RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT
PUBLIC HEARING AND REGULAR MEETING OF THE BOARD OF DIRECTORS

August 24, 2026 (6:30 p.m.)

Visitor's / Depot Center
6730 Front Street
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**
July 27, 2026 regular meeting
The Board is being asked to approve the Minutes from July 27, 2026 Regular Board Meeting

3.2. **Expenditures**
The General Manager recommends the Board approve the June 2026 Expenditures.

3.3. **Financial Reports**
The General Manager recommends the Board approve the June 2026 Financial Report.

4. PUBLIC HEARING TO CONSIDER ADOPTING THE FISCAL YEAR 2026-27 OPERATING AND CAPITAL IMPROVEMENTS BUDGETS

4.1. Open Public Hearing

4.2. Fiscal Year 2026-27 Operating and Capital Improvement Budgets

4.3. Public Comment

4.4. Close Public Hearing

4.5. Consider Adoption of Resolution No. 2026-05 to approve the Fiscal Year 2026-27 Operating and Capital Improvement Budgets.

5. REGULAR CALENDAR

ITEMS FOR DISCUSSION AND ACTION

5.1. **GM Report.**
   1. *The General Manager will provide his monthly report to the Board of Directors*

5.2. **District Engineer's Report.**
   1. *The Contract District Engineer will provide his monthly report to the Board of Directors.*

5.3. **Consider CPS HR Invoice for GM Recruitment 7-24-26.**

5.4. **Consider Verizon Antenna & Radio Unit Replacement on District Water Tank.**

5.5. **Consider Revised GM Recruitment Advertisement.**

5.6. **Board Director Request to Review Affinity Engineering Agreement for Cr6 Treatment Design at Wells 2A and 10.**

5.7. **Board Director Request to review 2025 and 2017 District Organization Charts.**

5.8. **Consider RDN for RLECWD Water Rate Study.**

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

6. PUBLIC COMMENT PRIOR TO CLOSED SESSION

7. CLOSED SESSION - THE BOARD OF DIRECTORS WILL MEET IN CLOSED SESSION TO DISCUSS THE FOLLOWING ITEMS:

7.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (GOVT CODE 54956.9(d)(1)
Two items: Public Employees Relations Board Charges SA-CE-1293-M and SA-CE-1299-M.

8. RETURN TO OPEN SESSION, REPORT OF ITEMS FROM CLOSED SESSION

9. INFORMATION ITEMS

9.1. **District Activities Reports**
   1. Water Operations Report
   2. Conservation Report
   3. Leak Repair Report
   4. Minor Budget Revision

9.2. **Board Member Reports**
   1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
   2. Sacramento Groundwater Authority – Liverett
   3. Executive Committee – Young/Liverett
   4. ACWA/JPIA – Cline
   5. Ad Hoc Mou Negotiations – Gifford/Green
   6. GM Recruitment Ad Hoc – Gifford, Young

10. DIRECTORS' AND GENERAL MANAGER COMMENTS

11. ADJOURNMENT –

Upcoming meetings:
Executive Committee - September 9, 2026, Wednesday, 6:00 pm. Visitors / Depot Center, 6730 Front St. Rio Linda, CA
Board Meeting - September 28, 2026, Monday, 6:30 pm. Visitors / Depot Center, 6730 Front St. Rio Linda, CA

Consent Calendar
Agenda Item: 3.1

Date: August 24, 2026

Subject: Minutes

Staff Contact: Felix M. Felix, Interim 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**) **Ab**stain (**Abs**) **Abs**ent

MINUTES OF THE JULY 27, 2026 REGULAR MEETING OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT BOARD OF DIRECTORS

The Link below provides access the video of this meeting.

https://vimeo.com/1213570441

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

The July 27, 2026, meeting of the Board of Directors of the Rio Linda/Elverta Community Water District called to order at 6:30 p.m. Visitors/Depot Center 6730 Front St., Rio Linda, CA 95673. This meeting was physically open to the public.

Interim General Manager Felix M. Felix took roll call of the Board of Directors. Director Jason Green, Director Chris Gifford, Director Vicky Young, Director Maria Liverett, Director Anthony Cline, Interim General Manager Felix M. Felix, and legal counsel were present. Mike Vasquez, Contract District Engineer was absent. Director Cline led with the pledge of allegiance.

2. PUBLIC COMMENT- Public commented on the door tags that were noticed to customers during the construction shutdowns.

3. CONSENT CALENDAR Action items: Approve Consent Calendar Items (4:45)

3.1 June 22, 2026 Minutes

3.2 May 2026 Expenditures

3.3 Mayl 2026 Financial Reports.

Comments/Questions – No Director's comments.

Comments/Questions – Public member commented on the Districts credit card expenditures.

(13:13) It was moved by Director Green seconded by Director Gifford to approve the consent calendar. Directors Cline, Green, Young, Liverett, and Gifford voted yes. The motion carried by a roll call vote of 5-0-0.

4. REGULAR CALENDAR

4.1 GM Report (14:46)

Felix M. Felix, Interim GM provided a written report to the Board along with a synopsis of the report.

Comments/Questions – The Directors asked about Comcast. Public member asked about ADU's.

The Board took no action on this item.

4.2 District Engineer's Report (23:07)

Mike Vasquez, Contract District Engineer, reported on the Water Meter Replacements, Water Valve Replacement Project, Well 15 Hexavalent Chromium Treatment project, 2025 Urban Water Management Plan, Hexavalent Chromium Compliance Plan, Development Review, and General Contract District Engineer Administrative Tasks.

Comments/Questions – No comments by the Directors or Public.

4.3 Consider An Extension to the Professional Services Agreement with Rawles Engineering for Water Meter Replacements (29:40)

Comments/Questions – General discussion and questions by the Board.

(38:51) It was moved by Director Liverett seconded by Director Cline to table the extension with Rawles Engineering for Water Meter Replacement. Directors Cline, Green, Young and Liverett voted yes. Director Gifford voted no. The motion carried by a roll call vote of 4-0-1.

4.4 Consider Adoption of Resolution 2026-04, Authorizing Annual Direct Levy (41:28)

Comments/Questions – No public or Director Comments.

(44:45) It was moved by Director Cline seconded by Director Green to adopt Res. No. 2026-04, Authorizing Annual Direct Levy. Directors Cline, Green, Gifford, Young and Liverett voted yes. The motion carried by a roll call vote of 5-0-0.

4.5. Consider Authorizing Agreement with Adept Solutions (45:06)

Comments/Questions – General questions by the Board regarding the agreement.

(53:35) It was moved by Director Young seconded by Director Liverett to authorize agreement with Adept Solutions without the ad on's to the agreement. Directors Cline, Green, Young, Gifford, and Liverett voted yes. The motion carried by a roll call vote of 5-0-0.

4.6. Consider Digital Method for Meeting Agendas and Packets (53:50)

Comments/Questions – General discussion by the Board.

(1:01:18) It was moved by Director Young seconded by Director Liverett to approve a hybrid of the Board Packets are available to the Directors either Digital or Paper. Directors Liverett, Green, Gifford, Young, and Cline voted yes. The motion carried by a roll call vote of 5-0-0.

4.7 Consider Membership with Regional Water Authority (1:03:15)

Comments/Questions – No comments by Board or Public.

(1:04:45) It was moved by Director Cline and seconded by Director Liverett to rejoin Regional Water Authority. Directors Cline, Green, Young, Gifford and Green voted yes. The motion carried by a roll call vote of 5-0-0.

4.10. Authorize any New Board Member Assignments (committees and other) Proposed by the Chair (1:05:25*)*

(1:06:38) It was moved by Director Gifford and seconded by Director Young to Director's Jason Green and Maria Liverett to the Regional Water Authority (RWA) Committee. Directors Cline, Green, Young, Gifford and Green voted yes. The motion carried by a roll call vote of 5-0-0.

INFORMATION ITEMS

5.1. District Activities Reports (1:06:55)

5.1.1. Water Operations Report – Report provided.
5.1.2. Conservation Report – Report provided.
5.1.3. Leak Repair Report – Report provided.

5.2. Board Member Reports (1:08:07)

5.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065.
5.2.2. Sacramento Groundwater Authority– Liverett– No meeting.
5.2.3. Executive Committee –Young/Liverett– No report provided, just verbal from Director Young.

5.2.3. ACWA/JPIA – Cline No report.
5.2.4. Capacity Fee Study Ad Hoc – Liverett/Cline – On Going, waiting for the Rate Study.
5.2.5. MOU Negotiations Ad Hoc – Gifford/Green – On going.
5.2.6. GM Recruitment Committee- Gifford/Young– Director Young – gave a verbal update.

6. PUBLIC COMMENT PRIOR TO CLOSED SESSION – (1:15:47) – No public comment.

7. CLOSED SESSION - THE BOARD OF DIRECTORS WILL MEET IN CLOSED SESSION TO DISCUSS THE FOLLOWING ITEMS:

7.1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (GOVT CODE 54956.9(d)(1)

Two items: Public Employees Relations Board Charges SA-CE-1293-M and SA-CE-1299-M

8. RETURN TO OPEN SESSION, REPORORTABLE ACTIONS FROM CLOSED SESSION

President Cline reported no reportable action was taken.

ADJOURNMENT - The meeting was adjourned at 8:48p.m.

Respectfully submitted,

Felix M. Felix, Secretary of the Board of Directors

Anthony Cline, President of the Board

Consent Calendar
Agenda Item: 3.2

Date: August 24, 2026

Subject: Expenditures

Staff Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:

The Interim General Manager recommends Board approval of the June 2026 Expenditures report.

Current Background and Justification:

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

Conclusion:

Board approval of the Consent Agenda incorporates approval of the June 2026 Expenditures report.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

Cline ________ Gifford ________ Green ________ Liverett ________ Young ________

(A) Yea (**N) Nay** (**Ab) Ab**stain (**Abs) Abs**ent

Cash Basis

Rio Linda Elverta Community Water District

Expenditure Report
June 2026

EFT's and Checks

Date	Num	Name	Memo	Amount
06/10/2026	EFT	QuickBooks Payroll Service	For PP Ending 06/06/26 Pay date 06/11/26	23,760.78
06/11/2026	EFT	CalPERS	For PP Ending 06/06/26 Pay date 06/11/26	2,717.52
06/11/2026	EFT	CalPERS	For PP Ending 06/06/26 Pay date 06/11/26	557.75
06/11/2026	EFT	Internal Revenue Service	Employment Taxes	6,726.34
06/11/2026	EFT	Employment Development	Employment Taxes	1,111.11
06/11/2026	EFT	Empower	Deferred Compensation Plan: Employer & Employee Share	1,941.26
06/10/2026	EFT	ABS Direct	Printing/Postage	8,190.15
06/10/2026	EFT	ACWA/JPIA Powers Insurance Authority	EAP	17.36
06/10/2026	EFT	Adept Solutions	Monthly Computer Maintenance & Repair	1,605.40
06/10/2026	EFT	BSK Associates	Lab Fees	622.12
06/10/2026	EFT	Buckmaster Office Solutions	Printing	341.41
06/10/2026	EFT	Cater, Doug	Backflow Certified Testing	1,450.00
06/10/2026	EFT	CivicPlus LLC	Website	105.00
06/10/2026	EFT	Columbia Bank Credit Card	May 2026	4,848.17
06/10/2026	EFT	Comcast	Telephone-Landline	132.71
06/10/2026	EFT	CoreLogic Solutions	Subscription	109.27
06/10/2026	EFT	ICONIX Waterworks	Distribution Supplies	2,568.30
06/10/2026	EFT	Kronick Moskovitz, Tiedermann & Girard	Legal - May 2026 includes $17,626.95 for Public Records Request	23,180.45
06/10/2026	EFT	PG&E	Utilities	58.14
06/10/2026	EFT	Ramos Oil Inc.	Transportation Fuel	1,186.81
06/10/2026	EFT	Rawles Engineering	Paving Repairs	32,735.28
06/10/2026	EFT	Republic Services	Utilities	221.13
06/10/2026	EFT	Sierra Chemical Company	Treatment	4,192.54
06/10/2026	EFT	SMUD	Utilities	17,157.24
06/10/2026	EFT	Tesco Controls	Field IT Repairs	2,331.45
06/10/2026	EFT	Thrasher Bros Automotive	Transportation Maintenance	1,811.14
06/10/2026	EFT	UniFirst Corporation	Uniforms	551.20
06/10/2026	EFT	USA Bluebook	Safety	538.52
06/10/2026	EFT	Van Dermyden Makus	Legal - May 2026 Personnel	944.50
06/10/2026	EFT	Vanguard Cleaning Systems	Janitorial	195.00
06/10/2026	EFT	Vasquez Engineering	Engineering	5,000.00
06/10/2026	EFT	Verizon Business	Internet	45.02
06/10/2026	EFT	Verizon Connect	Field IT	63.80
06/10/2026	EFT	Provost & Pritchard Consulting Group	Capital Improvement: Cr6 Schematic Design	2,166.50
06/10/2026	EFT	Rawles Engineering	Capital Improvement - Meter Replacements	25,920.00
06/24/2026	EFT	QuickBooks Payroll Service	For PP Ending 06/20/26 Pay date 6/25/26	15,806.60
06/25/2026	EFT	Internal Revenue Service	Employment Taxes	5,469.90
06/25/2026	EFT	Employment Development	Employment Taxes	1,058.09
06/25/2026	EFT	Wageworks	FSA Administration Fee	86.75
06/25/2026	EFT	CalPERS	For PP Ending 06/20/26 Pay date 6/25/26	2,796.70
06/25/2026	EFT	CalPERS	For PP Ending 06/20/26 Pay date 6/25/26	557.75

Cash Basis

Rio Linda Elverta Community Water District
Expenditure Report
June 2026

06/25/2026	EFT	Empower	Deferred Compensation Plan: Employer & Employee Share	2,001.47
06/25/2026	EFT	Affordable Heating & Air	Pump Maintenance	3,710.00
06/25/2026	EFT	Cater, Doug	Backflow Testing	1,550.00
06/25/2026	EFT	Felix and Associates LLC	Interim General Manager Contract	9,230.76
06/25/2026	EFT	ICONIX Waterworks	Distribution Supplies	1,134.05
06/25/2026	EFT	Kaiser Permanente	Health Insurance	2,832.00
06/25/2026	EFT	Principal	Dental & Vision Insurance	1,417.50
06/25/2026	EFT	Ramos Oil Inc.	Transportation Fuel	834.03
06/25/2026	EFT	RDO Equipment Co	Construction Equipment Repairs	4,670.61
06/25/2026	EFT	Rio Linda Hardware & Building Supply	Shop Supplies	1,125.15
06/25/2026	EFT	USA BlueBook	Safety	80.74
06/25/2026	EFT	Vasquez Engineering	Engineering	9,000.00
06/25/2026	EFT	Verizon Wireless	Field Communication	533.13
06/25/2026	EFT	Western Health	Health Insurance	6,438.64
06/25/2026	EFT	Customer	Final Bill Refund	76.14
06/25/2026	EFT	Customer	Final Bill Refund	14.28
06/25/2026	EFT	Customer	Final Bill Refund	14.92
06/25/2026	EFT	Customer	Final Bill Refund	221.52
06/25/2026	EFT	Customer	Final Bill Refund	73.92
06/25/2026	EFT	Customer	Final Bill Refund	100.00
Total 10020 · Operating Account Budgeted Expenditures				**245,938.02**

Board Member Compensation

Date	Meeting Date	Name	Memo	Amount
06/11/2026	05/18/2026	Vicky Young	RLECWD Board Meeting	100.00
05/14/2026	06/10/2026	Vicky Young	Executive Committee Meeting	100.00
Total Credit Card Expenditures				**200.00**

Credit Card Transactions

Date	Num	Name	Memo	Amount
05/01/2026	CC	Harbor Freight Tools	Shop Supplies	526.82
05/02/2026	CC	Walmart	Office Expense	34.22
05/07/2026	CC	USPS	Postage	11.00
05/07/2026	CC	USPS	Postage	11.00
05/08/2026	CC	Walmart	Office Expense	380.40
05/11/2026	CC	Paddle.net	Office Expense-App to comply with PRA Request	29.99
05/14/2026	CC	Zoom Video Communications	Computer Systems - Zoom monthly subscription	16.99
05/14/2026	CC	Walmart	Office Expense	44.92
05/19/2026	CC	Walmart	Office Expense	97.49
05/21/2026	CC	Home Depot	Shop Supplies	548.45
05/22/2026	CC	Crexendo Business Solutions	Telephone	80.20
05/23/2026	CC	Intuit	Payroll Service Fee	29.50
05/28/2026	CC	Capital Barricade	Safety Equipment	1,800.03
05/28/2026	CC	Home Depot	Shop Supplies	865.31

Cash Basis

Rio Linda Elverta Community Water District
Expenditure Report
June 2026

05/29/2026	CC	Walmart	Uniforms: Boot Allowance	148.56
05/29/2026	CC	Amazon	Safety Equipment & Field IT	223.29
Total Credit Card Expenditures				**4,848.17**

Employee Paid Pass-throughs

Date	Num	Name	Memo	Amount
06/10/2026	EFT	Teamsters	Union Dues	561.00
06/11/2026	EFT	California State Disbursment Unit	Employee Garnishment	332.00
06/15/2026	EFT	AFLAC	Employee Funded Premiums	401.94
06/25/2026	EFT	California State Disbursment Unit	Employee Garnishment	332.00
06/30/2026	EFT	WageWorks	FSA Expenditures - Employee Funded	724.49
Total 10020 · Operating Account Non-Budgeted Expenditures: Employee Paid Pass-throughs				**2,351.43**

Other Expeditures

Transfers

Date	Num	Memo	Account	Amount
06/10/2026	Transfer	Monthly Debt Service Transfer	10020 · Operating Fund	(17,000.00)
06/10/2026	Transfer	Monthly Debt Service Transfer	10350 · Umpqua Bank Debt Service	17,000.00
06/10/2026	Transfer	Monthly CIP Transfer	10020 · Operating Fund	(54,092.00)
06/10/2026	Transfer	Monthly CIP Transfer	10480 · General	54,092.00
06/10/2026	Transfer	CIP Checks Written from Operating Account	10480 · Capital Improvement: General	(25,920.00)
06/10/2026	Transfer	CIP Checks Written from Operating Account	10020 · Operating Fund	25,920.00
06/10/2026	Transfer	CIP Checks Written from Operating Account	10481 · Cr6 Mitigation	(2,166.50)
06/10/2026	Transfer	CIP Checks Written from Operating Account	10020 · Operating Fund	2,166.50
06/10/2026	Transfer	Annual Budget Transfer - Future Capital Imp Program	10480 · General	(381,701.41)
06/10/2026	Transfer	Annual Budget Transfer - Future Capital Imp Program	10491 · Future Cap Funds	381,701.41
06/10/2026	Transfer	Annual PERS ADP Loan Payment	10020 · Operating Fund	(31,406.00)
06/10/2026	Transfer	Annual PERS ADP Loan Payment	10491 · Future Cap Funds	31,406.00
06/22/2026	Transfer	Surcharge 1 Bi-Monthly Wire Transfer	10020 · Operating Fund	(88,469.71)
06/22/2026	Transfer	Surcharge 1 Bi-Monthly Wire Transfer	10020 · Surcharge 1 Account	88,469.71

Consent Calendar
Agenda Item: 3.3

Date: August 24, 2026

Subject: Financial Reports

Staff Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:

The Interim General Manager recommends Board approval of the June 2026 Financial Reports.

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 June 2026 Financial Report.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________
Cline ________ Gifford ________ Green ________ Liverett ________ Young ________
(A) Yea **(N) Nay** **(Ab) Ab**stain **(Abs) Abs**ent

Rio Linda Elverta Community Water District
Unaudited Balance Sheet
As of June 30, 2026

ASSETS	
Current Assets	
100 · Cash & Cash Equivalents	
10000 · Operating Account	
10020 · Operating Fund	1,343,893.31
Total 10000 · Operating Account	1,343,893.31
10475 · Capital Improvement	
10480 · General	679,040.55
10485 · Vehicle Replacement Reserve	57,948.49
Total 10450 · Capital Improvement	736,989.04
Total 100 · Non-Restricted Cash & Cash Equivalents	**2,080,882.35**
102 · Restricted Assets	
102.2 · Restricted for Debt Service	
10700 · ZIONS Inv/Surcharge 1 Reserve	569,522.63
10300 · Surcharge 1 Account	1,112,002.75
10350 · Revenue Bond	42,632.50
10380 · Surcharge 2 Account	790,501.64
Total 102.2 · Restricted for Debt Service	2,514,659.52
102.4 · Restricted Other Purposes	
10385 · Available Funding Cr6 Projects #1	464,134.83
10481 · Available Funding Cr6 Projects #2	437,799.25
10491 · Future Capital Imp Projects	2,740,827.60
10492 · Cr6 Settlement	4,264,232.66
10600 · LAIF Account - Capacity Fees	1,062,344.06
10650 · Operating Reserve Fund	340,058.37
Total 102.4 · Restricted Other Purposes	9,309,396.77
Total 102 · Restricted Assets	**11,824,056.29**
Accounts Receivable	422.67
Other Current Assets	
12000 · Water Utility Receivable	57,548.86
12200 · Accrued Revenue	600,138.95
12250 · Accrued Interest Receivable	6,267.80
16000 · Prepaid Expense	35,330.80
16075 · OPEB GASB 75	25,135.00
Total Other Current Assets	724,421.41
Total Current Assets	14,629,782.72
Capital Assets	
17000 · General Plant Assets	670,138.83
17100 · Water System Facilites	26,493,804.48
17300 · Intangible Assets	383,083.42
17500 · Accum Depreciation & Amort	-13,245,957.33
18000 · Construction in Progress	325,195.83
18100 · Land	576,672.45
Total Capital Assets	15,202,937.68
Other Assets	
18500 · ADP CalPERS Receivable	350,000.00
19000 · Deferred Outflows	562,294.00
19900 · Suspense Account	0.00
Total Other Assets	912,294.00
TOTAL ASSETS	**30,745,014.40**

Rio Linda Elverta Community Water District
Unaudited Balance Sheet
As of June 30, 2026

LIABILITIES & NET POSTION	
Liabilities	
Current Liabilities	
Accounts Payable	265,280.88
Other Current Liabilities	963,271.51
Total Current Liabilities	1,228,552.39
Long Term Liabilities	
23500 · Lease Buy-Back	361,012.27
25000 · Surcharge 1 Loan	1,910,290.67
25050 · Surcharge 2 Loan	1,580,040.16
26000 · Water Rev Refunding	1,017,460.00
26500 · ADP CalPERS Loan	350,000.00
29000 · Net Pension Liability	934,369.00
29500 · Deferred Inflows-Pension	106,857.00
29600 · Deferred Inflows-OPEB	28,354.00
Total Long Term Liabilities	6,288,383.10
Total Liabilities	7,516,935.49
Net Position	
31500 · Invested in Capital Assets, Net	10,531,059.46
31800 · Restricted for OPEB Asset	25,135.00
32000 · Restricted for Debt Service	705,225.24
38000 · Unrestricted	11,414,085.51
Net Revenue	552,573.70
Total Net Position	23,228,078.91
TOTAL LIABILITIES & NET POSTION	**30,745,014.40**

Accrual Basis

Rio Linda Elverta Community Water District
Unaudited Operating Profit & Loss Budget Performance
June 2026

	Annual Budget	June 26	Jul 25 - Jun 26 YTD	% of Annual Budget	YTD Annual Budget Balance
Ordinary Income/Expense					
Income					
40000 · Operating Revenue					
40100 · Water Sales					
40101 · Basic Service Charge	1,248,294.00	144,334.75	1,252,893.92	100.37%	-4,599.92
40102 · Usage Charge	2,001,237.00	339,385.80	1,888,767.68	94.38%	112,469.32
40105 · Backflow Charge	32,300.00	3,728.25	33,050.48	102.32%	-750.48
40106 · Fire Prevention	26,600.00	3,210.35	30,181.94	113.47%	-3,581.94
40110 · Bi-Monthly Accrual	0.00	0.00	0.00	0.00%	0.00
Total 40100 · Water Sales	3,308,431.00	490,659.15	3,204,894.02	96.87%	103,536.98
40200 · Water Services					
40201 · Application Fees	6,500.00	806.00	4,368.00	67.20%	2,132.00
40202 · Delinquency	70,000.00	12,002.32	69,401.80	99.15%	598.20
40209 · Misc. Charges	7,000.00	1,212.03	8,541.85	122.03%	-1,541.85
Total 40200 · Water Services	83,500.00	14,020.35	82,311.65	98.58%	1,188.35
40300 · Other Water Service Fees					
40301 · New Construction QC	5,000.00	0.00	3,000.00	60.00%	2,000.00
40302 · Service Connection Fees	5,000.00	0.00	28,620.75	572.42%	-23,620.75
40304 · Other Operating Revenue	6,000.00	974.69	3,246.58	54.11%	2,753.42
Total 40300 · Other Water Service Fees	16,000.00	974.69	34,867.33	217.92%	-18,867.33
Total 40000 · Operating Revenue	3,407,931.00	505,654.19	3,322,073.00	97.48%	85,858.00
41000 · Nonoperating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	35.00	3.11	40.99	117.11%	-5.99
Total 41110 · Investment Revenue	35.00	3.11	40.99	117.11%	-5.99
41120 · Property Tax	137,000.00	0.00	141,486.27	103.28%	-4,486.27
Total 41000 · Nonoperating Revenue	137,035.00	3.11	141,527.26	103.28%	-4,492.26
Total Operating & Non-Operating Revenue	3,544,966.00	505,657.30	3,463,600.26	97.71%	81,365.74
Expense					
60000 · Operating Expenses					
60010 · Professional Fees					
60011 · General Counsel-Legal	362,345.00	60,235.12	362,344.16	100.00%	0.84
60012 · Auditor Fees	23,300.00	0.00	23,300.00	100.00%	0.00
60013 · Engineering Services	91,090.00	21,231.25	91,090.00	100.00%	0.00
60015 · Other Professional Fees	26,814.00	14,505.48	26,813.16	100.00%	0.84
Total 60010 · Professional Fees	503,549.00	95,971.85	503,547.32	100.00%	1.68
60100 · Personnel Services					
60110 · Salaries & Wages					
60111 · Salary - General Manager	169,063.00	9,725.00	169,062.46	100.00%	0.54
60112 · Staff Regular Wages	765,562.00	17,922.11	694,105.92	90.67%	71,456.08
60114 · Staff Standby Pay	20,800.00	1,525.00	20,600.00	99.04%	200.00
60115 · Staff Overtime Pay	7,600.00	815.89	7,569.75	99.60%	30.25
Total 60110 · Salaries & Wages	963,025.00	29,988.00	891,338.13	92.56%	71,686.87
60150 · Employee Benefits & Expense					
60151 · PERS Retirement	175,946.00	12,374.36	163,834.98	93.12%	12,111.02
60152 · Workers Compensation	14,000.00	643.95	11,736.78	83.83%	2,263.22
60153 · Group Insurance	249,240.00	14,790.47	213,312.02	85.59%	35,927.98
60154 · Retirees Insurance	5,280.00	0.00	5,280.00	100.00%	0.00
60155 · Staff Training	3,555.00	0.00	3,555.00	100.00%	0.00
60157 · Uniforms	8,847.00	620.46	8,846.55	100.00%	0.45
60158 · Payroll Taxes	73,268.00	5,700.66	73,267.21	100.00%	0.79
60159 · Payroll Service	713.00	89.93	713.01	100.00%	-0.01
60160 · 457 Employer Contribution	21,125.00	1,501.69	20,860.70	98.75%	264.30
Total 60150 · Employee Benefits & Exp	551,974.00	35,721.52	501,406.25	90.84%	50,567.75
Total 60100 · Personnel Services	1,514,999.00	65,709.52	1,392,744.38	91.93%	122,254.62

Accrual Basis

Rio Linda Elverta Community Water District
Unaudited Operating Profit & Loss Budget Performance
June 2026

	Annual Budget	June 26	Jul 25 - Jun 26 YTD	% of Annual Budget	YTD Annual Budget Balance
60200 · Administration					
60205 · Bank & Merchant Fees	1,850.00	74.20	1,319.45	71.32%	530.55
60207 · Board Meeting Fee	7,770.00	300.00	7,770.00	100.00%	0.00
60210 · Building Expenses					
60211 · Office Utilities	7,500.00	741.27	7,382.76	98.44%	117.24
60212 · Janitorial	2,340.00	195.00	2,340.00	100.00%	0.00
60213 · Maintenance	1,258.00	95.00	837.62	66.58%	420.38
60214 · Security	500.00	0.00	468.00	93.60%	32.00
Total 60210 · Building Expenses	11,598.00	1,031.27	11,028.38	95.09%	569.62
60220 · Computer & Equipment Maint.					
60221 · Computer Systems	32,500.00	3,383.37	32,313.03	99.43%	186.97
60222 · Office Equipment	1,534.00	186.06	1,533.07	99.94%	0.93
Total 60220 · Computer & Equipment Maint.	34,034.00	3,569.43	33,846.10	99.45%	187.90
60230 · Office Expense	9,800.00	523.47	9,761.92	99.61%	38.08
60240 · Postage and Delivery	28,500.00	1,329.75	28,209.11	98.98%	290.89
60250 · Printing	12,560.00	287.80	12,556.29	99.97%	3.71
60255 · Meetings & Conferences	385.00	0.00	385.00	100.00%	0.00
60260 · Publishing	350.00	0.00	344.25	98.36%	5.75
60270 · Telephone & Internet	3,500.00	257.93	3,050.41	87.16%	449.59
60430 · Insurance					
60431 · General Liability	37,837.00	3,226.49	37,836.09	100.00%	0.91
60432 · Property	19,450.00	1,697.61	19,440.33	99.95%	9.67
Total 60430 · Insurance	57,287.00	4,924.10	57,276.42	99.98%	10.58
60500 · Water Memberships					
60503 · SGA	35,503.00	0.00	35,503.00	100.00%	0.00
60504 · ACWA	13,465.00	0.00	13,465.00	100.00%	0.00
60507 · CRWA	1,662.00	0.00	1,662.00	100.00%	0.00
Total 60500 · Water Memberships	50,630.00	0.00	50,630.00	100.00%	0.00
60550 · Permits & Fees	52,000.00	0.00	51,598.54	99.23%	401.46
60555 · Subscriptions & Licensing	2,120.00	140.27	1,600.90	75.51%	519.10
60560 · Elections	0.00	0.00	0.00	0.00%	0.00
60565 · Uncollectible Accounts	2,640.00	0.00	2,285.59	86.58%	354.41
60570 · Other Operating Expenses	500.00	0.00	0.00	0.00%	500.00
Total 60200 · Administration	275,524.00	12,438.22	271,662.36	98.60%	3,861.64

Accrual Basis

Rio Linda Elverta Community Water District
Unaudited Operating Profit & Loss Budget Performance
June 2026

	Annual Budget	June 26	Jul 25 - Jun 26 YTD	% of Annual Budget	YTD Annual Budget Balance
64000 · Conservation					
64001 · Community Outreach	500.00	0.00	0.00	0.00%	500.00
Total 64000 · Conservation	500.00	0.00	0.00	0.00%	500.00
65000 · Field Operations					
65100 · Other Field Operations					
65110 · Back Flow Testing	31,600.00	2,950.00	11,550.75	36.55%	20,049.25
65120 · Construction Equip Maintenance	21,500.00	12,791.18	21,498.28	99.99%	1.72
65130 · Field Communication	3,800.00	305.12	3,794.33	99.85%	5.67
65140 · Field IT	35,000.00	4,891.46	33,201.99	94.86%	1,798.01
65150 · Laboratory Services	51,900.00	2,501.09	28,660.75	55.22%	23,239.25
65160 · Safety Equipment	10,100.00	5,757.87	10,067.19	99.68%	32.81
65170 · Shop Supplies	8,100.00	335.37	8,044.21	99.31%	55.79
Total 65100 · Other Field Operations	162,000.00	29,532.09	116,817.50	72.11%	45,182.50
65200 · Treatment	34,500.00	3,753.10	29,635.00	85.90%	4,865.00
65300 · Pumping					
65310 · Maintenance	32,716.00	9,597.45	27,922.33	85.35%	4,793.67
65320 · Electricity & Fuel	277,000.00	43,208.17	276,470.71	99.81%	529.29
Total 65300 · Pumping	309,716.00	52,805.62	304,393.04	98.28%	5,322.96
65400 · Transmission & Distribution					
65410 · Distribution Supplies	57,500.00	2,014.93	57,105.41	99.31%	394.59
65430 · Tank Maintenance	1,000.00	0.00	1,000.00	100.00%	0.00
65440 · Contract Repairs	162,932.00	12,035.34	140,520.82	86.25%	22,411.18
65450 · Valve Replacements	0.00	0.00	0.00	0.00%	0.00
65460 · Paving Repairs	56,400.00	10,998.70	55,734.42	98.82%	665.58
Total 65400 · Transmission & Distribution	277,832.00	25,048.97	254,360.65	91.55%	23,471.35
65500 · Transportation					
65510 · Fuel	13,300.00	1,850.27	13,280.22	99.85%	19.78
65520 · Maintenance	9,768.00	1,826.14	9,767.99	100.00%	0.01
Total 65500 · Transportation	23,068.00	3,676.41	23,048.21	99.91%	19.79
Total 65000 · Field Operations	807,116.00	114,816.19	728,254.40	90.23%	78,861.60
Total 60000 · Operating Expenses	3,101,688.00	288,935.78	2,896,208.46	93.38%	205,479.54
69000 · Non-Operating Expenses					
69010 · Debt Service					
69100 · Revenue Bond					
69105 · Principle	169,641.00	0.00	169,641.00	100.00%	0.00
69110 · Interest	34,408.00	0.00	34,408.33	100.00%	-0.33
Total 69100 · Revenue Bond	204,049.00	0.00	204,049.33	100.00%	-0.33
69200 · PERS ADP Loan					
69205 · Principle	30,000.00	30,000.00	30,000.00	100.00%	0.00
69210 · Interest	1,406.00	1,406.00	1,406.00	100.00%	0.00
Total 69100 · PERS ADP Loan	31,406.00	31,406.00	31,406.00	100.00%	0.00
Total 69010 · Debt Service	235,455.00	31,406.00	235,455.33	100.00%	-0.33
69400 · Other Non-Operating Expense	2,300.00	0.00	0.00	0.00%	2,300.00
Total 69000 · Non-Operating Expenses	237,755.00	31,406.00	235,455.33	99.03%	2,299.67
Total Operating & Non-Operating Expense	3,339,443.00	320,341.78	3,131,663.79	93.78%	207,779.21
Net Revenue	**205,523.00**	**185,315.52**	**331,936.47**		

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
UNAUDITED CAPITAL BUDGET 2025-2026
June 2026

Description	Annual Budget	June 26	YTD Jul 25- Jun 26	% of Annual Budget	YTD Budget Balance
Raising/Lowering Valve Covers	60,000.00	0.00	57,900.00	96.50%	2,100.00
Well 15 Cr6 Treatment Design and CEQA	140,070.00	3,316.00	52,946.75	37.80%	87,123.25
Vacuum Trailer	90,000.00	0.00	0.00	0.00%	90,000.00
Total Continued Ongoing Projects	**290,070.00**	**3,316.00**	**110,846.75**	**38.21%**	**179,223.25**
Annual Miscellaneous Pump Replacements	27,000.00	0.00	17,978.34	66.59%	9,021.66
Annual Meter Replacements	158,000.00	25,920.00	157,697.40	99.81%	302.60
Annual Pipeline Replacement	245,000.00	0.00	0.00	0.00%	245,000.00
Total New Annual Projects	**430,000.00**	**25,920.00**	**175,675.74**	**40.86%**	**254,324.26**
Well 15 Cr6 Treatment Bidding and Construction	1,100,000.00	0.00	**0.00**	0.00%	1,100,000.00
2025 Urban Water Management Plan	85,000.00	0.00	**0.00**	0.00%	85,000.00
District Office Roof	40,000.00	0.00	**0.00**	0.00%	40,000.00
Total New Projects	**1,225,000.00**	**0.00**	**0.00**	**0.00%**	**1,225,000.00**
Total	**$1,945,070.00**	**$29,236.00**	**$286,522.49**	**14.73%**	**$1,658,547.51**

Accrual Basis

Rio Linda Elverta Community Water District
Unaudited Cr6 Settlement Profit & Loss Budget Performance
June 2026

	Annual Budget	June 26	Jul 25 - Jun 26 YTD	% of Annual Budget	YTD Annual Budget Balance
Income					
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	120,000.00	9,466.09	125,492.31	104.58%	-5,492.31
	120,000.00	9,466.09	125,492.31	104.58%	-5,492.31
44110 · Other Non-Operating Revenue	0.00	0.00	0.00	0.0%	0.00
Total Income	120,000.00	9,466.09	125,492.31	104.58%	-5,492.31
Gross Income	120,000.00	9,466.09	125,492.31	104.58%	-5,492.31
Net Income	**120,000.00**	**9,466.09**	**125,492.31**		

NOTE:	Date	Amount
Beginning Balance	5/31/2026	4,254,766.57
Interest	6/30/2026	9,466.09
GL 10492 Cr6 Settlement	6/30/2026	4,264,232.66

Accrual Basis

Rio Linda Elverta Community Water District
Unaudited Capacity Revenue Profit & Loss Budget Performance
April - June 2026

	Annual Budget	Apr-Jun 26 Current QTR	Jul 25- Jun 26 YTD	% of Annual Budget	YTD Annual Budget Balance
Income					
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	40,000.00	10,282.12	42,524.30	106.31%	-2,524.30
	40,000.00	10,282.12	42,524.30	106.31%	-2,524.30
44100 · Capacity Fee Revenue	50,000.00	18,237.58	54,712.74	109.43%	-4,712.74
Total Income	90,000.00	28,519.70	97,237.04	108.04%	-7,237.04
Gross Income	90,000.00	28,519.70	97,237.04	108.04%	-7,237.04
Net Income	**90,000.00**	**28,519.70**	**97,237.04**		

Accrual Basis

Rio Linda Elverta Community Water District
Unaudited Surcharge 1 Profit & Loss Budget Performance
April - June 2026

	Annual Budget	Apr-Jun 26 Current QTR	Jul 25- Jun 26 YTD	% of Annual Budget	YTD Annual Budget Balance
Income					
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41111 · Dividend Revenue	0.00	106.38	575.88	100.0%	-575.88
41112 · Interest Revenue	12,000.00	7,510.44	31,521.45	262.68%	-19,521.45
41113 · Market Value Adjustment	0.00	-1,192.48	-1,456.84	100.0%	1,456.84
	12,000.00	6,424.34	30,640.49	255.34%	-18,640.49
43010 · Surcharge 1 Revenue	532,380.00	148,595.93	530,981.19	99.74%	1,398.81
Total Income	544,380.00	155,020.27	561,621.68	103.17%	-17,241.68
Gross Income	544,380.00	155,020.27	561,621.68	103.17%	-17,241.68
Expense					
69150 · Surcharge 1 Loan					
69155 · Principle	409,631.69	206,123.74	409,631.69	100.0%	0.00
69160 · Interest	51,722.95	24,553.58	51,722.95	100.0%	0.00
69170 · Admin Fees	2,300.00	568.50	2,246.38	97.67%	53.62
Total 69150 · Surcharge 1 Loan	463,654.64	231,245.82	463,601.02	99.99%	53.62
Total Expense	463,654.64	231,245.82	463,601.02		
Net Income	**80,725.36**	**-76,225.55**	**98,020.66**		

Accrual Basis

Rio Linda Elverta Community Water District
Unaudited Surcharge 2 Profit & Loss Budget Performance
April - June 2026

	Annual Budget	Apr-Jun 26 Current QTR	Jul 25- Jun 26 YTD	% of Annual Budget	YTD Annual Budget Balance
Income					
41000 · Non-Operating Revenue					
41110 · Investment Revenue					
41112 · Interest Revenue	100.00	30.96	118.48	118.48%	-18.48
	100.00	30.96	118.48	118.48%	-18.48
43050 · Surcharge 2 Revenue	442,716.00	123,569.23	441,555.69	99.74%	1,160.31
Total Income	442,816.00	123,600.19	441,674.17	99.74%	1,141.83
Gross Income	442,816.00	123,600.19	441,674.17	99.74%	1,141.83
Expense					
69175 · Surcharge 2 Loan					
69180 · Principle	255,000.00	130,000.00	255,000.00	100.0%	0.00
69185 · Interest	58,139.00	28,044.66	58,139.32	100.0%	-0.32
Total 69175 · Surcharge 2 Loan	313,139.00	158,044.66	313,139.32	100.0%	-0.32
Total Expense	313,139.00	158,044.66	313,139.32		
Net Income	**129,677.00**	**-34,444.47**	**128,534.85**		

NOTICE OF PUBLIC HEARING

RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT BOARD OF DIRECTORS CONSIDERATION OF RESOLUTION NO. 2026-05 APPROVING THE FY 2026-27 OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR THE RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT

This meeting will be physically open to the public.

NOTICE IS HEREBY GIVEN that a Public Hearing will be held by the Board of Directors of the Rio Linda/Elverta Community Water District (the "District") at its regularly scheduled meeting on **Monday, August 24, 2026** at **6:30 PM**, at Depot / Visitors Center located at 6730 Front Street, Rio Linda, California to consider the adoption of proposed Resolution No. 2026-05 Establishing Fiscal Year 2026-27 Operating and Capital Improvement Budgets ("Budgets"). The budgets will become effective immediately upon adoption of the District Board of Directors.

ALL INTERESTED PARTIES are invited to attend the August 24, 2026, public hearing to express opinions or submit evidence for or against the approval of the Budgets. At the above noted time and place, testimony from interested persons will be heard and considered by the District Board of Directors prior to taking action or making any recommendation on the Budgets. Upon request, the agenda and the documents in the hearing agenda packet can be made available to persons with a disability. In compliance with the Americans with Disabilities Act, the District encourages those with disabilities to participate fully in the public hearing process. Any person requiring special assistance to participate in the meeting should call (916) 991-1000 or email **questions@rlecwd.com** at least forty-eight (48) hours prior to the meeting.

Written comments are also accepted, prior to the hearing by the District, at: 730 L Street, Rio Linda, CA, 95673. Information regarding the hearing is on file and may be viewed by interested individuals by contacting the District by phone at (916) 991-1000. If a challenge to the above proposed actions is made in court, persons may be limited to raising only those issues they or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the District Board of Directors.

Copies of the proposed Budgets are available for the public by calling the District Office at (916) 991-1000 or via the District's website **www.rlecwd.com**.

Rio Linda News 8-21-2026

Operating and Capital Budget

2026-2027

Budget prepared by
Felix M. Felix, Interim General Manager, District Staff, and District Engineer

Contents

Executive Summary

August 24, 2026

Board of Directors
Rio Linda Elverta Community Water District

I hereby submit the Rio Linda/Elverta Community Water District's Fiscal Year 2026–2027 Operating and Capital Budget. The budget document provides detailed information regarding the District's anticipated revenues, operating expenditures, debt obligations, and capital improvement needs for the upcoming fiscal year. The budget also addresses the principal financial considerations, operational priorities, and major decisions used in developing the District's financial plan.

The District's overall operation is achieved, in part, by regularly reviewing its goals, regulatory and compliance mandates, infrastructure needs, and the resources necessary to accomplish its mission. These considerations, together with continued increases in the cost of providing water service, are evaluated throughout the budget development process. The resulting budget provides a framework for prioritizing the District's operational activities, staffing needs, infrastructure maintenance, capital improvements, and financial resources.

Monitoring the budget and responding to anticipated and unanticipated events is a continuous process. The District maintains a proactive approach by regularly reviewing budget performance and adjusting when necessary. The District's budget adoption policy provides for minor budget revisions by the General Manager when the overall level of authorized spending is not increased. This flexibility allows staff to reallocate available funding from relatively overfunded line items to underfunded line items while maintaining the Board-approved overall expenditure level.

Operating Revenue and Water Rates

Water service rate revenue for Fiscal Year 2026–2027 remains unchanged because the District does not currently have new water rates in place. The District's previous water rate study was adopted in October 2020 and established rates for five fiscal years through Fiscal Year 2025–2026. The District has initiated a Request for Proposals for a qualified water rate consultant to complete a new water rate study.

The District's water service fees and other water service fees also remain substantially unchanged and are based on the prior fiscal year's budget. Property tax revenue is estimated to increase by approximately $10,000 based on current fiscal year revenue. Total revenue for Fiscal Year 2026–2027 is projected at approximately $3.555 million.

The District recognizes that, without updated water rates, future revenue may not be sufficient to meet the District's long-term financial obligations and the increasing costs associated with operating, maintaining, and improving the water system. Completion of the water rate study will provide the District with the information necessary to evaluate future revenue requirements and maintain the financial resources needed to continue providing reliable water service to its ratepayers.

Operating Expenses

Total operating expenses are projected to increase due to continuing inflationary pressures, rising costs for professional services, insurance, administration, energy, infrastructure maintenance, and other essential operational requirements.

Professional fees are projected to increase primarily because of the continued need for legal services associated with ongoing litigation, the use of an Interim General Manager, and the cost of completing a new water rate study. The budget includes approximately $350,000 for general counsel and legal services, $160,000 for the Interim General Manager contract, and $60,000 for water rate consulting services.

Personnel services are projected to decrease from the prior year budget because the District does not currently have a permanent General Manager. Funding previously budgeted for the General Manager position has been reallocated to professional services to support the Interim General Manager contract. The budget continues to provide funding for regular staff wages, employee benefits, retirement obligations, training, and other personnel-related expenses necessary to maintain District operations.

Administrative expenses are projected to increase because of rising costs and the anticipated expenses associated with an election year. The budget also reflects increases in general liability and property insurance, water association memberships, office expenses, and other administrative requirements.

Field operations are projected to increase to address rising operational costs and the continuing need to maintain the District's aging infrastructure and assets. Increased funding is included for backflow testing, construction equipment maintenance, safety equipment, shop supplies, pumping electricity and fuel, distribution supplies, valve replacements, paving repairs, and transportation-related expenses. These expenditures are necessary to maintain the reliability, safety, and operational condition of the District's water production and distribution systems.

The Fiscal Year 2026–2027 budget projects total operating expenses of approximately $3.263 million. Including non-operating expenses and debt service, total District expenses are projected at approximately $3.505 million. The District anticipates net income of approximately $49,878, representing a decrease of approximately $155,645 from the prior-year budget. The reduction is primarily attributable to the absence of water rate increases to offset inflation and the continued increase in the cost of operating and maintaining the District.

Regulatory Compliance and Hexavalent Chromium Treatment

The State Water Resources Control Board's re-establishment of the Hexavalent Chromium (Cr6) Maximum Contaminant Level continues to have a significant effect on the District's operating and capital planning. The District must continue evaluating and implementing treatment solutions necessary to maintain regulatory compliance and provide safe, reliable drinking water.

The Fiscal Year 2026–2027 Capital Budget includes continued funding for the Well 15 Cr6 Treatment Design and California Environmental Quality Act compliance. The budget also includes substantial funding for the construction and implementation of Cr6 treatment facilities at Well 15, Well 10, and Well 2A. These projects include anticipated costs associated with design, environmental compliance, bidding, construction, construction management, permitting, inspection, and related project requirements.

The District will continue to monitor available grant, loan, and other funding opportunities that may assist with the costs of Cr6 treatment and other regulatory compliance projects. Because the cost of treatment facilities and related construction may change as projects advance, the District will continue to evaluate project estimates and funding requirements throughout the budget cycle.

Capital Improvement Program

The District's capital improvement program is intended to provide a planned and transparent approach to maintaining, rehabilitating, and replacing essential infrastructure and equipment. Because capital improvement needs are directly connected to the District's long-term operational and financial capacity, the operating and capital budgets must be evaluated together.

The Fiscal Year 2026–2027 Capital Budget includes total capital expenditures of $8,781,454.00. These investments support continued regulatory compliance, water quality improvements, infrastructure replacement, equipment needs, and the long-term reliability and sustainability of the District's water system.

The Fiscal Year 2026–2027 Capital Budget includes continued funding for the Well 15 Cr6 Treatment Design and CEQA project, replacement of the District office roof, and replacement of the aging vacuum trailer. The office roof has experienced recurring leaks, and prior temporary repairs have not provided a long-term solution. The vacuum trailer replacement remains necessary because of the age and declining condition of the existing equipment.

The budget also establishes or continues annual infrastructure replacement programs, including annual hydrant replacements for hydrants that are no longer operational or cannot be repaired because replacement parts are unavailable; annual miscellaneous pump and motor replacements; annual water meter replacements for aging or non-operational meters; and annual pipeline replacement projects.

Additional capital funding is included for the replacement of aging maintenance equipment and tools, as well as the replacement of a District truck. These investments are intended to support efficient field operations, reduce the risk of equipment failures, and maintain the District's ability to respond to operational and maintenance needs.

The capital program also includes the District's major water treatment investments for the Well 15, Well 10, and Well 2A Cr6 treatment facilities. These projects represent a significant long-term commitment to regulatory compliance, water quality, and the continued reliability of the District's groundwater supply.

Financial Management and Long-Term Planning

The District continues to improve its financial planning and budget development practices by identifying future obligations earlier, evaluating the full cost of maintaining District assets, and incorporating long-term infrastructure needs into the budget process. The District will continue to review its financial policies, investment practices, debt obligations, reserve requirements, and capital funding strategies to support long-term fiscal sustainability.

The District also continues to use cost-control and cost-avoidance strategies whenever practical. These efforts include the use of cooperative and Joint Powers purchasing agreements available to public agencies, evaluation of equipment purchases that may reduce long-term costs, efficient use of District resources, and the use of outside professional services when outsourcing provides an operational or financial benefit.

The District's budget will continue to be monitored throughout the fiscal year. Staff will provide the Board with financial information and budget updates and will recommend adjustments when necessary to respond to changing conditions, unexpected operational needs, regulatory requirements, or changes in project costs.

Conclusion

In summary, the Fiscal Year 2026–2027 Operating and Capital Budget reflects the Board of Directors' priorities and provides a financial framework for maintaining reliable water service, meeting regulatory obligations, addressing aging infrastructure, and advancing critical water treatment and capital improvement projects.

The budget recognizes the financial challenges created by rising operating costs and the absence of updated water rates while continuing to support essential District operations and long-term infrastructure investments. Completion of the new water rate study will be an important component of the District's future financial planning and its ability to meet ongoing and future obligations.

The District remains committed to responsible financial management, transparency, cost control, and long-term planning. Continued progress will depend on the coordinated efforts of the Board of Directors, District staff, legal counsel, engineers, financial professionals, consultants, and other partners working toward the shared goal of providing safe, reliable, and sustainable water service to the District's customers.

In Service,

Felix M. Felix

Felix M. Felix
Interim General Manager
RLECWD

Introduction

On an annual basis, the District's Board of Directors adopts a budget for the subsequent fiscal year. The budget is an instrument used by management to present the proposed plan of financial operations of the District to the Board of Directors. The budget incorporates Operating, Capital, and includes all supporting statements, details, summaries, and other information deemed appropriate by the General Manager.

Fund Structure

The District's resources are allocated to and accounted for in basic financial statements as an enterprise fund type of the proprietary fund group.

The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies.

Net position for the enterprise fund represents the amount available for future operations.

Budgetary Control and Process

Budgetary Control

The District prepares budgets as a matter of policy and financial control. The budget is a financial plan detailing operating expenses, capital infrastructure investments, debt obligations, and designation of reserves. The following items are reviewed as part of preparing the budget:

- Assess current conditions and needs, including system quality and safety.
- Develop goals, objectives, policies, and plans based upon the assessment.
- Prioritize projects and develop work programs, based upon short-term and long-term cost effectiveness.
- Implement plans, policies, and assess shortcomings.

Budget Process

The District follows an incremental budgetary process (see glossary), which is prepared on an accrual basis and is used as a management tool for projecting and measuring revenues and expenses. To commence the process, the Finance committee provides an extensive review of the proposed budget. After review, the District invites customers to a public hearing so that the District can provide budget information and receive feedback. Public hearings are designed to educate and inform customers about the District's financial operations and requirements. It is during this forum that the budget is adopted by the Board of Directors.

Budget Policy

The District's guideline for its policy, procedures, and timeline involved in creating and approving the annual budget is outlined below.

Presentation and Review

In June of each year, the General Manager shall present the draft budget documents to the Board of Directors, including the "Preliminary Budget, for the following fiscal year. The Board may adopt the Preliminary Budget and schedule a Public Hearing for consideration of the Final Budget (typically August regular Board of Directors meeting).

Public Hearing

On or before the regular Board meeting in August, the Board of Directors shall hold a public hearing to adopt the Final Budget. Copies of the Budget document shall be available to the public.

Adoption

During or before the regular Board meeting in August, the Board of Directors shall make any changes it deems desirable to the Preliminary Budget and shall adopt by resolution the Budget as finally determined. The resolution shall include all adopted revenue and expenditure figures.

Revisions

Occasionally, it is necessary and appropriate for the Board of Directors to revise the budget. Examples of necessary budget revisions include but are not limited to unforeseen regulatory requirements and expenses, operational costs beyond those originally budgeted, and catastrophic equipment/facilities failures. As required, the General Manager will present budget revisions to the Board and the Board will consider these revisions at regular meetings of the Board of Directors.

Minor Allocations and Revisions Between Line Items

When the budget revisions are minor in scope and/or consist merely of reallocating a surplus from one line item to cover reasonably anticipated shortfalls in another line item, the General Manager is authorized to make such minor budget revisions and report the revision, including submitting the revised budget to the Board to review at the subsequent Board of Directors meeting. General Manager authorized minor budget revisions are limited in that the total budgeted expenses must remain unchanged.

District Profile

District History and Service Description

The Rio Linda/Elverta Community Water District (RLECWD) was formed in 1948 after a public vote under County Water District Law (Water Code section 30000 et seq.). The District is governed by a Board of Directors that consists of five (5) members elected at large. The District includes the communities of Rio Linda and Elverta and encompasses approximately 17.8 square miles. The District has 10 full-time employees, a contracted engineer, and an attorney.

The District water system consists of 12 wells and 61.72 miles of distribution mains. The overall system capacity is currently 14.4 MGD. The District pumps approximately 2,600 acre-feet of water annually to its 4,670 customers with a daily average of approximately 2.6 million gallons.

To improve the water system and ensure the delivery of high-quality drinking water to customers, the District constructed Well # 15 in 2012 and a 1.2-million-gallon reservoir tank in 2014. To de-emphasize the District's reliance on wells with elevated hexavalent chromium concentrations, the District constructed the Well 16 pumping station in 2021.

District Mission Statement

The mission of the Rio Linda/Elverta Community Water District is to provide, in a manner responsive to District customers, a water supply that is adequate, safe, and potable (according to state and federal standards) and that meets both current and future needs.

District Officials

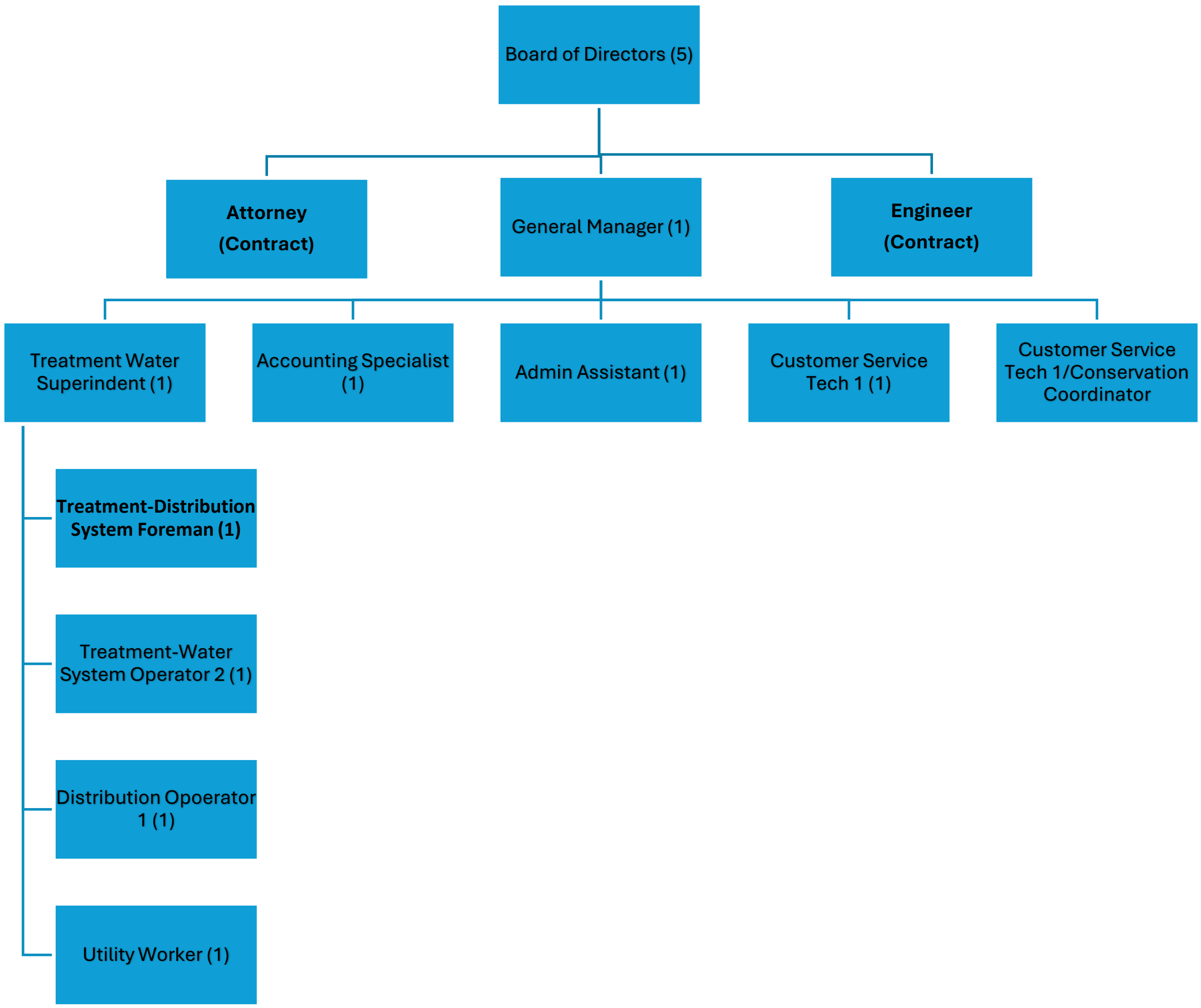
Board of Directors

Anthony Cline, Director
Jason A. Green Director
Chris Gifford, Director
Maria Liverett, Director
Vicky Young, Director

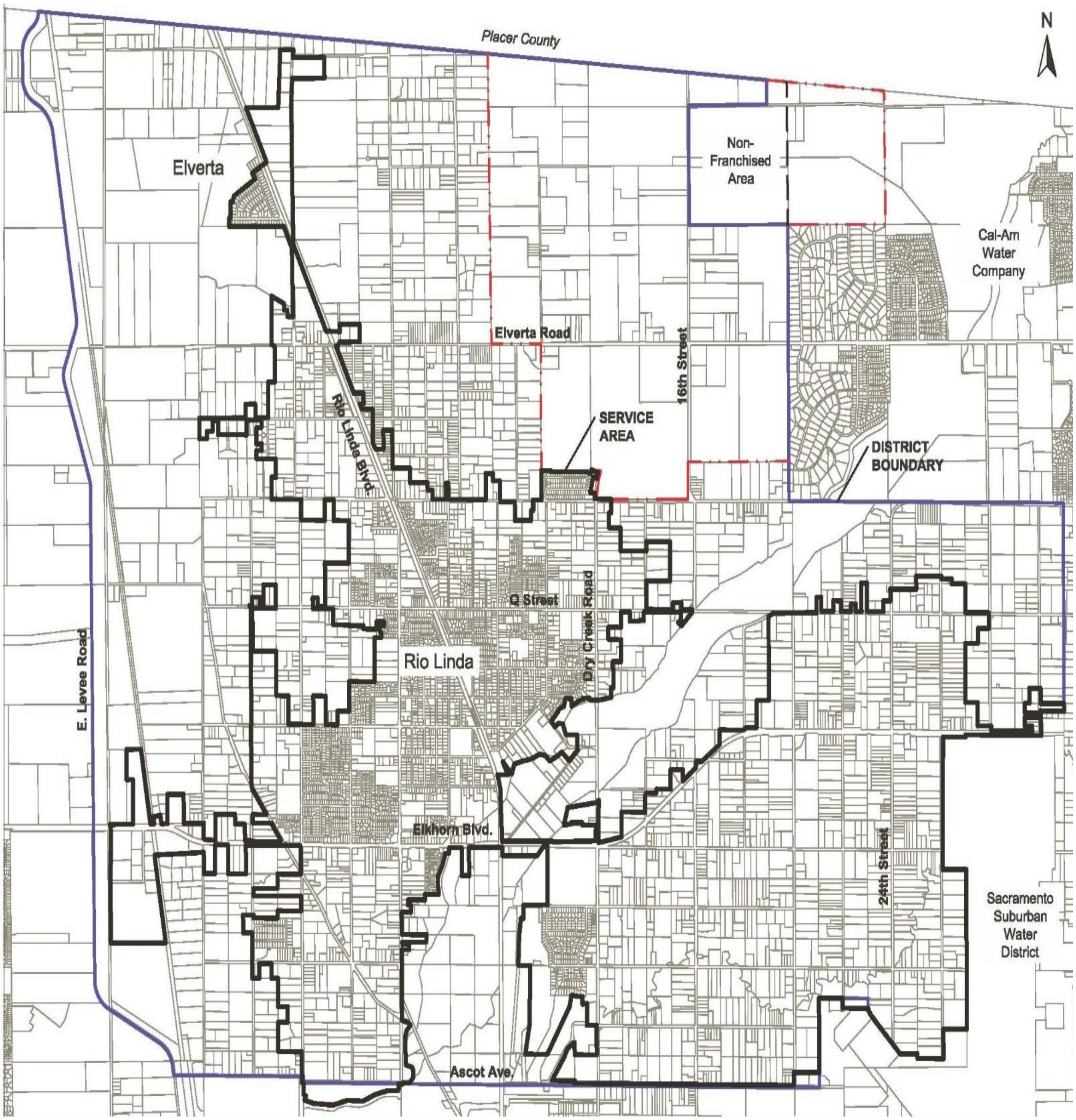
Appointed Official

Felix M. Felix, Secretary/General Manager

Organizational Structure



Service Area



Operating Budget Overview

The Incremental Budgeting Method is used to prepare the Operating Budget. See Glossary for definitions. The District uses the same structure and format for the chart of accounts as the Annual Financial Audit Report to establish symmetry. The Operating Budget is described below, outlining the categories and columns.

The budget is divided into the following categories:

REVENUE – Includes both operating and non-operating revenue.

OPERATING EXPENSE – Includes all expenses considered operating and includes the following categories: Professional Fees, Personnel Services, Administration, Conservation, and Field Operations.

- **PROFESSIONAL FEES** – A category of expenditures are fees charged by service providers in occupations requiring special training in the arts or sciences including legal services, auditors, engineers, and other specialized consultants.
- **PERSONNEL SERVICES** – A category of expenditure, which primarily covers salaries and wages, benefits, and other costs related to District personnel.
- **ADMINISTRATION** – A category of expenditures directly related to the cost of providing services including building maintenance, computer systems, office, insurance, and water memberships.
- **CONSERVATION** – A category of expenditure directly relating to providing services related to water conservation including community outreach and rebate programs.
- **FIELD OPERATIONS** – A category of expenditure directly relating to providing services related to field operations including pumping, transmission and distribution, and transportation.

NON-OPERATING EXPENSES – Includes all expenses considered non-operating such as Debt Service expenses. The total Net Revenue follows.
OPERATING AND SURCHARGE FUND BALANCES – Reflects total estimated beginning and ending fund balances.

The budget is divided into the following columns:

COLUMN 1 - ACTUAL YTD – Actual revenue and expenses beginning July 1st and ending June 30th. An incremental budget is prepared using a previous period's budget or actual performance as a basis with incremental amounts added for the new budget period.

COLUMN 2 - 2025-2026 BUDGET – The prior fiscal year budget.

COLUMN 3 - 2026-2027 BUDGET – The new fiscal year budget.

COLUMN 4 - DIFFERENCE – The calculated total taking Column 3 less Column 2.

Revenue

Water Service Rates

Remains unchanged at $3.308 million. The District's last water rate study was adopted in October 2020 for a total of five fiscal years ending fiscal year 25-26. The District is currently conducting an RFP process for a new water rate consultant.

Without new water rates the District will be unable to meet its future financial obligations.

Water Service Fees and Other Water Service Fees

Remains unchanged and is based on the prior fiscal year.

Non-Operating Revenue

Property Tax revenue has been estimated to increase by $10,000 based on the current Fiscal Year's total revenue.

Total Operating Revenue

Total Operating Revenue is estimated at $3.555 million with an increase of 0.28% from Property Tax Revenues. Once the District completes a water rate study, the District will be able to increase revenue to meet its future financial obligations to serve the rate payers.

		2025-2026 ACTUAL JULY 25-JUN 26	2025-2026 BUDGET	2026-2027 BUDGET	DIFFERENCE
REVENUE					
40000 OPERATING REVENUE					
40100 Water Service Rates					
40101	Basic Service Charge	1,252,894.00	1,248,294.00	1,248,294.00	0.00
40102	Usage Charge	1,888,768.00	2,001,237.00	2,001,237.00	0.00
40105	Backflow Charge	33,050.00	32,300.00	32,300.00	0.00
40106	Fire Prevention	30,182.00	26,600.00	26,600.00	0.00
	Total Water Service Rates	3,204,894.00	3,308,431.00	3,308,431.00	0.00
40200 Water Service Fees					
40201	Application Fees	4,368.00	6,500.00	6,500.00	0.00
40202	Delinquency	69,402.00	70,000.00	70,000.00	0.00
40209	Misc. Charges	8,542.00	7,000.00	7,000.00	0.00
	Total Water Services	82,312.00	83,500.00	83,500.00	0.00
40300 Other Water Service Fees					
40301	New Construction QC	3,000.00	5,000.00	5,000.00	0.00
40302	Service Connection Fees	28,621.00	5,000.00	5,000.00	0.00
40304	Other Operating Revenue	3,246.00	6,000.00	6,000.00	0.00
	Total Other Water Service Fees	34,867.00	16,000.00	16,000.00	0.00
TOTAL OPERATING REVENUE		3,322,073.00	3,407,931.00	3,407,931.00	0.00
41000	**NON-OPERATING REVENUES**				
41110	Investment Revenue	41.00	35.00	35.00	0.00
41120	Property Taxes & Assessments	141,486.00	137,000.00	147,000.00	10,000.00
TOTAL NON-OPERATING REVENUE		141,527.00	137,035.00	147,035.00	10,000.00
TOTAL REVENUE		$3,463,600.00	$3,544,966.00	$3,554,966.00	10,000.00

Operating Expense

Professional Fees

The category includes general counsel/legal, auditor, engineering, and other professional fees.

General Counsel fees – Legal

The District anticipates legal fees will be $350,000 due to ongoing litigation, a decrease of $12,345.

Auditor Fees

Increased by $5,300 to adjust for the financial auditor and full GASB 75 valuation.

Engineering

The budget is anticipated at $84,000, that includes $60,000 for the Engineering contract, $20,000 for the Urban Water Use Objective (UWUO) and Water Loss Audit annual reports, and $4000 for the Consumer Confidence Report.

Other Professional Fees

The District is budgeting a total of $220,000 that includes an Interim GM contract at $160,000 and $60,000 for the Rate Consultant.

Personnel Services

The District is projecting $201,238 less than the prior year. A $169,063 reduction is a result from not having a permanent General Manager. The money has been allocated to Other Professional Fees for the Interim General Manager contract.

Administration

The District anticipates an increase exceeding $64,862 due to rising costs that includes $18,000 projected for an Election year.

Field Operations

The District anticipates an additional $119,184 more in expenditures to keep up with rising costs and maintaining aging infrastructure and assets.

Total Operating Expense

Total operating expenses are projected at $3.263 million with an increase of $161,859 from 2025-26 budget year.

Net Income

The District estimates net income to be $49,878, a decrease of $155,645 from the previous year due to no rate increases to offset inflation and rising costs to operate the District.

		2025-2026 ACTUAL JULY 25-JUN 26	2025-2026 BUDGET	2026-2027 BUDGET	DIFFERENCE
OPERATING EXPENSE					
60010 PROFESSIONAL FEES					
60011	General Counsel fees-Legal	$362,344.00	$362,345.00	$350,000.00	($12,345.00)
60012	Auditor Fees	23,300.00	23,300.00	28,600.00	5,300.00
60013	Engineering Services	91,090.00	91,090.00	84,000.00	(7,090.00)
60015	Other Professional Fees	26,813.00	26,814.00	220,000.00	193,186.00
TOTAL PROFESSIONAL FEES		503,547.00	503,549.00	682,600.00	179,051.00
60100 PERSONNEL SERVICES					
60110	**Salaries & Wages**				
60111	Salary - General Manager	169,063.00	169,063.00	0.00	(169,063.00)
60112	Staff Regular Wages	694,106.00	765,562.00	743,600.00	(21,962.00)
60114	Staff Standby Pay	20,600.00	20,800.00	20,800.00	0.00
60115	Staff Overtime Pay	7,570.00	7,600.00	12,000.00	4,400.00
	Total Salaries & Wages	891,339.00	963,025.00	776,400.00	(186,625.00)
60150	**Employee Benefits and Expenses**				
60151	PERS Retirement	163,835.00	175,946.00	167,020.00	(8,926.00)
60152	Workers Compensation	11,737.00	14,000.00	14,000.00	0.00
60153	Medical & Benefit Insurance	213,312.00	249,240.00	255,776.00	6,536.00
60154	Retirees Insurance	5,280.00	5,280.00	6,300.00	1,020.00
60155	Staff Training	3,555.00	3,555.00	5,000.00	1,445.00
60157	Uniforms	8,846.00	8,847.00	10,000.00	1,153.00
60158	Payroll Taxes	73,267.00	73,268.00	60,040.00	(13,228.00)
60159	Payroll Services	713.00	713.00	2,000.00	1,287.00
60160	457 Employer Contribution	20,861.00	21,125.00	17,225.00	(3,900.00)
	Total Employee Benefits and Expenses	501,406.00	551,974.00	537,361.00	(14,613.00)
TOTAL PERSONNEL SERVICES		$1,392,745.00	$1,514,999.00	$1,313,761.00	($201,238.00)

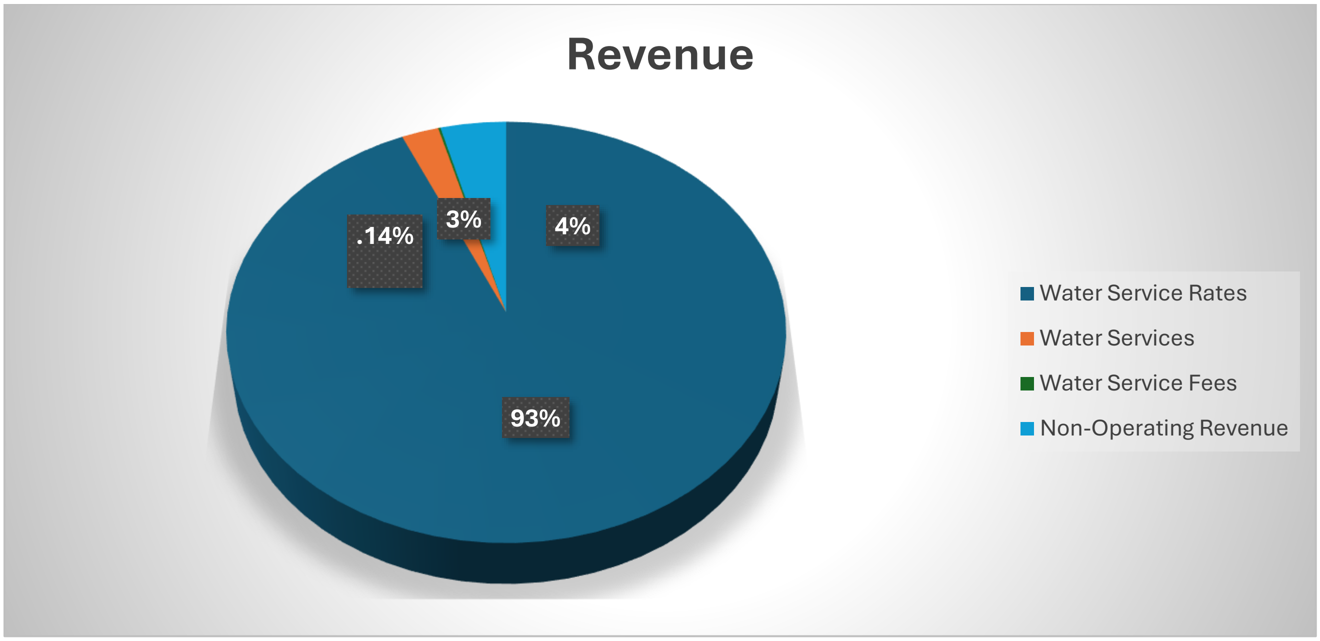
		2025-2026 ACTUAL JULY 25-JUN 26	2025-2026 BUDGET	2026-2027 BUDGET	DIFFERENCE
60200 ADMINISTRATION					
60205	Bank and Merchant Fees	$1,320.00	1,850.00	$1,850.00	$0.00
60207	Board Member/Meeting Expense	7,770.00	7,770.00	13,900.00	6,130.00
60210	**Building Expenses**				
60211	Office Utilities	7,163.00	7,500.00	7,500.00	0.00
60212	Janitorial	2,340.00	2,340.00	2,340.00	0.00
60213	Maintenance	838.00	1,258.00	2,500.00	1,242.00
60214	Security	468.00	500.00	500.00	0.00
	Total Building Expenses	10,809.00	11,598.00	12,840.00	1,242.00
60220	**Computer & Equipment Maint.**				
60221	Computer Systems	32,313.00	32,500.00	40,000.00	7,500.00
60222	Office Equipment	1,533.00	1,534.00	1,345.00	(189.00)
	Total Computer & Equipment Maint.	33,846.00	34,034.00	41,345.00	7,311.00
60230	Office Expense	9,762.00	9,800.00	10,500.00	700.00
60240	Postage and Delivery	28,209.00	28,500.00	32,000.00	3,500.00
60250	Printing	12,556.00	12,560.00	15,000.00	2,440.00
60255	Meetings & Conferences	385.00	385.00	1,000.00	615.00
60260	Publishing	344.00	350.00	1,500.00	1,150.00
60270	Telephone & Internet	3,050.00	3,500.00	3,500.00	0.00
60430	**Insurance**				
60431	General Liability	37,836.00	37,837.00	43,500.00	5,663.00
60432	Property	19,440.00	19,450.00	22,000.00	2,550.00
	Total Insurance	57,276.00	57,287.00	65,500.00	8,213.00
60500	**Water Memberships**				
60502	Regional Water Authority	0.00	0.00	9,670.00	9,670.00
60503	SGA	35,503.00	35,503.00	37,278.00	1,775.00
60504	ACWA	13,465.00	13,465.00	14,138.00	673.00
60507	CRWA	1,662.00	1,662.00	1,745.00	83.00
	Total Water Memberships	50,630.00	50,630.00	62,831.00	12,201.00
60550	Permits & Fees	51,599.00	52,000.00	55,000.00	3,000.00
60555	Subscriptions & Licensing	1,600.00	2,120.00	2,120.00	0.00
60560	Elections	0.00	0.00	18,000.00	18,000.00
60565	Uncollectable Accounts	2,286.00	2,640.00	3,000.00	360.00
60570	Other Operating Expenditures	0.00	500.00	500.00	0.00
TOTAL ADMINISTRATION		$271,442.00	$275,524.00	$340,386.00	$64,862.00
64000 CONSERVATION					
64001	Community Outreach	0.00	500.00	500.00	0.00
TOTAL CONSERVATION		0.00	500.00	500.00	0.00

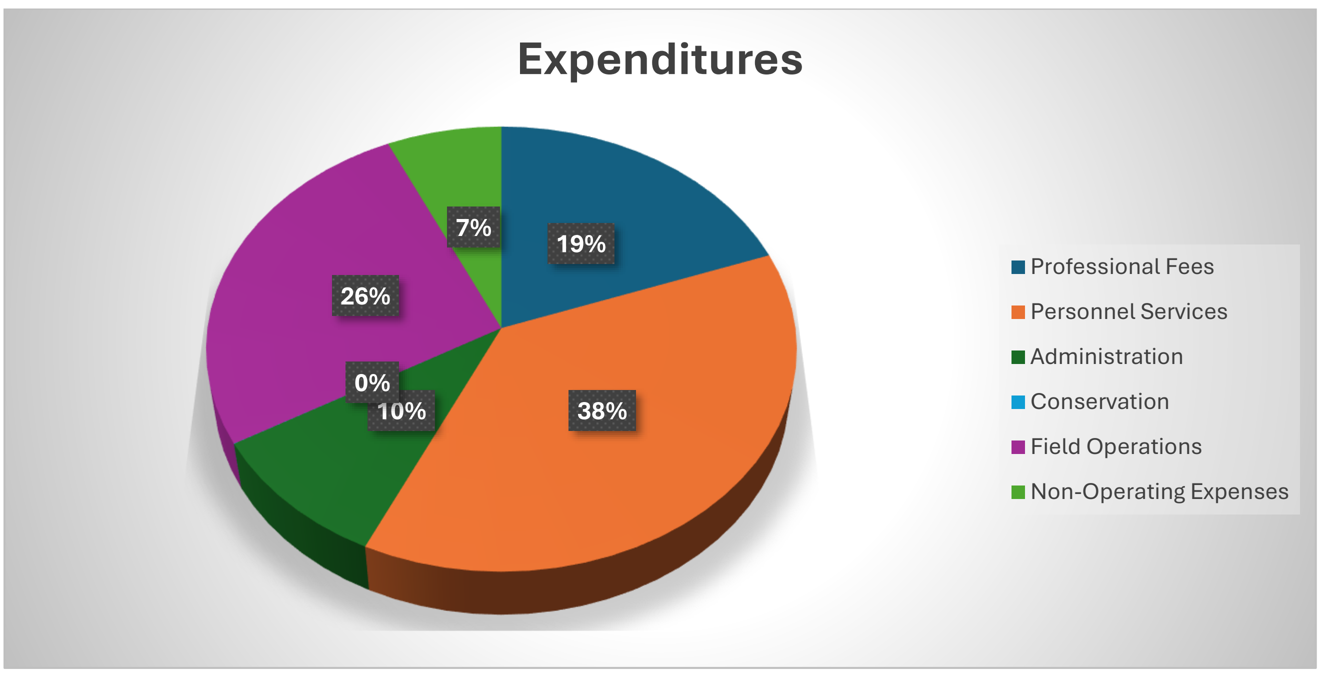
		2025-2026 ACTUAL JULY 25-JUN 26	2025-2026 BUDGET	2026-2027 BUDGET	DIFFERENCE
65000 FIELD OPERATIONS					
65100	**Other Field Operations**				
65110	Backflow Testing	$11,551.00	31,600.00	$35,000.00	$3,400.00
65120	Construction Equipment Maintenance	21,498.00	21,500.00	21,500.00	0.00
65130	Field Communication	3,794.00	3,800.00	3,800.00	0.00
65140	Field IT	33,202.00	35,000.00	35,000.00	0.00
65150	Laboratory Services	28,661.00	51,900.00	35,000.00	(16,900.00)
65160	Safety Equipment	10,067.00	10,100.00	10,000.00	(100.00)
65170	Shop Supplies	8,044.00	8,100.00	10,000.00	1,900.00
	Total Other Field Operations	116,817.00	162,000.00	150,300.00	(11,700.00)
65200	Treatment	29,635.00	38,000.00	30,000.00	(8,000.00)
65300	**Pumping**				
65310	Maintenance	27,922.00	32,716.00	30,000.00	(2,716.00)
65320	Electricity and Fuel	276,471.00	260,000.00	285,000.00	25,000.00
	Total Pumping	304,393.00	292,716.00	315,000.00	22,284.00
65400	**Transmission & Distribution**				
65410	Distribution Supplies	57,105.00	71,000.00	65,000.00	(6,000.00)
65430	Tank Maintenance	1,000.00	1,000.00	1,000.00	0.00
65440	Contract Repairs	140,521.00	162,932.00	150,000.00	(12,932.00)
65450	Valve Replacements	0.00	0.00	60,000.00	60,000.00
65460	Paving Repairs	55,735.00	56,400.00	120,000.00	63,600.00
	Total Transmission & Distribution	254,361.00	291,332.00	396,000.00	104,668.00
65500	**Transportation**				
65510	Fuel	13,281.00	13,300.00	20,000.00	6,700.00
65520	Maintenance	9,768.00	9,768.00	15,000.00	5,232.00
	Total Transportation	23,049.00	23,068.00	35,000.00	11,932.00
TOTAL FIELD OPERATIONS		$728,255.00	$807,116.00	$926,300.00	$119,184.00
TOTAL OPERATING EXPENSES		$2,896,209.00	$3,101,688.00	$3,263,547.00	$161,859.00

		2025-2026 ACTUAL JULY 25-JUN 26	2025-2026 BUDGET	2026-2027 BUDGET	DIFFERENCE
NON-OPERATING EXPENSES					
69010 Debt Service					
69100	**Revenue Bond 2015**				
69105	Revenue Bond 2015-Principle	169,641.00	169,641.00	173,609.00	3,968.00
69120	Interest	34,408.00	34,408.00	29,337.00	(5,071.00)
	Total Revenue Bond 2015	204,049.00	204,049.00	202,946.00	(1,103.00)
69200	**PERS ADP Loan**				
69205	Principle	30,000.00	30,000.00	35,000.00	5,000.00
69210	Interest	1,406.00	1,406.00	1,295.00	(111.00)
	Total PERS ADP Loan	31,406.00	31,406.00	36,295.00	4,889.00
69400 Other Non-Operating Expense		0.00	2,300.00	2,300.00	0.00
TOTAL NON-OPERATING EXPENSES		$235,455.00	$237,755.00	$241,541.00	$3,786.00
TOTAL EXPENSE		$3,131,664.00	$3,339,443.00	$3,505,088.00	$165,645.00
NET INCOME (Income-Expense)		$331,936.00	$205,523.00	$49,878.00	($155,645.00)

Revenue and Expenditure Summary

	2025-2026 ACTUAL JULY 25-JUN 26	2025-2026 BUDGET	2026-2027 BUDGET	DIFFERENCE
TOTAL OPERATING & NON-OPERATING INCOME	$3,463,600.00	$3,544,966.00	$3,554,966.00	$10,000.00
TOTAL OPERATING & NON-OPERATING EXPENSE	$3,131,664.00	$3,339,443.00	$3,505,088.00	$165,645.00
NET REVENUE (REVENUE-EXPENSE)	**$331,936.00**	**$205,523.00**	**$49,878.00**	**($155,645.00)**





Capital Improvement Budget Overview

Capital Expenditures are funds expended for Capital Improvement Projects (CIP). These projects include the purchase, construction, addition, or replacement of District facilities, infrastructure, and equipment. They are capitalized upon completion and depreciated based on the type of asset and its useful life. Capital expenditures are typically funded on a pay-as-you-go basis, through rate revenue.

The following capital improvement budgets are as follows:

Continued Ongoing Projects

Well 15 Cr6 Treatment Design and CEQA

This item includes budget for preparation of design documents and California Environmental Quality Act compliance for a new SBA-IX Cr6 treatment facility at Well 15.

District Office Roof

To replace the District office roof. The office roof leaks, especially during heavy storms. For the past several years, in-house staff have temporarily repaired the leaks and damages.

The District did not replace the roof in the prior fiscal year and anticipates a minimum of $40,000 to replace the office roof. We will be sending out for roofing contractor estimates. Upon receipt of estimates, we may need to adjust the current budget.

Vacuum Trailer

District heavy duty equipment replacement due to age and declining condition to meet the District's needs.

The District did not replace the Vacuum Trailer in the prior fiscal year because the cost far exceeded the estimated budget of $90,000. The new vacuum trailer is estimated to be $140,000 with an additional $50,000 budgeted for this fiscal year.

New Annual Projects

Annual Hydrant Replacement Program

The District has created a new hydrant replacement program to replace non-working hydrants that cannot be repaired due to unavailable parts. The budget will replace approximately five to six hydrants per year at $150,000.

Annual Miscellaneous Pump Replacements

For the replacement or repair of any well pump, motor, or equipment that fails in the budgeted year. Estimated budget is $100,000.

Annual Meter Replacements

To replace water meters due to age and non-operable condition. Estimated budget is $190,000.

Annual Pipeline Replacement

For the annual pipeline replacement project for the current fiscal year. Estimated budget is $422,534 for pipeline valve replacements.

New Projects

Maintenance Equipment & Tools

Several aging equipment and tools need to be replaced due to non-working and irreparable condition totaling $33,500.

Transportation Equipment: Truck

Replacement is estimated at $50,000. The estimate may or may not need to be adjusted.

Water Treatment Projects

Well 15 Cr6 Treatment – Budget $3,000,000. This item includes budget for construction of a new SBA-IX Cr6 treatment facility at Well 15. Also includes budget for bidding, construction management, permitting, and inspection.

Well 10 Cr6 Treatment – Budget $2,250,000. This item includes budget for preparation of design documents and California Environmental Quality Act compliance for a new SBA-IX Cr6 treatment facility at Well 10. Also includes budget for bidding, construction, construction management, permitting, and inspection.

Well 2A Cr6 Treatment – Budget $2,250,000. This item includes budget for preparation of design documents and California Environmental Quality Act compliance for a new SBA-IX Cr6 treatment facility at Well 2A. Also includes budget for bidding, construction, construction management, permitting, and inspection.

Total Capital Expenditures

Total capital expenditures are projected at $8.782 million.

Description	Carry-over from 2025-26	Budget 2026-27	Total Budget 2026-27
Well 15 Cr6 Treatment Design and CEQA	$ 90,420.00	$ -	$ 90,420.00
District Office Roof	$ 40,000.00	$ -	$ 40,000.00
Vacuum Trailer Replacement	$ 90,000.00	$ 50,000.00	$ 140,000.00
2025 Urban Water Management Plan	$ 65,000.00	$ -	$ 65,000.00
Total Continued Ongoing Projects	**$ 285,420.00**	**$ 50,000.00**	**$ 335,420.00**
Annual Hydrant Replacement Program	$ -	$ 150,000.00	$ 150,000.00
Annual Miscellaneous Pump Replacements	$ -	$ 100,000.00	$ 100,000.00
Annual Meter Replacements	$ -	$ 190,000.00	$ 190,000.00
Annual Pipeline Replacement	$ -	$ 422,534.00	$ 422,534.00
Total New Annual Projects	**$ -**	**$ 862,534.00**	**$ 862,534.00**
Maintenance Equipment & Tools: Diaphragm Pumps	$ -	$ 7,000.00	$ 7,000.00
Maintenance Equipment & Tools: Diffusers	$ -	$ 10,000.00	$ 10,000.00
Maintenance Equipment & Tools: Flow Tester/Diffusers	$ -	$ 10,500.00	$ 10,500.00
Maintenance Equipment & Tools: Light Trailer	$ -	$ 6,000.00	$ 6,000.00
Transportation Equipment: Truck	$ -	$ 50,000.00	$ 50,000.00
Water Treatment: Well 15 Cr6 Treatment	$ -	$ 3,000,000.00	$ 3,000,000.00
Water Treatment: Well 10 Cr6 Treatment	$ -	$ 2,250,000.00	$ 2,250,000.00
Water Treatment: Well 2A Cr6 Treatment	$ -	$ 2,250,000.00	$ 2,250,000.00
Total New Projects	**$ -**	**$ 7,583,500.00**	**$7,583,500.00**
Total FY 2026-27	**$ 285,420.00**	**$ 8,496,034.00**	**$8,781,454.00**

Beginning Funds Balance	4,315,251.00
Inflows	5,053,716.00
Outflows	(8,781,454.00)
Estimated Ending Funds Balance	$ 587,513.00

Fund Balances

	2025-2026 BUDGET	2026-2027 BUDGET
OPERATING FUND BALANCE		
Operating Account Balance June 30	**$1,952,160.00**	**$1,508,579.00**
Net Revenue	205,523.00	64,878.00
Transfer to GL 10010 Operating Reserve	0.00	0.00
Transfer to Capital Improvement Funds	(649,104.00)	(649,104.00)
Transfer from Capital Improvement Funds	0.00	0.00
Estimated Operating Fund Balance June 30	**$1,508,579.00**	**$924,353.00**
SURCHARGE 1 FUND BALANCE		
Surcharge 1 Fund Balance June 30	**$1,032,647.00**	**$1,112,102.00**
43010 Surcharge Revenue	531,109.00	532,380.00
41110 Investment Revenue	12,000.00	12,000.00
Balance Adjustment	0.00	0.00
69155 SRF Principle	(404,433.00)	(414,897.00)
69160 Interest	(56,921.00)	(46,458.00)
69220 SRF Administration	(2,300.00)	(2,300.00)
Estimated Surcharge 1 Fund Balance June 30	**$1,112,102.00**	**$1,192,827.00**
SURCHARGE 2 FUND BALANCE		
Surcharge 2 Fund Balance June 30	**$661,995.00**	**$790,444.00**
43050 Surcharge 2 Revenue	442,716.00	442,716.00
41110 Investment Revenue	104.00	100.00
69180 Principle	(250,000.00)	(265,000.00)
69185 Interest	(64,371.00)	(49,693.00)
Estimated Surcharge 2 Fund Balance June 30	**$790,444.00**	**$918,567.00**
LAIF FUND (CAPACITY FEES) BALANCE		
LAIF Fund Balance June 30	**$982,820.00**	**$1,062,344.00**
44100 Capacity Fee Revenue	37,000.00	50,000.00
41110 Investment Revenue	42,524.00	40,000.00
Capacity Fee Study	0.00	0.00
Estimated LAIF Fund Balance June 30	**$1,062,344.00**	**$1,152,344.00**
Cr6 SETTLEMENT FUND BALANCE		
Cr6 Settlement Fund Balance June 30	**$4,138,740.00**	**$4,264,232.00**
41110 Investment Revenue	125,492.00	54,000.00
Transfer to Capital Improvement Funds	0.00	(4,318,232.00)
Estimated Cr6 Settlement Fund Balance June 30	**$4,264,232.00**	**$0.00**

Glossary

ACCRUAL BASIS The method of accounting whereby income and expense items are recognized as they are earned or incurred, even though they may not have been received or actually paid in cash.

ACWA Association of California Water Agencies

ASSET A probable future economic benefit obtained or controlled by a particular entity because of past transactions or events (i.e., cash receivables, equipment, etc.)

BUDGET A financial plan showing authorized planned expenditures and their funding sources.

BUDGET PR0CESS The schedule of key dates or milestones, which the District follows in the development, preparation, adoption, and administration of the budget.

CAPITAL ASSETS Long-lived tangible and intangible assets obtained or controlled because of past transactions, events or circumstances. It is the District's policy to capitalize all capital assets with an initial cost of more than $5,000 and an estimated useful life in excess of one year.

CAPITAL IMPROVEMENT PROGRAM (CIP) Authorized expenditures for tangible and long-term physical improvements or additions of a fixed or permanent nature.

CRWA California Rural Water Association

FISCAL YEAR (FY) A 12-month period to which the annual budget applies and at the end of which a government determines its financial position and the results of its operations. For RLECWD the fiscal year is July through June 30.

FUND Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

HEXAVALENT CHROMIUM (Cr6) Refers to chemical compounds that contain the element chromium in the +6-oxidation state.

INCREMENTAL BUDGETING METHOD An incremental budget is a budget prepared using a previous period's budget or actual performance as a basis with incremental amounts added for the new budget period. The allocation of resources is based upon allocations from the previous period. Moreover, it encourages "spending up to the budget" to ensure a reasonable allocation in the next period.

OPERATING BUDGET An operating budget is a combination of known expenses, expected future costs, and forecasted income over the course of a year. Operating budgets are completed in advance of the accounting period, which is why they require estimated expenses and revenues.

OPERATING REVENUES AND EXPENSES Cost of goods sold and services provided to ratepayers and the revenue thus generated.

PERS Public Employees Retirement System

PROPOSITION 218 Prop 218 amended the California Constitution to protect taxpayers by limiting the methods by which local governments can create or increase taxes, fees, and charges without taxpayer consent. Prop 218 requires voter approval prior to imposition or increase of general taxes, assessments, and certain user fees.

SGA Sacramento Ground Water Authority

Items for Discussion and Action
Agenda Item: 4.5

Date: August 24, 2026

Subject: Adoption of Resolution 2026-05, Authorizing Fiscal Year 2026/2027 Final Budgets

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

Executive Committee discussed and forwarded to the full Board.

Current Background and Justification:

District policy and relevant statutes require timely adoption of a final budget via Resolution (2026-05 in this case) at a properly noticed public hearing.

The notice of the public hearing has been published in a newspaper of general circulation. Staff has prepared the final budget and the Resolution. All prerequisites for Board consideration have been met.

Conclusion:

Sample Motion: move to approve Resolution 2026-05, adopting the fiscal year 2026/2027 final budgets.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

Cline ________ Gifford ________ Green ________ Liverett ________ Young ________
(A) Yea **(N) Nay** **(Ab) Ab**stain **(Abs) Abs**ent

RESOLUTION No. 2026-05
A RESOLUTION ESTABLISHING FISCAL YEAR 2026-27 OPERATING AND CAPITAL IMPROVEMENT BUDGET FOR THE RIO LINDA /ELVERTA COMMUNITY WATER DISTRICT

WHEREAS, the Rio Linda / Elverta Community Water District ("District") has identified the District's operating costs as well as the costs of capital improvements to the infrastructure of the District, for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027; and

WHEREAS, the District has prepared a budget setting forth the dollar amounts proposed for operating the District: $3,505,088.00 and for capital improvements: $8,781,454.00; and

WHEREAS, the Board of Directors reviewed and adopted the Preliminary Budget for the District operations and capital improvements at a regular meeting held on June 22, 2026; and

WHEREAS, a noticed public hearing was held August 24, 2026 for the purpose of receiving public comment on the proposed Fiscal Year 2026-27 Operating and Capital Improvement Budget.

NOW THEREFORE, BE IT RESOLVED by the Rio Linda / Elverta Community Water District Board of Directors that the attached 2026-27 Fiscal Year Operating and Capital Improvement Budget is hereby approved and appropriated for the Fiscal Year beginning July 1, 2026 and ending June 30, 2027.

APPROVED AND ADOPTED by the Board of Directors of the Rio Linda / Elverta Community Water District on this 24th day of August 2026. By the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

ATTEST:

Anthony Cline
President, Board of Directors

Felix M. Felix
Secretary of the Board of Directors

Items for Discussion and Action
Agenda Item: 5.1

Date: August 24, 2026

Subject: Interim General Manager's Report

Staff Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:

N/A this item is not reviewed by committee.

Current Background and Justification:

The Interim 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) Ab**stain **(Abs) Abs**ent

Date: August 24, 2026

Subject: Interim General Manager Report

Staff Contact: Felix M. Felix, Interim General Manager

1. Water Rate Study, July 29, 2026: The District reached out to several consultants including previous ones that the District has worked with to submit an RFP to ensure we would get a good pool of consultants to choose from like LT Municipal Consultants, RDN, FCS, Crowe, Raftelis, Bartel Wells, IB Consulting Inc, HF&H, and Wildan. Of the ones we reached out to, only LT Municipal, RDN and Wildan submitted a proposal. After reviewing the RFPs and conducting a scoring matrix, RDN was chosen as the best consultant to conduct the Water Rate Study.

2. Regional Water Authority, Aug. 7, 2026: Contacted Regional Water Authority, Jim Peifer to reach out to Director Maria Liverett and Director Jason Green for introductions and orientation as new RWA committee members representing RLECWD. Please look out for a welcome email/letter.

3. Recruitment for GM, Aug. 13, 2026: A revised job announcement for the Recruitment of a GM has been completed and reviewed by the ad hoc committee with a nod. It will be presented to the full board for approval and posting. Presently, there hasn't been any responses from applicants. So, it's time to consider a more aggressive approach to reach a larger audience. This of course means higher advertising costs. Besides ACWA, B&C Water News and the RLECWD's website. We will look into posting the recruitment on other sites to include CSDA,

CWEA, CalOpps and others. The current deadline to apply has been set for October 15, 2026.

4. CPS HR $1,800 Invoice, Aug. 15, 2026: After meeting with the Executive Committee, they requested I contact Senior Accountant, David Krolikowski regarding the $1,800 Invoice for GM Recruitment Services. I asked him how they justified the hours charged for services provided without a signed agreement and if they can provide more detail on the actual work that was conducted. Pending a response.

5. Comcast Update, Aug. 17, 2026: Comcast Real Estate Manager, James Holston is still interested in expanding the communication facility that resides behind the District office adjacent to the park with a separate gated entrance. This facility has existed since 1986. The facility houses some of their engineering infrastructure occupying approximately 600 Sq Ft. The equipment is antiquated and needs to be upgraded to newer technology to better serve their customers allowing for a stronger network connection. With the upgrades, they anticipate covering approximately 800 Sq Ft. These improvements would also include a new generator and HVAC. Mr. Holston was informed to provide new design plans and renderings as to how that would look for the facility and how much real estate it would occupy/ encompass as there are concerns between our Water System Manager Frank and I regarding how much space the equipment will actually take up. Mr. Holston still plans to provide the renderings /design plans when they are completed. However, they are negotiating their current terms with Diamond Infrastructure, which provides a wide range of services, including infrastructure, land, logistics, energy, environmental, and facility management. More to come.

6. Verizon Water Tower Purchase Lease Agreement Reconciliation, Aug. 17, 2026: Interim GM Felix has been in talks with Asset Manager, Kay Hennessy with Diamond Infrastructure, which provides a wide range of services, including infrastructure, land, logistics, energy, environmental, and facility management. Diamond Infrastructure has notified us that Verizon needs to replace antennae and

radio communication equipment on the District's water tower. The notification, project drawings and PLAs were presented to the Executive Committee. After much deliberation, the Committee was concerned about gaps in continuity from the first contract to the present, vague interpretation with agreed payments to the District and requesting to review the structural analysis, to include weight differences between the old and new equipment, permits, proof of insurance for project work, and how District operations would be affected? The discussion with the Executive Committee led to a proactive engagement with Diamond Infrastructure, who was very willing to be transparent and provide findings for clarity and resolve regarding the history of PSAs.

As your Interim GM, I want to thank you for giving me the opportunity to be of service. I continue to look forward to collaborating with you to accomplish great things.

In Service,

Felix M. Felix

Felix M. Felix
Interim GM
RLECWD

Items for Discussion and Action
Agenda Item: 5.2

Date: August 24, 2026

Subject: Public Works Project Report

Contact: Mike Vasquez, PE, PLS, 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) Ab**stain **(Abs) Abs**ent

Vasquez
Engineering

19 August 2026

CONTRACT DISTRICT ENGINEER'S REPORT

To: Felix M. Felix, Interim General Manager, Rio Linda Elverta Community Water District

From: Mike Vasquez, PE, PLS, Principal (VE), Contract District Engineer (RLECWD)

Subject: Contract District Engineer's Report for the 24 August 2026 Board of Directors Meeting

The Contract District Engineer is pleased to submit this brief update of duties and tasks performed for the period of 23 July 2026 to 19 August 2026:

1. **Water Meter Replacements:** Staff brought an addendum to the Board at the July Meeting for consideration to extend the water meter replacement agreement with construction contractor Rawles Engineering to replace an additional 200-250 meters. The Board decided to "table" extending the agreement while the Interim General Manager considers opportunities to replace meters "in-house". To date, Rawles Engineering has replaced 245 meters and averaged 11.7 meter installations per day. Staff has been very satisfied with the work performed by Rawles.
2. **Water Valve Replacement Project (Capital Improvement Program):** Construction contractor Rawles Engineering has completed removal and replacement of 5 valve cross locations as part of the District's 2025/2026 Capital Improvement Program. Completed sites are:
    - Site 1 (U St/Milldale Cir)
    - Site 2 (U St/10th St)
    - Site 5 (M St/6th St)
    - Site 6 (L St/4th Ave)
    - Site 11 (M St/4th Ave)

   Three sites remain to be completed and are:
    - Site 3 (W 2nd St east of Chisum Ave)
    - Site 7 (N St/9th St)
    - Site 8 (O St/8th St)

   The project has been paused due to Water System Staff being occupied repairing leaks, that has prevented Staff to properly shut off water service at the remaining valve cross locations. Upon successful completion of the remaining 3 sites, it is anticipated to ask for Board approval to complete 8 additional sites as part of the 2026/2027 Capital Improvement Program budget item.
3. **2025 Urban Water Management Plan (UWMP):** The Contract District Engineer continues to package data requests for the consultant to review and preparation of the UWMP. Progress meetings with the consultant take place bi-weekly, at a minimum. The

consultant estimates completion and submittal of the UWMP to DWR by December 2026. DWR has been notified of the anticipated submittal date.

4. **Hexavalent Chromium Compliance Plan:** SBA-IX treatment designs with roll-up regeneration for Wells 2A, 10, and 15, have been paused by the Interim General Manager, pending discussion under a separate agenda item at the 8/24/2026 Board Meeting. The Contract District Engineer met with State Water Board Division of Drinking Water (DDW) Staff on 8/12/2026 to discuss schedule with implementing Cr6 treatment systems by October 2027. DDW staff stated that a "reasonable" timeline extension of "one year" may be requested if Cr6 treatment system installations are delayed due to material procurement or other reasonable causes. Treatment system skid mounted vessels may take 8-10 months for delivery. It is in the District's best interest to continue to move forward as quickly as possible with treatment system installation.

5. **2026 Consumer Confidence Report (CCR):** The Contract District Engineer is assisting the Water Systems Manager with analyzing water quality data and preparing the 2026 CCR that will be sent to rate payers.

6. **Development Review:**

   A. **Century Palms Estates (120-Lot Residential Subdivision, Southwest Corner of M Street and Rio Linda Boulevard Intersection):** The developer's engineer notified the District that the developer has paused the project. No reason was provided. This will delay preparation of a hydraulic model for the District's water system that would have been funded by the developer.

   B. **Q Street (3-Lot Residential Subdivision, south side of Q Street, between Front Street and Rio Linda Boulevard):** The developer's engineer submitted improvement plans for District review. These plans include installation of 3 water services to serve 3 new lots.

7. **General Contract District Engineer Administrative Tasks:**

   A. Prepared staff reports the District's Board Meeting on 7/27/2026.

   B. Prepared staff reports and attended the District's Executive Committee Meeting on 8/12/2026.

   C. Meetings with Director Liverett to discuss Cr6 treatment alternatives.

   D. Over 20 meetings with the Interim General Manager, District Office Staff, and Water System Operations Staff to assist with budgeting, water system operations and maintenance, State regulatory requirements and submittals.

Please contact me at 530-682-9597, or email at gmvasquez@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: 5.3

Date: August 24, 2026

Subject: Consider CPS HR Invoice for GM Recruitment 7-24-26

Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:
The Executive Committee discussed this item and forward this item to the full Board.

Current Background and Justification:

On April 8, 2026, the engagement of CPS HR for GM recruitment services for the District was proposed. At the June 22, 2026 Board meeting, the Board was presented with the option to sign the revised contract agreement with CPS HR and pay the contracted agreement of $30,000 in phases or as a second option, have the current Interim GM recruit for a permanent replacement for free. To save the District money, the Board unanimously agreed to have the Interim GM conduct the recruitment. On 7-24-26, CPS HR submitted an Invoice for payment in the amount of $1,800, which was deducted from the quoted RFP amount of $30,000.

After meeting with the Executive Committee on 8-12-26, they requested the Interim GM to contact Senior Accountant, David Krolikowski regarding the $1,800 Invoice for GM Recruitment Services. On 8-15-26, the Interim GM requested a response from him on how the hours charged for services provided are justified without a signed agreement and if he can provide more detail on the actual work that was conducted. A due date indicates payment by 8-23-26. However, there has been no response since.

Conclusion:
Recommendation to the Board, wait for a response before making payment.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________
Cline _________ Gifford _________ Green _________ Liverett _________ Young _________
(A) Yea **(N) Nay** **(Ab) Ab**stain **(Abs) Abs**ent

CPS HR CONSULTING

Invoice

Invoice No. 0021010
Customer No. RIOL001
Invoice Date 07/24/26

Bill To
Rio Linda/Elverta Community Water District
Attn: Timothy Shaw
730 L ST
Rio Linda, CA 95673

CPS HR Consulting
Lockbox#0134327
PO Box 884327
Los Angeles, CA 90088-4327
Tax ID: 68-0067209

Billing Period 05/31/26 to 06/27/26

Prime Cont. No.	Other Contract	Funded Amount	Fund. Rem.	Project No.	Due Date
		30,000	28,200.00	E6940	08/23/26

Rio Linda Elverta Community WD-GM

Description	Quantity	Billing
Professional Fee - 12 hrs @ $150	1	$1,800.00
Invoice Subtotal		**$1,800.00**
Invoice Total		**$1,800.00**

To pay by ACH/Credit Card, please visit https://www.e-billexpress.com/ebpp/CPSHR/

Items for Discussion and Action
Agenda Item: 5.4

Date: August 24, 2026

Subject: Consider Verizon Antenna & Radio Unit Replacement on District Water Tank

Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:

The Executive Committee discussed this item and forward to the full Board.

Current Background and Justification:

Verizon is requesting to replace outdated antennas and radio units at their existing configuration/leased site on the RLECWD Water Tank. According to the agreement, Valentine Capital paid a lump sum for the purchase of the stream of lease payments in 2014. There would be no payments coming to the district after that. Per the Purchase and Sell Lease Agreement and Minutes attached, Verizon has the right to replace communication equipment as needed. The Agreement has a Planned Reversion date of Nov. 1, 2034. Also included is communication with Q and A regarding past agreements; monies paid and a structural analysis of the water tank. The CD's provided will have the antenna listed on the schedule. Once Board approval is received, Diamond will require Verizon to provide Building Permits, proof of insurance, and select a contractor, complete a scope of work and construction schedule. They will perform a preconstruction site walkthrough prior to any construction start. We will then be invited to join the preconstruction meeting at that time.

Conclusion:
Staff recommends the Board to consider approval of Verizon's request to replace outdated antennas and radio communication units at their existing configuration.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

Cline ________ Gifford ________ Green ________ Liverett ________ Young ________
(A) Yea (N) Nay (Ab) Abstain **(Abs) Abs**ent

Streamline Engineering and Design, Inc
3843 Taylor Road, Suite A
Loomis, CA 95650
(916) 660-1930
FAX (916) 660-1941

Verizon

Rio Linda

Antenna / Watertower Engineering

July 2, 2026

2025 California Building Code
TIA-222-I

Risk Category II; Seismic Importance Factor I_p = 1.0

Soil Site Class - Default; Design Category D; Mechanical Non-Structural Equipment
Seismic Coefficients: S_{DS} = 0.6
Wind: Exposure C, 95 mph;

REGISTERED PROFESSIONAL ENGINEER
KEVIN R. SORENSEN
No. 4469
STRUCTURAL
STATE OF CALIFORNIA

Streamline Engineering
and Design, Inc
3843 Taylor Road, Suite A
Loomis, CA 95650
(916) 660-1930
FAX (916) 660-1941

Verizon – Rio Linda

Engineering Project Summary

This project consists of removing and replacing (6) existing antennas with (6) new antennas. Removing and replacing (6) existing radio units with (3) new radio units. Installing (1) new surge suppressor at the antennas.

Based on these calculations and associated construction drawings we find the scope of work acceptable for the given conditions. Where the existing field conditions vary from those presented in the construction drawings the engineer of record for this project shall be notified.

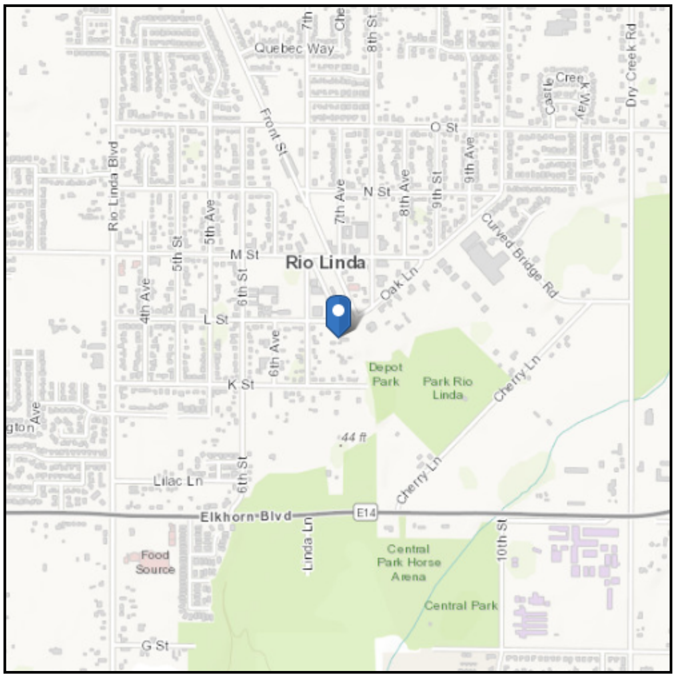
For additional information contact the project engineer at the above office.

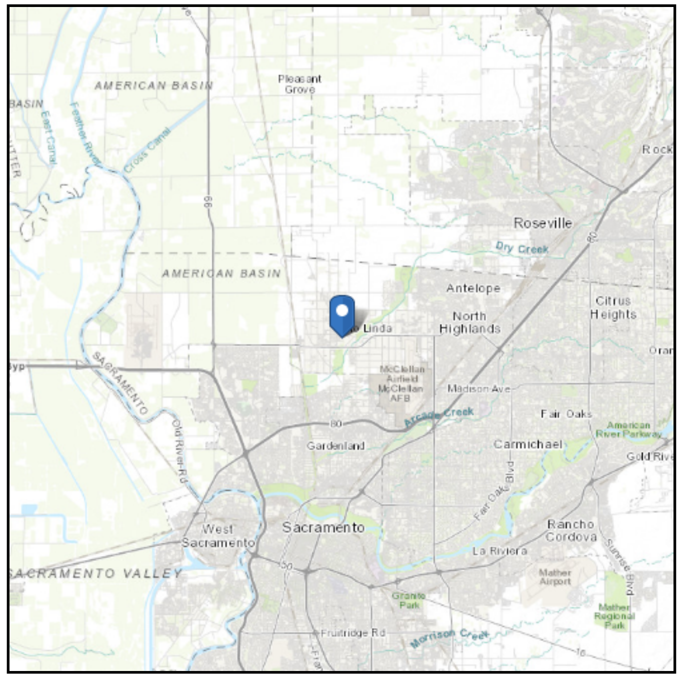
ASCE Hazards Report

Address:
No Address at This Location

Standard: ASCE/SEI 7-22
Risk Category: II
Soil Class: Default

Latitude: 38.688794
Longitude: -121.448847
Elevation: 56.42549440076012 ft (NAVD 88)





Wind

Results:

Wind Speed	~~94 Vmph~~	95mph per City of Sacramento
10-year MRI	65 Vmph	
25-year MRI	71 Vmph	
50-year MRI	76 Vmph	
100-year MRI	80 Vmph	
300-year MRI	88 Vmph	
700-year MRI	94 Vmph	
1,700-year MRI	100 Vmph	
3,000-year MRI	104 Vmph	
10,000-year MRI	114 Vmph	
100,000-year MRI	130 Vmph	
1,000,000-year MRI	148 Vmph	

Data Source: ASCE/SEI 7-22, Fig. 26.5-1B and Figs. CC.2-1–CC.2-4, and Section 26.5.2
Date Accessed: Mon Feb 02 2026

ASCE
AMERICAN SOCIETY OF CIVIL ENGINEERS

Seismic

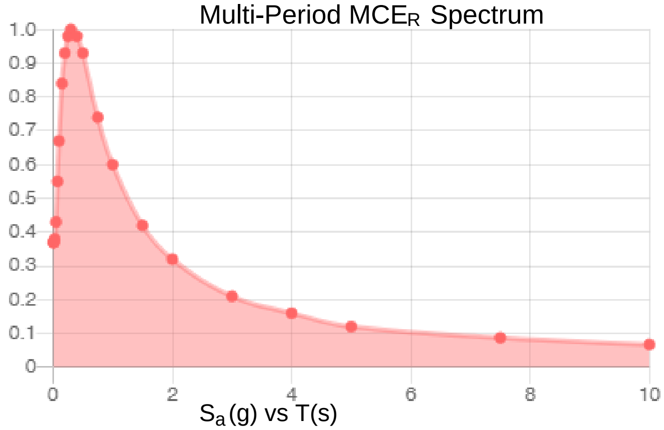
Site Soil Class: Default

Results:

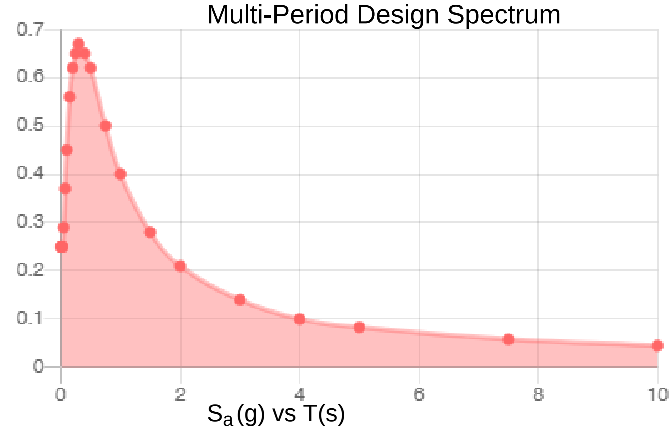
PGA_M :	0.32	T_L :	12
S_{MS} :	0.9	S_S :	0.59
S_{M1} :	0.6	S_1 :	0.23
S_{DS} :	0.6	V_{S30} :	260
S_{D1} :	0.4		

Seismic Design Category: D

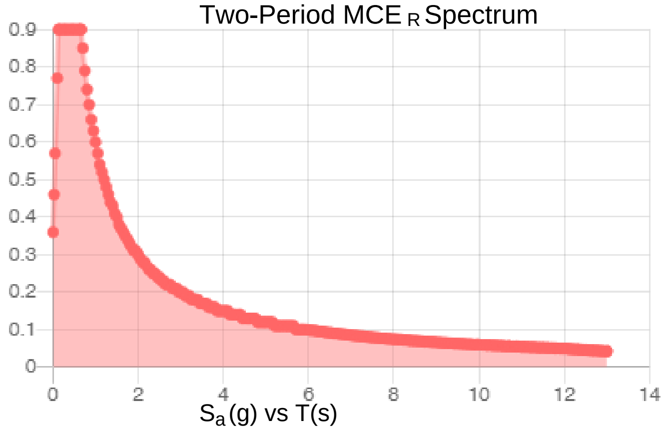
Multi-Period MCE_R Spectrum



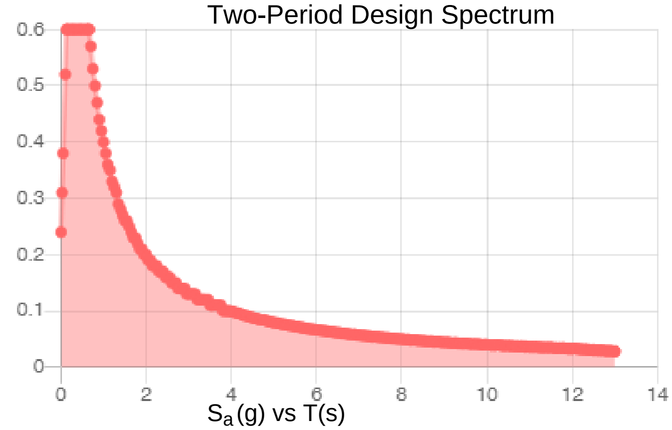
Multi-Period Design Spectrum



Two-Period MCE_R Spectrum



Two-Period Design Spectrum



MCE_R Vertical Response Spectrum

Vertical ground motion data has not yet been made available by USGS.

Design Vertical Response Spectrum

Vertical ground motion data has not yet been made available by USGS.

R = 2600 ft

Use Exposure C

Streamline Engineering and Design, Inc

Project: **Verizon - Rio Linda**

Date: **7/2/2026**
Author: **JRS**

WIND FOR ANTENNAS:

ANSI/TIA-222-I Section 2.6

Risk Category	II		*ANSI/TIA-222-I Table 2-1*
Basic Wind Speed V_{3S}:	95	*mph*	*ANSI/TIA-222-I Table 2-1*
Exposure Category:	C		
Elevation of grade above Sea Level z_g	56	ft	

α: 9.5 z_g: 900 *ft* K_{zmin}: 0.85

ANSI/TIA-222-I Table 2-4

Supporting Structure Height h AGL:	135.00	*ft*	
Centroid Antenna Height z AGL:	83.00	*ft*	
Screened?	No		
Exposure Coefficient $K_z = 2.41(z/z_g)^{2/\alpha}$:	1.46		
Ground Elevation Factor K_e	1.00		*ANSI/TIA-222-I Section 2.6.8, Table 2-5*
Topographic Factor K_{zt}:	1.00		*ANSI/TIA-222-I Section 2.6.6*
Directionality Factor K_d:	0.95		*ANSI/TIA-222-I Table 2-2*
Supporting Structure Type	Self Supporting or Bracketed Lattice Structures		
Gust Factor G_h:	0.85		*ANSI/TIA-222-I Section 2.6.9*
Velocity Pressure = $q_z = .00256K_zK_{zt}K_dK_eV^2$:	31.96	*psf*	*ANSI/TIA-222-I Section 2.6.11.6*
Wind Pressure = $0.6*q_zG_h$:	16.30	*psf*	*ANSI/TIA-222-I Section 2.6.11.2*

Antenna Data:	**Antenna Specs**							
Designation	**Height (in)**	**Width (in)**	**Depth (in)**	**Diag Width (in)**	**Diag Wind Area (ft^2)**	**Weight (lb)**	**Aspect Ratio**	**Ca**
(N) Ericsson Air 3283	47.30	20.00	12.00	23.32	7.66	110.00	2.03	1.20
(N) Commscope NN-65B-R1B	72.80	19.60	7.80	21.10	10.66	60.00	3.45	1.24
(E) Ericsson Air 6449	30.80	16.10	10.80	19.39	4.15	100.00	1.59	1.20
N/A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20

Wind on Antenna 1	Wind Pressure = $0.6*q_zG_hC_f$:	149.85	*lbs*	**A-1: (N) Ericsson Air 3283**
Wind on Antenna 2	Wind Pressure = $0.6*q_zG_hC_f$:	215.95	*lbs*	**A-2: (N) Commscope NN-65B-R1B**
Wind on Antenna 3	Wind Pressure = $0.6*q_zG_hC_f$:	81.11	*lbs*	**A-3: (E) Ericsson Air 6449**
Wind on Antenna 4	Wind Pressure = $0.6*q_zG_hC_f$:	0.00	*lbs*	**A-3: N/A**

Max $F_{ST} = 0.6\ q_zG_hC_fA_p$: (Antenna) 215.95 *lbs* *ANSI/TIA-222-I Section 2.6.9*

Streamline Engineering and Design, Inc

Project: **Verizon - Rio Linda**

Date: 7/2/2026
Analysis by: JRS

SEISMIC FOR MECHANICAL NONSTRUCTURAL COMPONENT: **Antenna**

Allowable Stress Design using 2025 CBC Section 1605.3.1 Basic Load Combination
ASCE 7-22 Chapter 13

Risk Category:	II		*2022 CBC Table 1604.5*	
Seismic Site Class:	D		*2022 CBC section 1613.3.2*	
S_{DS}:	0.600		*http://earthquake.usgs.gov/hazards/designmaps*	
Component Importance I_p:	1.00		*ASCE 7-22 Section 13.1.3*	
Component Weight - 1 W_p:	110.0	*lb*		**A-1: (N) Ericsson Air 3283**
Component Weight - 2 W_p:	60.0	*lb*		**A-2: (N) Commscope NN-65B-R1B**
Component Weight - 3 W_p:	100.0	*lb*		**A-3: (E) Ericsson Air 6449**
Component Weight - 4 W_p:	0.0	*lb*		**A-4: N/A**
Component Height/Roof Height (z/h) (need not exceed 1):	0.6		*ASCE 7-22 Section 13.3.1.1, Max 1*	
Amplification with Height H_f=1+2.5(z/h)	2.5		*ASCE 7-22 Section 13.3.1.1*	
Structure Ductility Reduction Factor, R_u:	1.3		*ASCE 7-22 Section 13.3.1.2*	
Component Resonance Ductility Factor, C_{AR}:	1.0		*ASCE 7-22 Tables 13.6-1*	
Component Strength Factor, R_{po}:	1.5		*ASCE 7-22 Tables 13.6-1*	
Max Seismic Horizontal Force $F_{pmax} = 1.6S_{DS}I_pW_p$:	0.960	W_p	*ASCE 7-22 Equation 13.3-2*	
Calc'd Seismic Horizontal Force $F_p = [(.4S_{DS}I_PW_p)*(H_f/R_u)*(C_{AR}/R_{po})]$	0.312	W_p	*ASCE 7-22 Equation 13.3-1*	
Min Seismic Horizontal Force $F_{pmin} = 0.3S_{DS}I_pW_p$:	0.180	W_p	*ASCE 7-22 Equation 13.3-3*	
Seismic Horizontal Force Ant -1 $F_p = .4I_pa_pS_{DS}W_p(1+2(z/h))/R_p$:	34.3	*lb*		**A-1: (N) Ericsson Air 3283**
Seismic Horizontal Force Ant - 2 $F_p = .4I_pa_pS_{DS}W_p(1+2(z/h))/R_p$:	18.7			**A-2: (N) Commscope NN-65B-R1B**
Seismic Horizontal Force Ant - 3 $F_p = .4I_pa_pS_{DS}W_p(1+2(z/h))/R_p$:	31.2			**A-3: (E) Ericsson Air 6449**
Seismic Horizontal Force Ant -4 $F_p = .4I_pa_pS_{DS}W_p(1+2(z/h))/R_p$:	0.0			**A-4: N/A**
Seismic Vertical Force Ant - 1 E_v =+/-.2$S_{DS}W_p$:	13.2	*lb*		**A-1: (N) Ericsson Air 3283**
Seismic Vertical Force Ant - 2 E_v =+/-.2$S_{DS}W_p$:	7.2	*lb*		**A-2: (N) Commscope NN-65B-R1B**
Seismic Vertical Force Ant - 3E_v =+/-.2$S_{DS}W_p$:	12.0	*lb*		**A-3: (E) Ericsson Air 6449**
Seismic Vertical Force Ant - 4 E_v =+/-.2$S_{DS}W_p$:	0.0	*lb*		**A-4: N/A**
Service Level Seismic Horizontal Force Ant -1 $F_{p\,(ASD)}$= 0.7*F_p	24.0	*lb*		**A-1: (N) Ericsson Air 3283**
Service Level Seismic Horizontal Force Ant -2 $F_{p\,(ASD)}$= 0.7*F_p	13.1	*lb*		**A-2: (N) Commscope NN-65B-R1B**
Service Level Seismic Horizontal Force Ant -3 $F_{p\,(ASD)}$= 0.7*F_p	21.9	*lb*		**A-3: (E) Ericsson Air 6449**
Service Level Seismic Horizontal Force Ant -4 $F_{p\,(ASD)}$= 0.7*F_p	0.0			**A-4: N/A**
Service Seismic Vertical Force Ant - 1 $E_{v(asd)}$ =0.7*(+/-.2$S_{DS}W_p$):	9.2	*lb*		**A-1: (N) Ericsson Air 3283**
Service Seismic Vertical Force Ant - 2 $E_{v(asd)}$ =0.7*(+/-.2$S_{DS}W_p$):	5.0	*lb*		**A-2: (N) Commscope NN-65B-R1B**
Service Seismic Vertical Force Ant -3 $E_{v(asd)}$ =0.7*(+/-.2$S_{DS}W_p$):	8.4	*lb*		**A-3: (E) Ericsson Air 6449**
Service Seismic Vertical Force Ant - 4 $E_{v(asd)}$ =0.7*(+/-.2$S_{DS}W_p$):	0.0	*lb*		**A-4: N/A**
Max Antenna Horizontal Seismic Force	24.0			

Streamline Engineering and Design, Inc

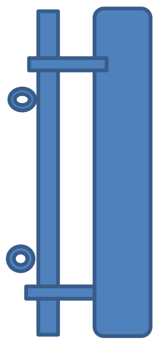
Project: **Verizon - Rio Linda**

Date: **7/2/2026**

Author: **JRS**

SEISMIC FOR MECHANICAL NONSTRUCTURAL COMPONENT:

Antenna Anchor Check:



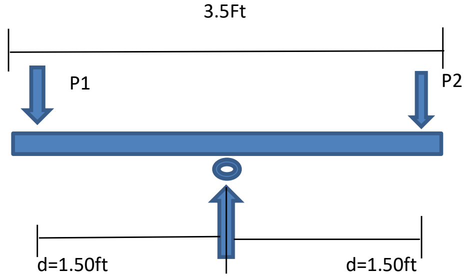
A1	**(N) Ericsson Air 3283**	
Height =	47.30	in
Width =	20.00	in
Depth =	12.00	in
Diag Width =	23.32	in
Diag Area =	7.66	ft^2
Weight =	110.00	lbs

A2	**(N) Commscope NN-65B-R1B**	
Height =	72.80	in
Width =	19.60	in
Depth =	7.80	in
Diag Width =	21.10	in
Diag Area =	10.66	ft^2
Weight =	60.00	lbs

Max Antenna Weight	=	110.00	lbs
Vg= Weight/4	=	27.50	lbs
Max Horiz =	=	215.95	lbs
Vh=Max Horiz/4	=	53.99	lbs
Vmax =	=	81.49	
Shear Capacity of 7/16" Dia Bolts	=	4058	lbs

O.K. Use (4) 7/16 in diameter A-307 Bolts

Cross Arm Check:



Antenna 1 Weight =	110.00	lbs
Vert Pipe Weight =	25.9	lbs
RRU / Misc Equip Wt =	0	lbs
Total =	135.92	lbs

Antenna 2 Weight =	60.00	lbs
Vert Pipe Weight =	25.9	lbs
RRU / Misc Equip Wt =	70	lbs
Total =	155.92	lbs

Dimensions

Length of Cross Arm	3.5	ft
Distance Antenna 1 to Support	1.5	ft
Distance Antenna 2 to Support	1.5	ft

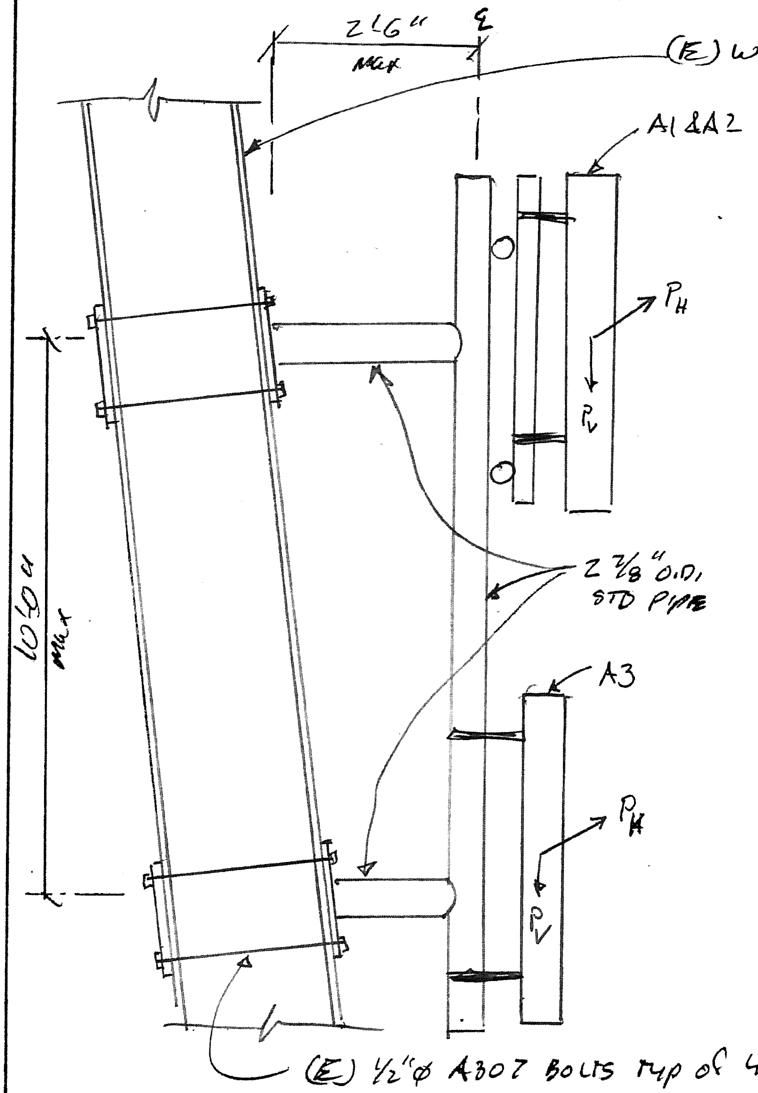
Forces

$P1_V$=		135.9	lbs
$P1_h$=		149.85	lbs
$P1_T$=	Sqrt(P1v^2 + P1h^2)	202.3	lbs
$P2_V$=		155.9	lbs
$P2_h$=		215.95	lbs
$P2_T$=	Sqrt(P1v^2 + P1h^2)	266.4	lbs
M_{left}=	(P1t*d1*12)	3641.6	lb*in
M_{Right}=	(P2t*d2*12)	4794.4	lb*in
Arm Yield Strength		35000	psi
Z_{req}=	M*1.67/Arm Yield	0.229	in^3

O.K. Use 3.5 in O.D. STD Pipe Z=2.19 in^3

Note: Result is conservative with all forces to one cross arm.

ANTENNA MOUNT DESIGN



ANTENNAS A1
~~AIR 3283~~
WT = 110 #
Wind = 150 # (0.6W)
Seismic = 24 # (0.7E)

Antenna 2
Commscope NN-65B-HG
wt = 60 #
wind = 216 # (0.6W)
seismic = 18 # (0.7E)

Antenna 3
(E) AIR 6449
WT = 100 #
Wind = 82 #
Seismic = 22 #

$P_{V Top} = (110 + 60 + 64) = 234$ # DL
$P_{H Top} = (150 + 216) = 366$ # (0.6W)
$P_{V Bot} = 100$ # DL
$P_{H Bot} = 82$ # (0.6W)

HORIZONTAL STANDOFF CHECK

(E) PIPE IS 2 7/8" O.D. STD PIPE

TOP ARM

$$M_V = \left(234\# + \frac{100\#}{2}\right) \times 2.5' \times 12 = 8520 \ \#\cdot in$$
$$M_H = 366\# \times 2.5 \times 12 = 10980 \ \#\cdot in$$
$$\left.\right\rangle 19500 \ \cdot in$$

$$Z_{req} = \frac{19500 \ \#\cdot in \times 1.67}{35000} = 0.93 \ in^3$$

∴ (E) 2 7/8" O.D. STD PIPE OK
Z = 1.37 in³

∴ BY INSPECTION LOWER ARM OK

ANTENNA MOUNT DESIGN

CONNECTION

$M_V = 8520$ #·in T/C = 8520 #/10" = 852 #

$M_H = 10980$ #·in T/C = 10980 #/10" = 1098 #

} 1950 #/2 BOLTS = **975 #**

V = (284# + 366 #) = 650 # T/BOLT = 650 #/4 BOLTS = **163 #**

D/C TENSION = $\frac{975}{4410 \#}$ = 22% D/C SHEAR = $\frac{163}{2350}$ = 7%

COMBINED ≈ 30% ok

∴ (E) 1/2"Ø A307 BOLTS OK

WATER TOWER CHECK

WEIGHT OF VERIZON EQUIPMENT TO TOWER
@ EA SECTOR

Antenna 1	= 75#
Antenna 2	≈ 110#
Antenna 3	≈ 100#
RRUS 1	≈ 69#
SURGE SUPPRESSOR	≈ 32#
Pipe A1&A2 @ 26#	≈ 52#
MAIN MOUNT	≈ 100#
MISC	≈ 62#

TOTAL ≈ 600# × 3 = 1800#

1800# is 5% of 36000# ≈ 36K

WATER TOWER STRUCTURE IS >> LARGER & HEAVIER THAN 36K
BY INSPECTION OK

∴ EXISTING WATER TOWER IS OK BY INSPECTION FOR APPLIED LOADS FROM EXISTING AND PROPOSED EQUIPMENT

MINUTES OF THE
APRIL 21, 2014
REGULAR MEETING OF THE BOARD OF DIRECTORS
THE RIO LINDA/ELVERTA
COMMUNITY WATER DISTRICT

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

The April 21, 2014 Regular Meeting of the Board of Directors of the Rio Linda/Elverta Community Water District was called to order at 6:30 p.m. at the Depot/Visitor Center located at 6730 Front Street, Rio Linda, Ca. General Manager, Mary Henrici took roll call of the Board of Directors. President Matt Longo, Director Duane Anderson, Director Frank Caron, Director Paul R. Green, Jr., and Director Brent Dills were present. Director Anderson led the pledge of allegiance.

2. PUBLIC COMMENT

Matt Scott, Senior Managing Director of Wireless Capital Partners, and Brian, Managing Director of Sales for Wireless Capital Partners, introduced themselves to the members of the Board.

3. CONSENT CALENDAR

Action items: Approve Consent Calendar Items

4.1 Minutes:
March 17, 2014 Regular Meeting
4.2 Expenditures
4.3 Financial Reports

It was moved by Director Anderson and seconded by Director Green to approve the Consent Calendar. The motion carried with a unanimous vote of 5-0-0.

4. REGULAR CALENDAR

4.1 Stephen Carlson request for waiver of $362.54 in Inactive Fees.

General Manager, Mary Henrici explained that Mr. Carlson applied and was approved for the Inactive Fee waiver and due to the time taken to pass the waiver, the customer has accrued charges that he feels he should not have to pay.

Director Green moved for approval of the $362.54 in Inactive Fees.
Director Green withdrew his motion.

It was moved by Director Longo and seconded by Director Dills that the Board provide a waiver to Mr. Carlson back to the date the Board of Directors passed a Resolution including the inactive service fee waiver. The motion carried with unanimous vote of 5-0-0.

4.2 District Engineers Report

District Engineer, Jim Carson gave a brief overview of the written technical memorandum included in the Board packet.

Public member, Mary Harris made a comment on the fees that should be on the developer to bring surface water into Rio Linda. She also questioned the water banking credits.

4.2.a Master Plan

Mr. Carson gave a brief overview of the changes made in the final Master Plan as well as answered questions of the Board. Director Dills questioned if the Chromium issue was considered in this plan. Mr. Carson explained that it was considered, however there is still a lot of unanswered questions regarding this issue.

It was moved by Director Anderson and seconded by Director Green to approve the Final Master Plan. The motion carried unanimous with a vote of 5-0-0.

4.2.b Sacramento River Intertie Feasibility Study

Mr. Carson explained that approximately 7 water purveyors are putting up $15k, so that a request for proposal (RFP) can be put out to solicit a consultant to help clearly define the project. The project can then be submitted as a purveying mutual water management plan, which is what's needed to get grant funding.

General Counsel, Ravi Mehta asked Mr. Carson, if the other agencies, who were submitting the $15k, were of comparable size to our District. Mr. Carson and Ms. Henrici both stated District size was not considered this is just for an initial study to see what is needed, but District contributions would be considered in the future group meetings once an MOU is written.

Public member Mrs. Harris commented about the pipeline and the $15k should based in proportion to the District size.

It was moved by Director Anderson and seconded by Director Caron to approve the $15,000.00 for the initial study of the Sacramento River intertie. The motion carried unanimous with a vote of 5-0-0.

4.3 Cell Tower Lease Purchase Proposals

Director Caron commented on the loss of income for the 20-year term, when the money obtained up front equates to only 12.5 years. Director Anderson commented that the Finance Committee looked at that as well, but also the possibility that the cell technology may by different in 20 years and the loss the District could take.

Manager Henrici was asked why this was brought back to the Board.
Mrs. Henrici stated that she was asked by the Board to find alternate sources of income, without raising rates, to be able to fund the Capital Improvement projects needed in the Water Master Plan.

Director Green wanted to know how solvent is Wireless Capital Partners.
Matt Scott, Senior Managing Director of Wireless Capital Partners, stated the company is owned by

Flagstone, which has about 2 billion dollars at their disposal. The company was started 2001. They have built a portfolio of 3500 business around the country and sold that portfolio 2 years ago and are in the process of building another one.

It was moved by Director Green and seconded by Director Dills to approve the cell tower lease purchase to Wireless Capital Partners for the term of 20 years pending legal review of the contract. Directors Dills, Anderson, Green and Longo voted yes. Director Caron voted no. The motion carried with a vote of 4-1-0.

4.4 General Manager's Contract

General Manager, Mary Henrici recused herself from the Board and sat in the audience. President Longo stated Director Dills, himself and the GM Mrs. Henrici were part of the ad hoc committee that had prepared the proposed contract. Director Dills pointed out the schedule included in the packet was based on research from the State Controller's office on comparable small districts. In addition, he stated a raise could be given based on a satisfactory evaluation.

Director Dills explained that an 11% raise was justified due to all the upcoming projects that the General Manager will be working on.

Director Caron suggested the contract not be open ended. In addition, the retirement benefit is not currently offered to employees for only being 5years at the District as well as the State holidays would be different from the District employees.

General Counsel, Mr. Mehta gave suggestions to the Board regarding the severance package included in the contract.

President Longo asked GM Mrs. Henrici if she would agree to the motion proposed to change Section 2. a of the General Manager's contract. She agreed.

It was moved by Director Green and seconded by Director Dills to amend the original motion by adding to Section 2a of the GM's Contract "The term of Employee's employment shall commence on July 1, 2014 and shall continue for 2 years unless terminated by either party...." The motion carried with a unanimous vote of 5-0-0.

President Longo asked GM Mrs. Henrici if she would agree to the motion proposed to change Section 4.b.1 of the General Manager's contract. GM Mrs. Henrici disagreed with the change and further stated it is industry standard to pay 6 months of salary not 3 months for a severance package, but is willing to forgo the 6 months for the $300 medical insurance upon retiring with 5 years of service with the District.

Public member, Mary Harris commented on past General Manager's and the $300 medical payments upon retirement.

Public member, GM Henrici gave some information on how PERS retirement works.

It was moved by Director Caron and seconded by Director Green to amend 4.b.1 by removing the Employee shall receive cash payment equal to (6) months of salary (subject to required withholdings) if terminated after the first (12) months of employment. In addition, amending the Employee shall receive cash payment equal to (3) months of salary (subject to required withholdings) if terminated within the first (21) months of employment. The motion carried with a unanimous vote of 5-0-0.

President Longo asked GM Henrici if she was in agreement with the current motion proposed to change and increase years of service. GM Henrici stated she would need to be offered something to compensate.

It was moved by Director Caron and seconded by Director Anderson to amend section 5.a of the General Manager's contract to increase the years from (5) to (7) years of service to receive the $300.00 per month toward medical insurance until the age at which Medicare benefits are available. Directors Dills, Anderson, Longo and Green voted no. Director Caron abstained. The motion failed with a vote of 0-4-1.

It was moved by Director Dills and seconded by Director Green to amend Section 5 .a. to "If the employee retires from the District for <u>PERS purposes...</u>" Directors Dills, Anderson, Longo and Green voted yes. Director Caron abstained. The motion carried with a vote of 4-0-1.

It was moved by Director Green and seconded by Director Anderson to approve the General Manager's contract with the amendments and subject to legal review. The motion carried with a unanimous vote of 5-0-0.

The Senior Associate, with Timothy Carey & Associates introduced themselves to the Board. They stated they attended the meeting primarily to watch the General Manager's contract done in open session, which is not typically done that way.

4.5 Disposal of District Surplus Assets

The Board was presented with a list of assets no longer used or needed by the District.
GM Henrici stated there is a CSDA website that we can list the items on for other agencies to view and purchase. The items could also be sold with sealed bids.

It was moved by Director Caron and seconded by Director Green to approve the disposal of District surplus assets. The motion carried with a unanimous vote of 5-0-0.

4.6 Resolution 2014-03 Urging heightened water conservation by customers in response to drought.

GM Henrici informed the Board that ACWA is requesting the Districts support in passing this Resolution. She also suggested adding additional items to the Resolution the District has done in regards to conservation.

It was moved by Director Anderson and seconded by Director Caron to approve Resolution 2014-03 Urging heightened water conservation by customers in response to drought with amendments. Directors Dills, Anderson, Longo, Green, and Caron voted yes. The motion carried with a unanimous vote of 5-0-0.

4.7 Set Date for Public Hearing for Final Budget in May.

GM Henrici recommended setting the Public Hearing for the next regular meeting of the Board in May. President Longo suggested at the next Board Meeting to just have the District Engineer provide a written report, but not have to attend the meeting.

It was moved by Director Anderson and seconded by Director Dills to set the Public Hearing for the Final Budget at the next regular meeting of the Board on May 19, 2014. The motion carried with a unanimous vote of 5-0-0.

4.8 Sacramento Groundwater Authority (SGA)

SGA meets every other month on the third Thursday at 9:00 am. They are requesting the Board to appoint an alternate for a 4-year term, which must then be approved by the County Board of Supervisors.

It was moved by President Longo to reappoint Director Paul Green, Jr. and alternate Director Duane Anderson to the SGA committee. The motion carried with a unanimous vote of 5-0-0.

4.9 Reallocation of Funds for IT Services

GM Henrici explained to the Board that the previous IT Company, Better Idea Group, was not maintaining the District's computer system the way it should have been, so another company was brought in. Director Caron suggested surveying some other local companies for IT services.

It was moved by Director Dills and seconded by Director Anderson to move $8500.00 in funds budgeted from Legal Service to It Services making the new IT budget $13k. The motion carried with a unanimous vote of 5-0-0.

5. INFORMATION ITEMS

1. **DISTRICT ACTIVITY REPORT**
   a. General Manager's Report – Written report provided.
   b. Water Production Report – Written report provided.

2. **BOARD REPORTS**
   a. Regional Water Authority – Dills, Henrici
   b. Sacramento Groundwater Authority – Green, Henrici
   c. LAFCo –Green
   d. Planning Committee – Longo, Caron
   e. Finance / Administrative Committee – Dills, Anderson
   f. Other Reports

GM Henrici informed the Board the Chromium 6 Maximum Contaminate Level (mcl) has been set at 10ppb, which means 56% of our water supply is now going to be out of compliance.

7. PUBLIC COMMENT FOR CLOSED SESSION

There was no public comment.

8. CLOSED SESSION

8.1 CONFERENCE WITH GENERAL COUNSEL - The Board will meet in closed session pursuant to Government Code Section 54956.9(b)(3)(B) - significant exposure to potential litigation (1 potential case)

9. ANNOUNCEMENTS FROM CLOSED SESSION

President Longo called the meeting back to order at 10:40 p.m.

President Longo announced that legal counsel of the potential litigation has informed the Board and no action was taken.

10. DIRECTORS' AND GENERAL MANAGER COMMENTS

11. ADJOURNMENT

President Longo adjourned the meeting at 10:45 p.m.

Communications with Diamond Infrastructure 8-17-26

1. They feel there may be missing signed agreements- gaps in continuity from the first contract to the present.*(Previously sent via email: PSA: Valentine Capital, LLC. Merger with Valentine Capital LLC to MelTel II Valentine LLC, MelTel II Valentine LLC to T10 MelTel LLC, T10 MelTel LLC to B MelTel LLC, and lastly B MelTel LLC to B Diamond Infra LLC.) Is there something I missed?*

2. There is confusion with agreed payments to the District. *Valentine Capital paid a lump sum for the purchase of the stream of lease payments in 2014. There would be no payments coming in to the district after that. See minutes attached.*

3. Drawings for the replacement of the radio and antenna equipment were provided, but other information was not included, such as a structural analysis, weight difference between the old and new equipment, permits, proof of insurance for construction work, and how District operations will be affected*? Attached is the structural analysis of the water tank. The CD's provided will have the antenna listed on the schedule. Once we receive approval from the District, Diamond will require Verizon provide Building Permits, proof of insurance once they select a contractor to do the work and a complete scope of work and construction schedule. We will perform a preconstruction site walkthrough prior to any construction start. We invite you to join us at that time.*

From: Kay Hennessy <khennessy@diamondcomm.com>
Sent: Tuesday, August 4, 2026 6:52 AM
To: Felix M. Felix <GM@rlecwd.com>
Cc: Anthony Cline <acline@rlecwd.com>
Subject: RE: CAB92 Rio Linda Verizon Site Modifications Notification

Hi Felix:

Please see the attached PSA and entity name changes for B Diamond Infra, LLC.

Verizon will be swapping out antennas and radio units at their existing configuration/lease areas as shown in the previously attached drawings.

Please let me know if you have any questions.

Thank you,

Diamond
Kay Hennessy
Asset Manager - West
(480) 204-8390
diamondcomm.com
khennessy@diamondcomm.com
Mail: PO Box 619, Springfield, NJ 07081
Carrier Package: 120 Mountain Avenue, Springfield, NJ 07081

verizon

RIO LINDA (FD-MIMO)

730 L STREET, RIO LINDA, CA 95673
MDG LOCATION ID: 5000219287
PROJECT ID: 17590981

PROJECT DESCRIPTION

A MODIFICATION OF AN (E) VERIZON WIRELESS UNMANNED TELECOMMUNICATION FACILITY CONSISTING OF:

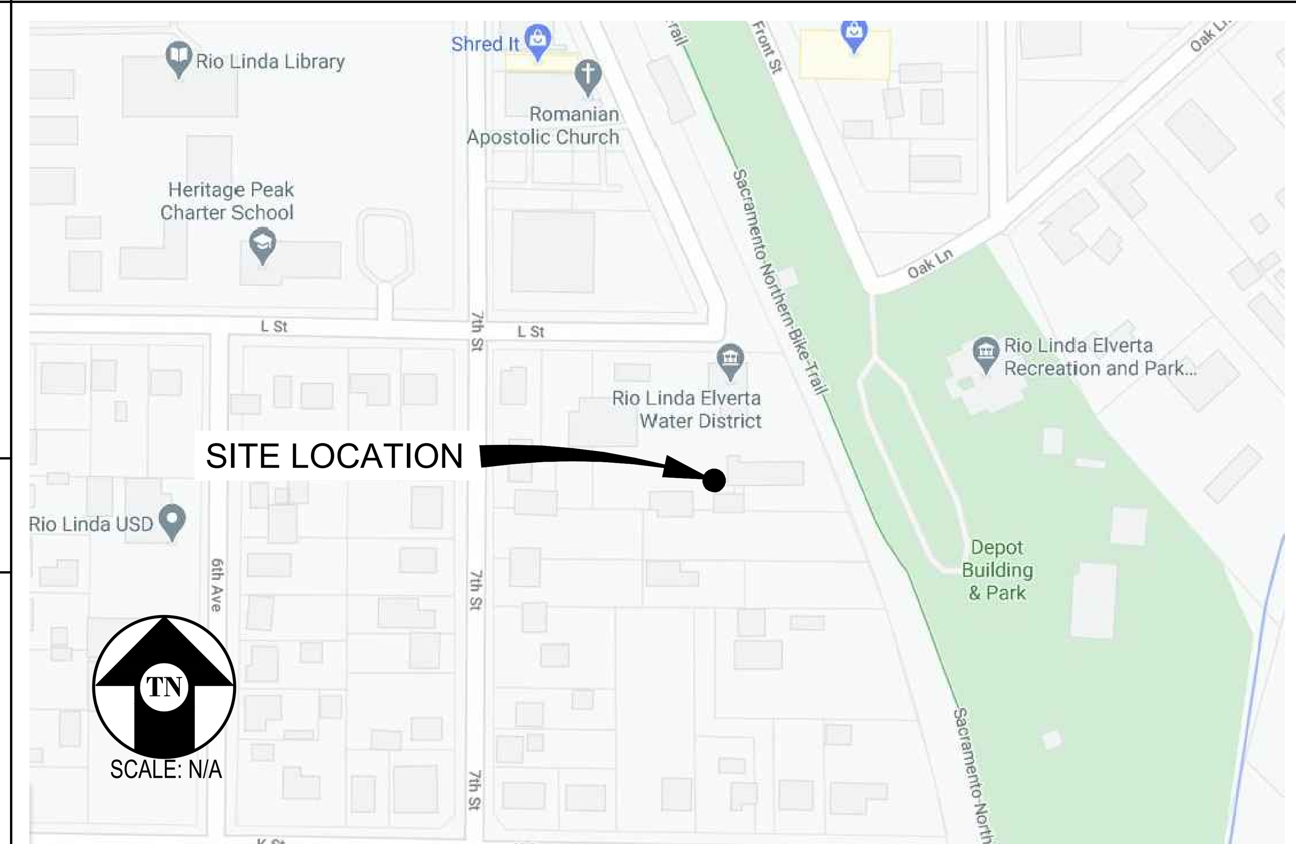
- REMOVING & REPLACING (6) (E) ANTENNAS W/ (6) (N) ANTENNAS
- REMOVING & REPLACING (3) (E) RADIO 4449 UNITS W/ (3) (N) RADIO 4490 UNITS @ ANTENNAS
- INSTALLING (1) (N) DC6672 UNIT IN (E) EQUIPMENT SHELTER
- INSTALLING (2) (N) DC6627 SURGE SUPPRESSORS, (1) @ ANTENNAS & (1) @ EQUIPMENT
- INSTALLING (2) (N) 6X12 HYBRID CABLES
- REMOVING (3) (E) RADIO 8843 UNITS @ ANTENNAS
- REMOVING (3) (E) 2X4 HYBRID CABLES
- RETAINING (3) (E) ANTENNAS
- RETAINING (1) (E) RAYCAP DC6627 SURGE SUPPRESSOR
- REMOVING (1) RAYCAP 3315 SURGE SUPPRESSOR @ EQUIPMENT

PROJECT INFORMATION

SITE NAME:	RIO LINDA
MDG LOCATION ID:	5000219287
COUNTY:	SACRAMENTO
JURISDICTION:	CITY OF SACRAMENTO
APN:	206-0253-029
SITE ADDRESS:	730 L STREET RIO LINDA, CA 95673
CURRENT ZONING:	RD-5
CONSTRUCTION TYPE:	I-B
OCCUPANCY TYPE:	U, (UNMANNED COMMUNICATIONS FACILITY)
POWER:	SMUD
LATITUDE:	N 38° 41' 19.6584" NAD 83 N 38.688794° NAD 83
LONGITUDE:	W 121° 26' 55.8492" NAD 83 W 121.448847° NAD 83

PROPERTY OWNER:	RIO LINDA WATER DISTRICT P.O. BOX 400 RIO LINDA, CA 95673
APPLICANT:	VERIZON WIRELESS 2770 SHADELANDS DR, BLDG 11 WALNUT CREEK, CA 94598
SITE ACQUISITION COMPANY:	EPIC WIRELESS GROUP 605 COOLIDGE DRIVE, SUITE 100 FOLSOM, CA 95630
LEASING CONTACT:	ATTN: KELLEY CERVANTES (916) 755-2479 KELLEY.CERVANTES@EPICWIRELESS.NET
ZONING CONTACT:	ATTN: JOSH JORDAN (916) 704-0897 JOSH.JORDAN@EPICWIRELESS.NET
CONSTRUCTION CONTACT:	ATTN: JOSH JORDAN (916) 704-0897 JOSH.JORDAN@EPICWIRELESS.NET

VICINITY MAP



DRIVING DIRECTIONS

FROM: 2770 SHADELANDS DR, BLDG 11, WALNUT CREEK, CA 94598
TO: 730 L STREET, RIO LINDA, CA 95673

1.	HEAD TOWARD SHADELANDS DR	148 FT
2.	TURN LEFT TOWARD SHADELANDS DR	413 FT
3.	TURN RIGHT ONTO SHADELANDS DR	0.2 MI
4.	TURN LEFT ONTO N WIGET LN	0.2 MI
5.	TURN RIGHT ONTO YGNACIO VALLEY RD	0.6 MI
6.	TURN RIGHT ONTO BANCROFT RD	0.7 MI
7.	USE THE LEFT 2 LANES TO TURN LEFT ONTO TREAT BLVD	1.0 MI
8.	TURN RIGHT ONTO BUSKIRK AVE	0.2 MI
9.	USE THE LEFT LANE TO TAKE THE RAMP ONTO I-680 N	463 FT
10.	MERGE ONTO I-680 N	1.9 MI
11.	KEEP LEFT TO STAY ON I-680 N, FOLLOW SIGNS FOR MARTINEZ/SACRAMENTO	5.9 MI
12.	KEEP LEFT TO CONTINUE ON I-680 (TOLL ROAD)	14.4 MI
13.	USE ANY LANE TO TAKE EXIT 71A TO MERGE ONTO CA-12 E/I-80 E TOWARD FAIRFIELD/SACRAMENTO (CONTINUE TO FOLLOW I-80 E)	29.3 MI
14.	USE THE RIGHT 2 LANES TO TAKE EXIT 70 FOR CA-113 N TOWARD WOODLAND	1.2 MI
15.	CONTINUE ONTO CA-113 N	9.9 MI
16.	TAKE EXIT 37 FOR MAIN ST TOWARD DOWNTOWN/WOODLAND	0.5 MI
17.	TURN RIGHT ONTO E MAIN ST	0.2 MI
18.	USE THE RIGHT LANE TO MERGE ONTO I-5 S VIA THE RAMP TO SACRAMENTO	10.7 MI
19.	TAKE EXIT 525B FOR CA-99 N TOWARD YUBA CITY/MARYSVILLE	0.9 MI
20.	CONTINUE ONTO CA-99 N	0.4 MI
21.	TAKE EXIT 307 FOR ELKHORN BLVD	0.3 MI
22.	KEEP RIGHT AND MERGE ONTO W ELKHORN BLVD	128 FT
23.	MERGE ONTO W ELKHORN BLVD	4.6 MI
24.	TURN LEFT ONTO 6TH ST	0.4 MI
25.	TURN RIGHT ONTO L ST	0.2 MI

END AT: 730 L STREET, RIO LINDA, CA 95673

ESTIMATED TIME: 1 HOUR 37 MINUTES ESTIMATED DISTANCE: 83.8 MILES

CODE COMPLIANCE

ALL WORK & MATERIALS SHALL BE PERFORMED & INSTALLED IN ACCORDANCE WITH THE CURRENT EDITIONS OF THE FOLLOWING CODES AS ADOPTED BY THE LOCAL GOVERNING AUTHORITIES. NOTHING IN THESE PLANS IS TO BE CONSTRUED TO PERMIT WORK NOT CONFORMING TO THESE CODES:
2025 CALIFORNIA ADMINISTRATIVE CODE (CAC) (PART 1, TITLE 24, C.C.R.)
2025 CALIFORNIA BUILDING CODE (CBC), VOLUMES 1&2, (PART 2, TITLE 24, C.C.R.)
2025 CALIFORNIA ELECTRICAL CODE (CEC) (PART 3, TITLE 24, C.C.R.)
2025 CALIFORNIA MECHANICAL CODE (CMC) (PART 4, TITLE 24, C.C.R.)
2025 CALIFORNIA PLUMBING CODE (CPC) (PART 5, TITLE 24, C.C.R.)
2025 CALIFORNIA ENERGY CODE (CEC) (PART 6, TITLE 24, C.C.R.)
2025 CALIFORNIA WILDLAND-URBAN INTERFACE CODE (WUI) (PART 7, TITLE 24, C.C.R.)
2025 CALIFORNIA FIRE CODE (PART 9, TITLE 24, C.C.R.)
2025 CALIFORNIA EXISTING BUILDING CODE (CEBC) (PART 10, TITLE 24, C.C.R.)
2025 CALIFORNIA GREEN BUILDING STANDARDS CODE (CALGREEN) (PART 11, TITLE 24, C.C.R.)
2025 CALIFORNIA REFERENCED STANDARDS CODE (PART 12, TITLE 24, C.C.R.)
TITLE 19 C.C.R, PUBLIC SAFETY, STATE FIRE MARSHALL REGULATIONS

APPLICABLE STANDARDS:
FOR A LIST OF ALL APPLICABLE STANDARDS, INCLUDING CALIFORNIA AMENDMENTS TO THE NFPA STANDARDS, REFER TO CBC CHAPTER 35 & CFC CHAPTER 80.
ANSI/TIA-222-I-2023
ALONG WITH ANY OTHER APPLICABLE LOCAL & STATE LAWS AND REGULATIONS

DISABLED ACCESS REQUIREMENTS

THIS FACILITY IS UNMANNED & NOT FOR HUMAN HABITATION. DISABLED ACCESS & REQUIREMENTS ARE NOT REQUIRED IN ACCORDANCE WITH CALIFORNIA STATE BUILDING CODE, TITLE 24 PART 2, SECTION 11B-203.5

SHEET INDEX

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A-2.3	ANTENNA SCHEDULE	–
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A-4.1	DETAILS	–
S-1.1	STRUCTURAL DETAILS	–

Issued For:

RIO LINDA

730 L STREET
RIO LINDA, CA 95673

PREPARED FOR

verizon

2770 SHADELANDS DR, BLDG 11
WALNUT CREEK, CA 94598

Vendor:

EPIC WIRELESS GROUP LLC
Connecting a Wireless World

MDG LOCATION ID:	5000219287
PROJECT ID:	17590981
DRAWN BY:	S. DAVIS
CHECKED BY:	S. SAVIG
APPROVED BY:	K. SORENSEN

ISSUE STATUS

REV	DATE	DESCRIPTION	CAD
1	05/27/26	CD 100%	C.C.
0	01/23/26	CD 90%	S.D.

Licensee:

REGISTERED PROFESSIONAL ENGINEER
KEVIN R. SORENSEN
No. 4969
STRUCTURAL
STATE OF CALIFORNIA

IT IS A VIOLATION OF LAW FOR ANY PERSON, UNLESS THEY ARE ACTING UNDER THE DIRECTION OF A LICENSED PROFESSIONAL ENGINEER, TO ALTER THIS DOCUMENT.

ENGINEER:

Streamline Engineering and Design, Inc.

3843 Taylor Road, Suite A, Loomis, CA 95650
Contact: Kevin Sorensen Phone: 916-660-1930
E-Mail: kevin@streamlineeng.com Fax: 916-660-1941

SHEET TITLE:

TITLE SHEET

SHEET NUMBER:

T-1.1

PROJECT GENERAL NOTES

1. THIS FACILITY IS AN UNOCCUPIED WIRELESS TELECOMMUNICATION FACILITY.
2. PLANS ARE NOT TO BE SCALED AND ARE INTENDED TO BE A DIAGRAMMATIC OUTLINE ONLY, UNLESS NOTED OTHERWISE.
3. THE SCOPE OF WORK SHALL INCLUDE FURNISHING MATERIALS, EQUIPMENT, APPURTENANCES AND LABOR NECESSARY TO COMPLETE ALL INSTALLATIONS AS INDICATED ON THE DRAWINGS.
4. PRIOR TO THE SUBMISSION OF BIDS, THE CONTRACTORS SHALL VISIT THE JOB SITE AND BE RESPONSIBLE FOR ALL CONTRACT DOCUMENTS, FIELD CONDITIONS AND DIMENSIONS, AND CONFIRM THAT THE WORK MAY BE ACCOMPLISHED AS SHOWN PRIOR TO PROCEEDING WITH CONSTRUCTION. ANY DISCREPANCIES ARE TO BE BROUGHT TO THE ATTENTION OF THE CONSTRUCTION MANAGER AND ENGINEER PRIOR TO PROCEEDING WITH THE WORK.
5. IT IS THE RESPONSIBILITY OF THE CONTRACTOR TO PAY FOR PERMIT FEES, AND TO OBTAIN SAID PERMITS AND TO COORDINATE INSPECTIONS.
6. THE CONTRACTOR SHALL RECEIVE, IN WRITING, AUTHORIZATION TO PROCEED BEFORE STARTING WORK ON ANY ITEM NOT CLEARLY DEFINED OR IDENTIFIED BY THE CONTRACT DOCUMENTS.
7. CALL BEFORE YOU DIG. CONTRACTOR IS REQUIRED TO CALL 811 (NATIONWIDE "CALL BEFORE YOU DIG" HOTLINE) AT LEAST 72 HOURS BEFORE DIGGING.
8. ALL WORK PERFORMED AND MATERIALS INSTALLED SHALL BE IN STRICT ACCORDANCE WITH ALL APPLICABLE CODES, REGULATIONS, AND ORDINANCES. CONTRACTOR SHALL GIVE ALL NOTICES AND COMPLY WITH ALL LAWS, ORDINANCES, RULES, REGULATIONS AND LAWFUL ORDERS OF ANY PUBLIC AUTHORITY REGARDING THE PERFORMANCE OF THE WORK.
9. THE GENERAL CONTRACTOR SHALL SUPERVISE AND DIRECT THE WORK USING THE BEST SKILLS AND ATTENTION. THE CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR ALL CONSTRUCTION MEANS, METHODS, TECHNIQUES, SEQUENCES AND PROCEDURES. CONTRACTOR SHALL ALSO COORDINATE ALL PORTIONS OF THE WORK UNDER THE CONTRACT; INCLUDING CONTACT AND COORDINATION WITH THE CONSTRUCTION MANAGER AND WITH THE LANDLORD'S AUTHORIZED REPRESENTATIVE.
10. THE CONTRACTOR SHALL MAKE NECESSARY PROVISIONS TO PROTECT EXISTING IMPROVEMENTS, PAVING, CURBS, GALVANIZED SURFACES, ETC., AND UPON COMPLETION OF WORK, REPAIR ANY DAMAGE THAT OCCURRED DURING CONSTRUCTION TO THE SATISFACTION OF THE PROJECT MANAGER.
11. KEEP GENERAL AREA CLEAN, HAZARD FREE, AND DISPOSE OF ALL DIRT, DEBRIS AND RUBBISH. REMOVE EQUIPMENT NOT SPECIFIED AS REMAINING ON THE PROPERTY. LEAVE PREMISES IN CLEAN CONDITION AND FREE FROM PAINT SPOTS, DUST, OR SMUDGES OF ANY NATURE.
12. ALL EXISTING INACTIVE SEWER, WATER, GAS, ELECTRIC, AND OTHER UTILITIES, WHICH INTERFERE WITH THE EXECUTION OF THE WORK, SHALL BE REMOVED AND/OR CAPPED, PLUGGED, OR OTHERWISE DISCONNECTED AT POINTS WHICH WILL NOT INTERFERE WITH THE EXECUTION OF THE WORK, AS DIRECTED BY THE RESPONSIBLE ENGINEER, AND SUBJECT TO THE APPROVAL OF THE OWNER AND/OR LOCAL UTILITIES.
13. ALL EXISTING ACTIVE SEWER, WATER, GAS, ELECTRIC AND ALL OTHER UTILITIES WHERE ENCOUNTERED IN THE WORK SHALL BE PROTECTED AT ALL TIMES.
14. DETAILS ARE INTENDED TO SHOW END RESULT OF DESIGN. MINOR MODIFICATIONS MAY BE REQUIRED TO SUIT JOB DIMENSIONS OR CONDITIONS, AND SUCH MODIFICATIONS SHALL BE INCLUDED AS PART OF THE WORK.
15. THE CONTRACTOR SHALL PROVIDE A TOILET FACILITY DURING ALL PHASES OF CONSTRUCTION.
16. SUFFICIENT MONUMENTATION WAS NOT RECOVERED TO ESTABLISH THE POSITION OF THE BOUNDARY LINES SHOWN HEREON. THE BOUNDARY REPRESENTED ON THIS MAP IS BASED ON COMPILED RECORD DATA AND BEST FIT ONTO EXISTING IMPROVEMENTS. IT IS POSSIBLE FOR THE LOCATION OF THE SUBJECT PROPERTY TO SHIFT FROM THE PLACEMENT SHOWN HEREON WITH ADDITIONAL FIELD WORK AND RESEARCH. THEREFORE ANY SPATIAL REFERENCE MADE OR SHOWN BETWEEN THE RELATIONSHIP OF THE BOUNDARY LINES SHOWN HEREON AND EXISTING GROUND FEATURES, EASEMENTS OR LEASE AREA IS INTENDED TO BE APPROXIMATE AND IS SUBJECT TO VERIFICATION BY RESOLVING THE POSITION OF THE BOUNDARY LINES.
17. THE CONTRACTOR TO VERIFY THE LATEST/CURRENT RF DESIGN.
18. WHERE APPLICABLE, CONTRACTOR SHALL PROVIDE SEPARATE PLANS, SPECIFICATIONS, FEES AND PERMITS FOR ANY REVISION TO ANY FIRE SPRINKLER AND/OR ALARM SYSTEM ON THE PREMISES AS MAY BE NEEDED TO COMPLETE THE WORK DEPICTED HEREIN, USING A LICENSED SUBCONTRACTOR FOR ALL SUCH WORK.

CONSTRUCTION NOTES

1. EXISTING BUILDING CONSTRUCTION CONDITIONS INDICATED ON THE DRAWINGS SHALL BE FIELD VERIFIED BY THE CONTRACTOR PRIOR TO PROCEEDING WITH CONSTRUCTION OR ORDERING OF MATERIALS. IF EXISTING CONDITIONS DO NOT ALLOW FOR DETAILS OF CONSTRUCTION AS SHOWN ON THESE DRAWINGS, NOTIFY ENGINEER OF RECORD FOR RESOLUTION PRIOR TO PROCEEDING. CONTRACTOR SHALL EXPOSE AND REVIEW EXISTING CONDITIONS IN A TIMELY MANNER SUCH THAT ALTERNATE DESIGNS OR DETAILS, IF REQUIRED, MAY BE GENERATED WITHOUT DELAY TO THE PROJECT.
2. DURING CONSTRUCTION, THE CONTRACTOR SHALL NOT ALTER, DAMAGE OR REMOVE ANY PART OF THE EXISTING STRUCTURE UNLESS SPECIFICALLY DETAILED ON THESE DRAWINGS.
3. THE INTENT OF THESE DRAWINGS IS THAT THE WORK OF THE ADDITION, ALTERATION, REHABILITATION, OR RECONSTRUCTION IS TO BE IN ACCORDANCE WITH THE 2025 CBC. SHOULD ANY EXISTING CONDITIONS SUCH AS DETERIORATION OR NONCOMPLYING CONSTRUCTION BE DISCOVERED WHICH IS NOT COVERED BY THE CONTRACT DOCUMENTS WHEREIN THE FINISHED WORK WILL NOT COMPLY WITH THE 2025 CBC, A CHANGE ORDER, OR A SEPARATE SET OF PLANS AND SPECIFICATIONS, DETAILING AND SPECIFYING THE REQUIRED WORK SHALL BE PREPARED AND SUBMITTED TO AND APPROVED BY THE BUILDING DEPARTMENT PRIOR TO PROCEEDING WITH THE WORK.
4. ALL WORK AND MATERIALS SHOWN ARE NEW UNLESS INDICATED AS EXISTING (E).
5. IT MAY BE NECESSARY TO REMOVE ARCHITECTURAL FINISHES, PLUMBING PIPES AND FIXTURES, ELECTRICAL CONDUIT, FIXTURES, PANELS, BOXES, TELEPHONE OR FIRE ALARM WIRING AND FIXTURES OR OTHER NON-STRUCTURAL ITEMS TO INSTALL STRUCTURAL WORK AND MATERIALS SHOWN ON THESE DRAWINGS. SUCH ITEMS SHALL BE REMOVED, REPAIRED AND/OR REPLACED TO MATCH PRE-CONSTRUCTION CONDITIONS AT THE CONTRACTORS EXPENSE.
6. ALL WEATHER PROOFING. INCLUDING BUT NOT LIMITED TO TORCH DOWN, CAULKING, Z-FLASHING OR ANY OTHER MATERIAL THAT MAY BE ALTERED DURING INSTALLATION SHALL BE REPAIRED REPLACED AND/OR MODIFIED TO ENSURE THE BUILDING AT THE INSTALLATION SITE IS WEATHER PROOF.
7. ANY PROPOSED SUBSTITUTIONS FOR STRUCTURAL MEMBERS, HARDWARE, ANCHOR TYPES, OR DETAILING INDICATED IN THESE DRAWINGS SHALL BE SUBMITTED TO AND REVIEWED BY THE ENGINEER OF RECORD PRIOR TO ORDERING MATERIALS. SUCH REVIEW SHALL BE BILLED ON A TIME AND MATERIALS BASIS TO THE CONTRACTOR WITH NO GUARANTEE THAT THE SUBSTITUTION WILL BE ALLOWED.
8. CONTRACTOR SHALL ENSURE ALL ROOF AREAS HAVE POSITIVE SLOPE TO ALL EXISTING ROOF DRAINS. PROVIDE ADDITIONAL CRICKETS OR BUILD UP ROOFING AS REQUIRED TO PROVIDE POSITIVE DRAINAGE AROUND ALL NEW CONSTRUCTION INCLUDING ANY CURBS, SLEEPERS, SUPPORT BASES, ETC.

STRUCTURAL STEEL NOTES

1. ALL STEEL CONSTRUCTION INCLUDING FABRICATION, ERECTION AND MATERIALS SHALL COMPLY WITH ALL REQUIREMENTS OF THE 2022 AISC SPECIFICATION FOR THE DESIGN, FABRICATION, AND ERECTION OF STRUCTURAL STEEL FOR BUILDINGS AND THE 2025 CBC.
2. ALL STRUCTURAL STEEL SHALL BE ASTM A36 UNLESS OTHERWISE NOTED. ALL WF (WIDE FLANGE) & WT (TEE) SHAPES TO BE ASTM A992 (F_Y=50,000 PSI) UNLESS NOTED OTHERWISE. ALL STRUCTURAL TUBING (TS OR HSS) SHALL BE ASTM A500 GRADE C (F_Y=50,000 PSI FOR RECT HSS & F_Y=46,000 PSI FOR ROUND HSS PER AISC MANUAL TABLE 2-4) ALL STEEL PIPE SHALL BE ASTM A53 (TYPE E OR S, GRADE B (F_Y=35,000 PSI)) SCHEDULE 40 WITH OUTSIDE DIAMETERS GIVEN UNLESS OTHERWISE NOTED.
3. ALL WELDING SHALL BE PERFORMED USING E70XX ELECTRODES UNLESS OTHERWISE NOTED AND SHALL CONFORM TO AISC & AWS D1.4. WHERE FILLET WELD SIZES ARE NOT SHOWN PROVIDE THE MINIMUM SIZE PER TABLE J2.4 IN THE AISC SPECIFICATION. PAINTED SURFACES SHALL BE TOUCHED UP.
4. ALL WELDING SHALL BE PERFORMED BY QUALIFIED, CERTIFIED WELDERS.
5. HIGH STRENGTH BOLTS SHALL BE GALVANIZED ASTM F3125/F3125M GRADE A325 MINIMUM. BOLTED CONNECTIONS SHALL BE BEARING TYPE. SEE PLANS FOR LOCATION, NUMBER, & SIZE OF BOLTS.
6. HIGH STRENGTH BOLT NUTS SHALL BE ASTM A563/A563M AND WASHERS SHALL BE ASTM F436/ F436M.
7. THREADED RODS SHALL BE ASTM F1554, GR 36 U.O.N. BOLTED CONNECTIONS SHALL BE BEARING TYPE.
8. ALL HOLES FOR BOLTED CONNECTIONS SHALL BE 1/16" LARGER THAN THE NOMINAL BOLT DIAMETER. USE STANDARD AISC GAGE AND PITCH FOR BOLTS EXCEPT AS NOTED OTHERWISE. HOLES FOR ANCHOR BOLTS IN BASE PLATES MAY BE AISC "OVERSIZE" HOLES WHERE ACCOMPANIED BY OVERSIZED HARDENED HOT DIPPED GALVANIZED WASHERS.
9. ALL SHOP FABRICATED STEEL STRUCTURAL MEMBERS FOR EXTERIOR USE SHALL BE HOT DIP GALVANIZED PER ASTM A123 AFTER FABRICATION & PAINTED PER CUSTOMER SPECIFICATIONS AS REQUIRED. STEEL FOR INTERIOR USE SHALL BE SHOP COAT OR GALVANIZED & PAINTED.
10. ALL FIELD FABRICATED GALVANIZED STEEL THAT IS CUT, GROUND, DRILLED, WELDED OR DAMAGED SHALL BE TREATED WITH "ZINC RICH" COLD GALVANIZING SPRAY OR COATING. NO RAW STEEL SHALL BE EXPOSED.
11. AT ALL WEB STIFFENER PLATES LEAVE ¾"ø (OR K, WHICHEVER IS LARGER) HOLE @ WEB/FLANGE INTERSECTION UNLESS NOTED OTHERWISE.
12. U-BOLTS AT ANTENNA & RRU MOUNT TO BE GALVANIZED SAE J429, GRADE 2 WITH J995 NUTS U.O.N.
13. ALL STRUT MEMBERS USED IN EXTERIOR APPLICATIONS SHALL BE HOT DIPPED GALVANIZED PER ASTM A123 OR ASTM A153.
14. ALL STAINLESS STEEL BOLTED CONNECTIONS SHALL BE ASTM F593-17 ALLOY GROUP 1 OR 2 AND STAINLESS STEEL NUTS SHALL BE ASTM F594-09 (2015).

Issued For:

RIO LINDA

730 L STREET
RIO LINDA, CA 95673

PREPARED FOR

verizon

2770 SHADELANDS DR, BLDG 11
WALNUT CREEK, CA 94598

Vendor:

EPIC WIRELESS GROUP LLC
Connecting a Wireless World

MDG LOCATION ID:	5000219287
PROJECT ID:	17590981
DRAWN BY:	S. DAVIS
CHECKED BY:	S. SAVIG
APPROVED BY:	K. SORENSEN

ISSUE STATUS

REV	DATE	DESCRIPTION	CAD
1	05/27/26	CD 100%	C.C.
0	01/23/26	CD 90%	S.D.

Licensee:

REGISTERED PROFESSIONAL ENGINEER
KEVIN R. SORENSEN
No. [illegible]
STRUCTURAL
STATE OF CALIFORNIA

IT IS A VIOLATION OF LAW FOR ANY PERSON, UNLESS THEY ARE ACTING UNDER THE DIRECTION OF A LICENSED PROFESSIONAL ENGINEER, TO ALTER THIS DOCUMENT.

ENGINEER:

Streamline Engineering and Design, Inc.

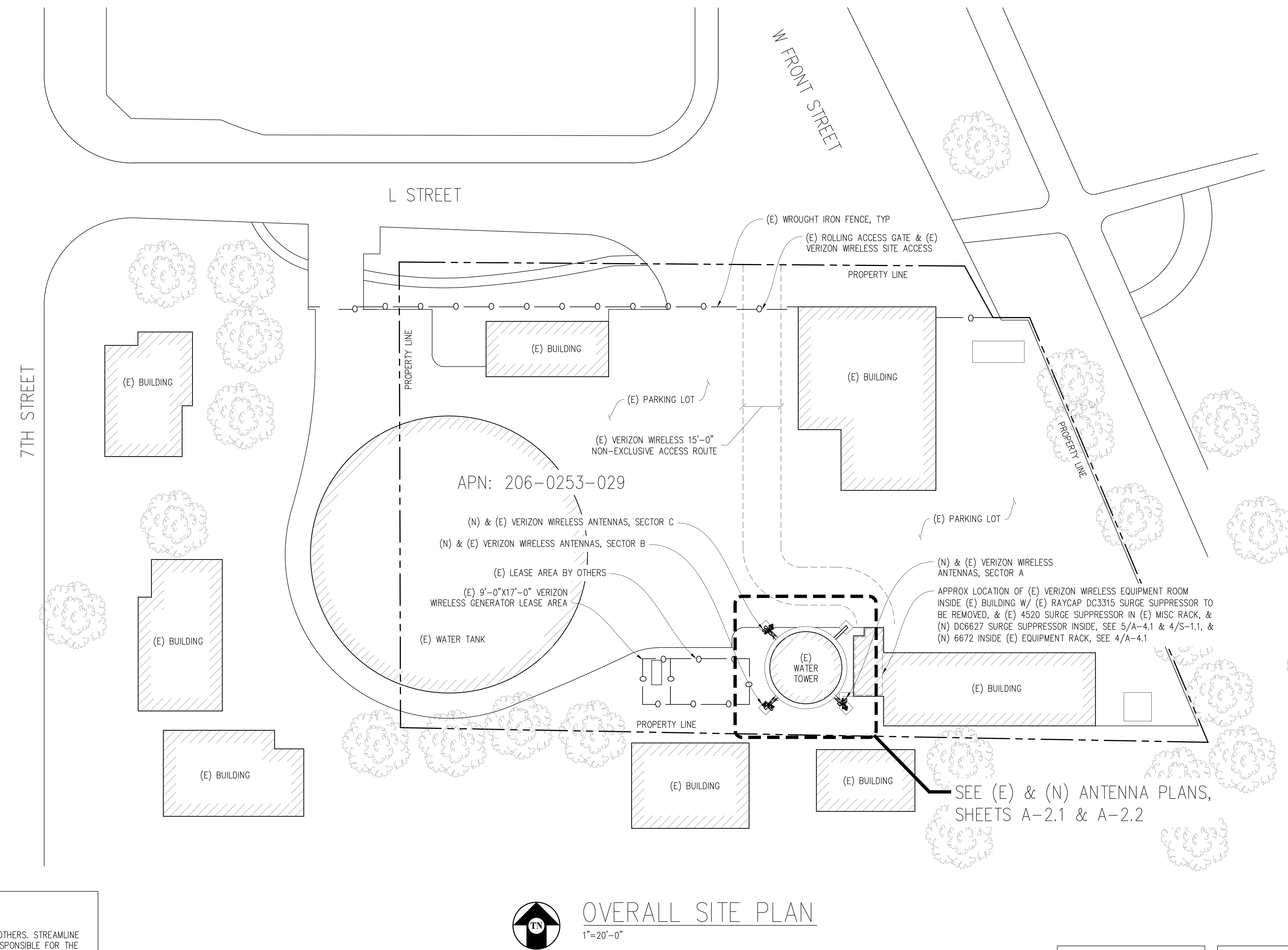
3843 Taylor Road, Suite A, Loomis, CA 95650
Contact: Kevin Sorensen Phone: 916-660-1930
E-Mail: kevin@streamlineeng.com Fax: 916-660-1941

SHEET TITLE:

GENERAL NOTES

SHEET NUMBER:

T-1.2



OVERALL SITE PLAN

1"=20'-0"

NOTICE

EXISTING TOWER TO BE ANALYZED BY OTHERS. STREAMLINE ENGINEERING & DESIGN INC. IS NOT RESPONSIBLE FOR THE EVALUATION OF THE EXISTING TOWER, BASE PLATE, ANCHOR BOLTS, FOUNDATION OR ANTENNA/RRU MOUNT FRAMING & CONNECTIONS FOR THE EXISTING AND NEW LOADING CONDITIONS.

NOTE: NO (N) BATTERIES REQUIRED FOR THIS MODIFICATION.

NOTE: NO (N) ELECTRICAL LOAD CONNECTIONS TO (E) ELECTRICAL PANEL REQUIRED FOR THIS MODIFICATION.

Issued For:

RIO LINDA

730 L STREET
RIO LINDA, CA 95673

PREPARED FOR

verizon
2770 SHADELANDS DR, BLDG 11
WALNUT CREEK, CA 94598

Vendor:

EPIC WIRELESS GROUP LLC
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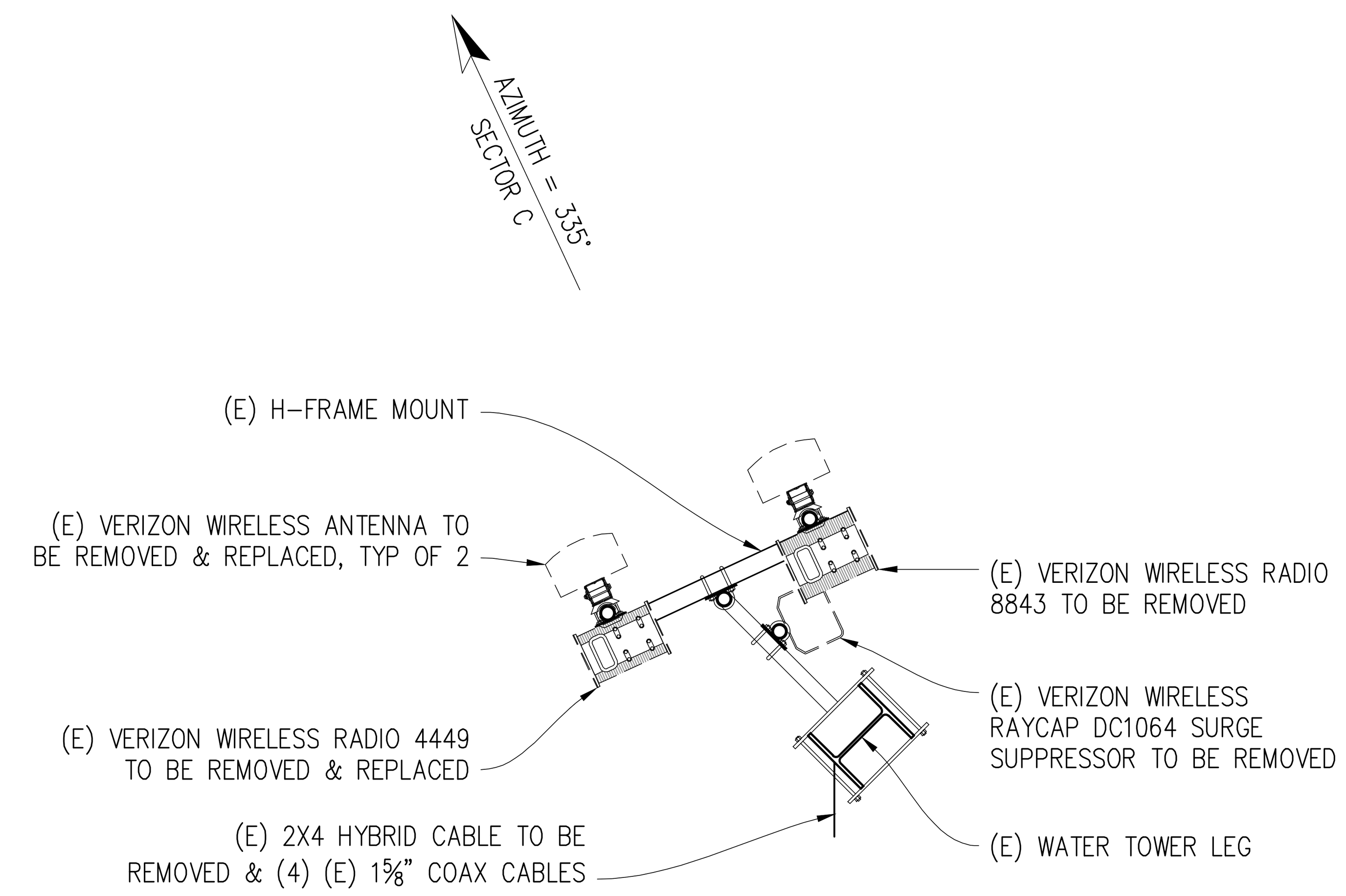
3843 Taylor Road, Suite A Loomis, CA 95650
Contact: Kevin Sorensen Phone: 916-660-1930
E-Mail: kevin@streamlineeng.com Fax: 916-660-1941

SHEET TITLE:

OVERALL SITE PLAN

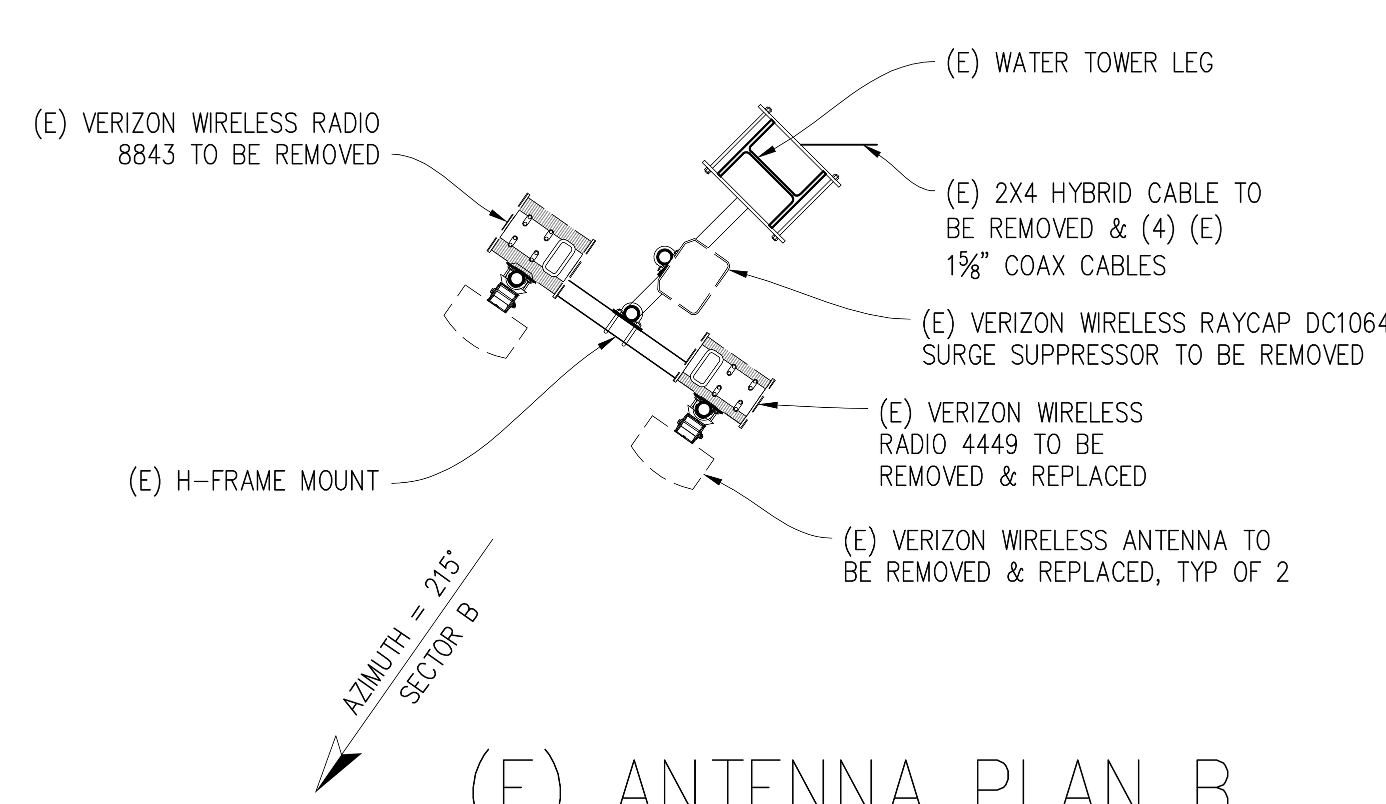
SHEET NUMBER:

A-1.1



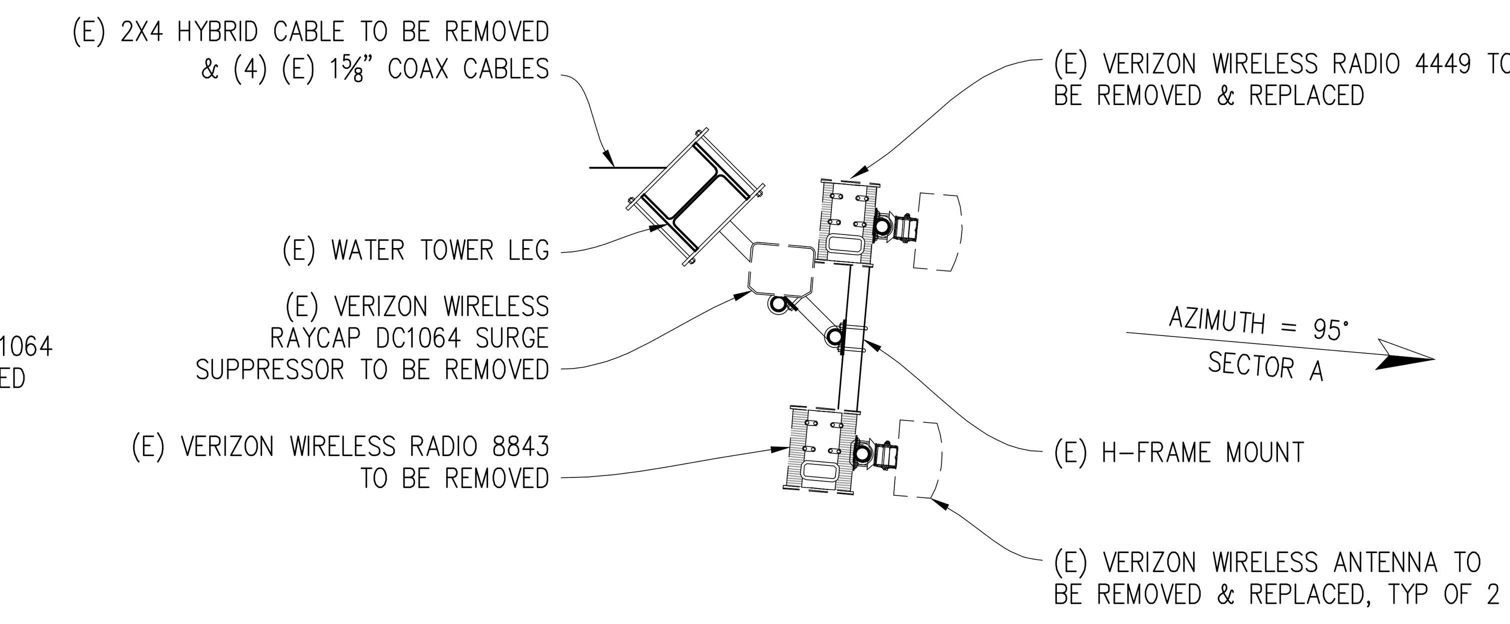
(E) ANTENNA PLAN C
RAD CENTER @ 82'

½"=1'-0"



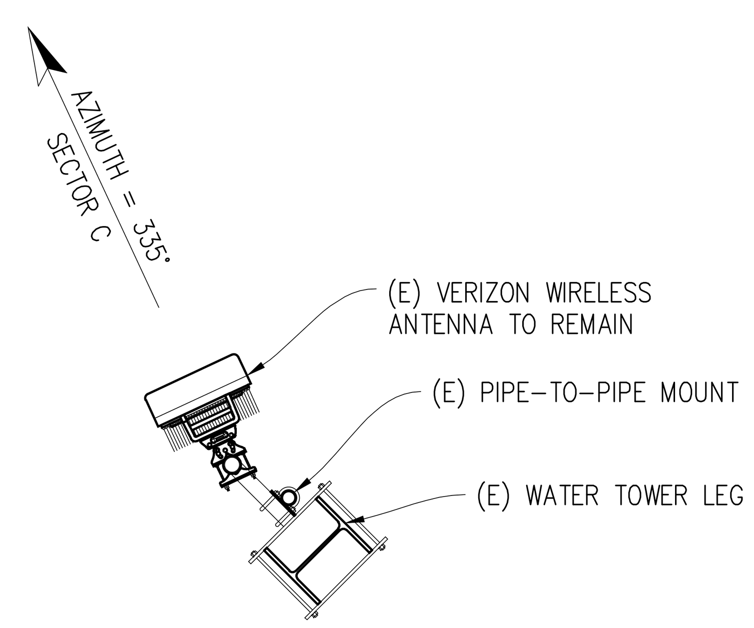
(E) ANTENNA PLAN B
RAD CENTER @ 82'

½"=1'-0"



(E) ANTENNA PLAN A
RAD CENTER @ 82'

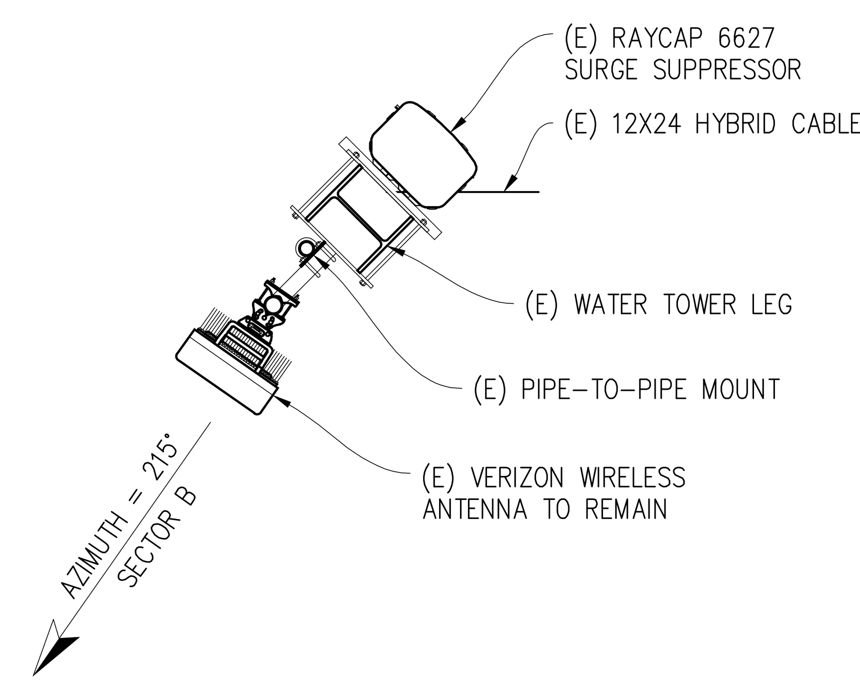
½"=1'-0"



(E) ANTENNA PLAN C
RAD CENTER @ 75'

½"=1'-0"

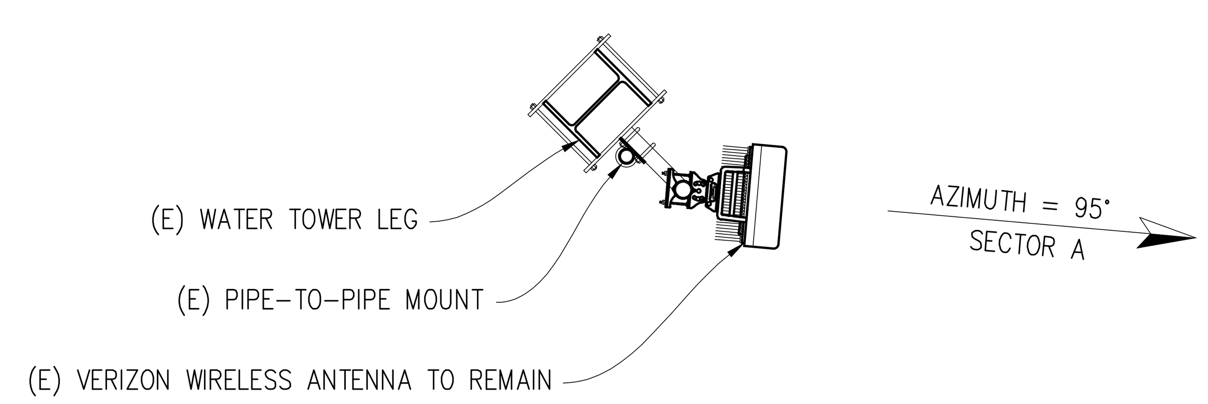
NOTE:
NO CHANGES TO (E)
ANTENNA PLAN @ THIS LEVEL



(E) ANTENNA PLAN B
RAD CENTER @ 75'

½"=1'-0"

NOTE:
NO CHANGES TO (E)
ANTENNA PLAN @ THIS LEVEL



(E) ANTENNA PLAN A
RAD CENTER @ 75'

½"=1'-0"

NOTE:
NO CHANGES TO (E)
ANTENNA PLAN @ THIS LEVEL

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RIO LINDA

730 L STREET
RIO LINDA, CA 95673

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verizon

2770 SHADELANDS DR, BLDG 11
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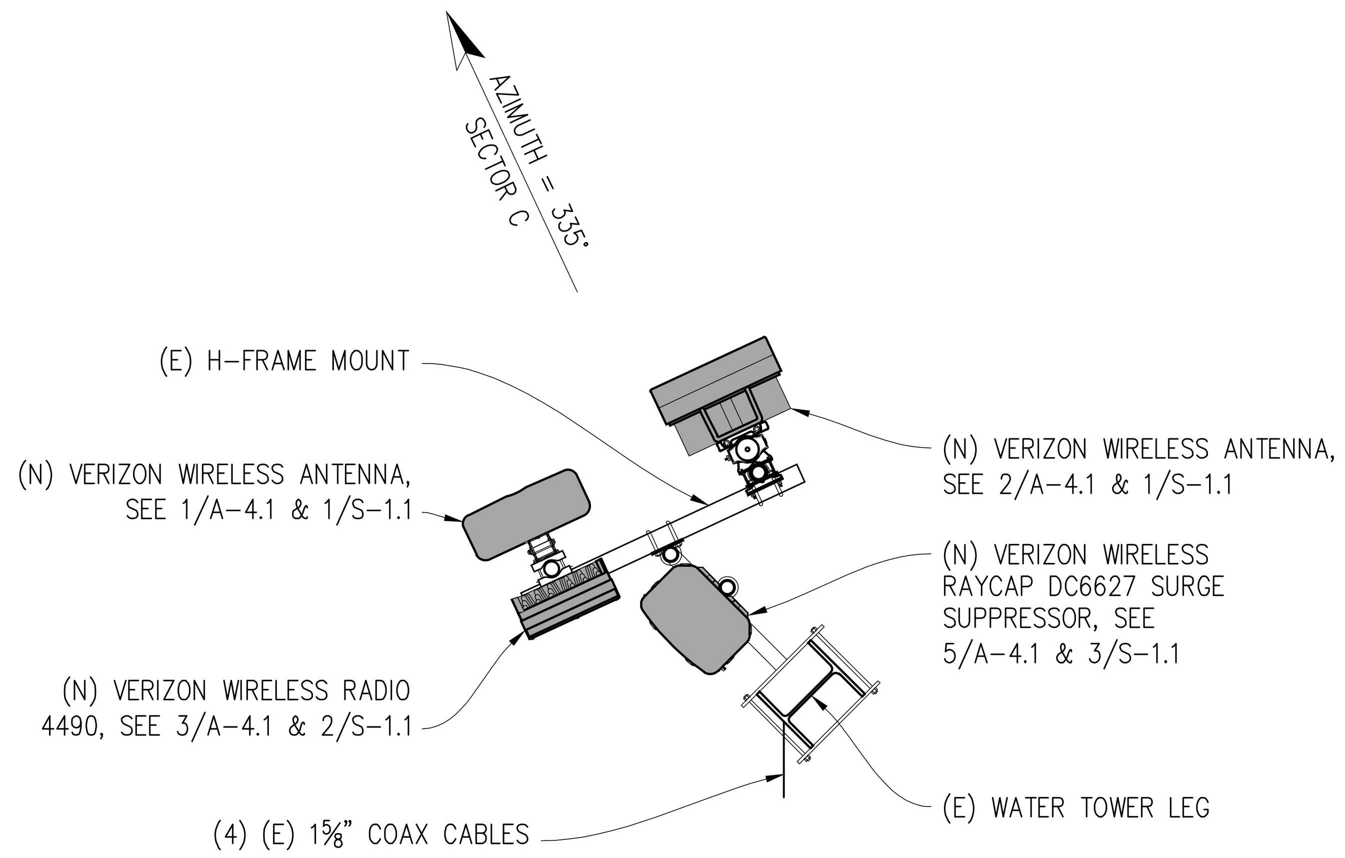
Contact: Kevin Sorensen Phone: 916-660-1930
E-Mail: kevin@streamlineeng.com Fax: 916-660-1941

SHEET TITLE:

(E) ANTENNA PLANS

SHEET NUMBER:

A-2.1

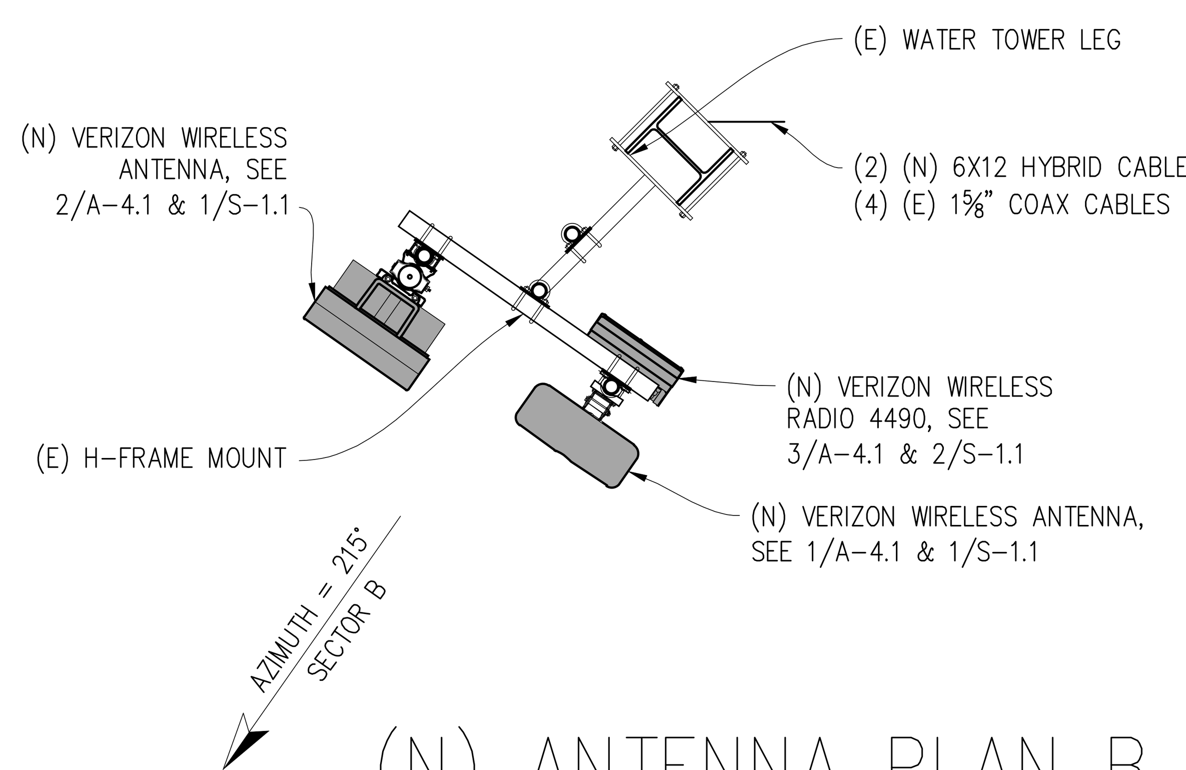


(N) ANTENNA PLAN C
RAD CENTER @ 82-83'

½"=1'-0"

0 6" 1' 2' 3' 5' 7' 10'

NOTE:
PAINT OR 3M FILM WRAP ALL (N) ANTENNAS TO MATCH (E) WATER TANK.

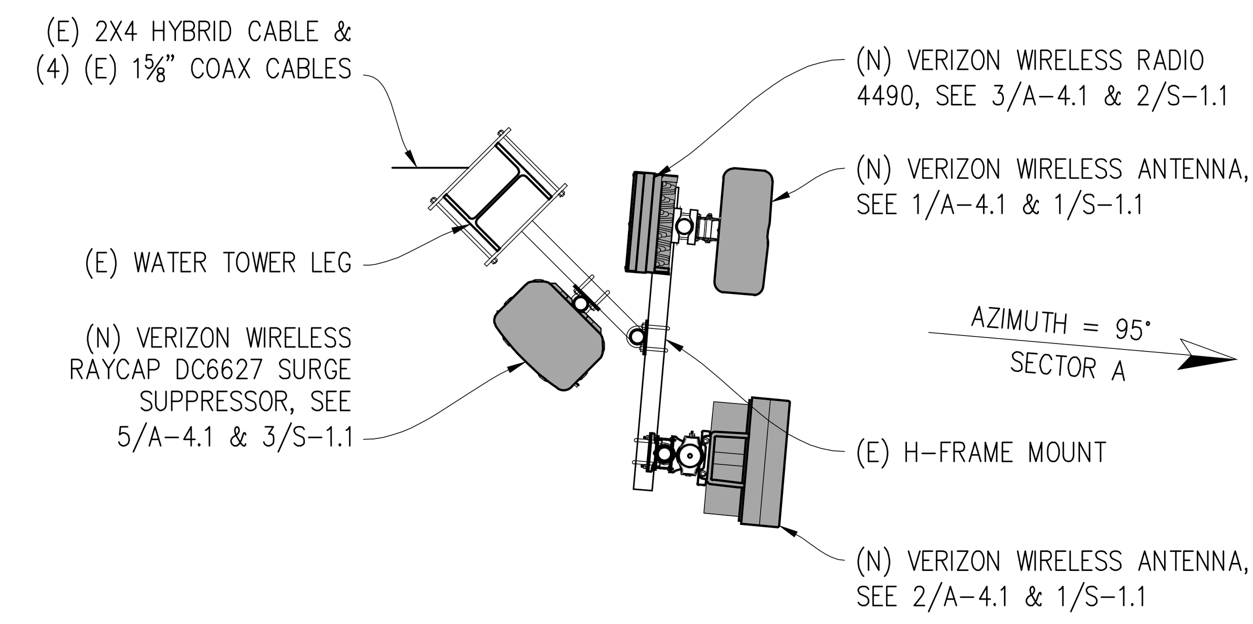


(N) ANTENNA PLAN B
RAD CENTER @ 82-83'

½"=1'-0"

0 6" 1' 2' 3' 5' 7' 10'

NOTE:
PAINT OR 3M FILM WRAP ALL (N) ANTENNAS TO MATCH (E) WATER TANK.



(N) ANTENNA PLAN A
RAD CENTER @ 82-83'

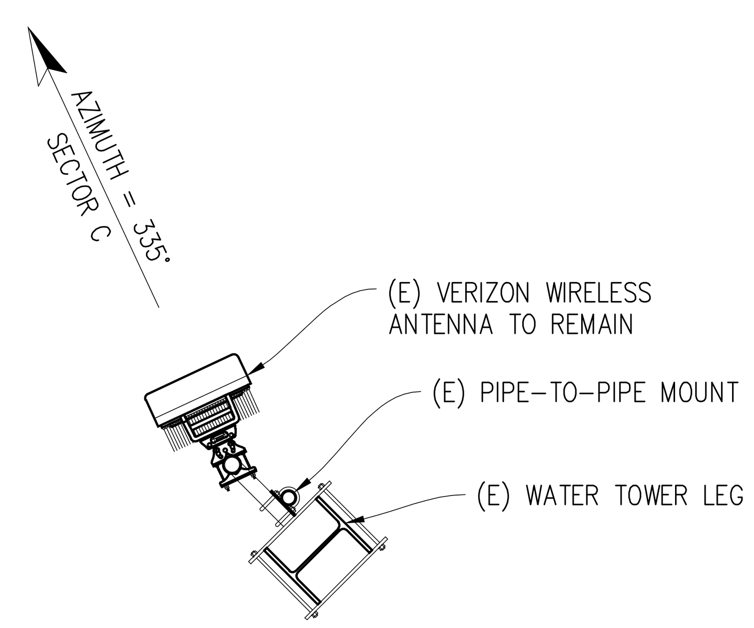
½"=1'-0"

0 6" 1' 2' 3' 5' 7' 10'

NOTE:
PAINT OR 3M FILM WRAP ALL (N) ANTENNAS TO MATCH (E) WATER TANK.

NOTE:

TOWER ENGINEERING SOLUTIONS. LLC IS PREPARING ALL MOUNT ANALYSIS AND MOUNT MODIFICATION DRAWINGS (WHEN REQUIRED). SEE SEPARATE PACKAGE FOR ALL DOCUMENTS.

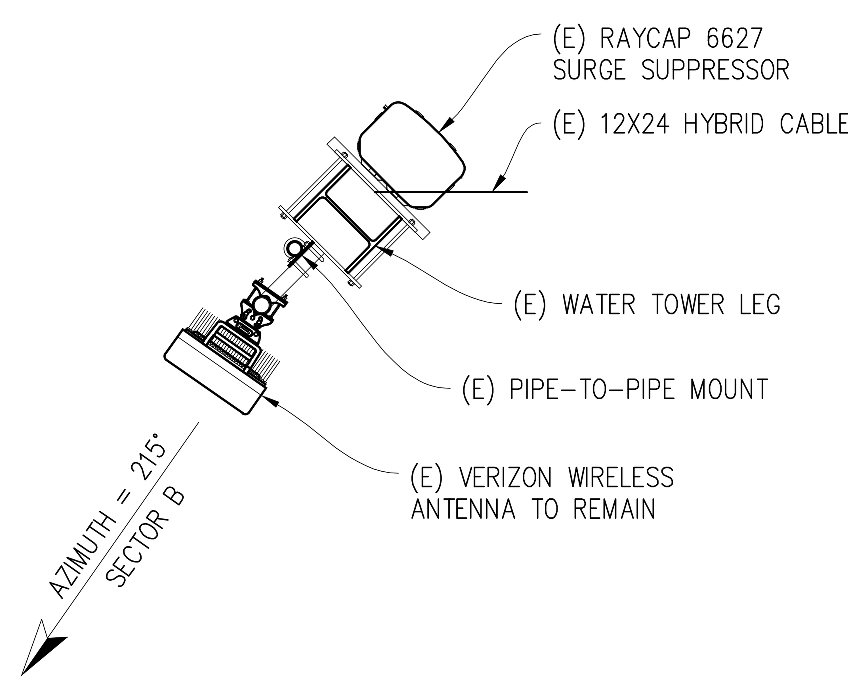


(E) ANTENNA PLAN C
RAD CENTER @ 75'

½"=1'-0"

0 6" 1' 2' 3' 5' 7' 10'

NOTE:
NO CHANGES TO (E) ANTENNA PLAN @ THIS LEVEL

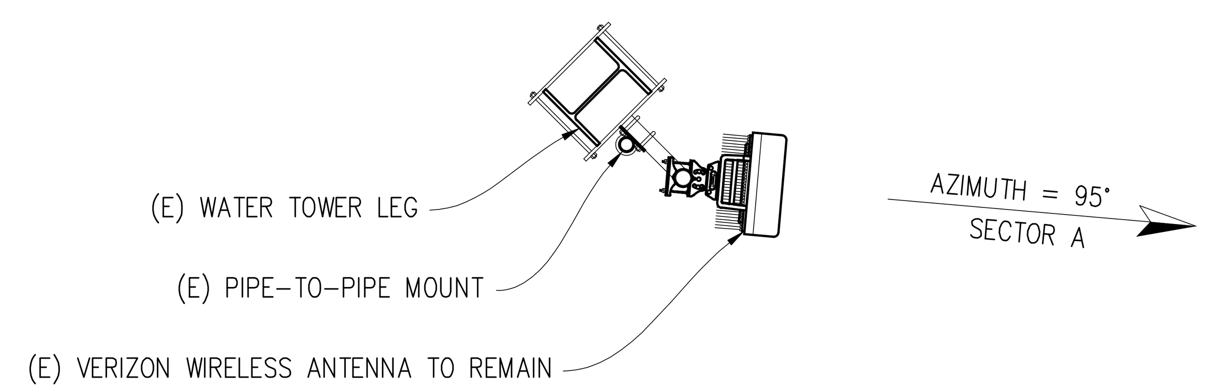


(E) ANTENNA PLAN B
RAD CENTER @ 75'

½"=1'-0"

0 6" 1' 2' 3' 5' 7' 10'

NOTE:
NO CHANGES TO (E) ANTENNA PLAN @ THIS LEVEL



(E) ANTENNA PLAN A
RAD CENTER @ 75'

½"=1'-0"

0 6" 1' 2' 3' 5' 7' 10'

NOTE:
NO CHANGES TO (E) ANTENNA PLAN @ THIS LEVEL

Issued For:

RIO LINDA

730 L STREET
RIO LINDA, CA 95673

PREPARED FOR

verizon
2770 SHADELANDS DR, BLDG 11
WALNUT CREEK, CA 94598

Vendor:

EPIC WIRELESS GROUP LLC
Connecting a Wireless World

MDG LOCATION ID:	5000219287
PROJECT ID:	17590981
DRAWN BY:	S. DAVIS
CHECKED BY:	S. SAVIG
APPROVED BY:	K. SORENSEN

ISSUE STATUS

REV	DATE	DESCRIPTION	CAD
1	05/27/26	CD 100%	C.C.
0	01/23/26	CD 90%	S.D.

Licensee:

REGISTERED PROFESSIONAL ENGINEER
KEVIN R. SORENSEN
No. 4969
STRUCTURAL
STATE OF CALIFORNIA

IT IS A VIOLATION OF LAW FOR ANY PERSON, UNLESS THEY ARE ACTING UNDER THE DIRECTION OF A LICENSED PROFESSIONAL ENGINEER, TO ALTER THIS DOCUMENT.

ENGINEER:

Streamline Engineering and Design, Inc.
3843 Taylor Road, Suite A Loomis, CA 95650
Contact: Kevin Sorensen Phone: 916-660-1930
E-Mail: kevin@streamlineeng.com Fax: 916-660-1941

SHEET TITLE:

(N) ANTENNA PLANS

SHEET NUMBER:

A-2.2

(N) RF SCHEDULE

SECTOR		ANTENNA MODEL NO.	AZIMUTH	CENTERLINE	RRU NO'S & MODEL #	# OF HYBRID CABLES	LENGTH OF CABLES	SURGE SUPPRESSOR	NO. OF DIPLEXERS	NO. OF COMBINERS
ALPHA	A1	NN-65B-HG-R1B	95°	±82'-0"	(1) RADIO 4490	SHARED	SHARED	SHARED	–	–
	A2	AIR 3283	95°	±83'-0"	INTEGRATED	(1) 6X12	±110'	(1) DC6627	–	–
	A3	AIR 6449	95°	±75'-0"	INTEGRATED	SHARED	SHARED	SHARED	–	–
BETA	B1	NN-65B-HG-R1B	215°	±82'-0"	(1) RADIO 4490	(1) 6X12	±134'	(1) DC6627	–	–
	B2	AIR 3283	215°	±83'-0"	INTEGRATED	SHARED	SHARED	SHARED	–	–
	B3	AIR 6449	215°	±75'-0"	INTEGRATED	SHARED	SHARED	SHARED	–	–
GAMMA	C1	NN-65B-HG-R1B	335°	±82'-0"	(1) RADIO 4490	SHARED	SHARED	SHARED	–	–
	C2	AIR 3283	335°	±83'-0"	INTEGRATED	SHARED	SHARED	SHARED	–	–
	C3	AIR 6449	335°	±75'-0"	INTEGRATED	(1) 12X24	±158'	(1) DC6627	–	–

Issued For:

RIO LINDA

730 L STREET
RIO LINDA, CA 95673

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verizon

2770 SHADELANDS DR, BLDG 11
WALNUT CREEK, CA 94598

Vendor:

EPIC
WIRELESS GROUP LLC
Connecting a Wireless World

MDG LOCATION ID:	5000219287
PROJECT ID:	17590981
DRAWN BY:	S. DAVIS
CHECKED BY:	S. SAVIG
APPROVED BY:	K. SORENSEN

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Licensee:

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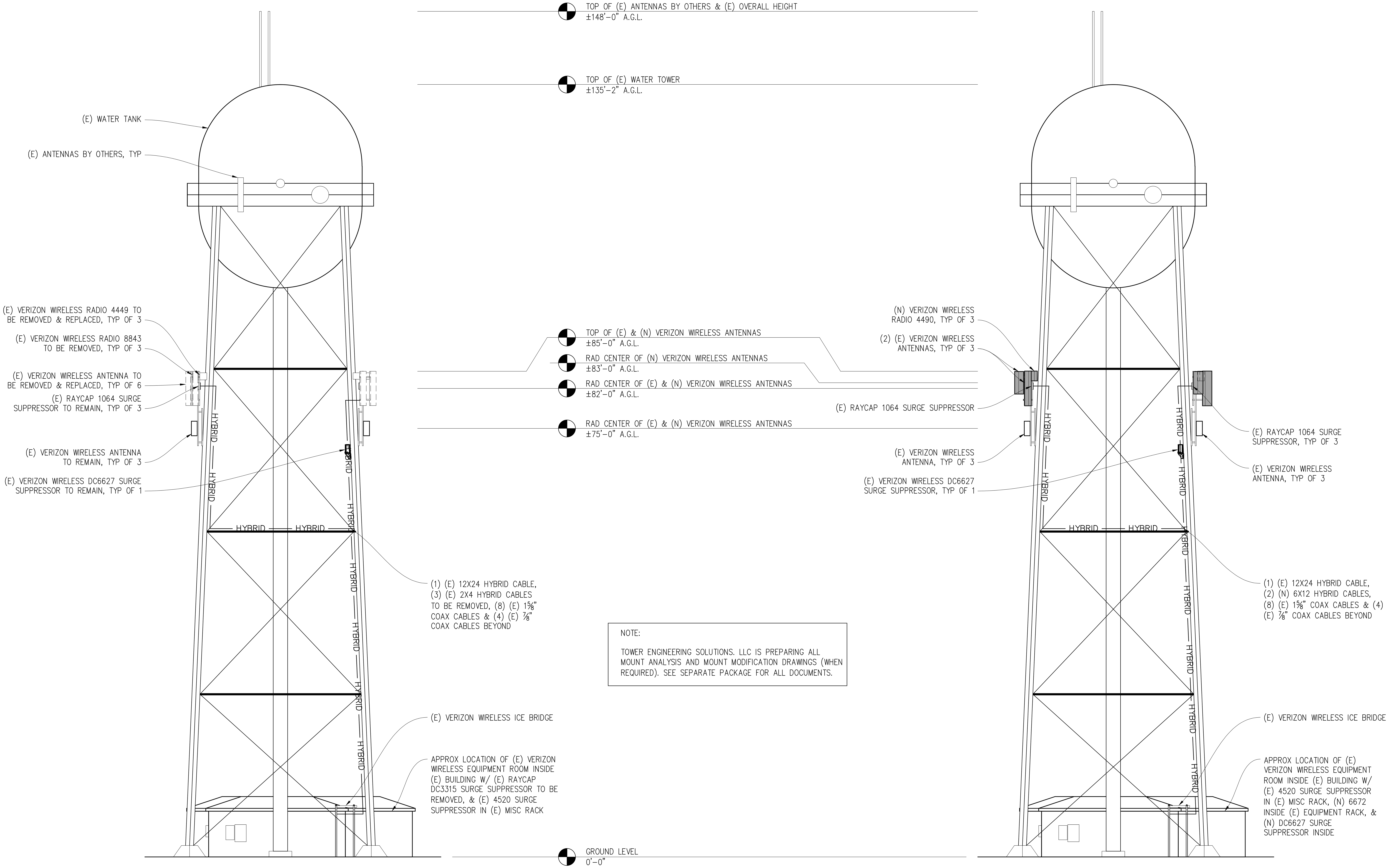
SHEET TITLE:

ANTENNA SCHEDULE

SHEET NUMBER:

A-2.3



NOTE:

TOWER ENGINEERING SOLUTIONS. LLC IS PREPARING ALL MOUNT ANALYSIS AND MOUNT MODIFICATION DRAWINGS (WHEN REQUIRED). SEE SEPARATE PACKAGE FOR ALL DOCUMENTS.

(E) WEST ELEVATION

⅛"=1'–0"

0 2' 4' 8' 12' 20' 28' 50'

(N) WEST ELEVATION

⅛"=1'–0"

0 2' 4' 8' 12' 20' 28' 50'

Issued For:

RIO LINDA

730 L STREET
RIO LINDA, CA 95673

PREPARED FOR

verizon

2770 SHADELANDS DR, BLDG 11
WALNUT CREEK, CA 94598

Vendor:

EPIC WIRELESS GROUP LLC
Connecting a Wireless World

MDG LOCATION ID:	5000219287
PROJECT ID:	17590981
DRAWN BY:	S. DAVIS
CHECKED BY:	S. SAVIG
APPROVED BY:	K. SORENSEN

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Licensee:

REGISTERED PROFESSIONAL ENGINEER
KEVIN R. SORENSEN
No. 4469
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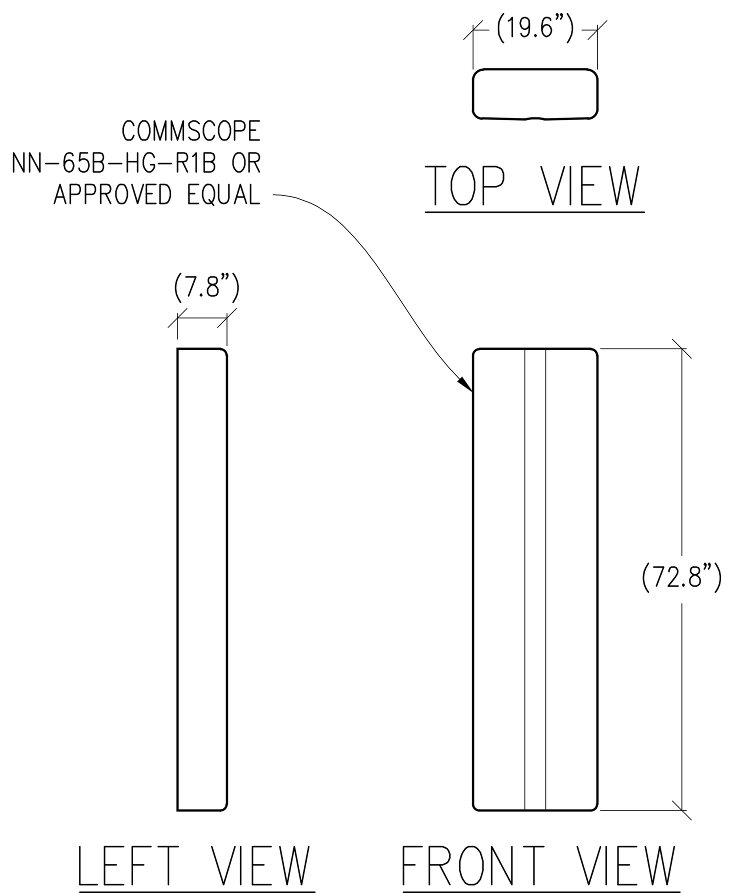
SHEET TITLE:

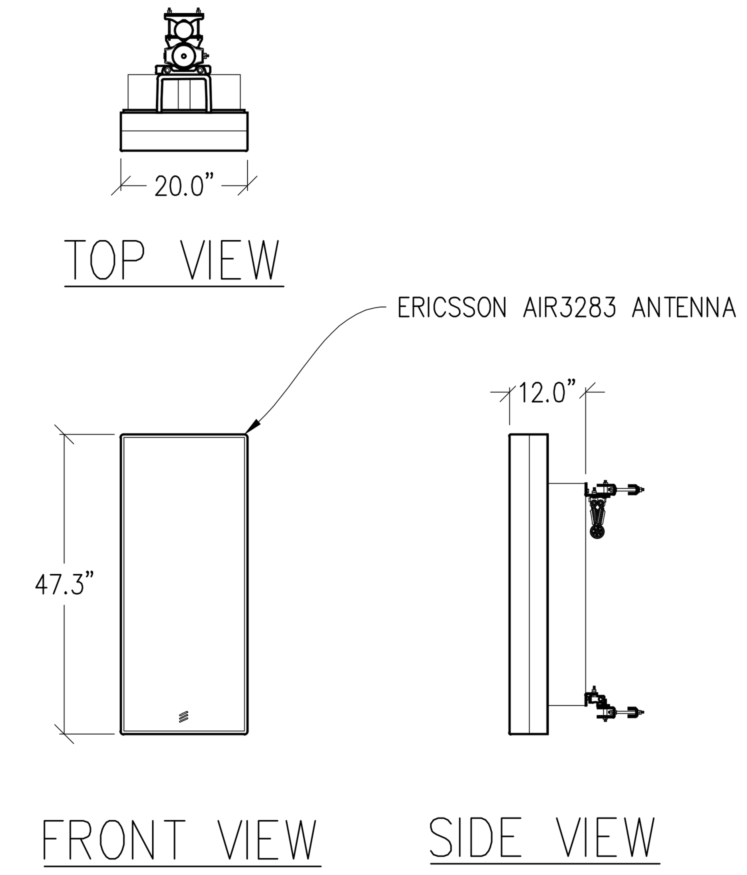
ELEVATIONS

SHEET NUMBER:

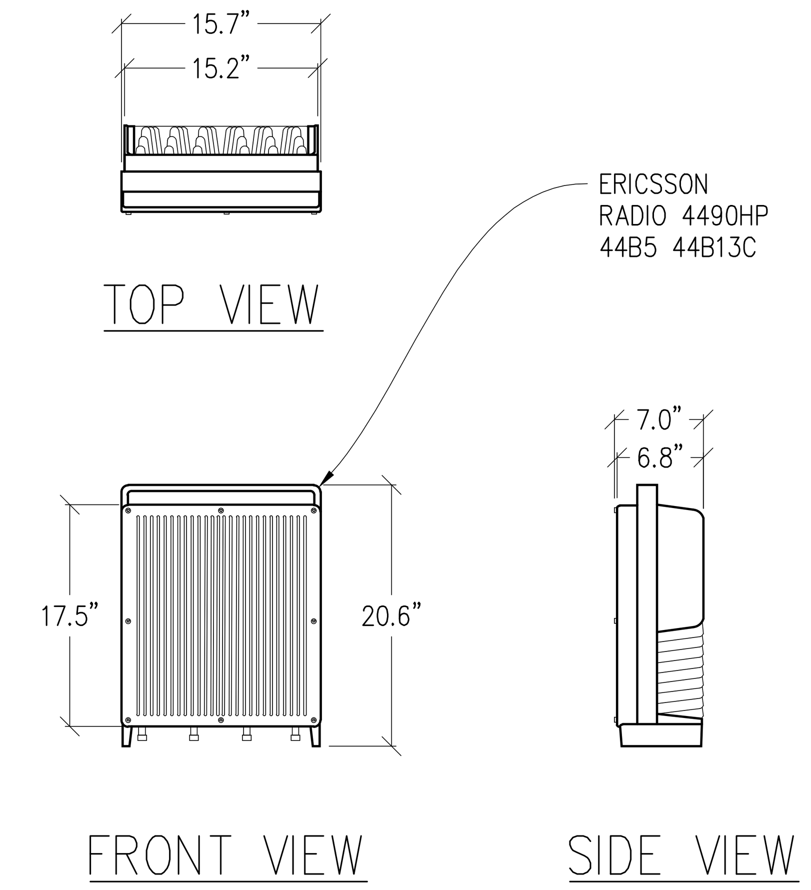
A-3.1



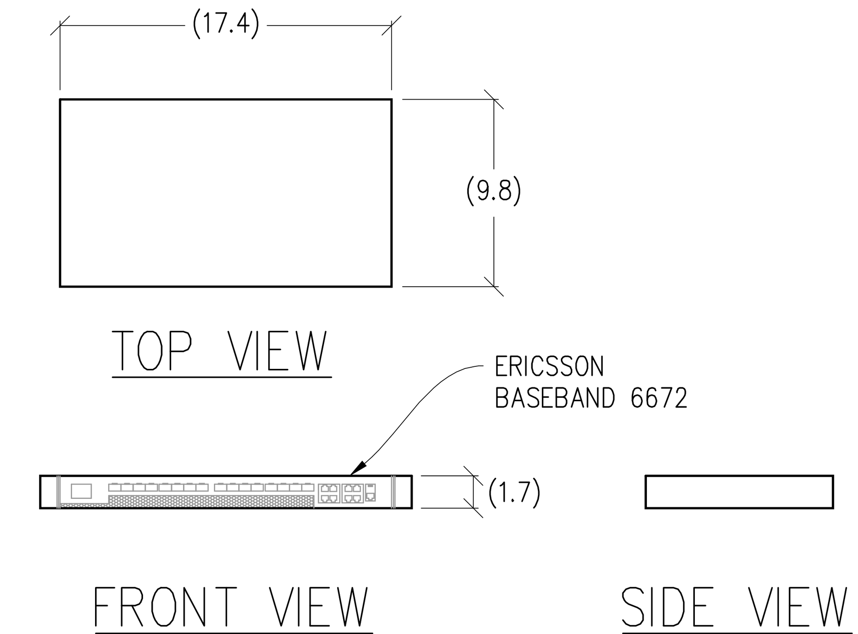
1 ANTENNA DETAIL
½"=1'   MAX WEIGHT: 58.4 LBS



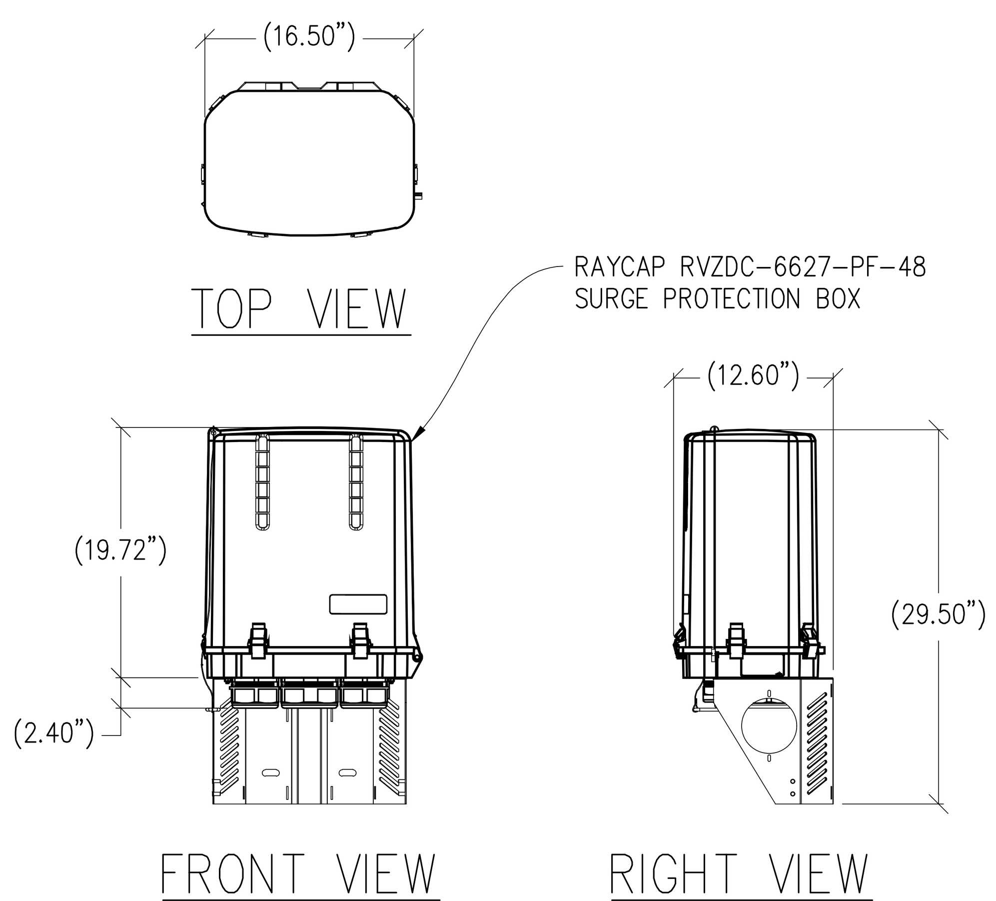
2 ANTENNA DETAIL
½"=1'-0"   MAX WEIGHT: 110 LBS



3 RADIO 4490HP DETAIL
1"=1'-0"   MAX WEIGHT: 68.4 LBS



4 RP 6672 UNIT
1½"=1'-0"   WEIGHT: 13.2 LBS



5 SURGE PROTECTION BOX
1"=1'-0"   MAX WEIGHT: 32.0 LBS

Issued For:

RIO LINDA

730 L STREET
RIO LINDA, CA 95673

PREPARED FOR

verizon

2770 SHADELANDS DR, BLDG 11
WALNUT CREEK, CA 94598

Vendor:

EPIC
WIRELESS GROUP LLC
Connecting a Wireless World

MDG LOCATION ID:	5000219287
PROJECT ID:	17590981
DRAWN BY:	S. DAVIS
CHECKED BY:	S. SAVIG
APPROVED BY:	K. SORENSEN

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Licensee:

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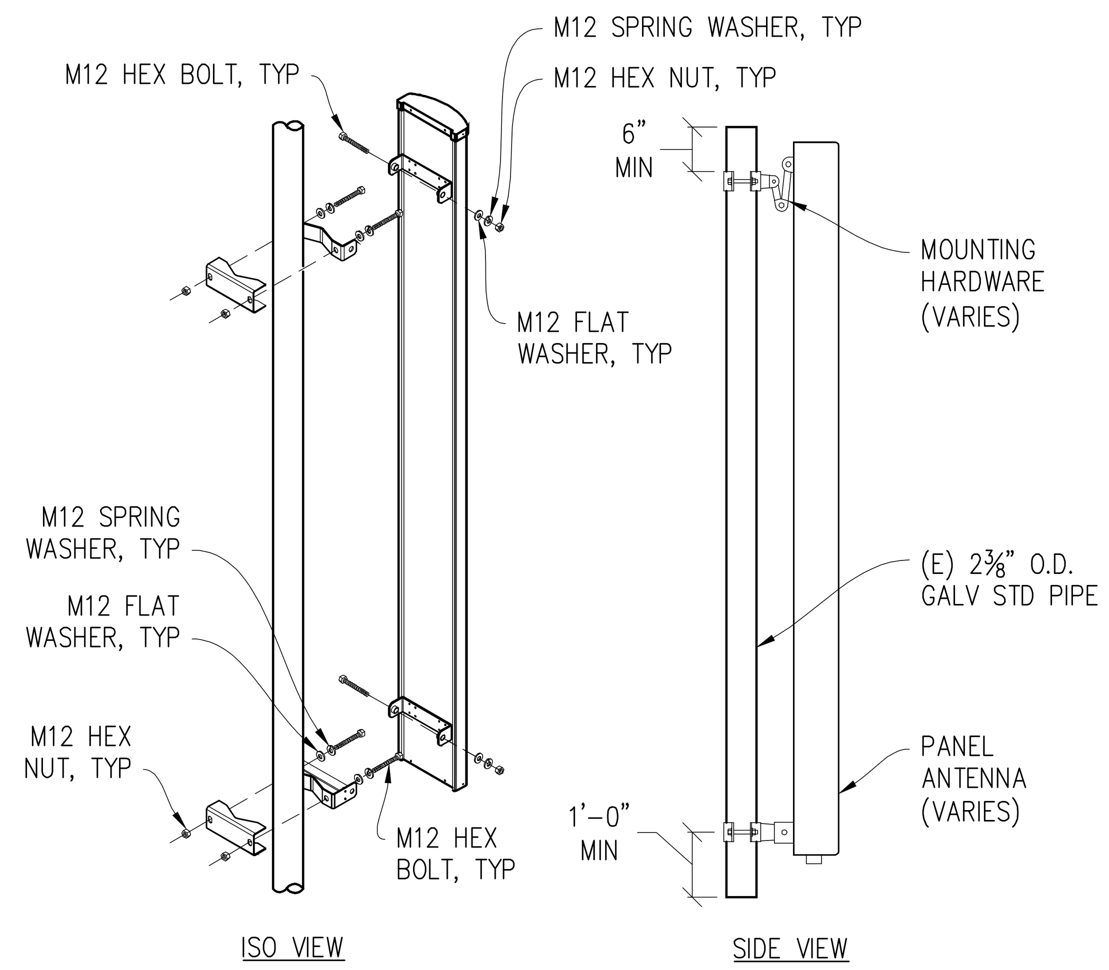
SHEET TITLE:

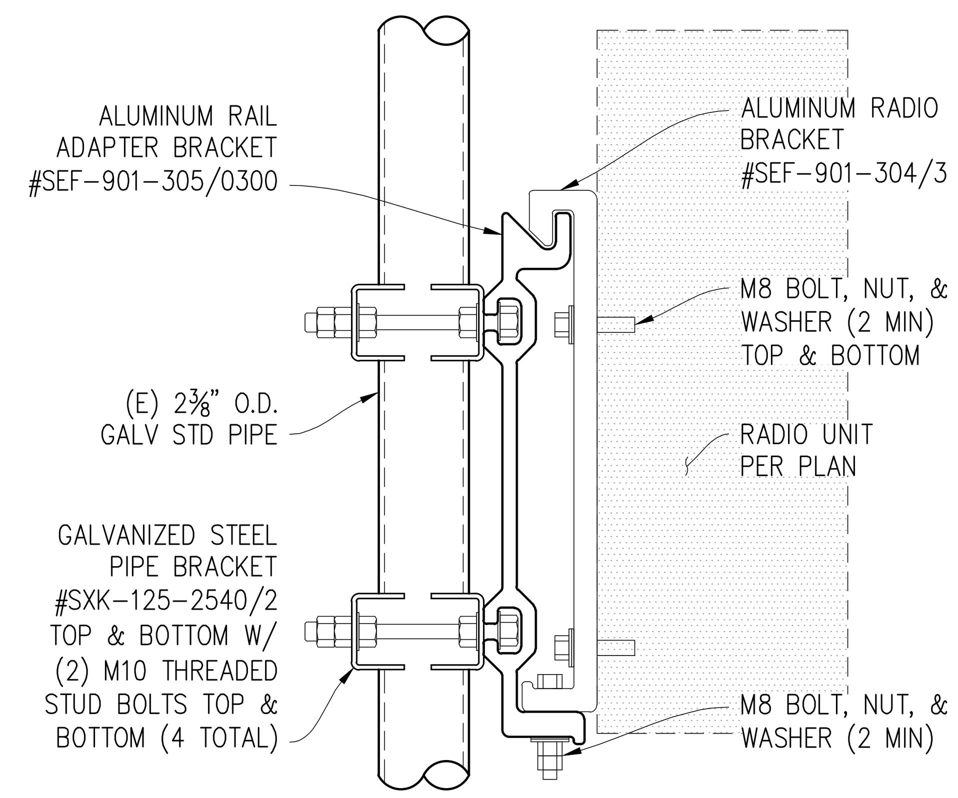
DETAILS

SHEET NUMBER:

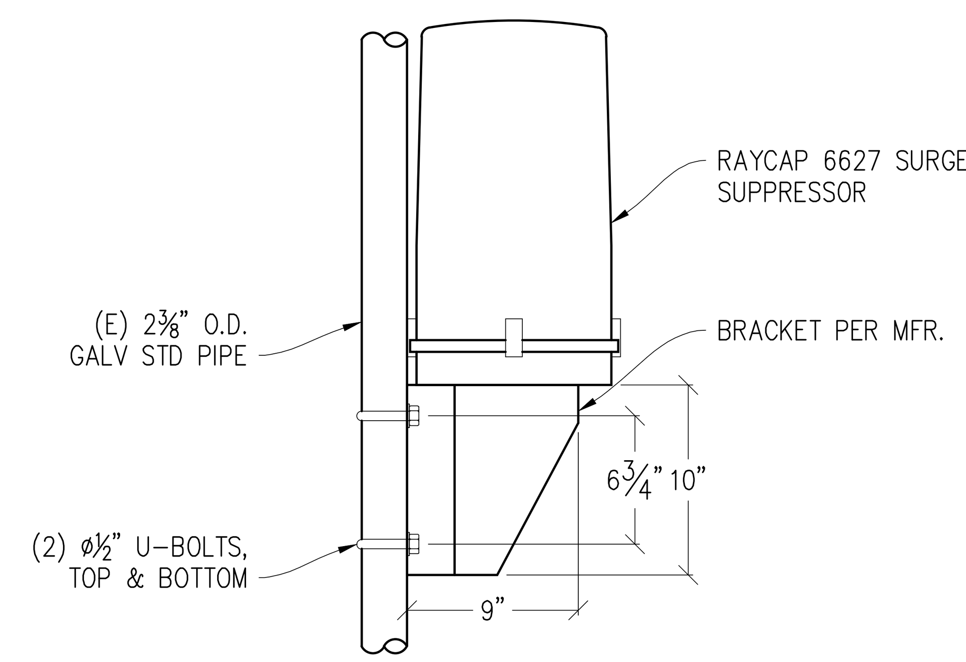
A-4.1



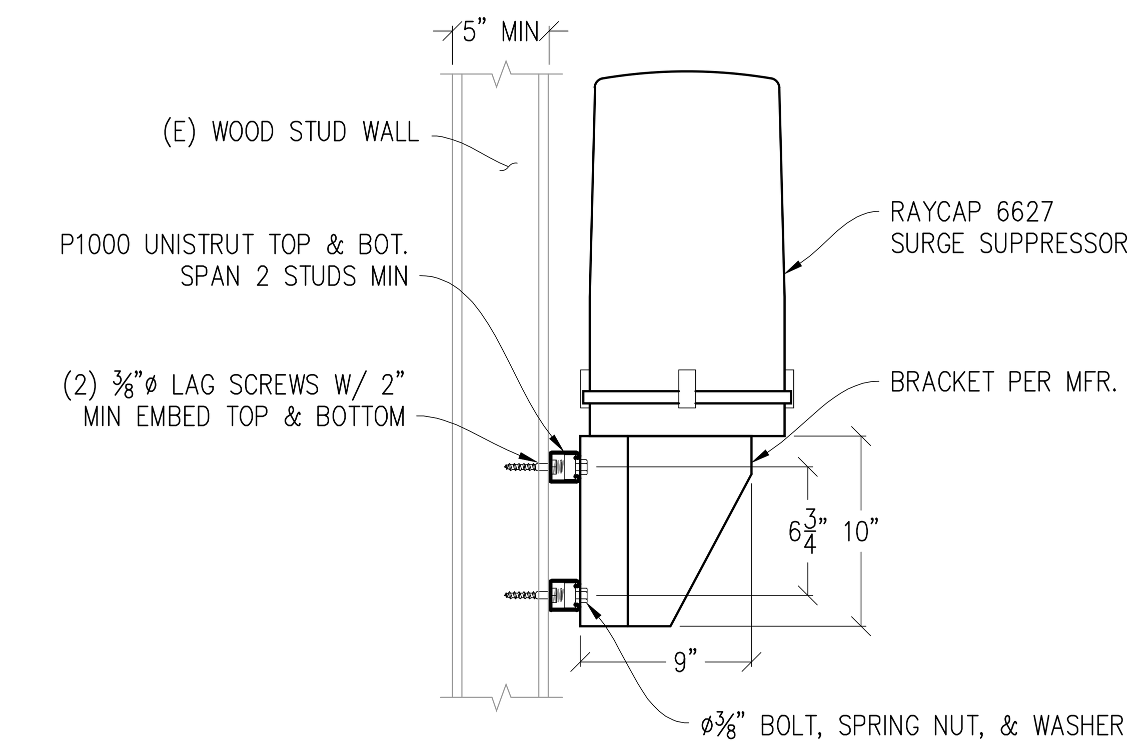
1 ANTENNA MOUNT
1"=1'-0"



2 RADIO UNIT MOUNTING
3"=1'-0"



3 SURGE PIPE MOUNT
1½"=1'-0"



4 SURGE WALL MOUNT DETAIL
1½"=1'-0"

Issued For:

RIO LINDA

730 L STREET
RIO LINDA, CA 95673

PREPARED FOR

verizon

2770 SHADELANDS DR, BLDG 11
WALNUT CREEK, CA 94598

Vendor:

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WIRELESS GROUP LLC
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MDG LOCATION ID:	5000219287
PROJECT ID:	17590981
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Contact: Kevin Sorensen Phone: 916-660-1930
E-Mail: kevin@streamlineeng.com Fax: 916-660-1941

SHEET TITLE:

STRUCTURAL DETAILS

SHEET NUMBER:

S-1.1

PURCHASE AND SALE OF LEASE AGREEMENT

This Purchase and Sale of Lease Agreement (this "Agreement") is made as of the later of the dates set forth below the signatures to this Agreement (such date, the "Effective Date") by and between the party identified as "Buyer" on the signature page to this Agreement (such party, "Buyer") and the party identified as "Landlord" on the signature page to this Agreement (such party, "Landlord"). For valuable consideration, the receipt and sufficiency of which are acknowledged, Buyer and Landlord hereby agree as follows:

1. Definitions / Assignment of the Lease.

(a) For purposes of this Agreement, the following terms shall have the following meanings: (i) "Lease" shall mean, collectively, the documents and instruments attached hereto as Exhibit A; (ii) "Premises" shall mean the premises described in and leased to Tenant in accordance with the terms of the Lease; (iii) "Tenant" shall mean the lessee under the Lease as of the Effective Date (or any successor or assignee thereof); (iv) "Purchase Price" shall mean $285,000.00; (v) "Reversion Date" shall mean the earlier to occur of (A) the expiration or termination of the Lease (as may be extended through the Planned Reversion Date by Buyer pursuant to the rights granted hereunder), or (B) the Planned Reversion Date; (vi) "Agreement Term" shall mean the period commencing on the Effective Date and ending on the Reversion Date; (vii) "Planned Reversion Date" shall mean November 1, 2034; (viii) "Rent" shall mean all rent, income, charges, interest, penalties, fees and other revenue payable to Landlord under the Lease during the Agreement Term and with respect to the occupancy, use or enjoyment of the Premises whether described as base rent, additional rent, colocation rent, or holdover rent (including the Current Rent Payment), other than payments in respect of real property taxes and assessments payable by Tenant to lessor or the taxing authority pursuant to the Lease; (ix) "Person" shall mean any entity, trust, association or individual; and (x) the "Current Rent Payment" shall mean $1,847.34 (the amount of monthly or annual rent (as applicable) being paid by Tenant to Landlord as of the Effective Date).

(b) Effective upon the Effective Date, Landlord hereby sells, assigns, sets over, conveys and transfers to Buyer all of Landlord's right, title and interest in and to the Lease for the Agreement Term. In connection with the foregoing, Landlord agrees that prior to the Planned Reversion Date, Buyer shall have the exclusive right to exercise and enjoy all of the rights and benefits of Landlord under the Lease (including, without limitation, the sole right to (A) receive and collect all Rent; (B) enter into amendments of the Lease (subject to the other provisions of this Agreement); (C) enforce all of the lessor's rights and remedies under the Lease and applicable law at such time, in such manner, and in such order or combination as Buyer deems appropriate in Buyer's sole and absolute discretion; and (D) pursue, commence, defend and compromise any action or adversary proceeding relating to Tenant's obligations under the Lease). In the event that Buyer proposes to enter into any amendment of the Lease that materially alters or expands the obligations or liabilities of Landlord under the Lease as of the Effective Date, then prior to the execution of any such amendment, Buyer shall obtain the consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, and Landlord shall not be entitled to receive any additional consideration in exchange for such consent, unless mutually agreed to by the parties. Landlord shall reasonably cooperate in connection with any such amendment executed by Buyer (and approved by Landlord, to the extent required hereunder), including, without limitation, applying for and obtaining permits therefor. The foregoing sale and assignment is an absolute, unconditional and irrevocable sale and assignment.

2. Purchase Price.

(a) Upon the Effective Date, Buyer shall pay to Landlord, in consideration for the rights and interests granted by Landlord to Buyer herein, a one-time lump-sum amount equal to the Purchase Price, less applicable pro-rations of Rent. Buyer shall be responsible for applicable state and county transfer taxes imposed as a result of the consummation of the transactions set forth in this Agreement.

(b) In addition to the Purchase Price, Buyer shall pay to Landlord, on or before the fifteenth (15^{th}) calendar day of any calendar month, in arrears, an amount equal to fifty percent (50%) of the Extension Period Monthly Increase Amount (as hereinafter defined) in respect of the immediately preceding calendar month. For the purposes hereof, (a) the term "Extension Period Monthly Increase Amount" shall mean, in respect of any calendar month during the Extension Period, an amount equal to the positive difference, if any, between (i) the monthly base rent which Buyer actually receives during such calendar month under and pursuant to the terms of an Extension

Agreement, minus (ii) the Final Monthly Rent Amount; (b) the term "Extension Period" shall mean the period, if any, after the Full Expiration Date of the Lease; (c) the term "Full Expiration Date" shall mean the date on which the Lease would expire by its terms after taking into account all options which Tenant may have as of the Effective Date to extend or renew the term of the Lease, and assuming for the purposes hereof timely and proper exercise by Tenant of all such options; (d) the term "Extension Agreement" shall mean a written agreement executed after the Effective Date and delivered by Buyer and Tenant pursuant to which Buyer agrees to extend the term of the Lease to a date which is later than the Full Expiration Date but prior to the Planned Reversion Date; and pursuant to which Tenant agrees to pay to Buyer a monthly base rent in excess of the Final Monthly Rent Amount during the Extension Period; (e) the term "Final Monthly Rent Amount" shall mean, subject to the adjustments and exclusions as hereinafter set forth in this Section, the monthly base rent required of Tenant under the Lease in respect of the calendar month immediately preceding the calendar month in which the Full Expiration Date occurs, without taking into account any credits or abatements thereof in favor of Tenant, including without limitation any right to abate rent in the final month of the Lease or to have some or all of a security deposit applied to rent in the final month of the Lease. The Final Monthly Rent Amount shall be adjusted from time to time to reflect any cost of living adjustments, fixed percentages adjustments or other similar adjustments which would have had the effect of increasing the monthly base rent payable after the Full Expiration Date if the Extension Agreement had not been executed and delivered. The Extension Period shall not include any kind of holdover tenancy expressly provided or referenced in the Lease in respect of the period after the Full Expiration Date.

3. Landlord's Obligations.

(a) Notwithstanding the assignment of Landlord's rights under the Lease to Buyer, Landlord shall continue to pay, perform and otherwise discharge all obligations and liabilities of the lessor under the Lease and in respect of the Premises, whether arising prior to, on, or after the Effective Date. By way of illustration and not limitation, Landlord shall (i) fully, faithfully and timely perform all covenants to be performed by the lessor under the Lease; (ii) not suffer or allow any breach, default or event of default by the lessor to occur thereunder; and (iii) not take any action for the purpose, or with the effect, of inducing or causing Tenant to terminate the Lease (including, but not limited to, denying Tenant access to the Premises), or exercise, or not exercise, a right to renew or extend the Lease. Landlord hereby indemnifies and holds Buyer harmless from and against any and all claims, expenses, costs, obligations or other liabilities with respect to the performance (or lack of performance) of Landlord's obligations under the Lease, arising or incurred prior to, on, or after the Effective Date. Landlord agrees that nothing contained herein, and no action or forbearance on the part of Buyer (including, without limitation, the collection of Rent), shall constitute or be construed as an assumption by Buyer of any obligation or liability of Landlord under the Lease or in respect of the Premises, whether arising or accruing prior to, on, or after the Effective Date. Landlord further agrees that Buyer shall not have any liability or obligation with respect to the care, management or repair of the Premises or any land adjacent thereto, or any improvements thereon, or for any injury or damage sustained by any Person in, on, under, or about the Premises.

(b) Notwithstanding the foregoing, Landlord shall be entitled to enforce those rights and remedies of lessor under the Lease with respect to any obligation or covenant of Tenant under the Lease which is not related to the payment of Rent (collectively, "Tenant Obligations" and each, a "Tenant Obligation"). If Landlord desires to enforce any rights or remedies of lessor under the Lease with respect to a default of any Tenant Obligation, then Landlord shall deliver to Buyer a written notice of a default by Tenant (a "Tenant Default Notice") which Landlord believes to exist under the Lease, identifying which Tenant Obligation is in default by Tenant, and describing in reasonable detail the manner and time in which the default by Tenant occurred or arose. Buyer may elect, in its sole and absolute discretion, by delivery of written notice (a "Buyer Notice") to Landlord within twenty (20) days after receipt of the Tenant Default Notice, to enforce the rights and remedies of lessor under the Lease against Tenant with respect to the applicable default (provided that if the applicable default is that Tenant's activities or improvements are outside of the boundaries of the Premises or if the applicable default has caused or is reasonably likely to cause (i) damage to or overloading of the Premises or its systems, (ii) bodily injury or death, or (iii) Landlord or the Premises to be in violation of law, then Landlord may (exclusively) immediately proceed to enforce any remedies available to it and notify Buyer as soon as reasonably possible thereafter, provided that Landlord shall in no event seek or threaten to terminate the Lease or evict or dispossess Tenant from the Premises). Subject to the immediately preceding sentence, if Buyer delivers the applicable Buyer Notice, then Buyer shall have the right to enforce the rights and remedies of lessor under the Lease with respect to such default, and shall diligently pursue the enforcement thereof to the extent commercially reasonable at Buyer's sole cost and expense. If Buyer does not deliver the applicable Buyer Notice in accordance with the requirements hereof, then Landlord shall have the right, in addition to any other rights that it may have at law or in equity, to bring a court action for specific performance or money damages, provided that Landlord shall not seek or threaten to terminate the Lease or evict or dispossess Tenant from the Premises. Should Buyer elect, within a Buyer Notice, to enforce a breach of any Tenant Obligation, then any legal fees or other costs incurred to enforce any such Tenant Obligation shall be Buyer's responsibility.

4. Cooperation. Landlord shall promptly (i) furnish to Buyer such information as Buyer reasonably requests (including documents and records in Landlord's possession, custody or control) regarding the Lease, the Premises or Tenant; (ii) provide access to the Premises (to the extent not prohibited by the Lease) for the purpose of Buyer's inspection of the Premises and improvements thereon, and such other purposes as Buyer reasonably deems appropriate; and (iii) deliver to Buyer any written communications between Landlord and Tenant, and any notices or written communications from any other Person relating to the Lease or the Premises.

5. Notice to Tenant. On or prior to the Effective Date, Landlord has executed and furnished to Buyer three (3) originals of a notification letter to Tenant (the "Tenant Notification Letter") directing Tenant to pay Rent directly to Buyer. Landlord shall be responsible for taking any action requested by Buyer as is appropriate to give Tenant notice of the sale and assignment of the Lease and to cause Tenant to commence payment of Rent directly to Buyer. After the Effective Date, Landlord shall notify Buyer by facsimile transmission, within ten (10) calendar days of Landlord's receipt, of any payment in respect of Rent that is applicable to any period after November 1, 2014, and Landlord shall forward such payment to Buyer within ten (10) business days. If Landlord fails or refuses to forward any such payment to Buyer that is applicable to any period after November 1, 2014, then, in addition to its other rights and remedies hereunder, Buyer shall be entitled to receive a processing fee equal to $250.

6. Impositions. Landlord shall pay and perform in a timely manner all mortgages that are liens against the Premises. Landlord shall pay or cause to be paid, prior to delinquency, all taxes, charges and other obligations (collectively, "Impositions") that are, or could become, liens against any portion of the Premises, whether existing as of the Effective Date or are thereafter created or imposed, and Buyer shall have no obligation or liability therefor. If any Imposition, or any installment thereof, is not paid within the time hereinabove specified, then Buyer shall have the right, but not the obligation, in addition to its other rights under this Agreement and applicable law, to pay and/or discharge such Imposition, together with any penalty and interest thereon, and Landlord shall reimburse Buyer therefor immediately upon payment by Buyer thereof and if Buyer so elects by written notice to Landlord, then such amount shall constitute a lien upon Landlord's right, title and interest in the real property upon which the Premises are located. Buyer shall be subrogated to the rights of the Person to whom the Imposition was due, and such lien shall have priority, benefit, or rights and remedies, as were formerly available to such Person with respect to the Imposition.

7. Remedies. If Buyer determines in its reasonable discretion that Landlord has failed to perform any covenant, obligation or duty which Landlord is bound to perform under the Lease or any other agreement or applicable law relating to the Lease or the Premises, Buyer shall deliver to Landlord a written notice of a default (a "Default Notice") and Landlord shall have thirty (30) days from receipt of such Default Notice to cure the applicable default (such period, the "Cure Period"). If Landlord fails to cure the applicable default within the Cure Period, then, in addition to Buyer's rights and remedies in Section 6, Buyer shall have the right to perform such covenant, obligation or duty, and Landlord shall, within thirty (30) days of receipt of an invoice therefor, reimburse Buyer for all costs and expenses incurred by Buyer in connection therewith, together with a fee in an amount not less than $250, as reasonably determined by Buyer. In addition to all other rights and remedies of Buyer under this Agreement, Buyer may enforce this Agreement in an action for specific performance, injunction, and any other equitable rights and remedies under applicable law, other than the appointment of a receiver (it being agreed by Landlord that money damages may not be an adequate remedy for the harm caused to Buyer by a breach or default by Landlord under this Agreement).

8. Representations. Landlord hereby represents and warrants to Buyer, that as of the Effective Date (and Landlord agrees that each of the representations, warranties and agreements made by it in this Section 8 and elsewhere in this Agreement is material to Buyer):

(a) The Lease and each Closing Document (as hereinafter defined) constitute the legal, valid and binding obligation of Landlord, enforceable against Landlord in accordance with their terms.

(b) The execution, delivery and performance by Landlord of the Lease did not, and the Closing Documents do not, violate or conflict with the terms of Landlord's organizational documents (if applicable) or any agreement to which Landlord is a party or by which Landlord or the Premises is bound and do not violate or conflict with any law, rule, regulation, judgment, order or decree to which Landlord is subject.

(c) Any permits, licenses, consents, approvals and other authorizations which are necessary or appropriate in connection with Landlord's execution, delivery or performance of the Lease were obtained by Landlord and are in full force and effect. Any permits, licenses, consents, approvals and other authorizations which are necessary or appropriate in connection with Landlord's execution, delivery or performance of the Closing Documents have been obtained by Landlord and are in full force and effect.

(d) There is no pending or threatened action, suit or proceeding that, if determined against Landlord, would adversely affect Landlord's ability to enter into the Closing Documents or to perform its obligations thereunder.

(e) A true, correct, and complete copy of the Lease (including all amendments, modifications, supplements, waivers, renewals and extensions thereof) and of each memorandum of lease, memorandum of commencement, non-disturbance agreement, estoppel certificate, assignment, sublease and other instrument or agreement executed by Landlord or Tenant in connection therewith or relating thereto, together with all amendments or supplements thereof (if any) is attached hereto as Exhibit A.

(f) Landlord owns one-hundred percent (100%) of the fee title to the Premises, subject to no claim, lien, encumbrance or exception to title other than those, if any, disclosed in the preliminary title report (the "Title Report") obtained by Buyer and provided to Landlord in connection with the transactions set forth herein. Landlord owns one-hundred percent (100%) of the lessor's right, title and interest in and to the Lease, subject to no claim, lien, encumbrance or exception to title other than those, if any, disclosed on the Title Report. Except as disclosed on the Title Report, Landlord has not previously deeded, granted, assigned, mortgaged, pledged, hypothecated, alienated or otherwise transferred any of its right, title and interest in and to the Lease or the Premises, or any part thereof, to any other Person.

(g) Other than the Lease, there are no agreements, arrangements or understandings (oral or written) to which Landlord is a party or by which it is bound, relating to the Lease or to the Premises. The Lease constitutes the legal, valid and binding obligation of Tenant, enforceable against Tenant in accordance with its terms.

(h) The Current Rent Payment is the true and accurate sum due and payable under the Lease as of the Effective Date in respect of base rent. The Current Rent Payment is subject to adjustment or re-calculation only at the time and in the manner, if any, set forth in the Lease. Tenant has no right of offset, abatement, or deduction, and, except as set forth in the Lease, no period of free or reduced Rent. Except to the extent the Current Rent Payment is made on an annual basis, Tenant has not paid, and Landlord has not collected, any Rent in respect of any period more than thirty (30) calendar days from the Effective Date, nor has Landlord received any security deposit, letter of credit, guaranty or other security for Tenant's obligation for payment of Rent.

(i) Landlord has not breached or defaulted upon Landlord's obligations under the Lease, and no fact or circumstance presently exists which, with the giving of notice or the lapse of an applicable cure period, or both, would constitute a breach or default by Landlord under the Lease. To the best of Landlord's knowledge, Tenant has not breached or defaulted upon Tenant's obligations under the Lease, and no fact or circumstance presently exists which, with the giving of notice or lapse of an applicable cure period, or both, would constitute a breach or default by Tenant under the Lease. At no time on or prior to the Effective Date has Landlord delivered or received notice of a breach or default by either Landlord or Tenant under the Lease or notice of the existence of a fact or circumstance which, with the giving of notice or the lapse of an applicable cure period, or both, would constitute a breach or default by either Landlord or Tenant under the Lease. Tenant is currently occupying the Premises and has not notified Landlord of any intention or desire to terminate the Lease or surrender or abandon the Premises. Without limiting the generality of the foregoing, Tenant has not notified Landlord of the existence of a fact or circumstance the continuance of which would cause Tenant (or would have a reasonable likelihood of causing Tenant) to terminate the Lease or surrender or abandon the Premises, or to withhold payment of any Rent or fail to extend or renew the Lease.

(j) To the best of Landlord's knowledge and belief, Tenant is not in the process of negotiating any sublease of the Premises with any person or entity that is unaffiliated with Tenant.

(k) Tenant's use and enjoyment of the Premises does not depend upon any license, easement or similar agreement (other than licenses and easements that may be granted in the Lease) for access or utility purposes. If Tenant's use and enjoyment of the Premises depends upon any such license, easement or similar agreement, then Landlord hereby assigns all of its right, title and interest in and to such license, easement or similar agreement to Buyer and such license, easement or similar agreement shall, for the purposes of this Agreement, be deemed to be included in the term "Lease".

9. Memorandum. On or prior to the Effective Date, Landlord has executed and delivered to Buyer three (3) originals of a memorandum of this Agreement in recordable form (the "Memorandum"; together with this Agreement, the "Closing Documents" and each, a "Closing Document"). Buyer may record the Memorandum in the real property records of the jurisdictions in which the Premises are located, and in such other place or places as Buyer deems appropriate. Buyer's interest in the Lease and the Premises is intended to and shall be an interest in real property. Notwithstanding the foregoing, Buyer may elect to file in such place or places as Buyer deems appropriate one or more financing and continuation statements under the Uniform Commercial Code naming Landlord as debtor and the Lease, the Rent, and the proceeds thereof as collateral, and in the event that Buyer's interest in such collateral is later determined to be an interest in personal property rather than in real property, then Landlord agrees that this Agreement shall constitute a pledge and security agreement with respect to such collateral and that Buyer shall have a perfected security interest in such collateral.

10. Casualty and Eminent Domain. Landlord shall promptly notify Buyer of any casualty to the Premises or the exercise of any power of eminent domain, or threat thereof, relating to the Premises, or any portion thereof. Buyer shall be entitled to receive any condemnation award attributable to the value of the lessor's interest under the Lease for the Agreement Term. Landlord shall not settle or compromise any condemnation award relating to the Premises except upon thirty (30) days prior written notice to Buyer.

11. Notices. Any notice required or permitted to be given hereunder shall be in writing and shall be served by personal delivery, facsimile transmission, Federal Express or another reputable overnight courier service, addressed to the party to be notified. If there is any dispute regarding the receipt of notice, the party giving such notice shall bear the burden of providing reasonably satisfactory evidence of such delivery. For the purposes of the foregoing, the parties' notice contact information shall be as set forth below the names on the signature page hereof.

12. Successor and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. The obligations of Landlord hereunder shall burden the land upon which the Premises are located, and shall run with such land. Notwithstanding the foregoing, Landlord may not assign or otherwise transfer, voluntarily or involuntarily, any of its rights under this Agreement to any person other than to a successor owner of all of Landlord's fee title in and to the Premises without Buyer's written consent, which consent shall not be unreasonably withheld. Buyer may from time to time sell, convey, assign, mortgage, pledge, encumber, hypothecate, securitize or otherwise transfer some or all of Buyer's obligation (if any), right, title and interest in and to the Lease, this Agreement, and/or any other Closing Document without notice to or consent of Landlord.

13. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THEREOF. EACH PARTY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE SUPERIOR COURT OF SACRAMENTO COUNTY AND FOR THE U.S. DISTRICT COURT -- EASTERN DISTRICT OF CALIFORNIA, AND EACH PARTY WAIVES ANY OBJECTION WHICH IT MAY HAVE TO THE LAYING OF VENUE IN SUCH COURT, WHETHER ON THE BASIS OF INCONVENIENT FORUM OR OTHERWISE.

14. Attorney's Fees. In any action or proceeding brought to enforce, the prevailing party shall be entitled to an award of its reasonable attorney's fees and costs.

15. Miscellaneous. The parties shall, from time to time, upon the written request of the other party, promptly execute and deliver such certificates, instruments and documents and take such other actions as may be appropriate to effectuate or evidence the terms and conditions of this Agreement or to enforce all rights and remedies hereunder or under the Lease. The Closing Documents constitute the entire agreement between Landlord and Buyer with respect to the subject matter hereof. Without limiting the generality of the foregoing, Landlord agrees that it has not received or relied upon any representations or warranties by Buyer or its representatives, or any advice of Buyer or

its representatives, regarding transactions contemplated herein, including, without limitation, the tax treatment or attributes of such transaction. This Agreement may be executed in counterparts each of which, when taken together, shall constitute a single agreement. This Agreement may be amended, modified or terminated only by a writing signed by the party against whom it is to be enforced. No act or course of dealing shall be deemed to constitute an amendment, modification or termination hereof. If any provision of this Agreement is invalid, illegal or unenforceable in any respect, such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability, and the remaining provisions shall remain in full force and effect so long as the economic and legal substance of the transactions contemplated hereby, taken as a whole, are not affected thereby in a materially adverse manner with respect to either party. Nothing express or implied in this Agreement is intended to confer any rights or benefits on any Person other than Landlord and Buyer, and their permitted successors and assigns.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, have caused this Agreement to be duly executed as of the Effective Date.

Buyer:

Valentine Capital, LLC,
a Delaware limited liability company

By: ______________________
Name: Joshua L. Wade
Title: Authorized Signatory

Date: 8/25/2014

Address:

c/o Wireless Capital Partners, LLC
11900 West Olympic Boulevard, Suite 400
Los Angeles, California 90064
Attention: Operations Manager
Facsimile: (310) 481-8701
Buyer Asset #: 399854

Landlord:

Rio Linda/Elverta Water District,
a special district of the State of California, which acquired title as Rio Linda Water District, a county water district

By: Matthew Longo
Name: Matt Longo
Title: President

By: Mary Henrici
Name: Mary Henrici
Title: General Manager

Date: 8/21/14

Address:

730 L Street
Rio Linda, California 95673
Attention: General Manager
Facsimile: (916) 991-6616

Exhibit A

The Lease

(Attached hereto)

Final Draft 05/15/02

SITE AGREEMENT

Site Name **Rio Linda**

This Site Agreement ("**Lease**" or "**Agreement**") dated as of August 2, 2002, is made by and between Sacramento-Valley Limited Partnership d/b/a Verizon Wireless ("**Tenant**"), and the RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT, a special district of the State of California, ("**Owner**"), who agree as follows:

1. **Premises and Use.**

(a) Premises. Owner owns the real property legally described on **Exhibit A**, commonly known as the Rio Linda Water District Water Tank, 724 L Street, Rio Linda, Sacramento County, California 95673 (Assessors Parcel Number 206-0253-030) ("**Owner's Property**"). Subject to the terms and conditions of this Agreement, Owner leases to Tenant that portion of Owner's Property consisting of an area on the ground of approximately 20' by 40' or approximately 800 square feet and space anticipated to be between the 70' foot and 90' foot level on the water tower (the "**Tower**") located on Owner's Property, with the non-exclusive right for ingress and egress, seven (7) days a week twenty-four (24) hours a day, on foot or motor vehicle, including trucks, and for the installation and maintenance of utility wires, poles, cables, conduits, and pipes over, under, or along a right-of-way extending from the nearest public right-of-way to the demised premises, said demised premises and right-of-way for access being substantially as depicted on **Exhibit B** (collectively, the "**Site**") attached hereto and made a part hereof.

(b) Use. The Site will be used by Tenant for the purpose of installing, removing, replacing, modifying, maintaining and operating, at its expense, a communications facility including, without limitation, antennas, equipment, cable wiring and related fixtures. Owner agrees to cooperate with Tenant, at no expense to Owner, with respect to obtaining any required zoning approvals for the Site and such improvements and shall take no action which would adversely affect the status of Owner's Property with respect to the proposed use by Tenant.

2. **Term.** The term of this Agreement (the "**Initial Term**") is 10 years, commencing on August 15,2002 ("**Commencement Date**") ~~both Tenant and Owner have executed this Agreement~~. This Agreement will be automatically renewed for three additional terms (each, a "**Renewal Term**") of five years each, unless Tenant provides Owner with notice of intention not to renew not less than 90 days prior to the expiration of the Initial Term or the Renewal Term.

Initial

3. **Rent.**

(a) Initial Rent. Commencing on the Commencement Date, rent shall be paid in equal monthly installments of One Thousand Two Hundred and No/100 Dollars ($1,200.00) (until increased as set forth herein), partial months to be prorated, in advance. Rent shall be paid to Owner at Owner's address specified in Section 16 below, without demand, notice, deduction or setoff in lawful United States funds. Upon full execution of this Agreement, Tenant shall also pay to Owner as additional consideration a one-time only fee in the amount of Fifty Thousand and No/100 Dollars ($50,000.00) on, or before July 15, 2002.

(b). Adjustments to Rent. Rent shall be increased annually, including any Renewal Term, as of each anniversary of the Commencement Date by 4% of the rent paid during the previous year.

4. **Title and Quiet Possession.** Owner warrants that it has full right, power and authority to execute this Lease and is seized of good and sufficient title and interest to Owner's Property. Owner further warrants that, upon Tenant's paying the rent and observing and performing its obligations hereunder, Tenant shall have quiet enjoyment of the Site during the Term of this Lease or any Renewal Term, without disturbance by Owner or anyone claiming by, through or under Owner.

5. **Assignment/Subletting.** Tenant will not assign or transfer this Agreement or sublet all or any portion of the Site without the prior written consent of Owner, which consent will not be unreasonably withheld, delayed or conditioned; provided, however, Tenant shall have the right to sublease or assign its rights under this Agreement without the prior consent of Owner to any of its principals, subsidiaries, affiliates or successor legal entities or to any entity acquiring substantially all of the assets of Tenant in the market defined by the FCC in which Owner's Property is located or to any entity which acquires or receives an interest in the majority of communications towers of Tenant in the market defined by the FCC in which Owner's Property is located.

6. **Improvements; Access.**

(a) Tenant, at Tenant's sole cost, shall have the right (but not the obligation) at any time following the full execution of this Agreement and prior to the Full Rent Commencement Date, subject to the provisions of this Agreement, to enter the Site for the purpose of making such inspections and engineering surveys (and soil tests where applicable) and other similar tests (collectively, "**Tests**") as Tenant shall deem appropriate to determine the suitability of the Site for Tenant's Facilities (as defined herein) and for the purpose of preparing for the construction of Tenant's Facilities. During any Tests or pre-construction work, Tenant shall have insurance as set forth in Section 12 (Insurance). Tenant shall notify Owner of any proposed Tests or pre-construction work and will coordinate the scheduling of same with Owner. If Tenant determines, in Tenant's sole discretion, that the Site is unsuitable for Tenant's contemplated use, then Tenant shall notify Owner prior to the Commencement Date and this Agreement shall terminate.

(b) Tenant has the right, subject to the provisions of this Agreement, to construct, maintain and operate on the Site radio communications facilities, including, but not limited to, radio frequency transmitting and receiving equipment, batteries, utility lines, transmission lines and radio frequency transmitting and receiving antennae and improvements ("**Tenant's Facilities**"), provided that Owner has previously approved drawings depicting the nature and location of such facilities. Tenant's Facilities on the Tower shall be located attached or adjacent to the catwalk railing with appropriate cabling from the antennae to the remainder of the Site, all pursuant to drawings approved in advance by Owner. In connection therewith, Tenant has the right to do all work necessary to prepare, maintain and alter the Site for Tenant's communications operations and to install utility lines and transmission lines connecting antennae to transmitters and receivers. All of Tenant's construction and installation work shall be performed at Tenant's sole cost and expense and in a good and workmanlike manner. Title to Tenant's Facilities and any equipment placed on the Site by Tenant shall be held by Tenant. All of Tenant's Facilities shall remain the property of Tenant and shall not be fixtures. Tenant has the right to remove all Tenant's Facilities at its sole expense on or before the expiration or termination of this Agreement, provided that Tenant repairs any damage to Owner's Property or the Site caused by a removal in order to surrender the Site to Owner pursuant to Section 6(f). For the purpose of this subsection, Owner hereby approves Tenant's plans to the extent shown on Exhibit B. Tenant shall have the right to otherwise use such property if such equipment or use would measurably interfere with Tenant's use of the Site as described in Section 8(a) above. Owner expressly reserves the right to enter into leases, licenses and other agreements for the occupancy or use by third parties of Owner's Property or any part of Owner's Property other than the Site, including for activities related to the provision of mobile/wireless communications services, so long as Tenant reasonably determines that the activities contemplated by any such lease, license or other agreement will not measurably interfere with Tenant's use of the Site in accordance with this Agreement. Tenant's determination will be made promptly following Owner's written request. The parties acknowledge that there will not be an adequate remedy at law for non-compliance with the non-interference provisions of this Agreement and therefore, Tenant shall have the right to equitable remedies such as, without limitation, injunctive relief and specific performance.

9. **Utilities.** Tenant shall have the right to install utilities, at Tenant's expense, and to improve the present utilities on the Site (including, but not limited to, the installation of emergency back-up power). Notwithstanding the foregoing, Tenant shall consider the possibility of obtaining back-up power through Owner's generator on Owner's Property on terms satisfactory to Tenant and Owner rather than installing another emergency back-up power source. Subject to Owner's approval of the location of said utilities, which approval shall not be unreasonably withheld or delayed, Tenant shall have the right to place utilities on (or to bring utilities across) Owner's Property in order to service the Site and Tenant's Facilities. Upon Tenant's request, Owner shall execute recordable easement(s) in form and substance reasonably satisfactory to Owner evidencing such rights. Tenant shall pay for all utilities used by it at the Site.

10. **Termination.** This Agreement may be terminated without further liability on as follows: (a) by either party upon a default of any covenant, condition or term hereof by the other party, which default is not cured within 30 days of receipt of written notice of default, provided that the cure period for a monetary default is 15 days after receipt of written notice of default; (b) by Tenant for any reason or for no reason, provided Tenant delivers written notice of termination to Owner prior to the Commencement Date; (c) by either party if Tenant does not maintain licenses, permits or other approvals necessary to the construction or operation of Tenant's Facilities; (d) by Tenant if Tenant is unable to occupy or utilize the Site due to ruling or directive of the FCC or other governmental or regulatory agency, including, but not limited to, a take back of channels or change in frequencies; and (e) by Tenant if Tenant determines, in Tenant's sole discretion, that the Site is not appropriate for its operations for economic, environmental or technological reasons, including, without limitation, signal strength or interference; or (f) by Owner if for any reason Owner intends to remove the Tower from Owner's Property. Nothing in this agreement requires Owner to maintain the Tower if it is no longer useful for Owner's water district purposes. In the event that Owner determines that the Tower is no longer useful for such purposes, the parties shall meet and negotiate in good faith regarding Tenant's ability to maintain the Tower itself, or to construct replacement facilities on Owner's Property. Notwithstanding anything to the contrary contained herein, and provided Tenant is not in default hereunder and shall have paid all rents and sums due and payable to Owner by Tenant, Tenant shall have the right to terminate this Agreement upon the annual anniversary of this Agreement provided that three (3) months prior notice is given to Owner.

11. **Default.** If either party is in default under this Agreement for a period of (a) 15 days following receipt of notice from the nondefaulting party with respect to a default which may be cured solely by the payment of money, or (b) 30 days following receipt of notice from the nondefaulting party with respect to a default which may not be cured solely by the payment of money, then, in either event, the nondefaulting party may pursue any remedies available to it against the defaulting party under applicable law, including, but not limited to, the right to terminate this Agreement. If the nonmonetary default may not reasonably be cured within a 30-day period, this Agreement may not be terminated if the defaulting party commences action to cure the default within such 30-day period and proceeds with due diligence to fully cure the default.

replace, repair, add or otherwise modify Tenant's Facilities or any portion thereof, whether Tenant's Facilities are specified or not on any exhibit attached hereto, during the term of this Agreement. It is understood and agreed that Tenant's ability to use the Site is contingent upon its obtaining after the Commencement Date all of the certificates, permits and other approvals (collectively the "Governmental Approvals") that may be required by any Federal, State or Local authorities as well as satisfactory soil boring tests which will permit Tenant's use of the Site as set forth above.

(c) Owner shall provide access to Tenant, Tenant's employees, agents, contractors and subcontractors to the Site 24 hours a day, seven days a week, at no additional charge to Tenant, except as set forth below. Tenant shall give Owner telephonic notice of each access to the Site that Tenant intends to make, using Owner's emergency phone number after normal business hours. Owner represents and warrants that it has full rights of ingress to and egress from the Site, and hereby grants such rights to Tenant to the extent required to construct, maintain, install and operate Tenant's Facilities on the Site. Tenant's exercise of such rights shall not cause undue inconvenience to Owner or Owner's other lessees or licensees. If Owner's personnel are required to be present on Owner's Property at the request of Tenant at any time during the term of this Agreement, Tenant shall pay the labor costs for such personnel.

(d) Owner shall maintain all access roadways from the nearest public roadway to the Site in a manner sufficient to allow access. Owner shall be responsible for maintaining and repairing such roadways, at its sole expense, except for any damage caused by Tenant's use of such roadways and use by Tenant's agents, assigns, contractors and subcontractors. If Tenant or any of Tenant's agents, assigns, contractors or subcontractors cause any such damage, Tenant shall promptly repair same at Tenant's cost.

(e) Tenant shall remove all Tenant's Facilities, at its sole expense, within ninety (90) days after the expiration or earlier termination of the Term or any Renewal Term. Tenant shall repair any damage to the Site or Owner's Property caused by such removal and shall return the Site to its original condition, including removal of any foundation installed by Tenant unless Owner approves leaving such foundation, reasonable wear and tear excepted.

(f) Tenant shall operate Tenant's Facilities in a manner that will not unreasonably interfere with access to or the security of Owner's Property. Tenant shall reasonably cooperate with Owner and any other lessee or licensee of all or any portion of Owner's Property, including, without limitation, Sprint Spectrum L.P. and AT&T Broadband, with regard to any security and/or access concerns identified by Owner.

7. <u>Compliance with Laws</u>. Tenant shall substantially comply with all applicable laws relating to its possession and use of the Site. Owner agrees to keep Owner's Property in conformance with all applicable laws and agrees to reasonably cooperate with Tenant regarding any compliance required by Tenant in respect to Tenant's use of the Site.

8. **<u>Interference with Communications</u>.**

(a) Tenant shall operate Tenant's Facilities in a manner that will not cause interference to communications operations or installations existing prior to commencement of Tenant's operations at the Site pursuant to that certain Ground and Tower Lease Agreement dated August 15, 1991, by and between Owner and Tenant. All Tenant's Facilities and operations by Tenant shall be in compliance with all Federal Communications Commission ("FCC") and Federal Aviation Administration ("FAA") requirements. Owner shall reasonably cooperate with Tenant in order to avoid any interference described herein.

(b) After the installation of Tenant's Facilities, Owner shall not permit its employees, agents, lessees or licensees to install new equipment on Owner's Property or the Site or

12. **Indemnity and Insurance.**

(a) Tenant shall maintain the following insurance: (i) Commercial General Liability with limits of $2 million per occurrence insuring, on an occurrence basis, against all liability of Tenant, its employees and agents arising out of or in connection with Tenant's use of the Site and Owner's Property; (ii) Automobile Liability with a combined single limit of $1 million per accident; (iii) Workers' Compensation as required by law; and (iv) standard form property insurance (all-risk coverage) equal to 90% of replacement cost covering Tenant's Facilities. Each policy maintained by Tenant will provide that cancellation will not occur without at least 15 days' prior written notice to Owner.

(b) Tenant and Owner waive any rights of recovery against the other for injury or loss due to hazards covered by their respective insurance policies and shall require their insurance policies to reflect the foregoing waiver of claims. Tenant shall name Owner as an additional insured with respect to the above Commercial General Liability insurance and provide to Owner, upon request, a copy of the certificate of insurance as satisfactory evidence of the coverages required by this Section 12.

(c) Tenant shall defend, indemnify, hold and save Owner harmless from and against any and all loss, costs, liability or damage (including reasonable attorneys' fees and court costs) to the extent arising by reason of the willful misconduct or negligence of Tenant, or its agents or employees in connection with its use of the Site, except to the extent of any willful misconduct or negligence of Owner, its agents or employees.

(d) Owner shall defend, indemnify, hold and save Tenant harmless from and against any and all loss, costs, liability or damage (including reasonable attorneys' fees or court costs) to the extent arising by reason of the willful misconduct or negligence of Owner, or Owner's agents or employees, except for any negligence or willful misconduct or omission of Tenant, its agents or employees.

(e) The foregoing indemnities in (c) and (d) will survive the termination, cancellation or expiration of this Agreement.

13. **Environmental.**

(a) Owner's Property. Owner routinely maintains certain Hazardous Materials, as defined below, on Owner's Property. However, Owner represents to Tenant that it has no knowledge of any such Hazardous Materials present on Owner's Property in violation of an applicable federal, state or local law, rule, regulations or governmental directive. Owner shall hold Tenant harmless and indemnify Tenant from and assume all duties, responsibility and liability at Owner's sole cost and expense, for all duties, responsibilities, and liability (for payment of penalties, sanctions, forfeitures, losses, costs, or damages) and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding which is in any way related to (a) failure to comply with environmental or industrial hygiene law, including without limitation any regulations, guidelines, standards or policies of any governmental authorities regulating or imposing standards of liability or standards of conduct with regard to any environmental or industrial hygiene concerns or conditions as may now or at any time hereafter be in effect, unless such non-compliance results from conditions caused by Tenant; and (b) any environmental or industrial hygiene conditions arising out of or in any way related to the condition of Owner's Property or activities conducted thereon, unless such environmental conditions are caused by Tenant.

(b) Definition of "Hazardous Materials". For purposes of this Agreement, the term "**Hazardous Materials**" shall include, but not be limited to, any flammable, corrosive or ignitable material, any explosives, or petroleum by-products, any radioactive materials, waste or substances or any toxic substances and other substances defined as "hazardous substances," "hazardous wastes," "extremely hazardous wastes," "hazardous materials" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 USC Sections 9601, et seq., the Toxic Substances Control Act, 15 USC Sections 2601, et seq.; Hazardous Materials Transportation Act, 49 USC Sections 1801, et seq., the Resource Conservation and Recovery Act, 42 USC Sections 6901, et seq., and/or in the regulations, compliance and guidance documents promulgated pursuant to such laws and any similar federal, state or local law.

(c) Tenant's Warranty. Tenant shall not bring any Hazardous Materials onto the Site except for reasonable quantities of common materials used in telecommunications operations, e.g., cleaning solvents. Tenant will use, handle, store, dispose of and treat all Hazardous Materials brought onto the Site by it in accordance with all federal, state and local laws and regulations.

14. **Taxes.** Tenant shall pay personal property taxes assessed against Tenant's Facilities. Tenant acknowledges and agrees that (a) Owner, as a public agency, is generally exempt from real and personal property taxation, (b) Tenant's leasehold interest under this Agreement may be subject to property taxation, (c) Tenant may be subject to the payment of property taxes on such possessory leasehold interest, and (d) Tenant shall pay all such possessory interest taxes prior to delinquency.

15. **Maintenance.**

(a) By Tenant. Tenant will be responsible for repairing and maintaining Tenant's Facilities and any other improvements installed by Tenant at the Site in a proper operating and reasonably safe condition.

(b) By Owner. Owner will maintain and repair all other portions of Owner's Property of which the Site is a part in a proper operating and reasonably safe condition, including, but not limited to, the Tower.

(c) Cooperation by Tenant. Notwithstanding any other provision of this Agreement, Owner reserves the right to maintain the Tower for its primary purpose as a water tower. Owner will attempt to immediately notify Tenant and take reasonable care not to damage Tenant's Facilities in case of emergency maintenance by Owner.

16. **Notices.** Any notice or demand required to be given herein shall be made by certified or registered mail, return receipt requested, or reliable overnight mail to the address of the respective parties set forth below:

Owner:

Rio Linda/Elverta Community Water District
730 L Street
Rio Linda, CA 95673
Attn: General Manager

Phone for Access Notice: (916) 991-1000

Tenant:

Sacramento-Valley Limited Partnership
d/b/a Verizon Wireless
180 Washington Valley Road
Bedminster, New Jersey 07921
Attn: Network Real Estate

17. **Casualty.** In the event of damage by fire or other casualty to the Site that cannot reasonably be expected to be repaired within forty-five (45) days following same or, if Owner's Property is damaged by fire or other casualty so that such damage may reasonably be expected to disrupt Tenant's operations at the Site for more than forty-five (45) days, then Tenant may at any time following such fire or other casualty, provided Owner has not completed the restoration required to permit Tenant to resume its operation at the Site, terminate this Agreement upon fifteen (15) days written notice to Owner. Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the parties shall make an appropriate adjustment, as of such termination date, with respect to payments due to the other under this Agreement. Notwithstanding the foregoing, all rent shall abate during the period of repair following such fire or other casualty.

18. **Condemnation.** In the event of any condemnation of Owner's Property, Tenant may terminate this Agreement upon fifteen (15) days written notice to Owner if such condemnation may reasonably be expected to disrupt Tenant's operations at the Site for more than forty-five (45) days. Tenant may on its own behalf make a claim in any condemnation proceeding involving the Site for losses related to antennas, equipment, its relocation costs and its damages and losses (but not for the loss of its leasehold interest). Any such notice of termination shall cause this Agreement to expire with the same force and effect as though the date set forth in such notice were the date originally set as the expiration date of this Agreement and the parties shall make an appropriate adjustment as of such termination date with respect to payments due to the other under this Agreement.

19. **Subordination & Non-Disturbance.** At Owner's option, this Agreement shall be subordinate to any mortgage or other security interest by Owner which from time to time may encumber all or part of Owner's Property or right-of-way; provided, however, every such mortgage or other security interest shall recognize the validity of this Agreement in the event of a foreclosure of Owner's interest and also Tenant's right to remain in occupancy of and have access to the Site as long as Tenant is not in default of this Agreement. Tenant shall execute whatever instruments may reasonably be required to evidence this subordination clause. In the event Owner's Property is encumbered by a mortgage or other security interest, Owner immediately after this Agreement is executed, will obtain and furnish to Tenant, a non-disturbance agreement for each such mortgage or other security interest in recordable form. In the event Owner defaults in the payment and/or other performance of any mortgage or other security interest encumbering Owner's Property, Tenant, may, at its sole option and without obligation, cure or correct Owner's default and upon doing so, Tenant shall be subrogated to any and all rights, titles, liens and equities of the holders of such mortgage or security interest and Tenant shall be entitled to deduct and setoff against all rents that may otherwise become due under this Agreement the sums paid by Tenant to cure or correct such defaults.

20. **Miscellaneous.**

(a) This Agreement applies to and binds the heirs, successors, executors, administrators and assigns of the parties to this Agreement.

(b) This Agreement is governed by the laws of the State of California.

(c) Upon request either party may require that a Memorandum of Agreement be recorded in the Official Records of Sacramento County in the form of **Exhibit C**. The cost of recording shall be paid by the party requesting that the Memorandum of Agreement be recorded.

(d) This Agreement (including the Exhibits) constitutes the entire agreement between the parties and supersedes all prior written and verbal agreements, representations, promises or understandings between the parties, including without limitation, that certain Ground and Tower Lease Agreement dated August 15, 1991, between Owner and Tenant. Any amendments to this Agreement must be in writing and executed by both parties.

(e) If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, will not be affected and each provision of this Agreement will be valid and enforceable to the fullest extent permitted by law.

(f) The prevailing party in any action or proceeding in court or mutually agreed upon arbitration proceeding to enforce the terms of this Agreement is entitled to receive its reasonable attorneys' fees and other reasonable enforcement costs and expenses from the nonprevailing party.

(g) Terms and conditions of this Agreement which, by their sense and context, survive the termination, cancellation or expiration of this Agreement will so survive.

(h) All exhibits attached to this Agreement are incorporated herein by this reference.

The following Exhibits are attached to and made a part of this Agreement: Exhibits A, B and C.

OWNER

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT, a special district of the State of California

By____________________
Print Name: Doug Cater
President, Board of Directors
S.S./Tax No.68-0107697
Address: 730 L Street
Rio Linda, CA 95673
Date August 2, 2002

TENANT

SACRAMENTO-VALLEY LIMITED PARTNERSHIP d/b/a VERIZON WIRELESS

By AirTouch Cellular, Its General Partner

By: ____________________

Name: Robert F. Swaine

Its: Area Vice President - Network West

Date 7-15-02

EXHIBIT A
to
SITE AGREEMENT

DESCRIPTION OF OWNER'S PROPERTY

Site Name Rio Linda

The real property situated in the Community of Rio Linda, County of Sacramento, State of California, commonly described as 724 L Street and more particularly described as follows:

That portion of the Northerly 330 feet of Lot 68, Rio Linda Subdivision No. 2, recording in Book 14 of Maps, Map No. 47, records of said County, described as follows:

BEGINNING at a point in the center of a County road on the Northerly boundary line of said Lot 68 running North 89° 1 1/2' East 150 feet from the Northwest corner of said Lot 68; thence South 1° 46 1/2' East 200 feet; thence Easterly North 89° 1 1/2' East on a line to the point of intersection with the West line of the right of way of the Sacramento Northern Railroad as shown on the plat of Rio Linda Subdivision No. 2; thence Northerly on a curve to the left along the Easterly boundary line of said Lot 68 to the North East corner of said Lot 68; thence Westerly along the North line of said Lot 68 to the North East corner of said Lot 68; thence Westerly along the North line of said Lot 68, 223.58 feet to the point of beginning.

Owner Initials ________

Tenant Initials ________

MEMORANDUM OF SITE AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Sacramento-Valley Limited Partnership
d/b/a Verizon Wireless
180 Washington Valley Road
Bedminster, New Jersey 07921
Attention: Network Real Estate
(Re: Rio Linda Cell Site)

(Space above this line for Recorder's use.)

MEMORANDUM OF SITE AGREEMENT

THIS MEMORANDUM OF SITE AGREEMENT evidences that a Site Agreement ("Lease") was entered into as of August 15, 2002, by and between Rio Linda/Elverta Community Water District, a special district of the State of California ("Owner"), and Sacramento-Valley Limited Partnership d/b/a Verizon Wireless ("Tenant") concerning certain real property located in the County of Sacramento, State of California, Assessors Parcel Number 206-0253-030 ("Owner's Property"), as more particularly described in Exhibit "A1" attached hereto, together with a grant of rights of access thereto and to electric and telephone facilities for an initial term of ten (10) years, which term is subject to certain rights to extend by Tenant.

IN WITNESS WHEREOF, Owner and Tenant have duly executed this Memorandum of Site Agreement as of the day and year first above written.

OWNER:

Rio Linda/Elverta Community Water District, a special district of the State of California

By: ________
Name: DOUG CATER
Title: BOARD PRESIDENT

TENANT:

Sacramento-Valley Limited Partnership
d/b/a Verizon Wireless

By AirTouch Cellular, Its General Partner
By: ________
Name: Robert F. Swaine
Title: Area Vice President – Network West

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange } ss.

On 7-15-02 (Date), before me, Carolyn J. Wilson, Notary Public (Name and Title of Officer (e.g., "Jane Doe, Notary Public")),

personally appeared Robert F. Swaine (Name(s) of Signer(s)),

☐ personally known to me
☒ proved to me on the basis of satisfactory evidence

CAROLYN J. WILSON
Commission # 1284499
Notary Public - California
Orange County
My Comm. Expires Dec 15, 2004

Place Notary Seal Above

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Carolyn J. Wilson
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: ________

Document Date: ________ Number of Pages: ________

Signer(s) Other Than Named Above: ________

Capacity(ies) Claimed by Signer

Signer's Name: ________

☐ Individual
☐ Corporate Officer — Title(s): ________
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: ________

Signer Is Representing: ________

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

EXHIBIT "A1"

DESCRIPTION OF OWNER'S PROPERTY

Site Name Rio Linda

The real property situated in the Community of Rio Linda, County of Sacramento, State of California, commonly described as 724 L Street and more particularly described as follows:

That portion of the Northerly 330 feet of Lot 68, Rio Linda Subdivision No. 2, recording in Book 14 of Maps, Map No. 47, records of said County, described as follows:

BEGINNING at a point in the center of a County road on the Northerly boundary line of said Lot 68 running North 89° 1 1/2' East 150 feet from the Northwest corner of said Lot 68; thence South 1° 46 1/2' East 200 feet; thence Easterly North 89° 1 1/2' East on a line to the point of intersection with the West line of the right of way of the Sacramento Northern Railroad as shown on the plat of Rio Linda Subdivision No. 2; thence Northerly on a curve to the left along the Easterly boundary line of said Lot 68 to the North East corner of said Lot 68; thence Westerly along the North line of said Lot 68 to the North East corner of said Lot 68; thence Westerly along the North line of said Lot 68, 223.58 feet to the point of beginning.

State of California)
) ss.
County of Sacramento)

On August, 2002, before me, Michael Costa, notary public, personally appeared ________________, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature [signature] (Seal)

MICHAEL COSTA
Commission # 1344109
Notary Public - California
Sacramento County
My Comm. Expires Mar 20, 2006

State of ________________)
) ss.
County of ________________)

On ____________, 20___, before me, ______________________________, notary public, personally appeared ________________, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature ____________________ (Seal)

State of ________________)
) ss.
County of ________________)

On ____________, 20___, before me, ______________________________, notary public, personally appeared ________________, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature ____________________ (Seal)

EXHIBIT C
to
SITE AGREEMENT

MEMORANDUM OF SITE AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Sacramento-Valley Limited Partnership
d/b/a Verizon Wireless
180 Washington Valley Road
Bedminster, New Jersey 07921
Attention: Network Real Estate
(Re: Rio Linda Cell Site)

(Space above this line for Recorder's use.)

MEMORANDUM OF SITE AGREEMENT

THIS MEMORANDUM OF SITE AGREEMENT evidences that a Site Agreement ("Lease") was entered into as of August 15, 2002, by and between Rio Linda/Elverta Community Water District, a special district of the State of California ("Owner"), and Sacramento-Valley Limited Partnership d/b/a Verizon Wireless ("Tenant") concerning certain real property located in the County of Sacrament, State of California, Assessors Parcel Number 206-0253-030 ("Owner's Property"), as more particularly described in Exhibit "A1" attached hereto, together with a grant of rights of access thereto and to electric and telephone facilities for an initial term of ten (10) years, which term is subject to certain rights to extend by Tenant.

IN WITNESS WHEREOF, Owner and Tenant have duly executed this Memorandum of Site Agreement as of the day and year first above written.

OWNER:

Rio Linda/Elverta Community Water District, a special district of the State of California

By:____________________
Name: Doug Cater
Title: President, Board of Directors

TENANT:

Sacramento-Valley Limited Partnership
d/b/a Verizon Wireless

By AirTouch Cellular, Its General Partner
By:____________________
Name: Robert F. Swaine
Title: Area Vice President – Network West

EXHIBIT "A1"

DESCRIPTION OF OWNER'S PROPERTY

Site Name **Rio Linda**

The real property situated in the Community of Rio Linda, County of Sacramento, State of California, commonly described as 724 L Street and more particularly described as follows:

That portion of the Northerly 330 feet of Lot 68, Rio Linda Subdivision No. 2, recording in Book 14 of Maps, Map No. 47, records of said County, described as follows:

BEGINNING at a point in the center of a County road on the Northerly boundary line of said Lot 68 running North 89° 1 1/2' East 150 feet from the Northwest corner of said Lot 68; thence South 1° 46 1/2' East 200 feet; thence Easterly North 89° 1 1/2' East on a line to the point of intersection with the West line of the right of way of the Sacramento Northern Railroad as shown on the plat of Rio Linda Subdivision No. 2; thence Northerly on a curve to the left along the Easterly boundary line of said Lot 68 to the North East corner of said Lot 68; thence Westerly along the North line of said Lot 68 to the North East corner of said Lot 68; thence Westerly along the North line of said Lot 68, 223.58 feet to the point of beginning.

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "B MELTEL LLC", CHANGING ITS NAME FROM "B MELTEL LLC" TO "B DIAMOND INFRA LLC", FILED IN THIS OFFICE ON THE FIFTEENTH DAY OF JUNE, A.D. 2021, AT 8:58 O`CLOCK A.M.

Jeffrey W. Bullock, Secretary of State

5038286 8100
SR# 20212447393

Authentication: 203446131
Date: 06-15-21

You may verify this certificate online at corp.delaware.gov/authver.shtml

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "T10 MELTEL LLC", CHANGING ITS NAME FROM "T10 MELTEL LLC" TO "B MELTEL LLC", FILED IN THIS OFFICE ON THE FIFTEENTH DAY OF APRIL, A.D. 2019, AT 11:47 O`CLOCK A.M.

Jeffrey W. Bullock, Secretary of State

5038286 8100
SR# 20192825370

Authentication: 202642205
Date: 04-15-19

You may verify this certificate online at corp.delaware.gov/authver.shtml

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"MELTEL II VALENTINE LLC", A DELAWARE LIMITED LIABILITY COMPANY,

WITH AND INTO "T10 MELTEL LLC" UNDER THE NAME OF "T10 MELTEL LLC", A LIMITED LIABILITY COMPANY ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE ON THE FIFTEENTH DAY OF APRIL, A.D. 2019, AT 11:45 O`CLOCK A.M.

Jeffrey W. Bullock, Secretary of State

5038286 8100M
SR# 20192825133

Authentication: 202642168
Date: 04-15-19

You may verify this certificate online at corp.delaware.gov/authver.shtml

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "VALENTINE CAPITAL, LLC", CHANGING ITS NAME FROM "VALENTINE CAPITAL, LLC" TO "MELTEL II VALENTINE LLC", FILED IN THIS OFFICE ON THE TWENTY-SIXTH DAY OF JANUARY, A.D. 2015, AT 5:32 O'CLOCK P.M.

SECRETARY OF STATE · 1776 · DELAWARE · 1970

Jeffrey W. Bullock, Secretary of State

5095635 8100

150099551

AUTHENTICATION: 2072979

DATE: 01-27-15

Items for Discussion and Action
Agenda Item: 5.5

Date: August 24, 2026

Subject: Consider Revised GM Recruitment Advertisement.

Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:

The Executive Committee did not discuss this item.

Current Background and Justification:

A revised job announcement for the Recruitment of a GM has been completed and reviewed by the ad hoc committee with a nod. It is now being presented to the full board for approval.

Conclusion:

Staff recommends the Board to consider approval of the revised GM Recruitment Advertisement for posting.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

Cline ________ Gifford ________ Green ________ Liverett ________ Young ________
(A) Yea **(N) Nay** **(Ab) Ab**stain **(Abs) Abs**ent

RIO LINDA ELVERTA
WWW.RLECWD.COM
QUESTIONS@RLECWD.COM
COMMUNITY WATER DISTRICT

August 15, 2026

Rio Linda Elverta Community Water District is Seeking its Next General Manager

The Rio Linda-Elverta Community Water District

The towns of Rio Linda and Elverta are situated in the Northwest corner of Sacramento County in the central valley of California. The District provides drinking water via a dozen wells to a rural bedroom community located 15 minutes from downtown Sacramento. Lake Tahoe and San Francisco are both 90-minutes away from this centrally located community.

The Position

As the chief executive officer, the General Manager performs high level administrative, technical and professional work in directing and supervising the administration and operations of the District. The GM also performs the duties of Secretary to a Board of five Directors.

Typical Tasks

Has full charge and control of the administration, maintenance, operation, and construction of the water-works system of the District; manages and supervises all operations of the District to achieve goals within available resources. Prescribes the duties of the District employees; plans and organizes workloads and staff assignments, trains, motivates and evaluates immediate subordinates; reviews progress and directs changes as needed. Provides leadership and direction in the development of short and long-range plans; provides professional advice to the Board; gathers, interprets, and prepares data for studies, reports and recommendations; communicates official plans, policies and procedures to staff and the general public.

Advises the Board of financial current and future District needs, as chief fiscal officer, (a) prepares the annual budget for Board consideration and adoption, and maintains proper budgetary control through the establishment and maintenance of a budgetary accounting system in a manner consistent with state law; and (b) prior to the issuance of checks to pay demands made against the District, reviews and approves such demands as required under the Government Code.

Acts as agent of the Board in relations with other consultants, contractors, engineers, legal counsel, accountants, and auditors employed and retained by the District. Acts as representative of the District in working with County, regional, state and federal agencies concerned with water and construction projects. Acts as the District's public relations officer, endeavoring to keep the community informed of the District's efforts to operate and maintain an efficient program.

Desired Minimum Qualifications

Graduation from an accredited four-year college or university with a degree in public administration, political science, business management or closely related field; five (5) years of experience as a manager or assistant manager in a California government agency operating a water utility (a master's degree or registration as a professional engineer may be substituted for two years of experience); possession of a current State Water Resources Control Board Water Treatment Operator Grade II (or higher) certificate; current State Water Resource Control Board Water Distribution Operator Grade II (or higher) certificate and possession of a valid Class C California driver's license.

Necessary Knowledge, Skills and Abilities

Considerable knowledge of modern policies and practice of public administration; working knowledge of utility law, finance, human resources, and management; skill in preparing and administering public agency budgets; skill in planning, directing and administering governmental programs; ability to prepare and analyze comprehensive reports; ability to carry out assigned projects to their completion; ability to communicate effectively verbally and in writing; ability to establish and maintain effective working relationships with employees, officials and the public; some knowledge of civil engineering principles, practice and methods as applicable to a water utility setting; working knowledge of applicable laws, standards and regulations relating to construction, inspection, safety and traffic control; skill in reading and interpreting construction drawings, plans and specifications.

Work Environment

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodation may be made to enable individuals with disabilities to perform the essential functions. The employee will perform duties in a combination of office, field and remote work settings. Field settings may include visits to District facilities, infrastructure, construction sites, and operational locations throughout the service area. The employee may work occasionally near moving mechanical parts and in high, precarious places and is occasionally exposed to wet and/humid conditions, fumes or airborne particles, toxic or caustic chemicals, risk of electrical shock, and vibration. The noise level in the work environment is usually quiet to moderate. Office work will include contending with District matters via, remoting into the server. Responding to email, texts, phone calls, Zoom and Teams, as well as partaking in offsite meetings and venues with agencies like ACWA, RWA, and SGA.

Special Requirements

Must pass a background check.
Must pass a drug screening test.
Must pass a pre-employment physical.

How to Apply

If you are interested in applying for this position please visit our website at www.rlecwd.com and download an application. A signed District application for employment must be submitted along with a cover letter and resume to be considered for the position. If you have any questions regarding the position, contact Felix Felix at 916-991-1000 or gm@rlecwd.com.

Filing Closing Date

The filing period will remain open until a sufficient number of applications have been received to support the selection process. The District will not close the filing period any sooner than October 15, 2026.

Salary and Benefits

$130,000 - $160,000 DOQ

- 401(k)
- Dental insurance
- Flexible spending account
- Health insurance
- Life insurance
- Paid time off
- Retirement plan
- Vision insurance

Items for Discussion and Action Agenda Item: 5.6

Date: August 24, 2026

Subject: Review Affinity Engineering's Agreement for Cr6 Treatment Design at Wells 2A and 10.

Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:

The Executive Committee did not discuss this item

Current Background and Justification:

Director Chris Gifford requested the Board to review and discuss Affinity Engineering's Agreement for Cr6 Treatment Design for Wells 2A and 10.

Conclusion:

Director Gifford recommends the Board to review and discuss Affinity Engineering's Agreement.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

Cline ________ Gifford ________ Green ________ Liverett ________ Young ________

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

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
PROJECT: Cr6 Treatment Design and Pilot Testing at Wells 2A and 10
PROJECT NO. _____-____

AGREEMENT FOR CONSULTING SERVICES

THIS CONSULTING SERVICES AGREEMENT ("Agreement") is made and entered into this 22nd day of June, 2026, by and between the Rio Linda Elverta Community Water District, a county water district of the State of California ("District") and Affinity Engineering, ("Consultant") (each individually a "Party" and collectively the "Parties"). There are no other parties to this Agreement.

RECITALS

A. Consultant represents to District that it is a duly qualified and licensed firm experienced in providing professional engineering consulting services in support of hexavalent chromium (Cr6) treatment design and pilot testing at Wells 2A and 10 (the "Project").

B. In the judgment of the Board of Directors of District, it is necessary and desirable to employ the services of Consultant to perform consulting services on the Cr6 treatment design and pilot testing at Wells 2A and 10 project.

C. Consultant has been selected to provide engineering services with a description of such services attached hereto as **Exhibit A** ("Services").

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

AGREEMENT

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

Section 2. Term. This Agreement shall commence on the Effective Date and continue for three (3) years ("Term"), provided that either Party may terminate the Agreement by providing thirty (30) days written notice to the other Party.

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

Section 4. Work.

(a) *Services*. Subject to the terms and conditions set forth in this Agreement, Consultant shall perform the Services as described in **Exhibit A** and as provided in approved Task Orders. Consultant shall not receive additional compensation for the performance of any services unless they are approved by the District in writing.

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

Section 5. Time of Performance. Consultant warrants that it will commence performance of the Services within thirty (30) calendar days of the Notice to Proceed, and shall conform to the requirements of the Services provided in **Exhibit A** or as provided in an approved Task Order. The time of performance is a material term of this Agreement relied on by District in entering into this Agreement.

Section 6. Payment. The District shall pay Consultant for all Services described in **Exhibit A**, which are performed and invoiced by Consultant.

Consultant shall submit monthly invoices to District for Services performed and expenses incurred during the preceding month. District shall pay Consultant within 30 days of receipt of each invoice. Each invoice shall identify all services performed and any expenses for which reimbursement is requested. Prior to payment, District may require Consultant to furnish supporting information and documentation for all charges for which payment is sought.

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

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

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

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

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

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

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

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

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

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

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

Section 11. Ownership and Disclosure of Work Product. District shall be the owner of and shall be entitled to immediate possession of accurate reproducible copies of any design computations, plans, specifications, surveys, copies of correspondence, maps, or other pertinent data and information gathered or computed by Consultant ("Work Product") in the performance of and prior to termination of this Agreement by District or upon completion of the work pursuant to this Agreement. Consultant may retain copies of the above-described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of District, during the term of this Agreement and for a period of one hundred eighty (180) days following expiration of the term of the Agreement.

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

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

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

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

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

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

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

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

(b) *General Liability*. Consultant shall carry commercial general liability insurance in an amount no less than Two Million Dollars ($2,000,000.00) combined single limit for each occurrence, covering bodily injury and property damage. If commercial general liability insurance or another form with a general aggregate limit is used, either the general aggregate limit shall apply separately to each Project or the general aggregate shall be no less than Two Million Dollars ($2,000,000.00).

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

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

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

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

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

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

If to District:	Rio Linda/Elverta Community Water District 730 L Street Rio Linda, California 95673 Attention: Felix M. Felix, Interim General Manager Tel: (916) 991-8891
With courtesy copy to:	Kronick Moskovitz Tiedemann & Girard 1331 Garden Highway, 2nd Floor Sacramento, California, 95833 Attention: Jeffrey A. Mitchell Tel: (916) 321-4500

If to Consultant: Consultant Name
Address
City, State Zip
Attention:
Tel:

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

Exhibit Designation	Exhibit Title
Exhibit A:	**Services**

Section 18. General Provisions.

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

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

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

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

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

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

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

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

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

DISTRICT:

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

By:________________________________
Felix M. Felix, Interim General Manager

Date:______________________________

CONSULTANT:

Consultant Name

By:________________________________

Print: James D. Carson

Title: President

Date: July 14, 2026

EXHIBIT A: SERVICES

Work Scope: Consultant shall perform the following scope of services each at Well 2A and Well 10:

The District plans to add ion exchange treatment with roll up regeneration for Cr6 treatment to Wells 2A and 10. The treatment systems will require new piping, well pump, motor, electrical panel, and chlorine room. Modifications to the site will allow a tanker truck to provide roll up regeneration when the ion exchange media requires regeneration. Approval from California State Water Resources Control Board's Division of Drinking Water (DDW) is required prior to operating the system.

Design: Consultant will develop civil, mechanical, and electrical stamped plans and specifications as follows:

- Civil/Mechanical – onsite piping, pump and motor, site drainage, offsite drainage ditch improvements, fencing and automatic gate, landscaping, sound wall, and paving.
- Electrical – electric service, power distribution, site lighting, conduit, and wire.
- Process and Controls – operational requirements and control narrative for integrator (under construction contract) to provide interfacing with District's SCADA, PLC programming, operator interface terminal (OIT) configuration and programming.
- Submittals –

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

- 60 Percent Design Plans and Specifications, Opinion of Probable Construction Cost
- 90 Percent Design Plans and Specifications, Opinion of Probable Construction Cost
- 100 Percent Bid Set, Opinion of Probable Construction Cost
- Conformed Set

Pilot Testing and Study: Consultant shall perform a pilot study at the site to confirm filter loading.

Schedule: The following is the project schedule:

Pilot Testing: Based on the initial pilot study that was performed in 2016 at Well 10, this pilot testing is expected to take 4 months from notice to proceed.

Design – The facility design will be done concurrently with the pilot testing and is expected to be completed as follows:

- 60 percent design will be completed three months from notice to proceed.
- 90 percent design will be completed one month after receiving 60 percent design comments from the District.
- Bid Plans and Specifications will be completed one month after receiving 90 percent comments from the District.

Engineering Design will be completed and ready to bid as early as 5 months from notice to proceed provided District reviews of design submittals are provided within 1 week.

Budget: The total budget for consultant pilot testing and design services at both Well 2A and Well 10 is $440,000.00. This is a time and materials, not to exceed contract. Itemized invoices shall be submitted with specific tasks completed monthly. The budget may not be increased without written approval from the District. Invoices shall be submitted separately, one each for Well 2A and Well 10, with specific dates, daily hours spent, description of work performed, task associated with the work performed, person performing the work, and hourly rate.

Well 2A:

Pilot Testing and Study - $70,000
Design - $150,000

Total: $220,000.00

Well 10:

Pilot Testing and Study - $70,000
Design - $150,000

Total: $220,000.00

Items for Discussion and Action
Agenda Item: 4.3

Date: June 22, 2026

Subject: Consider Engaging a Consultant to Prepare Cr6 Treatment Design at Wells 2A and 10

Staff Contact: Mike Vasquez, PE, PLS, Contract District Engineer

Recommended Committee Action:

The Executive Committee discussed this item at the June meeting and forwarded it to the June Board Meeting.

Current Background and Justification:

The District received comments from the State Water Board for the District's Cr6 Compliance Plan on 27 April 2026. The plan was submitted to the Water Board in June 2025 as discussed at the District's May 18, 2026 Board Meeting. The Water Board is requiring the District to implement projects to increase capacity as part of Cr6 regulatory requirements. Implementing Cr6 treatment projects at Wells 2A and 10 would meet those requirements.

Staff has been in discussions with Affinity Engineering, the designer of the previous Cr6 treatment plant at Well 10, to re-engage Cr6 treatment design at Well 10 and also initiate Cr6 treatment design at Well 2A. Affinity has provided work scopes and budgets to perform pilot testing and treatment designs for SBA-IX Cr6 treatment systems utilizing regenerable media. Proposed pilot testing and design budgets are as follows:

Well 2A: Pilot Testing and Study, $70,000. Design, $150,000

Well 10: Pilot Testing and Study, $70,000. Design, $150,000

These are Time and Materials, Not to Exceed budgets.

A draft agreement is included in your agenda packet.

Conclusion:

It is recommended that the Board discuss this item and authorize the Interim General Manager to execute an agreement with the Consultant to prepare Cr6 Treatment Designs at Wells 2A and 10.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

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

Comments/Questions – Public member commented on the time frame when the new construction at Century Palms would break ground.

4.3 Consider Engaging a Consultant to Prepare Cr6 Treatment Design at Wells 2A and 10 (21:40)

Comments/Questions – General discussion and questions by the Board with regards to using Affinity Engineering to draft the plans, and timeline to complete by October 2027.

(28:50) It was moved by Director Liverett seconded by Director Cline to engage with Affinity Engineering to prepare Cr6 Treatment Design for Well 2A and 10. Directors Cline, Green, Gifford, Young and Liverett voted yes. The motion carried by a roll call vote of 5-0-0.

4.4 Consider Preliminary Budgets Fiscal Year 2026/27 (29:36)

Comments/Questions – Public member questioned the purchase of another truck and maintenance costs.

(35:00) It was moved by Director Gifford seconded by Director Green to adopt the Preliminary Budgets FY 2026-27 and scheduling the public hearing for August. Directors Cline, Green, Gifford, Young and Liverett voted yes. The motion carried by a roll call vote of 5-0-0.

4.5. Consider Resolution No. 2026-01 for Dismissal of Tim Shaw as GM of RLECWD without Cause (38:10)

Comments/Questions – Public member questioned why a Resolution was given to the past GM.

(38:57) It was moved by Director Young seconded by Director Cline to adopt Resolution No. 2026-01 for Dismissal of Tim Shaw as GM of RLECWD without Cause. Directors Cline, Green, Gifford, and Liverett voted yes. Director Young abstained. The motion carried by a roll call vote of 4-0-1.

4.6. Consider Resolution No. 2026-02 authorizing a change in authorized signers on the LAIF account (41:30)

Comments/Questions – No comments.

(42:08) It was moved by Director Gifford seconded by Director Green to adopt Resolution No. 2026-02 authorizing a change in authorized signers on the LAIF account. Directors Liverett, Green, Gifford, Young, voted yes. Director Cline abstained. The motion carried by a roll call vote of 4-0-1.

4.7 Consider CPS HR Consulting Services Agreement Revisions or an Alternative Option (42:52)

The Executive committee recommends using the Interim GM to use his experience in recruiting and advertising for a new GM to save the cost of $30k.

Comments/Questions – Director Young recommended to table the item for now.
Comments/Questions – Public member questioned the 90 days to hire a GM.

(53:25) It was moved by Director Young and seconded by Director Gifford to table using CPS HR Consulting Services and authorize the Interim GM to advertise for the recruitment of the GM position. Directors Cline, Green, Young, Gifford and Green voted yes. The motion carried by a roll call vote of 5-0-0.

4.8 Consider Resolution No. 2026-03 Calling General Election for 2026 (55:07)

Comments/Questions – Public member commented on past election postings.

(55:24) It was moved by Director Young and seconded by Director Cline to adopt Resolution No. 2026-03 Calling the General Election. Directors Cline, Green, Young, Gifford and Green voted yes. The motion carried by a roll call vote of 5-0-0.

CALIFORNIA
Water Boards

GAVIN NEWSOM
GOVERNOR

YANA GARCIA
SECRETARY FOR ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

July 31, 2026 PWS No. 3410018

Timothy Shaw
General Manager
Rio Linda/Elverta Community Water District
730 L Street
Rio Linda, CA 95673

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT PUBLIC WATER SYSTEM (PWS No. 3410018) HEXAVALENT CHROMIUM MCL COMPLIANCE PLAN SECOND SUBMITTAL

On July 14, 2026, the Rio Linda/Elverta Community Water District (Water System) public water system (PWS No. 3410018) submitted to the California State Water Resources Control Board, Division of Drinking Water (Division) a revised Hexavalent Chromium Maximum Contaminant Level (MCL) Compliance Plan (Plan) in accordance with Section 64432(q), Article 4, Chapter 15, Division 4, Title 22 of the California Code of Regulations (CCR). The Plan is dated July 10, 2026, and is an update to the previously submitted Plan that the Division found unacceptable.

On October 1, 2024, the hexavalent chromium regulations went into effect. The MCL for hexavalent chromium is 10 ppb. In accordance with Section 64432(b), Article 4, Chapter 15, Division 4, Title 22 of the California Code of Regulations (CCR), each community and nontransient-noncommunity water system shall initiate monitoring for an inorganic chemical within six months following the effective date of the regulation establishing the MCL for the chemical.

In accordance with Section 64432(g), Article 4, Chapter 15, Division 4, Title 22 of the CCR, if the level of any inorganic chemical, except for nitrate, nitrite, nitrate plus nitrite, or perchlorate, exceeds the MCL, the water supplier shall monitor quarterly beginning in the next quarter after the exceedance occurred.

In accordance with Section 64432(i), Article 4, Chapter 15, Division 4, Title 22 of the CCR, compliance with the MCLs shall be determined by a running annual average.

In accordance with Section 64432(q), Article 4, Chapter 15, Division 4, Title 22 of the CCR, if before the applicable compliance date in Table 64432-B, a water system's monitoring for hexavalent chromium conducted pursuant to subsection (b) demonstrates an MCL exceedance as calculated in accordance with subsection (i), then no later than 90 days after the MCL exceedance a water system shall submit to the Division a Hexavalent Chromium MCL Compliance Plan (Plan) that is sufficient to demonstrate how the system will comply with the hexavalent chromium MCL.

In accordance with Section 64432(p), Article 4, Chapter 15, Division 4, Title 22 of the CCR, a water system shall comply with the hexavalent chromium MCL by the applicable compliance date in Table 64432-B. The compliance date for the Water System is **October 1, 2027**.

The revised Plan was reviewed by Sepideh Feizi, at this office. According to the Plan, the Water System intends to add treatment to three wells, change the status of certain wells, and drill a new well if needed. After review, the Division notes no exception to the Plan and the Plan is approved for implementation.

The Water System may submit a Plan amendment at any time. Any amendments to the Plan shall be submitted to the Division for review and approval prior to implementation.

If you have any questions, or if we can be of any assistance, please do not hesitate to contact Sepideh Feizi at: sepideh.feizi@waterboards.ca.gov or by telephone at (916) 341-5990.

Sincerely,

Austin Peterson, P.E.
Sacramento District Engineer
Division of Drinking Water
STATE WATER RESOURCES CONTROL BOARD

cc. Sepideh Feizi – Water Resource Control Engineer, DDW, SWRCB

Items for Discussion and Action
Agenda Item: 5.7

Date: August 24, 2026

Subject: Review 2025 and 2017 Organization Charts

Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:

The Executive Committee did not discuss this item.

Current Background and Justification:

Director Jason Green requested the Board to review and discuss the 2025 and 2017 Organization Charts.

Conclusion:

Director Gifford recommends the Board to review and discuss the 2025 and 2017 Organization Charts.

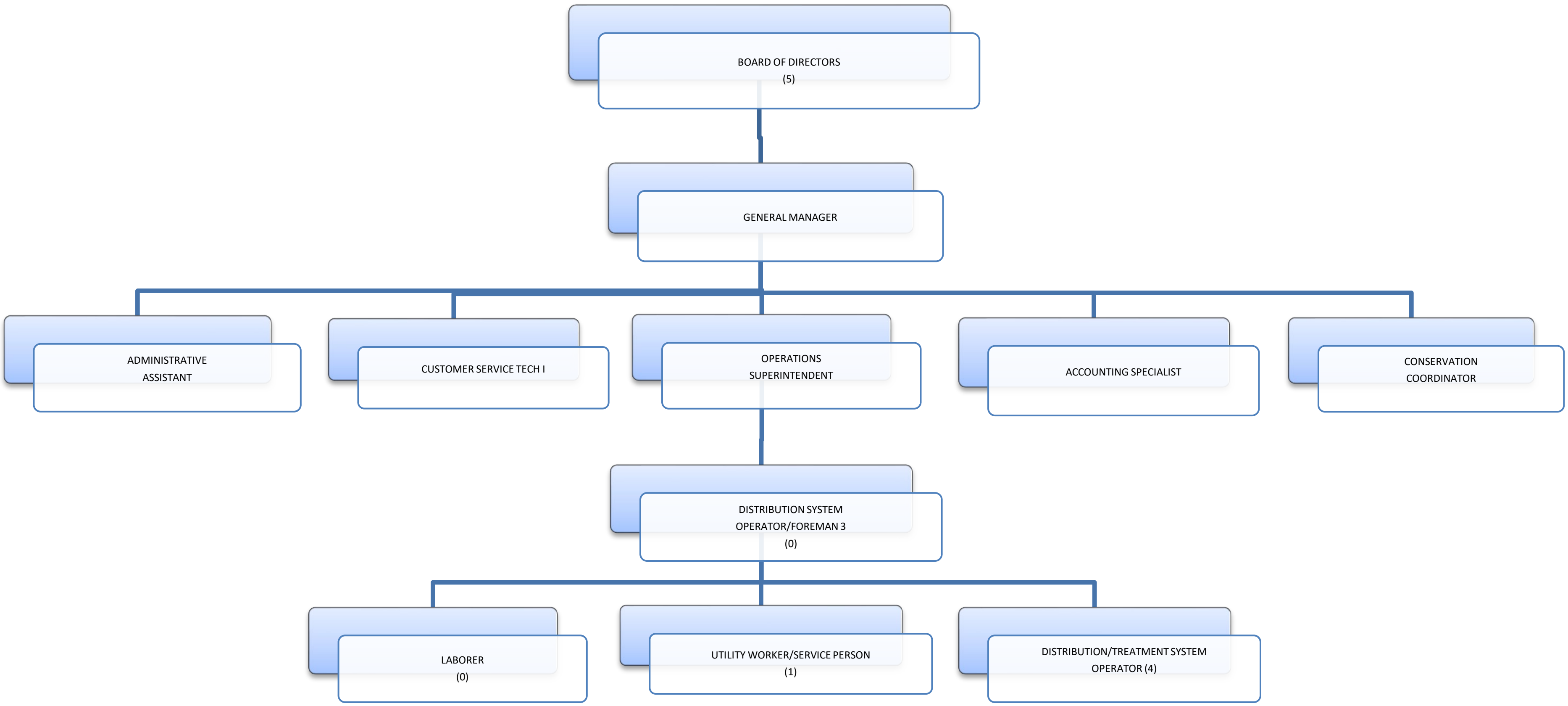
Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

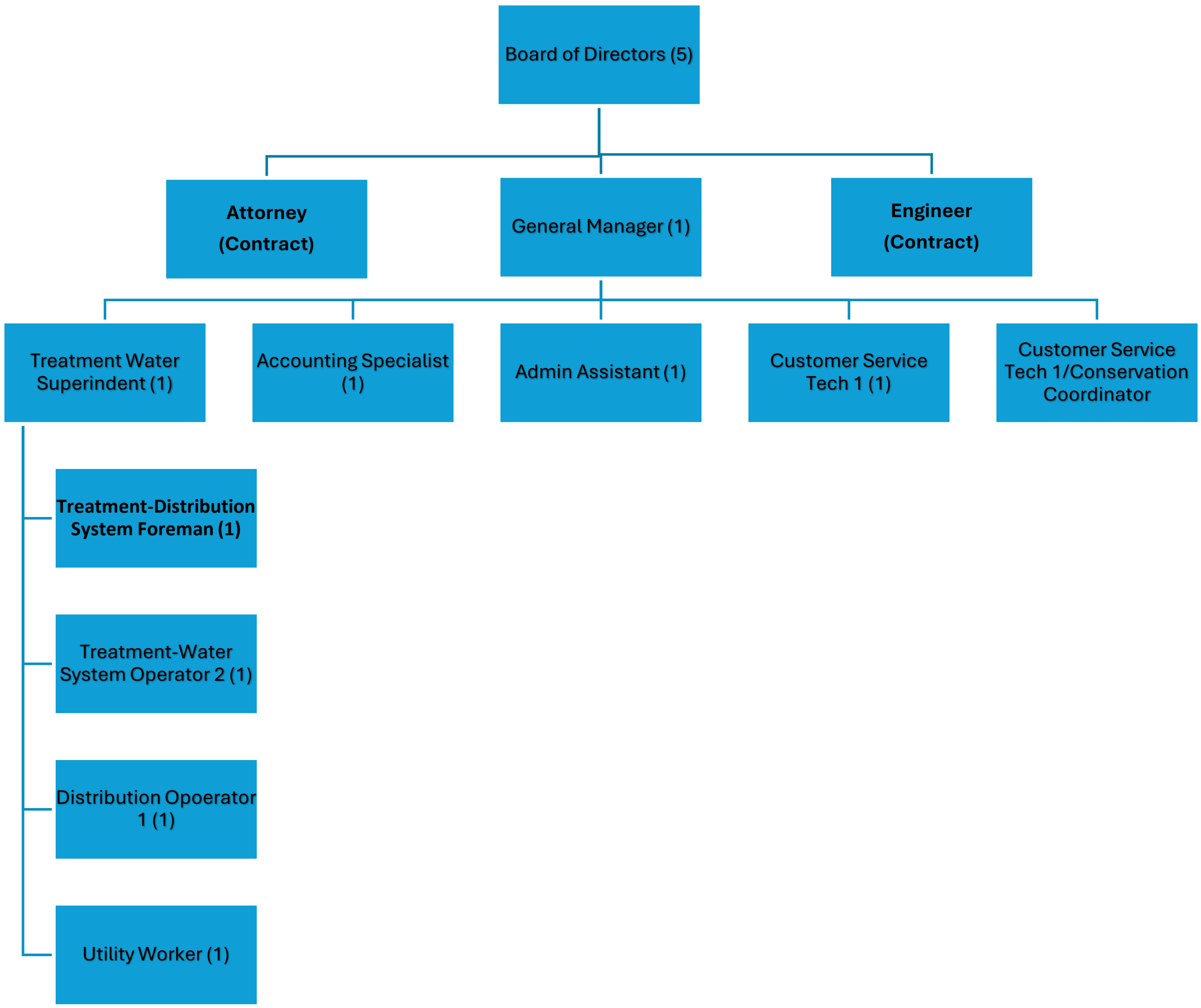
Cline ________ Gifford ________ Green ________ Liverett ________ Young ________
(A) Yea **(N) Nay** **(Ab) Ab**stain **(Abs) Abs**ent

RIO LINDA/ELVERTA CWD

ORGANIZATION CHART 2017



ORGANIZATION CHART



RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT PUBLIC HEARING AND REGULAR MEETING OF THE BOARD OF DIRECTORS

August 25, 2025 (6:30 p.m.)

Visitor's / Depot Center
6730 Front Street
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**
   July 28, 2025 regular meeting and August 13, 2025 special meeting budget workshop
   The Board is being asked to approve the Minutes from July 28, 2025 Regular Board Meeting and August 13, 2025 special meeting.

   3.2. **Expenditures**
   The General Manager recommends the Board approve the June 2025 Expenditures.

   3.3. **Financial Reports**
   The General Manager recommends the Board approve the June 2025 Financial Report.

4. **PUBLIC HEARING TO CONSIDER ADOPTING THE FISCAL YEAR 2025-26 OPERATING AND CAPITAL IMPROVEMENTS BUDGETS**

   4.1. Open Public Hearing

   4.2. Fiscal Year 2025-26 Operating and Capital Improvement Budgets

   4.3. Public Comment

   4.4. Close Public Hearing

   4.5. Consider Adoption of Resolution No. 2025-02 to approve the Fiscal Year 2025-26 Operating and Capital Improvement Budgets.

5. **REGULAR CALENDAR**

ITEMS FOR DISCUSSION AND ACTION

5.1. **GM Report.**
5.1.1. *The General Manager will provide his monthly report to the Board of Directors*

5.2. **District Engineer's Report.**
5.2.1. *The Contract District Engineer will provide his monthly report to the Board of Directors.*

5.3. **Consider Authorizing Late Submittal Board Member Compensation Requests Pursuant to District Policy 2.20.140.**

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

5.5. **Consider Board Selection of Officers for the Remainder of the 2025 Term.**

5.6. **Consider Customer Request for Board Review of Billing Issues.**

5.7. **Consider Requested Agenda Items from Director Liverett Emailed on Friday, 7-25-2025 at 10:55 P.M.**

5.7.1. **Restoring/Revising the RLECWD Organizational Chart.**

5.7.2. **Engaging a Forensic Accountant.**

5.7.3. **PFAS / PFOA Compliance Planning.**

5.7.4. **Surface Water Access.**

6. **PUBLIC COMMENT PRIOR TO CLOSED SESSION**

7. **CLOSED SESSION - THE BOARD OF DIRECTORS WILL MEET IN CLOSED SESSION TO DISCUSS THE FOLLOWING ITEMS:**

7.1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (GOVT CODE § 54956.9(d)(2)
One Potential Case: July 31, 2025, Claim from Pat Goyet

7.2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (GOVT CODE § 54956.9(d)(2)
One Potential Case: August 8, 2025 Email from Director Maria Liverett.

8. **RETURN TO OPEN SESSION, REPORT OF ITEMS FROM CLOSED SESSION**

9. **INFORMATION ITEMS**

9.1. **District Activities Reports**

9.1.1. Water Operations Report
9.1.2. Conservation Report
9.1.3. Leak Repair Report
9.1.4. District Policy 2.01.400 Compliance and Enforcement
9.1.5. Minor Budget Revision

9.2. **Board Member Reports**

9.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
9.2.2. Sacramento Groundwater Authority – Liverett
9.2.3. Executive Committee – Young/Liverett
9.2.4. ACWA/JPIA – Cline
9.2.5. GM Annual Performance Review Ad Hoc Young/Cline

10. DIRECTORS' AND GENERAL MANAGER COMMENTS

11. ADJOURNMENT –

Upcoming meetings:

Executive Committee
September 10, 2025, Wednesday, 6:00 pm. Visitors / Depot Center, 6730 Front St. Rio Linda, CA

Board Meeting
September 22, 2025, Monday, 6:30 pm. Visitors / Depot Center, 6730 Front St. Rio Linda, CA

Items for Discussion and Action
Agenda Item: 5.7

Date: August 25, 2025

Subject: Agenda Items Requested by Director Liverett by Email on 7-25-2025

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

N/A – This item was not discussed at Committee.

Current Background and Justification:

Director Liverett requested specific agenda items be included with the July 28th Board meeting agenda. However, the request was too late for inclusion in the July 28th agenda.

The requested agenda items are detailed in the email sent by Director Liverett, which is a document associated with this item.

Conclusion:

The inclusion of these agenda items should not be interpreted as any sort of concurrence regarding the feasibility and/or priority for the District. This is a unilateral request from a Board Member.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

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

Tim Shaw

From:	Maria Liverett
Sent:	Friday, July 25, 2025 10:55 PM
To:	Tim Shaw
Cc:	Chris Gifford
Subject:	Request to Add Agenda Items for July 28 Board Meeting

Dear Tim,

I hope you're doing well. I'm writing to formally request the addition of several items to the agenda for the Board meeting scheduled for Monday, July 28, as well as supporting documentation required for transparency and compliance.

Agenda Items Requested:

1. Organizational Chart Restoration
Please place an item on the agenda to review and revise the organizational chart. It should be restored to reflect the proper chain of authority:

- Board of Directors at the top
- Direct reports to the Board: General Counsel/Attorney and District Engineer
- General Manager and all remaining staff subordinate to the above

This structure must be reflected on all public-facing platforms, including the District's website, to accurately present the governance structure as previously established.

---

2. Forensic Audit & PFAS Regulatory Response Planning
This item includes two critical financial and operational oversight actions:

a. Forensic Audit
In the interest of restoring public trust and maintaining internal accountability, I request the Board consider approving a forensic audit for the entirety of Fiscal Year 2024–2025. I also propose that we implement a process for monthly forensic audit checkpoints. This is aligned with discussions at the Executive Committee meeting and supports best practices in transparency and financial management.

b. PFAS/PFOA/PFOS Compliance & Surface Water Access
We also need to agendize a presentation and discussion on the District's need to secure surface water to comply with California's emerging "PFS8" regulatory mandate. As discussed in prior meetings, districts that rely solely on groundwater—like ours—are at risk of being barred from issuing new service connections due to PFAS detections and the inability to blend or treat using surface water.

The State Water Board has made clear that groundwater-only systems without a surface water component may not expand service under the PFAS compliance framework. We need to develop a formal plan for surface water integration or conjunctive use options to both safeguard our community's future supply and unlock future service expansion capacity.

Transparency Package Required in Board Packet:

As discussed in the recent Executive Committee meeting, the following transparency documents must be included in this month's board packet:

- All bank statements
- All credit card statements, including gas cards
- All vendor invoices paid since the last meeting
- Monthly check register

This is a standing request and in full alignment with District policy and Board expectations for open governance.

Please confirm that these agenda items and documents will be included in the packet, and let me know if you need any further details or supporting material from me.

Best regards,

Maria Liverett
Director
Rio Linda/Elverta Community Water District
E: MLiverett@recwd.com
M: 916-416-9278

W: https://www.rlecwd.com

Committed to serving and improving the water quality and resources for the Rio Linda and Elverta communities.

Items for Discussion and Action
Agenda Item: 5.8

Date: August 24, 2026

Subject: Consider RDN for RLECWD Water Rate Study

Contact: Felix M. Felix, Interim General Manager

Recommended Committee Action:
The Executive Committee did not discuss this item.

Current Background and Justification:

The review of water rate studies is typically recommended every five years to ensure that utility rates align with operational costs and community needs. They are essential for focusing on financial sustainability and equitable pricing for water services. They ensure that utilities can cover operational expenses and infrastructure maintenance and assist in identifying future capital needs, planning necessary upgrades and help utilities recover costs associated with water services, while ensuring customer equity based on service levels received.

That said, the District reached out to several consultants including previous ones that it has worked with to submit RFPs to ensure a good pool of consultants to choose from like LT Municipal Consultants, RDN, FCS, Crowe, Raftelis, Bartel Wells, IB Consulting Inc, HF&H, and Wildan. Of the ones reached out to, only LT Municipal, RDN and Wildan submitted a proposal. After reviewing the RFPs and conducting a scoring matrix, RDN was chosen as the best consultant to conduct the Water Rate Study.

Conclusion:
Staff recommends the Board to approve RDN for the RLECWD Water Rate Study.

Board Action / Motion
Motioned by: Director _________ Seconded by Director _________

Cline ________ Gifford ________ Green ________ Liverett ________ Young ________
(A) Yea (N) Nay (Ab) Abstain **(Abs) Abs**ent

Rio Linda Elverta Community Water District
Proposal Evaluation: Cost of Service and Rate Desgin Study

Proposer	Experience/ References with similar projects (20)		Firm & Lead Qualifications (40)		Project Understanding, Approach, and Schedule (40)		Total Score 1	Total Score 2	Average Score
	Score 1	Score 2	Score 1	Score 2	Score 1	Score 2			
Willdan Financial Services	18	18	38	38	38	34	94	90	92
RDN, Inc.	15	18	38	38	36	39	89	95	92
LT Municipal Consultants	15	13	35	30	35	35	85	78	81.5

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
730 L Street
Rio Linda, California 95673
Phone: (916) 991-1000 • Fax: (916) 991-6616
www.rlecwd.com

REQUEST FOR PROPOSALS (RFP)

Professional Services

Rate Study & Cost of Service Analysis

RFP Issued July 29, 2026

RESPONSES DUE:

August 14, 2026
3:00 PM

CONTACT:

Felix M. Felix, Interim General Manager gm@rlecwd.com
Deborah Denning, Accounting Specialist ddenning@rlecwd.com

Rio Linda Elverta Community Water District

REQUEST FOR PROPOSAL

COST OF SERVICE AND RATE DESIGN STUDY

INTRODUCTION

Rio Linda Elverta Community Water District (District or RLECWD) is soliciting proposals from qualified firms to conduct a drinking water cost of service and rate design study for the District.

GENERAL INFORMATION

General Description; Service Area

Rio Linda Elverta Community Water District was established in 1948 as a County Water District under the provisions of the California Water Code. The District provides high quality drinking water.

RLECWD's service area encompasses approximately 18 square miles in and around Rio Linda and Elverta. Not all residences or water users within the District boundary are District customers. The service area consists mostly of small-lot residential development. RLECWD has approximately 4,700 connections.

RLECWD is an independent public agency governed by a five-member, publicly elected Board of Directors. The District employs 10 professional staff members who are responsible for daily operations and implementing short and long-term strategic objectives set forth by the Board.

You can learn more about RLECWD by visiting www.RLECWD.com.

BACKGROUND

RLECWD understands the importance of preserving California's water supplies, especially in times of drought, and has taken steps during declared drought periods to encourage water use efficiency and the wise use of water including the implementation of innovative conservation rates. The current rate structure appropriately reflects the statutory requirements of water use efficiency.

The last annual rate adjustment of the five-year rate structure was implemented on July 1, 2025. Inflation has increased the cost of service since July 1st and foreseeably inflation will continue. Additionally, as a consequence to the collective bargaining process, the District needs to perform actuarial analysis for increasing employee compensation beyond the assumed 3% inflation.

The District anticipates beginning to treat one of its existing wells to reduce Hexavalent Chromium on or about May 2027. The rate structure needs to provide sufficient revenue for operations and maintenance of the new Hexavalent Chromium treatment facility.

Separate from its monthly fixed charge, RLECWD also has imposed two surcharges to provide debt service to capital improvements. The surcharges cannot be reduced or eliminated until the loans from capital improvements have been paid off. The other fixed charge, however, can be adjusted. Any reduction in the non-surcharge fixed rates should be recovered in the commodity rates.

PURPOSE OF THIS REQUEST FOR PROPOSAL

The purpose of the requested services is to provide the District with recommended rate framework for its system services that are consistent with industry accepted cost- of-service principles, satisfy future revenue requirements, and meet all State law requirements including:

- Propositions 218 and 26
- SB 606 and AB 1668
- SB 555
- AB 685

Overall, the rate structure developed by the consultant shall:

- Be cost-based to ensure rates can be set at a level that provides funding to meet the District's revenue requirements;
- Be equitable, reasonable and not discriminatory or preferential, and must proportionately allocate the costs of providing service among the customer classes;
- Promote water use efficiency through an allocation block rates or a tiered rate structure that comports with the objectives of the mandates for affordability and indoor/outdoor/ CII allocations.
- Be easy to understand and administer;
- Be consistent with applicable law; and
- Appropriately utilize fixed charges (e.g., meter charges) to recover fixed costs.

SCOPE OF WORK

The following scope of work is an outline of the minimum services to be provided. Your proposal should include all services that can be reasonably expected for developing a rate structure for providing potable water, preparing and participating in Proposition 218 protest hearings and presenting the findings to the District's Board of Directors.

Rate Objectives

The objectives of the study are:

- Provide input to the model which determines the revenue increases needed to provide funds necessary to meet the District's current/future requirements;
- Provide input to the model which forecasts the effects of the District's estimates of growth and conservation on its revenues, as well as any impact that the proposed rates may have on sales;

- Calculate and document the functionalization, classification, and allocation of costs, including capital reserves among appropriate customer classes consistent with industry standards and State law requirements;
- Provide a rate design framework that aligns revenues and costs associated with the operations of the District;

TASK 1: Project Management and Meetings

Includes all project management activities required to ensure adherence to the schedule and budget. It will include a kick-off meeting to review project objectives and introduce key members of the project team to be conducted at RLECWD's office via Zoom.

TASK 2: Propose Modifications to the Revenue Requirements

The consultant shall review the methodology and development of the revenue requirements to be used in the Study and make recommendations for improvement as needed. Review of the structure for development of the revenue requirements:

1. Revenue sources including, but not limited to, service charges and commodity rates;
2. Appropriate allocation of operating and overhead costs among the services for expense components such as supply, pumping, treatment, transmission and distribution, Operation and Maintenance (O&M), General and Administrative (G&A), renewal and replacements.

This task will include a review of existing reports and financial models. A data request will be prepared and readily available information will be collected in order to prepare the Cost of Service and Rate Design Study.

TASK 3: Conduct Cost of Service Analysis

The consultant shall perform an overall analysis of the functionalization, classification, and allocation of costs. The consultant shall make recommendations as appropriate for improvements consistent with industry standards, best practices, and State law. The consultant shall prepare a cost-of-service study that provides a clear, written analysis of the methodology used and the basis for allocating the costs of providing potable water and treatment programs among the various customer classes. The analysis shall:

1. Identify various direct costs included in the District's budget and make recommendations for any changes necessary to ensure direct operational costs are properly aligned with the appropriate service.
2. Prepare a standardized cost of service study that demonstrates the costs of providing the services utilizing industry accepted practices for the functionalization, classification and allocation of costs to customer classes, along with any recommended changes.
3. Ensure that all costs have been allocated among property owners and customers served in a fair and equitable manner, and that the methodology used is documented and justified consistent with State law.
4. Ensure that a methodology is incorporated in the cost of service study for the determination of cost responsibility (which may be identified by reference to appropriate industry ratemaking principles, including guidance associated with designing and developing water rates and charges issued by the American Water Works Association or guidance associated with other comparable industry principles recognized by public agencies providing public utility service) in order to establish that each fee, including a rate, charge, or surcharge, for any product, commodity, or service to recover the cost of providing public utility service is determined on the basis of the same objective criteria based on customer classes established in consideration of service characteristics, demand patterns and other relevant factors.

The results of this task will provide a cost-of-service report providing a clear, written analysis of the methodology and basis used for allocating the costs of service, and any associated spreadsheet models used in Microsoft Excel, with instructions and training on their use.

TASK 4: Propose Changes to Current Rates

The consultant shall prepare a rate design study that provides a clear, written analysis of the basis upon which the rates were calculated, including an analysis of rate classes to eliminate and/or add classes as appropriate. The consultant shall:

1. Review composition and construction of all customer classes and recommend any changes.
2. Ensure that the recommended rate structures comply with all laws, regulations and policies, are documented, and are developed in compliance with Propositions 218 and 26

as well as recently adopted laws pertaining to water use efficiency, water affordability, and water loss standards.

3. Evaluate the District's water rate structure, including such factors that are inconsistent with the above stated objectives.
4. Review the current inactive service fee structure for compatibility with the recommended changes to the rate structure.
5. Demonstrate any alternative rate structure is easy to understand and administer, promotes conservation and revenue stability and can be accommodated with the existing District billing system.
6. Prepare and provide the District rate models in Microsoft Excel for the associated rates and fees necessary to provide potable water, and treatment programs that may be used by District staff on a going forward basis and train District staff in the use of these models.

TASK 5: Drought Pricing

Evaluate and recommend alternatives for RLECWD to consider on how to adjust its water pricing structure in the event of a drought, water shortage or governmental action to encourage demand reductions. These potential modifications may include adjustments to the allocation formulas and/or to the tiers or blocks. The consultant will prepare a report and written analysis, as well as provide excel based spreadsheet models that can be used to evaluate and estimate the impacts of such changes on water demands and revenues by customer class.

TASK 6: Sensitivity Analysis / Rate Workshop(s)

Once the rate models are developed, the consultant shall conduct a sensitivity analysis within the models. This step will examine different scenarios that may occur within the next five years. The Consultant shall conduct a workshop with senior staff to identify relative pros/cons within various rate scenarios correlated to current and anticipated state mandates (e.g. Prop 218, AB 685, outdoor allocations for SB-606 etc.).

TASK 7: Reports

The Study will include preparation of draft report to the Executive Committee, and presentations of the final report to the Board of Director Meeting(s).

PROJECT SCHEDULE

Below is a timetable of the proposed schedule. The Consultant will prepare a detailed schedule for each task and update the schedule as necessary during the project to keep RLECWD adequately informed of the progress. The District reserves the right to adjust the schedule at any point in the process.

Event Date

District Issues RFP: July 29, 2026

Optional Pre-bid Meeting: August 5, 2026

Additional Questions Due: August 7, 2026

RFP Submission Deadline: August 14, 2026

Anticipated Award of Contract: August 24, 2026

Tentative Kick-Off Meeting: August 31, 2026

In addition to the Committee and Board of Director's meetings, Consultant shall plan regular meetings with District staff to discuss project progress and schedule. Depending on the award of the contract following the August 24, 2026, Board meeting, Consultant should plan on leading three (negotiable) workshops as well as attending appropriate Committee and Board meetings to present the analysis and results.

PROPOSAL FORMAT AND CONTENT

Written proposals are limited to no more than 15 pages (11-point font), plus appendices. Proposers to be considered, responsive to this RFP, five printed copies, and one electronic copy of your proposal, must be submitted in accordance with the following format:

1. **Cover Letter** – A signature by a Principal or officer having the authority to negotiate and contractually bind and extend the terms of the written proposal.

2. **Executive Summary** – A description of the understanding, approach, and methodology proposed to meet the District's objectives.

3. **Experience** – Provide a brief description of the firm's history, size, and organization. Describe the experience of the firm with projects of a similar nature to the District's and any specific experience developing and modifying a budget-based tiered water-rate structure or similar rate structure. Consultant must demonstrate that they have a clear understanding of the Proposition 218 process and capability to prepare all required documentation.

4. **Team** – Provide the specific experience and capabilities, qualifications and resumes of the designated project manager and support staff assigned to perform the work. If using sub-consultants, provide the company profile and define the responsibilities and services to be performed by the sub-consultants. Include the primary point of contact, person responsible for overall corporate commitment (Principal) and project manager. Describe the responsibilities of the individuals who will be working on the project and extent of involvement with the project. Include a schedule showing the percentage of time each member will contribute to the project. Key personnel assigned to the project shall not be reassigned without prior written approval from RLECWD.

5. **Project Approach and Timeline** – Provide a work plan, including major activities and schedule for the project, deliverables, and milestone dates. Provide a detailed scope of work and the methodology. Describe how you will approach each of the tasks outlined in the scope of work, including data requirements, modeling efforts, and interaction with District staff. The description shall comprehensively define and describe the individual tasks for the work effort.

6. **Schedule** – Assurance of the firm's ability to complete all work considering the firm's current and planned workload based on the proposed schedule.

7. **References** – A description of the project team's past record of performance on similar projects for which your firm has provided services. Include a discussion of such factors as control of costs, quality of work and ability to meet schedules. Include three references from agencies with similar projects and must include:

- Client name and contact information
- Project description
- Role of key project team members

8. **Cost Proposal** – Provide a detailed breakdown of labor hours by task and position, including sub-consultants. A listing of billing rates by employee, and a maximum not-to-exceed project fee, inclusive of all direct and indirect costs associated with the project. **Submittal of the Cost Proposal shall be emailed to gm@rlecwd.com and ddenning@rlecwd.com.**

9. **Joint Venture** – A descriptive disclosure of any joint venture and/or proposed subcontract arrangements that would be utilized during the course of the project.

10. **Conflict of Interest** – Documentation that personal or organizational conflicts of interest prohibited by law do not exist.

11. **Insurance** – Confirm your firm can comply with RLECWD insurance requirements, which are as follows: RLECWD requires professional liability coverage to be a minimum of $1,000,000, general liability and property damage to be a minimum of $1,000,000. Any additional premium that is required by the insurance carrier for such coverage shall be included in your proposed fee. RLECWD will not pay a separate insurance surcharge for the required coverage.

PROPOSAL SUBMISSION

One electronic version of the proposal shall be submitted to the following email addresses no later than 3:00 p.m. on August 14, 2026 to **GM@RLECWD.com and denning@rlecwd.com**

ADDITIONAL INFORMATION

Interested parties may submit written questions regarding this RFP to Interim General Manager at GM@RLECWD.com and Accounting Specialist at ddenning@rlecwd.com . The District plans to hold an optional pre-bid meeting on August 5, 2026, at 3PM via Zoom. Additional questions are to be received no later than 3:00 p.m. PST on August 7, 2026. The District's responses to any questions will be shared with all other proposers via e-mail.

EVALUATION OF PROPOSALS

A contract will be awarded at the District's sole discretion to the most qualified and responsive firm whose proposal best conforms to the District's needs. The District reserves the right to reject any and all proposals and to negotiate terms, conditions, and rates with any responsible, responsive proposer.

Proposals will be evaluated based upon the following factors:

20% Experience, expertise, qualifications, and references with similar projects.

40% Qualifications of the firm and individuals assigned to perform the work; familiarity and experience with cost of service and rate design in California, particularly all elements of Propositions 218 and 26, SB 606/AB 1668, AB 685 and SB 555; understanding and expertise with budget based and other allocation rate structures; availability and level of commitment of the proposed project team and key personnel.

40% Understanding of project scope, approach to accomplish the work, and project timeline; consultant's ability to present a detailed, comprehensive scope of work; technical approach and methodology to provide the requested services; ability to provide the requested services within the proposed schedule.

The District may request additional information or clarification from any or all proposers after initial evaluation. The District may conduct personal or phone interviews with each candidate firm's proposed team and may contact recent clients. The firm and the project manager must be fully capable in all areas outlined under the scope of work above. The selected firm must be able to begin work immediately upon award of contract and must be able to maintain the required level of effort to meet the proposed schedule.

PAYMENT SCHEDULE TO THE CONSULTANT

The Consulting firm shall be paid a specific fixed fee for services completed over the term of the Project. Monthly invoices are due to RLECWD no later than the 15th of every month. The Consultant is required to submit a summary progress report with the monthly invoice. The one-page report shall have a table identifying each task, subtask, budget, billed to date, amount remaining and percent complete.

AGREEMENT FOR CONSULTING SERVICES

The District's standard Professional Services Agreement (PSA) is attached as Appendix A to the RFP for your review. When submitted, the proposal must contain any and all requests for revisions to the PSA. District staff will review all requests for revision; however, the District retains the authority to make the final determination as to acceptability of the requested revisions.

ADDITIONAL INFORMATION

This request does not commit RLECWD to retain any Consultant, to pay costs incurred in the preparation of proposals, or to proceed with the project. RLECWD reserves the right to reject any or all proposals, to negotiate with any qualified applicant, and to appoint more than one firm to provide services on given portions of the project. Proposals (including accompanying materials) will become the property of RLECWD. Proposals will be held in confidence to the extent permitted by law. After award of a contract or after rejection of all proposals, the proposals will be public records subject to disclosure under the California Public Records Act (Government Code Section 6250 et seq.). RLECWD reserves the right to request additional information from prospective Consultants prior to final selection and to consider information about a firm other than that submitted in the proposal or interview. RLECWD will select for contract negotiations the firm that, in RLECWD's judgment, best meets RLECWD's needs, irrespective of the comparison of fees and costs estimated by the Consultants.

RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT
PROJECT: ____________
PROJECT NO. _____-____

AGREEMENT FOR CONSULTING SERVICES

THIS CONSULTING SERVICES AGREEMENT (“Agreement”) is made and entered into this ___ day of __________, 20__, by and between the Rio Linda Elverta Community Water District, a county water district of the State of California (“District”) and ________(“Consultant”), (each individually a “Party” and collectively the “Parties”). There are no other parties to this Agreement.

RECITALS

A. Consultant represents to District that it is a duly qualified and licensed firm experienced in providing consulting services as ______________ .

B. In the judgment of the Board of Directors of District, it is necessary and desirable to employ the services of Consultant to perform consulting services on the above referenced project (the “Project”).

C. Consultant has been selected as the most qualified to perform the services as ______________.

D. All compensation shall be based on a time and materials not to exceed bases using billing rates provided in the Scope of Services attached as **Exhibit A.**

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

AGREEMENT

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

Section 2. Term. This Agreement shall commence on the Effective Date and terminate one (1) year after Consultant completes performance of the Services (“Term”), unless the Parties mutually agree in writing to terminate the Agreement earlier or extend the Term pursuant to this Agreement.

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

Section 4. Work.

(a) *Services*. Subject to the terms and conditions set forth in this Agreement, Consultant shall perform the Services as described in **Exhibit A**. Consultant shall not receive additional compensation for the performance of any services unless approved by the District in writing.

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

Section 5. Time of Performance. Consultant warrants that it will commence performance of the Services within thirty (30) calendar days of the Notice to Proceed. The time of performance is a material term of this Agreement relied on by District in entering into this Agreement.

Section 6. Payment. District shall pay Consultant for all Services described in the approved Scope of Services and which are to be performed by Consultant.

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

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

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

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

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

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

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

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

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

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

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

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

Section 11. Ownership and Disclosure of Work Product. District shall be the owner of and shall be entitled to immediate possession of accurate reproducible copies of any design computations, plans, specifications, copies of correspondence, maps, or other pertinent data and information gathered or computed by Consultant ("Work Product") in the performance of and prior to termination of this Agreement by District or upon completion of the work pursuant to this Agreement. Consultant may retain copies of the above-described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of District, during the term of this Agreement and for a period of one hundred eighty (180) days following expiration of the term of the Agreement.

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

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

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

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

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

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

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

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

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

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

(d) *Automobile Liability Insurance*. Consultant shall carry Automobile liability insurance covering bodily injury and property damage in an amount no less than One Million Dollars

($1,000,000.00) combined single limit for each occurrence. Said insurance shall include coverage for owned, hired, and non-owned vehicles.

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

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

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

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

If to District:	Rio Linda Elverta Community Water District 730 L Street Rio Linda, California 95673 Attention: General Manager Tel: (916) 991-1000
With courtesy copy to:	Kronick Moskovitz Tiedeman & Girard 1331 Garden Hwy 2nd Floor, Sacramento, California, 95833 Attention: Jeffery Mitchell, Esq.
If to Consultant:	___________________________ ___________________________ ___________________________ ___________________________

Section 17. Exhibits. Exhibit A referred to below and attached to herein is by this reference incorporated into this Agreement:

<u>Exhibit Designation</u>	<u>Exhibit Title</u>
Exhibit A:	**Scope of Services**

Section 18. General Provisions.

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

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

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

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

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

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

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

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

[SIGNATURES ON FOLLOWING PAGE.]

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

DISTRICT:

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

By: ________________________________
Felix M. Felix, Interim General Manager

Date:_________________________________

CONSULTANT:

____

By: _________________________________

Date: _______________________________

{CW055829.2}

EXHIBIT A

SCOPE OF SERVICES

Consultant shall perform and complete the following (or attached) Scope of Services in accordance with the details and specifications described below, which shall include a Completion Schedule and description of the Compensation:

Robert D. Niehaus, Inc.

Rio Linda/Elverta Community Water District

Proposal for

Rate Study & Cost of Service Analysis

August 14, 2026

Submitted By:

Robert D. Niehaus, Inc.
140 East Carrillo Street
Santa Barbara, CA 93101

Authorized Representative: Jack Lyon
Title: Director of Business Development
Email: Jack@rdniehaus.com
Phone: 805.618.1356

Submitted To:

Attn: Felix M. Felix
Interim General manager
Rio Linda/Elverta Community Water District
730 L Street
Rio Linda, CA 95673

COVER LETTER

August 14, 2026

Felix M. Felix
Interim General Manager
Rio Linda/Elverta Community Water District
730 L Street
Rio Linda, CA 95673

Jack Lyon, Director of Business Development
(805) 618-1356 | jack@rdniehaus.com
Robert D. Niehaus, Inc.
140 E Carrillo Street
Santa Barbara, CA 93101

Subject: Proposal for Rate Study & Cost of Service Analysis

Dear Mr. Felix and the Rio Linda/Elverta Community Water District,

Robert D. Niehaus, Inc. (RDN) is pleased to submit this proposal to the Rio Linda/Elverta Community Water District (District) to conduct a Rate Study & Cost of Service Analysis (Study). We understand the District is seeking an experienced team with a strong track record developing cost of service studies and rate recommendations in California that comply with Proposition 218 under an expedited timeline. RDN is highly motivated and qualified to assist the District in this effort.

RDN is an employee-owned economic and financial consultancy specializing in rate- and fee-setting services for California utilities. Founded in 1983, RDN has 43 years of experience and has completed more than 1,000 successful projects. Through this experience, our team has developed a deep understanding of the economic, financial, political, and regulatory challenges involved in designing and adopting utility rates in California. Our team is particularly adept and experienced working with utilities with between 1,000 and 5,000 connections. RDN has worked with over 40 utilities across California with fewer than 5,000 connections and is a preferred partner of the California Rural Water Association (CRWA). We take the lead in collecting, organizing, and synthesizing data to minimize the burden on District staff.

Dr. Robert Niehaus will serve as Project Director and brings more than 45 years of experience. He will provide overall accountability for the Study and ensure the project is completed on time, within budget, and to the District's satisfaction. Anthony Elowsky will serve as Project Manager with 10 years of consulting experience and more than 50 rate studies managed. Ichiko Kido will serve as QA/QC Consultant and brings more than 20 years of experience in utility financial analysis. In addition, RDN will draw upon a bench of 20 highly skilled California-based consultants to support analysis and deliverable preparation as needed.

Please coordinate with Jack Lyon if you would like to discuss our proposal, which is valid for 90 days. Jack is authorized to negotiate and execute contracts. We have reviewed the District's RFP and Professional Services Agreement and confirm that the terms are acceptable without exception. RDN meets District insurance requirements. We appreciate your consideration and would be honored to assist the District on this important project.

Sincerely,

Robert D Niehaus

Robert D. Niehaus, Ph.D.
Managing Director, Principal Economist

Jack Lyon

Jack Lyon
Director of Business Development

TABLE OF CONTENTS

EXECUTIVE SUMMARY

PROJECT UNDERSTANDING

We understand the primary objectives of the Study are to:

1. Develop a comprehensive financial plan for the District's water utility that sufficiently funds operations and maintenance, capital needs, debt, and reserves. Future costs include increasing employee compensation and treatment costs for Hexavalent Chromium which are anticipated to begin in May 2027.
2. Determine the cost to provide services to various classes of customers and allocate costs equitably and in compliance with Proposition 218, Proposition 26, industry standards such as AWWA M1, and California case law.
3. Recommend updated rate structures that recover the cost of service, achieve District objectives, especially administrative ease, and comply with industry best practices and legal requirements. RDN will preserve the existing debt-service surcharges, evaluate the remaining fixed charge and commodity-rate tradeoff, incorporate the May 2027 treatment costs, and evaluate allocation-based rates consistent with indoor, outdoor and CII requirements.
4. Assist the District staff by transparently communicating the costs and value of service the District provides to the public and District leadership.

Summary of proposed tasks:

1) **Project Management and Meetings:** Coordinate with District stakeholders to define objectives and a clear work plan, then compile and review all relevant technical, financial, and planning data to ensure a comprehensive project foundation. Formal virtual kickoff meeting and bi-weekly progress meetings will be held as appropriate.
2) **Propose Modifications to the Revenue Requirements:** Review District data to develop a 10-year financial plan, carefully considering current and projected water demand and supply availability, future connections, operations and maintenance expense, capital needs, debt, and reserves.
3) **Conduct Cost of Service Analysis:** Follow the American Water Works Association (AWWA) Manual M1 and Proposition 218 and 26 to allocate costs equitably to District customers (and carefully consider recent California case law: Dreher v. City of Los Angeles Department of Water and Power; Patz v. City of San Diego; and Coziahr v. Otay Water District for tiered rates).

   Propose Changes to Current Rates: Produce water rate options that follow cost-of-service ratemaking principles. Review the District's current rate structures for all customer classes and provide recommendations on how to balance fixed and variable charges to ensure revenue adequacy and stability while maintaining rate affordability.
5) **Drought Pricing:** Develop an Excel-based drought rate model to recover revenues in the event of a water shortage or government mandated water conservation. Review reduction goals for achieving consumption targets. Recommend adjustments to fixed charges and commodity rates for each demand reduction scenario.

6) **Sensitivity Analysis/Rate Workshops:** Model potential rate scenarios for the next five years. Conduct workshop with senior staff to explore pros and cons within the various scenarios.

7) **Reports:** Draft comprehensive, detailed reports clearly demonstrating the nexus between District costs and proposed rates and fees, serving as the District's Administrative Record. Easy-to-use Excel model built for annual financial planning and executive review. Board and public PowerPoint presentations to communicate study updates and results.

EXPERIENCE

Company Overview

RDN is an employee-owned economic and financial consulting firm with 24 consultants, headquartered in Santa Barbara, delivering solutions to California utilities and Federal agencies since 1983. Our utility rate practice group specializes in financial planning, cost-of-service analysis, and rate and connection fee design for California water and wastewater utilities.

RDN BY THE NUMBERS

- $8M Annual Revenue | 24 Consultants
- 1,000+ Projects Accomplished Worldwide
- 100+ Years of Project Team Experience
- 50 States Served | 16 Countries Served
- 43 Years Consulting for Utility Systems

Project Team Experience & Qualifications

Our proposed project team has decades of experience conducting California rate and fee studies. Dr. Robert Niehaus, proposed Project Director, has successfully assisted over 1,000 government projects and over 100 water and wastewater agencies in California with financial planning and rate-setting consulting for over 45 years. Anthony Elowsky, proposed Project Manager, has managed over 50 California rate and fee studies over 10 years of consulting. Ichiko Kido, proposed QA/QC Consultant, has assisted over 100 agencies with more than 20 years of industry experience.

Our team has a deep understanding of the economic, financial, political, and regulatory challenges for adopting rate and fee studies in California under Proposition 218. We are adept at facilitating policy discussions to understand project goals and objectives and presenting at public meetings with elected officials and customers throughout the rate-setting process. This includes rate workshops, customer outreach, and Proposition 218 hearings. We also excel at distilling complex technical concepts and data into easy-to-understand presentations, reports, and models. We think big picture while paying close attention to details. Finally, we are an outcome-based team: your utility rate success is our success.

RELATED EXPERIENCE

Presented below is a partial list of water, recycled water, and wastewater financial planning, cost of service rate studies, or capacity fee studies that our proposed project manager, Anthony Elowsky, recently served in the role of Project Manager or Lead Analyst for RDN.

#	Agency	Project
1	**City of Alhambra**	Water Rate Study
2	**City of California City**	Water and Wastewater Rate Study; Capacity Fee Study
3	**City of Corona**	Water Budget, Recycled Water, Wastewater, Electric Rate Study
4	**City of Greenfield**	Water and Wastewater Rate Study
5	**City of Huntington Beach**	Wastewater Rate Study
6	**City of Loyalton**	Wastewater Rate Study
7	**City of Lynwood**	Water and Wastewater Rate Study
8	**City of San Fernando**	Water and Wastewater Rate Study
9	**City of Santa Ana**	Water, Recycled, and Wastewater Rate Study
10	**Costa Mesa Sanitary District**	Wastewater Rate Study
11	**Greenfield CWD**	Water Rate Study
12	**Hi-Desert MWC**	Water Rate Study
13	**Hilton Creek CSD**	Wastewater Rate Study
14	**Juniper Riviera CWD**	Water Rate Study
15	**Jurupa CSD**	Water and Wastewater Rate Study
16	**Lake Arrowhead CSD**	Water and Wastewater Rate Study
17	**Lone Pine CSD**	Wastewater Rate Study
18	**Lost Hills Utility District**	Wastewater Rate Study
19	**Mammoth Community Water District**	Water and Wastewater Rate Study
20	**Meiners Oaks Water District**	Water Rate Study
21	**Mid Peninsula Water District**	Water Capacity Fee Study
22	**Montecito Sanitary District**	Wastewater Rate and Fee Study
23	**Moulton Niguel Water District**	Water, Wastewater, Recycled Water Cost of Service Peer Review
24	**Napa County (LBRID/NBRID)**	Water and Wastewater Rate Studies
25	**Orosi Public Utility District**	Wastewater Rate Study
26	**Palmdale Water District**	Water Budget Rate Study
27	**Patterson Tract CSD**	Water Rate Study
28	**Quartz Hill Water District**	Water Rate Study
29	**Rand CWD**	Water Rate Study
30	**Redway CSD**	Water and Wastewater Rate Study
31	**Rosamond CSD**	Water and Wastewater Rate Study
32	**Santa Clarita Valley Water Agency**	Ratepayer's Advocate for Water, Recycled Water, Wholesale Rate Study
33	**Serrano Water District**	Water Budget Rate Feasibility Study
34	**Sheep Creek WC**	Water Rate Study
35	**South Coast Water District**	Water, Recycled, and Wastewater Rate Study; Water Budget Feasibility Study
36	**Thunderbird CWD**	Water Rate Study
37	**Ventura River Water District**	Water Budget Rate Study
38	**Victor Valley Wastewater Reclamation Authority**	Wastewater Financial Plan
39	**West Valley CWD**	Water Rate Study
40	**West Valley Water District**	Development Impact Fee Study

TEAM

We propose a project team of four as presented below. Project Manager Anthony Elowsky will serve as the Primary Point of Contact (POC). We concur with the District's restrictions on changing key personnel and do not anticipate changes. In the unlikely event of turnover, or if the District requests a change, RDN will propose an alternative consultant from our bench of 20 for District approval. We propose no subconsultants.




Robert Niehaus – 7%	**Anthony Elowsky – 44%**	**Ichiko Kido – 9%**	**Zachary Van Dinther – 40%**
Project Director	Project Manager	QA/QC Consultant	Consultant

Name: Robert Niehaus

Position: Project Director - Robert has more than 45 years of consulting experience, 43 with RDN, and has served as Project Director for more than 100 cost of service rate and capacity fee studies in California, and more than 1,000 economic and financial projects across all 50 states and 16 countries.

Education: Robert holds a Ph.D. in Economics from the University of Maryland.

Summary of Experience: Robert has served as Project Director on the following projects:

City of Alhambra, *Water Rate Study*
Costa Mesa Sanitary District, *Wastewater Rate Study*
Rosamond Community Services District, *Water and Wastewater Rate Studies*
Napa County, *Water and Wastewater Rate Studies*
Lake Arrowhead Community Services District, *Water & Wastewater Rate Study*
California City, *Water and & Sewer Impact Fee Study*
Mid-Peninsula Water District, *Capacity Fee Study*
West Valley Water District, *Development Impact Fee Study*
Quartz Hill Water District, *Water Rate Study*
California City, *Water, Sewer, and Recycled Water Rate Study*
Palmdale Water District, *Water Rate Study*
Santa Clarita Valley Water District, *Water Rate Study*
California Rural Water Association, *Water & Sewer Rate Studies*
Ventura River Water District, *Cost of Service and Rate Setting Study*
Moulton Niguel Water District, *Cost of Service Peer Review*
Carpinteria Valley Water, *District Cost of Service and Rate Setting Study*
Manatt, Phelps, & Phillips, *LLC, Rate Comparison Study*
National Resources Defense Board, *LADWP Data Collection & Water Rate Analysis*
West Basin Municipal Water District, *Landscape Irrigation Efficiency Program*
Las Virgenes Municipal Water District, *Water Budget Model*
Fremont Valley Preservation Project, *Water Rate and Revenue Analysis Study*

Golden State Water Company, *Comparative Water Rate Analysis*
Goleta Sanitary District/Goleta West Sanitary District*, Economic Analysis of Development Projections*
Santa Barbara County, *Economics of Groundwater Management*
City of Santa Barbara, *Desalination Plant Environmental Impact Report*
United States Army Corps of Engineers, *Flood Protection and Recreation Study*
City of Santa Barbara, *Long-Term Water Sales and Revenue Requirements Forecast Analysis*
Santa Ynez River Basin*, Planning and Cachuma Project Water Allocation Analyses*

Name: Anthony Elowsky

Position: Project Manager - Anthony has 10 years of consulting experience, eight with RDN, managing over 50 California water, recycled water, and wastewater rate and fee studies. His expertise lies in water and wastewater financial planning, cost of service analysis, and rate and fee design. Anthony is well-versed in Proposition 218 requirements.

Education: Anthony received his M.A. from California State University, Fullerton.

Summary of Experience: Anthony has served as Project Manager on the following projects:

Meiners Oaks Water District, *Water Rate Study*
City of San Fernando, *Water and Sewer Rate Study*
City of Santa Ana, *Water and Sewer Financial Plans and Utility Rate Study*
Costa Mesa Sanitary District, *Sewer Fee Study*
High Valleys Water District, *Water Rate Study*
City of Alhambra, *Water Rate Study*
Montecito Sanitary District, *Wastewater Rate Study*
Rosamond CSD, *Water and Wastewater Rate Study*
Ventura River Water District, *Water Rate Financial Plan and Rate Study*
Loleta Community Services District, *Sewer Rate Study*
Lone Pine Community Services District, *Sewer Rate Study*
Palmdale Water District, *Water Rate Study*
Napa County – LBRID/NBRID, *Water and Sewer Rate Studies*
Quartz Hill Water District, *Water Rate Study*
Redway Community Services District, *Water and Sewer Rate Studies*
West Valley Water District, *Development Impact Fee Study*
Mid-Peninsula Water District, *Capacity Fee Study*
City of California City, *Water and Sewer Rate and Capacity Fee Studies*
Timber Cove County Water District, *Water Rate Study*
Riebli Mutual Water Company, *Water Rate Study*
Palm Ranch Irrigation District, *Water Rate Study*
City of Greenfield, *Water and Sewer Rate Studies*
Chester Public Utilities District, *Water and Sewer Rate Studies*
Mammoth CWD, *Water and Sewer Rate and Fee Studies*
SCV Water, *Water and Wholesale Water Rate and Fee Studies*
Mendocino District Community Services District, *Sewer Rate Study*
City of Huntington Beach, *Sewer Rate Study*
Lake County Sanitation District, *Sewer Rate Study*
San Simeon Community Services District, *Sewer Rate Study*
City of Loyalton, *Sewer Rate Study*

Name: Ichiko Kido

Position: QA/QC Consultant - Ichiko has more than 25 years of public-sector consulting experience, 21 with RDN, and specializes in financial planning and rate design for California utilities. Ichiko is passionate about fine-tuning customized Excel financial models to best meet each client's needs. She has reviewed water and wastewater rates and financial plans for more than 200 utilities in California.

Education: Ichiko received her MBA from the Martin V. Smith School of Business & Economics, California State University, Channel Islands.

Summary of Experience: Ichiko has served as QA/QC Consultant on the following projects:

Meiners Oaks Water District, *Water Rate Study*
City of San Fernando, *Water and Sewer Rate Study*
City of Santa Ana, *Water and Sewer Financial Plans and Utility Rate Study*
Costa Mesa Sanitary District, *Sewer Fee Study*
High Valleys Water District, *Water Rate Study*
City of Alhambra, *Water Rate Study*
Montecito Sanitary District, *Wastewater Rate Study*
Rosamond CSD, *Water and Wastewater Rate Study*
Ventura River Water District, *Water Rate Financial Plan and Rate Study*
Loleta Community Services District, *Sewer Rate Study*
Lone Pine Community Services District, *Sewer Rate Study*
Palmdale Water District, *Water Rate Study*
Napa County – LBRID/NBRID, *Water and Sewer Rate Studies*
Quartz Hill Water District, *Water Rate Study*
Redway Community Services District, *Water and Sewer Rate Studies*
West Valley Water District, *Development Impact Fee Study*
Mid-Peninsula Water District, *Capacity Fee Study*
City of California City, *Water and Sewer Rate and Capacity Fee Studies*
Timber Cove County Water District, *Water Rate Study*
Riebli Mutual Water Company, *Water Rate Study*
Palm Ranch Irrigation District, *Water Rate Study*
City of Greenfield, *Water and Sewer Rate Studies*
Chester Public Utilities District, *Water and Sewer Rate Studies*
Mammoth CWD, *Water and Sewer Rate and Fee Studies*
SCV Water, *Water and Wholesale Water Rate and Fee Studies*
Mendocino District Community Services District, *Sewer Rate Study*
City of Huntington Beach, *Sewer Rate Study*
Lake County Sanitation District, *Sewer Rate Study*

PROJECT APPROACH AND TIMELINE

Task 1. Project Management and Meetings

Task 1.1. Data Collection & Review

Our data request will include audits, budgets, general plans, capital improvement plans, customer billing records, debt service schedule, reserve policies, among other information. For data validation and quality assurance, RDN may request additional data throughout the study to reconcile any inconsistencies.

Task 1.2. Kickoff Meeting

We propose a remote kickoff meeting to discuss project objectives, approach, work plan, schedule, and priorities. During this meeting, District staff will provide insights into the key policy objectives that are most important to the District. RDN and District staff will also review the available data and identify any additional data requirements.

Task 1.3. Project Management

RDN incorporates best practices from the Project Management Institute's Project Management Body of Knowledge to establish processes that guide management procedures. Our project-management approach is designed to maintain quality, schedule, and budget performance. Our project manager, Anthony Elowsky, will prepare a Project Management Plan (PMP) to define project goals, scope, deliverables, budget, schedule, and administrative procedures.

Task 1.4. Bi-Weekly Progress Meetings

We understand that this Study must be conducted expeditiously. Our project team will meet with District staff biweekly, or as often as necessary, to ensure full Study transparency, timeliness, and success.

Task 2. Propose Modifications to the Revenue Requirements

Task 2.1. Demand Projections/Revenue Analysis

RDN will conduct demand and growth projections to ensure the District's revenue forecast and cash flow analysis are accurate. We will also identify any changes to other revenues such as miscellaneous charges, property taxes, and investment income and ensure that other revenues are allocated to the appropriate utility.

Task 2.2. Operation and Maintenance Expenses

Using the District's budgets and historical data, we will project O&M expenses for the next ten years. Inflation assumptions will be developed by expense category using published indices, historical trends, and known future changes. We also incorporate any known changes to personnel, level of service, or projected growth. We will incorporate the actuarial analysis of employee compensation into our financial plan recommendations. We will also project costs associated with treating Hexavalent Chromium beginning in May 2027. Each expense item will be categorized as either fixed or variable and direct or indirect to ensure that costs are allocated to the correct rate structure components when designing rates.

Task 2.3. Capital Improvement Funding

RDN will review the District's capital improvement plans and explore financing options based on the timing of proposed revenue adjustments and scheduled repairs and replacements. We will incorporate long-term replacement needs detailed in the District's Master Planning documents as well as review past and future depreciation. Funding sources to achieve capital improvement goals may include cash reserves, grant funding, debt proceeds, or PAYGO (pay as you go), each with different rate impacts.

Task 2.4. Debt Service Funding

RDN will ensure that the District's financial plan includes consideration of all current and future planned debt issuances. This analysis will allow the District to be confident that future revenue levels will comply with existing bond covenants. If capital funding requires additional debt, RDN will assist the District to plan debt issuance schedules to reduce overall impacts on customers.

Task 2.5. Reserve Funding

We will review the District's reserve policies and develop an implementation plan that maintains recommended balances consistent with the District's financial goals, risk tolerance, and capital improvement projects.

Task 2.6. Revenue Requirements

The cash flow analysis will project revenues, expenses, debt obligations, and future funding needs to determine necessary revenue adjustments for the study period. The total cost will be offset by other sources of revenue such as property taxes, investment earnings, rental income, and other water service charges. RDN will assess if revenue adjustments are needed to reconcile cumulative revenue deficiency or surplus by the end of the study period. Revenue adjustments will also meet debt covenants by maintaining the required debt service coverage ratio. The objective is to minimize customer impacts while achieving a healthy cash flow mechanism for the next five years.

Task 3. Conduct Cost of Service Analyses

Task 3.1. Review of Customer Classes

RDN will evaluate the District's customer classifications and recommend any necessary adjustments. Properly assigning costs to customer classes based on their specific service requirements is essential for designing rates that comply with both Proposition 218 and Proposition 26. We will explore various cost allocation methods to determine the approach that best aligns with the District's objectives, ensuring compliance with regulatory requirements.

Task 3.2. Cost Functionalization

A utility system is composed of various facilities that serve a particular function. With input from District staff, each expense identified in the financial plan will be carefully allocated to the industry standardized functions of each system in our models. These functions can be customized based on the District's organizational structures and account for fixed and variable costs.

Task 3.3. Cost Allocation to Cost Causative Components

RDN will employ the base-extra capacity method from the AWWA M1. The water utility cost causative components include delivery capacity components such as base and peak delivery. The water utility also has non-peaking components such as meter services and customer billing services.

Task 3.4. Cost Allocation to Customer Classes

As a final step of the cost of service analysis, the costs of each component are allocated back to each customer class commensurate with their service requirements. This analysis ensures the District adheres to the principle of cost proportionality, which is particularly relevant under Proposition 218.

Task 3.5. Cost of Service Model

All models will be developed in an easy-to-use Microsoft Excel format designed to allow District staff to test various assumptions through an interactive dashboard. Factors that may be adjusted in the rate models include staff levels and salaries, operating expense levels, CIP spending, capital equipment funding, impacts of rate increases, and pass-through charges. The models will be introduced to staff early in the study process. By the time the study is complete, District staff will be fully familiarized with the models and be able to use the models to make data-driven decisions. Any changes to the underlying models will appear instantly in a dashboard for quick executive evaluation.

Task 4. Propose Changes to Current Rates

Task 4.1. Evaluate the Current Rate Structures & Identify Rate Alternatives

We will perform a comprehensive review of the District's current rate structures to assess their tradeoffs. This will include an evaluation of links between cost parameters with a particular focus on compliance with Proposition 218. Our review will also identify whether the existing rates optimize fixed and variable rate recovery to enhance stability while ensuring affordability. Based on the financial planning and cost of service analyses, we will evaluate rate adjustment alternatives designed to recover the revenue requirements identified in the financial plan. We will provide up to three draft rate options that adequately address the District's financial needs, allowing the District to select the option that best aligns with its objectives. We will also evaluate rates for inactive service fee customers.

Task 4.2. Develop Recommended Rates

We will recommend rate alternatives that best align with the District's objectives and are supported by the cost-of-service analysis. We understand that the District's debt service surcharges cannot be reduced or eliminated, so we will work to balance costs between the District's fixed and variable rates. All recommendations will comply with Proposition 218, and we will work with District legal counsel as appropriate. To align with recent California case law, including *Dreher v. District of Los Angeles Department of Water and Power* (2025), *Coziahr v. Otay Water District* (2024), and *Patz v. District of San Diego* (2025), RDN may recommend that customer classes such as irrigation and CII customers have the same tiers and tier widths, unless there is a cost-based reason to justify different rates. Working with District staff, all proposed rates will be evaluated for compatibility with the District's billing system.

Task 5. Drought Pricing

Task 5.1. Drought Pricing

We will also develop an Excel-based drought rate model to recover revenues in the event of a water shortage or government mandated water conservation. First, we will review the District's shortage stages and establish reduction goals to achieve consumption targets. Revenue losses from water sales will then be quantified in a financial analysis, and in consultation with District staff, we will recommend adjustments to fixed charges and commodity rates for each demand reduction scenario, clearly explaining trade-offs between affordability and revenue stability. To ensure sufficient revenues we calculate drought response based on individual customer demand rather than aggregate demand. This approach allows us to estimate customer-level responses and their aggregate effect on revenues.

Task 6. Sensitivity Analysis/Rate Workshop(s)

Task 6.1. Conduct Sensitivity Analysis

We will evaluate the elasticity of customer demand in response to various weather and rate increase scenarios. Once we develop preliminary rates, we will perform a sensitivity analysis to provide the District ranges of demand levels and their effect on revenue inflows. RDN's user-friendly model will be customized so the District can easily run scenarios and see the impacts in real time. This allows the District to adjust the proposed rates, if necessary, and allows us to coordinate an effective public outreach campaign through rate workshops.

Task 6.2. Rate Workshop

RDN will conduct a rate workshop for senior staff to identify relative pros and cons for various rate scenarios when applied to AB 685, AB 1668, SB 606, and SB 555, other legal mandates, and to answer staff questions. We will prepare a PowerPoint presentation and handouts discussing the goals and objectives of the study, the financial plan, proposed rate structure modifications, updated drought pricing, and customer bill impacts and sensitivity analysis. The presentations will be available for District review prior to the meetings.

Task 7. Reports

Task 7.1. Rate Study

The preliminary rate study report will contain an overview, study objectives, assumptions, regulatory requirements, and methodologies. The report will discuss short- and long-term financial planning, capital planning, cost of service, rate-setting analysis, bill impacts, and comparison surveys. Key outputs of data, analysis, and rationale will be visualized in the reports. The tables and charts will be an effective tool to communicate conclusions to the District Board, customers, and other stakeholders.

We will incorporate District feedback into the final report and clearly demonstrate the nexus between costs and recommended rates in simple terms to fulfill Proposition 218 reporting requirements.

Task 7.2. Rate Study Presentations

We will present the draft report to the Executive Committee in at least 3 workshops and the final report to the Board of Directors as the study progresses for input and feedback.

Task 7.3. Proposition 218 Notice

We will work with District staff and legal counsel to prepare a Proposition 218 Notice within the 45-day noticing period. The notice will outline the proposed rate changes, the reasons for the changes, and the right for customers to challenge the rates.

Task 7.4. Proposition 218 Hearing

RDN will attend one Proposition 218 Hearing.

TIMELINE

The following chart presents RDN's proposed timeline to complete the major activities and deliverables described in the scope of work. We are amenable to this expedited schedule after consulting with District leadership to assess existing data and availability to meet for key decision points.

Activity	Classification	Milestone Date
Kickoff Meeting	Meeting	8/31/2026
Progress Meetings	Meetings	9-26 to 1-27
Financial Plan Workshop	Meeting	10/21/2026
Cost of Service Analysis	Memo	11/1/2026
Rate Design Options	Memo/Model	11/25/2026
Draft Report	Report	11/20/2026
Sensitivity Workshop	Meeting	11/20/2026
Board Workshop	Meeting	11/25/2026
Proposition 218 Notice	Notice	11/25/2026
Final Report	Report	12/4/2026
Proposition 218 Hearing	Meeting	1/27/2027

SCHEDULE

RDN will complete the scope of services within the timeframe scheduled below with a Proposition 218 Hearing tentatively scheduled for January 2027. The schedule assumes timely response to data requests and that RDN will be able to schedule necessary meetings. The Proposition 218 noticing period will provide time to address administrative exhaustion requirements and related responses, consistent with California Assembly Bill 2257. RDN has reserved sufficient availability to complete this study in the proposed timeline considering our current and proposed workload. We have an exceptional track record of delivering rate and fee studies on schedule and invite you to connect with our references to validate our schedule control.

	2026				2027
TASKS	**SEP**	**OCT**	**NOV**	**DEC**	**JAN**
1. Project Management and Meetings					
2. Modifications to the Revenue Requirements					
3. Conduct Cost of Service Analysis					
4. Propose Changes to Current Rates					
5. Drought Pricing					
6. Sensitivity Analysis/ Rate Workshop(s)					
7. Reports					

REFERENCES

More than 90 percent of RDN's work comes from repeat clients, reflecting the long-term relationships we have developed over four decades. We invite you to contact our references to verify our quality of service on similar engagements.

Palmdale Water District

2024 Water Budget Rate Study (April 2024 – November 2024)
2019 Water Budget Rate Study (April 2019 – December 2019)

Dennis J. Hoffmeyer
Finance Manager/CFO
661-456-1021
dhoffmeyer@palmdalewater.org
2029 E Avenue Q
Palmdale, CA 93550

In 2019, Palmdale Water District retained RDN to improve their previously adopted water budget-based rate structure and create a new five-year rate schedule. RDN gathered historical water usage and geospatial data on all customers and sub-classified commercial accounts into three categories based on usage patterns and peaking factors: Commercial, Industrial, and Institutional. Next, RDN conducted five-year demand forecasts for each meter size and customer class combination. These forecasts supported the cost of service analysis and budget-based rate setting. After rates were designed, RDN performed a customer-level bill impacts analysis that supported customer outreach during the Proposition 218 process. RDN also provided annual budget review and rate model support services. In 2024, Palmdale retained RDN to complete their updated water rate study. The Proposition 218 Hearing was a success with minimal public comment. New rates were implemented on January 1, 2025.

Mammoth Community Water District

Water, Wastewater, and Recycled Water Connection Fee Study (August 2024 – January 2025)
Water, Wastewater, and Recycled Water Rate Study (March 2025 – March 2026)

Jeffrey Beatty
Finance Manager
760-934-2596
jbeatty@mcwd.dst.ca.us
Mammoth Lakes, CA 93546

Mammoth Community Water District retained RDN to develop water, recycled water (new), and wastewater connection fees and rates. We reviewed the District's current methodology and fees and determined that the District should introduce a comprehensive change to their rate and fee structures to improve customer equity by making the basis directly related to the total plumbing fixtures allowed in each permit, rather than hypothetical meter capacities. The Studies were on schedule and under budget with successful fee implementation in January 2025 and rate implementation in March 2026.

Rural North Vacaville Water District

Water Rate Study (October 2025 – March 2026)

Patrick Sweeney
General Manager
707-450-9365
pjsweeney@rnvwd.com
PO Box 5097
Vacaville, CA 95696

North Vacaville Water District (RNVWD) retained RDN to a conduct water rate study. RNVWD's principal objective was to stabilize finances for their system with healthy reserves while maintaining affordable rates. RDN stabilized the financial plan and cash reserve policy by evaluating operating and capital expenses, debt service, and reserve requirements to mitigate financial risk. RDN supported the Proposition 218 hearing in March 2026 with successful rate adoption on April 1, 2026.

The study proposed a series of rate increases which were designed to contribute to the District's reserves, fund capital improvement projects, and keep up with operating inflation. Specifically, the proposed rates will allow the District to maintain a Reserve Fund: The District was over $500,000 below the adopted reserve policy target of $1.0 million. The proposed plan will contribute an additional $600,000 to reserves above the current rates, offsetting cost increases, and reaching the proposed fund balance by FY 2030-31, instead of an overall decrease in reserve balances. The proposed plan will also maintain positive cash flow even considering that the District's operating expenses are projected to increase an average of 4.8 percent per year. The proposed rate adjustments will maintain a positive cash flow, meaning that revenues will fund operating expenses as well as maintain debt service coverage ratios.

COST PROPOSAL

We propose completing this engagement on a firm-fixed-price basis with the hours and fees shown below, totaling $33,840. We are amenable to a time and materials basis if preferred by the District. The table presents our anticipated hours, rates, and total fees. This proposal is valid for 90 days.

Rio Linda/Elverta Community Water District

Tasks	In-Person Meetings	Web Meetings	Hours					Total Fees & Expenses
			PD	PM	QA/QC	C	Total	
1. Project Management & Meetings		1	2	6	0	4	12	**$2,880**
2. Propose Modifications to the Revenue Requirements		1	2	8	2	16	28	**$6,240**
3. Conduct Cost of Service Analysis		2	1	4	2	4	11	**$2,560**
4. Propose Changes to Current Rates		2	2	8	2	8	20	**$4,640**
5. Drought Pricing		1	1	4	2	4	11	**$2,560**
6. Sensitivity Analysis/Rate Workshop(s)		1	2	12	4	4	22	**$5,280**
7. Reports	2	0	0	20	2	18	40	**$8,880**
Total Estimated Meetings / Hours	**2**	**8**	**10**	**62**	**14**	**58**	**144**	
Hourly Billing Rates			**$320**	**$240**	**$240**	**$200**		
Total Professional Fees			**$3,200**	**$14,880**	**$3,360**	**$11,600**		
							Total Fees	**$33,040**
							Total Expenses	**$800**
							Total Fees & Expenses	**$33,840**

PD - Project Director, Robert Niehaus
PM - Project Manager, Anthony Elowsky
QA/QC - QA/QC Consultant, Ichiko Kido
C - Consultant, Zachary Van Dinther

JOINT VENTURE

RDN does not propose any joint venture or subconsultant.

CONFLICT OF INTEREST

RDN has no conflicts of interest in performing the requested rate study.

INSURANCE

RDN meets District insurance requirements.

Items for Discussion and Action
Agenda Item: 5.9

Date: August 24, 2026

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

Staff Contact: Felix M. Felix, Interim General Manager

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) Ab**stain **(Abs) Abs**ent

Agenda Item: 6

Date: August 24, 2026

Subject: Public Comment for Closed Session

Staff Contact: Felix M. Felix, Interim General Manager

6. PUBLIC COMMENT FOR CLOSED SESSION

Public comment for closed session items only. The public is invited to comment on any item listed on the closed session agenda. Each speaker is limited to 2 minutes.

Closed Session
Agenda Item: 7

Date: August 24, 2026

Subject: Closed Session

Staff Contact: Felix M. Felix, Interim General Manager

7- <u>CLOSED SESSION</u> - The Board of Directors will convene to Closed Session to discuss the following items.

7.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

(GOVT CODE 54956.9(d)(1)
Two items: Public Employees Relations Board Charges SA-CE-1293-M and SA-CE-1299-M.

Reconvene Open Session
Agenda Item: 8

Date: August 24, 2026

Subject: Report of Action Taken in Closed Session

Staff Contact: Felix M. Felix, Interim General Manager

8. Return to Open Session, Report of Action Taken in Closed Session.

Announce any reportable actions authorized in closed session.

Board Action / Motion

Motioned by: Director _________ Seconded by Director _________

Cline:_____ Gifford:_____ Green _____Liverett______Young______.
(A) Yea (N) Nay (Ab) Abstain **(Abs) Abs**ent

Information Items
Agenda Item:9.1

Date: August 24, 2026

Subject: District Reports

Staff Contact: Felix M. Felix, Interim General Manager

DISTRICT ACTIVITY REPORTS

1. Operations Reports
2. Leak Report
3. Conservation Report
4. Budget Revision

RIO LINDA/ELVERTA C.W.D. 2026

REPORT OF DISTRICT OPERATIONS

SOURCE WATER DATA

Water Production (Million Gallons)

January	February	March	April	May	June	Year To Date
35.2	31.6	41	45.2	80.1	107.2	
35,227,128	31,626,689	41,024,432	45,171,740	80,139,132	107,195,947	
July	**August**	**Sept.**	**Oct.**	**Nov.**	**Dec.**	
124.1						464.4
124,113,666						

			Monthly Total		Year To Date
Gallons =	Multiply M.G. by:	1,000,000	124,113,666	Gallons	464,498,734
Cubic Feet =	Divide gallons by:	7.48	16,592,736	Cubic Feet	62,098,761
Hundred Cu Ft. =	Divide cu. ft. by:	100	165,927	Hundred Cubic Feet	620,988
Acre Ft.=	Divide gallons by:	325,829	380.92	Acre Ft.	1,426

DISTRIBUTION SYSTEM DATA

Water Quality Complaints Complaints Total - (Low Psi Complaints)

January	February	March	April	May	June	Year To Date
1	0	0	0	0	0	
July	**August**	**Sept.**	**Oct.**	**Nov.**	**Dec.**	
0						1

New Construction	0	0
Existing Homes	0	1
Paid prior to increase.	0	0
Total of Service Connections to Date -->		4693

Distribution System Failures/Repairs

Deterioration July 1 thru 31	8	36
Damaged July 1 thru 31	0	0

Routine Bacteriological Samples (Distribution System)	16	120
Raw Water Bacteriological Samples (at Wells)	10	58

July 1, 2026 - July 31, 2026

8 - Distribution leaks repaired by District staff, 0 - by Contractor or with Contractor assistance.

Work Orders Issued - 113	Work Orders Completed - 26	USA's Issued - 101
Lock Service Off - 0	Lock Service Off - 0	
Repair or Replace Box - 0	Repair or Replace Box - 0	
Change out Meter - 82	Change Out Meter - 0	
Disconnect Service - 1	Disconnect Service - 1	
Flow Test - 1	Flow Test - 0	
Get Current Read - 0	Get Current Read - 0	
Hydrant Repair - 0	Hydrant Repair - 0	
New Service Quote - 3	New Service Quote - 2	
Line Leak - 8	Line Leak - 8	
Pressure Complaint - 1	Pressure Complaint - 1	
Possible Leak - 11	Possible Leak - 8	
Tag Property - 0	Tag Property - 0	
Turn Off Service - 2	Turn Off Service - 2	
Turn On Service - 3	Turn On Service - 3	
Other Work - 1	Other Work - 1	
Conservation - 0	Conservation - 0	
General Complant - 0	General Complant - 0	
Re-install Meter - 0	Re-install Meter - 0	
Angle Valve - 0	Angle Valve - 0	

WORK ORDERS ISSUED: All work orders issued during the current 1 month reporting period. (July 2026)

WORK ORDERS COMPLETED: All work orders completed during the 1 month reporting period. (July 2026) Includes any work orders issued in prior reporting periods that were completed in the current reporting period.

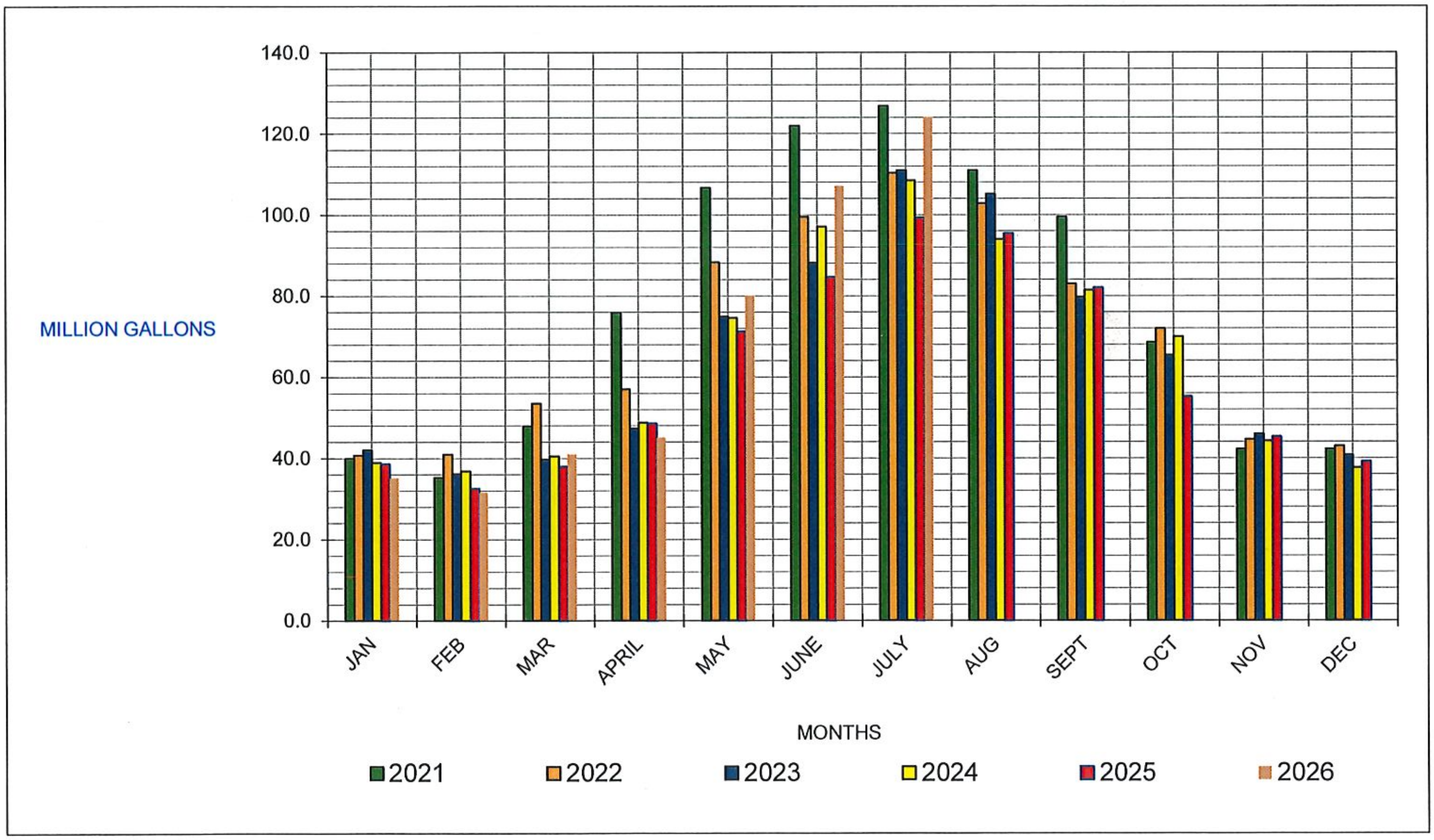
RIO LINDA/ELVERTA C.W.D.

WATER PRODUCTION

2021 \ 2026

Water Production in Million Gallons — SSWD Water Purchases

Month	2021	2022	2023	2024	2025	2026	Avg.	2021	2022	2023	2024	2025	2026
JAN	39.9	40.7	42.0	38.9	38.6	35.2	39.2	0.0	0.0	0.0	0.0	0.0	0.0
FEB	35.2	40.9	36.1	36.8	32.6	31.6	36.3	0.0	0.0	0.0	0.0	0.0	0.0
MAR	47.9	53.5	39.6	40.5	38.0	41.0	43.9	0.0	0.0	0.0	0.0	0.0	0.0
APRIL	75.8	57.0	47.3	48.7	48.6	45.2	55.5	0.0	0.0	0.0	0.0	0.0	0.0
MAY	106.6	88.2	74.9	74.6	71.2	80.1	83.1	0.0	0.0	0.0	0.0	0.0	0.0
JUNE	121.9	99.4	88.1	97.0	84.6	107.2	98.2	0.0	0.0	0.0	0.0	0.0	0.0
JULY	126.8	110.3	110.9	108.4	99.3	124.1	111.1	0.0	0.0	0.0	0.0	0.0	0.0
AUG	110.9	102.7	105.1	93.9	95.4		101.6	0.0	0.0	0.0	0.0	0.0	0.0
SEPT	99.4	82.9	79.6	81.4	82.0		85.1	0.0	0.0	0.0	0.0	0.0	0.0
OCT	68.5	71.9	65.3	69.9	55.2		66.2	0.0	0.0	0.0	0.0	0.0	0.0
NOV	42.2	44.6	45.9	44.2	45.3		44.4	0.0	0.0	0.0	0.0	0.0	0.0
DEC	42.2	42.9	40.7	37.6	39.1		40.5	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	917.3	835.0	775.5	771.9	729.9	464.4	824.9	0.0	0.0	0.0	0.0	0.0	0.0



2026 Leak - Repair Tracking

	Work Order	Leak Type	Street	Date Reported	Date Repaired	Days
1	25332	Service	6715 22nd St.	1/12/2026	1/22/2026	10
2	25338	Service	6148 24th St.	1/20/2026	1/22/2026	2
3	25357	Service	6650 2nd St.	2/2/2026	3/2/2026	30
4	25375	Service	7405 Rio Linda Blvd.	2/26/2026	2/27/2026	1
5	25358	Service	6110 26th St.	2/9/2026	3/3/2026	22
6	25304	Service	6143 Rio Linda Blvd.	12/4/2026	2/9/2026	67
7	25311	Service	1333 Elkhorn Blvd.	12/12/2026	3/2/2026	80
8	25400	Service	6500 Tuscany Ct.	3/18/2026	3/18/2026	1
9	25397	Service	1624 C St.	3/16/2026	3/18/2026	2
10	25410	Service	5917 20th St.	3/24/2026	4/7/2026	14
11	25396	Service	2327 I St.	3/16/2026	3/17/2026	1
12	25435	Service	6135 Rio Linda Blvd	4/8/2026	4/8/2026	1
13	25436	Service	7346 Rio Linda Blvd.	4/8/2026	4/8/2026	1
14	25420	Service	543 Jamie Ct.	3/26/2026	4/28/2026	32
15	25205	Service	814 Sun Ray Ct.	9/22/2025	4/21/2026	210
16	25395	Service	1716 I St.	3/16/2026	4/8/2026	23
17	25473	Service	6555 W 2nd St.	4/27/2026	4/30/2026	3
18	25445	Service	7816 Eloise Ave.	4/29/2026	4/29/2026	1
19	25440	Service	1928 I st.	4/9/2026	4/20/2026	11
20	25439	Service	6725 24th St.	4/8/2026	4/15/2026	7
21	25610	Service	209 Quadra Ave	5/26/2026	5/27/2026	1
22	25488	Service	225 Jubilee	5/5/2026	5/6/2026	1
23	25492	Service	221 Jubilee	5/6/2026	5/6/2026	1
24	25480	Service	6704 Birnam	4/30/2026	5/1/2026	1
25	25505	Service	6847 5th St.	5/14/2026	5/14/2026	1
26	25516	Service	5800 24th St.	5/14/2026	5/14/2026	1
27	25583	Service	6300 24th St.	5/18/2026	5/27/2026	9
28	25594	Service	2449 I St.	5/20/2026	5/20/2026	1
29	25734	Service	6555 W 2nd St.	6/25/2026	6/25/2026	1
30	25641	Service	7504 Mildive St.	6/10/2026	6/10/2026	1
31	25625	Service	6927 6th St.	6/2/2026	6/16/2026	14
32	25631	Service	7816 Eloise Ave.	6/4/2026	6/9/2026	5
33	25629	Service	115 W Elverta Rd.	6/4/2026	6/11/2026	7
34	25628	Service	6100 De Anza Ct.	6/3/2026	6/4/2026	1
35	25632	Service	6609 24th St.	6/5/2026	7/6/2026	31
36	25647	Service	7010 20th St.	6/16/2026	6/23/2026	7
37	25778	Service	M St. Sample Site	7/7/2026	7/17/2026	10
38	25815	Service	6553 Tuscany Ct.	7/15/2026	7/29/2026	14
39	25755	Service	6200 W 2nd St.	7/6/2026	7/16/2026	10
40	25835	Service	6324 2nd St.	7/28/2026	7/28/2026	1
41	25820	Service	6920 5th Ave	7/20/2026	7/20/2026	1
42	25850	Service	125 W U st.	7/30/2026	8/4/2026	5
43	25822	Service	6932 Shady Wood Way	7/21/2026	7/23/2026	2
44	25821	Service	6937 Alvide Ct.	7/20/2026	7/27/2026	7

Conservation Report
July *2026*

Supplies (kits):	Shower heads(1) Kitchen Aerators(2) Bathroom Aerators(1) Shower Timer(0) Nozzle(2) Toilet Tabs(5) Moisture Meters(3) Retro-Fit Kits(0) Welcome Kits(0) Kids Kit(0)
Water Waste **(calls, emails, letter, leaks detected, and fixed):**	0 Water Waste Letter 92 contacts about possible leaks using the AMI system - 1 were called, 0 was mailed, 90 was emailed, 0 tag was hung
Water Schedule:	given to customers with all violation letters and new applications
Surveys	1
Workshops, Webinar, Meetings:	None
Fines:	None
Other Tasks:	● 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 ● Verbal Demands ● Processed 7/20 billing ● High Usage Alert
Grant Updates:	None

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
OPERATING BUDGET
2025-2026

	2025-2026 BUDGET ORIGINAL	2025-2026 BUDGET REVISION	DIFFERENCE
REVENUE			
40000 OPERATING REVENUE			
40100 Water Service Rates			
40101 Basic Service Charge	1,248,294.00	1,248,294.00	0.00
40102 Usage Charge	2,001,237.00	2,001,237.00	0.00
40105 Backflow Charge	32,300.00	32,300.00	0.00
40106 Fire Prevention	26,600.00	26,600.00	0.00
Total Water Service Rates	3,308,431.00	3,308,431.00	0.00
40200 Water Service Fees			
40201 Application Fees	6,500.00	6,500.00	0.00
40202 Delinquency	70,000.00	70,000.00	0.00
40209 Misc. Charges	7,000.00	7,000.00	0.00
Total Water Services	83,500.00	83,500.00	0.00
40300 Other Water Service Fees			
40301 New Construction QC	5,000.00	5,000.00	0.00
40302 Service Connection Fees	5,000.00	5,000.00	0.00
40304 Other Operating Revenue	6,000.00	6,000.00	0.00
40305 Grant Revenue-Operating	0.00	0.00	0.00
Total Other Water Service Fees	16,000.00	16,000.00	0.00
TOTAL OPERATING REVENUE	3,407,931.00	3,407,931.00	0.00
41000 NON-OPERATING REVENUES			
41110 Investment Revenue	35.00	35.00	0.00
41120 Property Taxes & Assessments	137,000.00	137,000.00	0.00
TOTAL NON-OPERATING REVENUE	137,035.00	137,035.00	0.00
TOTAL REVENUE	$3,544,966.00	$3,544,966.00	0.00

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
OPERATING BUDGET
2025-2026

	2025-2026 BUDGET ORIGINAL	2025-2026 BUDGET REVISION	DIFFERENCE
OPERATING EXPENSE			
60010 PROFESSIONAL FEES			
60011 General Counsel fees-Legal	350,000.00	362,345.00	12,345.00
60012 Auditor Fees	23,300.00	23,300.00	0.00
60013 Engineering Services	79,900.00	91,090.00	11,190.00
60015 Other Professional Fees	50,000.00	26,814.00	(23,186.00)
TOTAL PROFESSIONAL FEES	$503,200.00	$503,549.00	$349.00
60100 PERSONNEL SERVICES			
60110 **Salaries & Wages**			
60111 Salary - General Manager	136,250.00	169,063.00	32,813.00
60112 Staff Regular Wages	765,562.00	765,562.00	0.00
60113 Contract Extra Help	0.00	0.00	0.00
60114 Staff Standby Pay	20,800.00	20,800.00	0.00
60115 Staff Overtime Pay	12,000.00	7,600.00	(4,400.00)
Total Salaries & Wages	934,612.00	963,025.00	28,413.00
60150 Employee Benefits and Expenses			
60151 PERS Retirement	175,946.00	175,946.00	0.00
60152 Workers Compensation	14,000.00	14,000.00	0.00
60153 Medical & Benefit Insurance	249,240.00	249,240.00	0.00
60154 Retirees Insurance	16,200.00	5,280.00	(10,920.00)
60155 Staff Training	5,000.00	3,555.00	(1,445.00)
60157 Uniforms	10,000.00	8,847.00	(1,153.00)
60158 Payroll Taxes	72,215.00	73,268.00	1,053.00
60159 Payroll Services	660.00	713.00	53.00
60160 457 Employer Contribution	21,125.00	21,125.00	0.00
Total Employee Benefits and Expenses	564,386.00	551,974.00	(12,412.00)
TOTAL PERSONNEL SERVICES	$1,498,998.00	$1,514,999.00	$16,001.00

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
OPERATING BUDGET
2025-2026

	2025-2026 BUDGET ORIGINAL	2025-2026 BUDGET REVISION	DIFFERENCE
60200 ADMINISTRATION			
60205 Bank and Merchant Fees	1,850.00	1,850.00	0.00
60207 Board Member/Meeting Expense	9,113.00	7,770.00	(1,343.00)
60210 **Building Expenses**			
60211 Office Utilities	7,500.00	7,500.00	0.00
60212 Janitorial	2,340.00	2,340.00	0.00
60213 Maintenance	2,500.00	1,258.00	(1,242.00)
60214 Security	500.00	500.00	0.00
Total Building Expenses	12,840.00	11,598.00	(1,242.00)
60220 **Computer & Equipment Maint.**			
60221 Computer Systems	39,555.00	32,500.00	(7,055.00)
60222 Office Equipment	1,345.00	1,534.00	189.00
Total Computer & Equipment Maint.	40,900.00	34,034.00	(6,866.00)
60230 Office Expense	8,000.00	9,800.00	1,800.00
60240 Postage and Delivery	28,500.00	28,500.00	0.00
60250 Printing	11,500.00	12,560.00	1,060.00
60255 Meetings & Conferences	1,000.00	385.00	(615.00)
60260 Publishing	350.00	350.00	0.00
60270 Telephone & Internet	3,500.00	3,500.00	0.00
60430 Insurance			
60431 General Liability	37,837.00	37,837.00	0.00
60432 Property	19,450.00	19,450.00	0.00
Total Insurance	57,287.00	57,287.00	0.00
60500 Water Memberships			
60503 SGA	35,503.00	35,503.00	0.00
60504 ACWA	13,465.00	13,465.00	0.00
60507 CRWA	1,662.00	1,662.00	0.00
Total Water Memberships	50,630.00	50,630.00	0.00
60550 Permits & Fees	55,000.00	52,000.00	(3,000.00)
60555 Subscriptions & Licensing	2,120.00	2,120.00	0.00
60560 Elections	0.00	0.00	0.00
60565 Uncollectable Accounts	5,500.00	2,640.00	(2,860.00)
60570 Other Operating Expenditures	500.00	500.00	0.00
TOTAL ADMINISTRATION	$288,590.00	$275,524.00	($13,066.00)

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
OPERATING BUDGET
2025-2026

	2025-2026 BUDGET ORIGINAL	2025-2026 BUDGET REVISION	DIFFERENCE
64000 CONSERVATION			
64001 Community Outreach	500.00	500.00	0.00
TOTAL CONSERVATION	500.00	500.00	0.00
65000 FIELD OPERATIONS			
65100 Other Field Operations			
65110 Backflow Testing	31,600.00	31,600.00	0.00
65120 Construction Equipment Maintenance	12,000.00	21,500.00	9,500.00
65130 Field Communication	3,400.00	3,800.00	400.00
65140 Field IT	35,000.00	35,000.00	0.00
65150 Laboratory Services	66,000.00	51,900.00	(14,100.00)
65160 Safety Equipment	6,000.00	10,100.00	4,100.00
65170 Shop Supplies	8,000.00	8,100.00	100.00
Total Other Field Operations	162,000.00	162,000.00	0.00
65200 Treatment	38,000.00	34,500.00	(3,500.00)
65300 Pumping			
65310 Maintenance	35,000.00	32,716.00	(2,284.00)
65320 Electricity and Fuel	260,000.00	277,000.00	17,000.00
Total Pumping	295,000.00	309,716.00	14,716.00
65400 Transmission & Distribution			
65410 Distribution Supplies	71,000.00	57,500.00	(13,500.00)
65430 Tank Maintenance	2,000.00	1,000.00	(1,000.00)
65440 Contract Repairs	165,000.00	162,932.00	(2,068.00)
65450 Valve Replacements	0.00	0.00	0.00
65460 Paving Repairs	56,400.00	56,400.00	0.00
Total Transmission & Distribution	294,400.00	277,832.00	(16,568.00)
65500 Transportation			
65510 Fuel	12,000.00	13,300.00	1,300.00
65520 Maintenance	9,000.00	9,768.00	768.00
Total Transportation	21,000.00	23,068.00	2,068.00
TOTAL FIELD OPERATIONS	$810,400.00	$807,116.00	($3,284.00)

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT
OPERATING BUDGET
2025-2026

	2025-2026 BUDGET ORIGINAL	2025-2026 BUDGET REVISION	DIFFERENCE
TOTAL OPERATING EXPENSES	$3,101,688.00	$3,101,688.00	$0.00
NON OPERATING EXPENSES			
69010 Debt Service			
69100 **Revenue Bond 2015**			
69105 Revenue Bond 2015-Principle	169,641.00	169,641.00	0.00
69120 Interest	34,408.00	34,408.00	0.00
Total Revenue Bond 2015	204,049.00	204,049.00	0.00
69200 **PERS ADP Loan**			
69205 Principle	30,000.00	30,000.00	0.00
69210 Interest	1,406.00	1,406.00	0.00
Total PERS ADP Loan	31,406.00	31,406.00	0.00
69400 Other Non Operating Expense	2,300.00	2,300.00	0.00
TOTAL NON OPERATING EXPENSES	$237,755.00	$237,755.00	$0.00
TOTAL EXPENSE	$3,339,443.00	$3,339,443.00	$0.00
NET INCOME (Income-Expense)	$205,523.00	$205,523.00	$0.00

Information Items
Agenda Item: 9.2

Date: August 24, 2026

Subject: Board Reports

Staff Contact: Felix M, Felix, Interim General Manager

BOARD REPORTS

1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
2. Sacramento Groundwater Authority – Liverett/Cline
3. Executive Committee – Young/Liverett
4. ACWA/JPIA – Cline
5. Capacity Fees Ad Hoc – Liverett, Cline
6. MOU Negotiations Ad Hoc – Gifford, Green
7. GM Recruitment Ad Hoc – Gifford, Young

SACRAMENTO GROUNDWATER AUTHORITY
MEETING OF THE BOARD OF DIRECTORS

Thursday, August 13, 2026
at 9:00 a.m.

2295 Gateway Oaks, Suite 100
Sacramento, CA 95833
(916) 967-7692

The Board will discuss all items on this agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on this agenda but will not act on those items unless action is urgent, and a resolution is passed by a two-thirds (2/3) vote declaring that the need for action arose after posting of this agenda.

IMPORTANT NOTICE REGARDING VIRTUAL PUBLIC PARTICIPATION:
The Sacramento Groundwater Authority currently provides in person as well as virtual public participation via the Zoom link below until further notice. The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker.

Join Zoom Meeting
https://us06web.zoom.us/j/86234537375

Meeting ID: 862 3453 7375 Passcode: 955951

Dial by your location
+1 669 444 9171 US or +1 669 900 6833 US (San Jose)

If we experience technical difficulties and the Zoom link drops and you are no longer able to connect to the Board meeting, please dial 1-877-654-0338 – Guest Code 198

Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection on SGA's website. 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 jpeifer@rwah2o.org. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

AGENDA

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

2. **PUBLIC COMMENT:** Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.

3. **CONSENT CALENDAR:**
   All items listed under the Consent Calendar are considered and acted upon by one motion. Anyone may request an item be removed for separate consideration.

   3.1 Approve the draft meeting minutes of June 11, 2026, Board Meeting

   3.2 Approve Change Order 5 for Professional Services between SGA and Woodard & Curran (SGA Consulting Agreement Task Order 2024-02)

   3.3 Approve Task Order 26-02 for Professional Services between SGA and GEI Consulting, Inc

   Action: Approve Consent Calendar items as presented

4. **CONFLICT OF INTEREST CODE REVISIONS**
   Presenter: Jim Peifer, Executive Director
   Action: Approve Revisions to the Conflict of Interests Code

5. **INFORMATION: 2026 GROUNDWATER SUSTAINABILITY PLAN AND SGMA IMPLEMENTATION UPDATE**
   Presenter: Trevor Joseph, Manager of Technical Services

6. **INFORMATION: SACRAMENTO REGIONAL WATER BANK PROGRAM**
   Presenter: Trevor Joseph, Manager of Technical Services

7. **INFORMATION: SGA JPA REVISIONS UPDATE**
   Presenter: Jay Boatwright, Chair and Chris Sanders, General Counsel
   Action: Recommend Revisions to the JPA to the JPA Parties

8. **EXECUTIVE DIRECTOR'S REPORT**

9. **DIRECTORS' COMMENTS**

   ADJOURNMENT

Next SGA Board of Director's Meetings:
October 8, 2026, 9:00 a.m. at the RWA/SGA office, 2295 Gateway Oaks, Suite 100, Sacramento, CA 95833. The location is subject to change.

Notification will be emailed when the SGA electronic packet is complete and posted on the SGA website at **https://www.sgah2o.org/meetings/board-meetings/**

Posted on: August 7, 2026

Ashley Flores

Ashley Flores, CMC, Board Clerk

Minutes
Rio Linda / Elverta Community Water District
Executive Committee

August 12, 2026 @ 6:00 P.M.

THIS MEETING WILL BE PHYSICALLY OPEN TO THE PUBLIC
VISITORS / DEPOT CENTER
6730 FRONT STREET, RIO LINDA, CA 95673

Public documents relating to any open session items listed on this agenda that are distributed to the Committee members less than 72 hours before the meeting are available for public inspection on the counter of the District Office, 730 L St, Rio Linda, CA. The public may address the Committee concerning any item of interest. Persons who wish to comment on either agenda or non-agenda items should address the Executive Committee Chair. The Committee Chair will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes). In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability related modification or accommodation to participate in this meeting, then 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.

The meeting was attended by Director Young, Director Liverett, Interim GM Felix Felix, and Contract District Engineer Mike Vasquez.

Chair Vicky Young: called meeting to order at 6pm.

Public Comment: None provided at this time.

Director Young: Let's move on to public works with District Engineer, Mike Vasquez.

Public Works Projects Update (Contract Engineer)

7. Century Palms Estates

District Engineer Vasquez: Thank you Director Young. I'm gonna start in the reverse order. So I can leave the best for last here. If that's okay with you, Director Young. I spoke with the developer’s engineer, late last week after hearing nothing for about a month and a half or so. He informed me that D.R. Horton has pushed pause on the project. I haven't been in touch with the developer at all. It's always been through his, or their engineer. I did reach out to the county, I plan to see what the status is and what halted the project. So I haven't been notified yet, but as soon as I do, I'll let the committee and the board know. Why that's important, in addition to just growing the community, is that one of the conditions of approval for the project was for them to, initially pay upfront for a new water model for the district. They were going to get, capacity fee, reimbursement credits when they built the homes. So we were supposed to get the money ahead of time. So that's now it for us, moving forward. I do have a proposal from an engineer.

Director Liverett: Is that Sarah Rogers?

Minutes
Rio Linda / Elverta Community Water District
Executive Committee

August 12, 2026 @ 6:00 P.M.

District Engineer Vasquez: That's Sarah and I'm not sure how to present that moving forward, because I think it's one of the things that the district absolutely needs to better assess the infrastructure and things of that nature. So I'm not prepared for you to discuss it further at this point, but I'd like any feedback from you as to if you would like me to pursue funding for it or figure out if there's any possibility we have a budget for it up front. Or we just wait a few more months to see if the development comes back into fruition. So all those things are possibilities. But I don't want to lose the momentum with understanding that the water model is really important for our district.

Director Young: And does that apply to any of the other projects going?

District Engineer Vasquez: It would be useful to assess the pressure situation on the Eastern side of the district. Whenever one of the wells goes down, especially Well 15, it becomes an issue. The pressure drops significantly and it's difficult to make an assessment of what's causing it over there without having a model. It's a digital model where you're able to plug and play and then produce calculations and reports and exhibits that say, this is why this is happening. Whether it's just one pipeline segment or two, it's really very difficult to do without a water model.

Director Liverett: Yeah, that's funny because I had notes on that about JLR, right? And who would be paying them if they were going to do it because I wanted to make sure that the monies were in the district's control to pay them so that they would be our customer versus the developer's customer.

District Engineer Vasquez: That is correct. So, the way it would work is prior to authorizing or executing a contract with Sarah Rogers, DLR, the developer would have to pay the district up front. We can put it into an account. It wouldn't be an expenditure account that the district could use other than this. In their transparencies, where every invoice that comes in, the developer would see the copy of the invoice and the work. You'd see the proposal, all that stuff. Yeah, completely above board is the way this works.

Director Liverett: So we already have a proposal from Sarah, right?

District Engineer Vasquez: Correct.

Director Liverett: Can I ask you send me that?

District Engineer Vasquez: Sure, absolutely, yeah.

Director Liverett: Yeah. That was my only concern, was that I thought I was gonna talk to you about either on record or off record about looking at the possibility of waiting until we get through the three sites that we're working on, to see if that would affect the water model.

District Engineer Vasquez: The treatment systems wouldn't affect the water model that significantly, possibly 5% pressure difference or water capacity for each of the wells. But what it would do is give us a 95% confidence level of what the problem is for the east side of the district. You know, in that. And then also, future projects as an example, which I think is even more important, in making assessments as to where to put another storage tank, or well, things like that. Where you can put a node at the end of wherever this this tic-tac-toe looking grid looks like, and then at one end, you put a new well. What does that do? And if we turn that well on and shut this one off, what does that do? If we abandon another well and construct a new one in that certain location, or tanks, or all those things that come together right now, are we doing our best that we can to make assessments, but it's very difficult to, you know, to state that, you know, I think we're probably functioning at a 35% confidence level at this point.

Director Liverett: It would be nice to see what's under the earth.

District Engineer Vasquez: So, I just want to make you aware of that and any other thoughts you guys may have, please share them with us.

Director Young: You said there might be grants available?

District Engineer Vasquez: There might be, but I think the way these grants are is the reimbursement. You know, so you kind of have to have them done, the work done before you can get, or even apply for reimbursement.

Director Young: Yeah, and we don't have any money budgeted anywhere for that.

District Engineer Vasquez: We do not.

Director Young: We'll have to think about that when we look at the budget.

District Engineer Vasquez: So, I know we have a lot of things going on with a lot of expenditures and we have rate study stuff that, you know, Felix will talk about at some point. So we have all these things that move around. It's $55,000, you know, but it's still something that we should keep track of. But I think the value of that is, it's really important. If we can, you know, stuff like maybe not do a couple of valve locations next year and pay using capital improvement funding for that.

Director Liverett: Sarah would know too, if there was anything out there.

District Engineer Vasquez: She would know. The person that Maria is talking about is Sarah Rogers. Her firm, where she was the project manager for the design, is both, well, 15, and 16.

District Engineer Vasquez: She was involved in both well designs. Fantastic job. I've known her since 2000. And it's been a consultant. Obviously, they have to submit their qualifications, and she's very qualified. And the reason why I recommend her to do the work is because she's done previous modeling for the district, using the old water model that no longer is usable. So because she would be involved, she would then be able to utilize as much as possible of the old model. Again, it's not much, but it's still some savings. You know, so, and there's no one else I would recommend to do the model than her, and her costs are very reasonable, in comparison, to what these things usually cost, you know, $100,000.

Director Young: Yeah. I think we should look at moving this water study up and trying to, you know, I mean, by the next board meeting, I would think you'd probably have been able to touch bases with county planning or whoever it is. If you can find out more information on why they're paused. And if it's a short term or a long term pause, and, you know, maybe have some idea on... if we should prioritize that out of a different funding source, or if we should just send it out for right now, but it's... So it's like it would be extremely helpful to know that...

District Engineer Vasquez: One last thing, yes, it would be. Once the district pays for a model, in previous years, some of this, the digital information didn't get passed on from consultant to consultant. In this case, what would happen is, as soon as the model was done and completed, that would be transferred over to the district, you know, in its complete nature, so that if Sarah all of a sudden retires, you know, that somebody else would come in, and, you know, one of the things we want to plan

Minutes
Rio Linda / Elverta Community Water District
Executive Committee

August 12, 2026 @ 6:00 P.M.

for as well, in future years, future years, is updating the software. So we don't have this issue in 10 years. So those are the things we're obviously are always in play.

Director Young: Yeah. And I mean, they've got two AM PMs proposed right now to get building over on the corner of the archway. There's two fields over there that could be, you know, developed. And then there's over at Dry Creek, so that's what, five different places for, whatever it is. I would think with that much going on you would want to know what your water capabilities are to serve all of that.

District Engineer Vasquez: Sure. It's easy to have discussions with someone who's building, you know, a four lot subdivision or someone who's building a high use water, commercial or industrial project, whatever it is, to give from understanding what it is. And, for us, part of this project is we're not able to. And so then and we haven't really had to throughout my tenure with the district, but if these kinds of projects are going to start coming into fruition, then, you know, but again, that's one phase. The other part of it is, even if there's no development at all, is for us to be able to make assessments with their own water system.

Director Liverett: Right. Something like North Precinct is facing that comes around, that's going to change the whole...

District Engineer Vasquez: Okay. So I'll let, you know, I'm on it, and if anything comes up before the board meeting, I'll certainly put something together for you. Well, at the very minimum, it'll be an update like this in my report.

Public: Mike, you're the engineer. What caused all the pressures to drop that people said they weren't getting. I personally went and turned the faucet, and no water came out. And I'm right in the middle of town.

District Engineer Vasquez: When was this?

Public: It was about a week before everybody else started complaining that they were having low psi.

Interim GM Felix: Power interruption caused all the wells to shutoff. Staff had to come in and assess the power issue, and then quickly turn on the wells to get the water pressure back up.

6. Water Meter Replacement Program

District Engineer Vasquez: Okay, Water Meter Replacement Program. I understand and I apologize for not being at the board meeting last time, I was ill, and I tried to get here, but I called Felix at about 5 o'clock, and I just couldn't make it. But, so I understand the water meter replacement item on the agenda, was postponed, for further discussion, to contract with Rawles Engineering, to continue with the water meter installation.

Director Young: So, I don't know if you got the background on that or anything, but, you know, we're looking at trying to upgrade our equipment so that we can do more of those types of services ourselves, without having to hire out, and with the amount of money, like, that we're paying for Rawles, because we have an older... extractor, not extractor, excavator, and I... Back up, yeah. And vacuum pumps that leaks and different stuff like that. You know, if we, you know, we're paying, uh, what was it, $120,000 on the one project, and, uh, you know, that buys some equipment. Yeah. And that also, you know, Frank, according to Frank, he said we could use at least two more people, minimum, and four would be preferable just to keep up. So, that's kinda why it's on pause, so we can kind of review and flush that out to see how we can keep that money in house.

District Engineer Vasquez: Sure. And so I want to be really clear and transparent, so whenever I bring something to the board like this, it's for consideration, discussion, and for us to continue to do work, I'm 100% behind the statement of keeping as much work internally as possible. So, if we can leverage that or that portion of the budget to hire 100%. That makes a lot of sense. But also, I think it's, our responsibility to, you know, share that, we need to get these things done. And if it's gonna be, I know Felix is working on this as well, but if it's gonna be a year before we get additional resources, then we have a budget for a reason to be able to continue to make these changes. So I wanted to make sure I got some direction from the executive committee, how to move forward with the board. Is it still on pause? Would you like me to keep it on pause until further notice?

Director Young: Sure, I think this would, if we just talked about it, decide to table it for maybe a month or so, and then look back at it. But it was what I remembered happening anyway.

District Engineer Vasquez: Sure. Okay.

Public: Are you talking about the meters?

District Engineer Vasquez: About the meters, yeah.

Director Liverett: How many do you have still to go?

District Engineer Vasquez: 500.

Public: We have 500 in stock?

Director Young: No, we have to. This is for the coming year, they have in stock, I think. for what they're finishing with Rawles right now, but this would be for next coming year to continue doing that same program with Rawles, and the district would have to purchase that material, and then we would be paying Rawles for the installation.

Director Young: Well, we're talking about, you keep, you know, shutting down the Rawles project right now, if this one that we were just talking about, making it... getting... We only got, like, two yard guys right now. We've got Frank as a supervisor, and I think there's...

Director Young: Okay. Anyway, uh, we don't have enough manpower back there. And we haven't, and that's why they were putting it out, but, like I said, we were talking about trying to upgrade our material, and getting the staff, so that we can do all this stuff ourselves, and not need to hire Rawles or anybody. Rawles, normally, I think typically was used for heavier construction projects and large emergencies.

Public: Right, and that's kind of got, in the past,

Director Young: day to day operation which we're trying to push them back out and keep it in the house.

Public: Okay, just one more thing. So, if we only have two, didn't we have five at one time that got their treatment license, and then we had to give them money that was a two and a half years prior to October of 2026. And then, magically, every employee got a $1,200 bonus. Now, I clearly remembered that, because that board packet is hanging up in my barn with a big old red flag on it. Okay? And I will make sure that I don't live this one down, okay? So why we have only two. Where did the rest of them go? I know where one land. He quit.

Director Liverett: Well, when he left, he had another guy, right behind him, leave. So we lost two guys.

Interim GM Felix: Are you referring to Chris and Justin?

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Public: Yeah, there's five guys who got treatment license. What? One, two and a half years prior to us. Uh... being... Hold on, Mary. No. Prior to us, having to answer to the state. And they got a huge raise having this treatment license. And then magically, every employee got a $1,200 bonus. And that board pack is hanging up in my barn with a camera on it, so nobody can come and take it. Okay? And it has a flag, a red flag, and, well, orange one, 'cause it comes from my sea dew. And I'm serious with a heart attack, 'cause that I will not live down. Literally, I don't understand it.

Director Young: For the Chromium 6 treatment operators. We had to adjust the pay scale, where everybody was certified, that was four guys that got a pay bump, when we don't even have a plant yet. According to Tim, that was negotiated into the MOU prior to us being there.

Director Liverett: What treatment certification was that? Because we didn't even have a treatment...

Public: But that's why I raised Holy cane, because I'm like, why do they need this treatment license? Why are we paying them extra? You know? Why are we doing this? And then, like I said, magically, everybody got a $1,200 bonus. That's, you know, ho, boy. You know, I think my point is, these people get these certifications, like Mitch, which is Frank, okay? And then there is no kind of payback that we have as a district stating, you cannot or you need to stay. And I know the MOU with those unions can be real sticky. But here's the point. It has to be negotiated. They have to stay with the district a minimum of two years. You know, or something of that nature. If not, they have to pay it back. You know, we're being ripped off left and right.

Director Liverett: I just don't know what certification that you guys are talking about. What did they get? Because, like, the treatment operators for...

Public: For the chromium 6

Director Liverett: We don't have any special treatment certification for what we're putting in right now.

Public: Well, Tim said. It was because these employees are gonna have to watch the whole process of the, you know, when you put treatment on the well. So that's the reason they had to have it. And which didn't make sense to me. But I do want to talk about something real quick. Mr. Felix, I remember, one of the employees came. I think it was Frank that came and tested my backflow device because he put a sticker on the door. And so, I... Now, I don't remember how long it's been at least two times, maybe three times ago, maybe three years. So, if he didn't have a license, why was he doing that? Because I think that's what I'm hearing is, he needs to get backflow device certified. So, I'm pretty sure it was him.

Public: Is that what the state, though?

Public: I am curious, Felix, or somebody, can you answer, maybe Mike? Does it have to be a new test every two years? On an employee that is doing the backflow? Is it mandatory through the state? That's every two years, three years, five years.

Director Young: Recertification? Anyway, we're getting off track here.

5. 2026 Consumer Confidence Report

District Engineer Vasquez: So, I'm working on the 2026 Consumer Confidence Report. Normally, Pat put together a report and analyzes the data for the previous year, water quality data, and then prepares a report that gets distributed to all the rate payers in their bimonthly bills. So I'm helping Frank with that. He hasn't done them before. So, I'm working with him, showing

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him how to do it. So the next year, he can do it on his own. So that should be done next week as well. And you'll see it with your next bill and will be posted online.

4. 2025 Urban Water Management Plan

District Engineer Vasquez: Next we have the 2025 Urban Water Management Plan. Waterworks is doing a really good job of asking for the information. It's taking a lot of work on my part to gather the information and sort it and give it to them. Still on schedule for getting this done by the end of the year. So those will be important items for the committee to know.

3. 2025/2026 FY CIP Valve Replacement Project

District Engineer Vasquez: So, I'm gonna jump to the 2025 - 2026 fiscal year, Capital Improvement Project, with the current Valve Replacement Project that's on going. So far, four sites went pretty well. However, the last site did not. What happens is, and again, the purpose of why we're doing these valve replacement projects, so that if there's a leak between a block that you can turn off valves and only affect a handful of property owners, then that’s good. But, a lot of these valves crosses are frozen. So the next kind that Rawles is working on, it's up to district staff to shut the water off, so that Rawles can actually do their construction. They spent four hours trying to shut the water off and they weren't able to. So, Frank pushed pause that day and since then, the staff has been full-time working on leaks. So, it takes all the staff to go do that. They'll focus again on the valve replacement projects. So for right now, it's been halted, because of just the workload with the current staff. Frank is, and previous staff as well, have always done a magnificent job of trying to find the right valves and where they are. Sometimes the county comes in and paves over them, you know, so that they're lost, so they have to go find them. All those things are in play, but two things just to know is that staff is doing a really good job. I mean, they're trying their best, and then, but nothing's happening right now because staff is working on water leak preparation.

Director Young: Yeah, they certainly looked busy today when I was down there.

2. 2026/2027 CIP Project

District Engineer Vasquez: So, with item number three being the current fiscal year capital improvement project, we thought it would be good to continue the valve replacement at this point. I talked to Frank about it, but I think for now, let's get the first one done, and then let's make an assessment of what's left to do. Then once I know what that looks like, I'll present it back to the committee and to the board for, future movement, on what kind of project we want to do. At the same time, the water model could also fit within that budget as well. So I think, by default, we're being given a little bit of time to kind of make a decision. So I think that's the important part at this point.

Director Young: So you're saying with the one pipeline for next year, if we put that on hold, we could use that money instead on a…

District Engineer Vasquez: It would take a board action, you know? But that's another possibility if the developer component doesn't come to fruition as well. So there's a lot of ifs and thens about that.

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Director Liverett: To the 2027 fiscal year?

District Engineer Vasquez: The current fiscal year. I mean, the project that's going on still is last fiscal year's budget that was transferred to this fiscal year, but then also there was an additional amount that's always, put into a budget for the current fiscal year too. So you'll see $450,000 or whatever in the budget. But that also includes the current project.

1. Hexavalent Chromium Compliance Planning

District Engineer Vasquez: Okay. Last but not least, is the Cr6 Compliance Plan. So moving along with assessing what the best course of action is to be in compliance by October of 2027. One of the things that I was made aware of, late last week, and then been working with one of the manufacturers for and suppliers for the Hex Chrome compliance project, and treatment systems is that the vessels take a lot of time to be manufactured and then be delivered. So, I asked for a quote to see what that would cost. It was a bit more than what was presented previously by the supplier. If you remember, it was a couple of gentlemen and a couple of women that came to the board meeting back in May. And so I asked, well, why? You know, why is it going to cost more? And so then the response that I received was because the price that they give us back then, and the price they're given us now, it also includes more operation and maintenance costs. That wasn't part of the capital cost back in April. Capital costs are what you pay for equipment. O&M costs are what you pay for, getting it going, and then transitioning it into connecting it into the distribution system, media regeneration, those kind of things. I did receive today, or I'm sorry, last night, a revised cost and proposal. So, let me back up a little bit. The vessels can take 6 months at a minimum to be put together and then delivered. I think it's a little more than that.

Director Liverett: He said 8 to 10.

District Engineer Vasquez: Yeah. So I think it's in the last one, you said 6 months, but I'm not, and that's, I feel like it's...

Director Liverett: That's after the action and placed the order.

District Engineer Vasquez: My recommendation to the committee, is to allow me an opportunity to fully vet what the cost is going to be, and then also vet what it does to our budget, overall for the project itself. Obviously, what's really important, what we're doing here with our budget and approval and discussion here today. I'm on vacation starting right after this meeting. I'll be back on Tuesday. I have 2 or 3 days on Tuesday to dig deep into this, which is not a lot of time, but if the urgency exists to get this done as soon as possible, I think I'll do the best that I possibly can to fully vet what that would look like. And then if the recommendation is to move forward and purchase the equipment, then what that would look like is the district would put together a PO, a purchase order, with the manufacturer. The district would then pay, a certain percentage up front, and a certain percentage, at a point in construction, and the remaining percentage when it gets delivered. Okay. So, those are things that are unknowns at this point, but I do want to make sure that, we have an understanding. Now, we have, when I say this, make sure we take it with the grain of salt. We have time to do this, this kind of stuff. But we don't want to lose momentum. One of the things I spoke with the waterboard this morning was that Rio Linda is doing a wonderful job of keeping the waterboard informed, that we're in compliance. We were one of the few water districts that actually submitted a compliance plan on schedule, and then when they responded back to us, we got back to them on schedule. I had a meeting with them this morning, to let them know that there may be a delay, in timing with vessel deliveries. They're very open to, you know, ensuring that, they're as lenient as possible with an extension, but I think our goal should still be to, you know, move forward with some momentum and some intensity, and try to get this done as soon as possible.

Director Liverett: And make our deadline.

District Engineer Vasquez: And, make our deadline. Now, why I think that's also important, this is a not district engineer statement. It is that I think that if we're one of the few districts that actually get in compliance on time, that's a big feather in the cap for the district. And I think culturally how the rest of the community sometimes may view us. I know Felix is working really hard on making sure we're doing a good job. So I wanted to reiterate that with the water board this morning. I spoke with our District Engineer, Austin Peterson and also his assistant, Water Resource Control Engineer Sepideh Feizi, and they were both very thankful that we were able to put in the time doing that. So, anyway, this could potentially cost more. I don't know, how much more yet. I need to dig deep into that, and if I can get everything done, that I need to get done next week, then, I'll coordinate with staff, and then making sure that, I have a recommendation for you at that point.

Director Young: Great. Sounds good.

Public: What was the number before?

District Engineer Vasquez: Uh, ballpark?

Public: Yeah, just give me a number.

District Engineer Vasquez: I know you love these numbers.

Public: Oh, yeah, I'm a number gal.

District Engineer Vasquez: And you haven't held me accountable, but I want to make sure, when I see these things, I mean, I'm not as passionate as you are with the numbers. But when I see something, that is more than what I thought, more than before, I also dig my heels in a little bit. I wanna find out why. I understand things cost more because, material is just increasing cost. I get all that stuff. So it was originally about 1.1 million. And the cost that I got now was about 1.3. But the 1.3 was broken down differently to where it also included O&M costs. So what I'm working on right now is I want an Apple's to Apple's comparison. I don't care about the other stuff. I want to know what part of $1.1 million, it's going to end up being. I feel like it's gonna be, less than $1.2 million. But, all the different components that are associated with it, I want to make sure where they're sorted out to be. You know, again, capital costs of things to always remember and also what operation and maintenance costs, what those look like as well.

Public: On those wells that you're talking about, what kind of gallons per minute are they going to be?

District Engineer Vasquez: They usually vary between 800 and 1,000 gallons per minute.

Public: Is there any grant money or anything that can help with this stuff?

District Engineer Vasquez: Not in the time frame that we need it to be.

Director Liverett: This is one year, and that's... Jim has already gotten, I would say, DDs, maybe 25%.

District Engineer Vasquez: A little less. than I've seen.

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Director Liverett: But I also wanted to say, I really think that Felix or you need to get Frank in touch with Jim. Because he couldn't get the pilot study started at all at well 10. Like, the plan was Monday, and he couldn't get a hold of anybody. So instead, he's working on the technical specs, and he wanted to know if the front ends from the previous one that he's done, if those were still good, do you know?

District Engineer Vasquez: I don't know.

Director Young: Could we find out?

Director Liverett: Let's schedule a meeting tomorrow.

District Engineer Vasquez: I’m not around tomorrow. (vacation)

Director Liverett: That's right. You're on vacation.

Public: When you said that, we don't have enough time, can you still apply, though? And then they could reimburse us after. Or is it something you can't touch it, tell they've given you the money?

District Engineer Vasquez: So there's a couple of things here. I know, with the SGA and RWA. I think Maria can speak to this, and that's just, that's what she meant.

Public: Yeah, I'm talking about the state here.

District Engineer Vasquez: I'm trying to respond to that. The district isn't disadvantaged. There's not a lot of reimbursable grant funding available specifically for these kinds of projects. If there's an ASR component to the project, then there could be some funding available.

Public: So we're gonna have to fund it ourselves?

District Engineer Vasquez: Yeah. It does seem like that, we look around some places where we should be disadvantaged, and we're not.

Director Liverett: Well, they were checking the boxes with what they want to see in order to qualify for the grants, which one is to ASR stuff. And so Mike and I were speaking earlier about getting in tight with, including the state, with brainstorming, with us, so that they can help support us in that decision at the moment..

Public: What doesn’t make sense is the state wants you to have 10 parts per billion, but you have a small district like this, it doesn't get a lot of revenue coming in. It doesn't make sense that there's nothing out there to help for this chrome six stuff.

District Engineer Vasquez: So part of what we're doing that hasn't been done before is being more involved with the Division of Drinking Water. And I mentioned this to Felix earlier today, I think that conversation went very well. Normally, when someone from the district calls the water board it's for something bad that happened, and we need to give them bad news. And this situation, it wasn't bad news per se. But it was introduction of a possibility, and we have a plan. Like, oh, this is great. You guys are doing great. And then I left the meeting with, I'd like to continue the conversation more regularly with our District Engineer. Now, I said, our District Engineer, it's our district area. You know, that's the state water board, who overseas all the Water Districts in our area. So he knows other water districts like that. So, it went really well and I want to continue that part of the conversation. The other part, too, that I think it's easier to say in this setting is that when people speak in certainty that there's

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money available, I would like for us to ask, okay, show me, where is it available? Because that shuts them up pretty quickly because if there was money available, we would be working really hard to try to get it. And I think, that then puts the public, asking staff and the board, why aren't you getting grant money? I mean, so when people tell you that, if you hear throughout the industry, whatever it is, say, can you please just show me what those are? There's state revolving funding for drinking water projects available. But it's a loan and other loans may be better getting then on our own. But, that's not always the case. There could be a little bit available, but, you know, it's not to where you're going to make so much, you're only gonna get so much grant funding, and by the time you put together the application, the cost in time and work prevents the application, to what they were gonna give you from a grant perspective. It’s not always the case, but in our situation, because we're not disadvantaged, that is more of a reality.

Director Liverett: And to it, I was in an ACWA meeting this morning and there are some new opportunities. And so they sent us a link to the chat feature and I have a copy of that link and I can share it with anybody interested. But it's, there's some new stuff that are becoming available. So, they have been working on that a lot, and they're looking for more people to join, and they're kind of excited that they had some small districts on there. When I showed up. And I think that they want more people from our district, to join in on these committees.

District Engineer Vasquez: So the last thing that I'll share is, with the potential increasing costs, again, it's very important that we circle back with our budget and public hearing, in August. And to give you some other perspective as well, to put together an agenda item. After today, it's got to be done by Friday. I'm sorry, by Wednesday at 5 o'clock internally so that it can be given to the staff by Friday or to give it to the board by Friday. Usually, it's delivered on Thursday? Yeah, so, you know, when we have these kinds of, intents and trying to be efficient with that. We have to pretend a board meeting is on Wednesday. So we can get all the information we need put together and then submit it.

Director Young: And how are you working with the Jim Carson? You guys working together quite a bit or?

District Engineer Vasquez: He's, yeah, I mean, we've met probably a couple times over the last couple of weeks.

Director Young: Is there anything we could do to help him be integrated and get up to speed with everybody? Because he's new on the team.

Director Liverett: Well, I probably speak to him daily. And that's why I knew he's been trying to get a hold of Frank. And I think that if we could help him get out to start understanding operations and to let Frank know, hey, these ones have to run for 3 months straight. So there's gotta be some operational things that need to take place because just to do the pilot testing requires our wells to run. I'm correct, right? That has to run for 3 months straight, those two wells. Which is going to change some of the way the operations are.

District Engineer Vasquez: One of the things I'm working with him on, I think, besides, you know, the projects is just trying to get some budgets under control. That's a bad word. Let me take that back. To understand budgets, because I think part of my responsibility is to make sure that whatever we're paying out is in the best interest of the district. So I'm doing that. Felix knows that, and Maria knows that. And just like this, I'll never nickel and dime the district for my own business, I try to make sure that I hold other people accountable as well.

Director Liverett: You did a good job with, the Chart Waters quotation.

District Engineer Vasquez: Well, they kind of ticked me off.

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Director Liverett: I know, I liked it, though.

Director Young: How long have you been on this current contract we're on with you? It's been, what, 3 years

District Engineer Vasquez: I think it'll be 3 years in September.

Director Young: How long is that contract for, or is that just ongoing?

District Engineer Vasquez: It's ongoing.

Director Liverett: Well, I saw your emails, and I thought you were doing a really good job, and he brought his pricing back down too. I thought was very nice.

District Engineer Vasquez: So with that, that's all I have.

Director Young: Looks like you have a long list of things you have to do.

District Engineer Vasquez: We've hit a different time with the district's infrastructure where compliance issues are big, you know, they're massive.

Director Liverett: Well, something that...

Public: So are we going to meet the deadline on these?

District Engineer Vasquez: To be determined. Our plan is to work very hard to meet...

Public: So what happens if we don't?

District Engineer Vasquez: We ask for an extension.

Public: Okay, so you've talked to District Engineer, Austin Peterson about that?

District Engineer Vasquez: Yes, I have. If that should happen. We ask for an extension.

Director Liverett: If we could get the vessels ordered and iron out everything, I think that it's very doable. But we have to keep everybody moving. Keep everybody moving.

Public: It's like, we wasted 2 years for nothing.

Director Young: It doesn't matter if we did or didn't, we have today. We got to keep working forward. Yesterday, we can't change.

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Mike: So we have time, the response is, if we need an extension, a reasonable extension will be approved. And based on our tracking, we look to be in compliance by the deadline. I think it'd be a huge feather in the cap of this district if we're able to do that.

Director Liverett: And then I would be able to get ACWA. They're giving out small district awards for, you know, making some of these compliance deadlines and things. And so I would immediately put in for this district to have that award.

Public: You're not the representative, are you?

Director Liverett: No.

Public: We need to change, and you need to ask to take over..

Director Liverett: Yeah. I just… Anyways, I think that there's some really cool things coming down the pipe with ACWA, so we can look at trying to keep our projects on task. So, like you said, feather in the hat is something we could use.

District Engineer Vasquez: And for those of you that don't know much about ACWA, go online, look at a few webinars, some of the meetings that they have. It's, the best agency, I think, in California to help us move forward with water.

Director Liverett: The largest one too.

Director Liverett: Well, these little meetings, you know, like today, they're beneficial, and there's another one coming up on the 17th, and another one on the 23rd. And, they work right with legislation and you can have a voice on all of that. There some of the biggest players.

Interim GM Felix: A lot of proactive lobbying too. They also provide continuing education. It's a nice plus to attend these seminars, trainings, etc…

Director Liverett: And they have a bunch of workbook, workshops that are coming up on the new legislation coming down, and then they get everybody's opinion on whether they want to support it or not. They go straight to the governor's office with their yays or nays.

Director Young: Alright, lets move on.

2. CPS HR Invoice for GM Recruitment 7-24-26

Director Young: Felix what do you have for us?

Interim GM Felix: So we're all familiar with CPS HR. The concern with them is that somehow, they feel compelled that they can charge us an invoiced amount of $1,800, even though we didn't sign an agreement with them.

Director Liverett: So, can they give us a date of each service that they performed, the name and title of each and the time spent on each task? Give us a copy of the work that they produced?

Director Young: I think we should just stall this. We're not decided to use them yet. We don't want to tick them off if we do end up using them down the road. But we don't really want to pay for something that we never agreed to. So, would you guys just propose it as a good strategy for stalling for a while on this and be able to figure out what we're doing on it?

Director Liverett: Yeah $150 an hour. You better give me the name and the title of the person who did the work for us.

Interim GM Felix: There is a due date, which is 8-23-26. So, we still have time, but I wanted to make sure you received this and come up with a consensus. Let me know what you want to do. We want to make sure the rest of the board sees it. I want to make sure everyone's on board. But in the interim, I can reach out to them and ask for a more detailed breakdown.

Director Young: We need that. I'm looking to ask for more details on billing.

Director Liverett: Scope provision. Yeah.

Director Young: We're just gonna take our time and find a way through that is the most advantage to this district.

Director Liverett: I wouldn't… There was no authorization. Who authorized it? Show me who gave you authorization to perform any work on our behalf?

3. Verizon Antenna & Radio Unit Replacement on District Water Tank

Director Young: Let's talk about Verizon. There's a good bit to figure out. All this contract, first up, before you… From 2002, all the way up to today, and who owns it.

Interim GM Felix: So, we now have Diamond Infrastructure. They are the real estate facility management agent, if you will, for Verizon. So it's changed a lot of hands. You can see the diatribe with regards to all the different companies that did own it in the past. According to the purchase and sale, lease agreement, there is what's called a plan reversion date, and that is November 1st of 2034. I had legal take a look at it to make sure that everything is relevant. Are there any issues with this? And they said, yes, what you're seeing here is correct. That said, they have the right to enter our property and replace their old antiquated radio and antennas.

Director Young: Between 50 and 70 feet on the tower.

Interim GM Felix: Yes, that is correct.

Director Liverett: They have six antennas?

Director Liverett: Well, I was gonna ask if there's a structural analysis included in that prior to them performing the work?

Interim GM Felix: Thus far, they provided the renderings, the specs of the equipment that they're gonna be replacing. And so everything is specked out. If you go to A-3.1, that's a better rendering, a comparison of what they're going to be changing.

Director Young: What is it that, what are they trying to buy from us specifically?

Interim GM Felix: They're not, this is just replacement of equipment. So, they have the right to enter the property and replace the antiquated, the old stuff with newer stuff.

Director Young: It's the title, Purchase and Sale Lease?

Director Liverett: I read that.

Interim GM Felix: If you take a look at the back of the agreement, you'll see who signed it and that was approved by the board then.

Director Liverett: It was a one-time big purchase. I've already analyzed the lease.

Director Young: Twelve hundred bucks, 10-year contract. They sold it out for $50,000 for the 10- year period instead of collecting the $144,000.

Director Liverett: Did you have a chance to review the plans, Mike?

District Engineer Vasquez: No, I haven't seen the plans. Normally, I don't need to see them, because it's stuff that they replace. But from a structural perspective, I think when it gets closer, I certainly would like to.

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Director Liverett: They have the right according to their lease to come out to the property and change out the... According to the plans, there are 6 antennas, 3 radios, some cabling and the surge protection. I'm just wondering if they're going to keep this work within, inside of the existing leased area? And they need to provide a structural analysis, the weight difference between the old and the new, permits, current insurance, and if our district operations are gonna be affected. I think that they have the right to do that, but we also have the right to say these are the items that your here about.

Director Young: So, they got equipment up there that nobody is paying a lease on, and then they want to come in and tell us…

Public: Did Verizon, were they the ones that entered into a contract with us, or was somebody else and they took over later?

Interim GM Felix: The property manager provided the lease agreement to Verizon, to service the area.

Director Young: How much are they proposing to pay us a month for a lease? Has that been proposed?

Interim GM Felix: The district is already paid off.

Director Young: That was back in 2000 something for a 10-year piece.

Interim GM Felix: Once the revision date is over, then we can take ownership.

Director Young: What’s the revision date?

Interim GM Felix: It’s November, 2034.

Director Young: Did they get it for 30 years?

Director Liverett: So there is an area in the lease that is a gray area. Yes, they have a one lump sum for this amount of time. But because this lease has changed hands and been resold to so many different people, it completely muddies the waters. There is an amount that should have been getting paid to the district every month. And I haven't been able to get that. I was gonna work with the previous attorney on that, and then that didn't happen and it fell to the wayside.

Director Liverett: There are some clauses in there that I think that we can research further, that there is something that was supposed to be obligated to the district, paid to the district, but it was getting paid to the lessor. And then it moved, and then it moved, and then it moved. And now it looks like it's moving again. So it's just been so muddied.

Director Young: Theres not a good updated contract with any of these inbetweeners.

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Director Liverett: I didn't continue down that road.

Director Liverett: Yeah, there's some other areas in the lease language that, but you have to dig into all of it. There were some amendments that were missing, I didn't get all of them from Tim. And that's where we left off and just didn't do it.

Director Young: There's still more records that are relevant that we don't have.

Interim GM Felix: It's possible. I requested for them to provide me all the purchase lease agreements, as well as the different parties, the companies that exchanged hands regarding all this. And I had legal review it. And they said, it looks right to them.

Director Young: I mean, didn't it start out as a 10-year contract?

Interim GM Felix: Many agreements were made.

Director Young: Doug Cater signed off on it, Mary Henrici signed off on it. Were they renewing it for nothing, or, you know, because the original contract was 2002. So, 2012, they should of owed us money again.

Director Liverett: Well, this date was negotiated.

Public: Yeah, I don't recall it 2002, but then that's just about the time I was elected. I thought this all took place in 2014. when Mary Enrici was here.

Director Liverett: Yeah, but, Felix, I found a clause in this. The whole system, with the fact that if they could not provide us with proof and documentation, where they could stop making these payments, then we can null and void the lease moving forward to date. And that's when everyone went dark on me.

Interim GM Felix: What year was this? When was this?

Director Liverett: I'd have to pull up all of my notes. I have a whole bunch of notes on this. Because I dug in really deep on this lease.

Director Liverett: And I found an area, and I said, I asked our attorney, would you please request these documents? Because if they can't produce them in a timely fashion, we can void their lease entirely.

Interim GM Felix: And this was before Jeff?

Director Liverett: this was the other attorney that…I can't remember his name, it doesn't matter. Anyway, I'll share those documents with you. I think that might be a path worth going back down.

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Interim GM Felix: I'm going to reach out to them for any missing items. But it would be nice to find out if they were transparent with providing us with all the documentation that we should have on our end, for our records.

Director Liverett: It's just lease agreements. It's pretty easy. You just have to have all the pieces.

Director Liverett: I'm just gonna find all my old stuff and send it to Felix and let him figure it out.

Director Liverett: Well, they wanted to lease more of our property, which is why I dug deep in the first place.

Director Young: Yeah, but that's a secondary project.

Director Liverett: And then that's when I had said, we need to request this period, when the lease left this office, because it just has a hole through here. I need this clarity. So did we have another agreement? And then Tim said yes, but he couldn't show it to me. So, there's some mystery.

Director Young: I would assume you could look through the files and see if anything was missed, Felix?

Interim GM Felix: I'll look into the matter and reach out to Diamond.

Director Young: Let's go. This is.., Felix, could you present that?

4. Expenditures & 5. Financial Reports for June 2026

Interim GM Felix: So, agenda item 4 expenditure report. Are there any...?

Director Liverett: So I, um, cut off again from the districts.. So I wasn't able to look at any of that.

Interim GM Felix: Are there any ones in particular?

Director Young: Are there any comments on the finances, checks, expenses?

Director Liverett: I briefly saw something about executive committee payment before the executive committee happened date. I don't remember where I saw that.

Interim GM Felix: Like I mentioned prior, you're gonna start to see less of these Walmart transactions. Unless there's an emergency, I'm having staff, order from Quil, or Office Max for office supplies.

Director Young: This Doug Cater, on the back flow, do we have some kind of contract with him about this or I see a couple different ones. How did he end up doing our back flow testing?

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Interim GM Felix: That's probably a question I need to ask… Mike.

District Engineer Vasquez: I don't. I believe there's an agreement, this is only for memory of how, it was either presented in one of these meetings or something like that, but that's something I'm never involved in.

Director Young: Somebody called him and said, come and do this work.

Interim GM Felix: When did this happen?

Director Young: I think it was right before Tim left that we started seeing Doug Cater's name, so that might be a leftover from him. We need to find out, I mean, do we need this guy to be doing that back flow testing for us?

Interim GM Felix: I think, in the interim, until we can hire more field staff. I just met with Frank today to discuss how many candidates we have and if we can move forward with the interview process.

Director Young: Does he have people applying?

Interim GM Felix: We've got two for the foremen, and we have potentially eight for the regular field staff position. I'm a little uncomfortable with just interviewing two people for the foremen position. I'd like to interview more, so we may consider extending a little longer until we get more for the foreman.

Director Young: Yeah, don't just fill it just to fill it. If there's somebody that can do the job.

Interim GM Felix: That's qualified, correct. That was his concern, as well. The idea is to pull away from other vendors and contractors.

Director Young: I really want to see what kind of agreement we have with him, because it just popped up.

Interim GM Felix: I assumed that it happened organically. Because of Pat and Justin and Chris leaving. But I don't know the backstory about how this all played out and why we're using him now.

Director Young: If he's doing it himself as an independent contractor, that's one thing. But if he's hiring other people to work under him, then we'd probably have a duty to make sure that, you know, like, most of the contracts we signed, with Rawles, or anybody else, that they have employees there, they'd have to be paying prevailing wage, and, you know, there's certain terms and conditions for those people to work because of, you know, us being a district. So, you know, if he's, like I said, if he's just himself, does one thing, as an independent contractor, that's served by…

Interim GM Felix: When I spoke with Frank earlier today, I asked him, is there anyone working with him? And he said, no, it's just him.

District Engineer Vasquez: So I just saw this back from the April meeting, in the general manager's report. It just has a line that said, “The general manager also engaged in a contractor to reduce the number of back flow assemblies that are overdue for testing.” So, there is an engagement. I don't know that it was, or if it came to the board. It could have been under $10,000 where he has the authority to do the engagement. But normally, what I've seen is any engagement, would come as an informational item. So there probably is something there. This is a month before your time. But also, I think it was April.

Director Liverett: But that was still under Tim.

Public: Correct, but I'm seeing him on 6/10 here for $1,450, and then you turn it over here on 6/25, and it's another $1,550. And he's been charging. So, if I total all this up, I mean, I'm just pulling out of my memory bank, We're closing into $8,400 there, just in backflow, on Doug Cater alone. I've never, in all my years, attending, seen so much charged on backflow.

Director Young: Okay, I think we need to take a look at whatever agreement we have with him. You agree?

Director Liverett: Yeah, just bring it to the next board meeting, I guess. You can send it to us, or...

Director Young: Yeah, you wanna email this one?

Director Young: Okay, any other charges in here?

Public: I see Affordable Heating and Air. Is that pump maintenance for the AC at the building? At the office, at the district office?

Interim GM Felix: If you are referring to AC for pump maintenance facilities, the electric panels can get really hot, and we need them to stay cool. So there's an air conditioning unit in all of our electrical control rooms, because heat is a killer. And that would help explain for instance, if you have a power interruption, that power surge can cause high flow of electrons rushing through something and overheat it. So, take into consideration, the variable frequency drive at one of the wells that went out, and we paid $70 K for that. That's what I mean by over time, when something cycles on, off, on, off. It gets hot.

Public: Yeah, but they get it through their allowance. They get money to buy the steel toe boots. And then we got, again, Amazon for $223.29. It says safety equipment again, and we got safety equipment on 5/28. So, back to back, one day, there was safety equipment for $1,800.03, and then you go down, and there's another safety equipment and billed IT for $2,223.29. I mean I'm not understanding this. But it just is... I don't want to say overwhelming. It just don't make sense to me.

Director Liverett: It's just being classified in this class code, it's a reused, explanation, like, safety equipment. So, without the backup documents, you can't actually see what was bought.

Public: Right. And I'm going to put in public Republic request, because I need to see, you know? I need to start witnessing this.

Director Young: You're supposed to be able to be seeing what these expenses are.

Interim GM Felix: I'm gonna look into that link again and make sure that you guys get one that's serviceable, that's working, so that you guys can have access to all this for transparency.

Director Young: We'd save a lot of time at these meetings if we knew what all those were.

Public: Yeah, I got another one, Home Depot, up here on 5/21, for $548.45, shop supplies again. So we got two guys in there. And that's over $2,000 bucks we spent on shop supplies.

Director Young: So, I tell you, you know, that, that $2,000 here in the $2,000s there, and all that, isn't worth your blood pressure getting that high?

Director Young: So it's just never gone through you or somebody, because, I mean, it's one thing for $100 or something, you know, you need some parts at the hardware store for a job or whatever, but, we recently spent on one visit at $17,000 bucks for the vaccum pump. Here we go harping on that again. Then they spent another $1,700 on it, and then we looked at it, and it's leaking like a sieve, because it's all rotted out. So why are we putting any money in it? You know, but who authorized the $17,000 repair on that? That wasn't in the budget that wasn't anywhere. So somebody said, I need it for this job, and it's okay if you, at least for this one, but, you know, I really, so let's go spend $17,000 instead of renting a machine for the day.

Director Young: Do they take the vehicles home?

Interim GM Felix: They take trucks when they're on standby. It's policy.

Director Young: For jobs, but, you know, overnight, I mean, even Tim looked down on that, because one guy would take it home, and every time it would be broke into. So they took that policy off the books.

Director Young: There's a fair amount of money that they get for this standby last year, too.

Director Liverett: All of my superintendents take their trucks home. My project manager, they all have their jobs and take it home, and I know that that's not standard for here, but they're not allowed to use it after hours or on the weekends. They only use it for work.

Public: Yeah, but we don't we've asked for GPS. We've asked for air tags. We've asked...

Director Liverett: Well, he said there is GPS.

Interim GM Felix: I have access to monitor vehicles.

Public: Oh, that's kind of funny, 'cause I don't know when that happened. In all the meetings I've ever attended, nobody's ever approved of GPS.

Interim GM Felix: Are you sure?

Interim GM Felix: Who did?

Director Liverett: Maybe we just put that on the next district, policy agenda.

Interim GM Felix: I'll look into it. I'll look into the policies and provide you with some information.

Director Liverett: Well, if you can see them, then they can see them where they're at. So, that means they're in there.

Director Young: Well, let's move on.

6. Discuss Final Budget for Fiscal Year 2026/2027

Interim GM Felix: This is supposed to be the final budget, but then after I heard from, Mike that there may be monies out there that we're not taking into consideration. We'll do our best to get all the numbers updated, so everything's accurate for the budget. But take into consideration what we have here, there may be some adjustments to this again. I'll wait to hear back from Mike. But for now, what you're seeing here is the latest recommendation for the budget.

Director Young: Do you want to wait until you hear back from Mike? And then they can be more reflective of the numbers that they are gonna actually be..?

Interim GM Felix: I think it's best till I hear from Mike regarding the engineering projects and wait till the board meeting to present more accurate numbers.

Director Young: Yeah, I mean, I don't want to have to revise this budget 10 times.

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Interim GM Felix: I think that would be smart.

Director Young: Okay. All right, any comments, anybody?

Director Young: So… Any other comments?

Director Young: Mike, anything you see coming up that we're gonna be interested in?

District Engineer Vasquez: More aware of just doing research on funding availability. But I think, as of today, I think the continued conversation and progressive conversations with the state waterboard, which is gonna be probably one of the most helpful things the district has experienced since I've been around.

Director Young: I like the way that things are going right now. Yeah. I appreciate your work.

District Engineer Vasquez: Appreciate it. Thank you so much for that.

Director Young: Alright. Meeting adjourned at 7:27 PM.

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THIS MEETING WILL BE PHYSICALLY OPEN TO THE PUBLIC

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The meeting was attended by Director Young, Director Liverett, Interim GM Felix Felix, and Contract District Engineer Mike Vasquez.

Chair Vicky Young: called meeting to order at 6pm.

Public Comment: None provide at this time.

Director Young: Let's move on to public works with District Engineer, Mike Vasquez.

Public Works Projects Update (Contract Engineer)

1. Hexavalent Chromium Compliance Planning

District Engineer Vasquez: Good evening, first, we have the Cr6 Compliance Plan, which is due Friday, 7-10-26. The modifications I've made to the plan to satisfy the waterboard's comments is to include Wells 10 and 2A as part of our treatment process. Today, we had a good field trip with Director Liverett, myself, our water systems manager Frank Chacon, and Jim Carson, to look at Wells 10 and 2A. They got a good sense as to what needs to be done to the well sites. We also visited Well 15 and the inner-tie location. For the record, I want to say that I think it's really important for all directors to be given the opportunity to take a look at the sites to gain more perspective as to what the District is spending their money on.

Director Liverett: I think it gives a better understanding of where and why our valves are there, how big the motor is, the electronics associated with it, the chlorine room, and the safety features that are implemented. It gave everybody an overall perspective and visual like of the discharge water. Sorry for taking over.

District Engineer Vasquez: No, go ahead. This is great. I think it's more important that you share what you saw today as opposed to me just, you know…

Director Liverett: Okay, so I'll just carry on. I have a much better understanding of the logistics on how the semi-trucks are going to get in and do the regeneration at those well sites and how Jim is handling his game plan. Then we were able to discuss- okay, well it would be nice to be able to do this. We should put add holds into the program instead of putting it as direct pricing, but use it as an add hold and have it available. So, if we are able to add these items that are kind of on our wish list of things that would be great for the district, we can put those into the mix. I also did notice, and I know he knows (Frank) I'm going to say this, “there's no pride of ownership at all” at these wells. There are weeds, it’s ill manicured, and I think this is something we should address. We should not have that kind of egg on our face. We should take pride in our well sites. We work hard, the guys go there every day. They should be proud to drive up to that site and go in there and maintenance it.

Director Young: We have plaques coming to Rio Linda, you know.

Director Liverett: It's just, I never knew that there were well sides. They are so run down. Who knew?

Director Young: You know, you see pipes and weeds.

Director Liverett: You find the optics are bad. Now, there are pros and cons to that... the con is, it shows that it's a nice place and people might try to break into it more. So, we should probably look at cameras. I had to think about all of those things. However, landscaping needs watering and all of that, but we do discharge water. I didn't realize how much water we actually discharged at these well sites that we could fill buckets, or barrels, and have it gravity flow to the plants on a time clock every day. At night, gravity flow to them. There are so many different things that we can do to utilize that water instead of just letting it go away.

District Engineer Vasquez: Do you understand what the discharge water is?

Director Young: Yes, I do.

District Engineer Vasquez: Okay, I just want to make sure.

Director Young: I toured all the plants (wells) or 80% of them anyway, a few years back, and, the control rooms, and went up on U Street. I also went down to Antelope and Watt Ave. and saw the American Water Supply with the majority of water treated for Cr6.

District Engineer Vasquez: So, you saw the vessels?

Director Liverett: And looking at the different designs with the V gutters, and like you mentioned, it's a great way to keep the asphalt wearing and tearing and cracking within a decade or 5 years. All of those different types of features that I think we should take heed to moving forward with our new designs. And just meeting with the guy that monitors them every day, meeting with Frank and having him put his two cents in, that they would like to have a landscaper, because they don't have time, and it would probably be cheaper to pay a landscaper than to pay our trade wages for them to do it. Just to go run a weed eater and plant some shrubs and throw down some DG and make it presentable. That's what I would like to see happen. And I think we should put that on the agenda for consideration to go out and get a bid. They're not the front of the entrance in ways or they're not very big. No. But I think it's, like, I'm a little more welcoming. I think it's important. So, I'll get off my soapbox.

District Engineer Vasquez**:** So, the final is due on Friday. I have some time tomorrow to finish it up. I'm basically including the other 2 wells and will submit that to the State. I did respond to the State Water Board, they reached out to Felix directly to see what the status of the plan was as it's due on Friday. Felix responded to them that I was working on it, and I responded to them, saying that this is what we're going to change, and we'll get it to them by Friday. So we'll comply with that as well. From the perspective of the treatment system design, Affinity is putting together a conceptual design currently, so we can take a look at that collectively and see where the different components are going to be located in each of the sites, as well as, how the configuration will look with a truck backing up to the site, pulling up to the site, and how they're going to access the site. So we'll make sure that it's all going to be operational and functional.

Director Liverett: I did notice he said once a year when we were going to be out there. He's already gone down that road.

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District Engineer Vasquez**:** He is going down that road. But, I think it might be less than that, as our water quality and chemistry is actually really good. But we won't know until after the pilot study is done in a couple of months. Once that's done, we'll understand more intimately what the regeneration process will look like. Either the regeneration company is going be happy, because they'll have to come out more than once a year, or we're going to be happy that they come out once every two years. So, we'll know that in a few months.

District Engineer Vasquez: Is there any questions?

Director Young: Yeah, I was just wondering, because, I mean, on the numbers, I can't always remember which lot is where 15, 10, 2A… Are any of those the small lots, or are they all pretty good sized lots?

District Engineer Vasquez**:** The smallest one is well 10. We just talked about this today, what makes it a little interesting, is that we have half an acre of property at well 16. It's adjacent into the west of the fenced and walled area. Well, 2A functions as another yard for the staff. Well 2A is a large lot, not as big as Well 15. Well 10 is the smallest of them. But. It's just big enough to have a Cr6 treatment system and get a truck in there. It's not going to be as easy as it will for well 15 and well 2A. I think it'll still be reasonable to be able to access the site. There will need to be some flaggers, but it's only once a year. So what it will look like is the truck will go past the site and then back up into it. The flaggers will need to be on the road, and cars will be stopped for 30 seconds to a minute.

Director Young: Okay.

2. 2025/2026 FY CIP Valve Replacement Project

District Engineer Vasquez: Next we have the Valve Replacement Project. Rawles Engineering has installed two sites so far. They have six to go. And it's getting better. I did mention to Frank, based on a comment at the board meeting, about making sure that every lot that we think might be impacted by water shutoffs, get door tags. And I did confirm that they do door tags 48 hours in advance. So I just provided a reminder as it is important for the public to know. And as we get further along with these valve replacements, two of the hardest that impacted our customers the most are complete. So the other one should be a little easier to take care of. And yes, I'll get to the operations here in a second. So they're working on them and we're looking at the next month or two to finish them all up. I'll make sure and keep you updated along the way.

Director Young: How many are replaced now?

District Engineer Vasquez: We have eight different sites and two have been completed.

Director Liverett: So, do you think you're going to have everything ready to request a pilot study for 60 days by our board meeting?

District Engineer Vasquez: Uh, to get a study for…?

Director Liverett: To get approval for a pilot study for well 15?

District Engineer Vasquez: I'm gonna talk about that under Water System Operations. I won’t forget about that.

3. 2026/2027 FY CIP Project

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District Engineer Vasquez: The current CIP valve replacement project is the last fiscal year's CIP. So we're gonna carry some of that money over. With the current budget, we do have an additional, $220,000 to $240,000 going into that pot. So we want to start thinking about what the next project is going to be. And you know, $220,000 is a lot of money to me, but it's not for construction. It could include fire hydrant replacements. It could include anything to do with water infrastructure in the distribution system. So, I love replacing valves because you can turn water off in the case of a leak, and you get a lot of bang for your buck. So one of the things that Frank and I have been talking about in the last week or so, since the preliminary budget was approved, was to start thinking about what that project will look like. So hopefully by the next board meeting will have some ideas of what we should move forward with and I'll present them at the board meeting.

Director Liverett: Haven't we already been replacing valves?

District Engineer Vasquez: We have, but there's more to do.

Public: I have a question on the fire hydrants. We had discussed this in the past, but I don't think I really went in depth. So, random water trucks are stealing water from hydrants at Roy Hayer Park and on Elkhorn. Is there a way to put locks on fire hydrants to thwart water theft?

District Engineer Vasquez: That's a good question. I mean, I'll look into it.

Public: I appreciate it.

Director Young: Well, maybe we should be thinking about installing trail cams or something for a couple of those locations. What happens when they get caught for stealing water?

Interim GM Felix: Well, we press charges for water theft. But the reality is, we can’t go around locking off a hydrant like that as the fire department needs to have access for fires. But it poses the question that maybe we could look into having the fire department have access to hydrants that have special locks on them.

Public: Or a special tool or something like that to access the hydrants?

Interim GM Felix: Yes, where thieves can't access them in remote locations.

Director Young: And then catching them and putting it all over the local news, just like with the Fourth of July. There was a $100,000 fine for one guy in Del Paso Heights. They had the drones out and that they were gonna police this year, and it was like $10,000 per illegal device. Fireworks are nothing new, but now it's all over the paper this year, published ahead of time. They had a few grass fires, but no house fires, no death, no injuries compared to other years, and it was also record low number of calls.

I mean, you can piggyback that on there because Fourth of July, fireworks means water. But if people know and you catch one person and throw the book at them, and the word will get out there. You know, it can't be that hard if they're taking water from that location. There's got to be a construction site somewhere, not too far from there, that needs that water to keep this dust down, so they're building something somewhere close to there.

District Engineer Vasquez: So, okay, I'll look into it.

Director Young: I would suggest maybe some trail cameras for at least those two sites.

Interim GM Felix: Yes, we're actually talking about more security.

Director Young: I would like to see more security at our sites.

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Interim GM Felix: Yes, we have to go out to bid for it once we have the funding in the budget. That's the plan.

4. 2025 UWMP

District Engineer Vasquez**:** Just a quick note to you on the 2025 Urban Water Management Plan. I had a progress meeting with the consultant last week. They're plugging away. We are also internally plugging away at getting all the data that they need for them to continue their review and calculations of the plan. Short story is that they're on schedule and that includes a couple of public meetings as well. So as those begin to get scheduled, I'll let you know. But we're looking at getting it done at the November meeting.

5. Water Meter Replacement Program

District Engineer Vasquez: For the Water Meter Replacement Program, Rawle's Engineering installed 245 meters at an average cost of $370.29 per meter. This is roughly about $100, less expensive had we hired them to do it per meter cost previously. So the daily cost proposal that we recommended previously is working great. They were doing a really good job working with Kim and Frank to assess which meters need to be installed. It's part of the current fiscal year budget. There's about $160,000 available for water meter placements. We're hoping to get as many meters replaced this fiscal year, as we did last year, under the same agreement. What I would like for the Executive Committee to do is direct me to bring an addendum to the next board meeting, to authorize Rawles Engineering to continue the meter installation program. We have that under the contract, roughly $86,000 again for Rawles Engineering. Of the $160K budget, $74K will be used to purchase water meters.

Director Liverett: Aren't we supplying the water meters?

Public: I think I've seen 150 for the small and I don't know how many for the large. Because I wrote down how many meters here, to question you, how many meters is for 150,000 on the small?

District Engineer Vasquez: These were all on the small side. It was 245 meters.

Public: 245? So, then you add the $379 on top of it?

District Engineer Vasquez: **$**379 x 245 equates to $154,720. The only difference between last year and this current fiscal year, is that they'll be installing some large meters as well. There's one 4" inch, a couple of 2 1/2, one 3, and then, a few 1 1/2 meters as well. So those are going to take more time. So I want to make sure that the group understands is that sometimes a 4" meter is going to take a half a day to install, as opposed to having 8 small meters installed.

Director Liverett: I saw one day, it was 8, another 11.

Public: What is the life of a meter? I'm just curious.

District Engineer Vasquez: The plan should be to replace them every 10 years or so. 12 years is a good lifespan. Some of these meters have been since inception, over 20 years. The plan should be to replace as many as we can. And I think what's already showing up is that we're getting more accurate water consumption data from the meters that were recently replaced.

Public: Are the meters that we're getting all metal? Because I seen one that was shown to me when they replaced mine, and it had black PVC pipe on the two side.

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District Engineer Vasquez: So the way the water meters look, it's like that. The actual meter itself, the bottom piece is brass, and the top piece is either black steel or black hard plastic. One of the two. Those are the meters themselves, though the piping that comes out of them could be whatever it is that's existing.

Public: Are those more costs efficient than the whole brass ones?

District Engineer Vasquez: Correct. I think they're $100 cheaper each.

Director Liverett: So the meter's being replaced are just a maintenance item, or are some of them broken and non-op?

District Engineer Vasquez: A lot of them were broken. Those that are broken and non- op were the first priority to be replaced.

Director Liverett: All of the non-op ones have been replaced?

District Engineer Vasquez: I believe the majority have. The others that we are getting to this year are older with some being non-op, and others being op. In short, 15% of the 200 meters we're replacing are non-op.

Director Liverett: That was my other question. Some with a 4 inch. Hopefully they won't be non-op for very long.

6. Development Review – Century Palms Estates

District Engineer Vasquez: Next I have an update on the Century Palms Project. Century Palms at Rio Linda Boulevard and M Street in Rio Linda, refers to a long-discussed real estate and commercial/residential planning area in Sacramento County. Originally proposed as a business park, the approximately 13-acre property near the local "Archway" intersection has transitioned into plans for Century Palms Estates, a 120-unit single-family detached residential subdivision. As I mentioned before, the developer has agreed to pay for a District wide water model in return for capacity fee credits. So, we received a proposal from JLR Consulting for $54,720 to prepare the water model. Sarah Rogers, who is part of the JLR design team for well 15 and 16 has done water modeling for the District before. Unfortunately, the old water model files and software can't be used. So they're going to try to utilize a lot of line types that were previously associated with the GIS system. In my opinion, this is a very good price for a water model, by someone that knows the District well. I highly recommend that the Committee directs me to prepare the agreement so that it is considered by the Board of Directors in July to authorize JLR to prepare the water model.

Director Liverett: Absolutely.

District Engineer Vasquez: Again, no cost to the District. As soon as this is authorized, the developer will write a check to the District. It will go into account. We'll pay for the water model. The developer then will receive 3 ½ capacity fee credits, which is what we talked about before.

Director Young: So, with the water model, is that the blueprints? What is that?

District Engineer Vasquez: Given certain scenarios, the water model is an analysis of our water system that shows, how much water flows through any given pipe along with pressures. For example, we can run a scenario to determine what our system will look like with having well 15 off. So let's consider this water system drawing for a moment. If you see blue dots, it means our water pressure is excellent. If they are green, there are good, and then if the dots are red, we have really low pressure. But keep in mind that this reflects an old water model that was prepared back in 2008. Again, it's old software, but it still provides some good data. So, why is it important? Scenario, let's say the District is thinking about installing a well and storage tank.

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Once this model is done, it takes a few hundred dollars to maybe $1,000, depending on what it takes to normally run, to show what it does for the District. Like how much fire flow is available. Why it's also important, is that information can be used for all grant applications to show where we are deficient and request funding as needed.

From an engineering perspective, we're long overdue as a District in having a water model. Questions can come up, that I do not have the answers for, like what's the next pipeline we should consider replacing? Or, where are the most leaks occurring? Previously, I used to ask Pat, because he knew the system better than anybody else. So, this will give us a really firm understanding. Now, there are some trials as the model isn't perfect, but it is a lot better than what we have, especially if we're going to have a developer contribute the upfront cost for us to do it.

Director Young: Yeah, you're gonna know how much water you get and how much pressure.

District Engineer Vasquez: In my world, this is a no brainer for the money; especially the way the transaction is gonna take place. I'm really excited to be able to have this because it really gives us an understanding of the water system.

Director Young: I'm good with the forwarding as you requested.

Public: How many fire hydrants would be needed in that residential build?

District Engineer Vasquez: It should be about every 500 feet.

Public: They're gonna be smaller homes, correct? Because that's not a huge lot.

District Engineer Vasquez: They are multi-story 2000-5000 sq ft homes.

7. Water System Operations

District Engineer Vasquez: Water System Operations: I'm gonna start including more of this for committee meetings. I'm not a water system operations guy, that's Frank's role. That said, one of the things that I wanted to bring up is that well 15 needs a new variable frequency drive (VFD). It's like a transmission but for a well pump that controls the speed of the pump. The cost for this is about $77,000. Our aging infrastructure is starting to show up, so we want to make sure we pay attention to that. As far as well 15 is concerned, Maria and I had a meeting this morning with San Juan Water District. And it was a really good meeting just to have a conversation about the RWA inclusion, which is exciting. And, we talked about Aquifer Storage and Recovery (ASR) and what that would look like. I think that it's a good idea for us to begin considering that.

Director Liverett: I think that they're excited that we're now popping our heads up and showing ourselves and being a part of the whole water world community. Which is nice, and they want to help. They want to sell us water. And, I think that we are in a really strong position because the state wants to see them start distributing water to communities like ours. And they are eager to not just give us a 1000 acre feet or not give. Nobody wants to give us anything. Right. But I mean, especially during a pilot study that we were talking about for 60 days, I actually feel like we could negotiate what they agreed to pay to send us the agreement and the contract that they have with San Juan and let us look at the numbers and sell at close to the same price, because they've been, not San Juan, Sac Suburban Water District. So they've already negotiated what I would believe probably would be a pretty good price, slightly above cost, but I think during the pilot study, I think we have the ability to, and I haven't talked to you about this, but I think that we can negotiate the pricing down even lower for that.

Interim GM Felix: The WSA? Water Surface Agreement?

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Director Liverett: The agreement with Sac Suburban.

District Engineer Vasquez: I think it's important to at least engage in a conversation with our neighboring water systems, to see what they're doing and how they're doing it. Sac Suburban has 47,000 connections, right. So, they have a significantly different water system. But to see what possibilities exist, to assist with water capacity and liability for our District. With Chrome 6, when projects are implemented, when things go down, having that understanding of what it is that we can do together so that it benefits, our district, so that we're not solely relying on our own groundwater. Now, what does that mean? So to have uninterrupted water, according to the state water board, is so if we wanted to have a permanent water supply from Sac Suburban, we would require a large check up front. This would be the same price as a new well, so to speak. Now, the positive thing to that is we were getting a sure thing. We're paying the money, you know, we're not drilling a well to see if it's going to work out or not, depending on hydrology. The other part too is that, we are getting a sure thing, but then also not relying on PF8, which then, you know, helps restrict how the district can grow.

Director Liverett: Which restricts us to 3,000 acre feet.

District Engineer Vasquez: Yes, 3,000 acre feet per year. The other opportunity there that exists, depending on the money that it cost to buy an acre foot, is about $600.

Director Liverett: I thought it was 400?

District Engineer Vasquez: It used to be. So we're going to get an opportunity to look at the agreement. But it's one of those things, not to leave a stone unturned and see what it looks like, to consider water banking. What that is, is you get water from a neighboring water district and inject it into the ground here. There was a study done about 8 or 10 years ago, where the District spent a day, injecting Sac Suburban water into well 15. The well was able to take in that water without any issue at 1500 gallons a minute, which is a lot. However, future testing wasn't done to see how the aquifer would respond to the blending of Sac Suburban water with our Chrome 6 water. So I think it would help us really understand what our system is doing, especially with a completed water model. It would help us better assess our infrastructure and future water supply needs, and our capacity deliveries. This is the thing that I think we should consider doing.

Director Liverett: Keep in mind we do have to increase our capacity. One way or another. We are faced with having to increase capacity here, period.

District Engineer Vasquez: So, let's talk about ASR technology. ASR stands for aquifer storage and recovery. Basically, aquifer storage is when you're pumping, injecting the water back into the aquifer from another source, whether it's another ground water or surface water source. And then the recovery part is when you pump it out. You don't have to pump it out right away, only when you need it. These studies have a hydrogeological component to them and that's where Wood Rodgers comes in. Years ago, Wood Rodgers was very involved with the District for hydrogeological services. Now, from my perspective, the things that I've seen and read, they're very technically sound. And they know our system very well. I think it makes sense for us to engage Wood Rodgers, to begin studying what it would look like to potentially inject water at well's 15, 11 and 8A. Basically, all the sites that are on the eastern side, which is the lowest pressure zone areas of the District. I would request for the committee to direct me to seek a proposal from them, to conduct a study, and then if I get it in time before the next board meeting, present that proposal.

I think it's reasonable to get a proposal done in time for that because we have an extra week between this committee meeting and then the next board meeting when the documents are due. So right now, the work needs to be developed, and Wood Rodgers has all the data. I met with a hydrogeologist that was part of both well 15 and well 16. And, you know, he worked with Larry Ernst, who was the previous hydrogeologist. Larry who is retired now, worked with Rodgers, but it doesn't hurt to get a proposal and have a conversation about it. And then if it doesn't make sense, so be it. If it does, then, you know, at least we have information, we can move forward.

Director Liverett: Even though we can't get permanent water, from Sac Suburban or even San Juan, because San Juan Water has to go through Sac Suburban, everybody wants to be part of that. However, it's because it's when they're allowed to. As, San Juan is not always allowed to give a whole bunch of water or guarantee, it. But we can also have backups, and I think we're gonna look into some of that.

Director Young: What about Natomas?

District Engineer Vasquez: Natomas doesn't have the connectivity capabilities for us. But, let's assume we buy water from San Juan. That water has to come through the Sac Suburban Water District infrastructure. So, San Juan has to pay Sac Suburban, what's called a wheeling rate, and that is, for the ability to use their infrastructure to send water our way. On the other hand, if we buy water from Sac Suburban, we don't pay that wheeling rate. We just pay the flat rate. However, the flat rate can be a lot more than the one in San Juan. So we'll have to negotiate what those are.

Director Young: In actuality, if we're buying from San Juan and they're going through this one. Which one? Anyway, uh, and then we're from Sac Suburban ... aren't they just pumping into, uh… to Sac Suburban, and then we're picking Sac Suburban's water. They're just exchanging.

District Engineer Vasquez: Unless, we decide to take some water from San Juan when Sac Suburban is only using surface water. Then it becomes just surface water. But that's coordination depending on the time of year.

Public Comment: So, I always thought that we had a deal with Sac Suburban, for surface water? This has been on the books.

Interim GM Felix: In the past, an agreement was made regarding a WSA, but it fell through and there was talks about a lawsuit over it.

District Engineer Vasquez: Currently, our district can use Sac Suburban water. But, I want to be careful to say whether it's groundwater or some surface water, because it depends what time of year it is. That said, we can use Sac Suburban water in an event of an emergency, so long as it's available. However, the state water board does not view our inner tie as a reliable, uninterruptible water source. And the only reason that the state water board would allow us to use that as part of our normal ongoing capacity is if that inner tie is deemed uninterruptible, meaning that we write a check to Sac Suburban in the vicinity of $6 to 8 million.

Director Liverett: Okay, so let me add something to this. Remember I said 3000 acre feet for the PF8? We can do water banking and we will. And if we are shutting our wells down and taking the water, when it's available, we can bank that water and make that available, so we can increase our 3,000 to 4,000, 5,000, 6,000 acre feet, depending on how much we've banked and we've taken in ASR fashion, correct?

District Engineer Vasquez: That's right.

Director Liverett: And so, we can have that water banked for new developers and they are gonna like to see that. I think that we should dance with them a little bit more on that concept to help pay for some of those fees to bring the water in. We can promise them that at every acre foot that we bank, can be an acre foot that we set aside for newer development. But they have to pay for it.

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District Engineer Vasquez: RWA should have a record of this with language that states, if we don't use our allotment, then it's considered banked. From my understanding, this is the first time I've heard this today. So if we are allotted 30,000 acre feet and we've used only 20,000 acre feet, in the last 10 years, then we have 10,000 acre feet that's considered banked. I think it would be great to see if RWA can show us that information. But again, it's in lieu of, is the key term that was brought up today. Now, getting information does cost money as there is value in it. Like the Wood Rodgers ASR study with an approximate cost of $50,000, but it would give us really good information with a defined work scope of what it is that we have. And while the studies that were done previously are good, they're outdated and stuff has changed. So let's be more specific of what it is, what we can do, depending on what we have, and how much it is, to continue to do an annual update to it at a much reduced cost, to keep us in the game for funding. So, when funding comes up, we'll be ready for it. I think what happens sometimes, is when we don't spend the money, we end up not ready to receive the funding. And, funding sources absolutely love it when we have a shovel ready project. So if you have a design that's done, and ready to go, it means you're invested, and they love to give you grant funding for it. A couple things to bring up is that the proposition for funding has an ASR component to it. So this is a good reason to study this to see how it works as it could lead into another storage tank at the Well 15, another well for the purposes of chrome six compliance, or it could lead into conversations with our neighboring water districts to see if there's additional tie-in opportunities.

Director Liverett: With the tank and the well, I think that we should have all of that ready when we ask for prop 4 funding because of all of those components, we may not get it, but if we have it on the table as as-builts, then we might get it. So say we don't get it all, and we get some of it. then great, but I think that we should be asking for all of that, so we should have the design, and we should have all of that in our pocket. Look, this is what we would like to do for our District. So the state wants to build all this housing. The state wants to start pushing all of this new infrastructure. So, help us get prepared for it, when it comes. And if it doesn't, we're sitting pretty, right? We have the storage tank for future wide water. So the fire readiness thing that they have coming down the pipe. We have that tank. But we want to try to get as much of the grant funds as we can to pay for all the things on our wish list to make us so that we are way ahead. You know what I mean? We're thinking way ahead.

District Engineer Vasquez: So do I have your blessing to get a proposal. I know the exec committee can't give approvals, but at least give me direction as it doesn't cost anything. And, then what I'll do is push to get that done, and then I can have an agenda item for this next board meeting to have that discussion. And, I may even have them come to that board meeting so that they can specifically talk about ASR, which will be more than my junior level engineering ability.

8. Water Rate Study

District Engineer Vasquez: The last thing I have is, an RFP for our rate study. I'll be very transparent, I called all of the people that we got proposals from 5 years ago and of the six I reached out to, four responded, saying… not sure if I'm interested because they felt that it would be, because we just wanted to do it for the purposes of just getting some other prices, as opposed to really, wanting to engage with the best qualified respondent. That happens a lot. This is the reason why we don't get a lot of proposals for the Urban Water Management Plan. What I said was, we have a new board and new staff. The people that were here when the other consultant was selected, won't be here. What I can commit to is that we're going to give you an absolute fair chance. I also spoke to the one that did it last year as well. So, if we hear anything, were just going to make sure we pick the best consultant, and if their prices are too high, then we can negotiate and go to the 2nd best consultant. Ballpark, costs should be around $40,000.

Interim GM Felix: We need to make sure that ADU rates are considered as well.

District Engineer Vasquez: Yes. Okay, so that's it.

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Director Liverett: And I think we should wait, to further the capacity fee question, until we know more, after the rate study. We'll be further down the line on what it would it really cost us.

District Engineer Vasquez: So I think the timeline for proposals will be for the August meeting, but I'm pushing to see if they'll be ready for the July meeting.

2. Discuss the Annual Direct Assessment for Unpaid Accounts

Director Young: All right, so we're gonna discuss a direct assessment for unpaid accounts. There's a list attached to this. I know we talk about this before. There's $21,984 on this. Yeah, that's a fair amount of money. You want to..?

Interim GM Felix: Yes, so it's that time, we have a very short window to act on the direct assessments and now would be the time to put this on the agenda with a recommendation to the full board for approval, so we can submit it to the county.

Director Liverett: Have all the owners been notified?

Interim GM Felix: It's part of the process. Matter of fact, I can send you a scenario, of the process.

Director Liverett: Is anyone on payment arrangements on this list?

Interim GM Felix: Everyone you see on this list was giving an opportunity.

Director Liverett: So, are there any disputes?

Interim GM Felix: It's human nature for customers who are grossly delinquent in paying their bills to make issue of it, so some do complain. The reality is, if you do not pay your bill, you're stealing water from the District.

Director Young: Yeah, I mean, there's $2,000 on one, and a $1,454 on another. I mean, I don't know if these are residential or businesses, but that's still a lot higher than the usual list we see. So, does that mean you're gonna slap liens on their property?

Interim GM Felix: Direct assessment.

Director Young: Direct assessment. Okay. Yeah.

Director Young: So we do this, now as the office procedure here? I know Kim gets noticed from the county. And, uh, so, she's notified, I think that's just for sale. I don't know…

Interim GM Felix: So some of these, may end up as right offs for the District. Regardless, time is of the essence to move forward with the direct assessment.

Director Liverett: This is that window I was talking to you about.

Interim GM Felix: Yes, this is the window of opportunity.

Director Young: I'm okay with proceeding with this.

Director Liverett: Yeah, okay, go forward.

Interim GM Felix: Thank you.

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3. Discuss Digital Method for Meeting Agendas and Packets

Interim GM Felix: Let's move on. The next item on the agenda is to discuss the digital method for meeting agendas and packets. I believe there was some discussion about going paperless and switching over to tablets in the past. If that's something that, you think that would be a great idea, you can flip to page five for an ROI. Tablets cost approximately $300 each. So if we buy a total of five tablets, you're looking at about $1,500. But the cost of the paperwork in just four years, is over $5,000. So you can see the savings that we would get in just four years.

Director Liverett: This was shut down in August of 2022. There was a board meeting and they voted no. So, after researching that, I was thinking maybe we do a voluntary pilot program, right? And we let the directors that are okay with it and like it, use it for 6 months. Go through the, you know, is this Microsoft 360, the SharePoint, right? Is, is it stable enough or is it, is it gonna be uninterrupted? What type of problems are we gonna run into? So the directors that want to continue to receive their paper packet, continue to receive, and then the directors that want to go ahead and be part of that study, go ahead and take the tablet, and give it a shot, and see what they think, and then we can get a true savings at that point too. Okay, so our costs went down by this amount of money by having 2 or 3 directors, received the tablet, go through that, and then report back and, you know, say, hey, before we fully transition to tablets, I think that's a good pilot program.

Director Liverett: But I do like that staff is looking for cost savings for the district. I think that that's positive and they should get some kudos for that. But I just think that we should, like I said, try it, see what is, you know, what are the problems that we're gonna run into? Is it a cellular connection, LTE connection? And what is that gonna cost, right? Or is it all gonna be Wi-Fi?

Interim GM Felix: Wi-Fi, whatever you're using at home.

Director Young: Are we required to provide an agenda to the public at large? You have to request an agenda. I know Mary Harris is gonna want a hard copy.

Interim GM Felix: Yes, Some of us still prefer a hard copy.

Director Young: Also, if somebody that's coming to a meeting wants an agenda, I think we're legally supposed to provide it for them if they request it.

Interim GM Felix: The agenda itself, correct.

Interim GM Felix: So your suggestion is to consider a pilot study for the tablet, and whether or not a board member would be receptive to it, and if there's going to be any cost savings.

Director Liverett: Then we would have a true tracking of what actual savings are.

Director Young: I mean, I have the agenda on here right now, and so I couldn't see everything either, you know, and it's like, I mean, I wouldn't really need it. I had to do it, because I can already do it on this one.

Interim GM Felix: On yours? Is it an iPad?

Director Young: No, this is just an Android. I think the year before last. I don't remember the brand, but I got it on Prime Day or whatever. And it was, I don't know, 150 bucks. It was half off.

Interim GM Felix: So, I'll add to the staff report for an optional pilot study.

Director Liverett: I have a feeling it's gonna get voted down again. So, I think that's an alternate way to try to get people to see, right?

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4. Discuss Adept Solutions Newly Revised Contract Agreement Proposal

Interim GM Felix: Next item on the agenda is item four, Adept Solutions, and their newly revised contract agreement. The previous contract presented was very comprehensive for such a small District that we are.

Director Young: Yeah, they wanted us to sign it when they tried to change it last year and raise it. Yeah. We just didn't sign it because it wasn't even expired. The agreement that we had was until we change it, I guess. And we never did. So, we just didn't sign it. And so now they're trying to get more money.

Interim GM Felix: It's slightly more. A nominal increase of $67.

Director Liverett: Three hundred, something dollars.

Interim GM Felix: It's only an increase of $67.

Director Young: I thought it was 14 to 16?

Interim GM Felix: No, what you are referring to is related sales. As they are under new management and offering extra protection.

Director Liverett: I saw that. So are they saying that these services are optional?

Interim GM Felix: Optional.

Director Liverett: But it says it’s going to $1672, currently it’s $1363. That's a delta of $309.

Interim GM Felix: No, $1672 is the new fee, with the previous at $1605. That’s why I included the previous invoices for comparison. So if look at the next page, you'll see the two numbers that need to be added together.

Director Young: can we look at other estimates? Would it be a lot to switch everything over to the cloud? They'd have to hook up new software into computers and everything.

Interim GM Felix: Adept has requested to schedule a time for UPS and server maintenance. However, it requires some work and downtime leaving us vulnerable. Regardless, it would be best to have them provide us services for one more year, since it's only a nominal price increase of just $67 per month. The other fees they recommend of $150 and $1750 per month are optional security features and not necessary. And, I do have legal reviewing the MSA. There are no hidden fees and we can terminate the agreement with a 30 day notice. Within the year of service, the new GM will be afforded the time to research other potential IT companies for proper vetting should you feel dissatisfied with their services.

Director Liverett: Yeah, their MSA was too one sided.

Interim GM Felix: I told them to bring me a new one. I want to see it and I want to be able to share it with legal.

Director Young: How does this compare to what we currently have? Is this the same services as what we currently have?

Interim GM Felix: Services are the same. But, the amount for the licensing fees are cheaper than what we are currently paying and the managed services fees are more. If you add those two together, you'll see that it's a nominal fee that we're paying for.

Director Liverett: I would like to see them take a little bit more responsibility for security and cyber hacking. Isn't that what we have them for?

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Interim GM Felix: Well, some IT companies like to be gatekeepers and hold on to you as a customer using scare tactics and charging extra fees (related sales) that aren't needed. The reality is, we don't hold on to social security numbers or credit card account information. Once we collect the payment, the case sensitive information is gone.

Director Young: What do you think about this?

Director Liverett: I already discussed it. I already said what my issues are with it. I think those need to be addressed, and then…

Director Young: So you want to recommend this goes to the board for approval, or do you want modifications?

Director Liverett: After legal. I'd like to see what legal says.

Interim GM Felix: By the time, I get information from legal, you'll have your answer.

Director Young: That's not too bad. I don't disagree with it completely. I just have those…

Interim GM Felix: It just for the year. Let's get past the hiring of a new GM and a new board.

Director Liverett: And make sure its not on auto renew.

Interim GM Felix: Jesse with Adept mentioned that we can leave anytime we want with a 30 day written notice. So, let's have our legal take a look at it red line it and then we'll go from there.

Director Liverett: That would make me feel comfortable.

5. Discuss Expenditures for May 2026

Director Young: So, next we have Finances. Maria, what do you have to say about it?

Director Liverett: So, what is Blue Book? Let me just start there real quick.

Interim GM Felix: Blue Book is a supply store much like Grainger, but for water districts, water agencies, and public utilities. This is where we order water quality kits, PPE and other water treatment supply equipment.

Interim GM Felix: What else was on the list of concern?

Director Liverett: Something that Vicki's always complaining about is all the Walmart charges. I just noticed it was Walmart, Amazon, Walmart, and I was on all the credit cards, and the credit card was pretty high. What are we getting every other day at Walmart? I mean, I have a bigger staff than that. Maybe once a month, I order something from Walmart or once a month from Amazon, you know, how often can you order pens and paper?

Director Liverett: When I looked at the statement from the credit card company, it's not like there are itemized receipts attached, and there's no coding that's properly identifies what they are buying.

Interim GM Felix: Just like with any credit card statement.

Director Liverett: After several times of looking at the backup documentation, never having that available, makes me feel like somebody's just ordering Cheese-Its and snacks.

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Director Young: New services connection contractor, $13,500. So, what that, I would guess would be somebody got a new service, had a meter dropped in, which is, what, $16,000, and we paid $13,500 to subcontract it to have it put in?

Interim GM Felix: You're referring to Rawles Engineering. I believe this is a reimbursement by the owner who requested the service connection.

Director Young: So, do we contract out new service installations with Rawles?

District Engineer Vasquez: We do when the staff can't do it.

Director Liverett: I saw their check for $33,000 for the connection, so this may be part of that fee, and then they received a refund.

Director Young: Right. Yeah, at the very bottom of that page, new service connection, overage refund of $1,500. I don't know what all that is, because it's not clear, but I have no idea, but, I mean, the new connection feed, 3/4 inch line is supposed to be $16,000. And, I mean, are we paying that much to have somebody else do the work? I don't know.

District Engineer Vasquez: I'm assuming that not all of them are the same. Sometimes you're crossing, boring jack, instead of open cut construction, vice versa. The expenses are way different.

Director Young: I don't remember what number it is, but I mean, I know we give the guys uniforms. And, uh, you know, okay, that's fine. But I could have swore I saw in here somewhere that there was an embroidery for their uniforms.

Interim GM Felix: Yes, to show credentials. Whenever we go to a residence, we're supposed to appear professional. Likewise, when these guys climb into a pit, they get muddy and sometimes they tear their uniforms.

Director Young: The vacuum trailer repair, we're back to that thing.

Interim GM Felix: Yes. So what they did is some patch welding. They replaced a regulator, and then the seal, to keep it from leaking. So, we returned the rental.

Director Young: Yeah, we just spent $36,000 a couple months ago, and now, I mean, steady money out for that, but…

Interim GM Felix: Yes, so if you recall, I mentioned three options. Option one is to do the best we can to fix the old unit as the canister is rusting from the inside out. Option two is to rent one, and option three is to eventually replace it.

Director Young: I understand that, but what kind of maintenance is being done to these machines. We've got expensive equipment out there. If we got a rusty tank sitting out there, that indicates to me that routine maintenance was not performed. We have dump trucks and all kinds of equipment. I want to know if they're getting the proper maintenance. Are our guys doing it? I mean, I know Future Ford is out here sometimes, but, I'd kind of like to see an inventory of the heavy equipment that we have, all the expensive equipment that we have, specialty equipment, what condition it is, and, you know, kind of a value on it.

Interim GM Felix: Why don't we do this? I will schedule something so that you can come down and meet with Frank, and then he can go over all this with you and answer all your questions.

Director Young: You know, if you don't take care of your equipment, you're never ever going to get ahead of the game. Anytime you're using tools, if you don't keep those tools and you keep up, I mean, I understand you need the best tools that are available, that cuts time down on all this kind of stuff. But I also see a lot of work that goes out to Rawles. They are doing an awful lot of our repairs. (I know). So, are we sitting here with a dump truck and a loader that never gets used? I mean, the only time I know that loader has been used is…

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Rio Linda / Elverta Community Water District
Executive Committee

July 8, 2026 @ 6:00 P.M.

Interim GM Felix: I found a lot of issues. I want to help you. I'm here to do the best I can. However, give me a chance to work with staff.

Director Young: That's why we're sitting here, asking you these questions.

Interim GM Felix: There's nothing wrong with that. That's why I'm here. All right, so we're good with the expenditures?

Director Liverett: Yeah.

Director Young: Recommend forwarding to the board for approval.

6. Discuss Financial Reports for May 2026.

Interim GM Felix: Next we have the Financial statements. Any comments on that?

Director Liverett: It looks like we're 89% of our budget.

Director Young: Any comments? Maria, do you have any...

Director Liverett: That was my only comment, it looks like. I'm wondering if we're gonna try to, you know, tighten our bootstraps, because we're at 89% of our budget.

Director Young: So we moved to approved and forward to the board for consideration, recommend. And we are adjourned. 8:09 PM.