

**Minutes**  
**Rio Linda / Elverta Community Water District**  
**Executive Committee**

February 6, 2023 @ 6:00 P.M.

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

The meeting was called to order at 6:00 P.M. The meeting was attended by Director Gifford, Director Cline, General Manager Tim Shaw, Accounting Specialist Deborah Denning, and Contract District Engineer Mike Vasquez.

**Call to Order:** 6:00 P.M.

**Public Comment:** *Public Members Stephanie Suela and Debi Rittenhouse attended the meeting and indicated their comments were for items on the agenda and would speak when those items were discussed.*

**Items for Discussion:**

1.	Review Annual Independent Auditor's Report and Annual Comprehensive Financial Report (ACFR)
	<i>The General Manager presented his written report. The Executive Committee, staff and the public members in attendance engaged in <b>robust</b> discussion on the annual audit report and the Annual Comprehensive Financial Report (ACFR, formerly known as the CAFR). The Directors and the public members expressed appreciation for the attendance of the Accounting Specialist.</i>  <i>The Executive Committee forwarded the Auditors Report and the ACFR onto the February 21<sup>st</sup> Board agenda with the Committee's recommendation for Board acceptance.</i>
2.	Review FY 2022/2023 Budget Revision.
	<i>This item was inadvertently bypassed by the Committee due, in part, to the confusion and length of discussion entailed in the previous agenda item. Nevertheless, this item is being forwarded to the February 21<sup>st</sup> Board agenda due to the straightforward nature of this item and the time constraints whereby failure to revise the budget may lead to inability to pay near-future invoices.</i>
3.	Discuss Expenditures for December 2022
	<i>The General Manager presented his written report. The Directors, public members and the Accounting Specialist engaged in discussion on the expenditures report. Dialog included some of the basic concepts of reporting expenditures for the perspective of a relatively less experienced Board Member.</i>  <i>The Executive Committee forwarded the Expenditures Report onto the February 21<sup>st</sup> Board agenda with the Committee's recommendation for Board approval.</i>
4.	Discuss Financial Reports for December 2022.
	<i>The General Manager presented his written report. The Directors, public members and the Accounting Specialist engaged in discussion on the Financial Reports, including the practice of providing an expanded version of the report once each quarter. Some continued discussion on the Budget Performance section of the report was discussed, e.g., half way through the fiscal year (after two of the four quarters) some line items and the revenue should be at approximately 50% of budget. The Accounting Specialist departed the meeting after this item was completed.</i>  <i>The Executive Committee forwarded this item onto the February 21<sup>st</sup> Board agenda with the Committee's recommendation for Board approval.</i>
5.	Engineers Update.
	<i>The Contract District Engineer presented his written report and provided additional details on the DWR grant retention continuing to be held up due to the protracted permitting process at the Air Quality Management District, which has taken 8-months and counting. The Engineer also discussed the annual pipe replacement program . Director Cline asked whether the recent storm damage and localized flooding had any impact of the pipe replacement project. The Engineer responded there was no significant impacts.</i>

6.	Discuss Resolution 2023-01, Establishing an Offset of Billing Cost for Customers Opting for Paperless Billing.
<p><i>The General Manager presented his written report and explained that staff continues to work out the details for implementation with the District's billing software services provider, Continental Utility Service Inc (CUSI). As such, the Board could either wait until the details are fully addressed or consider adopting the Resolution with the stipulation that it will not go into effect until the details with CUSI are resolved.</i></p> <p><i>The Executive Committee forwarded the Resolution AND the decision on options onto the February 21<sup>st</sup> agenda, The later issue may benefit from Legal Counsel advice.</i></p>	
7.	Discuss Succession Planning.
<p><i>The General Manager presented his written report. Directors, public members and staff engaged in discussion on what is and is not currently addressed in policies. The General Manager provided context and perspective on what could happen with a sudden loss of key personnel. The General Manager also provided limitations to implementing the current policy on default Interim General Manger (policy stipulates the Contract District Engineer becomes the Interim General Manager. The preliminary review of examination and certification costs is \$125 or each license (total of \$250).</i></p> <p><i>The Executive Committee forwarded an item onto the February 21<sup>st</sup> agenda to have the Board consider establishing a consensus that the District would pay for application fees and certification fees to enable the General Manager to re-certify as a Water Treatment Plant Operator and re-certify as a Distribution System Operator. Reference – California Labor Code section 2802.</i></p>	
8.	Review California Water Use Efficiency and Water Loss Laws (SB 606, AB 1668 and SB 555).
<p><i>The General Manager presented his written report and further explained that this item is in response to a pattern of public comments and Board Member comments at Board meetings essentially disputing the impact of water use efficiency laws and water loss standards. Typically, such comments were limited by the absence of an agenda item allowing discussion under the Brown Act.</i></p> <p><i>The Executive Committee forward this item onto the February 21<sup>st</sup> Board agenda as in informational item (an item where there is no anticipated need for Board action)</i></p>	
9.	Compare RLECWD Rate Structure to Other Water Purveyors in the Area.
<p><i>The General Manager presented his written report, which has a similar relationship to the prior item, wherein discussion at the prior Board meeting was limited due to the absence of a corresponding agenda item. Director Gifford commented that there are a number of relevant and interesting elements in the documents associated with this item.</i></p> <p><i>The Executive Committee forwarded this item onto the February 21<sup>st</sup> Board agenda as an informational item (an item where there is no anticipated need for Board action).</i></p>	
10.	Review Impact to RLECWD from Hexavalent Chromium Maximum Contaminant Level (MCL).
<p><i>The General Manager presented his written report and engaged in a summary of key milestones from 2014 until present. The General Manager indicated a similar Board Member indoctrination was performed when Directors, Green, Reisig and Gifford were appointed to the Board. Public Member Suela asked about the hexavalent chromium lawsuit, to which the General Manager explained the limitation for discussion in open session due to ongoing litigation and attorney-client privilege.</i></p>	

**Directors' and General Manager Comments:**

None.

**Items Requested for Next Month's Committee Agenda:**

- Update / Revise Capacity Fee Program.

**Adjournment 8:07 P.M.**