

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

JANUARY 28, 2019 (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

December 17, 2018

The Board is being asked to approve the Minutes from the December 17, 2018 Regular Board meeting.

Pg. 4 3.2 Expenditures

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

Pg. 7 3.3 Financial Reports

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

4. REGULAR CALENDAR

ITEMS FOR DISCUSSION AND ACTION

Pg. 11 4.1 GM Report

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

Pg. 13 4.2 District Engineer's Report

The District's Engineer Michael Vasquez will provide his monthly report to the Board of Directors

- Pg. 15 4.3 Consider approving fiscal year 2018-19 mid-year budget revisions.
- Pg. 24 4.4 Consider accepting the 1st reading of Ordinance No. 2019-01 - establishing an opt-out policy for inactive service fees and superseding Resolution 2013-08.
- Pg. 29 4.5 Consider approving a method for filling RLECWD Board Member Vacancy in accordance with Government Code §1780.
- Pg. 35 4.6 Consider authorizing discontinuation of District paid credit/debit card convenience fees and directing staff on timing for transition.
- Pg. 37 4.7 Consider authorizing minor revision to the District's Travel Reimbursement Policy to provide for consideration of total cost for meals instead of just the food charge limit.
- Pg. 41 4.8 Consider authorizing allocation of unspent 2015 AMI meter loan proceeds.

5. INFORMATION ITEMS

5.1. DISTRICT ACTIVITY REPORT

- a. Water Operations Report
- b. Conservation Report

5.2. BOARD REPORTS

- a. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
- b. Regional Water Authority – Dills, Shaw
- c. Sacramento Groundwater Authority – Green, Harris
- d. LAFCO - Green
- e. Planning Committee – Dills, Harris
- f. Finance / Administrative Committee – Ridilla, Harris
- g. ACWA/JPIA – Green, Harris
 - 1. ACWA and ACWA-JPIA Fall Conference, November 26th through 30th
- h. AD Hoc Committees
 - 1. MOU Negotiations – Dills, Harris
- i. Other Reports

6. DIRECTORS' AND GENERAL MANAGER COMMENTS

7. ADJOURNMENT

Upcoming meetings:

Planning Committee

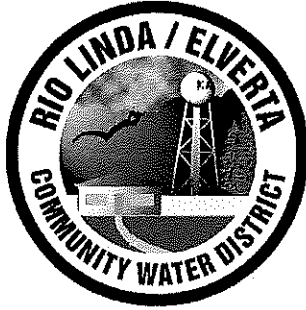
February 1, 2019, Tuesday, 2:00 pm at the Visitor's/Depot Center, 6730 Front Street, Rio Linda, CA 95673.

Finance / Administrative Committee

February 11, 2019, Monday, 6:30 pm at the Visitor's/Depot Center, 6730 Front Street, Rio Linda, CA 95673.

Regular Board Meeting

February 25, 2019, Monday, 6:30 pm at Visitor's /Depot Center, 6730 Front Street, Rio Linda, CA 95673.



**Consent Calendar
Agenda Item: 3.1**

Date: January 28, 2019

Subject: Minutes

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

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

Current Background and Justification:

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

Conclusion:

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

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills:_____ Green:_____ Ridilla:_____ Harris:_____.

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

**MINUTES OF THE
DECEMBER 17, 2018
BOARD OF DIRECTORS REGULAR MEETING
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

2

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

The December 17, 2018 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:30 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 Henrici, Director Ridilla, Director Green and General Manager Tim Shaw were present. Director Henrici led the pledge of allegiance.

2. PUBLIC COMMENT

No public comment.

3. CONSENT CALENDAR

3.1 Minutes

November 19, 2018

3.2 Expenditures

3.3 Financial Reports

No public comment on this item.

It was moved by Director Henrici 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 Election of Officers

No public comment on this item.

It was moved by Director Henrici and seconded by Director Green to nominate Director John Ridilla for President. Directors Henrici, Dills, Green, and Harris voted yes. Director Ridilla abstained. The motion carried with a vote of 4-0-1.

It was moved by Director Ridilla and seconded by Director Dills to nominate Director Paul Green Jr. for Vice-President. Directors Henrici, Dills, Ridilla, and Harris voted yes. Director Green abstained. The motion carried with a vote of 4-0-1.

4.2 Committee Appointments and Board Assignments

Director Henrici asked to not be assigned to any standing committees.

Board President Ridilla made no changes to the Finance and Planning Committees other than Director Harris filling in temporarily on the Finance and Administrative Committee until a new Board Member has been selected.

Board President Ridilla appointed Director Dills as the representative to RWA. Director Ridilla further recommended that he himself be placed as the alternate for ACWA.

No public comment on this item.

It was moved by Director Henrici and seconded by Director Harris to approve all position appointments made by President Ridilla. Directors Henrici, Dills, Ridilla, and Harris voted yes. Director Green abstained. The motion carried with a vote of 4-0-1.

Board President Ridilla appointed Director Dills and Director Harris to remain on the Ad Hoc committee for MOU negotiations.

It was moved by Director Henrici and seconded by Director Ridilla for Director Dills and Harris to remain on the MOU Negotiations Ad Hoc Committee. Directors Henrici, Dills, Ridilla, Green and Harris voted yes. The motion carried with a unanimous vote of 5-0-0.

4.2.1 Authorize 2019 attendance and funding for meetings affiliated with certain assignments, e.g. SGA/RWA holiday social, ACWA conferences etc.

District policy and various statutes governing Director compensation require that attendance by Board Members at meetings and functions be approved in advance by the Board at a public meeting.

No public comment on this item.

It was moved by Director Henrici and seconded by Director Green to authorize attendance and funding for all directors assigned to position appointments like RWA/SGA Holiday Social and ACWA/JPIA Conferences. Directors Henrici, Dills, Ridilla, Harris, and Green voted yes. The motion carried with a unanimous vote of 5-0-0.

4.3 GM Report

GM Shaw provided his written report to the Board.

No public comment on this item.

The Board made no action on this item

4.4 District Engineer's Report

District Engineer Mike Vasquez provided a written report to the Board of projects in the works since the last meeting of the Board. The report highlighted topics of General District Engineering, Well 16 Equipping & Site Design Request for Proposals, Well 10 Hexavalent Chromium Treatment Project, and Connection Fee Adjustment.

No public comment on this item.

The Board made no action on this item

4.5. Consider authorizing annual capacity fee adjustments for inflation by adopting revised Exhibit 1 and Exhibit 2 to Resolution 2018-03.

District Engineer, Michael Vasquez provided a technical memorandum for the recommend increase of +0.7% based on the Engineering News-Records (ENR) Construction Cost Indexes (CCI) for California cities. The District Engineer's Technical Memorandum is included with your Board packets.

Such adjustment is specifically delineated in Resolution No. 2018-03 and Ordinance 2016-01. Accordingly, staff has prepared revisions to Exhibit 1 and Exhibit 2 of Resolution 2018-03 to be considered for approval by the Board.

Included with the revision to Exhibit 2 is an edit to reflect the action taken by the Board in June 2018 to decrease the bi-monthly "Fire Protection Facilities Flat Rate Charge" for 1.5-inch diameter private fire services consequent to the Bartle Wells rates addendum report.

No public comment on this item.

It was moved by Director Henrici and seconded by Director Ridilla to adopt the revised Exhibit 1 and 2 to Resolution No. 2018-03. Directors Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous roll call vote of 5-0-0.

4.6 Consider accepting the Comprehensive Financial Annual Report (CAFR).

The CAFR is a report that discloses data on the District's financial position and operations in a manner designed to enable the reader to gain an understanding of the District's financial activities. This report includes the independent auditor's report, management discussion, statistical data, regional economic data and compliance report.

No public comment on this item.

It was moved by Director Henrici and seconded by Director Dills to accept the Comprehensive Financial Annual Report (CAFR). Directors Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous roll call vote of 5-0-0.

4.7 Consider authorizing participation in California Employer Retiree Benefits Trust (CERBT).

The District currently uses a pay as you go for the District's existing retiree medical obligations. The Finance and Administrative Committee recommends the Board approve pre-funding of the District's existing retiree medical obligation via authorizing participation in the California Employers' Retiree Benefit Trust (CERBT). It is further recommended an initial lump sum allocation from the account informally prescribed to for retiree medical, which is currently invested in the Local Agency Investment Fund (LAIF), approximately \$16,000.

No public comment on this item.

It was moved by Director Dills and seconded by Director Henrici to approve execution of the California Employers' Retiree Benefit Trust (CERBT) Participation Agreement subject to legal review, approve Resolution 2018-10 authorizing participation in CERBT and delegating the authority for document execution and fund disbursement to the General Manager. Directors Henrici, Dills, Green, Harris and Ridilla voted yes. The motion carried with a unanimous vote of 5-0-0.

4.8 Consider approving the Request for Proposals (RFP) for engineering and design services to create plans and specifications for the Well #16 groundwater pumping station.

Request for Proposal (RFP) for engineering and design services to enable bidding for construction of the Well #16 groundwater pumping station.

No public comment on this item.

It was moved by Director Henrici and seconded by Director Ridilla to accept the RFP for engineering and design services to create plans and specifications for Well #16 groundwater pumping station. Henrici, Dills, Harris, and Ridilla voted yes. Director Green voted no. The motion carried with a vote of 4-1-0.

5. INFORMATION ITEMS

5.1. DISTRICT ACTIVITY REPORT

- a. Water Operations Report
- b. Conservation Report

5.2. BOARD REPORTS

- a. Report any ad hoc committees dissolved by requirements in Policy 2.01.065.
- b. Regional Water Authority – No Meeting
- c. Sacramento Groundwater Authority – Agenda, Executive Summary, written report provided.
- d. LAFCO – Green – Green stated nothing to report.
- e. Planning Committee – Dills, Harris – Minutes provided.
- f. Finance / Administrative Committee – Minutes provided.
- g ACWA/JPIA – Green, Harris
 - 1. ACWA and ACWA-JPIA Fall Conference, November 26th through 30th
Director Harris provided a written report. Director Green gave a verbal report on information he brought back from the ACWA-JPIA Conference, and passed on to the GM.
- h. AD Hoc Committees
 - 1. MOU Negotiations – Dills, Harris
- i. Other Reports

6. DIRECTORS' AND GENERAL MANAGER COMMENTS

Director Henrici announced she was resigning from the Board of Directors effective January 13, 2019. President Ridilla thanked Director Harris for her reign as President for the last year and Director Henrici for all her work on behalf of the community and District over the last 7 years.

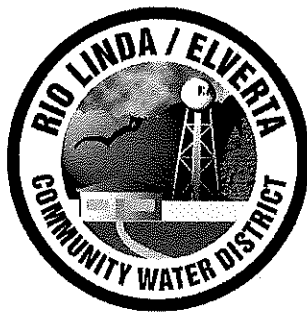
7. ADJOURNMENT

President Ridilla adjourned the meeting at 7:50 p.m.

Respectfully submitted,

Timothy R. Shaw, Secretary

John Ridilla, President of the Board



Consent Calendar Agenda Item: 3.2

Date: January 28, 2019

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 December 2018.

Current Background and Justification:

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

Conclusion:

I recommend the Board approve the Expenditures for December 2018.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills: _____ Green: _____ Ridilla: _____ Harris: _____.

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

Rio Linda Elverta Community Water District
Other Accounts Expenditure Report
 December 2018

Type	Date	Num	Name	Memo	Amount
Liability Check	12/04/2018	EFT	QuickBooks Payroll Service	For PP Ending 11/30/2018 Paydate 12/05/2018	17,449.25
Liability Check	12/05/2018	EFT	CalPERS	For PP Ending 11/30/2018 Paydate 12/05/2018	1,714.81
Liability Check	12/05/2018	EFT	CalPERS	For PP Ending 11/30/2018 Paydate 12/05/2018	1,830.99
Liability Check	12/05/2018	EFT	California State Disbursement Unit	Employee Garnishment	397.50
Liability Check	12/05/2018	EFT	Nationwide	Employee Benefits	1,186.89
Bill Pmt -Check	12/05/2018	EFT	Adept Solutions	Computer Maintenance	1,419.00
Bill Pmt -Check	12/05/2018	EFT	Comcast	Phone/Internet	416.60
Bill Pmt -Check	12/05/2018	EFT	Sprint	Field Communication	528.23
Bill Pmt -Check	12/05/2018	EFT	Republic Services	Utilities	87.86
Bill Pmt -Check	12/05/2018	EFT	Voyager Fleet Commander	Transportation Fuel	1,057.48
Liability Check	12/05/2018	EFT	Internal Revenue Service	Employment Taxes	5,931.72
Liability Check	12/05/2018	EFT	Employment Development	Employment Taxes	1,223.02
Paycheck	12/05/2018	5706	Employee	For PP Ending 11/30/2018 Paydate 12/05/2018	277.05
Liability Check	12/05/2018	5707	Franchise Tax Board	Employee Garnishment	376.33
Check	12/05/2018	5708	RLECWD	Umpqua Bank Monthly Debt Service Transfer	16,500.00
Bill Pmt -Check	12/05/2018	5709	ACWA/JPIA	Employee Benefits	23.50
Bill Pmt -Check	12/05/2018	5710	BSK Associates	Lab Fees	2,415.00
Bill Pmt -Check	12/05/2018	5711	Buckmaster Office Solutions	Office Equipment	116.55
Bill Pmt -Check	12/05/2018	5712	Cintas Corporation	Safety	37.01
Bill Pmt -Check	12/05/2018	5713	Coleman Engineering	Engineering	3,167.00
Bill Pmt -Check	12/05/2018	5714	Corix Water Products	Distribution Supplies	1,078.06
Bill Pmt -Check	12/05/2018	5715	O'Reilly Automotive	Transportation Maintenance	23.63
Bill Pmt -Check	12/05/2018	5716	Regional Water Authority	Meeting Expense	140.00
Bill Pmt -Check	12/05/2018	5717	Rio Linda Hardware and Building Supply	Shop Supplies	163.01
Bill Pmt -Check	12/05/2018	5718	Sacramento Business Journal	Subscription	90.00
Bill Pmt -Check	12/05/2018	5719	Sierra Chemical Company	Chemical Supplies	811.80
Bill Pmt -Check	12/05/2018	5720	SMUD	Utilities	15,295.86
Bill Pmt -Check	12/05/2018	5721	State Water Resource Control Board	Permit	300.00
Bill Pmt -Check	12/05/2018	5722	UniFirst Corporation	Uniform Expense	190.28
Bill Pmt -Check	12/05/2018	5723	Vanguard Cleaning Systems	Janitorial	195.00
Bill Pmt -Check	12/05/2018	5724	BEC Appraisal & Consulting	Capital Improvement: Well 16	1,400.00
Liability Check	12/15/2018	EFT	AFLAC	Employee Benefits	738.92
Liability Check	12/19/2018	EFT	QuickBooks Payroll Service	For PP Ending 12/15/18 Pay date 12/20/18	16,299.46
Liability Check	12/20/2018	EFT	CalPERS	For PP Ending 12/15/18 Pay date 12/20/18	1,603.58
Liability Check	12/20/2018	EFT	CalPERS	For PP Ending 12/15/18 Pay date 12/20/18	1,764.37
Liability Check	12/20/2018	EFT	Internal Revenue Service	Employment Taxes	5,429.32
Liability Check	12/20/2018	EFT	Employment Development	Employment Taxes	1,086.61
Liability Check	12/20/2018	EFT	Kaiser Permanente	Employee Benefits	684.86
Liability Check	12/20/2018	EFT	Nationwide	Employee Benefits	1,090.50
Liability Check	12/20/2018	EFT	Principal	Employee Benefits	1,483.03
Liability Check	12/20/2018	EFT	Western Health Advantage	Employee Benefits	10,939.43
Liability Check	12/20/2018	EFT	California State Disbursement Unit	Employee Garnishment	397.50
Check	12/20/2018	EFT	RLECWD - Capital Improvement	Current Monthly Transfer	42,000.00
Check	12/20/2018	EFT	RLECWD - SURCHARGE ACCOUNT 1	Current Monthly Transfer	44,985.50



Rio Linda Elverta Community Water District
Other Accounts Expenditure Report
 December 2018

Type	Date	Num	Name	Memo	Amount
Check	12/20/2018	EFT	RLECWD - SURCHARGE ACCOUNT 2	Current Bi-Monthly Transfer	72,751.10
Check	12/20/2018	EFT	RLECWD - Operating	Transfer funds for Security Deposits paid with Credit Card	1,200.00
Check	12/20/2018	EFT	RLECWD - Capital Improvement	Transfer Capacity Fees to Capital Improvement	14,062.01
Bill Pmt -Check	12/20/2018	EFT	Bankcard Center 2911	Computer, Meetings, Office, Postage	2,422.86
Bill Pmt -Check	12/20/2018	EFT	Bankcard Center 4506	Uniform	177.79
Bill Pmt -Check	12/20/2018	EFT	Verizon	Field Communication, Field IT	262.96
Paycheck	12/20/2018	5725	Employee	For PP Ending 12/15/18 Pay date 12/20/18	92.35
Liability Check	12/20/2018	5726	Teamsters Local #150	Union Dues	661.00
Check	12/20/2018	5727	Sacramento County Clerk/Recorder	Lien Fees	131.00
Check	12/20/2018	5728	Customer	Final Bill Overpayment Refund	110.93
Check	12/20/2018	5729	Customer	Final Bill Overpayment Refund	94.33
Check	12/20/2018	5730	Customer	Final Bill Overpayment Refund	98.96
Bill Pmt -Check	12/20/2018	5731	BSK Associates	Lab Fees	360.00
Bill Pmt -Check	12/20/2018	5732	Churchwell White	Legal Fees	6,565.80
Bill Pmt -Check	12/20/2018	5733	CoreLogic Solutions	Metro Scan	134.75
Bill Pmt -Check	12/20/2018	5734	Corix Water Products	Shop Supplies	74.90
Bill Pmt -Check	12/20/2018	5735	County of Sacramento	Election	2,008.00
Bill Pmt -Check	12/20/2018	5736	County of Sacramento	Permit Fees	87.00
Bill Pmt -Check	12/20/2018	5737	DirectHit Pest Control	Building Maintenance	75.00
Bill Pmt -Check	12/20/2018	5738	Energy Systems	Pump Maintenance	1,305.81
Bill Pmt -Check	12/20/2018	5739	GM Construction & Developers	Contract Repairs	1,200.00
Bill Pmt -Check	12/20/2018	5740	Government Finance Office Association	CAFR Financial Award Application	370.00
Bill Pmt -Check	12/20/2018	5741	Henrici, Mary	Retiree Insurance	900.00
Bill Pmt -Check	12/20/2018	5742	O'Reilly Automotive	Pump Maintenance	123.01
Bill Pmt -Check	12/20/2018	5743	PG&E	Utilities	81.72
Bill Pmt -Check	12/20/2018	5744	Quill	Office Expense	361.74
Bill Pmt -Check	12/20/2018	5745	Rio Linda Elverta Recreation & Park	Meeting Fees	50.00
Bill Pmt -Check	12/20/2018	5746	Sacramento Metropolitan AQMD	Permit Fees	5,673.00
Bill Pmt -Check	12/20/2018	5747	Spok, Inc.	Field Communication	15.19
Bill Pmt -Check	12/20/2018	5748	Vanguard Cleaning Systems	Janitorial	195.00
Bill Pmt -Check	12/20/2018	5749	Water Rite Products	Pump Maintenance	43.16
Total 10000 - Bank - Operating Account					316,035.88

Accrual Basis

Rio Linda Elverta Community Water District
Other Accounts Expenditure Report
December 2018

10100 - Security Deposits

Type	Date	Num	Payee	Memo	Amount
Check	12/20/2018	EFT	RLECWD - Operating Account	November 2018 Security Deposits Applied	2,500.00

10100 - Security Deposits

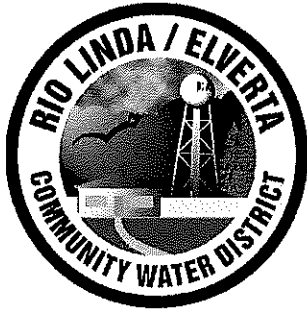
2,500.00

Type	Date	Num	Payee	Memo	Amount
Check	12/05/2018	EFT	RLECWD - Operating	Transfer see operating checks numbers 5724	1,400.00
Check	12/20/2018	EFT	RLECWD - Operating	Transfer see operating checks numbers 5559, 5676, 5582	29,609.50

10455 - Capital Improvement Reserve

31,009.50





**Consent Calendar
Agenda Item: 3.3**

Date: January 28, 2019

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 December 2018.

Current Background and Justification:

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

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

Conclusion:

I recommend the Board approve the Financial Reports for December 2018.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills:___ Green:___ Ridilla:___ Harris:___.

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

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



ASSETS	
Current Assets	
Checking/Savings	
100 · Cash & Cash Equivalents	
10000 · Operating Account	
10005 · Operating Fund	441,878.98
10010 · Operating Reserve Fund	250,000.00
Total 10000 · Operating Account	691,878.98
10100 · Trust/Security Deposit Account	43,422.00
10450 · Capital Improvement	
10455 · Capital Improvement Fee Reserve	853,618.90
10460 · Vehicle Replacement Reserve	10,000.00
10465 · Cr6 Project	11,026.90
Total 10450 · Capital Improvement	874,645.80
10600 · LAIF GASB 45	16,156.16
Total 100 · Cash & Cash Equivalents	1,626,102.94
102 · Restricted Assets	
102.1 · Restricted Capital Improvements	
10700 · ZIONS Inv/Surcharge Reserve	496,314.17
Total 102.1 · Restricted Capital Improvements	496,314.17
102.2 · Restricted for Debt Service	
10300 · Surcharge 1 Account	755,396.24
10325 · Community Business Bank	83,266.61
10350 · Umpqua Bank	53,445.77
10350 · Surcharge 2 Account	489,659.69
Total 102.2 · Restricted for Debt Service	1,381,768.31
Total 102 · Restricted Assets	1,878,082.48
Total Checking/Savings	3,504,185.42
Accounts Receivable	2,443.97
Other Current Assets	
12000 · Water Utility Receivable	91,427.33
12200 · Accrued Revenue	150,000.00
12250 · Accrued Interest Receivable	1,662.64
15000 · Inventory Asset	95,018.40
16000 · Prepaid Expense	73,899.67
Total Other Current Assets	412,008.04
Total Current Assets	3,918,637.43
Fixed Assets	
17000 · General Plant Assets	712,766.63
17100 · Water System Facilities	20,717,058.49
17300 · Intangible Assets	373,043.42
17500 · Accum Depreciation & Amort	-8,702,559.39
18000 · Construction in Progress	1,250,105.87
18100 · Land	496,673.45
Total Fixed Assets	14,847,088.47
Other Assets	
19000 · Deferred Outflows	347,606.00
19900 · Suspense Account	-185.33
Total Other Assets	347,420.67
TOTAL ASSETS	19,113,146.57

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

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable	26,150.00
Credit Cards	750.09
Other Current Liabilities	526,061.07

Total Current Liabilities	552,961.16
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Long Term Liabilities

23000 · OPEB Liability	262,349.00
23500 · Lease Buy-Back	755,052.27
25000 · Surcharge 1 Loan	4,536,774.26
25050 · Surcharge 2 Loan	99,140.82
26000 · Water Rev Refunding	2,091,606.00
27000 · Community Business Bank	342,485.52
29000 · Net Pension Liability	1,033,555.00
29500 · Deferred Inflows-Pension	33,279.00
29600 · Deferred Inflows-OPEB	8,293.00

Total Long Term Liabilities	9,162,534.87
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Total Liabilities	9,715,496.03
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Equity

31500 · Invested in Capital Assets, Net	7,519,910.46
32000 · Restricted for Debt Service	699,786.24
38000 · Unrestricted Equity	642,702.76
Net Income	535,251.08

Total Equity	9,397,650.54
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TOTAL LIABILITIES & EQUITY	19,113,146.57
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Rio Linda Elverta Community Water District
Operating Profit & Loss Budget Performance
 December 2018

9

	Annual Budget	Dec 18	Jul-Dec 18	% of Annual Budget	YTD Annual Budget Balance
Ordinary Income/Expense					
Income					
Total 40000 · Operating Revenue	2,664,429.00	166,295.48	1,318,034.93	49.47%	1,346,394.07
41000 · Nonoperating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	400.00	14.93	192.58	48.15%	207.42
Total 41110 · Investment Revenue	400.00	14.93	192.58	48.15%	207.42
41120 · Property Tax	70,000.00	710.23	2,656.55	3.80%	67,343.45
Total 41000 · Nonoperating Revenue	70,400.00	725.16	2,849.13	4.05%	67,550.87
Total Income	2,734,829.00	167,020.64	1,320,884.06	48.30%	1,413,944.94
Gross Income	2,734,829.00	167,020.64	1,320,884.06	48.30%	1,413,944.94
Expense					
60000 · Operating Expenses					
60010 · Professional Fees	163,331.00	6,375.80	86,051.40	52.69%	77,279.60
60100 · Personnel Services					
60110 · Salaries & Wages	665,414.00	49,943.19	293,985.19	44.18%	371,428.81
60150 · Employee Benefits & Expense	451,439.00	32,677.07	195,503.18	43.31%	255,935.82
Total 60100 · Personnel Services	1,116,853.00	82,620.26	489,488.37	43.83%	627,364.63
60200 · Administration	254,977.00	17,852.45	142,850.33	56.03%	112,126.67
64000 · Conservation	6,748.00	0.00	5,733.00	84.96%	1,015.00
65000 · Field Operations	428,175.00	-4,330.82	182,131.92	42.54%	246,043.08
Total 60000 · Operating Expenses	1,970,084.00	102,517.69	906,255.02	46.00%	1,063,828.98
69000 · Non-Operating Expenses					
69010 · Debt Service					
69100 · Revenue Bond					
69105 · Principle	133,163.00	0.00	53,163.00	39.92%	80,000.00
69110 · Interest	65,726.00	0.00	33,260.30	50.60%	32,465.70
Total 69100 · Revenue Bond	198,889.00	0.00	86,423.30	43.45%	112,465.70
69125 · AMI Meter Loan					
69130 · Principle	46,818.00	0.00	23,228.99	49.62%	23,589.01
69135 · Interest	11,696.00	0.00	6,027.97	51.54%	5,668.03
Total 69125 · AMI Meter Loan	58,514.00	0.00	29,256.96	50.00%	29,257.04
Total 69010 · Debt Service	257,403.00	0.00	115,680.26	44.94%	141,722.74
69400 · Other Non-Operating Expense	2,000.00	0.00	0.00	0.00%	2,000.00
Total 69000 · Non-Operating Expenses	259,403.00	0.00	115,680.26	44.60%	143,722.74
Total Expense	2,229,487.00	102,517.69	1,021,935.28	45.84%	1,207,551.72
Net Ordinary Income	505,342.00	64,502.95	298,948.78		
Net Income	505,342.00	64,502.95	298,948.78		

CAPITAL BUDGET VS ACTUAL FISCAL YEAR 2018-2019
July through December 2018

	GENERAL		CONNECTIONS		CHROMIUM MITIGATION & NEW WELLS		VEHICLE REPLACEMENT	
BEGINNING FUND BALANCE	\$ 1,426,064.00	\$ 1,426,064.00	\$ 129,988.00	\$ 129,988.00	\$ (454,317.00)	\$ (454,317.00)	\$ -	\$ -
	Annual Budget	YTD Actual	Annual Budget	YTD Actual	Annual Budget	YTD Actual	Annual Budget	YTD Actual
FUNDING SOURCES								
Fund Transfers								
Operating Fund Transfers In	500,000.00	250,000.00	-	-	-	-	-	-
CIP Fund Intrafund Transfers	(10,000.00)	(10,000.00)	-	-	-	-	10,000.00	10,000.00
Surcharge 2 Surplus Repayment	-	-	-	-	435,752.00	-	-	-
Contributed Funding								
Capacity Fee Revenue	-	-	40,000.00	28,124.02	-	-	-	-
Contributed Facilities (Developers)	-	-	-	-	-	-	-	-
Grant Revenue	-	-	-	-	20,000.00	-	-	-
Loan Proceeds-OPUS Bank	-	-	-	-	2,468,239.00	-	-	-
Investment Revenue	350.00	323.82	-	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-	-	-	-
TOTAL FUNDS AVAILABLE FOR CIP PROJECTS	1,916,414.00	1,666,387.82	169,988.00	158,112.02	2,469,674.00	(454,317.00)	10,000.00	10,000.00
PROJECTS								
A - WATER SUPPLY								
A-1 - Well 10 - Cr6 Treatment	-	-	-	-	40,000.00	-	-	-
A-2 - Well 16	-	-	-	-	2,448,239.00	2,800.00	-	-
A-3 - Well 17	25,000.00	-	-	-	-	-	-	-
A-4 - Miscellaneous Pump Replacements	40,000.00	-	-	-	-	-	-	-
Total A - WATER SUPPLY	65,000.00	-	-	-	2,488,239.00	2,800.00	-	-
B - WATER DISTRIBUTION								
B-1 - System Valve Replacements	35,000.00	-	-	-	-	-	-	-
B-2 - Paving Replacements	25,000.00	-	-	-	-	-	-	-
B-3 - Service Replacements	30,000.00	29,609.50	-	-	-	-	-	-
B-4 - Large Meter Replacements	5,000.00	-	-	-	-	-	-	-
Total B - WATER DISTRIBUTION	95,000.00	29,609.50	-	-	-	-	-	-
M - GENERAL PLANT ASSETS								
M-1 - Ice Machine	3,500.00	2,803.96	-	-	-	-	-	-
M-2 - Billing Software Upgrade	25,000.00	25,000.00	25,000.00	5,138.50	-	-	-	-
Total M - GENERAL PLANT ASSETS	28,500.00	27,803.96	25,000.00	5,138.50	-	-	-	-
FO - PROJECTS FUNDED BY OTHERS								
TOTAL FO - PROJECTS FUNDED BY OTHERS	-	-	-	-	-	-	-	-
C - CONTINGENCY								
C-1 - Contingency (10% of Est A,B,M, & FO)	18,850.00	-	2,500.00	-	248,823.90	-	-	-
TOTAL BUDGETED PROJECT EXPENDITURES	207,350.00	57,413.46	27,500.00	5,138.50	2,737,062.90	2,800.00	-	-
ENDING FUND BALANCE	\$ 1,709,064.00	\$ 1,608,974.36	\$ 142,488.00	\$ 152,973.52	\$ (267,388.90)	\$ (457,117.00)	\$ 10,000.00	\$ 10,000.00

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

10

	<u>Annual Budget</u>	<u>Dec 18</u>	<u>Jul-Dec 18</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
Income					
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41111 · Dividend Revenue	0.00	337.71	630.13	100.0%	-630.13
41112 · Interest Revenue	8,000.00	2,317.09	4,584.23	57.3%	3,415.77
41113 · Market Value Adjustment	0.00	219.80	751.05	100.0%	-751.05
	<u>8,000.00</u>	<u>2,874.60</u>	<u>5,965.41</u>	<u>74.57%</u>	<u>2,034.59</u>
43010 · Surcharge 1 Revenue	<u>523,374.00</u>	<u>87,605.52</u>	<u>202,915.00</u>	<u>38.77%</u>	<u>320,459.00</u>
Total Income	<u>531,374.00</u>	<u>90,480.12</u>	<u>208,880.41</u>	<u>39.31%</u>	<u>322,493.59</u>
Gross Income	531,374.00	90,480.12	208,880.41	39.31%	322,493.59
Expense					
69150 · Surcharge (SRF)					
69155 · Principle	342,540.00	0.00	0.00	0.0%	342,540.00
69160 · Interest	118,814.00	0.00	0.00	0.0%	118,814.00
69170 · Admin Fees	2,210.00	539.11	1,075.91	48.68%	1,134.09
Total 69150 · Surcharge (SRF)	<u>463,564.00</u>	<u>539.11</u>	<u>1,075.91</u>	<u>0.23%</u>	<u>462,488.09</u>
Total Expense	<u>463,564.00</u>	<u>539.11</u>	<u>1,075.91</u>		
Net Income	<u>67,810.00</u>	<u>89,941.01</u>	<u>207,804.50</u>		

**Rio Linda Elverta Community Water District
Surcharge 2 Profit & Loss Budget Performance
December 2018**

	<u>Annual Budget</u>	<u>Dec 18</u>	<u>Jul-Dec 18</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
Income					
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	20.00	33.23	47.89	239.45%	-27.89
	<u>20.00</u>	<u>33.23</u>	<u>47.89</u>	<u>239.45%</u>	<u>-27.89</u>
43050 · Surcharge 2 Revenue	439,019.00	72,866.39	157,210.11	35.81%	281,808.89
Total Income	<u>439,039.00</u>	<u>72,899.62</u>	<u>157,258.00</u>	<u>35.82%</u>	<u>281,781.00</u>
Gross Income	439,039.00	72,899.62	157,258.00	35.82%	281,781.00
Expense					
69175 · Surcharge 2 Loan					
69180 · Principle	195,000.00	0.00	90,000.00	46.15%	105,000.00
69185 · Interest	136,038.00	0.00	1,856.08	1.36%	134,181.92
Total 69175 · Surcharge 2 Loan	<u>331,038.00</u>	<u>0.00</u>	<u>91,856.08</u>	<u>27.75%</u>	<u>239,181.92</u>
Total Expense	<u>331,038.00</u>	<u>0.00</u>	<u>91,856.08</u>		
Net Income	<u>108,001.00</u>	<u>72,899.62</u>	<u>65,401.92</u>		



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

Date: January 28, 2019
Subject: General Manager's Report
Staff Contact: Timothy R. Shaw

Recommended Committee Action:

N/A this item is not reviewed by committee.

Current Background and Justification:

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

Conclusion:

No Board action is anticipated for this item.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills: _____ Green: _____ Ridilla: _____ Harris: _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.1

Date

Initial Potential Meeting Date

1/28/19

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

General Managers Report

Staff Work Completed

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

1/25/19

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

1/25/19

Actual Meeting Date Set for Agenda Item

1/28/19



Date: January 28, 2019

Subject: **General Manager Report**

Staff Contact: Timothy R. Shaw, General Manager

For the given month, I participated in the following reoccurring meetings and special events: For this reporting period, there was a resumption of efforts for negotiating an MOU renewal. Holidays routine (staffing and consultant availability) are a partial factor for the absence of progress since the November 27th meeting with Teamster Local 150. There were also considerable resource applied for completing all contract documents for District participation in the California Employers Retiree Benefit Trust (CERBT) for pre-funding the District's existing obligation of retiree medical insurance. This afternoon, I received the fully executed contracts from CERBT.

1. On December 19th (morning), I had some superficial, introductory dialog with the Division of Drinking Water (DDW) who was conducting our annual inspection. On January 9th, we received the written report, which is quite favorable and warrants acknowledgement of the staff's performance in providing clean, safe, potable drinking water. The entire report is quite voluminous, so I've included the Overall System Appraisal in your Board packets under agenda item 5.1.
2. I was away from the Office from December 24th through January 1st.
3. On January 4th, we had a meeting with Tesco, Adept Solutions and Inductive Automation to resolve the long-standing issue impacting our ability to access historian reports from our SCADA system. Inductive Automation, a key attendee, was scheduled to participate in the meeting remotely via a Virtual Private Network (VPN). Upon meeting inception, we became aware that the VPN was not functioning properly, and that issue needed to be resolved first, before the historian issues could be resolved. Adept solutions and Tesco reviewed the hardware components associated with the VPN issue, and Adept solutions planned for (and eventually executed) a configuration repair to restore VPN functionality. Tesco is currently working to reschedule the meeting with Inductive Automation, the District and Adept Solutions to resolve the historian issue.
4. On January 7th I met with Pat Goyet and Deborah Denning to review budgeted spending compared to actual spending. This was to enable recommendation to the Finance Committee for the mid-year budget revision process.

5. On January 8th, I met with the 8 General Managers from water agencies within the regions to continue exploring the feasibility of inter-agency cooperation. This meeting was more focused and productive than past meetings.
6. On January 9th, I participated in the RWA Regional Water Reliability group meeting. The group is collective feedback from member agencies on the focus of the group and member agency comfort with the draft funding allocations.
7. On January 10th, Director Dills and I attended the RWA Board meeting. This meeting is the annual election of Executive Committee members. It has shown to be a somewhat protracted, complex process. Director Dills and I both excepted ourselves from consideration for Executive Committee. We were not alone.
8. On January 15th I met with Nobel Systems to explore the Districts need for Geographic Information System software. This contact was derived from District attendance at the ACWA fall conference.
9. On January 16th (morning) I attended the RWA Legislative Advocacy group meeting. There are some impactful legislative decisions coming our way soon. Examples include a water tax, water service termination procedures, water affordability, and water use efficiency mandates.
10. On January 16th (afternoon), I met with Thomas Ross of Diehl meters. This contact was also derived from District attendance and the ACWA fall conference. There may be some elements of the Diehl meters worth testing.
11. On January 18th, the RLECWD MOU Renewal Ad Hoc Committee met to review the counter proposal received from Teamster Local 150 and direct a response.
12. On January 21st, I met with Inland Business Systems to review the Districts needs (if any) for their office equipment options.

Other initiatives in progress are:

We need to start focusing some attention/resources on establishing thorough procedures and written practices for starting and stopping water service. This will serve as a solid base for the changes the California legislature has already adopted (with effective dates coming).



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

Date: January 28, 2019
Subject: District Engineer's Report
Staff Contact: Mike Vasquez, District Engineer

Recommended Committee Action:

N/A this item is not discussed at committees.

Current Background and Justification:

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

Conclusion:

There is no Board action anticipated for this item.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills: _____ Green: _____ Ridilla: _____ Harris: _____

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

RLECWD Agenda Item Checklist

Item 4.2

Date

Initial Potential Meeting Date

1/28/19

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

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.

1/24/19

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

1/25/19

Actual Meeting Date Set for Agenda Item

1/28/19

24 January 2019

DISTRICT ENGINEER'S REPORT

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

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

Subject: **District Engineer's Report for the 28 January 2019 Board Meeting
(EKI Project No. B800130.00)**

The District Engineer is pleased to submit this brief update of duties and tasks performed for the period of 14 December 2018 to 23 January 2019:

1. General District Engineering:

- Prepared a District Engineer's Report for and attended the District Board Meeting on 12/17/2018.
- Met the General Manager and Operations Superintendent at Herold & Mielenz Inc. on 12/18/2018 to review the cause of motor failure at Well 7. Reviewed specification sheets for power conditioning components to be included at Well 7 to assist with premature motor failure due to power spikes and provided an opinion to the Operations Superintendent on their effectiveness.
- Met with the General Manager and Operations Superintendent on 1/8/2019 to discuss general District Engineering assignments.
- Discussed the Elverta Specific Plan Water Supply Strategy, Sacramento County PF-8 compliance, and a water master plan update with the General Manager.
- Independently reviewed budget to actual report for midyear budget revision.
- Continued to review work products and other deliverables provided by the previous District Engineer as needed.

2. Development Plan Review:

- Reviewed conditions of approval for the Elverta 59.5 South subdivision and submitted comments to the General Manager.
- Reviewed improvement plans for the 6221 16th Street development and met with the General Manager and Operations Superintendent on 1/8/2019 to discuss review findings.

3. Well 16 Equipping and Site Design Request for Proposals:

- Presented the Request for Proposals (RFP) to the District Board at the 12/17/2018 Board Meeting requesting approval from the Board for authorization to publicly advertise the

Formerly known as Erler & Kalinowski, Inc.

RFP and request proposals from engineering consultants for design, bidding and engineering support during construction services for the equipping and site design of Well 16. The RFP was approved by the District Board to be publicly advertised.

- Sent the approved RFP to District Staff to publicly advertise it on the District's website on 12/18/2018. The RFP was also referenced on the Integrated Marketing Systems (IMS) RFP notification website.
- Sent the RFP directly to multiple local consultants for their consideration on 12/18/2018.
- Took inquiries from consultants interested in proposing on the project.
- Conducted a mandatory pre-proposal meeting for interested consultants at the District Office on 1/8/2019 to describe the project and respond to questions. Toured the Well 15 and Well 16 sites with interested consultants for them to gain familiarity with existing District water system facilities and the proposed Well 16 site. Representatives from six firms attended.
- Prepared and distributed a formal RFP addendum on 1/17/2019 to the pre-proposal meeting attendees with answers to questions and clarifications to the RFP.
- Coordinated with the County of Sacramento regarding possible frontage improvement requirement along the Well 16 site and possible discharge to waste requirements.
- Proposals are due on 2/1/2019 at 2 PM, and a recommendation on selection of the most qualified consultant will be made to the District Board at the 2/25/2019 Board Meeting.

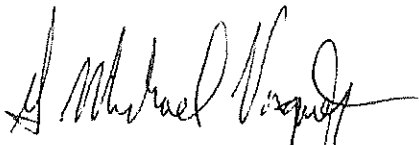
4. Well 10 Hexavalent Chromium Treatment Project:

- The quarterly report with updated project schedule and budget for the period of 9/1/2018 to 11/30/2018 was submitted to the Regional Water Authority on 12/17/2018.
- Spoke with the Regional Water Authority on 1/22/2019 and was informed that our submitted quarterly report met expectations.

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

Very truly yours,

EKI ENVIRONMENT & WATER, INC.



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



Items for Discussion and Action Agenda Item: 4.3

Date: January 28, 2019
Subject: FY 2018-19 Mid-Year Budget Review
Staff Contact: Timothy R. Shaw

Recommended Committee Action:

The Finance and Administrative Committee reviewed the FY 2018-19 Mid-Year Budget and directed staff to make adjustments and forward their recommendation to the January 28, 2018 Board agenda for consideration.

Current Background and Justification:

In accordance with the District's established practice and the direction provided to staff by the Finance/Administrative Committee, staff prepared a report comparing the FY 2018/2019 budgeted costs and revenues to the actual costs and revenues. The process supports and enables a mid-year budget revision.

At the same meeting of the Finance/Admin Committee on January 14th, tangible budget items were discussed and directed by the Committee. One such tangible budget item is the unspent 2015 AMI meter loan proceeds. The 2015 AMI meter loan from Holman Capital includes Terms and Conditions that were accepted by the Board. Among those terms are provisions that stipulate the Board must spend the loan proceeds within 3-years (terminating in 2018) and further stipulate that Holman Capital must approve the District requested uses of the proceeds for specified capital improvements.

In June of 2018, the Board following substantial consideration by the Finance/Admin Committee, approved partial allocation of the unspent 2015 AMI loan proceeds. The unspent proceeds were then approximately \$93,000. The Board authorized a portion of the \$93,000 for a new multi-function office printer and a share of the cost for new CUSI billing software. In June 2018, the Finance/Admin Committee recommended, and the Board agreed to preserve the remaining balance for funding water customer consumption software if the new billing software Customer Web Portal did not provide sufficient performance to obviate the need for additional consumption software. Holman Capital was informed and approved our loan proceed allocation and further approve the District's justification for extending the 3-year limit for allocating the unspent loan proceeds.

The new CUSI billing software and associated Customer Web Portal are online and have been confirmed to obviate the need for further customer consumption presentment software. Accordingly, the Board must now allocate the remaining balance of unspent AMI loan proceeds. Such Board authorized allocation must then meet the approval of Holman Capital. The January 14th Finance/Admin Committee had a somewhat divisive discussion on the next, best steps. The Finance/Admin Committee directions were incorporated into one of the options (Option 2) of the capital budget. However, upon further analysis, the Committee direction and corresponding capital budget Option 2 does not meet the above described objectives and terms for the AMI loan restrictions. Option 2 allocates \$10,000 to replace the existing donated analog phone system with a digital voice over internet protocol (VOIP) phone system and place the remaining \$48,000 into the vehicle replacement fund for a future (unspecified date) vehicle(s) purchase. Staff reasonably believes that Option 2 will not receive approval by Holman Capital and does not comply with the restrictions of the municipal loan terms.

Capital budget revision Option 1 was prepared in response to the above described short-comings of Option 2. Clearly, the AMI meter loan terms places restrictions on allocation of unspent loan proceeds and further charges interest on the proceeds even though they remain unspent. Last June, when the Board authorized and Holman approved partial funding of the CUSI billing software, the remaining funding for the billing software was to come from capacity fees. Option 1 revises that approach. Option 1 in the capital budget designates the billing software cost share originally funded by capacity fees to be fully funded by AMI meter loan proceeds. This restores available funds in the capacity fees account, which is relatively less restrictive on the timing requirements for allocation. The AMI loan proceeds, after fully funding the CUSI billing software, are then allocated to vehicle replacement (for a purchase now, not someday in the future) and new office equipment (e.g. new phone system). The numbers balance summary is (using round numbers):

Revenue	Spending
\$93,000	\$43,000 CUSI Billing software (purchased/ not yet fully paid)
	\$30,000 vehicle replacement
	\$10,000 Multi-Function Printer (purchased Aug 2018)
	\$10,000 Office Equipment (e.g. new phone system)
Total \$93,000 in revenue	Total \$93,000 in spending

The rest of the budget revisions are relatively minor and illustrate the merits of considering a future Board action to authorize the General Manager to make small line item budget revisions which do not increase total spending and are reported to and reviewed by the Board.

Conclusion:

I recommend the Board approve the fiscal year 2018/2019 mid-year budget revision with Option 1 for the capital budget revision. I further recommend the Board direct staff to inform Holman Capital of the Board authorized allocation of unspent AMI meter loan proceeds to seek Homan’s approval.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills: _____ Green: _____ Ridilla: _____ Harris: _____.

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

RLECWD Agenda Item Checklist

Item 4.3

Date

Initial Potential Meeting Date

1/28/19

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

FY 2018-19 Mid-Year Budget Review

Staff Work Completed

1/11/19

(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

1/14/19

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

1/25/19

Actual Meeting Date Set for Agenda Item

1/28/19

Tim Shaw

Subject: FW: Request for Approval

From: Deborah Denning <ddenning@rlecwd.com>
Sent: Thursday, January 17, 2019 7:17 AM
To: Tim Shaw <GM@rlecwd.com>
Subject: FW: Loan Terms

Here is the email where he told me we have 3 years to spend the money.

Deborah Denning
Rio Linda/Elverta Community Water District
730 L Street
Rio Linda, CA 95648
(916) 991-1000 Ext 13

From: Lance Holman <Lance.Holman@HolmanCapital.com>
Sent: Thursday, June 7, 2018 10:29 AM
To: Deborah Denning <ddenning@rlecwd.com>
Cc: Tim Shaw <GM@rlecwd.com>; Aditya Kajaria <Aditya.Kajaria@HolmanCapital.com>
Subject: Re: Loan Terms

Deborah,

We have up to three years to spend the funds.

Thank you,

Lance S. Holman
President & CEO
Holman Capital Corporation
25201 Paseo de Alicia
Suite 290
Laguna Hills, CA 92653
949-981-0237 Mobile
Lance.Holman@HolmanCapital.Com
HolmanCapital.com

From: Lance Holman <Lance.Holman@HolmanCapital.com>
Sent: Friday, June 15, 2018 9:18 AM
To: Deborah Denning <ddenning@rlecwd.com>
Cc: Tim Shaw <GM@rlecwd.com>; Dianne Bryant <dbryant@communitybizbank.com>
Subject: Re: Request for Approval

Hi Deborah,

The request to reallocate the funds have been approved by Commuity Business Bank.

Please submit a payment request form for both purchases. If you would like to be reimbursed, please provide proof of purchase as well.

Thank you,

Lance S. Holman
President & CEO
Holman Capital Corporation
25201 Paseo de Alicia
Suite 290
Laguna Hills, CA 92653
949-981-0237 Mobile
Lance.Holman@HolmanCapital.Com
HolmanCapital.com

Sent from my iPhone

On Jun 15, 2018, at 9:13 AM, Deborah Denning <ddenning@rlecwd.com> wrote:

Lance,

Here is the information you have requested:

- The billing software upgrade would enable the District to discontinue paying the convenience fee for customers who use credit or debit cards to pay their water bills. This would save the District approximately \$20,000 per year. The \$25,000 investment would pay off in 15-months. The billing software upgrade would also streamline the process of allowing ACH payment methods without a charge. Customers who currently enjoy the District paying the convenience fee might be assuaged by the alternative no-cost method.
- The new multi-function printer would be purchased through a joint powers purchasing agreement only available to government agencies. The pricing and maintenance terms are extremely attractive. The purchase eliminates two existing multi-function printers that were originally purchased as refurbished. They were inexpensive, but they break down frequently. The District cannot rely on these refurbished printers without a \$2,200 per year maintenance contract. The new printer will save the District more than \$2,200 per year. This purchase will pay for itself in 4-years.

If you have further questions please let me know.

Deborah Denning
Rio Linda/Elverta Community Water District
730 L Street
Rio Linda, CA 95648
(916) 991-1000 Ext 13

From: Lance Holman <Lance.Holman@HolmanCapital.com>
Sent: Thursday, June 14, 2018 4:06 PM
To: Deborah Denning <ddenning@rlecwd.com>
Cc: Tim Shaw <GM@rlecwd.com>; Dianne Bryant <dbryant@communitybizbank.com>
Subject: FW: Request for Approval

Hi Deborah,

Thank you for the Printer Sales Agreement and Software Upgrade Proposal . I want to accurately document the purpose of the acquisition by the District. Therefore, please provide a brief description explaining why the District acquired both assets for our credit file.

Once approved, we will need a complete payment request form for both acquisitions. Finally, please provide guidance regarding the distribution of the remaining funds.

Options

1. Request to use funds for an approved acquisition.
2. Apply the remaining funds to the next scheduled payments.

Please contact me with any questions.

Thank you,



Lance S. Holman President & CEO Holman Capital Corporation	25201 Paseo de Alicia, Suite 290 Laguna Hills, CA 92653	949-981-0237 (M) Lance.Holman@HolmanCapital.com www.HolmanCapital.com Biography: Lance S Holman
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From: Deborah Denning [<mailto:ddenning@rlecwd.com>]
Sent: Thursday, June 14, 2018 3:42 PM
To: Lance Holman <Lance.Holman@HolmanCapital.com>
Cc: Tim Shaw <GM@rlecwd.com>
Subject: Request for Approval

Lance,

Attached are the following documents to request approval for capital expenditures other than those listed in the original loan document account number 902010-36-00.

1. Printer - \$9,719.05
2. CUSI Billing Software Upgrade - \$25,000 (note this is not the full cost as we are funding the remaining \$25,000 with other district funds).

If you need additional information please contact me directly.

Deborah Denning
 Rio Linda/Elverta Community Water District
 730 L Street
 Rio Linda, CA 95648
 (916) 991-1000 Ext 13

61

2018-19 MID-YEAR CAPITAL BUDGET
OPTION 1

BEGINNING FUND BALANCE	GENERAL			CONNECTIONS			CHROMIUM MITIGATION & NEW WELLS			VEHICLE REPLACEMENT		
	1,426,064.00	\$ 1,426,064.00		\$ 129,988.00	\$ 129,988.00		\$ (454,317.00)	\$ (454,317.00)		\$ -	\$ -	
	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation
FUNDING SOURCES												
Fund Transfers												
Operating Fund Transfers In	500,000.00	550,000.00	Increased to adjust for available funds	-	-		-	-		-	-	
CIP Fund Intrafund Transfers	(10,000.00)	(10,000.00)		-	-		-	-		10,000.00	10,000.00	
Surcharge 2 Surplus Repayment	-	-		-	-		435,752.00	435,752.00		-	-	
Contributed Funding												
Capacity Fee Revenue				40,000.00	40,000.00		-	-		-	-	
Contributed Facilities (Development)	-	-		-	-		-	-		-	-	
Grant Revenue	-	-		-	-		20,000.00	20,000.00		-	-	
Loan Proceeds		35,212.00	Increased to reflect unspent loan proceeds from Meter Loan. Refer to 6-18-18 board approval for CUSI billing software upgrade. Finance Committee recommendation for new phone system.	-	18,055.00	Increased to reflect unspent loan proceeds from Meter Loan. Refer to 6-18-18 board approval for CUSI billing software upgrade.	2,468,239.00	2,468,239.00		-	30,000.00	Increased to reflect unspent loan proceeds from Meter Loan. Finance Committee recommendation
Investment Revenue	350.00	350.00		-	-		-	-		-	-	
Sale of Fixed Assets	-	-		-	-		-	-		-	-	
TOTAL FUNDS AVAILABLE FOR CIP PROJECTS	1,916,414.00	2,001,626.00	Net Increase \$85,212	169,988.00	188,043.00	Net Increase \$18,055	2,469,674.00	2,469,674.00		10,000.00	40,000.00	Net Increase \$30,000
PROJECTS												
A - WATER SUPPLY												
A-1 - Well 10 - Cr6 Treatment	-	-		-	-		40,000.00	40,000.00		-	-	
A-2 - Well 16	-	-		-	-		2,448,239.00	2,448,239.00		-	-	
A-3 - Well 17 - Monitoring Well Destruction	25,000.00	28,000.00	Increased to reflect contract amount	-	-		-	-		-	-	
A-4 - Miscellaneous Pump Replacements	40,000.00	40,000.00		-	-		-	-		-	-	
Total A - WATER SUPPLY	65,000.00	68,000.00	Net Increase \$3000	-	-	Net Change \$0	2,488,239.00	2,488,239.00	Net Change \$0	-	-	Net Change \$0

2018-19 MID-YEAR CAPITAL BUDGET
OPTION 1

BEGINNING FUND BALANCE	GENERAL			CONNECTIONS			CHROMIUM MITIGATION & NEW WELLS			VEHICLE REPLACEMENT		
	1,426,064.00	\$ 1,426,064.00		\$ 129,988.00	\$ 129,988.00		\$ (454,317.00)	\$ (454,317.00)		\$ -	\$ -	
	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation
B - WATER DISTRIBUTION												
B-1 - System Valve Replacements	35,000.00	30,000.00	Reduced to adjust for B-3 Increase	-	-		-	-		-	-	
B-2 - Paving Replacements	25,000.00	25,000.00		-	-		-	-		-	-	
B-3 - Service Replacements	30,000.00	35,000.00	Increased to adjust for projected costs	-	-		-	-		-	-	
B-4 - Large Meter	5,000.00	5,000.00		-	-		-	-		-	-	
Total B - WATER DISTRIBUTION	95,000.00	95,000.00	Net Change \$0	-	-	Net Change \$0	-	-	Net Change \$0	-	-	Net Change \$0
M - GENERAL PLANT ASSETS												
M-1 - Ice Machine	3,500.00	2,804.00	Decreased to reflect actual cost	-	-		-	-		-	-	
M-2 - Billing Software Upgrade	25,000.00	25,000.00		25,000.00	18,055.00	Reduced to reflect remaining contract balance	-	-		-	-	
M-3 - Office Furniture & Equipment	-	10,212.00	Increased to reflect unspent loan proceeds from Meter Loan	-	-		-	-		-	-	
M-4 - Truck	-	-		-	-		-	-		-	30,000.00	Increased to reflect unspent loan proceeds from Meter Loan
Total M - GENERAL PLANT ASSETS	28,500.00	38,016.00	Net Increase \$9,516	25,000.00	18,055.00	Net Decrease \$6,945	-	-	Net Change \$0	-	30,000.00	Net Increase \$30,000
C - CONTINGENCY												
C-1 - Contingency (10% of Est A,B,M)	18,850.00	20,102.00	Increased to reflect 10% of new CIP Budget	2,500.00	1,805.50	Reduced to reflect 10% of new CIP Budget	248,823.90	248,823.90		-	3,000.00	Increased to reflect 10% of new CIP Budget
TOTAL BUDGETED PROJECT EXPENDITURES	207,350.00	221,118.00	Total Net Increase \$13,768	27,500.00	19,860.50	Total Net Decrease \$7,639.50	2,737,062.90	2,737,062.90	Net Change \$0	-	33,000.00	Total Net Increase \$33,000
ENDING FUND BALANCE	\$ 1,709,064.00	\$ 1,780,508.00		\$ 142,488.00	\$ 168,182.50		\$ (267,388.90)	\$ (267,388.90)		\$ 10,000.00	\$ 7,000.00	

20

2018-19 MID-YEAR CAPITAL BUDGET
OPTION 2

BEGINNING FUND BALANCE	GENERAL			CONNECTIONS			CHROMIUM MITIGATION & NEW WELLS			VEHICLE REPLACEMENT		
	1,426,064.00	\$ 1,426,064.00		\$ 129,988.00	\$ 129,988.00		\$ (454,317.00)	\$ (454,317.00)		\$ -	\$ -	
	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation
FUNDING SOURCES												
Fund Transfers												
Operating Fund Transfers In	500,000.00	550,000.00	Increased to adjust for available funds	-	-		-	-		-	-	
CIP Fund Intrafund Transfers	(10,000.00)	(10,000.00)		-	-		-	-		10,000.00	10,000.00	
Surcharge 2 Surplus Repayment	-	-		-	-		435,752.00	435,752.00		-	-	
Contributed Funding												
Capacity Fee Revenue				40,000.00	40,000.00		-	-		-	-	
Contributed Facilities (Development)	-	-		-	-		-	-		-	-	
Grant Revenue	-	-		-	-		20,000.00	20,000.00		-	-	
Loan Proceeds	-	25,000.00	Increased to reflect unspent loan proceeds from Meter Loan. Refer to 6-18-18 board approval for CUSI billing software upgrade.	-	-		2,468,239.00	2,468,239.00		-	58,267.00	Increased to allocate unspent meter loan. INFEASIBLE DUE TO LOAN TERMS
Investment Revenue	350.00	350.00		-	-		-	-		-	-	
Sale of Fixed Assets	-	-		-	-		-	-		-	-	
TOTAL FUNDS AVAILABLE FOR CIP PROJECTS	1,916,414.00	1,991,414.00	Net Increase \$75,000	169,988.00	169,988.00	Net Change \$0	2,469,674.00	2,469,674.00	Net Change \$0	10,000.00	68,267.00	Net Increase \$58,267

2018-19 MID-YEAR CAPITAL BUDGET
OPTION 2

BEGINNING FUND BALANCE	GENERAL			CONNECTIONS			CHROMIUM MITIGATION & NEW WELLS			VEHICLE REPLACEMENT		
	1,426,064.00	\$ 1,426,064.00		\$ 129,988.00	\$ 129,988.00		\$ (454,317.00)	\$ (454,317.00)		\$ -	\$ -	
	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation	Current Budget	Midyear Budget	Explanation
PROJECTS												
A - WATER SUPPLY												
A-1 - Well 10 - Cr6 Treatment	-	-		-	-		40,000.00	40,000.00		-	-	
A-2 - Well 16	-	-		-	-		2,448,239.00	2,448,239.00		-	-	
A-3 - Well 17 - Monitoring Well Destruction	25,000.00	28,000.00	Increased to reflect contract amount	-	-		-	-		-	-	
A-4 - Miscellaneous Pump	40,000.00	40,000.00		-	-		-	-		-	-	
Total A - WATER SUPPLY	65,000.00	68,000.00	Net Increase \$3000	-	-	Net Change \$0	2,488,239.00	2,488,239.00	Net Change \$0	-	-	Net Change \$0
B - WATER DISTRIBUTION												
B-1 - System Valve Replacements	35,000.00	30,000.00	Reduced to adjust for B-3 Increase	-	-		-	-		-	-	
B-2 - Paving Replacements	25,000.00	25,000.00		-	-		-	-		-	-	
B-3 - Service Replacements	30,000.00	35,000.00	Increased to adjust for projected costs	-	-		-	-		-	-	
B-4 - Large Meter	5,000.00	5,000.00		-	-		-	-		-	-	
Total B - WATER DISTRIBUTION	95,000.00	95,000.00	Net Change \$0	-	-	Net Change \$0	-	-	Net Change \$0	-	-	Net Change \$0
M - GENERAL PLANT ASSETS												
M-1 - Ice Machine	3,500.00	2,804.00	Decreased to reflect actual cost							-	-	
M-2 - Billing Software Upgrade	25,000.00	25,000.00		25,000.00	-							
Total M - GENERAL PLANT ASSETS	28,500.00	27,804.00	Net Decrease \$696	25,000.00	-	Net Change \$0	-	-	Net Change \$0	-	-	Net Change \$0
C - CONTINGENCY												
C-1 - Contingency (10% of Est A,B,M)	18,850.00	19,080.00	Increased to reflect 10% of new CIP Budget	2,500.00	-		248,823.90	248,823.90		-	-	
TOTAL BUDGETED PROJECT EXPENDITURES	207,350.00	209,884.00	Total Net Increase \$2534	27,500.00	-	Net Change \$0	2,737,062.90	2,737,062.90	Net Change \$0	-	-	Net Change \$0
ENDING FUND BALANCE	\$ 1,709,064.00	\$ 1,781,530.00		\$ 142,488.00	\$ 169,988.00		\$ (267,388.90)	\$ (267,388.90)		\$ 10,000.00	\$ 68,267.00	

MID-YEAR OPERATING BUDGET 2018-19

Agenda Item 4.3

REVENUE	JUL-DEC 2018 ACTUAL UNAUDITED	CURRENT 2018-2019 BUDGET	2018-2019 MIDYEAR BUDGET	DIFFERENCE	EXPLANATION
40000 OPERATING REVENUE					
40100 Water Service Rates					
40101 Basic Service Charge	759,718.00	1,863,992.00	1,863,992.00	0.00	
40102 Usage Charge	466,703.00	637,187.00	637,187.00	0.00	
40105 Backflow Charge	12,833.00	25,000.00	25,000.00	0.00	
40106 Fire Prevention	7,473.00	10,600.00	10,600.00	0.00	
Total Water Service Rates	1,246,727.00	2,536,779.00	2,536,779.00	0.00	
40200 Water Services					
40201 Application Fees	7,000.00	15,000.00	15,000.00	0.00	
40202 Late Payment Fee	13,638.00	26,000.00	26,000.00	0.00	
40203 Disconnect Tag/NSF Fee	27,875.00	54,000.00	54,000.00	0.00	
40204 Termination/Reconnection	4,240.00	7,000.00	7,000.00	0.00	
40209 Other Account Service Charges	645.00	2,000.00	2,000.00	0.00	
Total Water Services	53,398.00	104,000.00	104,000.00	0.00	
40300 Other Water Service Fees					
40301 New Construction QC	1,987.00	4,000.00	4,000.00	0.00	
40302 Service Connection Fees	8,300.00	10,000.00	10,000.00	0.00	
40303 Other Field Service Fees	1,010.00	3,000.00	3,000.00	0.00	
40304 Other Operating Revenue	6,450.00	6,000.00	6,000.00	0.00	
40305 Grant Revenue-Operating	163.00	650.00	650.00	0.00	
Total Other Water Service Fees	17,910.00	23,650.00	23,650.00	0.00	
TOTAL OPERATING REVENUE	1,318,035.00	2,664,429.00	2,664,429.00	0.00	
41000 NON-OPERATING REVENUES					
41110 Investment Revenue	193.00	400.00	400.00	0.00	
41120 Property Taxes & Assessments	2,656.00	70,000.00	70,000.00	0.00	
TOTAL NON-OPERATING REVENUE	2,849.00	70,400.00	70,400.00	0.00	
TOTAL REVENUE	\$1,320,884.00	\$2,734,829.00	\$2,734,829.00	0.00	

**MID-YEAR OPERATING BUDGET
2018-19**

Agenda Item 4.3

	JUL-DEC 2018 ACTUAL UNAUDITED	CURRENT 2018-2019 BUDGET	2018-2019 MIDYEAR BUDGET	DIFFERENCE	EXPLANATION
OPERATING EXPENSE					
60010 PROFESSIONAL FEES					
60011 General Counsel fees-Legal	\$27,481.00	\$65,000.00	\$65,000.00	\$0.00	
60012 Auditor Fees	13,379.00	10,731.00	13,379.00	2,648.00	Increased to adjust for GASB 75 actual
60013 Engineering Services	34,407.00	70,000.00	70,000.00	0.00	
60015 Other Professional Fees	10,785.00	17,600.00	17,600.00	0.00	
TOTAL PROFESSIONAL FEES	86,052.00	163,331.00	165,979.00	2,648.00	
60100 PERSONNEL SERVICES					
60110 Salaries & Wages					
60111 Salary - General Manager	49,681.00	109,664.00	109,664.00	0.00	
60112 Staff Regular Wages	230,547.00	525,000.00	525,000.00	0.00	
60113 Contract Extra Help	0.00	5,000.00	0.00	(5,000.00)	Decreased to adjust for increases in 60012, 60504, 60505 & 60560
60114 Staff Standby Pay	8,400.00	18,250.00	18,250.00	0.00	
60115 Staff Overtime Pay	5,357.00	7,500.00	10,200.00	2,700.00	Increased to adjust for projected costs
Total Salaries & Wages	293,985.00	665,414.00	663,114.00	(2,300.00)	
60150 Employee Benefits and Expenses					
60151 PERS Retirement	67,861.00	138,987.00	138,987.00	0.00	
60152 Workers Compensation	6,490.00	14,937.00	14,937.00	0.00	
60153 Group Insurance	78,944.00	203,340.00	160,000.00	(43,340.00)	Decreased to adjust for projected actual expense
60154 Retirees Insurance	10,732.00	22,110.00	22,110.00	0.00	
60155 Staff Training	536.00	3,500.00	3,500.00	0.00	
60156 Management Training	0.00	1,500.00	1,500.00	0.00	
60157 Uniforms	1,834.00	4,350.00	4,350.00	0.00	
60158 Payroll Taxes	24,777.00	53,400.00	53,400.00	0.00	
60159 Payroll Services	334.00	550.00	550.00	0.00	
60160 457 Employer Contribution	3,995.00	8,765.00	8,765.00	0.00	
Total Employee Benefits and Expenses	195,503.00	451,439.00	408,099.00	(43,340.00)	
TOTAL PERSONNEL SERVICES	\$489,488.00	\$1,116,853.00	\$1,071,213.00	(\$45,640.00)	

MID-YEAR OPERATING BUDGET 2018-19

Agenda Item 4.3

	JUL-DEC 2018 ACTUAL UNAUDITED	CURRENT 2018-2019 BUDGET	2018-2019 MIDYEAR BUDGET	DIFFERENCE	EXPLANATION
60200 ADMINISTRATION					
60205 Bank and Merchant Fees	\$14,081.00	\$26,000.00	\$26,000.00	\$0.00	
60207 Board of Director-Meeting Fees	8,075.00	16,770.00	16,770.00	0.00	
60210 Building Expenses					
60211 Office Utilities	2,791.00	6,000.00	6,000.00	0.00	
60212 Janitorial	1,170.00	2,340.00	2,340.00	0.00	
60213 Maintenance	3,732.00	7,500.00	7,500.00	0.00	
60214 Security	168.00	400.00	400.00	0.00	
Total Building Expenses	7,861.00	16,240.00	16,240.00	0.00	
60220 Computer & Equipment Maint.					
60221 Computer Systems	12,797.00	23,000.00	23,000.00	0.00	
60222 Office Equipment	1,697.00	2,200.00	2,200.00	0.00	
Total Computer & Equipment Maint.	14,494.00	25,200.00	25,200.00	0.00	
60230 Office Expense	3,109.00	7,000.00	7,000.00	0.00	
60240 Postage and Delivery	8,016.00	17,500.00	17,500.00	0.00	
60250 Printing	4,010.00	4,500.00	4,500.00	0.00	
60255 Meetings & Conferences	4,546.00	10,000.00	10,000.00	0.00	
60260 Publishing	353.00	1,300.00	1,300.00	0.00	
60270 Telephone & Internet	2,489.00	5,500.00	5,500.00	0.00	
60430 Insurance					
60431 General Liability	11,055.00	22,997.00	22,997.00	0.00	
60432 Property	2,664.00	5,329.00	5,329.00	0.00	
Total Insurance	13,719.00	28,326.00	28,326.00	0.00	
60500 Water Memberships					
60501 SAWWA	0.00	225.00	225.00	0.00	
60502 Regional Water Authority	9,667.00	9,667.00	9,667.00	0.00	
60503 SGA	24,866.00	24,866.00	24,866.00	0.00	
60504 ACWA	9,450.00	8,904.00	9,450.00	546.00	Increased to reflect actual expense
60505 CSDA	6,740.00	6,676.00	6,740.00	64.00	Increased to reflect actual expense
60506 AWWA	0.00	420.00	420.00	0.00	
60507 CRWA	0.00	1,263.00	1,263.00	0.00	
Total Water Memberships	50,723.00	52,021.00	52,631.00	610.00	
60550 Permits & Fees	8,268.00	40,000.00	40,000.00	0.00	
60555 Subscriptions & Licensing	958.00	2,120.00	2,120.00	0.00	
60560 Elections	2,008.00	0.00	2,008.00	2,008.00	Increased to reflect actual expense
60565 Uncollectable Accounts	0.00	2,000.00	2,000.00	0.00	
60570 Other Operating Expenditures	140.00	500.00	500.00	0.00	
TOTAL ADMINISTRATION	\$142,850.00	\$254,977.00	\$257,595.00	\$2,618.00	
64000 CONSERVATION					
64001 Community Outreach	10.00	1,000.00	1,000.00	0.00	
64002 Rebate Program	675.00	700.00	700.00	0.00	
64003 Regional Conservation Program	5,048.00	5,048.00	5,048.00	0.00	
64005 Other Conservation Programs	0.00	0.00	0.00	0.00	
TOTAL CONSERVATION	5,733.00	6,748.00	6,748.00	0.00	

**MID-YEAR OPERATING BUDGET
2018-19**

Agenda Item 4.3

	JUL-DEC 2018 ACTUAL UNAUDITED	CURRENT 2018-2019 BUDGET	2018-2019 MIDYEAR BUDGET	DIFFERENCE	EXPLANATION
65000 FIELD OPERATIONS					
65100 Other Field Operations					
65110 Backflow Testing	\$375.00	\$3,000.00	\$3,000.00	\$0.00	
65120 Construction Equipment Maintenance	4,003.00	5,000.00	5,500.00	500.00	Increased to adjust for projected costs
65130 Field Communication	2,203.00	4,500.00	4,500.00	0.00	
					Decreased to reflect Inductive Automation refund
65140 Field IT	10,881.00	22,175.00	20,775.00	(1,400.00)	from prior fiscal years.
65150 Laboratory Services	20,234.00	23,500.00	23,500.00	0.00	
65160 Safety Equipment	189.00	5,000.00	5,000.00	0.00	
65170 Shop Supplies	2,741.00	5,000.00	5,000.00	0.00	
Total Other Field Operations	<u>40,626.00</u>	<u>68,175.00</u>	<u>67,275.00</u>	<u>(900.00)</u>	
65200 Treatment	11,573.00	15,000.00	15,000.00	0.00	
65300 Pumping					
65310 Maintenance	7,967.00	25,000.00	25,000.00	0.00	
65320 Electricity and Fuel	91,265.00	180,000.00	180,000.00	0.00	
Total Pumping	<u>99,232.00</u>	<u>205,000.00</u>	<u>205,000.00</u>	<u>0.00</u>	
65400 Transmission & Distribution					
65410 Distribution Supplies	21,617.00	37,000.00	37,000.00	0.00	
					Decreased to adjust for increases in 60560, 60115 &
65420 Meter Maintenance	808.00	60,000.00	56,534.00	(3,466.00)	65120
65430 Tank Maintenance	0.00	3,000.00	3,000.00	0.00	
65440 Contract Repairs	1,200.00	21,000.00	21,000.00	0.00	
Total Transmission & Distribution	<u>23,625.00</u>	<u>121,000.00</u>	<u>117,534.00</u>	<u>(3,466.00)</u>	
65500 Transportation					
65510 Fuel	6,596.00	13,000.00	13,000.00	0.00	
65520 Maintenance	480.00	6,000.00	6,000.00	0.00	
Total Transportation	<u>7,076.00</u>	<u>19,000.00</u>	<u>19,000.00</u>	<u>0.00</u>	
TOTAL FIELD OPERATIONS	<u>\$182,132.00</u>	<u>\$428,175.00</u>	<u>\$423,809.00</u>	<u>(\$4,366.00)</u>	
TOTAL OPERATING EXPENSES	<u>\$906,255.00</u>	<u>\$1,970,084.00</u>	<u>\$1,925,344.00</u>	<u>(\$44,740.00)</u>	

MID-YEAR OPERATING BUDGET
2018-19

	JUL-DEC 2018 ACTUAL UNAUDITED	CURRENT 2018-2019 BUDGET	2018-2019 MIDYEAR BUDGET	DIFFERENCE	EXPLANATION
NON OPERATING EXPENSES					
69100 Revenue Bond 2015					
69105 Revenue Bond 2015-Principle	53,163.00	133,163.00	133,163.00	0.00	Per Loan Payment Schedule
69120 Interest	33,260.00	65,726.00	65,726.00	0.00	Per Loan Payment Schedule
Total Revenue Bond 2015	86,423.00	198,889.00	198,889.00	0.00	
69125 AMI Meter Loan					
69130 Principle	23,229.00	46,818.00	46,818.00	0.00	Per Loan Payment Schedule
69135 Interest	6,028.00	11,696.00	11,696.00	0.00	Per Loan Payment Schedule
Total AMI Meter Loan	29,257.00	58,514.00	58,514.00	0.00	
69400 Other Non Operating Expense	0.00	2,000.00	2,000.00	0.00	
TOTAL NON OPERATING EXPENSES	\$115,680.00	\$259,403.00	\$259,403.00	\$0.00	
TOTAL EXPENSE	\$1,021,935.00	\$2,229,487.00	\$2,184,747.00	(\$44,740.00)	
NET INCOME (Income-Expense)	\$298,949.00	\$505,342.00	\$550,082.00	\$44,740.00	
OPERATING FUND BALANCE					
Operating Account Balance June 30		\$634,454.00	\$634,454.00		
Net Revenue		\$505,342.00	\$550,082.00		
Transfer to Capital Improvement Funds		(500,000.00)	(550,000.00)	50,000.00	Increased to adjust for available funds
Estimated Operating Fund Balance June 30		\$639,796.00	\$634,536.00	\$50,000.00	
SURCHARGE 1 FUND BALANCE					
Surcharge 1 Fund Balance June 30		\$497,603.00	\$497,603.00		
43010 Surcharge Revenue		523,374.00	523,374.00	0.00	
41110 Investment Revenue		8,000.00	8,000.00	0.00	
69155 SRF Principle		(342,540.00)	(342,540.00)	0.00	
69160 SRF Interest		(118,814.00)	(118,814.00)	0.00	
69220 SRF Administration		(2,210.00)	(2,210.00)	0.00	
Estimated Surcharge 1 Fund Balance June 30		\$565,413.00	\$565,413.00	\$0.00	
SURCHARGE 2 FUND BALANCE					
Surcharge 2 Fund Balance June 30		\$399,687.00	\$399,687.00		
43050 Surcharge 2 Revenue		439,019.00	439,019.00	0.00	
41110 Investment Revenue		20.00	20.00	0.00	
Surcharge 2 Surplus Repayment		(435,752.00)	(435,752.00)	0.00	
69180 Principle		(195,000.00)	(195,000.00)	0.00	
69185 Interest		(136,038.00)	(136,038.00)	0.00	
Estimated Surcharge 2 Fund Balance June 30		\$71,936.00	\$71,936.00	\$0.00	



Items for Discussion and Action

Agenda Item: 4.4

Date: January 28, 2019

Subject: Accept 1st Reading of Ordinance No. 2019-01 and considering scheduling Public Hearing to consider adoption.

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Finance and Administrative Committee recommended Ordinance No. 2019-01 be forwarded to the January 28, 2019 agenda for the first reading.

Current Background and Justification:

Over the past several months of committee meetings, the Finance/Admin Committee discussed the need to provide a means for eligible customers to opt out of inactive service fees. The discussions generally progressed to the point where, as recommended by staff and Legal Counsel, the opting out policy/procedure should be consolidated with the original inactive service fee establishment document (Resolution 2013-08) to combine all aspects of inactive service fees into one governing document, which is now known as Ordinance 2019-01.

The Committee direction at the December 10th Committee was to seek feedback from Legal Counsel regarding the fixed amount indicated in the draft Ordinance cited as the “disconnection fee”, an amount the District would charge to eligible inactive service customers seeking to opt out, which entails disconnecting the customers service line from the District’s water distribution main. The Committee requested Legal Counsel feedback for the feasibility of stipulating “District’s Actual Cost”. Legal Counsel strongly advised against the “actual costs” options, and I agree with the sound explanation provided by Legal Counsel. In response, the January 14th Committee recommended using the fixed amount to be generated by staff by estimating the average anticipated cost in equipment, labor and materials for performing the disconnection (Exhibit 1 to Ordinance 2019-01). The Committee further directed staff to place the 1st reading of Ordinance 2019-01 on the January 28th Board agenda.

Conclusion:

I recommend the Board approve the 1st reading of Ordinance 2019-01 and schedule a public hearing for considering adoption at the February 25, 2019 regular Board meeting. I further recommend the Board direct staff to perform the required public notices and postings to accommodate the Ordinance 2019-01 adoption process.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills: _____ Green: _____ Ridilla: _____ Harris: _____.

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

RLECWD Agenda Item Checklist

Item 4.4

Date

Initial Potential Meeting Date

1/28/19

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

Accept 1st Reading of Ordinance No. 2019-01 and considering scheduling Public Hearing to consider adoption.

12/7/18 & 1/11/19

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

12/10/18 & 1/14/19

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

Formal Legal Counsel Review

12/6/18 & 1/24/19

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

GM Review

1/25/19

Actual Meeting Date Set for Agenda Item

1/28/19

Rio Linda/Elverta Community Water District

Ordinance No. 2019-01

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT TO ESTABLISH PERMANENT DISCONNECTION FEES AND POLICY FOR PERMANENT DISCONNECTION

WHEREAS, the Rio Linda Elverta Community Water District (the “District”) adopted Resolution 2013-08, implementing a minimum bimonthly water service fee (“inactive service fee”) for inactive customers on parcels which still have water immediately available to them; and

WHEREAS, the inactive service fee does not apply to parcels which do not have water immediately available to them; and

WHEREAS, permanently disconnected parcels do not have water immediately available to them; and

WHEREAS, the District finds that clarity is required for District water customers who desire to permanently disconnect from the District’s water system, making them no longer subject to inactive service fee; and

WHEREAS, California Water Code section 31024 authorizes the District to establish rules and regulations for the sale, distribution and use of water; and

WHEREAS, the District desires to consolidate the policies for imposition of the inactive service fee from Resolution 2013-08 with the policy (ordinance), providing policies, stipulations and requirements for customers who wish to permanently disconnect from the District’s water system; and

WHEREAS, the Sacramento County Rio Linda Elverta Community Plan established objectives to preserve groundwater quality. Objective PF-5 stipulates that parcels less than two acres should be connected to a public water system to limit the number of private wells; and

WHEREAS, the District is implementing the policy and fees for permanent disconnection to provide a clear process for District customer to follow when they wish to permanently disconnect from the District water system.

WHEREAS, the District published notice of the initial public hearing, including a general explanation of the matter to be considered, at least ten (5) days before the hearing as required by California Water Code section 31027; and

WHEREAS, at least ten (5) days before the public hearing, the District made data publicly available that indicates the estimated cost required to permanently disconnect a parcel from the District’s water system; and

WHEREAS, the above-described data sets forth reasonable cost estimates for permanent disconnection for parcels and establishes that the proceeds generated by the permanent disconnection fee do not exceed the total of the estimated costs.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE RIO LINDA ELVERTA COMMUNITY WATER DISTRICT HEREBY DETERMINES AND ORDAINS AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated herein.

Section 2. Rescinding Resolution 2013-08. The findings and requirements of Resolution 2013-08 are hereby incorporated into this Ordinance, whereby this Ordinance supersedes Resolution 2013-08. Resolution 2013-08 is hereby rescinded.

Section 3. Inactive Services Fee. All properties that are connected to the District's water system that have no water usage during a billing period (except those identified and specifically excluded by the District as redundant connections provided by the McClellan Air Force Base), and are deemed to be inactive customers by the District, shall be required to pay a minimum bimonthly water service fee ("inactive service fee") without further waivers, as follows: the current base rate of \$58.80, Surcharge #1, and Surcharge #2, currently \$19.00 and \$15.80 respectively, and any subsequent increases to these fee components which may be authorized from time to time by resolution of the District's Board of Directors.

Section 4 Vacant Unimproved Property/Parcels. Vacant unimproved property/parcel owners may apply to be excluded from the inactive service fee, If upon application and approval by the District, the owner of such vacant/unimproved parcel agrees in writing to forfeit the previously paid capacity fees, and further agrees that they will pay the capacity fees in affect at the time the owner requests to reconnect to the District's water system.

Section 5 Minimum Parcel Size Eligibility. In addition to the parcels described in Sections 3 and 4 above, parcels greater than two (2) acres in size may apply for disconnection in accordance with the subsequent Sections.

Section 6 Disconnection Fee. The District hereby adopts the Permanent Disconnection Fee set forth in Exhibit 1 attached hereto, to reflect the costs of permanently disconnecting a parcel from its water system, which may be amended from time to time to reflect current costs by resolution of the District's Board of Directors.

Section 7. Declaration of Policy. This Permanent Disconnection Policy is established to clarify procedures that District customers should take if they desire to permanently disconnect their parcel from the District's water system.

Section 8. Definitions. The following definitions apply to this Permanent Disconnection Policy, unless specified otherwise:

(a) "Customer" means the individual requesting permanent disconnection from the District's water system.

- (b) “District” means the Rio Linda/Elverta Community Water District.
- (c) “Policy” means the Permanent Disconnection Policy.
- (d) “Manager” or “General Manager” means the General Manager of the Rio Linda/Elverta Community Water District.

Section 9. Disconnection Procedures.

9.01 Written Request Required. Customers desiring permanent disconnection from the District’s water system shall submit a written request to permanently disconnect to the District’s General Manager. The written request shall include the Customer’s full name, phone number, e-mail, address, and APN number of the parcel to be permanently disconnected, and the date that permanent disconnection is requested.

9.01.01 Payment of Permanent Disconnection Fee. The Customer shall include a permanent disconnection fee of \$2,528.26 with the written request. The disconnection fee includes material, labor, and equipment hours to perform the disconnection and may be amended from time to time by resolution of the District’s Board of Directors.

9.01.02 Additional Information. The Customer shall be required to furnish such additional information as requested by the General Manager to permanently disconnect the parcel from the District’s water system.

9.02 Reconnecting to the District’s Water System. If the Customer or the owner of the parcel desires to reconnect to the District’s water system, the Customer or owner of the parcel shall follow the procedures for new service described in Chapter 4.07 of the District’s Policy Manual. The Customer shall pay the water service connection charges provided in Ordinance No. 2016-01.

9.03 Permanently Disconnected Parcels Not Subject to Inactive Water Service Fee.

9.03.01 Finding. The District finds that the District incurs no cost for providing water service to permanently disconnected parcels, as water service is not immediately available to those parcels.

9.03.02 Inactive Service Fee. Parcels which do not have water immediately available to them from the District’s water system are not subject to the inactive water service fee established pursuant to Resolution 2013-08.

Section 10. California Environmental Quality Act Compliance. Pursuant to California Public Resources Code section 21080(b)(8), the requirements of the California Environmental Quality Act do not apply to water disconnection fees, as the fee caused by this Ordinance is to meet operating expenses for permanently disconnecting a parcel from the District’s water system.

Section 11. Ordinance Effective Date. This Ordinance shall be effective thirty (30) days after the date of its second reading and adoption. A summary shall be published once, with names of members voting for and against the same in a newspaper of general circulation published in the County of Sacramento. A certified copy of the full text of this Ordinance shall be posted at the office of the Secretary of the District Board of Directors, 730 L Street, Rio Linda, CA 95673, with the names of those Board members voting for and against the Ordinance.

APPROVED AND ADOPTED by the Board of Directors of the Rio Linda/Elverta Community Water District on this ____ day of _____, 2019.

AYES:
NOES:
ABSTAIN:
ABSENT:

John Ridilla, President
Board of Directors

ATTEST:

Secretary/Clerk of the Board

Exhibit 1 to RLECWD Ordinance 2019-01

28
Rev. 0

Effective Date



**RIO LINDA/ELVERTA
COMMUNITY WATER DISTRICT**
730 L STREET P.O. BOX 400
RIO LINDA, CA 95673
916 991-1000 fax 916 991-6616

Estimate # 1

Service Estimate

Customer		Date	1/23/2019
Name		Order No.	
Address			
City	CA	ZIP	
Phone			

Qty	Description	Unit Price	TOTAL
Service Abandonment Estimate			
Labor:			
12	3 Distribution Operators, 4 hours Each	\$60.00	\$720.00
Equipment:			
2	Backhoe	\$95.00	\$190.00
4	Vac Truck & Trailer	\$95.00	\$380.00
2	Dump Truck	\$70.00	\$140.00
4	Pickup Truck	\$75.00	\$300.00
Materials			
1	FCRC Repair Clamp	\$288.36	\$288.36
1	Backfill Materials	\$61.50	\$61.50
1	Paving Estimated 20 Sq Ft @ \$22.42 Per Sq Ft.	\$448.40	\$448.40
SubTotal			\$2,528.26
TOTAL			\$2,528.26

Payment Details

Cash
 Check
 Money Order

Estimated cost to abandon typical District customers water service line at the water main.



Items for Discussion and Action

Agenda Item: 4.5

Date: January 28, 2019

Subject: Filling RLECWD Board Member Vacancy

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

N/A – Items not reviewed by committee

Current Background and Justification:

Director Mary Henrici resigned as Director of the RLECWD Board of Directors. Director Henrici's letter of resignation stipulated an effective date of January 13, 2019.

California Government Code §1780 stipulates requirements for filling Board Member Vacancies and the Sacramento County Elections Office publishes a guide, including sample forms, to assist Boards in complying/documenting the proper execution of the process. Relevant excerpts and forms from this guide are included with your Board packets. I've pre-filled some of the information assuming the Board intends to consider applications and interview interested persons at the February 25th regular Board meeting.

The key elements of the requirements of Government Code §1780 are the method of filling the vacancy, i.e. appointment or special election, and the timing for performing the process. For example, the Board has 60-days from the effective date of vacancy to fill the position by appointment or call for a special election. If the Board elects to fill the vacancy by appointment, and fails to comply with the stipulated time limits, the Sacramento County Board of Supervisors is empowered to fill the vacancy.

If the Board chooses to fill the vacancy by special election, another set of timing restrictions applies. The prescribed dates for election and the minimum number of days prior to the election stipulated correlate to a special election no sooner than June 2019. The District pays the cost for the special election, and due to timing restrictions, the elected new Board Member would then serve for less than 18-months before the November 2020 general election.

Conclusion:

I recommend the Board take action to select the appointment method for filling the vacancy created by the resignation of Director Henrici, and further direct staff to perform all necessary public postings and notices to the Sacramento County Elections Office. Further, the Board should stipulate the date it wishes to interview applicants for the appointment.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills:_____ Green:_____ Ridilla:_____ Harris:_____.

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

RLECWD Agenda Item Checklist

Item 4.5

Date

Initial Potential Meeting Date

1/28/19

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

Filling RLECWD Board Member Vacancy

1/11/19

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

1/14/19

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

Formal Legal Counsel Review

N/A jls

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

GM Review

1/25/19

Actual Meeting Date Set for Agenda Item

1/28/19

APPLICATION FOR APPOINTMENT TO A SPECIAL DISTRICT VACANCY

Instructions

If you are interested in serving on a special district Board of Directors, please complete this application and return it to: RLECWD Office 730 L Street, Rio Linda CA

Date Due: February 25, 2019

You will be advised by the district board if your appointment is confirmed. Thank you for your interest.

.....

DISTRICT: Rio Linda Elverta Community Water District DATE: _____

NAME: _____ AGE (optional): _____

RESIDENCE ADDRESS: _____

BUSINESS OR MAILING ADDRESS: _____

PHONE (DAYTIME): _____ PHONE (EVENING): _____

EDUCATION			
Institution	Major	Degree	Year

WORK/VOLUNTEER EXPERIENCE				
Organization	City	Position	From	To

STATEMENT OF QUALIFICATIONS:

Please briefly describe your qualifications and why you are interested in serving on the Board of Directors.

CERTIFICATION:

I certify that the information contained in this application is true and correct. I authorize the verification of the information in this application.

Signature

Date

VACANCIES ON SPECIAL DISTRICT BOARDS

Action Required by the Governing Board

The district shall notify the county elections official of the vacancy no later than 15 days following either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later.

The remaining district board members have 60 days immediately subsequent to either the date on which the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, to either fill the vacancy

1. By appointment, or
2. By calling a special election

Government Code §1780

Appointments to Fill Vacancies

If the Board decides to appoint someone to fill the vacancy, the board first must post a notice of the vacancy in three or more conspicuous places in the district at least 15 days before the appointment is made. ***(See Attachments C & D for sample notice and application to serve on a board)***

The Board must notify the county elections of the appointment no later than 15 days after the appointment is made.

The person appointed shall hold office until the next general district election that is scheduled 130 or more days after the date the district board is notified of the vacancy, and thereafter until the person elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall fill the balance of the unexpired term. If the term of office is due to expire following the next general district election and that election is scheduled 130 or more days after the date the county elections official is notified of the vacancy, the person appointed to the vacancy shall fill the balance of the unexpired term of his or her predecessor.

Government Code §1780 (d)(1)

Elections to Fill Vacancies

In lieu of making an appointment the remaining members of the board may within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, call an election to fill the vacancy.

The election shall be held on the next established election date that is 130 or more days after the date the district board calls the election

Government Code §1780 (e)(1)

A regular election as defined by Elections Code §1000 is:

- (a) The second Tuesday of April in each even-numbered year.
- (b) The first Tuesday after the first Monday in March of each odd-numbered year.
- (c) The first Tuesday after the first Monday in June of each year.
- (d) The first Tuesday after the first Monday in November of each year.

If the District Board Fails to Act

If the vacancy is not filled by the district board by either making an appointment or calling a special election within 60 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, the following shall occur.

Within the next 90 days, the City Council of the city in which the district is wholly located, or if the district is not wholly located within a city, the Board of Supervisors of the county representing the larger portion of the district area in which the election to fill the vacancy will be held, may fill the vacancy by appointment or may order the district to call an election to fill the vacancy.

The election shall be held on the next established election date (see previous list) that is 130 or more days after the date the city council or board of supervisors calls the election.

Government Code §1780(b)(f)

If the District Board Lacks a Quorum to Act Within 60

If the number of remaining members of the district board falls below a quorum, at the request of the district secretary, or a remaining member of the district board, the appropriate board of supervisors or the city council shall promptly appoint a person to fill the vacancy, or may call an election to fill the vacancy.

Again, the council or board may either appoint immediately to fill the vacancy, or may call an election to fill the vacancy.

The election shall be held on the next established election (see previous list) that is 130 or more days after the date the district board calls the election.

The board of supervisors or the city council shall only fill enough vacancies to provide the board with a quorum.

Government Code §1780(h)

If the City Council or Board of Supervisors Fails to Act

If within 90 days of the date the district board is notified of the vacancy or the effective date of the vacancy, whichever is later, no action has been taken by any governing body to fill the vacancy by appointment or by calling for a special election, the district must call an election to fill the vacancy.

The election shall be held on the next established election (see previous list) that is 130 or more days after the date the district board calls the election.

Government Code §1780(c)

Term of Office

A person appointed to fill a vacancy shall hold office only until the next general district election that is scheduled 130 or more days after the date the county elections official is notified of the vacancy and thereafter until the person elected at that election to fill the vacancy has been qualified to fill the vacancy for the remainder of the unexpired term.

Government Code §1780(d)(3)

A person elected at an election to fill the vacancy shall hold office for the remainder of the unexpired term.

Government Code §1780(d)(2)

A person elected at a regular board member election or appointed in-lieu of election takes office at noon on the first Friday in December following his or her election in November and shall serve for four years.

Elections Code §10554, 10507

OTHER DISTRICTS NOT COVERED BY GOV. CODE §1780

Government Code §1781 specifically exempts certain districts from its provisions to fill vacancies in §1780. The Education Code governs school districts and the other districts not covered by Government Code §1780 are detailed below.

Municipal Utility Districts organized pursuant to Division 6 (commencing with Section 11501) of the Public Utilities Code follow §11865 in the Public Utility Code to fill vacancies on their board.

The remaining board members may fill the vacancy by appointment until the next district general election that is scheduled 90 or more days after the effective date of the vacancy.

The appointment shall be made within a period of 60 days immediately subsequent to the effective date of such vacancy. A notice of such vacancy shall be posted in three or more conspicuous places in the district at least 15 days before the appointment is made.

In lieu of making an appointment, the remaining members of the board may within 60 days of the vacancy call a special election to fill the vacancy. The person elected at such special



**RIO LINDA/ELVERTA
COMMUNITY
WATER DISTRICT**

34

P. O. BOX 400 730 L STREET
RIO LINDA, CALIFORNIA 95673
Phone: 916-991-1000

NOTICE OF VACANCY

Interested persons are hereby notified that pursuant to
Government Code 1780 there is a vacancy on the
Rio Linda Elverta Community Water District

Board of Directors

The position to be filled is a 4-year term
Ending December 2020.

Applications are available at the
Rio Linda Elverta Community Water District Office
located at:

730 L Street
Rio Linda, CA 95673

Phone: (916) 991-1000

Website: www.RLECWD.Com

Applications are due by: 4:00 P.M. on February 25, 2019

This district has 60 days from the date the board is notified of the vacancy or the effective date of the vacancy, whichever is later, to fill the vacancy by appointment or call a special election.

Gov Code § 1780

Pursuant to Government Code 1780, this notice will be posted for 15 days in 3 or more conspicuous locations in the district from January 26, 2019 to February 11, 2019.



Items for Discussion and Action

Agenda Item: 4.6

Date: January 28, 2019

Subject: Credit/Debit Card Payment Convenience Fees

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

The Finance and Administrative Committee recommends a lead time of two billing cycles for the discontinuance of District paid convenience fees for customers paying with credit/debit cards.

Current Background and Justification:

The need to discontinue District payment of the convenience fee associated with customers who pay their bills with credit/debit cards has been discussed at several Finance/Admin Committee meetings spanning almost a year. One of the criteria for waiting on the change in policy was associated with the availability of a relatively painless alternative incorporated in the new billing software, Automated Clearing House (ACH) payments method is virtually free (insignificant costs). ACH payment method is now on the cusp of being available through the new CUSI billing software (staff is working through a few remaining glitches with the software vendor and banking forms).

Additionally, there are required certifications and programs, currently non-existent at the District, which we would need to implement in order to keep doing what we've always done. The certifications and programs include PCI certifications and Red Flag Rule programs. These certifications, policies, practices and training requirements, which are necessary to preclude sensitive data breaches, factor into the decision to discontinue current practices.

It is necessary and appropriate at this time to begin the transition away from taking credit card payments in the office and over the phone. The District should set a date when the District will no longer pay the convenience fees charged by the credit/debit card companies (in excess of \$20,000 per year, and provide notice of such to our customers who may have become accustomed to this practice and free (to them) service.

Conclusion:

I recommend the Board approve the target date of June 1, 2018 for the discontinuance of District paid convenience fees for customers paying with credit/debit cards. I further recommend the Board authorize the General Manager to execute any necessary documents and issue notices to accommodate the transition away from District paid credit/debit card convenience fees.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills: _____ Green: _____ Ridilla: _____ Harris: _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

RLECWD Agenda Item Checklist

Item 4.6

Date

Initial Potential Meeting Date

1/28/19

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

Credit/Debit Card Payment Convenience Fees

1/11/19

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

1/14/19

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

Formal Legal Counsel Review

N/A

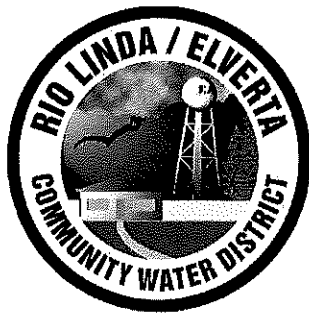
Legal Counsel should have enough time to review all potential legal matters for correctness and legality

GM Review

1/25/19

Actual Meeting Date Set for Agenda Item

1/28/19



Items for Discussion and Action

Agenda Item: 4.7

Date: January 28, 2019

Subject: Minor Revision to District's Travel Reimbursement Policy.

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Finance and Administrative Committee reviewed the staff report and explanation regarding the need for travel reimbursement policy minor revisions. The Committee directed the GM to draft a minor policy revision to address an exception to the meal reimbursement limits currently delineated in District Policy, and bring such draft revisions to the January 28th meeting for consideration by the Board.

Current Background and Justification:

The current District travel policy limits the reimbursement amount for breakfast to \$12. However, there is no limit of the cost for a taxi ride to and from the dining establishment. Most cities where the District personnel travel for training have a Denny's or IHOP somewhere in the town, where District employees could find a breakfast within the \$12 limit. However, not all such restaurants are within walking distance from the hotel hosting the training/conference.

The closest Denny's type restaurant to the Hyatt in San Diego is approximately 3.5 miles from the Hyatt. The cost of a taxi ride to and from Denny's is \$42. If an ACWA attendee wanted to fully comply with the reimbursement limits, the attendee could spend \$54 (Cab ride \$42 + meal \$12).

Alternatively, the attendee could spend \$24 on breakfast at the lowest cost restaurant in or near the Hyatt. Due to the existing reimbursement limits the attendee would spend \$12 of his/her own money for breakfast or spend \$54 of District money for a meal plus cab fare.

Authorizing an exception, where the total alternative cost to the District would be less, would save the District \$30 in the above scenario.

The draft travel reimbursement policy revision modifies two District policies (reviewing the Redline version of the policies revision may allow a better visualization of the changes) District Policy 2.20.150 had an orphaned reference where it referred to District Policy 2.20.410, which no longer exists. It is evident that 2.20.410 was intended. In fact, it was a primary component of District

Resolution 2003-05. Evidently, the District deleted 2.20.410 when the District adopted Personnel Handbook, Section VII, which limits travel reimbursements for both employees and Directors. Apparently, staff neglected to clean up 2.20.150 to point to the proper new policy.

In addition to the above described cleanup for the properly referenced accompanying policy , the draft revisions provide an exception to the meal reimbursement limits with a focus on the total cost to the District.

Conclusion:

I recommend the Board approve the minor revisions to District Policy 2.20.150 and Personnel Handbook Section VII.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills: _____ Green: _____ Ridilla: _____ Harris: _____.

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

RLECWD Agenda Item Checklist

38

Item 4.7

Date

Initial Potential Meeting Date

1/28/19

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

Minor Revision to District's Travel Reimbursement Policy

1/11/19

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

1/14/19

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

Formal Legal Counsel Review

N/A TB

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

GM Review

1/25/19

Actual Meeting Date Set for Agenda Item

1/28/19

Relevant Section of the District Policy Manual

2.20.150 Limitations on Director Reimbursement. The District will pay for reasonable expenses incurred by a Director that are directly related to attendance at a function authorized under Section 2.20.130. Reimbursement for mileage for use of a private vehicle shall be limited to travel destinations in excess of 50 miles from the District. Overnight lodging reimbursement shall be limited to destinations in excess of 75 miles from the District. Exceptions to this Section shall require prior approval by a majority of the Board of Directors. Payment of travel-related expenses shall only be made in accordance with the provisions of Section ~~2.20.410 of this Chapter VII~~, *Employee Reimbursement Guidelines of the Personnel Handbook*.

Referenced Section of the Personnel Handbook

SECTION VII Employee Reimbursement Guidelines

ELIGIBLE TRAVEL RELATED EXPENSES

Employees and Directors traveling on District related business shall be eligible for reimbursement of travel expenses. Eligible travel related expenses shall include, but not be limited to, the following:

- Transportation on public carriers such as airplanes, trains, buses and taxi cabs;
- Private vehicle use and commercially available rental vehicles;
- Overnight lodging at commercial establishments;
- Meals at restaurants and other food service establishments;
- Conference and seminar fees and charges;
- Business related telephone calls, faxes, postage, copy charges and related incidentals;
- Tolls and parking fees
- Such other expenses approved by a majority of the Board of Directors.

Limitation on Reimbursable Expenses

(Sections 2.20.410 – 2.20.440 amended by Resolution 2003-05 adopted on July 21, 2003)

Reimbursement for travel related expenses shall be for actual costs subject to the following limitations:

Reimbursement for meals not covered as part of the event or hotel registration fee shall be limited to the following amounts: Breakfast - \$12.00; Lunch - \$15.00; Dinner - \$25.00;

- o Exception to the meal limits -The meal limits above may be exceeded if the total cost of the meal is documented to be the lowest total cost option under the

circumstance. For example: A modest breakfast in a hotel hosting a training event may be a savings to the District compared to a meal within the spending limits plus the cost of a taxi cab or rental car to travel to and from the restaurant. Documentation and review to support the exception must be submitted.

Use of a personal vehicle: The current Internal Revenue Service (IRS) mileage rate for business travel shall be the only personal vehicle use expense eligible for reimbursement;

Air and train travel shall be in an amount not to exceed the standard or coach fare;

Entertainment or non-business related events or expenses not provided as part of the conference fee shall not be eligible for reimbursement;

Alcoholic beverages are not eligible for reimbursement;

Meals and/or lodging provided in a private home are not eligible for reimbursement;

Travel related expenses for a spouse or companion shall not be eligible for reimbursement;

Rental vehicle reimbursement shall not exceed the midsize vehicle rate.

Reimbursement Claim Required

Employees and Directors authorized to travel for District related business shall complete a claim form and provide supporting receipts in order to receive reimbursement. No reimbursement shall be made, unless a completed and signed claim form with corresponding receipts is submitted to the District office within ninety-days of travel.

Relevant Section of the District Policy Manual

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Referenced Section of the Personnel Handbook

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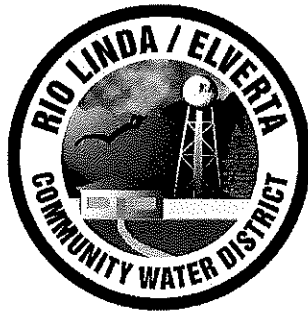
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Items for Discussion and Action

Agenda Item: 4.8

Date: January 28, 2019

Subject: Allocation of Unspent 2015 AMI Meter Loan Proceeds

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Finance and Administrative Committee reviewed the staff report, which was presented as a follow up to the previous Finance Committee recommendation and eventual Board action in June 2018. The Finance/Admin Committee recommendation was to allocate the 2015 AMI unspent loan proceeds to a new office phone system, and to allocate the rest of the unspent loan proceeds to the vehicle replacement line item for a future (not now) vehicle replacement.

Upon further analysis (subsequent to the January 14th Finance/Admin Committee meeting). The Committee's recommendation is not completely feasible due to terms and conditions of the 2015 AMI meter loan.

Current Background and Justification:

A substantial amount of the background and justification for this item is provided in the staff report for item 4.3, Mid-Year Budget Revision, on this same meeting agenda. Much of the explanation and justification supporting the recommendation for Board action in the conclusion section of this report is included in the staff report for item 4.3.

In summary, the Board needs to approve allocation of the unspent 2015 AMI meter loan proceeds for a capital improvement purchase(s) now. The terms associated with the AMI loan do not support placing the proceeds in the capital budget for future spending. The municipal financing restrictions and the loan terms require we use the proceeds by 2018. However, the explanation provided to Holman Capital last June, when the Board authorized a partial allocation, provided for a short extension which has now run its course.

Conclusion:

In conjunction with the capital budget revisions, Option 1, considered under item 4.3 of this agenda, I recommend the Board authorize the following purchases and funding revisions:

1. Revise the funding for CUSI billing software to be 100% from the unspent AMI loan proceeds.
2. Purchase new Ford F150 pickup, not to exceed a total (taxes, license fees, and preparation for District use) \$30,000 to be procured using the California State bid, AKA California Multiple Award Schedule (CMAS).
3. Purchase(s) of \$10,000 in general office equipment (e.g. a new office phone system).

The above purchases/funding revision are subject to approval from Holman Capital, in accordance with the AMI meter loan terms.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Dills:____ Green:____ Ridilla:____ Harris:_____.

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

RLECWD Agenda Item Checklist

Item 4.8

Date

Initial Potential Meeting Date

1/28/19

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

Allocation of Unspent 2015 AMI Meter Loan Proceeds

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.

1/11/19

Committee Review of Item and Staff Work

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

1/14/19

Formal Legal Counsel Review

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

N/A

GM Review

1/25/19

Actual Meeting Date Set for Agenda Item

1/28/19



Information Items
Agenda Item: 5.1

Date: January 28, 2019

Subject: District Reports

Staff Contact: Timothy R. Shaw, General Manager

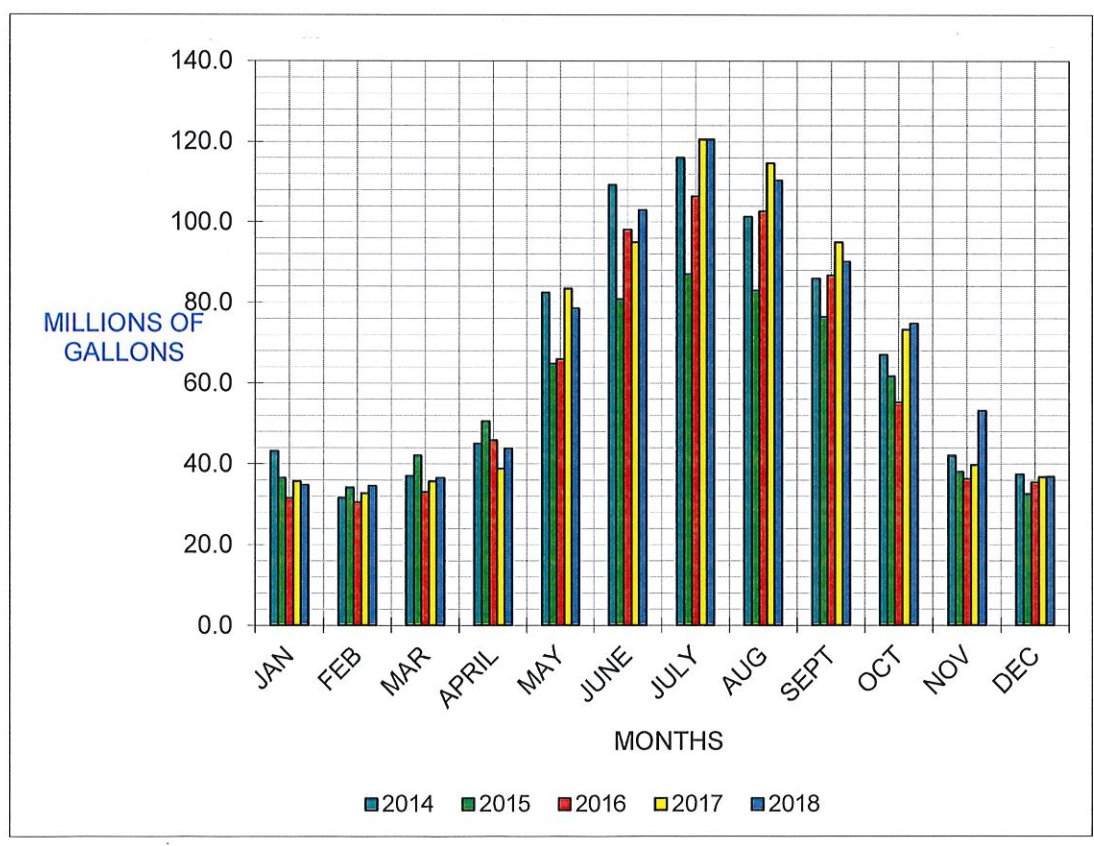
1. DISTRICT ACTIVITY REPORT

- a. Operations Report
- b. Conservation Report

RIO LINDA/ELVERTA C.W.D. 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	43.7	44.8	0.0	0.0	0.0	0.0	0.0
MAY	82.4	64.8	65.9	83.4	78.5	75.0	0.0	0.0	0.0	0.0	0.0
JUNE	109.2	80.8	98.0	94.9	102.9	97.2	2.8	0.0	0.0	0.0	0.0
JULY	116.0	87.0	106.4	120.5	120.5	110.1	0.0	0.0	0.0	0.0	0.0
AUG	101.3	83.0	102.6	114.6	110.3	102.4	0.0	0.0	0.0	0.0	0.0
SEPT	85.9	76.4	86.7	94.9	90.1	86.8	0.0	0.0	0.0	0.0	0.0
OCT	67.0	61.7	55.2	73.2	74.7	66.4	0.0	0.0	0.0	0.0	0.0
NOV	42.0	38.0	36.3	39.7	53.1	41.8	0.0	0.0	0.0	0.0	0.0
DEC	37.4	32.5	35.4	36.7	36.8	35.8	0.0	0.0	0.0	0.0	0.0
TOTAL	798.0	687.3	727.3	800.6	816.4	753.3	2.8	0.0	0.0	0.0	0.0



RIO LINDA/ELVERTA C.W.D. 2018

REPORT OF DISTRICT OPERATIONS

SOURCE WATER DATA

45

Water Production (Million Gallons)

January	February	March	April	May	June	Year To Date
34.8	34.5	36.5	43.7	78.5	102.9	
34,761,308	34,533,300	36,538,945	43,675,247	78,471,746	102,941,005	
July	August	Sept.	Oct.	Nov.	Dec.	816.90
121	110.3	90.1	74.7	53.1	36.8	
120,520,384	110,291,459	90,094,177	74,743,909	53,136,976	36,837,764	
			Monthly Total			
Gallons = Multiply M.G. by:			1,000,000	36,837,764	Gallons	816,546,220
Cubic Feet = Divide gallons by:			7.48	4,924,835	Cubic Feet	109,163,933
Hundred Cu Ft. = Divide cu. ft. by:			100	49,248	Hundred Cubic Feet	1,091,639
Acre Ft. = Divide gallons by:			325,829	113.06	Acre Ft.	2,506

DISTRIBUTION SYSTEM DATA

Water Quality Complaints

Complaints Total (Low Psi Complaints)

January	February	March	April	May	June	Year To Date
1	1	1	3 (3)	1	1 (1)	
July	August	Sept.	Oct.	Nov.	Dec.	14
1 (1)	1 (1)	1 (1)	1	0	2 (1)	

New Services

New Construction	1	6
Existing Homes	0	0
Paid prior to increase. (2 not installed)	0	0
Total of Service Connections to Date ----->		4637

Distribution System Failures

Deterioration December 1 thru 31	3	72
Damaged December 1 thru 31	0	6

Bacteriological Sampling

Routine	16	208
Raw Water Well Samples	12	47

December 1, 2018 - December 31, 2018

3 - Distribution leaks repaired by District staff, 0 - by Contractor or with contractor assistance.		
Work Orders Issued - N/A	Work Orders Completed - 38	USA's Issued - 88
	Backflow Test - 15	
	Change Out Meter - 3	
	Flow Test - 1	
	Get Current Read - 2	
	Install New Service - 1	
	Line Leak - 1	
	Other Work - 2	
	Possible Leak - 3	
	Pressure Complaint - 1	
	Tag Property - 4	
	Taste or Odor Complaint - 1	
	Turn Off Service - 2	
	Turn On Service - 1	
	Usage Complaint - 1	

46

H. OVERALL SYSTEM APPRAISAL

The Rio Linda Elverta Community Water District water system appears to be in good condition at this time. The water system faces a number of challenges and it is evident that the water system has accomplished a significant amount of work on a number of fronts. For example, the water system has new storage, a new well, a well that will shortly be finished, 100 percent metered services, AMI technology on their water meters, adequate pressure throughout the distribution system, and reliable disinfection among other things. As the water system systematically rehabilitates their wells, improvements are made to improve technology and sanitary standards. However, there is still work to be done and the water system must be assiduous in their future endeavors.

The water system has initiated quarterly arsenic sampling at wells 2A and 3 beginning in the 4th quarter of 2018. Additional sampling will provide data points to determine compliance with the MCL.

The water system has systematically implemented system improvements such as the construction of Well 15 and the L St. Tank and booster pump station. Well 15 has improved system pressures and provides a substantial amount of supply to meet system demands. The water system constructed the well and distribution system improvements strategically by drilling it on the east side of the distribution system which is the area with the highest system elevation.

Besides these improvements, the water system is planning additional source capacity (Well 16) and treatment at Well 10. The treatment is designed for hexavalent chromium. While hexavalent chromium is not currently regulated by the Division, the water system suffers from concentrations that were close to the MCL (both above and below the MCL) when the Division was regulating the chemical. The water system stated they were still concerned about the hexavalent chromium in the water and are planning mitigating measures for the future.

The water system recognizes the need for additional capital improvements and the need to fund the improvements. For example, some wellheads need improvements to ensure an adequate sanitary seal. The water system is also switching from oil to water lube for wells that undergo rehabilitation projects. The switch should improve operational challenges associated with occasional total coliform bacteria in the raw water. Pressure vessels are being replaced with motors utilizing variable frequency drives. The water system has found the VFD technology to be more efficient for their operation. There are some locations that may require power conditioning due to the quality of the power delivered to the site by the power company.

The water system implemented AMI technology for their water meters. Some meters are not yet equipped with the technology; but once fully implemented, the water system will have a very useful tool for billing, leak detection, and data analysis.

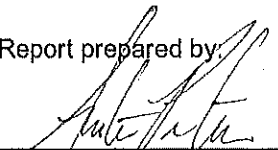
The groundwater levels are monitored using pressure transducers. The water system has found the real time monitoring to be very useful in understanding how the aquifer is reacting to the well operation.

The water system will need to make some decisions regarding the elevated tank in the near future because the interior coating needs to be replaced. The tank also acts a land mark of sorts for the area and space on the tank is leased to a wireless company for their cellular technology. The new tank provides significant storage and future developer projects may also bring storage. However, development in the area is slow and not guaranteed to materialize soon.

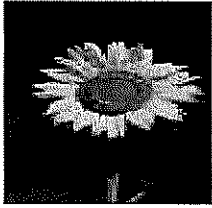
I. APPENDICES

- Appendix A Compliance Inspection Findings
- Appendix B Photographs from Inspection

Report prepared by:


 Austin Peterson, P.E.
 Water Resource Control Engineer

12/21/18



Conservation Report

December 2018



Supplies (kits):	Shower heads (1) Kitchen Aerators (0) Bathroom Aerators (0) Shower Timer (0) Nozzle (0) Toilet Tabs (5) Moisture Meters (0) Water Bottles (5) Toilet Tummy (0) Retro-Fit Kits (2) Welcome Kits (0) Kids Kit (1)
Water Waste (calls, emails, letter, leaks detected/fixed):	0 Water Waste Complaint Called 1 customer for possible leaks using AMI system Leak Emails 2 Leak Letters 9 Fixed leaks 6 Hung 0 Water Efficiency Tag
Water Schedule:	Given to customer with all violation letters and new applications
Surveys:	0
Rebates:	Toilets: 0 Washing Machines: 0
Workshops, Meetings:	None
Fines:	NONE
Other Tasks:	<ul style="list-style-type: none">● Assisted with payments, new customers, closing accounts, final billing accounts and printing stamp requests● Scanned and uploaded documents into our new billing system● Created/completed work orders● Sent out application request to new owners● Training for Customer Service/Billing● Reached out to customers with a 7 gallon leak or higher● Reached out to customers about updating phone number, emails, etc.● Researched on becoming a CLIA● Researched other methods on sending out leak notices
Grant Updates:	N/A



Information Items Agenda Item: 5.2

Date: January 28, 2019

Subject: Board Reports

Staff Contact: Timothy R. Shaw, General Manager

2. BOARD REPORTS

- a. Announce ad hoc committee(s) dissolved by requirements in Policy 2.01.065
- b. Regional Water Authority – Shaw
- c. Sacramento Groundwater Authority – Green, Harris
- d. LAFCO – Green
- e. Planning Committee – Dills, Harris
- f. Finance / Administrative Committee – Ridilla,
- g. ACWA/JPIA – Green, Harris
 - 1. ACWA and ACWA-JPIA Fall Conference, November 26th through 30th
- h. Ad Hoc Committee's
 - 1. MOU Negotiations – Dills, Harris
- i. Other Reports

**REGIONAL WATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Thursday, January 10, 2019, 9:00 a.m.

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

AGENDA

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

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

3. CONSENT CALENDAR

- a. Minutes from the November 8, 2018 RWA regular board meeting
Action: Approve November 8, 2018 RWA Board meeting minutes
- b. Adopt proposed RWA Board Meetings Scheduled for 2019
Action: Adopt proposed RWA Board Meetings scheduled for 2019
- c. Adopt RWA Personnel Rules, Policy 400.1
Action: Approve RWA Personnel Rules, Policy 400.1; Appendix C: Harassment and Retaliation Prevention; Appendix D: Drug Free Work Place; Appendix E: Workplace Violence; Appendix G: Health Reimbursement; Appendix H: Family Care Leave and Appendix
- d. Approve Update of Policy 400.2 Employee Compensation
Action: Approve Amended Policy 400.2
- e. Accept the 2018 RWA Financial Audit Report
Action: Accept the 2018 RWA Financial Audit Report

4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

- a. Information: Final minutes of the October 24, 2018 Executive Committee meeting and draft minutes from the December 5, 2018 Executive Committee meeting

5. AUTHORIZE THE EXECUTIVE DIRECTOR TO SIGN A MEMORANDUM OF AGREEMENT WITH NON-FEDERAL PARTNERS TO DEVELOP A WATER MARKETING STRATEGY PLAN

Action: Adopt Resolution regarding a Memorandum of Agreement with non-Federal partners to develop a Water Marketing Strategy Plan

- 6. ELECT 2019 RWA EXECUTIVE COMMITTEE**
Action: Elect the 2019 Executive Committee of the RWA Board of Directors
- 7. ELECT 2019 RWA CHAIR AND VICE-CHAIR**
Action: Elect 2019 Chair and Vice-Chair of the RWA Executive Committee and RWA Board of Directors
- 8. EXECUTIVE DIRECTOR'S REPORT**
- 9. DIRECTORS' COMMENTS**

ADJOURNMENT

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, January 23, 2019 and February 27, 2019, 8:30 a.m. at the RWA office.

Next RWA Board of Directors' Meeting – Thursday, March 14, 2019, 9:00 a.m., at the RWA Office.

JANUARY 10, 2019

50

TO: REGIONAL WATER AUTHORITY BOARD OF DIRECTORS

FROM: JOHN WOODLING

RE: EXECUTIVE DIRECTOR'S REPORT

- a. **Legislative and Regulatory Update** – The 2019 legislative session began December 3, 2018 and there have been over 215 bills introduced. The Legislature reconvenes January 7, 2019 and it is expected that there will be a wide range of topics touched on in legislation with somewhere in the range of 3,000 bills typically introduced in the first year of the two-year legislative cycle.

The biggest legislative issue for RWA in 2019 is likely to be a “water tax” in relation to clean drinking water. At this time there is one bill (AB 134 Bloom) that has been introduced related to the water tax. The expectation is that Senator Monning will be (re)introducing a bill that will include a “voluntary opt-out” monthly tax on water customer bills, and Assemblymember Eduardo Garcia will introduce a bill that is intended to be a discussion vehicle to address clean drinking water. ACWA is sponsoring a bill that centers on a limited general fund capitalization of a trust fund to provide stable funding for clean drinking water. Ryan Ojakian has been involved in the ACWA safe drinking water group that has been developing the ACWA proposal.

The introduced bills signal an intent of the Legislature to focus on affordable housing, and fire resilience. RWA will monitor bills in these issue areas for effects on service connection fees and potential funding for water supply benefits through forest management. Additionally, it is expected there will be several water efficiency bills that will likely run the support/oppose spectrum for RWA.

On the regulatory side of things how the dust settles on the Water Board action to require instream flows on the San Joaquin tributaries will be an on-going situation. The Water Board will be initiating the needs assessment analysis, in connection with clean drinking water, funded through the most recent state budget. The initial needs assessment analysis meetings are scheduled for January 11th and 18th. Ryan Ojakian will be attending the needs assessment analysis meetings.

- b. **RWA Outreach** – Thanks to all those who attended the 18th Annual RWA/SGA Holiday Social on December 6, 2018. We were pleased to honor Ryan Bezerra with the Water Statesperson Award and Pam Tobin with the Distinguished Service Award. Ms. Tobin was again elected to Chair the Sacramento Groundwater Authority in 2019. Mr. Woodling was awarded the ACWA Emissary Award at the Fall Conference and will continue to serve on the ACWA Board, on the State Legislative Committee and as

Chair of the Groundwater Committee in 2019. Mr. Woodling was invited on December 6, 2018 to present our approaches to drought response in 2014-15 to a group of water managers from Morocco.

- c. **Water Efficiency Update** – The Regional Imagery Project is moving forward. SACOG has delivered the 1,000 square miles of 4 band, 3 inch imagery files to RWA. RWA is now in the process of distributing the imagery to each water agency. Additionally, RWA is in the process of drafting a Request for Proposal (RFP) to solicit work to analyze the imagery data to produce the amount of irrigated and irrigable landscape area for each interested water agency. This information can then be used to estimate the residential outdoor water use component of the recently passed AB 1668/SB 606 water conservation focused regulation. RWA will be conducting a meeting in January 2019 to gather input on the direction of the RFP and what type of deliverables would be useful water agencies.

RWA continues to track monthly production and residential gallons per capita per day (R-GPCD) data. The data is rolled up into a data summary report that is sent back out to water agency staff. Each data summary report includes year to date monthly production by water source, monthly water production from 2013-2018, average and current precipitation and temperature, and monthly R-GPCD data by water agency and regional average. November's data summary report is included. The purpose for collecting and reporting back monthly data is to track regional trends in water use for regional planning, supplement information provided for multiagency grant applications and projects, inform regional public relations and legislative communication, and develop public outreach messaging for the Water Efficiency Program's campaigns.

The Water Efficiency Program winter public outreach campaign will focus on encouraging residents to turn off their irrigation controllers for the winter and let Mother Nature do the watering. This primarily social media and online campaign will draw the connection between bears hibernating for the winter and a household's irrigation controller "hibernating" for the winter. RWA and participating water agencies will use static social media and online ads to direct customers to their respective websites. Additionally an animated version of the message will be launched for a more interactive approach for viewers featuring a family of bears told as a story time tale to connect with the holiday season.

The 6th annual Water Spots Video Contest has been launched. The region's middle school and high school students are challenged to create 30-second public service announcements focused on this year's theme, SHOW OFF YOUR WATER SMARTS. The videos seek to educate and motivate the public to use water efficiently and stop water waste. The winning videos will receive prizes and will be featured in select movie theatres throughout the region in summer 2019. Visit bewatersmart.info for more information.

January 14, 2019, Finance and Administrative Committee Meeting Minutes

Committee Chair John Ridilla opened the meeting at 6:30 PM.

Attendees: Director Mary Harris, Director John Ridilla and District General Manager Mr. Tim Shaw were present. No members of the public were present.

Meeting was called to order at 6:30 PM.

Public Comment. There was no public comment.

Agenda Items

1. Review and discuss the Expenditures of the District for the month of December 2018.

- Discussed, County Dept. of Voter Registration and Elections increased Elections Fees, whereby they now charge the District over \$2,000 even if no RLECWD candidate appears on the ballot. General Manager stated that the Dept. of Voter Registration and Elections changed its Fee structure and there is a minimum fee even if there is no election.

- Committee Recommendation: Recommend approval to the full Board of Directors.

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

- Stalled Capital Improvement projects that the Board recently voted to terminate will not show up in this year's FY budget.

Committee Recommendation: Recommend approval to the full Board of Directors.

3. Mid-Year Budget Review.

- Unspent meter load proceeds from prior board action in June.

- Health insurance spending is less than budgeted amount as anticipated, recommend that General Manager determine amount to move to Capital improvements.

- Meter Maintenance – spending is less than budgeted, excess moved to cover overages in other areas.

- Directors should note capital budget on pages 6 and 7.-

Committee Recommendation: Recommend approval to the full Board of Directors.

4. Credit Card Payment Convenience Fee

- The District's new billing software enables a new method of payment. Automated Clearing House (ACH) auto payment allows customers to pay water bills without incurring a convenience fee. Currently, the District pays over \$20,000 per year in credit/debit card convenience fees. Recommend that we notify customers who consistently/recurrently use credit/debit card method of payment directly where feasible. Recommend that we provide at least 2 billing cycles before we start to charge credit card

customers a fee. (Note: subsequent and consequent to the 1-14-2019 Finance Committee direction, staff included an item regarding the planned change in the Water Ways newsletter).

Committee Recommendation: Recommend approval to the full Board of Directors.

5. Review of District Fee and Billing procedures.

- The background of this item was discussed. There is currently no District policy. The District should consider the impacts of SB-998 when developing a new policy.

Committee Recommendation: Recommend that the General Manager develop a new policy and bring back to the Finance and Admin Committee a draft policy. Also recommend that the General Manager determine a dollar limit threshold, the amount below which the District will not initiate service termination proceedings, in the new policy.

6. Unspent proceeds from the 2015 AMI Meter Loan

- After discussion on the two options, a new dump truck and a VOIP replacement of existing analog phone system. The amount of money is \$58,000, which is likely insufficient to purchase a new dump truck

Committee Recommendation: Recommend that the General Manager upgrade the VOIP system. Any remaining funds be placed in the capital fund for vehicle purchase next year.

7. Revision to Districts Travel Reimbursement Policy.

- Discussed issue reference fixed travel limits. Any policy exception would have to show that it is to the benefit of the District.

Committee Recommendation: Provide a recommendation with the revised text to the Directors for recommendation prior to full board meeting.

8. Legal Counsel Feedback on Draft Ordinance

- Ordinance had a blank space for dis-connect fee. F/A Committee directed staff to seek Legal Counsel feedback to explore inserting "District Actual Cost" into the blank. Legal Counsel strongly recommends against such. Staff is already working on a cost estimate for the fee.

Committee Recommendation: If the staff has a cost estimate is completed prior to the full board meeting, the General Manager will show how the estimate was developed and provided to the full board for approval. The General Manager will determine what is required to post the revised ordinance. If the estimate is not complete, this action is pushed to the next committee meeting.

9. Other items.

- Conservation rebate program be included in next month agenda.

The meeting was adjourned at 8:00PM

REPORT ON CONVENTION HELD IN SAN DIEGO, CA

53

Monday, November 26

Ride to Sacramento Airport

Departed for San Diego, CA via Southwest airlines.

Arrived and hired a "taxi" to the downtown Hyatt hotel

Attended the JPIA 8:30 AM – 11:00 AM Executive Committee Meeting

Attended the JPIA 11:30 AM – 1:00 PM Pre-Board Meeting Lunch

Attended the JPIA 1:30 PM – 4 PM Board of Directors Meeting – All issues brought before the body passed. I was particularly interested in the captive insurance agency that is now one more vote away from being final. This agency will "own" the captive and in so doing, will save for all JPIA subscribers an estimated 10 percent on their fees. The internal Board will consist of three or four from the JPIA executive council and two or Three from Board of Directors as well as one member from Utah, the state in which is will be issued as California does not have such a program.

Tuesday, November 27

Attended the JPIA 8:30 – 9:45 AM Seminar "Moving From Group to Team: Creating a Cohesive Board" – Recommend board members review this when posted on line.

Attended the JPIA 10:00 AM – 11:30 A.M Seminar "Staying out of hot water: Understanding our Role as a Board member. – Recommend board members review this when posted on line.

Attended the JPIA Sexual Harassment Prevention for Board Members & Managers Training (AB1825, 1661 & 2053) - Received a certificate of completion. Turned in to the General Manager. Enjoyed and actively participated.

Wednesday, November 28

Attended the ACWA 08:00 AM – 9:45 AM Opening Breakfast. Keynote Speaker was appointed Director of the California Department of Water Resources, Karla Nemeth. Recommend board members review this when posted on line.

Attended the ACWA 10:00 A.M. - 11:30 A.M. Attorneys Program "What do the New Water Conservation and Efficiency Requirement Mean for your agency? Recommend board members review this when posted on line.

Vendor displays opened at 11:30 A.M

Attended the ACWA 11:45 AM – 1:45 PM Lunch. Keynote Speaker was Wade Crowfoot, Chief Executive Officer, The Water Foundation. Gratuitous Ticket provided by staff. Recommend board members review this when posted on line.

Visited with vendors from 2:00 P.M to 4:30 P.M. Had some serious discussions “at the 8th grade levels and, if I was satisfied that something could possibly be of benefit to the District, I accepted their business card. After returning home from the convention, I called most of the agencies and had them explain to me again why and how their solution would better the District before I passed all the cards along to General Tate. I marked the ones that most caught my attention and asked him to contact them on the “9th grade and above level” and determine they were of any value.

Thursday, November 29

Attended ACWA 9:30 AM – 11:00 AM Attorneys Program “SB 998 (Dodd) Water Service Shut-offs – What Now? “Despite a statewide opposition coalition lobbying effort which in turn generated many individual water agencies to weigh in, Governor Brown ended up signing Senate Bill 988 into law.” This bill has a direct future negative impact on this District as it is perpetrator-friendly provided their reason for not paying for their water is that they are “low income and cannot afford to pay. It appears to be ripe for misuse. The basic reason for the signing is that water belongs to everybody, but that government has restricted people from digging their own wells without approvals, inspections they are required to have, etc. This bill “interplays with” propositions 218 and 26. General manger Tate is aware of these bills. My suggestion is that we stop working through ACWA if we wish to “kill” this and recommend we begin a recall campaign against the author and those that voted for this. I made the same recommendation at the convention. Recommend Board members review this presentation when the minutes are published.

Attended the ACWA 11:45 AM – 1:45 AM luncheon. Keynote Speaker was Brenda Burman, Commissioned, U.S. Bureau of Reclamation. “The Bureau of Reclamation, under the Department of Interior, operates the Central Valley Project and the Hoover Dam, and is the largest wholesale provider of water in the country.”

Attended ACWA 6:30 PM – 10:30 PM (travel to and from included) “Tim Quinn's Retirement Celebration” outside the hotel on the USS Midway. Enjoyable.

Friday, November 30

Attended ACQA JPIA event “Hans Doe Past Presidents' Breakfast In Partnership with ACWA JPIA” A session to “navigate the new lineups” of our elected officials and how best to approach them. Personally, I did not find this worthy of spending another day at the convention. Recommend Friday be removed from the trip in the future.

Taxi to the airport

Southwest Airline flight back to Sacramento

Wife picks me up at the airport and transports me hom.

God Bless

Paul Green

1 Atch: Senate Bill 998



SB-998 Discontinuation of residential water service: urban and community water systems. (2017-2018)

SHARE THIS:



Date Published: 09/28/2018 09:00 PM

Senate Bill No. 998

CHAPTER 891

An act to add Chapter 6 (commencing with Section 116900) to Part 12 of Division 104 of the Health and Safety Code, relating to water.

[Approved by Governor September 28, 2018. Filed with Secretary of State September 28, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

SB 998, Dodd. Discontinuation of residential water service: urban and community water systems.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including water corporations. Existing law requires certain notice to be given before a water corporation, public utility district, municipal utility district, or a municipally owned or operated public utility furnishing water may terminate residential service for nonpayment of a delinquent account, as prescribed.

This bill would require an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, to have a written policy on discontinuation of water service to certain types of residences for nonpayment available in prescribed languages. The bill would require the policy to include certain components, be available on the system's Internet Web site, and be provided to customers in writing, upon request. The bill would provide for enforcement of these provisions, including making a violation of these provisions punishable by a civil penalty issued by the board in an amount not to exceed \$1,000 for each day in which the violation occurs, and would require the enforcement moneys collected by the board to be deposited in the Safe Drinking Water Account. The bill would prohibit an urban and community water system from discontinuing residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. The bill would require an urban and community water system to contact the customer named on the account and provide the customer with the urban and community water system's policy on discontinuation of residential service for nonpayment no less than 7 business days before discontinuation of residential service, as prescribed.

This bill would prohibit residential service from being discontinued under specified circumstances. The bill would require an urban and community water system that discontinues residential service to provide the customer with information on how to restore service. The bill would require an urban and community water system to waive interest charges on delinquent bills for, and would limit the amount of a reconnection of service fee imposed on, a residential customer who demonstrates, as prescribed, to the urban and community water system household income below 200% of the federal poverty line. The bill would require an urban and community water system

that furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit structure, mobilehome park, or permanent residential structure in a labor camp, and that the owner, manager, or operator of the dwelling, structure, or park is the customer of record, to make every good faith effort to inform the residential occupants by written notice that service will be terminated and that the residential occupants have the right to become customers, as specified. The bill would require an urban and community water system to report the number of annual discontinuations of residential service for inability to pay on its Internet Web site and to the board, and the bill would require the board to post on its Internet Web site the information reported. The bill would require an urban water supplier, as defined, or an urban and community water system regulated by the commission, to comply with the bill's provisions on and after February 1, 2020, and any other urban and community water system to comply with the bill's provisions on and after April 1, 2020. The bill would provide that the provisions of the bill are in addition to the provisions in existing law duplicative of the bill and that where the provisions are inconsistent, the provisions described in the bill apply.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares as follows:

(a) All Californians have the right to safe, accessible, and affordable water as declared by Section 106.3 of the Water Code.

(b) It is the intent of the Legislature to minimize the number of Californians who lose access to water service due to inability to pay.

(c) Water service discontinuations threaten human health and well-being, and have disproportionate impact on infants, children, the elderly, low-income families, communities of color, people for whom English is a second language, physically disabled persons, and persons with life-threatening medical conditions.

(d) When there is a delinquent bill, all Californians, regardless of whether they pay a water bill directly, should be treated fairly, and fair treatment includes the ability to contest a bill, seek alternative payment schedules, and demonstrate medical need and severe economic hardship.

(e) The loss of water service causes tremendous hardship and undue stress, including increased health risks to vulnerable populations.

(f) It is the intent of the Legislature that this act provide additional procedural protections and expand upon the procedural safeguards contained in the Public Utilities Code and Government Code as of January 1, 2018, relating to utility service disconnections.

SEC. 2. Chapter 6 (commencing with Section 116900) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

CHAPTER 6. Discontinuation of Residential Water Service

116900. This chapter shall be known, and may be cited, as the Water Shutoff Protection Act.

116902. For the purposes of this chapter, the following definitions apply:

(a) "Board" means the State Water Resources Control Board.

(b) "Public water system" has the same meaning as defined in Section 116275.

(c) "Residential service" means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing.

(d) "Urban and community water system" means a public water system that supplies water to more than 200 service connections.

(e) "Urban water supplier" has the same meaning as defined in Section 10617 of the Water Code.

116904. (a) An urban water supplier not regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020.

(b) An urban and community water system regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020. The urban and community water system regulated by the Public Utilities Commission shall file advice letters with the commission to conform with this chapter.

(c) An urban and community water system not described in subdivision (a) or (b) shall comply with this chapter on and after April 1, 2020.

116906. (a) An urban and community water system shall have a written policy on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in its service area. The policy shall include all of the following:

- (1) A plan for deferred or reduced payments.
- (2) Alternative payment schedules.
- (3) A formal mechanism for a customer to contest or appeal a bill.
- (4) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

(b) The policy shall be available on the urban and community water system's Internet Web site, if an Internet Web site exists. If an Internet Web site does not exist, the urban and community water system shall provide the policy to customers in writing, upon request.

(c) (1) The board may enforce the requirements of this section pursuant to Sections 116577, 116650, and 116655. The provisions of Section 116585 and Article 10 (commencing with Section 116700) of Chapter 4 apply to enforcement undertaken for a violation of this section.

(2) All moneys collected pursuant to this subdivision shall be deposited in the Safe Drinking Water Account established pursuant to Section 116590.

116908. (a) (1) (A) An urban and community water system shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. No less than seven business days before discontinuation of residential service for nonpayment, an urban and community water system shall contact the customer named on the account by telephone or written notice.

(B) When the urban and community water system contacts the customer named on the account by telephone pursuant to subparagraph (A), it shall offer to provide in writing to the customer the urban and community water system's policy on discontinuation of residential service for nonpayment. An urban and community water system shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

(C) When the urban and community water system contacts the customer named on the account by written notice pursuant to subparagraph (A), the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:

- (i) The customer's name and address.
- (ii) The amount of the delinquency.
- (iii) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
- (iv) A description of the process to apply for an extension of time to pay the delinquent charges.
- (v) A description of the procedure to petition for bill review and appeal.
- (vi) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the written policies provided pursuant to subdivision (a) of Section 116906.

(2) If the urban and community water system is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the urban and community water system shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the urban and community water system's policy for discontinuation of residential service for nonpayment.

(b) If an adult at the residence appeals the water bill to the urban and community water system or any other administrative or legal body to which such an appeal may be lawfully taken, the urban and community water system shall not discontinue residential service while the appeal is pending.

116910. (a) An urban and community water system shall not discontinue residential service for nonpayment if all of the following conditions are met:

(1) The customer, or a tenant of the customer, submits to the urban and community water system the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

(2) The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

(3) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section 116906, with respect to all delinquent charges.

(b) (1) If the conditions listed in subdivision (a) are met, the urban and community water system shall offer the customer one or more of the following options:

(A) Amortization of the unpaid balance.

(B) Participation in an alternative payment schedule.

(C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.

(D) Temporary deferral of payment.

(2) The urban and community water system may choose which of the payment options described in paragraph (1) the customer undertakes and may set the parameters of that payment option. Ordinarily, the repayment option offered should result in repayment of any remaining outstanding balance within 12 months. An urban and community water system may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

(3) Residential service may be discontinued no sooner than 5 business days after the urban and community water system posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

(A) The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.

(B) While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential service charges for 60 days or more.

116912. An urban and community water system that discontinues residential service for nonpayment shall provide the customer with information on how to restore residential service.

116914. (a) For a residential customer who demonstrates to an urban and community water system household income below 200 percent of the federal poverty line, the urban and community water system shall do both of the following:

(1) Set a reconnection of service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during nonoperational hours, an urban and community water system shall set a reconnection of service fee at one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(2) Waive interest charges on delinquent bills once every 12 months.

(b) An urban and community water system shall deem a residential customer to have a household income below 200 percent of the federal poverty line if any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

116916. (a) This section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling.

(b) If an urban and community water system furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp as defined in Section 17008, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the urban and community water system shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least 10 days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

(c) The urban and community water system is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the urban and community water system's rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the urban and community water system, or if there is a physical means legally available to the urban and community water system of selectively terminating service to those residential occupants who have not met the requirements of the urban and community water system's rules and tariffs, the urban and community water system shall make service available to those residential occupants who have met those requirements.

(d) If prior service for a period of time is a condition for establishing credit with the urban and community water system, residence and proof of prompt payment of rent or other credit obligation acceptable to the urban and community water system for that period of time is a satisfactory equivalent.

(e) Any residential occupant who becomes a customer of the urban and community water system pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the urban and community water system for those services during the preceding payment period.

(f) In the case of a detached single-family dwelling, the urban and community water system may do any of the following:

(1) Give notice of termination at least seven days prior to the proposed termination.

(2) In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

116918. An urban and community water system shall report the number of annual discontinuations of residential service for inability to pay on the urban and community water system's Internet Web site, if an Internet Web site exists, and to the board. The board shall post on its Internet Web site the information reported.

116920. (a) The Attorney General, at the request of the board or upon his or her own motion, may bring an action in state court to restrain by temporary or permanent injunction the use of any method, act, or practice declared in this chapter to be unlawful.

(b) For an urban and community water system regulated by the Public Utilities Commission, the commission may bring an action in state court to restrain by temporary or permanent injunction the use by an urban and community water system regulated by the commission of any method, act, or practice declared in this chapter to be unlawful.

116922. All written notices required under this chapter shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the urban and community water system's service area.

116924. Where provisions of existing law are duplicative of this chapter, compliance with one shall be deemed compliance with the other. Where those provisions are inconsistent, the provisions of this chapter shall apply. Nothing in this chapter shall be construed to limit or restrict the procedural safeguards against the disconnection of residential water service existing as of December 31, 2018.

116926. This chapter does not apply to the termination of a service connection by an urban and community water system due to an unauthorized action of a customer.



**PENDING AND COMPLETED ITEMS
1-28-2019 BOARD OF DIRECTORS MEETING**

1. **Destruction of Well #17 project wells** Access to the property to perform wells destruction is still limited by weather and ground conditions **Pending**
2. **Appraisal of Well #16 parcel:** The District has received the Well #16 appraisal report. **Completed**
3. **Credit/Debit Card Convenience Fees:** There is an item on tonight's agenda for the Board to prescribe the amount of notice we will use to transition away from District paid convenience fees for customers who pay by credit/debit cards. **Pending**
4. **Letter to Tesco for Disappointing Service:** The District's IT hardware failure impeded progress, but the vendors have shown a commitment to resolving the access to SCADA historian reports. **Pending**
5. **Professional Services Agreement for Engineering for the design of the Well #16:** We are out to bid for engineering design services. All is progressing as planned. **Pending**
6. **Strategic Planning:** I have started writing the content requested by the consultant, but the process is a start and stop evolution with all of the other demands for my attention, e.g. negotiations, personnel, contract administration meeting attendance etc. **Pending**
7. **General Unit MOU renewal:** Holiday routine and other delays slowed progress. The MOU Renewal Ad Hoc met on January 18th to respond to the Teamster's proposal received two days prior. **Pending**
8. **Disposition of the District assets recently declared as surplus by the Board:** The first two surplus items were auctioned off. The process through Public Surplus online auctions seemed to function as expected. We are now posting additional surplus items, e.g. copper tubing and vehicles. **Pending**
9. **The Annual CAFR:** The annual Comprehensive Annual Financial Report for FY 2018/2019 is complete and submitted. **Complete**
10. **Annual DDW inspection** – We received the inspection report on January 9th. **Complete**
11. **California Employer Retiree Benefits Trust Contract:** The District received the fully executed contract and supporting documents this afternoon **Completed**