

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

APRIL 16, 2018 (6:30 p.m.)

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

## 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

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*

- Pg. 1**     **3.1 Minutes**  
March 19, 2018  
*The Board is being asked to approve the Minutes from the March 19, 2018 Regular Board meeting.*
- Pg. 5**     **3.2 Expenditures**  
*The Finance & Administrative Committee recommends the Board approve the March Expenditures.*
- Pg. 9**     **3.3 Financial Reports**  
*The Finance & Administrative Committee recommends the Board approve the March Financial Reports.*

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

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

- Pg. 13 4.1 GM Report**  
*The General Manager Tim Shaw will provide his monthly report to the Board of Directors.*
- Pg. 15 4.2 District Engineer's Report**  
*The District's Engineer Jim Carson will provide his monthly report to the Board of Directors.*
- Pg. 17 4.3 Consider approving a Professional Services Agreement with Affinity Engineering for the design of the Well #16 ground water pumping station**
- Pg. 28 4.4 Consider approving the Professional Services Agreement with Adept Solutions for Information Technology (IT) support services.**
- Pg. 44 4.5 Consider approving the guidance language from the Board to the General Manager for his appointment as an alternate voting member for the Regional Water Authority.**
- Pg. 46 4.6 Consider authorizing augmentation to the District's policy on required use of District e-mail domain to stipulate courtesy copy of all text messages to a District Public Records e-mail address.**
- Pg. 51 4.7 Discuss the need for a policy to require the enrollment of customers in the District's paperless billing program as a prerequisite to District payment of the customer's convenience fees associated with paying by credit/debit card.**
- Pg. 53 4.8 Appointment of representative and alternate representative to Sacramento Ground Authority (SGA).**
- Pg. 56 4.9 Consider directing the use or standardized Professional Services Agreement templates (large scope and small scope) for use in contracting with services providers.**

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

##### **5.1. DISTRICT ACTIVITY REPORT**

- a. Water Operations Report
- b. Conservation Report

##### **5.2. BOARD REPORTS**

- a. Regional Water Authority – Henrici
- b. Sacramento Groundwater Authority – Green, Harris
- c. LAFCO - Green
- d. Planning Committee – Brent, Harris
- e. Finance / Administrative Committee – Ridilla, Henrici
- f. AD Hoc Committees –
  1. Office Building – Harris, Green
  2. Employee Neg. - Dills, Harris
  3. Water Supply Development – Harris, Green

g. Other Reports

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

**7. ADJOURNMENT**

Upcoming meetings:

Planning Committee

May 4, 2018, Friday, 2:00 pm at the Visitor's/Depot Center, 6730 Front Street, Rio Linda, CA 95673.

Finance / Administrative Committee

May 14, 2018, Monday, 6:30 pm at the Visitor's/Depot Center, 6730 Front Street, Rio Linda, CA 95673.

Regular Board Meeting

May 21, 2018, Monday, 6:30 pm at Visitor's /Depot Center, 6730 Front Street, Rio Linda, CA 95673.



**Consent Calendar  
Agenda Item: 3.1**

**Date:** April 16, 2018

**Subject:** Minutes

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

**Recommended Committee Action:**

It is recommended that the Board of Directors approve the Regular Meeting minutes from March 19, 2018 meeting.

**Current Background and Justification:**

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

**Conclusion:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Ridilla: \_\_\_\_\_ Henrici: \_\_\_\_\_ Harris: \_\_\_\_\_.

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

**MINUTES OF THE  
MARCH 19, 2018  
BOARD OF DIRECTORS REGULAR MEETING  
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

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

The March 19, 2018 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:31 p.m. at the Depot/Visitor Center located at 6730 Front Street, Rio Linda, CA. General Manager Tim Shaw took roll call of the Board of Directors. Director Dills, Director Harris, Director Green, Director Henrici, Director Ridilla and General Manager Tim Shaw were present. Director Henrici led the pledge of allegiance.

**2. PUBLIC COMMENT**

No public comment.

**3.3 CONSENT CALENDAR**

**3.1 Minutes**

February 26, 2018

**3.2 Expenditures**

**3.3 Financial Reports**

Director Dills questioned item 4.4 Mid-Year 2017-18 Budget's motion from the February 26, 2018 minutes. GM Shaw stated the motion was incorrect and the additional information requested was provided to the Finance and Administrative Committee in March.

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

**4. REGULAR CALENDAR**

**ITEMS FOR DISCUSSION AND ACTION**

**4.1 Strategic Planning Presentation and Proposal from BHI Management Consulting**

Brent Ives, owner of BHI Management Consulting, gave a presentation to the Board regarding the proposal for a strategic plan for the District. The proposal of \$22,050.00 plus estimated expenses of \$3700.00 may take approximately 6 months to complete. The process involves getting staff and the community's input through workshops to put together a 5-year plan and/or direction for the District.

The Board questioned if the cost of the proposal for the strategic plan would be funded through capital improvements. GM Shaw stated some of the funds would come from the 2018-19 Budget and some of the expenses may come from the unexpected revenue from the current vacant position.

*It was moved by Director Henrici and seconded by Director Dills to approve the BHI Management Consulting proposal. Directors Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous roll call vote of 5-0-0.*

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

No public comment.

- 6. CLOSED SESSION** - The Board of Directors will convene to Closed Session to discuss the following items:

### **A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED**

**LITIGATION** – Significant exposure of litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (1 case).

## **7. RECONVENE OPEN SESSION**

President Harris reconvened to open session at 7:15 p.m.

The report from closed session was that the Board discussed a meet and confer change order.

*It was moved by Director Henrici and seconded by Director Dills to authorize the General Manager Timothy R. Shaw to meet and confer with Wood Rodgers and approved to pay the \$12,000.00 change order. Directors Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous vote of 5-0-0.*

## **ITEMS FOR DISCUSSION AND ACTION**

### **8.1 Technical Memorandum on Hexavalent Chromium mitigation projects**

The Technical Memorandum (Memo) provides recommended mitigation measures. The Board is being asked to provide direction to re-prioritize / re-schedule projects, by moving Well #16 to the priority with our focus shifted to finalizing the design of the Well #16 project. The Board is being asked to take action to cancel the Well #10 contract because the changes described in the Memo constitute substantial change in scope. Substantive design modifications, CEQA review/filing and service after construction are the primary elements contributing to the substantial change in scope.

Public member Jim Maneatis, owner of JJM Engineering, asked the Board to consider moving forward with the Well #10 project with the Cr6 treatment.

GM Shaw stated that due to the changes involved with Hexavalent Chromium there are no current Cr6 treatments available as there were when the project was originally sent out to bid.

*It was moved by Director Dills and seconded by Director Ridilla to approve GM Shaw's recommendation to move the design of Well #16 to a priority status and cancel the Well #10 contract. Directors Henrici, Dills, Harris and Ridilla voted yes. Director Green abstained. The motion carried with a vote of 4-0-1.*

### **8.2 General Manager's Report**

General Manager Tim Shaw provided the Board a written report of special events and meetings attended since the last Board meeting.

*The Board made no action on this item*

### 8.3 District Engineer's Report

District Engineer, Jim Carson provided the Board of Directors a written report of current projects since the last Board meeting. Mr. Carson provided the Board with updates on XiO Scada System and Well 10 Hexavalent Chromium (Cr6) Treatment System Evaluation.

*The Board made no action on this item*

### 8.4 District Policy 2.01.090 Email Accounts

District's Policy Manual

2.01.090 Email Accounts (added 12/6/2010) In order for the public to contact the Board of Directors each Director must establish an email account through the District's server. It is required that all Directors use their District email addresses instead of personal private email accounts for District business. An email account will be assigned to Board members as they take office.

The Board of Directors is being asked to rescind or revise the current District policy.

Director Henrici and Directors Ridilla agreed to keep the current policy. General Counsel informed the Board if a public records request is submitted on an item discussed in your personal email then your entire account is subject to review.

*The Board made no action on this item.*

### 8.5 Proposal from Bartle Wells Associates (BWA) for an analysis addendum to address the Standby Fire Protection.

The professional services provider, Bartle Wells Associates has provided a proposal to perform an addendum analysis of the Standby Fire Protection. Bartle Wells Associates performed the last rates and capacity fees analyses undertaken by the District.

*It was moved by Director Dills and seconded by Director Henrici to approve the proposal from Bartle Wells Associates. Directors Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous vote of 5-0-0.*

### 8.6 District Engineer Master Service Agreement

The proposed Master Services Agreement (MSA) with Affinity is intended to modify the professional relationship the District has with its contract District Engineer. This MSA format prescribes a monthly administrative task (phone calls, meetings, reports, etc.), and it establishes a fixed monthly price for those services. Task Order processing is required for all non-routine non-administrative tasks, e.g. design reviews and construction management.

*It was moved by Director Henrici and seconded by Director Dills to approve the District Engineer Master Service Agreement. Directors Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous vote of 5-0-0.*

### 8.7 Special District Legislative Days May 22-23, 2018

The Special District Legislative Days will be held on May 22 and 23, 2018. This is an opportunity for special District's to talk directly with our legislators about our issues.

Director Green stated he is on the Special District committee on with CSDA and sees a lot of benefit with this.

*It was moved by Director Harris and seconded by Director Green to approve Director Ridilla to attend the Special District Legislative Days held May 22-23, 2018, if he is available. Henrici, Dills, Green and Harris voted yes. Director Ridilla abstained. The motion carried with a vote of 4-0-1.*

#### **8.8 SDRMA Education Day Tuesday March 20, 2018**

The Special District Risk Management Authority (SDRMA) is our workers compensation insurance carrier. The District receives a discount of 1% on our policy if 1 board member attends and a 2% discount if 2 board members attend the training.

The Board could consider taking action to pre-authorize Board Member Attendance at all future SDRMA Education Days as long of the relationship between costs and savings remains substantially unchanged.

*It was moved by Director Henrici and seconded by Director Ridilla to approve Board members to attend all future SDRMA's annual Education Days without going before the Board. Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous vote of 5-0-0.*

#### **8.9 Regional Water Authority (RWA) Policy 500.16 long-term funding liabilities.**

RLECWD is a member of the Regional Water Authority (RWA) and signed the Joint Exercise of Powers Agreement in 2013. The agreement is not specific regarding the long-term obligations associated with RWA employee retirement and retiree medical. However, the Agreement does stipulate a withdrawal liability and it conveys the members obligation to share RWA costs, including employee costs. The policy clarification considered by RWA emphasizes that RWA considers member agencies to be obligated to fund these long-term employee pension and Other Post-Employment Benefits (OPEB) liabilities even if the member agency decides to withdraw from membership.

##### **8.9.a Discuss Appointment Process and Guidelines for RLECWD Appointees to RWA.**

GM Shaw recommends the Board take formal actions to appoint representatives to RWA and SGA, and further recommends the Board provide guideline direction (preferably written) to those assignees. The chair had appointed representative to RWA. Given the complexity of this issues and non-delegation of authority doctrine, GM Shaw recommends the Board formalize the process and provide guidelines. Examples of guidelines could include direction to bring all relevant action items involving a cost to the ratepayers to the full Board for direction prior to voting at RWA. This ideal is easier said than done when considering the incongruence of RWA Committee/Board meeting cycles to RLECWD Committee/Board meeting cycles.

*It was moved by Director Harris and seconded by Director Green to approve Director Mary Henrici as the representative for RWA and GM Timothy Shaw as the alternate representative. Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous vote of 5-0-0.*

*It was moved by Director Dills and seconded by Director Ridilla to direct the GM to ask RWA to put on their agenda a process of to give District's time to consider any liabilities approved by RWA's executive committee. Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous vote of 5-0-0.*



**9. INFORMATION ITEMS****9.1. DISTRICT ACTIVITY REPORT**

- a. Water Operations Report – Written report provided.
- b. Conservation Report – Written report provided.

**9.2. BOARD REPORTS**

- a. Regional Water Authority – Agenda and Executive Report provided.
- b. Sacramento Groundwater Authority – No meeting.
- c. LAFCO – No report.
- d. Planning Committee – March minutes provided.
- e. Finance / Administrative Committee – March minutes provided.
- f. AD Hoc Committees-
  1. Office Building – No meeting.
  2. Employee Neg. - No meeting.
  3. Water Supply Development – No meeting.
- g. Other Reports – Pending and Completed Items Report -attachment to Item 7 was not included in the Board packet.

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

Director Dills asked for the letter to Tesco be put back on the Completed and Pending Items Report.

**10. ADJOURNMENT**

President Harris adjourned the meeting at 8:53p.m.

Respectfully submitted,

---

Timothy R. Shaw, Secretary

---

Mary Harris, President of the Board



**Consent Calendar  
Agenda Item: 3.2**

**Date:** April 16, 2018

**Subject:** Expenditures

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

**Recommended Committee Action:**

The Finance and Administrative Committee recommends approval of the Expenditures for the month of March 2018.

**Current Background and Justification:**

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

**Conclusion:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Ridilla: \_\_\_\_\_ Henrici: \_\_\_\_\_ Harris: \_\_\_\_\_.

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

**Rio Linda Elverta Community Water District**  
**Operating Account GL 10000 Expenditure Report**  
**March 2018**

Type	Date	Num	Name	Memo	Amount
Liability Check	03/02/2018	EFT	QuickBooks Payroll Service	For PP Ending 02/28/2018 Paydate 03/05/2018	15,572.61
Liability Check	03/05/2018	EFT	CalPERS	For PP Ending 02/28/2018 Paydate 03/05/2018	1,465.10
Liability Check	03/05/2018	EFT	CalPERS	For PP Ending 02/28/2018 Paydate 03/05/2018	1,539.81
Liability Check	03/05/2018	EFT	California State Disbursement Unit	Employee Garnishment	397.50
Liability Check	03/05/2018	EFT	Nationwide	Employee Benefits	995.06
Liability Check	03/05/2018	EFT	Internal Revenue Service	Employment Taxes	5,208.28
Liability Check	03/05/2018	EFT	Employment Development	Employment Taxes	1,054.96
Bill Pmt -Check	03/05/2018	EFT	Comcast	Phone/Internet	415.49
Bill Pmt -Check	03/05/2018	EFT	Republic Services	Utilities	86.42
Bill Pmt -Check	03/05/2018	EFT	Sprint	Field Communication	336.06
Transfer	03/05/2018	EFT	RLECWD	Transfer Capacity Fees to Capital Improvement	13,599.62
Check	03/05/2018	5300	Employee	For PP Ending 02/28/2018 Paydate 03/05/2018	92.35
Check	03/05/2018	5301	Franchise Tax Board	Employee Garnishment	225.38
Check	03/05/2018	5302	Customer	Customer Final Bill Refund	50.57
Check	03/05/2018	5303	ACWA/JPIA	Employee Benefits	23.50
Bill Pmt -Check	03/05/2018	5304	American Red Cross	Staff Training	726.00
Bill Pmt -Check	03/05/2018	5305	Bullet Information Technology	Computer Maintenance	468.00
Bill Pmt -Check	03/05/2018	5306	Cintas	Safety	36.88
Bill Pmt -Check	03/05/2018	5307	Communication Systems Unlimited	Building Maintenance	89.00
Bill Pmt -Check	03/05/2018	5308	Corix Water Products	Distribution Supplies	2,350.04
Bill Pmt -Check	03/05/2018	5309	GM Construction & Developers	Contract Repairs	1,200.00
Bill Pmt -Check	03/05/2018	5310	O'Reilly Automotive	Transportation Maintenance	43.02
Bill Pmt -Check	03/05/2018	5311	Rio Linda Elverta Recreation & Park Dist	Meeting Expense	50.00
Bill Pmt -Check	03/05/2018	5312	Rio Linda Hardware and Building Supply	Shop Supplies	282.63
Bill Pmt -Check	03/05/2018	5313	RW Trucking	Distribution Supplies	596.26
Bill Pmt -Check	03/05/2018	5314	Sacramento Local Agency Formation Comm	Permits & Fees	504.00
Bill Pmt -Check	03/05/2018	5315	SMUD	Utilities	10,402.64
Bill Pmt -Check	03/05/2018	5316	Staples	Office Expense	254.96
Bill Pmt -Check	03/05/2018	5317	Vanguard Cleaning Systems	Janitorial	195.00
Bill Pmt -Check	03/05/2018	5318	Central Valley Engineering & Asphalt	Capital Improvement - Paving Replacement	25,200.00
Bill Pmt -Check	03/05/2018	5319	Kurey & Associates	Capital Improvement - Well 16	2,950.00
Bill Pmt -Check	03/05/2018	5320	Wood Rodgers	Capital Improvement - Well 15A	82.50
Check	03/05/2018	5321	RLECWD	Umpqua Bank Monthly Debt Service Transfer	16,500.00
Liability Check	03/15/2018	EFT	AFLAC	Employee Benefits	584.98
Liability Check	03/19/2018	EFT	QuickBooks Payroll Service	For PP Ending 03/15/18 Pay date 03/20/18	16,930.43
Liability Check	03/20/2018	EFT	CalPERS	For PP Ending 03/15/18 Pay date 03/20/18	1,662.69
Liability Check	03/20/2018	EFT	CalPERS	For PP Ending 03/15/18 Pay date 03/20/18	1,746.82
Liability Check	03/20/2018	EFT	Internal Revenue Service	Employment Taxes	5,811.52
Liability Check	03/20/2018	EFT	Employment Development	Employment Taxes	1,229.69
Liability Check	03/20/2018	EFT	Nationwide	Employee Benefits	995.06
Liability Check	03/20/2018	EFT	California State Disbursement Unit	Employee Garnishment	397.50
Liability Check	03/20/2018	EFT	Western Health Advantage	Employee Benefits	11,406.71
Check	03/20/2018	EFT	RLECWD - Capital Improvement	Current Monthly Transfer	50,000.00
Check	03/20/2018	EFT	RLECWD - SURCHARGE ACCOUNT 1	Current Monthly Transfer	42,500.00
Check	03/20/2018	EFT	RLECWD - Operating	Transfer funds for Security Deposits paid with Credit Card	800.00

**Rio Linda Elverta Community Water District**  
**Operating Account GL 10000 Expenditure Report**  
**March 2018**

Type	Date	Num	Name	Memo	Amount
Check	03/20/2018	EFT	RLECWD	Transfer Capacity Fees to Capital Improvement	17,108.62
Bill Pmt -Check	03/20/2018	EFT	Bankcard Center 2911	Computer, Fuel, Meetings, Office, Postage	303.19
Bill Pmt -Check	03/20/2018	EFT	Bankcard Center 4506	Fuel	142.97
Bill Pmt -Check	03/20/2018	EFT	Bankcard Center 6669	Fuel	148.63
Bill Pmt -Check	03/20/2018	EFT	Bankcard Center 7806	Fuel, Construction Equip Maint, SAWWA Membership	260.57
Bill Pmt -Check	03/20/2018	EFT	Bankcard Center 8200	Fuel, Staff Training	149.52
Bill Pmt -Check	03/20/2018	EFT	Bankcard Center 8900	Fuel, Staff Training	333.22
Bill Pmt -Check	03/20/2018	EFT	Verizon	Field IT	277.68
Check	03/20/2018	5322	Postmaster	Postage-Bulk Mail Refill	2,234.57
Check	03/20/2018	5323	Customer	Final Bill Refund	46.52
Bill Pmt -Check	03/20/2018	5324	Affinity Engineering	Engineering	9,025.00
Bill Pmt -Check	03/20/2018	5325	American Mobile Shredding	Office Expense	25.00
Bill Pmt -Check	03/20/2018	5326	BSK Associates	Lab Fees	240.00
Bill Pmt -Check	03/20/2018	5327	Bullet Information Technology Solutions	Computer Maintenance	1,260.00
Bill Pmt -Check	03/20/2018	5328	Churchwell White	Legal - February Services	17,765.70
Bill Pmt -Check	03/20/2018	5329	CoreLogic Solutions	Metro Scan	134.75
Bill Pmt -Check	03/20/2018	5330	Henrici, Mary	Retiree Insurance	900.00
Bill Pmt -Check	03/20/2018	5331	Oreilly Automotive	Pump Maintenance	10.00
Bill Pmt -Check	03/20/2018	5332	PG&E	Utilities	112.03
Bill Pmt -Check	03/20/2018	5333	Quill Corporation	Office Expense	109.88
Bill Pmt -Check	03/20/2018	5334	Sacramento County	Property Tax	60.37
Bill Pmt -Check	03/20/2018	5335	Sacramento County Utilites	Utilities	111.70
Bill Pmt -Check	03/20/2018	5336	Sierra Chemical Company	Chemical Supplies	811.80
Bill Pmt -Check	03/20/2018	5337	Spok, Inc.	Field Communication	15.19
Bill Pmt -Check	03/20/2018	5338	State Water Resources Control Board	Licensing	60.00
Bill Pmt -Check	03/20/2018	5339	Tesco Controls Inc.	Contract Repairs	575.00
Bill Pmt -Check	03/20/2018	5340	UniFirst Corporation	Uniforms	118.62
Bill Pmt -Check	03/20/2018	5341	WellTec Inc.	Pump Maintenance	7,696.08
Bill Pmt -Check	03/20/2018	5342	Affinity Engineering	Capital Improvement - Well 16	3,777.00
Liability Check	03/20/2018	5343	Teamsters Local #150	Union Dues	560.00
Paycheck	03/20/2018	5344	Employee	For PP Ending 03/15/18 Pay date 03/20/18	92.35
Liability Check	03/25/2018	EFT	Dental and Vision Ins.com	Employee Benefits	2,476.50
<b>Total 10000 - Bank - Operating Account</b>					<b>304,001.50</b>

Accrual Basis

**Rio Linda Elverta Community Water District  
Other Accounts Expenditure Report  
March 2018**

Type	Date	Num	Payee	Memo	Amount
Transfer	03/20/2018	EFT	RLECWD - Operating Account	February 2018 Security Deposits Applied	200.00
<b>10100 · Security Deposits</b>					<b><u>200.00</u></b>

Type	Date	Num	Payee	Memo	Amount
Transfer	03/05/2018	EFT	RLECWD - Operating	Transfer see operating checks numbers 5318, 5319, 5320	28,232.50
Transfer	03/20/2018	EFT	RLECWD - Operating	Transfer see operating checks numbers 5342	3,777.00
<b>10455 · Capital Improvement Reserve</b>					<b><u>32,009.50</u></b>

Type	Date	Num	Payee	Memo	Amount
Check	03/01/2018	EFT	Quint & Thimmig LLP	Loan Costs-Special Counsel to the District	25,000.00
Check	03/01/2018	EFT	Fieldman, Rolapp & Associates	Loan Costs-Municipal Advisor	30,000.00
Check	03/01/2018	EFT	*See Note	Loan Costs-to the corporation	3,500.00
Check	03/01/2018	EFT	Nixon Peabody LLP	Loan Costs-Counsel to the Purchaser	10,000.00
Check	03/01/2018	EFT	*See Note	Loan Costs-Purchaser processing fee	1,000.00
Check	03/01/2018	EFT	*See Note	Wire Fee	14.00
Transfer	03/23/2018	EFT	RLECWD	Legal Services for Well 10 Cr6 Project Jan-Mar 18	7,887.60
<b>10465 · Capital Improvement Cr6 Project</b>					<b><u>77,401.60</u></b>

\* Note - Cost of Issuance





**Consent Calendar  
Agenda Item: 3.3**

**Date:** April 16, 2018

**Subject:** Financial Reports

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

**Recommended Committee Action:**

The Finance and Administrative Committee recommends approval of the Districts Financial Reports for the month of March 2018.

**Current Background and Justification:**

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

**Conclusion:**

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

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Ridilla: \_\_\_\_\_ Henrici: \_\_\_\_\_ Harris: \_\_\_\_\_.

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

**Rio Linda Elverta Community Water District**  
**Balance Sheet**  
 As of March 31, 2018

**ASSETS**

**Current Assets**

**Checking/Savings**

**100 · Cash & Cash Equivalents**

**10000 · Operating Account**

10005 · Operating Fund 208,390.48

10010 · Operating Reserve Fund 250,000.00

**Total 10000 · Operating Account 458,390.48**

**10100 · Trust/Security Deposit Account 43,552.00**

**10450 · Capital Improvement**

10455 · Capital Improvement Fee Reserve 476,573.40

10460 · Vehicle Replacement Reserve 0.00

10465 · Cr6 Project 12,598.40

**Total 10450 · Capital Improvement 489,171.80**

**10600 · LAIF GASB 45 15,933.68**

**Total 100 · Cash & Cash Equivalents 1,007,047.96**

**102 · Restricted Assets**

**102.1 · Restricted Capital Improvements**

10700 · ZIONS Inv/Surcharge Reserve 490,045.48

**Total 102.1 · Restricted Capital Improvements 490,045.48**

**102.2 · Restricted for Debt Service**

10300 · Surcharge 1 Account 591,268.76

10325 · Community Business Bank 92,985.66

10350 · Umpqua Bank 103,628.62

10350 · Surcharge 2 Account 327,004.80

**Total 102.2 · Restricted for Debt Service 1,114,887.84**

**Total 102 · Restricted Assets 1,604,933.32**

**Total Checking/Savings 2,611,981.28**

**Accounts Receivable 6,221.81**

**Other Current Assets**

12000 · Water Utility Receivable 460,022.99

12200 · Accrued Revenue 0.00

12250 · Accrued Interest Receivable 2,462.50

15000 · Inventory Asset 133,629.87

16000 · Prepaid Expense 47,387.70

**Total Other Current Assets 643,503.06**

**Total Current Assets 3,261,706.15**

**Fixed Assets**

17000 · General Plant Assets 606,506.95

17100 · Water System Facilites 20,577,899.79

17300 · Intangible Assets 373,043.42

17500 · Accum Depreciation & Amort -8,241,347.85

18000 · Construction in Progress 595,995.98

18100 · Land 496,673.45

**Total Fixed Assets 14,408,771.74**

**Other Assets**

19000 · Deferred Outflows 297,772.00

19900 · Suspense Account -96.97

**Total Other Assets 297,675.03**

**TOTAL ASSETS 17,968,152.92**

**Rio Linda Elverta Community Water District**  
**Balance Sheet**  
 As of March 31, 2018

<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	39,304.16
Credit Cards	1,063.16
Other Current Liabilities	670,656.20
<b>Total Current Liabilities</b>	<u>711,023.52</u>
Long Term Liabilities	
23000 · OPEB Liability	22,453.00
23500 · Lease Buy-Back	804,307.27
25000 · Surcharge 1 Loan	4,706,951.66
25050 · Surcharge 2 Loan	90,000.00
26000 · Water Rev Refunding	2,224,769.00
27000 · Community Business Bank	389,303.55
29000 · Net Pension Liability	902,961.00
29500 · Deferred Inflows-Pension	40,436.00
<b>Total Long Term Liabilities</b>	<u>9,181,181.48</u>
<b>Total Liabilities</b>	<u>9,892,205.00</u>
Equity	
31500 · Invested in Capital Assets, Net	6,698,923.46
32000 · Restricted for Debt Service	699,786.24
38000 · Unrestricted Equity	819,658.26
Net Income	-142,420.04
<b>Total Equity</b>	<u>8,075,947.92</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>17,968,152.92</u></u>



Rio Linda Elverta Community Water District  
 Profit & Loss Budget Performance  
 March 2018

11

	<u>Annual Budget</u>	<u>Mar 18</u>	<u>Jul 17- Mar 18</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
40000 · Operating Revenue	2,615,811.00	216,584.28	1,868,199.85	71.42%	747,611.15
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	400.00	29.53	317.23	79.31%	82.77
Total 41110 · Investment Revenue	400.00	29.53	317.23	79.31%	82.77
41120 · Taxes and Assessments	70,000.00	0.00	49,953.45	71.36%	20,046.55
41140 · Other Non-Operating Revenue	2,000.00	0.00	0.00	0.00%	2,000.00
Total 41000 · Non-Operating Revenue	72,400.00	29.53	50,270.68	69.44%	22,129.32
<b>Total Income</b>	<b>2,688,211.00</b>	<b>216,613.81</b>	<b>1,918,470.53</b>	<b>71.37%</b>	<b>769,740.47</b>
<b>Gross Income</b>	<b>2,688,211.00</b>	<b>216,613.81</b>	<b>1,918,470.53</b>	<b>71.37%</b>	<b>769,740.47</b>
<b>Expense</b>					
60000 · Operating Expenses					
60010 · Officers, Auditor & Legal Fees	112,383.00	9,023.35	68,000.78	60.51%	44,382.22
60110 · Salaries & Wages	643,156.00	47,734.71	452,879.93	70.42%	190,276.07
60150 · Employee Benefits & Expense	372,167.00	33,014.22	275,432.07	74.01%	96,734.93
60200 · Office Operations	343,576.00	11,555.57	226,815.15	66.02%	116,760.85
65000 · Field Operations	408,753.00	28,192.28	233,973.06	57.24%	174,779.94
Total 60000 · Operating Expenses	1,880,035.00	129,520.13	1,257,100.99	66.87%	622,934.01
69000 · Non-Operating Expenses					
69110 · Revenue Bond					
69105 · Principle	129,077.00	0.00	51,077.00	39.57%	78,000.00
69110 · Interest	69,617.00	0.00	35,190.00	50.55%	34,427.00
69120 · Admin Fees	0.00	0.00	0.00	0.00%	0.00
Total 69110 · Revenue Bond	198,694.00	0.00	86,267.00	43.42%	112,427.00
69125 · AMI Meter Loan					
69130 · Principle	45,400.00	0.00	45,399.73	100.00%	0.27
69135 · Interest	13,114.00	0.00	13,114.19	100.00%	-0.19
Total 69150 · Revenue Bond	58,514.00	0.00	58,513.92	100.00%	0.08
69400 · Other Non-Operating Expense	2,000.00	0.00	0.00	0.00%	2,000.00
Total 69000 · Non-Operating Expenses	259,208.00	0.00	144,780.92	55.86%	114,427.08
<b>Total Expense</b>	<b>2,139,243.00</b>	<b>129,520.13</b>	<b>1,401,881.91</b>	<b>65.53%</b>	<b>737,361.09</b>
<b>Net Ordinary Income</b>	<b>548,968.00</b>	<b>87,093.68</b>	<b>516,588.62</b>		
<b>Net Income</b>	<b>548,968.00</b>	<b>87,093.68</b>	<b>516,588.62</b>		

**Rio Linda Elverta Community Water District  
Surcharge 1 Profit & Loss Budget Performance  
March 2018**

	<u>Annual Budget</u>	<u>Mar 18</u>	<u>Jul 17- Mar 18</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
<b>Income</b>					
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	8,000.00	2,914.92	7,420.85	92.76%	579.15
41113 · Market Value Adjustment	0.00	-2,581.63	-5,654.73	100.0%	5,654.73
	<u>8,000.00</u>	<u>333.29</u>	<u>1,766.12</u>	<u>22.08%</u>	<u>6,233.88</u>
43010 · Surcharge Revenue	523,374.00	87,371.50	377,880.28	72.2%	145,493.72
43020 · Bi-Mo Accrued Surcharge Revenue	0.00	-42,500.00	0.00	0.0%	0.00
43000 · SRF Surcharge Revenue	<u>523,374.00</u>	<u>44,871.50</u>	<u>377,880.28</u>	<u>72.2%</u>	<u>145,493.72</u>
<b>Total Income</b>	<u>531,374.00</u>	<u>45,204.79</u>	<u>379,646.40</u>	<u>71.45%</u>	<u>151,727.60</u>
<b>Gross Income</b>	531,374.00	45,204.79	379,646.40	71.45%	151,727.60
<b>Income</b>					
69010 · Debt Service					
69150 · Surcharge (SRF)					
69155 · Principle	333,902.00	0.00	165,884.71	49.68%	168,017.29
69160 · Interest	127,453.00	0.00	64,792.61	50.84%	62,660.39
69170 · Admin Fees	1,942.00	536.32	1,673.46	86.17%	268.54
Total 69150 · Surcharge (SRF)	<u>463,297.00</u>	<u>536.32</u>	<u>232,350.78</u>	<u>50.15%</u>	<u>230,946.22</u>
Total 69010 · Debt Service	<u>463,297.00</u>	<u>536.32</u>	<u>232,350.78</u>	<u>50.15%</u>	<u>230,946.22</u>
<b>Total Expense</b>	<u>463,297.00</u>	<u>536.32</u>	<u>232,350.78</u>		
<b>Net Income</b>	<u>68,077.00</u>	<u>44,668.47</u>	<u>147,295.62</u>		

CAPITAL BUDGET VS ACTUAL FISCAL YEAR 2017-2018  
July 2017 through March 2018

	GENERAL		CONNECTIONS		CHROMIUM MITIGATION & NEW WELLS		VEHICLE REPLACEMENT	
	\$	\$	\$	\$	\$	\$	\$	\$
	Annual Budget	YTD Actual	Annual Budget	YTD Actual	Annual Budget	YTD Actual	Annual Budget	YTD Actual
<b>BEGINNING FUND BALANCE</b>	<b>\$ 1,080,092.00</b>	<b>\$ 1,080,092.00</b>	<b>\$ 62,680.00</b>	<b>\$ 62,680.00</b>	<b>\$ (23,521.00)</b>	<b>\$ (23,521.00)</b>	<b>\$ 32,771.00</b>	<b>\$ 32,771.00</b>
<b>FUNDING SOURCES</b>								
Fund Transfers								
Operating Fund Transfers In	600,000.00	450,000.00	-	-	-	-	-	-
CIP Fund Intrafund Transfers	(18,629.00)	(18,626.02)	-	-	-	-	18,629.00	18,626.02
Surcharge 2 Rate	-	-	-	-	218,230.00	157,183.23	-	-
Contributed Funding								
Capacity Fee Revenue	-	-	25,000.00	44,107.86	-	-	-	-
Contributed Facilities (Developers)	-	-	-	-	-	-	-	-
Grant Revenue	-	-	-	-	-	-	-	-
Loan Proceeds-OPUS Bank 3-1-18	-	-	-	-	146,105.00	90,000.00	-	-
Investment Revenue	350.00	151.47	-	-	20.00	18.83	-	-
Sale of Fixed Assets	-	-	-	-	-	-	-	-
<b>TOTAL FUNDS AVAILABLE FOR CIP PROJECTS</b>	<b>1,661,813.00</b>	<b>1,511,617.45</b>	<b>87,680.00</b>	<b>106,787.86</b>	<b>340,834.00</b>	<b>223,681.06</b>	<b>51,400.00</b>	<b>51,397.02</b>
<b>PROJECTS</b>								
<b>A - WATER SUPPLY</b>								
A-1 - River Arc	-	-	62,500.00	62,500.00	-	-	-	-
A-2 - El Dorado County Water & Power	14,442.00	14,441.63	-	-	-	-	-	-
A-3 - Well 2A - Cr6 Treatment	-	-	-	-	-	-	-	-
A-4 - Well 10 - Cr6 Treatment	-	-	-	-	81,220.00	76,218.60	-	-
A-5 - Well 15 - Cr6 Treatment	-	-	-	-	81,000.00	80,886.79	-	-
A-6 - Well 16	-	-	-	-	562,665.00	500,664.08	-	-
A-7 - Well 17	-	-	-	-	57,885.00	16,885.00	-	-
A-8 - Miscellaneous Pump Replacements	40,000.00	-	-	-	-	-	-	-
A-9 - Master Plan	26,000.00	5,635.00	-	-	-	-	-	-
A-10 - Well 9 Rehab	53,000.00	38,788.82	-	-	-	-	-	-
<b>Total A - WATER SUPPLY</b>	<b>133,442.00</b>	<b>58,865.45</b>	<b>62,500.00</b>	<b>62,500.00</b>	<b>782,770.00</b>	<b>674,654.47</b>	<b>-</b>	<b>-</b>
<b>B - WATER DISTRIBUTION</b>								
B-1 - System Valve Replacements	35,000.00	26,784.55	-	-	-	-	-	-
B-2 - Paving Replacements	30,000.00	25,200.00	-	-	-	-	-	-
B-3 - Service Replacements	30,000.00	11,797.90	-	-	-	-	-	-
B-4 - Large Meter Replacements	5,000.00	-	-	-	-	-	-	-
B-5 - Small Meter Replacements	60,000.00	50,561.70	-	-	-	-	-	-
<b>Total B - WATER DISTRIBUTION</b>	<b>160,000.00</b>	<b>114,344.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>M - GENERAL PLANT ASSETS</b>								
M-1 - Computer Server	7,805.00	7,804.58	-	-	-	-	-	-
M-2 - Trucks (2)	-	-	-	-	-	-	51,400.00	51,397.02
M-3 - Office & Shop Roof	38,201.00	38,201.00	-	-	-	-	-	-
<b>Total M - GENERAL PLANT ASSETS</b>	<b>46,006.00</b>	<b>46,005.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,400.00</b>	<b>51,397.02</b>
<b>FO - PROJECTS FUNDED BY OTHERS</b>								
<b>TOTAL FO - PROJECTS FUNDED BY OTHERS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C - CONTINGENCY</b>								
C-1 - Contingency (10% of Est A,B,M, & FO)	29,344.20	-	6,250.00	-	78,277.00	-	-	-
<b>TOTAL BUDGETED PROJECT EXPENDITURES</b>	<b>368,792.20</b>	<b>219,215.18</b>	<b>68,750.00</b>	<b>62,500.00</b>	<b>861,047.00</b>	<b>674,654.47</b>	<b>51,400.00</b>	<b>51,397.02</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 1,293,020.80</b>	<b>\$ 1,292,402.27</b>	<b>\$ 18,930.00</b>	<b>\$ 44,287.86</b>	<b>\$ (520,213.00)</b>	<b>\$ (450,973.41)</b>	<b>\$ -</b>	<b>\$ -</b>

12



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

**Date:** April 16, 2018  
**Subject:** General Manager's Report  
**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

There is no committee recommendation on this item.

**Current Background and Justification:**

The General Manager will report to the Board of Directors on meetings attended and an update on projects since the last meeting of the Board.

**Board Action / Motion**

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

Dills:\_\_\_ Green:\_\_\_ Ridilla:\_\_\_ Henrici:\_\_\_ Harris:\_\_\_.

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

# RLECWD Agenda Item Checklist

## Item 4.1

Date

**Initial Potential Meeting Date**

04/16/18

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

GM Report

---

04/13/18

**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 Finance/Administration, Projects /Planning 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**

04/13/18

**Actual Meeting Date Set for Agenda Item**

04/16/18



**Date:** April 16, 2018

**Subject:** General Manager Report

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

For the given month, the General Manager participated in the following reoccurring meetings and special events: The focus this month was executing the Master Services Agreement with Affinity Engineering for District Engineer services and on improving the documentation and process for completed staff work associated with the District's actions.

1. On March 20<sup>th</sup> I met with John Woodling of RWA to discuss the timing and process for disseminating RWA information to the RLECWD Board Members to allow for their consideration in a timely manner. We discussed improvements in the distribution of RWA materials, and I have distributed a request to each RLECWD Board Member asking for their preference on the method of distribution.
2. On March 23<sup>rd</sup> I met with a multi-national engineering firm to discuss RiverArc and also discuss current practices in groundwater treatment for hexavalent chromium.
3. On April 3<sup>rd</sup> I met with Chad Coleman Engineering to discuss the annual requirements for Water Audit validation, which are no longer funded through a grant from EPA. Affinity had already been contacted and had no previous experience in the requirements. Following the meeting with Chad Coleman, I continued to research the District's options and discussed the matter at the April 9<sup>th</sup> Finance Committee.
4. On April 4<sup>th</sup> I attended the monthly RiverArc meeting, which was the most practical and forthright meeting for RiverArc that I have attended. The discussion was on the potential for RLECWD discontinuing membership in RiverArc, and the corresponding tone of interaction necessary for drinking water agencies with the developers seeking development entitlements in their respective service areas.
5. April 5<sup>th</sup>, I met with Adept Solutions Technical Foreman at the District office to allow his review of the current technology infrastructure. The meeting identified some gaps in our program, which require prompt attention.

6. On April 6<sup>th</sup> I met with Director Dills to discuss improvements needed in the methods and documents used in the District's decision making.
7. On April 10<sup>th</sup> I met with Director Green to discuss the logistics for his attendance at the ACWA Spring Conference in Sacramento.
8. I have continued correspondence with BHI Management Consulting and Bartle Wells Associates to execute Professional Services Agreements for their respective proposals, which were approved by the Board at the March 19<sup>th</sup> meeting.
9. I met with Affinity Engineering on several occasions pursue execution of their MSA and finalize their proposal and agreement for design of Well #16 groundwater pumping station.
10. I corresponded with Legal Counsel on several occasions regarding the existing and future use of Professional Services Agreements.

Other initiatives in progress are:

We have an ongoing dialog with Twin Rivers Unified School District trying to set up a single meeting with myself, Director Green and Director Harris. It has consumed a disproportionate amount of time, and the final date/time has not yet been confirmed



**Items for Discussion and Action  
Agenda Item: 4.2**

**Date:** April 16, 2018  
**Subject:** District Engineer's Report  
**Staff Contact:** James Carson, District Engineer

**Recommended Committee Action:**

There is no committee recommendation on this item.

**Current Background and Justification:**

The District Engineer will report on the progress of projects since the last meeting of the Board.

**Conclusion:**

**Board Action / Motion**

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

Dills:\_\_\_ Green:\_\_\_ Ridilla:\_\_\_ Henrici:\_\_\_ Harris:\_\_\_.

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



# RLECWD Agenda Item Checklist

## Item 4.2

Date

**Initial Potential Meeting Date**

04/16/18

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

---

District Engineer's Report

---

04/13/18

**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 Finance/Administration, Projects /Planning 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**

04/13/18

**Actual Meeting Date Set for Agenda Item**

04/16/18

**TECHNICAL MEMORANDUM**

---

To: Tim Shaw – General Manager  
From: Jim Carson – District Engineer (Affinity Engineering)  
Subject: District Engineering Staff Report – March 2018  
Date: March 15, 2018

---

This Technical Memorandum (TM) updates the Board of Directors on Rio Linda/Elverta Community Water District (District) engineering related activities since last month's engineering report and does not include items that may be discussed in the General Manager's report.

1. MSA Contract and Task Orders

Updated the MSA Contract by adding it to the District's standard professional service agreement and provided Task Orders to the General Manager for his consideration.

2. Well 16 Contract for Design Services

Updated the design proposal on the District's standard professional service agreement for the Board's consideration.



**Items for Discussion and Action**  
**Agenda Item: 4.3**

**Date:** April 16, 2018

**Subject:** Consider approving a Professional Services Agreement with Affinity Engineering for the design of the Well #16 ground water pumping station

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

**Recommended Committee Action:**

The April 6<sup>th</sup> Planning Committee recommended the Board consider approving the Professional Services Agreement with Affinity Engineering for design of Well #16 groundwater pumping station.

**Current Background and Justification:**

The Well #16 project was conceived and funded as a mitigation to the hexavalent chromium concentration in other groundwater pumping stations within the District. More recently, the Board provided direction to shift priority for hexavalent chromium mitigation projects from the Well #10 project to Well #16.

The well for the Well #16 project was designed and constructed to produce drinking water with the lowest feasible concentration of hexavalent chromium. To complete the project, the groundwater pumping station needs to be designed so that the District may use that design to formally solicit bids for constructing the pumping facilities and all necessary appurtenances to tie Well #16 into the District's drinking water distribution system. This would reduce the District's current reliance on other groundwater pumping stations which have relatively higher concentrations of hexavalent chromium.

Funding for this agreement will be through the Opus Bank municipal financing authorized by the Board at the 2-26-2018 meeting, which entails processing formal draws.

**Conclusion:**

I recommend the Board approve the Professional Services Agreement with Affinity Engineering for design of the Well #16 groundwater pumping station, and further authorize the execution of the agreement.

**Board Action / Motion**

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

Dills:\_\_\_ Green:\_\_\_ Ridilla:\_\_\_ Henrici:\_\_\_ Harris:\_\_\_.

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

RLECWD Agenda Item Checklist

Item 4.3

Date

**Initial Potential Meeting Date**

04/16/18

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

**Consider approving a Professional Services Agreement with Affinity Engineering for the design of the Well #16 ground water pumping station.**

04/13/18

**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**

04/06/18

Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc Committees, to prepare board recommendations

**Formal Legal Counsel Review**

04/13/18

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

**GM Review**

04/13/18

**Actual Meeting Date Set for Agenda Item**

04/16/18

## PROFESSIONAL SERVICES AGREEMENT

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into this 16th day of April, 2018, by and between the Rio Linda Elverta Community Water District, a county water district of the State of California (“District”), whose address is 730 L Street, Rio Linda, California and Affinity Engineering Inc., a California Corporation, (“Professional”), whose address is 3205 Fitzgerald Road, Rancho Cordova, CA (each individually a “Party” and collectively the “Parties”). There are no other parties to this Agreement.

### RECITALS

**A.** District seeks to hire an independent contractor to perform professional services to assist the District with the design of the civil, mechanical and electrical improvements to Well 16 (the “Project”).

**B.** Professional has made a proposal to District to provide such Professional services. A description of the services Professional proposes to provide is attached hereto as **Exhibit A: Services** (“Services”). District desires to retain Professional to perform the Services, subject to the terms and conditions set forth in this Agreement.

**C.** The Parties have outlined the schedule for providing the Services (“Completion Schedule”), which is attached hereto as **Exhibit B: Schedule**.

**D.** The Parties have outlined the rates and method of payment to Professional for its performance of the Services under this Agreement (“Compensation”), which is attached hereto as **Exhibit C: Compensation**.

**NOW, THEREFORE**, in consideration of the promises and covenants set forth below, the Parties agree as follows:

### AGREEMENT

**Section 1. Recitals.** The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Section 1 through 49 of this Agreement, Sections 1 through 49 shall prevail.

**Section 2. Term.** The term of this Agreement shall be (1) year and will commence on the Effective Date and terminate on the 18 day of April, 2019 (“Term”) unless the Parties mutually agree in writing to terminate the Agreement earlier or extend the Term pursuant to this Agreement.

**Section 3. Effective Date.** This Agreement shall only become effective once all of the Parties have executed the Agreement (the “Effective Date”).

#### **Section 4. Work.**

(a) *Services.* Subject to the terms and conditions set forth in this Agreement, Professional shall provide District the Services described in Exhibit A. Any request for Services not included in Exhibit A will be considered a request for additional or modified Services (“Modification” or “Modifications”). Professional shall not receive additional compensation for any Modification of the Services unless the Parties agree otherwise in a writing executed by both Parties.

(b) *District Requested Modification of Services.* District may, by written order, authorize Modifications to the Services described in Exhibit A. If such Modifications cause an increase in the cost or time required for performance of Professional’s Services, the Parties shall enter into a written amendment to this Agreement to adjust the Services and the compensation to be paid to Professional and, if necessary, amend the Completion or Compensation. The Services, Completion, or Compensation shall not be revised unless District and Professional mutually agree to a written amendment to this Agreement reflecting such revisions, additional compensation, time for performance or such other terms or conditions mutually agreed upon by the Parties.

(c) *Professional Requested Modification in Services.* Professional shall not be compensated for work outside the Services described in this Agreement, unless, prior to the commencement of the Services:

(i) Professional provides District with written notice that specific work requested by District or required to complete the Project is outside the agreed upon Services. Such notice shall: (1) be supported by substantial evidence that the work is outside the Services; (2) set forth the Professional’s proposed course of action for completing the work and a specific request for the District to approve the Modification to the Services; (3) set forth the Professional’s proposed revisions, if any, to the Completion Schedule; and (4) set forth the Professional’s proposed revisions, if any, to the Compensation Schedule; and

(ii) District agrees that the work requires a Modification;

(iii) District approves all adjustments, if any, to the Completion Schedule and Compensation Schedule; and

(iv) The Parties execute a written amendment to this Agreement describing any Modification, together with any adjustment in the Completion Schedule and Compensation Schedule for Professional’s work. Compensation for any additional Services shall not exceed \$1,000 Dollars per hour.

**Section 5. Notice to Proceed.** Professional shall not commence the performance of the Services until it has been given notice by District (“Notice to Proceed”), with which District shall also deliver any deposit required under Exhibit C.

**Section 6. Time of Performance.** Professional warrants that it will commence performance of the Services within thirty (30) calendar days of the Notice to Proceed and shall conform to the

Completion Schedule. The time of performance is a material term of this Agreement relied on by District in entering into this Agreement.

**Section 7. Incidental Responsibilities.** Professional shall, at its sole cost and expense, furnish all facilities, equipment, materials, information, personnel and administrative assistance which may be required to perform its obligations under this Agreement, unless specified otherwise in Exhibit A or this Agreement.

**Section 8. Time and Personnel Devoted to Services.** Professional shall devote such time and personnel to the performance of this Agreement, as is necessary to perform the Services in compliance with this Agreement and the incorporated Exhibits.

**Section 9. Performance by Qualified Personnel; No Subcontracting.** Services under this Agreement shall be performed only by competent personnel under the supervision and direct employment of Professional. Professional will conform with District's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at District's request, shall be supervised by Professional. Professional is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of the other Party. An agreement made in violation of this provision shall confer no rights on any Party and shall be null and void.

**Section 10. Representations of Professional.** District relies upon the following representations by Professional in entering into this Agreement:

(a) *Qualifications.* Professional represents that it is qualified to perform the Services provided in Exhibit A and that it possesses the necessary licenses, permits required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Professional shall also ensure that all subcontractors are similarly licensed and qualified. Professional represents and warrants to District that Professional shall, at Professional's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and approvals which are legally required for Professional to practice Professional's profession at the time the Services are rendered.

(b) *Professional Performance.* Professional represents and warrants that all Services under this Agreement shall be performed in a Professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Professional shall adhere to accepted Professional standards as set forth by relevant Professional associations and shall perform all Services required under this Agreement in a manner consistent with generally accepted Professional customs, procedures and standards for such Services. All work or products completed by Professional shall be completed using the best practices available for the profession and shall be free from any defects. Professional agrees that, if a Service is not so performed, in addition to all of its obligations under this Agreement and at law, Professional shall re-perform or replace unsatisfactory Service at no additional expense to District.

(c) *No Waiver of Claims.* The granting of any progress payment by District, or the receipt thereof by Professional, or any inspection, review, approval or oral statement by any representative of District, or state certification, shall not, in any way, waive, limit, or replace any certification or approval procedures normally required or lessen the liability of Professional to re-perform or replace unsatisfactory Service, including but not limited to cases where the unsatisfactory character of such Service may not have been apparent or detected at the time of such payment, inspection, review or approval.

(d) *District's Remedies are Cumulative.* Nothing in this Section shall constitute a waiver or limitation of any right or remedy, whether in equity or at law, which District may have under this Agreement or any applicable law. All rights and remedies of District, whether under this Agreement or applicable law, shall be cumulative.

(e) *No Conflict of Interest.* Professional represents that no conflict of interest will be created under state or federal law by entering into or in carrying out this Agreement.

**Section 11. Conformity with Law and Safety.** Professional shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies having jurisdiction over any or all of the scope of Services, including all provisions of the Occupational Safety and Health Act of 1979 as amended, all California Occupational Safety and Health Regulations, the California Building Code, the American with Disabilities Act, any copyright, patent or trademark law and all other applicable federal, state, municipal and local safety regulations, appropriate trade association safety standards, and appropriate equipment manufacturer instructions. All Services performed by Professional must be in accordance with these laws, ordinances, codes and regulations. Professional's failure to comply with any laws, ordinances, codes or regulations applicable to the performance of the Services hereunder shall constitute a breach of contract. In cases where standards conflict, the standard providing the highest degree of protection shall prevail.

If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Agreement, Professional shall immediately notify the District's risk manager by telephone. If any accident occurs in connection with this Agreement, Professional shall promptly submit a written report to District, in such form as the District may require. This report shall include the following information: (a) name and address of the injured or deceased person(s); (b) name and address of Professional's subcontractor, if any; (c) name and address of Professional's liability insurance carrier; and (d) a detailed description of the accident, including whether any of District's equipment, tools or materials were involved.

If a release of a hazardous material, substance, or waste occurs in connection with the performance of this Agreement, Professional shall immediately notify District. Professional shall not store hazardous materials or hazardous waste within the District limits without a proper permit from District.

**Section 12. Contact by Professional with Project Owner or Project Applicant.** Unless otherwise set forth in the Services, neither Professional nor Professional's subcontractors shall directly contact the owner of the property involved in the Project or any party who is the applicant



for the Project ("Interested Party"), or an employee or contractor of an Interested Party, on any matter relating to the Project without the prior consent of the District's General Manager. In no event shall Professional take any instructions or directions from an Interested Party, on any matter pertaining to the Professional's Services to be performed for District under this Agreement.

**Section 13. Confidentiality.** Professional understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Professional may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District ("Confidential Information").

Professional shall not, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Professional written authorization to make any such disclosure, Professional shall do so only within the limits and to the extent of that authorization. Professional may be directed or advised by District counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Professional agrees that it will treat all communications between itself, its employees and its subcontractors as being communications which are within the attorney-client privilege.

**Section 14. Excusable Delays.** Professional shall not be in breach of this Agreement in the event that performance of Services is temporarily interrupted or discontinued due to a "Force Majeure" event which is defined as: riots, wars, sabotage, civil disturbances, insurrections, explosion, natural disasters such as floods, earthquakes, landslides, fires, strikes, lockouts and other labor disturbances or other catastrophic events, which are beyond the reasonable control of Professional. Force Majeure does not include: (a) Professional's financial inability to perform; (b) Professional's failure to obtain any necessary permits or licenses from other governmental agencies; or (c) Professional's failure to obtain the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of the Professional.

**Section 15. Assignment Prohibited.** No Party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

**Section 16. Suspension of Services by District.** District reserves the right to suspend Professional's Services under this Agreement when District determines that it is necessary to do so. When possible, District shall give Professional notice of such suspension and Professional shall, upon receipt of said notice, suspend all Services except any Services, the completion of which is authorized by the notice given by District. If the Services are suspended by District for more than sixty (60) consecutive days, for reasons other than the fault of the Professional, the Professional shall be compensated for Services performed prior to notice of such suspension. When the Project is resumed, the Professional's compensation shall be equitably adjusted by the District to provide for expenses incurred by the interruption of the Services. In this regard, Professional shall furnish to District such financial information as in the judgment of the District Manager is necessary to determine the reasonable value of the Services rendered by Professional during the period when Services were suspended.

If the Parties are unable to agree upon the amount of extra compensation which is due to Professional within thirty (30) days of Professional resuming Services, the amount of such additional compensation, if any, that is required to appropriately compensate the Professional for its expenses incurred by the interruption of Services may, upon the request of either Party, be determined by arbitration conducted in accordance Section 22. Such arbitration shall be commenced by the Professional no later than sixty (60) calendar days following the event which entitles the Parties to pursue arbitration unless the Parties agree in writing to an extended time period for commencement of arbitration. Unless otherwise agreed in writing, all Parties shall carry on the Services and perform their duties during any arbitration proceedings, and the District shall continue to make payments for the Services in progress as required by this Agreement.

**Section 17. Ownership of Work Product.** Any and all work, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, designs, specifications, drawings, diagrams, surveys, source codes, Professional or technical information or data, photographs, notes, letters, emails or any original works of authorship created by Professional or its subcontractors or subcontractors in connection with Services performed under this Agreement (“**Products**”) shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of District. In the event that it is ever determined that any Product created by Professional or its subcontractors or subcontractors under this Agreement are not works for hire under U.S. law, Professional hereby assigns all copyrights to such Products to District. With the prior written approval of District's point of contact for the Project, Professional may retain and use copies of such Products for reference and as documentation of its experience and capabilities.

All Products shall become the property of District irrespective of where located or stored and Professional agrees to deliver all such documents and information to District, without charge and in whatever form it exists, on the completion of the Professional's services hereunder. Professional shall have no ownership interest in such Products.

All work product of Professional under this Agreement, including written information which District will cause to be distributed for either internal or public circulation, including both preliminary and final drafts shall be delivered to District in both printed and electronic form, or as may be specified in Exhibit A.

When this Agreement is terminated, Professional agrees to return to District all documents, drawings, photographs and other written or graphic material, however produced, that it received from District, its contractors or agents, in connection with the performance of its Services under this Agreement. All materials shall be returned in the same condition as received.

**Section 18. Termination of Work by District for Its Convenience.** District shall have the right to terminate this Agreement at any time for its convenience by giving notice of such termination to Professional. In the event District shall give such notice of termination, Professional shall cease rendering Services upon receipt of said notice given as required in this Agreement. If District terminates this Agreement:

(a) Professional shall deliver copies of all Products prepared by it pursuant to this Agreement.

(b) If District terminates this Agreement for convenience before District issues the Notice to Proceed to Professional or before Professional commences any Services hereunder, whichever last occurs, District shall not be obligated to make any payment to Professional. If District terminates this Agreement after District has issued the Notice to Proceed to Professional and after Professional has commenced performance under this Agreement, District shall pay Professional the reasonable value of the Services rendered by Professional pursuant to this Agreement prior to termination of this Agreement. District shall not in any manner be liable for Professional's actual or projected lost profits had Professional completed the Services. Professional shall furnish to District such financial information, as in the judgment of the District Manager, is necessary to determine the reasonable value of the Services rendered by Professional prior to termination. In the event of a dispute as to the reasonable value of the Services rendered by Professional prior to termination and the Parties are unable to agree upon said amount within sixty (60) calendar days following the date of the notice of termination by the District, such dispute may, upon the request of either Party, be resolved by arbitration conducted in accordance with Section 22.

(c) Except as provided in this Agreement, in no event shall District be liable for costs incurred by or on behalf of Professional after the date of the notice of termination.

**Section 19. Assurance of Performance.** If, at any time, District believes Professional may not be adequately performing its obligations under this Agreement or may fail to complete the Services as required by this Agreement, District may submit a written request to Professional for written assurances of performance and a plan to correct observed deficiencies in Professional's performance. Failure to provide written assurances subsequent to such written request, constitutes grounds to declare a breach under this Agreement.

**Section 20 Cancellation for Breach by Either Party.** Should either Party fail to substantially perform its obligations in accordance with the provisions of this Agreement, the other Party shall thereupon have the right to cancel the Agreement by giving written notice and specifying the effective date of such cancellation. If District cancels this Agreement for breach and it is subsequently determined that Professional did not fail to substantially perform its obligations in accordance with this Agreement, then cancellation for breach by District shall be deemed, and treated, as termination for convenience.

Neither Party waives the right to recover damages against the other for breach of this Agreement including any amount necessary to compensate District for all detriment proximately caused by Professional's failure to perform its obligations hereunder or which in the ordinary course of things would be likely to result therefrom. District reserves the right to offset such damages against any payments owed to Professional.

District shall not in any manner be liable for Professional's actual or projected lost profits had Professional completed the Services required by this Agreement.

In the event of cancellation by either Party, copies of all finished or unfinished Products shall become the property of District.

**Section 21. Non-Discrimination.** In its performance of the Services, Professional shall adhere to state and federal laws pertaining to equal opportunity employment and shall ensure that all of Professional's employees and applicants receive equal consideration and treatment in employment without regard to race, color, religion, gender, sexual orientation, national origin, age, disability, genetic information, marital status, amnesty, or status as a covered veteran in accordance with applicable federal or state statutes.

In addition, all agreements with sub-contractors will include language as required by the Office of Federal Contract Compliance Programs (OFCCP) that requires sub-contractors to maintain equal employment opportunity policies, and, as necessary, affirmative action policies.

**Section 22. Arbitration of Disputes.** All claims, disputes and other matters in question between District and Professional arising out of, or relating to this Agreement or the breach thereof, including claims of Professional for extra compensation for Services related to the Project shall be decided by arbitration before a single arbitrator in accordance with the provisions of Sections 1281 to 1284.2 of the California Code of Civil Procedure (the "Arbitration Laws") unless the Parties mutually agree otherwise. The provisions of Section 1283.05 of the Arbitration Laws apply to any arbitration proceeding except as otherwise provided in this Agreement. The arbitrator shall have authority to decide all issues between the Parties including, but not limited to, claims for additional compensation, delay and liquidated damages, if any, provided for in this Agreement, matters involving defects in the work product of the Professional, rights to payment, and whether the necessary procedures for arbitration have been followed. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Notice of the demand for arbitration shall be filed in writing with the other Party. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitation.

The Parties shall jointly appoint an arbitrator within fifteen (15) calendar days of the date of giving of the notice of the demand for arbitration. If the Parties are unable to jointly agree upon the appointment of an arbitrator within said fifteen (15) calendar day period, and do not agree in writing to extend said period for a fixed period, then either Party may seek to have the arbitrator appointed by the Superior Court of Sacramento County in accordance with the Arbitration Laws.

If any proceeding is brought to contest the right to arbitrate and it is determined that such right exists, the losing Party shall pay all costs and attorneys' fees incurred by the prevailing party.

In addition to the other rules of law which may be applicable to any arbitration hereunder, the following shall apply:

(a) Promptly upon the filing of the arbitration each Party shall be required to set forth in writing and to serve upon each other Party a detailed statement of its contentions of fact and law.

(b) All parties to the arbitration shall be entitled to the discovery procedures as provided in Section 1283.05 of the California Code of Civil Procedure.

(c) The arbitration shall be commenced and conducted as expeditiously as possible consistent with affording reasonable discovery as provided herein.

(d) These additional rules shall be implemented and applied by the arbitrator.

The costs of arbitration shall be borne by the Parties as determined by the arbitrator, but each Party shall bear its own attorney's fees associated with the dispute with the other Party and to the arbitration.

**Section 23. Insurance Coverage.** During the Term, the Professional shall maintain in full force and effect policies of insurance set forth herein, which shall be placed with insurers with a current A M Best's rating of no less than A VII and will provide the District with written proof of said insurance. Professional shall maintain coverage as follows:

(a) *General Liability.* Professional shall carry general liability insurance in the amount of Two Million Dollars (\$2,000,000.00) per occurrence for bodily injury, personal injury, and property damage. If commercial general liability insurance or another form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate shall be Two Million Dollars (\$2,000,000.00).

(b) *Worker's Compensation Insurance and Employer's Liability.* Professional shall carry workers' compensation insurance as required by the State of California under the Labor Code. Professional shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

(c) *Errors and Omissions Liability.* Professional shall carry errors and omissions liability insurance in the amount of no less than Two Million Dollars (\$2,000,000.00) per occurrence or greater if appropriate for the Professional's profession. Architects and engineers' coverage is to be endorsed to include contractual liability. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents"); or the Professional shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

**Section 24. Additional Insurance Requirements.** Within five (5) days of the Effective Date, Professional shall provide District with certificates of insurance for all of the policies required under this Agreement (“Certificates”), excluding the required worker’s compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Professional shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker’s compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days’ prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District’s Agents as additional insureds with respect to liability arising out of Services, work or operations performed by or on behalf of the Professional; products and completed operations of the Professional; premises owned, occupied, or used by the Professional, or automobiles owned, leased, or hired or borrowed by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District’s Agents and any insurance or self-insurance maintained by District or District’s Agents shall be in excess of Professional’s insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

**Section 25. Indemnification by Professional.** To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782 and 2782.8), Professional shall defend with legal counsel reasonably acceptable to District, indemnify and hold harmless the District and District’s Agents from and against any and all claims, loss, cost, damage, injury (including, without limitation, injury to or death of an employee of Professional or its subcontractors), expense and liability of every kind, nature and description that arise out of, pertain to or relate to acts or omissions of Professional, or any direct or indirect subcontractor, employee, contractor, representative or agent of Professional, or anyone that Professional controls (collectively “Liabilities”). Such obligations to defend, hold harmless and indemnify District and District’s Agents shall not apply to the extent that such Liabilities are caused in whole by the sole negligence, active negligence, or willful misconduct of District or District’s Agents, but shall apply to all other Liabilities. With respect to third party claims against the Professional, the Professional waives any and all rights of any type of express or implied indemnity against District and District’s Agents.

**Section 26. Liability of District.** Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

**Section 27. Independent Contractor.** At all times during the Term, Professional shall be deemed to be an independent contractor and shall be wholly responsible for the manner in which Professional performs the services required under this Agreement. Professional shall be liable for its acts and omissions, and those of its employees, contractors, subcontractors, representatives, volunteers, and its agents. Nothing contained herein shall be construed as creating an employment, agency or partnership relationship between District and Professional. District shall have the right to

control Professional only insofar as the result of Professional's services rendered pursuant to this Agreement; however, District shall not have the right to control the means by which Professional accomplishes Services rendered pursuant to this Agreement.

**Section 28. Professional Not Agent.** Except as District may specify in writing, Professional shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever.

**Section 29. Payment of Taxes and Other Expenses.** Payment of any taxes, including California sales and use taxes, levied upon this Agreement, the transaction, or the Services or goods delivered pursuant hereto, shall be the obligation of Professional.

**Section 30. Notices.** Any notice or communication required hereunder between District and Professional must be in writing, and may be given either personally, by facsimile (with original forwarded by regular U.S. Mail), by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving Party's facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday or holiday shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

With courtesy copies to:

Rio Linda Elverta Community Water District  
730 L Street  
Rio Linda, California 95673  
Attention: General Manager  
Tel: (916) 991-8891

And: Churchwell White LLP  
1414 K Street, Third Floor  
Sacramento, California, 95814  
Attention: Barbara A. Brenner, Esq.  
Tel: (916) 468-0950

If to Professional: Affinity Engineering Inc.  
3205 Fitzgerald Road  
Rancho Cordova, CA 95742  
Attention: James D. Carson  
Tel: (916) 613-7582

**Section 31. Exhibits.** All "Exhibits" referred to below or attached to herein are by this reference incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
<b>Exhibit A:</b>	<b>Services</b>
<b>Exhibit B:</b>	<b>Completion</b>
<b>Exhibit C:</b>	<b>Compensation</b>

**Section 32. General Provisions.**

(a) *Modification.* No alteration, amendment, modification, or termination of this Agreement shall be valid unless made in writing and executed by all of the Parties to this Agreement.

(b) *Waiver.* No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

(c) *Authority.* All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles, and capacities herein stated on behalf of any entities, persons, states, or firms represented or purported to be represented by such entities, persons, states or firms and that all former requirements necessary or required by the state or federal law in order to enter into the Agreement have been fully complied with. Further, by entering into this Agreement, neither Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such breach would have a material effect hereon.

(d) *Drafting and Ambiguities.* Each Party acknowledges that it has reviewed this Agreement with its own legal counsel, and based upon the advice of that counsel, freely entered into this Agreement. Each Party has participated fully in the review and revision of this Agreement. Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.



(e) *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the state of California.

(f) *Venue.* Venue for all legal proceedings shall be in the Superior Court of California for the County of Sacramento.

(g) *Severability.* If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment. If any provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Agreement, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement.

(h) *Counterparts.* This Agreement may be executed simultaneously, and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

(i) *Audit.* District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Professional's charges to District under this Agreement.

(j) *Entire Agreement.* This Agreement, together with its specific references, attachments and exhibits, constitutes the entire agreement of the Parties with respect to the subject matters hereof, and supersedes any and all prior negotiations, understanding and agreements with respect hereto, whether oral or written.

(k) *Supersedes Prior Agreement.* It is the intention of the Parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, or representations whether, written, electronic or oral, between the Parties with respect to the subject matter of this Agreement.

(l) *Mandatory and Permissive.* "Shall" and "will" and "agrees" are mandatory. "May" and "can" are permissive.

(m) *Successors.* All representations, covenants, and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of, any or all of the Parties hereto, shall be binding upon and inure to the benefit of such Party, and its successors.

(n) *Headings.* Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

(o) *Attorney's Fees and Costs.* If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the

same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

(p) *Necessary Acts and Further Assurances.* The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

(q) *Time is of the Essence.* Time is of the essence in this Agreement for each covenant and term of a condition herein.

***[SIGNATURES ON FOLLOWING PAGE.]***

IN WITNESS WHEREOF, this Agreement has been entered into by and between District and Professional as of the Effective Date.

**DISTRICT:**

Rio Linda Elverta Community Water District,  
a county water district of the State of  
California

By: \_\_\_\_\_  
Tim Shaw, General Manager

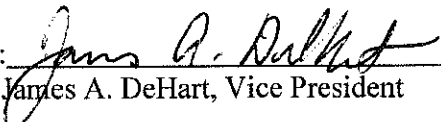
Date Signed: \_\_\_\_\_  
Per Resolution No.: N/A

Approved as to Form:

By: \_\_\_\_\_  
Barbara A. Brenner, General Counsel

**PROFESSIONAL:**

Affinity Engineering Inc., a California  
Corporation

By:  \_\_\_\_\_  
James A. DeHart, Vice President

Date Signed: \_\_\_\_\_

## EXHIBIT A

### SERVICES

The following is the scope of services to provide engineering services to complete the facility design of the project for the District.

As directed by the District's previous general manager, the following tasks have already been completed for the Well 16 project:

- Engineering and services during construction for 3 monitoring wells
- Engineering and services during construction for production well
- Initial Study and Negative Declaration to comply with CEQA requirements
- Surveying
- 30 percent design site layout and piping plan (Exhibit A)
- Drainage calculations for County roadside ditch improvements

In order to complete the design of the facility, Affinity will provide stamped construction documents (plans and specifications) for bidding and construction of the Facility including:

#### Civil Design Plans and Specifications (60%, 90%, and 100% Bid Set)

- Civil/Mechanical – onsite and offsite piping, pump and motor, site drainage, offsite drainage ditch improvements, fencing and automatic gate, landscaping, sound wall, and paving
- Structural/Geotechnical – building foundation and construction details

#### Electrical Design Plans and Specifications (60%, 90%, and 100% Bid Set)

- Electrical – electric service, power distribution, site lighting, conduit, and wire
- Process and Controls – operational requirements and control narrative for integrator (under construction contract) to provide interfacing with District's SCADA, PLC programming, operator interface terminal (OIT) configuration and programming
  - Assumption: this project will use either XiO or Tesco for its local control and SCADA system

#### Subconsulting

Consultant plans on subconsulting the geotechnical, surveying and structural engineering services as part of the design. The cost for these services are included in the deliverable compensation as shown in **Exhibit C**. Once the subconsultant is selected, Consultant shall provide the name of the engineering firms for the General Manager to approval prior to any subconsulting services provided.

Submittals – at each design level, the District will be able to provide comments in the design of the facilities. Submittals include:

- 60 Percent Civil Design Plans and Specifications
- 60 Percent Electrical Design Plans and Specifications
- 90 Percent Civil Design Plans and Specifications
- 90 Percent Electrical Design Plans and Specifications
- 100 Percent Bid Set

{CW019095.3}

**EXHIBIT B**  
**COMPLETION**

The Parties agree that the Project and Services shall be completed to the satisfaction of the District as outlined below:

**Commencement Date.** Performance under the Agreement shall begin no later than April 18, 2018 assuming that the agreement is signed and Consultant has been given a notice to proceed.

**Project Schedule.**

<b>Phase</b>	<b>Completion Date</b>
60% Civil Design Plans and Specifications	May 18, 2018
60% Electrical Design Plans and Specifications	May 25, 2018
90% Civil Design Plans and Specifications	June 18, 2018
90% Electrical Design Plans and Specifications	June 25, 2018
100% Bid Set	July 20, 2018
Final Completion Date:	July 20, 2018

**EXHIBIT C**

**COMPENSATION**

**Maximum Payment for Professional Services.** District shall pay Professional for actual work performed according to the deliverables set forth below. District's total compensation to Professional shall not exceed 96,000 Dollars ("Maximum Payment"), unless the Parties mutually agree in writing otherwise.

**Deposit.** District shall pay Professional an initial deposit in the amount of zero (0) Dollars within five (5) business days of the Effective Date of this Agreement ("Deposit").

**Subsequent Payments.** District shall make payments in the amount invoiced by Professional within thirty (30) calendar days of receiving such invoice. In the event that an amount of an invoice is in dispute, District shall inform Professional of the amount and basis for the dispute and may withhold the amount which is in dispute until the dispute has been resolved.

**Invoices.** Professional shall provide District with invoices sufficiently evidencing Professional's expenses and completion of the Services. All invoices furnished to District by Professional shall be in a form approved by District. The payments specified shall be the only payments made to Professional for performance of the Services including compensation for any Modification. Professional shall submit all billings for Services to District within forty-five (45) days of the performance of such Services. District shall issue payment according to District's customary procedures and practices for issuing payments to independent contractors.

**Compensation.** The Parties agree that the Professional will be paid based on the deliverables provided as follows:

<b>Design Submittal</b>	<b>Total Payment (\$)</b>
60% Civil Design Plans and Specifications	25,000
60% Electrical Design Plans and Specifications	20,000
90% Civil Design Plans and Specifications	20,000
90% Electrical Design Plans and Specifications	15,000
100% Bid Set (Plans and Specifications)	10,000
<b>Total Compensation</b>	<b>90,000</b>

**Costs and Expenses.** The Parties agree that the following costs and expenses shall be reimbursable to Professional if expended in furtherance of this Agreement and substantiated with reasonable documentation. District shall not be responsible for paying any other costs or expenses under this Agreement:

<b>Cost/Expense</b>	<b>Rate</b>	<b>Maximum Units</b>
Reimbursable Expenses	Cost Billed plus 15 Percent	\$5,000
Mileage	\$0.50 per mile	\$1,000



**Items for Discussion and Action**  
**Agenda Item: 4.4**

**Date:** April 16, 2018

**Subject:** Consider approving a Professional Services Agreement with Adept Solutions for Information Technology (IT) support services.

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

**Recommended Committee Action:**

The April 6<sup>th</sup> Planning Committee directed staff to explore the feasibility of engaging Adept Solutions for IT support services. Staff's exploration of feasibility has yielded the proposed Professional Services Agreement for the Board's consideration.

**Current Background and Justification:**

The Planning committee considered the options of initiating an RFP or RFQ, as well as continuing with the current service provider for IT support services. The Committee reviewed the pros and cons associated with each option and directed staff to promulgate engagement with Adept Solutions, unless it was found to be technically, financially or otherwise infeasible. In case of infeasibility, staff was directed to return the item to committee for further discussion/ analysis.

Adept solutions submitted a proposal for IT support services on April 11<sup>th</sup>. The proposal meets the existing and foreseeable needs of the District. I can professional attest to the qualifications of Adept Solutions for providing such services. The proposed cost for the services are reasonable and are consistent with current spending and budgeting for the service through our existing services provider.

The proposal stipulates an onboarding process, which is needed to correct existing deficiencies in the District's technology infrastructure and address unnecessary risks/liabilities. The onboarding process will cost \$1,408. Subsequently, the monthly service charge will be \$864 (\$10,368 annually). The monthly service will provide for the data security and system maintenance needs of the District. Items falling outside the scope of the agreement will require submittal of estimated costs and preauthorization from the General Manager.

**Conclusion:**

I recommend the Board approved the proposal from Adept Solutions for IT support services and further authorize execution of the Professional Services Agreement.

**Board Action / Motion**

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

Dills:\_\_\_ Green:\_\_\_ Ridilla:\_\_\_ Henrici:\_\_\_ Harris:\_\_\_.  
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

## RLECWD Agenda Item Checklist

## Item 4.4

Date

**Initial Potential Meeting Date**04/16/18

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

**Consider approving the Professional Services Agreement with Adept Solutions for Information Technology (IT) support services.**

04/13/18**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**04/~~13~~/18

Review by appropriate Finance/Administration, Projects /Planning or Ad Hoc Committees, to prepare board recommendations

**Formal Legal Counsel Review**04/13/18

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

**GM Review**04/13/18**Actual Meeting Date Set for Agenda Item**04/16/18



Item 4.4

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT  
PROJECT: Information Technology Support Services  
PROJECT NO. 2018-01

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 16th day of April 2018, by and between the Rio Linda Elverta Community Water District, a county water district of the State of California ("District") and Adept Solutions., ("Consultant") (each individually a "Party" and collectively the "Parties"). There are no other parties to this Agreement.

RECITALS

A. Consultant represents to District that it is a duly qualified and licensed firm experienced in providing information technology (IT) support services.

B. In the judgment of the Board of Directors of District, it is necessary and desirable to employ the services of Consultant to perform IT support services.

C. Consultant has been selected as sufficiently qualified to provide IT support services to the District

D. Specific consulting services are described in Exhibit 1, Adept Solutions Proposal for Technology Services to RLECWD, Dated 4-11-2018, and approved by the District prior to any services provided. All compensation shall be based the terms provided in this Agreement.

NOW, THEREFORE, in consideration of the promises and covenants set forth below, the Parties agree as follows:

AGREEMENT

**Section 1. Recitals.** The recitals set forth above ("Recitals") are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 18 of this Agreement, Sections 1 through 18 shall prevail.

**Section 2. Term.** This Agreement shall commence on the Effective Date and terminate on May 1, 2021 ("Term"), unless the Parties mutually agree in writing to terminate the Agreement earlier or extend the Term pursuant to this Agreement.

**Section 3. Effective Date.** This Agreement shall only become effective once all of the Parties have executed the Agreement (the "Effective Date"). Consultant, however, shall not commence the performance of the Services until it has been given notice by District ("Notice to Proceed").

**Section 4. Work.**

(a) *Services.* Subject to the terms and conditions set forth in this Agreement, Consultant shall perform the Services as described in Exhibit 1. IT support services performed by the Consultant which are beyond the scope of Exhibit 1 shall not receive additional compensation for the performance unless they are approved by the District in writing.

(b) *Modification of Services.* Only the District's General Manager may authorize extra or changed work. Failure of Consultant to secure such a written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and thereafter Consultant shall be entitled to no compensation whatsoever for the performance of such work. Consultant further waives any and all right or remedy by way of restitution or quantum merit for any and all extra work performed without such express and prior written authorization of the General Manager.

**Section 5. Time of Performance.** Consultant warrants that it will commence performance of the Services within thirty (30) calendar days of the Notice to Proceed, and shall conform to normal and customary standards for profession technology support services providers. The time of performance is a material term of this Agreement relied on by District in entering into this Agreement.

**Section 6. Payment.** District shall pay Consultant for all Services described in Exhibit 1 and which are to be performed by Consultant.

District shall pay Consultant within thirty (30) days of Project completion, acceptance of the Services by District, and/or receipt of Consultant's invoice for the Services. All payments will be made in accordance with this Agreement.

**Section 7. Representations of Consultant.** District relies upon the following representations by Consultant in entering into this Agreement:

(a) *Standard of Care.* District has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby warrants that it is qualified to perform the Services as provided in Exhibit 1 and that all of its services will be performed in accordance with the generally accepted consultant practices and standards, in compliance with all applicable federal, state and local laws.

(b) *Independent Consultant.* In performing the services hereinafter specified, Consultant shall act as an independent Consultant and shall have control of the work and the manner in which it is performed. Consultant is not to be considered an agent or employee of District, and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits District provides its employees. In the event District exercises its right to terminate this Agreement, Consultant expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees. Nothing contained herein shall be construed as creating an employment, agency or partnership relationship between District and Consultant.

(c) *Authority.* Consultant represents that it possesses the necessary licenses, permits and approvals required to perform the Services or will obtain such licenses, permits or approvals prior to the time such licenses, permits or approvals are required. Consultant shall also ensure that all sub-consultants are similarly licensed and qualified. Consultant represents and warrants to District that Consultant shall, at Consultant's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and approvals which are legally required for Consultant to practice Consultant's profession at the time the Services are rendered including registration for public works projects with the Department of Industrial Relations.

(d) *No Conflict of Interest.* Consultant represents that no conflict of interest will be created under state or federal law by entering into or in carrying out this Agreement. Consultant further promises that in the performance of this Agreement, no person having such interest will be knowingly employed. If requested to do so by District, Consultant shall complete and file, and shall cause any person doing work under this Agreement to complete and file, a "Statement of Economic Interest" with the Sacramento County Clerk disclosing their financial interests.

(e) *Prevailing Wage.* Consultant agrees to pay all craftsmen and laborers required as part of the consulting services at least the minimum prevailing wage required by the Department of Industrial Relations of the State of California. Consultant understands and agrees that it is Consultant's responsibility to determine the minimum prevailing wage and to report compliance as required under California law.

**Section 8. Conformity with Law and Safety.** Consultant shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies having jurisdiction over any or all of the scope of Services, including all provisions of the Occupational Safety and Health Act of 1979 as amended, all California Occupational Safety and Health Regulations, the California Building Code, the American with Disabilities Act, and all other applicable federal, state, municipal and local safety regulations, appropriate trade association safety standards, and appropriate equipment manufacturer instructions. Consultant's failure to comply with any laws, ordinances, codes or regulations applicable to the performance of the Services hereunder shall constitute a breach of contract. In cases where standards conflict, the standard providing the highest degree of protection shall prevail.

If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Agreement, Consultant shall immediately notify the District's risk manager by telephone. If any accident occurs in connection with this Agreement, Consultant shall promptly submit a written report to District, in such form as the District may require. This report shall include the following information: (a) name and address of the injured or deceased persons; (b) name and address of Consultant's sub-consultant, if any; (c) name and address of Consultant's liability insurance carrier; and (d) a detailed description of the accident, including whether any of District's equipment, tools or materials were involved.

If a release of a hazardous material, substance, or waste occurs in connection with the performance of this Agreement, Consultant shall immediately notify District. Consultant shall not store hazardous materials or hazardous waste within the District limits without a proper permit from District.

**Section 9. Excusable Delays.** Consultant shall not be in breach of this Agreement in the event that performance of Services is temporarily interrupted or discontinued due to a "Force Majeure" event which is defined as: riots, wars, sabotage, civil disturbances, insurrections, explosion, natural disasters such as floods, earthquakes, landslides, fires, strikes, lockouts and other labor disturbances or other catastrophic events, which are beyond the reasonable control of Consultant. Force Majeure does not include: (a) Consultant's financial inability to perform; (b) Consultant's failure to obtain any necessary permits or licenses from other governmental agencies; or (c) Consultant's failure to obtain the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of the Consultant.

**Section 10. Assignment Prohibited.** No Party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

**Section 11. Ownership and Disclosure of Work Product.** District shall be the owner of and shall be entitled to immediate possession of accurate reproducible copies of any design computations, plans, specifications copies of correspondence, maps, or other pertinent data and information gathered or computed by Consultant ("Work Product") in the performance of and prior to termination of this Agreement by District or upon completion of the work pursuant to this Agreement. Consultant may retain copies of the above-described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this

Agreement without the express written permission of District, during the term of this Agreement and for a period of one hundred eighty (180) days following expiration of the term of the Agreement.

When this Agreement is terminated, Consultant agrees to return to District all documents, drawings, photographs and other written or graphic material, however produced, that it received from District, its Consultants or agents, in connection with the performance of its Services under this Agreement. All materials shall be returned in the same condition as received.

**Section 12. Termination by Default.** If a Party should fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violates any of the terms of this Agreement (the "Defaulting Party"), the other Party shall give notice to the Defaulting Party and allow such Party ten (10) days to correct such deficiency. If the Defaulting Party does not correct such deficiency, the other Party may immediately terminate this Agreement by giving written notice of such termination, stating the reason for such termination. In such event, Consultant shall be entitled to receive payment for all services satisfactorily rendered, provided, however, there shall be deducted from such amount the amount of damage, if any, sustained by virtue of any breach of this Agreement by Consultant. If payment under this Agreement is based upon a lump sum in total or by individual task, payment for services satisfactorily rendered shall be an amount which bears the same ratio to the total fees specified in the Agreement as the services satisfactorily rendered hereunder by Consultant bear to the total services otherwise required to be performed for such total fee, provided, however, that there shall be deducted from such amount the amount of damage, if any sustained by District by virtue of any breach of this Agreement by Consultant.

(a) Consultant shall deliver copies of all Work Product prepared by it pursuant to this Agreement.

(b) If District terminates this Agreement before District issues the Notice to Proceed to Consultant or before Consultant commences any Services hereunder, whichever last occurs, District shall not be obligated to make any payment to Consultant. If District terminates this Agreement after District has issued the Notice to Proceed to Consultant and after Consultant has commenced performance under this Agreement, District shall pay Consultant the reasonable value of the Services rendered by Consultant pursuant to this Agreement prior to termination of this Agreement. District shall not in any manner be liable for Consultant's actual or projected lost profits had Consultant completed the Services. Consultant shall furnish to District such financial information, as in the judgment of the District Manager, is necessary to determine the reasonable value of the Services rendered by Consultant prior to termination.

(c) Except as provided in this Agreement, in no event shall District be liable for costs incurred by or on behalf of Consultant after the date of the notice of termination.

**Section 13. Liability for Breach.** Neither Party waives the right to recover damages against the other for breach of this Agreement including any amount necessary to compensate District for all detriment proximately caused by Consultant's failure to perform its obligations hereunder or which in the ordinary course of things would be likely to result therefrom. District reserves the right to offset such damages against any payments owed to Consultant. District shall not in any manner be liable for Consultant's actual or projected lost profits had Consultant completed the Services required by this Agreement. In the event of Termination by either Party, copies of all finished or unfinished Work Product shall become the property of District. Notwithstanding the above, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

**Section 14. Insurance Coverage.** During the Term, the Consultant shall maintain in full force and effect policies of insurance set forth herein, which shall be placed with insurers with a current A M Best's rating of no less than A VII, and will provide the District with written proof of said insurance. Consultant shall maintain coverage as follows:

(a) *Professional Liability.* professional liability insurance for damages incurred by reason of any actual or alleged negligent act, error or omission by consultant or sub-consultant in the amount of One Million Dollars (\$1,000,000.00) combined single limit each occurrence and annual aggregate. If the Consultants prime agreement requires the sub-consultant to carry additional Professional Liability insurance the sub-consultant shall increase their Professional Liability insurance to meet the prime agreement's requirements for the duration of the Project.

(b) *General Liability.* Consultant shall carry commercial general liability insurance in an amount no less than One Million Dollars (\$1,000,000.00) combined single limit for each occurrence, covering bodily injury and property damage. If commercial general liability insurance or another form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate shall be no less than One Million Dollars (\$1,000,000.00).

(c) *Worker's Compensation Insurance and Employer's Liability.* Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code.

(d) *Automobile Liability Insurance.* Consultant shall carry Automobile liability insurance covering bodily injury and property damage in an amount no less than One Million Dollars (\$1,000,000) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles.

(e) *Policy Obligations.* Consultant's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

(f) *Material Breach.* If Consultant, for any reason, fails to maintain insurance coverage that is required pursuant to this Agreement, such failure shall be deemed a material breach of this Agreement. District, at its sole option, may terminate this Agreement and obtain damages from Consultant resulting from said breach. Alternatively, District may purchase such required insurance coverage, and without further notice to Consultant, District may deduct from sums due to Consultant any premium costs advanced by District for such insurance. These remedies shall be in addition to any other remedies available to District.

**Section 15. Indemnification.** To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782 and 2782.8), Consultant shall defend, indemnify hold harmless and release District, and District's elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents") from and against any and all actions, claims, loss, cost, damage, injury (including, without limitation, disability, injury or death of an employee of Consultant or its sub-consultants), expense and liability of every kind, nature and description that arise out of, pertain to or relate to acts or omissions of Consultant, or any direct or indirect sub-consultant, employee, Consultant, representative or agent of Consultant, or anyone that Consultant controls (collectively "Liabilities"). Such obligations to defend, hold harmless and indemnify District and District's Agents shall not apply to the extent that such Liabilities are caused in whole by the sole negligence, active negligence, or willful misconduct of District or District's Agents, but shall apply to all other Liabilities. With respect to third party claims against the Consultant, the Consultant waives any and all rights of any type of express or implied indemnity against District and District's Agents. This indemnification obligation is not limited in any way by

any limitation on the amount or type of damages or compensation payable to or for Consultant or its agents under Workers' Compensation acts, disability benefits acts or other employee benefit acts.

**Section 16. Notices.** Any notice or communication required hereunder between District and Consultant must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to District: Rio Linda Elverta Community Water District  
730 L Street  
Rio Linda, California 95673  
Attention: General Manager  
Tel: (916) 991-1000

With courtesy copy to: Churchwell White LLP  
1201 K Street, Suite 710  
Sacramento, California, 95818  
Attention: Barbara A. Brenner, Esq.  
Tel: (916) 468-0950

If to Consultant: Adept Solutions.  
990 Klamath Lane, Suite 6  
Yuba City, CA 95993  
(530) 751-5100

**Section 17. Exhibits.** All "Exhibits" referred to below or attached to herein are by this reference incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
<b>Exhibit 1:</b>	<b>Adept Solutions Technology Proposal, 4-11-2018</b>

**Section 18. General Provisions.**

(a) *Modification.* No alteration, amendment, modification, or termination of this Agreement shall be valid unless made in writing and executed by all of the Parties to this Agreement.

(b) *Waiver.* No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

(c) *Severability.* If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment. If any provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Agreement, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement.

(d) *Counterparts.* This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

(e) *Audit.* District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

(f) *Entire Agreement.* This Agreement, together with its specific references, attachments and exhibits, constitutes the entire agreement of the Parties with respect to the subject matters hereof, and supersedes any and all prior negotiations, understanding and agreements with respect hereto, whether oral or written.

(g) *Attorney's Fees and Costs.* If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

(h) *Time is of the Essence.* Time is of the essence in this Agreement for each covenant and term of a condition herein.

[SIGNATURES ON FOLLOWING PAGE.]

**IN WITNESS WHEREOF**, this Agreement has been entered into by and between District and Consultant as of the Effective Date.

**DISTRICT:**

Rio Linda Elverta Community Water District,  
a county water district of the State of  
California

By: \_\_\_\_\_  
Timothy R. Shaw, General Manager

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

Approved as to Form:

By: \_\_\_\_\_  
Barbara A. Brenner, District Counsel

**CONSULTANT:**

Adept Solutions.

By: \_\_\_\_\_  
Larry Johnson, Proprietor

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



EXHIBIT 1: SERVICES

Dated 4-11-2018



# Technology Proposal for

---

RIO LINDA ELVERTA COMMUNITY  
WATER DISTRICT

**Adept Solutions**

990 KLAMATH LANE SUITE 6 | YUBA CITY, CA. 95993 | (530) 751-5100

Confidential

## Statement of Work

Dear Tim Shaw,

Adept Solutions has a policy of advising our clients in writing of our understanding as to the scope of our services and then asking to confirm that your understanding is the same as ours.

Adept Solutions agrees to assist Rio Linda Elverta Community Water District to any extent requested for consulting, design, installation, implementation, upgrade and management of the network system. Rio Linda Elverta Community Water District, at their sole discretion, determines the level of our involvement on this project.

## Rio Linda Elverta Community Water District Objective

Rio Linda Elverta Community Water District has stated the following objectives:

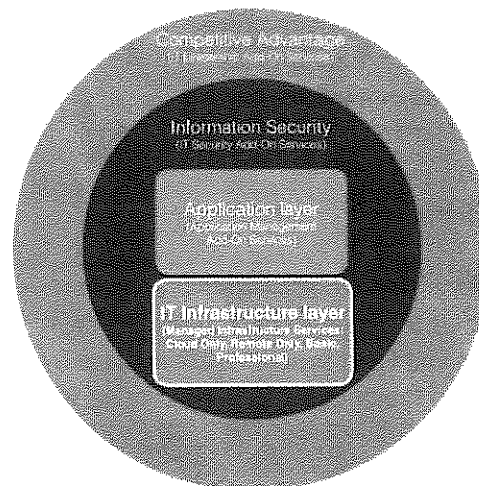
- Company to maintain backup, security, and stability of the network infrastructure
- Partner to consult with on strategic business IT goals

## Adept Essentials Managed Service

### Deliverable

The Adept Essentials managed services helps:

- allow businesses to focus on their core competency while Adept Solutions manages the IT Infrastructure
- monitor and provide anti-virus & anti-malware to guard against cybersecurity threats
- provide timely help, troubleshooting, and advice from a professional yet personal service desk
- minimize downtime by leveraging cutting-edge support tools



### Description

#### Problem:

Managing an ever-growing IT infrastructure with all its continuous changes and increased complexity is hard for small organizations. The different disciplines require specialists to get a network, server, and desktop infrastructure up and running at peak performance without compromising security. Managing IT outages and vendors can become a distraction from focusing on your core business and growth.

#### Benefits:

Small business networks need a specialized set of services well-orchestrated by a service provider. Educated IT staff with the proper tools, processes and best practices can provide an optimal IT experience. From the partners' perspective, this means more performance, better value, and more security for their business. The Adept Essentials Managed service is a good foundation for a business' network, and can help accelerate a partner's business growth.

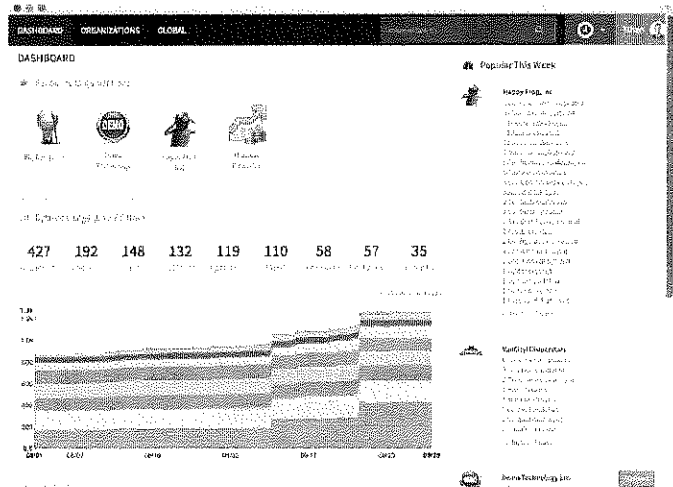
## IT Documentation Management

#### Value Statements:

The complete IT documentation of the company is available to manage the IT systems, vendors and services.

## Deliverable

- Track Devices
- Asset Inventory
- Vendor Inventory
- Application Inventory
- Warranty Inventory
- Develop and organize documentation
- Standard operating procedures
- Knowledge base articles
- Support manuals
- Track changes



## Description

### Problem:

Who knows the true list of IT assets we have, the IP address of every server, how we like to set our desktops, and what protocols are in place for when we terminate an employee? In the past this was all managed in the one-person's head or on sticky notes.

### Benefit:

Having a robust and secure documentation platform is indispensable in efficient, secure and safe operation. We collect all documentation on the IT infrastructure, processes, workflows, best practices and assets which are key to becoming more productive and help in maintaining the quality of service.

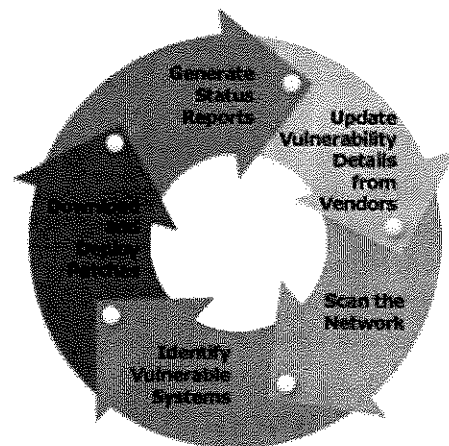
## Patch Management

### Value Statements:

- User, network and server devices are updated to the latest software version.

## Deliverable

- Patch management policy
- Proactive patch management
- Monitoring and remediation
- Compliance reporting



## Description

### Problem:

A network consists of different hardware such as desktops, servers, and other network devices. All of these are updated time to time with different firmware, operating/security system, or application updates. Managing the update process across an entire network is difficult, if any one device is not updated it can hurt the overall security of the network.

**Benefit:**

Patch management is a proactive activity which ensures all updates across network devices are applied. It is a semi-automated process where the updates are deployed based on internal policies and the compliance is reviewed. These updates improve functions, features and security.

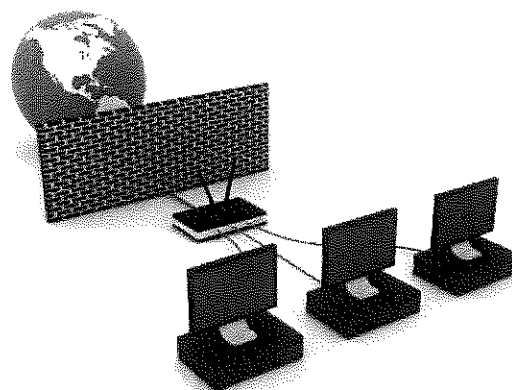
## Firewall Management

**Value Statements:**

- Information systems are protected from outside threats.

**Deliverable**

- Device upgrades and configuration, including policy management
- Security event and appliance health monitoring
- Managed appliance backup and restore
- Portal-based service reporting
- Unlimited support
- VPN management

**Description****Problem:**

The absence of a business grade firewall or an improperly configured one is a key contributor to data breaches. Basic firewalls lack business grade security features such as content filtering, intrusion prevention systems, and gateway anti-virus.

**Benefit:**

A firewall's primary objective is to prevent rogue or unauthorized access by hackers and costly business interruptions. These devices must be provisioned, deployed, upgraded and patched on a consistent basis. Security policies and configurations must be kept current to ensure that access controls keep pace with evolving business needs.

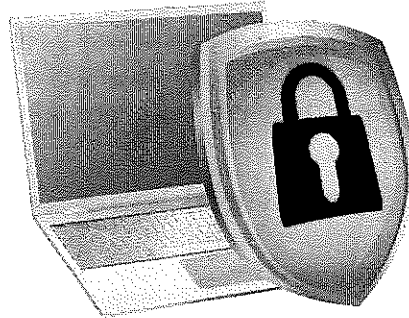
## Endpoint Security

**Value Statements:**

- Networked computers and laptops are protected from unauthorized access, viruses and other attacks.

## Deliverable

- Anti-virus protection
- Malware protection
- Policy management
- Policy enforcement
- Virus scans
- Update virus definition files



## Description

### Problem:

Cybersecurity threats have risen in recent years. Unprotected end-points, or client systems, increase gaps in the overall security of the network. Compromised networks decrease productivity and can cause loss of intellectual property.

### Benefit:

Managed Endpoint Security provides an essential layer in security for your network. Up to date anti-malware and anti-virus tools aid in the defense against viruses, worms, spyware and other malicious content.

## Proactive Maintenance

### Value Statements:

- The technical services team performs regular maintenance over the whole network to prevent problems.

## Deliverable

- Scan hard disk file systems for errors
- Defragment hard disks
- Scan for hard disk read errors
- Check full hard disk volumes and remove unnecessary files
- Check power protection devices
- Visual inspections of hardware



## Description

### Problem:

When a system is improperly maintained it will start to slow down from cookies, temporary and fragmented files, and system errors. There is also a higher chance for internal hardware to fail. Much like a car, a lack of maintenance can cause the whole network to fail.

**Benefits:**

Preventative maintenance pairs remote automated tools with well-trained on-site technicians. The company systems are monitored with different software applications, and tasks are generated for regular maintenance. On-site visual inspections are performed to review hardware for potential issues.

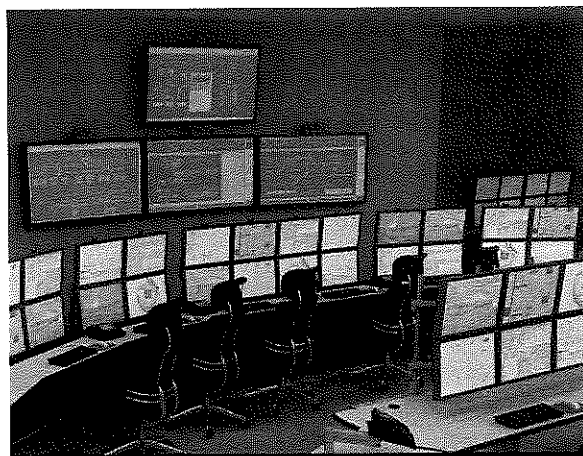
## Remote Monitoring, Management and Desktop Support

**Value Statements:**

- The Technical Services team monitors all devices remotely to detect issues and resolve problems proactively.

**Deliverable**

- Remote monitoring 365/24/7
- Recording and prioritizing all incidents and service requests
- Alert remediation
- Troubleshooting all incidents and service requests
- Maintaining consistent communication with all parties affected by the incident or service request
- Desktop support
- Set up replacement desktops to existing company standards
- Manage the Microsoft Terminal based remote desktop - if applicable

**Description****Problem:**

Problems with end user devices, network devices, servers, databases, and applications will happen. If a system or device has a problem, it could adversely affect the network as a whole. This is why the network should be monitored to find the smaller issues that signal impending trouble.

**Benefits:**

Remote Monitoring Service employs automated tools and well-trained technicians from a central location. Your company's systems are consistently monitored by software tools our team deploys. Exceptions to normal system operations generate alerts that are quickly remediated by our team. Usually alerts are generated by the system before the users notice any problem, helping maintain a very efficient and smooth IT infrastructure. Desktop Support deals with end users and office equipment, usually offered remotely, to support and fix any software related issues on a worker's computer and the company's networks.

# Onsite Support

## Value Statements:

- Dedicated team to perform onsite support on our premises.

## Deliverable

- Onsite support during regular business hours
- Dedicated team

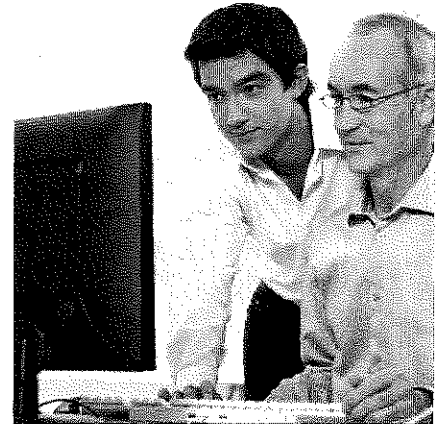
## Description

### Problem:

Hiring an in-house IT staff is rarely in the budget, and that does not include the time needed for managing and continual training. Some issues involve failed hardware, damaged cables or visual inspection. In these circumstances, remote support is insufficient to help the organization effectively.

### Benefit:

A dedicated team of IT specialist get familiar with your staff and their problems and processes. Onsite support will handle the issues that are escalated from the remote team.



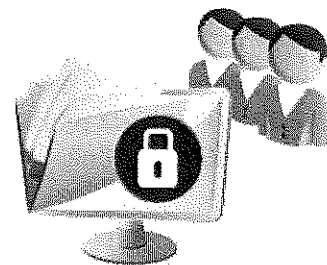
# User Management

## Value Statements:

- Every employee has properly limited access to systems, services and information.

## Deliverable

- New user onboarding process
- User termination process
- User archiving
- Managing third party/vendor accesses
- Control of data sharing (desktop, hosted file share & sync)



## Description

### Problems:

Systems are changing constantly; newly hired people and those leaving create a need to manage user accounts. For even small companies this can be an overwhelming task. Without process and support people may not get access when they need it, or may get access to systems on which they are not authorized.



**Benefits:**

User management is the process of granting authorized users the right to use a service while preventing access to non-authorized users. Certain processes are set and can be initiated completing a web form based on an authorized user, like new employee onboarding or user termination. This way the process is streamlined, logged and can be reported.

## Wireless Network Maintenance

**Value Statements:**

- Private and guest WiFi networks are fast enough for intended use.
- Private and guest WiFi networks are adequately secure to prevent unauthorized access.

**Deliverable**

- Scheduled password changes over all access points
- Maintaining access and connectivity to the guest WiFi
- Maintaining access and connectivity to the business WiFi

**Description****Problem:**

Your employees need to be able to use multiple desktop and mobile devices and they need fast and secure wireless access in every part of the office. All these mobile devices should be set up to use the wireless network instead of expensive data plans. Guests may also need access to your wireless network without compromising the overall security.

**Benefit:**

The Wireless Network Maintenance service takes care of wireless network connectivity, updating configurations, and maintaining regular password changes across the organization.

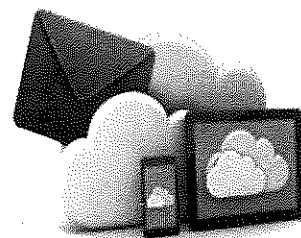
## Email Support

**Value Statements:**

Support and connectivity management for existing email accounts

**Deliverable**

- E-mail connectivity to devices



## Description

### Problem:

Email is a vital part of the communication of any company. Lack of connectivity to email will cause productivity issues and communication gaps.

### Benefit:

The email support service provides employees with the ability to contact the Technical Services team when they are unable to access their email on any of their devices.

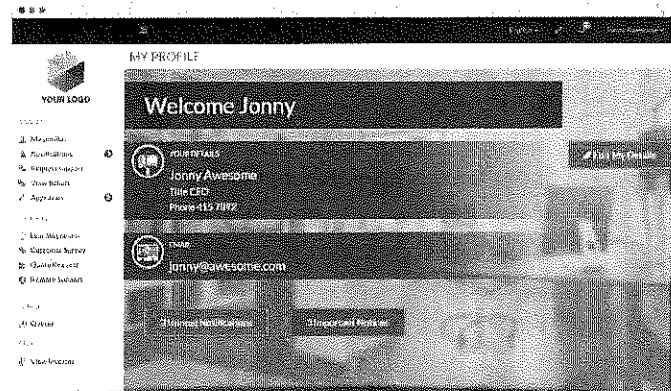
## User Portal

### Value Statements:

- An intuitive user support portal makes IT processes and problem solving more effective.

### Deliverable

- Setting up the portal
- Deploying to clients
- Managing the knowledge base
- Managing the forms and workflows
- Managing the requests, approvals



## Description

### Problem:

Communication between a client and their service provider can be problematic. Finding solutions to regular problems, waiting for the service desk to remediate an issue, approve work, check ticket status or even distribute information about service updates is a daunting task for both parties. Efficient communication is critical to optimal user experience.

### Benefit:

A unified customer portal helps streamline communication, ensure accountability and remediate problems quicker. It means less time finding a solution and enhanced productivity. Users can request support, check knowledge-base articles, learn applications, view tickets, and approve service requests.

## Hosted File Share & Sync Service

### Value Statements:

- Business grade tools are used to store, manage and share files in the cloud quickly and securely.

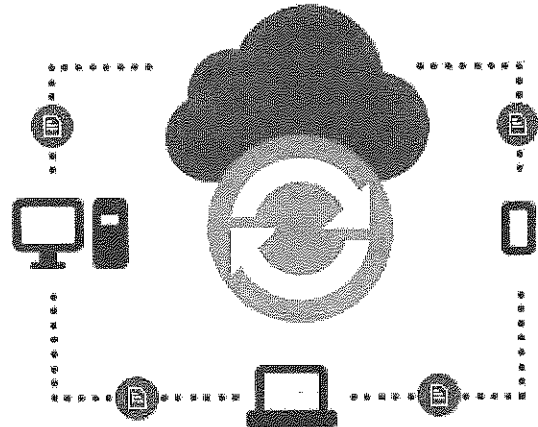
### Deliverable

- Management and support

### Description

#### Problem:

Storing and accessing files in a secure and convenient way is essential to productivity. It can be difficult to access files from mobile devices and share large files by email. Current popular consumer-focused file sharing and syncing services are not meeting the security and access control criteria of many companies.



#### Benefits:

The hosted file share and sync service solves this problem by managing the file system in a business-grade file share and sync solution. The access is controlled, logged and monitored. Sharing can be revoked or protected with passwords. Files can be edited with version control. Real-time document protection and backup helps prevent data loss. Content can be accessed on any device.

## Vendor Management

### Value Propositions:

- All IT infrastructure vendors are under control and managed by a master service provider.

### Deliverable

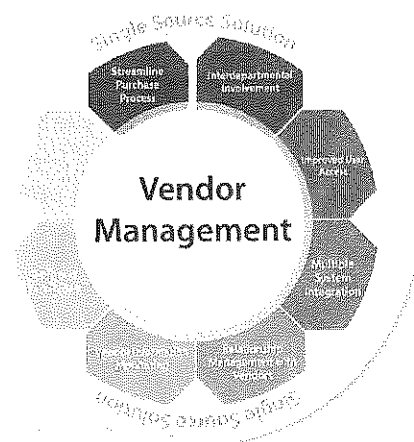
- Vendor Contacts management
- Issue/problem escalation and facilitation
- Service performance evaluation - upon request

### Description

#### Problem:

As IT matures, more applications, vendors, third parties, contractors and internal resources are working on some part of any given company's information systems. Managing the resources - human and otherwise - of an IT infrastructure is a crucial responsibility, and yet usually gets left unassigned to anybody in the client company.

#### Benefit:



Managing all the individuals interacting with a company's IT brings better alignment, better performance and lower operating costs. The goal is to create a system that reliably manages those parties in the IT infrastructure and accompanying resources.

## Line of Business Application Support

### Value Statements:

- The line of business application is up to date and well integrated with other applications.

### Deliverable

- Application deployment
- Troubleshooting
- Application updates
- Application monitoring and alerts
- User Access Management



### Description

#### Problem:

Companies have a handful of key line of business applications, such as an accounting package, CRM, and internal task/project management. These applications are widely used within the organizations, and most processes are leveraged by one of them, meaning these applications are mission critical and thus need more attention, education, and support. Usually the non-technical part is managed by the application owners, but many technical aspects stay open such as import, export, deployment, mobile devices, integration, application monitoring, user access management and so on.

#### Benefit:

The Line of Business Application Support service solves this problem, ensuring the organization gets the most from those applications. The support keeps apprised of the most popular applications and can perform the technical aspects of the products. The main scope of the service is popular Accounting Packages, CRM applications, and project/team management tools.

## IT Development Roadmap Planning

### Value Statements:

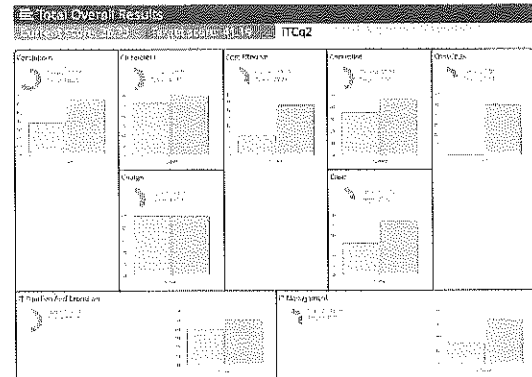
- Up to date IT Strategy ensures we stay competitive with technology.

### Deliverable

A report with a Target Score and an Annual IT Development Roadmap

### Description

The IT Development Roadmap Planning process guides the design of a higher-level concept, a road-map for the company within the realm of technology. Based on a questionnaire, a benchmark and potential action plan can be discussed and we can then make decisions on directions and development goals for the given time frame.



## IT Infrastructure Budget

### Value Statements:

- A budget is developed and maintained to control IT infrastructure expenses.

### Deliverable

- Facilitate the IT budget creation process
- Gather information from the IT Infrastructure Roadmap
- Annual renewals planned in a calendar



### Description

#### Problem:

An average SMB is totally wired into IT infrastructure services, from telecommunication to software licenses. An abundance of services and devices is available for making companies more competitive - there are many ways IT can help us - so we add new services and IT related expenses all the time. Suddenly our expenses are running rampant, and scrambling to create regulations to reel them in.

#### Benefit:

The IT Infrastructure Budget service solves this problem. The goal is to ensure that control of IT related costs is in the CEO's hand. Gather all the cost drivers of the infrastructure (services, licenses, telecommunication, etc.), put them into one spreadsheet, and make decisions. Often this budget will include the IT Infrastructure Roadmap initiatives as well, such as desktop, server or network device replacements.

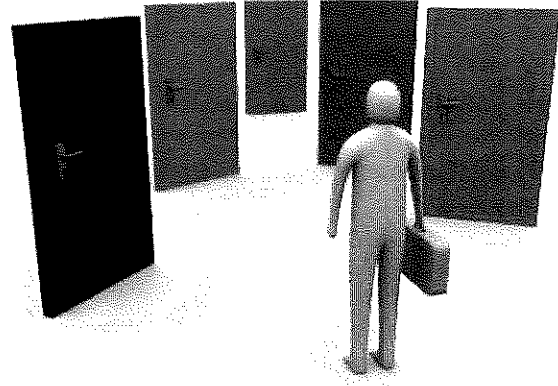
# Application Selection

## Value Statements:

- Applications, services and solutions are evaluated through a business process before making any decision.

## Deliverable

- Needs Assessment, to draft the list of criteria
- Review the current stack
- Source for applications
- Help facilitate the decision-making process



## Description

### Problem:

Today, most business processes are leveraged, or are soon to be leveraged by applications. There are millions out there for desktops, tablets and smartphones, as well as cloud applications, and they often have overlapping functions and features. As a company automates more processes, the integration of these applications becomes more critical. Choosing the right application is vital to the wise investment of the company's resources.

### Benefit:

The Application Selection is a process that brings about the most professional choices in these business tools. First, the Needs Assessment clarifies the goals that need to be achieved, and maps the efficacy of the current solution stack to align features and functions with them. Second, the solution selection identifies and defines the various sources of applications that best meet the criteria. Lastly, a decision is made on the best solution. This streamlines the decision-making process as well as providing the most professional method of finding solutions.

# Technology Business Review

## Value Statements:

- Regular meetings are performed to review IT initiatives and performance of the infrastructure.

## Deliverable

The deliverable of this service is to schedule and facilitate a Technology Business Review, and follow up with email and an internal memo.

## Description

A business and its technology need to keep aligned. To this end, regular meetings bring critical value - to discover what advances in technology and modern infrastructure can offer, and to reiterate the current business objectives. Just a concise enterprise assessment within an efficient business meeting will help to keep the organization ahead of the curve.

## Scope of Services

Adept Solutions will provide the following service:

- **Onboarding Phase**
  - Configure security licensing, (anti-virus, anti-malware & management services).
  - Setup, configure, and perform initial tests of backup solution.
  - Perform visual inspection of devices in the network and remove dust if needed.
  - Review Adept Solutions contact & support procedures with key staff members
  - Work with Partner to develop technology road map
- **Server Migration**
  - Migrate data from old server to new server
  - Decommission old server

## Responsibilities

Adept Solutions will:

1. Review this scope at the start of the project and verify goals and existing environment are accurate to complete deployment phase.
2. Perform the above listed procedures employing industry standards and best practices.
3. Review existing environment and overall time at start of project and request for any adjustment if necessary.

Client will:

1. Make available to Adept Solutions all necessary logins, passwords, and documentation for all devices relevant to this procedure.
2. Allow Adept Solutions Engineers access to the relevant locations devices during the procedure.

## Options

Rio Linda Elverta Community Water District has elected not to accept the optional services detailed below:

## Principal Project Contacts

Client IT Contact: <b>Tim Shaw</b> Desk: Email: GM@rlecwd.com	Client IT Contact: Desk: Email:
Adept Solutions Account Representative: Desk: (530) 751-5100 Email: <a href="mailto:solutions@adept-solutions.net">solutions@adept-solutions.net</a>	Adept Solutions Dispatch: Desk: (530) 751-5100 Email: <a href="mailto:help@adept-solutions.net">help@adept-solutions.net</a>
Adept Solutions Engineer: TBD Email:	Adept Solutions Project Manager: Desk: (530) 751-5100 Email: <a href="mailto:help@adept-solutions.net">help@adept-solutions.net</a>

## Timing and Location

TBD



## Adverse Conditions and Unaccounted Items

Adept Solutions likes to disclose potentially adverse conditions affecting this project.

- Software and hardware does not always act as advertised by the manufacturer in every environment. Issues are common and you will benefit from our experience, but sometimes issues may require additional Technical Support. Adept Solutions does not extend technical support beyond that offered by the manufacturer or publisher. Should "Pay per Incident" support be required, client shall make arrangements and bear financial responsibility for such incidents.
- Adept Solutions will assist with the provisioning of services from the Telco companies, but is in no way responsible for problems associated with the ordering or provisioning of services supplied by the telco's. Our experience has proven that nearly all of the orders with the telco's result in some sort of problem in the order or installation of the services or both. If this happens, we will work on the behalf of your company to resolve these issues but expect to be paid for the engineering time expended. In many cases, you may be able to be compensated by the telco for our time. IN SOME CASES YOU MAY NOT. This can be a very frustrating process dealing with the multi-layered bureaucracies of the telco's. While we are willing to help, we cannot afford to be penalized for the telco's' inability to properly process orders and installations.
- Windows applications and printer installation and configuration are difficult to estimate and subject to unforeseen difficulties.
- Existing workstations may need memory upgrades to achieve desired performance.
- We have not substantiated the network compatibility of any existing and planned applications and make no warranties. Some applications may require an upgrade to newer revisions to run properly.
- Proper power and line conditioning is essential to health and reliability of the network system. It is up to the client and the building owner to be certain the environment is free of "dirty" power, electro-magnetic interference and other disruptive forces.
- Proper ventilation and operating temperatures are essential to health and reliability of the network system. It is the responsibility of the client to make sure that at all times all hardware and other components are operated within normal operating temperatures.
- This list of issues is not limited to the above items. These are just some of the more common concerns.
- Time for the above listed issues has not been accounted for in our estimate. If you require any of these services, we recommend you discuss your needs with our engineer to determine the scope of our participation in these areas as the installation progresses. Our engineers can help you determine what options, if any, are available. Other unforeseen or changed circumstances might affect our original fee estimate. If that is the case, we will notify you as soon as we become aware of it.

## Risk of Loss

All risk of loss or damage to the products of the Estimated Cost section, or any item, element or component thereof, shall be borne by the party upon whose premises the products were located at the time of such loss or damage.

## Summary of Support & Requirements

### **Support**

Adept Solutions technical support center answers service calls Monday thru Friday 8:30 am – 5:30 pm. Emergency support is available after hours and on weekends by an On-Call Technician. Our proactive maintenance clients also benefit from remote support, whereby our technicians utilize remote access tools to connect to your office systems, allowing the ability to diagnose hardware and software failures via dedicated Internet connections. All of our service agreement clients receive priority service.

### **Requirements**

Adept Solutions will require all schematics, drawings, configuration data and easy access to all facility locations. All work possible will be performed during regular business hours. We will try to minimize disruption while performing all work.

### **Exclusions**

This proposal does not include replacement of or parts required for repairs on printers, computer screens or peripherals, (PDAs, point of sale scanners, digital cameras, cell phones, smartphones or any other specialized accessory), unless this equipment was originally provided under this agreement or a pre-existing agreement. Consumables such as printer maintenance kits, toner, ink, batteries, paper, etc. are not included or covered under this service agreement and will be invoiced separately.

**Estimated Costs**

Description		Price
1	Network, Vendor & Backup Management	\$290.00
5	Adept Essentials Managed Unit	\$300.00
1	Managed Server	\$125.00
1	Datto - Single Agent Alto	\$149.00
1	Onboarding Project	\$1,408.00
<b>Amount Due at Signing</b>		<b>\$2,272.00</b>
<b>Recurring Monthly Total</b>		<b>\$864.00</b>

By signing below Rio Linda Elverta Community Water District agrees to the above proposal.

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Print Name: \_\_\_\_\_ Date: \_\_\_\_\_

© 2017 Adept Solutions. All rights reserved.  
 Reproduction in any manner whatsoever without the written permission of Adept Solutions is strictly prohibited. This document contains confidential and proprietary intellectual property of Adept Solutions. Disclosure of this document to any party is strictly forbidden by any non-disclosure agreement(s) in effect.



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

**Date:** April 16, 2018

**Subject:** Consider approving the guidance language from the Board to the General Manager for his appointment as an alternate voting member for the Regional Water Authority.

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

**Recommended Committee Action:**

The April 6<sup>th</sup> Planning Committee recommended the Board consider adopting the proposed guidance language from the Board to the General Manager associated with his appointment as an alternate voting member for the Regional Water Authority (RWA).

**Current Background and Justification:**

At the March 19<sup>th</sup> meeting, the Board has formally appointed the General Manager as an alternate voting member for RWA. However, the Board was not prepared to approve necessary guidance language to the General Manager for conformance with the California Non-Delegation of Authority Doctrine.

The Committee reviewed the language submitted by the General Manager for this purpose, and discussed the objectives, limitations and necessity for providing guidance language for such an appointment. The Committee recommended the Board consider approving the guidance language included in the attached draft memo from the Board to the General Manager.

**Conclusion:**

I recommend the Board approve the attached memo providing guidance to the General Manager for his appointment as an alternate voting member with the Regional Water Authority.

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Ridilla: \_\_\_\_\_ Henrici: \_\_\_\_\_ Harris: \_\_\_\_\_

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

---

---

**RLECWD INTEROFFICE MEMO**

---

---

**TO:** TIMOTHY R. SHAW, GENERAL MANAGER  
**FROM:** RLECWD BOARD OF DIRECTORS  
**SUBJECT:** GUIDANCE FOR YOUR APPOINTMENTS TO RWA  
**DATE:** APRIL 16, 2018  
**CC:** BARBARA BRENNER, LEGAL COUNSEL

---

*The General Manager (GM) has been appointed as an alternate voting member for the Regional Water Authority (RWA) with the following direction:*

- *GM can only vote on RWA action items if the primary delegate (elected RLECWD Board Member is unavailable to attend the RWA meeting.*
- *Where the primary delegate has a known schedule incompatibility, the GM is directed to provide the RLECWD Board with as much RWA relevant issue information as practical to enable the RLECWD Board to give direction to the GM as appropriate.*

*If the circumstances are such that the primary delegate's absence was not anticipated, and/or the GM has not be given direction by the RLECWD Board on RWA items that may result in costs and other obligations for the RLECWD ratepayers, the GM is directed to abstain from the RWA vote.*

RLECWD Agenda Item Checklist

Item 4.5

Date

Initial Potential Meeting Date

04/16/18

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

Consider approving the guidance language from the Board to the General Manager for his  
appointment as an alternate voting member for the Regional Water Authority.

04/13/18

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

04/06/18

Review by appropriate Finance/Administration, Projects /Planning or Ad Hoc  
Committees, to prepare board recommendations

Formal Legal Counsel Review

3/19/18

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

GM Review

04/13/18

Actual Meeting Date Set for Agenda Item

04/16/18



46

## Items for Discussion and Action

### Agenda Item: 4.6

**Date:** April 16, 2018

**Subject:** Consider authorizing augmentation to the District's policy on required use of District e-mail domain to stipulate courtesy copy of all text messages to a District Public Records e-mail address.

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

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

The April 9<sup>th</sup> Finance Committee directed staff to submit an item for Board consideration regarding augmentation to the current District policy, which requires all Directors use the District email instead of personal/private email accounts.

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

The committee picked up the discussion where the March 19<sup>th</sup> Board discussion left off, i.e. that the current policy makes no provisions regarding text messaging or other similar forms of written correspondence via social media, e.g. Facebook, Twitter etc. The Committee reviewed and discussed the subject matter guidance document from BBK Law (document associated with this agenda item). The product of the Committee direction and subsequent staff completed work provides the following augmentation for Board consideration. The added language is denoted by bold, italic font:

2.01.090 Email Accounts (added 12/6/2010) In order for the public to contact the Board of Directors each Director must establish an email account through the District's server. It is required that all Directors use their District email addresses instead of personal private email accounts for District business. An email account will be assigned to Board members as they take office.

*Director correspondence on matters of District business which are conducted using text messaging are to be copied (e.g. using the multiply recipients feature in text messaging) to the following District e-mail address: PRA@RLECWD.COM. This e-mail account will not be routinely monitored but will be reviewed by appropriate staff if the District receives a Public Records on Private Accounts request. Directors are thereby enabled to delete their text messages on their personal devices after copying the text to the email address stipulated above. The settings of this e-mail account will be such that messages greater than one year old, will be deleted to conserve resources. Director written correspondence regarding District business on social media, e.g. Facebook Private Messaging, Twitter, Instagram etc., are prohibited due to the impracticality of compliance with Public Records on Private Accounts requests when using such correspondence methods.*

An example of a text message, which was copied to a District e-mail account is provided as a document associated with this item.

**Conclusion:**

I recommend the Board authorize the augmentations provided in this report for District Policy 2.01.090 to address the issues associated with text messaging and other forms of electronic written correspondence on District business.

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Ridilla: \_\_\_\_\_ Henrici: \_\_\_\_\_ Harris: \_\_\_\_\_.

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



## RLECWD Agenda Item Checklist

## Item 4.6

Date

**Initial Potential Meeting Date**04/16/18

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

Consider authorizing augmentation to the District's policy on required use of District e-mail domain to stipulate courtesy copy of all text messages to a District Public Records e-mail address.

04/13/18**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**04/09/18

Review by appropriate Finance/Administration, Projects /Planning or Ad Hoc Committees, to prepare board recommendations

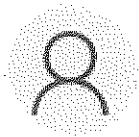
**Formal Legal Counsel Review**03/19/18

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

**GM Review**04/13/18**Actual Meeting Date Set for Agenda Item**04/16/18

Open Quick Print Remove Attachment Save As Save All Attachments Upload Upload All Attachments Select All Copy Show Message Message

Thu 4/5/2018 2:03 PM



5306822385@vzwpx.com

To 9167965949@icoms1.sun5.lightsurf.net; Tim S

text\_0.txt  
238 bytes

text\_0 - Notepad

File Edit Format View Help

Pat

Don't forget to file those reports before leaving today

[Send to printer](#) [Close window](#)

# What Cities Should Know About Public Records in Private Accounts

BY HONGDAO NGUYEN



URUPONG PHUNKOED/SHUTTERSTOCK.COM

## About Legal Notes

This column is provided as general information and not as legal advice. The law is constantly evolving, and attorneys can and do disagree about what the law requires. Local agencies interested in determining how the law applies in a particular situation should consult their local agency attorneys.

HongDao Nguyen is a municipal associate with the law firm of Best Best & Krieger LLP and co-authored the League's friend-of-the-court brief for the *City of San José v. Superior Court* case. Jolie Houston, partner with Berliner Cohen LLP and chair of the League's California Public Records Act Committee, also contributed to this article.

Local agencies throughout the state have wrestled with the decision in *City of San José v. Superior Court* since the California Supreme Court issued its opinion earlier this year.<sup>1</sup> The court found that records on local agency employees' personal accounts and devices may be subject to the California Public Records Act (CPRA) if the records pertain to public business. In the opinion's aftermath, many local agencies have received requests for records in public employees' and officials' personal email, text messaging and social media accounts.

This column answers commonly asked questions about the practical effects of the *San José* case on local agency practices under the CPRA. These answers offer guidance only and should not be substituted for advice from a public agency attorney.

### **Does *San José* apply to public officials or just public employees?**

Most likely, *San José* applies to public officials in addition to public employees. The court held that "when a city employee uses a personal account to communicate about the conduct of public business, the writings may be subject to disclosure under the

## Agenda Item 4.6

California Public Records Act.”<sup>ii</sup> Some have questioned whether the ruling applies to public officials because the ruling calls out only city *employees*. However, there’s a good reason why *San José* likely applies to public officials, too: The CPRA request at issue targeted, among other things, text messages on council members’ personal phones. Certainly the court was aware of the underlying facts of the case.

Moreover, the opinion is peppered with references to public officials. For example, in supporting its ruling, the court opined, “there is no indication the Legislature meant to allow *public officials* to shield communications about official business simply by directing them through personal accounts.” The justices also opined, “We are aware of no California law requiring that *public officials* or employees use only government accounts to conduct public business. If communications sent through personal accounts were categorically excluded from the CPRA, *government officials* could hide their most sensitive, and potentially damning, discussions in such accounts.” [Emphasis added.] As such, it would be risky for a local agency to assume that public officials are not subject to the *San José* ruling.

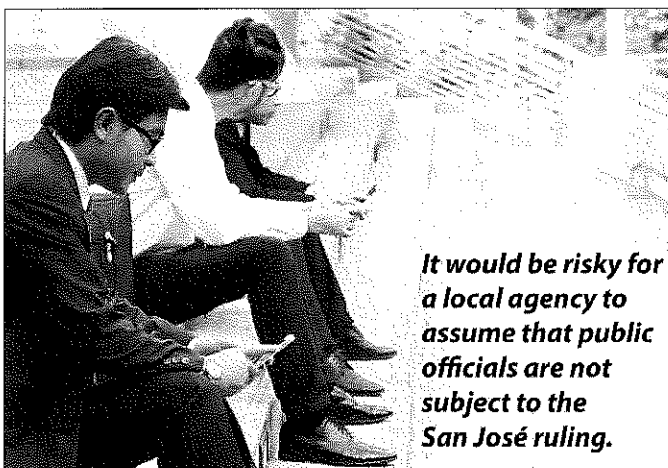
### What is the process of obtaining potential public records from public officials’ and public employees’ personal accounts?

*San José* includes a section titled “Guidance for Conducting Searches.” In this portion of the opinion, the court emphasized that employees and officials do not lose all of their privacy rights simply because they work for a public agency. The court explained that in responding to a CPRA request for public records in personal accounts, a local agency does not need to seize computers and obtain individuals’ user names and passwords to search for public records in personal accounts and devices. Rather, local agencies are obligated to conduct searches that are “reasonably calculated” to locate responsive records and disclose records that the agencies can find with “reasonable effort.”

Like any other CPRA request, upon receiving a request for public records on individuals’ personal accounts and devices, the local agency’s custodian of records should reach out to the employees and officials who are the subject of the request. *San José* suggests that employees and officials may then search *their own* personal files, accounts and devices for responsive material.

### Does *San José* really apply the CPRA to text messages?

In the wake of *San José*, some have expressed dismay that text messages on public employees’ and officials’ personal phones could be public records under the CPRA. This is understandable, as text messaging is a newer form of electronic communication. However, as mentioned earlier, the request at issue in *San José* targeted “emails and text messages ‘sent or received on private electronic devices used by’ the mayor, two city council members and their staffs.” Thus, text messages in an employee’s or official’s personal account or device may be subject to the CPRA if those text messages pertain to public business.



***It would be risky for a local agency to assume that public officials are not subject to the San José ruling.***

### Does *San José* really apply the CPRA to social media accounts?

*San José* does not explicitly mention social media accounts like Facebook or Twitter. However, the court acknowledged that records on “other electronic platforms” could also be subject to the CPRA. For example, if a city employee or council member emails a constituent from his or her personal account about a civic center groundbreaking, for practical purposes that same correspondence should also be a public record even if the discussion occurred in a private Facebook message. In *San José*, the court looked past where the message resided and which electronic medium was used. Rather, if a record meets the following “factors,” it is probably a public record subject to the CPRA.

### What “factors” should a local agency consider when deciding whether a record is public or personal?

The court provided local agencies with the following “factors” to consider when determining whether a document is a public document or a personal one.

## Agenda Item 4.6

50

**Content.** Does the content of the email relate in a substantive way to the conduct of the agency's business? In *San José*, the court stated, "Whether a writing is sufficiently related to the public business will not always be clear. For example, depending on the context, an email to a spouse complaining 'my co-worker is an idiot' would likely not be a public record. Conversely, an email to a superior reporting the co-worker's mismanagement of an agency project might well be."

**Context/Purpose.** Why was the email written? Was it written to conduct the local agency's business or further the local agency's interest?

**Audience.** To whom was the email sent? Was it sent to an agency employee, official, resident, consultant, agency stakeholder, etc.? Or was the email sent to a friend or family member?

**Scope.** Was the email written in the individual's capacity as an agency official or as an employee representing the agency? Or was the email written as a private individual?

Each record must be reviewed on a case-by-case basis to determine whether it is a public or personal record.

### How long should public employees and officials retain public records in their personal accounts and devices?

Although the CPRA is not a record retention statute, local agency public records generally must be retained in accordance with Government Code Section 34090, which requires certain public records<sup>iii</sup> to be kept for at least two years.<sup>iv</sup> The retention statutes do not provide a specific retention period for emails, texts or other forms of social media.

Now that we know public records may reside in personal accounts and devices, however, public employees and officials should be aware of their respective agencies' records retention policies. If a public employee or official is concerned with following retention schedules for messages in personal accounts and devices, the easiest solution is not to use personal accounts and devices for public business. If that's not possible, then public employees or officials could make a habit of forwarding public records from a personal account and device to the local agency's server. Another solution is to courtesy copy (cc) a local agency account on the public message so that the message reaches the local agency's server. After taking one or both of those actions (forwarding or copying the messages) the messages in the personal account and devices may be deleted. The CPRA does not require an agency to keep duplicate copies of a record.

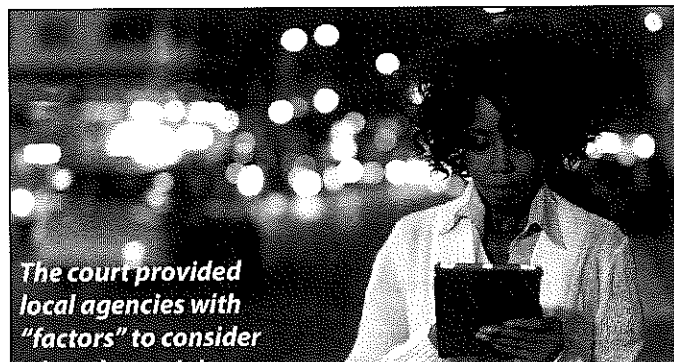
### If a local agency chooses to use an affidavit like the one the court referenced in *San José*, what should the affidavit contain?

In *San José*, the court suggested that if a public employee or official withholds documents from his or her personal account and devices, then the individual may "submit an affidavit with facts sufficient to show the information is not a 'public record' under the CPRA." This practice is modeled after the federal Freedom of Information Act and a practice used in the State of Washington.

There is no consensus, however, on whether local agencies should follow this practice or how to implement it. The CPRA and *San José* do not *require* this practice. However, if a local agency decides to use an affidavit to demonstrate that it has asked employees and officials to search their personal accounts and devices, the affidavit could include the following: a description of the CPRA request, language stating that the employee or official searched his or her personal accounts and devices, and what action he or she is taking (for example, disclosing records, not disclosing records — including a description of why — or disclosing some and withholding some). The affidavit could then be filed away and produced if needed to defend the local agency in litigation or it could be provided to the requestor.

### How should a local agency deal with public records in former public employees' and officials' personal accounts and devices?

In *San José*, the court noted that "an agency's public records 'do not lose their agency character just because the official who possesses them takes them out the door.'" This appears to be true of former public employees and officials as well. In other words, just because a former public employee or official has left with public files or has them filed in his or her personal inbox does not mean that the



## Agenda Item 4.6

records lose their public character.

One way local agencies may deal with this issue is to ask a former employee or official to search his or her personal accounts and devices for public records that may have

been generated when he or she was employed or in office. Of course, any record that the former employee or official generated *after* he or she left office would not be subject to the CPRA. Regardless of how the local agency decides to deal with the issue, the agency should be prepared to demonstrate (either to the requestor or a court or both) that it complied with *San José* and reasonably conducted its search by communicating the CPRA request to former officials and employees, as necessary.

When determining  
whether a document  
is a public document  
or a personal one.



### **How have other states, such as Washington, dealt with similar laws and case law providing that records on a public official's or employee's private devices or accounts may be subject to public disclosure?**

Other states, like Washington, have had more time to digest the idea of public records residing in personal accounts and devices. In *San José*, the court relied on a case decided by the Washington Supreme Court: *Nissen v. Pierce County*.<sup>v</sup> In *Nissen*, the court held that an elected county prosecutor's text messages regarding work-related matters sent and received from his private cell phone could be public records. Following *Nissen*, additional case law is beginning to emerge, giving us a glimpse of what may eventually transpire in California.

For example, in 2016, a Washington appeals court found that under *Nissen*, a trial court could require an elected city council member to produce emails stored in his personal email account that were deemed city records. The trial court was also allowed to require the council member to submit an affidavit attesting to the adequacy of his search in his personal account.<sup>vi</sup> The council member had refused to provide records in his personal accounts, arguing (among other things) that he had a constitutional privacy right to personal records. Moreover, the city and council member argued that *Nissen* applied only to elected executive officers, not elected legislative officials. The Washington appellate court rejected those arguments.

### **Are public officials' campaign-related records in their private accounts and devices subject to disclosure under the CPRA?**

No. Campaign-related records in personal accounts and devices are not subject to the CPRA. State law prohibits individuals from using public resources for political purposes. Public officials may lawfully use only their personal or campaign accounts and devices for campaign purposes; such proper use of personal accounts and devices would not expose those political messages to public scrutiny under the CPRA.

---

## Footnotes

<sup>i</sup> *City of San Jose v. Sup. Ct.* (2017) 2 Cal.5th 608.

<sup>ii</sup> *Id.* at p. 614.

<sup>iii</sup> Though there is no definition of "records" for purposes of the retention requirements applicable to local agencies, the retention requirements and the disclosure requirements of the CPRA should complement each other. Local agencies should exercise caution in deviating too far from the definition of "public records" in the CPRA in interpreting what records should be retained under the records retention statutes. See League of California Cities publication *The People's Business: A Guide to the California Public Records Act*, revised April 2017, p. 67.

<sup>iv</sup> Retention of special district records are governed by Government Code sections 60200 through 60203, which do not include the same two-year minimum retention as Section 34090. However, many special districts follow the general two-year retention in Section 34090 for emails.

<sup>v</sup> *Nissen v. Pierce County* (2015) 183 Wn2d 863.

<sup>vi</sup> *West v. Vermillion* (2016) 196 Wn.App. 627.

---

Photo credit: Takom/Shutterstock.com (people on stairs); Blvdone/Shutterstock.com (woman on street)



## Items for Discussion and Action

### Agenda Item: 4.7

**Date:** April 16, 2018

**Subject:** Discuss the need for a policy to require the enrollment of customers in the District's paperless billing program as a prerequisite to District payment of the customer's convenience fees associated with paying by credit/debit card.

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

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

The April 9<sup>th</sup> Finance Committee directed staff to place an item on the April 16<sup>th</sup> Board agenda to determine the Board's preferences and priorities associated with a policy to require customer enrollment in the District's paperless billing program as a condition to the District payment of convenience fees associated with payment via credit/debit cards.

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

The Finance Committee has reviewed and discussed this matter at several recent meetings. The April 9<sup>th</sup> Finance Committee received previously requested data on the number of customers enrolled in paperless billing and the costs per cycle for the convenience fees paid by the District.

The crux of the matter is that the District pays the convenience fees associated with customers payments via credit/debit cards. We have approximately 4,600 accounts. Approximately 1,200 accounts each cycle pay their RLECWD bills with credit/debit cards, which costs the District about \$20,000 per year in convenience fees. The Finance Committee has been discussing the appropriateness of offsetting or justifying the convenience fee charges with the savings to the District for customers enrolled in paperless billing. Unfortunately, there are only 321 accounts enrolled in paperless billing. The Finance Committee recommendations include that if the District elects to adopt a policy to require paperless billing enrollments as a condition of the District's continued payment of credit/debit convenience fees, the change in policy should be deliberately rolled out, e.g. postings, bill stuffers, newspaper coverage etc.

In summary, it cost the district about \$1.50 per customer per cycle for envelopes, postage and processing of bills/payments This applies to approximately 4,300 accounts (those not enrolled in paperless billing). It cost an additional \$1.85 per customer per cycle for the 1,200 customers paying by credit/debit card. If we require enrollment in paperless billing as a condition to the District's continued payment of convenience fees, the cost savings on envelopes, paper, and postage would offset the convenience fees, along with other tangible benefits of paperless billing and more automated payments. If we don't require enrollment in paperless billing as a condition, is it reasonable and

appropriate to charge the 3,400 accounts who do NOT pay with a credit/debit card the same service charge as those 1,200 customers who do pay by credit/debit card?

**Conclusion:**

I recommend the Board review this staff report and request any needed clarification from staff, Finance Committee and Legal Counsel. Then provide direction to staff on the desired changes to our policies, as may deemed appropriate by the Board.

**Board Action / Motion**

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

Dills:\_\_\_\_\_ Green:\_\_\_\_\_ Ridilla:\_\_\_\_\_ Henrici:\_\_\_\_\_ Harris:\_\_\_\_\_.

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



RLECWD Agenda Item Checklist

Item 4.7

Date

Initial Potential Meeting Date

04/16/18

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

Discuss the need for a policy to require the enrollment of customers in the District's paperless billing program as a prerequisite to District payment of the customer's convenience fees associated with paying by credit/debit card.

04/13/18

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

04/09/18

Review by appropriate Finance/Administration, Projects /Planning or Ad Hoc Committees, to prepare board recommendations

Formal Legal Counsel Review

02/20/18

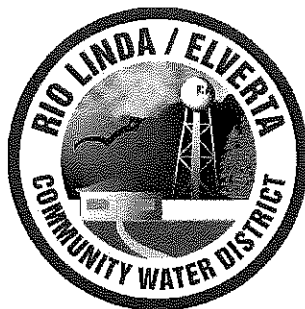
Legal Counsel should have enough time to review all potential legal matters for correctness and legality

GM Review

04/13/18

Actual Meeting Date Set for Agenda Item

04/16/18



## Items for Discussion and Action

### Agenda Item: 4.8

**Date:** April 16, 2018

**Subject:** Appointment of representative and alternate representative to Sacramento Ground Authority (SGA).

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

**Recommended Committee Action:**

This item did not need committee review.

**Current Background and Justification:**

The Sacramento Groundwater Authority (SGA) has notified the District that it is time to reappoint representatives to their Board. SGA Board members must be a member of the Board of Directors of the District they represent and serve a four-year term on the SGA Board. All proposed SGA Board members need to be approved by the Sacramento County Board of Supervisors. There is an allowance for an alternate representative to SGA should the regular member not be able to attend.

The notice from SGA further stipulates that RLECWD nominations must be submitted by May 1, 2018 and the nominations must include updated bios (brief descriptions of the Director's qualifications to serve in this capacity).

**Conclusion:**

I recommend the Board discuss nominations. i.e. determine which RLECWD Directors are interested in serving, then move to nominate one primary Director and one alternate Director to serve a four-year term. I further recommend the Board authorize staff to complete and submit the necessary nomination documents to SGA prior to the May 1<sup>st</sup> deadline.

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Harris: \_\_\_\_\_ Henrici: \_\_\_\_\_ Ridilla: \_\_\_\_\_

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

RLECWD Agenda Item Checklist

Item 4.8

Date

**Initial Potential Meeting Date**

04/16/18

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

**Appointment of representative and alternate representative to Sacramento Ground Authority (SGA).**

04/13/18

**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 Finance/Administration, Projects /Planning 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**

04/13/18

**Actual Meeting Date Set for Agenda Item**

04/16/18

Tim Shaw

**From:** Cecilia Partridge <cecilia@rwah2o.org>  
**Sent:** Monday, March 5, 2018 2:22 PM  
**Subject:** Letters for appointments to SGA Board needed by May 1, 2018

Good afternoon,

I am writing to notify you that it is time to reappoint representatives to the SGA Board of Directors. The following members are currently appointed as either the representative or the alternate representative for your agency. According to the SGA JPA, the term of office of each member of the governing board of the Authority shall be for a period of four (4) years. The current term on the board will expire on August 11, 2018 for the named representatives and alternates. The Sacramento County Board of Supervisors appoints the representatives for your agency and the requests must be approved by the Board of Supervisors prior to August 11, 2018. Sacramento County verify that they have all of the required information required before they note it on their agenda 28 days before their Board of Supervisor's meeting in order to receive confirmation prior to the August 11<sup>th</sup> deadline.

Please send confirmation if your representative and alternate(s) listed below remain the same, and if there are any changes please send the information in writing on your agency's letterhead to my attention no later than May 1, 2018. Please send an updated bio of the representative and alternate. You may scan your documents and email them to me at [cpartridge@rwah2o.org](mailto:cpartridge@rwah2o.org). Once I have the information for all agencies I will request that the items be placed on the Board of Supervisor's agenda for action so the appointments are approved prior to August 11, 2018.

SGA Current Representatives/Alternates:

Organization	Representative/Alternate
Carmichael Water District	John Wallace Mark Emmerson (alternate)
County of Sacramento	Darrell Eck Keith DeVore (alternate) Sue Frost (alternate)
Fair Oaks Water District	Randy Marx Dave Underwood (alternate)
Orange Vale Water Company	Craig Davis (alternate)
Rio Linda/Elverta Community Water District	Paul R. Green, Jr. Mary Harris (alternate)
San Juan Water District	Pam Tobin Ken Miller (alternate)
Agriculture	Jack DeWit

This request is earlier than in previous years to give adequate time to make sure the appointments are made before the August 11, 2018 expiration date. Please feel free to contact me if you have any questions. Thank you for your prompt attention to this matter.



## Items for Discussion and Action Agenda Item: 4.9

**Date:** April 16, 2018

**Subject:** Professional Services Agreement Templates

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

**Recommended Committee Action:**

This item did receive committee review. The need and value for Board consideration was a byproduct of the recent processing of the Professional Service Agreements and the general difference in complexity between small scope services and large scope service. The need for Board consideration was therefore a concurrence between GM and Legal Counsel.

**Current Background and Justification:**

With the completed staff work associated with processing several recent professional service agreements, standard forms of agreement, which were previously submitted and/or reviewed by Legal Counsel prior to being approved by the Board. Examples include Urban Water Management Planning and Tesco and Well #16 design.

Not all professional services agreements are the same. Accordingly, the Professional Service Agreement templates should reflect the basic differences in scope, risks and liabilities. It may be appropriate to require \$2 million in liability insurance for designing a water treatment plant, but not necessary for providing IT support services.

Furthermore, pre-approval to two (small scope and large scope) Professional Services Agreement Templates would enable the Board and District resources to focus on the proposals from the service providers, then if desired, *“move to approve the proposal from XYZ consultants and further authorized engagement with XYZ using the small scope Professional Services Agreement with minor revisions as may be deemed acceptable to the GM and Legal Counsel”*.

**Conclusion:**

I recommend the Board approve the small scale and large scale Professional Services Agreement Templates.

**Board Action / Motion**

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

Dills: \_\_\_ Green: \_\_\_ Harris: \_\_\_ Henrici: \_\_\_ Ridilla: \_\_\_

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

RLECWD Agenda Item Checklist

Item 4.9

Date

Initial Potential Meeting Date

04/16/18

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

Consider directing the use or standardized Professional Services Agreement templates (large scope  
and small scope) for use in contracting with services providers.

Staff Work Completed

04/13/18

(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 Finance/Administration, Projects /Planning or Ad Hoc  
Committees, to prepare board recommendations

Formal Legal Counsel Review

04/3/18

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

GM Review

04/13/18

Actual Meeting Date Set for Agenda Item

04/16/18

## PROFESSIONAL SERVICES AGREEMENT

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the Rio Linda Elverta Community Water District, a county water district of the State of California (“District”), whose address is 730 L Street, Rio Linda, California and \_\_\_\_\_, a \_\_\_\_\_, (“Professional”), whose address is \_\_\_\_\_ (each individually a “Party” and collectively the “Parties”). There are no other parties to this Agreement.

### RECITALS

**A.** District seeks to hire an independent contractor to perform professional services to assist the District with the \_\_\_\_\_ (the “Project”).

**B.** Professional has made a proposal to District to provide such Professional services. A description of the services Professional proposes to provide is attached hereto as **Exhibit A: Services** (“Services”). District desires to retain Professional to perform the Services, subject to the terms and conditions set forth in this Agreement.

**C.** The Parties have outlined the schedule for providing the Services (“Completion Schedule”), which is attached hereto as **Exhibit B: Schedule**.

**D.** The Parties have outlined the rates and method of payment to Professional for its performance of the Services under this Agreement (“Compensation”), which is attached hereto as **Exhibit C: Compensation**.

**NOW, THEREFORE**, in consideration of the promises and covenants set forth below, the Parties agree as follows:

### AGREEMENT

**Section 1. Recitals.** The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Section 1 through 49 of this Agreement, Sections 1 through 49 shall prevail.

**Section 2. Term.** The term of this Agreement shall be \_\_\_\_ years and will commence on the Effective Date and terminate on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (“Term”) unless the Parties mutually agree in writing to terminate the Agreement earlier or extend the Term pursuant to this Agreement.

**Section 3. Effective Date.** This Agreement shall only become effective once all of the Parties have executed the Agreement (the “Effective Date”).

**Section 4. Work.**

(a) *Services.* Subject to the terms and conditions set forth in this Agreement, Professional shall provide District the Services described in Exhibit A. Any request for Services not included in Exhibit A will be considered a request for additional or modified Services (“Modification” or “Modifications”). Professional shall not receive additional compensation for any Modification of the Services unless the Parties agree otherwise in a writing executed by both Parties.

(b) *District Requested Modification of Services.* District may, by written order, authorize Modifications to the Services described in Exhibit A. If such Modifications cause an increase in the cost or time required for performance of Professional’s Services, the Parties shall enter into a written amendment to this Agreement to adjust the Services and the compensation to be paid to Professional and, if necessary, amend the Completion or Compensation. The Services, Completion, or Compensation shall not be revised unless District and Professional mutually agree to a written amendment to this Agreement reflecting such revisions, additional compensation, time for performance or such other terms or conditions mutually agreed upon by the Parties.

(c) *Professional Requested Modification in Services.* Professional shall not be compensated for work outside the Services described in this Agreement, unless, prior to the commencement of the Services:

(i) Professional provides District with written notice that specific work requested by District or required to complete the Project is outside the agreed upon Services. Such notice shall: (1) be supported by substantial evidence that the work is outside the Services; (2) set forth the Professional’s proposed course of action for completing the work and a specific request for the District to approve the Modification to the Services; (3) set forth the Professional’s proposed revisions, if any, to the Completion Schedule; and (4) set forth the Professional’s proposed revisions, if any, to the Compensation Schedule; and

(ii) District agrees that the work requires a Modification;

(iii) District approves all adjustments, if any, to the Completion Schedule and Compensation Schedule; and

(iv) The Parties execute a written amendment to this Agreement describing any Modification, together with any adjustment in the Completion Schedule and Compensation Schedule for Professional’s work. Compensation for any additional Services shall not exceed \_\_\_\_\_ Dollars per hour.

**Section 5. Notice to Proceed.** Professional shall not commence the performance of the Services until it has been given notice by District (“Notice to Proceed”), with which District shall also deliver any deposit required under Exhibit C.

**Section 6. Time of Performance.** Professional warrants that it will commence performance of the Services within thirty (30) calendar days of the Notice to Proceed and shall conform to the



Completion Schedule. The time of performance is a material term of this Agreement relied on by District in entering into this Agreement.

**Section 7. Incidental Responsibilities.** Professional shall, at its sole cost and expense, furnish all facilities, equipment, materials, information, personnel and administrative assistance which may be required to perform its obligations under this Agreement, unless specified otherwise in Exhibit A or this Agreement.

**Section 8. Time and Personnel Devoted to Services.** Professional shall devote such time and personnel to the performance of this Agreement, as is necessary to perform the Services in compliance with this Agreement and the incorporated Exhibits.

**Section 9. Performance by Qualified Personnel; No Subcontracting.** Services under this Agreement shall be performed only by competent personnel under the supervision and direct employment of Professional. Professional will conform with District's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at District's request, shall be supervised by Professional. Professional is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing. Neither Party shall, on the basis of this Agreement, contract on behalf of, or in the name of the other Party. An agreement made in violation of this provision shall confer no rights on any Party and shall be null and void.

**Section 10. Representations of Professional.** District relies upon the following representations by Professional in entering into this Agreement:

(a) *Qualifications.* Professional represents that it is qualified to perform the Services provided in Exhibit A and that it possesses the necessary licenses, permits required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Professional shall also ensure that all subcontractors are similarly licensed and qualified. Professional represents and warrants to District that Professional shall, at Professional's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and approvals which are legally required for Professional to practice Professional's profession at the time the Services are rendered.

(b) *Professional Performance.* Professional represents and warrants that all Services under this Agreement shall be performed in a Professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Professional shall adhere to accepted Professional standards as set forth by relevant Professional associations and shall perform all Services required under this Agreement in a manner consistent with generally accepted Professional customs, procedures and standards for such Services. All work or products completed by Professional shall be completed using the best practices available for the profession and shall be free from any defects. Professional agrees that, if a Service is not so performed, in addition to all of its obligations under this Agreement and at law, Professional shall re-perform or replace unsatisfactory Service at no additional expense to District.

(c) *No Waiver of Claims.* The granting of any progress payment by District, or the receipt thereof by Professional, or any inspection, review, approval or oral statement by any representative of District, or state certification, shall not, in any way, waive, limit, or replace any certification or approval procedures normally required or lessen the liability of Professional to re-perform or replace unsatisfactory Service, including but not limited to cases where the unsatisfactory character of such Service may not have been apparent or detected at the time of such payment, inspection, review or approval.

(d) *District's Remedies are Cumulative.* Nothing in this Section shall constitute a waiver or limitation of any right or remedy, whether in equity or at law, which District may have under this Agreement or any applicable law. All rights and remedies of District, whether under this Agreement or applicable law, shall be cumulative.

(e) *No Conflict of Interest.* Professional represents that no conflict of interest will be created under state or federal law by entering into or in carrying out this Agreement.

**Section 11. Conformity with Law and Safety.** Professional shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies having jurisdiction over any or all of the scope of Services, including all provisions of the Occupational Safety and Health Act of 1979 as amended, all California Occupational Safety and Health Regulations, the California Building Code, the American with Disabilities Act, any copyright, patent or trademark law and all other applicable federal, state, municipal and local safety regulations, appropriate trade association safety standards, and appropriate equipment manufacturer instructions. All Services performed by Professional must be in accordance with these laws, ordinances, codes and regulations. Professional's failure to comply with any laws, ordinances, codes or regulations applicable to the performance of the Services hereunder shall constitute a breach of contract. In cases where standards conflict, the standard providing the highest degree of protection shall prevail.

If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Agreement, Professional shall immediately notify the District's risk manager by telephone. If any accident occurs in connection with this Agreement, Professional shall promptly submit a written report to District, in such form as the District may require. This report shall include the following information: (a) name and address of the injured or deceased person(s); (b) name and address of Professional's subcontractor, if any; (c) name and address of Professional's liability insurance carrier; and (d) a detailed description of the accident, including whether any of District's equipment, tools or materials were involved.

If a release of a hazardous material, substance, or waste occurs in connection with the performance of this Agreement, Professional shall immediately notify District. Professional shall not store hazardous materials or hazardous waste within the District limits without a proper permit from District.

**Section 12. Contact by Professional with Project Owner or Project Applicant.** Unless otherwise set forth in the Services, neither Professional nor Professional's subcontractors shall directly contact the owner of the property involved in the Project or any party who is the applicant

for the Project ("Interested Party"), or an employee or contractor of an Interested Party, on any matter relating to the Project without the prior consent of the District's General Manager. In no event shall Professional take any instructions or directions from an Interested Party, on any matter pertaining to the Professional's Services to be performed for District under this Agreement.

**Section 13. Confidentiality.** Professional understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Professional may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District ("Confidential Information").

Professional shall not, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Professional written authorization to make any such disclosure, Professional shall do so only within the limits and to the extent of that authorization. Professional may be directed or advised by District counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Professional agrees that it will treat all communications between itself, its employees and its subcontractors as being communications which are within the attorney-client privilege.

**Section 14. Excusable Delays.** Professional shall not be in breach of this Agreement in the event that performance of Services is temporarily interrupted or discontinued due to a "Force Majeure" event which is defined as: riots, wars, sabotage, civil disturbances, insurrections, explosion, natural disasters such as floods, earthquakes, landslides, fires, strikes, lockouts and other labor disturbances or other catastrophic events, which are beyond the reasonable control of Professional. Force Majeure does not include: (a) Professional's financial inability to perform; (b) Professional's failure to obtain any necessary permits or licenses from other governmental agencies; or (c) Professional's failure to obtain the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of the Professional.

**Section 15. Assignment Prohibited.** No Party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

**Section 16. Suspension of Services by District.** District reserves the right to suspend Professional's Services under this Agreement when District determines that it is necessary to do so. When possible, District shall give Professional notice of such suspension and Professional shall, upon receipt of said notice, suspend all Services except any Services, the completion of which is authorized by the notice given by District. If the Services are suspended by District for more than sixty (60) consecutive days, for reasons other than the fault of the Professional, the Professional shall be compensated for Services performed prior to notice of such suspension. When the Project is resumed, the Professional's compensation shall be equitably adjusted by the District to provide for expenses incurred by the interruption of the Services. In this regard, Professional shall furnish to District such financial information as in the judgment of the District Manager is necessary to determine the reasonable value of the Services rendered by Professional during the period when Services were suspended.

If the Parties are unable to agree upon the amount of extra compensation which is due to Professional within thirty (30) days of Professional resuming Services, the amount of such additional compensation, if any, that is required to appropriately compensate the Professional for its expenses incurred by the interruption of Services may, upon the request of either Party, be determined by arbitration conducted in accordance Section 22. Such arbitration shall be commenced by the Professional no later than sixty (60) calendar days following the event which entitles the Parties to pursue arbitration unless the Parties agree in writing to an extended time period for commencement of arbitration. Unless otherwise agreed in writing, all Parties shall carry on the Services and perform their duties during any arbitration proceedings, and the District shall continue to make payments for the Services in progress as required by this Agreement.

**Section 17. Ownership of Work Product.** Any and all work, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, designs, specifications, drawings, diagrams, surveys, source codes, Professional or technical information or data, photographs, notes, letters, emails or any original works of authorship created by Professional or its subcontractors or subcontractors in connection with Services performed under this Agreement (“Products”) shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of District. In the event that it is ever determined that any Product created by Professional or its subcontractors or subcontractors under this Agreement are not works for hire under U.S. law, Professional hereby assigns all copyrights to such Products to District. With the prior written approval of District’s point of contact for the Project, Professional may retain and use copies of such Products for reference and as documentation of its experience and capabilities.

All Products shall become the property of District irrespective of where located or stored and Professional agrees to deliver all such documents and information to District, without charge and in whatever form it exists, on the completion of the Professional’s services hereunder. Professional shall have no ownership interest in such Products.

All work product of Professional under this Agreement, including written information which District will cause to be distributed for either internal or public circulation, including both preliminary and final drafts shall be delivered to District in both printed and electronic form, or as may be specified in Exhibit A.

When this Agreement is terminated, Professional agrees to return to District all documents, drawings, photographs and other written or graphic material, however produced, that it received from District, its contractors or agents, in connection with the performance of its Services under this Agreement. All materials shall be returned in the same condition as received.

**Section 18. Termination of Work by District for Its Convenience.** District shall have the right to terminate this Agreement at any time for its convenience by giving notice of such termination to Professional. In the event District shall give such notice of termination, Professional shall cease rendering Services upon receipt of said notice given as required in this Agreement. If District terminates this Agreement:

(a) Professional shall deliver copies of all Products prepared by it pursuant to this Agreement.

(b) If District terminates this Agreement for convenience before District issues the Notice to Proceed to Professional or before Professional commences any Services hereunder, whichever last occurs, District shall not be obligated to make any payment to Professional. If District terminates this Agreement after District has issued the Notice to Proceed to Professional and after Professional has commenced performance under this Agreement, District shall pay Professional the reasonable value of the Services rendered by Professional pursuant to this Agreement prior to termination of this Agreement. District shall not in any manner be liable for Professional's actual or projected lost profits had Professional completed the Services. Professional shall furnish to District such financial information, as in the judgment of the District Manager, is necessary to determine the reasonable value of the Services rendered by Professional prior to termination. In the event of a dispute as to the reasonable value of the Services rendered by Professional prior to termination and the Parties are unable to agree upon said amount within sixty (60) calendar days following the date of the notice of termination by the District, such dispute may, upon the request of either Party, be resolved by arbitration conducted in accordance with Section 22.

(c) Except as provided in this Agreement, in no event shall District be liable for costs incurred by or on behalf of Professional after the date of the notice of termination.

**Section 19. Assurance of Performance.** If, at any time, District believes Professional may not be adequately performing its obligations under this Agreement or may fail to complete the Services as required by this Agreement, District may submit a written request to Professional for written assurances of performance and a plan to correct observed deficiencies in Professional's performance. Failure to provide written assurances subsequent to such written request, constitutes grounds to declare a breach under this Agreement.

**Section 20 Cancellation for Breach by Either Party.** Should either Party fail to substantially perform its obligations in accordance with the provisions of this Agreement, the other Party shall thereupon have the right to cancel the Agreement by giving written notice and specifying the effective date of such cancellation. If District cancels this Agreement for breach and it is subsequently determined that Professional did not fail to substantially perform its obligations in accordance with this Agreement, then cancellation for breach by District shall be deemed, and treated, as termination for convenience.

Neither Party waives the right to recover damages against the other for breach of this Agreement including any amount necessary to compensate District for all detriment proximately caused by Professional's failure to perform its obligations hereunder or which in the ordinary course of things would be likely to result therefrom. District reserves the right to offset such damages against any payments owed to Professional.

District shall not in any manner be liable for Professional's actual or projected lost profits had Professional completed the Services required by this Agreement.

In the event of cancellation by either Party, copies of all finished or unfinished Products shall become the property of District.

**Section 21. Non-Discrimination.** In its performance of the Services, Professional shall adhere to state and federal laws pertaining to equal opportunity employment and shall ensure that all of Professional's employees and applicants receive equal consideration and treatment in employment without regard to race, color, religion, gender, sexual orientation, national origin, age, disability, genetic information, marital status, amnesty, or status as a covered veteran in accordance with applicable federal or state statutes.

In addition, all agreements with sub-contractors will include language as required by the Office of Federal Contract Compliance Programs (OFCCP) that requires sub-contractors to maintain equal employment opportunity policies, and, as necessary, affirmative action policies.

**Section 22. Arbitration of Disputes.** All claims, disputes and other matters in question between District and Professional arising out of, or relating to this Agreement or the breach thereof, including claims of Professional for extra compensation for Services related to the Project shall be decided by arbitration before a single arbitrator in accordance with the provisions of Sections 1281 to 1284.2 of the California Code of Civil Procedure (the "Arbitration Laws") unless the Parties mutually agree otherwise. The provisions of Section 1283.05 of the Arbitration Laws apply to any arbitration proceeding except as otherwise provided in this Agreement. The arbitrator shall have authority to decide all issues between the Parties including, but not limited to, claims for additional compensation, delay and liquidated damages, if any, provided for in this Agreement, matters involving defects in the work product of the Professional, rights to payment, and whether the necessary procedures for arbitration have been followed. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Notice of the demand for arbitration shall be filed in writing with the other Party. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitation.

The Parties shall jointly appoint an arbitrator within fifteen (15) calendar days of the date of giving of the notice of the demand for arbitration. If the Parties are unable to jointly agree upon the appointment of an arbitrator within said fifteen (15) calendar day period, and do not agree in writing to extend said period for a fixed period, then either Party may seek to have the arbitrator appointed by the Superior Court of Sacramento County in accordance with the Arbitration Laws.

If any proceeding is brought to contest the right to arbitrate and it is determined that such right exists, the losing Party shall pay all costs and attorneys' fees incurred by the prevailing party.

In addition to the other rules of law which may be applicable to any arbitration hereunder, the following shall apply:

(a) Promptly upon the filing of the arbitration each Party shall be required to set forth in writing and to serve upon each other Party a detailed statement of its contentions of fact and law.

(b) All parties to the arbitration shall be entitled to the discovery procedures as provided in Section 1283.05 of the California Code of Civil Procedure.

(c) The arbitration shall be commenced and conducted as expeditiously as possible consistent with affording reasonable discovery as provided herein.

(d) These additional rules shall be implemented and applied by the arbitrator.

The costs of arbitration shall be borne by the Parties as determined by the arbitrator, but each Party shall bear its own attorney's fees associated with the dispute with the other Party and to the arbitration.

**Section 23. Insurance Coverage.** During the Term, the Professional shall maintain in full force and effect policies of insurance set forth herein, which shall be placed with insurers with a current A M Best's rating of no less than A VII and will provide the District with written proof of said insurance. Professional shall maintain coverage as follows:

(a) *General Liability.* Professional shall carry general liability insurance in the amount of Two Million Dollars (\$2,000,000.00) per occurrence for bodily injury, personal injury, and property damage. If commercial general liability insurance or another form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate shall be Two Million Dollars (\$2,000,000.00).

(b) *Worker's Compensation Insurance and Employer's Liability.* Professional shall carry workers' compensation insurance as required by the State of California under the Labor Code. Professional shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

(c) *Errors and Omissions Liability.* Professional shall carry errors and omissions liability insurance in the amount of no less than Two Million Dollars (\$2,000,000.00) per occurrence or greater if appropriate for the Professional's profession. Architects and engineers' coverage is to be endorsed to include contractual liability. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents"); or the Professional shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

**Section 24. Additional Insurance Requirements.** Within five (5) days of the Effective Date, Professional shall provide District with certificates of insurance for all of the policies required under this Agreement (“Certificates”), excluding the required worker’s compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Professional shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker’s compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days’ prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District’s Agents as additional insureds with respect to liability arising out of Services, work or operations performed by or on behalf of the Professional; products and completed operations of the Professional; premises owned, occupied, or used by the Professional, or automobiles owned, leased, or hired or borrowed by the Professional. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District’s Agents and any insurance or self-insurance maintained by District or District’s Agents shall be in excess of Professional’s insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

**Section 25. Indemnification by Professional.** To the fullest extent permitted by law (including, without limitation, California Civil Code Sections 2782 and 2782.8), Professional shall defend with legal counsel reasonably acceptable to District, indemnify and hold harmless the District and District’s Agents from and against any and all claims, loss, cost, damage, injury (including, without limitation, injury to or death of an employee of Professional or its subcontractors), expense and liability of every kind, nature and description that arise out of, pertain to or relate to acts or omissions of Professional, or any direct or indirect subcontractor, employee, contractor, representative or agent of Professional, or anyone that Professional controls (collectively “Liabilities”). Such obligations to defend, hold harmless and indemnify District and District’s Agents shall not apply to the extent that such Liabilities are caused in whole by the sole negligence, active negligence, or willful misconduct of District or District’s Agents, but shall apply to all other Liabilities. With respect to third party claims against the Professional, the Professional waives any and all rights of any type of express or implied indemnity against District and District’s Agents.

**Section 26. Liability of District.** Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

**Section 27. Independent Contractor.** At all times during the Term, Professional shall be deemed to be an independent contractor and shall be wholly responsible for the manner in which Professional performs the services required under this Agreement. Professional shall be liable for its acts and omissions, and those of its employees, contractors, subcontractors, representatives, volunteers, and its agents. Nothing contained herein shall be construed as creating an employment, agency or partnership relationship between District and Professional. District shall have the right to



control Professional only insofar as the result of Professional's services rendered pursuant to this Agreement; however, District shall not have the right to control the means by which Professional accomplishes Services rendered pursuant to this Agreement.

**Section 28. Professional Not Agent.** Except as District may specify in writing, Professional shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Professional shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever.

**Section 29. Payment of Taxes and Other Expenses.** Payment of any taxes, including California sales and use taxes, levied upon this Agreement, the transaction, or the Services or goods delivered pursuant hereto, shall be the obligation of Professional.

**Section 30. Notices.** Any notice or communication required hereunder between District and Professional must be in writing, and may be given either personally, by facsimile (with original forwarded by regular U.S. Mail), by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice or communication shall be deemed to have been given when delivered to the Party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving Party's facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday or holiday shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (b) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

If to District:

Rio Linda Elverta Community Water District  
730 L Street  
Rio Linda, California 95673  
Attention: General Manager  
Tel: (916) 991-8891

And:

Churchwell White LLP  
1414 K Street, Third Floor  
Sacramento, California, 95814  
Attention: Barbara A. Brenner, Esq.  
Tel: (916) 468-0950

If to Professional:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Section 31. Exhibits.** All "Exhibits" referred to below or attached to herein are by this reference incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
<b>Exhibit A:</b>	<b>Services</b>
<b>Exhibit B:</b>	<b>Completion</b>
<b>Exhibit C:</b>	<b>Compensation</b>

**Section 32. General Provisions.**

(a) *Modification.* No alteration, amendment, modification, or termination of this Agreement shall be valid unless made in writing and executed by all of the Parties to this Agreement.

(b) *Waiver.* No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

(c) *Authority.* All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles, and capacities herein stated on behalf of any entities, persons, states, or firms represented or purported to be represented by such entities, persons, states or firms and that all former requirements necessary or required by the state or federal law in order to enter into the Agreement have been fully complied with. Further, by entering into this Agreement, neither Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such breach would have a material effect hereon.

(d) *Drafting and Ambiguities.* Each Party acknowledges that it has reviewed this Agreement with its own legal counsel, and based upon the advice of that counsel, freely entered into this Agreement. Each Party has participated fully in the review and revision of this Agreement. Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

(e) *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the state of California.

(f) *Venue.* Venue for all legal proceedings shall be in the Superior Court of California for the County of Sacramento.

(g) *Severability.* If this Agreement in its entirety is determined by a court to be invalid or unenforceable, this Agreement shall automatically terminate as of the date of final entry of judgment.

If any provision of this Agreement shall be determined by a court to be invalid and unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any federal or state statute, which becomes effective after the Effective Date of this Agreement, the remaining provisions shall continue in full force and effect and shall be construed to give effect to the intent of this Agreement.

(h) *Counterparts.* This Agreement may be executed simultaneously, and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

(i) *Audit.* District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Professional's charges to District under this Agreement.

(j) *Entire Agreement.* This Agreement, together with its specific references, attachments and exhibits, constitutes the entire agreement of the Parties with respect to the subject matters hereof, and supersedes any and all prior negotiations, understanding and agreements with respect hereto, whether oral or written.

(k) *Supersedes Prior Agreement.* It is the intention of the Parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, or representations whether, written, electronic or oral, between the Parties with respect to the subject matter of this Agreement.

(l) *Mandatory and Permissive.* "Shall" and "will" and "agrees" are mandatory. "May" and "can" are permissive.

(m) *Successors.* All representations, covenants, and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of, any or all of the Parties hereto, shall be binding upon and inure to the benefit of such Party, and its successors.

(n) *Headings.* Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

(o) *Attorney's Fees and Costs.* If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

(p) *Necessary Acts and Further Assurances.* The Parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

(q) *Time is of the Essence.* Time is of the essence in this Agreement for each covenant and term of a condition herein.

***[SIGNATURES ON FOLLOWING PAGE.]***

IN WITNESS WHEREOF, this Agreement has been entered into by and between District and Professional as of the Effective Date.

**DISTRICT:**

Rio Linda Elverta Community Water District,  
a county water district of the State of  
California

By: \_\_\_\_\_  
Tim Shaw, General Manager

Date Signed: \_\_\_\_\_  
Per Resolution No.: N/A

Approved as to Form:

By: \_\_\_\_\_  
Barbara A. Brenner, General Counsel

**PROFESSIONAL:**

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

Date Signed: \_\_\_\_\_

## **EXHIBIT A**

### **SERVICES**

**Scope of Services.** Professional shall perform and complete the following services in accordance with the details and specifications described below:

**EXHIBIT B**  
**COMPLETION**

The Parties agree that the Project and Services shall be completed to the satisfaction of the District as outlined below:

**Commencement Date.** Performance under the Agreement shall begin no later than \_\_\_\_\_.

**Project Schedule.**

Phase	Completion Date
Final Completion Date:	

**EXHIBIT C**

**COMPENSATION**

**Maximum Payment for Professional Services.** District shall pay Professional for actual work performed according to the rates set forth below. District's total compensation to Professional shall not exceed \_\_\_\_\_ Dollars ("Maximum Payment"), unless the Parties mutually agree in writing otherwise.

**Deposit.** District shall pay Professional an initial deposit in the amount of \_\_\_\_\_ Dollars within five (5) business days of the Effective Date of this Agreement ("Deposit").

**Subsequent Payments.** District shall make monthly payments in the amount invoiced by Professional within thirty (30) calendar days of receiving such invoice. In the event that an amount of an invoice is in dispute, District shall inform Professional of the amount and basis for the dispute and may withhold the amount which is in dispute until the dispute has been resolved.

**Invoices.** Professional shall provide District with monthly invoices sufficiently evidencing Professional's expenses and completion of the Services. All invoices furnished to District by Professional shall be in a form approved by District. The payments specified shall be the only payments made to Professional for performance of the Services including compensation for any Modification. Professional shall submit all billings for Services to District within forty-five (45) days of the performance of such Services. District shall issue payment according to District's customary procedures and practices for issuing payments to independent contractors.

**Rates.** The Parties agree that the maximum hourly rates for Professional's Services shall be as follows:

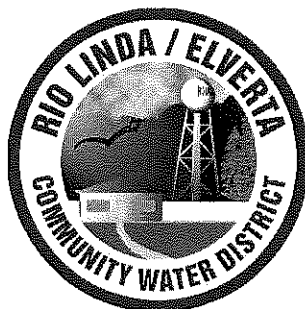
<b>Title/Position</b>	<b>Rate per Hour</b>	<b>Maximum Hours</b>

**Costs and Expenses.** The Parties agree that the following costs and expenses shall be reimbursable to Professional if expended in furtherance of this Agreement and substantiated with reasonable documentation. District shall not be responsible for paying any other costs or expenses under this Agreement:

<b>Cost/Expense</b>	<b>Rate</b>	<b>Maximum Units</b>



--	--	--



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

**Date:** April 16, 2018

**Subject:** District Reports

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

**1. DISTRICT ACTIVITY REPORT**

- a. Operations Report
- b. Conservation Report

# RIO LINDA/ELVERTA C.W.D. 2018

## REPORT OF DISTRICT OPERATIONS

### SOURCE WATER DATA

69

#### Water Production (Million Gallons)

January	February	March	April	May	June	<b>Year To Date</b>
34.8	34.5	36.5				
34,761,308	34,533,300	36,538,945				
July	August	Sept.	Oct.	Nov.	Dec.	
						<b>105.80</b>
						<b>105,836,553</b>
						<b>14,148,871</b>
						<b>141,489</b>
						<b>328</b>

Monthly Total
36,538,945
4,884,886
48,849
112.14

Gallons = Multiply M.G. by: 1,000,000  
 Cubic Feet = Divide gallons by: 7.48  
 Hundred Cu Ft. = Divide cu. ft. by: 100  
 Acre Ft. = Divide gallons by: 325,829

Gallons: 105,836,553  
 Cubic Feet: 14,148,871  
 Hundred Cubic Feet: 141,489  
 Acre Ft.: 328

### DISTRIBUTION SYSTEM DATA

#### Water Quality Complaints

#### Complaints Total (Low Psi Complaints)

January	February	March	April	May	June	<b>Year To Date</b>
1	1	1				
July	August	Sept.	Oct.	Nov.	Dec.	
						<b>3</b>

#### New Services

New Construction	0	2
Existing Homes	0	0
Paid prior to increase. (2 not installed)	0	0
<b>Total of Service Connections to Date -----&gt;</b>		<b>4633</b>

#### Distribution System Failures

Deterioration March 1 thru 31	0	3
Damaged March 1 thru 31	0	1

#### Bacteriological Sampling

Routine	16	52
Raw Water Well Samples	11	12

#### March 1, 2018 - March 31, 2018

**0 - Distribution leak repaired by District staff, 0 - by Contractor or with contractor assistance.**

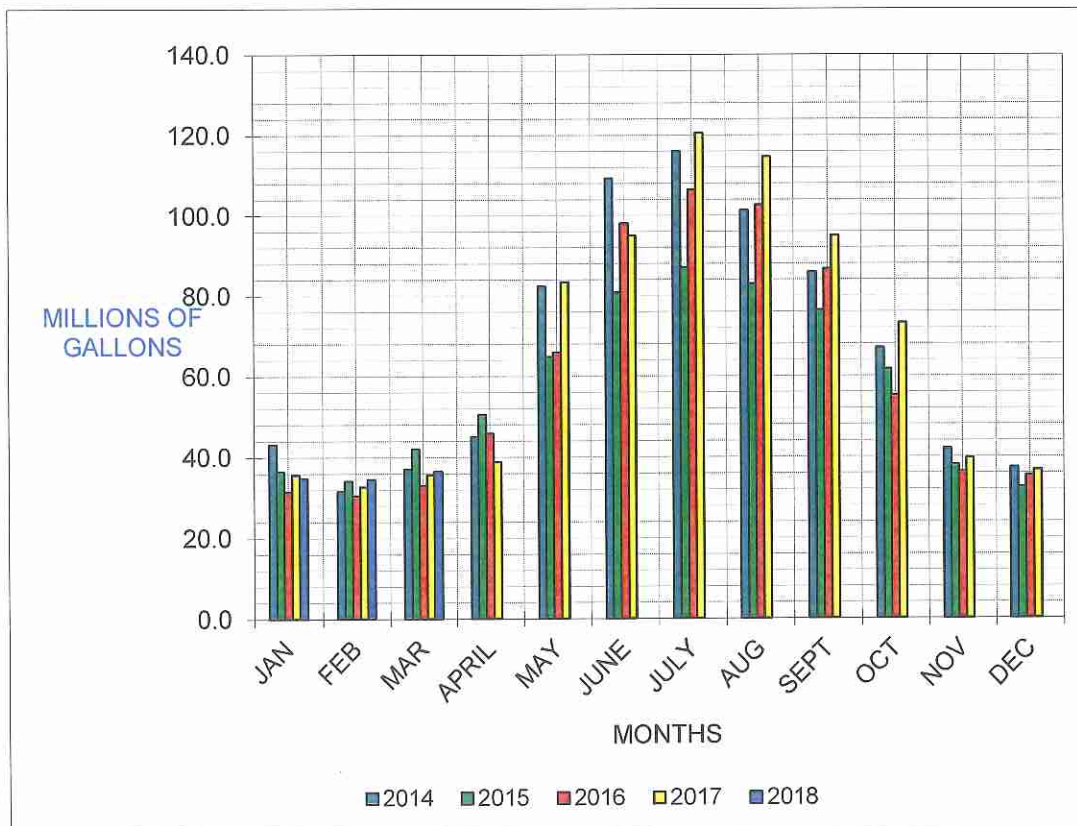
Work Orders Issued - 56	Work Orders Completed - 60	USA's Issued - 45
Backflow Test - 1	Backflow Test - 1	
Change Out Meter - 39	Change Out Meter - 40	
Conservation - 1	Conservation - 1	
Flow Test - 2	Flow Test - 2	
Repair/Replace Lid - 1	Repair/Replace Lid - 2	
Possible Leak - 3	Possible Leak - 3	
Repair - 1	Repair - 1	
Tag Property - 1	Tag Property - 1	
Turn Off Service - 2	Turn Off Service - 2	
Turn On Service - 4	Turn On Service - 5	
Sandy, Cloudy Water - 1	Sandy, Cloudy Water - 1	
	Usage Complaint - 1	

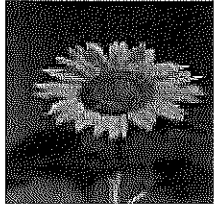
## RIO LINDA/ELVERTA C.W.D.

### WATER PRODUCTION

2014 \ 2018

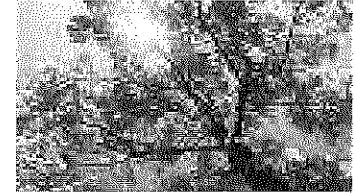
Month	Water Production in Million Gallons						SSWD Water Purchases				
	2014	2015	2016	2017	2018	Avg.	2014	2015	2016	2017	2018
JAN	43.2	36.5	31.5	35.6	34.8	36.3	0.0	0.0	0.0	0.0	0.0
FEB	31.6	34.1	30.5	32.7	34.5	32.7	0.0	0.0	0.0	0.0	0.0
MAR	37.0	42.0	33.0	35.6	36.5	36.8	0.0	0.0	0.0	0.0	0.0
APRIL	45.0	50.5	45.8	38.8		45.0	0.0	0.0	0.0	0.0	
MAY	82.4	64.8	65.9	83.4		74.1	0.0	0.0	0.0	0.0	
JUNE	109.2	80.8	98.0	94.9		95.7	2.8	0.0	0.0	0.0	
JULY	116.0	87.0	106.4	120.5		107.5	0.0	0.0	0.0	0.0	
AUG	101.3	83.0	102.6	114.6		100.4	0.0	0.0	0.0	0.0	
SEPT	85.9	76.4	86.7	94.9		86.0	0.0	0.0	0.0	0.0	
OCT	67.0	61.7	55.2	73.2		64.3	0.0	0.0	0.0	0.0	
NOV	42.0	38.0	36.3	39.7		39.0	0.0	0.0	0.0	0.0	
DEC	37.4	32.5	35.4	36.7		35.5	0.0	0.0	0.0	0.0	
<b>TOTAL</b>	<b>798.0</b>	<b>687.3</b>	<b>727.3</b>	<b>800.6</b>	<b>105.8</b>	<b>753.3</b>	<b>2.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>



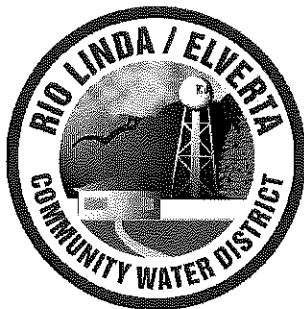


# Conservation Report

## March 2018



<b>Supplies (kits):</b>	Shower heads (3), Kitchen Aerators (2) Bathroom Aerators (3) Nozzle (0) Hose Timer (0) Shower Timer (0) Dish Scrapper (0)
<b>Water Waste (calls, emails, letter, leaks detected/fixed):</b>	1 Water Waste Complaints 0 Leak Follow-up calls 0 Leak Letters
<b>Water Schedule:</b>	
<b>Surveys:</b>	0
<b>Rebates:</b>	<b>Toilets: 1    Washing Machines: 0</b>
<b>Workshops, Webinars, Meetings:</b>	None
<b>Fines:</b>	NONE
<b>Other Tasks:</b>	
<b>Grant Updates:</b>	N/A



**Information Items**  
**Agenda Item: 5.2**

**Date:** April 16, 2018

**Subject:** Board Reports

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

**2. BOARD REPORTS**

- a. Regional Water Authority – Henrici, Shaw
- b. Sacramento Groundwater Authority – Green, Harris
- c. LAFCO – Green
- d. Planning Committee – Dills, Harris
- e. Finance / Administrative Committee – Ridilla, Henrici
- f. Ad Hoc Committee's
  - 1. Office Building – Harris, Green
  - 2. Employee Neg. - Dills, Harris
  - 3. Water Supply Development – Harris, Green
- g. Completed and Pending Items
- h. Other Reports

## Rio Linda/Elverta Community Water District

## Planning and Project Committee Meeting

April 6, 2018

Call to Order at 2:00 pm.

Public Comment:

Items for Discussion and Action:

- 1) Discuss proposed contract from Affinity Engineering for the design of the Well #16 ground water pumping station.

District Engineer has shared that he is at 30% already and a discussion is taking place regarding finishing the project through completion. We are on an 18 month construction schedule through the entity providing the funding. The District Engineer is concerned about things outside of his control with regard to doing his work faster than the 8 months that he proposed. RLECWD owns the property already according to Mr. Carson. The engineer has agreed to revise his proposal to reduce the timeframe to 3 months. The board will be provided the new proposal to consider at the next board meeting.

- 2) Discuss Task Orders under new Affinity MSA for the District service area boundary map update required for the November election and for Well #10 project.

Director Dills asked a question about the level of expertise required to do the boundary map work. The task order was reviewed. GM will proceed with the task order.

Mr. Carson has agreed to start a spreadsheet for task orders in process and completed.

- 3) Review proposed language for the guidance for appointment of the General Manager as a voting member for the Regional Water Authority (RWA).

Committee reviewed and will forward the item to the board.

- 4) Discuss planning for the attendance at the May 8-11 ACWA Conference in Sacramento.

The committee has agreed that the GM's time would better spent doing something other than AQWA this time and is excused.

- 5) Report on the April 4<sup>th</sup> California Financing Coordinating Committee Funding Fair (grants and loans).

President Harris attended a meeting on April 4<sup>th</sup> and provided a report on state and federal funding that is available. A wide ranging discussion took place including disadvantage community funding again.

- 6) Follow up on the March Financing Committee request for the new and pending legislation routine reports.

Churchwell White has been contacted and told the District is not receiving updates and they will be sending updates.

- 7) Discuss the need and process for engaging a new Information Technology (IT) support services provider.

GM is directed to move forward with exploring Adept Solutions as the new District IT provider.

Items requested for next month's committee meeting?

Adjourned at 3:50 pm.



Rio Linda/Elverta Community Water District  
Finance and Administrative Committee Meeting Minutes

75

April 9, 2018

**Attendees:** Director Mary Henrici, Director John Ridilla and General Manager Tim Shaw were present.

Meeting was called to order by Director Henrici at 6:35 PM.

**Public Comment.** There was none.

**Agenda Items**

**1. Review and discuss expenditures of the District for the month of March 2018.**

There were no comments on the expenditures. All items were in order.

**The committee recommends approval to the full Board of Directors.**

**2. Review and discuss Financial Reports of the District for the month of March 2018.**

Director Henrici asked that the chromium 6 loan proceeds be shown on the capital projects report.

**The committee recommends approval of the financial reports to the full Board of Directors.**

**3. Discuss the FY 2018-19 Budget Adoption Process.**

General Manager Shaw reviewed the District's budget process with the finance committee.

**There was no action taken by the committee.**

**4. Discuss revisions to the District's electronic media policy.**

General Manager Shaw discussed the need for additional electronic media policies for texting and social media.

**The committee agreed with his recommendations and asked that he bring his proposal to the full Board.**

**5. Discuss new Payment Card Industry requirements and electronic fund transfer (EFT) fees.**

It was noted by Director Henrici that in the past our IT person dealt with the Payment Card industry security standards. It was suggested that our new IT person take on the same role as there are no District employees trained in this area of expertise.

The District does not currently charge customers for the EFT fees. It was determined from the attached paperwork that the District currently pays between \$1.70 to \$1.62 per electronic fund transfer. These transfers are credit and debit card payments received from customers. Director Ridilla proposed that the District waive these fees for customers that receive paperless bills and use auto pay. These steps would save time and money and would recoup some of the fees with savings in other areas. Customers that do not use these options would be required to pay a service charge for the fees of around \$1.50 per transaction.

**The committee asked the GM to present this proposal to the full Board for their consideration.**

**6. Discuss Bartle Wells Associates, BHI and Affinity Engineering professional services contracts.**

GM Shaw discovered the District has a standard professional services contract that was not originally given to the vendors noted above. The professional services contract has been added to the contracts already approved by the board. It was felt by all that our current professional services agreement is rather lengthy (18 pages) for a small contract. The possibility of a shorter form contract was discussed for these small projects.

**The committee asked the GM to contact legal counsel and see if it is possible to provide a shorter contract for projects under \$50,000.00. If a shorter contract is possible it should be brought to the full Board for approval.**

**7. Validation of Annual Water Audits.**

The grant funding for water audit validation has ended. Because of this all Districts will need a person on staff to validate the water audits or hire a qualified person to perform this function. The audit training is 2 days and costs \$2,000.00 it is valid for 3 years.

**The Committee recommends the GM send a staff member to the training.**

**8. Report on the status of Teamster negotiations.**

The District and the union have agreed on the PERS PEPR requirements. The conservation coordinator position job description is still a work in progress.

**There is no Committee recommendation on this item.**

**9. Customer Account Credit.**

A credit for an incorrectly billed meter was provided to the committee as an informational item.  
The credit amount is \$433.94

**There is no Committee recommendation on this item.**

**Directors' and General Manager comments not on the agenda.**

Meeting adjourned at 8:05 p.m.

**SACRAMENTO GROUNDWATER AUTHORITY  
REGULAR MEETING OF THE BOARD OF DIRECTORS**

**Thursday, April 12, 2018; 9:00 a.m.**

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

**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 in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

**1. CALL TO ORDER AND ROLL CALL**

**2. PUBLIC COMMENT:** 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 February 8, 2018 meeting

**Action: Approve February 8, 2018 meeting minutes**

**4. DEFINED BENEFIT PENSION PLAN FUNDING POLICY 400.4**

**Action: Recommend SGA Board Approval of Defined Benefit Pension Plan Funding Policy 400.4**

**5. DEVELOPMENT OF SGA FISCAL YEAR 2018 – 2019 BUDGET**

Information Presentation and Discussion of FY 2018 – 2019 Budget

**Action: Adopt Resolution No. 2018-01 to fund the administrative and program budgets for FY 2018 – 2019, and providing for the collection of said funds**

**Action: Designate \$208,300 from FY18 to FY19 for the Sustainable Groundwater Management (SGMA) Cost Share**

**6. GROUNDWATER MANAGEMENT PROGRAM UPDATE**

Information Update: Rob Swartz, Manager of Technical Services

**Action: Approval of selection of consultants to prepare the GSP**

**7. EXECUTIVE DIRECTOR'S REPORT**

## **8. DIRECTORS' COMMENTS**

### **ADJOURNMENT**

**Next SGA Board of Director's Meeting** – June 14, 2018, 9:00 a.m., RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.

APRIL 12, 2018

**TO: SACRAMENTO GROUNDWATER AUTHORITY BOARD**

**FROM: JOHN WOODLING**

**RE: EXECUTIVE DIRECTOR'S REPORT**

- a. **Legislative Update** – RWA Staff is tracking and taking action on a number of bills, foremost of which are the water efficiency and drought planning bills carried over from last year, SB 606 and AB 1668, as well as SB 623 and a budget trailer bill that would provide for a tax on water to fund the needs of disadvantaged communities.
  - b. **SGA Outreach** – Mr. Swartz, as the program manager for groundwater sustainability plan development for the North American subbasin is in the process of briefing the other groundwater sustainability agencies (and partners) in the basin, including the Pleasant Grove-Verona Mutual Water Company on March 26, 2018 and Reclamation District 1001 on April 25, 2018. Mr. Woodling will chair the meeting of the ACWA Groundwater Committee on May 8<sup>th</sup>, and will be a speaker at the Groundwater Resources Association's GSA Summit on June 6<sup>th</sup>.
  - c. **Sustainable Groundwater Management Act (SGMA) Update** – DWR will hold a series of SGMA Assistance workshops in April at the following locations:  
April 23, 2018 – Chico Masonic Family Center  
1:00 p.m. to 4:00 p.m., Chico, California  
April 24, 2018 – Clovis Veteran's Memorial District  
1:00 p.m. to 4:00 p.m., Clovis, California  
April 25, 2018 – Saticoy Operations Yard  
1:00 p.m. to 4:00 p.m., Ventura, California  
April 27, 2018 – Online Webcast  
12:00 p.m. to 2:00 p.m.
- The U.C. Berkeley Center for Law, Energy and the Environment released a report, "Navigating Groundwater-Surface Water Interactions under the Sustainable Groundwater Management Act".
- d. **SGA Anniversary** – 2018 marks the 20<sup>th</sup> year since the creation of the Sacramento Groundwater Authority in 1998. Staff is planning to develop a presentation for the Board/Councils of the four JPA signatories during 2018, and to formally recognize the 20<sup>th</sup> Anniversary at the October meeting of the Board of Directors.
  - e. **Financial Documents** – The financial reports for the period ending March 31, 2018 are attached.

# SACRAMENTO GROUNDWATER AUTHORITY

## Income Statement

Year-to-Date Performance, March 2018

	<i>9 Months Ended March 31, 2018</i>	<i>Annual Budget</i>	<i>Unused</i>
<b>REVENUES</b>			
Groundwater Fees Revenue	410,202.00	410,200.00	(2.00)
Base Administrative Fee	333,863.00	333,900.00	37.00
Cash Discount	121.35	0.00	(121.35)
Interest Income	0.00	3,300.00	3,300.00
<b>TOTAL REVENUES</b>	<b>744,186.35</b>	<b>747,400.00</b>	<b>3,213.65</b>
Total REVENUE	744,186.35	747,400.00	3,213.65
GROSS PROFIT	744,186.35	747,400.00	3,213.65
<b>OPERATING EXPENDITURES</b>			
Staff Expenses			
General Salaries	234,928.07	303,200.00	68,271.93
Benefits/Taxes	98,235.45	184,700.00	86,464.55
Travel / Meals	4,314.08	7,800.00	3,485.92
Professional Development	0.00	2,500.00	2,500.00
<b>TOTAL Staff Expenses</b>	<b>337,477.60</b>	<b>498,200.00</b>	<b>160,722.40</b>
Office Expenses			
Rent & Utilities	8,322.48	12,500.00	4,177.52
Insurance	13,051.91	12,900.00	(151.91)
Office Maintenance	325.00	250.00	(75.00)
Telephone	4,108.54	6,000.00	1,891.46
Dues and Subscription	5,564.40	5,500.00	(64.40)
Printing & Supplies	5,081.65	23,600.00	18,518.35
Postage	1,067.34	1,600.00	532.66
Meetings	863.66	1,100.00	236.34
Computer Equipment/Support	4,868.47	6,300.00	1,431.53
<b>TOTAL Office Expenses</b>	<b>43,253.45</b>	<b>69,750.00</b>	<b>26,496.55</b>
Office Furniture & Equipment			
Office Furniture	394.46	1,400.00	1,005.54
<b>TOTAL Office Furniture &amp; Equipment</b>	<b>394.46</b>	<b>1,400.00</b>	<b>1,005.54</b>
Professional Fees			
ADP / Banking Charges	611.44	1,000.00	388.56
Audit Fees	10,410.00	11,500.00	1,090.00

**9 Months Ended  
March 31, 2018**

**Annual  
Budget**

**Unused**

**79**

Legal Fees	8,873.65	40,000.00	31,126.35
GASB 68 reporting fee	350.00	0.00	(350.00)
Consulting Expenses	2,920.00	18,000.00	15,080.00
Budget/audit/actuarial	14,568.75	34,500.00	19,931.25
<b>TOTAL Professional Fees</b>	<b>37,733.84</b>	<b>105,000.00</b>	<b>67,266.16</b>
Consulting - Program Management			
Monitor water quality/levels (AB 303)	598.00	10,000.00	9,402.00
Grant application assistance	18,000.00	15,000.00	(3,000.00)
Maintain/Improve DMS	0.00	10,000.00	10,000.00
Update GSP	0.00	50,000.00	50,000.00
Regional Contamination Issues	0.00	15,000.00	15,000.00
Groundwater Modeling	0.00	148,300.00	148,300.00
<b>TOTAL Consulting Program Management</b>	<b>18,598.00</b>	<b>248,300.00</b>	<b>229,702.00</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>437,457.35</b>	<b>922,650.00</b>	<b>485,192.65</b>
<b>OPERATING INCOME (LOSS)</b>	<b>306,729.00</b>	<b>(175,250.00)</b>	<b>(481,979.00)</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>306,729.00</b>	<b>(175,250.00)</b>	<b>(481,979.00)</b>
<b>NET INCOME (LOSS) OF PROGRAM</b>	<b>306,729.00</b>	<b>(175,250.00)</b>	<b>(481,979.00)</b>



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 553-3001

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
April 02, 2018

SACRAMENTO GROUNDWATER AUTHORITY

ADMINISTRATIVE SERVICES MANAGER  
5620 BIRDCAGE STREET, #180  
CITRUS HEIGHTS, CA 95610

PMIA Average Monthly Yields

Account Number:  
90-34-020

Tran Type Definitions

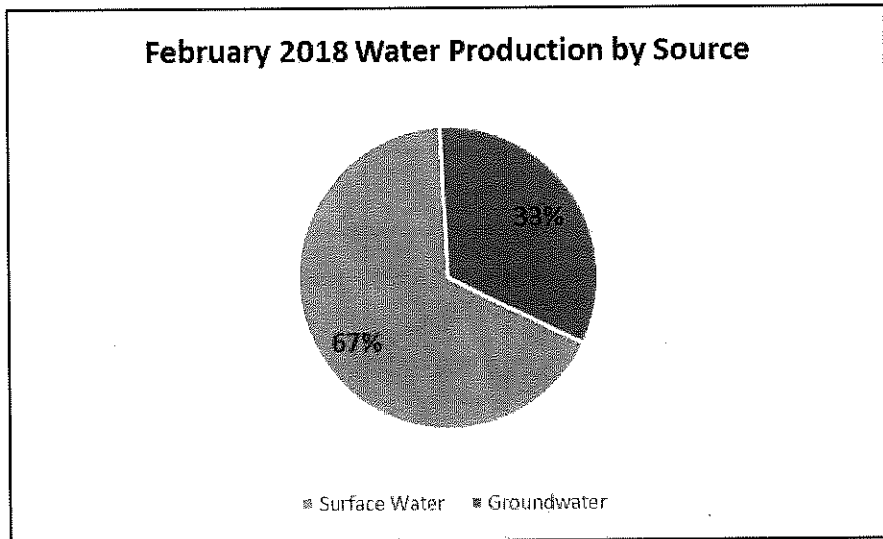
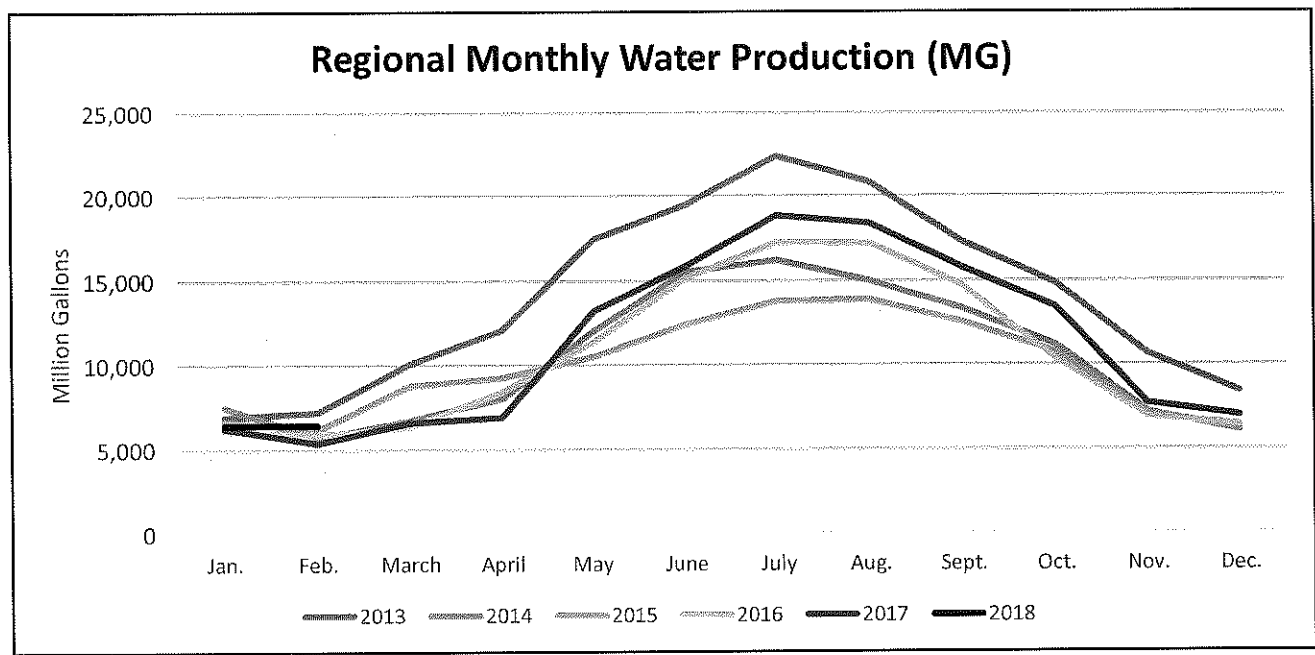
March 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
3/2/2018	3/1/2018	RW	1563667	NANCY MARRIER	-20,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	1,006,279.15
Total Withdrawal:	-20,000.00	Ending Balance:	986,279.15

Regional Monthly Water Production (Million Gallons)												
	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
<b>2018</b>	6,471	6,473										
<b>2017</b>	6,285	5,407	6,620	6,943	13,232	15,858	18,870	18,398	15,765	13,454	7,710	6,998
<b>2016</b>	6,154	5,900	6,354	8,435	11,413	15,136	17,257	17,190	14,696	10,357	6,910	6,407
<b>2015</b>	6,714	6,179	8,781	9,282	10,536	12,419	13,789	13,866	12,560	10,759	7,131	6,217
<b>2014</b>	7,528	5,724	6,741	8,034	12,069	15,536	16,196	14,996	13,357	11,201	7,201	6,090
<b>2013</b>	6,953	7,232	10,094	12,105	17,472	19,483	22,413	20,855	17,311	14,848	10,649	8,430







**PENDING AND COMPLETED ITEMS  
4-16-2018 BOARD OF DIRECTORS MEETING**

1. **Executed the Addendum with Teamsters Local 150:** The necessary revisions to Section 15.5 of the current MOU are fully executed. **Completed**
2. **Land Acquisitions for District Facilities and Well sites:**  
Relating to acquisition of new office facilities, I have had many, many phone calls and e-mails with Twin Rivers Unified School District attempting to finalize a meeting date/time. We initially accepted their only proposed date/time, then they subsequently requested two different start times. **Pending**
3. **North Precinct Project** The District Engineer has been corresponding with Sacramento County Planning and the developer regarding the needed submittals at this stage of planning. **Pending**
4. **Well #16 Subcontractor billing:** The change order form Wood Rodgers form additional costs associated with construction management during the Well #16 drilling has been fully executed. **Complete**
5. **Credit/Debit Card Convenience Fees:** Possible improvements to the District's policies for billing and payment via credit/debit card are on this agenda **Pending** (but with substantive progress).
6. **The Way We've Always Done it:** My dialog with directors and review of past processes has inspired some promising ideas for improvement. **Pending** (but there is light at the end of the tunnel).
7. **Developer Advance Funding to Address RiverArc Membership Costs:** The Developers have responded to my marked up terms sheet. They have concluded (as I originally suggested to them, that the degree of changes warrants starting over. The Developers have requested a meeting, Legal Counsel and I have accepted the meeting. **Pending**
8. **Lien Recording/Releasing fees:** Inspired by outreach from industry advocates (CASA and CSDA), I reviewed the relevant statues for recording fees and SB-2 fees. We will need to Revise Resolution 2018-04 to update the Exhibit and reduce the fees. We need to evaluate actual staff costs associated with processing and releasing liens. We will bring the data and recommendations for revising Resolution 2018-04 to the May Finance/Admin Committee. **Pending**
9. **Stern Letter to Tesco for Disappointing Service:** I have not written the letter, but I have made contact with a related service provider (Inductive Automation) that could resolve the Tesco shortcoming. **Pending**