

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

**April 28, 2025 (6:30 p.m.)**

Visitors / Depot Center

6730 Front St

Rio Linda, CA 95673

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

**AGENDA**

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

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

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

**2. PUBLIC COMMENT**

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

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

**3.1. Minutes**

February 24, 2025

*The Board is being asked to approve the Minutes from the March 24, 2025 Regular Board Meeting.*

**3.2. Expenditures**

*The Executive Committee recommends the Board approve the February 2025 Expenditures.*

**3.3. Financial Reports**

*The Executive Committee recommends the Board approve the February 2025 Financial Report.*

**4. REGULAR CALENDAR**

**ITEMS FOR DISCUSSION AND ACTION**

**4.1. GM Report.**

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

**4.2. District Engineer's Report.**

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

**4.3. Confirm the statutory compliance of the District's policy on temporary substitutions (one Board Member for another) for standing committee meetings.**

- 4.4. **Discuss the Addendum of Documents Submitted by Director Liverett for the 4/9/2025 Executive Committee Meeting (item requested by Director Green).**
- 4.5. **Consider Board Authorization of Short-Term Investment of Hexavalent Chromium Litigation Settlement Proceeds and further discuss process for engaging a consultant for longer term investment options.**
- 4.6. **Consider Revisions to District Policy 2.01.150 (Reports required when Board Member Requested agenda item is denied / delayed).**
- 4.7. **Consider Terminating the District's 8-year effort to Create an Administrative Manager Position and the inherent ramifications thereof.**
- 4.8. **Consider Alternate date and possible location for May 26<sup>th</sup> Regular Board Meeting (Memorial Day).**
- 4.9. **Authorize any New Board Member Assignments (committees and other) Proposed by the Chair Pursuant to District Policy 2.01.065.**

**5. INFORMATION ITEMS**

**5.1. District Activities Reports**

- 5.1.1. Water Operations Report
- 5.1.2. Conservation Report
- 5.1.3. Leak Repair Report
- 5.1.4. LA Metropolitan Transportation Authority Admin Code on Committee Substitutions.
- 5.1.5. Certificate of Achievement in Financial Reporting Checklist Summary.
- 5.1.6. Certificate of Achievement in Excellence in Financial Reporting Program Eligibility.
- 5.1.7. Government Accounting Standards Board (GASB) guide on Cash Flow Statements.

**5.2. Board Member Reports**

- 5.2.1. Report any ad hoc committees dissolved by requirements in Policy 2.01.065
- 5.2.2. Sacramento Groundwater Authority (Liverett / Cline)
- 5.2.3. Executive Committee – Young/Liverett (Gifford temp sub for 5-minutes)
- 5.2.4. ACWA/JPIA – Cline
- 5.2.5. MOU Renewal Negotiations Ad Hoc (Young/Cline)
- 5.2.6. Diamond Communications Contract Ad Hoc (Liverett / Cline)

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

**7. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL -EXISTING LITIGATION:**

- 7.1. Paragraph (1) of subdivision (d) of Section 54956.9 (Claimant-Teamsters Local 150).

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

**9. DIRECTORS' AND GENERAL MANAGER COMMENTS**

**10. ADJOURNMENT –**

Upcoming meetings:

Executive Committee

May 14, 2025, Wednesday, 6:00 pm. Visitors / Depot Center, 6730 Front St. Rio Linda, CA

Board Meeting

To Be Discussed due to Memorial Day falling on May 26<sup>th</sup>.



**Consent Calendar  
Agenda Item: 3.1**

**Date:** April 28, 2025

**Subject:** Minutes

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

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

**Current Background and Justification:**

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

**Conclusion:**

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

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Cline \_\_\_\_\_ Gifford \_\_\_\_\_ Green \_\_\_\_\_ Liverett \_\_\_\_\_ Young \_\_\_\_\_

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

MINUTES OF THE MARCH 24, 2025  
BOARD OF DIRECTORS REGULAR MEETING  
OF THE RIO LINDA/ELVERTA COMMUNITY WATER DISTRICT

The Link below provides access the video of this meeting.

<https://vimeo.com/106997763>

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

The March 24, 2025, 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.

General Manager Tim Shaw took roll call of the Board of Directors. Director Jason Green, Director Chris Gifford, Director Vicky Young, Director Maria Liverett, Director Anthony Cline, General Manager Tim Shaw, and Mike Vasquez, Vasquez Engineering, and legal counsel from BBK were present. No pledge of allegiance.

**2. PUBLIC COMMENT-** Public member made a comment.

**3. CONSENT CALENDAR (1:12)**

**3.1. February Minutes**

**3.2 January Expenditures**

**3.3 January Financials**

Comments/Questions – Public member questioned the line item for Notary services on the expenditure report. Public member commented on errors in the prior months in Board Packet minutes and who oversees the compiling of the Board Packets. She further questioned the Districts 7-million-dollar settlement.

Comments/Questions – Director Liverett reiterated that at the last public meeting a question was not allowed by a public member, and the Brown Act guarantees public participation, so moving forward I’d like to clarify all members of the public are allowed to ask questions and/ or make a statement in line with state law.

*(10:30) It was moved by Director Gifford seconded by Director Green to approve the Consent Calendar. Directors Green, Young, Cline, Liverett, and Gifford voted yes. The motion carried by a roll call vote of 5-0-0.*

**4. Public Comment prior to Closed session** – Public member commented on the closed session item and read the Government Code Section 54957 (b) (1) description.

**5.CLOSED SESSION – Public Employee Performance Evaluation, title (legal Counsel):**

5.1 Performance Evaluation of Legal Counsel- (Pursuant to Government Code Section 54957 (b) (1)).

**6. Return to Open Session, Report of actions taken in closed session** - No reportable action.

**7. REGULAR CALENDAR -ITEMS FOR DISCUSSION AND ACTION**

**7.1 GM Report (16:17)**

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

Comments/Questions – Directors commented that they were glad to have the GM back and doing better.

*The Board took no action on this item.*

**7.2 Public Works Projects Report (16:58)**

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

Comments/Questions – Director Gifford asked for an update on the pipeline incident with the contractor.

Director Liverett mentioned interest to inquiry with Sacramento County Water Agency or Sacramento County about the direct levy property tax bill SCWA13 that are local ratepayer are contributing to. If the District would benefit directly, how much is allocated, and if the District would qualify for projects.

*The Board took no action on this item.*

**7.3 Consider Authorizing Legal Counsel Review of Request from Diamond Communications for Expanded Use of District Facilities. (23:44)**

Comments/Questions – Director Liverett would like to form an ad hoc committee to review the contract and come back to the Board with their findings. Director Liverett handed out a document of her notes on this item.

Comments/Questions – Public member commented that the contract should have been included in the Board packet. Public member asked if this parcel pays property taxes, and if so, should be paid by the company that owns the tower.

*(34:42) It was moved by Director Cline and seconded by Director Green to empower legal counsel to review the Diamond Communications. Directors Green, Young, Liverett, and Cline voted yes. Director Gifford voted no. The motion carried with a roll call vote of 4-1-0.*

**7.4 Consider Changes to the Current Assignment(s) of Board Members on the Executive Committee. (39:21)**

Comments/Questions – Public member commented on her removal from a committee when she was on the Board.

*(39:59) It was moved by Director Gifford and seconded by Director Cline to remove this item from the agenda. Directors Green, Gifford, Young, Liverett, and Cline voted yes. The motion carried with a roll call vote of 5-0-0.*

**7.5 Consider Revisions to District Policy 2.01.150 (Agenda Preparation.) (40:46)**

Comments/Questions – Public member commented that all members of the Board should be allowed to put items on the agenda regardless.

*(49:08) It was moved by Director Liverett and seconded by Director Young to not revise the policy since the policy already exists. Directors Young, Liverett, and Cline voted yes. Directors Green and Gifford voted no. The motion carried with a roll call vote of 3-2-0.*

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

Director Liverett proposed an ad hoc committee to discuss the cell tower leases.

President Gifford appoints an ad hoc committee of Director Gifford and Director Liverett.

*(58:40) It was moved by Director Liverett and seconded by Director Gifford to appoint Director Gifford and Director Liverett to the Ad Hoc Committee to review the Cell Tower Lease contracts. Directors Young, Liverett, Green, Gifford and Cline voted yes. The motion carried with a roll call vote of 5-0-0*

**8. INFORMATION ITEMS**

**8.1 District Activities Reports (59:57)**

- 8.1.1 Water Operations Report – Written report provided.
- 8.1.3 Conservation Report – Report Provided.
- 8.1.4 Leak Repair Report – Report provided.
- 8.1.4 Government Code 54963 Prohibitions on Releasing Closed Session Confidentiality
- 8.1.5 Attorney General Published Opinion on Closed Session Breach of Confidentiality
- 8.1.6 Minor Budget Revision for FY 2024/2025

Comments/Questions - No comments.

**8.2 Board Member Report (1:01:01)**

- 8.2.1 Report any ad hoc committees dissolved by requirements in Policy 2.01.065 – No action.
- 8.2.2 Sacramento Groundwater Authority – Liverett /Cline – No Meeting.
- 8.2.3 Executive Committee – Liverett, Young – Minutes provided.
- 8.2.4 ACWA/JPIA – Cline – No meeting.
- 8.2.5 MOU Renewal Negotiations Ad Hoc (Young/Cline) – On going.

Comments/Questions – Public member commented

**9.DIRECTORS' AND GENERAL MANAGER COMMENTS** – No comments.

**10. ADJOURNMENT** - The meeting was adjourned at 7:40 p.m.

Respectfully submitted,

\_\_\_\_\_  
Timothy R. Shaw, Secretary

\_\_\_\_\_  
Chris Gifford, President of the Board



**Consent Calendar  
Agenda Item: 3.2**

**Date:** April 28, 2025

**Subject:** Expenditures

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

The Executive Committee forwarded the February 2025 Expenditures report to the April 28th Board agenda.

**Current Background and Justification:**

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

**Conclusion:**

Board approval of the April 28th Consent Agenda incorporates approval of the February 2025 Expenditures report.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Cline \_\_\_\_\_ Gifford \_\_\_\_\_ Green \_\_\_\_\_ Liverett \_\_\_\_\_ Young \_\_\_\_\_

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

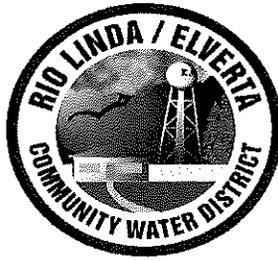
**Rio Linda Elverta Community Water District  
Expenditure Report  
February 2025**

<b>Date</b>	<b>Num</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
02/05/2025	EFT	QuickBooks Payroll Service	For PP Ending 02/01/25 Pay date 02/06/25	21,946.08
02/06/2025	EFT	CalPERS	For PP Ending 02/01/25 Pay date 02/06/25	3,766.60
02/06/2025	EFT	CalPERS	For PP Ending 02/01/25 Pay date 02/06/25	1,422.50
02/06/2025	EFT	CalPERS	Social Security Admin Annual Fee	80.00
02/06/2025	EFT	Internal Revenue Service	Employment Taxes	8,079.92
02/06/2025	EFT	Employment Development	Employment Taxes	1,664.24
02/06/2025	EFT	Empower	Deferred Compensation Plan: Employer & Employee Share	1,919.14
02/06/2025	EFT	Adept Solutions	Monthly Computer Maintenance	1,616.20
02/06/2025	EFT	Comcast	Telephone-Landline	122.52
02/06/2025	EFT	PG&E	Utilities	141.66
02/06/2025	EFT	Ramos Oil Inc.	Transportation Fuel & Pumping Maintenance	1,328.10
02/06/2025	EFT	Republic Services	Utilities	171.06
02/06/2025	EFT	Verizon Connect	Field IT	63.80
02/06/2025	EFT	RLECWD	Umpqua Bank Monthly Debt Service Transfer	17,000.00
02/06/2025	EFT	RLECWD	RLECWD - Capital Improvement	52,517.00
02/06/2025	3313	Customer	Final Bill Refund	97.47
02/06/2025	3314	Customer	Final Bill Refund	89.05
02/06/2025	3315	ABS Direct	Printing & Postage & Postage	1,505.64
02/06/2025	3316	ACWA/JPIA Powers Insurance Authority	EAP	24.80
02/06/2025	3317	BSK Associates	Lab Fees	2,016.85
02/06/2025	3318	Buckmaster Office Solutions	Office Equipment	60.35
02/06/2025	3319	CoreLogic Solutions	Subscription	106.99
02/06/2025	3320	West Coast Energy Systems	Pumping Maintenance	1,808.13
02/06/2025	3321	ICONIX Waterworks	Distribution Supplies	768.75
02/06/2025	3322	Oreilly Automotive	Transportation Maintenance	161.01
02/06/2025	3323	Rio Linda Hardware & Building Supply	Shop Supplies	224.88
02/06/2025	3324	SMUD	Utilities	15,361.90
02/06/2025	3325	UniFirst Corporation	Uniforms	480.12
02/06/2025	3326	Vanguard Cleaning Systems	Janitorial	195.00
02/06/2025	3327	Vasquez Engineering	Engineering - Monthly Contract	5,000.00
02/06/2025	3328	Verizon Wireless	Internet	45.38
02/19/2025	EFT	QuickBooks Payroll Service	For PP Ending 2/2/25 Pay date 2/20/25	23,078.35
02/20/2025	EFT	CalPERS	For PP Ending 2/2/25 Pay date 2/20/25	3,766.60
02/20/2025	EFT	CalPERS	For PP Ending 2/2/25 Pay date 2/20/25	1,422.50
02/20/2025	EFT	Internal Revenue Service	Employment Taxes	8,667.20
02/20/2025	EFT	Employment Development	Employment Taxes	1,860.28
02/20/2025	EFT	Empower	Deferred Compensation Plan: Employer & Employee Share	1,967.26
02/20/2025	EFT	Kaiser Permanente	Health Insurance	2,575.25
02/20/2025	EFT	Principal	Dental & Vision Insurance	1,852.30
02/20/2025	EFT	Umpqua Bank Credit Card	Computer, Office, Telephone	2,238.09
02/20/2025	EFT	Verizon	Field Communication	436.38
02/20/2025	EFT	Western Health	Health Insurance	13,032.96

**Rio Linda Elverta Community Water District  
Expenditure Report  
February 2025**

02/20/2025	EFT	RLECWD	Surcharge 1 Bi-Monthly Transfer	88,447.53
02/20/2025	EFT	RLECWD	Surcharge 2 Bi-Monthly Transfer	73,551.12
02/20/2025	3329	Henrici, Mary	Retiree Insurance Quarterly Reimbursement	544.70
02/20/2025	3330	ICONIX Waterworks	Distribution Supplies	1,290.85
02/20/2025	3331	Pacific Shredding	Office Expense	47.04
02/20/2025	3332	Rio Linda Elverta Recreation & Park	Meeting Expense	100.00
02/20/2025	3333	RW Trucking	Distribution Supplies	825.90
02/20/2025	3334	Sierra Chemical Company	Treatment Expense	1,504.80
02/20/2025	3335	Spok, Inc.	Field Communication	15.79
02/24/2025	3227	Wageworks	FSA Administration Fee	76.25
<b>Total 10020 - Operating Account Budgeted Expenditures</b>				<b><u>367,086.29</u></b>

02/06/2025	EFT	California State Disbursement Unit	Employee Garnishment	332.00
02/06/2025	3312	Teamsters	Union Dues	815.00
02/15/2025	EFT	AFLAC	Employee Funded Premiums	687.72
02/20/2025	EFT	California State Disbursement Unit	Employee Garnishment	332.00
02/28/2025	EFT	WageWorks	FSA Expenditures - Employee Funded	1,036.18
<b>Total 10020 - Operating Account Non-Budgeted Expenditures: Employee Paid Pass-throughs</b>				<b><u>3,202.90</u></b>



**Consent Calendar  
Agenda Item: 3.3**

**Date:** April 28, 2025

**Subject:** Financial Reports

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

The Executive Committee forwarded the Financial Report onto the April 28th Board agenda.

**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 February 2025 Financial Report.

**Board Action / Motion**

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

Rio Linda Elverta Community Water District

Balance Sheet

As of February 28, 2025



ASSETS

Current Assets

100 · Cash & Cash Equivalents	
10000 · Operating Account	
10020 · Operating Fund-Umpqua	2,051,095.13
Total 10000 · Operating Account	<u>2,051,095.13</u>
10475 · Capital Improvement	
10480 · General	887,221.28
10485 · Vehicle Replacement Reserve	37,948.49
Total 10450 · Capital Improvement	<u>925,169.77</u>
Total 100 · Non-Restricted Cash & Cash Equivalents	<u>2,976,264.90</u>

102 · Restricted Assets	
102.2 · Restricted for Debt Service	
10700 · ZIONS Inv/Surcharge 1 Reserve	544,086.33
10300 · Surcharge 1 Account	1,082,342.77
10350 · Umpqua Bank - Revenue Bond	88,840.00
10380 · Surcharge 2 Account	671,840.82
Total 102.2 · Restricted for Debt Service	<u>2,387,109.92</u>
102.4 · Restricted Other Purposes	
10385 · Available Funding Cr6 Projects #1	476,708.16
10481 · Available Funding Cr6 Projects #2	497,030.20
10490 · Future Capital Imp Projects	1,389,041.22
10600 · LAIF Account - Capacity Fees	972,107.25
10650 · Operating Reserve Fund	340,013.00
Total 102.4 · Restricted Other Purposes	<u>3,674,899.83</u>
Total 102 · Restricted Assets	<u>6,062,009.75</u>

Accounts Receivable	809.63
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Other Current Assets

12000 · Water Utility Receivable	64,998.77
12200 · Accrued Revenue	150,000.00
12250 · Accrued Interest Receivable	2,289.64
15000 · Inventory Asset	48,618.45
16000 · Prepaid Expense	71,892.63
16075 · OPEB GASB 75	4,751.00

Total Other Current Assets	<u>342,550.49</u>
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Total Current Assets	<u>9,381,634.77</u>
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Capital Assets

17000 · General Plant Assets	653,964.26
17100 · Water System Facilities	25,323,453.93
17300 · Intangible Assets	383,083.42
17500 · Accum Depreciation & Amort	-12,521,210.96
18000 · Construction in Progress	1,124,580.28
18100 · Land	576,672.45
Total Capital Assets	<u>15,540,543.38</u>

Other Assets

18500 · ADP CalPERS Receivable	410,000.00
19000 · Deferred Outflows	821,741.00
19900 · Suspense Account	-91.32

Total Other Assets	<u>1,231,649.68</u>
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TOTAL ASSETS	<u><u>26,153,827.83</u></u>
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Rio Linda Elverta Community Water District

Balance Sheet

As of February 28, 2025

LIABILITIES & NET POSTION

Liabilities

Current Liabilities

Accounts Payable	38,128.12
Other Current Liabilities	937,627.80

<b>Total Current Liabilities</b>	<b>975,755.92</b>
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Long Term Liabilities

23500 · Lease Buy-Back	459,522.27
25000 · Surcharge 1 Loan	2,314,710.45
25050 · Surcharge 2 Loan	1,835,040.16
26000 · Water Rev Refunding	1,187,101.00
26500 · ADP CalPERS Loan	380,000.00
29000 · Net Pension Liability	946,016.00
29500 · Deferred Inflows-Pension	112,980.00
29600 · Deferred Inflows-OPEB	37,219.00

<b>Total Long Term Liabilities</b>	<b>7,272,588.88</b>
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<b>Total Liabilities</b>	<b>8,248,344.80</b>
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Net Position

31500 · Invested in Capital Assets, Net	10,069,591.46
32000 · Restricted for Debt Service	705,225.24
38000 · Unrestricted	6,597,086.39
Net Revenue	533,579.94

<b>Total Net Position</b>	<b>17,905,483.03</b>
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<b>TOTAL LIABILITIES &amp; NET POSTION</b>	<b>26,153,827.83</b>
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**Rio Linda Elverta Community Water District  
Operating Profit & Loss Budget Performance  
As of February 28, 2025**



	<u>Annual Budget</u>	<u>Feb 25</u>	<u>YTD Jul 24-Feb 25</u>	<u>% of Annual Budget</u>	<u>YTD Annual Budget Balance</u>
<b>Ordinary Income/Expense</b>					
<b>Revenue</b>					
<b>Total 40000 · Operating Revenue</b>	3,288,300.00	155,699.99	2,168,484.54	65.95%	1,119,815.46
<b>41000 · Nonoperating Revenue</b>					
<b>41110 · Investment Revenue</b>					
41112 · Interest Revenue	35.00	3.27	27.19	77.69%	7.81
<b>Total 41110 · Investment Revenue</b>	35.00	3.27	27.19	77.69%	7.81
41120 · Property Tax	127,000.00	0.00	76,775.65	60.45%	50,224.35
<b>Total 41000 · Nonoperating Revenue</b>	127,035.00	3.27	76,802.84	60.46%	50,232.16
<b>Total Operating &amp; Non-Operating Revenue</b>	3,415,335.00	155,703.26	2,245,287.38	65.74%	1,170,047.62
<b>Expense</b>					
<b>60000 · Operating Expenses</b>					
60010 · Professional Fees	146,000.00	5,000.00	96,966.96	66.42%	49,033.04
60100 · Personnel Services					
60110 · Salaries & Wages	886,596.00	67,386.05	537,882.87	60.67%	348,713.13
60150 · Employee Benefits & Expense	520,440.00	38,137.99	304,964.18	58.60%	215,475.82
<b>Total 60100 · Personnel Services</b>	1,407,036.00	105,524.04	842,847.05	59.90%	564,188.95
60200 · Administration	309,736.00	10,569.25	223,467.15	72.15%	86,268.85
64000 · Conservation	500.00	0.00	0.00	0.00%	500.00
65000 · Field Operations	644,400.00	26,219.76	369,229.84	57.30%	275,170.16
<b>Total 60000 · Operating Expenses</b>	2,507,672.00	147,313.05	1,532,511.00	61.11%	975,161.00
<b>69000 · Non-Operating Expenses</b>					
<b>69010 · Debt Service</b>					
69100 · Revenue Bond					
69105 · Principle	162,415.00	0.00	67,415.00	41.51%	95,000.00
69110 · Interest	39,343.00	0.00	20,175.27	51.28%	19,167.73
<b>Total 69100 · Revenue Bond</b>	201,758.00	0.00	87,590.27	43.41%	114,167.73
69200 · PERS ADP Loan					
69205 · Principle	30,000.00	0.00	0.00	0.00%	30,000.00
69210 · Interest	1,517.00	0.00	0.00	0.00%	1,517.00
<b>Total 69100 · PERS ADP Loan</b>	31,517.00	0.00	0.00	0.00%	31,517.00
<b>Total 69010 · Debt Service</b>	233,275.00	0.00	87,590.27	37.55%	145,684.73
69400 · Other Non-Operating Expense	2,300.00	0.00	0.00	0.00%	2,300.00
<b>Capital A Total 69000 · Non-Operating Expenses</b>	235,575.00	0.00	87,590.27	37.18%	147,984.73
<b>Total Operating &amp; Non-Operating Expense</b>	2,743,247.00	147,313.05	1,620,101.27	59.06%	1,123,145.73
<b>Net Revenue</b>	<b>672,088.00</b>	<b>8,390.21</b>	<b>625,186.11</b>		

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

Description	Annual Budget	Feb 25	YTD Jul 24-Feb 25	% of Annual Budget	YTD Budget Balance
Raising/Lowering Valve Covers	40,000.00	0.00	33,600.00	84.00%	6,400.00
Well 15 Cr6 Treatment	171,000.00	0.00	3,080.00	1.80%	167,920.00
Server Replacement	9,500.00	0.00	9,500.00	100.00%	0.00
<b>Total Continued Ongoing Projects</b>	<b>220,500.00</b>	<b>0.00</b>	<b>46,180.00</b>	<b>20.94%</b>	<b>174,320.00</b>
Annual Miscellaneous Pump Replacements	30,000.00	13,847.49	13,847.49	46.16%	16,152.51
Annual Small Meter Replacements	120,000.00	0.00	2,153.71	1.80%	117,846.29
Annual Large Meter Replacements	5,000.00	0.00	0.00	0.00%	5,000.00
Annual Pipeline Replacement	270,650.00	0.00	270,650.00	100.00%	0.00
<b>Total New Annual Projects</b>	<b>425,650.00</b>	<b>13,847.49</b>	<b>286,651.20</b>	<b>67.34%</b>	<b>138,998.80</b>
Field Truck Replacement	40,000.00	0.00	0.00	0.00%	40,000.00
<b>Total New Projects</b>	<b>40,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>	<b>40,000.00</b>
<b>Total FY 2024-25</b>	<b>\$686,150.00</b>	<b>\$13,847.49</b>	<b>\$332,831.20</b>	<b>48.51%</b>	<b>\$353,318.80</b>



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

**Date:** April 28, 2025  
**Subject:** General Manager's Report  
**Staff Contact:** Timothy R. Shaw

**Recommended Committee Action:**

N/A this item is not reviewed by committee.

**Current Background and Justification:**

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

**Conclusion:**

No Board action is anticipated for this item.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

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



**Date:** April 28, 2025  
**Subject:** General Manager Report  
**Staff Contact:** Timothy R. Shaw, General Manager

For the given month, I participated in the following recurring meetings and special events. Ongoing labor negotiations, and mitigation measures associated with the temporary unavailability of the General Manager required additional resources.

1. On March 26<sup>th</sup> and 27<sup>th</sup>, I was on bereavement leave due to the passing of my wife's sister.
2. On April 8<sup>th</sup> I participated in a meeting with the RLECWD MOU Renewal Negotiations Ad Hoc Committee.
3. On April 9<sup>th</sup>, I participated in the monthly Executive Committee meeting.
4. On April 15<sup>th</sup>, I participated in the Association of California Water Agencies (ACWA) groundwater quality committee.
5. On April 21<sup>st</sup>, I met with Teamsters Local 150 to present the RLECWD Negotiations Ad Hoc counter proposal.
6. On April 23<sup>rd</sup>, coordinated with staff and Adept Solutions to order two replacement computer workstations at a cost of \$658 each (excluding taxes).

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

- Time off during the workday for medical procedures and diagnostics.
- Corresponding with the Ad Hoc Committee and Teamsters on negotiations for MOU renewal.
- Exploring potential extent of changes within the IT network service provider (Adept Solutions) staffing and responsiveness.
- Corresponding with the Rates Study / Cost of Services consultant to parse out the costs allocated to the previously planned creation of an Administrative Manager position.

Inflation continues to trend upward. Fuel prices have leveled off after the dramatic increase observed last month. The stock market and bond markets have endured wild swings, which can be indicators of below target returns for CalPERS pension investments.



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

**Date:** April 28, 2025  
**Subject:** Public Works Projects Report  
**Contact:** Mike Vasquez, Contract District Engineer

**Recommended Committee Action:**

N/A this item is not reviewed by committee.

**Current Background and Justification:**

Contract District Engineer, Mike Vasquez will provide a report of District activities over the period since the last regular Board meeting. The Board may ask for clarifications and may also provide direction in consideration of the reported activities.

**Conclusion:**

No Board action is anticipated for this item.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

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



23 April 2025

DISTRICT ENGINEER'S REPORT

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

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

Subject: District Engineer's Report for the 28 April 2025 Board of Directors Meeting

The District Engineer is pleased to submit this brief update of duties and tasks performed for the period of 20 March 2025 to 23 April 2025:

- 1. Well 15 Hexavalent Chromium Treatment Project: The design consultant is preparing a schematic design for the treatment facility that is anticipated to be submitted for District review on April 30th. Staff has been coordinating with the design consultant on various design elements.
2. Hexavalent Chromium Compliance Plan: The BSK Associates laboratory submitted initial mandated hexavalent chromium water quality test results for each District groundwater well to the State Water Board by the 04/01/2025 due date. Initial results for samples collected on 03/13/2025 for each well are shown below. Well flowrate capacities are also shown, along with percentage of annual volume use. The hexavalent chromium Maximum Contaminant Level (MCL) is 10 ppb (parts per billion). Wells shaded in gray have hexavalent chromium levels above the MCL.

Table with 13 columns: Well #, 2A, 3, 4, 6, 7, 8A, 9, 10, 11, 12, 15, 16. Rows include Cr6 Results (ppb), Capacity (gpm), and % of Annual Use.

A hexavalent chromium compliance plan for the District is due for submittal to the State Water Board by 07/01/2025 for sources that exceed the hexavalent chromium MCL. Staff will prepare the plan for submittal which may include analysis for potential treatment at other wells in addition to Well 15, backup power requirements, designating backup/secondary wells, and the possibility of drilling a new well that has been proposed in the District's Capital Improvement Program. It is anticipated to bring a draft plan to the Executive Committee and Board of Directors in June.

- 3. 2025/2026 FY Pipeline Replacement Project: District Water System Operations Staff provided the following valve replacement locations to be included in next fiscal year's water facility replacement project to increase water system operational reliability:

- i. Milldale Circle & U Street: 3 Valves (8")
ii. 10th Street & U Street: 3 Valves (two 8", one 6")
iii. West 2nd Street @ water main to Chisum Avenue: 3 Valves (6")
iv. 2nd Street & Elkhorn Boulevard: 4 Valves (two 6", two 4")
v. 6th Street & M Street: 4 Valves (one 8", three 6")
vi. 4th Avenue & L Street: 4 Valves (two 6", two 4")
vii. 9th Street & N Street: 3 Valves (two 6", one 4")
viii. 8th Street & O Street: 4 Valves (three 6", one 4")
ix. 5th Avenue & N Street: 3 Valves (6")
x. Dry Creek Road & O Street: 3 Valves (two 8", one 6")

A contract addendum with Rawles Engineering to include this work is currently being prepared. It is anticipated to bring a draft contract addendum to the Executive Committee and Board of Directors in June. Approximately \$245,000 will be available to fund this work. It is possible that all locations may not be completed due to funding limitations.

4. **Development Review (Silver Glen Way, 3 Residential Lots):** Staff received development plans from Nevada City Engineering for the installation of water facilities on Silver Glen Way (between Silver Park Avenue and O Street, east of Rio Linda Boulevard) to serve three new residential lots. Staff provided plan review comments to the developer's engineer.
5. **Sacramento County Water Agency Zone 13 Funding Possibility for RLECWD Infrastructure:** At the request of Director Liverett, Staff requested Zone 13 funding applicability information from the Sacramento County Water Agency (SCWA). Staff received a response from SCWA Senior Civil Engineer, Nikolas Werner, PE, as follows: *"Zone 13 is solely for the use of planning projects, things like supplemental funding for the Water Forum and other long range regional water efforts. There is no funding available for infrastructure improvements."* Staff continues to look into funding opportunities for District projects, and will bring any potential opportunities to the Board of Directors as appropriate.

Please contact me at 530-682-9597, or email at [gmvasquez@vasquez-engineering.com](mailto: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: 4.3**

**Date:** April 28, 2025

**Subject:** Confirm District Policy on Temporary Subs (Board Member for Board Member) on Executive Committee

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

The Executive Committee did not make any recommendations. Instead, the Committee and public members in attendance asserted that temporary substitution assignments done pursuant to Board adopted District policy 2.01.065 (3) are incompatible with the Ralph M. Brown Act.

**Current Background and Justification:**

As more thoroughly detailed in the minutes of the 4-9-2025 Executive Committee, the meeting began with the attendance of Director Gifford subbing for Director Liverett as a pre-arranged assignment. The public members in attendance asked about the absence of Director Liverett to which Director Gifford explained the pre-arranged substitution. The public members and Director Young responded that their research had yielded a conclusion that temporary substitutions (Board Member for Board Member) were somehow violations of the Brown Act. Despite the General Manager’s assurance that temporary substitutions are an established, codified and appropriate process, Director Gifford left the meeting and was replaced 5 minutes later by Director Liverett.

There is no content in the entire Ralph M. Brown Act relating to temporary substitutions for standing committees. The process is governed by internal policy. For RLECWD, that policy is 2.01.065 (3), a copy of which is included associated with this item.

**Conclusion:**

Sample Motion: Move to affirm the appropriateness and legal sufficiency of District policy 2.01.065 (3).

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

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

**2.01.065 Committees and Other Assignments.**

*(Amended by 6-18-2018 Board Minutes)*

The Board President shall appoint such standing and/or ad hoc committees as may be deemed necessary or advisable. The creation of an ad hoc committees and new standing committees initiated by the Board President must be approved by action of the full Board of Directors per Policy 2.01.180. The President of the Board shall make all appointments of Board Members to ad hoc and standing Committees with the cooperation of the Board Member(s) nominated for the assignment(s). In addition, the President of the Board may designate Board Members to represent the Board as needed. Board Member participation in meetings and attendance by Board Members at organized events shall not be considered sanctioned by the RLECWD Board of Directors unless such attendance/participation is in accordance with this policy. Announcement to authorize attendance/participation retroactively is acceptable to accommodate insufficient time available for a Board meeting prior to the event. Retroactive announcement must be approved by the Board of Directors per Policy 2.01.180.

1. The duties of a new standing committee shall be determined at the time of appointment, proposed at the regular Board meeting and subject to confirmation by the Board of Directors per Policy 2.01.180. Standing committees shall only be dissolved by majority vote of the Board.
2. The duties of an ad hoc committee shall be determined and announced at a regular meeting of the Board of Directors. Ad hoc committees shall be considered dissolved when any of the following occur:
  - a. The ad hoc committee submits its final report to the Board of Directors.
  - b. Upon the sixth regular meeting of the Board of Directors following the announcement that the ad hoc committee had been created, the Board Secretary shall announce, and the minutes shall reflect, the ad hoc committee dissolution.
  - c. The ad hoc committee has failed to report to the Board of Directors for three consecutive regular Board meetings. The Board Secretary shall announce, and the minutes shall reflect, the absence of reporting and indicate the ad hoc committee has been dissolved.
3. Board Members assigned by the Board President to serve on standing committees or to participate in sanctioned events shall service in such capacity for the remainder of the President's term of office. Such assignments are to be announced at the regular Board meeting in January each year. However, assignments may be changed via announcement at a subsequent Board meeting to accommodate Board Member availability, incompatibility of offices, or other circumstances. The Board President may also authorize temporary substitutions of Board Member for a single meeting to accommodate the anticipated absence of the regularly assigned Board Member.
4. All meetings of standing committees shall conform to all open meeting laws (e.g., Ralph M. Brown Act) that pertain to regular meetings of the Board. Board Members assigned to ad hoc committees and other assignments shall report their findings and observations to the Board of Directors at regular Board meetings.

**Item 4.3 – Examples of Internal Policies for Temporary Subs on Standing Committees**

[https://codelibrary.amlegal.com/codes/lacountymetroca/latest/lacounty\\_ca/0-0-0-53](https://codelibrary.amlegal.com/codes/lacountymetroca/latest/lacounty_ca/0-0-0-53)

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY  
ADMINISTRATIVE CODE

**2-01-010 MTA Governing Board.**

The MTA is governed by a Board of Directors. The membership of the Board of Directors shall be as set forth in Public Utilities Code Section 130051. Unless the context otherwise dictates, the term Board of Directors when used in this Administrative Code, shall mean the Board of Directors governing the MTA.

**2-01-020 Board of Directors Regular Meetings.**

The regular meetings of the Board of Directors shall be held the fourth Thursday of each month commencing at 9:30 a.m. at the MTA Headquarters Building, One Gateway Plaza, Los Angeles. If the regular meeting date falls on a holiday, or if for any other reason the Chair of the Board of Directors determines that the regular meeting in any month should be set for another time or date, the regular meeting shall be set at the date and time designated by the Chair.

**2-01-030 Board of Directors Special Meetings.**

Special meetings of the Board of Directors may be called at any time in the manner provided by Government Code Section 54956.

**2-01-040 Board of Directors Annual Meeting.**

The regular meeting of the Board of Directors held in June of each year shall be considered the annual meeting.

**2-01-050 Adjourned Meetings.**

The Board of Directors may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment in accordance with Government Code Section 54955.

**2-01-060 Board of Directors Quorum.**

A majority of the voting members of the Board of Directors shall constitute a quorum, and except for any decision for which more than a majority vote is specifically required, any action of the Board of Directors shall require the affirmative vote of a majority of the voting members or the Board.

**2-01-070 Committee of the Whole.**

At the time and place set for any meeting of the Board of Directors where an insufficient number of members are present to constitute a quorum, the members present may constitute themselves as a Committee of the Whole, and meet for the purpose of hearing reports from MTA staff or to discuss agenda matters or any other matter of interest to the members present, but no action as the Board of Directors may be taken on any matter. The Committee of the Whole shall automatically cease and become a meeting of the Board of Directors at any time sufficient members are present to constitute a quorum.

**2-01-080 Board Committees.**

The Board of Directors shall have a minimum of five standing committees. The Chair of the Board of Directors may designate other standing and ad hoc committees subject to concurrence of the Board of Directors and shall make appointments to all committees. The Board of Directors may delegate to committees any responsibilities authorized by law including the power to approve contracts with a four-fifths vote.

#### **2-01-090 Committee Quorum.**

A majority of the members of a committee shall constitute a quorum. Fifty percent of the members of a committee with an even number of members shall constitute a quorum for that committee. When a committee cannot establish a quorum, any other member of the Board of Directors who is present may be temporarily appointed by the chair of the committee to sit as a substitute member of that committee for that meeting. Any member of the Board of Directors who is present at any committee meeting may participate in the discussion of that committee.

#### **2-01-100 Committee Action.**

All actions taken by a committee, other than actions requiring a four-fifths vote, shall require the affirmative vote of a majority of all appointed committee members. All actions by a committee, which require a four-fifths vote for approval shall require the affirmative vote of four-fifths of all appointed committee members. Any agenda item which does not receive a sufficient vote for approval as required by this section shall be forwarded to the full Board of Directors for consideration without recommendation by the committee.

#### **2-01-110 Ralph M. Brown Act.**

All meetings of the Board of Directors and of its standing and its ad-hoc committees shall be conducted in accordance with the requirements of the Ralph M. Brown Act (Chapter 9, commencing with Section 54950, Part 1, Division 2, Title 5 of the Government Code).

#### **2-01-120 Proceedings of the Board of Directors and Committees.**

The Board of Directors may adopt rules governing the proceedings of the Board of Directors and of its standing and ad hoc committees. Such rules may be suspended or modified from time to time by action of the Board of Directors. All proceedings of the Board of Directors and of its standing and ad hoc committees shall be governed by the law applicable thereto, such rules as are adopted by the Board of Directors and by Robert's Rules of Order Newly Revised. The General Counsel shall act as parliamentarian and, on request of the Chair, shall give parliamentary advice. To the extent there is inconsistency among the provisions governing such proceedings, the order of precedence shall be applicable law, the rules adopted by the Board of Directors, and Robert's Rules of Order. The failure to follow Board adopted procedures or Robert's Rules of Order shall not invalidate any action taken.

#### **2-01-130 Limitations of Public Comment.**

The Board of Directors may adopt reasonable limitations for persons wishing to address the Board of Directors or a Board committee on an agenda item or as part of the general public comment. Limitations may be placed on the total number of speakers, the amount of time for each speaker, and the amount of time for all speakers on any particular matter. Reasonable deviations from the Board adopted limitations may be directed for a particular meeting or a particular matter at the discretion of the Chair of the Board of Directors or the Chair of a Board committee, unless otherwise directed by a vote of the Board or the committee.

#### **2-01-140 Board Officers.**

The Officers of the Board of Directors shall be the Chair, the 1st Vice Chair and the 2nd Vice Chair, who shall all be members of the Board of Directors. There shall be an automatic City of Los Angeles/County/City Selection rotation in the filling of the Chair, the 1st Vice Chair and the 2nd Vice Chair. Unless the Board of Directors sets a different time period, each year the 1st Vice Chair shall automatically succeed to the position of Chair and the 2nd Vice Chair shall automatically succeed to the position of 1st Vice Chair. The election of the Board Officers shall be held each year at the annual meeting.

#### **2-01-150 Duties of Board Officers.**

The Chair shall preside at all meetings of the Board of Directors and shall exercise and perform such other powers and duties as may be assigned from time to time by the Board or prescribed by ordinance. In any case where the execution of a document or the performance of an act is directed, the Chair, unless a resolution or ordinance otherwise provides, is empowered to execute such documents or perform such act. The 1st Vice Chair shall perform the duties of the Chair in the absence or inability of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The 2nd Vice Chair shall perform the duties of the 1st Vice Chair and Chair in the absence or inability of these officers and shall be governed by the powers and restrictions upon these offices.

#### **2-01-160 Vacancies in Board Offices.**

In the event of a vacancy during the term of the chair, the 1st Vice Chair or the 2nd Vice Chair, the Board shall elect a replacement to fill the vacated office. The Board shall select a replacement from the Board members representing the same constituency as the departing officer, i.e., City of Los Angeles, County of Los Angeles, City Selection Committee to serve the remainder of the term of the vacant office.

#### **2-01-170 Removal of Board Officers.**

Any Officer of the Board of Directors may be removed from office at any time by an affirmative vote of at least eight members of the Board of Directors.

#### **2-01-180 Appointments of MTA Representatives to Other Boards.**

The Chair is authorized to make the appointment to fill a position on the board of another agency, which is to be filled by an MTA representative, unless the rules of that agency require appointment through a different procedure. Any person so appointed as the MTA representative shall serve at the pleasure of the current Chair unless the rules of the other agency do not allow for removal. Any action taken by the Chair under this section may be overruled at any time by a majority vote of the members of the Board of Directors.

#### **2-01-190 Director Expense Reimbursement and Travel Policy.**

A. Members of the Board of Directors may from time-to-time be required to travel on behalf of the MTA. The Board of Directors shall approve in advance all Board member travel, except that authority is hereby given for travel to American Public Transportation Association related functions, and to Washington D.C. and Sacramento for legislative purposes. All MTA related travel shall be governed by the provisions contained in this section and should conform to the travel policy applicable to MTA employees unless the Board of Directors adopts a different policy.

B. All Directors will be required to declare under penalty of perjury that the information contained in a request for expense reimbursement is true and correct to the best of the Director's knowledge.

C. Director expense claims with supporting documentation shall be submitted monthly to the Board Secretary. Allowable expenses related to MTA business up to

\$250 per month will be reimbursed upon approval by the Board Secretary. Expenses over \$250 per month shall be reviewed by the Board Secretary and approved by the Board Chair or his or her designee. Disputed expense claims shall be referred to the Executive Management and Audit Committee. If that Committee does not resolve the dispute, the claim shall be referred to the Board of Directors for a final decision.

D. All Director expense reimbursement requests are subject to audit and review and shall be included in the Inspector General's quarterly report on MTA expenses.

E. Except as otherwise provided by action of the Board of Directors, travel expense reimbursement for MTA employees and for members of the Board of Directors shall be subject to the same limits as are set from time-to-time by the County of Los Angeles for County-related travel by its officials and employees.

F. Travel related to MTA business by a person appointed under section [2-01-180](#) to serve as the MTA appointee on the board of another agency shall be subject to the rules set forth in this section.

### **2-01-200 MTA Officers Appointed by and Reporting Directly to the Board of Directors.**

The Board of Directors, by majority vote, shall appoint as MTA officers who report directly to the Board of Directors a Chief Executive Officer, a Board Secretary, a General Counsel, an Inspector General, an Ethics Officer.

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### Items for Discussion and Action Agenda Item: 4.4

**Date:** April 28, 2025

**Subject:** Discuss the Addendum of Documents Submitted by Director Liverett for the 4-9-2025 Executive Committee meeting.

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

N/A – This item was requested by Director Green pursuant to District policy 2.01.150

**Current Background and Justification:**

As defined in the District Policy Manual and adopted positions descriptions, the General Manager / Board Secretary is responsible for preparing the agenda and related staff reports for RLECWD public meetings. Accordingly, staff reports were prepared, posted and distributed in compliance with Ralph M. Brown Act requirements and time constraints. After the agenda and documents were posted and distributed, Director Liverett submitted a package (addendum) of documents she directed to be discussed and considered at the 4/9/2025 Executive Committee meeting. The formatting of some of the documents included in the Director Liverett addendum implies they are alternative staff reports and are in contradiction to the staff reports prepared by the General Manager.

In consideration of the preceding, it is necessary and appropriate to discuss the blurring of roles / responsibilities and the mixed messaging therein. It is also appropriate to provide opportunities for other Board Members to express their concerns about the message and content included in the Director Liverett addendum of documents.

In some aspects, the addendum of documents asserts incompatibility with regulatory guidance documents (e.g., the Government Accounting Standards Board or GASB). Where appropriate, clarifying guidance documents are cited to respond to the assertions of inappropriateness included in the addendum of documents and echoed by public comment at the 4/9/2025 Executive Committee meeting.

**Conclusion:**

The Board should engage in discussion of the addendum of documents and provide direction to staff as deemed necessary and appropriate.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Cline \_\_\_\_\_ Gifford \_\_\_\_\_ Green \_\_\_\_\_ Liverett \_\_\_\_\_ Young \_\_\_\_\_

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

Item 4.4 – Addendum of Documents from M Liverett

**Motion to Adopt New Proposed Executive Committee SOP**

as submitted for adoption in April 2025

1. Clear delegation of financial authority for the General Manager:

- • \$0–\$5,000: May be approved by GM with written report to EC
- • \$5,001–\$49,999: Requires written advance approval of two Board members
- • \$50,000 and above: Requires advance written full Board approval via special or regular meeting

2. Use of Robert’s Rules of Order for EC procedures, quorum, and meeting minutes.

3. Minutes protocol that requires:

- • Draft minutes within 5 days
- • 72-hour correction window for EC members
- • Posting of final minutes within 48 hours of review period ending

4. All EC recommendations must be ratified by the full Board.

5. Oversight provisions as outlined in RLECWD Policy Manual §§ 1.01.060, 2.01.130, 2.10.260, 3.08.400–600.

This SOP shall take effect upon majority approval of the Board and shall be incorporated into the District’s Policy Manual as an official operational protocol for the Executive Committee.

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Date: \_\_\_\_\_

## **Executive Committee SOP – Legal Compliance Draft**

### **Purpose**

The Executive Committee (EC) oversees critical aspects of District governance to ensure operational efficiency, fiscal responsibility, and compliance with legal requirements while enhancing transparency and accountability.

### **Composition and Quorum**

- The Executive Committee shall consist of two appointed Board members.
- A quorum shall require the presence of both appointed members (governing protocols §54952(b)).
- Support staff includes the General Manager, Contract District Engineer, and other staff as appropriate.

### **Responsibilities**

#### **1. Administrative Oversight**

- Review engineering updates, policy revisions, and District priorities.
- Advise the Board of Directors on administrative and operational matters.
- Ensure escalation and resolution of public comments, disputes, or operational concerns. EC does not act as final adjudicator, but recommends actions for Board review.

#### **2. Financial Oversight**

- Monitor District financial performance including budgets, expenditures, and audits.
- Recommend large expenditures or adjustments for Board approval.
- Ensure compliance with financial reporting and transparency requirements.

#### **3. Financial Authority & Emergency Spending Controls**

- The General Manager shall not obligate the District financially—including contracts, grants, or expenditures—without Board oversight.
- Up to \$5,000: GM may approve purchases with written report to the EC.
- \$5,001 to \$49,999: Requires written approval from at least two Board members.
- \$50,000 and above: Requires full Board approval, even in emergencies, via a special meeting (governing protocols §61107; District policies §30530).
- Contract splitting to circumvent thresholds is prohibited.

#### **4. Policy Development**

- Propose, review, and recommend policies for full Board consideration.
- Ensure compliance with public laws including the open meeting laws (governing protocols §§54950–54963), MMBA (governing protocols §3500 et seq.), and District policies §30500+.

#### **5. Transparency and Compliance**

- All EC meetings must comply with the Brown Act's open meeting rules.
- Meeting minutes must be reviewed by EC members within 72 hours and approved corrections shall be incorporated prior to posting.
- Drafts must be posted publicly within 7 days, unless delayed by legal counsel or Board action.
- Public comment must be allowed on both agenda and non-agenda items in accordance with governing protocols §54954.3.

#### **6. Operational Priorities**

- Collaborate with staff on water audits, usage metrics, and infrastructure updates.
- Maintain focus on long-term strategic planning and board-approved goals.

#### **Meeting Protocol**

- Monthly meetings minimum, or as needed by vote or emergency.
- Materials must be distributed 72 hours before meetings (Brown Act §54954.2).
- Minutes must reflect all decisions, dissent, and motions clearly.
- All EC recommendations must be ratified by the full Board before implementation (California Doctrine of Non-Delegation of Authority).

#### **Accountability**

- Approved Executive Committee minutes shall serve as the Committee's monthly report to the full Board, documenting all votes, recommendations, and discussion outcomes..
- The EC shall undergo an annual effectiveness review as part of the Board's governance audit process.

#### **Key Improvements Summary**

1. Legal Safeguards: Aligns with open meeting laws, District policies, and Government Code spending and meeting provisions.
2. Director Protections: Ensures no Director can be removed, bypassed, or restricted from agenda access without public justification.

3. Fiscal Controls: Implements clear spending thresholds and prohibits GM from binding the District without oversight.

4. Transparency: Requires timely, accurate, and reviewable minutes, financial reports, and public access.

### **Benefits**

- Strengthens public trust through lawful, transparent operation of Executive Committee business.
- Balances operational flexibility with legal compliance and Board authority.
- Ensures Director rights are protected and fiscal responsibility is enforced district-wide.

### **Purpose and Implementation**

This SOP aligns with and reinforces the District's adopted policies as described in the RLECWD District governance structure (Revised 01-27-25). The following sections are specifically referenced:

- District governance structure §2.10.260 – General Manager Contract Signatory Authority: The GM may sign contracts, but only those that are pre-approved and within budget authority. All other contracts must be presented to and approved by the Board per §3.08.400 and §3.08.500.
- District governance structure §3.08.600 – Emergency Procurement: Even in emergency conditions, the GM must provide written documentation and report to the Board as soon as possible. No financial obligation should occur beyond pre-delegated thresholds without oversight.
- District governance structure §2.01.320 – Meeting Minutes Format: The District requires meeting minutes to comply with best practices under the City Clerks Association of California. This supports inclusion of summaries, timestamps, and public access expectations.
- District governance structure §2.01.130 – Use of Robert's Rules of Order: All EC meetings may follow Robert's Rules when clarification is needed for quorum, voting, or procedure.
- District governance structure §1.01.060 – Policy Adoption and Amendment: No SOP or operational procedure is considered binding unless adopted by a majority vote of the Board.

**Enforcement and Oversight**

In accordance with these authorities, the Executive Committee shall not recognize any unilateral financial decisions, contractual obligations, or policy actions taken by the General Manager without the full Board's knowledge or pre-authorized limits. All emergency spending beyond the authorized \$5,000 threshold must be approved by two Board members in writing. Expenditures above \$50,000 require a special Board meeting and a formal vote, as per procurement and governance law.

## Executive Committee Oversight Alert

### Cover Summary: Why the Current Financial Guide Must Be Rejected or Rewritten

#### Key Differences: GASB Standards vs. Current Guide

Below is a simplified, black-and-white comparison of what the District SHOULD be doing (per GASB standards) vs. what the current Financial Resource Guide promotes:

- • GASB: Requires clear, structured Cash Flow Statements
- • Guide: No cash flow shown; hides liquidity and timing of funds
- • GASB: Direct method required for operating cash reporting
- • Guide: No method outlined; just vague budget references
- • GASB: Full detail of fund transfers and balances
- • Guide: No itemization of interfund movement or reconciliations
- • GASB: Board retains power to define formats and request more detail
- • Guide: Staff dictates reporting scope; undermines Board authority

#### Why This Is Dangerous – Legal and Governance Red Flags

- Potential Brown Act Violation – Withholding key financial data from the Board may constitute obstruction of the public's right to access government records.
- Potential Fiduciary Breach – Obscuring cash position exposes Directors to liability for mismanagement, especially if funds are misused or misrepresented.
- Policy Conflict – The guide allows staff to interpret financials for the Board, which contradicts Board policy and weakens oversight control.

#### Why We Must Correct Course – NOW

This isn't just a disagreement over formatting. It's a structural risk to the Board's oversight authority and a systemic threat to public transparency.

If left unchanged, the current 'Guide' creates a false sense of compliance while preventing Directors from identifying cash shortfalls, misallocations, or misstatements.

 We must adopt a framework that includes monthly cash flow reports, actual bank balance tracking, and unrestricted vs restricted fund breakdowns — or risk falling into financial opacity and potential legal scrutiny.

## **Director's Addendum to Financial Resource Guide**

Submitted by: Director Maria Liverett

April 9, 2025 – Executive Committee Meeting

Agenda Item 3: Discussion of Financial Resource Guide

This addendum is submitted to ensure the Financial Resource Guide reflects the District's legal and policy commitment to fiscal transparency, Board-level financial oversight, and the community's right to understand how public resources are allocated and protected.

### **Transparency Expectations**

This Guide must ensure the following practices are included in financial report guidelines:

- • Monthly cash flow summaries showing beginning and ending balances.
- • Quarterly or monthly bank reconciliation summaries.
- • Clear separation of restricted vs unrestricted funds.
- • Full line-item budget vs. actuals for both operating and capital funds.
- • Itemized inter-fund transfers with date and justification.
- • Updates that reflect Board-requested changes in format or detail.

Any reporting framework that excludes these components weakens financial transparency and impedes the Board's fiduciary responsibility.

### **Revised Page 3 – Purpose of This Guide**

The purpose of this guide is to improve the transparency, consistency, and clarity of financial reporting for the Rio Linda Elverta Community Water District.

It is designed to help Board Members, staff, and the public read and evaluate financial data with accuracy and context, and to ensure all stakeholders have access to complete, unfiltered fiscal reports. This includes full disclosure of available funds, cash flow health, inter-fund transfers, and the ability to track the District's budgeted goals against actual financial outcomes.

This Guide shall not limit the Board's ability to request additional financial information or updated reporting formats. The Board retains its authority to require monthly cash flow reports, bank statement summaries, and enhanced disclosure as needed for oversight and accountability.

## **Director's Response – Agenda Item 4 (April 9 EC Meeting)**

Submitted by: Director Maria Liverett

Date: April 9, 2025

Re: Item 4 – Proposed Policy on Reporting Denied or Delayed Agenda Items

### **Purpose of This Memo**

This memo is intended to affirm the original intent raised by Director Anthony Cline in a prior meeting: to create accountability when a Director's agenda item is delayed or denied. I fully support Director Cline's effort to increase transparency and ensure Board Members are not silenced through informal or administrative dismissal.

### **Concern: Policy May Be Repackaged by GM**

There is growing concern that the version of the policy now presented for discussion has been rewritten or filtered through staff—specifically the General Manager—in a way that weakens its purpose. Rather than requiring staff to report denials openly, the current version risks enabling further suppression of Director input by introducing delays, subjective legal reviews, or undefined procedural barriers.

I want to ensure Director Cline and all members of this Committee understand: what began as a good-faith push for transparency may now be repackaged in a way that protects existing power dynamics rather than the public's right to open discussion.

### **Recommended Safeguards**

To uphold Director Cline's original intent and ensure this policy truly supports transparency, I recommend the following provisions:

- Any denial or delay of a Director's agenda item must be documented in writing within 24 hours.
- A reason for the denial must be included in the next public packet.
- The denial must be brought to the full Board for discussion and confirmation—staff alone may not block or delay Board matters.

### **Final Note**

This is not about procedure—it's about integrity. If we allow this policy to be rewritten in a way that consolidates power with the General Manager or legal staff, we risk losing the very transparency this item was meant to create. Let's not allow the spirit of Director Cline's suggestion to be diluted or repurposed to serve administrative agendas.

## Personnel Caution Memo – Administrative Manager Position

Submitted by: Director Maria Liverett

Date: April 9, 2025

Agenda Item: 5 – Discussion of Administrative Manager Role

### Oversight Concern

It has come to my attention through observation and concern raised by fellow Directors that the proposed Administrative Manager position may be structured or reclassified in a way that benefits an existing employee (Controller) with a compensation increase not fully disclosed or approved by the Board.

### Red Flags

- The position may be tied to union negotiations before Board authorization.
- No full pay scale or job description has been provided for review.
- There is reason to believe this position was developed with a specific person in mind, creating risk of perceived favoritism.
- The EC discussion appears timed to push this structure forward without full transparency or competitive process.

### Policy Risks

- Gov. Code §31000–31003 – Board must authorize new or materially changed positions.
- Board retains fiduciary duty to review and approve all new compensation structures.
- Tying compensation to role reclassification through a union contract without Board approval may violate public trust.

### Request

I request that no vote, recommendation, or contract language be finalized for the Administrative Manager position until the following are provided to the full Board:

- Full job description
- Current and proposed pay scale
- Clarification of any ties to union negotiations
- Confirmation that no internal candidate has been pre-selected or promised compensation before the position is posted or ratified

Respectfully,

Director Maria Liverett



Statement of cash flows "frequency" gasb

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The frequency of preparing a statement of cash flows under GASB (Governmental Accounting Standards Board) is generally annual, as it's part of the annual financial report for state and local governments. GASB 34, for example, outlines the requirements for these annual reports, including the statement of cash flows. However, some entities might choose to prepare it more frequently (e.g., quarterly or monthly) for internal monitoring or other specific needs. 

**Elaboration:****Annual Requirement:**

GASB standards, such as GASB 34, specify that a statement of cash flows is a required component of the annual financial report for state and local governments. 

**Frequency beyond Annual:**

While the annual requirement is primary, some entities may find it beneficial to prepare cash flow statements more frequently for internal purposes or to monitor cash flow trends more closely. 

**Purpose of the Statement:**

The statement of cash flows provides a snapshot of an entity's cash inflows and outflows during a specific period (e.g., a year), helping users understand how cash is being generated and used. 

**GASB 34 and Financial Reporting:**

GASB 34 <https://www.camcode.com/blog/what-is-gasb-34/> (Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments) establishes the core requirements for annual financial reporting, including the statement of cash flows. 

**Flexibility:**

While GASB standards mandate an annual statement, the specific frequency of preparation might depend on the needs and circumstances of a particular

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

**Date:** April 28, 2025

**Subject:** Board Authorization for Short Term Investment of Settlement Proceeds.

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

The Executive Committee recommends the Board authorize the settlement proceeds be deposited into the highest interest account with the District’s bank, Umpqua, and further recommends the Board begin exploring the engagement of a properly licensed and experienced municipal finance officer to contemplate long-term (longer term) investment options.

**Current Background and Justification:**

The District’s current financial policies and relevant statutes require the Board to direct and approve investments.

Public agency investment options are limited to those highly secure, low-risk options. Which is why most public agencies use the Local Agency Investment Fund (LAIF). Unfortunately, LAIF restricts agencies to only one account. RLECWD uses their one LAIF account for capacity fees, which are restricted by law from being comingled with other funds.

The District’s typical investment options, which are available without qualified, outsourced, formally engaged consultant) are limited to interest bearing accounts (e.g. savings, CDS etc.) with our engaged bank (Umpqua).

The deposit / investment options may further be considered as short-term and long-term with respect to the Board’s discretion on ultimately designated uses of the funds, which will impact whether the investments (or portions thereof) need to be liquid.

**Conclusion:**

Sample Motion: Move to authorize short-term investment of the \$4.09 million settlement proceeds in the highest interest-bearing account with Umpqua and further direct staff to return to a future meeting with additional details for engaging an appropriately qualified finance officer.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Cline \_\_\_\_\_ Gifford \_\_\_\_\_ Green \_\_\_\_\_ Liverett \_\_\_\_\_ Young \_\_\_\_\_

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



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

**Date:** April 28, 2025

**Subject:** Revisions to District Polices 2.01.150 (Agenda Preparation)

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

The 4-9-2025 Executive Committee recommends the Board approve the proposed revisions to District policy 2.01.065.

**Current Background and Justification:**

At the March 24<sup>th</sup> Board meeting, under a similar agenda item for considering proposed revisions to policy 2.01.065, Director Cline requested exploration of an alternative approach for individual Board Member requests for agenda items.

Accordingly, the subject was discussed at the April 9<sup>th</sup> Executive Committee meeting with the recommendation conveyed above.

The proposed revision to policy 2.01.065 is included as a redline (track changes) document associated with this item.

**Conclusion:**

Sample Motion – Move to authorize the proposed revision to policy 2.01.065

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

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

**2.01.150 Agendas.**

*(Amended Resolution 2008-08, 3/30/09 minutes, 8/28/23 minutes)*

- A. The Secretary shall prepare the agenda for the meeting containing a brief description of each agenda item and post it at least 72 hours prior to the regular Board meeting after consultation with the President.
- B. If a Board member twenty-four (24) hours prior to the posting of the agenda requests a matter be placed on an agenda, the Secretary shall include an item on the agenda to permit discussion of the matter. *If the individual Board Member's request for an added agenda item is denied or delayed, the Secretary shall report out at the affected meeting the reason(s) for denial and/or delay.*
- C. Agendas for special Board meetings shall be posted at least twenty-four (24) hours prior to the meeting.
- D. The Board by majority vote, or as otherwise provided by law, may modify the agenda prior to proceeding to the consideration of the first matter. All matters shall be considered by the Board in the order listed on the agenda as posted or modified, to the extent of time available. No action may be taken on any matter which did not appear on the posted agenda except as permitted by State law. Agenda items not considered or completed at a meeting for lack of time may be continued and become agenda items at the following meetings in accordance with the forgoing policies.



## Items for Discussion and Action

### Agenda Item: 4.7

**Date:** April 28, 2025

**Subject:** Consider Terminating the 8-year District Effort to Create an Administrative Manager Position

**Staff Contact:** Timothy R. Shaw, General Manager

#### **Recommended Committee Action:**

The Executive Committee directed staff to reach out to the Rates Study / Cost of Service consultant (Lechowicz & Tseng Municipal Consultants) to determine the approximate allocation of rates adjustment that is attributable to the cost of service for the proposed Administrative Manager position.

#### **Current Background and Justification:**

The item on the 4-9-2025 Executive Committee regarding the Administrative Manager position was informational. The item, "History of the District's Efforts to Create an Administrative Manager position" was deemed necessary due to written assertions questioning the accuracy of the General Manager's depictions of the history, public involvement and documentation of events relating to the endeavor over the past 8-years.

With the assertions addressed and the history and public process affirmed, the General Manager advised the only options moving forward would be to either continue with the next step, which would be to have the Board consider adopting a new position description and associated pay scale, subject to meet and confer with Teamsters, or ask the Board for a finding and justification to terminate the 8-year effort to create the Administrative Manager position. The General Manager further advised that the latter may entail suspending the portion of the rates in the current multi-year rates package attributable to the cost of service for the Administrative Manager position.

The Executive Committee asked for the approximate amount attributable to the Administrative Manager position, but the General Manager could only speculate. Accordingly, the Executive Committee directed staff to contact the consultant.

The Consultant's responses are included as documents associated with this item.

NOTE: The General Manager believes some of the content included in the alternative staff report relating to the Administrative Manager Position, "*Personnel Caution Memo – Administrative Manager Position*" submitted by Director Liverett in the addendum of documents is inaccurate and misleading.

**Conclusion:**

Given the considerable potential consequences associated with the direction recommended by the Executive Committee and the contradiction between staff reports prepared by staff vs. reports submitted by a Board Member, it is essential to establish clear direction to staff on what the Board as a whole would like to do regarding the efforts to establish an Administrative Manager position.

**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:** Alison Lechowicz <alison@ltmuniconsultants.com>  
**Sent:** Monday, April 21, 2025 11:02 AM  
**To:** Tim Shaw  
**Subject:** Re: Question on Rate Study  
**Attachments:** Updated Cash Flow 4.21.25.docx

Hello Tim,

I hope you had a nice weekend. I've attached an updated cash flow. I deleted off the +\$120K administrative manager staff cost in FY2024. Subsequent years would only need a 0.5% rate increase rather than 4.5% (about 4.3% rate increase + 0.2% growth).

Rate revenue in FY2024 was projected to be \$2.99M. \$120,000 divided by \$2.99M is about 4%. So \$120,000 per year represents about a 4% savings to the rates.

Thanks,  
Alison

On Mon, Apr 21, 2025 at 7:35 AM Tim Shaw <[GM@rlecwd.com](mailto:GM@rlecwd.com)> wrote:

Alison:

Thank you for the analysis.

Can you approximate how much of the rates (percentage decrease) would have to be made if the Board (this Board in contrast to the Board existing when the rates were approved) choses to abandon the commitment to add the Administrative Manager position?

I've provided the sequential percentage increases over the span of the multi-year adjustments. The District's presumption was the at 4.34% increase on 7/1/2024 was higher than the 2.58% increase on 7/1/2023 due, in substantial part, to the planned implementation of the new Administrative Manager position.

	9/1/2021	7/1/2022	7/1/2023	7/1/2024	7/1/2025
	\$ 35.01	\$ 35.72	\$ 36.64	\$ 38.23	\$ 39.88
% Increase over prior		2.03%	2.58%	4.34%	4.32%
	\$ 1.72	\$ 1.75	\$ 1.80	\$ 1.88	\$ 1.96
% Increase over prior		1.74%	2.86%	4.44%	4.26%

**Table 22: Proposed Bimonthly Water Rates - Normal Water Year**  
**Rate Study / Cost of Service Study**  
**Rio Linda Elverta Community Water District**

Meter Size	Current	Proposed				
	FY2021	FY2022 Sep 1, '21	FY2023 Jul 1, '22	FY2024 Jul 1, '23	FY2025 Jul 1, '24	FY2026 Jul 1, '25
5/8"	\$59.86	\$35.01	\$35.72	\$36.64	\$38.23	\$39.88
3/4"	\$59.86	\$35.01	\$35.72	\$36.64	\$38.23	\$39.88
1"	\$99.77	\$55.25	\$56.38	\$57.83	\$60.34	\$62.94
1.5"	\$199.53	\$105.87	\$108.03	\$110.79	\$115.60	\$120.59
2"	\$319.25	\$166.61	\$170.01	\$174.35	\$181.92	\$189.77
3"	\$698.37	\$358.95	\$366.28	\$375.63	\$391.94	\$408.84
4"	\$1,257.06	\$642.41	\$655.52	\$672.24	\$701.43	\$731.68
Inactive	\$59.86	\$35.01	\$35.72	\$36.64	\$38.23	\$39.88
Single Family Residential Inoperable Meter Rates (fixed bimonthly fee, no additional volume charges)						
5/8" - Cold Weather		\$68.61	\$69.91	\$71.80	\$74.95	\$78.18
5/8" - Warm Weather		\$120.93	\$123.19	\$126.52	\$132.07	\$137.94
3/4" - Cold Weather		\$68.61	\$69.91	\$71.80	\$74.95	\$78.18
3/4" - Warm Weather		\$120.93	\$123.19	\$126.52	\$132.07	\$137.94
1" - Cold Weather		\$88.85	\$90.57	\$92.99	\$97.06	\$101.24
1" - Warm Weather		\$141.17	\$143.85	\$147.71	\$154.18	\$161.00
CII and Irrigation Inoperable meter rates may be based on past average consumption						
<b>Volume Rates \$/ccf</b>						
Current Rate per ccf (over 6ccf)	\$0.81					
Single Family Residential						
Tier 1: 0-17 ccf		\$1.72	\$1.75	\$1.80	\$1.88	\$1.96
Tier 2: 17+ ccf		\$2.18	\$2.22	\$2.28	\$2.38	\$2.49
CII (all use)		\$1.94	\$1.98	\$2.03	\$2.12	\$2.22
Irrigation (all use)		\$2.22	\$2.27	\$2.33	\$2.43	\$2.54

**From:** Alison Lechowicz <[alison@ltnuniconsultants.com](mailto:alison@ltnuniconsultants.com)>  
**Sent:** Friday, April 18, 2025 4:48 PM  
**To:** Tim Shaw <[GM@rlc wd.com](mailto:GM@rlc wd.com)>  
**Subject:** Fwd: Question on Rate Study

Hello Tim,

I had to look back through my notes regarding the lumpiness of the rate adjustments. I had some communication with Deborah about this issue a few years ago. In earlier drafts of the rate study, we had proposed 4.5% level annual rate increases for all 5 years. Expenses were not increasing at exactly 4.5% every year - but 4.5% was the average increase needed to cover costs, maintain reserves, and meet the District's financial goals over 5 the year period.

After we had to delay the initial increase from July to September, the first few increases were then made higher to make up for lost revenue (i.e. spike the rate). Then, by comparison the FY2024 rate did not go up by 4.5% it only went up by 2.6%. If you look at the \$ amount of the rates for FY2024 (\$36.64) between the earlier draft with level annual increases and the final rates adopted, they are the same. It is just the first two years of the rate plan that are different. So, looking at percentages, it appears that FY2024 had less of an increase but, in reality, that year was getting back into alignment with our original proposal with level annual rate increases.

The short version is: the first few years had spiked rates to make up for the delay in implementation. Since the rates were a bit high in years 1 and 2, the year 3 increase did not have to be as much. Then in years 4 and 5, the District is back on the original plan of 4.5% annual increases.

I hope this helps,

Alison

----- Forwarded message -----

From: **Alison Lechowicz** <[alison@ltmuniconsultants.com](mailto:alison@ltmuniconsultants.com)>

Date: Thu, Jun 29, 2023 at 4:05 PM

Subject: Re: Question on Rate Study

To: Deborah Denning <[ddenning@rlecwd.com](mailto:ddenning@rlecwd.com)>

Hello Deborah,

There are a few items to note. Growth is a smaller factor - you can see in year 4 and 5 of the rate plan that the increases are not exactly 4.5% but they are close. The slight difference is due to growth picking up a piece of the revenues.

Looking through my files, we revised the rate report a few times. I have the final/most up to date version dated June 28, 2021 with the first rate increase going into effect September 15, 2021. It looks like your screenshots are from an older version of the report. I've attached the most up to date version here.

Item 4.7 – Supplemental Analysis from Rates Study Cost of Service Consultant  
 Rio Linda/Elverta Community Water District

30

Updated Cash Flow 4/21/25

No administrative manager for \$120,000 per year plus inflation added in FY2024

Line		Budget	Projection				
		FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
1	Beginning Fund Balance	\$773,300	\$796,800	\$737,000	\$828,000	\$919,305	\$944,179
2	Proposed Rate Increase		4.2%	8.3%	2.7%	0.5%	0.5%
3			Jul 1, 2021	Jul 1, 2022	Jul 1, 2023	Jul 1, 2024	Jul 1, 2025
4	Revenues						
5	Service Charges [1]	2,582,200	2,690,700	2,915,000	2,993,705	3,008,674	3,023,717
6	Backflow	26,500	28,300	29,500	30,400	31,300	32,200
7	Fire Protection	10,800	20,400	23,300	24,300	25,400	26,600
8	Delinquency Fees	90,000	90,000	90,000	90,000	90,000	90,000
9	Misc., interest and other fees	33,900	33,900	33,900	33,900	33,900	33,900
10	Taxes & Assessments	<u>88,500</u>	<u>88,500</u>	<u>88,500</u>	<u>88,500</u>	<u>88,500</u>	<u>88,500</u>
11	Total Revenues	2,831,900	2,951,800	3,180,200	3,260,805	3,277,774	3,294,917
12							
13	Operating Expenses		3%	3%	3%	3%	3%
14	Legal & Auditor	26,500	27,300	28,100	28,900	29,800	30,700
15	Engineering & Prof Serv.	108,500	111,800	115,200	118,700	122,300	126,000
16	Salaries and Benefits	1,150,400	1,287,000	1,323,700	1,361,500	1,400,400	1,440,500
17	Unfunded Accrued Liability	68,600	93,000	93,000	93,000	93,000	93,000
18	Administration	205,000	211,200	217,500	224,000	230,700	237,600
19	Conservation	300	0	0	0	0	0
20	Backflow Testing	3,000	3,100	3,200	3,300	3,400	3,500
21	Other Field Ops	65,400	67,400	69,400	71,500	73,600	75,800
22	Treatment	18,000	18,500	19,100	19,700	20,300	20,900
23	Pumping	230,000	230,000	236,900	244,000	251,300	258,800
24	Meter Maintenance	0	0	0	0	0	0
25	Valve Replacement	15,000	15,500	16,000	16,500	17,000	17,500
26	Transmission & Dist.	86,000	88,600	91,300	94,000	96,800	99,700
27	Transportation	<u>19,000</u>	<u>19,600</u>	<u>20,200</u>	<u>20,800</u>	<u>21,400</u>	<u>22,000</u>
28	Total Operating Expenses	1,995,700	2,173,000	2,233,600	2,295,900	2,360,000	2,426,000
29							
30	Net Operating Revenue	836,200	778,800	946,600	964,905	917,774	868,917
31							
32	Debt Service						
33	2015 Umpqua Loan	203,200	201,300	200,900	201,000	201,800	204,000
34	AMI Meter Loan	<u>58,500</u>	<u>58,500</u>	<u>58,500</u>	<u>58,500</u>	<u>58,500</u>	<u>29,300</u>
35	Total Debt	261,700	259,800	259,400	259,500	260,300	233,300
36							
37	Debt Service Coverage	3.20	3.00	3.65	3.72	3.53	3.72
38							
39	Misc Non-Operating Expense	2,000	2,100	2,200	2,300	2,400	2,500
40	Transfer to Reserve	0	0	0	0	0	0
41	Capital Improvements	<u>549,000</u>	<u>576,700</u>	<u>594,000</u>	<u>611,800</u>	<u>630,200</u>	<u>649,100</u>
42	Other Non-Operating Expenses	551,000	578,800	596,200	614,100	632,600	651,600
43							
44	Net Revenue	23,500	(59,800)	91,000	91,305	24,874	(15,983)
45	Ending Fund Balance	\$796,800	\$737,000	\$828,000	\$919,305	\$944,179	\$928,195
46							
47	Fund Target [2]	166,300	181,100	186,100	191,300	196,700	202,200
48	Target Met?	YES	YES	YES	YES	YES	YES

1 - Includes meter fees and volume rate revenues

2 - One month of operating expenses per District policy



**Items for Discussion and Action  
Agenda Item: 4.8**

**Date:** April 28, 2025

**Subject:** Alternative Date and Location (if necessary) for May 26<sup>th</sup> Regular Board Meeting

**Staff Contact:** Timothy R. Shaw, General Manager

**Recommended Committee Action:**

N/A This item was not discussed at the Executive Committee.

**Current Background and Justification:**

Current District policy stipulates regular Board meetings are held on the fourth Monday of each month. This year, the fourth Monday in May is May 26<sup>th</sup>, Memorial Day.

Although Memorial Day is always the last Monday in May, it does not always fall on the fourth Monday. When Memorial Day falls on the fourth Monday, the District needs to consider an alternative meeting dates and, if necessary, an alternative meeting location.

Staff will reach out to the Parks District to ascertain meeting date options that include availability of the Visitors / Depot Center.

**Conclusion:**

The Board should provide direction to staff on alternative meeting dates for the May regular Board meeting.

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

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

**Renita Lehman**

---

**From:** Mike Heller <mheller@rleparks.com>  
**Sent:** Thursday, April 24, 2025 9:31 AM  
**To:** Tim Shaw  
**Cc:** Renita Lehman; Annette Hernandez  
**Subject:** RE: Alternative Meeting Dates for May 26th (Memorial Day)

Good Moring Tim,

We have the following dates available at the Depot in May:

- Monday's – 05/12 or 05/19
- Friday's – 05/09; 05/16; 05/23; or 05/30

Please let me know if any of those will work.

Thank you,  
*Mike Heller*  
General Manager  
Rio Linda Elverta Recreation and Park District  
810 Oak Lane  
Rio Linda, CA 95673  
916-991-8110 (Direct)  
916-991-2892 (Fax)



**Parks  
Make  
Life  
Better!**

**“Ensuring Parks, Recreation, Habitat, and Open Space for our Future”**

**From:** Tim Shaw <GM@rlecwd.com>  
**Sent:** Wednesday, April 23, 2025 2:00 PM  
**To:** Mike Heller <mheller@rleparks.com>  
**Cc:** Renita Lehman <rlehman@rlecwd.com>  
**Subject:** Alternative Meeting Dates for May 26th (Memorial Day)

Mike:

Do you have any alternative dates toward the end of May for the RLECWD regular Board meeting. The fourth Monday is Memorial Day this year.

Tim Shaw  
General Manager



**Items for Discussion and Action  
Agenda Item: 4.9**

**Date:** April 28, 2025

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

**Staff Contact:** Timothy R. Shaw

**Recommended Committee Action:**

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

**Current Background and Justification:**

District policy and various statutes stipulate Board approval of any Board Member assignments. Generally, this is a standing item, which occurs on every regular meeting agenda.

**Conclusion:**

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

**Board Action / Motion**

Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Cline \_\_\_\_\_ Gifford \_\_\_\_\_ Green \_\_\_\_\_ Liverett \_\_\_\_\_ Young \_\_\_\_\_

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



## **Information Items Agenda Item: 5.1**

**Date:** April 28, 2025

**Subject:** District Reports

**Staff Contact:** Timothy R. Shaw, General Manager

### **DISTRICT ACTIVITY REPORTS**

1. Operations Report
2. Conservation Summary
3. Leak Repairs
4. LA County Metropolitan Transportation Authority Admin Code on Standy Committee Subs
5. Certificate of Achievement in Excellence in Financial Reporting Checklist Summary .
6. Certificate of Achievement Financial Reporting Program Eligibility.
7. GASB Guide on Cash Flow Statements.

# RIO LINDA/ELVERTA C.W.D. 2025

## REPORT OF DISTRICT OPERATIONS

### SOURCE WATER DATA

35

#### Water Production (Million Gallons)

January	February	March	April	May	June	<b>Year To Date</b>
38.6	32.6	38				
38,589,096	32,597,998	38,043,476				
July	August	Sept.	Oct.	Nov.	Dec.	
						<b>109.2</b>

		Monthly Total		
Gallons = Multiply M.G. by:	1,000,000	38,043,476	Gallons	109,230,670
Cubic Feet = Divide gallons by:	7.48	5,086,026	Cubic Feet	14,603,017
Hundred Cu Ft. = Divide cu. ft. by:	100	50,860	Hundred Cubic Feet	146,030
Acre Ft. = Divide gallons by:	325,829	116.76	Acre Ft.	336

### DISTRIBUTION SYSTEM DATA

#### Water Quality Complaints

#### Complaints Total - (Low Psi Complaints)

January	February	March	April	May	June	<b>Year To Date</b>
0	0	0				
July	August	Sept.	Oct.	Nov.	Dec.	
						<b>0</b>

#### New Services

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

#### Distribution System Failures/Repairs

Deterioration March 1 thru 31	6		11
Damaged March 1 thru 31	0		1
Routine Bacteriological Samples (Distribution System)	16		48
Raw Water Bacteriological Samples (at Wells)	12		12

#### March 1, 2025 - March 31, 2025

**6 - Distribution leaks repaired by District staff, 0 - by Contractor or with Contractor assistance.**

**Work Orders Issued - 53**

**Work Orders Completed - 39**

**USA's Issued - 132**

Change Out Meter - 19	Change Out Meter - 8
Backflow Test - 1	Backflow Test - 1
Repair or Replace Box - 1	General Complaint - 1
General Complaint - 1	Disconnect Service - 5
Disconnect Service - 5	Flow Test - 1
Get Current Read - 1	Get Current Read - 1
Install Innov8 Device - 1	Line Leak - 1
Repair/Replace lid - 1	Lock Service Off - 1
Line Leak - 1	Other Work - 2
Other Work - 2	Possible Leak - 6
Possible Leak - 8	Re-Locate Meter - 1
Re-Locate Meter Box - 1	New Svc Quote - 1
New Svc Quote - 3	Tag Property - 1
Tag Property - 1	Turn Off Service - 6
Turn Off Service - 4	Turn On Service - 3
Turn On Service - 3	

#### WORK ORDERS ISSUED:

All work orders issued during the current 1 month reporting period. (March 2025)

#### WORK ORDERS COMPLETED:

All work orders completed during the 1 month reporting period. (March 2025)

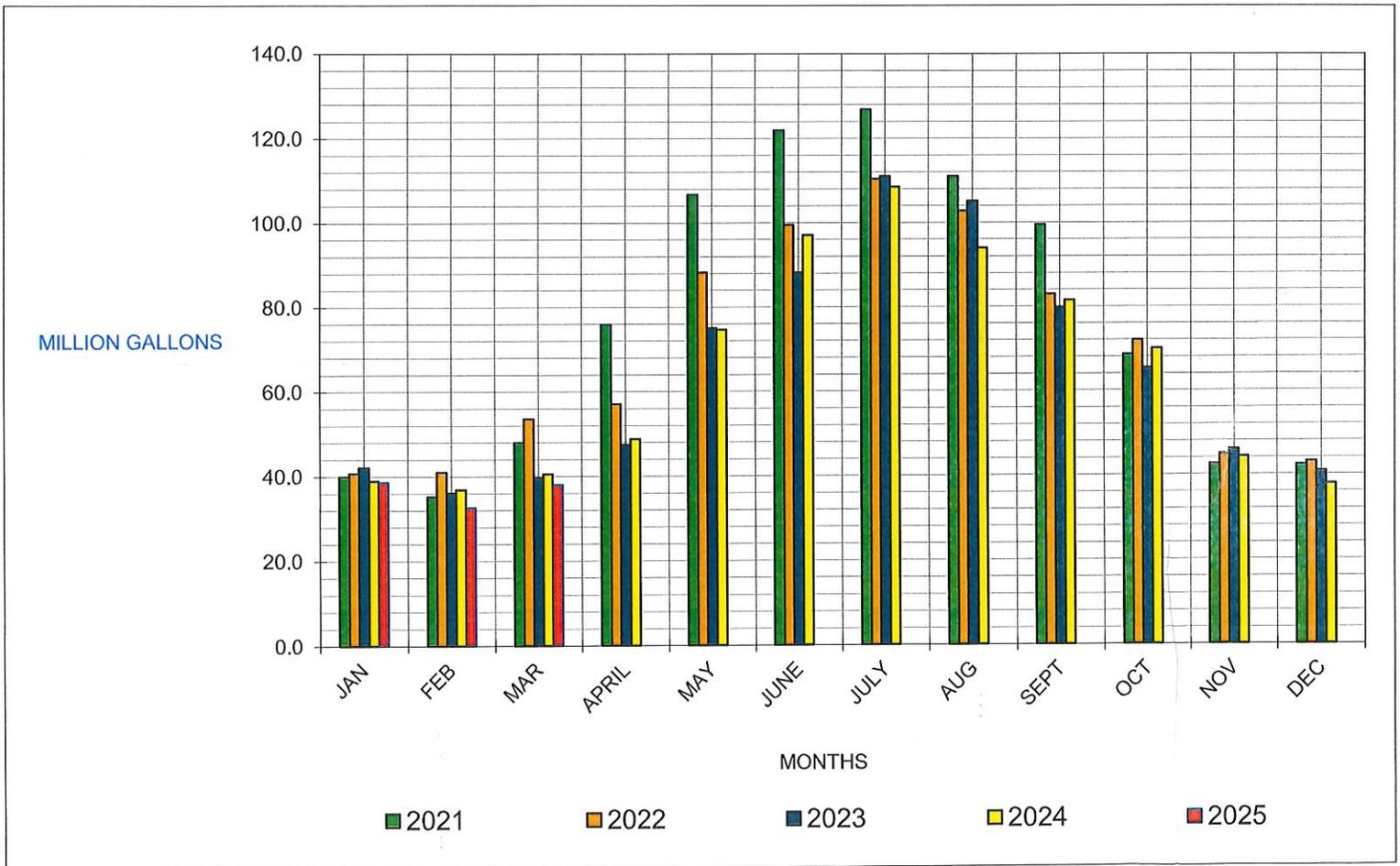
Includes any work orders issued in prior reporting periods that were completed in the current reporting period.

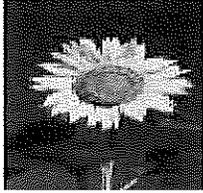
## RIO LINDA/ELVERTA C.W.D.

### WATER PRODUCTION

2021 \ 2025

Month	Water Production in Million Gallons						SSWD Water Purchases				
	2021	2022	2023	2024	2025	Avg.	2020	2021	2022	2023	2024
JAN	39.9	40.7	42.0	38.9	38.6	40.0	0.0	0.0	0.0	0.0	0.0
FEB	35.2	40.9	36.1	36.8	32.6	36.3	0.0	0.0	0.0	0.0	0.0
MAR	47.9	53.5	39.6	40.5	38.0	43.9	0.0	0.0	0.0	0.0	0.0
APRIL	75.8	57.0	47.3	48.7		57.2	0.0	0.0	0.0	0.0	0.0
MAY	106.6	88.2	74.9	74.6		86.1	0.0	0.0	0.0	0.0	0.0
JUNE	121.9	99.4	88.1	97.0		101.6	0.0	0.0	0.0	0.0	0.0
JULY	126.8	110.3	110.9	108.4		114.1	0.0	0.0	0.0	0.0	0.0
AUG	110.9	102.7	105.1	93.9		103.2	0.0	0.0	0.0	0.0	0.0
SEPT	99.4	82.9	79.6	81.4		85.8	0.0	0.0	0.0	0.0	0.0
OCT	68.5	71.9	65.3	69.9		68.9	0.0	0.0	0.0	0.0	0.0
NOV	42.2	44.6	45.9	44.2		44.2	0.0	0.0	0.0	0.0	0.0
DEC	42.2	42.9	40.7	37.6		40.9	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>917.3</b>	<b>835.0</b>	<b>775.5</b>	<b>771.9</b>	<b>109.2</b>	<b>824.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>





## Conservation Report March 2025



<b>Supplies (kits):</b>	Shower heads(0) Kitchen Aerators(0) Bathroom Aerators(0) Shower Timer(0) Nozzle(0) Toilet Tabs(6) Moisture Meters(0) Water Bottles(0) Toilet Tummy(0) Retro-Fit Kits(0) Welcome Kits(0) Kids Kit(0)
<b>Water Waste (calls, emails, letter, leaks detected, and fixed):</b>	0 Water Waste Letter(s) 89 contacts about possible leaks using the AMI system -10 were called, 0 was mailed, 79 was emailed, 0 tag was hung
<b>Water Schedule:</b>	None
<b>Surveys</b>	0
<b>Workshops, Webinar, Meetings:</b>	None
<b>Fines:</b>	None
<b>Other Tasks:</b>	<ul style="list-style-type: none"> <li>● Assisted with new customers</li> <li>● Created/completed work orders</li> <li>● Disconnect properties with no service application</li> <li>● Notified and offered customers the ACH payment method</li> <li>● Closed accounts and final billed customers</li> <li>● Mailed out application requests to new owners</li> <li>● Scanned and uploaded documents into UMS</li> <li>● Verbal Demands</li> <li>● Created Newsletter for 3/20 billing</li> <li>● Processed 3/20 bills</li> </ul>
<b>Grant Updates:</b>	None

2025 Leak - Repair Tracking

	Work Order #	Leak Type	Street	Date Reported	Date Repaired	Days
1	24842	Service	Elverta Rd	11/19/2025	1/8/2025	50
2	24872	Service	24th Street	1/8/2025	1/8/2025	1
3	24913	Main	Delano Street	2/3/2025	2/3/2025	1
4	24930	Service	G St	2/7/2025	2/7/2025	1
5	24931	Service	Castle Creek Wy	2/11/2026	2/11/2025	1
6	24936	Service	E St	2/18/2025	2/21/2025	3
7	24888	Service	Fallon Woods Way	1/15/2025	3/27/2025	71
8	24950	Main	S Street	3/3/2025	3/3/2025	1
9	24956	Service	Eloise Ave	3/11/2025	3/12/2025	2
10	24958	Service	G Street	3/11/2025	3/11/2025	1
11	24959	Service	U Street	3/11/2025	3/19/2025	8
12	24967	Service	Lilac Ln	3/17/2025	3/17/2025	1
13						
14						
15						
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## Item 5.1.4 – LA Metropolitan Transportation Authority Admin Codes

Below is the URL and excerpts from the Los Angeles Metropolitan Transportation Authority Administrative Code. I chose this example because it's posted by a large agency with lots of resources that also must comply with the Brown Act. As you can see in the highlighted sections, the Los Angeles MTA Administrative Code enables temporary substitutes on existing committees (see **yellow** highlighted section). I highlighted the **green** section because it contradicts what Andreas advised at the March Board meeting regarding Ad Hoc assignments. Los Angeles MTA Board Chair can appoint members to standing and ad hoc committee, but the appointments must be confirmed by the Board.

[https://codelibrary.amlegal.com/codes/lacountymetroca/latest/lacounty\\_ca/0-0-0-53](https://codelibrary.amlegal.com/codes/lacountymetroca/latest/lacounty_ca/0-0-0-53)

LOS ANGELES COUNTY METROPOLITAN  
TRANSPORTATION AUTHORITY  
ADMINISTRATIVE CODE

### **2-01-010 MTA Governing Board.**

The MTA is governed by a Board of Directors. The membership of the Board of Directors shall be as set forth in Public Utilities Code Section 130051. Unless the context otherwise dictates, the term Board of Directors when used in this Administrative Code, shall mean the Board of Directors governing the MTA.

### **2-01-020 Board of Directors Regular Meetings.**

The regular meetings of the Board of Directors shall be held the fourth Thursday of each month commencing at 9:30 a.m. at the MTA Headquarters Building, One Gateway Plaza, Los Angeles. If the regular meeting date falls on a holiday, or if for any other reason the Chair of the Board of Directors determines that the regular meeting in any month should be set for another time or date, the regular meeting shall be set at the date and time designated by the Chair.

### **2-01-030 Board of Directors Special Meetings.**

Special meetings of the Board of Directors may be called at any time in the manner provided by Government Code Section 54956.

### **2-01-040 Board of Directors Annual Meeting.**

The regular meeting of the Board of Directors held in June of each year shall be considered the annual meeting.

### **2-01-050 Adjourned Meetings.**

The Board of Directors may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment in accordance with Government Code Section 54955.

### **2-01-060 Board of Directors Quorum.**

A majority of the voting members of the Board of Directors shall constitute a quorum, and except for any decision for which more than a majority vote is specifically required, any action of the Board of Directors shall require the affirmative vote of a majority of the voting members or the Board.

### **2-01-070 Committee of the Whole.**

At the time and place set for any meeting of the Board of Directors where an insufficient number of members are present to constitute a quorum, the members present may constitute themselves as a Committee of the Whole, and meet for the purpose of hearing reports from MTA staff or to discuss agenda matters or any other matter of interest to the members present, but no action as the Board of Directors may be taken on any matter. The Committee of the Whole shall automatically cease and become a meeting of the Board of Directors at any time sufficient members are present to constitute a quorum.

#### **2-01-080 Board Committees.**

The Board of Directors shall have a minimum of five standing committees. The Chair of the Board of Directors may designate other standing and ad hoc committees subject to concurrence of the Board of Directors and shall make appointments to all committees. The Board of Directors may delegate to committees any responsibilities authorized by law including the power to approve contracts with a four-fifths vote.

#### **2-01-090 Committee Quorum.**

A majority of the members of a committee shall constitute a quorum. Fifty percent of the members of a committee with an even number of members shall constitute a quorum for that committee. When a committee cannot establish a quorum, any other member of the Board of Directors who is present may be temporarily appointed by the chair of the committee to sit as a substitute member of that committee for that meeting. Any member of the Board of Directors who is present at any committee meeting may participate in the discussion of that committee.

#### **2-01-100 Committee Action.**

All actions taken by a committee, other than actions requiring a four-fifths vote, shall require the affirmative vote of a majority of all appointed committee members. All actions by a committee, which require a four-fifths vote for approval shall require the affirmative vote of four-fifths of all appointed committee members. Any agenda item which does not receive a sufficient vote for approval as required by this section shall be forwarded to the full Board of Directors for consideration without recommendation by the committee.

#### **2-01-110 Ralph M. Brown Act.**

All meetings of the Board of Directors and of its standing and its ad-hoc committees shall be conducted in accordance with the requirements of the Ralph M. Brown Act (Chapter 9, commencing with Section 54950, Part 1, Division 2, Title 5 of the Government Code).

#### **2-01-120 Proceedings of the Board of Directors and Committees.**

The Board of Directors may adopt rules governing the proceedings of the Board of Directors and of its standing and ad hoc committees. Such rules may be suspended or modified from time to time by action of the Board of Directors. All proceedings of the Board of Directors and of its standing and ad hoc committees shall be governed by the law applicable thereto, such rules as are adopted by the Board of Directors and by Robert's Rules of Order Newly Revised. The General Counsel shall act as parliamentarian and, on request of the Chair, shall give parliamentary advice. To the extent there is inconsistency among the provisions governing such proceedings, the order of precedence shall be applicable law, the rules adopted by the Board of Directors, and Robert's Rules of Order. The failure to follow Board adopted procedures or Robert's Rules of Order shall not invalidate any action taken.

#### **2-01-130 Limitations of Public Comment.**

The Board of Directors may adopt reasonable limitations for persons wishing to address the Board of Directors or a Board committee on an agenda item or as part of the general public comment. Limitations may be placed on the total number of speakers, the amount of time for each speaker, and the amount of time for all speakers on any particular matter. Reasonable deviations from the Board adopted limitations may be directed for a particular meeting or a particular matter at the discretion of the Chair of the Board of Directors or the Chair of a Board committee, unless otherwise directed by a vote of the Board or the committee.

#### **2-01-140 Board Officers.**

The Officers of the Board of Directors shall be the Chair, the 1st Vice Chair and the 2nd Vice Chair, who shall all be members of the Board of Directors. There shall be an automatic City of Los Angeles/County/City Selection rotation in the filling of the Chair, the 1st Vice Chair and the 2nd Vice Chair. Unless the Board of Directors sets a different time period, each year the 1st Vice Chair shall automatically succeed to the position of Chair and the 2nd Vice Chair shall automatically succeed to the position of 1st Vice Chair. The election of the Board Officers shall be held each year at the annual meeting.

#### **2-01-150 Duties of Board Officers.**

The Chair shall preside at all meetings of the Board of Directors and shall exercise and perform such other powers and duties as may be assigned from time to time by the Board or prescribed by ordinance. In any case where the execution of a document or the performance of an act is directed, the Chair, unless a resolution or ordinance otherwise provides, is empowered to execute such documents or perform such act. The 1st Vice Chair shall perform the duties of the Chair in the absence or inability of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The 2nd Vice Chair shall perform the duties of the 1st Vice Chair and Chair in the absence or inability of these officers and shall be governed by the powers and restrictions upon these offices.

#### **2-01-160 Vacancies in Board Offices.**

In the event of a vacancy during the term of the chair, the 1st Vice Chair or the 2nd Vice Chair, the Board shall elect a replacement to fill the vacated office. The Board shall select a replacement from the Board members representing the same constituency as the departing officer, i.e., City of Los Angeles, County of Los Angeles, City Selection Committee to serve the remainder of the term of the vacant office.

#### **2-01-170 Removal of Board Officers.**

Any Officer of the Board of Directors may be removed from office at any time by an affirmative vote of at least eight members of the Board of Directors.

#### **2-01-180 Appointments of MTA Representatives to Other Boards.**

The Chair is authorized to make the appointment to fill a position on the board of another agency, which is to be filled by an MTA representative, unless the rules of that agency require appointment through a different procedure. Any person so appointed as the MTA representative shall serve at the pleasure of the current Chair unless the rules of the other agency do not allow for removal. Any action taken by the Chair under this section may be overruled at any time by a majority vote of the members of the Board of Directors.

#### **2-01-190 Director Expense Reimbursement and Travel Policy.**

A. Members of the Board of Directors may from time-to-time be required to travel on behalf of the MTA. The Board of Directors shall approve in advance all Board member travel, except that authority is hereby given for travel to American Public Transportation

Association related functions, and to Washington D.C. and Sacramento for legislative purposes. All MTA related travel shall be governed by the provisions contained in this section and should conform to the travel policy applicable to MTA employees unless the Board of Directors adopts a different policy.

B. All Directors will be required to declare under penalty of perjury that the information contained in a request for expense reimbursement is true and correct to the best of the Director's knowledge.

C. Director expense claims with supporting documentation shall be submitted monthly to the Board Secretary. Allowable expenses related to MTA business up to \$250 per month will be reimbursed upon approval by the Board Secretary. Expenses over \$250 per month shall be reviewed by the Board Secretary and approved by the Board Chair or his or her designee. Disputed expense claims shall be referred to the Executive Management and Audit Committee. If that Committee does not resolve the dispute, the claim shall be referred to the Board of Directors for a final decision.

D. All Director expense reimbursement requests are subject to audit and review and shall be included in the Inspector General's quarterly report on MTA expenses.

E. Except as otherwise provided by action of the Board of Directors, travel expense reimbursement for MTA employees and for members of the Board of Directors shall be subject to the same limits as are set from time-to-time by the County of Los Angeles for County-related travel by its officials and employees.

F. Travel related to MTA business by a person appointed under section [2-01-180](#) to serve as the MTA appointee on the board of another agency shall be subject to the rules set forth in this section.

#### **2-01-200 MTA Officers Appointed by and Reporting Directly to the Board of Directors.**

The Board of Directors, by majority vote, shall appoint as MTA officers who report directly to the Board of Directors a Chief Executive Officer, a Board Secretary, a General Counsel, an Inspector General, an Ethics Officer.

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# Certificate of Achievement for Excellence in Financial Reporting Comprehensive General-Purpose Checklist

For Use by All Government Types other than Public Employee Retiree Benefit Plans and Governmental Investment Pools

This checklist is available in electronic form at GFOA's website under the heading Award Programs in the Certificate of Achievement for Excellence in Financial Reporting section (<https://www.gfoa.org/coa-award>)

Entity Name

Fiscal Year End

The checklist is based on the authoritative guidance of the Governmental Accounting Standards Board (GASB) through GASB Statement No. 104. Questions highlighted in yellow represent questions for governments that have early implemented a GASB statement, such as Statement No. 103, *Financial Reporting Model Improvements*.

**NOTE TO READERS:** The checklist is a reference tool to help preparers find the information necessary to prepare an Annual Comprehensive Financial Report (ACFR), not an exhaustive list of every aspect of such reports required by Generally Accepted Accounting Principles (GAAP). The checklist provides preparers references to where the detailed required disclosures can be found in the authoritative literature and in the 2024 version of GFOA's *Governmental Accounting, Auditing and Financial Reporting* ("Blue Book" or "GAAFR"). For example, question 12-216-01 appears as follows:

Question No.	Checklist question	Citations	GAAFR reference
12-216-01	If the government has demand bonds outstanding at the end of the fiscal year, do the notes provide all of the disclosures required by GAAP, including a description of the take-out agreement including its expiration date?  Note: Disclosures for direct borrowings and direct placements should be separated from other debt.	GASB Cod. Sec. D30.111-.112	GAAFR Chapter 30 - Liabilities- Demand bonds

The detailed list of disclosures required by GAAP can be found in the GASB codification section D30 (Demand Bonds) paragraphs 111-112, which are as follows:

.111 In addition to debt disclosures required by Section 2300, "Notes to Financial Statements," paragraphs .106 and .107, state and local governmental entities with demand bonds outstanding (regardless of when the demand provisions are exercisable) should disclose a general description of the demand bond program; terms of any letters of credit or other standby liquidity agreements outstanding, commitment fees to obtain the letters of credit, and any amounts drawn on them outstanding as of the balance sheet date; and a description of the take out agreement including its expiration date, commitment fees to obtain that agreement, and the terms of any new obligation under the take out agreement. The notes should also disclose the debt service requirements that would result if the take out agreement were to be exercised. In those disclosures, a government should separate information regarding (a) direct borrowings and direct placements of debt from (b) other debt.

.112 If a take-out agreement has been exercised converting the bonds to an installment loan, the installment loan should be reported as general long-term debt and the payment schedule under the installment loan should be included as part of the schedule of debt service requirements to maturity, as required by Section 2300.106.

Information about the note disclosures for demand bonds can also be found in Chapter 30 of the GAAFR.

The checklist includes references to the GASB Codification as the source of the authoritative literature in the citations column. In situations where a new pronouncement is issued or citation was not in the GASB Codification at the time of the last update to this checklist, a reference to original pronouncements is used. The codification includes the current GAAP language and nonauthoritative illustrations for each topic. For example, GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments contained extensive exhibits illustrating virtually all parts of an ACFR. While the reporting model has not changed significantly since GASB 34 was issued in June 1999, many standards have made changes which render the exhibits obsolete. These include changes to names of financial statements and elements thereof, such as deferred inflows and outflows, net position (v. net assets) and fund balance classifications, and the change to immediate recognition of certain previously deferred items such as debt issuance costs that appeared in the original illustrations. The Codification contains revised and updated set of exhibits and can be found in Codification section 2200.902; and Codification section 2200.701-.768 contains all current, relevant implementation guidance. The GASB Codification can be accessed for free through the Governmental Accounting Research System (GARS) that can be accessed on GASB’s website. (<https://gars.gasb.org/>).

One of the citations included in the citations column of the checklist is “Certificate Program requirement.” These requirements can be found on the eligibility section of the awards page (<https://www.gfoa.org/coa-program-eligibility>) and in GFOA’s best practice, *Nonauthoritative Considerations in the Preparation of an Annual Comprehensive Financial Report* (<https://www.gfoa.org/materials/nonauthoritative-considerations-in-the-preparation-of-an-acfr>).

This comprehensive general-purpose checklist includes questions that are applicable to general-purpose governments, school districts and stand-alone business-type activity governments. The comprehensive general-purpose government checklist contains a column indicating if a checklist question is specific to a school district (labeled as “school”) or to a stand-alone business-type activity (labeled as “BTA”). A specialized checklist is available for pension and other postemployment benefit systems, and external government investment pools on GFOA’s website (<https://www.gfoa.org/coa-award>).

A single numbering system is used for both of the checklists; therefore, questions beginning with 16 and 17 can be found in the pension and other postemployment benefit systems, and external government investment pools specialized checklist. Indentation is used to indicate that a given question is dependent upon a positive response to a preceding question

An asterisk (\*) designates specific items that of themselves normally would be sufficient to disqualify a report from being awarded the Certificate of Achievement for Excellence in Financial Reporting. However, other items, either individually or in the aggregate, also may prevent a government from receiving the award.

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**The ACFR will be graded on the following categories, when applicable to the government:**

42

1. Cover, table of contents, and formatting
2. Introductory section
3. Report of the independent auditor
4. Management’s discussion and analysis (MD&A)
5. Basic financial statements - preliminary considerations
6. Government-wide financial statements
7. Fund financial statements - general considerations
8. Governmental fund financial statements
9. Proprietary fund financial statements
10. Fiduciary fund financial statements
11. Summary of significant accounting policies (SSAP)
12. Note disclosures (other than the SSAP and pension/OPEB-related disclosures)
13. Note disclosures – Employer pension/OPEB plans
14. Required supplementary information (RSI)
15. Combining and individual fund information and other supplementary information
18. Statistical section
19. Other considerations

**NOTE:** Sections 16 and 17 can be found in the pension and other postemployment benefit systems, and external government investment pools specialized checklist on GFOA’s website (<https://www.gfoa.org/coa-award>).

**Abbreviations used in this checklist**

AU-C	U.S., Auditing Standards (Clarified), American Institute of Certified Public Accountants (March 1, 2022)
COD	<i>Codification of Governmental Accounting and Financial Reporting Standards</i> , GASB, June 30, 2024
GAAFR	<i>Governmental Accounting, Auditing, and Financial Reporting</i> , GFOA, 2024
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board



## AWARDS

# COA Program Eligibility

***Type of Report.*** The report submitted to the COA Program must be the published annual comprehensive financial report (ACFR) of a state or local governmental entity. Any state or local governmental entity may participate in the COA program:

- General-purpose government (such as a state, county, city, town, village),
- Special purpose districts (such as school districts, police or fire protection districts, libraries),
- Stand-alone business-type entities (such as public utilities, public colleges, and universities)
- Pension and Other Postemployment Benefit Systems (such as public employee retirement systems, single employer pension and other postemployment benefits (OPEB) plans)
- Cash and Investment Pools (such as government investment pools)

Component units and departments are eligible to submit their ACFR, provided they meet certain requirements described below. The report must be in a pdf format.

***Required elements.*** To be considered for an award, an ACFR must contain required sections, as listed below, based on the type of government.

- **General-purpose governments, special purpose districts (such as school districts), stand-alone business-type entities required sections of the report.**

An ACFR should include the following three sections in order to be eligible to participate in

the COA Program: 1) the introductory section, which includes a letter of transmittal; 2) the financial section, which includes management's discussion and analysis (MD&A), the report of the independent auditor, the basic financial statements (including the notes to the financial statements); and 3) the statistical section.

- **Pension and Other Postemployment Benefit Systems required sections of the report.**

An ACFR should include the following five sections in order to be eligible to participate in the COA Program: 1) the introductory section, which includes a letter of transmittal; 2) the financial section, which includes MD&A, the report of the independent auditor, the basic financial statements (including the notes to the financial statements), 3) the investment section; 4) **the actuarial section for Defined Benefit Plans**; and 5) the statistical section.

- **Cash and Investment Pools required sections of the report.**

An ACFR should include the following four sections in order to be eligible to participate in the COA Program: 1) the introductory section, which includes a letter of transmittal; 2) the financial section, which includes management's discussion and analysis (MD&A), the report of the independent auditor, the basic financial statements (including the notes to the financial statements), 3) the investment section; 4) the statistical section.

**Scope.** To qualify as "comprehensive," the report must include all funds and component units of the entity, in accordance with generally accepted accounting principles.

*Separate component unit reports.* A component unit that publishes an ACFR is eligible to submit its report to the program for review, if it includes all the component unit's own funds and (sub) component units. Furthermore, except for a blended component unit's general fund (which properly is reclassified as a special revenue fund in the primary government's report), the fund types used in the component unit's report must be the same as those used to account for its activities in the primary government's report (e.g., a component unit may not use proprietary fund accounting in its separate report if its activities are reported in governmental funds in the primary government's report).

*Separate departmental reports.* A department of a government that publishes an ACFR is eligible to submit its report to the program for review, provided that the primary government of which it is a department also submits its ACFR, which incorporates the department's report for same period of time, to the COA Program and the department:

- Is composed of one or more separate funds displayed in the primary government's ACFR, in basic financial statements or in combining financial statements (e.g., a department for which activity is reported as a separate special revenue fund in the primary government's ACFR is eligible to participate, but a department for which activity is included as part of the primary government's general fund or as part of the primary government's special revenue fund is ineligible);
- Is reported in the department's report using the same fund type(s) used in the primary government's ACFR, with the exception that if the department's ACFR reports a general fund, that fund would be reported as a special revenue fund by the primary government.
- Complies with the GFOA's Best Practices pertaining to inclusion of information similar to that for general-purpose governments, listed above (Please see Government Finance Officers Association (GFOA) Best Practices entitled Departmental Reports and Management's Discussion and Analysis and Required Supplementary Information and Departmental Reports and Supplementary Information);
- Includes with its application submission package a reconciliation between the fund(s) exactly as they appear in the primary government's ACFR and their presentation in the Departmental ACFR, if they are in any way different. This reconciliation may also be included in the Departmental ACFR

***Audit requirements.*** The financial section of the ACFR must include an independent auditor's report on the fair presentation of the financial statements. The auditor must have performed the audit in accordance with either generally accepted auditing standards (GAAS) or generally accepted government auditing standards (GAGAS) as set forth in the Government Accountability Office's Government Auditing Standards. Also, the scope of the independent auditor's opinion must encompass, at a minimum, the fair presentation of the basic financial statements (BFS). In addition, the independent auditor's report must provide at least "in relation to" audit coverage for all other contents of the financial section of the report. A modified opinion or a disclaimer of opinion based upon the inadequacy or unavailability of the government's accounting records, for either the primary government or a component unit, will render a report ineligible, as will the omission of a fund type, individual fund, or component unit from the scope of the auditor's opinion.

***Responses to prior year comments.*** If the government participated in the program in the preceding year, its submission package must include written responses to all the prior year's comments and suggestions for improvement.

***Demonstration of legal compliance.*** If the ACFR references a separately issued budgetary report to demonstrate budgetary compliance at the legal level of control, it must submit one copy of that report as part of its submission package. Any such report should 1) present all individual governmental funds for which an annual appropriated budget is adopted, 2) present separate columns: a) for the final budget and b) for actual expenditures on a budgetary basis at the legal level of control, 3) present information at the legal level of control within the individual fund, as appropriate, and 4) identify names of all individual funds and accounts, as appropriate, included on the report (may also present fund/account numbers; however, fund and account numbers alone are not acceptable).

***Calculation of Net Investment in Capital Assets.*** A government's submission package must include an Excel or PDF file containing the calculations of net investment in capital assets reported on government-wide statements of net position for both governmental and business-type activities, as applicable. Governments that are stand-alone business-type activities should submit the calculation of net investment in capital assets reported on their statements of net position. Governments also have the option to include, in the same uploaded file, the calculations of net investment in capital assets for other reporting units in their ACFR (such as for discretely presented component units or for some or all their proprietary funds) but are not required to do so. The calculation may be at a summary level, and no specific format is requested. Governments should submit the calculation made internally or in consultation with their auditors; there is no need to prepare an additional document. If interested, please [see an example format](#).

***Submission Deadline.*** All appropriate items must be submitted no later than six months after the government's fiscal year end. [See extension policy](#).

***In-house Reviews of Ineligible Reports.*** Occasionally, a government that submits an annual comprehensive financial report that is deemed ineligible will desire to have staff perform an "in-house only review" of their report. The cost of such an in-house review is the same as for a regular review. The results of a staff in-house review are strictly confidential. If a government

that requests an in-house review decides to submit its ACFR for a regular review in the subsequent year, that report will be treated as a "new submission" (i.e., there is no requirement to formally respond to comments and suggestions for improvement arising from the in-house review).

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**PROPRIETARY FUND FINANCIAL STATEMENTS**

Assets and liabilities of proprietary funds should be presented in a classified format to distinguish between current and long-term assets and liabilities. Governments may use either a net position format—*assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources equals net position*—or a balance sheet format—*assets plus deferred outflows of resources equals liabilities plus deferred inflows of resources plus net position*.

The operating results for proprietary funds should be presented in the statement of revenues, expenses, and changes in fund net position. Revenues should be reported by major source. This statement should also distinguish between operating and nonoperating revenues and expenses and present a separate subtotal for operating revenues, operating expenses, and operating income. Nonoperating revenues and expenses should be reported after operating income. Revenues from capital contributions and additions to the principal of permanent and term endowments; special and extraordinary items; and transfers should be reported separately, after nonoperating revenues and expenses.

The direct method of presenting cash flows from operating activities is required in the statement of cash flows.

Requirements for proprietary fund reporting are discussed in paragraphs 91–105 of Statement 34, as amended.

**Illustrations**

- Exhibit 6: Statement of net position. (Illustrates the net position format; the balance sheet format also may be used.)
- Exhibit 7: Statement of revenues, expenses, and changes in fund net position.
- Exhibit 8: Statement of cash flows, using the direct method for reporting cash flows from operating activities.

**Sample City  
Statement of Net Position  
Proprietary Funds  
December 31, 20X2**

See Exhibit 17 for an optional combining statement of internal service funds.

	Enterprise Funds			Internal Service Funds
	Public Utilities	Parking Facilities	Total	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 8,416,653	\$ 369,168	\$ 8,785,821	\$ 3,573,776
Investments	—	—	—	214,812
Restricted cash—debt service	—	1,493,322	1,493,322	—
Receivables, net	3,564,586	3,535	3,568,121	157,804
Due from other governments	41,494	—	41,494	—
Inventories	126,674	—	126,674	139,328
Total current assets	<u>12,149,407</u>	<u>1,866,025</u>	<u>14,015,432</u>	<u>4,085,720</u>
Noncurrent assets:				
Capital assets:				
Land and improvements	813,513	3,021,637	3,835,150	—
Construction in progress	2,572,105	—	2,572,105	—
Distribution and collection systems	41,945,183	—	41,945,183	—
Buildings and equipment	101,122,561	29,029,166	130,151,727	14,721,786
Less accumulated depreciation	<u>(15,328,911)</u>	<u>(5,786,503)</u>	<u>(21,115,414)</u>	<u>(5,781,734)</u>
Total noncurrent assets	<u>131,124,451</u>	<u>26,264,300</u>	<u>157,388,751</u>	<u>8,940,052</u>
Total assets	<u>143,273,858</u>	<u>28,130,325</u>	<u>171,404,183</u>	<u>13,025,772</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Accumulated decrease in fair value of hedging derivatives	127,520	—	127,520	—
Deferred amount on refunding	—	2,281,781	2,281,781	—
Total deferred outflows of resources	<u>127,520</u>	<u>2,281,781</u>	<u>2,409,301</u>	<u>—</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	319,907	304,003	623,910	815,982
Derivative instrument—rate swap	127,520	—	127,520	—
Due to other funds	175,000	—	175,000	1,170,388
Compensated absences	112,850	8,827	121,677	237,690
Claims and judgments	—	—	—	1,887,975
Bonds, notes, and loans payable	3,944,609	360,000	4,304,609	249,306
Total current liabilities	<u>4,679,886</u>	<u>672,830</u>	<u>5,352,716</u>	<u>4,161,341</u>
Noncurrent liabilities:				
Compensated absences	451,399	35,306	486,705	—
Claims and judgments	—	—	—	5,602,900
Bonds, notes, and loans payable	54,451,549	21,825,800	76,277,349	—
Total noncurrent liabilities	<u>54,902,948</u>	<u>21,861,106</u>	<u>76,764,054</u>	<u>5,602,900</u>
Total liabilities	<u>59,582,834</u>	<u>22,533,936</u>	<u>82,116,770</u>	<u>9,764,241</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Service concession arrangement revenue applicable to future years	—	4,467,536	4,467,536	—
<b>NET POSITION</b>				
Net investment in capital assets	72,728,293	6,360,281	79,088,574	8,690,746
Restricted for debt service	—	1,451,996	1,451,996	—
Unrestricted	11,090,251	(4,401,643)	6,688,608	(5,429,215)
Total net position	<u>\$ 83,818,544</u>	<u>\$ 3,410,634</u>	<u>87,229,178</u>	<u>\$ 3,261,531</u>

Some amounts reported for *business-type activities* in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.

128,072
<u>\$ 87,357,250</u>

Net position of business-type activities

**Sample City**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**for the Year Ended December 31, 20X2**

See Exhibit 18 for an optional combining statement of internal service funds.

	Enterprise Funds			Internal Service Funds
	Public Utilities	Parking Facilities	Total	
<b>OPERATING REVENUES</b>				
Charges for services	\$ 11,329,883	\$ 1,340,261	\$ 12,670,144	\$ 16,753,966
Miscellaneous	—	3,826	3,826	1,066,761
Total operating revenues	<u>11,329,883</u>	<u>1,344,087</u>	<u>12,673,970</u>	<u>17,820,727</u>
<b>OPERATING EXPENSES</b>				
Personal services	2,550,419	762,348	3,312,767	5,349,082
Cost of gas purchased	850,140	—	850,140	—
Contractual services	344,422	96,032	440,454	584,396
Utilities	754,107	100,726	854,833	239,680
Repairs and maintenance	747,315	64,617	811,932	1,960,490
Other supplies and expenses	498,213	17,119	515,332	430,596
Insurance claims and expenses	—	—	—	8,004,286
Depreciation	1,163,140	542,049	1,705,189	1,707,872
Total operating expenses	<u>6,907,756</u>	<u>1,582,891</u>	<u>8,490,647</u>	<u>18,276,402</u>
Operating income (loss)	<u>4,422,127</u>	<u>(238,804)</u>	<u>4,183,323</u>	<u>(455,675)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest and investment revenue	454,793	146,556	601,349	153,371
Miscellaneous revenue	—	104,925	104,925	20,855
Interest expense	(1,600,830)	(1,166,546)	(2,767,376)	(41,616)
Miscellaneous expense	—	(46,846)	(46,846)	(176,003)
Revenue from service concession arrangement	—	558,442	558,442	—
Total nonoperating revenue (expenses)	<u>(1,146,037)</u>	<u>(403,469)</u>	<u>(1,549,506)</u>	<u>(43,393)</u>
Income (loss) before contributions and transfers	3,276,090	(642,273)	2,633,817	(499,068)
Capital contributions	1,645,919	—	1,645,919	—
Transfers in	—	—	—	9,008
Transfers out	(290,000)	(211,409)	(501,409)	(184,041)
Change in net position	<u>4,632,009</u>	<u>(853,682)</u>	<u>3,778,327</u>	<u>(674,101)</u>
Total net position—beginning	<u>79,186,535</u>	<u>4,264,316</u>	<u>83,450,851</u>	<u>3,935,632</u>
Total net position—ending	<u>\$ 83,818,544</u>	<u>\$ 3,410,634</u>	<u>\$ 87,229,178</u>	<u>\$ 3,261,531</u>

Some amounts reported for *business-type activities* in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.

Change in net position of business-type activities	<u>(54,061)</u>
	<u>\$ 3,724,266</u>

**Sample City**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**for the Year Ended December 31, 20X2**

See Exhibit 19 for an optional combining statement of internal service funds.

	Enterprise Funds			Internal Service Funds
	Public Utilities	Parking Facilities	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 11,400,200	\$ 1,345,292	\$ 12,745,492	\$ 16,805,357
Payments to suppliers	(2,725,349)	(365,137)	(3,090,486)	(3,025,956)
Payments to employees	(3,360,055)	(750,828)	(4,110,883)	(4,209,688)
Internal activity—payments to other funds	(1,296,768)	—	(1,296,768)	(1,191,926)
Claims paid	—	—	—	(8,482,451)
Other receipts (payments)	(1,165,574)	—	(1,165,574)	1,061,118
Net cash provided by operating activities	<u>2,852,454</u>	<u>229,327</u>	<u>3,081,781</u>	<u>956,454</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Operating subsidies and transfers to other funds	(290,000)	(211,409)	(501,409)	(175,033)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from capital debt	4,041,322	8,660,778	12,702,100	—
Capital contributions	486,010	—	486,010	—
Purchases of capital assets	(4,194,035)	(144,716)	(4,338,751)	(400,086)
Principal paid on capital debt	(2,178,491)	(8,895,000)	(11,073,491)	(954,137)
Interest paid on capital debt	(1,479,708)	(1,166,546)	(2,646,254)	(41,616)
Other receipts	—	19,174	19,174	131,416
Net cash (used) by capital and related financing activities	<u>(3,324,902)</u>	<u>(1,526,310)</u>	<u>(4,851,212)</u>	<u>(1,264,423)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sales and maturities of investments	—	—	—	15,684
Interest and dividends	454,793	143,747	598,540	148,188
Net cash provided by investing activities	<u>454,793</u>	<u>143,747</u>	<u>598,540</u>	<u>163,872</u>
Net (decrease) in cash and cash equivalents	<u>(307,855)</u>	<u>(1,364,645)</u>	<u>(1,672,300)</u>	<u>(319,130)</u>
Balances—beginning of the year	8,724,308	3,227,135	11,951,443	3,892,906
Balances—end of the year	<u>\$ 8,416,653</u>	<u>\$ 1,862,490</u>	<u>\$ 10,279,143</u>	<u>\$ 3,573,776</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ 4,422,127	\$ (238,804)	\$ 4,183,323	\$ (455,675)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Cash flows reported in other categories:				
Depreciation expense	1,163,140	542,049	1,705,189	1,707,872
Change in assets and liabilities:				
Receivables, net	653,264	1,205	654,469	13,153
Inventories	2,829	—	2,829	39,790
Accounts and other payables	(297,446)	(86,643)	(384,089)	40,475
Accrued expenses	(3,091,460)	11,520	(3,079,940)	(389,161)
Net cash provided by operating activities	<u>\$ 2,852,454</u>	<u>\$ 229,327</u>	<u>\$ 3,081,781</u>	<u>\$ 956,454</u>
<b>Noncash capital financing activities:</b>				
Capital assets of \$1,159,909 were acquired through contributions from developers.				



## Information Items Agenda Item: 5.2

**Date:** April 28, 2025

**Subject:** Board Reports

**Staff Contact:** Timothy R. Shaw, General Manager

### BOARD REPORTS

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



**SACRAMENTO GROUNDWATER AUTHORITY  
MEETING OF THE BOARD OF DIRECTORS**

**Thursday, April 10, 2025  
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](mailto: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. **ADMINISTRATIVE: 2025 BOARD MEETING DISCUSSION TOPICS**

Presenter: Jim Peifer, Executive Director

### 4. **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.

4.1 Approve the draft meeting minutes of February 13, 2025, SGA Board Special and Regular Meetings

4.2 Approve Change Order No. 1 to Woodard & Curran Task Order 24-02 for Groundwater Sustainability Plan amendment and modeling support

4.3 Approve Change Order No. 1 to West Yost Agreement SGA 2024-001 for Groundwater Quality Degradation Study

**Action: Approve Consent Calendar items as presented**

### 5. **REVISIONS TO POLICY 400.3 (BUDGET POLICY)**

Presenter: Tom Hoffart, Finance and Administrative Services Manager

**Action: Approve Revisions to Policy 400.3 (Budget Policy)**

### 6. **FISCAL YEAR 2025/26 BUDGET**

Presenters: Tom Hoffart, Finance and Administrative Services Manager

**Action: Adopt Resolution 2025-02, a Resolution of the SGA Adopting and Assigning Costs to Fund the Administrative and Program Budgets for FY 2025/26 and Providing for the Collection of Said Funds**

### 7. **INFORMATION: SUSTAINABLE GROUNDWATER MANAGEMENT ACT NORTH AMERICAN SUBBASIN ANNUAL REPORT (POST FILING)**

Presenter: Trevor Joseph, Manager of Technical Services

### 8. **INFORMATION: SACRAMENTO REGIONAL WATER BANK AND WATER ACCOUNTING FRAMEWORK UPDATES**

Presenter: Trevor Joseph, Manager of Technical Services

### 9. **INFORMATION: SGMA GRANT UPDATE**

Presenter: Raiyna Villaseñor, Senior Project Manager

**10. INFORMATION: LEGISLATIVE UPDATE**

Presenter: Ryan Ojakian, Manager of Government Affairs

**11. EXECUTIVE DIRECTOR'S REPORT**

**12. DIRECTORS' COMMENTS**

**ADJOURNMENT**

**Next SGA Board of Director's Meetings:**

June 12, 2025, 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: April 4, 2025

*Ashley Flores*

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Ashley Flores, CMC, Secretary

Minutes  
Rio Linda / Elverta Community Water District  
Executive Committee

51  
April 9, 2025 @ 6:00 P.M.

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

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

This meeting was attended by Director Gifford (temporary substitute for Director Liverett, Director Young, General Manager Tim Shaw, and Contract District Engineer Mike Vasquez. There were two public members present.

**Public Comment:** The General Manger distributed the addendum of documents that Director Liverett had submitted after the agenda / packets had been posted and distributed. Upon the meeting being called to order, the two public members demonstratively protested the absence of Director Liverett. Director Gifford explained that Director Liverett's absence was pre-arranged and with her cooperation. The public members did not believe Director Gifford, so he suggested they call Director Liverett. One of the public members did call and placed the call on speaker. Director Liverett confirmed that it was pre-arranged. At this point the two public members asserted that temporary substitutions on a standing committee is a Brown Act violation, both public members citing research they had done. The General Manager refuted the claim of any Brow Act violation and further explained there is a Board adopted District Policy covering temporary substitutions. Then, Director Young asserted that she too had done research and has spoken to an attorney who confirmed that temporary substitutions are a Brown Act violation. At this point, Director Gifford left the meeting. 5-minutes later (6:14 P.M.), Director Liverett arrived with another public member.

**Items for Discussion:**

1.	Contract District Engineer's Update.
<i>The Contract District Engineer began presenting his written report. However, two of the public members frequently interrupted him with statements and questions. The process became so disruptive that Director Young asked the public members to wait until the Engineer finished his report then they could ask questions. This worked for a few minutes then the public members resumed their disruptions. At one point, while the Engineer was expounding on Hexavalent Chromium results, one of the public members presented a copy of RLECWD Resolution 2018-01 and directed the Engineer to read the description of the resolution. Director Liverett indicated that the subject matter was not on the agenda, but the public member insisted that it was. After the Engineer read the description, the public member asserted that Resolution 2018-01 requires that the District use the settlement proceeds to pay off the Hexavalent Chromium mitigation loan and immediately discontinue charging Surcharge #2 to ratepayers. Eventually, the Engineer finished his report, which updated the status of water leaks (annual pipe replacement project) and exploring the feasibility of expediting the Well 12A capital improvement project.</i>	
2.	Continue Discussion on Executive Committee Standard Operating Procedure (scope and purpose).
<i>The General Manager presented his written report despite frequent defamatory comments from two of the public members. The General Manager explained that there was no discussion of the proposed SOP since February. The essence of the public members comments were regarding the creation of the Executive Committee when the Finance Committee and Planning committee were merged into the Executive Committee. The General Manager commented on the most recent version of the SOP provided by Director Liverett after the agendas / packets were posted and distributed. The General Manager explained that some of the content in the latest version from Director Liverett continues to be inconsistent with current District policies, the Brown Act, and other relevant statutes. Director Liverett indicated that she could work with the General Manger to further refine the document.</i>	
3.	Discuss the Draft Guide on Reviewing Financial Reports.
<i>The General Manager presented his written report and explained that this too had not been discussed since February. The General Manager then referred to the memo on the subject included with Director Liverett's addendum, which among other things asserts that the Financial Resource Guide is incompatible with the Government Accounting Standards Board (GASB). The General Manager suggested that over a decade of Certification for Excellence in Financial Reporting and coinciding clean audits from two different independent auditing firms contradicts Director Liverett's assertions. A public member asserted that the Excellence in Financial Reporting were purchased (not earned) and that she can prove it. Director Liverett recommended that</i>	

when the public member has the proof, she can bring it to a future meeting. Director Liverett then cited transparency and the need for financial reports that public members can understand. The General Manager cited a GASB guide that recommends Cash Flow Statements once per year, which the District does in conjunction with the annual independent audit. The General Manger then opined that submitting Cash Flow Statements more often the once per year sets up a potential issue if monthly Cash Flow Statements do not reconcile with the annual Cash Flow Statement. Director Liverett asked why they might not reconcile. The GM cited depreciation and journal entries. Director Liverett suggested that bank statements might suffice. The GM agreed that bank statements inclusion in monthly financial reports is worth exploring. The General Manager opined that some of the language in Director Liverett's report is offensive to the employee who authored the Financial Resource Guide. Director Liverett responded that it was not her intention to offend the employee, but Director Liverett becomes passionate when she starts writing. Director Liverett explained that when someone tells her "no" she just digs in her heels.

Director Young opined that some of the language in the GM's staff report is offensive to Board Members and public members. Specifically, Director Young cited the language that asserts that the guide is intended to help Board Members and the public with relatively less experience in public agency financial reporting. Director Young inferred that to mean if a Board Member asks a question about financial reports, does that mean their stupid (rhetorical). The GM expressed that he understood and would endeavor to do better.

4. Discuss the Need for a New Policy to Prescribe Requirements/Notices When a Board Member's Requested Agenda Item is Withheld from the Agenda (Requested by Director Cline).

The General Manager presented his written report despite being frequently interrupted by two public members with demeaning comments. Director Young interceded with, "this is not a trash Tim meeting". The Committee discussion on topic included that Policy 2.01.150 could be revised to require a report out to the Board if a Board Member's requested agenda item is denied or delayed.

The Executive Committee directed staff to prepare a draft revision to policy 2.01.150 for Board Consideration.

5. Review the History of the District's Efforts to Create an Admin Manager Position.

The General Manager presented his written report. Two public members questioned where some of the documents included as associated with this item came from. The GM explained the documents were excerpts from the most recent (2021) rate study, prop 218 notice, staff reports, minutes and the 2017 contract with CPS-HR. The Executive Committee expressed surprise that District efforts to create a new Administrative Manager position date back to 2017.

The two public members asserted that the District needs to return all employees to the office full-time. The GM countered that doing such entails negotiating with the union. One of the public members responded, that's not true and she can prove it.

The General Manager explained that with this concern now addressed, the District is essentially compelled to move forward with creating and filling the position OR pursue a Board finding that the District not longer wishes to pursue creating the new position, then it needs discontinue charging the component of the rates attributable to funding for the new position. Director Liverett asked how much of the rates is attributable to funding for the new Administrative Manager position. The GM responded he would need to inquire with the rate study cost of service analysis consultant, but the July 2024 rates were an increase of 4.3% over the previous year's rates, wherein prior adjustment were about 3%. Director Liverett responded, "so about 1.3%. The GM affirmed, but indicated we need to verify no other aspects (e.g. chrome 6 treatment) are included in that 1.3%.

The Executive Committee directed staff to confirm the amount of the July 2024 rate adjustment is attributable to the Administrative Manager position and place an item on the agenda for an upcoming Board meeting.

6. Discuss investment/deposit options for the settlement of litigation with the United States

*The General Manager presented his written report. Two public members re-asserted that the District must use the settlement proceeds to pay off the Hexavalent Chromium mitigation loan and discontinue Surcharge 2. The General Manager explained that the subject of reviewing the District's current loans was discussed at a recent Executive Committee meeting. Such discussion included that the municipal financing for mitigation of hexavalent chromium stipulates the District cannot pay off the loan for 10-years (2028). However, there are other loans the District could retire and yield similar opportunities for rates reductions. Further, the GM explained that all of the loans have relatively favorable interest rates compared to the current market. So, if the District finds itself in need of financing (for example to treat more wells for hexavalent chromium, the District may come to regret using the settlement proceeds to retire affordable debt.*

*The discussion turned to the District financial policies, which essentially stipulate the Board must make investment decisions. Anything beyond depositing the settlement proceeds in an existing interest bearing account with our bank (Umpqua) likely entails engaging a properly credential consultant. Further, doing so for this amount of money would likely more than pay the cost of consulting. As such, this issue has both a short-term and a long-term. The short term is to deposit the money in the highest interest account we have at Umpqua. Long term, we should discuss with the Board the benefits and process for engaging a consultant.*

*A public member asked when the District received the settlement proceeds and how much. The GM responed a wire transfer of \$4 million (and change) was recently received,*

*The Executive Committee directed staff to place an item on the April 28<sup>th</sup> Board agenda to discuss short and long-term investments of the settlement proceeds.*

7. Discuss Expenditures for February 2025.

*The Executive Committee forwarded the Expenditures report onto the April 28<sup>th</sup> Board agenda with the Committee's recommendation for Board approval.*

8. Discuss Financial Reports for February 2025.

*The Executive Committee forwarded the Financial report onto the April 28<sup>th</sup> Board agenda with the Committee's recommendation for Board approval.*

**Directors' and General Manager Comments:**

Item X – Summary of Water Use Efficiency Compliance Projections *The General Manager explained why this informational item was included.*

**Items Requested for Next Month's Committee Agenda:** *Director Young requested an item to discuss the homeless issues outside of the District office.*

**Adjournment:** 7:55 P.M.

Tim Shaw

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**From:** Maria <maria@reohvac.com>  
**Sent:** Wednesday, April 16, 2025 11:00 AM  
**To:** Tim Shaw; Vicky Young; Maria Liverett  
**Cc:** vicky young  
**Subject:** RE: Draft Minute of the 4-9-2025 Executive Committee Meeting

Tim, I appreciate the meeting min. you had they were a nicely documented. I made some minor changes below. I think if Vicky agrees we are good to go with the revised version below. Thank you

**Corrected Minutes: April 9, 2025 Executive Committee Meeting**

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

**Public Comment:** Prior to the meeting, the General Manager distributed an addendum containing documents submitted by Director Liverett in accordance with the Brown Act's 72-hour posting requirement. At the start of the meeting, two members of the public raised objections to the absence of Director Liverett and questioned the legality of Director Gifford serving as a temporary substitute on the standing Executive Committee. Director Gifford stated that Director Liverett's absence was pre-arranged with her cooperation. However, the public expressed concern that such an arrangement violated the Brown Act and cited research indicating that temporary substitutions on standing committees are prohibited. At their request, one of the public members called Director Liverett on speakerphone. She confirmed the absence was pre-arranged and explained that it was part of a verbal agreement with Director Gifford—that she would not attend this meeting. Both public members continued to assert that the substitution may be a Brown Act violation. Director Young agreed, stating she had consulted legal counsel who confirmed that temporary substitutions on standing committees are not permitted under the Brown Act. Shortly thereafter, Director Gifford left the meeting. Director Liverett arrived at 6:14 P.M., accompanied by another public member.

**Contract District Engineer's Update:** The Contract District Engineer began presenting his written report, which included updates on recent water leak repairs as part of the annual pipe replacement project and an assessment of potential options to expedite the Well 12A capital improvement project. During the report, two members of the public raised questions related to the use of settlement funds for Hexavalent Chromium mitigation, specifically referencing RLECWD Resolution 2018-01. One public member presented a printed copy of the resolution and requested that the Engineer read the resolution's language aloud, which states that settlement funds should be used to pay off the loan and eliminate Surcharge #2 to ratepayers. The Engineer did not read the resolution out loud and did not directly respond to the public's request for clarification on the matter. Director Liverett acknowledged that the specific resolution wasn't formally listed on the agenda but noted that the financial use of settlement proceeds had been a topic of past discussion. The discussion reflected sustained public demand for financial accountability and adherence to prior Board-adopted policies.

**Continue Discussion on Executive Committee Standard Operating Procedure (scope and purpose):**

The General Manager presented his written report regarding the Executive Committee's Standard Operating Procedure (SOP). Public comments during this item focused on concerns about how the Committee was originally formed—through the consolidation of the Finance and Planning Committees—and the need for clear boundaries and authority. The General Manager criticized the revised SOP

submitted by Director Liverett, stating it contained inconsistencies with District policies, the Brown Act, and other statutes. However, Director Liverett clarified that the revised SOP was submitted in full compliance with the Brown Act's and that her intent was to create an SOP that strengthens transparency, fiscal checks, and governance clarity. Director Liverett expressed concern that previous versions of the SOP had been misrepresented, and she emphasized her willingness to revise the language collaboratively. She asked for specific feedback and a clear timeline to finalize the draft. Several public members voiced support for her version of the SOP, stating that it aligns with public expectations of oversight and accountability. Despite ongoing tensions, Director Liverett reaffirmed that she is open to working with staff to bring the SOP into alignment with legal requirements while preserving the committee's independence and oversight role.

**Discuss the Draft Guide on Reviewing Financial Reports:** The General Manager presented his report regarding the draft Financial Resource Guide and noted that the topic had not been discussed since February. Director Liverett had submitted a detailed memo (included in the addendum) raising concerns that several elements of the guide were incompatible with Government Accounting Standards Board (GASB) best practices and lacked clarity for public understanding. She emphasized the need for clear, accessible financial reporting tools for both Board Members and the public. A public member challenged the validity of the District's Certificate of Excellence in Financial Reporting, alleging that the award was not merit-based and could be purchased. The General Manager did not directly respond to the claim. Director Liverett stated that if the public member could provide documentation, the matter could be revisited in a future meeting. When the GM argued that GASB only requires one annual cash flow statement, Director Liverett questioned why monthly cash flow statements might not reconcile with the annual report—prompting a discussion about depreciation and journal entries. Director Liverett then suggested that bank statements could provide a straightforward method for the public and Board to track and verify District finances in real time. The GM agreed that this was worth exploring. The General Manager commented that portions of Director Liverett's report might have been offensive to the staff member who authored the guide. Director Liverett clarified that her critique was policy- and compliance-focused, not personal, and explained that her passion stems from her commitment to fiscal transparency and accountability. Director Young expressed that portions of the GM's report were offensive and condescending toward Board Members and the public, especially language implying that the guide is intended to help those with "relatively less experience." She stressed that Board questions should not be treated as ignorance. The General Manager acknowledged the point and stated he would be more mindful in the future.

**Discuss the Need for a New Policy to Prescribe Requirements/Notices When a Board Member's Requested Agenda Item is Withheld from the Agenda (Requested by Director Cline):** The Committee addressed Director Cline's request to establish a formal policy requiring notification and justification whenever a Board Member's requested agenda item is denied or delayed. This discussion was driven by repeated instances where Director Liverett's items had been excluded from agendas without explanation, raising serious concerns about the legality and fairness of current practices. Director Liverett emphasized that withholding agenda items requested by a duly elected Director—without legal justification and without notice to the full Board—violates governance norms and may constitute a violation of the Brown Act. She stated this was precisely what had been occurring and that such actions undermine the public's trust and obstruct proper oversight. Director Liverett firmly stated that no Director should lose the right to place an item on the agenda, and that the only scenario where withholding an item might be justified is if the District can demonstrate that the request would definitely incur legal expenses due to confirmed attorney involvement. She made it clear that administrative discretion, personal disagreement, or vague concerns are not sufficient grounds to deny a Director's

agenda item. Two members of the public spoke in support of this position, calling for a written policy that ensures transparency, protects Board authority, and prevents abuse of process. As the conversation became charged, Director Liverett interjected, “this is not a trash Tim meeting,” to steer discussion back toward constructive policy reform. She further recommended that any denied or delayed item be logged and reported to the full Board, along with a brief explanation. The Executive Committee ultimately directed staff to draft a revision to Policy 2.01.150 for future Board consideration.

**Review the History of the District’s Efforts to Create an Admin Manager Position:** The General Manager presented a written report including documents from the 2021 rate study, Prop 218 notices, staff reports, and a 2017 contract with CPS-HR. Two public members questioned the origin and relevance of some of these documents and voiced concern about the apparent long-standing efforts to create an Administrative Manager position without proper Board approval or public transparency. The Executive Committee acknowledged surprise that the District’s planning for the position extended back to 2017. Director Liverett questioned whether the Administrative Manager position had ever been formally approved by the full Board, including the job description, salary, and funding source. The General Manager did not cite a Board vote but asserted that the District is now “compelled” to either proceed with hiring or formally abandon the effort and revise the associated rate structure. Director Liverett responded that it is not appropriate to claim the District is “compelled” to move forward with a position that was never approved by the governing body. She further noted that charging ratepayers for a position not formally approved or budgeted violates the public’s trust and could constitute misrepresentation. She reminded the Committee that she and Director Cline were previously told by the General Manager that the position’s funding had already been incorporated into the most recent rate increase. Director Liverett asked how much of the July 2024 rate adjustment—listed at 4.3%—was attributable to the Administrative Manager position. The GM estimated that approximately 1.3% of the increase could be tied to the role, but acknowledged that verification was needed to rule out overlap with other factors (such as Hexavalent Chromium treatment). Director Liverett asked whether the rate consultant explicitly stated that this 1.3% was for the Administrative Manager, and whether ratepayers were ever told that their bills included funding for a position that didn’t exist. Director Liverett reiterated that if no formal Board approval was given and the role remains unfunded by official vote, the District must not collect or retain fees tied to it, and the public deserves a refund or adjustment. The Executive Committee directed staff to confirm how much of the July 2024 rate adjustment was attributable to the Administrative Manager position and to place an item on a future Board agenda for full discussion and action.

**Discuss Investment/Deposit Options for the Settlement of Litigation with the United States:** The General Manager presented his written report regarding the recent receipt of settlement funds totaling just over \$4 million. Two members of the public strongly asserted that the funds should be used to pay off the District’s Hexavalent Chromium mitigation loan and that Surcharge #2 should be immediately discontinued, citing Board Resolution 2018-01. The General Manager responded that the terms of the financing agreement prohibit early repayment until 2028, but mentioned that other loans could potentially be retired to reduce future rate burdens. He also stated that the District’s existing loans carry favorable interest rates, and that preemptively paying them off may not be in the District’s long-term financial interest if future financing is needed. Director Liverett asked how many separate financial accounts the District currently maintains. The General Manager responded that the District holds six or seven accounts, but did not specify details. Due to the increasingly tense tone in the room from ongoing public exchanges, Director Liverett did not press the matter further. Director Liverett emphasized that any decisions regarding investment or use of the settlement proceeds must come before the full Board and be made with clear documentation and public transparency. She suggested that the funds be

deposited, in the short term, into the highest-yield interest-bearing account available through Umpqua Bank, and that long-term use be discussed as a formal agenda item. The Executive Committee agreed to place this topic on the April 28 Board agenda to address short-term deposit plans and future use of the settlement funds.

**Discuss Expenditures for February 2025:** The Executive Committee reviewed the February 2025 Expenditures Report. While no formal objections were raised, Director Liverett noted that several financial matters—including settlement proceeds and rate-funded positions—warrant deeper discussion at the full Board level. The Committee agreed to forward the report to the April 28 Board meeting for full Board review.

**Discuss Financial Reports for February 2025:** The February 2025 Financial Reports were also forwarded to the April 28 Board meeting without a formal recommendation for approval, to allow the full Board to review broader financial transparency concerns previously raised.

**Directors' and General Manager Comments:** The General Manager briefly discussed the inclusion of an informational item regarding water use efficiency compliance projections.

**Items Requested for Next Month's Committee Agenda:** Director Young requested an item to discuss homelessness and safety concerns outside the District office. Director Liverett noted that follow-up is needed on the rate funding attribution for the proposed Administrative Manager position, as well as on financial controls and account structures, also suggested cameras for the office be installed. These issues will be formally requested for agenda placement after initial documentation is provided.

**Adjournment:** 7:55 P.M.

**Maria Liverett**

CEO / President

**REO Mechanical**

M: 916-416-9278

O: 916-925-6291

E: Maria@reohvac.com

A: 6800 Rio Linda Blvd., Rio Linda CA 95673

W: www.reohvac.com



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**From:** Tim Shaw <GM@rlecwd.com>

**Sent:** Tuesday, April 15, 2025 3:53 PM

**To:** Vicky Young <vyoung@rlecwd.com>; Maria Liverett <mliverett@rlecwd.com>  
**Cc:** vicky young <youngvicky2003@yahoo.com>; Maria <maria@reohvac.com>  
**Subject:** Draft Minute of the 4-9-2025 Executive Committee Meeting

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Vicky and Maria:

Attached are the draft minutes of the 4-9-2025 Executive Committee meeting. Please review and comment as appropriate.

Tim Shaw  
General Manager



## **Agenda Item: 6**

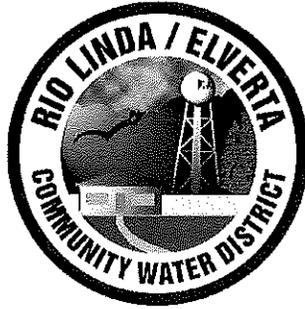
**Date:** April 28, 2025

**Subject:** Public Comment for Closed Session

**Staff Contact:** Timothy R. Shaw, 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:** April 28, 2025

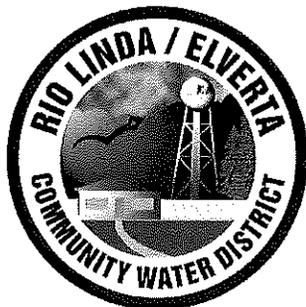
**Subject:** Closed Session

**Staff Contact:** Timothy R. Shaw, General Manager

**7 CLOSED SESSION** - The Board of Directors will convene to Closed Session to discuss the following item.

7.1 – **CONFERENCE WITH LEGAL COUNSEL -EXISTING LITIGATION:**

Paragraph (1) of subdivision (d) of Section 54956.9 (Claimant-Teamsters Local 150).



**Reconvene Open Session  
Agenda Item: 8**

**Date:** April 28 2025

**Subject:** Report of Action Taken in Closed Session

**Staff Contact:** Timothy R. Shaw, General Manager

**8. Return to Open Session and 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) Absent