

**MINUTES OF THE MARCH 15, 2021  
BOARD OF DIRECTORS REGULAR MEETING  
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT**

**1. CALL TO ORDER, ROLL CALL**

The March 15, 2021 meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:30 p.m. via Zoom Video Conference. (late due to technical difficulties experienced by Board Member seeking to participate) This meeting was held in accordance with executive order n-29-20, issued by California governor Gavin Newsom on March 17, 2020, the Ralph M. Brown act (California government code section 54950, et seq.), and the federal Americans with disabilities act. General Manager Tim Shaw took roll call of the Board of Directors. President Jason Green, Director Robert Reisig, Director Mary Harris, Director Chris Gifford, Director Ridilla and General Manager Tim Shaw, Legal Counsel Kerry Fuller, and Rate Consultant, Allison Lechowicz were present. Public member Stephanie Suela was present.

**2. PUBLIC COMMENT**

No public comment.

**3. CONSENT CALENDAR**

**3.1 Minutes – February 22, 2021**

**3.2 January Expenditures**

**3.3 January Financial Reports**

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

**REGULAR CALENDAR**

**4. ITEMS FOR DISCUSSION AND ACTION**

**4.1 General Manager's Report**

GM Shaw provided a written report.

Director Gifford inquired about the meeting with Elverta Specific Plan. GM Shaw replayed to the Board that Board of Supervisors will more than likely resend their approval of the ESP that was approved in 2016 due to the misinformation that was provided at the time of the approval.

*The Board made no action on this item.*

**4.2 District Engineer's Report – Mike Vasquez**

Mike Vasquez provided a written report to the Board of projects in the works since the last meeting of the Board. The report highlighted topics of General District Engineering, Well 16 Pumping Station Construction Project and 2020/2021 CIP Pipeline Replacement Project RFP (Dry Creek Road North).

Director Ridilla inquired when Well 16 be in operation. DE Mr. Vasquez responded with a timeline by month end if the approved permit is received. Director Green inquired on a ribbon cutting. GM Shaw responded that something may be put together and will be discussed at the April Executive Committee.

Public member Stephanie Suela inquired if General Manager would be the only person cutting the ribbon.

*The Board made no action on this item.*

#### **4.2.2 Rejecting all Responses for 2020-2021 Pipe Replacement Project**

One proposal was received from construction contractor Rawles Engineering, Inc. out of Folsom, CA on 1/26/2021 in response to the RFP. The proposer was deemed qualified by the General Manager, Operations Superintendent, and District Engineer. The proposer's construction budget proposal to install 1,100 feet of 8" water main in Dry Creek Road was \$275,880. The District's annual budget to perform this work is \$211,200.

The General Manager, Operations Superintendent, and District Engineer met on four occasions to discuss negotiation options for the project in attempts to work with the proposer to modify the project work scope and reduce his budget. The Operations Superintendent and District Engineer met with the proposer at Dry Creek Road to review the project, and the District Engineer discussed negotiation options with the proposer an additional six times.

Negotiation topics with the proposer included teaming approaches with District operations staff to jointly perform construction tasks to reduce the proposer's budget, as well as potentially reducing the amount of pipeline to be installed.

Ultimately, these negotiations were unsuccessful to allow for the installation of a pipeline length close to the proposed 1,100 feet within the District's budget. The best case negotiated amount of pipeline to be installed was 700 feet, which was deemed insufficient by the Executive Committee and staff.

It is anticipated that by preparing a new RFP with a larger amount of pipeline to be installed (approximately 2,000 feet), and by combining CIP Annual Pipe Replacement Project budgets for fiscal years 2020/2021 and 2021/2022, will attract the interest of more construction contractors and result in receipt of multiple proposals with more competitive budgets. It is further anticipated that this work would begin in June 2021 and be completed in August 2021.

Director Mr. Reisig inquired on time frame for new proposal. DE Mr. Vasquez responded my next meeting.

Public member Mrs. Suela inquired if the pipe being replaced was for the same size and how old it was. DE Mr. Vaquez responded that the pipe being replaced was 8" and about 40 years old.

*It was moved by Director Ridilla and seconded by Director Green to reject all responses received direct staff to prepare a new RFP that will solicit responses from contractors to perform construction services for a new Pipe Replacement Project by combining CIP Annual Pipe Replacement Project budgets for fiscal years 2020/2021 and 2021/2022. Directors Green, Ridilla, Gifford, Reisig and Harris voted yes. The motion carried with a roll call vote of 5-0-0.*

#### **4.3 Consider authorizing the resumption of in-person public meetings (Board and Committee).**

The Board considered the timing and mitigations which might be appropriate to resume in-person public meetings last fall. The Board direction was to postpone consideration of in-person meetings until March 2021.

I have taken a straw poll of neighboring public agencies assess their current practices. It is roughly 50% of the agencies are now combining in-person public meetings with virtual meetings. Those that do allow in-person attendance mandate social distancing within the meeting facility and they also mandate the wearing of masks.

Those that do have a combination of in-person and virtual meetings have a designated staff person to focus on administering the virtual meeting, e.g., Zoom attendee admittance, recording, unmuting, alerting the in-person attendees of chat and hand raised status. I can personally attest that multi-tasking to focus on the in-person activities and simultaneously respond to virtual meeting administration is beyond my capabilities.

Director Comments -Director Reisig suggested to not go with Zoom and in person meetings but to resume either or. Director Ridilla suggested to only resume in person meetings when things are fully open again or fully vaccinated.

Public member Mrs. Suela questioned allowing the public to attend in person during the rate hearing meeting.

***It was moved by Director Harris to resume in person meetings. The motion failed with no second. It was moved by Director Ridilla to table the item until the next Board Meeting.***

#### **4.4 Consider approving the Rate Study / Cost of Service Analysis.**

The final draft of the Rate Study / Cost of Service Analysis was distributed to all Board Members on February 23<sup>rd</sup>. This was done to provide additional review time and Q&A opportunities prior to the March 15<sup>th</sup> Board consideration of the study document. The Rate Study / Cost of Service Analysis has been available to the public via posting since February 23<sup>rd</sup>. As of the drafting of this Agenda Item Report, staff has not received any questions or comments since the Rate Study / Cost of Service Analysis was distributed.

Allison Lechowicz of Lechowicz & Tseng Municipal Consultants will lead the Board through a presentation on the Rate Study / Cost of Service Analysis. Allison's slide show presentation and the final draft Rate Study / Cost of Service Analysis are documents included with the Board packet (posted and distributed).

The sequence of actions associated with the proposed rate restructuring process starts with the Board consideration of approving the Rate Study / Cost of Service Analysis. This would enable the Board to consider approving a Proposition 218 notice at its regular meeting on April 19<sup>th</sup>. The 45-days of posting for a Prop 218 notice means the Board would be able to consider approving a rate restructuring at its June 21<sup>st</sup> meeting. This supports an effective date of the rate restructuring for July 1, 2021.

The Board in full had discussion on moving the date from July 1, 2021 to allow for more time for in person meetings to resume and allow public attendance. GM Shaw indicated shifting would cause for recalculation of revenue by the rate consultant.

Public member Mrs. Suela suggested that since we are a more rural community that we should have an indoor meter and outdoor meter, otherwise people are going to let things die and cause a fire hazard.

***It was moved by Director Gifford and seconded by Director Green to approve the Rate Study / Cost of Service Analysis. Directors Green, Gifford, Reisig voted yes. Directors Harris and Ridilla voted no. The motion carried with a roll call vote of 3-2-0.***

#### **4.5 Discuss Board Members' interest in exploring property and loss insurance options.**

More than 10-years ago, the District's property and liability (P&L) insurance carrier cancelled the District's coverage due to substantial regulatory enforcement issues and excessive litigation for personnel matters. Procuring replacement P&L insurance entailed passionate, desperation correspondence with the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA). ACWA JPIA was asked to show compassion for a public agency trying to course correct.

The District receives its workers compensation through another public agencies JPIA, Special District Risk Management Authority (SDRMA). Just as getting P&L insurance through ACWA JPIA requires membership in ACWA and the associated membership dues, so does getting workers compensation insurance through SDRMA require membership and associated dues with California Special Districts Association. If the District could get both types of insurance via one membership instead of both, the District could save the ratepayers/taxpayers dollars by lowering the administrative expenditures, i.e., pay one membership fee instead of two.

The subject has been indirectly discussed by past RLECWD Boards. The context of such Board dialog was during the annual budget adoption process where the list of District memberships and corresponding aggregate dues amount was appropriately questioned. In staff's opinion, the discussion of consolidating insurance and possibly eliminating the ACWA membership dues was still influenced by emotions stemming from ACWA helping the District when seemingly no one else would. Time has passed. The value of ACWA membership has diminished. The value of spending admin dollars as efficiently as possible remains. Nevertheless, it behooves staff to gage Board interest in consolidating P&L insurance with workers compensation insurance (thus possibly terminating ACWA membership and corresponding dues) prior to expending District resources on exploring options and corresponding potential savings.

*It was moved by Director Ridilla and seconded by Director Harris to direct staff to explore other options for property and loss insurance. Green, Ridilla, Gifford, Reisig and Harris voted yes. The motion carried with a roll call vote of 5-0-0.*

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

No Public Comment on this item.

*It was moved by Director Reisig and seconded by Director Gifford to approve the appointment of Director Harris to the SGA Budget Committee. Directors Green, Ridilla, Gifford, Reisig and Harris voted yes. The motion carried with a roll call vote of 5-0-0.*

### **5 INFORMATION ITEMS**

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

- 5.1.1. Water Operations - Report provided.
- 5.1.2. Conservation - Report Provided.
- 5.1.3 Completed and Pending Items Report- Report provided.

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

- 5.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
- 5.2.2. Sacramento Groundwater Authority – Harris, Reisig.
- 5.2.3. Sacramento Groundwater Authority (RWA and SCGA) 3x3- Reisig- No Meeting.
- 5.2.4 Executive Committee – Green, Reisig - Minutes provided.
- 5.2.5. ACWA/JPIA – Ridilla - No Report
- 5.2.6 LAFCo Special District Advisory Committee – Reisig -No Meeting.

**6. DIRECTORS' AND GENERAL MANAGER COMMENTS** – Director Reisig announced a webinar on water loss standards on the State Water Resources Control Board website.

**7. ADJOURNMENT**

Director Green adjourned the meeting at 8:30 p.m.

Respectfully submitted,

Signature on File \_\_\_\_\_

Timothy R. Shaw, Secretary

Signature on File \_\_\_\_\_

Jason Green, President of the Board