

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

January 27, 2025 (6:30 p.m.)

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

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

AGENDA

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

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

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

2. PUBLIC COMMENT

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

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

3.1. Minutes

December 18, 2024

The Board is being asked to approve the Minutes from the December 18, 2024 Regular Board Meeting.

3.2. Expenditures

The Executive Committee recommends the Board approve the November 2024 Expenditures.

3.3. Financial Reports

The Executive Committee recommends the Board approve the November 2024 Financial Report.

4. REGULAR CALENDAR

ITEMS FOR DISCUSSION AND ACTION

4.1. GM Report.

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

4.2. District Engineer's Report.

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

4.3. Consider Authorizing a Change in the Designated Provider of Legal Services.

4.4. Consider Authorizing Board Member Compensation for Late Submittal.

- 4.5. **Consider Authorizing a Revision to District Policy 2.20.140, Board Member Compensation (time limit for submitting requests).**
- 4.6. **Discuss the process for increasing Board Member Compensation.**
- 4.7. **Authorize any New Board Member Assignments (committees and other) Proposed by the Chair Pursuant to District Policy 2.01.065.**

5. INFORMATION ITEMS

5.1. District Activities Reports

- 5.1.1. Water Operations Report
- 5.1.2. Completed and Pending Items Report
- 5.1.3. Conservation Report
- 5.1.4. Leak Repair Report

5.2. Board Member Reports

- 5.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
- 5.2.2. Sacramento Groundwater Authority (Cline is Alternate, Liverett is nominated Primary)
- 5.2.3. Executive Committee – Young/Liverett
- 5.2.4. ACWA/JPIA – Cline
- 5.2.5. MOU Renewal Negotiations Ad Hoc (Young/Cline)

6. DIRECTORS' AND GENERAL MANAGER COMMENTS

7. ADJOURNMENT –

Upcoming meetings:

Executive Committee

February 12, 2025, Wednesday, 6:00 pm. Visitors / Depot Center, 6730 Front St. Rio Linda, CA

Board Meeting (subject to Board Confirmation)

February 24, 2025, Monday, 6:30 pm. Visitors / Depot Center, 6730 Front St. Rio Linda, CA



**Consent Calendar
Agenda Item: 3.1**

Date: January 27, 2025

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 _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____

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

**MINUTES OF THE DECEMBER 18, 2024
BOARD OF DIRECTORS REGULAR MEETING
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

The Link below provides access the video of this meeting.

<https://vimeo.com/1040827537>

The numbers in parentheses next to each action item correlate to time marks on the video of the meeting.

1. 6:00 P.M. Special meeting to execute the oath of office for recently elected RLECWD Board Members. This is a ceremonial purpose, and no formal Board action will be taken. The public is welcome, and refreshments will be provided.

2. 6:30 P.M. CALL TO ORDER, ROLL CALL, & PLEDGE OF ALLEGIANCE

The December 18, 2024 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:30 p.m. Community Center 810 Oak Lane, Rio Linda, CA 95673. This meeting was physically open to the public.

General Manager Tim Shaw took roll call of the Board of Directors. Director Jason Green, Director Chris Gifford, Director Vicky Young, Director Maria Liverett, Director Anthony Cline, General Manager Tim Shaw, Mike Vasquez, Vasquez Engineering, and Legal Counsel were present. Director Cline led the pledge of allegiance.

3. **PUBLIC COMMENT** – No public comment.

4. ELECTION OF OFFICERS AND 2024 BOARD MEMBER ASSIGNMENTS (1:17)

4.1. The Board will elect officers, President, and Vice President of the Board. Following the election of the new officers, the new President (if applicable) will assume the Chair responsibilities for the remainder of the agenda.

4.1.1. Comments from outgoing President

4.1.2. Comments from incoming President

Director Cline nominated Chris Gifford for President. Maria nominated Vicky Young for President.

(3:00) GM Shaw did a roll call vote of all the Directors. Directors Green, Cline, and Gifford voted for Chris Gifford for President. Directors Young and Liverett voted for Young. The motion carried by a roll call vote of 3-2-0 for Director Gifford as Board President.

(3:50) It was moved by Director Green and seconded by Director Cline to elect Director Vicky Young as Vice President. Directors Green, Young, Liverett, Cline, and Gifford voted yes. The motion carried with a roll call vote of 5-0-0

4.2. Confirmation of Committee Appointments and other Board Member Assignments (4:10)

4.2.1. The Board will consider voting to confirm appointments and assignment and/or discuss alternative timing / accommodations for ratification of appointment & assignments.

4.2.1.1. Executive Committee (two Board Members)

4.2.1.2. Association of California Water Agencies (ACWA)

4.2.1.3. ACWA Joint Powers Insurance Authority (JPIA)

4.2.1.4. Sacramento Groundwater Authority (Primary and Alternate)

Director Cline volunteered to remain on the Executive Committee.

(4:20) It was moved by Director Young and seconded by Director Cline to elect Directors Young and Liverett to the Executive Committee. Directors Green, Young, Liverett, Cline, and Gifford voted yes. The motion carried with a roll call vote of 5-0-0.

Director Cline volunteered to remain on the ACWA committee. The Board voted 5-0-0.

It was moved by Director Cline seconded by Director Liverett to elect Director Maria Liverett to the SGA committee. Directors Green, Young, Liverett, Cline, and Gifford voted yes. The motion carried by a roll call vote of 5-0-0.

5. CONSENT CALENDAR (6:55)

5.1. November 25, 2024 Minutes

5.2 October Expenditures

5.3 October Financials

Comments/Questions – No comments

(7:07) It was moved by Director Cline seconded by Director Green to approve the Consent Calendar. Directors Green, Young, Liverett, Cline, and Gifford voted yes. The motion carried by a roll call vote of 5-0-0.

6.REGULAR CALENDAR -ITEMS FOR DISCUSSION AND ACTION

6.1 GM Report (7:20)

The General Manager, Tim Shaw provided his monthly report to the Board of Directors.

Comments/Questions – Directors had general questions of the managers' report. No public comment.

The Board took no action on this item.

6.2 Public Works Projects Report (8:46)

Mike Vasques, Vasquez Engineering report provided, General District Engineering.

Comments/Questions – General questions by the Directors. No public comment.

The Board took no action on this item.

6.3 Consider Authorizing the Annual Construction Cost Adjustment for RLECWD Drinking Water Capacity Fees. (16:00)

Comments/Questions – General questions by the Directors. No public comment.

(21:53) It was moved by Director Cline and seconded by Director C to authorize the annual construction cost adjustment of .75% for RLECWD Drinking Water Capacity Fees. Directors Green, Young, Liverett, Cline, and Gifford voted yes. The motion carried with a roll call vote of 5-0-0.

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

No action taken by the Board.

No public comment.

7. INFORMATION ITEMS

7.1 District Activities Reports (22:17)

7.1.1 Water Operations Report – Written report provided.

7.1.2 Completed and Pending Items Report – Written report provided.

7.1.3 Conservation Report – Report Provided.

7.1.4 Leak Repair Report – Report provided.

7.1.5 Minor Budget Revision

Comments/Questions –

7.2 Board Member Report (24:00)

- 7.2.1 Report any ad hoc committees dissolved by requirements in Policy 2.01.065 – No action.
- 7.2.2 Executive Committee – Liverett, Cline – Minutes provided.
- 7.2.3 ACWA/JPIA – Cline – Nothing to report.
- 7.2.4 MOU Renewal Negotiations Ad Hoc (Young/Cline) – Comments/Questions – No public comment.

Comments/Questions – No public comment.

8. PUBLIC COMMENT PRIOR TO CLOSED SESSION

9 CLOSED SESSION - THE BOARD OF DIRECTORS WILL MEET IN CLOSED SESSION TO DISCUSS THE FOLLOWING ITEM: ()

9.1. CONFERENCE WITH LABOR NEGOTIATORS - (Pursuant to Government Code Section 54957.6) District Negotiators; Shaw, Young, & Cline. RLECWD Employee General Unit, Teamster Local 150 regarding Renewal of Memorandum of Understanding.

9.2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Pursuant to Paragraph (1) of subdivision (d) of Gov. Code § 54956.9). Teamsters Local 150 v. Rio Linda Elverta Community Water District Unfair Practices Charge No. SA-CE-1268-M.

10. RETURN TO OPEN SESSION, REPORT OF ACTIONS TAKEN IN CLOSED SESSION

NO ACTION TO REPORT FROM CLOSED SESSION.

11. DIRECTORS' AND GENERAL MANAGER COMMENTS – No comments.

12. ADJOURNMENT - The meeting was adjourned at 7:05 pm.

Respectfully submitted,

Timothy R. Shaw, Secretary

Chris Gifford, President of the Board



**Consent Calendar
Agenda Item: 3.2**

Date: January 27, 2025

Subject: Expenditures

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee forwarded the November 2024 Expenditures report to the January 27th Board agenda with the Committee’s recommendation for Board approval.

Current Background and Justification:

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

Conclusion:

Board approval of the January 27th Consent Agenda incorporates approval of the November 2024 Expenditures.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____

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

**Rio Linda Elverta Community Water District
Expenditure Report
November 2024**

Date	Num	Name	Memo	Amount
11/13/2024	EFT	QuickBooks Payroll Service	For PP Ending 11/09/24 Pay date 11/14/24	20,176.99
11/14/2024	EFT	CalPERS	For PP Ending 11/09/24 Pay date 11/14/24	3,728.03
11/14/2024	EFT	CalPERS	For PP Ending 11/09/24 Pay date 11/14/24	1,388.06
11/14/2024	EFT	Internal Revenue Service	Employment Taxes	7,718.32
11/14/2024	EFT	Employment Development	Employment Taxes	1,579.88
11/14/2024	EFT	Empower	Deferred Compensation Plan: Employer & Employee Share	1,890.10
11/14/2024	EFT	Adept Solutions	Monthly Computer Maintenance	1,616.20
11/14/2024	EFT	Comcast	Telephone-Landline	109.68
11/14/2024	EFT	PG&E	Utilities	45.19
11/14/2024	EFT	Ramos Oil Inc.	Transportation Fuel	863.76
11/14/2024	EFT	Republic Services	Utilities	171.36
11/14/2024	EFT	Umpqua Bank Credit Card	Construction Equip Maint, Computer, Office, Postage, Pumping Maint, Shop Supplies, Telephone	4,117.06
11/14/2024	EFT	Verizon Connect	Field IT	63.80
11/14/2024	EFT	Verizon	Field Communication	448.97
11/14/2024	EFT	RLECWD	Umpqua Bank Monthly Debt Service Transfer	17,000.00
11/14/2024	EFT	RLECWD	RLECWD - Capital Improvement	52,517.00
11/14/2024	3229	Customer	Final Bill Refund	146.03
11/14/2024	3230	ACWA/JPIA Powers Insurance Authority	EAP	24.80
11/14/2024	3231	BSK Associates	Lab Fees	1,581.80
11/14/2024	3232	CoreLogic Solutions	Subscription	103.00
11/14/2024	3233	Henrici, Mary	Retiree Insurance	524.10
11/14/2024	3234	O'Reilly Automotive	Transportation Maintenance	21.22
11/14/2024	3235	Rio Linda Hardware & Building Supply	Shop Supplies	363.74
11/14/2024	3236	RW Trucking	Distribution	738.84
11/14/2024	3237	Sacramento County Utilities	Utilities	126.70
11/14/2024	3238	Sacramento Local AgencyFormation Comm	Permits & Fees	517.00
11/14/2024	3239	Sierra Chemical Company	Treatment	2,893.44
11/14/2024	3240	SMUD	Utilities	27,259.25
11/14/2024	3241	Tesco Controls	Field IT	1,327.37
11/14/2024	3242	UniFirst Corporation	Uniforms	609.25
11/14/2024	3243	Vanguard Cleaning Systems	Janitorial	195.00
11/14/2024	3244	Vasquez Engineering	Engineering	5,000.00
11/14/2024	3245	White Brenner, LLP	Legal	6,695.60
11/14/2024	3246	United Pavement Maintenance	Capital Improvement: Raising/Lowering Valve Covers	33,600.00
11/14/2024	3247	Rawies Engineering	Valve Replacements-Emergency Repair	28,727.75
11/21/2024	EFT	Kaiser Permanente	Health Insurance	2,378.50
11/21/2024	EFT	Principal	Dental & Vision Insurance	2,342.27
11/21/2024	EFT	Western Health	Health Insurance	12,618.86
11/25/2024	EFT	WageWorks	FSA Administration Fee	76.25
11/26/2024	EFT	QuickBooks Payroll Service	For PP Ending 11/23/24 Pay date 11/27/24	21,017.88
11/27/2024	EFT	CalPERS	For PP Ending 11/23/24 Pay date 11/27/24	3,758.61
11/27/2024	EFT	CalPERS	For PP Ending 11/23/24 Pay date 11/27/24	1,388.06



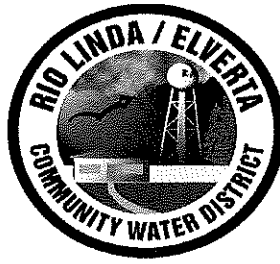
**Rio Linda Elverta Community Water District
Expenditure Report
November 2024**

Date	Num	Name	Memo	Amount
11/27/2024	EFT	Internal Revenue Service	Employment Taxes	8,054.06
11/27/2024	EFT	Employment Development	Employment Taxes	1,692.63
11/27/2024	EFT	Empower	Deferred Compensation Plan: Employer & Employee Share	1,895.63
Total 10020 - Operating Account Budgeted Expenditures				<u>279,112.04</u>
11/15/2024	EFT	AFLAC	Employee Funded Premiums	745.84
11/14/2024	EFT	California State Disbursement Unit	Employee Garnishment	332.00
11/14/2024	3228	Teamsters	Union Dues	815.00
11/27/2024	EFT	California State Disbursement Unit	Employee Garnishment	332.00
11/30/2024	EFT	WageWorks	FSA Expenditures - Employee Funded	4,748.37
Total 10020 - Operating Account Non-Budgeted Expenditures: Employee Paid Pass-throughs				<u>6,973.21</u>

Rio Linda Elverta Community Water District
Expenditure Report
November 2024

Date	Num	Payee	Memo	Amount
11/14/2024	EFT	RLECWD	Check Number 3246	33,600.00
10475 · Capital Improvement-Umpqua Bank				<u>33,600.00</u>





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**Consent Calendar
Agenda Item: 3.3**

Date: January 27, 2025

Subject: Financial Reports

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee forwarded the Financial Report onto the January 27th Board agenda with the Committee's recommendation for Board approval.

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 to inform them of the District's current financial condition.

Conclusion:

Board approval of the Consent Agenda incorporates approval of the November Financial Report.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____
Cline _____ Gifford _____ Green _____ Liverett _____ Young _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

Rio Linda Elverta Community Water District

Balance Sheet

As of November 30, 2024



ASSETS

Current Assets

100 · Cash & Cash Equivalents	
10000 · Operating Account	
10020 · Operating Fund-Umpqua	1,837,400.17
Total 10000 · Operating Account	1,837,400.17
10475 · Capital Improvement	
10480 · General	729,636.90
10485 · Vehicle Replacement Reserve	37,948.49
Total 10450 · Capital Improvement	767,585.39

Total 100 · Non-Restricted Cash & Cash Equivalents 2,604,985.56

102 · Restricted Assets

102.2 · Restricted for Debt Service	
10700 · ZIONS Inv/Surcharge 1 Reserve	538,689.89
10300 · Surcharge 1 Account	1,133,188.94
10350 · Umpqua Bank - Revenue Bond	37,838.35
10380 · Surcharge 2 Account	524,423.70
Total 102.2 · Restricted for Debt Service	2,234,140.88

102.4 · Restricted Other Purposes	
10385 · Available Funding Cr6 Projects #1	476,696.41
10481 · Available Funding Cr6 Projects #2	497,030.20
10490 · Future Capital Imp Projects	1,376,849.61
10600 · LAIF Account - Capacity Fees	960,931.36
10650 · Operating Reserve Fund	340,004.61
Total 102.4 · Restricted Other Purposes	3,651,512.19

Total 102 · Restricted Assets 5,885,653.07

Accounts Receivable 761.38

Other Current Assets

12000 · Water Utility Receivable	701,995.40
12200 · Accrued Revenue	0.00
12250 · Accrued Interest Receivable	2,976.12
15000 · Inventory Asset	48,618.45
16000 · Prepaid Expense	100,685.52
16075 · OPEB GASB 75	4,751.00

Total Other Current Assets 859,026.49

Total Current Assets 9,350,426.50

Capital Assets

17000 · General Plant Assets	653,964.26
17100 · Water System Facilites	25,323,453.93
17300 · Intangible Assets	383,083.42
17500 · Accum Depreciation & Amort	-12,521,210.96
18000 · Construction in Progress	1,124,580.28
18100 · Land	576,672.45

Total Capital Assets 15,540,543.38

Other Assets

18500 · ADP CalPERS Receivable	410,000.00
19000 · Deferred Outflows	821,741.00
19900 · Suspense Account	0.00

Total Other Assets 1,231,741.00

TOTAL ASSETS **26,122,710.88**

Rio Linda Elverta Community Water District

Balance Sheet

As of November 30, 2024

LIABILITIES & NET POSTION

Liabilities	
Current Liabilities	
Accounts Payable	36,933.81
Credit Cards	0.00
Other Current Liabilities	933,259.88
Total Current Liabilities	970,193.69
Long Term Liabilities	
23000 · OPEB Liability	0.00
23500 · Lease Buy-Back	459,522.27
25000 · Surcharge 1 Loan	2,314,710.45
25050 · Surcharge 2 Loan	1,835,040.16
26000 · Water Rev Refunding	1,187,101.00
26500 · ADP CalPERS Loan	380,000.00
27000 · AMI Meter Loan	0.00
29000 · Net Pension Liability	946,016.00
29500 · Deferred Inflows-Pension	112,980.00
29600 · Deferred Inflows-OPEB	37,219.00
Total Long Term Liabilities	7,272,588.88
Total Liabilities	8,242,782.57
Net Position	
31500 · Invested in Capital Assets, Net	10,069,591.46
32000 · Restricted for Debt Service	705,225.24
38000 · Unrestricted	6,597,086.39
Net Revenue	508,025.22
Total Net Position	17,879,928.31
TOTAL LIABILITIES & NET POSTION	26,122,710.88

**Rio Linda Elverta Community Water District
Operating Profit & Loss Budget Performance
As of November 30, 2024**

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	<u>Annual Budget</u>	<u>Nov 24</u>	<u>YTD Jul-Nov 24</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
Ordinary Income/Expense					
Revenue					
Total 40000 · Operating Revenue	3,288,300.00	392,272.74	1,597,788.70	48.59%	1,690,511.30
41000 · Nonoperating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	35.00	3.04	17.15	49.00%	17.85
Total 41110 · Investment Revenue	<u>35.00</u>	<u>3.04</u>	<u>17.15</u>	<u>49.00%</u>	<u>17.85</u>
41120 · Property Tax	127,000.00	0.00	3,872.34	3.05%	123,127.66
Total 41000 · Nonoperating Revenue	<u>127,035.00</u>	<u>3.04</u>	<u>3,889.49</u>	<u>3.06%</u>	<u>123,145.51</u>
Total Operating & Non-Operating Revenue	<u>3,415,335.00</u>	<u>392,275.78</u>	<u>1,601,678.19</u>	<u>46.90%</u>	<u>1,813,656.81</u>
Expense					
60000 · Operating Expenses					
60010 · Professional Fees	146,000.00	13,845.60	65,859.26	45.11%	80,140.74
60100 · Personnel Services					
60110 · Salaries & Wages	886,596.00	64,671.52	338,204.15	38.15%	548,391.85
60150 · Employee Benefits & Expense	520,440.00	37,224.44	187,925.40	36.11%	332,514.60
Total 60100 · Personnel Services	<u>1,407,036.00</u>	<u>101,895.96</u>	<u>526,129.55</u>	<u>37.39%</u>	<u>880,906.45</u>
60200 · Administration	309,736.00	13,098.91	101,127.31	32.65%	208,608.69
64000 · Conservation	500.00	0.00	0.00	0.00%	500.00
65000 · Field Operations	644,400.00	65,284.59	272,955.36	42.36%	371,444.64
Total 60000 · Operating Expenses	<u>2,507,672.00</u>	<u>194,125.06</u>	<u>966,071.48</u>	<u>38.53%</u>	<u>1,541,600.52</u>
69000 · Non-Operating Expenses					
69010 · Debt Service					
69100 · Revenue Bond					
69105 · Principle	162,415.00	67,415.00	67,415.00	41.51%	95,000.00
69110 · Interest	39,343.00	20,175.27	20,175.27	51.28%	19,167.73
Total 69100 · Revenue Bond	<u>201,758.00</u>	<u>87,590.27</u>	<u>87,590.27</u>	<u>43.41%</u>	<u>114,167.73</u>
69200 · PERS ADP Loan					
69205 · Principle	30,000.00	0.00	0.00	0.00%	30,000.00
69210 · Interest	1,517.00	0.00	0.00	0.00%	1,517.00
Total 69100 · PERS ADP Loan	<u>31,517.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>	<u>31,517.00</u>
Total 69010 · Debt Service	<u>233,275.00</u>	<u>87,590.27</u>	<u>87,590.27</u>	<u>37.55%</u>	<u>145,684.73</u>
69400 · Other Non-Operating Expense	2,300.00	0.00	0.00	0.00%	2,300.00
Capital A Total 69000 · Non-Operating Expenses	<u>235,575.00</u>	<u>87,590.27</u>	<u>87,590.27</u>	<u>37.18%</u>	<u>147,984.73</u>
Total Operating & Non-Operating Expense	<u>2,743,247.00</u>	<u>281,715.33</u>	<u>1,053,661.75</u>	<u>38.41%</u>	<u>1,689,585.25</u>
Net Revenue	<u>672,088.00</u>	<u>110,560.45</u>	<u>548,016.44</u>		

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
 CAPITAL BUDGET 2024-2025
 November 2024

Description	Annual Budget	Nov 24	YTD Jul-Nov 24	% of Annual Budget	YTD Budget Balance
Raising/Lowering Valve Covers	40,000.00	33,600.00	33,600.00	84.00%	6,400.00
Well 15 Cr6 Treatment	171,000.00	0.00	3,080.00	1.80%	167,920.00
Server Replacement	9,500.00	0.00	9,500.00	100.00%	0.00
Total Continued Ongoing Projects	220,500.00	33,600.00	46,180.00	20.94%	174,320.00
Annual Miscellaneous Pump Replacements	30,000.00	0.00	0.00	0.00%	30,000.00
Annual Small Meter Replacements	120,000.00	0.00	2,153.71	1.80%	117,846.29
Annual Large Meter Replacements	5,000.00	0.00	0.00	0.00%	5,000.00
Annual Pipeline Replacement	270,650.00	27,065.00	270,650.00	100.00%	0.00
Total New Annual Projects	425,650.00	27,065.00	272,803.71	64.09%	152,846.29
Field Truck Replacement	40,000.00	0.00	0.00	0.00%	40,000.00
Total New Projects	40,000.00	0.00	0.00	0.00%	40,000.00
Total FY 2024-25	\$686,150.00	\$60,665.00	\$318,983.71	46.49%	\$367,166.29



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

Date: January 27, 2025
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 _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent



Date: January 27, 2025
Subject: General Manager Report
Staff Contact: Timothy R. Shaw, General Manager

For the given month, I participated in the following recurring meetings and special events. Ongoing labor negotiations, onboarding a newly elected Director, and indoctrinating a complete new Executive Committee have demanded additional resources for this reporting period.

1. From December 23rd to January 2nd, I was away from the office
2. On January 6th, I met with the Teamsters at the union hall.
3. On January 7th, 8th, and 9th, I corresponded with specialty legal counsel regarding ongoing litigation.
4. On January 8th, I participated in the monthly Executive Committee meeting.
5. On January 15th, the Accounting Specialist and I coordinated to submit the annual report to the State Controller's Office.
6. On January 15th and 22nd, I corresponded with Best, Best and Krieger regarding engagement for legal services.

Throughout the reporting period, additional demands for resources were incurred from:

- Mandated biennial training (harassment prevention and ethics).
- Corresponding with Teamsters on negotiations for MOU renewal.
- Logistics for public meeting location.

The annual inflation matrix has remained steady at reasonable levels.



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

Date: January 27, 2025
Subject: Public Works Projects Report
Contact: Mike Vasquez, Contract District Engineer

Recommended Committee Action:

N/A this item is not reviewed by committee.

Current Background and Justification:

Contract District Engineer, Mike Vasquez will provide a 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 _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent



22 January 2025

DISTRICT ENGINEER'S REPORT

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

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

Subject: **District Engineer's Report for the 27 January 2025 Board of Directors Meeting**

The District Engineer is pleased to submit this brief update of duties and tasks performed for the period of 12 December 2024 to 21 January 2025:

1. **Water Loss Standards and Water Use Efficiency:** Staff prepared and submitted the District's Urban Water Use Objective Annual Report to the State Water Board on 12/31/2024, pursuant to Assembly Bill 1668 and Senate Bill 606. The report submittal was due on 1/1/2025. The analysis and calculations performed in preparing the report resulted in the District achieving its Urban Water Use Objective by 26.3% as established by the State Water Board for the period of 7/1/2023 to 6/30/2024. Please see a summary calculation table below.

Actual Use Compared to Urban Water Use Objective

In Gallons/Year

Water Use Component	Actual Water Use (Gallons)	Urban Water Use Objective (Gallons)
Total Residential Water Use, Indoor + Outdoor	547,806,776.00	1,927,791,226.04
Outdoor Irrigation of CII landscapes associated with DIMs	21,015,060.00	21,015,060.00
System Water Loss	128,799,395.52	22,785,222.87
Variances, Provisions, and 20% INI buffer, if applicable	N/A	0.00
Bonus Incentive	N/A	0.00
Sum of Water Use Components (Specific to Objective)	697,621,231.52	1,971,591,508.92
Excluded Demands	74,001,988.00	74,001,988.00
Sum of Water Use Components (Objective + Excluded)	771,623,219.52	2,045,593,496.92
SB X7-7 Target Volume Plus Previously Excluded Process and Recycled Water	N/A	1,020,453,384.00
"Capped" Objective	N/A	946,451,396.00
Regional Alliance Met Regional Target? (If Applicable)	N/A	Not Applicable
Final Comparison of Actual Water Use to Objective	697,621,231.52	946,451,396.00

2.

3. **Annual Capacity Fee Adjustments:** Staff presented a Technical Memorandum (TM) evaluating a recommended adjustment to the District's 2025 Connection Fee at the 12/18/2024 Board Meeting. The recommended capacity fee adjustment was +0.75%, based on California's Construction Cost Index (CCI).

The Board of Directors engaged in discussion at the December Board Meeting based on data presented by Director Liverett that might be useful in evaluating the proposed capacity fee adjustment. Upon further research and investigation performed by Staff after the Board Meeting, it was determined that the data presented by Director Liverett was for California's Building Cost Index (BCI), and not for California's Construction Cost Index. The two indexes differ, as the BCI is referenced for buildings/structures and the CCI is referenced for utility construction. Pursuant to District Ordinance No. 2016-01, California's CCI should be used for the annual capacity fee adjustment based on the change in Engineering News-Record (ENR) magazine CCI for California. The Ordinance uses "California" for reference data, and the only two California cities listed in the ENR index are San Francisco and Los Angeles. ENR does not provide CCI data for Sacramento. The average CCI change in 2024 for San Francisco and Los Angeles was +0.75%.

This capacity fee adjustment was adopted by the Board at the December Board Meeting, pending any future relevant findings based on the data provided by Director Liverett. Since it has been verified that the CCI data provided by Staff to the Board at the December Meeting is accurate, no further action is required. This item was discussed at the January 2025 Executive Committee Meeting with Committee concurrence.

4. **2025/2026 FY Pipeline Replacement Project:** Staff began preparation of plans and contract documents for water valve replacement locations to include as the preferred project alternative for next fiscal year's Capital Improvement Program's project.
5. **Development Review (Archway Avenue west of Paladin Way):** Staff received revised improvement plans for installation of an 8" water main on Archway Avenue to serve two new residential parcels. Staff reviewed the improvement plans and provided comments.

Please contact me at 530-682-9597, or email at gmmasquez@vasquez-engineering.com with any questions or require additional information.

Respectfully,

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



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

Date: January 27, 2025

Subject: Change in Designated Legal Services Provider

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee forwarded this item onto the January 27th Board agenda with the Committee’s recommendation for Board approval.

Current Background and Justification:

The Executive Committee reviewed the charges for legal services in the Expenditure report. The Executive Committee then directed staff to place an item on the January 27th Board agenda to consider authorizing a change in the designated legal services provider.

A Request for Proposals (RFP) process was completed a couple of years ago. Staff reached out to one of the Respondents (Best, Best and Krieger or BBK) and confirmed the law firm continues to be interested in engagement with the District pursuant with the terms of the BBK response to the District’s RFP (included as a document associated with this item.

Conclusion:

Sample Motion: Move to authorize engagement with Best, Best and Krieger for the provision of legal services to the District and authorize termination of the engagement with White Brenner.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent



Proposal to Provide
General Counsel Legal Services

Presented to:
**Rio Linda Elverta Community Water
District**
May 2, 2022

Frank Splendorio
500 Capitol Mall, Suite 1700
Sacramento, CA 95814
(916) 551-2086
frank.splendorio@bbklaw.com

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Please note that per the RFP instructions, Section 8, Compensation and Reimbursement has been submitted as a separate attachment via email.

APPENDIX A.....Written Communication Sample

1. LETTER OF TRANSMITTAL

May 2, 2022

ELECTRONIC DELIVERY

Rio Linda Elverta Community Water District
Attn: Timothy R. Shaw, General Manager
P.O. Box 400
Rio Linda, CA 95673

Re: Proposal for General Counsel Legal Services

Dear Mr. Shaw,

Best Best & Krieger LLP (BB&K) is pleased to present this proposal to provide general counsel legal services to the Rio Linda Elverta Community Water District (RLECWD). BB&K's proposed team has the ideal resources and experience to serve the RLECWD.

Focused Legal Counsel. At BB&K, we support RLECWD's mission to maintain the water system, maintain a safe workplace, provide for future customers, use water efficiently, and meet financial requirements. We will help RLECWD accomplish its goals by providing full service general counsel legal services based on our expertise in all aspects of government law. Our practice is focused on serving as general counsel and special counsel to public agencies, including special districts responsible for water and wastewater management, throughout California. Because of our experience, we understand the complex and challenging legal issues facing public agencies such as RLECWD and we are well qualified to provide comprehensive and cost-effective legal services.

Established Experience. Established in 1891, BB&K has provided legal services to cities, counties, special districts, joint powers authorities, and other public agencies for 130 years. Our attorneys currently represent more than 800 special districts as general or special counsel. As a nationally recognized leader in water, wastewater and special district law, we efficiently, intelligently, and meaningfully assist our public agency clients with complex, multi-disciplinary issues.

Full-Service Firm. BB&K is a full-service law firm with over 250 attorneys working in nine California offices, one office in Washington D.C. and one office in Bend, Oregon, delivering effective, timely, and service-oriented solutions to complex legal issues facing public agencies, businesses, and individuals. BB&K has established a reputation as California's preeminent public agency law firm providing comprehensive services on every legal issue that may be encountered by a public agency.

Effective Communication. Communication is the cornerstone of our legal services. First and foremost, our goals are to understand RLECWD's expectations and needs, provide timely and accurate responses to RLECWD's requests, anticipate and identify any potential legal pitfalls, and cultivate an effective and efficient working relationship. BB&K attorneys are always available and accessible to accommodate client needs, and we understand that time-sensitive demands require special attention.

BB&K proposes that Frank A. Splendorio serve as General Counsel for RLECWD. He will be the primary contact for general counsel services and coordinate special counsel services as requested,

and he has the authority to negotiate and contractually bind BB&K. His contact information is as follows:

Name of Proposing Firm: Best Best & Krieger, LLP
Primary Contact: Frank A. Splendorio
Mailing and Physical Address (same): Best Best & Krieger, LLP
500 Capitol Mall, Suite 1700
Sacramento, CA 95814
Telephone Number: (916) 551-2086
Email Address: frank.splendorio@bbklaw.com

We appreciate your consideration of our proposal. This proposal is binding for 120 days. We are unaware of any potential conflicts of interest that would limit our ability to provide the requested services. Please let us know if we can answer any questions. We look forward to further discussing our proposal with RLECWD.

Sincerely,



Frank A. Splendorio, Of Counsel
of BEST BEST & KRIEGER LLP

2. SUMMARY

BB&K is a limited liability partnership that has been in business for more than 130 years. We deliver effective, timely and service-oriented solutions to complex legal issues facing cities, public agencies, businesses and individuals across the U.S. and internationally.

Our large public agency practice means that we work in the public interest and on many of the most challenging issues our society faces today. A nationally recognized leader in Municipal and Environmental law, we efficiently, intelligently and meaningfully assist our public agency clients with complex, multi-disciplinary issues and provide creative solutions. Our experienced advocates in California and at the national level help our clients navigate the ever-changing regulatory, policy and legislative challenges they face. We give our clients a voice where it matters to help influence policy and secure the much needed and scarce funding that allows progress to happen.

As we have all come to learn in the last several years, the world in front of us is radically different from everything behind us. We are living through a period of transition and uncertainty. In uncharted territory, adaption is everything. We envision being strategic partner and not limiting our role to a traditional, react and respond modal. Our objective is to provide cost-effective, sophisticated and strategic legal support to your organization. We strive to be nimble, innovative and solutions-oriented in our delivery of legal services.

Providing General Counsel services to agencies like RLECWD is the cornerstone of BB&K's Special District Practice. Our approach to performing the Scope of Services outlined in the RFP will be tried and true and will support the District's core values of accountability, integrity, respect, transparency and collaboration.

Our primary role is to serve as trusted advisors to our clients. Our experience, specialization, and collaborative culture are keys to our success. We serve as general counsel to special districts, including joint powers authorities, throughout California and are familiar with how they are organized and the laws that regulate their operations. We have extensive experience providing advice on all of the issues affecting public agencies in California. We provide the Board, management and staff with expert analysis of legal options to carry out policies with honest assessments of the legal consequences. We do not make policy decisions, but will assist the District in formulating its preferred policies.

To enhance our role, we collaborate with our clients to provide them excellent legal advice, with a sensitivity as to how our service supports their strategic and business goals. We also recognize the need to balance our role as "partner" with their role as a "guardian" is managing risks and protecting the entity.

With new General Counsel clients, we feel it is imperative to collaboratively develop a strategy for the efficient and effective delivery of legal services. There is not a one size fits all approach, the right strategy is dependent on the overall strategy and risk appetite of each organization. Our approach is to develop a strategy with input from the Board and others within the organization who rely on legal counsel to achieve the objectives of the organization. A clear strategy is imperative to the delivery of efficient and effective legal services.

Personal relationships grounded in integrity and respect and a shared commitment to excellence are hallmarks of our culture. For us, long-term relationships are a staple. We have represented many of

our clients over decades and consider it to be an honor to be regarded as a fully integrated part of their organization. We have grown with them and seen them change. A constant has been the long-term commitment to our relationships with the people that make up the organization. While embracing necessary changes we will continue to nurture communication, collaboration and creativity to build and maintain personal relationships.

One of the benefits BB&K offers is the breadth and depth of a legal team to assist the District with the ever increasing complexity of legal issues and regulation affecting RLECWD. Our firm's mission is centered on cultivating and promoting a workplace and legal industry that reflects the diversity of the clients and communities we serve. Within our firm, this means working in a diverse environment that reflects the communities, organizations, businesses and individuals we represent, fostering mutual respect and collaboration. The value of diversity for our clients comes from the melding of differing experiences, cultures, talents, viewpoints, and styles to drive creative and innovative solutions. Our diversity allows us to leverage different perspectives to approach complex legal issues in a way that provides the best outcome for our clients.

Our approach to providing legal analysis is proactive, not reactive. Not only do we constantly analyze and interpret current state and federal statutes, decisions, rulings and regulations, we are frequently involved in creating those laws. We have the advantage of interpreting legal trends for dozens, if not hundreds, of public agency clients. RLECWD will benefit from this "bench depth" by receiving thoroughly vetted advice and an understanding of the practical impacts of applicable law on the District's day to day operations.

Additionally, BB&K's "global" expertise in all substantive areas of law impacting public agencies results in a holistic approach to efficiently complying with all legal requirements. For example, if there were a significant ruling in a case involving CEQA that impacted the eminent domain process, our team would immediately be collectively working to ensure that our eminent domain strategies complied with current environmental law requirements.

As General Counsel, BB&K frequently negotiates transactions on behalf its clients, including, for example, inter-agency agreements, sale and purchase agreements, employee-related transactions and funding agreements. We work with our clients to determine the agency's goals for the transaction and develop a strategy to help achieve those goals. Sometimes, it is most effective to stay "behind the scenes" and support agency staff who perform the face-to-face negotiations. Other times, direct negotiation with opposing counsel is most efficient.

This same transactional strategy carries into our analysis of defending or prosecuting potential claims. A cost/benefit analysis coupled with a realistic risk analysis is paramount in advising agencies on potential litigation. While BB&K has a robust standalone litigation practice, we always start from the perspective that negotiating a problem away is in the best interest of our clients. Defending or prosecuting lawsuits includes beyond legal fees and with a regional agency such as RLECWD these repercussions must be accurately identified and considered.

BB&K currently advises several water districts of similar size to the RLECWD. Whether it involved firing a construction management firm, mediating a construction dispute or supporting a water district with federal procurement compliance, BB&K has allocated the right resources, worked collaboratively with staff to develop the right approach and tirelessly implemented that approach. We look forward to expanding our scope of services and team approach as your General Counsel.

3. STATEMENT OF UNDERSTANDING

A. Understanding of the Legal Services to be Provided

BB&K understands the legal services to be provided to RLECWD. First and foremost, our role is to provide legal representation to the District. This includes not only defending the District in all legal matters but, more importantly, being proactive to ensure that the District is at all times complying with the law. We will work with RLECWD to achieve its goals and to find the best legal options to implement the policies and goals of the District. Specifically, BB&K will:

- Represent and advise the Board of Directors as the governing body and all District Officers in all matters of law pertaining to their office.
- Represent and appear for any District Officer and/or employee or any former District Officer and/or employee in legal proceedings in which any such officer or employer is entitled by law to representation furnished by the District.
- Attend regular meetings of the Board of Directors (third Monday of each calendar month) and special meetings when called and provide legal advice and opinions as requested by the Board of Directors, General Manager or staff.
- To be promptly available for telephone consultation and to render written opinions on given issues related to District business in a timely manner.
- Approve the form and content of Board of Directors policies, contracts and all performance bonds, certificates of insurance and like documents tendered to the District on a requested basis.
- Prepare or review all Ordinances, Resolutions, Contracts, Deeds, Leases, title reports, collective bargaining agreements and all other legal documents as requested by the General Manager or designee.
- Provide recommendation and advice when requested by the Board of Directors pertaining to the retention of and employment of outside law specialists in complex and important matters in which the District may be involved.
- Investigate all claims and complaints by or against the District and prepare civil cases and act as trial counsel as required and requested by the Board of Directors or District Manager.
- Review citations for violations of District ordinances in accordance with criminal/civil law and procedures; prepare and try infractions, misdemeanors, and ordinance violations as required and requested by the General Manager.
- Prepare extended legal opinions of a complex nature as requested by the Board of Directors, General Manager, or the District Manager's designee.
- Oversee and manage the legal affairs of the District and ensure that the policies, programs, and activities of the District and its employees and agents are carried out in compliance with all applicable law and that the best interests of the District are otherwise protected to the fullest extent possible.

It is important that the General Counsel be involved in District projects from inception to completion to ensure that projects are not held up by legal hurdles and to work with the District in a pragmatic and cost-effective manner to minimize litigation risk.

The RLECWD Board of Directors, as a whole, is the General Counsel's client. We look to the RLECWD General Manager for direction on interacting with District staff and to the Board of Director's for direction on the District's priorities, goals, and vision.

B. Firm Qualifications

BB&K has significant experience representing cities of similar size and complexity to the RLECWD. We understand the need to keep the Board of Directors and District staff updated on the progress of our legal work. We quickly respond to legal issues as they arise. Throughout the firm's history, we have been committed to working within special district legal budgets, providing high-quality, cost-effective, and efficient legal services. Given California's current economy, we are now even more committed to providing affordable service.

Knowledge and practice of law relating to land use and planning, CEQA, NEPA, general plans, real estate, environmental issues, hazardous waste and other related law

One of BB&K's core functions is to provide land use and planning services to our clients. Our attorneys work on every aspect of the land use and planning process, from general plans to specific plans and from tentative maps to conditional use permits and development agreements. We work closely with staff and elected officials to advise on all planning matters. We have extensive experience in the land use and zoning arena and have assisted other municipalities throughout the state with development code updates and other land use and zoning matters.

We advise city councils, special districts, and planning commissions on the legal issues involved in general plan amendments and zoning ordinances as well as the day-to-day planning and land use issues that so often garner the spotlight in communities big and small. Whether handling community character issues or health and safety matters related to hazardous materials and high-intensity land use, BB&K attorneys understand that it is their job to consider the practical and real-world consequences of legal decisions as well as to provide the benefit of their legal research and extensive knowledge. As a result, our attorneys utilize development agreements and other tools in the entitlement process that encourage investment while protecting cities' interests.

In addition to the regular review of zoning ordinances, we assist public agencies with the legal review of other specialized land use matters such as wireless communications; land use regulatory issues; cannabis issues; negotiation and drafting of development agreements; the Subdivision Map Act and Permit Streamlining Act; sign regulations; impact fees; and dedications, conditions, and exactions.

BB&K's public and private real estate attorneys handle a broad spectrum of real estate matters for public clients throughout California and beyond. We provide assistance in every aspect of real estate law, including real estate finance, sales, and acquisitions; ground leasing; office and industrial development and leasing; residential development and subdivisions; retail development and leasing; commercial lease disputes; entitlements; land use and environmental law; workout transactions; construction matters; and complex real estate litigation.

In all aspects of our real estate practice, BB&K attorneys provide value to clients by leveraging decades of experience and a broad range of legal expertise to find practical and innovative solutions to real estate needs. We actively participate in making our clients' projects and transactions succeed.

BB&K represents municipal clients in environmental issues arising under the California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), and California and federal Endangered Species Acts (ESAs). We assist public agency clients with pre-project planning and strategy before CEQA is triggered to minimize costs and maximize environmental protection. We also have extensive CEQA, NEPA, and ESA litigation experience.

We prepare local CEQA guidelines on behalf of over 70 public agency clients, including water districts, cities, school districts, and other special districts. Our attorneys assist public agency clients in all aspects of CEQA and NEPA compliance, including the preparation and review of notices of exemption, initial studies, findings and statements of overriding considerations, mitigation monitoring and reporting plans, addenda, negative declarations, environmental impact reports (EIRs), and environmental impact statements (EISs). We are adept at writing and editing EIRs to fully comply with CEQA requirements. If a legal challenge should arise, our attorneys are skilled in the procedural and substantive intricacies of litigating a CEQA or NEPA case, including short statutes of limitations, administrative record requirements, and unique briefing and oral arguments. In addition, BB&K routinely advises both public agency and private industry clients on obtaining water quality permits and maintaining compliance with applicable requirements under the federal Clean Water Act, the National Pollutant Discharge Elimination System (NPDES), the California Porter-Cologne Water Quality Control Act, and the Safe Drinking Water Act.

Our water, bankruptcy, public law, real estate, and litigation practices have provided the impetus for the development of a comprehensive hazardous waste practice over the past several decades. Lender liability and the potential exposure of property owners trigger a complex set of procedures affecting real estate transactions. BB&K assists clients with due diligence requirements and site audits as a part of phase one, two, and three studies. When hazardous waste problems emerge, our attorneys represent clients in efforts to work with the appropriate regulators to remediate property and recover the costs of site remediation.

Where hazardous waste problems result in cleanup, cost recovery, or tort litigation, we negotiate, defend, and advocate for our clients' interests. In light of the cost and disruption associated with litigation, we strive to resolve lawsuits quickly, efficiently, and professionally.

BB&K is a nationally recognized leader in water and water quality law. BB&K attorneys are uniquely qualified law to handle water and related environmental issues, including regulatory, enforcement, and litigation matters; over 20 of our attorneys specialize in water quality, water rights, and water supply planning and management. Accordingly, we help municipal clients meet requirements for operating water supply, stormwater, and wastewater systems. As a result, we routinely appear before federal and state courts, regulatory boards, and land use authorities.

State and federal water quality laws evolve at an extraordinary pace. With this in mind, BB&K attorneys make concerted efforts to stay on the cutting-edge of water quality issues. BB&K is currently assisting many public agency clients with matters such as municipal separate storm sewer systems (MS4s), construction and industrial storm water permits (including litigation), constituents of emerging concern, proposed recycled water policies, proposed changes to federal drinking water standards and monitoring protocols, and new and existing total maximum daily loads (TMDLs).

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Moreover, BB&K advises both public agency and private industry clients on obtaining water quality permits and maintaining compliance with applicable requirements under the federal Clean Water Act, the National Pollutant Discharge Elimination System (NPDES), the California Porter-Cologne Water Quality Control Act, and the Safe Drinking Water Act.

Our regulatory experience includes matters related to the treatment, discharge, storage, transmission, and beneficial use of all types of alternative water supplies, such as recycled water, remediated groundwater, and stormwater runoff.

We help clients meet requirements for construction, permitting, operation, and maintenance of water treatment and reclamation facilities and comply with rules under the Clean Water Act (CWA) and National Pollutant Discharge Elimination System (NPDES), federal and state Safe Drinking Water Acts, and state water and water quality laws and regulations.

BB&K attorneys have represented a wide variety of clients in negotiating and obtaining coverage under NPDES permits and waste discharge requirements. We have worked on stormwater permits issued for discharges in Los Angeles, Ventura, Orange, San Diego, San Bernardino, Riverside, and Sonoma counties. In addition, we have worked on the NPDES Phase II stormwater permit, industrial general permit, and statewide construction permit. Furthermore, we have been involved in negotiating individual NPDES permits for treatment plants, desalination operations, and industrial facilities. Representative clients include the counties of San Diego and Sonoma; a large number of cities, such as Chula Vista, National City, Santee, Lake Forest, Aliso Viejo, Arcadia, Azusa, Santa Barbara, Ventura, Santa Maria, and Roseville; and special districts such as the San Diego County Regional Airport Authority, the Metropolitan Transit System, and the San Diego Association of Governments.

BB&K has long been a leader in legal issues associated with innovative uses of reclaimed water. We served as legal counsel to the Padre Dam Municipal Water District on one of the earliest reclaimed water projects in southern California. BB&K has continued this work throughout its history, weighing in on major projects involving Western Municipal Water District, Elsinore Valley Municipal Water District, Victor Valley Wastewater Reclamation Authority, the Town of Apple Valley, and Padre Dam Municipal Water District. Through this work, BB&K has developed expertise in the legal issues regarding the treatment, conveyance, and reuse of water.

Experience in the area of personnel, workers' compensation, general liability and employee relations

BB&K provides a full range of legal counsel and litigation services for all types of workplace issues and needs. From public safety fields such as law enforcement and fire protection to public works and utilities, healthcare, and education, our attorneys work closely and personally with employer clients to develop effective compliance and dispute resolution strategies.

If complex labor, disability, discrimination, or workers' compensation issues arise, the District can call upon the services of BB&K's Labor and Employment Law practice group. When necessary, our attorneys also provide a vigorous defense in discrimination, harassment, wrongful termination, wage and hour, and other labor and employment litigation. Because labor and employment problems often involve high stakes and intense time pressure, we are committed to giving employers highly responsive service.

We counsel clients on all aspects of employment laws and human resources management issues, including wage and hour standards, layoffs, employee termination, discipline matters, and personnel policies. We provide advice on compliance with state and federal laws such as Title VII, the Fair Employment and Housing Act, the Fair Labor Standards Act, the Americans with Disabilities Act, family leave laws, and the Worker Adjustment and Retraining Notification (WARN) Act. When workplace concerns arise out of the collective bargaining process, we handle contract negotiations, impasse procedures, grievance and arbitration proceedings, union representation proceedings, and unfair labor practice charges before local, state, and federal agencies.

Our attorneys regularly represent employers before the National Labor Relations Board, the Public Employment Relations Board (PERB), the California Department of Fair Employment and Housing, the U.S. Equal Employment Opportunity Commission, the U.S. Department of Labor and State Labor Commissioner, and the Division of Occupational Safety and Health as well as before public agency personnel boards and civil service commissions.

BB&K attorneys offer comprehensive guidance on labor relations, union negotiations, and employment-related matters. We focus on meeting our clients' objectives while they build and maintain strong labor relations; we take a firm but fair approach in order to achieve long-term, successful employment relationships and avoid conflicts. BB&K also defends clients from unfair labor practice allegations filed with the PERB. We regularly assist employers in responding to grievances and in grievance arbitration. BB&K advises and represents employers in union representation proceedings and elections. Our services include acting as chief negotiator as well as reviewing and preparing proposals. We also provide legal support for agencies that conduct their own negotiations.

We are dedicated to understanding our clients' needs and goals during negotiations and finding creative ways for our clients to achieve their objectives. In addition, the firm advises and represents employers regarding strike management, work slowdowns, and other union tactics. While our goal is to help employers avoid litigation, we have extensive experience in every aspect of employment litigation, from single or multiple employee discrimination cases and sexual harassment allegations to class action wage and hour claims in all state and federal courts throughout California. We are committed to providing an aggressive defense for our clients while remaining cognizant of economic realities.

For public sector employers considering employee discipline, our firm provides advice and representation in every step of the process. We can advise on the initial investigation and evaluation of evidence supporting discipline, review the consistency and appropriateness of discipline, prepare all required notices, conduct the due process hearing, and defend the employer in administrative as well as judicial appeals. Our attorneys have appeared on behalf of governmental clients in proceedings before the Public Employment Relations Board, in arbitration hearings, in matters before commissions on professional competence (involving the discharge of permanent certificated employees), and in classified personnel commission hearings.

Finally, BB&K assists its clients in developing, implementing, and administering employee handbooks and employment policies designed to avoid liability in the workplace. These policies run the gamut of labor and employment law and address such subjects as family and medical leave, drug and alcohol testing, e-mail and internet usage, disability laws and interactive process, workplace violence as well as discipline, discrimination, harassment, privacy and other employee rights and obligations. Our emphasis is on helping clients prevent workplace liability.

Experience in the area of drafting and interpreting contracts and franchises, including public works contracting and prevailing wage matters

BB&K has extensive experience handling contracts and franchise law. We have drafted thousands of contracts for public agency clients, ranging from simple real property acquisition, software license, and professional services agreements to specialized agreements. Our services include preparation and review of contract specifications and required bidding documents and negotiation and drafting of personnel services and construction management contracts.

BB&K attorneys frequently deal with construction and public works contracts and issues, because we represent various public agencies that systematically engage in public works projects. We help our clients comply with competitive bidding requirements and disputes, navigate day-to-day construction issues relating to prevailing wage compliance, handle change orders and payment requests, and select competent professional consultants and construction contractors. We have assisted several agencies in complex negotiations relating to the settlement of large construction contract disputes involving fraudulent performance and payment bonds for uncompleted public buildings, bankruptcy filings of general contractors and various subcontractors, and tax liens and other claims made by the Internal Revenue Service (IRS).

BB&K has longstanding experience with various types of franchises. Our attorneys have negotiated and drafted dozens of franchise agreements including familiar types of agreements such as those for cable television, solid waste disposal, oil and gas pipelines, taxicabs, tow trucks, and operation of gas and electric systems as well as more esoteric franchises such as those for placing advertising on publicly-owned bus shelters or operating a commuter rail system over publicly-owned tracks. Our attorneys are familiar with the laws applicable to each type of franchise, comfortable working with our clients to ensure that each client's needs and goals are met in franchise agreements, and experienced at obtaining the most favorable terms possible for our clients.

BB&K advises on a wide range of public works projects, including transportation systems, water storage and transmission facilities, wastewater treatment and recycling systems and educational facilities. With a California-licensed professional civil engineer and other engineers on our team, we offer not just legal perspective but also industry knowledge and first-hand experience in designing and constructing public facilities.

BB&K attorneys routinely provide advice on all aspects of public agency contracting, including selecting project delivery methods, addressing bid protests and performance disputes, and resolving claims. Well-drafted contracts and procurement procedures are the foundation of any successful construction project. We prepare comprehensive public works bid packages, contract documents, and purchasing and related materials tailored to each client's objectives. Our contract documents reflect not only the latest trends and legal requirements but also the recommendations and learnings of our seasoned construction litigators. BB&K attorneys are fully conversant in bid protests, sole source analysis, the Americans with Disabilities Act, Clean Air Act, and Buy America requirements.

BB&K attorneys have experience with many forms of contracting, including traditional design-bid-build with "hard" competitive bidding, design-build, design-sequencing, construction manager multi-prime, and other creative project delivery mechanisms. We have developed construction contract documents that comply with requirements for various types of funding sources, including Federal Highway Administration and Federal Transit Administration requirements. Our documents always meet federal and state procurement laws and regulations.

BB&K attorneys also have extensive experience preparing prequalification packages, bid documents, general and special conditions, and other contract documents for the construction of public works. We frequently review proposals and proposal documents, including bonds, insurance, and bid procedures, for legal sufficiency and responsiveness and to otherwise assist clients in the evaluation process. We support clients in the process of qualification-based selection of design professionals and in negotiations of performance requirements, indemnity, and other "legal terms" of professional services agreements. We provide advice regarding the use of project labor agreements, local hiring, and other related procurement issues.

Experience in the area of municipal code enforcement

BB&K is prepared to provide and utilize a comprehensive approach to our code enforcement services. We offer extensive experience in code enforcement, and we understand the importance of ensuring that code enforcement actions are cost effective.

BB&K will assist in prosecuting violations such as public nuisances, substandard housing, abandoned and structurally unsafe buildings, illegal dumping or storage, illegal businesses, fire hazards, destruction of environmentally sensitive land, unpermitted uses in residential zones, and water theft. BB&K has top-notch experience prosecuting municipal code violations, and we are prepared to file these cases criminally or civilly. Basic code enforcement is part of our general services. In the prosecutorial area, our attorneys will provide specialized service in multiple areas.

Administrative Proceedings. BB&K has developed a wealth of experience in the context of code enforcement administrative proceedings. Whether the proceedings are administrative hearings under a uniform code, municipal ordinance, or in the context of use permit or license revocations, our attorneys have the knowledge to get the desired result. BB&K attorneys are experienced in advising municipal clients, prosecuting administrative actions before local administrative bodies, and successfully defending administrative decisions in court.

Civil Litigation. BB&K leads the field in using creative civil code enforcement remedies. We have assisted several clients in obtaining receiverships to rehabilitate substandard housing. Receiverships are effective cost-recovery tools, since — upon the completion of the rehabilitation — the property can be sold and funds used to offset its attorneys' fees and costs. The use of this remedy has led to BB&K's statewide recognition as a leader in the abatement of substandard housing under the California housing law. In addition, we are familiar with and use other civil code enforcement remedies available to special districts.

Cost Recovery. BB&K realizes that the cost of code enforcement often reduces the effectiveness of a code enforcement program. We strive to assist our municipal clients in maintaining the financial viability of their code enforcement programs by using strategies such as cost recovery ordinances, administrative fines and penalties ordinances, nuisance abatement liens and assessments, attorneys' fees statutes, and civil compromises in criminal prosecutions.

Criminal Prosecutions. BB&K has the capacity to criminally prosecute municipal code violations. Several of our attorneys bring their prosecutorial experience from district attorney offices throughout California to address our clients' code enforcement issues.

Experience in the preparation and review of ordinances and resolutions

Every public attorney in our firm is trained in ordinance drafting. We tailor our services to individual client needs and prepare ordinances in plain English without legalese. For some clients, we draft all ordinances; for others, we review staff drafts for legal sufficiency. Because BB&K has a multitude of public clients, it is rare for a new issue to arise that we have not seen. When asked to draft an ordinance or resolution, our vast experience and online database of ordinances and resolutions can save clients considerable time, since we have often drafted something similar in the past.

Experience in conflict resolution, managing disputes, and anticipating legal issues

Because BB&K has a history of extensive involvement in litigation on behalf of our municipal clients, we understand how to deliver advisory and litigation services in a comprehensive and cost-effective manner. Our approach ensures the highest quality and most timely representation available in California. It would be hard to find another law firm in California that has the breadth and depth of experience that BB&K possesses in municipal law and municipal law litigation.

One of the hallmarks of BB&K is its ability to offer its municipal and public agency clients a full range of litigation support. Drawing on the experience and expertise of more than 100 lawyers spanning many decades, BB&K is readily able to handle all of your potential litigation needs, including those in labor and employment, contracts, construction, energy, transportation, redevelopment, environmental issues, condemnation and eminent domain, assessment foreclosures, education, land use, CEQA, and water. In addition, having both public law and litigation “under one roof” affords BB&K the opportunity to tailor its litigation services to better meet the particular needs of its municipal clients and promotes more effective litigation management.

We regularly enforce ordinances on behalf of our public agency clients and strive to avoid costly litigation whenever possible. Our attorneys regularly use alternative dispute resolution (“ADR”) techniques and processes to help resolve matters for our public agency clients. The first step in successfully using ADR is to determine whether ADR approaches work for the case. While most cases can be resolved through ADR, public agencies are sometimes faced with basic legislative or policy questions that are not a proper subject for ADR. Employing ADR in these situations is generally not effective and may lead, in the long run, to higher litigation costs. We work closely with our clients to first determine whether ADR may be effectively used in a given matter.

Once our clients have authorized us to pursue ADR techniques, we assist the client in determining what technique will best resolve the matter. We regularly engage in informal settlement discussions, court sponsored settlement conferences, mediation, non-binding arbitration and binding-arbitration.

Finally, we have represented clients in all California state courts, at both the trial and appellate levels, and federal courts, including the United State Supreme Court. We also regularly appear for clients before regulatory bodies and testify before legislatures to assist our litigation strategy.

Experience with the Brown Act/Public Records Act

The proposed team has extensive experience advising clients on the interpretation and application of the Brown Act. Advice often pertains to the following:

- Requirements for agenda preparation, posting, and distribution
- Closed session topics and reporting
- Notices and agendas for special and emergency meetings
- Adding agenda items after an agenda is posted
- Conducting meetings by teleconferencing
- Application of the Brown Act to committees of official bodies
- Avoiding violations and penalties

BB&K attorneys played an integral role in preparing the League of California Cities' seminal publication on open meeting laws, *Open and Public*. We defend challenges to our clients' compliance with the Brown Act.

BB&K attorneys counsel clients on all aspects of California's Public Records Act (CPRA). We routinely brief our clients on pertinent pending legislation and cases. With the emergence of new technology, we regularly advise clients regarding the use of email, records retention, and the public's right to access electronic information. We often speak at seminars and workshops about updates to the CPRA and email and technology issues.

4. BACKGROUND AND EXPERIENCE

A. Official Name and Address of Firm

Best Best & Krieger LLP (BB&K) is a limited liability partnership consisting of equity and non-equity partners, of counsels, associates, and governmental affairs directors as well as administrative directors, paralegals, and administrative staff.

BB&K has eight offices throughout California as well as offices in Washington, DC and Bend, OR. The office that will serve the RLECWD is located at 500 Capitol Mall, Suite 1700, Sacramento, CA 95814.

B. Firm's Background and History

Established in 1891, BB&K has provided legal services to cities, counties, special districts, joint powers authorities, and other public agencies for 130 years. We are a full-service law firm with nearly 250 attorneys that currently represent more than 800 special districts as general or special counsel. As a nationally recognized leader in water, wastewater and special district law, we efficiently, intelligently, and meaningfully assist our public agency clients with complex, multi-disciplinary issues. The firm is managed by a five-person executive committee chaired by the firm's managing partner, Eric L. Garner. Additional firm leadership members include office managing partners, practice group leaders, and other professional staff. Currently, 50 equity partners contribute capital to fund the business.

Our large public agency practice means that we work in the public interest and on many of the most challenging issues our society faces today. A nationally recognized leader in municipal, special district, water and environmental law, we efficiently, intelligently and meaningfully assist our public agency clients with complex, multi-disciplinary issues and provide creative solutions. Our experienced advocates in California and at the national level help our clients navigate the ever-changing regulatory, policy and legislative challenges they face. We give our clients a voice where it matters to help influence policy and secure the much-needed and scarce funding that allows progress to happen.

C. Location of Office(s)

In order to serve our clients' local and national interests, BB&K maintains eight official offices throughout California — Sacramento, Walnut Creek, Riverside, San Diego, Irvine, Los Angeles, Ontario, and Indian Wells — one office in Washington, D.C. and one office in Bend, Oregon.

The office serving the RLECWD will be Sacramento, located at: 500 Capitol Mall, Suite 1700, Sacramento, CA 95814. All of our office locations are as follows:

Indian Wells	Irvine
74-760 Highway 111, Suite 200 Indian Wells, CA 92210 Phone: (760) 568-2611 Fax: (760) 340-6698	18101 Von Karman Avenue, Suite 1000 Irvine, CA 92612 Phone: (949) 263-2600 Fax: (949) 260-0972

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Los Angeles	Ontario
300 S. Grand Avenue, 25th Floor Los Angeles, CA 90071 Phone: (213) 617-8100 Fax: (213) 617-7480	2855 Guasti Road, Suite 400 Ontario, CA 91761 Phone: (909) 989-8584 Fax: (909) 944-1441
Riverside	Sacramento
3390 University Avenue, 5th Floor Riverside, CA 92502 Phone: (951) 686-1450 Fax: (951) 686-3083	500 Capitol Mall, Suite 1700 Sacramento, CA 95814 Phone: (916) 325-4000 Fax: (916) 325-4010
San Diego	Walnut Creek
655 West Broadway, 15th Floor San Diego, CA 92101 Phone: (619) 525-1300 Fax: (619) 233-6118	2001 N. Main Street, Suite 390 Walnut Creek, CA 94596 Phone: (925) 977-3300 Fax: (925) 977-1870
Washington, DC	Bend, OR
1800 K Street NW, Suite 725 Washington, DC 20006 Phone: (202) 785-0600 Fax: (202) 785-1234	360 SW Bond Street, Suite 400 Bend, OR 97702 Phone: (541) 382-3011 Fax: (541) 388-5410

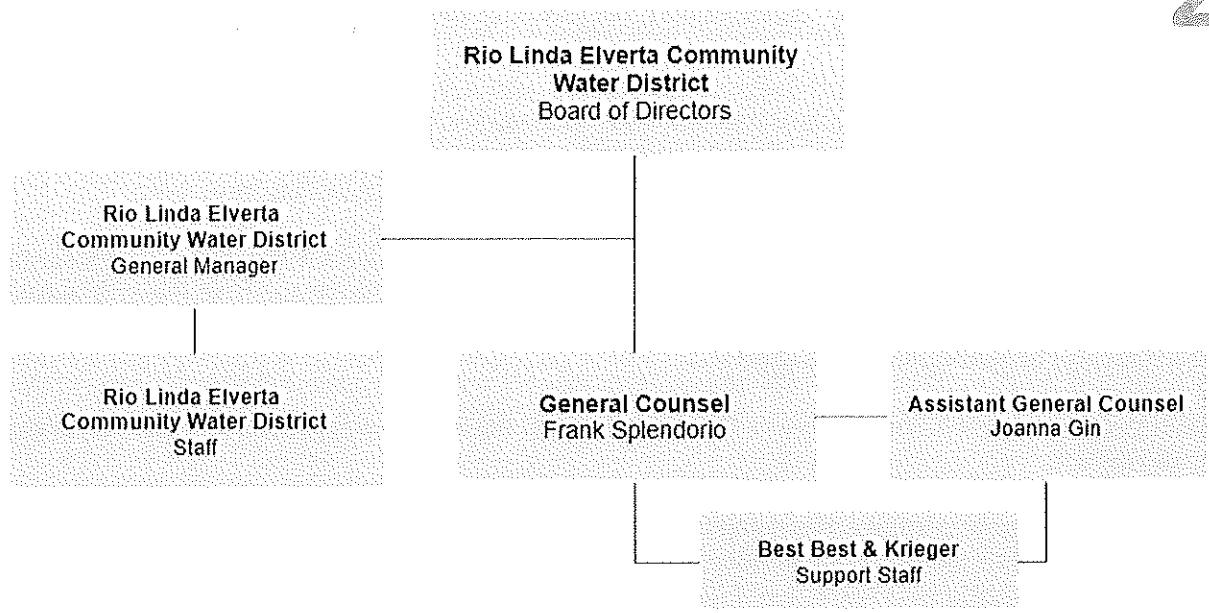
Several decades ago, BB&K began to expand its services outside of Southern California and has added multiple offices as our geographic footprint expanded. While it was important to have local “boots on the ground” many years ago, we have found that day in and day out legal services are generally provided remotely. Technology has advanced to the point where contracts are negotiated, disputes are resolved and advice letters are prepared seamlessly from whatever geographic location BB&K’s expert(s) happens to be located.

D. Organization Chart and Staffing Plan

BB&K will provide one attorney to serve as General Counsel, Frank Splendorio. Frank will undertake all of the scope of services required and as outlined in the RFP, including attending all regular meetings of the Board of Directors and special meetings when required. He will be the primary point of contact and the attorney who will be available to take phone calls and email inquiries. Joining Frank as Assistant General Counsel will be Joanna Gin, who will assist Frank and attend regular meetings only if Frank is unavailable.

BB&K has an attorney roster of nearly 250 attorneys; however, our approach to providing General Counsel services to special district, municipalities and counties throughout California remains the same: the candidate we propose as your General Counsel is the attorney you will work with. We will make no substitutions for our team without the express consent of RLECWD.

The proposed organizational chart is as follows:



5. APPROACH TO LEGAL SERVICES

BB&K's proposed General Counsel, Frank Splendorio, will not only defend the District in all legal matters but also proactively ensure that the District complies with the law at all times. Frank will work with the District to achieve its goals, and will be involved District projects from inception to ensure that projects are neither held up by legal hurdles nor hindered by litigation risk.

Frank will be in charge of all legal work assigned by the District, and will serve as the primary contact person for all matters and will supervise all legal services provided by our firm. He will actively manage the legal work. His comprehensive leadership will avoid duplication of efforts among our attorneys and help minimize legal costs.

BB&K proposes Joanna Gin to serve as Assistant General Counsel and provide backup legal services for the District.

Frank will be responsible for supervising the preparation and delivery of all District-related matters. Matters assigned to associates or paralegals will be fully supervised by Frank. When faced with an issue requiring specialized expertise, Frank will consult with the District to evaluate the level of expertise needed, and will ascertain if BB&K has the necessary expertise in-house. If necessary, Frank will collaborate with the RLECWD General Manager to find the District the best and most efficient person or firm to provide the specialized service required.

Frank and Joanna are experienced in all of the areas of general counsel law listed in the scope of services in the request for proposals. Their qualifications and resumes are provided in *Section 6, Proposed Attorneys*.

Inquiries from the Board of Directors, District Manager, and District staff will receive an immediate response. The General Counsel and Assistant General Counsel will always be available by phone, text message, or email. The firm is committed to responding to RLECWD requests in the most efficient time frame the matter requires.

Frank will attend the regular meetings of the Board of Directors, as well as special meetings when requested. He will be prepared in these meetings to advise the Board on matters on the agenda as well as procedural or substantive issues that arise during the meetings.

Frank will be responsible for supervising the preparation and delivery of all District-related matters. Matters assigned to associates or paralegals will be fully supervised and reviewed by Frank. When faced with an issue requiring specialized expertise, Frank will consult with the Board to evaluate the level of expertise needed, and will ascertain if BB&K has the necessary expertise in-house. If necessary, Frank will collaborate with the Board to find the District the best and most efficient person or firm to provide the specialized service required.

BB&K employs approximately 35 paralegals, 33 legal secretaries, and 120 administrative staff. Our excellent paralegals, who possess decades of experience in core public law issues such as the Brown Act, the Public Records Act, and all matters of conflicts of interest, will be available to Frank alongside our deep bench of experienced personnel. Our support staff maintains work schedules Monday through Friday from 8:30am until 5:00pm.

It is very important that we are always available to any official, officer, or employee of the District.

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This means that we are available in person, by phone, or by email at all times of the day. We are judged by our clients on the quality, speed, and delivery of our service. We return phone calls as quickly as possible, frequently check email, and quickly answer routine inquiries.

The District will always have access to the General Counsel or Assistant General Counsel not only during normal business hours but also on nights and weekends. We understand that emergencies may arise after hours. We also recognize that Board of Directors may have other obligations during normal business hours and, thus, need to speak or meet with the General Counsel at unconventional times.

Written Communication Sample

Appendix A, Written Communication Sample provides an example of a written communication to a governing body about a legal issue prepared within the past two years.

Tracking and Managing Legal Costs and Proactively Advising on Legal Matters

BB&K is committed to working within the District's approved budgets and providing high-quality, cost-effective, and efficient legal services. Moreover, we are dedicated to keeping our attorneys and clients up to date on the cost of current legal issues. With nearly 250 attorneys practicing in virtually every area of law affecting RLECWD, BB&K is able to offer the District the depth and breadth of a large law firm while delivering affordable, personal service. We staff each project or assignment with an experienced attorney who manages assignments and distributes work, as appropriate, to other staff members.

To assist each attorney team leader, we create a team of support staff, paralegal(s), and attorneys. Each member of a team is chosen strategically in light of his or her strengths. Frank will efficiently manage public projects and supervise paralegals and junior associates, providing our clients with cost-effective, high quality legal services. While all team members take on responsibilities and accomplish tasks in accordance with the client's scheduling and funding needs, the attorney in charge oversees all services to ensure that costs are tracked efficiently and kept within defined budgets and assignments are completed meticulously and kept on schedule.

BB&K designated General Counsel, Frank Splendorio, will work with the District to employ a number of techniques to contain legal costs. First, BB&K maintains and updates templates agreements and sample ordinances and resolutions on almost every issue the District will face. The use of these resources allows us to quickly and efficiently respond to requests. Second, BB&K can provide the District with standard reimbursement agreements, which provide a detailed and enforceable method for developers and other third parties to reimburse the District for certain legal service fees and costs. Third, we will rely on excellent paralegals, who are well-versed in core legal issues such as the Brown Act, the Public Records Act, and conflicts of interest, to provide basic legal services.

Furthermore, we can help train District staff, if desired, in various legal-related matters (such as the Public Records Act, conflicts of interest, procurement, drafting of resolutions, and other matters); so that they are able to perform more initial work for our review. Finally, BB&K makes a concerted effort to find ways in which to combine research and work product for similar clients. Because we represent numerous public agencies, we are able to undertake research projects for the common benefit of multiple clients. Costs can be shared, providing a significant benefit at a tremendously reduced cost.

With our full range of public agency experience, BB&K is well positioned to proactively advise RLECWD in all its legal needs. Our firm is dedicated to keeping our attorneys and clients up to date on current issues in public agency law. We regularly prepare and distribute, at no cost to our clients, legal alerts on current legal topics, litigation, and legislation. For matters that directly impact the District, we will follow up general legal alerts with tailored advice.

Frank and his team will maintain open lines of communication with the District Board of Directors and District Manager at all times. Our top priority as General Counsel is to keep the District apprised of new developments and the status of ongoing matters and cases. We will update the Board of Directors and District Manager on all new and ongoing matters through daily communication. When faced with conflicting priorities, Frank will work with the District Manager to effectively prioritize legal matters. Furthermore, we will review agendas well in advance of Board of Directors meetings to ensure that the Board is apprised of all pending matters and that all matters are properly reflected on agendas.

Unique Perspective on Water Policy and Legal Advice

The firm handles many bet-the-agency water-related matters for public agencies statewide. These all are of most significance to the clients we serve, because we get brought in for the most significant and most sensitive of matters. Recently, BB&K has, on behalf of its clients, filed lawsuits against the State and others concerning water quality issues affecting our clients, appeared before California Regional Water Quality Control Boards to advocate for our clients, and defend pre-1914 water rights. From water quality to water rights, BB&K has specialists in every corner for the District.

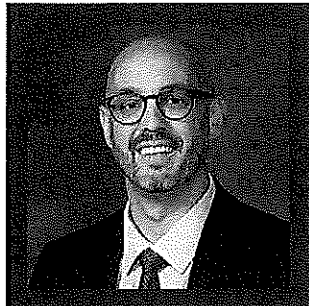
BB&K provides out-of-the box advice on a daily basis to its clients up and down the state. Due to privilege and confidentiality purposes, BB&K provides advice tailored to the client's needs, views itself as a broker of information and communicator of risk, and lets the public agencies decide from there.

Termination of Agreements

BB&K has not had an agreement with a public agency terminated within the past five years.

6. PROPOSED ATTORNEY(S)

Frank A. Splendorio, Of Counsel – General Counsel



Phone (916) 551-2086

Email frank.splendorio@bbklaw.com

Location Sacramento

Education University of California, Hastings College of Law, J.D.; University of California, Berkeley, B.A., *Phi Beta Kappa*

CA Bar Number 272601 (2010)

BB&K Of Counsel Frank A. Splendorio is a seasoned municipal and public agency law attorney who provides city attorney and general counsel services to public agencies. As both general counsel to the Amador Regional Sanitation Authority (ARSA) and city attorney for the cities of Atwater and Plymouth, and interim city attorney for the City of Galt, Frank provides advice on governance issues, such as Brown Act and California Public Records Act compliance, and on some of the most challenging issues California agencies are facing today.

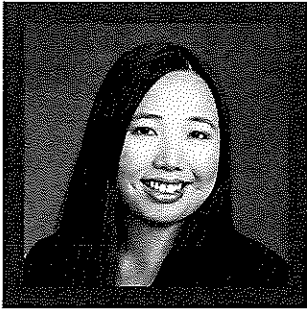
Many of those issues are not unique, as communities across the State grapple with health and safety laws and regulations from a myriad of court and legislative sources — the COVID-19 pandemic response and recovery among the most critical. In his experience as general counsel and city attorney, Frank advises on utilities, including water and wastewater-related matters, cannabis ordinances and enforcement, land use decisions and development agreements, conflicts, homelessness, public works, public finance, public safety, environmental requirements, personnel issues and more. He is also an authority on contracts, procurements and purchasing standards and requirements, and has conducted training on best practices.

Frank’s experience includes serving in-house as a deputy city attorney for the City of Vallejo. He defended the City in a number of civil liability matters involving personal injury and civil rights claims. His duties included advising the City on Public Records Act, code enforcement and public works.

Prior to joining BB&K Frank was an attorney at Meyers Nave. In addition to his city attorney roles, he also served as chief assistant city attorney to the City of Modesto and as deputy city attorney to the City of Rancho Cordova.

Frank was the editor of the Land Use chapter of the 2020 edition of the Continuing Education of the Bar’s annual “Municipal Law Handbook.” He currently serves on the Brown Act Committee for the League of California Cities, monitoring and reviewing emerging Brown Act developments coming out of COVID-19. While attending the University of California, Hastings College of Law, Frank served a summer as an intern to the U.S. Coast Guard Judge Advocate General Corps and as a judicial extern to the Hon. Marvin R. Baxter of the California Supreme Court.

Joanna Gin – Assistant General Counsel



Phone (916) 551-2857

Email joanna.gin@bbklaw.com

Location Sacramento

Education University of California, Davis, School of Law,
J.D.;
University of California, Berkeley, B.A.,
political science & English (with honors)

CA Bar Number 323715 (2018)

Joanna Gin is an attorney in BB&K's Municipal Law practice group. She serves as assistant city attorney for the City of Winters. In addition to general public agency work, Joanna focuses on elections, compliance with Propositions 218 and 26, and solid waste, including the implementation of SB 1383 regulations.

Before joining BB&K, Joanna attended the University of California, Davis School of Law. Joanna clerked for the Sacramento City Attorney's Office and assisted the civil litigation and advisory units on municipal affairs.

Prior to attending law school, Joanna worked in legislative affairs for nearly a decade in Sacramento. Joanna was appointed by Gov. Jerry Brown to the position of assistant deputy director in the Office of Legislative Affairs at the Department of General Services. While there, she helped oversee the office in the preparation of legislative analyses and policy recommendations relating to state contracts and property. During that time, she participated in the Leadership for Government Executives course at California State University, Sacramento, sponsored a Leadership for Government Supervisors cohort and spearheaded a department-wide food drive that raised a record 28,000 pounds of food for the Sacramento Food Bank. Before that, Joanna worked as a policy consultant with the Assembly Business and Professions Committee at the State Capitol. In that role, she provided guidance to legislators and their staff on legislation related to licensed professionals.

Affiliations:

- Asian/Pacific Bar Association of Sacramento
- Sacramento County Bar Association
- Urban Land Institute
- Women Lawyers of Sacramento

7. REFERENCES AND POTENTIAL CONFLICTS OF INTEREST

A. Public Agency References

Below please find three (3) recent municipal client references with contact information for our proposed General Counsel. Please do not hesitate to contact any of the following references for a more in-depth discussion of our ability to provide general counsel legal services for the Rio Linda Elverta Community Water District.

BB&K References	
Michael Colton, Interim City Manager City of Plymouth 9426 Main Street Plymouth, CA 95669 Phone: (916) 743-5187 Email: michaeljcolton@outlook.com Reference for Frank Splendorio	Lorenzo Hines, Jr., City Manager City of Galt 380 Civic Drive Galt, CA 95632 Phone: (209) 366-7100 Email: lhines@cityofgalt.org Reference for Frank Splendorio
Lori Waterman, City Manager City of Atwater 750 Bellevue Road Atwater, CA 95301 Phone: (209) 357-6300 Email: lwaterman@atwater.org Reference for Frank Splendorio	

B. Public Clients Within the Sacramento Region

BB&K has extensive experience providing legal services to public clients located throughout the Central Valley and Sacramento Region. Below is a representative list of our current public clients located in the Sacramento Region:

- | | |
|--|---|
| Arden Park Recreation and Park District
Atwater, City of | Association of California Water Agencies
Big Independent Cities Excess Pool Joint Powers Authority |
| Board of State and Community Corrections
CALAFCO | CACTTC and CSACA
California Affiliated Risk Management Authorities (CARMA) |
| California Air Pollution Control Officers Association (CAPCOA) | California Association of Resource Conservation Districts |
| California Fire and Rescue Training Authority | California Fire Chiefs Association |
| California Intergovernmental Risk Authority (CIRA) | California Municipal Utilities Association |
| California Redevelopment Association | California State Association of Counties |

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California State Firefighters Association	CASA
Child and Family Policy Institute of California	Citrus Heights Water District (CHWD)
Cosumnes Community Services District	Cosumnes Cemetery District
County Medical Services Program Governing Board (Sacramento)	Elk Grove Unified School District
Elk Grove, City of	Escalon, City of
Folsom, City of	Foundation for California Community Colleges
Fresno Council of Governments	Fresno County
Fresno County Rural Transit Agency	Fresno-Kings-Madera Regional Health Authority
	DBA Calviva
Galt Arno Cemetery District	Galt, City of
Gustine, City of	LAFCO of Merced County
LAFCO of San Joaquin County	League of California Cities
Los Banos Cemetery District	Los Banos Unified School District
Los Banos, City of	Los Rios Community College District
Madera Cemetery District	Madera County Transportation Commission
Madera Unified School District	Merced Cemetery District
Merced County Association of Governments	Merced, City of
Modesto Irrigation District	NACWA
Natomas Basin Conservancy	Oak Valley Hospital District
Panoche Water District	Patterson Cemetery District
Port of Stockton	Reclamation District 900 (West Sacramento)
Reclamation District 1000 (Sacramento)	Reedley Cemetery District
Regional Water Authority (Citrus Heights)	Root Creek Water District
Rural County Representatives of California	Sacramento County Bar Association
Sacramento County Employees Retirement System	Sacramento Groundwater Authority
Sacramento Housing & Redevelopment Agency	Sacramento Metropolitan Cable Television Commission
	Sacramento Stadium Area EIFD
Sacramento Municipal Utility District (SMUD)	San Joaquin, City of
San Joaquin Valley Insurance Authority	Southgate Recreation & Park District
Special District Risk Management Authority (SDRMA)	
Stanislaus Consolidated Fire Protection District	State Water Contractors
State Water Project Contractors Authority	Stockton, City of
Tracy Public Cemetery District	Washington Colony Cemetery District
Winton Cemetery District	Yosemite Community College District

C. Public Clients Presently Represented by Proposed General Counsel

Frank Splendorio currently serves as City Attorney for the cities of Atwater and Plymouth, and Interim City Attorney for the City of Galt. Joanna Gin currently serves as the Assistant City Attorney for the City of Winters.

At this time, neither Frank nor Joanna identifies any foreseeable or potential conflicts of interest that could result from representing the District.

D. Private Clients of BB&K

Because of private client confidentiality, BB&K cannot provide a list of private clients to the District. However, every new or potential engagement at BB&K must survive a conflict check against the firm's conflicts database. BB&K maintains a comprehensive database on client representation. Prior to accepting any representation, the database is accessed to determine whether there are any existing conflicts. This database is overseen and managed by our firm's Billing and Client Information Department as well as the responsible attorney.

BB&K confirms that no private client of the firm (such as water contractors, construction contractors, land developers, or other contractors) has been identified through the Conflicts Check process as posing a potential or existing conflict of interest to BB&K's potential representation of the District as General Counsel.

E. Statement on Public Entity Representation

Because BB&K is a large law firm that specializes in municipal and public agency law, we have represented hundreds of public entities in both litigated and administrative proceedings, resulting in hundreds of decisions/outcomes both adverse and beneficial to our clients. If more information is needed, we can provide a listing from the past five years at the interview state.

There has been only one recent instance of a former client that is a public entity that has taken legal action against BB&K: BB&K's former client, City of Bell, California, sued BB&K (and two other law firms) for legal malpractice and breach of fiduciary duty. In the course of that lawsuit, which has now been resolved through settlement, the city filed five different versions of the complaint. The city's first amended complaint contained a cause of action for violation of the False Claims Act. BB&K filed a motion to dismiss the first amended complaint. The City filed a second amended complaint and dropped the False Claims Act cause of action. At the time, an attorney with BB&K was City Attorney for the City of Bell, California; that attorney is no longer with the firm and the City of Bell litigation involving BB&K has settled without a finding of malpractice on the part of BB&K. 11/20/13 Order Granting App for Determination of Good faith Settlement; Dismissed December 4, 2013.

F. Statement on Malpractice, Claim, Complaint, and/or Discipline

We confirm that neither the designated General Counsel nor any member of the proposed legal team has been named in any lawsuits or complaints or has been the subject of an enforcement action by the Fair Political Practices Commission at any time during their legal practice.

We confirm that neither the designated General Counsel nor any member of the proposed legal team has been the subject of prosecution by the California State Bar at any time during their legal practice.

APPENDIX A

WRITTEN COMMUNICATION SAMPLE

As requested, this memo provides an overview of the CVRA, and recent CVRA litigation history.

CALIFORNIA VOTING RIGHTS ACT

The CVRA, in summary, makes it easier for minority groups or protected classes in California to prove that their votes are being diluted in “at-large” elections. Plaintiffs must demonstrate “racially polarized voting,” but are not required to establish discriminatory intent on the City’s part, nor historical discrimination, nor that minority voters live in a geographically compact area of the City. Racially polarized voting occurs when there is a difference in the choices of candidates preferred by voters in a protected minority class and the choices of candidates in the rest of the electorate.

The CVRA specifically says:

An at-large method of election may not be imposed or applied in a manner that impairs the ability of a protected class to elect candidates of its choice or its ability to influence the outcome of an election, as a result of the dilution or the abridgment of the rights of voters who are members of a protected class, as defined pursuant to Section 14026. (Elec. Code, §14027

Or, put another way, where the electoral preferences of the protected minority class (e.g., Latinos) are different from the rest of the electorate due to at-large elections. This usually involves a plaintiff showing through various statistical metrics that local Latino voters largely vote for Latino candidates while the presumably White majority of voters largely vote for White candidates.

To use a very simple example: assume a community that is 60% White, 30% Latino, and 10% from other groups and uses an at-large method of election. Where 30% Latino population strongly supports Latino Council candidates (“racially polarized voting”) but they don’t get elected because the statistics show that the 60% White majority outvotes them at the ballot box (“vote dilution”). Further, the evidence shows that if they went to districts, Latinos would make up at least 50% of a single district’s population so they could likely elect a Latino candidate from that district. That would likely be sufficient proof of a CVRA violation and mandate a transition to by-district elections.

In such situations, a plaintiff may file a lawsuit against a public agency with an elected governing body alleging that the agency’s at-large election system violates the CVRA. The typical remedy awarded by the court is to divide a jurisdiction up into geographic electoral districts, resulting in one or more districts in which a minority community can elect the candidate of its choice or otherwise have the ability to influence the outcome of an election. As noted below, defending a CVRA lawsuit is expensive and, to date, no agency has prevailed in defending such a lawsuit at the trial court level (with only one case currently being appealed). Therefore, there has been a strong incentive for public agencies to transition to by-district elections voluntarily to avoid the high costs of litigating a CVRA case.





CVRA LITIGATION

It is important to note that more than 350 public agencies (school districts, community college districts, cities, and water and other special districts) have changed to by-district elections as a result of litigation or the threat of litigation. The primary reason why public agencies switch to by-district elections is the potential exposure to attorneys' fees.

The City of Modesto litigated the first case in the appellate courts and lost. In 2008, Modesto paid approximately \$3 million in attorneys' fees and additional fees to its own attorneys. Other settlements have also been quite large. The City of Palmdale settled its ongoing litigation for \$4.7 million. Other settlements have been smaller, but many have exceeded \$100,000. The primary reason why public agencies are converting to by-district elections prior to being sued or settle in the middle of litigation is because unfortunately, no public agency has yet won a CVRA lawsuit. If a plaintiff prevails in a CVRA lawsuit, the plaintiff may recover attorneys' fees.

There is currently one appeal in the California Supreme Court challenging CVRA, *Pico v. Santa Monica*. No other litigation has come close to successfully challenging a CVRA lawsuit. In *Pico*, Latino voters sued the City of Santa Monica alleging that its at-large election method for Councilmembers violates the California Voting Rights Act (CVRA) because Latino voters were prevented from electing candidates of their choice or influencing election outcomes. But, in Santa Monica, Latinos have approximately only 14% City-wide voting power in the at-large system, and are pretty spread out throughout the City so the best draft districting map the plaintiffs could provide to the court would give Latinos only 30% voting power in one district. Therefore, Latino's wouldn't hold majority control, or even near-majority control, over an election under either scenario.

Santa Monica will argue, at the Supreme Court, that even if the plaintiffs were able to prove that there has been a legally significant preference of Latinos to elect Latino candidates who then weren't elected ("racially polarized voting"), the plaintiff hadn't shown that the at-large election system impaired Latinos from electing Latino candidates due to vote dilution. In simpler terms, that Latinos were not being disenfranchised because Latinos simply haven't had the numbers in Santa Monica to succeed at elections, no matter what method the City adopts. The case will turn entirely on the plaintiff's burden of proof to make a CVRA case and whether

that was met. What may help Santa Monica, at least in this decision, was that they had favorable facts with which to defend, and they still very well may lose. If they lose, they anticipate paying over \$20- \$25 million in attorneys' fees. Meanwhile, if Plaintiff loses, they will not have to pay any of the City's attorneys' fees.

Even if the Supreme Court rules in favor of Santa Monica, the ruling will be so narrowly tailored to the facts it will not affect or help other cities. This is particular true of Galt, where the largest demographic in the City is amongst Hispanics amidst largely compact areas (whereas only 14% in Santa Monica and spread throughout the City). The *Santa Monica* decision will not say that the CVRA is per se invalid, unconstitutional, or subject to some new technical legal defense to avoid compliance if an agency's election facts and history otherwise warrant a transition to by-district elections.

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Items for Discussion and Action
Agenda Item: 4.4

Date: January 27, 2025

Subject: Authorize Late Compensation for a Board Member

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

This item was not discussed at Executive Committee because the existing District policy requires Board approval.

Current Background and Justification:

Existing District policy 2.20.140 requires Board Members to submit their requests for compensation withing 30-days of the meeting for which they are requesting compensation. Further, the policy stipulates that the Board (and only the Board) may approve compensation if the request is late.

In December 2024, Board Member Vicky Young submitted compensation requests for meetings she attended in the preceding September and October, i.e., more than 30-days late.

Conclusion:

Sample Motion: Move to authorize late compensation for Vicky Young.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

2.20.140 Pre-Approved Compensation for Assigned District Representatives.

(amended by minute order July 18, 2022 Reference California AB 1234 Local Agencies Compensation and Ethics)

The Board President may appoint by conformation of a majority of the Board members one Director to be the primary representative and one Director as the alternate to the following organizations: Sacramento Groundwater Authority (SGA), California Special Districts Association (CSDA), Association of California Water Agencies (ACWA) and/or ACWA/Joint Powers Insurance Authority (ACWA/JPIA). The Board may nominate a representative to Sacramento County LAFCo. This policy authorizes the primary representative or the alternate when the primary representative is not able to be present and requests that the alternate attend, may attend and be compensated for the following meetings:

- SGA- Regular and Special meetings held in compliance with the Ralph M. Brown Act.
- ACWA / ACWA JPIA – Meetings held in the Sacramento area (within a 30-mile radius of the RLECWD office).
- Sacramento County LAFCo – Regular and Special meetings held in compliance with the Ralph M. Brown Act.

All other meetings, conferences and seminars shall require prior Board approval if the Director wishes to be compensated for attendance and/or receive travel reimbursement. The following are also stipulations for Board Members receiving meeting attendance compensation:

- Board Members must submit a compensation request form within 60-days after the meeting for which they are requesting compensation. Extensions for of this time limit may be granted by the Board of Directors based on the written justification provided by the requesting Board Member.
- Board Members attending meetings other than RLECWD meetings and requesting compensation are required to present a brief summary of the meeting details. Such presentation is to be provided at the

RLECWD regular Board meeting immediately following the meeting for which compensation is or will be requested.



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

Date: January 27, 2025

Subject: Proposed Revision to Policy 2.20.140 (increase time limits for compensation requests)

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee recommends the Board approve a revision to policy 2.20.140 to extend the time limits from 30-days to 60-days.

Current Background and Justification:

The current version of policy 2.20.140 stipulates that Board Members are required to submit their compensation request within 30 days from the date of the meeting for which they are requesting compensation.

The simple revision would extend the time limit from 30 days to 60 days.

Conclusion:

Sample Motion: Move to approve the proposed revision to policy 2.20.140.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____

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

2.20.140 Pre-Approved Compensation for Assigned District Representatives.

(amended by minute order July 18, 2022 Reference California AB 1234 Local Agencies Compensation and Ethics)

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The Board President may appoint by conformation of a majority of the Board members one Director to be the primary representative and one Director as the alternate to the following organizations: Sacramento Groundwater Authority (SGA), California Special Districts Association (CSDA), Association of California Water Agencies (ACWA) and/or ACWA/Joint Powers Insurance Authority (ACWA/JPIA). The Board may nominate a representative to Sacramento County LAFCo. This policy authorizes the primary representative or the alternate when the primary representative is not able to be present and requests that the alternate attend, may attend and be compensated for the following meetings:

- SGA- Regular and Special meetings held in compliance with the Ralph M. Brown Act.
- ACWA / ACWA JPIA – Meetings held in the Sacramento area (within a 30-mile radius of the RLECWD office).
- Sacramento County LAFCo – Regular and Special meetings held in compliance with the Ralph M. Brown Act.

All other meetings, conferences and seminars shall require prior Board approval if the Director wishes to be compensated for attendance and/or receive travel reimbursement. The following are also stipulations for Board Members receiving meeting attendance compensation:

- Board Members must submit a compensation request form within 60-days after the meeting for which they are requesting compensation. Extensions for of this time limit may be granted by the Board of Directors based on the written justification provided by the requesting Board Member.
- Board Members attending meetings other than RLECWD meetings and requesting compensation are required to present a brief summary of the meeting details. Such presentation is to be provided at the

RLECWD regular Board meeting immediately following the meeting for which compensation is or will be requested.



**Items for Discussion and Action
Agenda Item: 4.6**

Date: January 27, 2025
Subject: Process for Increasing Board Member Compensation
Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

The Executive Committee recommends the Board discuss increasing Board Member compensation.

Current Background and Justification:

At the January 8th Executive Committee, Director Young inquired about the last time Board Member Compensation was increased and the process for such. Board Member compensation is codified in the California Water Code and has not been increased since it was established (see documents associated with this item).

The process for increasing Board Member compensation is delineated in California Water Code, section 20201 et seq. Among other things, the statute limits increase to 5% per year AND stipulates the change process must be via adoption of an Ordinance at public hearing. Additionally, the ratepayers can block the increase via a petition for referendum.

In consideration of the cost associated with posting a public hearing notice, it behooves the District to establish whether a majority of Board Members wish to move forward before the expenditure of resources.

Conclusion:

Sample Motion: Move to direct staff to:

- Schedule and publish a notice of a public hearing.
- Prepare an Ordinance to increase the amount of Board Member Compensation.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

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**SPECIAL DISTRICT BOARD MEMBER
COMPENSATION GUIDE****California Special
Districts Association***Districts Stronger Together***UNDERSTANDING SPECIAL DISTRICT BOARD MEMBER COMPENSATION**

By: Richard D. Pio Roda and Anthony Felix, Meyers Nave

This paper is intended to help you understand compensation for special district board members in California. Specifically, it describes (1) the statutory authority behind board member compensation, (2) the maximum compensation board members can receive, (3) how board members can increase compensation, (4) board member reimbursements for job-related expenses, (5) the extent to which board members may receive benefits, and (6) how small community services districts typically compensate board members.

Under what authority can special districts compensate board members?

Typically, special district board member compensation is set by the Legislature. Special districts have the general authority to compensate board members for attendance at meetings under the California Government Code.¹ However, this general authority is limited by statutes specific to particular types of districts, which prescribe rates and conditions for board member compensation. Special districts are granted authority either under principal acts or special acts. Principal acts are codified in state laws and are generic statutes that apply to all special districts of a particular type. Special acts are often uncoded and are narrowly focused on governing one or a few special districts to fit the unique needs of those districts. A board member interested in learning more about their district's authority to compensate its board members should first reference their district's formation or enabling documents to determine whether the district is governed by a principal act or a special act. Identifying which statutes govern a district is important because such statutes often vary in provisions for the maximum amount of compensation a board member may receive, how and if board members can increase compensation, and provisions regarding reimbursements and board member benefits.

What is the maximum amount of compensation a special district board member may receive?

Principal act districts that have been codified in state law vary on the maximum amount a board member may be compensated. Most code sections set the maximum compensation rate at \$100 for each meeting attended by a board member or each day in which a board member is engaging in official duties. This includes special districts such as county water districts,² recreation and park districts,³ community services districts,⁴ public cemetery districts,⁵ and more. Other code sections explicitly provide that special district board members are to receive no compensation in their roles as board members. These

¹ Gov. Code § 53232.1(a).² Water Code § 30507.³ Pub. Res. Code § 5784.15(a).⁴ Gov. Code § 61047(a).⁵ Health and Safety Code § 9031(a).

districts include pest abatement districts,⁶ police protection districts,⁷ citrus pest control districts,⁸ port districts,⁹ river port districts,¹⁰ and memorial districts.¹¹ Many districts set maximum compensation rates at amounts smaller than \$100, such as \$10,¹² \$25,¹³ or \$50¹⁴ per meeting attended by the board member. Some code sections authorize a flexible compensation rate to be determined by the board members themselves. The California Water Code sections governing levee districts¹⁵ and reclamation districts¹⁶ provide that each board member shall receive compensation for their services "... as the board determines to be just and reasonable..." Generally, these districts still compensate board members at a rate under \$100 per meeting.

Can special district board members increase their compensation? If so, how can board members do so?

In addition to attending regularly scheduled board meetings, board members often must attend the meetings of other agencies or travel to conferences in order to better understand and fulfill their roles. In order to meet these often demanding and time-consuming duties, some special districts consider increasing the compensation of its board members. If a special district board is considering increasing the compensation of its board members it is important it starts by referencing its governing statutes or acts. A district's governing statutes or acts will determine whether board members can increase compensation, to what extent compensation can be increased, and how to increase compensation.

Many special districts can increase board member compensation pursuant to California Water Code section 20201, which both sets the maximum amount of compensation per meeting at \$100 but also authorizes board members to increase compensation above \$100.¹⁷ Although this may be welcome news to districts interested in increasing compensation, there are three notable restrictions on a district's ability to do so. If a special district board can increase compensation via section 20201: (1) it must do so via ordinance,¹⁸ (2) the increase may not exceed 5% for each calendar year,¹⁹ and (3) voters may petition for a referendum on the ordinance increasing compensation.²⁰ As part of the ordinance requirement, special district boards must hold a public hearing for discussion of the compensation increase and publish a notice of the hearing.²¹ Special districts should also note voter referendums may result in the ordinance appearing on a regular election or special election ballot for voter approval.²² If the ordinance is struck down by voters, the special district board will be prohibited from adopting a new compensation increase ordinance for at least one year.²³

⁶ Health and Safety Code § 2851

⁷ Health and Safety Code § 20069

⁸ Food and Ag. Code § 8508

⁹ Har. and Nav Code § 6251.

¹⁰ *Id.* at § 6836.

¹¹ Mil. and Vet Code § 1197.

¹² Wat. Code § 56031.

¹³ Pub. Res. Code § 13041(b).

¹⁴ Har. and Nav. Code § 7047.

¹⁵ Wat. Code § 70078.

¹⁶ *Id.* at § 50605(a).

¹⁷ *Id.* at § 20201.

¹⁸ *Id.*

¹⁹ *Id.* at § 20202.

²⁰ *Id.* at § 20204.

²¹ *Id.* at § 20203

²² Wat. Code § 20206.

²³ *Id.*

On the other hand, many statutes and acts governing special districts are silent on a district's authority to adjust board member compensation. As a result of lacking a statutory authority to adjust board member compensation, special districts falling into this category may be unable to do so. Therefore, it is important that special districts interested in increasing board member compensation reference its district's formation documents to identify if its governing statutes or acts allow such actions.

Can board members be reimbursed for job-related expenses?

Special district board members are often expected to attend a variety of events in the performance of their duties, including trainings, community outreach events, conferences, and local agency meetings. The expenses associated with these activities, including travel, lodging, and food costs, can be significant. Fortunately, the Legislature has recognized the costs associated with serving as a board member and granted special districts with the authority to provide reimbursements. In fact, the vast majority of special districts have the authority to reimburse board members for expenses related to fulfilling their duties as board members.

Again, the most important starting point to determine whether a special district may reimburse its board members is identifying the governing acts or statutes. Most districts have the statutory authority to reimburse board members but are required to abide by the reimbursement procedures set out in Government Code sections 53232.2- 53232.4. In order to comply with Government Code section 53232.2, special districts generally must only reimburse board members for actual and necessary expenses incurred in the performance of official duties and adopt a written policy that specifies the types of expenses that may be reimbursed. Other requirements on board members include the filing of expense reports with special district boards and providing brief reports on the meetings requiring reimbursement.²⁴ Special districts should note the misuse of reimbursement funds can result in the loss of reimbursement privileges, civil penalties, and even criminal penalties.²⁵ Therefore, special districts governed by Government Code sections 53232.2- 53232.4 should ensure its reimbursement policies are consistent with these sections and that board members are only being reimbursed for actual and necessary expenses.

Some districts are not directly governed by the statutory requirements of Government Code sections 53232.2- 53232.4 but instead follow a less stringent reimbursement procedure. For example, in reclamation districts a board member's claims for expenses incurred are to be presented to the board and then paid in the same manner as other indebtedness of the district.²⁶ Although citrus pest control district board members are not entitled to any compensation, they may be reimbursed for actual and necessary expenses when claims for those expenses have been approved by the board.²⁷ Still, other districts lack the statutory authority to provide any reimbursements for board members, including police protection districts.²⁸

To what extent can special district board members receive benefits?

Although only some special district board members may be entitled to compensation, all special district board members may receive group insurance benefits if the board elects to do so. Under Government Code section 53201 and 53205.1, a special district board may provide benefits to its board members,

²⁴ Gov. Code § 53232.3(a); Gov. Code § 53232.3(d).

²⁵ *Id.* at § 53232.4.

²⁶ Wat. Code § 50606.

²⁷ Food and Ag. Code § 8508.

²⁸ Health and Saf. Code § 20000 *et seq.*

retired board members, and the families of board members and retired board members. Benefits can include medical, dental, vision, and life insurance.²⁹

California state law is relatively silent on the procedures a special district must take to adopt a benefits policy for its board members. The Office of the Attorney General provides some guidance on the issue by declaring that no official declaration of policy is required for a special district to provide health benefits to its elective officers.³⁰ The Attorney General's opinion noted that no procedure or mode for providing the benefits is set forth in Government Code section 53201.³¹ The Attorney General concluded that a special district board may take action in any appropriate manner, whether by ordinance, resolution, motion, or otherwise.³² Therefore, whether a district must approve a benefits plan by ordinance or resolution comes down to what the enabling or principal act governing it requires. Beyond that, the Brown Act requires changes in compensation, including fringe benefits, to be made during an open meeting.³³

Special district boards should note that districts considering providing benefits to its board members have often received pushback from the community.³⁴ If a special district is considering providing a benefits program to its board members, it may be prudent for them to be transparent about the program's estimated costs and expected beneficiaries so the public is aware of the district's proposed expenditures.

With that being said, most of the principal acts governing special districts make no explicit mention of a board's authority to provide benefits to its board members. This is not to say these special districts may not provide benefits to its board members as Government Code section 53201, which grants districts the authority to provide benefits, still applies to them as well. The few special districts with principal acts that mention benefits separately (such as regional park and/or open space districts) note that board members are eligible for the same group medical or dental plans available to permanent employees of the district.³⁵

How do small community service districts typically compensate board members?

In addition to applicable statutory restrictions, board member compensation for a small district may also be restricted if the district has a small budget. If a particular community services district is governed by the principal act requirements set out in Government Code section 61047, it may provide its board members with \$100 each day for services provided. Community services districts may also increase board member compensation above \$100 in accordance with the authority and requirements set out in Water Code section 20201.

Most community services district do not compensate board members. Some community services districts compensate its board members as much as \$10,000 per year including the Phelan Pinon Hill Community

²⁹ Gov. Code § 53205.16.

³⁰ 86 Cal. Att'y Gen. Op. No. 92-1008 (May 5, 1993).

³¹ *Id.*

³² *Id.*

³³ Gov. Code § 5493(c)(3).

³⁴ Brad Branan, *Health benefits boost board compensation at Sacramento area special districts*, The Sacramento Bee (March 6, 2015, 6:20 PM), <https://www.sacbee.com/news/investigations/the-public-eye/article12892430.html>.; Paul Rogers, *Santa Clara Valley Water District considers idea for lifetime medical benefits for board members*, (August 27, 2012, 1:19PM), <https://www.mercurynews.com/2012/08/27/santa-clara-valley-water-district-considers-idea-for-lifetime-medical-benefits-for-board-members/>.

³⁵ Pub. Res. Code § 5536.

Services District³⁶ and the Rosamond Community Services District.³⁷ Many community services districts compensate board members at a rate consistent with Government Code section 61047, which amounts to \$4,800 a year assuming board members provide services or attend meetings four days a month.

How a small district compensates its board members will come down to what the district's budget and needs are. Although all community services districts have the statutory authority to compensate board members at a rate more than \$100 for each meeting attended, most small districts elect to compensate less than \$100 per meeting or not at all.

Moving Forward

The California Government Code, through principal or special acts, generally provides special districts with the authority to compensate its board members. Although most districts set the maximum board member compensation rate at \$100 for each meeting attended by a board member, some districts offer a flexible compensation rate, compensation under \$100, or no compensation at all. Many special districts can increase board member compensation pursuant to California Water Code section 20201, which both sets the maximum amount of compensation per meeting at \$100 but also authorizes board members to increase compensation above \$100. The vast majority of districts have the authority to reimburse board members for the actual and necessary expenses incurred on the job, subject to those districts and board members meeting certain requirements. All special districts board members may receive group insurance benefits, including medical, dental, vision, and life insurance. Lastly, most small community services districts compensate board members at a rate less than \$100 for each meeting attended or not at all, despite having the authority to compensate board members more than \$100. Moving forward, a special district interested in compensating its board members should reference its enabling statutes because such statutes will often determine the maximum amount of compensation a board member may receive, how and if board members can increase compensation, and whether board members may be provided reimbursements and benefits.

³⁶ Government Compensation in California, <https://publicpay.ca.gov/Reports/PositionDetail.aspx?employeeid=19490354>, (last visited June 19, 2019).

³⁷ Government Compensation in California, <https://publicpay.ca.gov/Reports/PositionDetail.aspx?employeeid=19955885>, (last visited June 19, 2019).

Richard D. Pio Roda is a Principal at the Meyers Nave law firm. Richard's legal practice is focused on strategic advice and counsel, and transactional legal services for municipalities and special districts throughout California. Richard is General Counsel to the Rodeo Hercules Fire Protection District, and the Mendocino County Community Development Commission. Richard also serves as Special Counsel to numerous special districts, including the West County Wastewater District, Rincon del Diablo Municipal Water District, San Ramon Valley Fire Protection District and the Twain Harte Community Services District. Richard frequently provides advice on a variety of issues that range from General Manager performance evaluation, negotiating all types of transactions from complex technology purchases to property leases, to emergency declarations, policies and procedures, to public official conflicts of interest. He can be contacted at 510.808.2000 or rpioroda@meyersnave.com

Anthony Felix is a second year law student at the University of California, Hastings College of the Law. During his second year at UC Hastings, Anthony will serve as the Admissions Chair for the UC Hastings La Raza Law Students Association and will be a staff editor of the Hastings Law Journal. Prior to attending law school, Anthony graduated from the University of California, Santa Barbara with a bachelor's degree in Political Science. Anthony is originally from National City, California and has interned at the City Attorney's office in National City. During the summer of 2019, Anthony was a Summer Fellow at Meyers Nave where he worked closely with Meyers Nave's Municipal and Special District Law Practice Group. He is interested in practicing municipal law after he graduates law school.

WATER CODE - WAT**DIVISION 10. FINANCIAL SUPERVISION OF DISTRICTS [20200 - 20220]**

(Division 10 added by Stats. 1943, Ch. 371.)

CHAPTER 2. Compensation of Water District Directors [20200 - 20207]

(Chapter 2 added by Stats. 1984, Ch. 186, Sec. 1.)

20200.

As used in this chapter, “water district” means any district or other political subdivision, other than a city or county, a primary function of which is the irrigation, reclamation, or drainage of land or the diversion, storage, management, or distribution of water primarily for domestic, municipal, agricultural, industrial, recreation, fish and wildlife enhancement, flood control, or power production purposes. “Water districts” include, but are not limited to, irrigation districts, county water districts, California water districts, water storage districts, reclamation districts, county waterworks districts, drainage districts, water replenishment districts, levee districts, municipal water districts, water conservation districts, community services districts, water management districts, flood control districts, flood control and floodwater conservation districts, flood control and water conservation districts, water management agencies, water agencies, and public utility districts formed pursuant to Division 7 (commencing with Section 15501) of the Public Utilities Code.

(Amended by Stats. 2007, Ch. 213, Sec. 5. Effective January 1, 2008.)

20201.

Notwithstanding any other provision of law, the governing board of any water district may, by ordinance adopted pursuant to this chapter, provide compensation to members of the governing board, unless any compensation is prohibited by its principal act, in an amount not to exceed one hundred dollars (\$100) per day for each day’s attendance at meetings of the board, or for each day’s service rendered as a member of the board by request of the board, and may, by ordinance adopted pursuant to this chapter, in accordance with Section 20202, increase the compensation received by members of the governing board above the amount of one hundred dollars (\$100) per day.

It is the intent of the Legislature that any future increase in compensation received by members of the governing board of a water district be authorized by an ordinance adopted pursuant to this chapter and not by an act of the Legislature.

For purposes of this section, the determination of whether a director’s activities on any specific day are compensable shall be made pursuant to Article 2.3 (commencing with Section 53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code.

(Amended by Stats. 2005, Ch. 700, Sec. 27. Effective January 1, 2006.)

20201.5.

Reimbursement for expenses of members of a governing board of a water district is subject to Sections 53232.2 and 53232.3 of the Government Code.

(Added by Stats. 2005, Ch. 700, Sec. 28. Effective January 1, 2006.)

20202.

In any ordinance adopted pursuant to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district above the amount of one hundred dollars (\$100) per day, **the increase may not exceed an amount equal to 5 percent**, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.

No ordinance adopted pursuant to this chapter shall authorize compensation for more than a total of 10 days in any calendar month.

(Amended by Stats. 1989, Ch. 111, Sec. 1.)

20203.

Any water district described in Section 20201 is authorized to adopt ordinances pursuant to this chapter. **No ordinance shall be adopted pursuant to this chapter except following a public hearing.** Notice of the hearing shall be published in a newspaper of general circulation pursuant to Section 6066 of the Government Code.

(Added by Stats. 1984, Ch. 186, Sec. 1.)

20204.

An ordinance adopted pursuant to this chapter shall become effective 60 days from the date of its final passage. The voters of any water district shall have the right, as provided in this chapter, to petition for referendum on any ordinance adopted pursuant to this chapter.

(Added by Stats. 1984, Ch. 186, Sec. 1.)

20205.

If a petition protesting against the adoption of the ordinance is presented to the governing board of the water district prior to the effective date of the ordinance, the ordinance shall be suspended and the governing board shall reconsider the ordinance.

If the number of votes cast for all candidates for Governor at the last gubernatorial election within the boundaries of the water district exceeds 500,000, the ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 5 percent of the entire vote cast within the boundaries of the water district for all candidates for Governor at the last

gubernatorial election. If the number of votes cast for all candidates for Governor at the last gubernatorial election within the boundaries of the water district is less than 500,000, the ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 10 percent of the entire vote cast within the boundaries of the water district for all candidates for Governor at the last gubernatorial election.

(Added by Stats. 1984, Ch. 186, Sec. 1.)

20206.

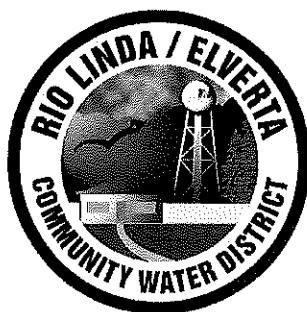
If the governing board does not entirely repeal the ordinance against which a petition is filed, the governing board shall submit the ordinance to the voters either at a regular election or a special election called for the purpose. The ordinance shall not become effective unless and until a majority of the votes cast at the election are cast in favor of it. If the ordinance is not approved by the voters, no new ordinance may be adopted by the governing board pursuant to this chapter for at least one year following the date of the election.

(Added by Stats. 1984, Ch. 186, Sec. 1.)

20207.

Except as otherwise provided in this chapter, the provisions of the Elections Code applicable to the right of referendum on legislative acts of districts shall govern the procedure on ordinances against which a petition is filed.

(Added by Stats. 1984, Ch. 186, Sec. 1.)



**Items for Discussion and Action
Agenda Item: 4.7**

Date: January 27, 2025

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

Staff Contact: Timothy R. Shaw

Recommended Committee Action:

N/A, this is a standing item on all regular meeting agendas.

Current Background and Justification:

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

Generally , this is a standing item, which occurs on every regular meeting agenda.

Conclusion:

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

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent



Information Items
Agenda Item: 5.1

Date: January 27, 2025

Subject: District Reports

Staff Contact: Timothy R. Shaw, General Manager

DISTRICT ACTIVITY REPORTS

1. Operations Report
2. Completed and Pending Items Report
3. Conservation Summary
4. Leak Repairs

RIO LINDA/ELVERTA C.W.D. 2024

REPORT OF DISTRICT OPERATIONS

SOURCE WATER DATA

Water Production (Million Gallons)						Year To Date
January	February	March	April	May	June	
38.9	36.8	40.5	48.7	74.6	97	
38,888,906	36,769,694	40,533,124	48,656,766	74,593,086	96,981,956	
July	August	Sept.	Oct.	Nov.	Dec.	771.9
108.4	93.9	81.4	69.9	44.2	37.6	
108,361,388	93,926,998	81,407,508	69,883,782	44,196,912	37,602,072	
			Monthly Total			
Gallons = Multiply M.G. by:			1,000,000			Gallons 771,802,192
Cubic Feet = Divide gallons by:			7.48			Cubic Feet 103,182,111
Hundred Cu Ft. = Divide cu. ft. by:			100			Hundred Cubic Feet 1,031,821
Acre Ft. = Divide gallons by:			325,829			Acre Ft. 2,369
			376,027,072			
			50,270,999			
			502,710			
			1154.06			

DISTRIBUTION SYSTEM DATA

Water Quality Complaints						Complaints Total - (Low Psi Complaints)	Year To Date
January	February	March	April	May	June		
2 - (2)	1 - (1)	2 - (2)	0	0	0		
July	August	Sept.	Oct.	Nov.	Dec.		
5 - (5)	2 - (1)	3 (1)	0	0	0	15	

New Services

New Construction	0	14
Existing Homes	0	0
Paid prior to increase. (2 not installed)	0	0
Total of Service Connections to Date ----->		4685

Distribution System Failures/Repairs

Deterioration December 1 thru 31	1	95
Damaged December 1 thru 31	0	0
Routine Bacteriological Samples (Distribution System)	20	196
Raw Water Bacteriological Samples (at Wells)	12	42

December 1, 2024 - December 31, 2024

1 - Distribution leaks repaired by District staff, - by Contractor or with Contractor assistance.

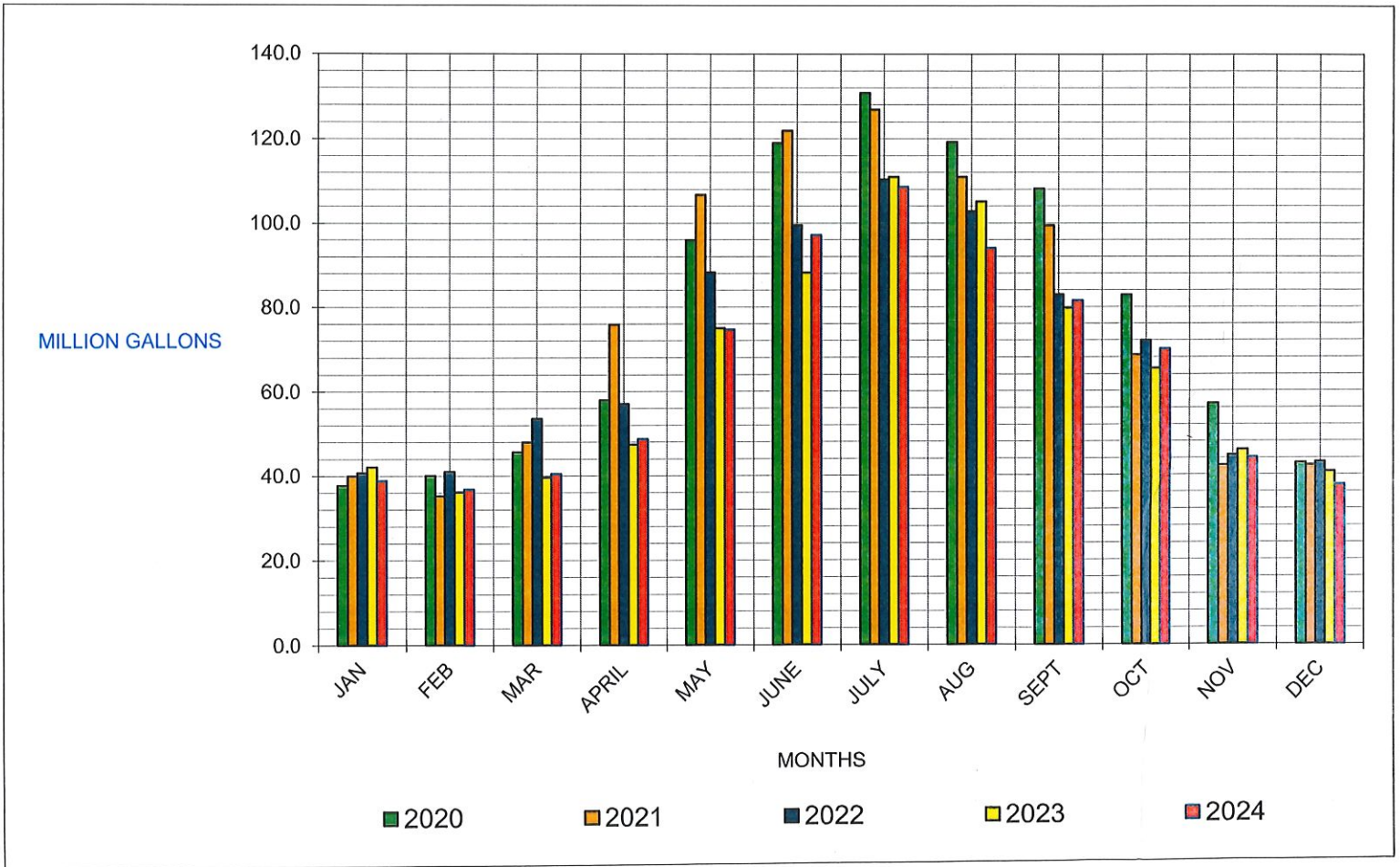
Work Orders Issued - 11	Work Orders Completed - 32	USA's Issued - 70
Disconnect Service - 3	Change Out Meter - 18	WORK ORDERS ISSUED: All work orders issued during the current 1 month reporting period. (December 2024) WORK ORDERS COMPLETED: All work orders completed during the 1 month reporting period. (December 2024) Includes any work orders issued in prior reporting periods that were completed in the current reporting period.
Get Current Read - 2	Disconnect Service - 3	
Possible Leak - 3	Get Current Read - 2	
Repair - 1	Install Innov8 Device - 1	
Tag Property - 1	Possible Leak - 4	
Turn Off Service - 1	Repair - 1	
	Tag Property - 2	
	Turn Off Service - 1	

RIO LINDA/ELVERTA C.W.D.

WATER PRODUCTION

2020 \ 2024

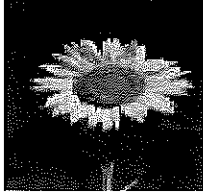
Month	Water Production in Million Gallons						SSWD Water Purchases				
	2020	2021	2022	2023	2024	Avg.	2020	2021	2022	2023	2024
JAN	37.6	39.9	40.7	42.0	38.9	39.8	0.0	0.0	0.0	0.0	0.0
FEB	40.0	35.2	40.9	36.1	36.8	37.8	0.0	0.0	0.0	0.0	0.0
MAR	45.5	47.9	53.5	39.6	40.5	45.4	0.0	0.0	0.0	0.0	0.0
APRIL	57.9	75.8	57.0	47.3	48.7	57.3	0.0	0.0	0.0	0.0	0.0
MAY	95.9	106.6	88.2	74.9	74.6	88.0	0.0	0.0	0.0	0.0	0.0
JUNE	118.9	121.9	99.4	88.1	97.0	105.1	0.0	0.0	0.0	0.0	0.0
JULY	130.7	126.8	110.3	110.9	108.4	117.4	0.0	0.0	0.0	0.0	0.0
AUG	119.2	110.9	102.7	105.1	93.9	106.4	0.0	0.0	0.0	0.0	0.0
SEPT	108.1	99.4	82.9	79.6	81.4	90.3	0.0	0.0	0.0	0.0	0.0
OCT	82.8	68.5	71.9	65.3	69.9	71.7	0.0	0.0	0.0	0.0	0.0
NOV	56.9	42.2	44.6	45.9	44.2	46.8	0.0	0.0	0.0	0.0	0.0
DEC	42.7	42.2	42.9	40.7	37.6	41.2	0.0	0.0	0.0	0.0	0.0
TOTAL	936.2	917.3	835.0	775.5	771.9	866.0	0.0	0.0	0.0	0.0	0.0



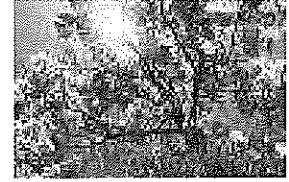


**PENDING AND COMPLETED ITEMS
1-27-2025 BOARD OF DIRECTORS MEETING**

1. **Annual Inflation Adjustment for Drinking Water Capacity Fees** – The Board authorized the construction cost inflation adjustments to capacity fees stipulated in Ordinance 2016-01. **Completed**
2. **Sampling all wells for hexavalent chromium** – The State Water Resources Control Board finalized the 10-Parts per Billion hexavalent chromium MCL on 7-24-2024. The clock for sampling all sources commences on 10-1-2024 **Pending**
3. **Sampling for PFOAs** – The State Water Board has notified the District of its requirement that we analyze all wells for PFOAs. The first round of sampling entails quarterly sampling at each well **Pending**
4. **Submittal of a Compliance Plan to the State Water Resources Control Board** – When (not if) the wells samples show hexavalent chromium above 10-Parts per Billion, the District will be required to submit a Compliance Plan to the Division of Drinking Water within 90-days. **-Pending**
5. **District outreach to customers following implementation of a new rate structure focused on consumption in compliance with SB 606 / AB 1668 requirements** – The Customer Service / Conservation Coordinator continues her practice of outreach to customers with indications of abnormal water consumption. **Pending**
6. **Mandated Board Member Training** The most overdue mandated training assignment (ethics) has improved to “started”, which means the train assignment has been commenced. - **Pending**
7. **Cost of Service Reductions to Mitigate Inflation** –Staff continues to seek out inflation mitigation measures. The District has not given up on this effort. The latest focus, which is being explored at the Executive Committee, is early payoff of existing loans to save interest charges and free up operating budget funds. **Pending**
8. **Annual Water Loss Audit** – The water loss audit has been uploaded to the state. **Completed**
9. **Replacing the Oldest Workstations** – The two oldest workstations (desktop computers) are now nearly 7 years in service. The District requested and received recommendations from Adept Solutions on replacing the two oldest work stations. **Pending**



Conservation Report December 2024



Supplies (kits):	Shower heads(0) Kitchen Aerators(1) Bathroom Aerators(0) Shower Timer(0) Nozzle(0) Toilet Tabs(6) Moisture Meters(0) Water Bottles(0) Toilet Tummy(0) Retro-Fit Kits(0) Welcome Kits(0) Kids Kit(0)
Water Waste (calls, emails, letter, leaks detected, and fixed):	0 Water Waste Letter(s) 358 contacts about possible leaks using the AMI system - 8 were called, 0 was mailed, 349 was emailed, 1 tag was hung
Water Schedule:	given to customers with all violation letters and new applications
Surveys	0
Workshops, Webinar, Meetings:	Outdoor Webinar: Outdoor Policy and Saving Water
Fines:	None
Other Tasks:	<ul style="list-style-type: none"> ● Assisted with new customers ● Created/completed work orders ● Disconnect properties with no service application ● Notified and offered customers the ACH payment method ● Closed accounts and final billed customers ● Mailed out application requests to new owners ● Scanned and uploaded documents into UMS ● Verbal Demands
Grant Updates:	None

2024 Leak - Repair Tracking

47

Work Order #	Leak Type	Street	Date Reported	Date Repaired	Days
1	Service	26th Street	12/13/2023	1/29/2024	47
2	Service	E Street	1/5/2024	1/5/2024	1
3	Service	W E Street	1/9/2024	1/9/2024	1
4	Service	Quadra Ave	1/29/2024	2/6/2024	8
5	Service	I Street	2/9/2024	2/13/2024	4
6	Service	Fallon Woods Way	2/20/2024	2/21/2024	1
7	Main	Mateo Ct	2/20/2024	2/22/2024	2
8	Service	Castle Creek Way	2/20/2024	2/28/2024	8
9	Service	Sun Acer Way	2/22/2024	2/27/2024	5
10	Service	Silver Crest Cir	2/20/2024	2/20/2024	1
11	Service	W U Street	3/5/2024	3/5/2024	1
12	Service	Hayer Cir	3/12/2024	3/13/2024	2
13	Service	26th Street	3/19/2024	3/21/2024	3
14	Service	C Street	3/19/2024	3/21/2024	3
15	Service	Q Street	3/20/2024	3/25/2024	6
16	Service	Alvide Ct	3/26/2024	3/26/2024	1
17	Service	Silver Tree Ct	4/8/2024	4/8/2024	1
18	Service	24th St	4/12/2024	4/30/2024	18
19	Service	E St	4/10/2024	4/10/2024	1
20	Service	9th Ave	4/17/2024	4/22/2024	5
21	Service	W E Street	4/22/2024	4/23/2024	1
22	Service	Rio Lina Blvd	4/1/2024	4/25/2024	25
23	Service	Q Street	4/29/2024	4/30/2024	1
24	Service	5th Street	4/8/2024	5/7/2024	29
25	Service	Evcar Way	5/2/2024	5/3/2024	2
26	Service	I street	5/2/2024	5/2/2024	1
27	Service	Dry Creek Rd	5/21/2024	5/21/2024	1
28	Service	26th Street	5/21/2024	5/21/2024	1
29	Service	Silver Knoll St	5/6/2024	6/6/2024	30
30	Service	Marysville Blvd	5/14/2024	6/4/2024	18
31	Service	Evcar Way	5/20/2024	6/5/2024	16
32	Service	I Street	5/28/2024	6/5/2024	8
33	Service	20th Street	6/3/2024	6/3/2024	1
34	Service	Kenora Street	6/5/2024	6/12/2024	7
35	Service	G Street	6/7/2024	6/7/2024	1
36	Service	Rio Linda Blvd	6/11/2024	6/12/2024	2
37	Service	Rio Linda Blvd	6/11/2024	6/12/2024	2
38	Service	26th Street	6/13/2024	6/18/2024	5
39	Service	E Street	6/18/2024	6/18/2024	1
40	Service	5th Ave	6/21/2024	6/25/2024	4
41	Service	E Street	6/24/2024	6/25/2024	2
42	Service	2nd Street	6/27/2024	6/27/2024	1
43	Service	Montague Way	6/26/2024	6/26/2024	1
44	Service	Silver Tree Ct	6/24/2024	7/10/2024	16

45	24555	Service	N Street	7/1/2024	7/2/2024	1
46	24557	Service	Elkhorn Blvd	7/2/2024	7/2/2024	1
47	24564	Service	Hayer Circle	7/9/2024	7/10/2024	1
48	24569	Service	2nd Street	7/11/2024	7/11/2024	1
49	24565	Service	6th Street	7/9/2024	7/18/2024	9
50	24570	Service	24th Street	7/12/2024	7/12/2024	1
51	24577	Service	Silver Sky Ct	7/17/2024	7/23/2024	6
52	24581	Service	26th Street	7/18/2024	7/18/2024	1
53	24619	Service	6th Street	7/30/2024	7/30/2024	1
54	24583	Service	2nd Street	7/22/2024	8/26/2024	26
55	24620	Service	24th Street	7/30/2024	8/5/2024	6
56	24623	Service	E Street	8/2/2024	8/2/2024	1
57	24638	Service	Q Street	8/8/2024	8/8/2024	1
58	24642	Service	9th Ave	8/15/2024	8/21/2024	6
59	24643	Service	E Street	8/16/2024	8/27/2024	11
60	24644	Service	I Street	8/16/2024	8/22/2024	8
61	24653	Service	Dry Creek Rd	8/26/2024	8/27/2024	2
62	24661	Service	I Street	8/29/2024	8/29/2024	1
63	24650	Service	Anderson Woods Wy	8/21/2024	9/4/2024	14
64	24657	Service	G Street	8/28/2024	9/9/2024	11
65	24660	Service	Elkhorn Blvd	8/29/2024	9/9/2024	10
66	24663	Service	W E Street	9/5/2024	9/5/2024	1
67	24665	Service	C Street	9/9/2024	9/30/2024	21
68	24666	Service	E Street	9/10/2024	9/10/2024	1
69	24667	Service	Quadra Ave	9/11/2024	9/24/2024	13
70	24671	Service	U St	9/13/2024	9/17/2024	4
71	24672	Service	Jamie Ct	9/13/2024	9/17/2024	4
72	24674	Service	G Street	9/16/2024	9/26/2024	10
73	24675	Service	Rio Linda Blvd	9/17/2024	9/17/2024	1
74	24679	Service	22nd Street	9/18/2024	9/18/2024	1
75	24681	Service	24th Street	9/20/2024	9/25/2024	5
76	24713	Service	20th Street	9/27/2024	9/30/2024	3
77	24714	Service	5th Ave	9/30/2024	9/30/2024	1
78	24715	Service	Elkhorn Blvd	9/30/2024	10/3/2024	4
79	24725	Service	W E Street	10/7/2024	10/7/2024	1
80	24731	Service	I Street	10/8/2024	10/8/2024	1
81	24742	Service	Elverta Rd	10/17/2024	10/17/2024	1
82	24713	Service	E St	10/17/2024	10/18/2024	2
83	24753	Service	I Street	10/28/2024	10/29/2024	2
84	24757	Service	E St	10/29/2024	10/29/2024	1
85	24761	Main	2nd street	10/30/2024	10/30/2024	1
86	24763	Service	7th St	10/31/2024	10/31/2024	1
87	24748	Service	Elkhorn Blvd	10/22/2024	11/7/2024	16
88	24754	Service	Hayer Circle	10/28/2024	11/7/2024	10
89	24759	Service	W Elkhorn Blvd	10/30/2024	11/4/2024	5
90	24760	Service	Bergen Way	10/30/2024	11/1/2024	2
91	24763	Service	7th St	10/31/2024	11/1/2024	2

92	24768	Main	Silver Tree Ct	11/5/2024	11/8/2024	3
93	24776	Service	K Street	11/14/2024	11/14/2024	1
94	24778	Service	Shady Woods Way	11/18/2024	11/18/2024	1
95	24662	Service	Magdalena St	11/5/2024	12/4/2024	29



Information Items Agenda Item: 5.2

Date: January 27, 2025

Subject: Board Reports

Staff Contact: Timothy R. Shaw, General Manager

BOARD REPORTS

- 5.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
- 5.2.2. Sacramento Groundwater Authority – (Cline is Alternate, Liverett is nominated Primary)
- 5.2.3. Executive Committee – Young,/Liverett
- 5.2.4. ACWA/JPIA – Cline
- 5.2.5 MOU Renewal Negotiations Ad Hoc (Young/Cline)

Minutes
Rio Linda / Elverta Community Water District
Executive Committee

January 8, 2025 @ 6:00 P.M.

50

Visitors / Depot Center
6730 Front St.
Rio Linda, CA 95673

Call to Order: 6:00 P.M.

This meeting was attended by Director Young, Director Liverett, General Manager Tim Shaw, and Contract District Engineer Mike Vasquez

Public Comment: There were no public members in attendance.

Items for Discussion:

1. Contract District Engineer's Update.

The Contract District Engineer began with handing out documents detailing the distinction between Construction Cost Index and Building Cost Index, wherein the Contract District Engineer brought enough copies (and then some) for all in attendance. The additional document was subsequently appended to the posted packets for the meeting. The Contract District Engineer presented his written report. The Committee engaged in robust discussion of the annual inflation adjustment for drinking water capacity fees with a particular focus on whether or not the Engineering News Review publishes a Construction Cost Index for Sacramento. The conclusion was that the assertion made by Director Liverett at the December 18th Board meeting was based on misinterpreting the Building Cost Index as being the same as the Construction Cost Index. The General Manager also explained that the process of establishing Capacity fees is similar to the process for establishing rates except that instead of ratepayers having Prop 218 majority protest rights, homebuilders can claim inappropriate / unsupported fee components. As such, the process of establishing capacity fees entails circulating and eventually adopting a capacity fee study. Capacity fee studies, therefor, include an expressly defined process for making annual adjustments for inflation of construction costs. Further, the GM explained, every capacity fee and impact fee program he's reviewed has stipulated the Construction Cost Index for California published in the Engineering News Review. A deeper dive into the Engineering News Review published data shows that the details used for California includes only construction materials in the San Francisco and Los Angeles regions.

The Committee also discussed other aspects of the Contract District Engineer's report with a moderate amount of discussion on the annual pipe replacement program, a component of the District's Capital Improvement Plan. Director Young questioned why the target for the annual project beginning in July will be replacing the 4-valve crosses in various locations throughout the Distribution system. Staff explained that the prioritization of replacing 4-valve crosses stems from discussion with RLECWD operators and the recurring experience of leaks at these crosses with further consequences being the necessity to interrupt water services to larger numbers of houses because the valves in the crosses are commonly inoperable, i.e. stuck in the open position. Such prioritization has been previously discussed with and concurred by the prior Executive Committee. A recent substantial leak at one of these crosses required emergency repair and the corresponding prioritization for crosses replacements was discussed in correlation to the Contract District Engineer's summary of the emergency repair at recent Board meetings.

2. Discuss Executive Committee Structure and Priorities for 2025.

The agenda item began with selecting Director Young as the Chair of the 2025 Executive Committee. The focus then shifted to the document submitted by Director Liverett, which was distributed less than 72-hours prior to the meeting. As such, the document was subsequently appended to the packets for the meeting and packets posted for public review (pursuant to Brown Act requirements). The document submitted by Director Liverett is conceptually a good idea. However, there were aspects in the document which might blur the line between Brown Act compliance and simple concepts of transparency. Similarly, some of the language in Director Liverett's Draft Executive Committee Standard Operating Procedures implies the Committee has authority that it does not have.

The Executive Committee will continue to refine the establishment of standard operating procedures or a guidance document prior to bringing such to the Board for consideration of approval.

3. Discuss Need for Revisions to Policy 2.20.140, Board Member Compensation.

The General Manager presented his written report. The Committee engaged in discussion on the history and justifications for the current policy. Director Liverett asked why the compensation cannot be automatic for meetings where the minutes reflect Board Member attendance. The General Manager explained that the current policy reflects a response to abuses, not only here at RLECWD but abuses in general, which is why the statutes require ethics training and regulation by the Fair Political Practices Act / Commission. Compensating elected officials requires a publicly adopted written policy. The written policy may seem like overkill until you consider abuses and consequences therefrom. The discussion then shifted to limiting the proposed revision to a change in the time limit from the current 30 days limit to a proposed 60 days limit.

The Executive Committee forwarded the item onto the January 27th Board agenda with the Committee's recommendation that the Board approve a revision to extend the time limit from 30 days to 60 days.

4. Discuss Expenditures for November.

The Executive Committee reviewed and discussed the Expenditures. Director Young focused on the November charges from Legal Counsel. In response to Legal Counsel charges associated with labor issues, the Executive Committee directed staff to explore the feasibility and process for changing the engaged law firm for legal services.

The General Manager was directed to see if one of the respondents to the 2022 Request for Proposals process for legal services remains willing to abide by their proposal, and if confirmed, to place an item on the January 27th Board agenda to consider authorizing termination of the engagement with White Brenner and corresponding authorization for engagement with a new services provider.

Director Liverett also asked a question about the pass-through items on the expenditure report, which are not actually expenditures. For example, union dues are deducted from each union represented employee's paycheck then the District writes a check to Teamsters, but the funds for the check are not ratepayers funded. The decision to include pass-throughs on the expenditures report stems from the concept of transparency.

The Executive Committee forwarded the November Expenditures onto the January 27th Board agenda with the Committee's recommendation for Board approval.

5. Discuss Financial Reports for November.

The Executive Committee reviewed and discussed the November Financial Reports. Director Liverett had questions about the line item under the heading "Net Positions" which reads, "38000 Unrestricted" in the amount of \$6,597,086.39. Specifically, Director Liverett asked is this money available to refinance existing debt and thereby reduce the amount of interest being funded by ratepayers. Directors also asked about the "Liabilities & Net Position section, specifically the line item "23500 Lease Buy Back. The GM's response was a clarification that the meeting location (Parks District facility), a lack of access to more detailed records during the Executive Committee, and stipulating that the GM does not process total recall is why he has apprised previous new members of the Executive Committee to try and let him know ahead of the meeting (while he is still in his office) about questions Directors have upon reviewing these reports. Otherwise, the GM has to confirm his answer and follow up with corrections/confirmations. The follow up from the GM is that the Net Positions item, "38000 Unrestricted fluctuates month by month and is analogous to a monthly bottom line for a savings account. More thorough review of the activity in this line item needs to be done if the Board wishes to contemplate using these funds to retire existing debt. Further, the GM explained that the

"23500 Lease Buy Back" line item is associated with the elevated water storage tank, with tower mounted cellphone equipment. The District endured a financial crisis beginning around 2010. One of the then Board's responses to the crisis was to sell the rights to collect rent from the cellphone companies to a third party in exchange for a one-time, lumpsum payment.

The Executive Committee forwarded the November Financial report onto the January 27th Board agenda with the Committee's recommendation for Board approval.

Directors' and General Manager Comments:

- X – Water Loss Audit Submittal Documented
- Y – Water Use Objectives Submittal Documented

For both listed items above, the General Manager explained that the simple documents were included with the packets to document proof that staff submitted the mandated reports on time. The actual reports, which begins with "templates" provided by the state (State Water Board and Department of Health Services) are very voluminous and macro enabled Excel Workbook, which do not print out properly due to the macros and/or some other attribute associated with these "templates". The state programs require water agencies to electronically upload the completed reports.

Items Requested for Next Month's Committee Agenda:

Director Liverett requested more detail (specifically monthly activity over the past few years on the feasibility of using funds delineated as "38000 Unrestricted" to retire existing debt. She also requested details on existing debt which would help quantify the potential amount of ratepayers' savings on interest.

Adjournment: 7:32 P.M.