16 parcel. The District Engineer reiterated that SMUD has provided the requisite legal description, form of dedication document and with perform the recording of the dedication with the Sacramento County Recorder’s Office.</i></p> <p><i>The Executive Committee forwarded an item onto the June 15th Board Agenda to allow the Board to consider ratifying a field Change Order associated with SMUD pull boxes requirements. The Committee recommends Board approval, and:</i></p> <p><i>The Executive Committee forwarded an item onto the June 15th Board agenda to allow the Board to consider the dedication of an easement to SMUD for the Well 16 Pumping Station. The Executive Committee recommends Board Approval.</i></p>
<p>7. Update from the Contract District Engineer</p>
<p><i>The Contract District Engineer summarized his written report. The Executive Committee did not require any further clarifications.</i></p>

Directors’ and General Manager Comments: None

Items Requested for Next Month’s Committee Agenda: None

Adjournment: 7:26 P.M.

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

**SACRAMENTO GROUNDWATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, June 11, 2020; 9:00 a.m.**

AGENDA

The Board will discuss all items on this agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on this agenda, but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this 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 on SGA's website. 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 cpartridge@rwah2o.org. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Note: Pursuant to the Governor's Executive Order N-29-20, and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.

We encourage Board members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.

Meeting Information:

Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/399801453>

You can also dial in using your phone.
United States: +1 (224) 501-3412

Access Code: 399-801-453

- 1. CALL TO ORDER AND ROLL CALL**

- 2. PUBLIC COMMENT:** Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

3. CONSENT CALENDAR

Minutes of December 12, 2019 and April 9, 2020 meeting

Action: Approve December 12, 2019 and April 9, 2020 meeting minutes

4. LEGISLATIVE UPDATE

Information Update: Ryan Ojakian, Legislative/Regulatory Affairs Manager

5. SACRAMENTO CENTRAL GROUNDWATER AUTHORITY

Discussion: Caryl Sheehan, Chair, Brett Ewart, Vice Chair and Jim Peifer, Executive Director

Action: Approve Memorandum of Understanding for Development of a Strategy for Shared Operations of the RWA, SGA and SCGA

6. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)-RELATED AND GROUNDWATER MANAGEMENT PROGRAM UPDATES

Information Update: Rob Swartz, Manager of Technical Services

7. 2020 GROUNDWATER SUBSTITUTION TRANSFERS

Information Update: Rob Swartz, Manager of Technical Services

8. EXECUTIVE DIRECTOR'S REPORT

9. DIRECTORS' COMMENTS

ADJOURNMENT

Next SGA Board of Director's Meeting – August 13, 2020, 9:00 a.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights, the location is subject to change depending on the COVID-19 emergency

Notification will be emailed when the SGA electronic packet is complete and posted on the SGA website at <http://www.sgah2o.org/meetings/board-meetings/>.