



## AGENDA

Wednesday June 5, 2013

5:30 P.M., Board Chambers, County Administration Center,  
700 H Street, Sacramento, California 95814

### COMMISSIONERS:

Chair: Jimmie Yee  
Vice-Chair: Mike Singleton  
Ron Greenwood  
Gay Jones  
Kevin M<sup>c</sup>Carty  
Susan Peters  
Christopher Tooker

### ALTERNATE COMMISSIONERS:

Phil Serna  
Jeannie Bruins  
Jerry Fox  
Jerry Fox  
Steve Cohn  
Phil Serna  
John Messner

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### PUBLIC COMMENT FROM THE FLOOR

The public is encouraged to address the Commission concerning any matter not on the Agenda. Public comments are limited to three minutes. The Commission is prohibited from discussing or taking any action on any item not appearing on the posted Agenda

### CONSENT CALENDAR

1. Approve the Meeting Minutes of May 1, 2013
2. Claims dated thru May 30, 2013
3. Monthly Budget Report
4. Legislation Status Report
5. Fiscal Year 2013-14 Final Budget
6. Fiscal Year 2012/2013 Contracts:
  - a. Miller & Owen – Legal Services
  - b. Environmental Planning Partners Inc. – Environmental Services
  - c. James Marta & Company - Auditor
7. Update Rio Linda/Elverta Community Water District MSR (LAFC 07-10) [CEQA Exempt]
8. Final Cordova Recreation & Park District Municipal Service Review & Sphere of Influence Update (LAFC 03-12) [CEQA Exempt]

### BUSINESS ITEMS


9. Special Districts Risk Management Association (SDRMA) 2013 Board of Directors Election

### PUBLIC HEARINGS

None

### QUESTIONS/ANNOUNCEMENTS

10. Executive Officer/Staff/Commission Counsel
11. Commission Chair/Commissioners



#### MEETING SCHEDULE

5:30 P.M., Board Chambers  
700 H Street, Sacramento CA

#### Dates

July Recess  
August 7  
September 4

## SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

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### SUMMARY OF RULES AND PROCEDURES

**AGENDA ITEMS:** The Commission may reschedule items on the agenda. The Commission will generally hear uncontested matters first, followed by discussions of contested matters, and staff announcements in that order. Anyone who wishes to address the Commission should obtain a form from either the Commission Clerk or from the table located near the entrance of the hearing chamber.

**CONDUCT OF HEARINGS:** A contested matter is usually heard as follows: (1) discussion of the staff report and the environmental document; (2) testimony of proponent; (3) testimony of opponent; (4) Public Testimony (5) rebuttal by proponent; (6) provision of additional clarification by staff as required; (7) close of the public hearing; (8) Commission discussion and Commission vote.

**ADDRESSING THE COMMISSION:** Any person who wishes to address the Commission should submit a speaker's request form at the beginning of the meeting; move to the front of the chambers when an item is called; and, when recognized by the chair, state their name, address and affiliation. Please attempt to make your statements concise and to the point. It is most helpful if you can cite facts to support your contentions. Groups of people with similar viewpoints should appoint a spokesperson to represent their views to the Commission. The Commission appreciates your cooperation in this matter.

**PUBLIC COMMENT TIME LIMITS:** The Sacramento Local Agency Formation Commission welcomes and encourages participation in its meetings. Rules of the Commission provide for the following limitations of discussion: The Commission will hear public comment prior to the consideration of any item. (1) a principal proponent will be allowed a 5-minute statement; (2) other proponents will be allowed a 3-minute statement; (3) opponents are allowed 3-minute statements with the exception of spokespersons for any group who shall be permitted 5-minutes; (4) the principal proponent shall have a 3-minute rebuttal; (5) staff will provide clarification, as required.

**VOTING:** A quorum consists of four members of the Commission, including any alternate. No action or recommendation of the Commission is valid unless a majority (4 votes) of the entire membership of the Commission concurs therein.

**OFF AGENDA ITEMS:** Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the general public under "Public Comment From the Floor" on the Agenda. The Commission limits testimony on matters not on the agenda to three minutes per person and not more than fifteen minutes for a particular subject. The Commission cannot take action on any unscheduled items.

**SPECIAL NEEDS:** Meeting facilities are accessible to persons with disabilities. Requests for assistive listening devices or other considerations should be made 48 hours in advance through the Commission Clerk at (916)874-6458.

**AB 745 DISCLOSURES:** The Political Reform Act requires all interested parties to disclose contributions and expenditures for "political purposes" related to proposals for changes of organization or reorganization (annexations, incorporations, etc.) as well as contributions and expenditures in connection with Conducting Authority protest proceedings. Such contributions and expenditures must be reported to LAFCo's Executive Officer to the same extent, and subject to the same requirements, as local initiative measures under the Political Reform Act. Additional information regarding these requirements can be found on LAFCo's website at: <http://www.saclafco.org/Forms/index.htm>.

**STAFF REPORTS:** Staff Reports are available on line at [www.SacLAFCo.org](http://www.SacLAFCo.org) or upon request to Diane Thorpe, Commission Clerk at (916)874-6458.

**VIDEO BROADCASTS:** The meeting is video taped in its entirety and will be cablecast live on Metro Cable channel 14, the government affairs channel on the Comcast, and SureWest Cable Systems and is closed captioned for our hearing impaired viewers. The meeting is webcast live at <http://www.saccounty.net> . The current meeting is broadcast live and will be rebroadcast; check the Metro Cable schedule for dates and times.



***MINUTES FOR THE MEETING OF  
Wednesday May 1, 2013***

The Sacramento Local Agency Formation Commission met the first day of May 2013, at 5:30 P.M. in the Board Chambers of the Sacramento County Administration Center, 700 H Street, Sacramento, California 95814.

**PRESENT:**

**Commissioners:**

Mike Singleton, Vice Chair  
Ron Greenwood  
Gay Jones  
Kevin McCarty (arrived 6:54)  
Christopher Tooker

**Staff:**

Peter Brundage, Executive Officer  
Donald Lockhart, Assistant Executive Officer  
Diane Thorpe, Commission Clerk  
Nancy Miller, Commission Counsel

**ABSENT:**

Jimmie Yee, Chair  
Susan Peters

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**PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**

None

**CONSENT CALENDAR**

1. Approve the Meeting Minutes of April 3, 2013 (March Recess)
2. Claims dated thru April 25, 2013
3. Monthly Budget Report
4. Legislation Status Report
5. Update Rio Linda/Elverta Community Water District MSR (LAFC 07-10) [CEQA Exempt]  
Motion: To approve the Consent Calendar  
Moved: Commissioner Tooker  
Second: Commissioner Greenwood  
Absent: McCarty, Peters and Yee  
Passed: Unanimous

**BUSINESS ITEMS**

None

**PUBLIC HEARINGS**

6. Recirculated Draft Environmental Impact Report (RDEIR) Public Comment - City of Elk Grove Sphere of Influence Amendment (LAFC 09-10) [CEQA - EIR SCH#2010092076]  
Transcript may be reviewed by contacting the Sacramento LAFCo office  
No Action Taken

7. Fiscal Year 2013-14 Proposed Budget

Motion: To approve the Proposed Budget

Moved: Commissioner Jones

Second: Commissioner Greenwood

Absent: Peters and Yee

Passed: Unanimous

The meeting adjourned at 7: 09 P.M.

Respectfully submitted,

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

Diane Thorpe  
Commission Clerk

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
CLAIMS\***

<u>Date Submitted to Auditor</u>	<u>Vendor</u>	<u>Amount</u>
5/14/2013	Alhambra Sierra Springs (Water Supplies)	\$ 13.17
5/14/2013	Colliers (May Office Lease)	\$ 4,125.51
5/14/2013	Comcast Cable	\$ 82.03
5/14/2013	Fresh & Quick Catering	\$ 230.06
5/14/2013	Toshiba Business Solutions (Copier Lease)	\$ 641.06
5/28/2013	Daily Journal Corp. (Legal Advertising)	\$ 47.25
5/28/2013	Millern & Owen	\$ 5,552.00
5/28/2013	Pitney Bowes (Postage)	\$ 274.47
5/28/2013	SDRMA (Insurance)	\$ 4,736.68

<b>TOTAL</b>	<b>\$ 15,702.23</b>
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**APPROVED:** 6/5/2013

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***Jimmie Yee, Chair***  
**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

\*Not including Journal Voucher and Personnel items.

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

*1112 I Street, Suite #100  
Sacramento, California 95814  
(916) 874-6458*

**June 5, 2013**

TO: Sacramento Local Agency Formation Commission  
FROM: Peter Brundage, Executive Officer *PB*  
RE: Monthly Budget and Accounting Reports

**RECOMMENDATION:**

Receive and File Accounting Period Report 10 for FY 2012-13 as of May 14, 2013.

**DISCUSSION:**

The attached budget and accounting reports are for Accounting Period 10 for FY 2012-13. These reports summarize monthly expenditures and revenues as well as the Trial Balance for this reporting period.

There are no significant variances to report at this time.

Library : ZSP County of Sacramento Reports  
Report group: ZSCB Trial Balance Summary by BA  
Report name : ZFP4816B Sum Trial Bal. by BA

Data selected by: 1006614  
Data selected on: 05/14/2013 10:19:52

Fiscal year : 2013  
Period : 10 April  
Business Area: 067A LOCAL AGENCY FORMATI

Balance Sheet Item	Begining Balance	Period Debits	Period Credits	Ending Balance
* Cash in Treasury	698,676.96	1,210.00	62,497.19-	637,389.77
* Imprest Cash				
* Inventory			1,166.66-	1,166.66-
* Due from Other Funds Year				
* Accounts Receivable Year E				
** Total Assets	698,676.96	1,210.00	63,663.85-	636,223.11
* Sales Tax Due				
* Warrants Payable	1,970.45-	60,012.86	60,306.69-	2,264.28-
* Deposit Stale Warrants	643.48-			643.48-
* Claims Payable		60,491.39	71,210.08-	10,718.69-
* Due to Others				
* Suspense Clearing				
* Payroll Clearing		391.75	538.25-	146.50-
** Total Liabilities	2,613.93-	120,896.00	132,055.02-	13,772.95-
* Reserve Fund Balance	220,933.00-			220,933.00-
* Fund Balance	0.08			0.08
* Revenues and Other Financi	710,827.22-		1,210.00-	712,037.22-
* Expenditures/Expenses	417,812.11	74,822.87		492,634.98
* Estimated Revenue	877,805.00			877,805.00
* Appropriations	1,059,920.00-			1,059,920.00-
* Start of System Clearing				
** Total Equity and Other Acc	696,063.03-	74,822.87	1,210.00-	622,450.16-
*** Total Liabilities & Equity	698,676.96-	195,718.87	133,265.02-	636,223.11-



Date: 05/14/2013  
 Time: 10:23:09  
 Period: 010  
 Year: 2013

Vendor One Time Vendor	Vendor Name	EA	Per	Doc.no.	Pstg date	Reference	Check	Fund Center	Trans. currency	Status
1406	SACRAMENTO BEE	067A	010	1904707688	04/30/2013	2442906		4544540	1,922.40- USD	closed
1630	DAILY JOURNAL CORP	067A	010	1904707678	04/30/2013	A2469696		4544540	38.50- USD	closed
1630	DAILY JOURNAL CORP	067A	010	1904707677	04/30/2013	A2460047		4544540	472.50- USD	closed
1630	DAILY JOURNAL CORP	067A	010	1904685293	04/02/2013	A2456959		4544540	45.50- USD	closed
1630	DAILY JOURNAL CORP	067A	010	2021766164	04/03/2013		1101621474		45.50 USD	closed
1890	HERBILGER PUBLICATIONS INC/RECORDED	067A	010	1904707684	04/30/2013	105000		4544540	296.00- USD	closed
2295	MILLER & OWEN	067A	010	1904707685	04/30/2013	29724		4544540	7,114.58- USD	closed
2295	MILLER & OWEN	067A	010	1904685294	04/02/2013	29685		4544540	5,855.70- USD	closed
2295	MILLER & OWEN	067A	010	2021766173	04/03/2013		1101621483		5,855.70 USD	closed
9443	CITY OF SACRAMENTO	067A	010	1904685222	04/02/2013	GRAG3002060		4544540	41,265.23- USD	closed
9443	CITY OF SACRAMENTO	067A	010	2021766208	04/03/2013		1101621513		41,265.23 USD	closed
12036	WELLS FARGO BANK	067A	010	1500047095	04/30/2013				184.70 USD	closed
12036	WELLS FARGO BANK	067A	010	1904706465	04/30/2013	MLED-ACH 4/30		4544540	184.70- USD	closed
12322	COMCAST	067A	010	1904685223	04/02/2013	8155600380732795		4544540	82.03- USD	closed
12322	COMCAST	067A	010	2021766211	04/03/2013		1101621516		82.03 USD	closed
12322	COMCAST	067A	010	2021824923	04/24/2013		1101634336		86.78 USD	closed
12322	COMCAST	067A	010	1904701961	04/23/2013	8155600380732795		4544540	86.78- USD	closed
19687	SPECIAL DISTRICT RISK MGMT AUTHORITY	067A	010	2021766090	04/02/2013		1101621119		3,928.51 USD	closed
19687	SPECIAL DISTRICT RISK MGMT AUTHORITY	067A	010	1904685225	04/02/2013	6011SACSACR6011		4544540	3,928.51- USD	closed
24181	ULI URBAN LAND INSTITUTE	067A	010	1904707675	04/30/2013	1552878		4544540	225.00- USD	closed
28211	MEA OF CALIFORNIA INC	067A	010	1904707686	04/30/2013	9935618		4544540	627.54- USD	closed
28211	MEA OF CALIFORNIA INC	067A	010	1904685224	04/02/2013	9857443		4544540	659.46- USD	closed
28211	MEA OF CALIFORNIA INC	067A	010	2021766247	04/03/2013		1101621549		659.46 USD	closed
37780	DS WRITERS OF AMERICA INC	067A	010	1904707681	04/30/2013	4831121040113		4544540	22.17- USD	closed
37780	DS WRITERS OF AMERICA INC	067A	010	1904685230	04/02/2013	4831121		4544540	13.17- USD	closed
37780	DS WRITERS OF AMERICA INC	067A	010	2021766268	04/03/2013		1101621567		13.17 USD	closed
39553	MICHAEL BRANDMAN ASSOCIATES	067A	010	1904685295	04/02/2013	58211		4544540	7,574.00- USD	closed

Date: 05/14/2013  
 Time: 10:23:09  
 Period: 010  
 Year: 2013

Vendor One Time Vendor	Vendor Name EA Per	Doc.no.	Estg date	Reference	Check	Fund Center	Trans. currency	Status
39553	MICHAEL BRANDMAN ASSOCIATES 067A 010	2021766273	04/03/2013		1101621572		7,574.00 USD	closed
42181	STABLES CONTRACT & COMMERCIAL INC 067A 010	2021766279	04/03/2013		1101621577		237.10 USD	closed
42181	STABLES CONTRACT & COMMERCIAL INC 067A 010	1904685219	04/02/2013	115824338		4544540	237.10- USD	closed
914921	GAY JONES 067A 010	1904689182	04/08/2013	4540-1301		4544540	352.16- USD	closed
914921	GAY JONES 067A 010	2021783027	04/09/2013		1101624690		352.16 USD	closed
SEPAYROLL	SEPAYROLL RONNY L. GREENWOOD 067A 010	2021829990	04/30/2013		8000041841		92.35 USD	closed
SEPAYROLL	SEPAYROLL GAY JONES 067A 010	2021829958	04/30/2013		8000041809		22.35 USD	closed
SEPAYROLL	SEPAYROLL CHRISTOPHER TOOKER 067A 010	1904703851	04/25/2013	95-LAFCO DISIR		4544540	92.35- USD	closed
SEPAYROLL	SEPAYROLL RONNY L. GREENWOOD 067A 010	1904703883	04/25/2013	95-LAFCO DISIR		4544540	92.35- USD	closed
SEPAYROLL	SEPAYROLL GAY JONES 067A 010	1904703846	04/25/2013	95-LAFCO DISIR		4544540	22.35- USD	closed
SEPAYROLL	SEPAYROLL CHRISTOPHER TOOKER 067A 010	2021829947	04/30/2013		8000041798		92.35 USD	closed
Sum of Business Area 067A							10,718.69- USD	*

Fiscal Year	2013	
From period	1	
To period	10	
Fund/Group	067A	LOCAL AGENCY FORMATION COMMISSION
Funds Center/Group	4544540	LAFCD DISTRICT
Budget Version	0	

Commitment Item	Budget	Actual-GL	Actual-CO	Actual Total	Encumbrance	Pending	Available	%Consumed
10111000 REGULAR EMPLOYEE				3,600.00			5,400.00	40.00
10112400 COMMITTEE MEMBER	9,000.00	3,600.00		3,600.00			224.60	55.08
10122000 CASHE	500.00	275.40		275.40			5,624.60	40.79
* 10 - SALARIES AND EMPLOYEES	9,500.00	3,875.40		3,875.40			4,547.20	39.37
20200500 ADVERTISING	7,500.00	2,952.80		2,952.80			1,259.90	37.01
20202200 BOOKS/PER SUP	2,000.00	740.10		740.10			2,438.52	79.68
20202900 BUS/CONFERENCE E	12,000.00	9,561.48		9,561.48			2,200.00	
20203500 ED/TRAINING SVC	2,200.00						2,304.44	67.99
20205200 INS PREMIUM	7,200.00	4,895.56		4,895.56			2,409.00	133.23
20206100 MEMBERSHIP DUES	7,250.00	9,659.00		9,659.00			5,868.26	26.65
20207600 OFFICE SUPPLIES	8,000.00	2,131.74		2,131.74			4,500.00	10.00
20208100 POSTAL SVC	5,000.00	500.00		500.00			10,573.54	41.26
20227500 RENT/LEASE ED	18,000.00	7,426.46		7,426.46			40.00	
20227504 MISCELLANEOUS		40.00		40.00			8,000.00	
20250500 ACCOUNTING SVC	8,000.00						7,654.64	112.76
20253100 LEGAL SVC	60,000.00	67,654.64		67,654.64			487,438.60	39.79
20259100 OTHER PROF SVC	809,500.00	322,061.40		322,061.40			2,556.25	
20281200 DATA PROCESSING		583.08		583.08	1,973.17		396.00	79.16
20291000 COUNTYWIDE IT SV	1,900.00	1,504.00		1,504.00			89.74	100.53
20291100 SYSTEM DEV SVC	17,000.00	13,138.85		13,138.85	3,950.89		132.00	93.05
20291200 SYSTEM DEV SUP	1,900.00	1,759.00		1,759.00	9.00		766.00	83.35
20291600 WEN ALLOCATION	4,600.00	3,834.00		3,834.00			2,250.00	
20292100 GS PRINTING SVC	2,250.00						2,547.95	
20292300 GS MESSENGER SVC		2,547.95		2,547.95			931.69	6.83
20292600 GS STORE CHARGES	1,000.00	68.31		68.31			7,400.00	
20293400 PUBLIC WORKS SVS	7,400.00						13,349.60	72.48
20294300 LEASED PROP USE	48,500.00	35,150.40		35,150.40			875.00	
20296200 GS PARKING CHGS		875.00		875.00			2,324.19	41.90
20298700 TELEPHONE SVC	4,000.00	1,675.81		1,675.81			540,507.36	47.79
* 20 - SERVICES AND SUPPLIES	1,035,200.00	488,759.58		488,759.58	5,933.06		15,220.00	
79790100 CONTINGENCY APPR	15,220.00						15,220.00	
* 79 - Appropriation for Con	15,220.00						561,351.96	47.04
** Expenditure accounts	1,059,920.00	492,634.98		492,634.98	5,933.06		223.00	108.92
94941000 INTEREST INCOME	2,500.00	2,723.00		2,723.00			223.00	108.92
* 94 - REVENUE FROM USE OF M	2,500.00	2,723.00		2,723.00			246,073.28	30.33
96969900 SVC FEES OTHER	188,805.00	57,268.28		57,268.28			246,073.28	30.33
* 96 - CHARGES FOR SERVICES	188,805.00	57,268.28		57,268.28			80,082.50	111.67
97979000 MISC OTHER	686,500.00	766,582.50		766,582.50			165,767.78	81.12
* 97 - MISCELLANEOUS REVENUE	686,500.00	766,582.50		766,582.50			395,584.18	117.22
** REVENUE ACCOUNTS	877,805.00	712,037.22		712,037.22	5,933.06			
*** Total	182,115.00	219,402.24		219,402.24				

Report: ZF\_SL\_SPEC\_DIST  
 UserID: 1006614  
 System: PRD/020

Split Ledger Line Item Report  
 067A LOCAL AGENCY FORMATI  
 Period: 010 Fiscal Year: 2013

Date: 05/14/2013  
 Time: 10:21:25  
 Page: 1

Date	Year	Per	Document #	G/L Acct	BA	Cost Ctr	Amount	Text
04/30/2013	2013	010	1500047095	101200	067A		184.70-	
<b>Total Account Number 101200</b>							<b>CASH IN TREASURY-WIRE TRANSFERS</b>	<b>184.70-</b>
04/08/2013	2013	010	2021783128	101500	067A		7,574.00-	
04/08/2013	2013	010	2021783163	101500	067A		45.50-	
04/09/2013	2013	010	2021787477	101500	067A		237.10-	
04/10/2013	2013	010	2021792319	101500	067A		3,928.51-	
04/11/2013	2013	010	2021794840	101500	067A		13.17-	
04/11/2013	2013	010	2021794842	101500	067A		659.46-	
04/11/2013	2013	010	2021794846	101500	067A		41,265.23-	
04/16/2013	2013	010	2021808046	101500	067A		82.03-	
04/24/2013	2013	010	2021829571	101500	067A		5,855.70-	
04/25/2013	2013	010	2021832709	101500	067A		352.16-	
<b>Total Account Number 101500</b>							<b>PAID WARRANTS RECONCILIATION (IN</b>	<b>60,012.86-</b>
04/01/2013	2013	010	108027237	102000	067A		1,210.00	FY 2012/13 -3RD QTR INT
<b>Total Account Number 102000</b>							<b>CASH IN TREAS-JOURNAL VOUCHERS</b>	<b>1,210.00</b>
04/04/2013	2013	010	108019924	109000	067A		773.50-	
04/04/2013	2013	010	108019931	109000	067A		428.75-	
04/04/2013	2013	010	108019945	109000	067A		151.00-	
04/04/2013	2013	010	108019953	109000	067A		383.00-	
04/23/2013	2013	010	108031636	109000	067A		274.78-	
04/30/2013	2013	010	108039807	109000	067A		284.20-	
04/30/2013	2013	010	108039827	109000	067A		4.40-	
<b>Total Account Number 109000</b>							<b>CASH IN TREAS-SPL</b>	<b>2,299.63-</b>
04/24/2013	2013	010	5001467487	1700011	067A		834.21-	
04/24/2013	2013	010	5001467488	1700011	067A		332.45-	
<b>Total Account Number 1700011</b>							<b>GR/IR CLEARING IN-HOUSE PRODUCTI</b>	<b>1,166.66-</b>
04/02/2013	2013	010	2021766090	5100000	067A		3,928.51-	
04/03/2013	2013	010	2021766164	5100000	067A		45.50-	
04/03/2013	2013	010	2021766173	5100000	067A		5,855.70-	
04/03/2013	2013	010	2021766208	5100000	067A		41,265.23-	
04/03/2013	2013	010	2021766211	5100000	067A		82.03-	
04/03/2013	2013	010	2021766247	5100000	067A		659.46-	
04/03/2013	2013	010	2021766268	5100000	067A		13.17-	
04/03/2013	2013	010	2021766273	5100000	067A		7,574.00-	
04/03/2013	2013	010	2021766279	5100000	067A		237.10-	
04/09/2013	2013	010	2021783027	5100000	067A		352.16-	
04/08/2013	2013	010	2021783128	5100000	067A		7,574.00	
04/08/2013	2013	010	2021783163	5100000	067A		45.50	
04/09/2013	2013	010	2021787477	5100000	067A		237.10	
04/10/2013	2013	010	2021792319	5100000	067A		3,928.51	
04/11/2013	2013	010	2021794840	5100000	067A		13.17	
04/11/2013	2013	010	2021794842	5100000	067A		659.46	
04/11/2013	2013	010	2021794846	5100000	067A		41,265.23	
04/16/2013	2013	010	2021808046	5100000	067A		82.03	
04/24/2013	2013	010	2021824923	5100000	067A		86.78-	
04/24/2013	2013	010	2021829571	5100000	067A		5,855.70	
04/25/2013	2013	010	2021832709	5100000	067A		352.16	
<b>Total Account Number 5100000</b>							<b>WARRANTS PAYABLE</b>	<b>86.78-</b>

Date	Year	Per	Document #	G/L	Acct	BA	Cost	Ctr	Amount	Text	
04/30/2013	2013	010	2021829947	5100020	067A				92.35-		
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04/30/2013	2013	010	2021829990	5100020	067A				92.35-		
<b>Total Account Number 5100020</b>										<b>WARRANTS PAYABLE - SPECIAL DISTR</b>	<b>207.05-</b>
04/30/2013	2013	010	1500047095	5150000	067A				184.70		
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04/02/2013	2013	010	1904685223	5150000	067A				82.03-	*SAC LAFCO 8155 60 038 0732795	
04/02/2013	2013	010	1904685224	5150000	067A				659.46-	*SAC LAFCO 360243 647967	
04/02/2013	2013	010	1904685225	5150000	067A				3,928.51-	*SAC LAFCO	
04/02/2013	2013	010	1904685225	5150000	067A				13.17-	*SAC LAFCO 27296554831121	
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04/02/2013	2013	010	1904685293	5150000	067A				5,855.70-	*SAC LAFCO	
04/02/2013	2013	010	1904685294	5150000	067A				7,574.00-	*SAC LAFCO	
04/02/2013	2013	010	1904685295	5150000	067A				352.16-	*TRVL REIMB 4540-1301 IRVINE 020813	
04/08/2013	2013	010	1904689182	5150000	067A				86.78-	*SAC LOCAL AGENCY FORM 8155 60 038 0732795	
04/23/2013	2013	010	1904701961	5150000	067A				22.35-	*PUFD 11865 04/30/13 MLBD Payroll Check	
04/25/2013	2013	010	1904703846	5150000	067A				92.35-	*PUFD 14048 04/30/13 MLBD Payroll Check	
04/25/2013	2013	010	1904703851	5150000	067A				92.35-	*PUFD 21659 04/30/13 MLBD Payroll Check	
04/25/2013	2013	010	1904703883	5150000	067A				184.70-	MLBD - ACH PAYDATE 04/30/2013	
04/30/2013	2013	010	1904706465	5150000	067A				225.00-	*SAC LOCAL AGENCY FORMATION COMM	
04/30/2013	2013	010	1904707675	5150000	067A				472.50-	*SAC LOCAL AGENCY FORMATION COMM, CUST# 1124105243	
04/30/2013	2013	010	1904707677	5150000	067A				38.50-	*SAC LOCAL AGENCY FORMATION COMM, CUST# 1124105243	
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04/30/2013	2013	010	1904707685	5150000	067A				627.54-	*SAC LOCAL AGENCY FORMATION COMM, CUST#360243	
04/30/2013	2013	010	1904707686	5150000	067A				1,922.40-	*SAC LOCAL AGENCY FORMATION COMM, ACCT# 50037345	
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04/03/2013	2013	010	2021766164	5150000	067A				5,855.70		
04/03/2013	2013	010	2021766173	5150000	067A				41,265.23		
04/03/2013	2013	010	2021766208	5150000	067A				82.03		
04/03/2013	2013	010	2021766211	5150000	067A				659.46		
04/03/2013	2013	010	2021766247	5150000	067A				13.17		
04/03/2013	2013	010	2021766268	5150000	067A				7,574.00		
04/03/2013	2013	010	2021766273	5150000	067A				237.10		
04/03/2013	2013	010	2021766279	5150000	067A				352.16		
04/09/2013	2013	010	2021783027	5150000	067A				86.78		
04/24/2013	2013	010	2021824923	5150000	067A				92.35		
04/30/2013	2013	010	2021829947	5150000	067A				22.35		
04/30/2013	2013	010	2021829958	5150000	067A				92.35		
04/30/2013	2013	010	2021829990	5150000	067A				92.35		
<b>Total Account Number 5150000</b>										<b>CLAIMS PAYABLE</b>	<b>10,718.69-</b>
04/30/2013	2013	010	108038736	8025400	067A				207.05-	15Total Check Amount	
04/30/2013	2013	010	108038736	8025400	067A				184.70-	16Total Deposit Amount	
04/30/2013	2013	010	108038736	8025400	067A				70.00-	6002Inc Tax-Fed Addl Tax	
04/30/2013	2013	010	108038736	8025400	067A				31.00-	6201FICA EE Deduction	
04/30/2013	2013	010	108038736	8025400	067A				31.00-	6210FICA ER Contrib	
04/30/2013	2013	010	108038736	8025400	067A				7.25-	6501Medicare EE Ded	
04/30/2013	2013	010	108038736	8025400	067A				7.25-	6503Medicare ER Contrib	
04/30/2013	2013	010	108038736	8025400	067A				22.35	04/30/13 MLBD Payroll Check	
04/25/2013	2013	010	1904703846	8025400	067A				92.35	04/30/13 MLBD Payroll Check	
04/25/2013	2013	010	1904703851	8025400	067A				92.35	04/30/13 MLBD Payroll Check	
04/25/2013	2013	010	1904703883	8025400	067A				184.70	95 ACH	
04/30/2013	2013	010	1904706465	8025400	067A	4544540000					

Date	Year	Per	Document #	G/L	Acct	BA	Cost	Ctr	Amount	Text
<b>Total Account Number 8025400</b>				<b>SD (HUMANIC) PAYROLL CLEARING</b>					<b>146.50-</b>	
04/30/2013	2013	010	108038736	10112400	067A	4544540000			500.00	1180Bds & Comm Mem
<b>Total Account Number 10112400</b>				<b>SALARIES &amp; WAGES - COMMISSION &amp;</b>					<b>500.00</b>	
04/30/2013	2013	010	108038736	10122000	067A	4544540000			7.25	6503Medicare ER Contrib
04/30/2013	2013	010	108038736	10122000	067A	4544540000			31.00	6210FICA ER Contrib
<b>Total Account Number 10122000</b>				<b>OASDHI - EMPLOYER COST</b>					<b>38.25</b>	
04/02/2013	2013	010	1904685293	20200500	067A	4544540000			45.50	
04/30/2013	2013	010	1904707677	20200500	067A	4544540000			472.50	ADVERTISING
04/30/2013	2013	010	1904707678	20200500	067A	4544540000			38.50	ADVERTISING
04/30/2013	2013	010	1904707684	20200500	067A	4544540000			296.00	ADVERTISING
04/30/2013	2013	010	1904707688	20200500	067A	4544540000			1,922.40	ADVERTISING
<b>Total Account Number 20200500</b>				<b>ADVERTISING/LEGAL NOTICES</b>					<b>2,774.90</b>	
04/08/2013	2013	010	1904689182	20202900	067A	4544540000			352.16	
<b>Total Account Number 20202900</b>				<b>BUSINESS/CONFERENCE EXPENSE</b>					<b>352.16</b>	
04/30/2013	2013	010	1904707675	20206100	067A	4544540000			225.00	MEMBERSHIP DUES
<b>Total Account Number 20206100</b>				<b>MEMBERSHIP DUES</b>					<b>225.00</b>	
04/02/2013	2013	010	1904685219	20207600	067A	4544540000			237.10	OFFICE SUPPLIES
04/02/2013	2013	010	1904685230	20207600	067A	4544540000			13.17	
04/30/2013	2013	010	1904707681	20207600	067A	4544540000			22.17	OFFICE SUPPLIES
<b>Total Account Number 20207600</b>				<b>OFFICE SUPPLIES</b>					<b>272.44</b>	
04/02/2013	2013	010	1904685223	20227500	067A	4544540000			82.03	
04/02/2013	2013	010	1904685224	20227500	067A	4544540000			659.46	
04/23/2013	2013	010	1904701961	20227500	067A	4544540000			86.78	RENT/LEASE EQUIPMENT
04/30/2013	2013	010	1904707686	20227500	067A	4544540000			627.54	RENT/LEASE EQUIPMENT
<b>Total Account Number 20227500</b>				<b>RENT/LEASES EQUIPMENT</b>					<b>1,455.81</b>	
04/02/2013	2013	010	1904685294	20253100	067A	4544540000			5,855.70	
04/30/2013	2013	010	1904707685	20253100	067A	4544540000			7,114.58	LEGAL SERVICES
<b>Total Account Number 20253100</b>				<b>LEGAL SERVICES</b>					<b>12,970.28</b>	
04/02/2013	2013	010	1904685222	20259100	067A	4544540000			41,265.23	
04/02/2013	2013	010	1904685295	20259100	067A	4544540000			7,574.00	
<b>Total Account Number 20259100</b>				<b>OTHER PROFESSIONAL SERVICES</b>					<b>48,839.23</b>	
04/04/2013	2013	010	108019945	20291000	067A	4544540000			151.00	April 2013 Countywide IT Allocation
<b>Total Account Number 20291000</b>				<b>COUNTYWIDE IT SERVICES</b>					<b>151.00</b>	
04/04/2013	2013	010	108019924	20291100	067A	4544540000			773.50	76548 FY 2012-13 4th Qtr APPMAINT Allocation
04/30/2013	2013	010	108039807	20291100	067A	4544540000			284.20	
04/24/2013	2013	010	5001467487	20291100	067A	4544540000			834.21	
04/24/2013	2013	010	5001467488	20291100	067A	4544540000			332.45	

Report: ZF\_SL\_SPEC\_DIST  
UserID: 1006614  
System: PRD/020

Split Ledger Line Item Report  
067A LOCAL AGENCY FORMATI  
Period: 010 Fiscal Year: 2013

Date: 05/14/2013  
Time: 10:21:25  
Page: 4

Date	Year	Per	Document #	G/L	Acct	BA	Cost Ctr	Amount	Text
Total Account Number 20291100				SYSTEMS DEVELOPMENT SERVICES				2,224.36	
04/04/2013	2013	010	108019931	20291200	067A	4544540000	428.75	FY2012-13 4th Qtr SVC DESK Allocation	
04/30/2013	2013	010	108039827	20291200	067A	4544540000	4.40		
Total Account Number 20291200				SYSTEMS DEVELOPMENT SUPPLIES				433.15	
04/04/2013	2013	010	108019953	20291600	067A	4544540000	383.00	April 2013 WAN Allocation	
Total Account Number 20291600				WAN Costs				383.00	
04/23/2013	2013	010	108031636	20292300	067A	4544540000	274.78	Per. 10 - Messenger Services	
Total Account Number 20292300				GS MESSENGER SERVICES				274.78	
04/02/2013	2013	010	1904685225	20294300	067A	4544540000	3,928.51		
Total Account Number 20294300				LEASED PROPERTY USE CHARGESGS				3,928.51	
04/01/2013	2013	010	108027237	94941000	067A	4544540000	1,210.00-	FY 2012/13 -3RD QTR INT	
Total Account Number 94941000				INTEREST INCOME				1,210.00-	

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street #100**  
**Sacramento, California 95814**  
**(916) 874-7458**

June 5, 2013

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: Legislative Update

**CONTACT: Don Lockhart, AICP, Assistant Executive Officer (916) 874-2937**

**RECOMMENDATION**

Information only, no action is recommended.

**BACKGROUND**

This memo is part of the ongoing effort to keep your Commission informed regarding various legislative matters.

More than 2,200 Senate and Assembly bills were introduced for consideration in the 2013-14 session. May 24 was the final day for a Bill to advance. This winnowed down the Bill tracking effort considerably.

An ad-hoc committee appointed by the CALAFCO Board of Directors will consider and adopt positions on several bills, which staff will report back on.

**SUMMARY**

There continue to be several pieces of proposed legislation that may be of interest to your Commission.



**AB 453 (Mullin D) Sustainable communities**

**Introduced:** 2/19/2013

**Status:** 5/30/2013-Action From THIRD READING: Read third time. Passed Assembly to SENATE.

**Location:** 5/30/2013-S. SENATE

**Calendar:** 5/30/2013 #50 ASSEMBLY ASSEMBLY THIRD READING FILE

Summary:

The Strategic Growth Council is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

Position: Sponsor

CALAFCO Comments: This would allow LAFcos to apply directly for grants that support the preparation of sustainable community strategies and other planning efforts.

**AB 743 (Logue R) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.**

Introduced: 2/21/2013

**Last Amend:** 4/3/2013

**Status:** 5/9/2013-Referred to Com. on GOV. & F.

**Location:** 5/9/2013-S. G. & F.

**Calendar:** 6/5/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 authorizes a local agency formation commission to approve, after notice and hearing, a petition for a change of organization or reorganization of a city, if the petition was initiated on or after January 1, 2010, and before January 1, 2014, and waive protest proceedings entirely if certain requirements are met. This provision applies only to territory that does not exceed 150 acres. This Bill would delete the January 1, 2014, date and make conforming changes. This bill contains other related provisions and other existing laws.

Position: Support

Subject: Annexation Proceedings, CKH General Procedures

CALAFCO Comments: As amended, this bill removes the sunset date provision to waive protest proceedings for certain island annexations. The size of the island areas for the purposes of annexation under this provision has been amended back to 150 acres.

Unincorporated islands are more costly and inefficient for counties to administer as opposed to the local municipality. A sunset date was initially established on this ability to encourage the use of the provision and was extended to allow cities and LAFcos

additional time to implement island annexation programs. The unforeseen economic downturn over the past five years has significantly hampered the initial progress, and with the sunset ready to expire at the beginning of next year, cities and LAFCos have yet to complete the work that the law intended them to do. Over the twelve year period since the law was established, hundreds of islands have been annexed, yet hundreds more remain.

Additionally, the bill was amended to reset the effective island creation date from January 1, 2000 to January 1, 2014 thus allowing smaller islands of less than 150 acres created after 2000 to be annexed under these provisions. Many of these current islands remained as remnants of larger substantially surrounded island areas that had irregular boundaries or were affected by the annexation of territory for newer development.

**AB 1427 (Committee on Local Government) Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.**

Introduced: 4/1/2013

**Status:** 5/16/2013-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 5/16/2013-S. RLS.

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (act), provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would specify that the definition excludes any independent special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. This bill contains other related provisions and other existing laws.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: Cortese-Knox-Hertzberg Omnibus bill.

**SB 56 (Roth D) Local government finance: vehicle license fee adjustments.**

Introduced: 1/7/2013

Last Amended: 4/23/2013

Status: 4/23/2013-From committee with author's amendments. Read second time and amended. Re-referred to Com. on GOV. & F.

Calendar:

5/8/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would, for the 2013-14 fiscal year, provide for a new vehicle license fee adjustment amount, as specified. This bill would also, for the 2013-14 fiscal year and for each fiscal year thereafter, provide for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

Attachments:

CALAFCO Letter of support April 10, 2013

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill reinstates revenues through ERAF (backfilled by the state general Fund) for cities incorporating after 2005 and annexations of inhabited territories.

**SB 772 (Emmerson R) Drinking water.**

Introduced: 2/22/2013

Status: **Bill failed to advance.**

Would require the State Department of Public Health or the local health agency, where applicable, annually to provide the address and telephone number for each public water system and state small water system to the Public Utilities Commission and, as prescribed, to a local agency formation commission. This bill contains other related provisions and other existing laws.

*Attachments:*

*CALAFCO Letter of Opposition April 10, 2013*

*Position: Oppose*

Subject: LAFCo Administration, Service Reviews/Spheres

CALAFCO Comments: Requires LAFCos as part of a MSR, to request information from identified public or private entities that provide wholesale or retail supply of drinking water, including the identification of any retail water suppliers within or contiguous to the responding entity. Further requires LAFCos to provide a copy of the SOI review for retail private and public water suppliers to the Public Utilities Commission and the state department of Public Health.

**SB 731 (Steinberg D) Environment: California Environmental Quality Act and sustainable communities strategy.**

Introduced: 2/22/2013

Last Amended: 4/23/2013

Status:

**Status:** 5/29/2013-Read third time. Passed. (Ayes 39. Noes 0.) Ordered to the Assembly.

**Location:** 5/24/2013-A. ASSEMBLY

Summary:

Would provide that aesthetic impacts of a residential, mixed-use residential, or employment center project, as defined, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and Research to prepare and propose, and the Secretary of the Natural Resources Agency to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise, and for the transportation and parking impacts of residential, mixed-use residential, or employment center projects within transit priority areas. The bill would require the lead agency, in making specified findings, to make those findings available to the public at least 15 days prior to the

approval of the proposed project and to provide specified notice of the availability of the findings for public review. Because the bill would require the lead agency to make the draft finding available for public review and to provide specified notices to the public, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street, Suite #100**  
**Sacramento, California 95814**  
**(916) 874-6458**

**June 5, 2013**

TO: Sacramento Local Agency Formation Commission  
FROM: Peter Brundage, Executive Officer  
RE: **FY 2013-14 Final Budget**

**RECOMMENDATION**

Adopt the Final FY 2013-14 Budget Resolution with total Appropriations of \$963,170.

**DISCUSSION**

This report outlines the FY 2013-14 Final Budget based on the best available information. LAFCo must adopt the Proposed Budget by May of each year and a Final Budget by June 15<sup>th</sup>. The Proposed and Final Budgets are based on an estimated Fund Balance by projecting year-end expenditures and revenues. Every attempt is made to accurately estimate Fund Balance because it is used as a base funding source for the following year's budget.<sup>1</sup>

The Final Budget includes increases for our annual audit and increases in charges for systems and data support provided by the County of Sacramento as discussed in this report.

**Summary FY 2013-14 Proposed Budget**

<b>Appropriations</b>	<b>\$963,170</b>
<b>Funding Sources</b>	
Project Revenues	150,000
Assessments	686,500

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<sup>1</sup> The final Fund Balance will not be available from the County Auditor until late July or early August. Staff will report back to the Commission in August or September after the Year-End Fund Balance is available to advise the Commission if any adjustments are required.

Fund Balance-General	109,170
Miscellaneous Project Revenue	15,000
Interest Earnings	<u>2,500</u>
<b>Total Revenue and Assessments</b>	<b>\$963,170</b>

**LAFCo Funding Sources**

LAFCo's Budget is primarily funded from assessments from contributing agencies, Fund Balance, and project revenue. Project revenue can vary from year to year. The table below summarizes the estimated revenue and funding sources for FY 2013-14:

<b>Summary of Revenue Sources</b>		
<b>Source</b>	<b>Amount</b>	<b>Percent</b>
Fund Balance	\$109,170	11.3%
Interest	2,500	.2%
Assessments	686,500	71.3%
Project Revenue	<u>165,000</u>	<u>17.2%</u>
Total Base Budget	\$963,170	100.0%

Fund Balance or carryover is used to help fund next year's budget. Historically, fund balance has averaged about \$100,000 to \$120,000 for the last several years. Fund Balance is dependent on cost savings and/or revenues in excess of revenue budgeted.

**Affected Agency Assessment**

The Final Budget assumes no increase in assessments. Total contributions from other affected agencies will remain at \$686,500, the same as the last six (6) years. LAFCo's contribution from the cities, county, and special districts is \$228,833 for each category or 1/3 each. The cities and special districts allocation is calculated as a percentage of their revenue compared to the total revenue for their category. Consequently, individual assessments for each affected agency may vary from year to year, however, the 1/3 share in the amount of \$228,833 will not change next fiscal year. This calculation is pursuant to State law [GC 56381] and uses the most recent State Controller's Report for Cities and Special Districts to make the assessment allocation to each affected agency.

**Contributing Agencies**

The Proposed FY 2013-14 Budget has been distributed to LAFCo's Contributing Agencies for their review and comment.

**Summary of Reserves, Year End Fund Balance Estimate, Revenues and Expenditures for FY 2013-14 Budget**

**Estimated Fund Balance (6-30-13)**

Fund Balance (Undesignated)	\$109,170
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Currently the Year-End Balance is estimated to be \$109,170. This may be optimistic and it will be adjusted based on actual information. The actual Year-End Fund Balance is not available until late July. If fund balance is greater than estimated the excess will be placed in reserves or contingencies, however, if Fund Balance is lower than \$109,170, it may be necessary to transfer a sufficient amount from reserves to balance the FY 2013-14 Budget. Therefore, this Final Budget may need to be amended.

**General Fund Reserves (6-30-13)**

Reserve Balance (6-30-2013)	\$220,933
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Currently, the Commission General Reserve Fund Balance is \$220,933. This amount has been set aside for unanticipated expenditures, revenue shortfalls and/or litigation. These funds cannot be spent without Commission approval. No increase or decrease is anticipated at this time except as described in the Fund Balance section of this report.

**FY 2013-14 Final Budget**

The attached budget summarizes the FY 2013-14 Final Budget. No significant changes are proposed for the base budget. Project revenue and project expenses are based on anticipated projects for FY 2013-14. The project costs are estimates and could change as would the revenue estimates when additional information becomes available.

**Summary of Budget Changes**

**Salary and Benefits-No Change**

Salary and Benefits do not include any COLA or equity adjustments based on the County of Sacramento and City of Sacramento Personnel Budget Reports. LAFCo staff are either employees of the County of Sacramento or City of Sacramento. Salary and Benefit adjustments are determined by the respective agencies i.e. either the approval of the Sacramento City Council or County Board of Supervisors. Minor increases represent changes in benefit costs such as medical insurance premiums, retirement contributions, increased employer share of social security taxes, etc.

Estimated Increase: \$5,000 increase offset by a reduction of \$5,000 for extra help.

**Service and Supply Accounts**

It is estimated that service and supply accounts will *increase* by approximately \$7,950 from last year's base budget attributable to the following changes in allocated costs and auditing fees shown below.

The following table summarizes the net change from last year's budget to the proposed budget. The net increase in the Proposed Budget is estimated to be \$7,950 based on current information.

<b>Summary of Budget Changes Between FY 2012-13 and FY 2013-14</b>	
Audit Fees	3,500
Calafco Dues	250
Countywide IT Services	(200)
IT Maintenance	(900)
WAN Network	500
Telephone	(1,000)
Messenger Service	3,300
Lease Facility	2,000
County Allocated Pers	<u>500</u>
<b>Total Net Increase</b>	<b>\$7,950</b>

**Contract Costs and Revenue**

LAFCo contracts for legal, environmental and surveyor services. All contracts include both reimbursable and non-reimbursable expenses. The reimbursable expenses are related to project and/or applications. The non-reimbursable expenses do not relate to specific projects or applications and reflect the on-going costs of operating an independent LAFCo.

The following contract amounts represent non-reimbursable expenditures. These accounts have not increased in several years and remain the same as previous years. For example, legal expenditures may include charges for legal opinions that may be requested by Commissioners, general legal advice, and information that is needed that is not related to a specific project.

<u><b>Non-Project</b></u>	
Legal	\$60,000
Environmental Services	20,000
Surveyor	<u>0</u>
Total Net Cost	<b>\$80,000</b>



## Contingencies

The Final Budget recommends that \$15,220 be budgeted in contingencies to offset unanticipated expenses or revenue shortfalls that may occur during the budget year. This minimal amount remains unchanged from last year. If it is not needed it is a savings that contributes to year-end carryover and Fund Balance.

## Summary of Project Costs and Revenues

The following table highlights projects that may commence in the next fiscal year. The estimated cost of these projects will be entirely offset by revenue. These costs are estimates and could be either higher or lower.

### Estimated Project Costs

City of Elk Grove SOIA	\$60,000
Cordova Hills	25,000
New Projects	50,000
Project Contingency	<u>15,000</u>
<b>Total</b>	<b>\$150,000</b>

### Estimated Project Revenue

Project Fees and Revenue	<u>\$150,000</u>
<b>Total</b>	<b>\$150,000</b>

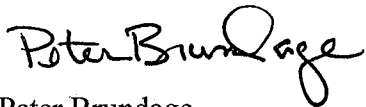
## Operating Efficiencies

Staff continues to review overall expenditures and evaluate all cost savings opportunities.

## Conclusion and Recommendation

Based on the estimated year-end Fund Balance, the FY 2013-14 Final Budget is balanced. However, it may be necessary to take money from reserves to offset any Year-End Fund Balance shortfall. Staff recommends that the Commission adopt the FY 2013-14 Proposed Budget. Staff will report back in August or September with any recommended budget changes based on Final Year-End carryover and any other changes that may occur.

Respectfully Submitted,



Peter Brundage  
Executive Officer  
Attachment

(FY 2013-14 Proposed Budget May, 2013)

## Government Code 56381 - Statutory Funding Formula and Budget Process

**56381.** (a) The commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the commission finds that reduced staffing or program costs will nevertheless allow the commission to fulfill the purposes and programs of this chapter. The commission shall transmit its proposed and final budgets to the board of supervisors, to each city, and to each independent special district.

(b) After public hearings, consideration of comments, and adoption of a final budget by the commission pursuant to subdivision (a), the auditor shall apportion the net operating expenses of a commission in the following manner:

(1) (A) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs.

(B) The cities' share shall be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county, or by an alternative method approved by a majority of cities representing the majority of the combined cities' populations.

(C) The independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. Except as provided in subparagraph (D), an independent special district's total revenue shall be calculated for non-enterprise activities as total revenues for general purpose transactions less revenue category aid from other governmental agencies and for enterprise activities as total operating and non-operating revenues less revenue category other governmental agencies, as reported in the most recent edition of the "Special Districts Annual Report" published by the Controller, or by an alternative method approved by a majority of the agencies, representing a majority of their combined populations. For the purposes of fulfilling the requirement of this section, a multicounty independent special district shall be required to pay its apportionment in its principal county. It is the intent of the Legislature that no single district or class or type of district shall bear a disproportionate amount of the district share of costs.

(D) (i) For purposes of apportioning costs to a health care district formed pursuant to Division 23 (commencing with Section 32000) of the Health and Safety Code that operates a hospital, a health care district's share, except as provided in clauses (ii) and (iii), shall be apportioned in proportion to each district's net from operations as reported in the most recent edition of the hospital financial disclosure report form published by the Office of Statewide Health Planning and Development, as a percentage of the combined independent special districts' net operating revenues within a county.

(ii) A health care district for which net from operations is a negative number may not be apportioned any share of the commission's operational costs until the fiscal year following positive net from operations, as reported in the most recent edition of the hospital financial disclosure report form published by the Office of Statewide Health Planning and Development.

(iii) A health care district that has filed and is operating under public entity bankruptcy pursuant to federal bankruptcy law, shall not be apportioned any share of the commission's operational costs until the fiscal year following its discharge from bankruptcy.

(iv) As used in this subparagraph "net from operations" means total operating revenue less total operating expenses.

(E) Notwithstanding the requirements of subparagraph (C), the independent special districts' share may be apportioned by an alternative method approved by a majority of the districts, representing a majority of the combined populations. However, in no event shall an individual district's apportionment exceed the amount that would be calculated pursuant to subparagraphs

(C) and (D), or in excess of 50 percent of the total independent special districts' share, without the consent of that district.

(F) Notwithstanding the requirements of subparagraph (C), no independent special district shall be apportioned a share of more than 50 percent of the total independent special districts' share of the commission's operational costs, without the consent of the district as otherwise provided in this section. In those counties in which a district's share is limited to 50 percent of the total independent special districts' share of the commission's operational costs, the share of the remaining districts shall be increased on a proportional basis so that the total amount for all districts equals the share apportioned by the auditor to independent special districts.

(2) In counties in which there is no independent special district representation on the commission, the county and its cities shall each provide a one-half share of the commission's operational costs. The cities' share shall be apportioned in the manner described in paragraph (1).

(3) In counties in which there are no cities, the county and its special districts shall each provide a one-half share of the commission's operational costs. The independent special districts' share shall be apportioned in the manner described for cities' apportionment in paragraph (1). If there is no independent special district representation on the commission, the county shall pay all of the commission's operational costs.

(4) Instead of determining apportionment pursuant to paragraph (1), (2), or (3), any alternative method of apportionment of the net operating expenses of the commission

may be used if approved by a majority vote of each of the following: the board of supervisors; a majority of the cities representing a majority of the total population of cities in the county; and the independent special districts representing a majority of the combined total population of independent special districts in the county. However, in no event shall an individual district's apportionment exceed the amount that would be calculated pursuant to subparagraphs (C) and (D) of paragraph (1), or in excess of 50 percent of the total independent special districts' share, without the consent of that district.

(c) After apportioning the costs as required in subdivision (b), the auditor shall request payment from the board of supervisors and from each city and each independent special district no later than July 1 of each year for the amount that entity owes and the actual administrative costs incurred by the auditor in apportioning costs and requesting payment from each entity. If the county, a city, or an independent special district does not remit its required payment within 60 days, the commission may determine an appropriate method of collecting the required payment, including a request to the auditor to collect an equivalent amount from the property tax, or any fee or eligible revenue owed to the county, city, or district. The auditor shall provide written notice to the county, city, or district prior to appropriating a share of the property tax or other revenue to the commission for the payment due the commission pursuant to this section. Any expenses incurred by the commission or the auditor in collecting late payments or successfully challenging nonpayment shall be added to the payment owed to the commission. Between the beginning of the fiscal year and the time the auditor receives payment from each affected city and district, the board of supervisors shall transmit funds to the commission sufficient to cover the first two months of the commission's operating expenses as specified by the commission. When the city and district payments are received by the commission, the county's portion of the commission's annual operating expenses shall be credited with funds already received from the county. If, at the end of the fiscal year, the commission has funds in excess of what it needs, the commission may retain those funds and calculate them into the following fiscal year's budget. If, during the fiscal year, the commission is without adequate funds to operate, the board of supervisors may loan the commission funds. The commission shall appropriate sufficient funds in its budget for the subsequent fiscal year to repay the loan.

**56381.6.** (a) Notwithstanding the provisions of Section 56381, for counties whose membership on the commission is established pursuant to Sections 56326, 56326.5, 56327, or 56328, the commission's annual operational costs shall be apportioned among the classes of public agencies that select members on the commission in proportion to the number of members selected by each class. The classes of public agencies that may be represented on the commission are the county, the cities, and independent special districts. Any alternative cost apportionment procedure may be adopted by the commission, subject to a majority affirmative vote of the commission that includes the affirmative vote of at least one of the members selected by the county, one of the members selected by the cities, and one of the members selected by districts, if special districts are represented on the commission.

(b) Allocation of costs among individual cities and independent special districts and remittance of payments shall be in accordance with the procedures of Section 56381. Notwithstanding Section 56381, any city that has permanent membership on the commission pursuant to Sections 56326, 56326.5, 56327, or 56328 shall be apportioned the same percentage of the commission's annual operational costs as its permanent member bears to the total membership of the commission, excluding any public members selected by all the members. The balance of the cities' portion of the commission's annual operational costs shall be apportioned to the remaining cities in the county in accordance with the procedures of Section 56381.

# Sacramento Local Agency Formation Commission

**Final Budget FY 2013-14 (June, 2013)**

**Base Budget with Projects**

Acct	Description	AmendedFinal Budget	Final Budget	Change Increase/(Decrease)
		12-13	13-14	
<b>Salary and Benefit Accounts</b>				
1000	Total Salaries & Benefits	480,000	485,000	5,000
1005	Secretary Part time	42,000	37,000	(5,000)
1124	Commission Reimbursement	9,000	9,000	0
1240	Worker's Comp	500	500	0
1250	Unemployment	0	0	0
<b>Total 1000's Account</b>		<b>531,500</b>	<b>531,500</b>	<b>0</b>
<b>Service and Supply Accounts</b>				
2005	Advertising-public notice, meetings etc.	7,500	7,500	0
2022	Periodicals, Books, Subs	2,000	2,000	0
2029	Business & Conf Expenses	12,000	12,000	0
2035	Education/Training	2,200	2,200	0
2039	Employee Transportation	200	200	0
2051	Liability Insurance for Commission	7,000	7,000	0
2061	Membership CaLAFCo Dues	7,250	7,500	250
2076	Office Supplies	8,000	8,000	0
2081	Postage	5,000	5,000	0
2275	Rents/Leases Equipment-Copier	18,000	18,000	0
2505	Accounting/Audit Fees	5,000	8,500	3,500
2531	Legal Costs projects	0	0	0
2531	Legal-General	60,000	60,000	0
2591	Other Professional Services	30,000	30,000	0
2591	Misc Costs	0	0	0
2591	Misc Billable Project	250,000	150,000	(100,000)
2910	County Wide IT Services	1,700	1,500	(200)
2911	System Dev Sve Web & Desktop Suppc	17,000	17,000	0
2912	System Dev Sup Maintence	500	1,000	500
2916	WAN Wide Area Network	4,500	3,600	(900)
2917	Security Alarm Monitoring	0	0	0
2921	Printing Services/Duplication	2,250	2,250	0
2923	GS Messenger Services	0	3,300	3,300
2926	GS Stores	1,000	1,000	0
2934	P/W Charges	7,400	7,400	0
2943	Lease Facility Charges	48,500	50,500	2,000
2987	Telephone	4,000	3,000	(1,000)
2990	GS Other Dept Svc	500	500	0
2995	County Allocated Costs	7,000	7,500	500
<b>Total 2000's Account</b>		<b>508,500</b>	<b>416,450</b>	<b>(92,050)</b>
7900	Contingency Base	15,220	15,220	0
7901	Contingency Surplus		0	0
	General Purpose Reserve		0	0
<b>Total Contingency</b>		<b>15,220</b>	<b>15,220</b>	<b>0</b>
<b>Total Appropriations and Contingency</b>		<b>1,055,220</b>	<b>963,170</b>	<b>(92,050)</b>
Less: Project Revenue-Variou				
		15,000	15,000	0
Revenue Reimbursement-Projects				
		250,000	150,000	(100,000)
Interest Earnings				
		2,500	2,500	0
Fund Balance/Carryover				
		101,220	109,170	7,950
Reserve or Fund Balance Betterment-Adjustment				
		0	0	0
Assessments from Contributing Agencies				
		686,500	686,500	0
<b>Total Funding</b>		<b>1,055,220</b>	<b>963,170</b>	<b>(92,050)</b>
<b>Estimated Surplus/Shortfall</b>		<b>0</b>	<b>0</b>	<b>0</b>

**RESOLUTION NO. LAFC 2013-03-0605-00-00**

**THE SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

**RESOLUTION APPROVING THE  
FISCAL YEAR 2013-14 FINAL BUDGET**

**WHEREAS**, the Sacramento Local Agency Formation Commission has conducted a public hearing on June 5, 2013, during which all additions and deletions amending the Final Budget for Fiscal Year 2013-2014 (FY 2013-14) were considered and made.

**WHEREAS**, in accordance with Government Code Section 56381, that the Final Budget for FY 2013-14 is hereby adopted in accordance to the following:

(1)	Salaries and Employees Benefits	\$ 9,500
(2)	Services and Supplies	\$938,450 <sup>1</sup>
(3)	Other Charges	-0-
(4)	Fixed Assets	
	(A) Land	-0-
	(B) Structures and Improvements	-0-
	(C) Equipment	-0-
(5)	Expenditure Transfers	-0-
(6)	Contingencies	\$ 15,220
(7)	Provision for Reserve Increases	\$ <u>0</u>
	<b>TOTAL BUDGET REQUIREMENTS</b>	<b>\$ 963,170</b>
	<b>TOTAL FUNDING</b>	<b>\$ 963,170</b>

**WHEREAS**, the FY 2013-14 Budget is subject to any salary and benefit changes made by the County Board of Supervisors and Sacramento City Council during their budget deliberations. LAFCo contracts with City and County staff. These positions are subject to salary and benefits which are approved by the respective agencies;

**WHEREAS**, that means of financing the expenditures program will be by monies derived from Revenue, Fund Balance Available, and Contributions from Affected Agencies in the amount of \$ 963,170.

**NOW THEREFOR, BE IT RESOLVED** that the Final Budget for FY 2013-14 be and is hereby adopted with the listed attachments which show in detail the approved appropriations subject to limitations attached hereto and by reference made a part hereof.

---

<sup>1</sup> Includes reimbursement to City and County of Sacramento for Reimbursements of Salary and Benefits for Executive Officer, Assistant Executive Officer and Commission Clerk.

BE IT FURTHER RESOLVED that Resolution No. **L AFC 2013-03-0605-00-00** was adopted by the **SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**, on the **5th day of June 2013**, by the following vote, to wit:

	Motion	2nd	Aye	No	Absent	Abstain
Susan Peters	_____	_____	_____	_____	_____	_____
Christopher Tooker	_____	_____	_____	_____	_____	_____
Kevin McCarty	_____	_____	_____	_____	_____	_____
Mike Singleton	_____	_____	_____	_____	_____	_____
Jimmie Yee	_____	_____	_____	_____	_____	_____
Ron Greenwood	_____	_____	_____	_____	_____	_____
Gay Jones	_____	_____	_____	_____	_____	_____

Commission Vote Tally      Aye \_\_\_\_\_ No \_\_\_\_\_ Absent \_\_\_\_\_ Abstain \_\_\_\_\_  
 Passed                      Yes \_\_\_\_\_ No \_\_\_\_\_

By:

\_\_\_\_\_  
**Jimmie Yee, Chair**  
**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

ATTEST:

\_\_\_\_\_  
**Diane Thorpe**  
**Commission Clerk**

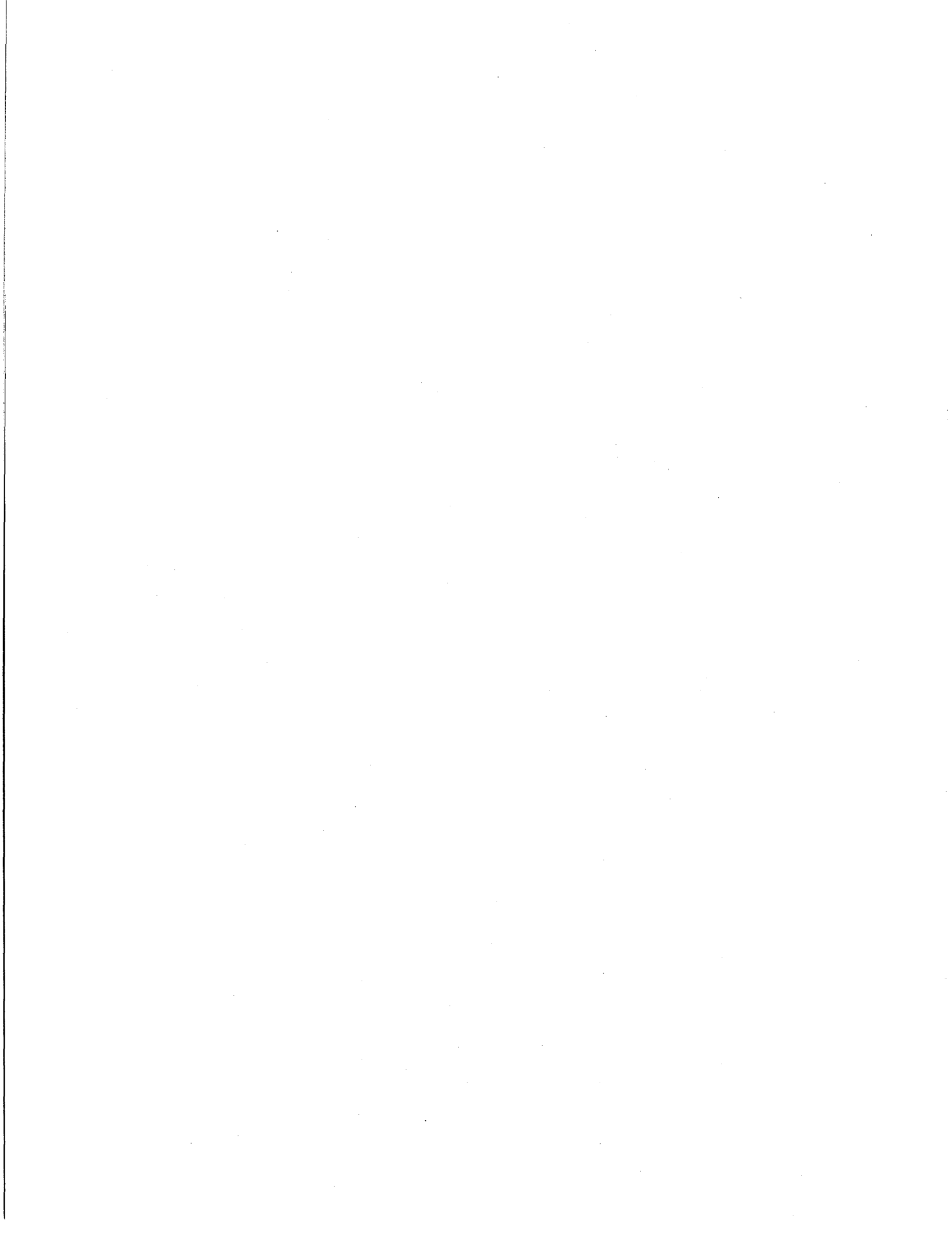


## Sacramento Local Agency Formation Commission

Final Budget FY 2013-14 (June, 2013)

### Base Budget with Projects

Acct	Description	Amended Budget	Final Budget	Change Increase/(Decrease)
		12-13	13-14	
<b>Salary and Benefit Accounts</b>				
1000	Total Salaries & Benefits			0
1005	Secretary Part time			0
1124	Commission Reimbursement	9,000	9,000	0
1240	Worker's Comp	500	500	0
1250	Unemployment	0		0
<b>Total 1000's Account</b>		<b>9,500</b>	<b>9,500</b>	<b>0</b>
<b>Service and Supply Accounts</b>				
2005	Advertising-public notice, meetings etc.	7,500	7,500	0
2022	Periodicals, Books, Subs	2,000	2,000	0
2029	Business & Conf Expenses	12,000	12,000	0
2035	Education/Training	2,200	2,200	0
2039	Employee Transportation	200	200	0
2051	Liability Insurance for Commission	7,000	7,000	0
2061	Membership CaLAFCo Dues	7,250	7,500	250
2076	Office Supplies	8,000	8,000	0
2081	Postage	5,000	5,000	0
2275	Rents/Leases Equipment-Copier	18,000	18,000	0
2505	Accounting/Audit Fees	5,000	8,500	3,500
2531	Legal Costs projects	0	0	0
2531	Legal-General	60,000	60,000	0
2591	Other Professional Services	30,000	30,000	0
2591	Misc Costs	522,000	522,000	0
2591	Misc Billable Project	250,000	150,000	(100,000)
2910	County Wide IT Services	1,700	1,500	(200)
2911	System Dev Sve Web & Desktop Suppc	17,000	17,000	0
2912	System Dev Sup Maintenance	500	1,000	500
2916	WAN Wide Area Network	4,500	3,600	(900)
2917	Security Alarm Monitoring	0	0	0
2921	Printing Services/Duplication	2,250	2,250	0
2923	GS Messenger Services	0	3,300	3,300
2926	GS Stores	1,000	1,000	0
2934	P/W Charges	7,400	7,400	0
2943	Lease Facility Charges	48,500	50,500	2,000
2987	Telephone	4,000	3,000	(1,000)
2990	GS Other Dept Svc	500	500	0
2995	County Allocated Costs	7,000	7,500	500
<b>Total 2000's Account</b>		<b>1,030,500</b>	<b>938,450</b>	<b>(92,050)</b>
7900	Contingency Base	15,220	15,220	0
7901	Contingency Surplus		0	0
	General Purpose Reserve		0	0
<b>Total Contingency</b>		<b>15,220</b>	<b>15,220</b>	<b>0</b>
<b>Total Appropriations and Contingency</b>		<b>1,055,220</b>	<b>963,170</b>	<b>(92,050)</b>
Less: Project Revenue-Variou		15,000	15,000	0
Revenue Reimbursement-Projects		250,000	150,000	(100,000)
Interest Earnings		2,500	2,500	0
Fund Balance/Carryover		101,220	109,170	7,950
Reserve or Fund Balance Betterment-Adjustment		0	0	0
Assessments from Contributing Agencies		686,500	686,500	0
<b>Total Funding</b>		<b>1,055,220</b>	<b>963,170</b>	<b>(92,050)</b>
<b>Estimated Surplus/Shortfall</b>		<b>0</b>	<b>0</b>	<b>0</b>



**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

**1112 I Street, Suite #100  
Sacramento, California 95814  
(916) 874-6458**

June 5, 2013

TO: Sacramento Local Agency Formation Commission  
FROM: Peter Brundage, Executive Officer <sup>PB</sup>  
RE: FY 2013-14 Contracts

**RECOMMENDATION:**

Authorize the Executive Officer to sign the attached contracts for FY 2013-14.

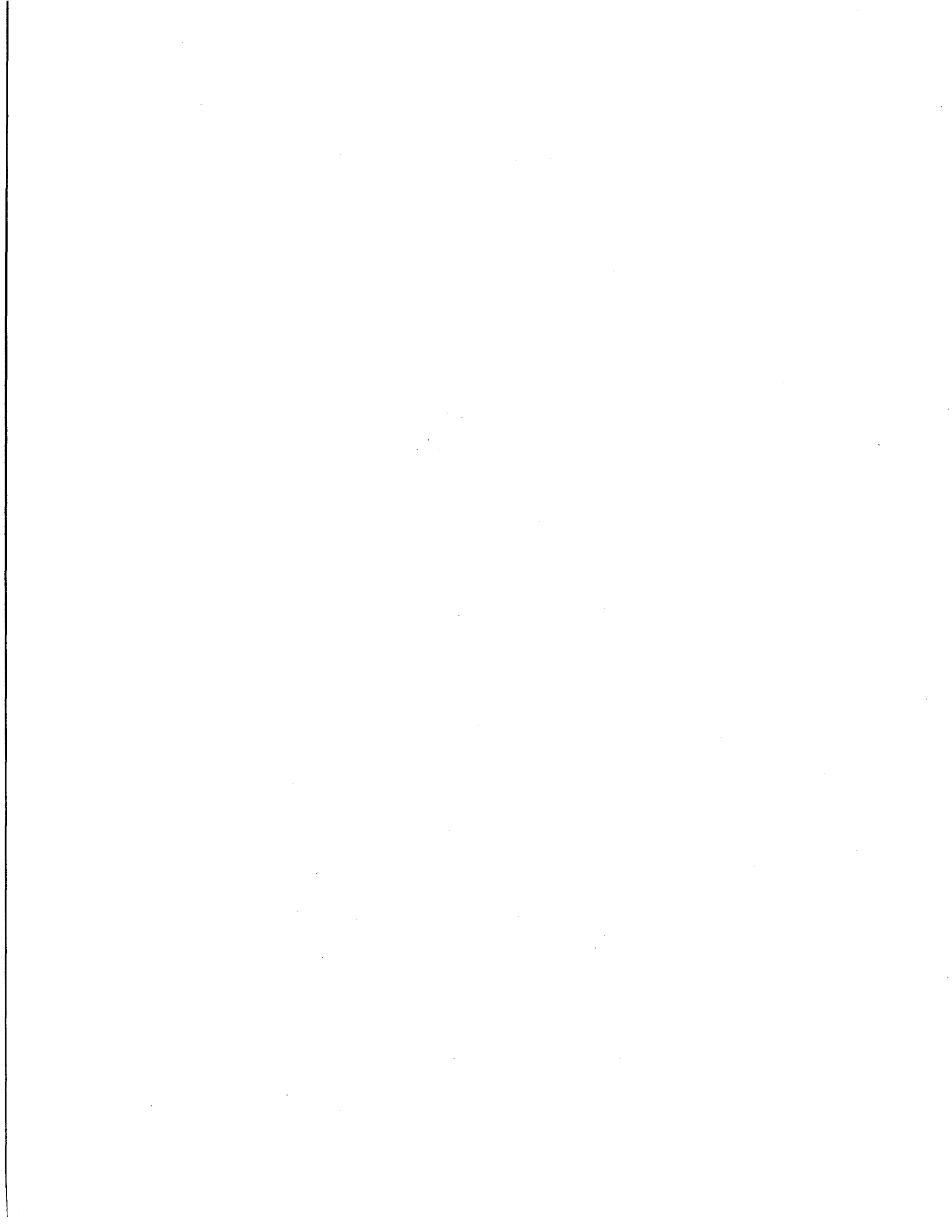
A.	Miller & Owen	Commission Counsel
B.	Environmental Planning Partners	Environmental Support
C.	James Marta, CPA	FY 2012-13 Audit

**DISCUSSION:**

The attached contract renewals cover the various on-going consulting services for FY 2012-13. These contracts include amounts for reimbursable project costs as well as funding for general support that is not reimbursable.

The following contract amounts have been included in the FY 2013-14 Final Budget:

	<u>Contract Amount</u>	<u>Revenue</u>	<u>Net Cost</u>
Legal	\$160,000	\$100,000	\$60,000
Environmental	50,000	30,000	20,000
James Marta, CPA	<u>8,300</u>		<u>8,300</u>
Total	\$218,300	\$130,000	\$88,300



**AGREEMENT BETWEEN  
SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
AND  
MILLER & OWEN  
A Professional Corporation**

This Agreement is made and entered into this 30<sup>th</sup> day of June 2013, by and between the **SACRAMENTO LOCAL AGENCY FORMATION COMMISSION** (hereinafter referred to as "LAFCo"), and **MILLER & OWEN, A Professional Corporation** (hereinafter referred to as "Contractor").

1. **CONTRACTORS OBLIGATION** Contractor shall provide legal services, representation, consultation, research, opinions, and advice. Contractor shall send LAFCo a detailed statement for fees and costs incurred every month.
2. **LAFCO'S RESPONSIBILITIES** For the purposes described in this Agreement, LAFCo shall pay Contractor for services rendered at the hourly rate outlined in Exhibit "A," attached hereto.

The total amount paid to Contractor under this Agreement shall not exceed \$60,000 for services that are not reimbursed by third parties and \$100,000 for services that are reimbursed by third parties for a total amount not to exceed \$160,000 unless the amount is amended in writing by the parties. The total amount does not include any amounts for litigation. In the event of litigation the contract amount may be amended.

3. **CONTRACTOR'S RESPONSIBILITIES** Contractor shall provide legal services to LAFCo, as requested, in order to assist LAFCo in relation to proceedings undertaken. Contractor's services may include, but are not necessarily be limited to:

Representing LAFCo as general counsel including, but not limited to, litigation if any. If litigation is initiated, the budgeted amount may increase upon written agreement of the parties.

Making recommendations to LAFCo on the development of LAFCo positions on various issues as requested by staff or the Commission.

4. **TERM** The term of this Agreement shall be effective from July 1, 2012, through June 30, 2013. It is the parties' intent that this Agreement may be annually renewed by LAFCo and Contractor.

5. **TERMINATION** This Agreement may be terminated as follows:

By mutual consent of both parties; or

By LAFCo upon written notice thereof to Contractor.

**ASSIGNMENT** Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same without prior written consent of LAFCo, except that claims for money due or to become due Contractor from LAFCo under this Agreement may be assigned by Contract to a bank, trust company, or other financial institution without such approval, written notice of any such transfer shall be furnished promptly to LAFCo. Any attempt at assignment of rights under this Contract except for those specifically consented to by both parties or as stated above shall be void.

**MODIFICATION** This Agreement may only be modified by a written amendment hereto, executed by both parties.

**SEVERABILITY** If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

**CONFIDENTIAL RELATIONSHIP** All dealings of the parties hereto are confidential, and no report, data, information or communication developed, prepared or assembled by Contractor hereunder shall be revealed or made available to any person or entity other than LAFCo without LAFCo's permission except as provided by law.

**INDEPENDENT CONTRACTOR** No employer/employee relationship is intended by the parties hereto, the relationship of Contractor to the LAFCo being that of independent contractor. LAFCo will not be required to make payroll deductions or provide worker's compensation insurance or health benefits.

**INSURANCE** During the term of this Agreement, Contractor shall maintain professional liability insurance which is reasonably satisfactory to LAFCo in an amount not less than \$500,000 per occurrence and \$1,000,000 umbrella coverage. Contractor shall also maintain worker's compensation insurance in an amount not less than \$1,000,000.

**SURVIVAL** Contractor shall remain obligated under all clauses of this Agreement which expressly or by their nature extend beyond the term hereof.

**NOTICES** All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with a United States Post Office for delivery by registered or certified mail and addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party:

LAFCo: Sacramento Local Agency Formation Commission  
Attention: Peter Brundage  
1112 I Street, Suite No. 100  
Sacramento CA 95814-1280  
916-874-5935

CONTRACTOR: MILLER & OWEN  
Attention: Nancy C. Miller  
A Professional Corporation  
428 J Street, Suite 400  
Sacramento CA 95814

**ADDITIONAL PROVISIONS** This Agreement shall be governed by the laws of the State of California. It constitutes the entire agreement between the parties regarding its subject matter. This Agreement supersedes all proposals, oral or written, and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this Agreement.

Executed by Contractor and by LAFCo in Sacramento, California on the date and year first above written.

SACRAMENTO LOCAL AGENCY  
FORMATION COMMISSION

MILLER & OWEN  
A Professional Corporation

By: \_\_\_\_\_  
Peter Brundage  
Executive Officer

By: \_\_\_\_\_  
Nancy C. Miller

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**Exhibit A**

**RATE SCHEDULE FY 2011-12**

Nancy C. Miller	\$280.00
William L. Owen	\$280.00
Christiane E. Layton	\$260.00
Paul J. Chrisman	\$260.00
Madeline E. Miller	\$225.00
Jennifer V. Gore	\$215.00
Matt McOmber	\$200.00
Stuart Thompson	\$195.00
Other Associates	\$195-255
Paralegals	\$105.00

In addition, only the following costs will be billed as follows:

In-house photocopying will be billed at \$.05 a copy. Other photocopying, postage, long distance telephone charges, federal express, courier service, court and administrative fees, and all other "out of pocket" costs will be billed at actual costs. Travel to and from client is not billed.

Hourly rates may increase upon written amendment by the parties. The firm usually adjusts rates annually.



**AGREEMENT BETWEEN  
SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
AND  
ENVIRONMENTAL PLANNING PARTNERS, INCORPORATED**

This Agreement is made and entered into this 1<sup>st</sup> day of July, 2013, by and between the SACRAMENTO LOCAL AGENCY FORMATION COMMISSION (hereinafter referred to as "LAFCo"), and ENVIRONMENTAL PLANNING PARTNERS, Inc.

1. **CONTRACTORS OBLIGATION** Contractor shall provide environmental planning services, environmental document preparation, consultation, research, opinions, and advice. Contractor shall send LAFCo a detailed statement for fees and costs incurred every month.
2. **LAFCO'S RESPONSIBILITIES** For the purposes described in this Agreement, LAFCo shall pay Contractor for services rendered at the hourly rate outlined in Exhibit "A," attached hereto.

The total amount paid to Contractor under this Agreement shall not exceed \$20,000 for services that are not reimbursed by third parties and \$30,000 for services that are reimbursed by third parties for a total amount not to exceed \$50,000 unless the amount is amended in writing by the parties. The total amount does not include an amount for litigation. In the event of litigation, the contract may be amended.

3. **CONTRACTOR'S RESPONSIBILITIES** Contractor shall provide environmental planning services to LAFCo, as requested, in order to assist LAFCo in complying with the California Environmental Quality Act in LAFCo's consideration of projects and applications brought before LAFCo. Contractor's services may include, but are not necessarily limited to:
  - Preparing environmental documents compliant with the California Environmental Quality Act for LAFCo projects. Such documents under this contract include Notices of Exemption, Initial Studies, and Negative Declarations. If an expanded Initial Study with special technical studies or an Environmental Impact Report is initiated, the budgeted amount may increase upon written agreement of the parties.
  - Reviewing and commenting upon environmental documents prepared by local lead agencies to support applications submitted to LAFCo in LAFCo's role as a responsible agency under terms of the California Environmental Quality Act.
4. **TERM** The term of this Agreement shall be from the effective date of July 1, 2012 through June 30, 2013.

5. **TERMINATION** This Agreement may be terminated as follows:

By mutual consent of both parties; or

By LAFCo upon written notice thereof to Contractor

**ASSIGNMENT** Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same without prior written consent of LAFCo, except that claims for money due or to become due Contractor from LAFCo under this Agreement may be assigned by Contract to a bank, trust company, or other financial institution without such approval, written notice of any such transfer shall be furnished promptly to LAFCo. Any attempt at assignment of rights under this Contract except for those specifically consented to by both parties or as stated above shall be void.

**MODIFICATION** This Agreement may only be modified by a written amendment hereto, executed by both parties.

**SEVERABILITY** If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

**CONFIDENTIAL RELATIONSHIP** All dealings of the parties hereto are confidential, and no report, data, information or communication developed, prepared or assembled by Contractor hereunder shall be revealed or made available to any person or entity other than LAFCo without LAFCo's permission except as provided by law.

**INDEPENDENT CONTRACTOR** No employer/employee relationship is intended by the parties hereto, the relationship of Contractor to the LAFCo being that of independent contractor. LAFCo will not be required to make payroll deductions or provide worker's compensation insurance or health benefits.

**INSURANCE** During the term of this Agreement, Contractor shall maintain professional liability insurance that is reasonably satisfactory to LAFCo in an amount not less than \$1,000,000 per occurrence and \$1,000,000 aggregate. Contractor shall also maintain worker's compensation insurance as required by statute.

**SURVIVAL** Contractor shall remain obligated under all clauses of this Agreement that expressly or by their nature extend beyond the term hereof.

**NOTICES** All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with a United States Post Office for delivery by registered or certified mail and addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party:

LAFCO: Sacramento Local Agency Formation Commission  
Attention: Peter Brundage  
1112 I Street, #100  
Sacramento CA 95814-1280

CONTRACTOR: Environmental Planning Partners Inc.  
Attention: Robert D. Klousner  
PO Box 627  
7281 Lone Pine Drive, Suite D-203  
Sloughhouse, CA 95683

**ADDITIONAL PROVISIONS** This Agreement shall be governed by the laws of the State of California. It constitutes the entire agreement between the parties regarding its subject matter. This Agreement supersedes all proposals, oral or written, and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this Agreement.

In addition, only the following costs will be billed as follows:

In-house photocopying will be billed at \$.05 a copy. Other photocopying, postage, long distance telephone charges, federal express, courier service, court and administrative fees, and all other "out of pocket" costs will be billed at actual costs.

Hourly rates shown in Exhibit A attached

Executed by Contractor and by LAFCo in Sacramento, California on the date and year first above written.

**SACRAMENTO LOCAL AGENCY  
FORMATION COMMISSION**

**ENVIRONMENTAL PLANNING PARTNERS**  
Incorporated

By: \_\_\_\_\_  
Peter Brundage  
Executive Officer

By: \_\_\_\_\_  
Robert D. Klousner

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**Exhibit A**

**2012-2013 RATE SCHEDULE**

Client: Sacramento Local Agency Formation Commission

Matter: Environmental Document Preparation and Consulting

**Hourly rates for Planning Partners' personnel:**

Principal	\$150.00
Principal Planner/Scientist	\$130.00
Prof. Planner/Scientist	\$120.00
Senior Planner	\$105.00
Assoc. Planner/Scientist	\$95.00
Assistant Planner	\$90.00
Planning Technician	\$85.00
Cartographer	\$75.00
Support	\$57.50



**James Marta & Company LLP**  
*Certified Public Accountants*

*Accounting, Auditing, Tax, and Consulting*

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February 15, 2013

Peter Brundage  
Executive Officer  
Sacramento Local Agency Formation Commission  
1112 I Street, Suite 100  
Sacramento, CA 95814

We are pleased to confirm our understanding of the services we are to provide for Sacramento Local Agency Formation Commission for the year ending June 30, 2013.

**I. SCOPE OF WORK**

We have been engaged to perform an audit of Sacramento Local Agency Formation Commission's Governmental Fund Balance Sheet and Statement of Net Assets as of June 30, 2013 and the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance and Statement of Activities for the year then ending. The purpose of an audit is to express an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America, and is limited to the period covered by our audit.

You have requested that we audit the financial statements of the governmental activities of Sacramento Local Agency Formation Commission, as of June 30, 2013, and for the year then ended and the related notes to the financial statements, which collectively comprise Sacramento Local Agency Formation Commission's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit.

The accounting principles generally accepted in the United States of America require that the included supplementary information, management's discussion and analysis and budgetary comparison information, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- Budget (Non-GAAP) and Actual - General Fund

If supplementary information other than RSI will accompany Sacramento Local Agency Formation Commission's basic financial statements, the we will subject the supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and, in accordance with Government Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and in accordance with Government Auditing Standards.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

## II. MANAGEMENT'S RESPONSIBILITIES

At the outset, it is imperative that we state the scope of your responsibilities in connection with this engagement:

- a. The financial statements are the responsibility of Sacramento Local Agency Formation Commission's management.
- b. Encompassed in that responsibility are the establishment and maintenance of effective internal control over financial reporting, the establishment and maintenance of proper accounting records, and the selection of appropriate accounting principles.
- c. Management is responsible for the design and implementation of programs and controls to prevent or detect fraud, and for informing us about all known or suspected fraud affecting the organization involving (a) management, (b) individuals who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements.
- d. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the organization received in communications from members, regulators, or others. In addition, management is responsible for identifying and ensuring that the entity complies with applicable laws and regulations.
- e. Management is responsible:
  - i. for the identification of the applicable reporting framework.
  - ii. for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America.
  - iii. for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- f. Management is responsible to provide us with:
  - i. access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
  - ii. additional information that we may request from management for the purpose of the audit; and
  - iii. unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from *management* written confirmation concerning representations made to us in connection with the audit.

We will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. You are responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

As part of our engagement we may propose standard, adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on your financial statements. Further, you are responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these services.

### **III. OUR RESPONSIBILITY**

Our responsibility is to express an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles, and is limited to the period covered by our audit. Facts and circumstances may require us to qualify that opinion, or to disclaim it, or to express an adverse opinion. Other facts and circumstances may require us to provide additional information on our report. We will keep you informed if and when we begin to reach conclusions that our report may need to be modified because of such facts and circumstances.

### **IV. CHARACTER AND LIMITATIONS OF AN AUDIT**

Our audit will be conducted in accordance with generally accepted auditing standards. Those standards require that we initially assess the risk that errors, fraud, irregularities, and illegal acts may cause the financial statements to contain a material misstatement. This is necessary because we do not audit all the transactions and balances in the financial statements, only a selected portion of them, in some cases a very small portion. The costs for us to examine a large portion of them, or all of them of a certain category, or all of them in all categories, would be prohibitive. Consequently, there are risks.

In making this initial assessment, we are required to obtain an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of financial statements and to design appropriate audit procedures. Those considerations mandate your complete cooperation and honesty about your knowledge and understanding of the possibility of the existence of errors, fraud, irregularities and illegal acts. By signing this letter, you agree that you will provide this cooperation and that you will be totally honest with us.



Based on that assessment, the standards require us to design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement, whether caused by errors, fraud, irregularities and illegal acts. Accordingly, a material misstatement may remain undetected. While we are required to exercise due care and professional skepticism, since our opinion is based on the concept of reasonable assurance, we are not an insurer and our report does not constitute a guarantee. We will inform you of all matters of fraud that come to our attention. We will also inform you of illegal acts that come to our attention, unless they are clearly inconsequential. We will inform you of any need to extend our procedures because of them and our estimate of their additional cost.

The discovery, subsequent to the date of the auditor's report, that one or more errors, frauds, irregularities, or illegal acts causing the financial statements to contain one or more material misstatements, have occurred does not necessarily mean that our audit was not conducted in accordance with generally accepted auditing standards.

An audit includes obtaining an understanding of internal control sufficient to plan the audit, but is not designed to provide assurance on internal control or to identify significant deficiencies conditions. However, during the audit, if we become aware of such reportable conditions or ways that we believe management practices can be improved, we will communicate them to you in a separate letter.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include direct confirmation of certain assets, revenues and expenses by correspondence with selected individuals, legal counsel, creditors, and financial institutions.

Management is responsible for making all financial records and related information available for purposes of the audit.

In the event that the financial information provided is incomplete or inaccurate, then we will either complete the work at our standard rate, or delay the audit until this information is complete and accurate.

At the conclusion of our audit, we will require you to furnish us a management representation letter confirming, among others, your responsibility for your financial statements and for the design and implementation of program and controls to prevent and detect fraud. This letter is a required audit procedure prior to issuing our report. By signing this engagement letter and furnishing a management representation letter, you agree to indemnify us and hold us harmless for any liability and costs arising from knowing misrepresentations by management.

In accordance with auditing standards generally accepted in the United States of America, we will also issue a written report describing the scope of our testing over internal control over financial reporting, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

We have attached a copy of our latest external peer review report of our firm for your consideration and files.

## V. OTHER STIPULATIONS

### Fees

Our fee for the audit will not exceed \$8,300 for the fiscal year ending June 30, 2013. This fee includes the cost of a board presentation in Sacramento, California; additional cost will be added for time and travel expense to an alternate location.

We will bill you on a monthly basis for our services and invoices are payable upon presentation. Unpaid fee balances 30 days overdue will bear interest at 18 percent per annum. This fee is based upon the assumption that the closing journal entries will be made and accounting will be finalized and closed before the year end audit fieldwork. Additional time and billing charges will incur if accounting service is provided for closing accounting records. Attendance at special meetings will be billed at our hourly rates.

Whenever possible, we will attempt to use your organization's personnel to assist in the preparation of schedules and analyses of accounts. We understand that your employees will prepare all cash or other confirmations we request and will locate any invoices selected by us for testing. This effort could substantially reduce our time requirements, facilitate the timely conclusion of the audit, and help you hold down audit fees.

Our initial fee estimate assumes we will receive the aforementioned assistance from your personnel and unexpected circumstances will not be encountered. In the event that the GASB, FASB, AICPA, GAO, OMB, or the State of California issues additional standards or audit procedures that require additional work during the audit period, we will discuss these requirements with you before proceeding further. If to complete our work or in conjunction with our audit we are asked or are required to perform account reconciliation or other work not otherwise in the scope of an audit, our fee for addressing the additional requirements will be at our standard hourly rates for each person involved in the additional work.

In the event we are required to respond to discovery requests, subpoenas, and outside inquiries, we will first obtain your permission unless otherwise required to comply under the law. Our time and expense to comply with such requests will be charged at our standard hour rates in addition to the stated contract.

## Reports

We will issue a report on the audit of the Sacramento Local Agency Formation Commission's Governmental Fund Balance Sheet and Statement of Net Assets as of June 30, 2013 and the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance and Statement of Activities for the year then ending. The purpose of an audit is to express an opinion as to whether your financial statements are fairly presented, in all material respects in conformity with United States generally accepted accounting principles, and is limited to the period covered by our audit. We will issue a written report upon the completion of our audit to the Sacramento Local Agency Formation Commission. Our report will be addressed to the Commissioners of Sacramento Local Agency Formation Commission. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. In the event we must withdraw from the engagement, our fees will be limited to the fees incurred up to the point of withdrawal.

We will also issue a written report on internal control and compliance issues and a report to those charged with governance.

At the conclusion of our audit engagement, we will communicate to the Commissioners the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

We will provide you with 15 copies of the report. If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

The intended users of the report are the board of directors of the Sacramento Local Agency Formation Commission. You agree to be responsible to distribute the reports to those charged with governance and to the appropriate officials of the responsible party.

### **Working Papers**

The working papers for this engagement are the property of James Marta & Company LLP and constitute confidential information. However, we may be requested to make certain working papers available or provide copies of them to certain regulators pursuant to authority given to it by law or regulation or peer reviewers. If requested, access to such working papers will be provided under the supervision of James Marta & Company LLP. The regulator's may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

We agree to retain our work papers related to this audit for a period of at least seven (7) years from the date of our report.

### **Mediation Provision**

Disputes arising under this agreement (including scope, nature, and quality of services to be performed by us, our fees and other terms of the engagement) shall be submitted to mediation. A competent and impartial third party, acceptable to both parties shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all costs against any non-prevailing party found not to have participated in the mediation process in good faith.

Several technical accounting and auditing words and phrases have been used herein. We presume you to understand their meaning or that you will notify us otherwise so that we can furnish appropriate explanations.

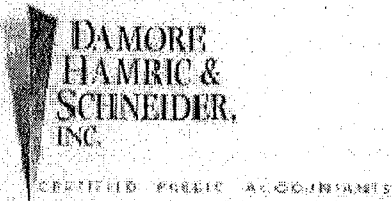
If the foregoing is in accordance with your understanding, please indicate your agreement by signing a copy of this letter and returning it to us.

We appreciate the opportunity to serve you and look forward to working with you and your staff.

Sincerely,



James Marta & Company LLP  
Certified Public Accountants



**SYSTEM REVIEW REPORT**

November 28, 2011

To the Owner of James P. Marta & Company  
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of James P. Marta & Company (the firm) in effect for the year ended May 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under Government Auditing Standards; and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of James P. Marta & Company, in effect for the year ended May 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies), or fail. James P. Marta & Company has received a peer review rating of pass.

*Damore, Hamric & Schneider Inc.*  
DAMORE, HAMRIC & SCHNEIDER, INC.  
Certified Public Accountants

3856 Arden Way, Suite 200  
Sacramento, CA 95825  
Tel (916) 451-2816  
Fax (916) 458-4428  
<http://www.dhsca.com>

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of

Sacramento Local Agency Formation Commission

Approved by: Peter Baumgardner

Title: Executive Officer

Date: Feb 19, 2013

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

*1112 I Street, Suite #100  
Sacramento, California 95814  
(916) 874-6458*

**June 5, 2013**

**TO:** Sacramento Local Agency Formation Commission  
**FROM:** Peter Brundage, Executive Officer  
**RE:** **Rio Linda/Elverta Community Water District – Draft  
Municipal Service Review – Report Back (L AFC 07-10)**

**RECOMMENDATION**

Receive and file status report.

Overall the District continues to provide adequate water service to the community and progress is being made to address the water supply and water quality issues. However, the overall financial condition is weak and the District continues to operate in the red. However, the District is gradually improving its financial position. The District has obtained coverage for employment practices from the Association of California Water Agencies. The coverage will commence in October, 2013 during the annual renewal period.

**DISCUSSION**

This report summarizes the actions, developments, and events related to the Rio Linda Elverta Community Water District that have occurred since May 1, 2013.

**I. Board of Directors**

The Board is developing a Strategic Plan to prioritize deferred maintenance, capital improvement projects and district financing. The Board has established several sub-committees to review and recommend policies for the consideration by the Board.

The Board approved the collection of the Inactive Service fee that was recently suspended.

### **Status of CDPH Compliance Orders**

The water quality and quantity continue to be satisfactory. Water pressure is subject to variation because of leaks and equipment failures. However, generally, water pressures remain adequate and comply with CDPH standards.

Completion of the Reservoir Tank and Booster Station should satisfy the outstanding Compliance Order related to adequate water supply.

The District has completed the required Federal/State audit related to the State revolving loan. No audit exceptions were noted in the report. The District is in compliance with the terms and conditions of the loan and has accurately reported required financial information.

### **III. Sacramento Suburban Water District Interconnection**

No changes in the operation or status of the intertie with Sacramento Suburban Water District. RLECWD and Sacramento Suburban Water District renewed this Agreement during February, 2013. This intertie operates only if water pressure drops below 30 psi. Once the reservoir tank and booster station are complete the District will no longer need the intertie agreement, however, the District has entered into a Mutual Aid Agreement with Sacramento Suburban Water District similar to agreements with Del Paso Manor Water District and Carmichael Water District.

### **IV. Status of District Operations**

#### **District Financial Condition**

No significant changes in the overall financial situation of the District. Cash Flow remains tight. Accounts Payables **are not** current and the District is operating at a loss or in the "red" for last several years. The financial condition of the District appears to be improving and is actually beginning to stabilize.

The District has been able to pay creditors and vendors because it is basically using money that should be deposited into capital and debt service accounts. In addition, over the last several years, the District did not deposit capital construction and debt service funds into the appropriate accounts. Currently, the District needs to put in approximately \$150,000. The District is proposing to repay these funds over a five-year period with annual payments of approximately \$30,000. To date, the District is current with its reserve and debt service accounts per the various agreements.

Also, the Board is attempting to contain and control legal costs.

The Board of Directors approved the FY 2013-14 budgets at their May Board meeting.



insurance coverage for employment practices effective October 2013. The District's overall financial situation remains weak, however the amount of checks held for payment fluctuates month to month, the total dollar amount is decreasing.

**VI. Next Steps**

LAFCo staff will continue to work with CDPH and the District to monitor the situation. We will keep the Commission informed.

Respectfully Submitted;

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

A handwritten signature in black ink that reads "Peter Brundage". The signature is written in a cursive style with a large, looped "P" and "B".

Peter Brundage,  
Executive Officer

Attachments



## **Managers Report**

**April 9, 2013 to May 13, 2013**

**On April 9, 2013 I met with Brian Holloway of Holloway Engineering regarding a proposed business complex on the corner of M and Rio Linda Blvd. The proposed construction would include 5 retail stores and several small office spaces. He was informed of the building moratorium and he figures the development would not be active until the fall of 2014.**

**On April 10, 2013 I went to the California Financing Coordinating Committee funding fair. There were presentations from Rural Development, California Department of Public Health, Department of Housing and Community Development, State Water Resources Control Board, Bureau of Reclamation and Department of Water Resources. I received a very informative booklet on all funds available and the requirements to obtain funding under the programs offered.**

**On April 11, 2013 I went to SGA. They discussed adopting the labor compliance program required for Prop 84 funding. They also approved the 2013/14 budget . A Resolution was adopted to update their groundwater management.**

**On April 15, 2013 Mr. Green, Pat Goyet and I met with the Montgomery's they own property on 22<sup>nd</sup> St. with an inactive service and asked that we locate their service and backflow as they plan to reconnect to the system.**

**On April 16, 2013 Two operators went to electrical safety training provided by our insurance carrier ACWA/JPIA free of charge.**

**April 18 and 19 one office staff member went to completed staff work training. Now all front office staff have completed this course. When there is an item that needs detailed information to make a determination on what course the District should take all of the staff will now be able to contribute to the process of determining the best option.**

**April 22-25, 2013 I went to the California Rural Water Assoc. annual conference and obtained contact hours to maintain my State Licenses. I took classes on Understanding CEQA, Water tank design, selection, maintenance and inspection, revisions to the total coliform rule, the groundwater rule, drinking water regulations and leak detection principals and equipment. I also attended their annual meeting and networked with many other managers of Districts large and small.**

**On April 30, 2013 I met with Director Anderson and went over the 2013/14 budget.**

**On May 1, 2013 I went to the Lafco meeting. Our agency was on the consent calendar this month and it is my hope that it will remain that way. I informed them that our insurance will be reviewed on May 6, 2013.**

**On May 3, 2013 I met with Director Dills on the 2013-14 budget.**

**On May 7, 2013 the Planning committee met and discussed the proposal to outsource backflow preventer testing. They were also updated on the Elverta Specific Plan and L St. reservoir projects.**

**May 6-9 2013 I went to the ACWA/ JPIA conference. I am happy to report that we will have our Employment Practices Liability Insurance reinstated when our insurance comes up for renewal on October 2014. The District will then be covered for all risks with the exception of the General Counsel's contract. On May 6 and 7 I attended ACWA /JPIA meetings and on May 8 and 9 I attended the following ACWA meetings: Water conservation rate structures and BMP 1.4, Public-Private partnership for water and wastewater facilities, demographic economic analysis and psychological investing. Our District is in Region 4 and I also attended their meeting.**

**On May 13, 2013 The single audit which is required for agencies who receive Federal funds was performed for fiscal year 2011-12. I was informed by the audit staff it appears that there were no issues with this audit. Later that evening the Finance committee met and discussed the single audit, legal performance review, preliminary budget, tenant/owner application for service and the new \$1.00 fee for duplicate billings and future request for proposal procedures.**

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

**Monday, May 20, 2013 (6:30 p.m.)**

Visitor's / Depot Center  
6730 Front Street  
Rio Linda, CA 95673  
(916) 991-1000

**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. Request 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 and PLEDGE OF ALLEGIANCE**

**2. PUBLIC HEARING**

**2.1 Open Public Hearing**

**2.2 Preliminary Budget Fiscal Year 2013-14**

**2.3 Public Comment**

**2.4 Close Public Hearing**

**3. PUBLIC COMMENT**

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).

**4. CONSENT CALENDAR**

*Action items: Approve Consent Calendar Items*

**a. Minutes:**

March 18, 2013 Regular Board Meeting  
April 15, 2013 Regular Board Meeting

- b. Expenditures
- c. Financial Reports
- d. Single Audits  
Richard & Company
- e. Status of District Employment Practices Insurance
- f. 2013-14 Fiscal Year Operating and Capital Improvement Budget

## **5. REGULAR CALENDAR**

### **ITEMS FOR DISCUSSION AND ACTION**

#### **5.1 Customer request to be removed from District Services**

*Action Item: It is recommended by Staff that the Monsees property request be denied and the Blue Oaks request be approved for the reasons stated.*

#### **5.2 Labor Negotiator**

The Board will discuss and determine the need to revise the Union Memorandum of Understanding. The Board will determine who they will appoint as the Labor Negotiator.

*Action Item: It is recommended by Staff that the Board approve appointing Management as the Labor Negotiator with Labor Attorney Review.*

#### **5.3 Legal Performance Review Proposal**

The Board will determine if they will hire outside Counsel to review General Counsels legal billings and contract to assist in legal counsel's performance evaluation.

*Action Item: It is recommended by the Finance / Administrative Committee that the Board approve using outside Counsel to review General Counsels legal billings and contract.*

#### **5.4 Backflow Prevention Device Testing Program**

*Action Item: It is recommended by the Planning Committee that the Board consider outsourcing the backflow testing program with the District Staff administering the program.*

#### **5.5 Determine type of Tank Materials**

*Action Item: The Board will determine the material to be used in the construction of the District's new tank.*

#### **5.6 Owner / Tenant Billing Agreement**

*Action Item: It is recommended by the Finance / Administrative Committee that the Board approve the Owner / Tenant Billing agreement.*

#### **5.7 Resolution 2013-07 Duplicate Billing Fee**

*Action Item: It is recommended by the Finance / Administrative Committee that the Board approve Resolution 2013-07 charging a fee for owner / tenant duplicate bill.*

## **6. INFORMATION ITEMS**

### **1. DISTRICT ACTIVITY REPORT**

- a. General Manager's Report
- b. Water Production Report
- c. District Engineers Report

### **2. BOARD REPORTS**

- a. Regional Water Authority – Dills, Henrici
- b. Sacramento Groundwater Authority – Green, Henrici
- c. LAFCo – Caron

- d. Planning Committee – Longo, Green
- e. Finance / Administrative Committee – Dills, Anderson
- f. Legal Ad Hoc Committee – Caron, Anderson
- d. Other Reports

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

**8. ADJOURNMENT**

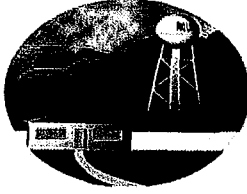
Upcoming meetings schedule:

Planning Committee – June 4, 2013, Tuesday, 4:30 pm at the District Office, 730 L Street, Rio Linda, CA

Finance / Administrative Committee – June 10, 2013, Monday, 5:30 pm at the District Office, 730 L Street, Rio Linda, CA

Next Board Meeting – Monday, June 17, 2013, 6:30 pm at the Visitor's / Depot Center, 6730 Front St, Rio Linda, CA 95673.

**RIO LINDA**



**ELVERTA**

**Public Hearing**

**Date:** May 20, 2013

**Subject:** 2013-14 Preliminary Budget

**Staff Contact:** Mary Henrici, General Manager

**This is a Public Hearing for 2013-14 Preliminary Budget**

**Comments:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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



Rio Linda/Elverta CWD  
2013/14 Preliminary budget

INCOME					2012-2013	Projected to	2012-2013	2013-2014	2012-13 vs
					Actual	6/30/2013	Final	Preliminary	2013-14
				Expenditures		Budget	Budget	Budget	
				TO 3/31/13					
<b>OPERATING REVENUES</b>									
<b>Water Service Rates</b>									
	40101	Basic Service Charge			\$1,029,923.00	\$1,369,797.59	\$1,402,550.00	\$1,589,562.00	\$187,012.00
	40102	Usage Charge			\$424,224.00	\$564,217.92	\$496,656.00	\$550,000.00	\$53,344.00
	40105	Backflow Charge			\$20,514.00	\$25,000.00	\$25,000.00	\$25,000.00	\$0.00
	40106	Fire Protection/Hydrant Meter			\$7,979.00	\$10,612.07	\$8,000.00	\$10,600.00	\$2,600.00
		<b>Total Water Service Rates</b>			\$1,482,640.00	\$1,969,627.58	\$1,932,206.00	\$2,175,162.00	\$242,956.00
<b>Account Service Charges</b>									
	40201	Service App/New Location Fee			\$11,550.00	\$10,250.00	\$10,000.00	\$0.00	-\$10,000.00
	40202	Late Payment Fee			\$16,737.00	\$22,260.21	\$20,000.00	\$22,000.00	\$2,000.00
	40203	Disconnect Tag Fee/NSF Fees			\$45,929.00	\$61,085.57	\$35,000.00	\$45,000.00	\$10,000.00
	40204	Termination/Reconnection			\$14,902.00	\$19,819.66	\$20,000.00	\$17,000.00	-\$3,000.00
	40205	Lien Fees			\$1,725.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00
	40209	Other Account Service Charges			\$1,416.00	\$1,883.28	\$7,000.00	\$2,000.00	-\$5,000.00
		<b>Total Account Service Charges</b>			\$92,259.00	\$115,298.72	\$92,000.00	\$88,000.00	-\$4,000.00
<b>Field Water Service Fees</b>									
	40301	Plan Check/Inspections/FireFlow			\$201.00	\$267.33	\$750.00	\$250.00	-\$500.00
	40302	Field Serv/Sys Damage/T & M/RMR			\$331.00	\$400.00	\$500.00	\$500.00	\$0.00
	40303	Service Install/Modification			\$14,370.00	\$14,370.00	\$15,000.00	\$2,000.00	-\$13,000.00
		<b>Total Field Water Service Fees</b>			\$14,902.00	\$15,037.33	\$16,250.00	\$2,750.00	-\$13,500.00

Rio Linda/Elverta CWD  
2013/14 Preliminary budget

INCOME						2012-2013	Projected to	2012-2013	2013-2014	2012-13 vs
						Actual	6/30/2013	Final	Preliminary	2013-14
						Expenditures		Budget	Budget	Budget
						TO 3/31/13				
	40401	Miscellaneous Operating Revenue				\$1,591.00	\$0.00	\$5,000.00	\$3,000.00	-\$2,000.00
	<b>TOTAL OPERATING REVENUES</b>					\$1,591,392.00	\$2,099,963.63	\$2,045,456.00	\$2,268,912.00	\$223,456.00
	<b>NON-OPERATING REVENUES</b>									
	41100	Tower Leases				\$62,457.00	\$80,260.00	\$70,000.00	\$80,000.00	\$10,000.00
	41110	Earnings on Monies				\$580.00	\$771.40	\$1,000.00	\$750.00	-\$250.00
	41120	Property Taxes & Related				\$33,303.00	\$49,291.00	\$60,000.00	\$60,000.00	\$0.00
	41140	Miscellaneous Non-Operating Revenue				\$2,712.00	\$3,606.96	\$2,500.00	\$2,500.00	\$0.00
	41150	lawsuit settlements				\$0.00	\$0.00	\$0.00	\$25,000.00	\$25,000.00
	<b>TOTAL NON-OPERATING REVENUES</b>					\$99,052.00	\$133,929.36	\$133,500.00	\$168,250.00	\$34,750.00
	<b>TOTAL INCOME</b>					\$1,690,444.00	\$2,233,892.99	\$2,178,956.00	\$2,437,162.00	\$258,206.00
	<b>OPERATING EXPENDITURES</b>									
	<b>Officers Fees</b>									
	60011	General Counsel fees-Legal				\$451,428.00	\$540,000.00	\$265,000.00	\$150,000.00	-\$115,000.00
	60012	Auditors Fees				\$19,450.00	\$19,450.00	\$18,000.00	\$21,300.00	\$3,300.00
		Auditor Forensic Fees				\$13,608.00	\$13,607.00	\$11,000.00	\$0.00	-\$11,000.00
	60014	Board Trainings-Travel				\$44.00	\$44.00	\$3,000.00	\$1,000.00	-\$2,000.00
	60015	Board Meeting Fees				\$8,192.00	\$10,895.36	\$10,000.00	\$13,000.00	\$3,000.00
		<b>Total Officers Fees</b>				\$492,722.00	\$583,996.36	\$307,000.00	\$185,300.00	-\$121,700.00



Rio Linda/Elverta CWD  
2013/14 Preliminary budget

EXPENSE					2012-2013 Actual	Projected to 6/30/2013	2012-2013 Final	2013-2014 Preliminary	2012-13 vs 2013-14
					Expenditures		Budget	Budget	Budget
	<b>Office Operations</b>				<b>TO 3/31/13</b>				
		<b>Building</b>							
	60211	Utilities			\$6,350.00	\$8,445.50	\$6,500.00	\$9,000.00	\$2,500.00
	60212	Janitorial			\$1,950.00	\$2,593.50	\$2,400.00	\$2,600.00	\$200.00
	60213	Maintenance			\$2,102.00	\$2,795.66	\$3,000.00	\$5,000.00	\$2,000.00
	60214	Security			\$312.00	\$414.96	\$500.00	\$312.00	-\$188.00
		<b>Total Building</b>			<b>\$10,714.00</b>	<b>\$14,249.62</b>	<b>\$12,400.00</b>	<b>\$16,912.00</b>	<b>\$4,512.00</b>
		<b>Office Equipment Maintenance</b>							
	60221	Inserter Maintenance Agreement			\$0.00	\$0.00	\$0.00	\$1,800.00	\$1,800.00
		Inserter /Postage Machine Lease			\$9,942.00	\$9,942.00	\$12,400.00	\$0.00	-\$12,400.00
	60222	Billing Software Maintenance			\$5,037.00	\$5,037.00	\$3,537.00	\$5,037.00	\$1,500.00
	60223	Computer System Maintenance			\$3,000.00	\$3,000.00	\$5,800.00	\$4,500.00	-\$1,300.00
	60224	Photocopy Maintenance			\$2,441.00	\$2,286.00	\$2,500.00	\$2,400.00	-\$100.00
		<b>Total Office Equipment Maintenance</b>			<b>\$20,420.00</b>	<b>\$20,265.00</b>	<b>\$24,237.00</b>	<b>\$13,737.00</b>	<b>-\$10,500.00</b>
		<b>Publishing</b>							
	60231	Legal Advertising			\$417.00	\$554.61	\$1,000.00	\$750.00	-\$250.00
	60232	Newsletters			\$81.00	\$107.73	\$500.00	\$200.00	-\$300.00
		<b>Total Publishing</b>			<b>\$498.00</b>	<b>\$554.17</b>	<b>\$1,500.00</b>	<b>\$950.00</b>	<b>-\$550.00</b>
		<b>Subscriptions / Licensing</b>							
		Computer Supplies			\$481.00	\$639.73	\$1,000.00	\$0.00	-\$1,000.00
	60242	Corelogic Online Service (metroscan)			\$1,213.00	\$1,613.29	\$1,625.00	\$1,620.00	-\$5.00
	60243	Subscriptions/Licensing-Other			\$468.00	\$468.00	\$0.00	\$200.00	\$200.00
		<b>Total Subscriptions / Licensing</b>			<b>\$2,162.00</b>	<b>\$2,721.02</b>	<b>\$2,625.00</b>	<b>\$1,820.00</b>	<b>-\$805.00</b>

Rio Linda/Elverta CWD  
2013/14 Preliminary budget

EXPENSE					2012-2013	Projected to	2012-2013	2013-2014	2012-13 vs
					Actual	6/30/2013	Final	Preliminary	2013-14
				Expenditures		Budget	Budget	Budget	
60249	internet			\$1,149.00	\$1,528.17	\$1,750.00	\$1,440.00	-\$310.00	
60250	Regular Phone Service			\$2,778.00	\$3,694.74	\$3,600.00	\$3,600.00	\$0.00	
60251	Bank Charges			\$3,523.00	\$4,685.59	\$5,000.00	\$5,000.00	\$0.00	
60252	Payroll Services			\$329.00	\$437.57	\$0.00	\$500.00	\$500.00	
60253	ATM/Credit Card Service/Direct			\$5,230.00	\$6,955.90	\$9,000.00	\$8,000.00	-\$1,000.00	
	<b>Printing</b>								
60271	Bill Stock Incl Env and Late Bills			\$4,032.00	\$5,362.56	\$3,500.00	\$5,500.00	\$100.00	
60272	Printing-Other			\$0.00	\$600.00	\$600.00	\$600.00	\$0.00	
	<b>Total Printing</b>			\$4,032.00	\$4,486.81	\$4,100.00	\$6,100.00	\$2,000.00	
60280	Postage			\$13,535.00	\$18,001.55	\$15,000.00	\$18,000.00	\$3,000.00	
60281	Office Supplies			\$5,856.00	\$7,788.48	\$9,000.00	\$10,000.00	\$1,000.00	
	<b>Total Office Operations Expense</b>			\$70,226.00	\$83,840.45	\$86,462.00	\$84,619.00	-\$1,843.00	
	<b>FIELD OPERATIONS</b>								
	<b>Field Communication</b>								
60310	Celluar Phones			\$2,324.00	\$3,090.92	\$3,500.00	\$3,600.00	\$100.00	
60310	Pagers			\$151.00	\$200.83	\$200.00	\$200.00	\$0.00	
	<b>Total Field Communication</b>			\$2,475.00	\$2,754.18	\$3,700.00	\$3,800.00	\$100.00	
	<b>Laboratory Services</b>								
60321	Coliform Test and non-customer			\$2,675.00	\$3,557.75	\$3,000.00	\$3,500.00	\$500.00	
60322	Physical and Chemical Tests			\$13,494.00	\$17,947.02	\$15,000.00	\$4,500.00	-\$10,500.00	
	<b>Total Laboratory Services</b>			\$16,169.00	\$17,992.86	\$18,000.00	\$8,000.00	-\$10,000.00	



Rio Linda/Elverta CWD  
2013/14 Preliminary budget

EXPENSE						2012-2013 Actual Expenditures TO 3/31/13	Projected to 6/30/2013	2012-2013 Final Budget	2013-2014 Preliminary Budget	2012-13 vs 2013-14 Budget
	60380	Permit/ Cert/ Inspection				\$12,528.00	\$16,662.24	\$40,000.00	\$40,000.00	\$0.00
	<b>Total Field Operations</b>					\$220,294.00	\$279,832.51	\$367,450.00	\$341,300.00	-\$26,150.00
		<b>Conservation</b>								
	60401	Toilet Replacement Program				\$675.00	\$897.75	\$1,000.00	\$1,000.00	\$0.00
	60402	Regional Conservation Program				\$6,876.00	\$6,876.00	\$6,876.00	\$4,579.00	-\$2,297.00
	60403	Washing Machine Rebates				\$0.00	\$0.00	\$300.00	\$300.00	\$0.00
	60404	Education Supplies				\$0.00	\$0.00	\$0.00	\$500.00	\$500.00
	60405	Contract Services	CUWCC			\$0.00	\$0.00	\$0.00	\$2,515.00	\$2,515.00
	60406	Community Outreach				\$0.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00
		<b>Total Conservation</b>				\$7,551.00	\$7,773.75	\$8,176.00	\$10,894.00	\$2,718.00
	60420	<b>Engineering Services</b>				\$10,720.00	\$14,257.60	\$50,000.00	\$50,000.00	\$0.00
		<b>Insurance</b>								
	60431	Liability/Vehicle				\$30,676.00	\$30,676.00	\$41,000.00	\$32,000.00	-\$9,000.00
	60432	Property				\$3,188.00	\$3,188.00	\$6,500.00	\$4,000.00	-\$2,500.00
		<b>Total Insurance</b>				\$33,864.00	\$37,864.00	\$47,500.00	\$36,000.00	-\$11,500.00
		<b>Memberships</b>								
	60501	SAWWA				\$490.00	\$490.00	\$325.00	\$325.00	\$0.00
	60502	Regional Water Authority				\$4,725.00	\$4,725.00	\$4,725.00	\$4,725.00	\$0.00
	60503	SGA				\$17,416.00	\$17,416.00	\$20,200.00	\$17,500.00	-\$2,700.00
	60504	ACWA				\$7,910.00	\$7,910.00	\$7,910.00	\$7,910.00	\$0.00
	60505	CSDA				\$3,456.00	\$3,456.00	\$3,800.00	\$3,500.00	-\$300.00
	60506	AWWA				\$98.00	\$98.00	\$98.00	\$98.00	\$0.00
	60507	Membership-Other	(CRWA)			\$0.00	\$950.00	\$950.00	\$1,030.00	\$80.00
		<b>Total Memberships</b>				\$34,095.00	\$35,045.00	\$38,008.00	\$35,088.00	-\$2,920.00

Rio Linda/Elverta CWD  
2013/14 Preliminary budget

EXPENSE					2012-2013 Actual Expenditures TO 3/31/13	Projected to 6/30/2013	2012-2013 Final Budget	2013-2014 Preliminary Budget	2012-13 vs 2013-14 Budget
	60550	Government Fees/Permit Fees			\$8,118.00	\$10,796.94	\$10,000.00	\$7,000.00	-\$3,000.00
	60560	Elections			\$8,245.00	\$8,245.00	\$8,245.00	\$0.00	-\$8,245.00
		<b>Operating Expenditures-Other</b>			\$0.00	\$0.00	\$5,000.00	\$2,000.00	-\$3,000.00
<b>TOTAL OPERATING EXPENDITURES</b>					\$1,416,352.00	\$1,748,155.32	\$1,613,570.00	\$1,593,203.00	-\$20,367.00
<b>NON OPERATING EXPENDITURES</b>									
	61130	Sherrill settlement			\$0.00	\$0.00	\$0.00	\$35,600.00	\$35,600.00
		<b>Debt Service</b>							
	61100	Revenue Bond 2003-Interest			\$72,612.00	\$143,563.00	\$143,563.00	\$140,088.00	-\$3,475.00
	21510	Revenue Bond 2003-Principle			\$95,000.00	\$95,000.00	\$95,000.00	\$100,000.00	\$5,000.00
	61110	2003 Bond Administration			\$1,700.00	\$1,700.00	\$1,700.00	\$1,700.00	\$0.00
		<b>Total Debt Service</b>			\$169,312.00	\$240,263.00	\$240,263.00	\$240,088.00	-\$175.00
		Other Non Operating Expense			\$215.00	\$239.25	\$0.00	\$500.00	\$500.00
		To repay surcharge account			\$0.00	\$29,212.00	\$29,212.00	\$29,212.00	\$0.00
		Contingencies			\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
<b>TOTAL NON OPERATING EXPENDITURES</b>					\$169,527.00	\$269,714.25	\$269,475.00	\$312,100.00	\$42,625.00
<b>TOTAL EXPENDITURES</b>					\$1,585,879.00	\$2,017,869.57	\$1,883,045.00	\$1,905,303.00	\$22,258.00
<b>Net Income (income - Expense)</b>					\$104,565.00	\$216,023.42	\$295,911.00	\$531,859.00	\$235,948.00



Rio Linda/Elverta CWD  
2013/14 Preliminary budget

EXPENSE						2012-2013 Actual Expenditures TO 3/31/13	Projected to 6/30/2013	2012-2013 Final Budget	2013-2014 Preliminary Budget	2012-13 vs 2013-14 Budget
Net Income (income - Expense)						\$104,565.00	\$216,023.42	\$295,911.00	\$531,859.00	
<b>3/31/13 OPERATING FUND BALANCE (bank balance)</b>						-\$64,623.92			-\$64,624.00	
<b>To SEMS Program</b>									-\$7,500.00	
<b>To Phone Tree program</b>									-\$5,555.00	
<b>To Capital Reserve Fund</b>								\$90,000.00	-\$295,000.00	-\$385,000.00
<b>Projected Ending fund balance</b>									\$159,180.00	
<b>SURCHARGE ACCOUNT</b>										
3/31/2013	Surcharge Account Balance								\$993,209.00	
		Income				\$370,564.00	\$505,903.00	\$503,424.00	\$503,424.00	\$0.00
	61300	SRF Interest				\$27,114.00	\$27,114.00	\$0.00	-\$120,000.00	
	21300	SRF Principle				\$0.00	\$0.00	\$0.00	\$0.00	
	61310	SRF Administration				\$0.00	\$0.00	\$0.00	-\$180.00	
<b>Projected Ending fund balance</b>									\$1,376,453.00	
Surcharge 2009-03 Capital program										
GOES INTO SEPARATE RESERVE ACCOUNT TO REPAY CDPH LOAN										
CANNOT BE USED FOR ANYTHING ELSE										
4416 services X \$19.00 X 6 billings										

AGREST

	A	B	C	D	E	F	G	H	I	J
1	wages									
2	title				rate	6 months	12/1 3%		annual	
3	Bookkeeper				\$22.89	\$23,805.00	\$23.58	\$24,523.00	\$48,328.20	
4										
5	conservation coor/receptionist				\$15.00	\$15,600.00	\$15.45	\$16,068.00	\$31,668.00	
6										
7	Secretary admin asst				\$20.79	\$21,622.00	\$21.41	\$22,266.00	\$43,888.00	
8										
9	Billing Clerk				\$20.79	\$21,622.00	\$21.41	\$22,266.00	\$43,888.00	
10										
11	Water Operator				\$20.93	\$21,767.00	\$21.56	\$22,422.00	\$44,189.00	
12										
13	Water Operator				\$24.29	\$25,262.00	\$25.02	\$26,021.00	\$51,283.00	
14										
15	Laborer				\$11.64	\$12,106.00	\$11.99	\$12,470.00	\$24,576.00	
16										
17	Laborer				\$11.64	\$12,106.00	\$11.99	\$12,470.00	\$24,576.00	
18										
19	Lead Operator				\$38.79	\$40,342.00	\$39.95	\$41,548.00	\$81,900.00	
20										
21	Manager				\$41.13 based on 40 hr wk				\$85,560.00	
22										
23										
24										
25	Subtotal								\$479,856.20	
26										
27										
28	Pers	20.61% only on base pay								\$98,898.00
29	UI	5.6% EIT .1%			1st \$7,000 per person				\$3,990.00	
30										
31										
32									\$ 10,950.00	30 X 365
33						\$11,082.00	\$14,739.06	\$10,000.00	\$ 15,000.00	last yr usage

	A	B	C	D	E	F	G	H	I	J
34										
35										
36	Total wages								\$505,806.20	
37										
38	6.2% SS 1.45% medicare = 7.65% FICA									\$38,700.00
39										
40	comp	field				\$ 10,950.00				
41	rate 5.14					\$ 15,000.00				
42						\$44,189.00				
43										
44						\$51,283.00				
45										
46						\$24,576.00				
47										
48						\$24,576.00				
49										
50						\$81,900.00				
51										
52						\$252,474.00	100 x 5.14			\$12,977.00
53										
54	office					\$31,668.00				
55	rate 0.52									
56						\$43,888.00				
57										
58						\$43,888.00				
59										
60						\$85,560.00				
61										
62						\$48,328.20				
63										
64						\$253,332.20				\$1,317.00
65								total comp		\$14,294.00
66								total comp X 2 emod		\$28,588.00

## 2013-14 Preliminary Budget Assumptions

The Following budget assumptions are proposed:

### External Factors:

Property tax assessed values contain an inflation factor for each County combined with growth or decline factors; overall expect a moderate increase.

Interest rates on investments will be at current market rates, approximately 0.5%.

### Surcharge Fund Activities:

The Surcharge Fund is a Restricted Fund only to be used for the construction of our well project. The Surcharge Fund is a reserve that is only in place until the Department of Health Services loan is paid off. During the course of our audits of the prior years it has been determined that there is a substantial sum of money that was being used to operate the District instead of being put into the Surcharge Fund. There were also a few expenses that should have not been paid out of this Fund. The figures are noted below:

Fiscal Year 2009/10	\$ 22,817.00	Income not put into the Fund
Fiscal Year 2010/11	\$ 17,387.00	Income not put into the Fund
Fiscal Year 2011/12	\$105,856.00	Bills that should not have been paid by the Fund.
	\$146,060.00	Total Due to the Surcharge from Operating Fund.

The Board must determine a methodology to repay the Surcharge Fund these amounts over a period of time. In 2012-13 I propose a 5 year plan of \$29,212 per year. \$29,212 will be paid by the end of Fiscal Year (FY) 2012/13 with another \$29,212 proposed to be paid in FY 2013-14.

### Operating Fund Revenues:

The Operating Fund revenue has increased due to the implementation of the full 2011 rate increase Ordinance. Estimated revenue increase is \$195,500 per year. An inactive service fee has also been implemented which will increase District revenues by \$47,500 based on 125 inactive properties. The District has 4616 connections but only 4458 were on during the last billing cycle. Our State Revolving Fund loan is based on all properties putting money into the Surcharge Fund. If monies are not received from all accounts the Operating Fund must somehow backfill the Surcharge fund in order to pay off the

loan. This is also happening with our current bonds we are paying off in the amount of \$240,263.00 each year.

Due to the need for a constant revenue stream to pay off the District's debt service accounts and fixed operating costs the Board implemented an inactive service fee in the amount of \$63.33 per inactive account for each billing cycle. This insures that our loan payments and fixed costs would be paid without putting further hardship on our customers that are currently connected to the system.

Tower leases have increase \$10,000.00

### Salaries and Benefits District-wide:

#### 1. Staffing

The District has been below appropriate staffing level for the past year. One of the staff had abandoned their job before the current management took over and the Board has not approved hiring a replacement to date. There is also a need for a Conservation Coordinator/Receptionist. The District currently only has one Grade 3 Operator. Another operator has recently taken his Grade 3 test but the results are not in to date. A minimum of two Grade 3 Operators is required for coverage should one of the Operators become ill or be away from the District. In the State mandated staffing survey that was complete last year it was determined that the District needed an additional 2 and a half field staff. This budget includes hiring 2 laborers at \$11.64 per hour and 1 Conservation Coordinator/Receptionist at \$15.00 per hour. The District's current Secretary/Receptionist job title and duties would change to Secretary/Administrative Assistant to assist the General Manager with the additional duties required by the new Board Directors. \$149,359 was added to salaries for the 3 additional staff, step increases and COLA.

#### 2. Salaries

- Cost of Living allowance of 3% will be implemented on December 1, 2014 per the District's Memorandum of Understanding with the Teamsters Union. This 3% COLA will also apply to the nonunion staff.
- Salary reclassification. There is one Staff member who will be eligible for a Salary reclassification if he passes his Grade 3 Water Distribution test. This has been considered in the preliminary Budget.
- Step increase. There are 3 staff step increases included in the budget. There were none given last year.
- Overtime and standby pay are estimated from prior year expenses.

#### 3. Payroll taxes and Benefits

- Employer Social Security is calculated at 6.2% of the salary up to \$110,100.
- Employer Medicare (FICA) is calculated at 1.45% of salary.
- State Unemployment Insurance is calculated at 5.7% of salary up to \$7,000.
- Workers Compensation insurance is calculates at the following rates per \$100.00 of wages:

- 7520 - Waterworks Employees \$5.14
- 8742 - Outside Employees \$1.16
- 8810 - Clerical \$0.52
- The rates noted above are then multiplied by 200% EMOD to take into account the District's injury rate over the past several years. This is down 60% from last year's EMOD rate.
- Health, Dental and Vision insurance is calculated at \$1,070.00 per employee per month.
- Cal PERS Employer Contribution rate has increased from 16.273% to 17.11. This new rate and the addition of the 3 new staff members will increase the budget for this item by \$22,990.00.

#### 4. Operations and Maintenance Costs

Operation and Maintenance cost categories are reviewed individually to determine the most reasonably precise budget estimate. Where it is impractical to use this method, an inflation factor of 3% will be applied.

The significant changes in the budget from last year are noted below:

-\$115,000 as deleted from **General Counsel Fees** due to the lack of litigation.

\$3,300 was added the **Auditor Fees** as a Single Audit is required by the Federal Government in addition to the regular audit that is performed annually.

-\$11,000 was deleted from **Auditor Forensic Fees** as this item has been completed.

\$3,000 was added to **Director Fees** due to the additional meetings for Finance/Administration and Planning Committee meetings.

-\$43,500 was deleted from **Extra Contract Help** due to the funding of full time positions.

-\$12,400 deleted from **Insertor Lease** as this equipment was purchased during FY 2012-13.

-\$10,500 deleted from **Physical and Chemical Tests** as there is less monitoring required by the State this year. This item varies from year to year.

\$5,000 has been added to **Pumping Electricity** due to power rate increase estimates.

-\$10,000 has been deleted from **Service Connection Repairs** due to prior year figures.

-\$6,000 has been deleted from **Meter Maintenance** due to meter replacement being done which is a Capital Expenditure instead of repair for older units.

-\$5,000 has been deleted from **Contract Repairs** based on prior year figures.

\$5,139 has been added to **Conservation** to provide supplies and funding for the California Urban Water Conservation Counsel.

-\$11,500 has been deleted from **Insurance** based on current insurance premium information.

-\$2,700 has been deleted from **SGA** based on last year's membership cost.

-\$8,245 has been deleted from **Elections** as there is no election this year.

#### **SUMMARY OF FINAL BUDGET RECOMMENDATIONS**

\$29,212.00 should be paid to the Surcharge Fund to refund operating expenses paid out of the Surcharge Fund for the next 4 years.

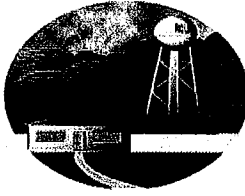
2 additional staff to be hired per the staffing survey provided to California Department of Public Health and 1 additional staff to fill Conservation Coordinator/Receptionist position.

Total Budgeted Income \$2,437,162 is up \$258,206.00

Total Budgeted Expenditures \$1,937,923 is up \$54,878.00

\$240,000 to be put into Capital Improvement Fund to fund Capital Projects. This figure is not included in the expenditures noted above.

**RIO LINDA**



**ELVERTA**

**SEMS Technologies**

**Date:** May 20, 2013

**Subject:** SEMS Technologies Water Utility Software Program

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of Staff to approve this item in the 2013-14 Fiscal Budget. This software program is used for tracking backflow testing, lab test scheduling, and equipment maintenance. The initial start up cost of this program is \$7,500 with an annual subscription of \$2,500.

**Comments:**

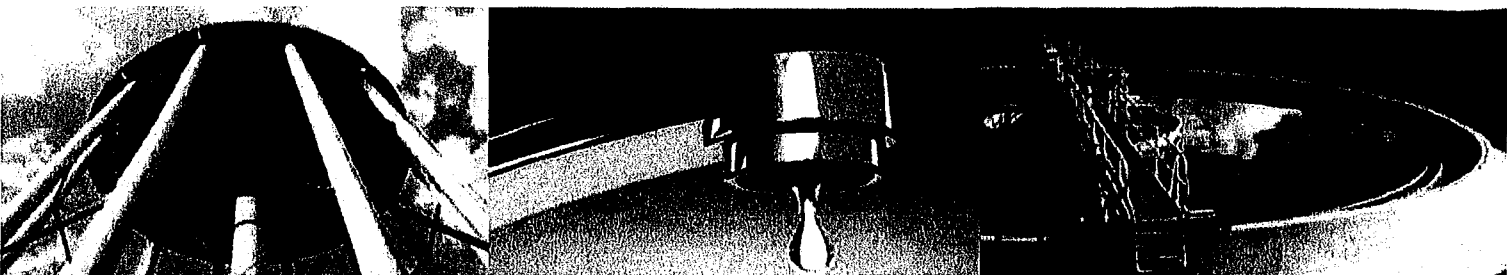
**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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





# Comprehensive Yet Simple Utility Management Software

## DRINKING WATER



### \* WATER QUALITY DATA MANAGEMENT

- \* Automates your three year sampling plan
- \* Alerts to potential violations
- \* Schedules required repeat sampling
- \* Stores all data in a single location
- \* Easy access to historical data analysis

\* **AUTOMATED REPORT GENERATION** - Compiles and produces state monthly (MOR), quarterly, & annual water quality reports (ex: CCR).

\* **SEMS LAB CONNECT™** - Imports lab results to eliminate manual data entry.

\* **SCADA CONNECT™** - SCADA readings automatically uploaded into SEMS to populate your daily/monthly Entries.

\* **BACKFLOW/CROSS CONNECTION CONTROL MANAGEMENT** - Complete system to manage your backflow testing program. Print initial and follow up test notification letters, track tester licenses, warehouse results, and produce required reports.

\* **ANALYSIS TRENDING** - Graph all stored results and readings to view trends and peak seasons at a glance.

\* **SEMS ANALYTICS™** - Powerful custom report engine, combined with excel for robust reporting capabilities.

## KEY BENEFITS

Ability to handle sampling compliance on an easy to use calendar to improve shared knowledge via a central database.

Through automated report generation; required State specific reports are completed in minutes instead of hours or days saving you valuable time.

Immediate access to all sample results, monitoring data, and reports in SEMS database eliminating arduous researching time.

Consolidation of systems reducing IT support.



**SEMS**  
TECHNOLOGIES

RLECWD Agenda Item Checklist

Date

**Initial Potential Meeting Date**

5/20

**Item Prioritization**

4/20/13

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

Sems Technologies - Water Utility Software Program

**Staff Work Completed**

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

5/13  
3/5

**Committee Review of Item and Staff Work**

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations

**Formal Legal Counsel Review**

N/A

(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)

**Board President and GM Review**

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

**Actual Meeting Date Set for Agenda Item**

\_\_\_\_\_

# ROI Worksheet

Asset Management			
<b>Equipment Service Life</b>			\$ 16,446
Total Capital Investment	\$ 8,223,000		
Life Expectancies (years)	25		
Extend Equipment Life %	5%		
<b>Labor Utilization</b>		Annual Hours	600    \$ 12,000
Number of Staff	6		
Annual Staff Hours	12,000		
Increase Productivity	5%		
<b>Equipment Replacement</b>			\$ 750
Total Equipment Purchases	\$ 15,000		
Decrease Purchases	5%		

Inventory			
<b>Inventory Purchases</b>			\$ 3,750
Total Inventory Purchases	\$ 25,000		
Decrease Inventory Purchases	15%		
<b>Inventory On-Hand</b>			\$ -
Total Inventory On-Hand	\$ -		
Decrease Inventory On-Hand	10%		

Compliance			
<b>Water Quality Schedule</b>		Annual Hours	0    \$ -
Decrease Time Maintaining Schedule	0 Hours		
<b>Regulatory and Internal Reports</b>		Annual Hours	264    \$ 5,280
Decrease Time to Generate:			
Internal Operational Report - Monthly	1 Days		
State Monthly Operational Report	1 Days		
Quarterly Report	1 Days		
Annual Water Quality Report (CCR)	5 Days		
<b>Operational Database</b>		Annual Hours	0    \$ -
Decrease Data Entry Time	0 Hours		

Backflow			
<b>Notices and Results</b>		Annual Hours	160    \$ 3,200
Decrease Time Track and Data	20 Days		
<b>Customer Database</b>		Annual Hours	0    \$ -
Decrease Time for Updating Customer Database	0 Hours		

**Total Estimated ROI:**                      **Monthly Hour Savings** 85      **Annual Savings** \$ 41,426

**Estimated Investment**    \$ 7,500  
**3 Year Estimated Savings**    \$ 90,065  
**3 Year Estimated ROI %**        667%  
**Estimated Payback**            8 Months

Avg. Staff Hourly Rate    \$    20.00



# SALES ORDER

3325 Paddocks Parkway, Suite 360  
Suwanee, GA 30024

PHONE: 866-758-6582  
FAX: 678-455-0034

Bill To:

Ship To:

Account Manager: Kurtis Warne

Date: 4/29/2013

Main Contact: Mary Henrici

Utility: Rio Linda CSD

New Customer	Renewal
<b>Payment Terms</b>	
Payment due upon acceptance of this sales order.	

Special Arrangements

SEMS Subscription:		COST
<u>1</u>	SEMS Software Suite™:	\$ 2,000.00
	<u>        </u> Asset Management Component	
	<u>1</u> Environmental & Backflow Component	
<u>3</u>	SEMS Server Concurrent Users (Includes 3 with Add'l \$400)	\$ -
	SEMS Hosted/Web-Based User	\$ -

SEMS Add-ons:		
	Additional Systems (add'l systems are \$500)	\$ -
	SEMS Analytics™	\$ -
	ERSI GIS Integration	\$ -
<u>1</u>	SEMS Connect™	\$ 1,500.00
	<u>1</u> LAB	
	SCADA	
	Financial/Billing Software	
	SEMS SYNC™ (Per Block of 5 Computers)	\$ -

Implementation & Setup:		
	Asset Management Component	\$ -
<u>1</u>	Environmental & Backflow Component	\$ 3,500.00
	- Water Quality Sample Schedule Setup	
	- Electronic Benchsheet Configuration	
	- Backflow Tester/Assembly setup	

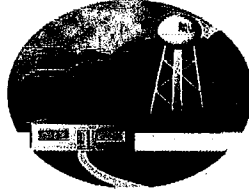
Training Services:		
	Onsite Discovery (per day) **	\$ -
	Onsite Training (per day) **	\$ -
	Onsite Follow Up/Refresher Training (per day) **	\$ -
<u>4</u>	Remote Webinar Training (\$125 per hr)	\$ 500.00

**Total:** \$ 7,500.00  
**Annual Subscription\*:** \$ 2,500.00

Accepted By: \_\_\_\_\_ Date: \_\_\_\_\_

\* 3 Year Annual Agreement, Billed annually, includes: software maintenance, technical support, software upgrades/versions  
 \*\*Onsite expenses are included in price  
 Note: Sales order price only good for 30 days of date above.

**RIO LINDA**



**ELVERTA**

## **CUSI PhoneTree Software**

**Date:** May 20, 2013

**Subject:** CUSI PhoneTree Software

**Staff Contact:** Mary Henrici, General Manager

### **Recommended Committee Action:**

It is the recommendation of Staff that the Board approve this purchase as it addresses health and safety issues that could be a liability for the District. The cost of this program is \$5,555 with an annual maintenance of \$320.00

### **Comments:**

The District currently has no method of informing the community of any emergencies or failures within the District. In 2009 one of the District wells failed and could not sustain enough pressure. Employees had to go door to door hanging boil water notifications. The process took several hours and then not all customers were informed. The same process was necessary when the boil water order was lifted. Field staff needs to be utilized in repairing the problem which caused the failure instead of going door to door hanging notices.

A PhoneTree program would notify customers of the emergency in a shorter time frame. All customers within the District would be notified of the emergency and which ones have to boil their water before drinking it. This program could also be used for past due account notifications, service repair notifications in the area as well as conservation tips.

This type of program is utilized by other Government agencies such a Police, Fire, Sheriff Departments as well as public and private utilities.

### **Board Action / Motion**

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

Dills:\_\_\_\_ Green:\_\_\_\_ Caron:\_\_\_\_ Anderson:\_\_\_\_ Longo:\_\_\_\_\_.

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

RLECWD Agenda Item Checklist

Date

5/20/13

Initial Potential Meeting Date

Phone Tree

- emergencies Boil Water, etc
- late Bill & Jags
- Repairs scheduled & emergency

Item Prioritization

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

Staff Work Completed

SSWD / Orangevale / Citrus Heights / See other side

3/26/13

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer,

Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations

Formal Legal Counsel Review

N/A

(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)

Board President and GM Review

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

Actual Meeting Date Set for Agenda Item



CONTINENTAL UTILITY SOLUTIONS, INC.

Sales Representative Ed Wiseman  
300 South Church Street, Suite 200  
Jonesboro, AR 72401  
www.cusi.com  
(800) 240-1420

**Sales Order**

Date: April 26, 2013



**Customer Information**

Rio Linda/Elverta Water District  
P. O. Box 400  
Rio Linda CA 95673

Barbara Schiavone  
916-991-1000

**Products & Services Description Price**



**Software**

1 PhoneTree Software-3500-G2(2 Line)

\$3,200.00

\$3,200.00



**Add-On Interfaces**

1 CBSW Interactive Voice Recognition (IVR) Interface

\$1,000.00

\$2,000.00



**Tech Support & Maintenance Services**

90 Days of Free Technical Support & Maintenance:  
800 Line Voice, Online, Email Support, Client Services Website, Application Updates

\$320.00

\$320.00



**Economic Summary**

Software Licenses

\$3,200.00

Add-On Interfaces

\$2,000.00

Technical Support and Maintenance Services

\$320.00

State & Local Tax

\$0.00

Shipping

\$35.00

**Total**

**\$5,555.00**

Authorized Signature \_\_\_\_\_

Date \_\_\_\_\_



CONTINENTAL UTILITY SOLUTIONS, INC.

Sales Representative Ed Wiseman  
300 South Church Street, Suite 200  
Jonesboro, AR 72401  
www.cusi.com  
(800) 240-1420

**Sales Order**

Date: April 26, 2013



**Customer Information**

Rio Linda/Elverta Water District  
P. O. Box 400  
Rio Linda CA 95673

Barbara Schiavone  
916-991-1000



**Payment Terms**

15 Days From Date of Invoice



**Terms Of Sale**

- Company has ordered and agrees to purchase from CUSI the above products and services for the above prices and amounts.
- Product Shall be shipped to the Company address listed above upon receipt of an executed sales order.
- Services shall be shipped to the Company address listed above upon receipt of an executed sales order.
- Company shall make payment based upon the payment terms described above.
- Company acknowledges that CUSI Products and Services are subject to the terms and conditions of a Software License Agreement between CUSI and Company
- CUSI HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES WITH RESPECT TO ANY PRODUCT WHICH IS NOT MANUFACTURED OR OTHERWISE CREATED BY CUSI, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE. TITLE OR NON-INFRINGEMENT.

**Quotation Terms**

30 Days



**Comments**

90 Days of Free Technical Support & Maintenance is included with the cost of the software. Annual Maintenance can be purchased for \$320 a year.

**Execution Instructions**

Execute each page, date and fax to 870-336-2234

Authorized Signature \_\_\_\_\_

Date \_\_\_\_\_





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“ PhoneTree has been a huge time saving tool for our company--well worth the investment. ”

— Drew Lawless, Lawn Doctor, Chantilly, VA  
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## Government & Services

Automated Phone Service, Phone Message Service

[REQUEST MORE INFORMATION >](#)

### Government & Services

PhoneTree will customize your specific communication needs using text, email and phone messaging.

- Local, State, National Commissions & Boards
- City Councils
- Public Transportation
- Public & Private Utilities; water, gas, power
- Police, Fire, and Sheriff Departments
- Housing Authorities
- Libraries

Ways our current clients are using their PhoneTree products;

- General information and reminders
- Schedule changes
- Emergency cancellations
- Service Reminders
- Maintenance Tips
- Shut-off notification
- Health & Environmental Updates
- New services notification
- Staff communication
- Customer satisfaction surveys
- Past due account notifications
- Water use restrictions
- Conservation tips & Ideas
- Rate change notification
- Boil water alerts
- Line flushing instructions
- Important Meetings
- General public communication

Automating any type of phone message service for any of the above situations will save time, government resources and ultimately costs.

[Channel Partners](#) | [Sample Message](#) | [Testimonials](#) | [Sitemap](#)

800.951.8733 | 301 N. Main Street | Suite 1800 | Winston-Salem, NC 27101



Web Design and Development by BEM Interactive

## TECHNICAL MEMORANDUM

---

To: Mary Henrici, General Manager  
From: Jim Carson, District Engineer  
Subject: 2013/14 Capital Budget Descriptions  
Date: May 8, 2013

---

This Technical Memorandum (TM) provides the budget descriptions for the proposed 2013/14 Rio Linda / Elverta Water District's (District) Capital Budget. The following are a list of the budget items along with their descriptions:

### **Water Supply**

#### **A-1 Plant Paving/Slurry - Various Plant Sites - \$10,000**

This budget item is to replace sections of deteriorated paving and slurry seal the existing paving at various plant sites. The existing plant paving has deteriorated and needs this work in order to extend the life of the existing paving.

#### **A-2 Well 9 - Electrical Panel Replacement and Tank Removal - \$40,000**

This budget item is to replace the existing electrical panel that is at the end of its economic life with a new electrical panel. The new panel will be Arc Flash compliant and have a soft start that will minimize pressure surges from starts and stops of the well pump. The new soft start will enable the District to remove the hydropneumatic tank that cannot be certified.

#### **A-3 Well 10 - Electrical Panel Replacement and Tank Removal - \$40,000**

This budget item is to replace the existing electrical panel that is at the end of its economic life with a new electrical panel. The new panel will be Arc Flash compliant and have a soft start that will minimize pressure surges from starts and stops of the well pump. The new soft start will enable the District to remove the hydropneumatic tank that cannot be certified.

#### **A-4 Well 3 - Upgrade Perimeter Fencing - \$6,000**

This budget item is to upgrade the existing Well 3 perimeter fencing by adding barbed wire for better security and replacing/repairing the gate for better access.

#### **A-5 Miscellaneous Pump Replacement - \$20,000**

This budget item is for the replacement or upgrade of any well pump and/or motor that has failed throughout the budgeted year.

**State Revolving Fund Project**

**SRF – 1 “L” Street Reservoir and Pump Station**

This budget item is for the construction of a new reservoir and pump station located adjacent to the District Office. The project is to be funded by a State Revolving Fund loan.

**Water Distribution**

**B-1 Paving Replacements – \$5,000**

This budget item is to pave sections of streets where the existing street paving has been cut into due to water service repairs or replacements.

**B-2 System Valve Replacements – \$5,000**

This budget item is to replace broken water system valves. These broken valves are being identified from the District’s valve exercising program.

**New Business**

**NB-1 Elverta Specific Plan – Water Supply and Planning– \$250,000  
(Funding by Others)**

This budget item is for the water supply and master planning for the existing system and the future expansion of the Elverta Specific Plan Development. This budget item will be funded by the Elverta Specific Plan Development per a funding agreement between the District and the landowners.

**Miscellaneous**

**M-1 Service Replacements – \$15,000**

This budget item is for the replacement of leaking water services that cannot be repaired.

**M-2 Small Meter Replacements – \$60,000**

This budget item is to replace customer meters that are no longer working or cannot maintain accuracy.

**M-3 New Automated Meters for Route 20 - \$54,000**

This budget item is to replace the Route 20’s manual read meters with automated meters.

**M-4 ½ Ton Truck Replacement – \$25,000**

This budget item is to replace field truck number 4 with a new ½ ton truck. The existing mileage on the truck is 121,383 and has exceeded its economic life.

**Contingency**

**C-1 Contingency (Non SRF) – \$27,000**

This budget item accounts for cost of unbudgeted projects that are not planned for in the capital budget. The budgeted cost is based on 10% of the total Capital Budget less projects funded by others (New Business) and the contingency associated with the SRF funded project.

*Rio Linda / Elverta Community Water District  
2013/14 Capital Budget Descriptions  
May 8, 2013*

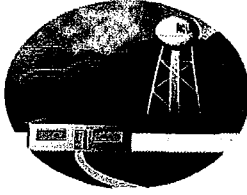
**C-2 Contingency (SRF Project) - \$156,000**

This budget item is for the contingency associated with the remaining SRF project funding that is currently associated with the "L" Street Reservoir and Booster Station.

**Rio Linda Elverta Community Water District  
2013-14 Capital Budget**

Budget Item	Budget Description	Budgeted Cost (\$)
<b>Water Supply</b>		
A-1	Plant Paving/Slurry - Various Plant Sites	10,000
A-2	Well 9 - Electrical Panel Replacement and Tank Removal	40,000
A-3	Well 10 - Electrical Panel Replacement and Tank Removal	40,000
A-4	Well 3 - Upgrade Fencing	6,000
A-5	Miscellaneous Pump Replacements	20,000
<b>Total Water Supply</b>		<b>116,000</b>
<b>State Revolving Fund Project</b>		
SRF-1	"L" Street Reservoir and Pump Station	3,862,673
<b>Total Water Supply</b>		<b>3,862,673</b>
<b>Water Distribution</b>		
B-1	Street Paving Replacements	5,000
B-2	System Valve Replacements	5,000
<b>Total Distribution</b>		<b>10,000</b>
<b>New Business</b>		
NB-1	Elverta Specific Plan - Water Supply and Planning - Funded by Others	250,000
<b>Total New Business</b>		<b>250,000</b>
<b>Miscellaneous</b>		
M-1	Service Replacements	15,000
M-2	Small Meter Replacements	50,000
M-3	New Automated Meters for Route 20	54,000
M-4	1/2 Ton Truck Replacement (Vehicle Number 4)	25,000
<b>Total Miscellaneous</b>		<b>144,000</b>
<b>Contingency</b>		
C-1	Contingency (10 Percent of District Funded Projects less New Business)	27,000
C-2	SRF Contingency	156,000
<b>Total Contingency</b>		<b>183,000</b>
<b>Total Capital Budget</b>		<b>4,565,673</b>
<b>Total Funded by District w/o SRF</b>		<b>297,000</b>
<b>Total Funded by District w/ SRF</b>		<b>4,315,673</b>

**RIO LINDA**



**ELVERTA**

**Consent Calendar  
Agenda Item: a**

**Date:** May 20, 2013

**Subject:** Minutes

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of Staff that the Board approve the minutes of the previous meetings.

March 18, 2013

April 15, 2013

**Comments:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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

**-DRAFT-  
MINUTES OF THE  
MARCH 18, 2013  
REGULAR MEETING OF THE BOARD OF DIRECTORS OF  
THE RIO LINDA/ELVERTA  
COMMUNITY WATER DISTRICT**

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

The March 18, 2013 Regular Meeting of the Board of Directors of the Rio Linda/Elverta Community Water District was called to order at 6:31 p.m. at the Depot/Visitor Center located at 6730 Front Street, Rio Linda, Ca. General Manager, Mary Henrici took roll call of the Board of Directors. President Brent Dills, Director Frank Caron, Director Duane Anderson, Director Matt Longo and Director Paul R. Green, Jr. were present.

**2. PUBLIC COMMENT**

The Board received public comments from Vivien Johnson regarding payment to Directors for meetings.

Public Member, Mary Harris thanked the Board for trying to understand that we need to get the legal fees under control and she appreciates that at the last meeting the Board did take a step in the right direction and saved a little bit of money. She stated that she wants to bring to the attention of the Board and it's just a ongoing issue and she will probably do it until she sees that the legal fees have been cut down to no more than \$30,000 a year. That is what the Budget was before and it should go back to that. Since the new Board has been elected the District did receive a bill for \$56,969 one month and \$79,521. After looking at the one for \$79,000 she tried to figure out how many hours are the billable hours. So, per her calculations it was 238 billable hours and at 40 hours a week it comes to almost 6 weeks in one month. The other one was 108 billable hours and it came to almost 5 weeks in a month. She further stated that she thinks that the legal fees need to be audited. For someone to put almost 6 weeks in one month something is wrong and especially when this attorney is not the attorney of record. We had an attorney representing the District that information could have been handed off but to bill the District for almost 6 weeks in one month is outrageous.

Public Member, William Hilton commented that the property at the Calvary Baptist Church is still available for a possible well location.

**3. CONSENT CALENDAR**

**a. Minutes:**

February 8, 2013 Special Board Meeting  
February 11, 2013 Special Board Meeting  
March 2, 2013 Special Board Meeting

**b. Expenditures**

**c. Financial Reports**

Director Green requested that the minutes of February 11, item 4.3 be changed, he voted nay. He also inquired about the summarized items of the March 2 meeting item 6.1 and further requested that they be action items. Director Green also inquired about checks from the March 11 expenditure list.

Director Anderson asked that the word "restricted" be added to the documents provided so that they can be easily identified. He also commented on the profit and loss statements and the order of the columns.

The Board accepted public comments from Vivien Johnson on checks being held and asked when the Board started receiving payment for committee meetings.

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

#### **4. REGULAR CALENDAR**

**4.1** This item was tabled to a future Board meeting as the speakers were not present.

#### **4.2 Water Forum, Sacramento Groundwater Authority and Regional Water Authority**

Tom Gohring provided an explanation on the purpose of the Water Forum and its present functions. He also how they are going to supply water for human development while protecting the ecological system of the lower American River.

John Woodling of the Sacramento Groundwater Authority and Regional Water Authority presented detailed information on how his organization was achieving reliable water supply to 2030 and protecting of the lower American River through habitat management, groundwater management and dry year actions. He also provided information on their water conservation grant programs.

The Board accepted public comment from Mary Harris.

#### **4.3 Mutual Aid Agreement**

The Board discussed the Mutual Aid Agreement with the Sacramento Suburban Water District. The Planning Committee recommends approval without having General Counsel review the Agreement.

President Dills asked for the estimated time for Legal Counsel to review the agreement. Mr. Mehta stated that the estimated time to review this agreement was 20 hours and is on the high side because there may be other items that needed research and it could possibly take less time.

Director Caron requested to know what the charges were for the equipment on the FEMA schedule of equipment rates. He further commented that we do not know any of the costs associated with this agreement and it states in the District policy manual that contracts should have review by Legal Counsel.

President Dills stated that he agrees with Director Caron in that every contract should have some legal review. He also commented that if it takes 20 hours to complete a legal review that the District needs to pay for the 20 hours and that we do not pay by the word or page.

District Engineer, Jim Carson stated that this agreement is just to establish a set of rules if help is needed if you do not use the mutual aid there will be no costs associated. The cost of the aid can be for negotiated upfront when the aid is needed. He also stated that this is the standard agreement that all of the water agencies in our area.

President Dills stated that there are Federal and State emergency guidelines in place to provide mutual aid. He also commented that this agreement is nonbinding.



***It was moved by Director Green and seconded by Director Anderson to approve the Mutual Aid Agreement with Sacramento Suburban Water District as written and without Legal Counsel review. The motion carried by a vote of 4-0-1 with President Dills and Director's Longo, Anderson and Green voting yes and Director Caron abstaining.***

#### **4.4 Elverta Specific Plan Consultant Funding Agreement**

Jim Carson, Affinity Engineering updated the Board on the status of the Elverta Specific Plan Consultant Funding Agreement. He also informed the Board that the Elverta Owner's Group felt that the cost for Legal Counsel to review the agreement was high as the estimated time given was 10 to 15 hours although there should be some form of legal review.

Director Green, member of the Planning Committee explained the reasons why he felt that the funding agreement document should take no longer than 2 to 2 – 1/2 hours for legal review.

Director Longo commented that the legal fees for the funding agreement were being paid for by the Owner's Group and that is why they were concerned with the amount of time it would take to review. He also stated that this agreement allows the funding so that the District's Engineer can start the project.

Mr. Mehta, General Counsel commented on the Owner's Group controlling the District's decision making by controlling the costs.

President Dills commented that the legal review of this document should be done carefully as there are Legal issues, he feels that the time to review the agreement is 10 to 15 hours.

Public Member, Vivien Johnson urged the District to be cautious as this development and project will change the lives of the community forever.

Public Member, Mary Harris commented on the legal fees that are being paid to Mr. Ravi Mehta.

***It was moved by Director Green and seconded by Director Longo to authorize Legal Counsel 3 hours for legal review of the Elverta Specific funding agreement. The motion failed by a vote of 2-3-0 with Director Longo and Green voting yes and President Dills and Director's Anderson and Caron voting no.***

President Dills directed General Counsel, Mr. Mehta to review the document and not to exceed the 10 to 15 hours limitation.

#### **4.5 Hydropneumatic tank air relief valve replacement**

Mr. Carson, Affinity Engineering informed the Board of the necessity to replace the hydropneumatic tank air relief valves, he further stated that replacement of these valves is critical, as it is a safety issue. Since the current budget does not have sufficient funds for this replacement, the Planning Committee recommends moving \$11,000 from funds budgeted for the Elverta Booster Station planning to fund the replacement of the valves.

***It was moved by Director Caron and seconded by President Dills to approve the recommendation of the Planning Committee to move \$11,000 from funds budgeted for the Elverta Booster Station***

*planning fund for the replacement of the hydropneumatic tank air relief valves. The motion carried by unanimous vote of 5-0-0.*

#### **4.6 Request of River West Owners Group \ Gibson Ranch, LLC to receive water from RLECWD**

Mr. Carson explained that members of the River West Owners Group are requesting to receive water from RLECWD.

The Planning Committee recommends approval and that a letter be written to LAFCo in support of the River West Owners Group to include their land in our District Boundaries so they may develop in the future. The Committee also recommended that District staff compose the letter.

Director Caron asked if the developers of the Elverta Specific Plan were including this section in the plan for development. Mr. Carson stated that the River West Owner's Group and Gibson Ranch, LLC would develop this section.

The Board accepted public comment from Mary Harris and Belinda Paine.

*It was moved by Director Caron and seconded by Director Green to approve the General Manager writing a letter in support of the River West Owner's Group / Gibson Ranch LLC to receive water from the Rio Linda / Elverta Community Water District. The motion carried by unanimous vote of 5-0-0.*

#### **4.7 Utilization of Legal Counsel's services:**

Director Anderson commented on various costs of legal counsel and comments from the public and how Legal Counsel has been working carte blanc with little to no direction from the Board. He further explained the need for controlling the cost of all legal work and the need for Legal Counsel to use outside sources and assistance. He also spoke about how legal counsel bills for phone calls.

Director Green commented on the need to monitor legal counsel tasks and use of his time.

General Manager Henrici stated that the working relationship has changed between General Counsel and herself as she now requests a completion date or estimated completion date when requesting information or tasks. The other change is that the District now has committees that provide recommendations and requests. GM Henrici also commented on her need for direction when there are conflicting requests from the Board and General Counsel.

Director Green recommended that the Board President should have authority to direct staff after consideration of comments from other Board members. He also recommended that the Board President tell the General Manager that there is no more time to be confused the Board is the Governing Body and if the Board gives direction that is the direction or directive for the General Manager to follow.

Director Caron recommended that the District not bring any legal items to the Board for a vote prior to Legal Counsel reviewing.

President Dills asked the Legal Adhoc committee if they have completed their work and what is the purpose of the Legal Adhoc committee?

Director Anderson stated that the Committee was assigned to address the over expenditures of legal costs.

Director Longo suggested that President Dills and the General Manager discuss the assignments given to Legal Counsel.

The Board accepted public comment from Vivien Johnson and Mary Harris.

#### **4.8 Purchase of Used Inserting Equipment**

The General Manager updated the Board on the current condition and status of the District inserting equipment. The information was presented to the Finance / Administrative Committee and they recommended that the District purchase used equipment.

*It was moved by Director Green and seconded by Director Caron to approve the purchase of used inserting equipment for the District mailing of bills. The motion carried by a unanimous vote of 5-0-0.*

The Board accepted public comment from Vivien Johnson.

#### **4.10 Manager Training**

General Manager Henrici requested a approval of training on "Managing Multiple Projects". She reminded the Board that her employment contract requires Board approval of her training.

*It was moved by Director Caron and seconded by Director Green to approve the requested training for the General Manager. The motion carried by a unanimous vote of 5-0-0.*

### **5. INFORMATION ITEMS**

#### **1. DISTRICT ACTIVITY REPORT**

- a. General Manager's Report
- b. Water Production Report
- c. District Engineers Report

#### **2. BOARD REPORTS**

- a. Regional Water Authority – Dills, Henrici
- b. Sacramento Groundwater Authority – Green, Henrici
- c. LAFCo – Caron
- d. Planning Committee – Longo, Green
- e. Finance / Administrative Committee – Dills, Anderson
- f. Legal Ad Hoc Committee – Caron, Anderson
- d. Other Reports

### **6. DIRECTORS' AND GENERAL MANAGER COMMENTS**

General Manager Henrici stated that she wanted to let the Board know that Sacramento Suburban Water District is having a special meeting on Thursday, March 21, regarding a possible consolidation between San Juan Water District and themselves in case any of the Board wanted to attend.

Director Green commented on page 5 of the Financials and the legal costs.

**7. ADJOURNMENT**

President Dills adjourned the meeting at 10:35 pm.

Respectfully submitted,

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Mary Henrici, Secretary

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Brent Dills, President

**-DRAFT-**  
**MINUTES OF THE**  
**April 15, 2013**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS OF**  
**THE RIO LINDA/ELVERTA**  
**COMMUNITY WATER DISTRICT**

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

The April 15, 2013 Regular Meeting of the Board of Directors of the Rio Linda/Elverta Community Water District was called to order at 6:31 p.m. at the Depot/Visitor Center located at 6730 Front Street, Rio Linda, Ca. General Manager, Mary Henrici took roll call of the Board of Directors. President Brent Dills, Director Frank Caron, Director Duane Anderson, Director Matt Longo and Director Paul R. Green, Jr. were present.

**2. PUBLIC COMMENT**

The Board accepted public comments from Vivien Johnson regarding the minutes of the committee meetings.

Public member Jack Nolan and Ron Hyce addressed the Board regarding an easement given to the District several years ago in exchange for a meter service at a location specified by Mr. Hyce.

**3. CONSENT CALENDAR**

*Action items: Approve Consent Calendar Items*

**a. Minutes:**

March 18, 2013 Regular Board Meeting

The March 18, 2013 minutes were pulled for further review. It was requested by Director Green that the comments made by public member Mary Harris during public comment be entered into the minutes and brought back at the May 20<sup>th</sup> meeting for approval.

Director Anderson asked the status of several items covered in the May 20, 2013 meeting.

**b. Expenditures**

**c. Financial Reports**

**d. Chart of Accounts**

*It was moved by Director Anderson and seconded by Director Green to approve the Consent Calendar items b, c, and d. The motion carried by a unanimous vote of 5-0-0.*

President Dills stated that he is forming an AdHoc Committee of himself and Director Green to address the format of the agenda.

Public member, Vivien Johnson commented on the minutes of the March 18<sup>th</sup> Board meeting as they did not include her comments.

#### **4. REGULAR CALENDAR**

##### **4.1 Resolution 2013-05 Minimum Service Fee for Inactive Customers**

Public member Pat Day commented on having a second meter that she no longer uses because of the cost.

General Counsel, Ravi Mehta explained that when Resolution 2013-04 was presented to the Board in March it was intended to cover those parcels that were connected to the District, but were not using the service as they were using their private well for water. This Resolution does not include those customers who are connected to the District and have no usage for the billing cycle.

General Manager, Mary Henrici informed the Board that she has had a couple of customers state they used no water and felt that they should pay the lower rate for inactive customers this Resolution corrects that issue. She has also had customers that want to be disenfranchised from the District as they are paying for the inactive fee on a parcel that does not have a home and is a bare lot. This issue will be addressed at a later date.

Public member Mary Harris commented on private contractors, modular homes and water mains.

Public member Vivien Johnson commented on the wording in the proposed Resolution.

*It was moved by Director Green and seconded by Director Caron to approve Resolution 2013-05 as presented. The motion carried by a unanimous vote of 5-0-0.*

##### **4.2 Resolution 2013-06 in Support of Amendments to the Joint Powers Agreement Governing the Regional Water Authority (RWA).**

There was no Board comments or public comments.

*It was moved by Director Green and seconded by Director Longo to approve Resolution 2013-06 as presented. The motion carried by a vote of 4-0-1 with President Dills, Director's Longo, Anderson and Green voting yes and Director Caron abstaining.*

##### **4.3 Set Date for Public Hearing for Preliminary Budget Hearing in May.**

It was recommended by the Finance / Administrative Committee that the Board hold the Preliminary Budget Hearing on May 20, 2013.

*It was moved by Director Longo and seconded by Director Caron to approve setting the date of May 20, 2013 at 6:30 pm for the Public Hearing for the Preliminary Budget. The motion carried by a unanimous vote of 5-0-0.*

##### **4.4 District Policy Manual Changes**

It was recommended by the Finance / Administrative Committee that Resolutions would no longer be required to make District Policy Manual changes.

The Board accepted public comment from Vivien Johnson regarding this agenda item.

Director Anderson stated that the Boards he is familiar with, have always approved changes by Board vote.

General Manager, Mary Henrici stated that changes would be brought to the Board in the form of a Staff Report showing the changes being proposed and at that time, the Board would make the decision whether or not to approve the changes. When the changes are made to the Policy Manual, it would note the meeting date the changes were approved.

***It was moved by Director Anderson and seconded by Director Longo to approve no longer requiring a Resolution in order to make changes to the District Policy Manual. The motion carried by a unanimous vote of 5-0-0.***

#### **4.5 Elverta Specific Plan Consultant Funding Agreement**

General Manager, Mary Henrici stated that General Counsel still needs to review this agreement as the Planning Committee made a revision since General Counsel's review and she has not heard anything from the property owners group.

Jim Carson, Affinity Engineering, stated that he tried to contact the owners group and by email as April 15th was the deadline for any objections. He heard none. Mr. Carson also explained the revisions to the agreement.

General Counsel, Ravi Mehta stated that he has reviewed the original agreement and has not reviewed it since it was amended.

Director Anderson asked why there was a clause included for attorney / client privilege. General Counsel, Mr. Mehta explained in detail why this clause was provided.

Public Member, Mary Harris commented on the attorney / client privilege in the funding agreement and that she is against not putting detail on the bills.

Public Member, Vivien Johnson commented on the owners group and who it consisted of. She disagreed that the Board President would make the final changes to the wording and that should be a Board decision.

***It was moved by Director Green and seconded by Director Longo to approve the funding agreement as revised by the committee contingent upon approval of the owners group. The motion failed by a vote of 2-3-0, with Director's Longo and Green voting yes and Director's Dills, Anderson and Caron voting no.***

President Dills suggested that all of the bubble words be placed back into the document.

***It was moved by Director Anderson and seconded by President Dills to accept this revised agreement with the deletion of the first bubble and amend the seconded bubble with respect to the General Counsel shall only provide Landowners with a summary of work done and the total amount invoiced. The motion passed by a unanimous vote of 5-0-0.***

Director Caron commented that this is the second time a document has been brought before the Board for a vote and not being reviewed beforehand. G.M. Henrici noted that there was once again a conflict between Legal and Committee recommendations so it was brought before the full Board for a decision.

#### **4.6 Legal Bills**

President Dills commented that this is to consider waiving client / privilege confidentiality for future billings.

General Manager, Mary Henrici stated that the public has requested complete copies of General Counsel's bills several times. She further said that per General Counsel the District could only provide summary copies of the bills.

The Board took no action on this agenda item.

#### **4.7 Engineering for L Street Reservoir**

Public Member, Vivien Johnson asked when and who made the decision to place the reservoir at the District office site, as it was her understanding it was to be placed at the Well #15 site.

General Manager, Mary Henrici stated that the Planning Committee had made the decision at a previous public meeting. A request for proposal was done and two engineering companies (KASL Engineering and Affinity Engineering) submitted proposals. After reviewing the proposal's it was recommended that Affinity Engineering be selected to perform the environmental and general engineering for this project.

Director Longo explained that it was the opinion of the committee that both engineering firms could complete the project in the time requested and to the specifications needed.

The pros and cons of each engineering firm were discussed and evaluated.

Mr. Scroggs stated that KASL Engineering submitted their proposal based on the engineer budget submitted to CDPH. He further stated that proposal was completed using the guidelines of the RFP.

Public Member, John Ridilla commented on the criteria used for selection in the RFP's that he has seen.

Due to the significant price difference between the two firms Affinity Engineering was chosen.

Mr. Scroggs requested the opportunity to provide the Board with a revised cost proposal.

Public Member, Vivien Johnson commented that it would have been wise to ask each engineering firm how long they have been in business and if they have a full team or would they have to subcontract.

*It was moved by Director Green and seconded by Director Caron to approve Affinity Engineering to perform the general engineering for the L Street Reservoir. The motion carried by a unanimous vote of 5-0-0.*

#### **4.8 EN2 Resources, L Street Reservoir proposal to complete Environmental Analysis, CEQA Documentation and Federal Cross-Cutting Checklist.**

Mr. Carson informed the Board that EN2 Resources also did the environmental work for Well #15 and projects at other well sites. He also stated that after talking with the Environmental Office of CDPH and getting a cost for the project from EN2 it is his recommendation to use EN2 Resources for this project.

*It was moved by President Dills and seconded by Director Caron to approve the recommendation of the Planning Committee and appoint EN2 Resources to complete the Environmental Analysis, CEQA Documentation and Federal Cross-Cutting checklist for the L Street Reservoir. The motion carried by a unanimous vote of 5-0-0.*



#### **4.9 Management Training**

General Manager, Mary Henrici stated that as per her contract she is required to get the approval of the Board for any training. Since the last meeting she has had the opportunity to spend \$500 for a full year of training that this Board wants her to do such as "*Project Management*" and "*Strategic Thinking*".

*It was moved by Director Longo and seconded by Director Caron to approve the Management Training for the General Manager. The motion carried by a unanimous vote of 5-0-0.*

The Board went into closed session at 9:30 pm.

#### **5. CLOSED SESSION**

1. CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Potential Litigation. Mary Harris legal fees, Board to approve language in settlement agreement.

The Board returned from closed session at 9:50 pm and made announcements from Closed Session.

1. Received update from Legal Counsel and a previous offer was made which was rejected by the party which stands and no further action is being taken.

#### **6. INFORMATION ITEMS**

##### **1. DISTRICT ACTIVITY REPORT**

- a. General Manager's Report
- b. Water Production Report
- c. District Engineers Report

##### **2. BOARD REPORTS**

- a. Regional Water Authority – Dills, Henrici
- b. Sacramento Groundwater Authority – Green, Henrici
- c. LAFCo – Caron
- d. Planning Committee – Longo, Green
- e. Finance / Administrative Committee – Dills, Anderson
- f. Legal Ad Hoc Committee – Caron, Anderson
- d. Other Reports

President Dills asked for an update on the District's employment practices insurance. General Manager, Mary Henrici stated that the District will receive an update from JPIA at the conference in May. She also informed the Board that LAFCo is putting the District on their consent calendar.

The Board discussed various reports provided in the Board packet.

President Dills commented on a new Tenant / Owner Service Agreement and G.M. Henrici stated that she is working with legal on finalizing that document.

#### **7. DIRECTORS' AND GENERAL MANAGER COMMENTS**

Director Green gave a report on the various meetings he has attended as a representative of the District.

Director Anderson thanked the Board on their positive attitude and projection to the Community.

There was Board discussion on the size and number of pages of the Board packets.

**8. ADJOURNMENT**

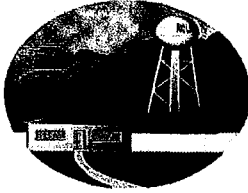
President Dills adjourned the meeting at 10:15 pm.

Respectfully submitted,

\_\_\_\_\_  
Mary Henrici, Secretary

\_\_\_\_\_  
Brent Dills, President

**RIO LINDA**



**ELVERTA**

**Consent Calendar  
Agenda Item: b**

**Date:** May 20, 2013

**Subject:** Expenditures

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of the Finance / Administrative Committee that the Board approve the expenditures of April 2013.

**Comments:**

**Conclusion:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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

**Rio Linda/Elverta Community Water District  
 All Other Expenditures  
 April 2013**

	Type	Date	Num	Name	Memo	Amount
<b>1002 - CA Bank &amp; Trust Surcharge</b>						
					NO ACTIVITY	0.00
<b>1005 - Sherrill Reserve</b>						
					NO ACTIVITY	0.00
<b>1007 - Construction-SRF</b>						
	Bill Pmt -Check	04/15/2013	6001	Affinity Engineering SRF	1264 Well#15 & L St.	-4,000.00
						-4,000.00
<b>1032 - CA Bank &amp; Trust Security Acct</b>						
	Bill Pmt -Check	04/15/2013	1056	Customer	Final Bill Bal Refun	-12.72
	Bill Pmt -Check	04/15/2013	1057	Customer	Final Bill Bal Refund	-100.00
						-112.72
<b>1033 - CA Bank &amp; Trust Capital Improve</b>						
	Bill Pmt -Check	04/15/2013	1041	Affinity Engineering Inc	1265 HydroTank	-320.00
	Bill Pmt -Check	04/15/2013	1042	Bankcard Center4054	4/13 Tuff Sheds	-3,874.71
	Bill Pmt -Check	04/15/2013	1043	CA Urban Water Conservation Council	2013_G1_278 Dues	-2,515.12
	Bill Pmt -Check	04/15/2013	1044	Neopost USA	13919812 Inserter	-11,880.00
						-18,589.83

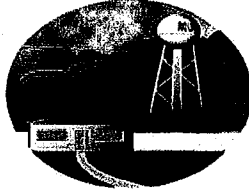
Rio Linda/Elverta Community Water District  
Expenditure Listing  
Operating Account  
April 2013

Type	Date	Num	Name	Memo	Amount
<b>1009 - CA Bank &amp; Trust Operating</b>					
Bill Pmt -Check	04/01/2013	1995	Cathy Hood	Ck#1995 Reported Lost - Cashed after it was re-issued on Ck#2126	-100.00
Bill Pmt -Check	04/01/2013	2220	Paul Green	3 March 2013 Mtgs	-300.00
Bill Pmt -Check	04/04/2013	2221	Thomas Ray	4-5-6/2013 Ins Retiree	-900.00
Liability Check	04/12/2013	EFT	QuickBooks Payroll Service	Created by Payroll Service on 04/11/2013	-11,808.98
Liability Check	04/12/2013	EFT	QuickBooks Payroll Service	Created by Payroll Service on 04/11/2013	-279.95
Liability Check	04/12/2013	E-pay	Employment Development	002-4351-9 QB Tracking # 91692162	-679.31
Liability Check	04/12/2013	E-pay	Irs	68-0107697 QB Tracking # 91695412	-4,103.72
Liability Check	04/12/2013	E-pay	Employment Development	1st QTR Unemployment & CA Training PR Taxes	-2,793.00
Bill Pmt -Check	04/15/2013	EFT	CalPERS	PayDate 4-15-13	-4,106.88
Paycheck	04/15/2013	2222	Employee	PayDate 4-15-13	-1,649.21
Paycheck	04/15/2013	2223	Employee	PayDate 4-15-13	-191.84
Bill Pmt -Check	04/15/2013	2224	Affinity Engineering Inc	1265 O & M Budget Work & Elverta Specific Plan	-3,040.00
Bill Pmt -Check	04/15/2013	2225	AFLAC	028454 3/2013	-318.84
Bill Pmt -Check	04/15/2013	2226	Allied Waste Services, Inc.	0922-002077683	-86.38
Bill Pmt -Check	04/15/2013	2227	VOID	VOID:	0.00
Bill Pmt -Check	04/15/2013	2228	Bank of New York	4/2013 Bond Pymt	-20,000.00
Bill Pmt -Check	04/15/2013	2229	BSK Labs Fresno, inc.	March Charges / April bill	-405.00
Bill Pmt -Check	04/15/2013	2230	California State Disbursement Unit	PR Wage Garnishment 4-15-13	-397.50
Bill Pmt -Check	04/15/2013	2231	Comcast	3/2013	-392.31
Bill Pmt -Check	04/15/2013	2232	Corelogic Information Solutions Inc	80816711	-134.75
Bill Pmt -Check	04/15/2013	2233	Elk Grove Security Systems	5581 4/1 - 6/30/2013	-78.00
Bill Pmt -Check	04/15/2013	2234	Equarius Waterworks, Inc.	3061 Antennas	-972.06
Bill Pmt -Check	04/15/2013	2235	Fritz & Company	Annual 2-Generators Service with necessary repairs	-2,168.07
Bill Pmt -Check	04/15/2013	2236	GM Construction & Developers	2539 Serv. Install @ 6233 Blacktop Way	-3,200.00
Bill Pmt -Check	04/15/2013	2237	Customer	Over-Payment	-8.94
Bill Pmt -Check	04/15/2013	2238	Labor Ready Southwest, Inc.	Contract Labor W/E 3/22 & W/E 3/29	-1,222.40
Bill Pmt -Check	04/15/2013	2239	Mason A Adams	4-5-6/2013 Ins Retiree	-900.00
Bill Pmt -Check	04/15/2013	2240	Maverick Office Systems	Repairs Copier Fuser Frame Assembly	-155.20
Bill Pmt -Check	04/15/2013	2241	McCrometer, Inc.	413128 RI Meter Repairs	-1,235.14
Bill Pmt -Check	04/15/2013	2242	Michael Phelan	1-2-3/2013 Ins Retiree (Rate Increase)	-2,653.80
Bill Pmt -Check	04/15/2013	2243	NAPA Auto Parts	Battery, Oil Filters, Oil - Truck Oil changes	-395.02
Bill Pmt -Check	04/15/2013	2244	Prudential Overall Supply, Inc	March Charges / April bill	-246.43
Bill Pmt -Check	04/15/2013	2245	Quill Corporation	1625688 Report Covers, Labels, Office Supplies	-115.75
Bill Pmt -Check	04/15/2013	2246	VOID	VOID:	0.00
Bill Pmt -Check	04/15/2013	2247	VOID	VOID:	0.00
Bill Pmt -Check	04/15/2013	2248	Richardson & Company	106756 Forensic Audit	-12,550.00
Bill Pmt -Check	04/15/2013	2249	SimplexGrinnel	76078945 Extinguisher Test & Inspect	-193.40
Bill Pmt -Check	04/15/2013	2250	VOID	VOID:	0.00
Bill Pmt -Check	04/15/2013	2251	Sprint	545668646-074	-245.65
Bill Pmt -Check	04/15/2013	2252	Standard Insurance Company	4/13 Mar PR fig.	-234.56
Bill Pmt -Check	04/15/2013	2253	T & T Valve and Instrument, Inc.	45051 Air Release Valve	-233.18
Bill Pmt -Check	04/15/2013	2254	USA BlueBook	917512 Protective Eye Wear, Gloves, Tubing	-393.13
Bill Pmt -Check	04/15/2013	2255	USA Mobility Wireless, Inc.	W3556693D	-15.10
Bill Pmt -Check	04/15/2013	2256	Vanguard Cleaning Systems	17241	-195.00
Bill Pmt -Check	04/15/2013	2257	Rio Linda Hardware and Building Supply	March Charges / April bill	-134.06

Rio Linda/Elverta Community Water District  
Expenditure Listing  
Operating Account  
April 2013

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	04/15/2013	2258	Bankcard Center 3452	4/2013 Statement March Fuel/ April bill Plus parts Serv Connections	-691.98
Bill Pmt -Check	04/15/2013	2259	Bankcard Center 3551	4/2013 Statement ALL FUEL	-451.47
Bill Pmt -Check	04/15/2013	2260	Bankcard Center 3957	4/2013 Statement Fuel, Serv Connection Parts, Meter Maint shipping	-1,136.33
Bill Pmt -Check	04/15/2013	2261	Bankcard Center 4054	4/12013 Statement Fuel, Postage, Off. Supp, Trg Seminars, Tires,	-2,692.13
Bill Pmt -Check	04/15/2013	2262	County of Sacramento PO Box 1587	917443 enac2013-00030 Permits various county locations	-604.25
Bill Pmt -Check	04/15/2013	2263	Delta Health Systems	May 2013	-7,554.00
Bill Pmt -Check	04/15/2013	2264	Duane Anderson	2/11, 3/2, 3/18 MTGS	-300.00
Bill Pmt -Check	04/15/2013	2265	Fritz & Company	7097 Generator Service & Test run	-548.25
Bill Pmt -Check	04/15/2013	2266	Labor Ready Southwest, Inc.	637199 W/E 405	-764.00
Bill Pmt -Check	04/15/2013	2267	VOID	VOID:	0.00
Bill Pmt -Check	04/15/2013	2268	Law Offices of Ravi Mehta	3/1 - 3/31/2013	-10,209.70
Bill Pmt -Check	04/15/2013	2269	Matthew Longo	1/29, 3/5, 3/18, 4/2 Meetings	-400.00
Bill Pmt -Check	04/15/2013	2270	PG & E762-9	3/8 - 4/5/13	-7.84
Bill Pmt -Check	04/15/2013	2271	PG&E724-1	3/8 -4/05/13	-11.48
Bill Pmt -Check	04/15/2013	2272	Customer	Refund Final Bill Overpayment	-265.91
Bill Pmt -Check	04/15/2013	2273	Law Offices of Ravi Mehta	3/1-3/31/13 Elverta Specific Plan	-2,307.75
Bill Pmt -Check	04/15/2013	2274	Rio Linda / Elverta Community Water Distr	March 2013 Surcharge	-23,818.59
Bill Pmt -Check	04/15/2013	2275	Rio Linda / Elverta Community Water Distr	Cap Improv 4/2013	-7,500.00
Bill Pmt -Check	04/18/2013	2276	Employment Development	00243519 6-9-12/2012 Qtrs balance owing	-784.86
Bill Pmt -Check	04/19/2013	2277	Employment Development	94404597 3-6/2012 Qtrs Self Funded Account	-272.19
Paycheck	04/30/2013	2278	Employee	PayDate 4-30-13	-1,140.11
Paycheck	04/30/2013	2279	Employee	PayDate 4-30-13	-191.84
Bill Pmt -Check	04/26/2013	2280	BSK Labs Fresno, inc.	A308140	-13.00
Bill Pmt -Check	04/26/2013	2281	Duane Anderson	4/15 Bd Mig	-100.00
Bill Pmt -Check	04/26/2013	2282	Equarius Waterworks, Inc.	3472 10- T-10 1" Meters	-6,021.75
Bill Pmt -Check	04/26/2013	2283	Evergreen Oil, Inc.	INV0790741 Discard Used Oil Filters	-65.00
Bill Pmt -Check	04/26/2013	2284	Frank Caron	4/13 & 4/15 Migs	-200.00
Bill Pmt -Check	04/26/2013	2285	Haueter Company	Replace Garage & Shop Doors	-1,290.00
Bill Pmt -Check	04/26/2013	2286	Labor Ready Southwest, Inc.	16963394 W/E 4/12	-821.30
Bill Pmt -Check	04/26/2013	2287	Quill Corporation	1770470 Folders, Hanging Files, DVD 100Pk	-73.40
Bill Pmt -Check	04/26/2013	2288	Ryan D Anderson	04182013 Identify Ricoh/Savin, scan to folder/email	-99.00
Bill Pmt -Check	04/26/2013	2289	Sierra Chemical Company	74341 multichlor, Sodium Hypochlorite 330Gal	-719.40
Bill Pmt -Check	04/26/2013	2290	SMUD	All March Chrgs/April bills	-12,238.68
Bill Pmt -Check	04/26/2013	2291	USA BlueBook	927836 Cable Grab	-434.42
Bill Pmt -Check	04/30/2013	2292	Employee	Reim Mileage-Trg	-25.88
Bill Pmt -Check	04/30/2013	2293	AIG Valic	April 2013	-100.00
Bill Pmt -Check	04/30/2013	2294	California State Disbursement Unit	Garnishment PayDate 4-30-13	-397.50
Bill Pmt -Check	04/30/2013	2295	Rio Linda / Elverta Community Water Distr	4/2013 Surchrg Trsr	-44,406.00
Liability Check	04/29/2013	eft	QuickBooks Payroll Service	Created by Payroll Service on 04/25/2013	-8,902.61
Liability Check	04/29/2013	eft	QuickBooks Payroll Service	Created by Payroll Service on 04/25/2013	-197.73
Bill Pmt -Check	04/30/2013	eft	CalPERS	PayDate 4-30-13	-3,317.16
Liability Check	04/25/2013	E-pay	Employment Development	002-4351-9 QB Tracking # 96417577	-609.93
Liability Check	04/25/2013	E-pay	Is	68-0107697 QB Tracking # 96417827	-3,898.10
					-224,816.10

**RIO LINDA**



**ELVERTA**

**Consent Calendar  
Agenda Item: c**

**Date:** May 20, 2013

**Subject:** Financial Reports

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of the Finance / Administrative Committee that the Board approve the Financial Reports for the period ending April 30, 2013

**Comments:**

**Board Action / Motion**

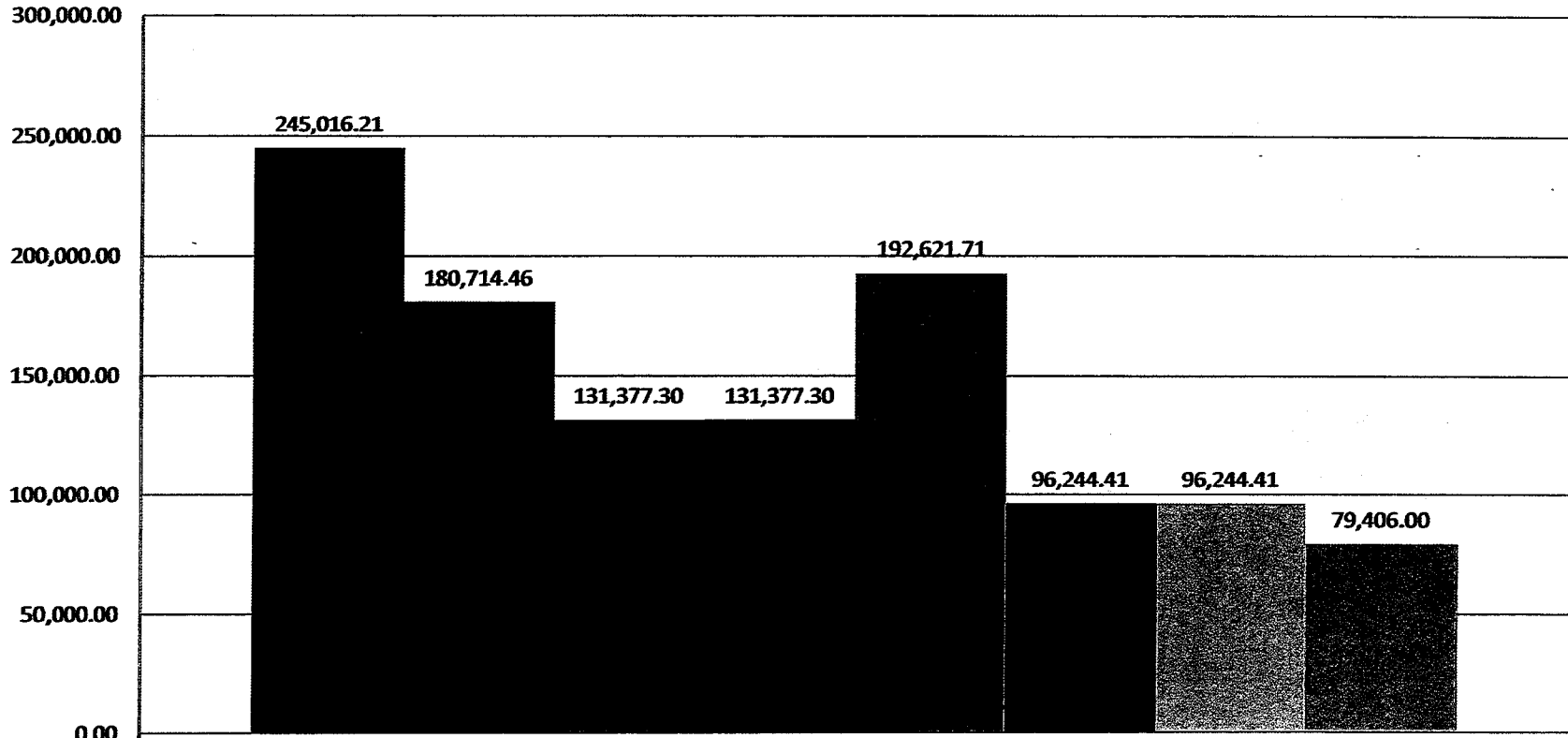
Motioned by: Director \_\_\_\_\_ Seconded by Director \_\_\_\_\_

Dills:\_\_\_ Green:\_\_\_ Caron:\_\_\_ Anderson:\_\_\_ Longo:\_\_\_.

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

## Holding Checks Trend Report

1/15/2013  
  1/31/2013  
  2/15/2013  
  2/28/2013  
  3/15/2013  
  3/31/2013  
  4/15/2013  
  4/30/2013



Amount of Checks Holding	
<span style="display: inline-block; width: 10px; height: 10px; background-color: black; margin-right: 5px;"></span> 1/15/2013	245,016.21
<span style="display: inline-block; width: 10px; height: 10px; background-color: black; margin-right: 5px;"></span> 1/31/2013	180,714.46
<span style="display: inline-block; width: 10px; height: 10px; background-color: black; margin-right: 5px;"></span> 2/15/2013	131,377.30
<span style="display: inline-block; width: 10px; height: 10px; background-color: black; margin-right: 5px;"></span> 2/28/2013	131,377.30
<span style="display: inline-block; width: 10px; height: 10px; background-color: black; margin-right: 5px;"></span> 3/15/2013	192,621.71
<span style="display: inline-block; width: 10px; height: 10px; background-color: black; margin-right: 5px;"></span> 3/31/2013	96,244.41
<span style="display: inline-block; width: 10px; height: 10px; background-color: gray; margin-right: 5px;"></span> 4/15/2013	96,244.41
<span style="display: inline-block; width: 10px; height: 10px; background-color: gray; margin-right: 5px;"></span> 4/30/2013	79,406.00



Cash Flow Trend Report		
Date	Checks Holding	Difference from one period to another period
1/15/2013	245,016.21	
1/31/2013	180,714.46	-64,301.75
2/15/2013	131,377.30	-49,337.16
2/28/2013	131,377.30	
3/15/2013	192,621.71	61,244.41
3/31/2013	96,244.41	-96,377.30
4/15/2013	96,244.41	
4/30/2013	79,406.00	-16,838.41

**Rio Linda/Elverta Community Water District**  
**BANKING**  
**As Of April 30, 2013**

**CHECKING & SAVINGS BANK ACCOUNT BALANCES**

GL Acct No#	Bank Account Name	Bank Balance
1002	CB&T Surcharge	361,128.49
1015	CB&T Surcharge Restricted Reserve	481,975.76
1009	CB&T Operating	74,140.51
1032	CB&T Security Dep Acct	50,502.63
1033	CB&T Capital Improve	79,453.66
1041	Bank of New York-Debt Service	120,000.00
1044	Bank of NY-Reserve Restricted Fund	243,491.76
1051	Restricted LAIF: for GASB 45	15,571.01
1005	Sherrill Reserve	25,000.00
1007	Construction Checking Account SRF	190,530.00

**TOTAL    \$    1,641,793.82**

**OPERATING BANK ACCOUNT - CHECKS HOLDING:**

Date Written	Payee	Ck#	Description	Amount
3/15/2013	RLECWD	2164	Capital Improvements 3/2013	7,500.00
4/15/2013	RLECWD	2275	Capital Improvements 4/2013	7,500.00
3/15/2013	Bank of New York	2228	Bond Payment 04/2013	20,000.00
4/30/2013	RLECWD	2295	Surcharge Account 04/2013	44,406.00
<b>TOTAL</b>				<b>79,406.00</b>

Rio Linda/Elverta Community Water District

Profit and Loss Budget Performance

April 30, 2013

	Annual Budget	Apr 13	Jul '12 - Apr 13	% of Budget	Balance
<b>Income:</b>					
<b>4 • OPERATING REVENUES</b>					
Total 40 • Water Service Rates	1,932,206.00	151,266.37	1,633,905.75	84.56%	298,300.25
Total 41 • Account Service Charges	92,000.00	4,326.01	98,584.35	104.98%	-4,584.35
Total 42 • Field Water Service Fees	16,250.00	50.00	14,952.36	92.01%	1,297.64
Total 4012 • Miscellaneous Revenue	5,000.00	0.00	1,591.17	31.82%	3,408.83
<b>Total 4 • OPERATING REVENUES</b>	<b>2,045,456.00</b>	<b>165,641.38</b>	<b>1,747,033.63</b>	<b>85.41%</b>	<b>298,422.37</b>
<b>6000 • NON-OPERATING REVENUES</b>					
6001 • Tower Leases	75,000.00	6,535.75	64,455.45	85.94%	10,544.55
6002 • Earnings on Monies	1,000.00	176.07	756.34	75.63%	243.66
6003 • Property Taxes & Related	60,000.00	39,426.42	39,426.42	65.71%	20,573.58
6004 • Miscellaneous Non-Operating	2,500.00	-88.00	2,624.48	104.98%	-124.48
6007 • Lawsuit Settlements-One Time	0.00	-25,000.00	0.00	0.0%	0.00
<b>Total 6000 • NON-OPERATING REVENUES</b>	<b>138,500.00</b>	<b>21,049.24</b>	<b>107,261.69</b>	<b>77.45%</b>	<b>31,238.31</b>
<b>Total Income</b>	<b>2,183,956.00</b>	<b>176,690.62</b>	<b>1,854,295.32</b>	<b>84.91%</b>	<b>329,660.68</b>
<b>Expense:</b>					
5800 • Other Expense - Prior Year	0.00	1,360.87	32,292.14	0.0%	-32,292.14
5999 • Other Expenses	5,000.00	0.00	0.00	0.0%	5,000.00
<b>7 • NON-OPERATING EXPENDITURES</b>					
7007 • Sherrill Settlement Expense	0.00	-21,000.00	64,000.00	0.0%	-64,000.00
Total 70 • Debt Service	240,263.00	-24,204.17	163,380.22	68.0%	76,882.78
7002 • Non-Operating Expense		0.00	215.00		-215.00
<b>Total 7 • NON-OPERATING EXPENDITURES</b>	<b>240,263.00</b>	<b>-45,204.17</b>	<b>227,595.22</b>	<b>94.73%</b>	<b>12,667.78</b>
<b>5 • OPERATING EXPENDITURES</b>					
Total 51 • Officers Fees	307,000.00	22,768.45	490,422.77	159.75%	-183,422.77
<b>52 • Wages &amp; Benefits</b>					
Total 520 • Benefits & Expenses	248,418.50	6,653.39	207,236.45	83.42%	41,182.05
Total 522 • Salary	437,311.00	38,816.74	366,634.70	83.84%	70,676.30
<b>Total 52 • Wages &amp; Benefits</b>	<b>685,729.50</b>	<b>45,470.13</b>	<b>552,026.15</b>	<b>80.5%</b>	<b>133,703.35</b>
Total 524 • Office Operations	88,212.00	10,266.34	75,986.38	86.14%	12,225.62
Total 5300 • Field Operations	367,450.00	31,664.62	244,030.66	66.41%	123,419.34
Total 537 • Conservation	8,176.00	0.00	7,551.12	92.36%	624.88
Total 538 • Contractual Services/Agreements	50,000.00	2,560.00	10,240.00	20.48%	39,760.00
Total 539 • Insurance	47,500.00	2,560.25	36,424.25	76.66%	11,075.72
Total 540 • Memberships	38,008.00	40.00	34,135.00	89.81%	3,873.00
5207 • Governmental Fees/Lien Fees	10,000.00	0.00	8,117.99	81.18%	1,882.01
5217 • Elections	8,245.00	0.00	8,245.00	100.0%	0.00
<b>Total 5 • OPERATING EXPENDITURES</b>	<b>1,610,320.50</b>	<b>115,329.79</b>	<b>1,467,179.35</b>	<b>91.11%</b>	<b>143,141.15</b>
<b>Total Expense</b>	<b>1,855,583.50</b>	<b>71,466.49</b>	<b>1,727,066.71</b>	<b>93.07%</b>	<b>128,516.79</b>
<b>Net Income</b>	<b>328,372.50</b>	<b>105,204.13</b>	<b>127,228.61</b>	<b>38.75%</b>	<b>201,143.89</b>

**Rio Linda/Elverta Community Water District**  
**Balance Sheet**  
 As of April 30, 2013

Apr 30, 13

**ASSETS**

**Current Assets**

**Checking/Savings**

1009 · CA Bank & Trust Operating	74,140.51
1005 · Sherrill Reserve	25,000.00
1007 · Construction-SRF	190,530.00
1002 · CA Bank & Trust Surcharge	381,128.49
1015 · CA Bank & Trust Surcharge Reser	481,975.76
1032 · CA Bank & Trust Security Acct	50,502.63
1033 · CA Bank & Trust Capital Improve	79,453.66
1041 · Bank of New York-Debt Service	120,000.00
1044 · Bank of NY-Reserve Fund	243,491.76
1051 · Restricted for GASB 45	15,571.01

**Total Checking/Savings** 1,641,793.82

**Accounts Receivable**

1202 · State Revolving Fund Receivable	-198,507.62
--	-------------

**Total Accounts Receivable** -198,507.62

**Other Current Assets**

1205 · Returned Checks Clearing Accoun	164.15
1201 · Water Utility Receivables	63,910.83
1210 · Restricted Accrued Revenue Surc	42,500.00
1220 · Accrued Revenues	150,000.00
1500 · Inventory	62,365.98
1602 · Prepaid Insurance	18,554.97
1620 · Elverta Specific Plan Receivable	8,336.50

**Total Other Current Assets** 345,832.43

**Total Current Assets** 1,789,118.63

**Fixed Assets**

1722 · Urban Water Management Plan	10,680.00
1700 · Construction in Process Well 15	2,638,190.24
1701 · Compliance Order Improvements	102,423.90
1702 · SCADA System Under Development	8,001.30
1703 · General Plant	792,012.65
1704 · Pumping Plant	105,000.00
1705 · Transmission & Distribution	11,168,400.29
1706 · Land	498,673.45
1707 · CIP Well #14	147,847.60
1716 · CIP Well 16	111,355.93
1717 · CIP Well 17	98,566.63
1720 · Diesel Generator/Air Compressor	11,784.00
1723 · Misc Bowl Replacements	17,862.55
1750 · Accumulated Depreciation	
1757 · Urban Water Management Plan Dep	-534.00
1753 · General Plant	-743,634.33
1754 · Pumping Plant	-105,000.00
1755 · Transmission & Distribution	-4,819,765.74
1756 · Diesel Generator/Air Com Deprec	-1,984.00

**Total 1750 · Accumulated Depreciation** -5,670,898.07

**Total Fixed Assets** 10,037,900.47

**Other Assets**

1800 · 1994 Debt Deferred Refunding	
1801 · Debt Deferred Refunding - Other	854,897.58
1815 · 1994 Debt Deferred-Accum Amort	-376,763.88
<b>Total 1800 · 1994 Debt Deferred Refunding</b>	478,133.70

1820 · 2003 Bond Debt Issuance Cost	
1821 · 2003 Bond Debt Issuance-Other	242,518.01
1825 · 2003 Bond Cost-Accum Amort	-77,045.29

**Total 1820 · 2003 Bond Debt Issuance Cost** 165,472.72

10:22 AM  
 05/09/13  
 Accrual Basis

**Rio Linda/Elverta Community Water District**  
**Balance Sheet**  
 As of April 30, 2013

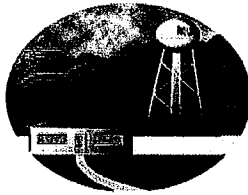
	Apr 30, 13
1900 · Annexation-Boundary Maps	
1901 · Annexation Boundary Maps-Other	42,790.25
1915 · Accum. Amortization Annexation	-42,790.25
<b>Total 1900 · Annexation-Boundary Maps</b>	<b>0.00</b>
1920 · Master Plan	
1921 · Master Plan - Other	261,526.17
1925 · Accumulated Amortization-Master	-104,553.81
<b>Total 1920 · Master Plan</b>	<b>156,972.36</b>
1930 · Regional Master Plan	
1931 · Regional Master-Plan-Other	30,101.80
1935 · Accum. Amortization Regional MP	-12,039.80
<b>Total 1930 · Regional Master Plan</b>	<b>18,061.80</b>
1940 · Standard Improvement	
1941 · Standard Improvement - Other	28,767.00
1945 · Accum. Amortization-Standards	-28,767.00
<b>Total 1940 · Standard Improvement</b>	<b>0.00</b>
<b>Total Other Assets</b>	<b>818,640.58</b>
<b>TOTAL ASSETS</b>	<b>12,645,659.68</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2000 · Accounts Payable	4,923.25
2002 · Accounts Payable SRF	65,614.51
2205 · Capital Improvements Payables	16,912.71
<b>Total Accounts Payable</b>	<b>87,450.47</b>
<b>Other Current Liabilities</b>	
2001 · Prepaid Service Installations	600.00
2015 · Sherrill Settlement Payable	89,000.00
2100 · Payroll Liabilities	
2107 · Insurance Payable	
2117 · Group Health PR Lia.	-1,134.00
2127 · AFLAC PR Lia	426.31
<b>Total 2107 · Insurance Payable</b>	<b>-707.69</b>
2114 · Union Dues	402.22
<b>Total 2100 · Payroll Liabilities</b>	<b>-305.47</b>
2200 · Security Deposits Payable	34,226.37
2500 · Bond-2003 Issue-ST	95,000.00
2510 · Accumulated Sick/Vacation	
2511 · Compensated Absences Short Term	24,097.71
<b>Total 2510 · Accumulated Sick/Vacation</b>	<b>24,097.71</b>
<b>Total Other Current Liabilities</b>	<b>242,618.61</b>
<b>Total Current Liabilities</b>	<b>330,069.08</b>
<b>Long Term Liabilities</b>	
2003 · State Revolving Fund Payable	2,112,267.00
2600 · Bond-2003 Issue	3,215,000.00
2601 · Bond-2003 Issue-LT	-95,000.00
<b>Total Long Term Liabilities</b>	<b>5,232,267.00</b>
<b>Total Liabilities</b>	<b>5,562,336.08</b>
<b>Equity</b>	
3100 · Capital Assets, Net	5,348,202.00
3200 · Restricted Fund Balances	

10:22 AM  
05/09/13  
Accrual Basis

**Rio Linda/Elverta Community Water District**  
**Balance Sheet**  
As of April 30, 2013

	Apr 30, 13
3201 · 2003 Bond Reserve with Trustee	<u>329,876.58</u>
Total 3200 · Restricted Fund Balances	329,876.58
3210 · Restricted for Surcharge	670,002.00
3300 · Retained Earnings	198,123.52
Net Income	<u>537,119.50</u>
Total Equity	<u>7,083,323.60</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>12,645,659.68</u></b>

**RIO LINDA**



**ELVERTA**

**Consent Calendar  
Agenda Item: d**

**Date:** May 20, 2013

**Subject:** Single Audit Act

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of Finance / Administrative Committee that the Board approve conducting an audit of the District's Financial Operations to meet the requirements of OMB Circular A-133 (Office of Management and Budget).

**Current Background and Justification:**

The Federal Office of Management and Budget requires that any agency that expends \$500.00 or more in federal funding in its fiscal year to conduct such a single audit of its financial operations as per OMB Circular A-133. It is a combination of the District's annual financial statement audit with additional audit coverage of federal funds. It is performed by an independent certified public who is qualified to conduct a single audit and must comply with the requirements outlined in OMB Circular A-133.

The District received the notification for this requirement April 6, 2013 and it was due March 31, 2013. The District had not been told how much of the funds received from the State Revolving Fund were Federal Funds before this letter was received.

The District's auditing firm Richardson & Company is qualified to perform such an audit. The fee for the audit service covering the Safe Drinking Water State Revolving Fund loan for the year ending June 30, 2012 will be \$3,200 and for June 30, 2013 is \$2,800 and for the year ended June 30, 2014 will be \$2,800.

**Conclusion:**

The Single audit is normally completed and submitted to the Federal Audit Clearinghouse within nine months of the end of the fiscal year. Therefore, I recommend that the Board approve this proposal.

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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

RLECWD Agenda Item Checklist

Date

Initial Potential Meeting Date

5/20/13

Item Prioritization

4/15/13

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

*Single audits are required on loan/federal funds. Audit is already overdue and was not known until letter received from CDPH.*

Staff Work Completed

4/18/13

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.)

Committee Review of Item and Staff Work

5/13/13

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations)

Formal Legal Counsel Review

5/7/13

(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)

Board President and GM Review

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

Actual Meeting Date Set for Agenda Item

\_\_\_\_\_





RON CHAPMAN, MD, MPH  
Director & State Health Officer

State of California—Health and Human Services Agency  
California Department of Public Health



EDMUND G. BROWN JR.  
Governor

April 6, 2013

Ms. Mary Henrici  
Rio Linda/Elverta Community Water Dist  
730 L Street  
Rio Linda, CA 95673

Dear Ms. Henrici:

**NOTICE TO COMPLY WITH THE SINGLE AUDIT ACT**

Your agency has received federal funding from the Department of Health Services (DHS), which is now California Department of Public Health (CDPH), Safe Drinking Water State Revolving Fund (SDWSRF) Program, during State Fiscal Year 2011/2012 (July-June) to help fund needed water system improvements under SDWSRF contract number SRF2011CX107. As federal cross-cutters apply to your contract, your agency is required to comply with the Single Audit Act per the Federal Office of Management and Budget (OMB) Circular A-133. The Single Audit Act requires any agency that expends \$500,000 or more in federal funds in its fiscal year to conduct an audit of its financial operations to meet the requirements of OMB Circular A-133. The source of federal funds expended by your agency is from Catalogue of Federal Domestic Assistance Number 66.468.

If your agency uses the accrual basis of accounting, funds are considered expended when the expenditure is incurred, not when you are reimbursed. If your agency uses the cash basis of accounting, the funds are considered expended at the time you receive payment from CDPH on the claim you submitted for reimbursement.

Accordingly, by accepting funding from the SDWSRF Program, your agency has agreed to obtain an annual single, organization wide, financial and compliance audit according to the requirements specified in OMB Circular A-133, entitled "Audits of States, Local Governments, and Non-Profit Organizations." OMB Circular A-133 designates the "Federal Audit Clearinghouse" as the centralized clearinghouse to which the single audit report must be submitted. As a recipient, you are responsible for ensuring that an audit is completed and that an audit report is prepared and submitted to the Federal Audit Clearinghouse within nine months of the end of your agency's fiscal year. You are also responsible for the submission of a data collection form described in OMB Circular A-133, Section 320, paragraph (b) and the appropriate number of reporting packages described in OMB A-133, Section 320, paragraph (c). The Clearinghouse forwards reports that

Ms. Mary Henrici  
Page 2 of 2  
April 6, 2013

have findings related to the United States Environmental Protection Agency's (USEPA) assistance agreements to USEPA's Office of the Inspector General.

You should be submitting your single audit report to the Federal Audit Clearinghouse on-line at the following address:

<http://harvester.census.gov/fac/>

Your agency is also required to submit a copy of the audit report to CDPH if the audit disclosed findings or reported the status of a prior finding related to the award made by CDPH. If there are no findings or status of prior findings related to the audit of your agency, your agency is required to provide written notification to CDPH that the audit disclosed no such findings or status of prior audit findings.

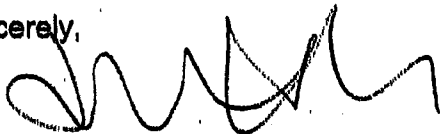
CDPH is requesting that you furnish us, as appropriate, either a copy of the audit report if this disclosed findings or written notification that the audit disclosed no findings. Please send your correspondence to Addie Aguirre, Chief, Infrastructure Funding Administration & Financial Section, at the following address:

California Department of Public Health  
Safe Drinking Water SRF Program  
1616 Capitol Avenue, MS 7418  
P.O. Box 997377, Sacramento, CA 95899-7377

If you have questions concerning single audit requirements, you may contact Leah Nikaidoh with the Office of the Inspector General at (513) 487-2365 or via email at [single.audit@epa.gov](mailto:single.audit@epa.gov).

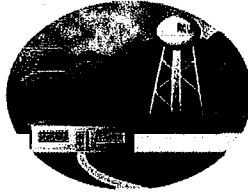
If you have questions regarding this notice, please contact me at (916) 449-5600.

Sincerely,



Josh Ziese, Chief of Fiscal Services Unit  
Safe Drinking Water State Revolving Fund  
and Small Water System Section

**RIO LINDA**



**ELVERTA**

**Consent Calendar  
Agenda Item: e**

**Date:** May 20, 2013

**Subject:** Status of District Employment Practice Insurance

**Staff Contact:** Mary Henrici, General Manager

**Update Status Report:** At the May 6, 2013 meeting of the ACWA/JPIA I presented a report to the Executive committee on the status of the District since the last semi-annual meeting. Below are some key points made to the Committee.

- Four (4) new Board, ran on same platform
- Implemented full rate increase approved in 2011 at \$200,000 a year.
- All litigation is settled
- Well #15 completed at 2,800 gpm
- Engineering contract signed for redundant source 1.1 mg tank to be completed by fall of 2014
- Still being monitored by LAFCo but on the Consent Calendar. They have been pleased with our progress.
- New Master Plan is being started next week.
- No Union Shop grievances in past 2 years.
- I am proposing and the Board is receptive to 3 new staff to do the work that has been unable to be completed do to lack of staff.
- Urban Water Management Plan update has been completed and all audits have been completed.
- Legal bills are down due to settlement of all cases which was a major drain on the income.

The committee recommended that the District's Employment Practices Insurance be reinstated with the exception of the current Manager and General Counsel contracts. I then suggested that the Managers contract could be changed to wording suited to the JPIA and they were in agreement. The committee voted to recommend to the members that the Executive committee be allowed to review the revised Management contract and approve including it in the Employment Practices Insurance coverage once modified.

Mr. Green then made a presentation at the town hall meeting later that afternoon that represented what the goals of the new Board are and I believe it gave a sense of security to the members that were still hesitant about the current District Board of Directors direction.

Later on that day the membership took a vote on the issue of reinstating the District's Employment Practices Insurance and it was approved. The membership also approved the Executive Committee's review of the revised management contract so it can also be included in the Employment Practice Insurance coverage. The Employment Practice Insurance coverage will take effect when the new policy is in effect October 2013.

**Comments:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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

**ACWA/JPIA**  
**Rio Linda/Elverta Community Water District Update**  
**May 6, 2013**

**BACKGROUND**

The Executive Committee has requested that staff provide periodic updates on the status of Rio Linda Elverta Community Water District (District).

The ACWA/JPIA Board of Directors voted to exclude coverage for employment practices claims brought against the District at the Board of Director's meeting of May 7, 2012.

**CURRENT SITUATION**

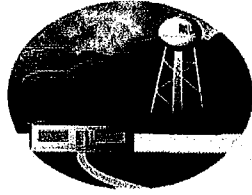
On December 12, 2012, the District participated in settlement negotiations of a partially covered employment practices lawsuit filed against it by a former general manager. The District and the JPIA contributed funds to the settlement of the lawsuit.

During the settlement negotiations, the District inquired whether or not JPIA staff would be willing to recommend to the Executive Committee that the JPIA reinstate employment practices coverage for the District given the District's cooperation in the resolution of the claim, changes in the composition of the District's Board of Directors and improvements in District operations. Staff indicated that it would be willing to do so with the exception of any employment practices claims brought against the District by the General Manager and District Legal Counsel.

**RECOMMENDATION**

Staff recommends that the Executive Committee recommend to the Board of Directors that employment practices coverage be reinstated for the District with the exception of employment practices claims brought against the District by the General Manager and District Legal Counsel.

**RIO LINDA**



**ELVERTA**

**Consent Calendar  
Agenda Item: f**

**Date:** May 13, 2013

**Subject:** 2013-14 Fiscal Year Operating and Capital Budget

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of Staff that the Board approve the 2013-14 Fiscal Year Operating and Capital Budgets

**Current Background and Justification:**

**Conclusion:**

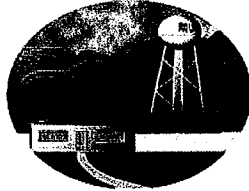
**Board Action / Motion**

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

Dills: \_\_\_ Green: \_\_\_ Caron: \_\_\_ Anderson: \_\_\_ Longo: \_\_\_.

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

**RIO LINDA**



**ELVERTA**

**Item for Discussion and Action  
Agenda Item: 5.1**

**Date:** May 20, 2013

**Subject:** Customer requests to be removed from District Services

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is recommended by staff that the Monsees property request be denied due to the fact they have improvements on their property that can be reconnected to service at anytime. It is recommended that the Board approve the Blue Oaks property request to have charges removed as there are no improvements on this property and it has been unimproved for 6 years.

**Current Background and Justification:**

Tulita Monsees and Blue Oaks Family Limited Partnership have requested that their minimum service fees be removed. Upon inspection of the properties staff found that the Monsees property has 2 homes on the property and that the Blue Oaks property is a vacant lot.

The Board had stated at a prior meeting that requests for relief from the minimum service fees could be brought to the Board on a case by case basis for final determination on individual properties.

**Conclusion:**

Based on the Board's intention to create a Resolution that provides relief to unimproved lands from the minimum service fee. I would recommend that the Blue Oaks Family Limited Partnership property be allowed a variance. While the Monsees property has homes on it that are using private well water at this time. There is the option for those homes to reconnect to District water at anytime in case of well failures or there are new property owners.

**Board Action / Motion**

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

Dills:\_\_\_\_ Green:\_\_\_\_ Caron:\_\_\_\_ Anderson:\_\_\_\_ Longo:\_\_\_\_\_.

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

5.1

RLECWD Agenda Item Checklist

**Initial Potential Meeting Date**

Date  
5/20

**Item Prioritization**

3/15/13

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

Customer Requests to be removed from District Services

4/26/13

**Staff Work Completed**

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

**Committee Review of Item and Staff Work**

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations

~~**Formal Legal Counsel Review**~~

(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)

**Board President and GM Review**

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

**Actual Meeting Date Set for Agenda Item**

\_\_\_\_\_



## Mary Henrici

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**From:** Mary Henrici  
**Sent:** Friday, April 26, 2013 3:30 PM  
**To:** Brent Dills  
**Subject:** RE: Inactive fee

Brent, They need to contact me and it will be put on the next agenda. This item will be put on the next agenda..

Mary

-----Original Message-----

**From:** Brent Dills  
**Sent:** Friday, April 26, 2013 10:48 AM  
**To:** Mary Henrici  
**Cc:** Duane Anderson; Matthew Longo; Paul Green; Frank Caron; [jeanandbrent@sbcglobal.net](mailto:jeanandbrent@sbcglobal.net)  
**Subject:** RE: Inactive fee

Mary,

What have we done about this? Where are we on identification of folks who may be excluded from this fee on a case by case basis like we discussed at the last board meeting?

---

**From:** Tulita Monsees [[tulmon@earthlink.net](mailto:tulmon@earthlink.net)]  
**Sent:** Friday, March 15, 2013 11:55 AM  
**To:** Brent Dills  
**Cc:** Duane Anderson; Matthew Longo; Paul Green; Frank Caron  
**Subject:** Inactive fee

Re: John Monsees - old meter #45495965 - old account #2667001

Dear Board of Directors:

I've written you several times regarding the charges you want to bill me for water service.

First of all, I haven't had service with you for close to 10 years. We went to a well back then and when we did that, our service was not simply disconnected, you took the water meter and closed off all connections. So no, the connection or availability is not there, therefore can not charge me for "inactive" fees.

Second, I pay for fire protection through my property taxes.

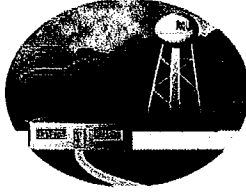
Third, you will have to find some other way to finance your costs other than trying to extract money for non-services. I will not pay any of your invoices because I receive no service.

Finally, John Monsees is not the owner of the property, he passed away almost 8 years ago.

Furthermore, if you continue to bill me or try to collect from me, I will have to look into legal steps to stop this, including (and not hesitating) going to the media.

Sincerely,

**RIO LINDA**



**ELVERTA**

**Item for Discussion and Action  
Agenda Item: 5.2**

**Date:** May 20, 2013

**Subject:** Labor Negotiator

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is recommended by Staff that the Board approve the General Manager as the Labor Negotiator with Labor Attorney Review of the final agreement.

**Current Background and Justification:**

There are currently a few issues that need to be addressed in the MOU before new staff can be hired. The previous Board had appointed the District General Counsel to be the labor negotiator during the last negotiations of the Memorandum of Understanding. This labor negotiation went on for 3 years the negotiations were very confrontational and the legal fees were very expensive. It had been the practice of this agency in the past for management to perform labor negotiations and it is also standard practice of other agencies in the area and then legal to make sure the contract says what was negotiated in the final contract. Of course there is also Board approval of any changes to the Memorandum of understanding before the document is finalized.

**Conclusion:**

Based on past experience with the General Counsel as the contract negotiator and the potential cost savings available to the District staff recommends that the General Manager be the contract negotiator with Labor Attorney review of the final agreement.

**Board Action / Motion**

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

Dills: \_\_\_ Green: \_\_\_ Caron: \_\_\_ Anderson: \_\_\_ Longo: \_\_\_.

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

Date

5/20

**Initial Potential Meeting Date**

**Item Prioritization**

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

labor Negotiations

**Staff Work Completed**

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

**Committee Review of Item and Staff Work**

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations

**Formal Legal Counsel Review**

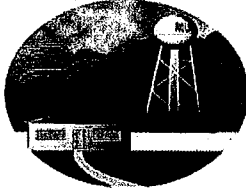
(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)

**Board President and GM Review**

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

**Actual Meeting Date Set for Agenda Item**

**RIO LINDA**



**ELVERTA**

**Item for Discussion and Action  
Agenda Item: 5.3**

**Date:** May 20, 2013

**Subject:** Legal Performance Review Proposal

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of Finance / Administrative Committee that the Board approve using outside Counsel to review General Counsels legal billings and contract.

**Current Background and Justification:**

**Conclusion:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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

RLECWD Agenda Item Checklist

S.3

**Initial Potential Meeting Date**

Date  
5/20

**Item Prioritization**

5/13

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

Legal Performance Review Proposal

**Staff Work Completed**

5/3

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

**Committee Review of Item and Staff Work**

5/13

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations

**Formal Legal Counsel Review**

\_\_\_\_\_

(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)

**Board President and GM Review**

\_\_\_\_\_

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

**Actual Meeting Date Set for Agenda Item**

\_\_\_\_\_

**LEWIS  
BRISBOIS  
BISGAARD  
& SMITH LLP**  
ATTORNEYS AT LAW

2850 Gateway Oaks Drive, Suite 450  
Sacramento, California 95833  
Telephone: 916.564.5400  
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www.lbbsslaw.com

JOSEPH A. SALAZAR JR.  
DIRECT DIAL: 916.646.8201  
E-MAIL: JSALAZAR@LBBSSLAW.COM

May 9, 2013

File No.  
F023.01

Brent Dills, Board President  
Rio Linda Elverta Community Water District  
7512 - 2nd Street  
Rio Linda, CA 95673-1206

Re: *Capitol Advocates Billing*

Dear Mr. Dills:

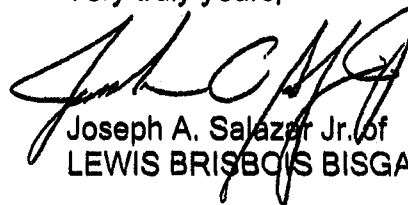
Per our meeting of last week, I propose the following scope of services with the initial budget as set forth below.

**ITEM NO. 1** - Create Excel spreadsheet database utilizing paralegal to analyze general counsel's billing practices. I estimate that this task, plus an additional set of documents that you are going to be dropping off to me, will be budgeted for 12 hours at \$125/hour.

**ITEM NO. 2** - Review current agreement for general counsel legal services with Mr. Mehta's office. I estimate that it will take approximately three hours to review the Complaint and provide an opinion as to the appropriateness of this type of contract for services as between an attorney and client. My rate for this service will be \$250/hour.

Naturally, if more services are requested, we will revise the budget accordingly. I would suggest budgeting in at least one hour for a follow-up meeting and perhaps an additional hour and a half to analyze the spreadsheet once it is constructed. Thank you in advance, and I look forward to your response.

Very truly yours,



Joseph A. Salazar Jr., of  
LEWIS BRISBOIS BISGAARD & SMITH LLP

JAS:ms

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## FIRM OVERVIEW

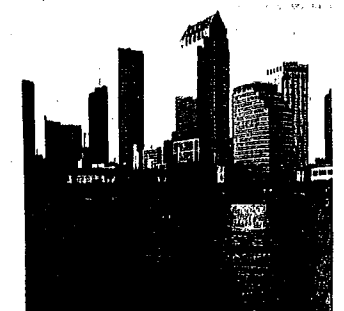
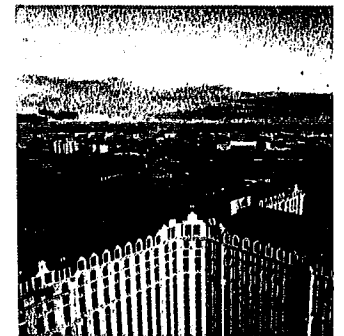
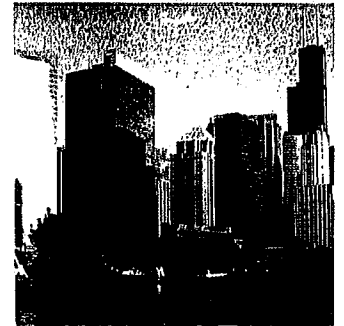
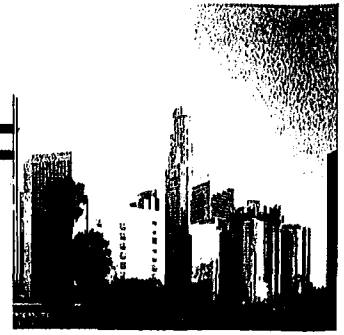
**E**stablished in 1979, Lewis Brisbois Blagaard & Smith LLP is a national, full-service law firm with more than 850 attorneys and 25 offices, in 12 states from coast to coast. Our national practice is sophisticated, multi-faceted and well-versed in current legal trends, while our individual state practices provide vast resources and knowledge of procedural and legal nuances.

Lewis Brisbois offers legal practice in nearly 30 specialties, and a multitude of sub-specialties associated with each practice area. Our attorneys have broad knowledge, expertise, and sensitivity to their clients' unique needs. Through interaction among its practice groups, Lewis Brisbois provides a wide range of legal services to each client with a continuity of representation over multiple disciplines. We have built longstanding relationships with corporate and institutional clients based on our ability to provide comprehensive service on a national scale.

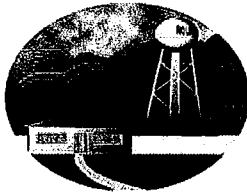
At Lewis Brisbois, diversity is an integral part of our firm culture and our daily life. We accomplish diversity not by committee or initiative, but through the true and committed practice of hiring the best people for the job and consistently rewarding excellence. The success of these policies is reflected in the fact that Lewis Brisbois has repeatedly received national recognition for its commitment to embracing diversity. Lewis Brisbois is committed to hiring and retaining a diverse group of talented lawyers and staff, and demonstrates that commitment through non-discriminatory hiring, retention and promotion policies. The diversity of the firm's client base is matched by the diversity of our attorneys. With offices from Los Angeles to New York, our attorneys reflect the communities in which they live. The firm's culture has fostered a diverse group of professionals committed to promoting the best interests of our clients, our communities and the legal profession. We are committed to supporting diversity through new and ongoing relationships with minority and women-owned businesses.

Lewis Brisbois is known for its commitment to principled advocacy, an unflinching work ethic, and unyielding recognition of our duty to provide the highest level of service to our clients, who choose us because we take the time to understand their business interests and philosophies. We have developed sophisticated proprietary risk evaluation and litigation management processes that many of our clients have incorporated into their business practices, and we help them manage and defend claims and litigation. As a result, they are avoiding and reducing losses that impact their bottom line. Our practice includes pre-suit counseling and problem solving based on a structured and accurate analysis of likely outcome. We know our clients' objectives are often best served by a pre-suit resolution, and we are often judged by the advice and counsel we provide toward that end. However, when trial is the answer and in the client's best interest, no law firm in this country understands and better executes a trial strategy than Lewis Brisbois. We are truly client driven and result oriented.

For more about Lewis Brisbois, please visit us at [www.lbbslaw.com](http://www.lbbslaw.com).



**RIO LINDA**



**ELVERTA**

**Item for Discussion and Action  
Agenda Item: 5.4**

**Date:** May 20, 2013

**Subject:** Backflow Prevention Device Testing Program

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of Planning Committee to begin outsourcing the Backflow Prevention Device Testing Program with the District Staff Administering the program.

**Current Background and Justification:**

The District currently has 488 active backflow / fire prevention services. It takes 2 to 3 months for one employee to complete this task if doing the work full time. The State of California requires that testing be done annually and the results are reported. Currently there is one certified tester in the field, which leaves two field staff to complete all other tasks. By outsourcing this program, it would free up staff that could be used on other projects such as preventative maintenance, valve exercising, hydrant maintenance and automatic meter reading installation.

The District is currently collecting \$4,880 per billing cycle for these services which is used to cover the cost of reporting to the State, tracking the pass and failures as well as administering the program.

Quotes have been received from 5 different sources with the cost of testing ranging from a high of \$40.00 / each to a low of \$25.00 / each. All vendors are equally qualified.

**Conclusion:**

The Planning Committee recommends that the Board approve the request to outsource the backflow testing contingent upon the General Manager making the selection.

Also, consider customer savings of 18% or \$10.00 per year on backflow charges.

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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



RLECWD Agenda Item Checklist

Date

5/20

Initial Potential Meeting Date

Item Prioritization

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

Outsourcing of Backflow testing @ customer locations

Staff Work Completed

5/6/13

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.)

Committee Review of Item and Staff Work

5/7/13

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations)

~~Formal Legal Counsel Review~~

N/A

~~(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)~~

Board President and GM Review

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

Actual Meeting Date Set for Agenda Item

Planning Committee requested Staff to research option for Backflow Testing

Backflow devices:  
 459 active backflow  
 29 active fire protection  
14 inactive backflow  
 502 total backflow devices

Received Quotes from the following:

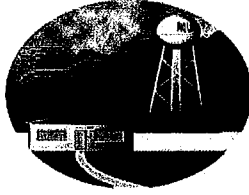
LeDoux Backflow	\$32.15 / each / \$15,689.20
Capitol Fire & Backflow	\$40.00 / each / \$19,520.00
C&M Backflow	\$25.00 / each / \$12,200.00
McMorin Backflow	\$26.25 / each / \$12,600.00
Ted Andrada	\$35.00 / each / \$17,080.00

Completed Staff Work

<u>Options</u>	<u>Cost</u>	<u>Priority</u>		
		<u>a</u>	<u>b</u>	<u>c</u>
1.) Continue to test by District Staff	\$60.00	70	0	20 = 90
2.) Have property owner responsible for testing of device	Unknown	0	?	0 = 0
3.) Outsource & Administer by District	\$25.00	70	10	20 = 100

	<u>Priority</u>
a.) Easy for customer	70%
b.) Cost to Customer	10%
c.) East to administer	20%

**RIO LINDA**



**ELVERTA**

**Item for Discussion and Action  
Agenda Item: 5.5**

**Date:** May 20, 2013

**Subject:** Determine type of Tank Materials

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

The District's Engineer will present the options for type of tank materials to the Board.

**Current Background and Justification:**

**Conclusion:**

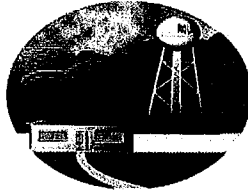
**Board Action / Motion**

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

Dills: \_\_\_ Green: \_\_\_ Caron: \_\_\_ Anderson: \_\_\_ Longo: \_\_\_.

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

**RIO LINDA**



**ELVERTA**

**Item for Discussion and Action  
Agenda Item: 5.6**

**Date:** May 20, 2013

**Subject:** Owner / Tenant Billing Agreement

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of the Finance / Administrative Committee that the Board approve a new Owner / Tenant Billing Agreement.

**Current Background and Justification:**

The District currently uses a service application for customer / resident information. The District has property owners who require the tenant to place the service in the tenants name and pay the water service bill. This has created problems when the tenant vacates the property and leaves an outstanding balance on their account. Staff has recommended to the property owners that they leave the account in their name and send a copy to the tenant for payment. This will allow the property owner to be advised when the bill is late or scheduled for possible disconnection. This would also allow the Staff to discontinue service to an account that is not in the owner's name for non-payment if the tenant has signed the agreement.

**Conclusion:**

By approving the owner / tenant billing agreement it gives the District the ability to send a copy of the billing addressed to "Occupant" at the Property address. The Owner will also receive a billing at the designated mailing address.

**Board Action / Motion**

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

Dills:\_\_\_\_ Green:\_\_\_\_ Caron:\_\_\_\_ Anderson:\_\_\_\_ Longo:\_\_\_\_.

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

RLECWD Agenda Item Checklist

5.5

Date

Initial Potential Meeting Date

5/20

Item Prioritization

4/15

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

Owner / Tenant Billing Agreement

5/1

Staff Work Completed

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

Committee Review of Item and Staff Work

5/13

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations

Formal Legal Counsel Review

4/9  
5/8

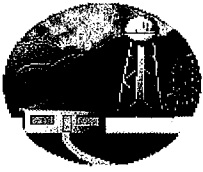
(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)

Board President and GM Review

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

Actual Meeting Date Set for Agenda Item

\_\_\_\_\_



Rio Linda / Elverta  
Community Water District

**Owner / Tenant Billing Agreement**

730 L Street / P.O. Box 400, Rio Linda, CA 95673

Website: [www.rlecwd.com](http://www.rlecwd.com) / email: [questions@rlecwd.com](mailto:questions@rlecwd.com)

(916) 991-1000 / fax (916) 991-6616 7:00 a.m. – 4:00 p.m. / Monday – Friday

Date of Agreement: \_\_\_\_\_ Effective Date: \_\_\_\_\_ Account Number: \_\_\_\_\_

Service Address: \_\_\_\_\_

**Owner Information**

Legal Owner Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ E-mail: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Phone: \_\_\_\_\_

This Owner/Tenant Billing Agreement (“Agreement”) is made effective at Rio Linda, California on the date of this agreement, by and between Rio Linda / Elverta Community Water District (“RLECWD”), a California public agency (“District”), and the above noted, legal owner, (“Landlord”), for the purpose of permitting the District to mail duplicate bills for water service to the Landlord and tenant renting or leasing Landlord’s property and guarantee that Landlord will pay any water bills becoming delinquent due to non-payment by Landlord’s tenant.

**Recitals**

- A. Landlord is the owner of certain real property and improvements located at the above noted service address, Sacramento County, California, which is designated as Sacramento County Assessor’s Parcel Number : \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ (“Property”);
- B. Landlord has established water service to the Property and requests that the District mail a duplicate water service bill to Landlord’s tenant occupying the Property to permit the tenant to pay water bills and other fees and charges incurred on the property directly to the District.
- C. The District is willing to mail a duplicate bill to Landlord’s tenant at the Property address and permit the tenant to pay water service bills, subject to Landlord’s agreement to retain full and final financial responsibility for payment of water service fees and charges incurred on the Property on the terms and conditions set forth in this Agreement.
- D. Landlord is willing to accept duplicate bill mailing service, to guarantee full and final payment of District water service conditions set forth in this Agreement.

**Agreement**

1. The District will mail a duplicate bi-monthly water service bill to the tenant occupying the Property, subject to Landlord’s payment to  
The tenant occupying the Property, subject to Landlord’s payment of a duplicate mailing fee of \$1 established by the District to reflect the costs of generating and mailing a duplicate bill. The duplicate bill-mailing fee will be charged on the bi-monthly water service bill as a separate line item. The duplicate bill will be addressed to “Occupant” at the Property address.
2. At (his/her/its) discretion, Landlord may require a tenant occupying the property to pay the bi-monthly water service bill. If, however, such tenant fails to pay a water service bill when due, Landlord will be required to pay any delinquent water bill including any delinquency related fees upon receipt of a late notice. Ten (10) days following the mailing of late notices, the District may discontinue water service for delinquent charges that remain unpaid. A written notice will be served at the property of water service forty eight (48) hours prior to discontinuation of service. A notification charge may be applied, for which the Landlord will also be responsible to pay, if not paid by the tenant. The District shall not be obligated to adjust notification time or other procedures due to the Landlord’s/Tenant’s absence for any reason and consequential delay of receipt of such notice. Notice at the property shall be deemed sufficient notice to permit service termination for non-payment regardless of who occupies the property. Following the 48 hour period, service may be terminated for non-payment and discontinuation charge shall be applied. Service may be reinstated pursuant to Section 4.07.710 of the District’s Policy Manual following payment of delinquent charges. In addition to the above, if Landlord fails to pay the water service bill within the time permitted in the late notice, the District may exercise all remedies available to it for collecting the delinquent water service charge, including recording a lien against the Property, terminating water service to the Property, and sending the unpaid water bill to collection.

Initials. I acknowledge that I have read and consent to the terms and conditions above.

3. If the District, in its sole discretion, determines that the payment history of the tenant is unacceptable, the District may require Landlord to terminate duplicate bill mailing to the Property and to assume sole and direct responsibility for paying all water service fees and charges on the Property. The District shall provide a minimum of 30 days notice of a termination of Landlord's duplicate bill mailing privileges and imposition of the requirement that Landlord assume sole financial responsibility for all water service charges incurred on the Property.

4. Landlord may at any time voluntarily terminate duplicate bill mailings to the Property and assume sole and direct responsibility for paying all District fees and charges incurred on the Property. If Landlord desires to terminate duplicate bill mailings, (he/she/it) will provide a written termination request to the District General Manager in the manner provided in section 11 of this Agreement. The termination will take effective upon the next complete billing cycle after the notice of termination is given.

5. Landlord agrees to abide by and be subject to all of the District's regulations governing water service, except as they may specifically be amended by this Agreement.

6. Landlord, and for each of (his/her/its) successors and assigns, hereby agrees to protect, defend, indemnify and hold the District, and its directors, officers, employees and agents, harmless from and against, any and all claims, demands, causes of action, obligations, liabilities, costs, and expenses (including without limitation attorney's fees, expert witness fees and costs of litigation) based upon or arising out of any obligation, liability, loss, damage, or expense, or whatever kind or nature, contingent or otherwise, arising out of Landlord's breach of the obligations under this Agreement, except to the extent that such breach is caused by the sole negligence or willful misconduct of the District, or its directors, officers, employees and agents.

7. This agreement is freely and voluntarily entered into by the parties after having the opportunity to consult with their respective attorneys. This Agreement constitutes the entire agreement between the parties relating to the subject matters hereof. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. The parties, in entering into this Agreement, do not rely on any inducements, promises, or representations made by each other, their representatives, or any other person, other than those inducements, promises, and representations contained in this Agreement. Any amendment to this Agreement will be of no force or effect unless it is in writing and signed by the District and Landlord.

8. The District and Landlord each acknowledge that he/she/it and their attorneys have reviewed, negotiated and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement or any document executed and delivered by either party in connection with the transactions contemplated by this Agreement.

9. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California with venue proper only in the Superior Court for the County of Sacramento.

10. If any action at law or in equity, arbitration or other proceeding is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to its reasonable attorneys' fees, expert witness fees, and costs of such litigation, arbitration or other proceeding, in addition to any other relief to which it may otherwise be entitled.

11. Any notice or other communication under this Agreement will be in writing, and will be deemed to be properly given by a Party if delivered, mailed or sent by facsimile or other electronic communication in the manner provided in this paragraph, to the addresses noted on the front pages. Either Party may change the Party's address by giving written notice of the change to the other Party in the manner provided in this section. If sent by mail, a notice or communication will be deemed to have been given three days after it has been deposited in the United States mail, postage prepaid, and addressed as set forth above. If sent by facsimile or other form of electronic communication, any notice or other communication will be deemed to have been given only after it has been confirmed in writing as received. If delivered personally, any such notice or other communication will be deemed to have been given on the date of delivery.

Signature of Legal Owner: \_\_\_\_\_ Date: \_\_\_\_\_

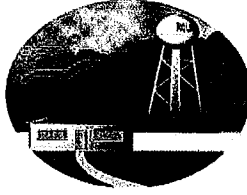
I am the legal owner of the property and consent to the terms of the agreement.

**For Use By RLECWD Only**

Date Agreement Received: \_\_\_\_\_ Date Completed: \_\_\_\_\_ Completed By: \_\_\_\_\_

Comments / Notes: \_\_\_\_\_

**RIO LINDA**



**ELVERTA**

**Item for Discussion and Action  
Agenda Item: 5.7**

**Date:** May 20, 2013

**Subject:** Resolution 2013-07

**Staff Contact:** Mary Henrici, General Manager

**Recommended Committee Action:**

It is the recommendation of the Finance / Administrative Committee that the Board approve Resolution 2013-07.

**Current Background and Justification:**

The District currently mails duplicate bills to tenants that are required to pay the water service by the Property Owner at no cost. This would give the District the ability to recover the cost of the duplicate bill.

**Conclusion:**

By approving the owner / tenant billing agreement it gives the District the ability to send a copy of the billing addressed to "Occupant" at the Property address. The Owner will also receive a billing at the designated mailing address. This Resolution allows the District to recover the costs associated with the duplicate billing.

**Board Action / Motion**

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

Dills: \_\_\_ Green: \_\_\_ Caron: \_\_\_ Anderson: \_\_\_ Longo: \_\_\_.

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



RLECWD Agenda Item Checklist

5.6

Date

5/20

**Initial Potential Meeting Date**

**Item Prioritization**

4/15

Circle High/Medium/Low priority of item and identify if in line with Mission/Goal/Strategic Planning Issues or state emergency

Resolution 2013-06 Fee for Duplicate Bills

**Staff Work Completed**

5/1

(Includes reviewing, researching item with other resources (ACWA, JPIA, RWA, SGA, other water or special districts, District Engineer, Legal Counsel then laying out business cases, pros and cons, options and recommendations based on best information available, etc.

**Committee Review of Item and Staff Work**

5/13

(Review by appropriate Finance/Administration, Projects/Planning or Ad Hoc committees, to prepare board recommendations

**Formal Legal Counsel Review**

4/9  
5/8

(Legal Counsel should have enough time to review all potential legal matters for correctness and legality)

**Board President and GM Review**

Signatures of President and GM President \_\_\_\_\_ General Manager \_\_\_\_\_

**Actual Meeting Date Set for Agenda Item**

\_\_\_\_\_

**Rio Linda / Elverta Community Water District**

**Resolution 2013-07**

**OWNER/TENANT BILLING AGREEMENT  
and  
DUPLICATE BILL MAILING FEE**

**WHEREAS**, Property Owners (“Landlord”) with established water service with the Rio Linda/Elverta Community Water District (“District”) desire to permit the District to mail duplicate bills for water service to tenants renting, leasing, and/or occupying Landlord’s property, and permit tenant to pay bills and other fees and charges incurred on the property directly to the District;

**WHEREAS**, the District is willing to mail a duplicate bill to Landlord’s tenant/occupant at the Property address and permit the tenant/occupant to pay water service bills, subject to Landlord’s agreement to retain full and final financial responsibility for payment of water service fees and charges incurred on the Property on the terms and conditions set forth in the Owner/Tenant Billing Agreement, attached hereto as Exhibit 1, and incorporated herein;

**WHEREAS**, it has been determined that the District will incur a cost of \$1.00 to generate and mail each duplicate bill.

**NOW THEREFORE, BE IT RESOLVED**, that Rio Linda/Elverta Community Water District Board of Directors adopts the attached Owner/Tenant Billing Agreement (Exhibit 1), as well as adopts a \$1.00 fee for duplicate billing service.

This Resolution shall be effective immediately upon approval.

Passed and adopted this 20<sup>th</sup> Day of May 2013 by the following vote:

Ayes:

Noes:

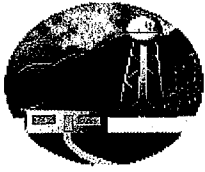
Absent:

Abstain:

\_\_\_\_\_  
Brent Dills  
President, Board of Directors

Attest:

\_\_\_\_\_  
Mary Henrici  
Secretary of the Board



Rio Linda / Elverta  
Community Water District

**Owner / Tenant Billing Agreement**

730 L Street / P.O. Box 400, Rio Linda, CA 95673

Website: [www.rlecwd.com](http://www.rlecwd.com) / email: [questions@rlecwd.com](mailto:questions@rlecwd.com)

(916) 991-1000 / fax (916) 991-6616 7:00 a.m. – 4:00 p.m. / Monday – Friday

Date of Agreement: \_\_\_\_\_ Effective Date: \_\_\_\_\_ Account Number: \_\_\_\_\_

Service Address: \_\_\_\_\_

**Owner Information**

Legal Owner Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ E-mail: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_ Phone: \_\_\_\_\_

This Owner/Tenant Billing Agreement (“Agreement”) is made effective at Rio Linda, California on the date of this agreement, by and between Rio Linda / Elverta Community Water District (“RLECWD”), a California public agency (“District”), and the above noted, legal owner, (“Landlord”), for the purpose of permitting the District to mail duplicate bills for water service to the Landlord and tenant renting or leasing Landlord’s property and guarantee that Landlord will pay any water bills becoming delinquent due to non-payment by Landlord’s tenant.

**Recitals**

- A. Landlord is the owner of certain real property and improvements located at the above noted service address, Sacramento County, California, which is designated as Sacramento County Assessor’s Parcel Number : \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ (“Property”);
- B. Landlord has established water service to the Property and requests that the District mail a duplicate water service bill to Landlord’s tenant occupying the Property to permit the tenant to pay water bills and other fees and charges incurred on the property directly to the District.
- C. The District is willing to mail a duplicate bill to Landlord’s tenant at the Property address and permit the tenant to pay water service bills, subject to Landlord’s agreement to retain full and final financial responsibility for payment of water service fees and charges incurred on the Property on the terms and conditions set forth in this Agreement.
- D. Landlord is willing to accept duplicate bill mailing service, to guarantee full and final payment of District water service conditions set forth in this Agreement.

**Agreement**

1. The District will mail a duplicate bi-monthly water service bill to the tenant occupying the Property, subject to Landlord’s payment to  
The tenant occupying the Property, subject to Landlord’s payment of a duplicate mailing fee of \$1 established by the District to reflect the costs of generating and mailing a duplicate bill. The duplicate bill-mailing fee will be charged on the bi-monthly water service bill as a separate line item. The duplicate bill will be addressed to “Occupant” at the Property address.
2. At (his/her/its) discretion, Landlord may require a tenant occupying the property to pay the bi-monthly water service bill. If, however, such tenant fails to pay a water service bill when due, Landlord will be required to pay any delinquent water bill including any delinquency related fees upon receipt of a late notice. Ten (10) days following the mailing of late notices, the District may discontinue water service for delinquent charges that remain unpaid. A written notice will be served at the property of water service forty eight (48) hours prior to discontinuation of service. A notification charge may be applied, for which the Landlord will also be responsible to pay, if not paid by the tenant. The District shall not be obligated to adjust notification time or other procedures due to the Landlord’s/Tenant’s absence for any reason and consequential delay of receipt of such notice. Notice at the property shall be deemed sufficient notice to permit service termination for non-payment regardless of who occupies the property. Following the 48 hour period, service may be terminated for non-payment and discontinuation charge shall be applied. Service may be reinstated pursuant to Section 4.07.710 of the District’s Policy Manual following payment of delinquent charges. In addition to the above, if Landlord fails to pay the water service bill within the time permitted in the late notice, the District may exercise all remedies available to it for collecting the delinquent water service charge, including recording a lien against the Property, terminating water service to the Property, and sending the unpaid water bill to collection.

Initials. I acknowledge that I have read and consent to the terms and conditions above.

3. If the District, in its sole discretion, determines that the payment history of the tenant is unacceptable, the District may require Landlord to terminate duplicate bill mailing to the Property and to assume sole and direct responsibility for paying all water service fees and charges on the Property. The District shall provide a minimum of 30 days notice of a termination of Landlord's duplicate bill mailing privileges and imposition of the requirement that Landlord assume sole financial responsibility for all water service charges incurred on the Property.

4. Landlord may at any time voluntarily terminate duplicate bill mailings to the Property and assume sole and direct responsibility for paying all District fees and charges incurred on the Property. If Landlord desires to terminate duplicate bill mailings, (he/she/it) will provide a written termination request to the District General Manager in the manner provided in section 11 of this Agreement. The termination will take effective upon the next complete billing cycle after the notice of termination is given.

5. Landlord agrees to abide by and be subject to all of the District's regulations governing water service, except as they may specifically be amended by this Agreement.

6. Landlord, and for each of (his/her/its) successors and assigns, hereby agrees to protect, defend, indemnify and hold the District, and its directors, officers, employees and agents, harmless from and against, any and all claims, demands, causes of action, obligations, liabilities, costs, and expenses (including without limitation attorney's fees, expert witness fees and costs of litigation) based upon or arising out of any obligation, liability, loss, damage, or expense, or whatever kind or nature, contingent or otherwise, arising out of Landlord's breach of the obligations under this Agreement, except to the extent that such breach is caused by the sole negligence or willful misconduct of the District, or its directors, officers, employees and agents.

7. This agreement is freely and voluntarily entered into by the parties after having the opportunity to consult with their respective attorneys. This Agreement constitutes the entire agreement between the parties relating to the subject matters hereof. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. The parties, in entering into this Agreement, do not rely on any inducements, promises, or representations made by each other, their representatives, or any other person, other than those inducements, promises, and representations contained in this Agreement. Any amendment to this Agreement will be of no force or effect unless it is in writing and signed by the District and Landlord.

8. The District and Landlord each acknowledge that he/she/it and their attorneys have reviewed, negotiated and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement or any document executed and delivered by either party in connection with the transactions contemplated by this Agreement.

9. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California with venue proper only in the Superior Court for the County of Sacramento.

10. If any action at law or in equity, arbitration or other proceeding is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to its reasonable attorneys' fees, expert witness fees, and costs of such litigation, arbitration or other proceeding, in addition to any other relief to which it may otherwise be entitled.

11. Any notice or other communication under this Agreement will be in writing, and will be deemed to be properly given by a Party if delivered, mailed or sent by facsimile or other electronic communication in the manner provided in this paragraph, to the addresses noted on the front pages. Either Party may change the Party's address by giving written notice of the change to the other Party in the manner provided in this section. If sent by mail, a notice or communication will be deemed to have been given three days after it has been deposited in the United States mail, postage prepaid, and addressed as set forth above. If sent by facsimile or other form of electronic communication, any notice or other communication will be deemed to have been given only after it has been confirmed in writing as received. If delivered personally, any such notice or other communication will be deemed to have been given on the date of delivery.

Signature of Legal Owner: \_\_\_\_\_ Date: \_\_\_\_\_

I am the legal owner of the property and consent to the terms of the agreement.

For Use By RLECWD Only

Date Agreement Received: \_\_\_\_\_ Date Completed: \_\_\_\_\_ Completed By: \_\_\_\_\_

Comments / Notes: \_\_\_\_\_

## Managers Report

April 9, 2013 to May 13, 2013

On April 9, 2013 I met with Brian Holloway of Holloway Engineering regarding a proposed business complex on the corner of M and Rio Linda Blvd. The proposed construction would include 5 retail stores and several small office spaces. He was informed of the building moratorium and he figures the development would not be active until the fall of 2014.

On April 10, 2013 I went to the California Financing Coordinating Committee funding fair. There were presentations from Rural Development, California Department of Public Health, Department of Housing and Community Development, State Water Resources Control Board, Bureau of Reclamation and Department of Water Resources. I received a very informative booklet on all funds available and the requirements to obtain funding under the programs offered.

On April 11, 2013 I went to SGA. They discussed adopting the labor compliance program required for Prop 84 funding. They also approved the 2013/14 budget. A Resolution was adopted to update their groundwater management.

On April 15, 2013 Mr. Green, Pat Goyet and I met with the Montgomery's they own property on 22<sup>nd</sup> St. with an inactive service and asked that we locate their service and backflow as they plan to reconnect to the system.

On April 16, 2013 Two operators went to electrical safety training provided by our Insurance carrier ACWA/JPIA free of charge.

April 18 and 19 one office staff member went to completed staff work training. Now all front office staff have completed this course. When there is an item that needs detailed information to make a determination on what course the District should take all of the staff will now be able to contribute to the process of determining the best option.

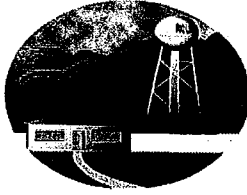
April 22-25, 2013 I went to the California Rural Water Assoc. annual conference and obtained contact hours to maintain my State Licenses. I took classes on Understanding CEQA, Water tank design, selection, maintenance and inspection, revisions to the total coliform rule, the groundwater rule, drinking water regulations and leak detection principals and equipment. I also attended their annual meeting and networked with many other managers of Districts large and small.

On April 30, 2013 I met with Director Anderson and went over the 2013/14 budget.

On May 1, 2013 I went to the Lafco meeting. Our agency was on the consent calendar this month and it is my hope that it will remain that way. I informed them that our insurance will be reviewed on May 6, 2013.

On May 3, 2013 I met with Director Dills on the 2013-14 budget.

**RIO LINDA**



**ELVERTA**

**Information Items  
District Activity Reports**

**Date:** May 20, 2013

**Subject:** District Activity Reports

**Staff Contact:** Mary Henrici, General Manager

**Update Status Report:**

- a. General Manager's Report
- b. Water Production Report
- c. District Engineers Report

**Comments:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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

On May 7, 2013 the Planning committee met and discussed the proposal to outsource backflow preventer testing. They were also updated on the Elverta Specific Plan and L St. reservoir projects.

May 6-9 2013 I went to the ACWA/ JPIA conference. I am happy to report that we will have our Employment Practices Liability Insurance reinstated when our insurance comes up for renewal on October 2014. The District will then be covered for all risks with the exception of the General Counsel's contract. On May 6 and 7 I attended ACWA /JPIA meetings and on May 8 and 9 I attended the following ACWA meetings: Water conservation rate structures and BMP 1.4, Public-Private partnership for water and wastewater facilities, demographic economic analysis and psychological investing. Our District is in Region 4 and I also attended their meeting.

On May 13, 2013 The single audit which is required for agencies who receive Federal funds was performed for fiscal year 2011-12. I was informed by the audit staff it appears that there were no issues with this audit. Later that evening the Finance committee met and discussed the single audit, legal performance review, preliminary budget, tenant/owner application for service and the new \$1.00 fee for duplicate billings and future request for proposal procedures.

**Mary Henrici**

---

**From:** Cecilia Partridge [cecilia@rwah2o.org]  
**Sent:** Thursday, May 9, 2013 12:27 PM  
**Subject:** SAVE THE DATE - MAY 30 - RWA Workshop on the Delta

**Save the Date!**

**Thursday - May 30, 2013**

**7:45 a.m. – 10:30 a.m.**

**North Ridge Country Club, 7600 Madison Ave, Fair Oaks, CA**

**Regional Water Authority**

**Presents**

**An Update on the Sacramento-San Joaquin Delta**

**Featuring**

**Congressman John Garamendi**

*and including speakers representing*

**California Department of Water Resources**

**State Water Resources Control Board**

**Delta Stewardship Council**

**Sacramento Valley Water Users**

*and*

**a technical presentation on the potential impacts of a Delta solution**

*Management and elected officials from Regional Water Authority  
members are urged to attend*





# JPIA OFFERS REQUIRED BOARD TRAINING

## **Brown Act & Public Records Act Training (10:00 am ~ 12:00 pm)**

This session—for Board Members, Board Secretaries, and district management—will focus on how to keep your hands clean and your decisions transparent. It is a legal primer on how to avoid impropriety and keep governmental decision making open and fair.

## **Ethics Training (12:30 pm ~ 2:30 pm)**

This workshop—for Board Members and General Managers—is an overview course on all public service ethics laws and principles necessary to satisfy state law (AB1234) requirements. “Ethics laws” are defined as including: those relating to personal financial gain by public officials; those relating to office-holder perks; those relating to fair processes; and government transparency laws.

## **Speaker**

**Joseph Byrne** - Mr. Byrne advises public entities and special districts on a broad range of legal issues, including the Brown Act, the Public Records Act, CEQA, many different kinds of water-related issues, employment and pension issues, contracts, conflicts of interest, and litigation.

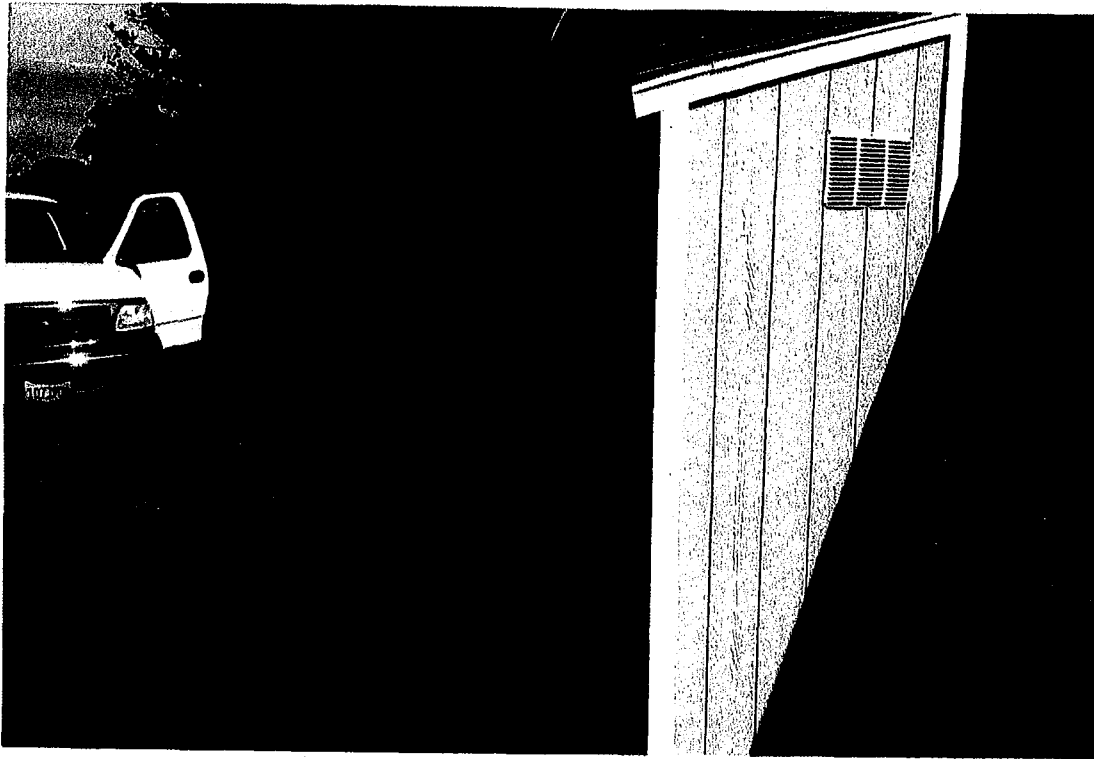
**Sacramento Area  
Tuesday June 11, 2013  
JPIA Offices  
2100 Professional Dr. Roseville**

**\$25 for JPIA Members — \$50 for non-members**

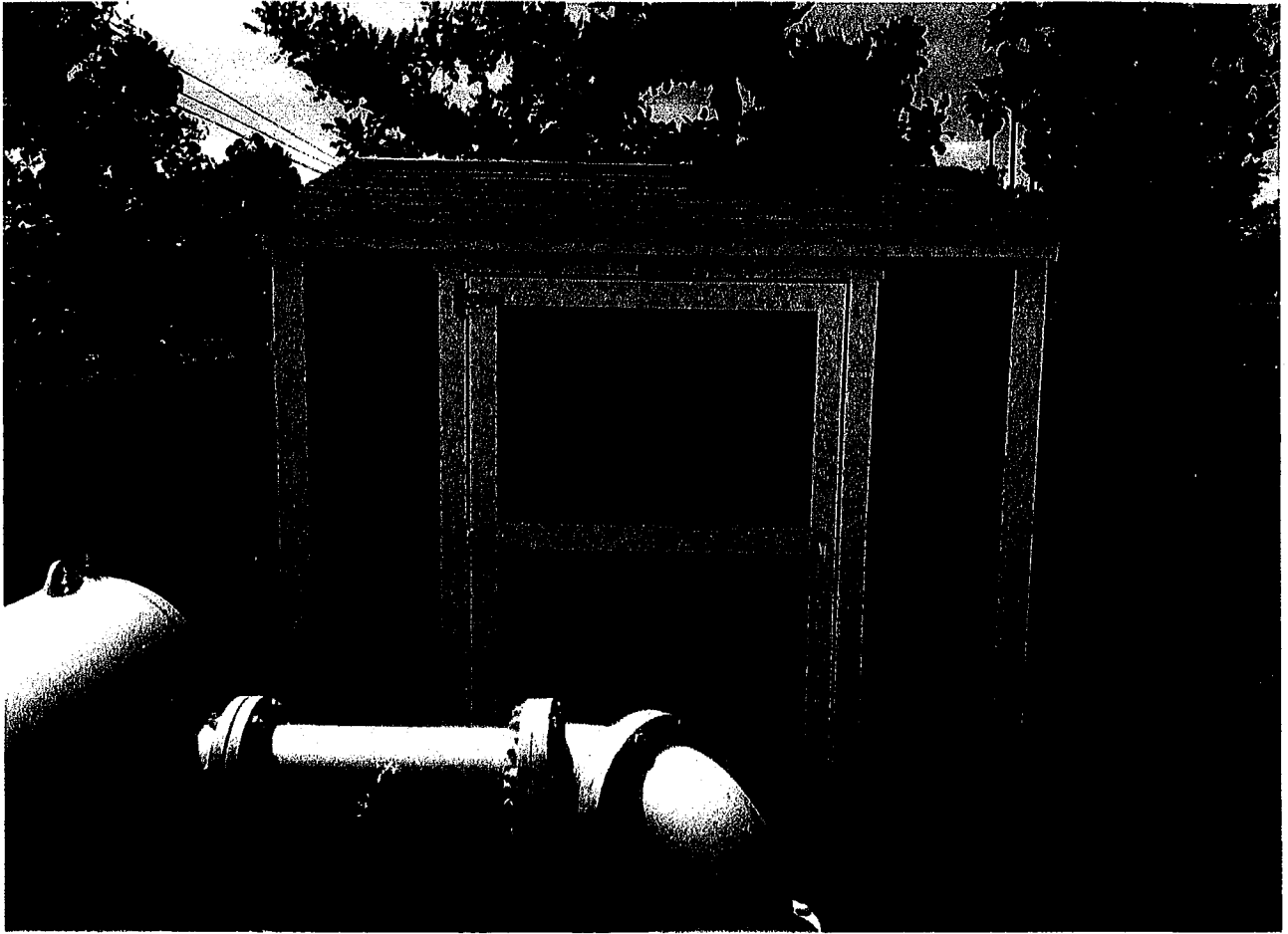
Continental breakfast (served at 9:30 am) and lunch included

[www.acwajpia.com/training.aspx](http://www.acwajpia.com/training.aspx); 800.231.5742 x3421; or [Training@acwajpia.com](mailto:Training@acwajpia.com)

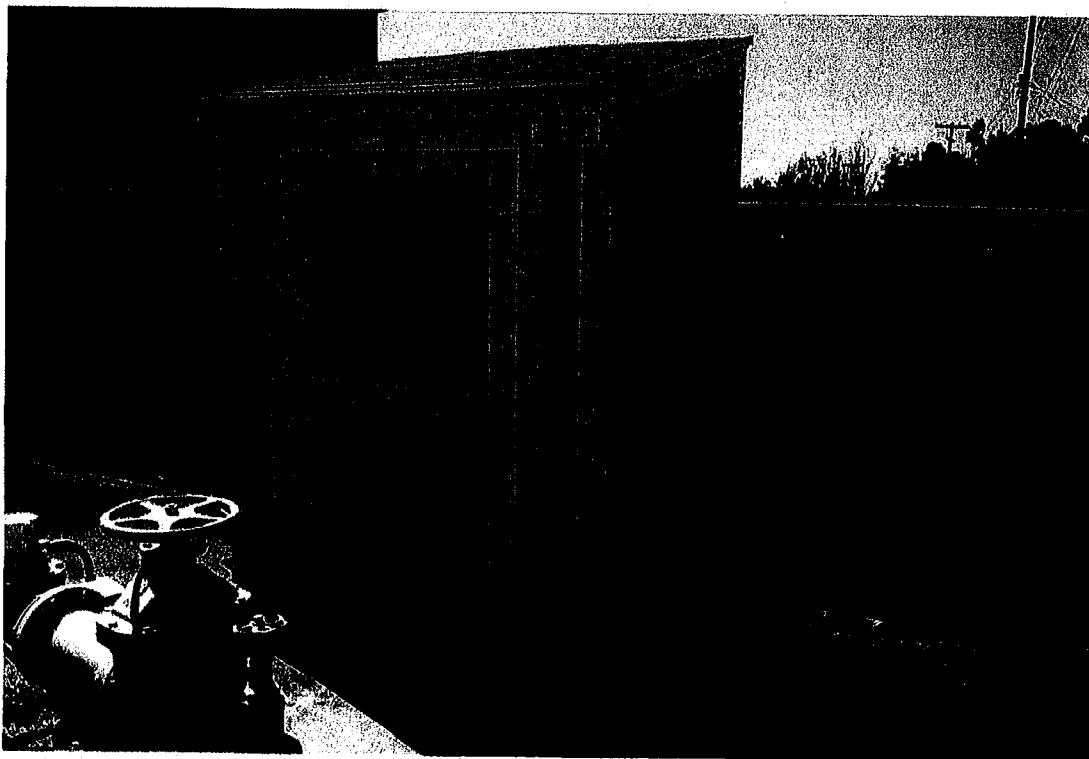
*If you need to cancel your reservation, please do so within one week of the event or your district will be charged.*



**WELL 7 CHLORINE SHED  
INSTALLED 4/11/13**



WELL 8 CHLORINE SHED  
INSTALLED 4/11/13



WELL 6 CHLORINE SHED  
INSTALLED 4/11/13

# RIO LINDA/ELVERTA C.W.D. 2013

## REPORT OF DISTRICT OPERATIONS

### SOURCE WATER DATA

#### Water Production (Million Gallons)

January	February	March	April	May	June	<b>Year To Date</b>
39	36.5	51.7	68.2	0	0	
39,040,780      36,450,779      51,711,372      68,171,558						
July	August	Sept.	Oct.	Nov.	Dec.	
0	0	0	0	0	0	

	<b>Monthly Total</b>	
Gallons = Multiply M.G. by:	1,000,000	Gallons
Cubic Feet = Divide gallons by:	7.48	Cubic Feet
Hundred Cu Ft. = Divide cu. ft. by:	100	Hundred Cubic Feet
Acre Ft. = Divide gallons by:	325,829	Acre Ft.

69,171,558
9,113,045
91,136
209,22

### DISTRIBUTION SYSTEM DATA

#### Water Quality Complaints

#### Complaints Total (Low Psi Complaints)

January	February	March	April	May	June	<b>Year To Date</b>
0	1(0)	1(0)	2(0)			
July	August	Sept.	Oct.	Nov.	Dec.	

#### New Services

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

Deterioration April 1 - April 30	7	
Damaged April 1 - April 30	0	

#### Water Sampling

Routine	20	
Non Routine	0	

#### April 1, 2013 - April 30, 2013

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

**Work Orders Issued - 69 USA's Issued - 42**

Get Current Read - 32

Tag Property - 8

Repair - 2

Change Out Meter - 10

Line Leak - 1

Turn On - 1

Possible Leak - 7

Meter Downsize Request - 2

Pressure Complaint - 1

Other Work - 3

Disconnect Service - 1

Taste or Odor Complaint - 1

District staff completed installation of 3 new chlorine sheds at well sites.

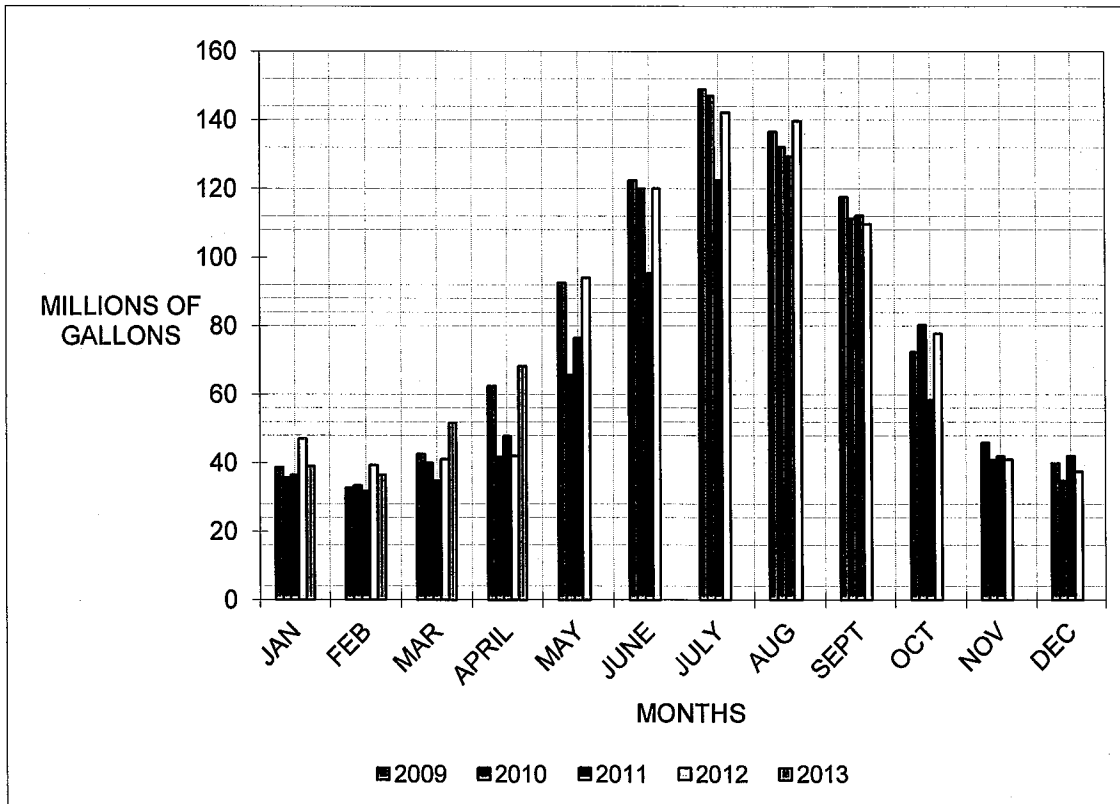
District staff raised 9 street valve boxes covered by Sac County Paving Projects.

# RIO LINDA/ELVERTA C.W.D.

## WATER PRODUCTION

2009 \ 2013

Month	Water Production in Million Gallons					Avg.	SSWD Water Purchases			
	2009	2010	2011	2012	2013		2010	2011	2012	2013
JAN	38.7	35.6	36.4	47	39	39.34	0	0	0.009	0
FEB	32.7	33.4	31.8	39.3	36.5	34.74	0	0	0	0
MAR	42.6	40	34.7	41.1	51.7	42.02	0	0	0.002	0
APRIL	62.4	41.7	47.8	42	68.2	52.42	0	0	0	
MAY	92.6	65.7	76.4	94		82.18	0.002	0.019	0.01	
JUNE	122.3	120	95.3	120		114.40	0.4	0.71	0.12	
JULY	148.8	147	122.4	142.2		140.10	0.028	0.025	0.26	
AUG	136.6	132.2	129.4	139.7		134.48	0.038	0.012	0.3	
SEPT	117.6	111.4	112.2	109.7		112.73	0.094	0.003	7.6	
OCT	72.5	80.3	58.4	77.8		72.25	0	0.001	0	
NOV	45.9	40.8	41.9	41		42.40	0.004	0	0	
DEC	39.9	34.8	42	37.5		38.55	0	0	0	
<b>TOTAL</b>	<b>952.6</b>	<b>882.9</b>	<b>828.7</b>	<b>931.3</b>	<b>195.4</b>	<b>898.875</b>	<b>0.566</b>	<b>0.77</b>	<b>8.301</b>	<b>0</b>



## TECHNICAL MEMORANDUM

---

To: Mary Henrici – General Manager  
From: Jim Carson, District Engineer (Affinity Engineering)  
Subject: District Engineering Staff Report – May 2013  
Date: May 12, 2013

---

This Technical Memorandum (TM) updates the Board of Directors on the engineering projects since last month's engineering report.

### 1. Planning Committee

The planning committee met on May 7, 2013 and discussed several planning projects. The planning committee is scheduled to meet the first Tuesday of each month. The next scheduled meeting is June 4, 2013.

### 2. 2013/14 Capital Budget

The 2013/14 Capital Budget was created and revised per District comments.

### 3. State Revolving Fund Project – “L” Street Reservoir and Booster Station

- a. Engineering Design: The engineering contract was written and submitted to the District's Attorney for his review. The attorney made changes to the contract and it was signed May 2, 2013. The kick off meeting for the project was April 22, 2013. Attendees from the District were Mary Henrici and Director Paul Green. Project objectives were decided and a preliminary site layout has been completed (See Attachment). The District is considering going with a partially buried concrete tank 10 feet in the ground to minimize visual impacts. The current reservoir size is 80-ft diameter by 32-ft high with a volume of 1.1 million gallons. The project site is scheduled to be surveyed Wednesday May 15, 2013 to geographically tie down the proposed improvements.
- b. Environmental Consultant: A contract for the environmental consultant was written and submitted to the District's Attorney for his review. The attorney made changes to the contract and it was signed the week of May 6, 2013. A kick off meeting with the environmental consultant is scheduled for Tuesday May 14, 2013.

### 4. Well 3 – Arsenic Exceedance Impact

Since Well 3 went back online as an active well, the arsenic levels have fluctuated around the maximum contaminate level of 10 ppb. A Well 3 Arsenic Exceedance Impact Technical

Memorandum was created to analyze the water supply impacts if Well 3's arsenic level increased and the District is required to remove the well from active service (See Attachment).

Based on the analysis, if Well 3's arsenic level exceeds the MCL, the recommended plan is to have the Well's status changed from active to standby. This will enable the Well to be used as emergency backup and will only impact the District during peak hours in the summer where it currently has a water supply deficit. The new L Street Reservoir will eliminate the peak hour supply deficit when it is constructed.

**5. Well 9 and 10 Electrical Panel Replacements**

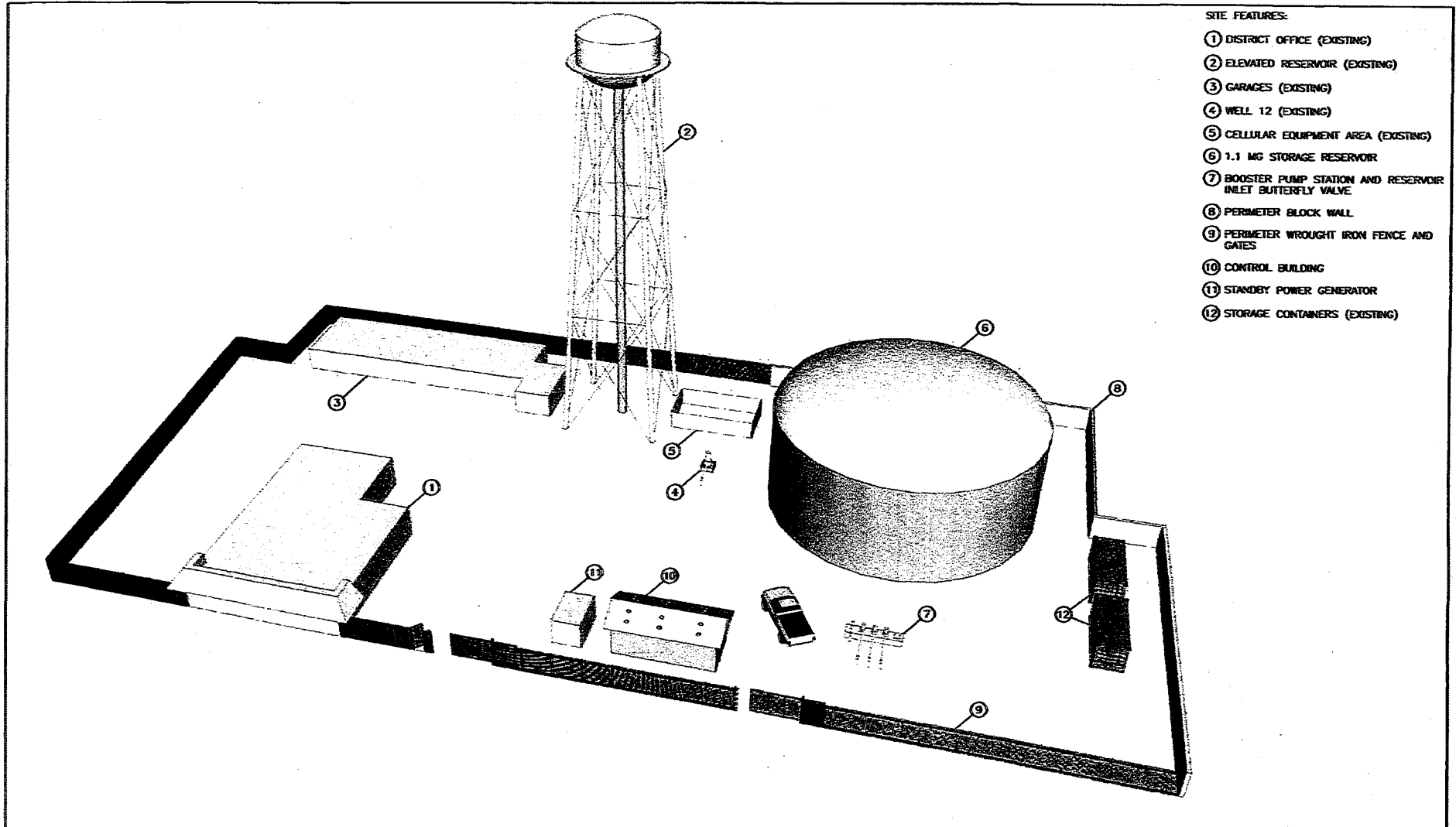
The electrical engineering for the electrical panel replacements for Wells 9 and 10 is currently under design.

**6. Elverta Specific Plan**

The Elverta Specific Plan Landowners signed the agreement and deposited \$25,000 with the District on May 2, 2013. A meeting was held with the Landowner's representative Jeff Pemstein to discuss the project objectives and schedule on May 9, 2013.

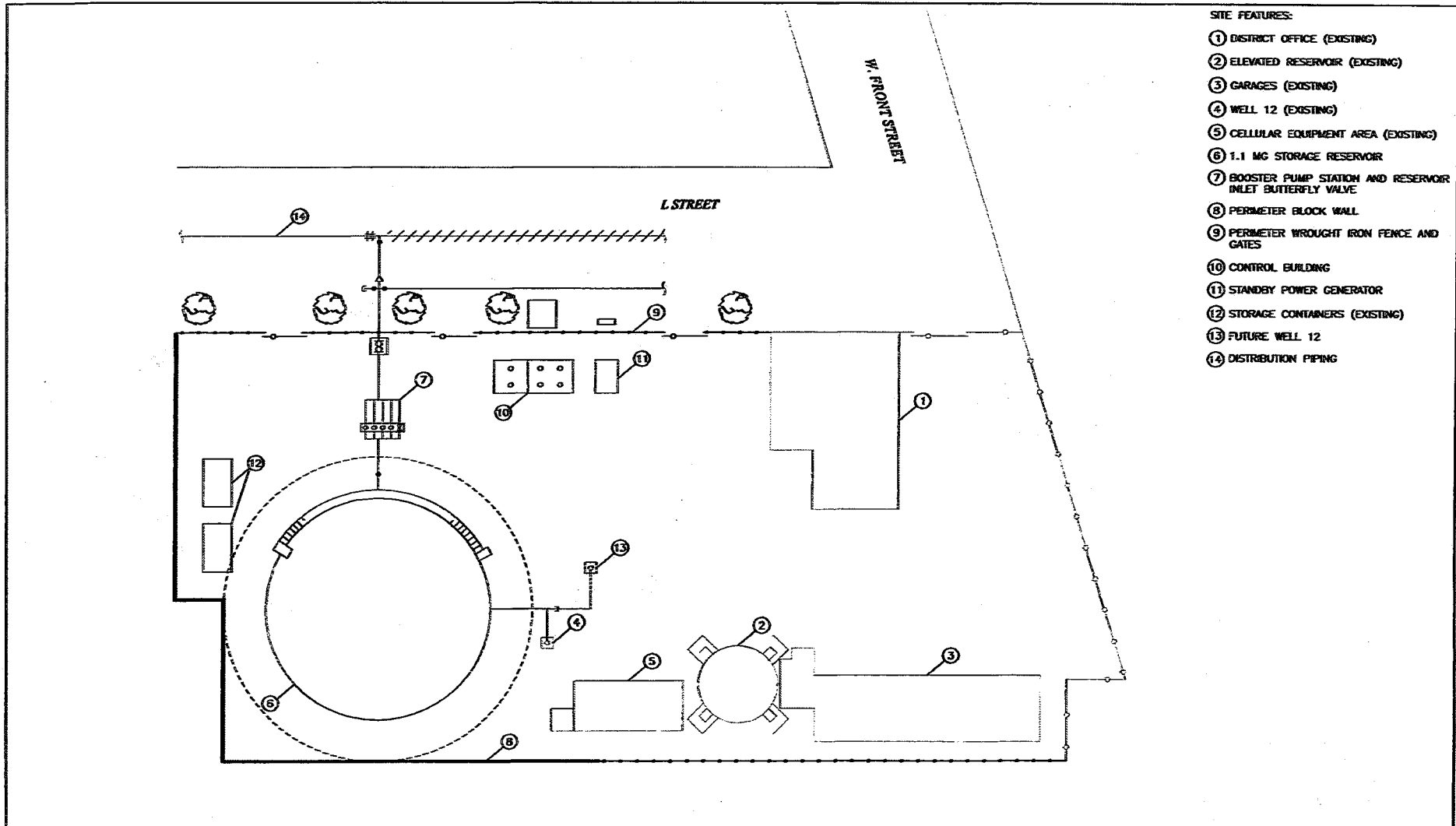
With the signing of this contract, updating the District's Master Plan has begun. A TM was created and submitted to the Planning Committee that outlines the District's Strategic Plan Objectives that was taken from the District's Strategic Plan Meeting (See Attached). These objectives will form the basis of the updated Master Plan.






- SITE FEATURES:**
- ① DISTRICT OFFICE (EXISTING)
  - ② ELEVATED RESERVOIR (EXISTING)
  - ③ GARAGES (EXISTING)
  - ④ WELL 12 (EXISTING)
  - ⑤ CELLULAR EQUIPMENT AREA (EXISTING)
  - ⑥ 1.1 MG STORAGE RESERVOIR
  - ⑦ BOOSTER PUMP STATION AND RESERVOIR INLET BUTTERFLY VALVE
  - ⑧ PERIMETER BLOCK WALL
  - ⑨ PERIMETER WROUGHT IRON FENCE AND GATES
  - ⑩ CONTROL BUILDING
  - ⑪ STANDBY POWER GENERATOR
  - ⑫ STORAGE CONTAINERS (EXISTING)

CONSULTING: <b>AFFINITY</b> ENGINEERING 1413 Mendocino Court, Redwood City, CA, 94068 www.affinityengineering.com	NO. _____ REVISION DESCRIPTION _____ BY _____ DATE _____	CLIENT:  <b>Rio Linda / Elverta Community Water District</b> 730 L Street Rio Linda, CA 95673	PROJECT: <b>L Street Plant</b>	SCALE: <b>NO SCALE</b> <b>ATTENTION</b> LINE IS 2" AT FULL SIZE (SCALE ACCORDINGLY)	GENERAL SHEET TITLE: <b>PROJECT OVERVIEW</b>	SHEET NO.: <b>G2</b> SHEET NUMBER: <b>N of NN</b> <b>5/10/13</b>



- SITE FEATURES:**
- ① DISTRICT OFFICE (EXISTING)
  - ② ELEVATED RESERVOIR (EXISTING)
  - ③ GARAGES (EXISTING)
  - ④ WELL 12 (EXISTING)
  - ⑤ CELLULAR EQUIPMENT AREA (EXISTING)
  - ⑥ 1.1 MG STORAGE RESERVOIR
  - ⑦ BOOSTER PUMP STATION AND RESERVOIR INLET BUTTERFLY VALVE
  - ⑧ PERIMETER BLOCK WALL
  - ⑨ PERIMETER WROUGHT IRON FENCE AND GATES
  - ⑩ CONTROL BUILDING
  - ⑪ STANDBY POWER GENERATOR
  - ⑫ STORAGE CONTAINERS (EXISTING)
  - ⑬ FUTURE WELL 12
  - ⑭ DISTRIBUTION PIPING

CONSULTING: <b>AFFINITY ENGINEERING</b> 3433 Mariposa Court, Rancho Cordova, CA, 95670 www.affinityengineering.com	<table border="1"> <thead> <tr> <th>NO.</th> <th>REVISION/DESCRIPTION</th> <th>BY</th> <th>DATE</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>	NO.	REVISION/DESCRIPTION	BY	DATE																									CLIENT:  <b>Rio Linda / Elverta Community Water District</b> 730 L Street Rio Linda, CA 95673	PROJECT: <b>L Street Plant</b>	SCALE: <b>NO SCALE</b> <b>ATTENTION</b> LINE IS 2" AT FULL SIZE (SCALE ACCORDINGLY)	GENERAL	SHEET NO.: <b>G3</b>
		NO.	REVISION/DESCRIPTION	BY	DATE																													
<b>SITE PLAN</b>	SHEET NUMBER: <b>N or NN</b> <b>5/10/13</b>																																	

**TECHNICAL MEMORANDUM**

To: Mary Henrici, General Manager  
 From: Jim Carson, District Engineer  
 Subject: Water Supply Impact of Arsenic Exceedance in Well 3  
 Date: May 6, 2013

This Technical Memorandum (TM) describes the impact of the arsenic exceedance at Well 3 (Well) has on the District's overall water supply, discusses the Well's water supply options and provides a recommendation for Well 3. Well 3 was recently put back into service because its Arsenic levels were at the California Department of Public Health's (CDPH) maximum contaminant level (MCL) of 10 ppb. Since it has been operating over the last two months, the Arsenic sample results for the Well have been varying around the arsenic MCL of 10 ppb. The following are the resent sample results since the Well was recently put into service:

<b>Arsenic Sampling Results</b>	
<b>Month</b>	<b>Arsenic Level</b>
February 2013	11 ppb
March 2013	10 ppb
April (CLS)	10 ppb
April (BSK)	9.9

If the average arsenic level increases above the CDPH's MCL of 10 ppb, the District will need to determine how to address this issue with its overall water supply strategy. This TM analyzes the impact of the loss of water supply from the Well and discusses water supply options. A recommendation of which water supply option the District should select is also included in this TM.

**1. Well 3 Arsenic Exceedance Impact:**

The following analysis is based on the water supply and demand information taken from the SRF Applicant Engineering Report Update Dated September 2012 and Amendment to SRF Applicant Engineering Report dated January 2013.

Total Connections = 4,800 active and potentially active services

**Water Demand:**

Maximum Day Demand

Maximum Day Demand = 1.38 gpm per connection

Maximum Day Demand = 1.38 x 4,800 = 6,624 gpm ≈ 6,600 gpm

**Peak Hour Demand**

Peak Hour Demand = 2.07 gpm per connection

Peak Hour Demand =  $2.07 \times 4,800 = 9,937 \approx 9,900$  gpm

**Water Supply:**

**Total Water Supply**

All Wells = 9,175 gpm

All Wells (less Well 3) =  $9,200 \text{ gpm} - 600 \text{ gpm}^* = 8,575 \approx 8,600$  gpm

\* Well 3's Capacity is approximately 600 gpm

**Water Supply Evaluation:**

**Emergency Supply without Proposed Reservoir**

- a. Max Day Supply with Well 3 converted to standby source
  - = All Wells – Largest Well out of service + Interconnection + Well 3
  - =  $8,600 \text{ gpm} - 2,800 \text{ gpm} + 1,000 \text{ gpm} + 600 \text{ gpm} = 7,400$  gpm
- b. Maximum Day Supply vs. Demand
  - 7,400 gpm (available max day supply) > 6,600 gpm (max day demand)
  - Good – Surplus of 800 gpm
- c. Peak Hour Supply with Well 3 converted to Standby Source
  - = 7,400 gpm (same as Section "a")
- d. Peak Hour Supply vs. Demand
  - 7,400 gpm (available peak hour supply) < 9,900 gpm (peak hour demand)
  - No Good – Deficit of 2,500 gpm

**Emergency Supply with Proposed Reservoir**

- a. Peak Hour Supply with Well 15 offline
  - = All Wells – Well 15 + reservoir boosters + interconnection + Well 3
  - =  $8,600 \text{ gpm} - 2,800 \text{ gpm} + 3,500 \text{ gpm} + 1,000 \text{ gpm} + 600 \text{ gpm} = 10,900$  gpm
- b. Peak Hour Supply with Reservoir Offline and Well 15 Online
  - = All Wells + Well 15 + interconnection + Well 3
  - =  $8,600 \text{ gpm} + 2,800 \text{ gpm} + 1,000 \text{ gpm} + 600 \text{ gpm} = 10,200$  gpm ← Lowest
- c. Peak Hour Supply vs. Demand
  - 10,200 gpm (available peak hour supply) < 9,900 gpm (peak hour demand)
  - Good – Surplus of 300 gpm

The impact of Well 3 being converted from an active well to a standby well will have no impact on the overall supply versus demand of the District. Currently, the existing supply and emergency supply is able to meet the maximum day demand of the District. For peak hour the District has a 2,500 gpm deficit. The new reservoir and booster station will increase the peak hour supply and eliminate the District's peak hour deficit.

**2. Well 3 Options**

The District has three options for Well 3:

- Destroy the Well
- Modify the Well
- Convert the Well from Active to Standby

### Destroy the Well

The Well was drilled in approximately 1948 when the District was formed and is close to the end of its economic life. Operating staff have indicated that when the well casing was last inspected, there were some separations in the casing. Over the last several years, the District has invested in the facility by installing a new electrical panel with a variable speed drive, and a new chemical feed system and building. If the Well were to be destroyed, all usable equipment would be reused at other well facilities.

The water supply that Well 3 provides even if it were reclassified as a standby source helps to reduce the District's current peak hour supply deficit. In the future when the District increases its supply, this Well could be destroyed due to its age. The cost for this option would be as follows:



It is not recommended that the Well be destroyed at this time.

### Modify the Well

Well modifications could be done that would seal off the higher levels of arsenic in Well 3. This would require a professional hydrogeologist to analyze the Well and its hydrogeology to determine if a modification to the Well could reduce the Arsenic level to below the MCL of 10 ppb. A proposal from a hydrogeologist from Wood Rodgers who is experienced in the area that could perform this work is included in Attachment A. Under this option, the work would include the following:



Modifying the Well to restore the active status of the Well could be an alternative for the District to consider. Based on conversation with operating staff, it may be better to keep the Well as a standby source and not invest any more money in the Well but rather replace this well with a new well that has better accessibility and lower arsenic concentrations.

### Convert the Well from Active to Standby

This Well could be converted from an active source to a standby source. As a standby source, CDPH would allow the District to operate the Well for 5 consecutive days or two weeks per year without being required to meet the Arsenic

MCL. Under this status the Well would be used for emergencies. The water supply evaluation done as part of Section 1 of this TM shows that the status change would not affect the District's water supply deficit. The District's cost is only the status filing change with CDPH.

This is a short term fix for the District while it is constructing a new reservoir and pump station to address its peak hour supply deficit and while the District is building up its cash reserves. Once the District is in a better financial position, this Well should be destroyed and its capacity replaced with the construction of a new well.

### **3. Well 3 Recommendation**

The District should continue monitoring the Wells Arsenic levels and work with CDPH to determine if or when the Well will need to be taken out of service due to the average arsenic levels exceeding the MCL.

When CDPH has determine that the Well can no longer be operated as an active source due to arsenic, then the Well's operational status should be changed from active to standby and only operate during emergencies. Once the District's financial position improves, the Well's water supply should be replaced by adding a new well. Once the new well is installed, the Well should be removed from service, destroyed, with the property sold. Any usable equipment should relocated and used at other well sites.



# WOOD RODGERS

April 19, 2013

Job No. 8425

Mr. Jim Carson  
District Engineer  
Rio Linda/Elverta Community Water District  
730 L Street  
Rio Linda, CA 95673

Dear Mr. Carson,

**Subject: Rio Linda/Elverta Community Water District Well 3 Water Quality Assessment - Proposal**

In response to your request, Wood Rodgers is pleased to provide the Rio Linda/Elverta Community Water District (District) with this proposal to perform a well and water quality assessment for Well 3 (Well), located in the western portion of the District in Rio Linda, California. Recent water quality analysis shows elevated arsenic levels that exceed the maximum contaminant level (MCL) standard set by the California Department of Public Health (CDPH). The work encompassed in this proposal includes a review of data and a written assessment with recommendations.

Wood Rodgers will begin work by conducting a review of available data for the Well. Research will include reviewing well construction information, water quality records, and studying the local hydrogeologic setting. After review of the available data, Wood Rodgers will prepare a written assessment that will include recommendations for additional assessments or procedures to attempt to reduce the arsenic concentration. Recommendations may include performing zone-specific water quality sampling or well modification.

The estimated cost to perform the work described herein shall not exceed \$4,500 without prior written authorization. All Tasks would be conducted on a Time and Materials basis. All billing will be made in accordance with the enclosed Wood Rodgers, Inc. Invoicing, Payments & Liability Policies (Exhibit "A"), Special Conditions, and Wood Rodgers' 2013 Schedule of Fees (Exhibit "B").

To authorize this work, please sign and return a copy of this agreement.

We look forward to assisting the District to meet CDPH arsenic standards for Well 3. If you have any questions or require additional information, please contact me at (916) 341-7447 (office) or (916) 417-7687 (cell).



Mr. Carson  
April 19, 2013  
Page 2 of 5

Sincerely,

Wood Rodgers, Inc.

*Lawrence H. Ernst*

\_\_\_\_\_  
Lawrence H. Ernst, PG, CEG, CHG  
Principal Hydrogeologist

IN AGREEMENT WITH THE ABOVE TERMS:

Rio Linda/Elverta Community Water District

\_\_\_\_\_  
By:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:



**EXHIBIT "A"**  
**WOOD RODGERS, INC. INVOICING PAYMENT & LIABILITY POLICIES**

1. "Reimbursable expenses" (blueprints, reproductions, travel, etc.) were estimated in the proposal costs, and shall be charged at vendor invoice without markup.
2. Invoices are submitted monthly by Wood Rodgers, Inc, Client shall notify Wood Rodgers, Inc. in writing of any and all objections, if any, to an invoice within ten (10) days of the date of the invoice. Otherwise, the invoice shall be deemed proper and accepted by the Client. Amounts invoiced are due and payable upon receipt. Client's account shall be considered delinquent if Wood Rodgers, Inc. does not receive full payment within thirty (30) days after the invoice date.
3. A service charge shall be applied to delinquent accounts at the rate of 1.5% per month. Payment thereafter shall be applied first to accrued interest and then to unpaid principal. Client shall pay all costs and expenses, including without limitation, reasonable attorney's fees, incurred by Wood Rodgers, Inc. in connection with collection of delinquent accounts of Client.
4. If a delinquency occurs, Wood Rodgers, Inc. may choose to suspend work upon ten- (10) days written notice to Client. Wood Rodgers, Inc. shall recommence work once such delinquency is completely cured and any and all attendant collection costs, fees, or other amounts required to be paid by Client under this contract are paid in full. If a delinquency by Client occurs and Wood Rodgers, Inc. chooses not to suspend work, no waiver or estoppel shall be implied. Client agrees and understands that if Wood Rodgers, Inc. suspends its work pursuant to this paragraph, Wood Rodgers, Inc. shall not be liable for any costs or damages, including but not limited to delay and consequential damages, to the Client, other owner of the property where such work is being performed, or any other third party, that may arise from or be related to such work suspension. Client agrees to indemnify and hold Wood Rodgers, Inc. harmless from and against any and all damages, costs, attorney's fees, and/or other expenses which Wood Rodgers, Inc. may incur as a result of any claim by any person or entity arising out of such suspension of work.
5. In providing services under this Agreement, Wood Rodgers, Inc. will endeavor to perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.
6. Client and Wood Rodgers, Inc. recognize the risks, rewards and benefits of the project and Wood Rodgers, Inc. total fee for services. The risks have been allocated such that Client and Wood Rodgers, Inc. agrees that, to the fullest extent permitted by law, Wood Rodgers, Inc. total liability to Client and to all construction contractors and subcontractors on the project for any and all injuries, claims, losses, expenses, damages or claim expenses arising out of this agreement from any cause or causes shall not exceed the total contract amount for consulting services (\$4,500). Such causes include but are not limited to Wood Rodgers, Inc. negligence, errors, omissions, strict liability, and breach of contract and breach of warranty.
7. This agreement between Wood Rodgers, Inc. and Rio Linda/Elverta Community Water District constitutes the entire agreement between the parties and there are no conditions, agreements or representations between the parties except as expressed in said documents. It is not the intent of the parties to this agreement to form a partnership or joint venture.
8. Each party agrees to hold harmless and indemnify the other party from and against liability to the extent caused by the first party's negligence, recklessness, or willful misconduct.

### **SPECIAL CONDITIONS**

1. Any scope of work completed after December 31, 2013 will be subject to cost of living increases.
2. This scope of work does not include NPDES permitting or monitoring. It is assumed that all water will be discharged on the owner's property, and consequently no NPDES permitting or monitoring would be required. If NPDES permitting or monitoring is required, Wood Rodgers would provide a separate scope of work and cost estimate to provide these services.
3. Client understands that the time & materials estimated costs provided herein are estimates only, that our work will be performed on a time & materials basis, and that various line items included herein may be either exceeded or reduced by actual billing.
4. Any cost estimates prepared represent preliminary amounts that are subject to change. Wood Rodgers, Inc. will not assume responsibility for the use of these costs in budget analysis or be held liable for potential development cost increases associated with the development of this project.
5. Wood Rodgers, Inc. shall maintain the following insurance for this project:
  - Commercial general liability insurance with limit of no less than \$1,000,000 per occurrence and \$2,000,000 general aggregate.
  - Workers compensation and employer's liability insurance as required by law with employer's liability limits no less than \$1,000,000 per accident or disease.
  - Auto liability insurance with a limit of no less than \$1,000,000 per accident.
  - Professional liability insurance with a limit of no less than \$1,000,000 per claim.



**EXHIBIT "B"**

**FEE SCHEDULE**  
*Effective January 1, 2013*

<b>CLASSIFICATION</b>	<b>STANDARD RATE</b>
Principal Engineer/Geologist/Surveyor/Planner/LA* II	\$195
Principal Engineer/Geologist/Surveyor/Planner/LA*	\$160
Associate Engineer/Geologist/Surveyor/Planner/LA* II	\$160
Associate Engineer/Geologist/Surveyor/Planner/LA*	\$140
Engineer/Geologist/Surveyor/Planner/LA* III	\$130
Engineer/Geologist/Surveyor/Planner/LA* II	\$120
Engineer/Geologist/Surveyor/Planner/LA* I	\$105
CAD Technician III	\$100
CAD Technician II	\$90
CAD Technician I	\$80
Project Coordinator	\$80
Administrative Assistant	\$70
2-Person Survey Crew**	\$230
3-Person Survey Crew**	\$310
Materials and Direct Charges	Cost Plus 10%
Outside Services and Sub-Consultants	Cost Plus 10%
Overtime Work and Expert Witness Testimony	Rate Plus 50%

\*LA = Landscape Architect.

Blueprints, reproduction, and travel expenses will be charged at vendor invoice.  
Auto mileage will be charged at the IRS standard rate, currently 56.5 cents per mile.

Fee Schedule subject to change in January 1, 2014.



## **TECHNICAL MEMORANDUM 3**

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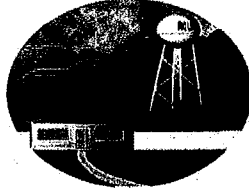
**To:** Planning Committee  
**From:** Jim Carson, Affinity Engineering Inc.  
**Subject:** Master Plan Objectives  
**Date:** May 9, 2013

---

The purpose of this Technical Memorandum is to document the District's Strategic Objectives for which the District's Master Plan will be based on. The objectives were taken from the March Strategic Planning Meeting.

- A) Maintain the Water System**
  - a. Meet Regulatory Requirements**
    - i. California Department of Public Health**
    - ii. California OSHA**
  - b. Manage Risk of Catastrophic Failure**
  - c. Maintain Infrastructure**
  - d. Replace Infrastructure**
  - e. Provide Facility Security**
- B) Maintain a Safe Work Place**
- C) Provide for Future Customers**
- D) Use Water Efficiently**
- E) Meet Financial Requirements**
  - a. Stabilize Rates**
  - b. Asset Management**
  - c. Maintain Insurance**
  - d. Build up District Reserves**
  - e. Pay Monthly Obligations**
  - f. Secure Grants and Loans**

**RIO LINDA**



**ELVERTA**

**Information Items  
Board Reports**

**Date:** May 20, 2013

**Subject:** Board Reports

**Staff Contact:** Mary Henrici, General Manager

**Update Status Report:**

- a. Regional Water Authority – Dills, Henrici
- b. Sacramento Groundwater Authority – Green, Henrici
- c. LAFCo – Caron
- d. Planning Committee – Longo, Green
- e. Finance / Administrative Committee – Dills, Anderson
- f. Legal Ad Hoc Committee – Caron, Anderson
- d. Other Reports

**Comments:**

**Board Action / Motion**

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

Dills: \_\_\_\_\_ Green: \_\_\_\_\_ Caron: \_\_\_\_\_ Anderson: \_\_\_\_\_ Longo: \_\_\_\_\_.

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

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

**Thursday, April 11, 2013; 9:30 a.m.**

**5620 Birdcage Street, Suite 110**

**Citrus Heights, CA 95610**

**(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.

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. 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 in the customer service area of the Authority's Administrative Office at the address listed above. 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 Executive Director of the Authority at (916) 967-7692. 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 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. LABOR COMPLIANCE PROGRAM**  
**Action: Adopt Resolution 2013-03 approving an SGA labor compliance plan for purposes of implementing projects funded under the Proposition 84 grant program and authorizing staff to submit an application for approval of the plan to the California Department of Industrial Relations.**
- 4. DIRECTORS' COMMENTS**

**ADJOURNMENT**

**Next SGA Board of Director's Meeting – June 13, 2013, 9:00 a.m., RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.**

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

**Thursday, April 11, 2013; 9:00 a.m.**

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(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.

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. 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 in the customer service area of the Authority's Administrative Office at the address listed above. 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 Executive Director of the Authority at (916) 967-7692. 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 AND ROLL CALL**
2. **PUBLIC COMMENT:** Members of the public who wish to address the Board may do so at this time. Please keep your comments to less than three minutes.
3. **CONSENT CALENDAR**
  - a) Minutes of February 14, 2013 meeting.  
*Action: Approve Consent Calendar Item.*
4. **FISCAL YEAR 2013-2014 BUDGET**

Information: Staff discussion of proposed FY 2013-2014 budget and fees.
5. **SGA GROUNDWATER MANAGEMENT PLAN UPDATE**

Public Hearing to receive comment on SGA's intent to update its Groundwater Management Plan.  
*Action: Adopt Resolution 2013-02 declaring SGA's intent to prepare an update to its groundwater management plan and adopting a statement of public participation.*
6. **SGA GROUNDWATER MANAGEMENT PROGRAM UPDATE**

Information Update: Rob Swartz, Principal Project Manager.
7. **EXECUTIVE DIRECTOR'S REPORT**
  - a) Government Affairs Update
  - b) Hydrologic Modeling Tools Evaluation
  - c) SGA Financial Report

**8. DIRECTORS' COMMENTS**

**ADJOURNMENT**

**Next SGA Board of Director's Meeting – June 13, 2013, 9:00 a.m., RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights.**





SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
1112 I Street, Suite 100 • Sacramento, CA 95814 • (916) 874-6458 • Fax (916) 874-2939  
[www.saclafco.org](http://www.saclafco.org)

## AGENDA

Wednesday May 1, 2013

5:30 P.M., Board Chambers, County Administration Center,  
700 H Street, Sacramento, California 95814

### COMMISSIONERS:

Chair: Jimmie Yee  
Vice-Chair: Mike Singleton  
Ron Greenwood  
Gay Jones  
Susan Peters  
Kevin McCarty  
Christopher Tooker

### ALTERNATE COMMISSIONERS:

Phil Serna  
Jeannie Bruins  
Jerry Fox  
Jerry Fox  
Phil Serna  
Steve Cohn  
John Messner

### PUBLIC COMMENT FROM THE FLOOR

The public is encouraged to address the Commission concerning any matter not on the Agenda. Public comments are limited to three minutes. The Commission is prohibited from discussing or taking any action on any item not appearing on the posted Agenda

### CONSENT CALENDAR

1. Approve the Meeting Minutes of April 3, 2013
2. Claims dated thru April 25, 2013
3. Monthly Budget Report
4. Legislation Status Report
5. Update Rio Linda/Elverta Community Water District MSR (LAFC 07-10) [CEQA Exempt]

### BUSINESS ITEMS

None

### PUBLIC HEARINGS

6. Recirculated Draft Environmental Impact Report (RDEIR) Public Comment - City of Elk Grove Sphere of Influence Amendment (LAFC 09-10) [CEQA - EIR SCH#2010092076]
7. Fiscal Year 2013-14 Proposed Budget

### QUESTIONS/ANNOUNCEMENTS

8. Executive Officer/Staff/Commission Counsel
9. Commission Chair/Commissioners

### MEETING SCHEDULE

5:30 P.M., Board Chambers  
700 H Street, Sacramento CA

#### Dates

June 5  
July Recess  
August 7

\* Please Note – AGENDA is subject to change up to 72 hours prior to meeting

## SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

### SUMMARY OF RULES AND PROCEDURES

**AGENDA ITEMS:** The Commission may reschedule items on the agenda. The Commission will generally hear uncontested matters first, followed by discussions of contested matters, and staff announcements in that order. Anyone who wishes to address the Commission should obtain a form from either the Commission Clerk or from the table located near the entrance of the hearing chamber.

**CONDUCT OF HEARINGS:** A contested matter is usually heard as follows: (1) discussion of the staff report and the environmental document; (2) testimony of proponent; (3) testimony of opponent; (4) Public Testimony (5) rebuttal by proponent; (6) provision of additional clarification by staff as required; (7) close of the public hearing; (8) Commission discussion and Commission vote.

**ADDRESSING THE COMMISSION:** Any person who wishes to address the Commission should submit a speaker's request form at the beginning of the meeting; move to the front of the chambers when an item is called; and, when recognized by the chair, state their name, address and affiliation. Please attempt to make your statements concise and to the point. It is most helpful if you can cite facts to support your contentions. Groups of people with similar viewpoints should appoint a spokesperson to represent their views to the Commission. The Commission appreciates your cooperation in this matter.

**PUBLIC COMMENT TIME LIMITS:** The Sacramento Local Agency Formation Commission welcomes and encourages participation in its meetings. Rules of the Commission provide for the following limitations of discussion: The Commission will hear public comment prior to the consideration of any item. (1) a principal proponent will be allowed a 5-minute statement; (2) other proponents will be allowed a 3-minute statement; (3) opponents are allowed 3-minute statements with the exception of spokespersons for any group who shall be permitted 5-minutes; (4) the principal proponent shall have a 3-minute rebuttal; (5) staff will provide clarification, as required.

**VOTING:** A quorum consists of four members of the Commission, including any alternate. No action or recommendation of the Commission is valid unless a majority (4 votes) of the entire membership of the Commission concurs therein.

**OFF AGENDA ITEMS:** Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the general public under "Public Comment From the Floor" on the Agenda. The Commission limits testimony on matters not on the agenda to three minutes per person and not more than fifteen minutes for a particular subject. The Commission cannot take action on any unscheduled items.

**SPECIAL NEEDS:** Meeting facilities are accessible to persons with disabilities. Requests for assistive listening devices or other considerations should be made 48 hours in advance through the Commission Clerk at (916)874-6458.

**AB 745 DISCLOSURES:** The Political Reform Act requires all interested parties to disclose contributions and expenditures for "political purposes" related to proposals for changes of organization or reorganization (annexations, incorporations, etc.) as well as contributions and expenditures in connection with Conducting Authority protest proceedings. Such contributions and expenditures must be reported to LAFCo's Executive Officer to the same extent, and subject to the same requirements, as local initiative measures under the Political Reform Act. Additional information regarding these requirements can be found on LAFCo's website at: <http://www.saclafco.org/Forms/Index.htm>.

**STAFF REPORTS:** Staff Reports are available on line at [www.SacLAFCo.org](http://www.SacLAFCo.org) or upon request to Diane Thorpe, Commission Clerk at (916)874-6458.

**VIDEO BROADCASTS:** The meeting is video taped in its entirety and will be cablecast live on Metro Cable channel 14, the government affairs channel on the Comcast, and SureWest Cable Systems and is closed captioned for our hearing impaired viewers. The meeting is webcast live at <http://www.saccounty.net>. The current meeting is broadcast live and will be rebroadcast; check the Metro Cable schedule for dates and times.

*Agenda Item No. 5*

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

*1112 I Street, Suite #100  
Sacramento, California 95814  
(916) 874-6458*

**May 1, 2013**

**TO:** Sacramento Local Agency Formation Commission  
**FROM:** Peter Brundage, Executive Officer  
**RE:** Rio Linda/Elverta Community Water District – Draft  
Municipal Service Review – Report Back (L AFC 07-10)

**RECOMMENDATION**

Receive and file status report.

Overall the District continues to provide adequate water service to the community and progress is being made to address the water supply and water quality issues. However, the overall financial condition is weak and the District continues to operate in the red. The District is gradually improving its financial position. In addition, the District is not able to obtain liability coverage for employment practices.

**DISCUSSION**

This report summarizes the actions, developments, and events related to the Rio Linda Elverta Community Water District that have occurred since April 3, 2013.

**I. Board of Directors**

The Board is developing a Strategic Plan to prioritize deferred maintenance, capital improvement projects and district financing.

The Board approved the collection of the Inactive Service fee that was recently suspended.

It appears that the new Board is attempting to take positive actions to improve Board meetings and develop a long term operational, financing and capital improvement strategies for the District, and control its legal costs.

## **II. Proposed Reservoir Tank and Booster Station**

CDPH has agreed to amend the Scope of Work for to add a Reservoir Tank and Booster Station in lieu of constructing another well. However, the District needs to develop plans and complete an environmental review of the project before CHDP will approve a change to the Funding Agreement. The District has authorized the General Manager to enter into contracts for environmental and construction design for the proposed reservoir tank.

The following steps summarize the major components of this project:

Complete:	RFP issued for design
Complete:	Select Consulting Engineer
In Progress:	Develop Plans and Specifications
In Progress:	Amend Funding Agreement with CDPH
In Progress:	Issue RFP for Construction Contract
In Progress:	Approve Construction Bid
In Progress:	Commence Construction

It is anticipated that the design and environmental review will take several months to complete. It is possible construction could commence in the Fall of 2013.

Completion of the Reservoir Tank and Booster Pump should allow the District to satisfy the outstanding Compliance Order issued by CHDP.

### **Overall Operations**

The District is improving its ability to remotely monitor wells using telemetry equipment.

### **Urban Water Management Plan**

On December 17, 2012, the Board adopted the District's Urban Water Management Plan and it has been sent to the Department of Water Resources for review and approval.

### **Status of CDPH Compliance Orders**

The water quality and quantity continue to be satisfactory. Water pressure is subject to variation because of leaks and equipment failures. However, generally, water pressures remain adequate and comply with CDPH standards.

Completion of the Reservoir Tank and Booster Station should satisfy the outstanding Compliance Order related to adequate water supply.

### **III. Sacramento Suburban Water District Interconnection**

No changes in the operation or status of the intertie with Sacramento Suburban Water District. RLECWD and Sacramento Suburban Water District renewed this Agreement during February, 2013. This intertie operates only if water pressure drops below 30 psi. Once the reservoir tank and booster station are complete the District will no longer need the intertie agreement, however, the District has entered into a Mutual Aid Agreement with Sacramento Suburban Water District similar to agreements with Del Paso Manor Water District and Carmichael Water District.

### **IV. Status of District Operations**

#### **District Financial Condition**

No significant changes in the overall financial situation of the District. Cash Flow remains tight. Accounts Payables are not current and the District is operating at a loss or in the "red" for last several months. The financial condition of the District appears to be improving and is actually beginning to stabilize. The General Manager has estimated that the operating fund balance is currently \$27,000 in the red or about 1 ½ months behind.

The District has been able to pay creditors and vendors because it is basically using money that should be deposited into capital and debt service accounts. In addition, over the last several years, the District did not deposit capital construction and debt service funds into the appropriate accounts. Currently, the District needs to put in approximately \$150,000. The District is proposing to repay these funds over a five-year period with annual payments of approximately \$30,000. To date, the District is current with its reserve and debt service accounts per the various agreements.

Also, the Board is attempting to contain and control legal costs.

The General Manager will be presenting the proposed budget at the May Board meeting.

#### **Staffing and Employee Relations**

No significant issues to report.

#### **Liability Insurance**

The Association of California Water Agencies (ACWA) has extended the District's liability coverage for a 6 month period; however, this amended policy does not cover "employment practices". The District has not been able to get coverage for this exclusion. The General Manager has contacted ten (10) carriers. This continues to be a significant issue.

At the May, 2013 ACWA meeting, the Board will reconsider providing the District with Employment Practices Insurance.

## **District Operations**

The General Manager's report for March 12, 2013 to April 8, 2013 is attached highlighting the status of various district activities.

### **Elverta Specific Plan Development Project**

Currently, the CDPH has imposed a building moratorium until the District has complied with the outstanding Compliance Order. The developer for the unfranchised areas of the Elverta Specific Plan Area has contacted the District about annexing the remaining portion of the Elverta Specific Plan Area into the District boundaries.

The original Developer group is negotiating with the District to update the District's Master Plan to evaluate the service needs and requirements of the proposed development project. The Developers will be required to comply with Sacramento County Policy PF 8 related to providing surface water to this development.

Once the Master Plan is complete and approved, the District will prepare a financial plan and rate study to determine the appropriate rates for the new development and current rate payers.

### **Pending Litigation as of January 14, 2013**

Currently, there is no pending litigation. A Settlement Agreement was reached regarding the Joseph Sherrill litigation.

## **V. Summary of Issues**

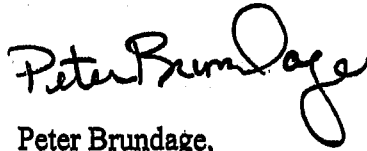
Overall the District is providing adequate water service to the community and progress is being made to address the water supply capacity issue. However, there are two significant issues: the inability of the District to obtain liability coverage for employment practices and the overall financial condition of the District.

## **VI. Next Steps**

LAFCo staff will continue to work with CDPH and the District to monitor the situation. We will keep the Commission informed.

Respectfully Submitted;

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

A handwritten signature in black ink that reads "Peter Brundage". The signature is written in a cursive style with a large, prominent loop at the end of the last name.

Peter Brundage,  
Executive Officer

Attachments

**Agenda**  
**Rio Linda / Elverta Community Water District**  
**Planning Committee**

730 L Street  
Rio Linda, CA 95673

Tuesday, May 7, 2013  
4:30 pm

Public documents relating to any open session items listed on this agenda that are distributed to the Committee members less than 72 hours before the meeting are available for public inspection on the counter of the District Office at the address listed above.

The public may address the Committee concerning any item of interest. Persons who wish to comment on either agenda or non-agenda items should fill out the Comment Card and give it to the General Manager. The Committee Chair will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact the District office at (916) 991-1000. Requests must be made as early as possible and at least one-full business day before the start of the meeting.

**Call to Order**

**Public Comment**

This is an opportunity for the public to comment on non-agenda items with the subject matter jurisdiction of the Committee. Comments are limited to 3 minutes.

**Items for Discussion and Action**

1. State Revolving Fund Project Status Update  
*Staff Recommendation – Discussion Only*
2. Elverta Specific Plan Planning Project Update  
*Staff Recommendation – Discussion Only*
3. Backflow Prevention Device Testing Program  
Discuss alternative testing options  
*Staff Recommendation – Discussion Only*
4. Wells 3 – Arsenic Issue  
Discuss recent Arsenic Sample results for Well 3 and District's options to mitigate this issue.  
*Staff Recommendation – Discussion Only.*

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

**Adjournment**

\*\*\*\*\*

Next Planning Committee Meeting: Tuesday, June 4, 2013

\*\*\*\*\*



Attendees: Mary Henrici, Jim Carson, Paul Green and Matt Longo

Meeting called to order 4:45 pm

Public Comment: No public comment was heard at this time as there was not public in attendance. It should be noted that Mary Harris arrived at 6:02 PM and was allowed to join the discussion for a short timer thereafter.

Items for discussion:

1. State Revolving Fund Project:

The contract between Affinity and RLECWD was signed and executed May 2<sup>nd</sup>. Legal review of the contract took longer than expected. The contract with EN2 for the environmental work has just now final review and sent to EN2. According to Mary Henrici the changes were difficult to get from legal causing the delay.

The kick off meeting was successful at which time the District and Engineering defined our objectives for design and timeline. Safety concerns were also considered.

Affinity is considering the benefits of in ground cement tank as apposed to a steel tank. The feeling of the Planning Committee is that an in ground cement tank is considerably more neighborly as it is not so high.

Surveying is the next item, to be worked on.

No actionable items for the Board at this time.

2. Elverta Specific Plan:

The Funding Agreement contract was signed between District and ESP. This will allow consulting work that must be done by Affinity to meld our Master Plan with the ESP to begin. ESP deposited \$25k to get things started.

Jim Carson provided a report with regard to the Districts Strategic Objective and how this will influence the District's Master Plan. The objectives were taken from the March Strategic Planning Meeting.

No actionable items for the Board at this time.

3. Backflow Device Testing:

Mary Henrici made a recommendation to the Planning Committee that our District begin outsourcing the Backflow Prevention Testing Program. Mary provided a report that showed the benefits to the District and the customers. It looks as though there could be an 18% savings to the customer and free up man hours for much needed work in the District.

The recommendation of the Planning Committee is that we approve Mary's request to outsource backflow testing upon, GM making a selection of provider and providing further details.

4. Well 3 Arsenic Update:

Well 3 continues to be on the high but allowable state arsenic levels. Some thought is being given to what to do with well 3 if its levels rise above state levels. There are 3 potential options at this time:

1. Modify well to try to alleviate arsenic
2. Put well in standby mode
3. Scuttle the well all together

At this time if the arsenic levels rise above State standard the best option is #2.

No actionable items for the Board at this time.

Meeting adjourned at 6:17 PM

**Agenda**  
**Rio Linda / Elverta Community Water District**  
**Finance / Administrative Committee**

730 L Street  
Rio Linda, CA 95673

Monday, May 13, 2013  
5:30 pm

Public documents relating to any open session items listed on this agenda that are distributed to the Committee members less than 72 hours before the meeting are available for public inspection on the counter of the District Office at the address listed above.

The public may address the Committee concerning any item of interest. Persons who wish to comment on either agenda or non-agenda items should fill out the Comment Card and give it to the General Manager. The Committee Chair will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact the District office at (916) 991-1000. Requests must be made as early as possible and at least one-full business day before the start of the meeting.

**Call to Order**

**Public Comment**

This is an opportunity for the public to comment on non-agenda items with the subject matter jurisdiction of the Committee. Comments are limited to 3 minutes.

**Items for Discussion and Action**

1. Review and Discuss the Expenditures of the District for the month of April.
2. Review the Financial Reports of the District as of April 30, 2013.
3. Single Audit  
Richardson & Company
4. 2013-14 Preliminary Budget Review  
The Committee will review the 2013-14 Preliminary Budget
5. Legal Performance Review Proposal  
The Committee will discuss a procedure for Legal Performance Review.
6. Owner / Tenant Billing Agreement  
The Committee will discuss revising and / or approving the Billing Agreement.
7. Resolution 2013-06 Duplicate Mailing Fee  
The Committee will discuss adding a fee for mailing of Duplicate Water Service Bills.
8. Request for Proposals and Quotes  
The Committee will discuss the process and possible procedures for requesting proposals and quotes for projects.

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

**Adjournment**

Next Finance / Administrative Committee Meeting: Monday, June 10, 2013

***ADA COMPLIANCE STATEMENT***

*In compliance with the Americans with Disabilities Act, if you need special assistance or materials to participate in this meeting, please contact the District Office at 916/991-1000. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting and agenda materials.*

Rio Linda Elverta Community Water District  
Finance and Administration Committee Meeting

May 13, 2013

Director Anderson began meeting at 5:30 p.m.

**Attendees:**

District-Duane Anderson, Brent Dills, Mary Henrici, Jim Carson

Public-Erwin Hayer, John Ridilla, Mary Harris

**Agenda Item # 4 Preliminary Budget Review:**

Item was moved to the beginning of the meeting so the District Engineer could make his presentation and provide a summary of Capital Budget. The budget includes meters and a new Master Plan. The Master Plan should be complete in approximately 3 months according to Mr. Carson.

**Agenda Item #1 District Expenses:**

Brent Dills asked why there were so many voided checks and Mary Henrici said it was because of a mis-feeding printer. Director Anderson asked a couple of questions about the names of accounts. Mary Henrici said the accounts had been split up to make them clearer. Mr. Ridilla asked questions about McCrometer costs which was answered by Ms. Henrici. Mary Harris had questions about the Forensic Audit and made a comment about Frank Caron and Kathy Santos Reed late bills getting fees waived by RLECWD office staff. Ms. Henrici said Ms. Harris could submit a Public Records Act Request for that kind of information.

**Agenda Item #2 Review District Financial Reports:**

Mr. Dills asked if the District's finances were within on target or were there any problems. Ms. Henrici said the Officer Fees were high because of the legal bills being so far over budget. Mary Harris would like to see more details regarding the gas usage in the vehicles. Ms. Henrici said the new board did not want those details and that Ms. Harris could submit a Public Records Act Request.

**Agenda Item #3 Single Audit:**

This audit is required by the Federal Government OMB. State CDPH Fiscal Services notified RLECWD past the due date of an audit. Mr. Dills asked if the District had called to request an extension. Ms. Henrici said she would do that. Mr. Ridilla thought the 2011 amount of \$3200 should be added to the letter that included the other \$5600 of two separate bills of \$2800 each for 2012 and 2013. The audit item will be put in the consent section of the next board meeting.

**Agenda Item #4 Preliminary Budget Review**

Mary Harris raised an issue about hiring back full time permanent employees who have left the district under a cloud in the past. Mr. Dills asked Ms. Henrici to take a look at this and she shook her head affirmatively. Mary Harris requested documents. Director Anderson said the GM had done a good job on the budget and Director Dills agreed with some public members agreeing also.

**Agenda Item #5 Legal Performance Review Proposal:**

Mr. Dills recommended that the board pay an independent firm a couple of thousand dollars to review legal bills and contract in advance of the legal performance review due in June. Committee agreed to seek board approval.

**Agenda Item #6 Owner Tenant Billing Agreement:**

After a brief discussion the committee agreed to propose the board approve this item.

**Agenda Item #7 Resolution 2013-06 Duplicate Mailing Fee:**

After a brief discussion the committee agreed to propose the board approve this item.

**Agenda Item #8 Request for Proposals and Quotes:**

Mr. Ridilla recommended that future district RFP's contain a cost component. The committee agreed.

Meeting was adjourned by Finance and Administrative Committee Chairman Anderson at 7:20 p.m.

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

1112 I Street #100  
*Sacramento, California 95814*  
*(916) 874-6458*

June 5, 2013

**TO:** Sacramento Local Agency Formation Commission

**FROM:** Peter Brundage, Executive Officer  
Sacramento Local Agency Formation Commission

**Contact:** Don Lockhart, Assistant Executive Officer (916) 874-2937

**RE:** **FINAL CORDOVA RECREATION & PARK DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE (LAFC #03-12)**

**RECOMMENDATION**

The Final Municipal Service Review (MSR,) is the result of collaboration with Cordova Recreation and Park District Board, management and staff.

1. Staff recommends that your Commission determines that Cordova Recreation and Park District provides efficient and adequate services to its customers within its service territory. The Sphere of Influence should remain coterminous with District boundaries.

2. Municipal Service Review Determinations:

a. **Regarding growth in population expected for the District area:**

The Commission determines that the District is capable of continuing to provide recreational service in the future. Cordova Recreation and Park District effectively meets demand in its service area, but not on its revenues alone. It does so by collaborating with many public agencies, private entities and non-profit organizations throughout the community. These partnerships provide valuable resources and funds for events and programs that operate on a limited budget. They also increase access for Cordova's programs and services. Through these partnerships the District has combined common interests and developed capital projects and programs, which help to enhance the sense of community for neighborhoods in the District.

b. **Regarding present and planned capacity of public facilities, and adequacy of public services, including infrastructure needs or deficiencies:**

The Commission determines that the District currently provides adequate services and facilities in the District's service area. The growth and population projections show

that the District must continue infrastructure development to meet growth in demand. The District recognizes this imperative and has taken steps to remain abreast of growth, particularly by collaborative planning with the City of Rancho Cordova and the County of Sacramento. New and upgraded infrastructure will be financed using a variety of sources including Development Impact Fees, Quimby Act In-Lieu Fees, State, Federal and other grant funds, Property Tax Revenue, Landscaping & Lighting Assessment District funds, Mello-Roos Community Facilities District funds, debt issuance proceeds, partnerships with non-profits, and other agencies, donations, sponsorships and funds reserved for future capital projects.

**c. Regarding financial ability of the District to provide services:**

The Commission determines that the District faces significant constraints for current and future service levels, especially from Educational Revenue Augmentation Fund property tax shifts. The District faces financial constraints from state implemented property tax shifts, but has adapted by streamlining expenses. The District coordinates with the City of Rancho Cordova and the County of Sacramento to participate in several Public Facilities Financing Plan (PFFP) programs in which developers pay fees to mitigate the impact of development. The District's portion of the Development Impact Fee is used to fund park and landscape improvements in new developments. Some financing plans include open space acquisition. The respective agencies make periodic updates to the fee schedules based on various development costs.

**d. Regarding status of and opportunities for, shared facilities:**

The Commission determines that the District uses its best efforts to share resources among other agencies, and to streamline in-house costs; and that the District can continue to partner with local agencies to share the cost of new facilities, and ensure the preservation of viable park spaces.

**e. Regarding accountability for community service needs, including governmental structure and operational efficiencies:**

The Commission determines that the District is managed transparently and efficiently; and has shown a dedication to communicating with local residents. It conducts regular user surveys and frequently holds well-publicized public meetings to ensure that service offerings reflect local demand. Finally, seats on the Board of Directors are evenly distributed to represent all District communities.

**f. Regarding other information as requested by the Commission:**

The Commission determines that the District is operated efficiently and offers salaries comparable with similar sized agencies.



## **BACKGROUND**

The Draft Cordova Recreation and Park District Municipal Service Review was presented in a Public Hearing, for the consideration of your Commission on December 5, 2012. Since that time it has been circulated for public review and comments, as well posted on the Commission website [http://www.saclafco.org/Meetings/Agenda/SAC\\_LAFCO\\_DF\\_12052012](http://www.saclafco.org/Meetings/Agenda/SAC_LAFCO_DF_12052012) No agency or public comments have been received to date.

### **Introduction**

The Cortese-Knox-Hertzberg Local Government Reorganization (CKH) Act of 2000 requires that each Local Agency Formation Commission (LAFCo) prepare Municipal Service Reviews and update Spheres of Influence for all cities and special districts within its jurisdiction, as necessary.

A Sphere of Influence is defined by Government Code 56425 as:

A plan for the probable physical boundary and service area of a local agency or municipality.

A Municipal Service Review is defined by Government Code Section 56430 as:

A means of identifying and evaluating public services.

A Municipal Service Review may be conducted prior to, or in conjunction with, the update of a Sphere of Influence.

## **MUNICIPAL SERVICE REVIEW**

### **Requirements**

The Commission shall include a written statement of its determinations with respect to each of the following:

- (1) Growth and population projections for the affected area.
- (2) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
- (3) Financial ability of agencies to provide services.
- (4) Status of, and opportunities for, shared facilities.
- (5) Accountability for community service needs, including governmental structure and operational efficiencies.
- (6) Any other matter related to effective or efficient service delivery, as required by commission policy.

## **DISCUSSION**

In an effort to respond to changing recreational demands, the District continuously reviews and assesses its parks and recreation facilities. This process includes solicitation of ideas and input of residents through workshops and community surveys, combined with best practices of comparable local park agencies and the National Recreation & Park Association standards. Cordova Recreation and Park District maintains an understanding of the community demands and is dedicated to aligning its recreation and parks system and services with customer demand.

The District also has adapted to changing financial conditions. Most of all, the District identifies shifts in property tax allocation as a major financial constraint. Since 1992, the District has had a portion of their property taxes shifted to the Educational Revenue Augmentation Fund (ERAF). With the current economic climate, the District has also noted decreases in assessed property values, infill development, and property transfers/sales. The District has been able to offset costs and identify alternative revenue sources through facility rentals, user fees, and collaborative efforts with other organizations, including public, private, and non-profit. Cost avoidance practices have resulted in substantial savings to taxpayers, including evaluation and implementation of streamlined operational systems and performance of some capital improvement projects on a forced account basis.

## **EXECUTIVE OFFICER COMMENTS**

*Cordova Recreation & Park District* effectively meets constituent demand in its 65.5 square mile service area. The District delivers consistent service to both incorporated area of Rancho Cordova, and the unincorporated largely urbanized areas of the east county. Cordova Recreation and Park District provides efficient and adequate services to its customers within its service territory. The Sphere of Influence shall be coterminous with District boundaries.

### **Recommendation:**

I recommend that your commission accept the attached Municipal Service Review, with the following determinations:

#### **1. Regarding growth in population expected for the District area:**

The Commission determines that the District is capable of continuing to provide recreational service in the future. Cordova Recreation and Park District effectively meets demand in its service area, but not on its revenues alone. It does so by collaborating with many public agencies, private entities and non-profit organizations throughout the community. These partnerships provide valuable resources and funds for events and programs that operate on a limited budget. They also increase access for Cordova's programs and services. Through these partnerships the District has combined common interests and developed capital projects and programs, which help to enhance the sense of community for neighborhoods in the District.

**2. Regarding present and planned capacity of public facilities, and adequacy of public services, including infrastructure needs or deficiencies:**

The Commission determines that the District currently provides adequate services and facilities in the District's service area. The growth and population projections show that the District must continue infrastructure development to meet growth in demand. The District recognizes this imperative and has taken steps to remain abreast of growth, particularly by collaborative planning with the City of Rancho Cordova and the County of Sacramento. New and upgraded infrastructure will be financed using a variety of sources including Development Impact Fees, Quimby Act In-Lieu Fees, State, Federal and other grant funds, Property Tax Revenue, Landscaping & Lighting Assessment District funds, Mello-Roos Community Facilities District funds, debt issuance proceeds, partnerships with non-profits, and other agencies, donations, sponsorships and funds reserved for future capital projects.

**3. Regarding financial ability of the District to provide services:**

The Commission determines that the District faces significant constraints for current and future service levels, especially from Educational Revenue Augmentation Fund property tax shifts. The District faces financial constraints from state implemented property tax shifts, but has adapted by streamlining expenses. The District coordinates with the City of Rancho Cordova and the County of Sacramento to participate in several Public Facilities Financing Plan (PFFP) programs in which developers pay fees to mitigate the impact of development. The District's portion of the Development Impact Fee is used to fund park and landscape improvements in new developments. Some financing plans include open space acquisition. The respective agencies make periodic updates to the fee schedules based on various development costs.

**4. Regarding status of and opportunities for, shared facilities:**

The Commission determines that the District uses its best efforts to share resources among other agencies, and to streamline in-house costs; and that the District can continue to partner with local agencies to share the cost of new facilities, and ensure the preservation of viable park spaces.

**5. Regarding accountability for community service needs, including governmental structure and operational efficiencies:**

The Commission determines that the District is managed transparently and efficiently; and has shown a dedication to communicating with local residents. It conducts regular user surveys and frequently holds well-publicized public meetings to ensure that service offerings reflect local demand. Finally, seats on the Board of Directors are evenly distributed to represent all District communities.

**6. Regarding other information as requested by the Commission:**

The Commission determines that the District is operated efficiently and offers salaries comparable with similar sized agencies.

Respectfully submitted,

*SACRAMENTO LOCAL AGENCY FORMATION COMMISSION*

Peter Brundage  
Executive Officer

Attachment: Final Cordova R&P MSR

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street, Suite #100, Sacramento, California 95814**  
**(916) 874-6458**

**MUNICIPAL SERVICE REVIEW WORKSHEET**  
**AND QUESTIONNAIRE**  
**DISTRICT PROFILE**

Date: June 5, 2013

Agency Name: Cordova Recreation and Park District

Address: 2729 Prospect Park Drive Ste 230, Rancho Cordova, CA 95670

Website: www.crpdc.com

Telephone: 916-362-1841 (FAX) (916) 362-9602

Administrator Name: James M. Rodems

Title: District Administrator

Name of Contact: James M. Rodems

Contact's E-mail Address: jrodems@crpd.com

Agency's Principle Act: Established as a Special District to provide services to the community within the defined services area. (PRC 5780)

Services Provided: Leisure facilities and recreation programs

Latent Powers: Garbage Collection (Waste Management) (Not activated)

Governing Body: Five (5) Member Board of Directors

Total Number of Employees: 125

	# Represented 0	All # Unrepresented
--	-----------------	---------------------

Acreage/ sq. Miles within Agency: 65.5 square miles

Total Population within Agency: 115,000

Total Registered Voters within Agency: 55,187

## **INTRODUCTION**

### **Background Information**

The Cordova Recreation and Park District is an Independent Special District.

- **Mission:**  
Create and maintain excellent leisure facilities and recreation programs that inspire and illuminate the human spirit.
- **Setting:**  
CRPD is located in the East Central portion of Sacramento County south of the American River and bisected by Highway 50.  
NORTHERN BOUNDRY: A portion of Highway 50 from Prairie City Road to Nimbus Dam; then following the American River to the Watt Avenue Bridge.  
WESTERN BOUNDRY: Sacramento City Limits to Fruitridge Road.  
SOUTHERN BOUNDRY: Fruitridge Road and its extension to Bradshaw Road; then south to Morrison Creek to the southerly boundary of the Rancho Arroyo Sports Center; then north to Jackson Highway east to Grant Line road.  
EASTERN BOUNDARY: Grant Line Road and Prairie City Road on the east to Highway 50. (See Attached Map)

### **History**

The Cordova Recreation and Park District was established in 1958 with the aim of serving the parks, recreation and open space needs of the region encompassed by the Sacramento County unincorporated areas (at the time) of Rancho Cordova, Gold River, Larchmont, Mather and Rosemont.

### **Services Provided:**

Authorized to provide park and recreation services.

### **Management and Staffing Structure**

#### **Management Structure**

- The District is a Divisional Structure with 1 District Administrator and 5 department heads managing the following areas: Finance, Maintenance, Human Resources, Recreation, and Planning.

#### **Employment Structure**

- As the District is a service provider positions are classified as Tertiary Sector jobs.

The District employs: 36 full time positions.

In addition, the District employs on average 65 part-time, 24 seasonal positions.

Please attach organization chart.

- The type and purpose of contracts and consultants.
  - Architecture – Planning
  - Construction Management - Planning
  - Landscape Maintenance
  - Audits
  - Master Plan Development
  - Website Development
  - Information Technology Support
  - Legal Services
  - Insurance Brokerage
- CR&PD was recognized with the Playful Cities – 2012 award.
- Describe ongoing training and personnel policies.
  - Weekly Management Team Meetings
  - Monthly All Staff Meetings
  - Bi-Monthly Department Meetings
  - Standard Municipal Personnel Policies
  - California Parks and Recreation Society – Meetings and Trainings
  - California Special District Association – Meetings and Trainings
  - California Recreation and Park Districts - Meetings
- Are salaries and pay scales comparable/ competitive with regional and industry standards?
  - The District is currently undergoing a parity analysis of regional districts to adjust salaries and pay scales. This should be accomplished over the next 12-18 months.
- Is organization structure similar with like service providers?
  - Yes

## **Municipal Service Review Information and Determinations**

### **1. Growth and Population Projections**

- The current level of demand for services is based upon a service ratio of five acres of parks per 1000 population
- What is the projected demand for services?
  - Varies by generation and demographics. Steps taken that respond to varying demand include but are not limited to community surveys, strategic master planning, and community input on recreational offerings.
- Growth rate and population projections.
  - Future projections indicate that the growth rate is expected to increase at a slower than historical rate. The projected population growth is 5.6% from 2009-2014, 5.6% from 2014-2019 and 5.5% 2019-2024 respectively. This would result in approximately 132,048 total residents in the service area by 2024. The number of households would also increase from 42,413 currently to 51,311 by 2024.

- Please provide any other information relevant to planning for future growth or changing demographics.
  - Please see attached Strategic Master Plan

### **LAFCo MSR Determination**

The Commission determines that the District is capable of continuing to provide recreational service in the future. Cordova Recreation and Park District effectively meets demand in its service area, but not on its revenues alone. It does so by collaborating with many public agencies, private entities and non-profit organizations throughout the community. These partnerships provide valuable resources and funds for events and programs that operate on a limited budget. They also increase access for Cordova’s programs and services. Through these partnerships the District has combined common interests and developed capital projects and programs, which help to enhance the sense of community for neighborhoods in the District.

### **A. Facilities and Programs**

See Attached - **Summary of Facilities, Programs and Facilities Map**

#### **Present and Planned Capacity of Public Facilities**

- What is the current and projected service capacity?
  - The current service capacity is 5 park acres per 1000 population. Projected service capacity continues to be 5 acres per 1000 population
- What is the level of adequacy of services and facilities to serve current and future population?
  - District levels are currently adequate, and comparable to like service providers.
- What Performance Measures are used by the District to determine service adequacy?
  - The District uses a comparative analysis focusing both on districts in the area and national standards and a “needs” based survey conducted between 2005 and 2010.

#### **Infrastructure Needs or Deficiencies/Capital Improvement Program**

- Describe the District’s Capital Improvement Program, as applicable.
  - A legitimate capital improvement program did not exist prior to January 1, 2013. A plan is currently being developed as a component of the budget process.
- Describe deferred maintenance strategy.
- Describe policies and practices for depreciation and replacement of infrastructure.
- How will new or upgraded infrastructure and deferred maintenance be financed??
- List infrastructure deficiencies, if any; indicate if deficiencies have resulted in permit or other regulatory violations; if necessary, explain how deficiencies will be addressed.
  - The District intends to contract for a reserve survey which will be the basis for establishing an appropriate reserve policy.
  - Once policy is established the District will develop a deferred maintenance strategy.



**B. Programs**

**Summary of Programs (Recreation, Education, Conservation, etc.)**

<b>NAME</b>	<b>LOCATION(S)</b>	<b>SIZE (# Participants)</b>	<b>DESCRIPTION</b>
Adults 50+ Programming	Senior Activities Center, 3480 Routier Rd. Sacramento, CA 95827	Average 10-20 per class, but does vary	Fitness, Computers, Art, Dance and self help classes plus daily meals and special events each month.
Sports for youth & adults	Mather Sports Center 3755 Schriever Ave Mather, CA 95655 and other various fields	Varies by activity.	Leagues, rentals, clinics and camps. Daily use of gym, racquetball courts, weight room and cardio room.
Youth programming	Riverview Community Center, Cordova Community Center and some school facilities.	Varies by activity/program	Preschool program, cooking, music, art, theater, dance, science and Tiny tot programs Day Camps during school breaks.
Adult Leisure Programming	Riverview Community Center, Senior Activities Center, Schools & Parks	Varies by activity/class	Computer, Dance, Fitness, Music, Self-help, Martial Arts and Dog obedience classes
Aquatics	Cordova Community Center, Lincoln Village and Rosemont High School pools	Varies	Recreational swim team, synchronized swimming team, swim lessons, public swim, fitness classes and water safety/lifeguarding classes

**LAFCo Determination**

The Commission determines that the District currently provides adequate services and facilities in the District’s service area. The growth and population projections show that the District must continue infrastructure development to meet growth in demand. The District recognizes this imperative and has taken steps to remain abreast of growth, particularly by collaborative planning with the City of Rancho Cordova and the County of Sacramento. New and upgraded infrastructure will be financed using a variety of sources including Development Impact Fees, Quimby Act In-Lieu Fees, State, Federal and other grant funds, Property Tax Revenue, Landscaping & Lighting Assessment District funds, Mello-Roos Community Facilities District funds, debt issuance proceeds, partnerships with non-profits, and other agencies, donations, sponsorships and funds reserved for future capital projects.

### **3. Financial Information**

The budget and financial analysis identifies existing available funds to support the capital program and presents trends with current operations and funding. It is an in-depth review of the revenues, expenditures, and capital funds of the District and includes the budgets of the General Fund, the Special Revenue Funds, and the Enterprise Fund.

The goals for 2012-13 includes budget clarity; analyze cost recovery by activity to present expenditure recovery through fees and charges; and evaluation of trends to determine financial integrity and anticipate direction for the future. This is the District's guide and roadmap for financial planning decisions.

#### **Budget (Please see attached Summary of Revenue and Expenditures.)**

##### **Revenue**

- Describe all revenue sources (i.e., property taxes, special taxes, service charges, fees, rentals, assessments, grants, etc.).

<b><i>Describe all revenue sources</i></b>	<b><u>\$11,827,890</u></b>
Current Secured Taxes	2,716,654
Mello Roos Fees	2,287,170
City Park Renovation/Off Site Fees	1,573,486
Recreation Programs	1,278,525
Golf Course Operations	1,133,000
Tax Assessments	1,044,892
In Lieu Fees	438,964
Prop 12/40 Per Capita Bond Act	403,706
Donations and Development Recoup	165,000
State Competitive Grants	150,882
Resale Revenue	130,000
Current Unsecured Taxes	125,611
CDBG and HUD appropriations	75,000
Delinquent (Teeter)	65,000
Unitary Taxes	65,000
Lease Property, (2) Cell Towers	53,000
Homeowners Tax Sub (Hopters)	25,000
Insurance Reimbursement	23,000
Miscellaneous Donations/Grants	21,000
Concessions	20,000
Interest Income	10,500
Miscellaneous Revenue	10,000
Current Supplemental Taxes	5,000
Prior Unsecured	4,000
Concessions, Vending	1,500
Prior Delinquent (Teeter)	1,000
Penalties Income	1,000

## Rates, Fees, Charges, and Assessments

- Describe rate setting methodology.
  - Rates are established by comparative analysis and the determination of type of program or service requirement as follows:
    - Full Cost Plus Target Income Increment
    - Full Cost
    - Subsidized
  - These targets are defined in program and service by the following three determinants:
    - Equity – those who benefit from the service should pay for the service 100%.
    - Public – Normally would have no user fee and is subsidized with tax revenue.
    - Merit – has a combined level of Equity and Public benefit and can be priced on a variable rate for partial or full recovery.
- Explain constraints associated with agency’s ability to generate revenue. What options are available – special assessments/ special taxes/ increases in sales tax/impact fees/grants, etc.?

The largest percentage amount of funds the District receives is Property Tax revenue, allocated by the County of Sacramento on a bi-annual basis. Economic volatility can affect the District’s ability to project this funding into future fiscal periods, and even when predicted the receipt of funds is seven months into the fiscal year creating a constraint. Operational revenue sources such as Recreation Classes, Building Rentals and Special Events are also impacted by the economy.

- Please provide a comparison of rates and charges with similar service providers (favorable or less so).

CR&PD golf operations and fees charged to the public are the lowest rates in the region (favorable). Rental rates for facilities and recreational program services are comparable to other nearby Recreation & Park Districts offering similar services (status quo).

- Describe revenue constraints.
  - As noted above the District is reliant on our users to have discretionary income to access our programs and facilities. Current economic conditions have yielded a decrease in program revenue.
  - A decrease in property values has decreased tax revenue to the District.

## Expenditures

- Describe the agency's Service Levels compared to industry standards and measurements.
  - The District is currently revising standards in order to be able to be in a position to adequately assess . Information will be provided when available.
- Describe the Cost of Service compared to industry standards and measurements.
  - Currently the District looks to be competitive with other districts within the region as well as other adjacent municipalities.

## Assets, Liabilities, Debt, Equity, and Reserves

- Provide the Book Value of Assets.
  - After accumulated depreciation, the value of assets is estimated at \$55,555,484
- Provide a list of equipment, land, and other fixed assets.
  - See Attached Document
- Provide a summary of long term debt and liabilities.

Currently the District owes \$3.4 million in capitalized lease obligations (excluding interest). Bi-annual payments are made in March and September in the amount of \$154,568. Total obligation ends September 2027.

- Explain the agency's bond rating; discuss reason for rating. Discuss amount and use of existing debt. Describe proposed financing and debt requirements.

The bond rating for the District is estimated to be (A-), according to Standards and Poor's rating system calculation. We have used debt to finance projects that are not grant funded and are facilities/structures that will be used by the public in future years (deferred).

- Describe policies and procedures for investment practices

The District utilizes the County of Sacramento and the City of Rancho Cordova for holding treasury and other liquid funds. Please review the investment policy of the pooled Investment Fund ([attached](#)) and Investments in LAIF/CAMP ([attached](#)).

- Describe policies and procedures for establishing and maintaining reserves/retained earnings.
  - What is the dollar limit of reserves/retained earnings?
  - What is the ratio of undesignated, contingency, and emergency reserves to annual gross revenue?

The maximum amount of reserves the District is allowed to carry per our financial policy is

\$1,774,183 (or 15% of the total budget).

### **Summary of Revenue and Expenditure Sources**

See Attached - Summary of Revenue and Expenditures Table

### **Summary of Financial and Operational Information 2011-12**

Population	110,621 (2010)	
Area Served	City of Rancho Cordova; Unincorporated Areas	
Service Standard Ratios	5 acres per 1,000	
Full Time Employees	36	
Average Part-Time Employees	65/24 ; Part- Time/Seasonal	
Total Annual Budget	\$12,744,874	
Per Capita Spending Total Annual	\$115.21	
Administrative Costs	\$1,866,822	
% Annual Administrative Costs to Total	15%	
Average Capital Improvements (5 years)	\$5,754,475	
Reserve Amount	\$713,424	
Operational Cost per Employee	\$135,007	(total expenditures divided by FTE)
Average Property Tax Rate	\$61.06	(total taxes WE receive divided by pop)

### **LAFCo Determination**

The Commission determines that the District faces significant constraints for current and future service levels, especially from Educational Revenue Augmentation Fund property tax shifts. The District faces financial constraints from state implemented property tax shifts, but has adapted by streamlining expenses. The District coordinates with the City of Rancho Cordova and the County of Sacramento to participate in several Public Facilities Financing Plan (PFFP) programs in which developers pay fees to mitigate the impact of development. The District's portion of the Development Impact Fee is used to fund park and landscape improvements in new developments. Some financing plans include open space acquisition. The respective agencies make periodic updates to the fee schedules based on various development costs.

#### **4. Status of and Opportunities for Innovation and Shared Facilities**

- Describe existing and/or potential shared facilities, infrastructure, and staff. Describe any joint power agreements or other agreements for sharing resources with other agencies.
  - Because of its size and geography, the District has four school districts (Folsom – Cordova, Sacramento City Unified, San Juan, and Elk Grove), portions of unincorporated Sacramento County, and the entire City of Rancho Cordova within its boundaries.
  - School Districts: Currently the District has in place Joint Use Agreements with Folsom-Cordova, San Juan, and Sacramento City School Districts. The District is currently in negotiations with the Elk Grove School District to develop a Joint Use Agreement.
  
- Describe existing and/or potential joint use planning.
  - As stated above the District has agreements for shared use of facilities with the school districts within its boundaries.
  - The District continuously explores potential joint development projects with new development.
  
- Describe existing and/or potential duplication with existing or planned facilities or services with other agencies.
- The District had the potential to duplicate facilities in future developments.
- Through the Strategic Master Plan process the District identified a number of facilities that could be duplicated and removed them from the projected 30 year development plan.
  
- Describe availability of any excess capacity to serve customers or other agencies.
  - The District has the ability to act as a scheduler for all recreational properties within its boundaries.
  - The District is working within the framework of its Joint Use Agreements to establish this procedure.
  - The District is working with youth athletic associations to better manage and schedule facilities.
  - The District has the ability to greater utilize facilities and expand programming throughout the service area.
  
- Describe any economies of scale in shared purchasing power, and any other cost- sharing opportunities that can be implemented by joint use or sharing resources.
  - There is potential to bulk purchase grounds maintenance materials with our school districts.
  
- Describe any duplication (overlap), or gaps in services or boundaries.
  - None
  
- Describe ongoing cost avoidance practices. (For example, if you hire contract vs. in-house employees, is the bidding process cost effective and efficient)?
  - None

- Describe any opportunities to reduce overhead and operational costs.
  - The District underwent extensive layoffs and operational reductions in January of 2012
- Describe any opportunities to reduce duplication of infrastructure.
  - As an outcome of reorganization some positions have been collapsed and duties have been streamlined within departments.
- Identify any areas outside agency boundary which could be efficiently served by existing or proposed agency facilities.
  - The Cordova Hills development, which is adjacent to the east boundary of the district, has the potential of being annexed and incorporated within the service area.
- Identify any areas within agency boundary which could be more efficiently served by another agency.
  - None
- Are your service plans compatible with those of other local agencies?
  - Yes

**LAFCo Determination**

The Commission determines that the District uses its best efforts to share resources among other agencies, and to streamline in-house costs; and that the District can continue to partner with local agencies to share the cost of new facilities, and ensure the preservation of viable park spaces.

**5. Accountability for Community Service Needs, including Governmental Structure and Operational Efficiencies**

- Explain the composition of the agency’s governing board.
  - Number of Directors: Five (5) Elected Board Members
  - Nature/ Length of Terms: Elected/Four (4) Year Terms - Staggered
  - Is governing body landowner or population based? Population.
  - Are Directors elected or appointed? Elected
  - Are elections or appointments at large or by district? At Large
- Explain compensation and benefits provided to the governing board, including any benefits that continue after term of service.
  - Compensated \$100 per meeting. No continuous benefit after service.
- Where and how frequently does the governing board meet?
  - Once per month and special meetings as required. The Board meets on the 3rd Wednesday of each month at 6:30 PM in the Council Chambers at the Rancho

Cordova City Hall Building located at 2729 Prospect Park Drive, Rancho Cordova.  
The public is welcome to attend.

- Describe rules, procedures, and programs for public notification of agency operations, meetings, programs, etc.
  - The District follows all procedures as prescribed by the Brown Act.
- How is public participation encouraged?
  - Post all agendas and notification in local publications as to time and date of meeting.
- Are meetings accessible to the public, i.e., evening meetings, adequate meeting space, etc.?
  - Yes
- Describe public education/outreach efforts, (i.e., newsletters, bill inserts, website, etc.) The District utilizes the following:
  - Web Page
  - Program Activity Guide
  - Email Notifications
  - US Mail Notifications
  - Social Media
- Describe level of public participation, and ways that staff and Directors are accessible to the public.
  - Public participates via email, phone, staff and Directors attendance at community meetings, and District public meetings.
- Describe ability of public to access information and agency reports.
  - Access to documents and information can be in person at the District office or via the District webpage. (<http://www.crpdc.com>)
- Describe any opportunities to eliminate service islands, peninsulas and other illogical service areas.
  - The District is contiguous with no islands or extensions outside of the boundaries of the service area.

### **LAFCo Determination**

The Commission determines that the District is managed transparently and efficiently; and has shown a dedication to communicating with local residents. It conducts regular user surveys and frequently holds well-publicized public meetings to ensure that service offerings reflect local demand. Finally, seats on the Board of Directors are evenly distributed to represent all District communities.



## **6. Issues, Concerns and Opportunities**

Please provide information regarding any issues or concerns related to operations (financial, managerial, legal, organizational, etc.)

- Compliance with Environmental Justice requirements.<sup>1</sup>  
The District complies with all regulations as prescribed by the County of Sacramento, State of California, and Federal Government.
- Compliance with regulatory reporting requirements.  
The District is currently in compliance and reporting to all the appropriate County, State, and Federal agencies.
- Compliance with regulatory agencies and public health and safety issues.  
The District is proactive in partnership with the insurance organization representing the District (CAPRI) in maintaining compliance with all public health and safety requirements and issues.

1. LAFCo definition of "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

### **LAFCo Determination**

The Commission determines that the District is operated efficiently and offers salaries comparable with similar sized agencies.

Attachments:

Facilities and Programs - Summary of Facilities and Programs (Parks, Physical Plant)

District Map

Summary of Revenue and Expenditures Table

Adopted Budget Resolutions

Strategic Master Plan (Available @ [www.SacLAFCo.org](http://www.SacLAFCo.org))

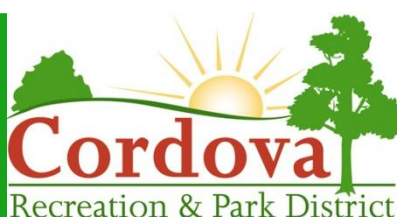
# Cordova Recreation & Park District District Inventory & Assessment Plan – Final Draft



PREPARED BY:



2012





## Acknowledgements

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#### **Board**

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Brian Danzl, Vice Chairman  
Inez Reyes, Secretary  
Mark Baxter  
Lee Garrison

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- Appendix 2 – Detailed Facility / Park Assessments
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## CHAPTER ONE - EXECUTIVE SUMMARY

### 1.1 INTRODUCTION

The Cordova Recreation and Park District (“District”) was established in 1958 with the aim of serving the parks, recreation and open space needs of the region encompassed by the City of Rancho Cordova and Sacramento County unincorporated areas including Gold River, Larchmont, Mather and Rosemont. Serving a population of over 110,000 individuals, it is one of the largest special Districts in the Sacramento region.



With close to 40 parks and over 600 acres, the District is home to a wide variety of neighborhood and community parks as well as special use facilities including a large regional sports complex, a golf course, senior center, and a shooting range. The affordable cost of living, and several other quality of life indicators, has ensured continued population growth within District boundaries. Despite the economic slowdown, continued growth is expected in the coming 10 years. As such, the desire to continue positioning itself as an attractive community, by meeting the needs of its current and future residents, led the District to create this 10 year Strategic Master Plan and proactively address current and future growth needs.



This Strategic Master Plan seeks to provide clear steps in the process and a detailed analysis of the strategies to be employed to ensure the District positions itself as the community service provider of choice and an economic driver in the region for years to come.



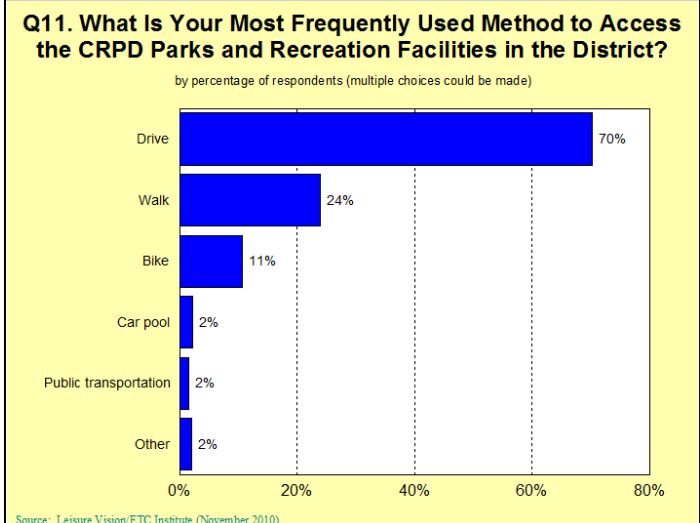
## 1.2 KEY FINDINGS

The following are the key findings based on the assessments and data collection mechanism employed throughout the report.

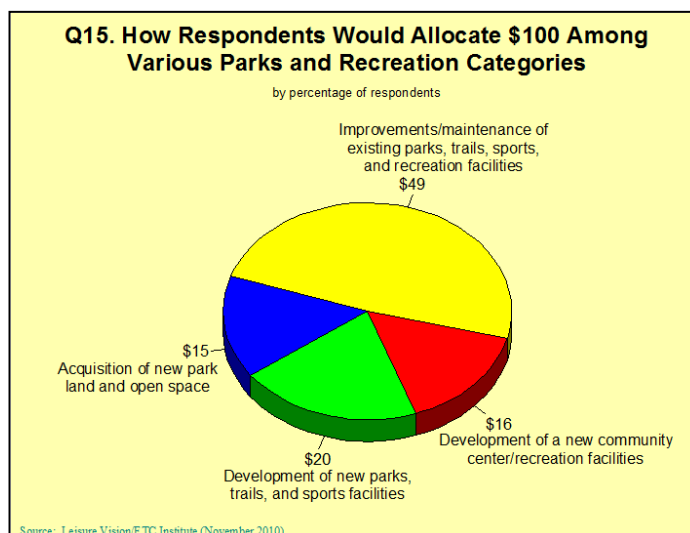
### 1.2.1 SURVEY STATISTICALLY-VALID SURVEY SUMMARY

The District conducted a Community Interest and Opinion Survey during October and November of 2010. The survey was designed to obtain statistically valid results from households in the District. This goal was accomplished, with a total of 410 surveys having been completed. The results of the random sample of 410 households have a 95% level of confidence with a precision of at least +/-4.8%. The following are the major survey findings.

- Seventy-two percent (72%) of households have visited District parks, recreation facilities, or sports fields during the past year (*the national average is approximately 85% - 90%*)
  - From those who visited, 63% rated the physical condition as either excellent (24%) or above average (39%)
- The most frequently mentioned concerns with District parks, facilities, or sports fields are: security and safety issues (24%) and park maintenance and cleanliness (22%)
- Twenty-seven percent (27%) of households have participated in programs or activities offered by the District during the past 12 months (*the national average is approximately 30%*)
  - Of the program or activity participants, 82% rated the overall quality of programs or activities they have participated in as either excellent (37%) or above average (45%)
- The most frequently mentioned ways that respondents have learned about District programs and activities are: flyers/newsletter (47%), Tri-Annual Activity Guide (44%), from friends and neighbors (29%), and newspaper (26%)
- “Too busy/not enough time” (17%) is the most frequently mentioned reason preventing households from using District parks, recreation facilities or programs more often. Other reasons include: “program times are not convenient” (16%), “do not know what is being offered” (11%), and “fees are too high” (11%)
- Of those surveyed, the highest parks and recreation facilities needs were identified as: walking, biking trails, and greenways (64%), small family picnic areas and shelters (60%), small neighborhood parks (59%), large community parks (46%), and playground equipment (44%).



- Based on the sum of their top four choices in the previous bullet, the parks and recreation facilities that households rated as the most important include: walking, biking trails, and greenways (34%), small family picnic areas and shelters (29%), small neighborhood parks (28%), playground equipment (24%), and outdoor swimming pools (20%).
- The highest percentage of households identified recreation programs needed as: adult fitness and wellness programs (36%), community-wide special events (35%), swim lessons/aquatics programs (32%), and cultural programs (25%).
- Based on the sum of their top four choices, in the previous bullet, the recreation programs that households rated as the most important include: swim lessons/aquatics programs (19%), adult fitness and wellness programs (19%), community-wide special events (16%), and senior programs (14%).
- Eighty-two percent (82%) of respondents are either very supportive (54%) or somewhat supportive (28%) of an effort to develop walking/biking trails to create an interconnected community and a sustainably built environment.
- Per the respondents, the most important actions the District could take to improve/expand parks and recreation facilities are: renovate/develop greenways for walking and biking (45%), renovate/develop playgrounds and picnics (28%), acquire land to develop for small neighborhood parks (28%), and acquire land to use for greenways and trails (27%).
- Fifty-one percent (51%) of respondents are either strongly supportive (39%) or somewhat supportive (12%) of paying \$5 per month to fund the development and operations of parks, greenways, open space, and recreation facilities that are most important to their household.



## 1.2.2 DEMOGRAPHICS

### 1.2.2.1 METHODOLOGY

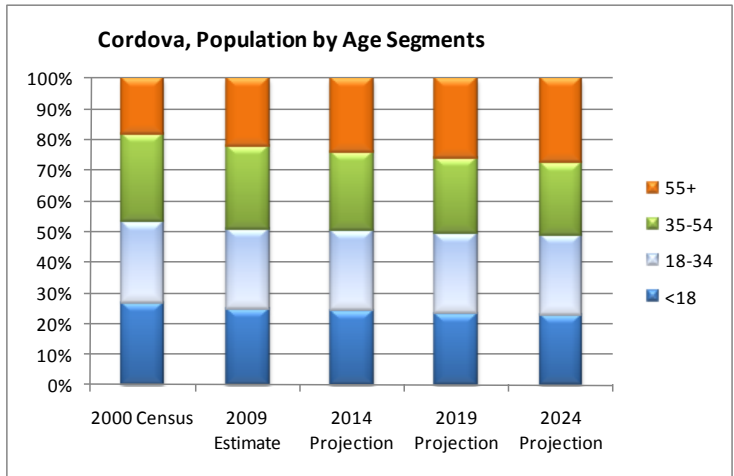
All data used in this analysis was obtained from Environmental Systems Research Institute, Inc. (ESRI). All data was acquired in March 2010, and reflects actual numbers as reported in the 2000 Census and demographic projections for 2009 and 2014 as estimated by ESRI; straight line linear regression was utilized for projected 2019 and 2024 demographics. The District service area was utilized as the boundary for the demographic analysis.

### 1.2.2.2 FINDINGS

The **total population** of the District has exhibited a rapid growth pattern over the last decade. From 2000 to 2009, the service area population grew by 12.3% to a total population of 110,662. This entails an increase of 13,663 total persons at an annual growth rate of 1.5%. The projected population growth is 5.6% from 2009 – 2014, 5.6% from 2014 – 2019 and 5.5% from 2019 – 2024 respectively.

In order to further understand the demographics within the District service area, sub-segments of the overall population were broken out.

**Age Segment:** the most populous age group is that of the 35-54 age group, which comprises 27% of the population or 29,921 individuals. This is a slight reduction from 28.8% in 2000



and it is projected to further decrease to 23.9% by 2024. This reduction is offset by the consistent increase in the 55+ age segment which is projected to increase from 22.3% currently to 27.3% by 2024. The U-18 group is also a significant portion of the population and comprised almost 25% of the total in 2010.

**Race:** the District service area has a racially and ethnically diverse population. Much like the national demographic trends, the District service area’s diversity is projected to increase in the years to come. The majority, White Alone population, is expected to reduce from 68% in 2000 to 60% in 2009 and as low as 50% by 2024. Effectively, this means that by 2024 one out of two individuals within the District service area will not identify as White Alone. The largest shift being witnessed is with those who identify as being of Hispanic / Latino origin, of any race. This segment is expected to grow significantly from 12% in 2000 to 15.7% in 2009 and increasing up to 21% by 2024.

**Income Characteristics:** the District service area’s current median household income is \$54,270, which is lesser than California numbers (\$61,154). The District’s median income is projected to grow to \$66,657 by 2024, with the per capita income projected to increase from \$24,792 to \$28,605 in the same time frame. The District service area’s income characteristics will continue to be lower than State and National averages for the next 10-15 years.

---

### 1.2.3 FACILITY ASSESSMENT

The PROS team visited all the parks in the system over a 4 day period in order to assess the District’s facilities. This assessment was done in the early stages of the plan and thus is mindful of the fact that some improvements have since been made. The system-wide issues and observations are provided below, while individual park assessments and recommendations by each site have been provided in **Appendix 2**. Overall observations include:

- Overall, maintenance of the District’s facilities is considered good. The older parks are well maintained, despite aging assets.
- The quantity and quality of the bike trails within the District are some of the premier assets in the region. Long range goals should include a systematic plan to extend the useful lifecycle of these assets.
- There are a few park sites and assets that are showing wear and have met or exceeded their lifecycle.
- Vegetative bedding, as seen in the newer parks throughout the system should be replicated into the older parks to create uniformity
- District brand inconsistencies exist throughout the system. There is a lack of uniformity of entrance signs, sign locations, color schemes, directional signage, and amenity signage and park furniture.

---

### 1.2.4 FACILITY AND PROGRAM PRIORITY RANKINGS ASSESSMENTS

The purpose of the Facility and Program Priority Rankings is to provide a prioritized list of facility, amenity and recreation program needs for the communities served by the District.

A scoring system was utilized to determine the Facility and Program Priority Rankings. The system considered quantitative metrics, such as a statistically valid community survey, and qualitative metrics; such as the community input data, demographics and trends, and levels of service. Unmet needs for facilities and recreation programs, as well the importance of those facilities and programs which were identified in the Community Survey, were assigned weighted numbers for the scoring system. Additionally, PROS utilized information derived from the facility assessment and weighted those results to provide additional quantitative measurements for the scoring system.

Once assigned, the weighted scores were then summed to provide an overall score and priority ranking for the system as a whole. The results of the priority ranking were tabulated into three categories: High Priority (1-9), Medium Priority (10-18), and Low Priority (19-27).

The combined total of the weighted scores for Community Unmet Needs, Community Importance and Consultant Evaluation is the total score based on which the Facility, Amenity and Program Priority is determined. **Figure 61** and **Figure 62** below depict the Facility, Amenity and Recreation Program Priority Rankings. For complete details on the methodology for ranking priorities, please refer to **Chapter 4** of this report.

The two charts below show the Facility, Amenity and Recreation Program Priority Rankings based on the scoring system as previously described. As can be seen, walking, biking trails and greenways, small family picnic areas and shelters and small neighborhood parks were the top three facilities / amenities. These were followed by playground equipment, outdoor swimming pools and indoor running / walking tracks.

Adult fitness and wellness programs, swim lesson / aquatics programs and community wide special events were the top three program priorities in the community. Senior programs, visual and performing arts programs and cultural programs were identified in the top six rankings.

<b>Cordova Rec. and Park District Facility/Amenity Priority Rankings</b>	
	<b>Overall Ranking</b>
Walking, biking trails & greenways	1
Small family picnic area & shelters	2
Small neighborhood parks	3
Playground equipment	4
Outdoor swimming pools	5
Indoor / walking running tracks	6
Off-leash dog parks	7
Splash pads / spray grounds	8
Large community parks	9
Nature center	10
Community gardens	11
Large family picnic area & shelters	12
Youth soccer fields	13
Senior center	14
Gyms / indoor recreation or comm. centers	15
Outdoor tennis courts	16
Amphitheaters	17
Disc golf course	18
Outdoor basketball courts	19
Youth baseball fields	20
Adult soccer fields	21
Multi-purpose fields	22
Adult softball fields	23
Youth softball fields	24
Skateboard parks	25
Youth football fields	26
Archery range	27

<b>Cordova Rec. and Park District Program Priority Rankings</b>	
	<b>Overall Ranking</b>
Adult fitness and wellness programs	1
Swim lessons / aquatics programs	2
Community wide special events	3
Senior programs	4
Visual and performing arts programs	5
Cultural programs	6
Youth sports programs	7
Environmental education programs	8
Trips / excursions	9
Pre-School programs	10
Martial arts	11
Outdoor skills / adventure programs	12
Youth fitness and wellness programs	13
Adult life skill and enrichment programs	14
Adult sports programs	15
After school programs	16
Gymnasium / tumbling programs	17
Youth summer camp programs	18
Youth life skill and enrichment programs	19
Tennis lessons / leagues	20
Youth and adult golf	21
Teen events	22
Birthday party package	23
Programs for individuals with disabilities	24
Before school programs	25
Package parties	26

### 1.2.5 CONCESSIONS ASSESSMENT

PROS Consulting reviewed the District's concessions to determine opportunities for the District to improve their operations and enhance their revenues. The following areas were reviewed:

- Softball/Baseball Complex
- Indoor Recreation Center
- Golf Proshop Operations
- Shooting Range

The assessment included a review of the sites with staff and some limited meetings with the concession operators, where available.

---

#### 1.2.5.1 SOFTBALL / BASEBALL COMPLEX RECOMMENDATIONS

- Determine the cost of service both direct and indirect for each food item and determine which food items provide the best return on investment
- Consider increasing the size of the concession facility and remodeling the inside to allow for food storage as well as refrigerator and freezer space
- Standardize drink sizes, food portions, and menu items for youth tournaments and leagues and adult tournament and leagues
- Offer simple food items with high cost recovery levels such as sale of beer, popcorn, hot dogs, nachos, pretzels, pizzas, fries, and hamburgers
- Add additional seating outside of the concession stand to make it comfortable
- Acquire a point of sale system to determine costs, profit made, and inventory/re-order items
- Limit staffing costs to 20% or less of total concession costs
- Train staff on up selling items when people order
- Establish beer sales for adult tournaments
- Market to the park users as well as to the sports complex users with signs that indicate what they offer and encourage them to use the facility

---

#### 1.2.5.2 INDOOR ACTIVITY CENTER RECOMMENDATIONS

- When the District updates the building, or replaces it with a new building, a concession area should be developed inside the center
- Offer simple food items with high cost recovery levels with fountain drinks only
- Establish a place for people to eat either in the building or outside
- Continue to offer vending machines when food service is not available

### 1.2.5.3 GOLF COURSE PROSHOP AND FOOD SERVICE

- The District needs to consider the true cost to maintain the golf course both direct and indirect to determine the pricing of the golf course
- A business plan needs to be created for the golf course, proshop and food service operations
- The District should consider consolidating the golf course, food service and maintenance under one contract versus separate contracts to market and manage the golf course in the most efficient manner
- The proshop needs to be updated with an improved image. The shop needs to have more storage added so it is not so overcrowded with merchandise



- Continued efforts to update the golf course, clubhouse, restaurant, driving range, patio, parking lots, and cart paths need to be considered
- Operational standards need to be put into place by the District for maintenance, clubhouse operations and food service with measurable outcomes that are tracked on a monthly basis
- More programming of the golf course is needed to attract additional demographics including the marketing of golf outings to bring play to a higher level
- The restaurant is in need of a total upgrade with a revised menu to attract a wider level of users
- The District should consider the sale of beer in the restaurant
  - Most public golf course food contractors pay the facilities they operate under 15% of gross and 18% of alcohol, if sold
- The District needs to calculate the true cost of services for the restaurant both direct and indirect costs against the 12.5 % they receive from the contractor
- Rates need to be adjusted and evaluated on a yearly basis
- A healthy food menu needs to be added to the restaurant
- A marketing plan is needed for the golf course operation, though the District has started some marketing initiatives including offering a Groupon promotion



#### 1.2.5.4 SHOOTING RANGE

- The District should require the concessionaire to develop an annual business plan and it should be approved by the District
- The District should consider putting the Shooting Range out for a competitive bid every 10 years, if there is no capital improvements made to the site and every 20 years if significant capital improvements are made by the contractor
- The fence around the perimeter needs to be installed by the District as a safety element from the public to access the site
- A updated improvement plan to modernize the site and image should be considered
- The District should determine the level of revenue required from the operation of the Shooting Center. Considerations for revenue generation may include a flat lease rate with a percentage of gross receipts.
- Quarterly meetings with the concessionaire, Finance Director and the District Administrator should be scheduled
- The District should require a point of sale system for auditing purposes
- The entire site is in need of major capital investment and renovation

---

#### 1.2.6 IMPLEMENTATION PLAN

The following section articulates the vision and the goals and strategies by core areas of operations. The detailed Strategy Matrix including tactics, staff assignments and performance measures will be provided in **Appendix 3**. The key areas and some of the broad strategies and tactics are:

- Finance
- Maintenance and Operations
- Land and Facilities
- Marketing and Communications
- Recreation Programs

---

#### 1.2.6.1 VISION

The Cordova Recreation and Park District shall be an innovative and trustworthy regional leader

#### 1.2.6.2 GOAL FOR FINANCE

Maximize opportunities for sustainable operations through cost control and revenue generation while achieving a cost recovery level of 40% - including direct and indirect costs within 6 years.

#### STRATEGY FOR FINANCE

---

- Develop a business-oriented culture and approach towards managing parks, recreation facilities and services in a sustainable manner
- Focus on a regional approach to partnerships
- Use policy-based decision making model to create consistency and structure within the District
- Focus on maximizing non-user fee generated revenue opportunities to supplement current income streams and create a more sustainable agency

#### 1.2.6.3 GOAL FOR MAINTENANCE AND OPERATIONS

Create greater efficiencies, maximize existing resources and provide better planning for maintenance and operational practices in order to create a sophisticated system that is driven by performance indicators and sound data.

#### STRATEGY FOR MAINTENANCE AND OPERATIONS

---

- Establish priorities for the District based on classifying services on set criteria that determines “essential, important and valued-added services”. These criteria should also provide direction on how to manage each type of service to its highest level of capacity and efficiency
- Transition to a functional organizational structure that incorporates a flatter span of control within the District
- Develop a yearly work plan for the District to achieve to support the recommendations in the Strategic Master Plan
- Focus on environmental sustainability as a part of the District’s operations
- Expand the use of technology to derive data and aid in decision-making
- Emphasize customer feedback as one of the key drivers of program development and enhancement
- Develop a maintenance management plan for all parks and recreation facilities

#### 1.2.6.4 GOAL FOR RECREATION PROGRAMS

To provide a wide variety of multi-generational programs and increase program participation to 30% by 2015; and 35% by 2020.

#### STRATEGY FOR RECREATION PROGRAMS

---

- Focus on need based program development starting with core program areas
- Focus on a regional strategy for recreation program planning
- Ensure standardization in program delivery to limit service variations and strengthen brand building

- Increase awareness and participation rates of program offerings among CRPD residents and regional community
- Develop volunteerism as a core program

---

#### 1.2.6.5 GOAL FOR LAND / FACILITIES

Provide 5 acres of neighborhood parks and community parks per 1,000 residents to meet QUIMBY requirements. Provide safe, functional and well-maintained facilities to meet the recommended standard for assets to equitably serve the CRPD population

#### STRATEGY FOR LAND / FACILITIES

---

- Develop neighborhood parks, community parks and recreation facilities in the underserved areas of the District
- Partner with the School Districts to develop or enhance school sites, when practical, to develop land and facility offerings
- Establish an acquisition and site selection criteria for acquiring appropriate types of park land based on unmet needs
- Ensure consistency system-wide through design principles, standards and branding guidelines
- Ensure safe and inviting parks to maximize use and minimize liability
- Leverage signature parks and facilities to enhance the livability of CRPD and generate economic impact through tourism

---

#### 1.2.6.6 GOAL FOR MARKETING / BRANDING

Create a recognizable and trust-worthy brand for CRPD and maximize outreach to increase program participation to 35% by 2015 and 40% by 2020 and consequently help increase cost recovery to 40% system-wide.

#### STRATEGY FOR MARKETING / BRANDING

---

- Develop a marketing plan, brand, and communication strategy for the District
- Focus on developing a strong brand and positive brand equity for CRPD that allows it to differentiate itself from other service providers and create a niche for itself

## CHAPTER TWO - COMMUNITY INPUT RESULTS AND DEMOGRAPHIC AND TRENDS ANALYSIS

### 2.1 COMMUNITY INPUT SUMMARY

One of the most important elements of the Strategic Master Plan process is the community input, which provides residents with an opportunity to express their perspectives of the Cordova Recreation and Park District's ("District") services. PROS Consulting, LLC ("PROS") facilitated a series of focus groups, key leader interviews, and a public meeting. These groups were organized by the District and the invitations to attend were sent out accordingly.

Specifically, this included:

- Fourteen key leader interviews
- Two focus groups, the Community Council and the Senior Advisory Board, consisting of nine attendees
- A public meeting

*Note: These meetings were held in late 2008 and as such reflect the reality of that time. PROS recognizes that many of the issues may have changed from that point but still need to document what the community has expressed at that time.*

The following represents a summary of the information provided. Each question is listed with a summary of the responses while the detailed responses are provided in **Appendix 1**.

#### 2.1.1 HAVE YOU USED ANY OF THE PARKS AND RECREATION AMENITIES OFFERED BY THE DISTRICT? IF SO WHAT HAVE YOU USED?

The respondents primarily named Hagan Park. Otherwise, they predominantly named outdoor activities such as sports and events. They have used rental facilities and taken advantage of the Senior Center.

#### 2.1.2 WHAT ARE THE STRENGTHS OF THE DISTRICT THAT WE NEED TO BUILD ON FOR THIS MASTER PLAN?

Respondents cited the staff as a strength. They cited the abundance of parks and their locations as definite strengths. The maintenance of the parks is also viewed positively. Respondents also responded favorably about the Senior Center. They appreciated the new attitude present among the staff and the willingness to work with the seniors.

#### 2.1.3 WHAT ARE THE KEY ISSUES FACING THE DISTRICT AS IT APPLIES TO PARKS AND RECREATION THAT WE NEED TO ADDRESS IN THIS MASTER PLAN?

Respondents named finance, internal and external communication, and marketing as three of the major issues, with finance being the number one issue. The financial situation in California is affecting every agency, including the District. As a result of the lack of financial resources, the interview and focus group participants mentioned the need for more staff. Reference was made to unfilled key positions in the District that are in great need of being filled.

Public input participants feel there is not enough communication among the employees within the District or between the District and the public. Examples were given of groups using a park and not getting returned phone calls or not receiving the help and support they were counting on from District staff. Safety issues, staffing issues, and leadership issues were also mentioned. There does not seem to be leadership presence in the community, at community events, or establishing relationships with key players in the community. Community Council members expressed concern about the District not reaching out enough to community groups.

The lack of District marketing was also mentioned as a key area. There is not enough promotional effort, building relationships with the business community, and people seem unaware of what the District is doing. There should be new signs at all parks and updated signage to reflect a consistent brand.

---

**2.1.4 HOW BALANCED DO YOU THINK THE PARKS AND RECREATION SYSTEMS ARE IN THE DISTRICT IN TERMS OF PARK TYPES (NEIGHBORHOOD, COMMUNITY, REGIONAL, AND TRAILS)?**

In talking about the balance of systems in the District, respondents replied that there were amenities missing at some parks, such as restrooms or drinking fountains and that the ones with these amenities, had non-functioning ones. Hagan Park was mentioned by several respondents. They mentioned that the park closes early enough that several residents cannot utilize it. They also mentioned the lack of programming as an issue that seems to need some balance. There was discussion of expanding the Senior Center and creating a Teen Center as well. Respondents feel as if there is not an adequate balance of programs and they would like to see a better balance between old and new programs.

---

**2.1.5 WHAT TYPES OF RECREATION FACILITIES OR AMENITIES ARE MISSING IN THE COMMUNITY THAT THIS PLAN NEEDS TO ADDRESS?**

The main thing mentioned by respondents is that the existing facilities need to be renovated and updated. The District is 50 years old and it seems that several of the parks and facilities have not been updated in over 10 years. Specific things to add that were mentioned were additional skate parks, dog parks, urban campgrounds, and facilities with electricity. There is inadequate ADA access at some of the parks, specifically Dave Roberts Park.

---

**2.1.6 WHAT ARE THE RECREATION PROGRAM NEEDS YOU HEAR ABOUT THAT ARE NEEDED IN RANCHO CORDOVA?**

Several respondents mentioned programs for youth, and specifically for at-risk youth. Several participants commented that the Police Activities League offers programs the District should be offering. Programs for active seniors were also suggested, such as sports leagues. They also mentioned that there is difficulty registering for the existing classes and programs which could be causing attendance numbers to be down.

---

**2.1.7 ARE THERE ANY OPERATIONAL OR MAINTENANCE ISSUES THAT NEED TO BE ADDRESSED IN THIS PLAN?**

Respondents named a number of issues related to updating and renovating. Security issues included the maintenance yard and administrative building, which have both been broken into. There have also been several robberies that should be addressed. Also, there are cosmetic issues in various places. The Senior Center needs a lot of attention such as a designated cross walk, designated van parking, more parking for times that the pool is in use, and a new roof installed.

**2.1.8 ARE THERE OPPORTUNITIES FOR PARTNERING FOR THE DEVELOPMENT OR DELIVERY OF PARKS, RECREATION FACILITIES OR PROGRAMS THAT THE RECREATION AND PARK DISTRICT SHOULD BE WORKING TOWARDS?**

Many respondents mentioned private partnerships without naming specific ideas. They also mentioned closer partnerships with the City and with the School District. Another partnership type named was business partnerships. There is an existing partnership with the school District that respondents would like to see strengthened. They would also like to see all parks labeled with the District's name to create more visibility for the District. The partnership mentioned that is lacking in closeness and strength is with the Chamber and tourism industry. Strengthening these partnerships will increase the ability to have tournaments in the area.

**2.1.9 HOW WOULD YOU ASSESS PUBLIC INFORMATION, COMMUNICATIONS, AND MARKETING OF PROGRAMS AND SERVICES FROM THE DISTRICT?**

Respondents assessed the public information, communication and marketing as needing significant help. The communications about activities were cited as good, but anything else, including expansion and development, is cited as needing improvement. The respondents would like to see more online communication and information in a consistently updated Web site and social networking sites. They were in favor of a mailed newsletter, citing the use of the City newsletter, and the District is currently in the process of developing a mailing list. This would predominantly be for the older citizens who do not have a computer or internet access.

**2.1.10 WHAT OUTCOMES WOULD YOU LIKE TO SEE AS A RESULT OF THIS PLAN?**

The chief outcome that respondents would like to see is an achievable plan that would be implemented. There were several things that the respondents would like to see as a result of this plan, among them modernized parks, improved management, and better safety in all the parks and facilities. The participants' referenced previous master plans that were not implemented as well as they would have liked. The respondents would like to see better inclusion of people. There should be more services for the youth. The administration needs to work on being more transparent and being more available to their constituents.

## 2.2 COMMUNITY INTEREST AND OPINION SURVEY

### 2.2.1 OVERVIEW OF THE METHODOLOGY

The Cordova Recreation and Park District conducted a Community Interest and Opinion Survey during October and November of 2010. The purpose of the survey was to help establish priorities for the future improvement of parks and recreation facilities, programs and services within the community. The survey was designed to obtain statistically valid results from households in the District. The survey was administered by a combination of mail and phone.

Leisure Vision worked extensively with Cordova Recreation and Park District officials, as well as members of the PROS Consulting project team in the development of the survey questionnaire. This work allowed the survey to be tailored to issues of strategic importance to effectively plan the future system.

Leisure Vision mailed surveys to a random sample of 2,000 households throughout the District. Approximately three days after the surveys were mailed each household that received a survey also received an electronic voice message encouraging them to complete the survey. In addition, about two weeks after the surveys were mailed Leisure Vision began contacting households by phone. Those who indicated they had not returned the survey were given the option of completing it by phone. The goal was to obtain a total of at least 400 completed surveys from District households. This goal was accomplished, with a total of 410 surveys having been completed. The results of the random sample of 410 households have a 95% level of confidence with a precision of at least +/-4.8%. The following pages summarize major survey findings.

### 2.2.2 VISITING CRPD PARKS, RECREATION FACILITIES & SPORTS FIELDS

Seventy-two percent (72%) of households have visited Cordova Recreation and Park District parks, recreation facilities, or sports fields during the past year (Figure 1).

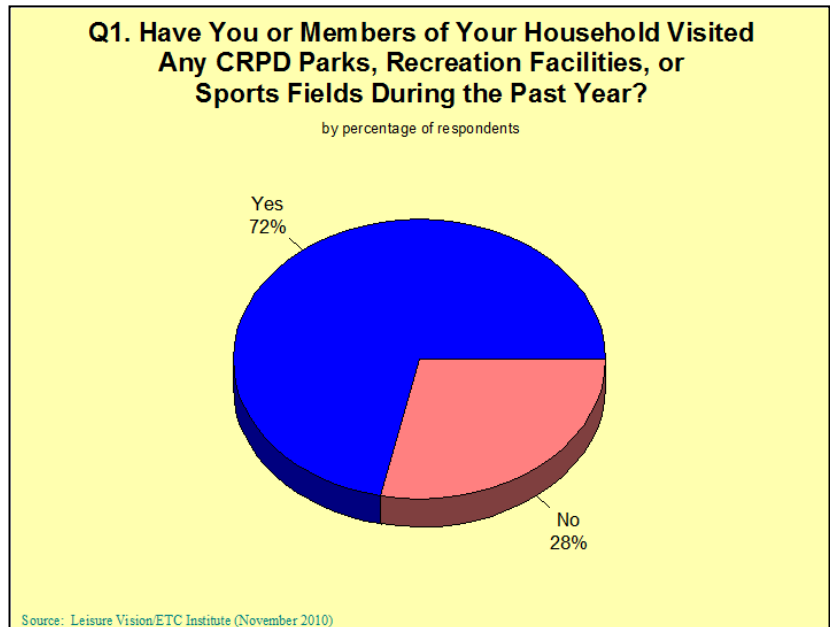


Figure 1 - Visiting CRPD Parks, Recreation Facilities & Sports Fields

### 2.2.3 FREQUENCY OF VISITING CRPD PARKS, RECREATION FACILITIES & SPORTS FIELDS

Of the 72% of households that have visited Cordova Recreation and Park District parks, recreation facilities, or sports fields during the past year, 71% have visited them at once a month or more. This includes 34% that have visited CRPD parks, recreation facilities or sports fields at least once a week, 24% that have visited them a few times a month, and 13% that have visited them at least once a month (Figure 2).

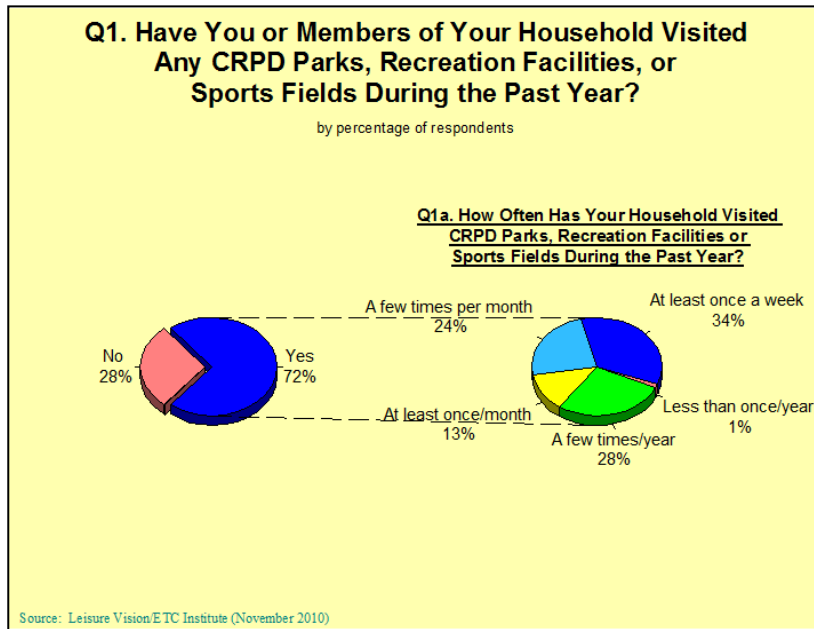


Figure 2 - Frequency of Visiting CRPD Parks, Recreation Facilities & Sports Fields

### 2.2.4 RATING THE PHYSICAL CONDITION OF CRPD PARKS, RECREATION FACILITIES & SPORTS FIELDS

Of the 72% of households that have visited CRPD parks, recreation facilities, or sports fields during the past year, 63% rated the physical condition as either excellent (24%) or above average (39%). Thirty-two percent (32%) of households rated the parks, facilities and sports fields as average, and only 5% rated them as below average (4%) or poor (1%) (Figure 3).

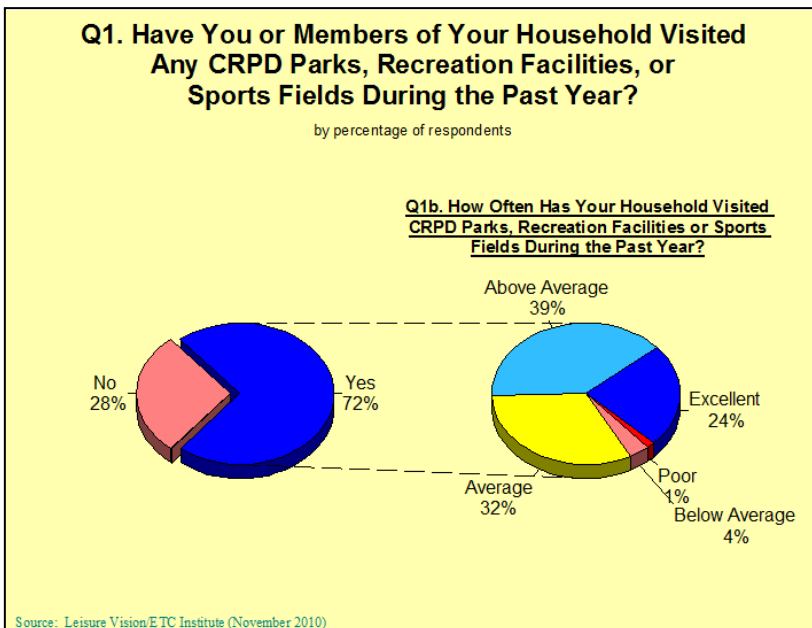


Figure 3 - Rating the Physical Condition of CRPD Parks, Recreation Facilities & Sports Fields



2.2.5 CONCERNS WITH CRPD PARKS, RECREATION FACILITIES AND SPORTS FIELDS

Of the 72% of households that have visited CRPD parks, recreation facilities, or sports fields during the past year, 36% indicated they have no concerns. The most frequently mentioned concerns respondents do have with CRPD parks, facilities, or sports fields are: security and safety issues (24%) and park maintenance and cleanliness (22%) (Figure 4).

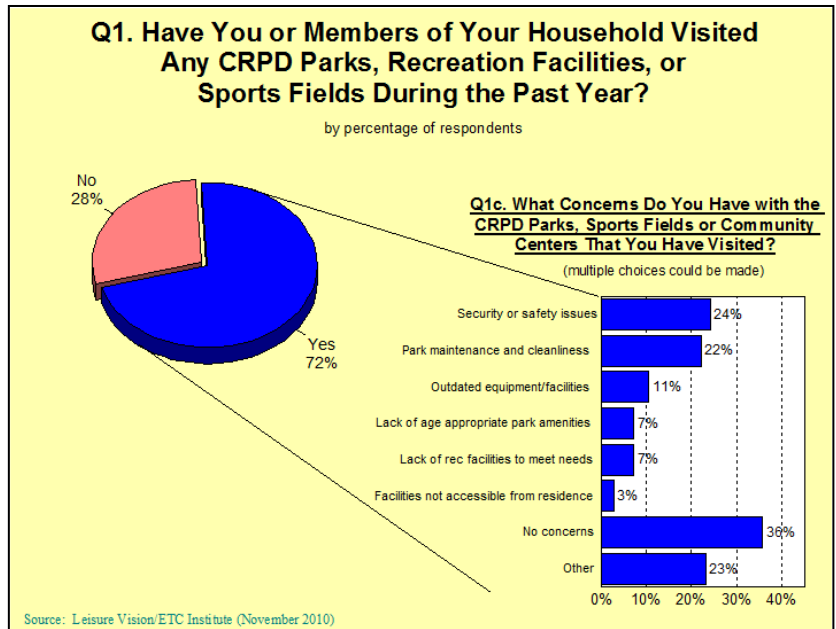


Figure 4 - Concerns with CRPD Parks, Recreation Facilities and Sports Fields

2.2.6 FREQUENCY OF VISITING VARIOUS CRPD FACILITIES

Of the 72% of households that have visited CRPD parks, recreation facilities, or sports fields during the past year, 24% have visited the Hagan Park Community Center at least once a month, and 19% have visited the Mather Sports Center at least once a month (Figure 5).

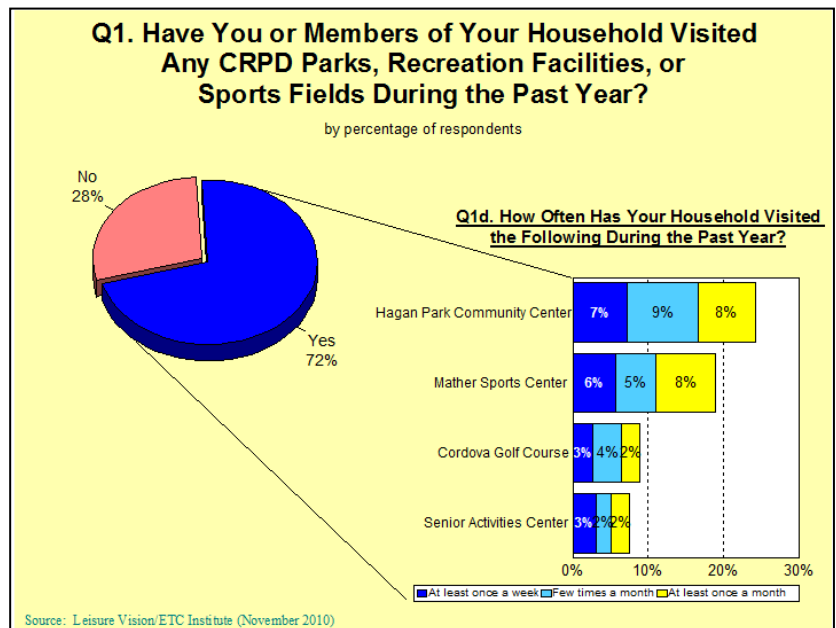


Figure 5 - Frequency of Visiting Various CRPD Facilities

### 2.2.7 PARTICIPATION IN CRPD PROGRAMS/ACTIVITIES

Twenty-seven percent (27%) of households have participated in programs or activities offered by the CRPD during the past 12 months (Figure 6).

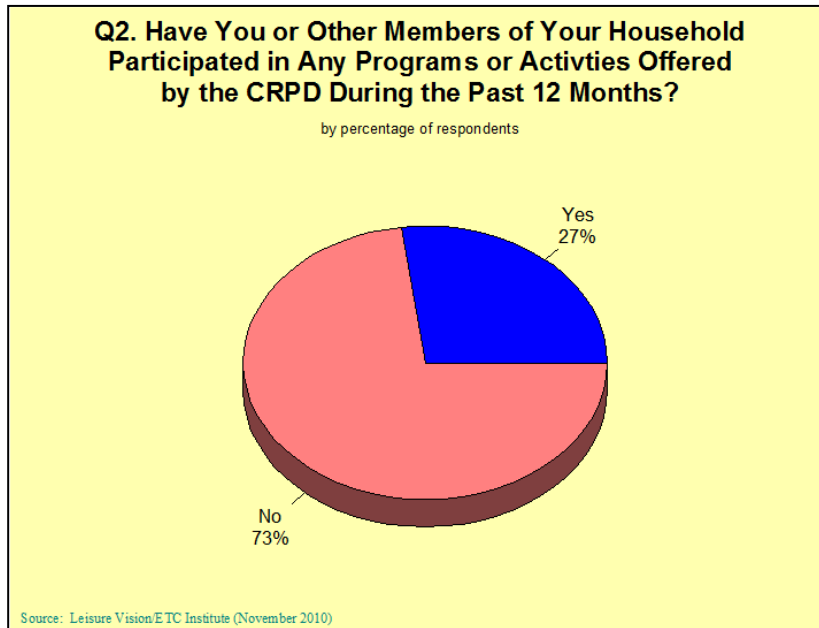


Figure 6 - Participation in CRPD Programs/Activities

### 2.2.8 RATING OF THE OVERALL QUALITY OF CRPD PROGRAMS/ACTIVITIES

Of the 27% of households that have participated in CRPD programs/activities, 82% rated the overall quality of programs or activities they've participated in as either excellent (37%) or above average (45%). Sixteen percent (16%) rated them as "average", 2% rated them as "below average", and no respondents rated them as "poor" (Figure 7).

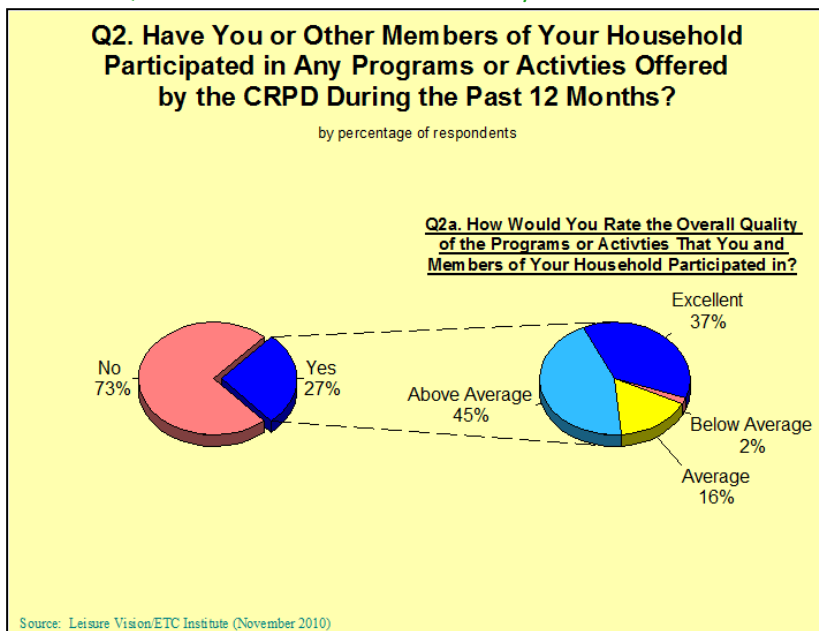


Figure 7 - Rating of the Overall Quality of CRPD Programs/Activities

2.2.9 PARTICIPATION IN CRPD EVENTS

Twenty-one percent (21%) of households have participated in events offered by the CRPD during the past 12 months (Figure 8).

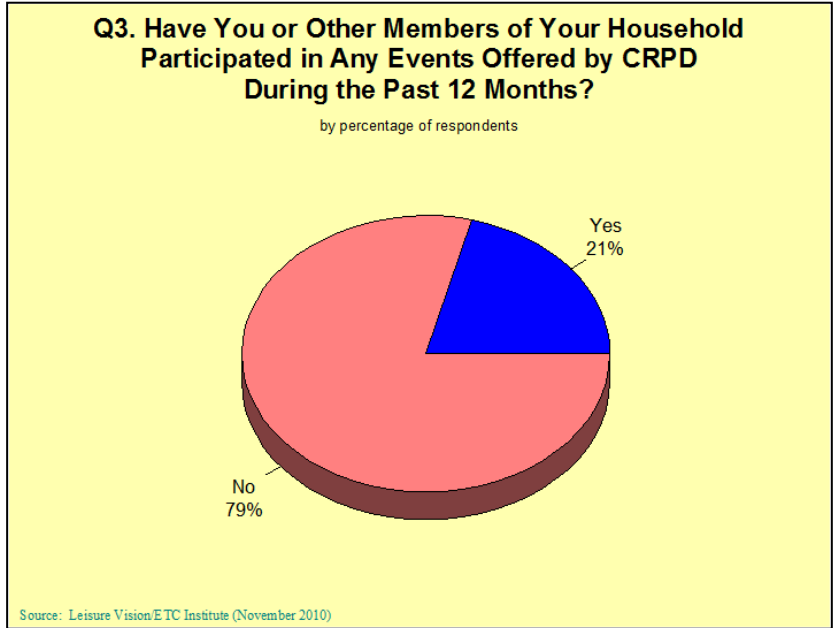


Figure 8 - Participation in CRPD Events

2.2.10 RATING OF THE OVERALL QUALITY OF CRPD EVENTS

Of the 21% of households that have participated in CRPD events, 81% rated the overall quality of the events they've participated in as either excellent (44%) or above average (37%). Nineteen percent (19%) rated the events as "average" and no respondents rated them as "below average" or "poor" (Figure 9).

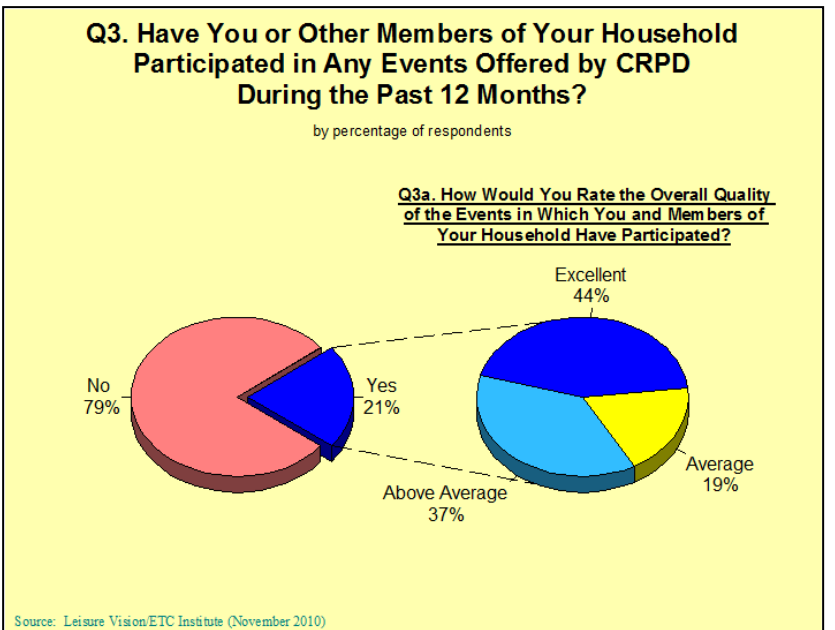


Figure 9 - Rating of the Overall Quality of CRPD Events

### 2.2.11 WAYS RESPONDENTS LEARN ABOUT CRPD PROGRAMS AND ACTIVITIES

The most frequently mentioned ways that respondents have learned about CRPD programs and activities are: flyers/newsletter (47%), Tri-Annual Activity Guide (44%), from friends and neighbors (29%), and newspaper (26%) (Figure 10).

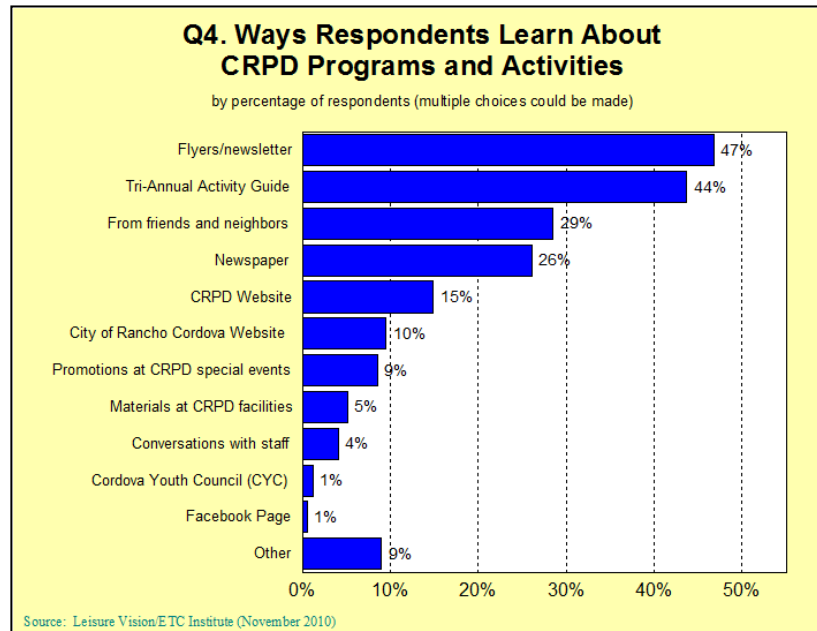


Figure 10 - Ways Respondents Learn About CRPD Programs and Activities

### 2.2.12 REASONS PREVENTING THE USE OF CRPD PARKS, FACILITIES, PROGRAMS MORE OFTEN

“Too busy/not enough time” (17%) is the most frequently mentioned reason preventing households from using CRPD parks, recreation facilities or programs more often (Figure 11). Other frequently mentioned reasons include: “program times are not convenient” (16%), “do not know what is being offered” (11%), and “fees are too high” (11%).

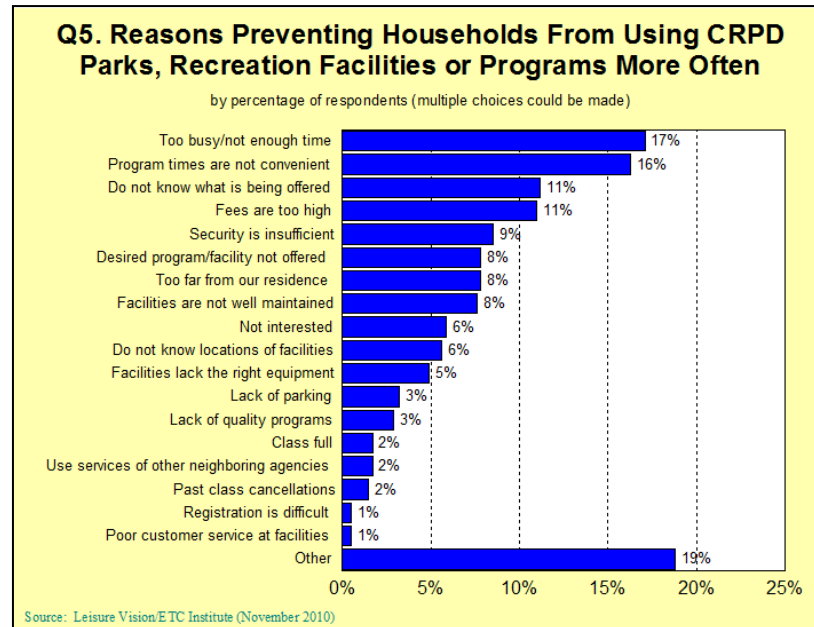


Figure 11 - Reasons Preventing the Use of CRPD Parks, Facilities, Programs More Often

2.2.13 LEVEL OF SATISFACTION WITH THE CUSTOMER SERVICE EXPERIENCE RECEIVED WHEN USING CRPD FACILITIES AND PROGRAMS

Sixty percent (60%) of respondents are either very satisfied (35%) or somewhat satisfied (25%) with the customer service experience they receive when using CRPD facilities and programs (Figure 12). Only 4% of respondents are somewhat dissatisfied or very dissatisfied with the customer service experience they receive when using CRPD facilities and programs. In addition, 36% of respondents rated the customer service experience they receive as “neutral”.

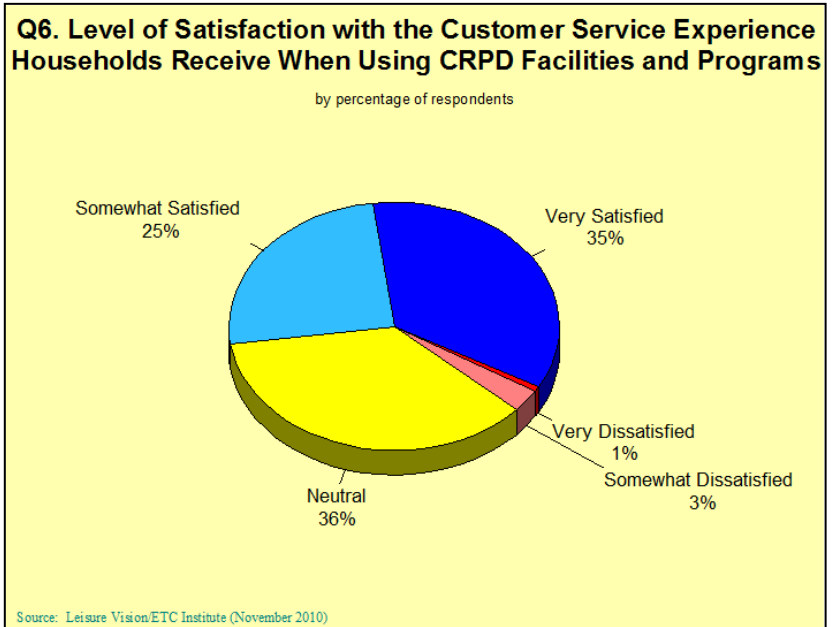


Figure 12 - Level of Satisfaction with the Customer Service Experience Received When Using CRPD Facilities and Programs

2.2.14 NEED FOR PARKS AND RECREATION FACILITIES

The parks and recreation facilities that the highest percentage of households has a need for are: walking, biking trails, and greenways (64%), small family picnic areas and shelters (60%), small neighborhood parks (59%), large community parks (46%), playground equipment (44%), outdoor swimming pools (39%), large group picnic areas and shelters (35%), nature centers (33%), community gardens (29%), gymnasium/indoor recreation/community center (27%), indoor walking/running tracks (26%), off-leash dog parks (26%), youth soccer fields (24%), outdoor basketball courts (23%), amphitheaters (23%), splash pads/spray grounds (23%), outdoor tennis courts (21%), senior centers (21%), youth baseball fields (18%), adult softball fields (14%), disc golf courses (14%), skateboard parks (13%), youth softball fields (12%), multi-purpose fields (rugby, lacrosse) (12%), youth football fields (12%), adult soccer fields (10%), and archery range (7%).

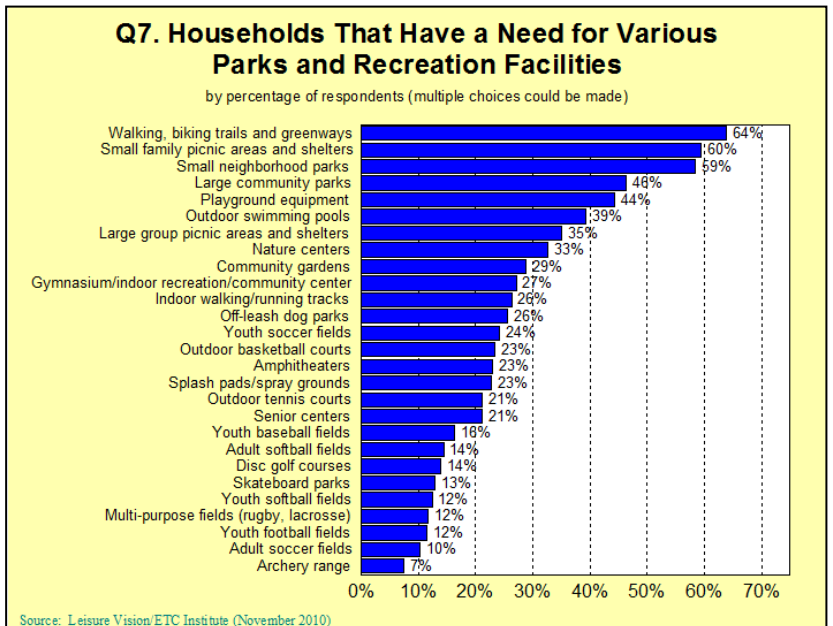


Figure 13 - Need for Parks and Recreation Facilities

2.2.15 NEED FOR PARKS AND RECREATION FACILITIES IN THE CRPD

From a list of 27 various parks and recreation facilities, respondents were asked to indicate all of the ones that members of their household have a need for. **Figure 14** shows the estimated number of households in the Cordova Recreation and Park District that have a need for various parks and recreation facilities, based on 34,300 households in the District.

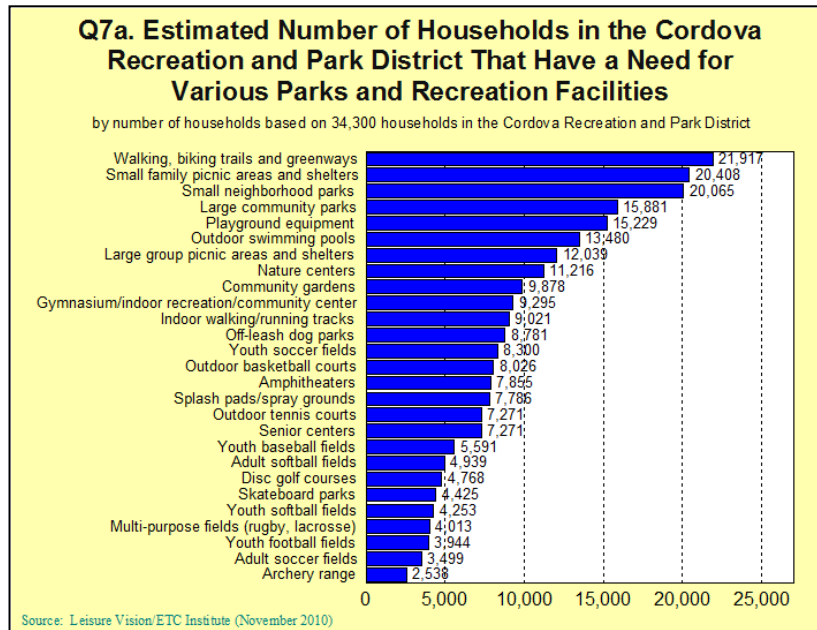


Figure 14 - Need for Parks and Recreation Facilities in the CRPD

2.2.16 HOW WELL PARKS AND RECREATION FACILITIES MEET NEEDS

For all parks and facilities, 55% or less of respondents indicated that the park/facility completely meets the needs of their household (**Figure 15**).

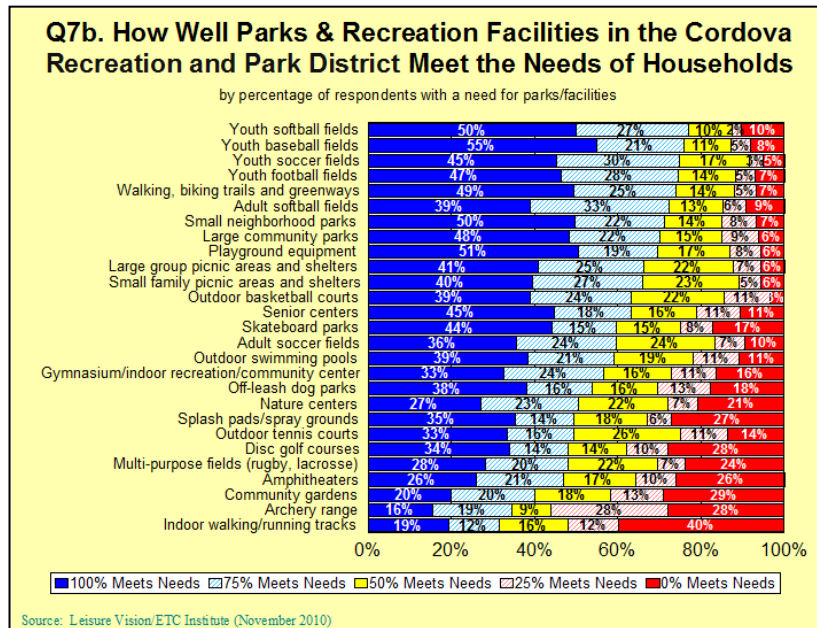


Figure 15 - How Well Parks and Recreation Facilities Meet Needs

2.2.17 CRPD HOUSEHOLDS WITH THEIR FACILITY NEEDS BEING 50% MET OR LESS

From the list of 27 parks and recreation facilities, households that have a need for parks/facilities were asked to indicate how well these types of parks/facilities in the Cordova Recreation and Park District meet their needs. **Figure 16** shows the estimated number of households in the Cordova Recreation and Park District whose needs for parks/facilities are only being 50% met or less, based on 34,300 households in the District.

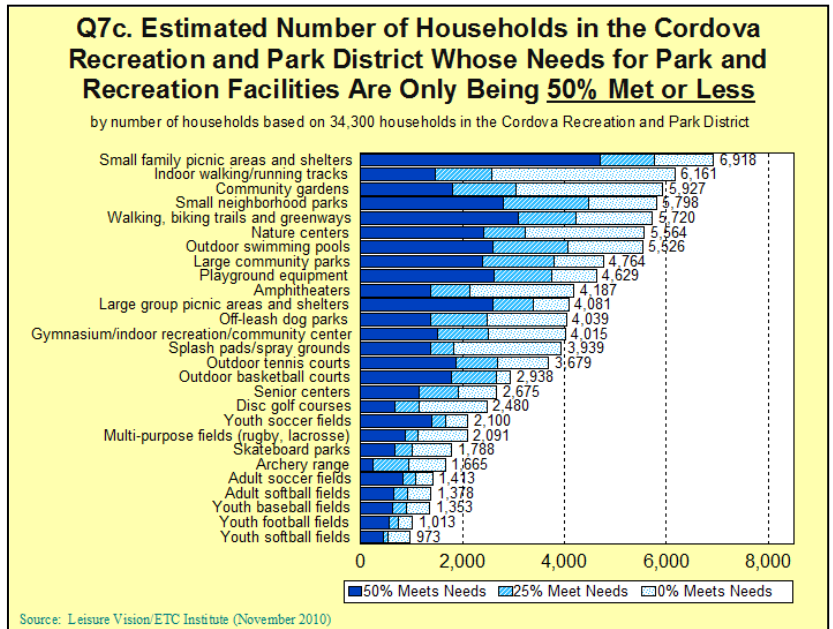


Figure 16 - CRPD Households with Their Facility Needs Being 50% Met or Less

2.2.18 MOST IMPORTANT PARKS AND RECREATION FACILITIES

Based on the sum of their top four choices, the parks and recreation facilities that households rated as the most important include: walking, biking trails, and greenways (34%), small family picnic areas and shelters (29%), small neighborhood parks (28%), playground equipment (24%), and outdoor swimming pools (20%). It should also be noted that walking, biking trails and greenways had the highest percentage of respondents select it as their first choice as the most important park/facility (**Figure 17**).

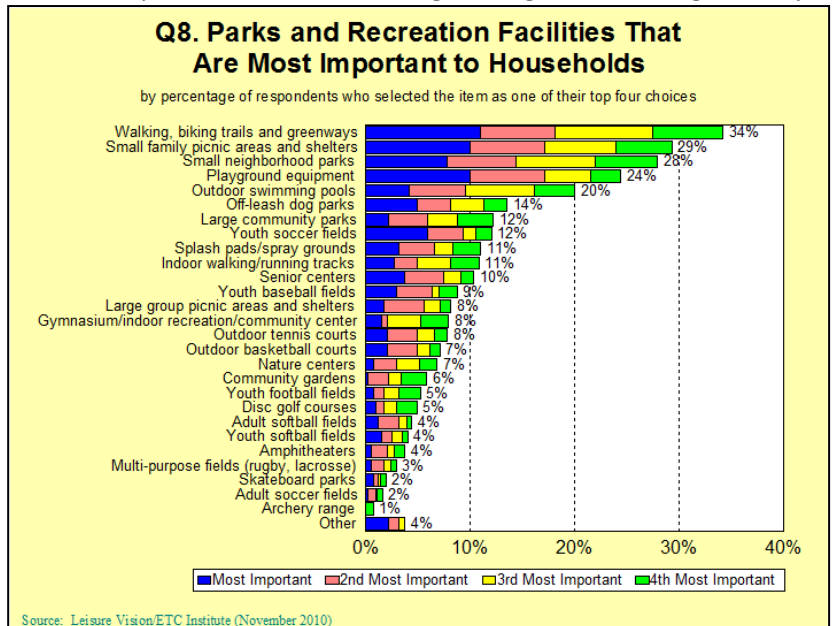


Figure 17 - Most Important Parks and Recreation Facilities

2.2.19 NEED FOR RECREATION PROGRAMS

The recreation programs that the highest percentage of households has a need for are: adult fitness and wellness programs (36%), community-wide special events (35%), swim lessons/aquatics programs (32%), and cultural programs (25%) (Figure 18).

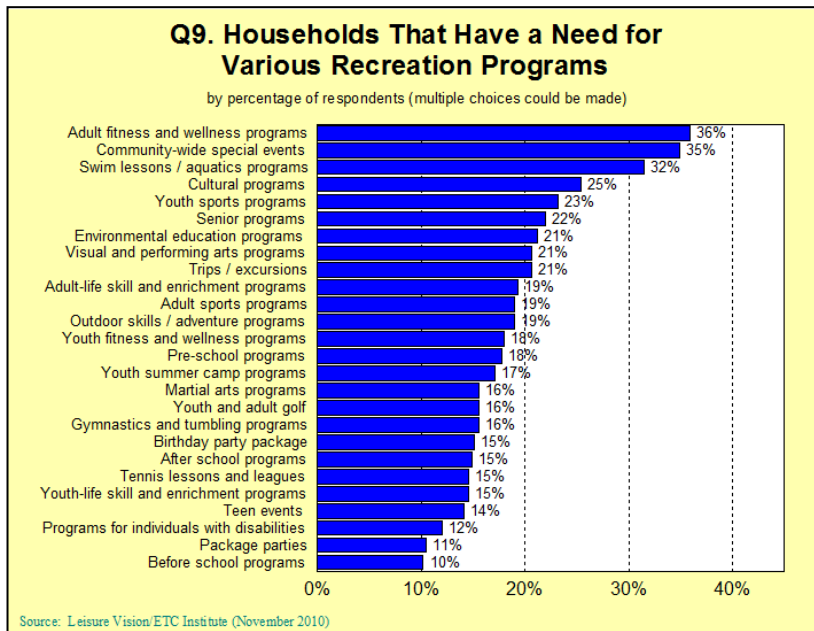


Figure 18 - Need for Recreation Programs

2.2.20 NEED FOR RECREATION PROGRAMS IN THE CRPD

From a list of 26 recreation programs, respondents were asked to indicate all of the ones that members of their household have a need for. Figure 19 shows the estimated number of households in the Cordova Recreation and Park District that have a need for recreation programs, based on 34,300 households in the District.

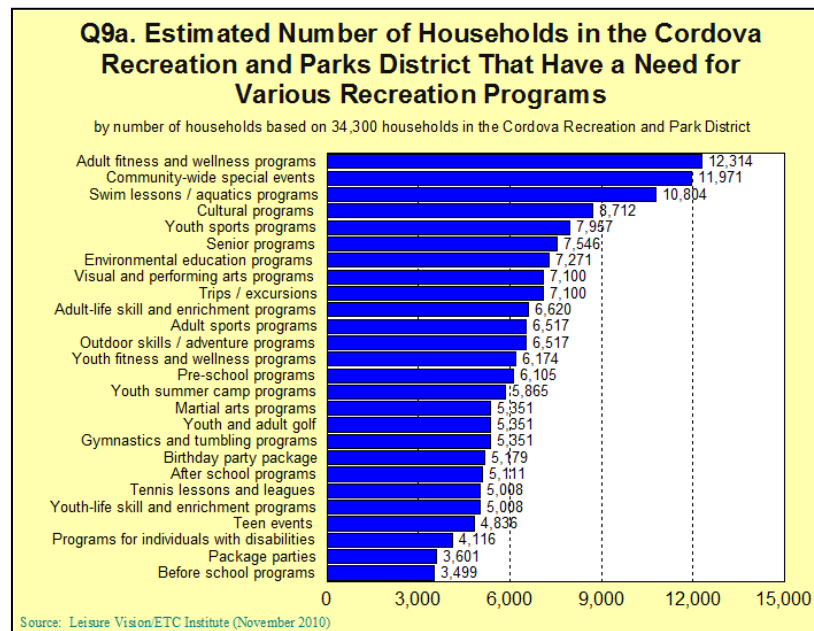


Figure 19 - Need for Recreation Programs in the CRPD



2.2.21 HOW WELL RECREATION PROGRAMS MEET NEEDS

For all 26 recreation programs, less than 45% of respondents indicated that the program completely meets the needs of their household (Figure 20).

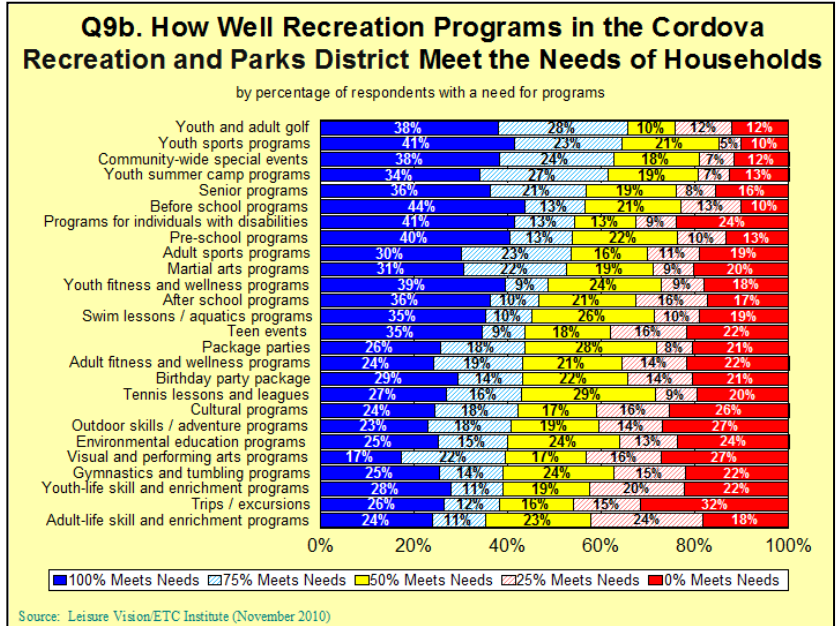


Figure 20 - How Well Recreation Programs Meet Needs

2.2.22 CRPD HOUSEHOLDS WITH THEIR PROGRAM NEEDS BEING 50% MET OR LESS

From a list of 26 recreation programs, households that have a need for programs were asked to indicate how well these types of programs in the Cordova Recreation and Park District meet their needs. Figure 21 shows the estimated number of households in the Cordova Recreation and Park District whose needs for programs are only being 50% met or less, based on 34,300 households in the District.

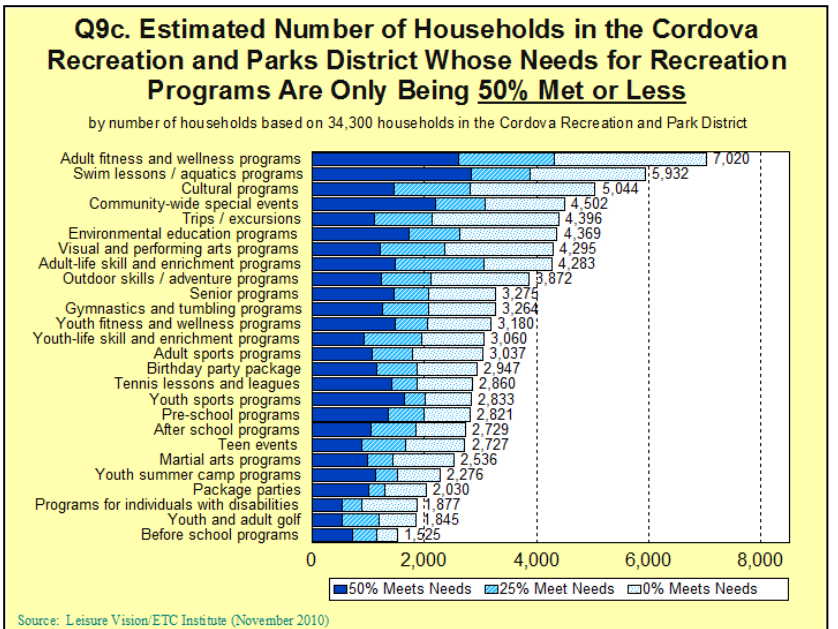


Figure 21 - CRPD Households with Their Program Needs Being 50% Met or Less

### 2.2.23 MOST IMPORTANT RECREATION PROGRAMS

Based on the sum of their top four choices, the recreation programs that households rated as the most important include: swim lessons/aquatics programs (19%), adult fitness and wellness programs (19%), community-wide special events (16%), and senior programs (14%). It should also be noted that swim lessons/aquatic programs had the highest percentage of respondents select it as their first choice as the most important program to their household (Figure 22).

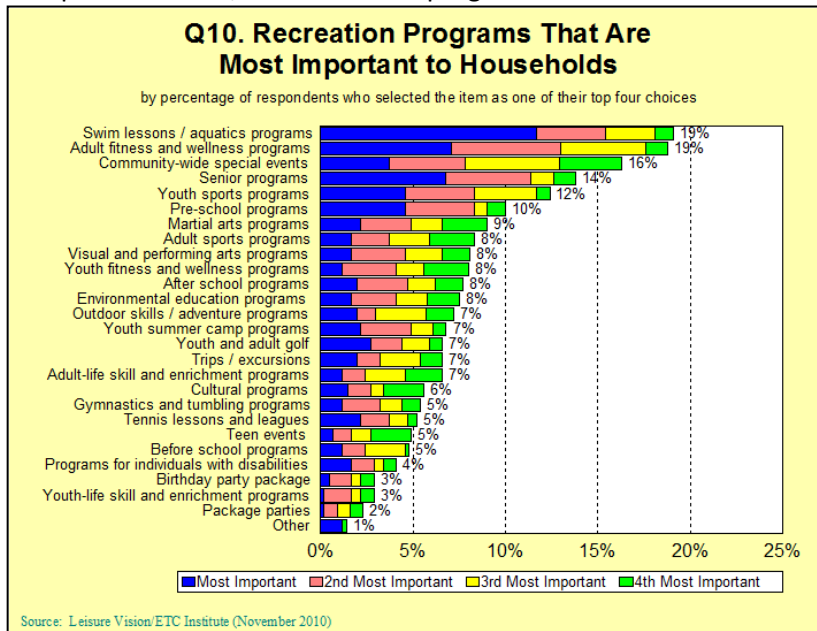


Figure 22 - Most Important Recreation Programs

### 2.2.24 MOST FREQUENTLY USED METHOD TO ACCESS CRPD PARKS & RECREATION FACILITIES

Seventy percent (70%) of households indicated that “driving” is their most frequently used method to access CRPD parks and recreation facilities (Figure 23). In addition, 24% of respondents walk to CRPD parks and facilities, and 11% bike to CRPD parks and recreation facilities.

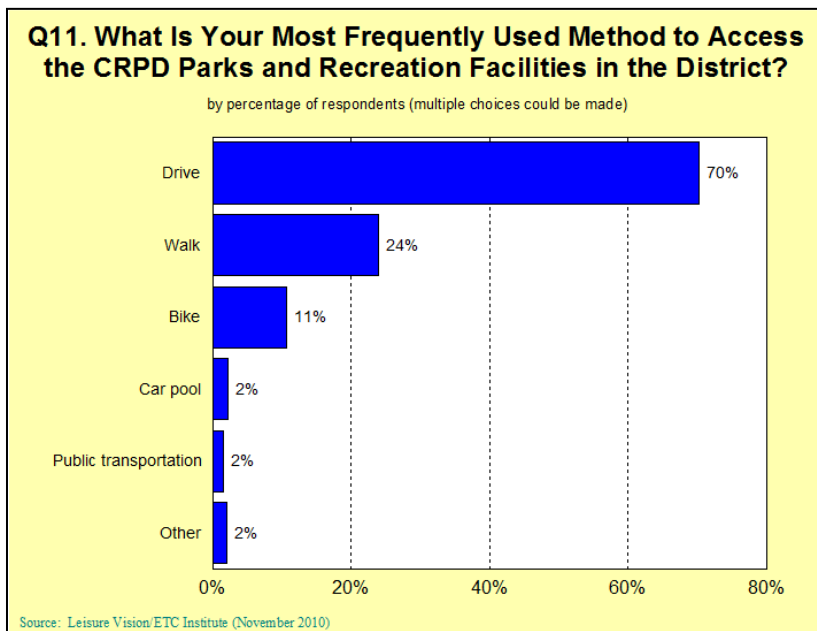


Figure 23 - Most Frequently Used Method to Access CRPD Parks & Recreation Facilities

**2.2.25 LEVEL OF SUPPORT FOR DEVELOPING WALKING/BIKING TRAILS TO CREATE AN INTERCONNECTED COMMUNITY AND A SUSTAINABLE BUILT ENVIRONMENT**

Eighty-two percent (82%) of respondents are either very supportive (54%) or somewhat supportive (28%) of an effort to develop walking/biking trails to create an interconnected community and a sustainable built environment (Figure 24). Only 6% of respondents are mildly against or completely against it, and 12% indicated “not sure”.

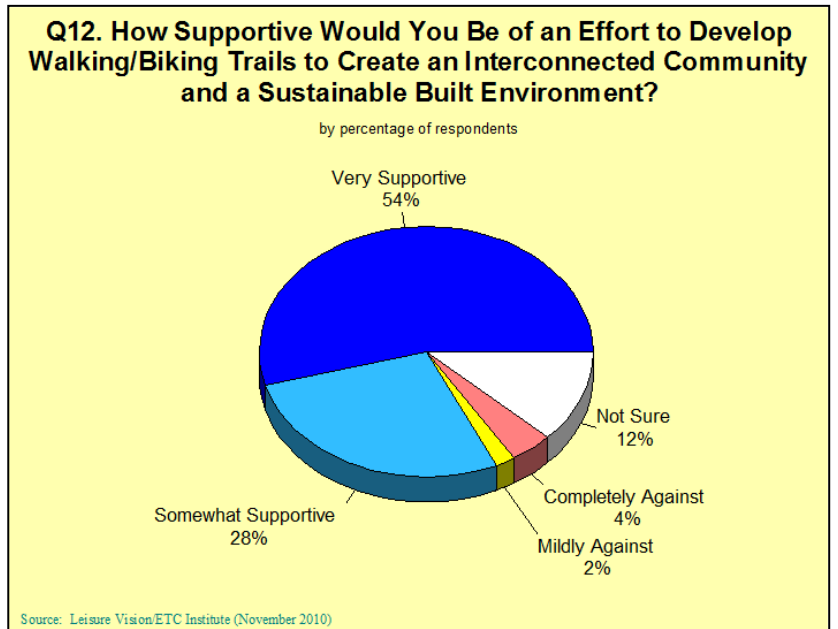


Figure 24 - Level of Support for Developing Walking/Biking Trails to Create an Interconnected Community and a Sustainable Built Environment

**2.2.26 SUPPORT FOR ACTIONS TO IMPROVE/EXPAND PARKS AND RECREATION FACILITIES**

There are four actions that over 45% of respondents are very supportive of CRPD taking to improve and expand parks and recreation facilities: renovate/develop greenways for walking and biking (55%), acquire land to use for greenways and trails (52%), acquire land to develop small neighborhood parks (49%), and renovate/develop playgrounds and picnics (48%) (Figure 25).

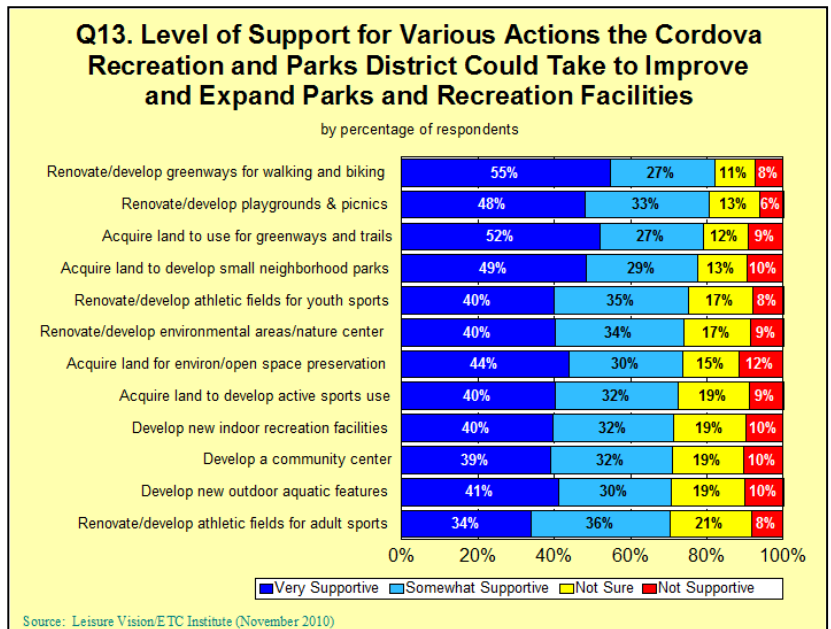


Figure 25 - Support for Actions to Improve/Expand Parks and Recreation Facilities

### 2.2.27 MOST IMPORTANT ACTIONS TO IMPROVE/EXPAND PARKS & RECREATION FACILITIES

Based on the sum of their top four choices, the most important actions that CRPD could take to improve/expand parks and recreation facilities are: renovate/develop greenways for walking and biking (45%) renovate/develop playgrounds and picnics (28%), acquire land to develop for small neighborhood parks (28%), and acquire land to use for greenways and trails (27%). It should also be noted that renovate/develop greenways for walking and biking had the highest percentage of respondents select it as their first choice as the most important park/facility to improve/expand.

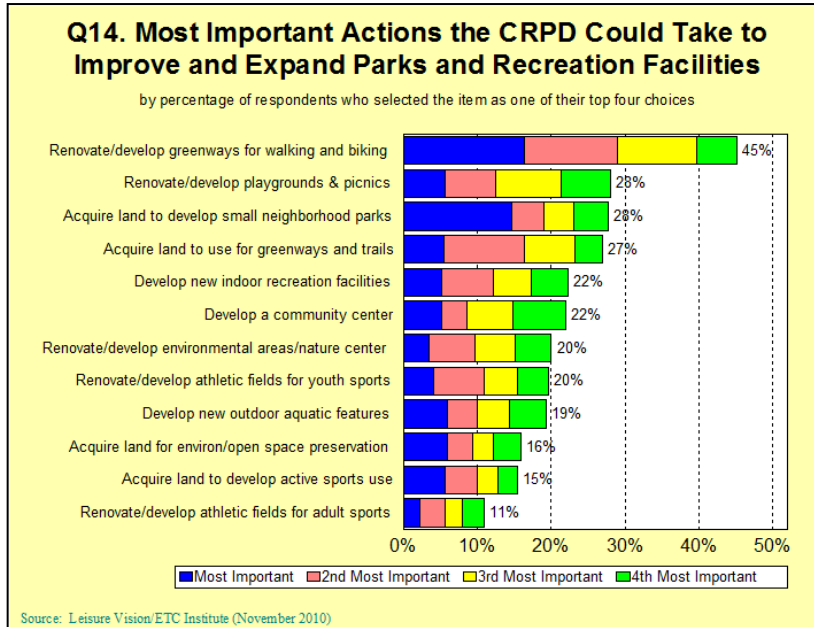


Figure 26 - Most Important Actions to Improve/Expand Parks & Recreation Facilities

### 2.2.28 ALLOCATION OF \$100 AMONG VARIOUS PARKS AND RECREATION CATEGORIES

Respondents would allocate \$49 out of \$100 towards the improvements/maintenance of existing parks, trails, sports, and recreation facilities (Figure 27). The remaining \$51 were allocated as follows: development of new parks, trails, and sports facilities (\$20), development of new community center/ recreation facilities (\$16), and acquisition of new park land and open space (\$15).

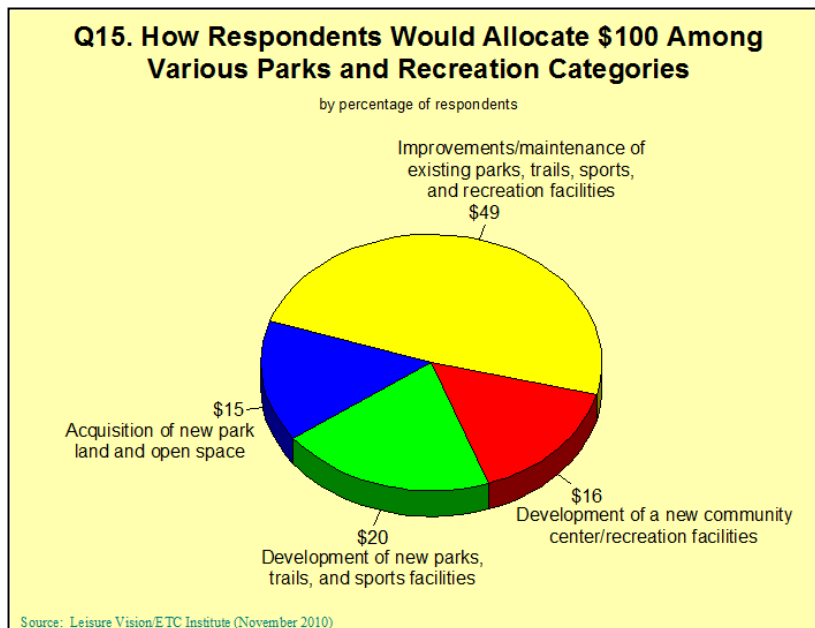


Figure 27 - Allocation of \$100 among Various Parks and Recreation Categories

2.2.29 LEVEL OF SUPPORT FOR VARIOUS MONTHLY ASSESSMENTS TO FUND PARKS, GREENWAYS, OPEN SPACE, AND RECREATION FACILITIES

Fifty-one percent (51%) of respondents are either strongly supportive (39%) or somewhat supportive (12%) of paying \$5 per month to fund the development and operations of parks, greenways, open space, and recreation facilities that are most important to their household (Figure 28).

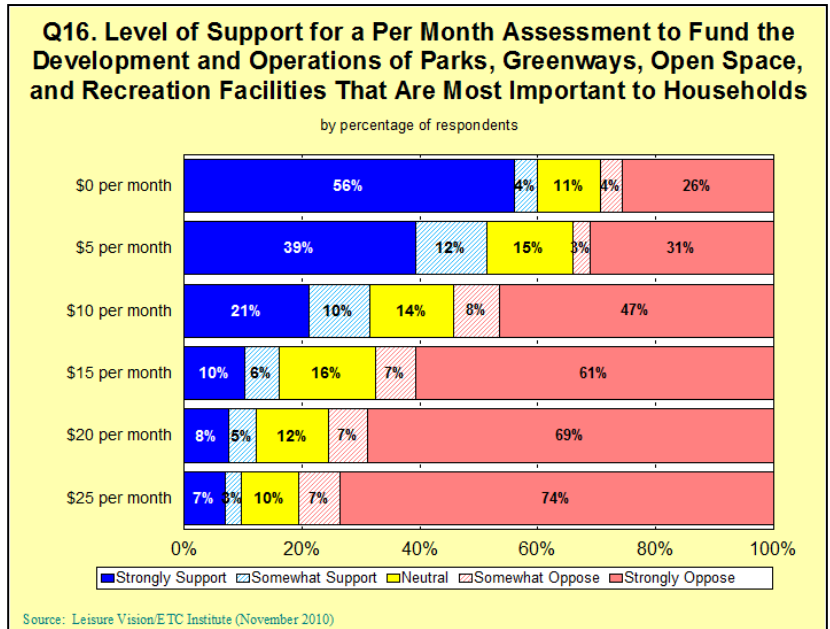


Figure 28 - Level of Support for Various Monthly Assessments to Fund Parks, Greenways, Open Space, and Recreation Facilities

2.2.30 DEMOGRAPHICS

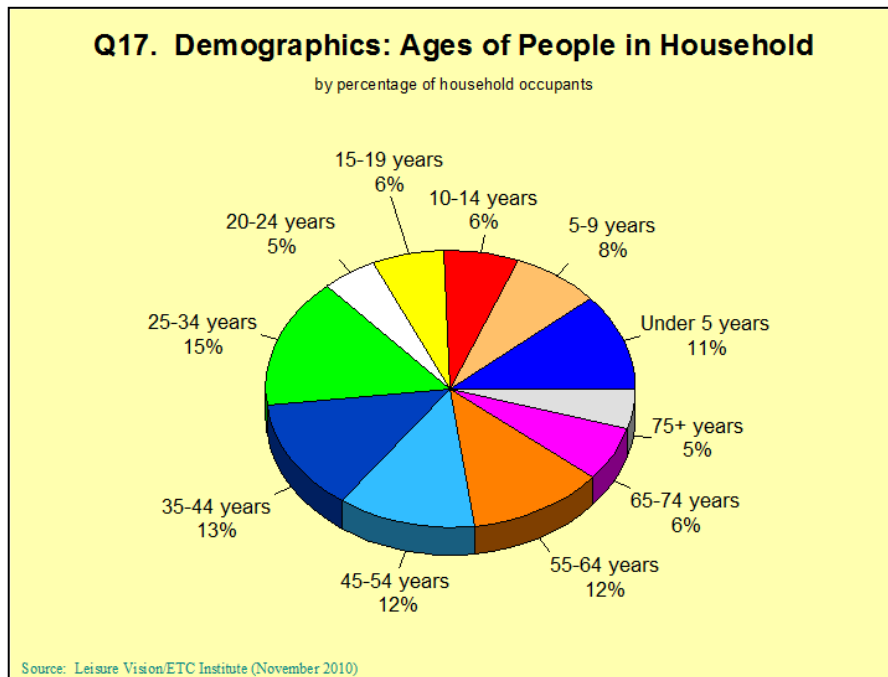


Figure 29 - Ages of People in Household

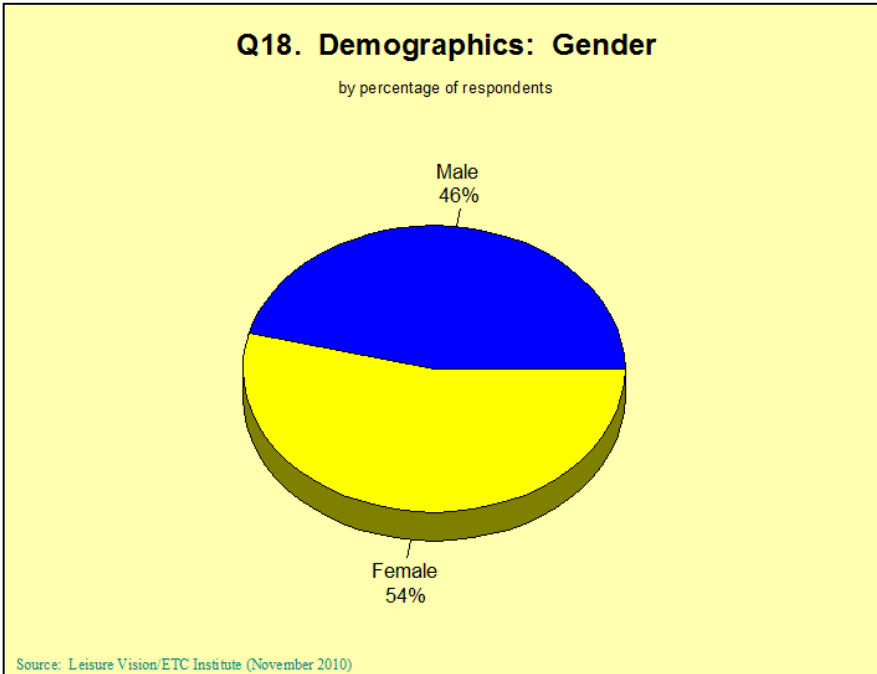


Figure 30 - Gender

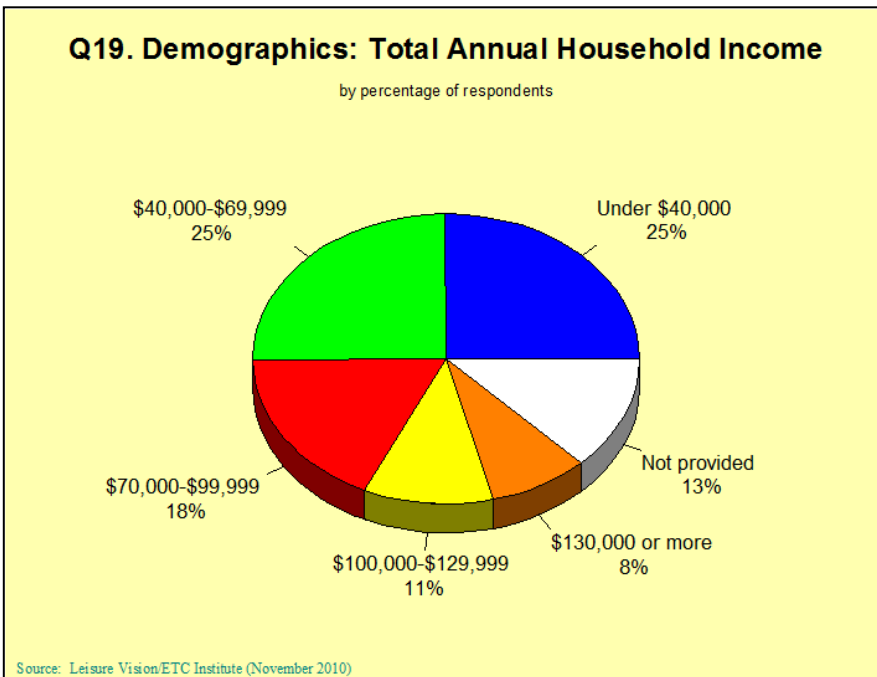


Figure 31 - Total Annual Household Income

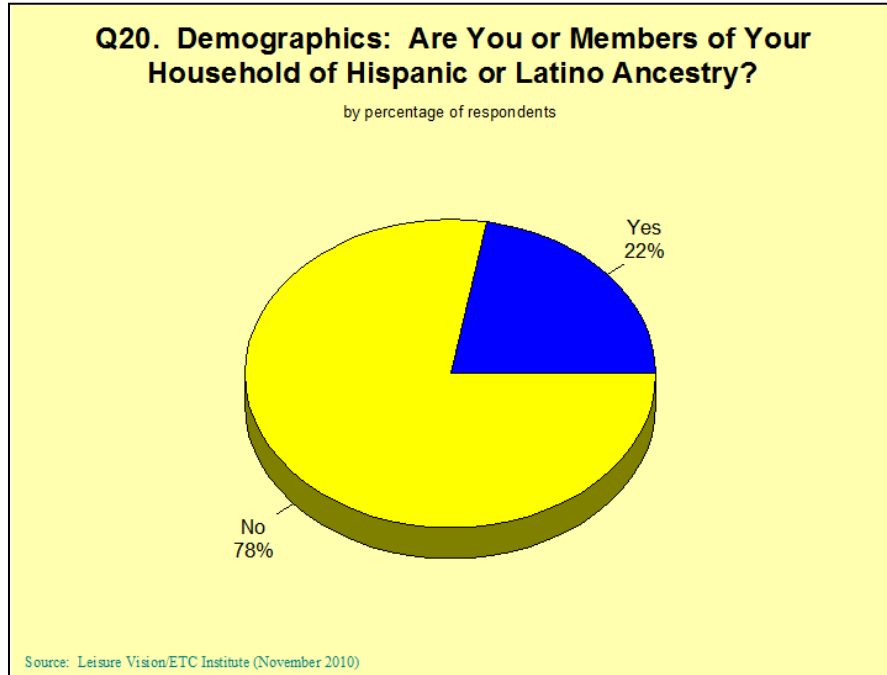


Figure 32 - Are You or Members of Your Household of Hispanic or Latino Ancestry

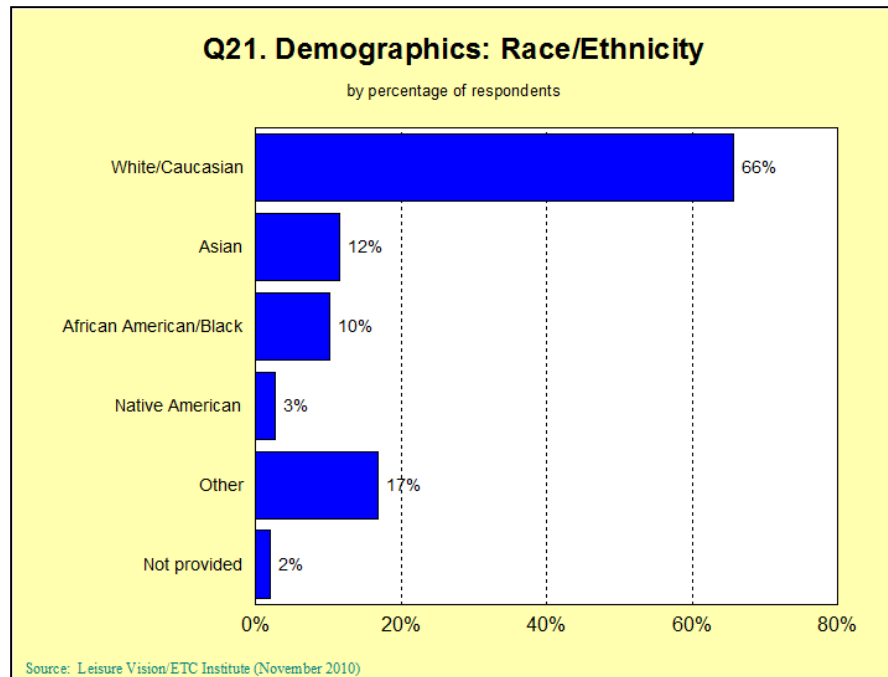


Figure 33 - Race/Ethnicity

## 2.3 DEMOGRAPHICS AND TRENDS ANALYSIS

The Demographic Analysis provides a better understanding of the population composition of the Cordova Census-Designated Place (CDP) as defined by the U.S. Census Bureau. This analysis helps define the characteristics of overall population based on age segment, race and ethnicity, and income characteristics of the residents.

All future demographic projections are based on observed historical trends. The projections must be considered with the caveat that unforeseen circumstances during or after the time of the projections could have a significant bearing on the validity of the final projections.

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### 2.3.1 SUMMARY

The **total population** of the Cordova CDP service area has exhibited a rapid growth pattern over the last decade. From 2000 to 2009, the service area population grew by 12.3% to a total population of 110,662. This entails an increase of 13,663 total persons at an annual growth rate of 1.5%. The projected population growth is 5.6% from 2009 – 2014, 5.6% from 2014 – 2019 and 5.5% from 2019 – 2024 respectively.

From an **age segment** standpoint, the highest age group by numbers is the 35-54 age group which comprises 27% of the population or 29,921 individuals. This is a slight reduction from 28.8% in 2000 and it is projected to further decrease to 23.9% by 2024. This reduction is offset by the consistent increase in the 55+ age segment which is projected to increase from 22.3% currently to 27.3% by 2024.

From a **race** standpoint, the District service area has a racially and ethnically diverse population. Much like the national demographic trends, the District service area's diversity is projected to increase in the years to come. The majority, White Alone population, is expected to reduce from 68% in 2000 to 60% in 2009 and as low as 50% by 2024. Effectively, this means that by 2024 one out of two individuals within the District service area will not identify as White Alone. The largest shift being witnessed is with those who identify as being of Hispanic / Latino origin, of any race. This segment is expected to grow significantly from 12% in 2000 to 15.7% in 2009 and increasing up to 21% by 2024.

The **income characteristics** are average at best. The service area's current median household income is \$54,270 and it is projected to grow to \$66,657 by 2024. The per capita income, too, is projected to increase from \$24,792 currently to \$28,605 by 2024. However, the Cordova CDP's income characteristics are lower in comparison with that of the State and National averages.

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### 2.3.2 METHODOLOGY

All data used in this analysis was obtained from Environmental Systems Research Institute, Inc. (ESRI), the largest research and development organization dedicated to Geographical Information Systems (GIS) and specializing in population projections and market trends. All data was acquired in March 2010, and reflects actual numbers as reported in the 2000 Census and demographic projections for 2009 and 2014 as estimated by ESRI; straight line linear regression was utilized for projected 2019 and 2024 demographics. The Cordova Recreation and Park District service area was utilized as the boundary for the demographic analysis.

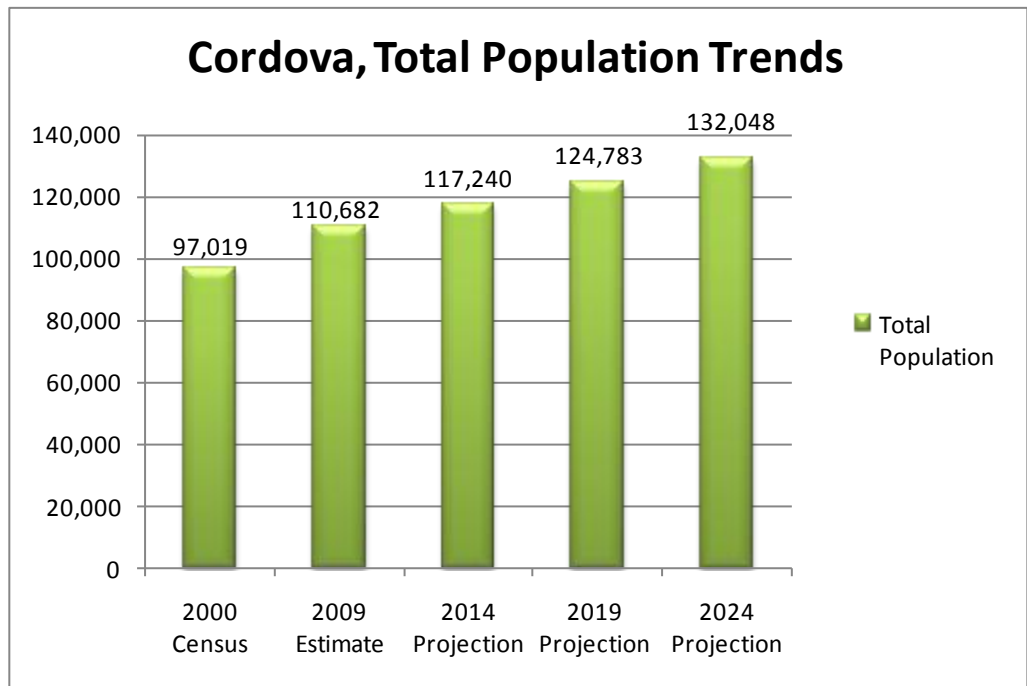


**2.3.3 DISTRICT SERVICE AREA**

**2.3.3.1 POPULATION**

The District CDP service area has exhibited a rapid growth pattern over the last decade. From 2000 to 2009, the service area population grew by 12.3% to a total population of 110,662. This entails an increase of 13,663 total persons at an annual growth rate of 1.5%. In comparison, the U.S. population grew at an annual rate of 0.9% over the same time frame.

Future projections indicate that the growth rate is expected to increase at a decreasing rate. The projected population growth is 5.6% from 2009 – 2014, 5.6% from 2014 – 2019 and 5.5% from 2019 – 2024 respectively. This would result in approximately 132,048 total residents in the service area by 2024. The number of households would also increase from 42,413 currently to 51,311 by 2024 (Figure 34).



**Figure 34 –Total Population Trends**

### 2.3.3.2 AGE SEGMENT

Evaluating the age segment breakup, the Cordova CDP population exhibits a very balanced age segment distribution with a mild aging pattern (**Figure 35**).

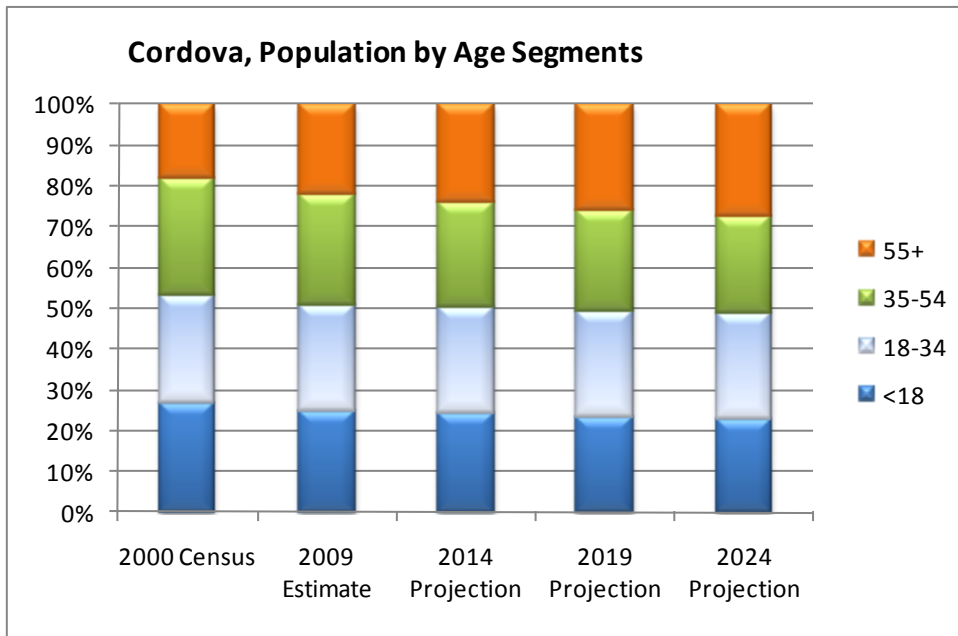


Figure 35 - Population by Major Age Segment

Currently, the highest age group by numbers is the 35-54 age group which comprises 27% of the population or 29,921 individuals. This is a slight reduction from 28.8% in 2000 and it is projected to further decrease to 23.9% by 2024. This reduction is offset by the consistent increase in the 55+ age segment which is projected to increase from 22.3% currently to 27.3% by 2024. While this entails a noticeable growth in the 55+ age group, it is less in comparison to national trends and those exhibited by many surrounding communities in the area.

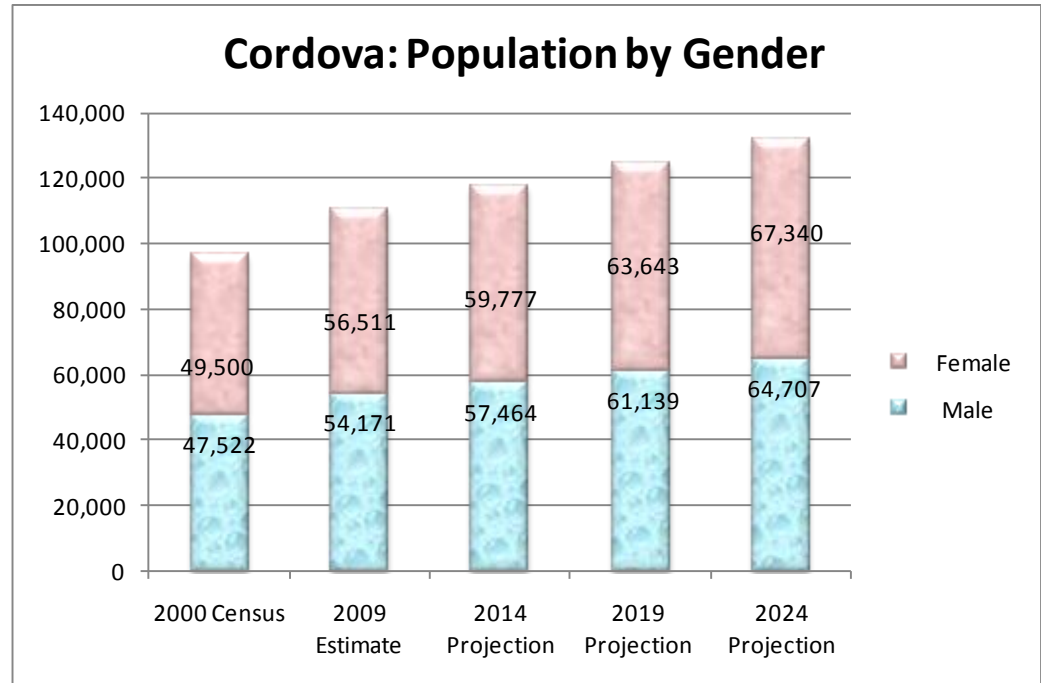
One potential reason for that is the high influx of younger families in the area. The rapid population growth seems to have been driven by younger families with children moving into the Cordova Recreation and Park District area. This would explain the consistent 18-34 population mix (almost 26% throughout the study period) and also the relatively high rate of U-18 individuals (25% currently).

Thus, the District truly caters to a very wide and diverse population base and the program offering would have to focus on youth centered programs as a means to continue attracting younger families and fresh job seekers. Some programs types include youth based programming, learn to swim programs, before and after school programs as well as youth and adult sports leagues and tournaments catered to them. At the same time, the active adult population would certainly demand increased availability of fitness and wellness programs, life skill programs, aquatics – aquarobics, therapeutic recreation and leisure activities.

Overall, in order to create the sense of community and tie the diverse segments together, it would be beneficial to have a variety of special events and family-based recreation opportunities for a multi-generational audience.

**2.3.3.3 GENDER**

The gender distribution does indicate a slight skew towards the female population. The ratio of females to males within the service area is expected to be around 51% females to 49% males over the entire study period (Figure 36)



**Figure 36 –Population by Gender**

Recreational trends from the last few years indicate that, on average, Americans participate in a sport or recreational activity of some kind at a relatively high rate (65%). Female participation rates, however, are slightly lower than their male counterparts – 61% of females participate at least once per year in a sport or recreational activity compared to a 69% participation rate of men. According to recreational trends research performed in the industry over the past twenty years, the top ten recreational activities for females are currently:

1. Walking
2. Aerobics
3. General exercising
4. Biking
5. Jogging
6. Basketball

7. Lifting weights
8. Golf
9. Swimming
10. Tennis

The top ten recreational activities for males are:

1. Golf
2. Basketball
3. Walking
4. Jogging
5. Biking
6. Lifting weights
7. Football
8. Hiking
9. Fishing
10. Hunting

While men and women have some common activities among the top ten, the frequency of participation in their preferred activities is higher in men than it is in women over a ninety-day span. With more women not only comprising a larger portion of the general populace during the mature stages of the lifecycle, but also participating in recreational activities further into adulthood, a relatively new market has appeared over the last two decades.

This mature female demographic is opting for less team oriented activities which dominate the female youth recreational environment, instead shifting more towards a diverse selection of individual participant activities, as evident in the top ten recreational activities mentioned above.

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#### 2.3.3.4 RACE AND ETHNICITY

From a race standpoint, the Cordova CDP service area has racially and ethnically diverse population and this diverse mix is projected to increase in the years to come (**Figure 37**). The majority White Alone population is expected to reduce from 68% in 2000 to 50% by 2024. At the same time, the Black Alone and Asian population will increase to 11% and 15% respectively by 2024. Also, those belonging to two or more races will comprise 13% of the population by 2024. This diverse racial composition also results in a varied program preference as will be seen by Participation Trends by Race / Ethnicity later in this section.

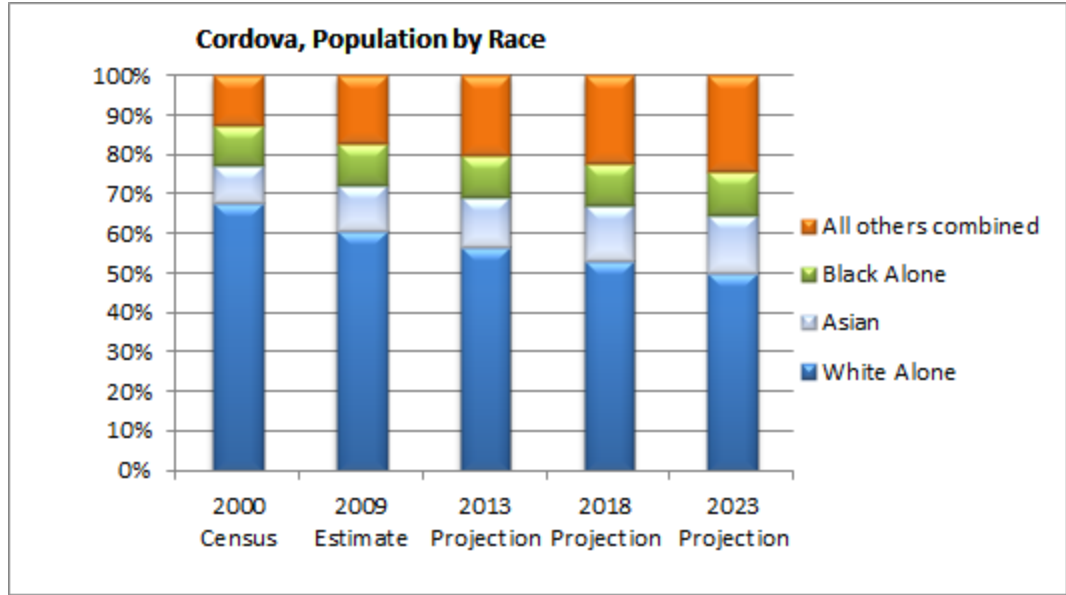


Figure 37 - Population by Race/Ethnicity

Another shift, from an ethnicity standpoint, is being witnessed in those being classified as being of Hispanic / Latino origin of any race. This segment is expected to grow significantly from 12% in 2000 to 21% by 2024 (Figure 38).

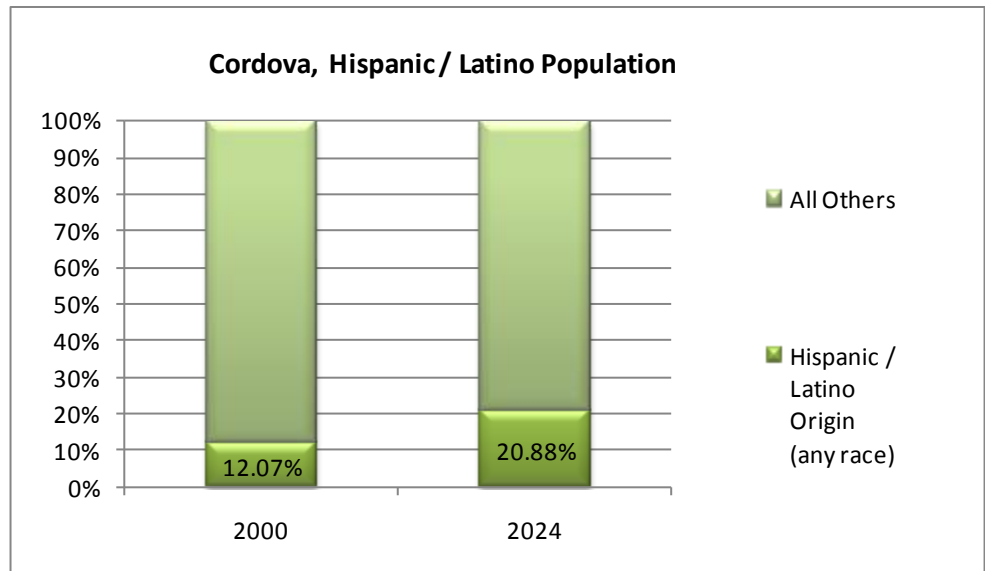


Figure 38 - Percentage of Individuals of Hispanic / Latino origin

**PARTICIPATION TRENDS BY RACE/ETHNICITY**

The White Alone population as a whole participates in a wide range of activities, including both team and individual sports of a land and water based variety; however, the White Alone populace has an affinity for outdoor non-traditional sports.

Ethnic minority groups in the United States are strongly regionalized and urbanized, with the exception of Native Americans, and these trends are projected to continue. Different ethnic groups have different needs when it comes to recreational activities. Ethnic minority groups, along with Generations X and Y, are coming in ever-greater contact with Caucasian middle-class baby-boomers with different recreational habits and preferences. This can be a sensitive subject since many baby-boomers are the last demographic to have graduated high school in segregated environments, and the generational gap magnifies numerous ideals and values differences which many baby-boomers are accustomed to. This trend is projected to increase as more baby-boomers begin to retire, and both the minority and youth populations continue to increase.

Hispanic and Latino Americans have strong cultural and community traditions with an emphasis placed on the extended family, many times gathering in large recreational groups where multiple activities geared towards all age segments of the group exist. Large group pavilions with picnicking amenities and multi-purpose fields are integral in the communal pastime shared by many Hispanics / Latinos.

The Black Alone population has historically been an ethnic group that participates in active team sports, most notably football, basketball, and baseball. The African-American populace exhibits a strong sense of neighborhood and local community through large special events and gatherings with extended family and friends, including family reunions. Outdoor and water based activities, such as, hiking, water skiing, rafting, and mountain biking, are not much of a factor in the participatory recreational activities.

The Asian population is a very different yet distinct ethnic group compared with the three main groups in the U.S. – Caucasian, African-American, and Hispanic. The Asian population has some similarities to the Hispanic population, but many seem to shy away from traditional team sports and outdoor and water based activities. They are often involved in walking/running, bowling and racket sports such as tennis, ping pong and badminton.

Utilizing the Ethnicity Study performed by American Sports Data, Inc., a national leader in sports and fitness trends, participation rates among recreational and sporting activities were analyzed and applied to each race/ethnic group.

A participation index was also reviewed. An index is a gauge of likelihood that a specific ethnic group will participate in an activity as compared to the U.S. population as a whole. An index of 100 signifies that participation is on par with the general population; an index less than 100 means that the segment is less likely to participate, more than 100 signifies the group is more likely than the general public to participate.

The most popular activities for those classified as **White Alone** in terms of total participation percentage, the percentage by which you can multiply the entire population by to arrive at activity participation of at least once in the past twelve months, are:

1. Recreational Swimming – 38.9% participation rate (38.9% of the population has participated at least once in the last year)
2. Recreational Walking – 37.0% participation rate
3. Recreational Bicycling – 20.6% participation rate
4. Bowling – 20.4% participation rate

5. Treadmill Exercise – 19.1% participation rate

High participation percentages in freshwater fishing (17.3% participation rate), hiking (17.2% participation rate), and tent camping (17.2% participation rate) demonstrate the high value that the Caucasian population places on outdoor activities. Sailing (Index of 124), kayaking (Index of 121), and golf (Index of 120) are three activities that the Caucasian population is more likely to participate in than the general public.

The five most popular activities for those of **Hispanic / Latino descent** are:

1. Recreational Swimming – 33.2% participation rate
2. Recreational Walking – 31.2% participation rate
3. Recreational Bicycling – 19.7% participation rate
4. Bowling – 18.5% participation rate
5. Running/Jogging – 18.0% participation rate

In terms of participation index, the Hispanic populace is more than twice as likely as the general population to participate in boxing (Index of 264), very likely to participate in soccer (Index of 177), and more likely to participate in paintball (Index of 155) than any other ethnic group. For comparison reasons, although Hispanics are nearly twice as likely to participate in soccer as any other race, only 9.0% of the Hispanic population participated in the sport at least once in the last year.

The top five recreational activities for the **Asian** populace in regards to participation percentages are:

1. Recreational Walking – 33.3% participation rate
2. Recreational Swimming – 31.9% participation rate
3. Running/Jogging – 21.6% participation rate
4. Bowling – 20.5% participation rate
5. Treadmill Exercise – 20.3% participation rate

The Asian populace participates in multiple recreational activities at a greater rate than the general population, with lacrosse being the activity boasting the greatest index of 615. Squash (Index Of 414), mountain/rock climbing (Index of 262), yoga/tai chi (Index 229), martial arts (227), artificial wall climbing (224), badminton (222), and rowing machine exercise (206) each represent an activity that Asians are more than twice as likely to participate in than the general public.

Analyzing the top five activities that the **Black Alone** populace participates in at the greatest rate results in:

1. Recreational Walking – 26.7% participation rate
2. Recreational Swimming – 20.2% participation rate
3. Basketball – 19.8% participation rate
4. Bowling – 17.5% participation rate

5. Running/Jogging – 14.3% participation rate

The African-American population, like the Hispanic population, is more than twice as likely to participate in boxing (Index of 208). Football (Index of 199) and basketball (Index of 160) are also among the higher participated in activities among the African-American populace.

**2.3.3.5 HOUSEHOLD INCOME**

The Cordova CDP’s income characteristics are average and projected to grow at a slow pace in the upcoming years.

The service area’s current median household income is \$54,270 and it is projected to grow to \$66,657 by 2024. The median household income represents the earnings of all persons age 16 years or older living together in a housing unit. The per capita income, too, is projected to increase from \$24,792 currently to \$28,605 by 2024 (**Figure 39**).

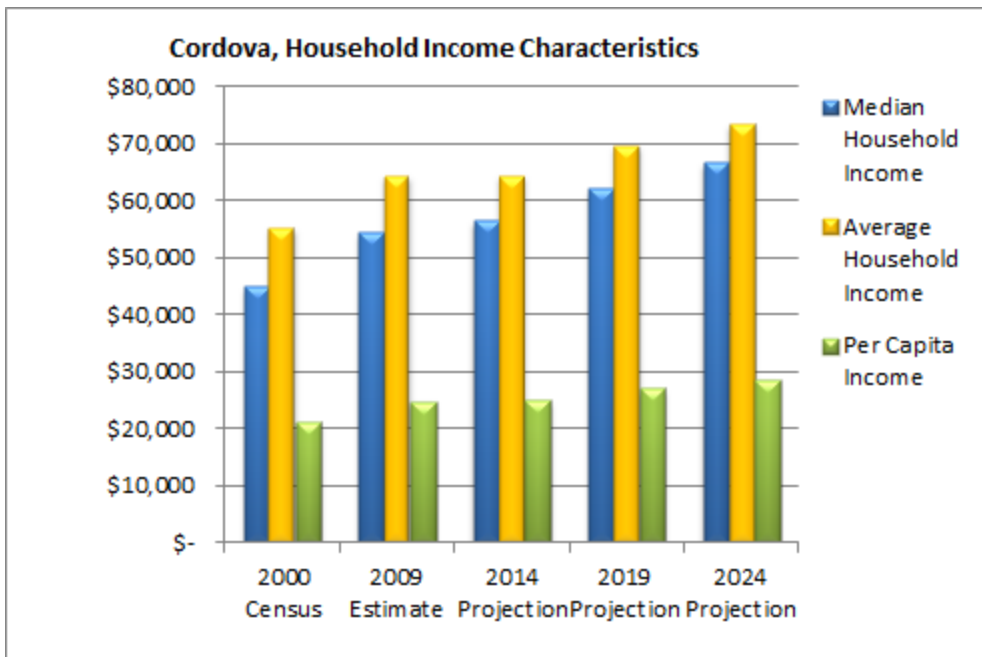
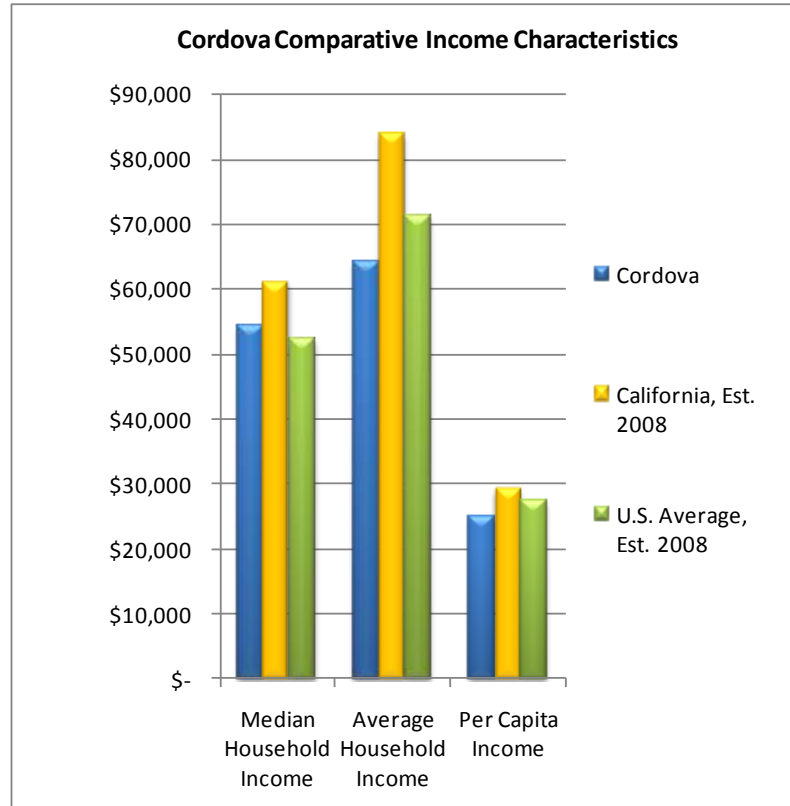


Figure 39 –Cordova Income Characteristics



As seen in **Figure 40**, Cordova CDP’s income characteristics are lower in comparison with that of the State and National averages. The median household income, the average household income and the per capita income are all lower than state and national averages. Part of this could be attributed to the presence of a large number of younger families that are newer in the workforce and also not at the same education levels, thus depressing their earnings. Given these characteristics, it would be important to focus on offerings that target family-based recreation and provide a good value for money.



**Figure 40 - Comparative Income Characteristics**

**CHAPTER THREE - PARK ASSESSMENT AND SERVICE LEVELS**

**3.1 PARK AND FACILITY ASSESSMENT**

**3.1.1 PARK AND FACILITY ASSESSMENT OVERVIEW**

The PROS Team conducted the facility assessment and visited each park and facility within the District over a 4 day time-frame (see **Appendix 2**). During this time the PROS Team assessed the condition of the parks and photographed all sites and assets within the system including:

Neighborhood Parks	Community Parks	Special Use Areas	Open Spaces
Bike Trails	Amphitheaters	Basketball Courts	BBQ Pits
Benches	Bleachers	Community/Activity Centers	Concessions Stands
Covered Areas	Drinking Fountains	Multi-courts	Open Grass Fields
Diamond Fields; Mounded, Small	Diamond Fields; Mounded, Large	Diamond Fields; Non-Mounded, Large	Diamond Fields; Non-Mounded, Small
Multipurpose Fields; Large	Multipurpose Fields; Small	Small Reservable Picnic Pavilion	Large Reservable Picnic Pavilions
Outdoor Pools	Parking Spaces	Picnic Tables	Playground Areas
Restroom Buildings	Tennis Courts	Trails; Hard Surfaces	Trails; Soft Surfaces

The PROS Team visited 38 sites within the District, comprising a total of 630.20 acres, and the overall value of the system is assessed as either really good or fair. There are several good parks within the system, with Stone Creek Community Park being an example of a newer park and Hagan Community Park as a classic example of an older park in good condition. Other great parks are Sonoma with an excellent design and assets usage and placement, the Village Green Park with its urban incorporation and Mather Sports Complex with its signature assets.

The quantity and quality of the bike trails within the district are also some of the premier assets in the region and the long range goal should be to systematically extend these assets. However there are many park sites and assets that are showing wear and have met or exceeded their lifecycle. Maintenance overall is good and the older parks are well taken care of despite aging assets. Vegetative bedding, as seen in the newer parks throughout the system should be replicated into the older parks to create uniformity

Brand inconsistencies exist throughout the system applied to entrance signs, sign locations, color schemes, directional signage, and amenity signage and park furniture. Signage should be updated and made consistent through the District, and directional signage along trails should be added to district facilities.

## 3.2 FACILITY/AMENITY STANDARDS, LEVELS OF SERVICE AND SERVICE AREA ANALYSIS

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### 3.2.1 FACILITY STANDARDS OVERVIEW

Facility Standards are guidelines that support investment decisions related to parks, facilities and amenities. Facility Standards could change over time as the program lifecycles change and demographics of a community change. Park Service Areas determine how much of the population within a certain proximity will be served by a specific type of facility. Park Service Levels indicate how many of the resident population will be served by a specific facility.

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### 3.2.2 SERVICE LEVEL ANALYSIS

In 2009, the District utilized a City of Rancho Cordova General Plan Survey conducted in 2004, a CRPD Park Standards and Needs Assessment conducted in 2005 by MIG, Inc., and a comparative analysis performed by Gates & Associates in 2009 to initiate the discussion about the appropriate service levels for the District. The original service levels proposed in 2006 included heavily programmed park sites with limited use facilities and numerous community-wide and District-wide features, such as football fields, rubberized tracks, a campground and an indoor soccer arena. These levels were revised due to the high capital costs that were proposed. In 2009, the Gates study analyzed park amenity service levels of the Roseville, Folsom and Cosumnes areas and developed comparable standards for the District (see **Figure 41**). This methodology and outcome was presented to a Joint Work Session of the City of Rancho Cordova City Council and the CRPD Board of Directors on January 27, 2011. During that same time period, CRPD worked with PROS Consulting to conduct two surveys to determine demographic trends and associated park and recreation needs of the District (see **Chapter 2**). Simultaneously, from 2009 to 2011, CRPD participated with the Northstate Building Industry Association (BIA) and Sacramento County to write a 'Tentative Agreement in Principle' to the Sacramento County Board of Supervisors to produce a park 'Quimby' standard for all of the Park Districts in Sacramento County. Standards for the 'Infill Park Districts' were adopted in 2010. Discussions with the 'New Growth Districts' stalled as the proposal did not address geographic differences, future needs and demographic trends. The CRPD determined to proceed with a policy that would create parity throughout all areas of the District and determined that CRPD would negotiate its own service level program with Sacramento County. In 2010, PROS evaluated Park Service Level standards using a combination of resources. These resources included: National Recreation and Park Association (NRPA) guidelines, standards established by the Quimby Act in California, and recreation activity participation rates reported by American Sports Data as it applies to activities that occur in the United States. Pros also preformed a needs-based analysis for the Cordova Recreation and Park District area. A summary findings of this analysis can be found in **Chapter 4**.

<b>JANUARY 2011 SERVICE LEVEL PROGRAM</b>				
<b>Facility</b>	<b><u>per 100K</u></b>	<b><u>Service Level</u></b>		
Neighborhood Parks - Basic Improvements	240	5 acres per 1,000		
Community Parks - Basic Improvements	260			
Baseball Field - Adult - Lighted - Game	1	1	per	100,000
Baseball Field - Little League - Lighted - Game	6	1	per	16,667
Baseball Field - Little League - Unlighted - Game	6	1	per	16,667
Baseball Field - Senior/LL/Teen - Lighted - Game	1	1	per	100,000
Basketball Outdoor Neighborhood Park	16	1	per	6,250
Basketball Outdoor Community Park	12	1	per	8,333
Football Field	1	1	per	100,000
Football Field with Synthetic track	1	1	per	100,000
Indoor Soccer	1	1	district-wide	
Softball Field - Men's lighted - Synthetic	4	1	per	25,000
Softball Field - Girl's Unlighted - Game	6	1	per	16,667
Softball Field - Girl's Lighted - Game	6	1	per	16,667
Soccer Field - bantam - Small - Neighborhood	5	1	per	20,000
Soccer Field - bantam - Small - Community	1	1	per	100,000
Soccer Field - bantam - Large - Neighborhood	4	1	per	25,000
Soccer Field - bantam - Large - Community	2	1	per	50,000
Soccer Field - bantam - Regulation Grass Neighborhood	9	1	per	11,111
Soccer Field - bantam - Regulation Grass - Community	10	1	per	10,000
Soccer Field - Regulation Synthetic turf - Lighted	3	1	per	33,333
Handball	2	1	per	50,000
Bocce Ball/Petanque - neighborhood (2 court complex)	4	1	per	25,000
Bocce Ball/Petanque - competition (4 court complex)	2	1	per	50,000
Horseshoes - Neighborhood	10	1	per	10,000
Horseshoes - Community (2 court)	8	1	per	12,500
Skate Park - Community Park	1	1	per	100,000
Skate/BMX	1	1	per	100,000
Skate BMX 'spot'	4	1	per	25,000
Tennis Courts - Lighted (2 courts ea.)	10	1	per	10,000
Track for fitness - 1/2 mile	2	1	per	50,000
Volleyball (sand)	4	1	per	25,000
Volleyball (sand) tournament (6-court complex)	1	1	per	100,000
Amphitheater for 500	2	1	per	50,000
Aquatic Center (38% of total cost to new development)	1	1	district-wide	
Teen/Before/After School/day Camp Activity Center	3	1	per	33,333
Community Center (40,000) sq. ft.	1	1	per	100,000
Community Center (24,000) sq. ft.	1	1	per	100,000
Wellness/Senior Center (12,000) sq. ft.	1	1	per	100,000
Community Market Place	1	1	per	100,000
Dog Park - Neighborhood	3	1	per	33,333
Dog Park - Community	1	1	per	100,000
Lake Feature	1	1	per	100,000
Play Area - Neighborhood	45	1	per	2,222
Play Area - Community	4	1	per	25,000

Play Area - Destination	4	1	per	25,000
Play Area - Universal	1	1	per	100,000
Spray Area - Neighborhood	13	1	per	7,692
Spray Area - Community	5	1	per	20,000
Spray Area - Destination	3	1	per	33,333
Water Feature - Neighborhood	7	1	per	14,286
Water Feature - Community	3	1	per	33,333
Restrooms Small - Neighborhood	35	1	per	2,857
Restrooms Small - Community	3	1	per	33,333
Restrooms Medium Neighborhood	3	1	per	33,333
Restrooms Medium Community	9	1	per	11,111
Restroom/concession/storage (1,700 sq. ft.)	1	1	per	100,000
Sport Park Concession	2	1	per	50,000
Batting Cages	1	1	per	100,000
Batting Cages - Small	5	1	per	20,000
Site Storage Facilities	4	1	per	25,000
Corporation Yard (38% of total cost to new development)	1	1	district-wide	
District Offices (38% of total cost to new development)	1	1	district-wide	
Multi-use Turf Area - Small Neighborhood	18	1	per	5,556
Multi-use Turf Area - Small Community	2	1	per	50,000
Multi-use Turf Area - Large Neighborhood	7	1	per	14,286
Multi-use Turf Area - Large Community	3	1	per	33,333
Group Shade/Picnic Area - Small Neighborhood	54	1	per	1,852
Group Shade/Picnic Area - Small Community	16	1	per	6,250
Group Shade/Picnic Area - Large Neighborhood	15	1	per	6,667
Group Shade/Picnic Area - Large Community	16	1	per	6,250
Group Shade/Picnic Area - Destination	2	1	per	50,000
Neighborhood Gather Place	10	1	per	10,000
Neighborhood Gather Place - Small	20	1	per	5,000
Community Gathering Place	4	1	per	25,000
Off-street parking	1,475	1	per	68
Archery Range	1	1	per	100,000
Disc Golf Course	1	1	per	100,000
Expand Gymnasium @ Middle School	2	1	per	50,000
Expand Gymnasium @ Elementary School	10	1	per	10,000
Baseball Field - LL - Joint Use	12	1	per	8,333

**Figure 41 – Proposed Service Levels by Gates and Associates based on a Comparative Analysis in 2009**

### 3.2.3 SERVICE LEVEL AND SERVICE AREA REEVALUATION

After receiving public testimony at the joint CRPD Board/Rancho Cordova City Council/BIA meeting on January 27, 2011, a re-evaluation of the service level program was performed.

CRPD went through an administrative change on February 16, 2012. On April 9 2012, the CRPD Board of Directors, new administrator and the CRPD Management Team held a retreat to determine the future of the District over the next five years. One of the outcomes of this retreat was a determination by the Board of Directors and staff to make the District's future park facilities attractive, reasonable and financially sustainable. Park development standards were subsequently revised to include a philosophy that neighborhood parks would be more passive in nature and community parks would be more active in nature. The park program would also include larger, but limited district-wide attractions and facilities. Based on this new philosophy, the service-level program was once again reevaluated from March 2012 to August 2012 combining the comparative performance standards analysis work performed by Gates & Associates and the hierarchical needs-based analysis performed by PROS Consulting to generate a program that was flexible, operationally feasible, financially sustainable, and addressed community needs.

Several changes were made to make the program more sustainable and include:

- 1) Moving sports facilities and restrooms from the neighborhood parks to the community parks.
- 2) Increasing flexibility in field use by reducing limited-use and enhancing multi-use fields.
- 3) Reducing the total number of sprayground facilities in neighborhood parks and replacing with enhanced facilities in community parks.
- 4) Replacing full-court basketball in neighborhood parks with half-court facilities.
- 5) Eliminating CRPD-built football field and track facilities and entering into agreements with the four school districts within CRPD boundaries to utilize football and track facilities in a joint-use format.

Park Service Areas and Standards are defined as follows:

- 1) Neighborhood Parks shall be located in neighborhoods. They are 2 acres to 15 acres in size with passive programming and a service radius area of ½ to ¾ mile. They shall be bordered on three sides with residential street frontage (one side of residential street frontage may be substituted by elementary school frontage). The remaining property line shall be fenced by a 6' CMU split-face wall with a decorative cap when bordered with residential or commercial properties (this may be substituted by creek frontage if applicable). When adjacent to schools, decorative fencing with access gates shall be used on the property line. Neighborhood Parks shall not be located on lands that are unusable or not programmable.
- 2) Community Parks shall be centralized in villages and community areas. They are 15 acres or greater in size with active programming with a service radius of 1 – 1 ½ miles. They shall be bordered on two sides with residential street frontage and one side with connector roads (one side of residential street frontage may be

substituted by high school or middle school frontage). The remaining property line shall be fenced by a 6' CMU split-face wall with a decorative cap when bordered with residential or commercial properties (this may be substituted by creek or lake frontage if applicable). When adjacent to schools, decorative fencing with access gates shall be used on the property line. Community center buildings shall be located on or adjacent to Community Parks. Community Parks shall not be located on lands that are unusable or not programmable.

- 3) District-Wide Facilities are facilities that serve the entire District (Office Complex, Corporation Yard) shall be constructed in centralized locations near to or on Community Park property.
- 4) Urban Plazas are parks that are urban in nature with a plaza-like feel and are acceptable in commercial and densely urbanized areas. They are eligible for Quimby credit and shall be reviewed and credited on a case-by-case basis.
- 5) Lakes and Creeks – CRPD will not accept or maintain lakes or creeks. These are not eligible for Quimby Credit.
- 6) Drainage Basins – CRPD will not accept or maintain any portion of a drainage retention/detention basin.
- 7) Other than Quimby Parkland: Any additional parkland outside of the 5 acres per 1,000 population shall be owned and maintained by the City, County, POA or HOA in which it is located. The District may enter into an MOU to maintain these facilities only if fully funded.

The 'City-wide' category was eliminated and the aquatics facility service level was redefined at 1 per 140,000 population. The Quimby provision requirement remained at 5 acres per 1,000 population.

With this new program, the final service level program was approved by the Cordova Recreation and Park District Board of Directors on September 12, 2012. This program can be viewed in **Appendix 4**.

## CHAPTER FOUR - PRIORITY RANKINGS

The purpose of the Facility and Program Priority Rankings is to provide a prioritized list of facility / amenity and recreation program needs for the communities served by the District.

The ranking model used by the PROS team evaluated both quantitative and qualitative data. The statistically valid Community Survey was used to provide quantitative data. The survey asked respondents to list what they thought were their unmet needs and then to rank those needs in order of importance. The qualitative data was based primarily on resident feedback obtained through community input meetings.

The model also used a weighted scoring system to determine the priorities for parks and recreation facilities / amenities and recreation programs. This weighted scoring system provided values of three (3) for both unmet needs and importance, and four (4) for consultant evaluation. This breaks down so that out of a total of 100% unmet needs equals 30% of total score importance equals 30% of total score, and consultant evaluation equals 40% of total score.

These rankings were used in developing the Capital Improvement Plan as well as the overall recommendations.

This scoring system considers the following:

- Community Survey
  - Unmet needs for facilities and recreation programs – Factor derived from the total number of households mentioning whether they have a need for a facility / program and the extent to which their need for facilities and programs has been met. Survey participants were asked to identify this for 27 different facilities / amenities and 26 recreation programs. Weighted by a value of 3.
  - Importance ranking for facilities and programs – Factor derived from the importance allocated to a facility or program by survey respondents. Each respondent was asked to identify the top four most important facilities and recreation programs. Weighted by a value of 3.
- Consultant Evaluation
  - Factor derived from the consultant’s evaluation of program and facility priority. Based on survey results, demographics, trends and overall community input. Weighted by a value of 4.

These weighted scores were then summed to provide an overall score and priority ranking for the District’s system as a whole. The results of the priority ranking were tabulated into three categories: High Priority (1-9), Medium Priority (10-18), and Low Priority (19-27).

The combined total of the weighted scores for Community Unmet Needs, Community Importance and Consultant Evaluation is the total score based on which the Facility / Amenity and Program Priority is determined. **Figure 61** and **Figure 62** below depict the Facility / Amenity and Recreation Program Priority Rankings.



**Figure 42** shows that walking, biking trails and greenways, small family picnic area and shelters and small neighborhood parks were the top three facilities / amenities. These were followed by playground equipment, outdoor swimming pools and indoor running / walking track.

<b>Cordova Rec. and Park District</b>	
<b>Facility/Amenity Priority Rankings</b>	
	<b>Overall Ranking</b>
Walking, biking trails & greenways	1
Small family picnic area & shelters	2
Small neighborhood parks	3
Playground equipment	4
Outdoor swimming pools	5
Indoor / walking running tracks	6
Off-leash dog parks	7
Splash pads / spray grounds	8
Large community parks	9
Nature center	10
Community gardens	11
Large family picnic area & shelters	12
Youth soccer fields	13
Senior center	14
Gyms / indoor recreation or comm. centers	15
Outdoor tennis courts	16
Amphitheaters	17
Disc golf course	18
Outdoor basketball courts	19
Youth baseball fields	20
Adult soccer fields	21
Multi-purpose fields	22
Adult softball fields	23
Youth softball fields	24
Skateboard parks	25
Youth football fields	26
Archery range	27

**Figure 41 - Facility/Amenity Priority Rankings**

Figure 43 shows that Adult fitness and wellness programs, swim lesson / aquatics programs and community wide special events were the top three program priorities in the community. Senior programs, Visual and performing arts programs and cultural programs round up the top six.

<b>Cordova Rec. and Park District Program Priority Rankings</b>	
	<b>Overall Ranking</b>
Adult fitness and wellness programs	1
Swim lessons / aquatics programs	2
Community wide special events	3
Senior programs	4
Visual and performing arts programs	5
Cultural programs	6
Youth sports programs	7
Environmental education programs	8
Trips / excursions	9
Pre-School programs	10
Martial arts	11
Outdoor skills / adventure programs	12
Youth fitness and wellness programs	13
Adult life skill and enrichment programs	14
Adult sports programs	15
After school programs	16
Gymnasium / tumbling programs	17
Youth summer camp programs	18
Youth life skill and enrichment programs	19
Tennis lessons / leagues	20
Youth and adult golf	21
Teen events	22
Birthday party package	23
Programs for individuals with disabilities	24
Before school programs	25
Package parties	26

Figure 42 - Program Priority Rankings

## CHAPTER FIVE - OPERATIONAL ASSESSMENT

One of the most critical components of the Strategic Master Plan is the Operational Assessment. The quality of internal operations and the connection to key internal business processes are critical components of the effective implementation of the Plan. The success of planning efforts is greatly dependent upon the leadership ability within the organization to administer, manage, and monitor the Plan's recommendations. In addition, the ability of the District staff to learn, grow, and develop competencies and align with strategy, is paramount to the Plan's success. The intent of the Operational Assessment is to provide feedback and guidelines about the District's operations as a way of continuously improving and strengthening operations.

Recognizing the importance of staff involvement in a strategic planning process, the Assessment significantly relies on thoughts and perspectives from staff members and other individuals close to the District. The operational review included nine staff focus group meetings and a meeting with the Administrator. This resulted in approximately 30 staff members participating in the employee interviews, representing all areas of the District. In addition, comments from the public input process, consisting of a series of key leader interviews and focus groups also provided information for the Assessment. Again, it must be noted that these meetings were conducted over 18 months ago and reflect the opinions and perception of the time.

All of the staff members were involved in responding to a series of questions addressing internal operations. Topic areas included:

- Staffing
- Work schedules and work loads
- Organizational structure
- Direction setting
- Departmental performance
- Technology
- Resources to do the job
- Financial systems
- Ensuring quality of operations
- Sustainability practices
- Human resource requirements

In addition to the employee focus groups, existing District documents were reviewed as well, including organization structure and staffing, policy manuals, park inspection forms, training schedule, the Park and Recreation Ordinance, and general forms, documents, policies and procedures.

### 5.1 CURRENT STAFFING LEVEL

Employees had a difficult time assessing current staffing levels as a result of the vacant positions. However, since the time of the interviews, a Recreation Manager was hired,

which should significantly help the direction for Recreation staff. In addition, the District is in the process of hiring a Finance Manager. Many of the public interviewed during the public input process expressed the opinion that the District is understaffed. Employees did comment that there is a need for more front-line employees dealing with the public. Park maintenance employees feel short staffed. Most of the work within Park Maintenance is done in-house, though they do contract out for some HVAC work.

During the public input process, residents commented about the lack of maintenance staff availability after hours and weekends. This should be considered an area to review as having staff available when the residents use the parks and facilities is an important customer consideration. The recreation group feels understaffed. The District currently has six staff, while the recommendation was 16 positions in a recent study. Six full-time recreation staff members and the Mather Sports Center Director are a small staffing complement for recreation for a community the size of the District.

Many employees feel overwhelmed with work, but this is not entirely a result of workload, but more a function of waste in processes and inertia from a long cycle time for decision making.

When asked about additional positions needed, responses included: someone to oversee technology, two additional maintenance employees at Mather, another landscape architect, and more recreation programmers, including a teen supervisor. Currently, there is no full-time staff position dedicated to overseeing technology. Public outreach and marketing is also a need, given the branding and image challenges of the District. The Parks staff mentioned the need for two additional maintenance supervisors as streetscapes and newer parks are now in-house.

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#### 5.1.1 RECOMMENDATION

- As budget resources allow, continue to fill needed positions, and add a technology position, finance and human resources position.
- The technology area should include Web site development and improvement. The public outreach/marketing area should also include a graphic designer/marketing support position.
- Within recreation, additional lower level recreation program coordinators are needed to grow the recreation programming area. The structure for parks will need to be reviewed for the addition of more maintenance employees as new parks are developed and come online

#### 5.2 ORGANIZATIONAL STRUCTURE

Similarly to the questions about staffing levels, employees also had a difficult time assessing the organizational structure as a result of the vacant positions. One employee commented that the vacant positions could be filled, but the root cause of the problem would still remain. The unfilled positions were mentioned in every employee focus group. This was mentioned frequently during the key leader interviews as well.

The Park Superintendent has one direct report, which does not meet the usual standard for efficient span of control. Most Park Superintendent positions oversee at least four to six

direct reports. Maintenance has three specialized crews, (Irrigation, special projects, and contract maintenance. There will be a 4th crew, overseeing streetscapes.

The planning area is staffed correctly and is helped with the presence and direction of a Senior Landscape Architect. The structure for Recreation is structured effectively, but more front line recreation programming positions are needed.

Notable positions absent from the structure are a dedicated technology position and human resources manager. Currently, the human resource area is a part of finance. There may be opportunity to spend less in legal fees with a human resources director. A human resource director can also provide guidance in the establishment of a good organizational work culture. These positions can be added in the future, as budget resources improve.

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#### **5.2.1 RECOMMENDATION**

- Complete a human resource plan that includes the development of a future organization chart, based on continued population growth and alignment with community needs
- In working with the Administrator and the Human Resource staff, develop a functional organizational structure that is based on key functional areas needed and then identifying the right individuals for that function
- The key is not right-sizing but right staffing where the District must focus on placing the right person, with the right skill set and the right pay in the required positions

#### **5.3 LEADERSHIP**

There used to be a feeling of inertia within the District as a result of decisions not being made. Employees mentioned the lengthy amount of time it takes for decisions to be made by the Administrator. However, under the current administration in 2011, things have started to change dramatically in a positive direction.

As a result, employees take some initiative in making decisions. The other additional concern about leadership relates to the lack of senior leader positions in finance. However, since the time of the employee interviews, this situation has been improved with the hiring of a Recreation Manager.

The organization culture does not lend itself toward high performance and the development of a spirited, innovative, or engaged work force. In terms of implementing a Strategic Master Plan, improvement of the work culture must be done in advance of being able to successfully deploy a Strategic Master Plan. Furthermore, the work environment is driven by fear, which hinders the ability to create good dialogue and relationships within the District. Improving the work culture is of paramount importance to implementing this Plan.

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#### **5.3.1 RECOMMENDATIONS**

- Establishment of a District culture, including the deployment of the mission, development of leadership guidelines, development of values and the development of a more open and accountable environment

- As a follow up to the development of a well-defined District culture, an orientation program should be established that provides District, Department, and individual job information
- As an additional way of implementing the culture of the District, a set of leadership guidelines should be developed as a way of modeling desired leadership practices

#### **5.4 BRAND AND IMAGE**

Based on comments from the public input process and staff focus groups, the overall image of the District is in need of improvement. There is a need to build credibility and public trust. This is particularly true for relationships with groups such as the Community Council and the City government. There is serious concern from the City about the District's ability to competently develop future parks. The District staff members seem to be fighting for their reputation.

There is a need for the District to model themselves after best practice organizations that offer good transparency and communication with residents. This includes the development, design, and maintenance of content for the Website. This is difficult to do without labor resources being dedicated toward this effort. As a result of the District's significant need to build brand and image, a public outreach and marketing coordinator should be hired to develop good external communications.

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##### **5.4.1 RECOMMENDATION**

- Improve the District's brand and image through a grass roots advocacy campaign, development of an external and internal communication plan, and strengthen relationships with other agency partners and groups

#### **5.5 INTERNAL COMMUNICATIONS/INTERDIVISIONAL RELATIONSHIPS**

District wide staff meetings as well as internal team meetings now occur on a regular basis and that has significantly helped alleviate some of the frustration with the lack of internal communication. Employees appreciated the opportunity to open up. Mather Sports Center was built without any input from maintenance and recreation, though Planning now does a much better job communicating with operational employees during park design. Internal communication needs significant improvement.

If communication were better, the amount of time performing firefighting activities would diminish. Too many times communication is done at the last minute. There is not a process for internal communication. Staff mentioned the need to do a better job talking to each other. It would help if there were regular staff meetings among departments. For the front desk team, communication works well, though they do not have the information they need, at times.

People want to get along, but there is a physical divide between maintenance and the administration building. Staff members feel generally uninformed about what is going on.

In order to improve interdepartmental relationships, it may be helpful if the District implemented an internal customer satisfaction system to determine levels of satisfaction toward support functions. The support functions include areas such as technology, finance, marketing, and maintenance. These areas provide important services to other employees.

Having a satisfaction measurement system in place can help to improve the internal relationships of the District.

Several employees mentioned the need for regular ongoing staff meetings. In previous years, there were staff meetings that were held after board meetings, which were helpful in keeping employees informed. The employees mentioned only hearing from the administrator when there is an emergency or when something is wrong. There should be an all hands meeting on a regular basis. The Administrator needs to communicate where he is, as staff receives calls asking for him, and the staff is unsure how to answer.

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#### 5.5.1 RECOMMENDATIONS

- Internal communication processes should be developed. Ideally, a team could oversee the implementation of the work to be done in this area. This can include developing guidelines for District wide and Departmental staff meetings, park design communication processes, leadership guidelines for desired leadership behavior, and measuring employee satisfaction toward internal communication. In order to effectively deploy good internal communication, it would be helpful to have communication as a performance appraisal job factor.
- Internal customer satisfaction process should be developed. Support areas such as finance, human resources, maintenance, and technology should have an annual employee satisfaction review of the quality of support provided. This can be done with an annual internal customer satisfaction survey.

#### 5.6 TECHNOLOGY

The technology area is another area of concern as the technology systems are outdated and insufficient. Maintenance employees must be in the shop to use a computer. On the positive side, there is online scheduling for sports programs. Centralized irrigation and lighting controls exist and are controlled by computer technology.

The IT position is currently being filled by a staff person who is not trained or compensated for IT work. Employees appreciate the help he gives, but it is insufficient. Employees need technology support seven days a week, and this support is not available. Some employees have PCs and some have Macs. Staff mentioned that computers are unreliable and email is unreliable. There is no capability to check other staff members' schedules. The Web site is not properly developed or managed. The program registration system is also in need of improvement.

Recreation staff uses their own cell phones. Maintenance does have cell phones, though sometimes, only a crew leader will have a phone. When the crew leader leaves a park, the rest of the crew members are without communication. There is no replacement system for cell phones. Within the planning area, there is a need for training in auto cad and GIS systems.

One of the most important components to excellent technology support is the ability of an agency to generate good data for decision making. As a result of an absence of an overall technology plan and outdated software, the District is not able to harness technology to support sophistication in decision making based on good data.

### 5.6.1 RECOMMENDATION

- A short term strategic technology plan should be developed to guide the District in implementing improvements. This includes identifying staff positions dedicated to technology, replacement schedules for computers and upgrades to software, improving the program registration process, and supporting employees with improved finance information

## 5.7 SUSTAINABILITY

In reviewing sustainable practices, the District can do much more in the area of reducing, reusing, and recycling. The District should be a leader in green practices, adopting an organizational approach including park design, operational practices, and general business practices. Currently the District does not have an agency wide recycling program, though there is recycling of lights and oil. In addition, there is some use of hybrid vehicles. Cleaning supplies have gone green, in some cases. Park maintenance uses wood chips for mulching. Water conservation is a significant issue, and there is a need to reduce turf areas. Within the Planning Department, there is an interest in having a certified irrigation auditor. The District should adopt a policy that implements the requirements of AB 1881 for water efficiency.

The District should strengthen its practices, first by having sustainable practices as part of the organizational culture. This can be achieved through the adoption of a Board policy statement relating to a commitment to green practices. Secondly, the District can perform an overall audit that identifies areas of strengths and weaknesses. An audit form is included in the appendix of the report. The information generated from an audit can then be used to develop an action plan over a course of three to four years.

Agencies around the country have developed success in deploying sustainable practices through the development of staff green teams and green citizen groups. These teams exist to assist in the implementation of sustainable practices.

### 5.7.1 RECOMMENDATIONS

- Develop a sustainability vision and define sustainable goals
- Complete a baseline analysis of current sustainability impacts, such as energy use, water use, and waste generation
- Adopt a water use policy that implements the requirements of AB 1881 and other water conservation legislation
- Establish sustainability indicators and track performance against sustainability goals. This type of effort is typically done after vision, goals and a baseline are established

## 5.8 HUMAN RESOURCES AND WORK CULTURE

Several areas were explored in the human resources area. The human resources area is vitally important for the development of a healthy organizational culture. This includes creating leadership competencies for all supervisors, a hiring process that attracts employees who are a good fit and possess the right competencies for jobs in the District, growth and development opportunities, and overseeing human resources functions such as salary and benefit administration.



During the employee focus groups, several employees mentioned problems associated with performing job functions in which they do not have requisite knowledge. There is no human resources department and the establishment of one should be a top future priority. Human resources should eventually be developed into a corporate style function, reporting to the District Administrator. The review of Human Resources included the following areas:

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#### 5.8.1 TEAMWORK AND COOPERATION

Individual departments within the District feel as though they work well within their work groups. However, there appear to be relationship issues between departments. It was identified that some departments are more cooperative than others. There is no accountability for departments who are non-cooperative.

Leadership needs to be developed in order to improve cooperation within the District. Although interdepartmental problems associated with teamwork and cooperation in park and recreation agencies are common, improvements in department managers' understanding of the "big picture" of the organization would help to create improved interdepartmental relationships. Implementing a 360 degree performance review, in which peer members are involved in the performance appraisal of their peers, may be helpful in improving relationships.

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#### 5.8.2 PERFORMANCE APPRAISAL PROCESS

Below the supervisory level of staff, employees receive regular performance reviews. However, for the supervisory level staff the performance review process does not occur as frequently. Some employees interviewed indicated that they are maxed out in their classification range and as a result have not been receiving regular appraisals. There were a number of employees who expressed concern that standardized levels of work output were not in place, leading to some employees not 'pulling their weight.' This was particularly evident amongst the supervisory level staff. One idea mentioned by a number of employees was to have employees review their supervisors' performance. The purpose of such reviews would be a way of making supervisory level staff accountable to the employees they supervise. This would remove inconsistent standards in accountability amongst staff and supervisors.

Overall, based on PROS' review of the performance appraisal process, it appears there are inconsistencies throughout the District. This process should be standardized with all employees getting not less than annual performance reviews, regardless of level of classification range or potential for step increases. Additionally, employee reviews of supervisory level staff should be considered as a method to improve expectations of supervisors from the employees they manage.

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#### 5.8.3 TRAINING AND DEVELOPMENT

An overall improvement of the District's employee training practices should be considered. At this point the only professional training mechanisms that are in place are training reimbursement, irrigation training for maintenance staff by Rainbird®, and California Parks and Recreation Society training programs, which some staff attend. However, beyond these examples, there is not much of a training program/process in place. Additionally, there is a

random approach to job specific competency training and development, with no standardization for new hire orientation, equipment use, chemical handling, or program development training.

Core competencies for each classification/job description should be established and training should be aligned with the need to develop these competencies. Examples of competencies include leadership, budget and finance, staff management, and job specific competencies including customer service, recreation program development, and equipment operation.

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#### 5.8.4 WILLINGNESS TO EMBRACE CHANGE AND INNOVATION

Willingness to embrace change and innovation was explored as a topic of discussion with staff, in order to determine the District's ability to improve and change. One particularly telling example was stated by a staff member as, "we aim at a dart board," when deciding where to go. This sentiment, coupled with the perception that an attitude exists to maintain the status quo since that is how the District has always done things, gives a clear and present picture that employees do not know the direction the District is trying to head.

The good news is that there was a very apparent appetite for the creation of a culture that embraces improvements to processes and the work environment. There is also a discernible desire to improve service delivery to the residents of the communities served by the District. However, it was noticeable that the employees surveyed did not know what should be implemented as they had no clear direction. Leadership of the District should make it a top priority to improve the culture of the organization by clearly outlining the direction in which the District needs to go while concurrently making apparent the expectations for improvement and change.

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#### 5.8.5 POLICIES

There are a number of written policies in place, but a number of those policies need to be updated and modified to meet current and future needs. One problem identified is that rules and regulations of the District are written by the attorney. This creates onerous language that generally reads too much like legalese. Additionally, the policy manual and personnel policy manual are outdated. PROS was informed by District personnel that updates to manuals are currently being worked on, but that it is a slow process being done piece by piece.

Policies for clearly describing to the development community what is expected with the newly developing areas of the District do not exist. Few design standards exist, including signage standards (which also affect the established parks and facilities). Maintenance standards are limited, leading employees to inconsistently and unfairly enforce those standards which do exist. Policies need to be written or re-written, and implemented to ensure uniform expectations throughout the District. Such policies will improve the image of the District both structurally and professionally.

It is PROS' recommendation that a full policy review should be conducted, and should be completed with a team of employees, from all levels of the organization, to oversee this project. The policy review should include creating an inventory of existing policies and identification of policies that need to be developed. Existing policies should be reviewed and updated as needed moving forward.

## 5.9 IMPROVING EFFICIENCY AND EFFECTIVENESS

During staff interviews specific questions were asked about District efficiencies and staff's ability to effectively provide high quality service to residents. Although the overall theme of needed improvements in communication and direction were the most prevalent responses, three specific issues affecting efficiency and effectiveness stood out.

Many staff mentioned a need to get vacant positions filled. Staff felt as though the lack of personnel strained work load, creating a work environment that is only reactive to problems. There was an obvious desire to improve processes in order to allow the District to operate in a more preventative manner. However, the general feeling was that there simply was not enough time to make the necessary changes to improve processes. Additionally, general sentiment was that work load is increasing while resources are shrinking. One specific example provided was the maintenance of streetscapes owned by the District. That work was previously contracted out and is now the responsibility of the Maintenance Department. The addition of this workload put additional strain on the department.

A lack of conformance with the National Recreation and Parks Association ("NRPA") recommended industry maintenance practices were mentioned as a concern. The District has in place regular inspections processes, but they are currently insufficient and do not provide for efficiencies. It was mentioned that staff is currently working on improving District maintenance standards, but there was concern regarding the lack of additional resources needed in order to adhere to improved standards, if implemented.

Finally, the maintenance tracking system utilized by the Maintenance Department is outdated and not automated. By not being automated, there is no way to track performance and determine where improvements could be made. Good maintenance systems are capable of tracking the percentage of demand (situations requiring reactive actions) versus preventative maintenance actions. Such a system could be vital to decreasing time spent on demand activities and improving efficiency and effectiveness of maintenance staff. Such a system should be a goal the District explores.

On a positive note, some staff mentioned that Doug Critchfield, Interim District Administrator, visits the Maintenance Department on a regular basis in an effort to better understand maintenance issues. This is important not only to the efficiency and effectiveness of maintenance procedures, but more importantly it improves communication vertically within the organization. Simple communication can improve employee morale and thereby improve staff working capacity and effectiveness. The next step towards improving the communication channels should be to involve more employees in the annual budget process. This would provide staff knowledge of the challenges faced by the organization and include them in the process of finding solutions to problem areas.

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### 5.9.1 RECOMMENDATIONS

- A system needs to be established that can help District administration identify process waste. This includes providing staff with training in process management skills, identifying the processes in greatest need of improvement, and establishing departmental teams to review procedures and ideas for potential improvements.

- Implement a performance management system to help identify how the District is performing. This should be shared with the Board and staff.

## **CHAPTER SIX - CONCESSIONS ASSESSMENT**

PROS Consulting conducted a Concession Assessment to determine opportunities for the District to improve their operations and enhance their revenues. The Concession Assessment included a review of the following areas:

- Softball/Baseball Complex
- Indoor Recreation Center
- Golf Course Operations
- Shooting Range

The assessment included a review of the sites with staff and some limited meetings with the concession operators, where available.

### **6.1 SOFTBALL/BASEBALL COMPLEX**

The Softball / Baseball Complex has design limitations which make it difficult for the District to maximize revenues. The limitations include the following elements:

- Lack of storage on-site results in additional staff time to bring supplies in and out of the concession area on a daily basis. Currently the staff use the umpire's room for storage, which is inadequate
- There is only one cashier station serving customers at any one time. Additionally, the cash registers are not linked with a point of sale system which limits the District's ability to track costs, profits made, and inventory/re-order items
- Lack of a refrigerator/freezer onsite
- Limited seating outside for users to sit and eat
- The food menu is not targeted by type of user
- Pricing of food and drinks is not based on cost of service or profit margin goal
- The concession stand needs to have an outside menu board so people standing in line can determine what their food and drink needs are before they step up to the concession staff person
- Staff must cook outside on an outside grill
- The staff is not able to serve beer during adult softball tournaments
- Staffing makes up 28-30% of cost, which is 10% higher than most concession facilities operated by public agencies

#### **6.1.1 RECOMMENDATIONS**

- Consider increasing the size of the concession facility and remodeling the inside to allow for food storage as well as refrigerators and freezer space. Add outside menus to the building
- Standardize drink sizes, food portions and menu items for youth tournaments and leagues and adult tournament and leagues

- Acquire simple food items with high cost recovery levels such as sale of beer, popcorn, hot dogs, nachos, pretzels, three standard drink sizes only, pizzas, fries and hamburgers
- Add more seating outside of the concession stand to make it comfortable to eat
- Acquire a point of sale system to determine costs, profit made, and inventory/re-order items
- Continue to grill outside for tournaments
- Reduce staffing costs to 20% or less of total concession costs
- Name the concession stand
- Do not sell gum or seeds
- Determine the direct and indirect cost of service for each food item and sell food items that provide the best return on investments
- Run food specials on final day of tournaments to reduce food waste
- Train staff on up selling items when people order
- Establish beer sales for adult tournaments and add a refrigerator
- Market to the park users as well as to the sports complex users with signs that indicate what is offered and encourage them to use the facility
- Offer team discounts in advance of league or tournament play for a set price

## 6.2 INDOOR ACTIVITY CENTER

The Indoor Activity Center is limited for concessions. Currently the Center only offers limited food and vending items and is located in a non-conducive space for selling food. In addition, the site does not have a place for users to sit down while eating. Space is needed, with TV and Wi-Fi access, for users and parents to sit and eat when attending activities at the Center.

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### 6.2.1 RECOMMENDATIONS

- When the District decides to update the Center, or replace it with a new building, a concession area needs to be developed
- The District needs to sell easy food items such as popcorn and hotdogs with fountain drinks only
- Space for people to eat in or outside of the building needs to be created
- Vending machines should be kept to provide food service when the concessions are not available

## 6.3 GOLF COURSE OPERATIONS

The golf course pro shop is outdated in its design and image. The Proshop manager has a lot of inventory and low grade equipment, in stock for the size of the operation, which makes the shop feel cluttered and unorganized. The Proshop manager is on a long term contract (25 years plus). The District has made some needed improvements to the golf course and the restrooms on site with more improvements planned. The following limitations were observed at the golf course facility by PROS:

- There are a limited number of golf outings at the course
- The pricing of services needs to be addressed based on the value of the golf course and the price elasticity in the market for the courses of similar value
- The courtyard outside of the clubhouse and food service area needs enhancement
- No business plan is in place for the golf course, proshop or clubhouse
- Dress of the employees is inconsistent
- Driving range fencing needs improvement
- There are no performance indicators used by the District to hold the contractors on site accountable
- The golf Pro on-site gets 100% of the lessons
- The District pays the golf Pro a \$1,000 a month management fee
- The golf course does 60,000 to 70,000 rounds a year
- The golf course has the lowest golf fees in the state, with the most recent fee increase three years ago
- The golf course needs a new cart barn that is sufficiently sized
- The District replaces golf carts every 8 years on a rotational basis, which is four years longer than most public golf courses
- There are few female golfers who play the golf course
- The golf Pro on site uses volunteer marshalls who are provided free golf in exchange for their volunteered services – this limits opportunity for additional revenue
- There is one concession cart on the golf course at a time
- The food operation is managed by a separate contractor with very little coordination by the golf course manager
- The food service operator pays the District 12.5% of gross sales
- The food service menu is very limited
- No facility is available to host tournaments or after tournament hospitality due to a limited clubhouse and courtyard area
- Users of the food service operation have complaints because of a lack of wider menu of food options and poor customer service
- The District does not determine direct and indirect costs of operations for golf course maintenance, proshop, or clubhouse operations

### 6.3.1 RECOMMENDATIONS

- The golf Pro/manager contract is very fair in compensation for the work performed but needs to be updated based on the indirect costs associated with the performance of his/her duties. Indirect costs should be evaluated against his/her contract as it applies to the cost of maintenance of the proshop, utilities, capital improvements, and management oversight
- The proshop needs to be updated with an improved image. The shop needs to have more storage added so it is not cluttered with merchandise
- The clubhouse facility should be expanded and updated in order to support tournaments and/or special events. These improvements should be incorporated into an update of the courtyard area in front of the clubhouse and overall improvements to the golf course
- The District needs to consider the true direct and indirect costs to maintain the golf course. Analysis of these costs must account for price elasticity in the marketplace for golf and be used to determine future greens fees increases and cost recovery goals
- A marketing plan needs to be developed for the golf course. The plan should focus on improving attraction to a broader user group for the golf course
- An outing, youth, and women's program manager should be considered to promote increased use and encourage a wider age segment of users
- Golf course play has dropped by 40,000 rounds over the last ten years. A community-wide survey should be conducted to determine the cause of loss of play.
- Continued efforts to update the golf course, clubhouse, restaurant, driving range, patio, parking lots, and cart paths needs to be considered
- Operational standards need to be put into place by the District for maintenance, clubhouse operations and food service with measurable outcomes that are tracked on a monthly basis
- A business plan needs to be created for the golf course, proshop and food service operations
- The restaurant is in need of a total upgrade with a revised menu to attract a wider level of users
- The District needs to calculate the true direct and indirect costs of services for the restaurant and compare those costs against the 12.5% currently received from the contractor
- Most public golf food contractors pay the public golf facilities they operate under 15% of gross and 18% of alcohol, if sold
- Rates need to be evaluated and appropriately adjusted on an annual basis
- The restaurant needs to have two food carts on weekends



- Better coordination of food and golf needs to be outlined in the business plan developed
- The District should consider consolidating the golf course, food service and maintenance under one contract in order to market and manage the golf course in the most efficient manner
- A healthy food menu needs to be added to the restaurant
- Driving range needs to be updated and programmed

#### **6.4 CORDOVA SHOOTING RANGE**

The Cordova Shooting Range operation has been privately managed since 1979. The Range consists of a rifle and pistol range, skeet and trap shooting range and buildings to house a proshop and storage facilities. The District receives \$1,500 a month in rental lease from the concessionaire, but is responsible for all capital costs over \$1,000 dollars. The District has not assessed costs against lease revenue to determine actual cost recovery for the site. Key observations of the Cordova Shooting Range facility include:

- No business plan for the Range exists
- Fencing of the property is inadequate, particularly considering the number of people who live near the site
- Archery is not offered on the site
- Law enforcement training does occur on site
- Elk Grove and Sacramento County have the only other shooting ranges in the area. The District does not benefit from their market advantage of offering outdoor long range and skeet shooting
- The contractor allows storage of trailers on the premises, which is not outlined in the lease agreement. If money is received from renters, the District should be capitalizing on a portion of those revenues
- The District receives a flat rate from the concessionaire rather than a flat rate plus a percentage of gross income. This limits the District's ability to determine profitability of the Range
- Food service is limited on the site
- The site is not inviting as a public facility
- Signage to get to the site, as well as onsite, is inadequate
- No point of sale system is in place to adequately track costs, profits, or inventory/re-order items
- The District does not have any performance indicators to hold the concessionaire accountable to any level of expectation
- The District approves fees on a total land lease basis

- The Concessionaire has paid \$500,000 into a maintenance fund, managed by the District, and would like to see an accounting of how funds have been reinvested in the site
- Several Capital improvements are needed to bring the facility up to acceptable condition, including the parking lot and a lead collection system

#### 6.4.1 RECOMMENDATIONS

- The District should require the Concessionaire to develop an annual business plan, for the coming years, and include performance indicators to measure success. The business plan should be approved by the District
- The fence around the perimeter of the property needs to be installed by the District as a safety element to prevent public access to the site
- No storage of private property should be allowed on the District's property without written approval by the District
- An improvement plan to modernize the site and improve the image of the Range should be considered
- The District should consider sending the operations contract for managing the Range out for competitive bid every 10 years if there are no capital improvements made to the site. Or, every 20 years if significant capital improvements are made by the contractor
- The District should negotiate a flat lease rate for the property and include a percentage of gross revenues made from the Range. Additionally, District costs should be compared against the lease rate and gross revenues to determine cost recovery for future negotiations with the Concessionaire
- Quarterly meeting with the Concessionaire and the District Administrator should be held
- The District should require Concessionaire to install a point of sale system in order to confirm gross revenues as reported and ensure proper accounting
- The District needs to supply to the contractor an accounting of the \$500,000 dollars of investment by the contractor
- Improvement to the pistol range is needed
- The entire site requires major renovations

## CHAPTER SEVEN - FINANCIAL ANALYSIS

### 7.1 INTRODUCTION

This chapter assesses the current fiscal state of the District and focuses on key financing strategies to support the Master Plan. The financial analysis identifies existing available funds to support the capital program and presents trends with current operations and funding. It is an in-depth review of the revenues, expenditures, and capital funds of the District and includes the budgets of the General Fund, the Special Revenue Funds, and the Enterprise Fund. Trends were evaluated to determine financial integrity and anticipate directions for the future. Where data was available, cost recovery was analyzed by activity type to present expenditure recovery through fees and charges. Additionally, pricing strategies are included to guide staff in determining fees and implementing a pricing policy. Overall, the various components of the analysis will help provide better guidance and a roadmap for future financial planning decisions made by the District.

#### 7.1.1 DATA REVIEWED

The PROS Team reviewed the detailed cost and activity information prepared by the District staff. Following is a list of the cost and activity data reviewed by PROS:

- Comprehensive Annual Financial Reports for years ending 2004 through 2007
- Annual Budgets by Fund for fiscal years 2006 through 2011

The financial statements and budget reports were analyzed to assess the financial condition of the District.

#### 7.1.2 DISTRICT OVERVIEW AND FINANCIAL PROFILE

The District is an independent local government entity with a financial structure that includes four Major Governmental Funds, three Non-Major Governmental Funds, and one Enterprise Fund.

The Financial Analysis is organized into six sections:

- General Fund
- Independence at Mather Landscape and Lighting Assessment District
- Villages of Zinfandel Community Facilities District
- Sunridge Community Facilities District
- Cordova Golf Course, Enterprise Fund
- Park Maintenance and Recreation Improvement District

The period for the analysis includes fiscal years from 2005 through 2010. The data used for the analysis are the actual amounts for years 2005 through 2009. The analysis was done at a time when the actuals for 2010 were not available and thus projections for 2010 were used. The fund balances for budget purposes are projected at zero (\$0.00.)

## 7.2 GENERAL FUND

The District administers a total of 438 acres, which includes 18 neighborhood parks, 6 community parks, 3 community swimming pools, the Cordova Community Center at Hagan Community Park on Chase Drive, the Cordova Senior Center on Routier Road, Mather Sports Complex, Riverview Community Center, Mills Station, the Cordova Public Shooting Center on Douglas Road, and the Cordova Golf Course on Jackson Road (in a separate fund.) Many of these parks connect via trails or paths to the American River Parkway, which crosses through the District boundaries.

### 7.2.1 GENERAL FUND TRENDS

The General Fund expenditures, including transfers in and out, have been annually adjusted through the budget process to ensure they are generally in-line with revenues. As shown in **Figure 44**, General Fund revenues and expenditures climbed significantly in Fiscal Year 2008/09 due to increased grant funds received by the District. In Fiscal Year 2010/11 the District saw a dramatic decrease in revenues and expenditures as the grants expired. When

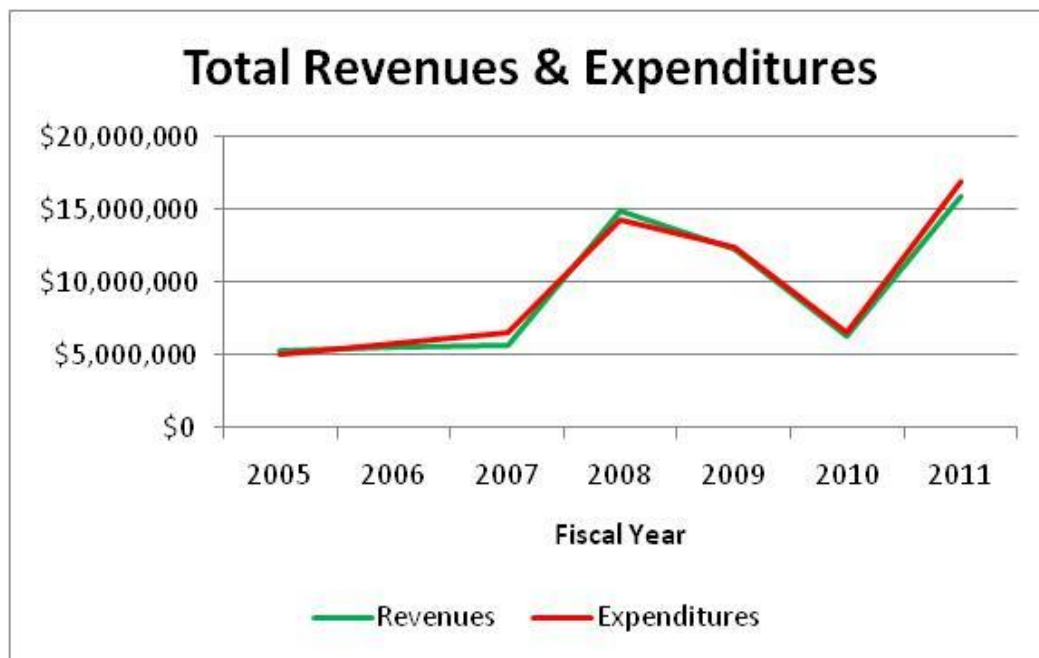


Figure 43 - Total Revenues and Total Expenditures

adjusting for the spike in revenues and expenditures as a result of the grants received, the District’s revenues and expenditures have maintained at fairly consistent levels.

**Figure 45** compares General Fund balance, and all reserves, to total operating expenditures. In relation to the total expenditures over the period analyzed, the total Fund balance and reserves have decreased. A continuing decrease will erode the strength of the fund. **Figure 46** represents total reserves to total expenditures as a percentage for each of the years analyzed. The high target for the District is 25% reserves to expenditures, with 17% being a low target. While the percent of total expenditures has historically exceeded the target range, recent year decreases have caused fund balance and reserves to dip below the target range. A range of reserves between 60 and 90 days of operating costs is generally acceptable to cover unexpected revenue drops or unusual expenditures. The fund supports the general operating costs of the District as well as all capital projects not funded by other targeted funding sources.

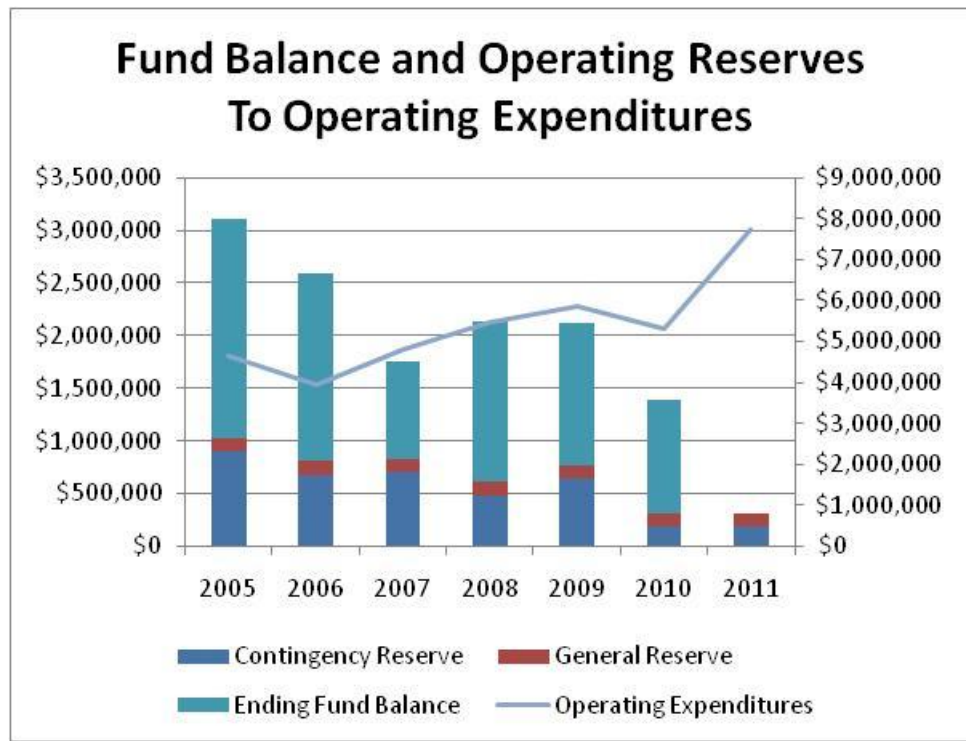


Figure 44 - Funding and Reserves to Expenditures

	2005	2006	2007	2008	2009	2010	2011
Total Reserves to Total Expenditures	82%	159%	159%	32%	23%	37%	14%
Low Target	17%	17%	17%	17%	17%	17%	17%
High Target	25%	25%	25%	25%	25%	25%	25%

Figure 45 - Comparison of Funding and Reserves to Expenditures with Targets

The operating revenues and operating expenditures are shown in **Figure 47**. Historically, operating expenditures, or cost recovery, exceeds the operating revenues recovered for those operations. Prospective operating costs will likely never be 100% recoverable, and therefore will always be sunk cost.

**Figure 48** exhibits cost recovery by showing operating revenues as a percentage of operating expenditures. The target cost recovery percentage for the District is 40%. As is apparent in **Figure 48**, the District has historically operated below this cost recovery goal. Pricing should be analyzed and adjusted in order to bring the cost recovery percentage in line with the 40% goal.

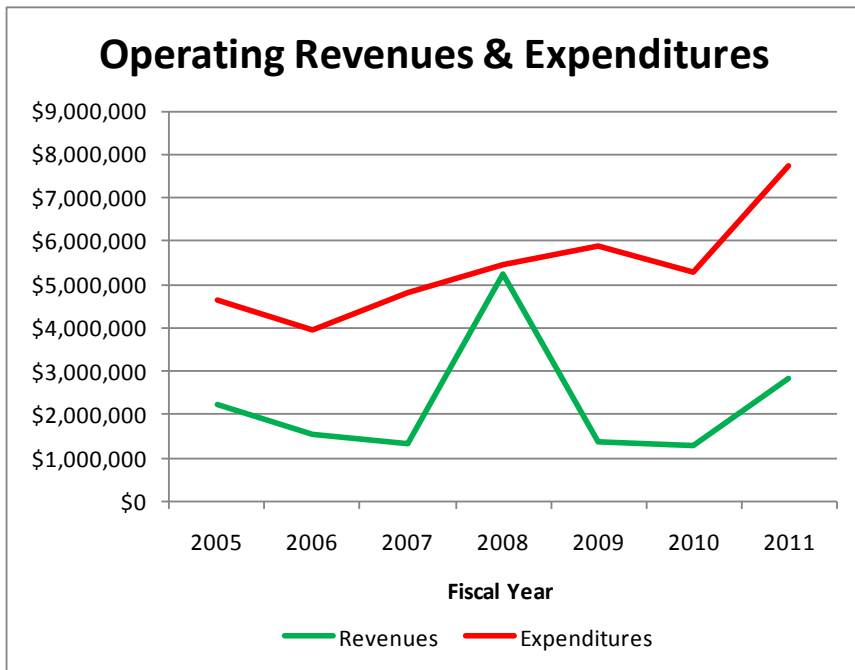


Figure 46 - Operating Revenues and Operating Expenditures

	2005	2006	2007	2008	2009	2010	2011
Operating Recovery	48%	39%	28%	96%	23%	24%	37%
Operating Recovery without Lease Income	48%	33%	28%	23%	23%	23%	36%

Figure 47 - Percent of Operating Cost Recovery

**7.2.2 GENERAL FUND PROGRAMS**

Aquatics, Recreation, and Resale program areas are shown in **Figure 49**. The direct revenues, direct expenditures, and percent cost recovery are shown for each program.

Aquatics	2005	2006	2007	2008	2009	2010	2011
Revenues	\$80,228	\$93,414	\$109,199	\$118,385	\$104,018	\$112,712	\$142,916
Expenditures	\$270,332	\$324,993	\$292,909	\$318,360	\$314,468	\$320,832	\$332,584
Recovery	30%	29%	37%	37%	33%	35%	43%
<hr/>							
Recreation	2005	2006	2007	2008	2009	2010	2011
Revenues	\$588,041	\$505,960	\$493,946	\$500,919	\$602,853	\$788,717	\$1,709,880
Expenditures	\$535,695	\$483,776	\$490,590	\$452,714	\$499,183	\$524,553	\$579,595
Recovery	110%	105%	101%	111%	121%	150%	295%
<hr/>							
Resale	2005	2006	2007	2008	2009	2010	2011
Revenues	\$130,341	\$38,643	\$15,315	\$12,527	\$24,759	\$63,818	\$266,300
Expenditures	\$106,802	\$10,571	\$6,782	\$6,774	\$9,083	\$28,060	\$79,134
Recovery	122%	366%	226%	185%	273%	227%	337%

**Figure 48 - Program Direct Cost Recovery**

The Aquatics program is generally above 30% cost recovery. The expected target for aquatics programs is 40% as shown for fiscal years 2007 and 2008. The Recreation direct cost recovery is above 100% for each year which is consistent with the general target for recreation programs. The Resale direct cost recovery is above or near 200% for fiscal years 2006 through 2010. A minimum target of 200% of direct cost is expected.

**7.2.3 GENERAL FUND OBSERVATIONS**

It is apparent that the recession of recent years, turnover and instability at the District Administrator position, and difficulties with the Enterprise Fund (golf course requiring subsidy from General Fund) has caused strain on the financials of the district.

Over the period reviewed the District’s expenditures have regularly been higher than revenues, causing a depletion of reserves and fund balance. While there is some cost recovery for operating expenses, they do not meet the District’s target of 40% and therefore maintain additional strain on general operating revenues.

### 7.3 INDEPENDENCE AT MATHER LIGHTING AND LANDSCAPE DISTRICT

The Independence at Mather Landscaping and Lighting Assessment District was formed for the purpose of levying and collecting assessments on all parcels of land within the subdivision. Assessment revenues are used to fund maintenance and operation of park and recreational improvements on 17 acres of park land within the Independence at Mather Development.

#### 7.3.1 LIGHTING AND LANDSCAPE DISTRICT TRENDS

The Lighting and Landscape District revenues and expenditures, including transfers in and out, have remained consistent for fiscal years ending 2005 through 2009. The fiscal year ending 2010 and projected year 2011 show the revenues are under expenditures approximately \$100,000 as shown in **Figure 50**.

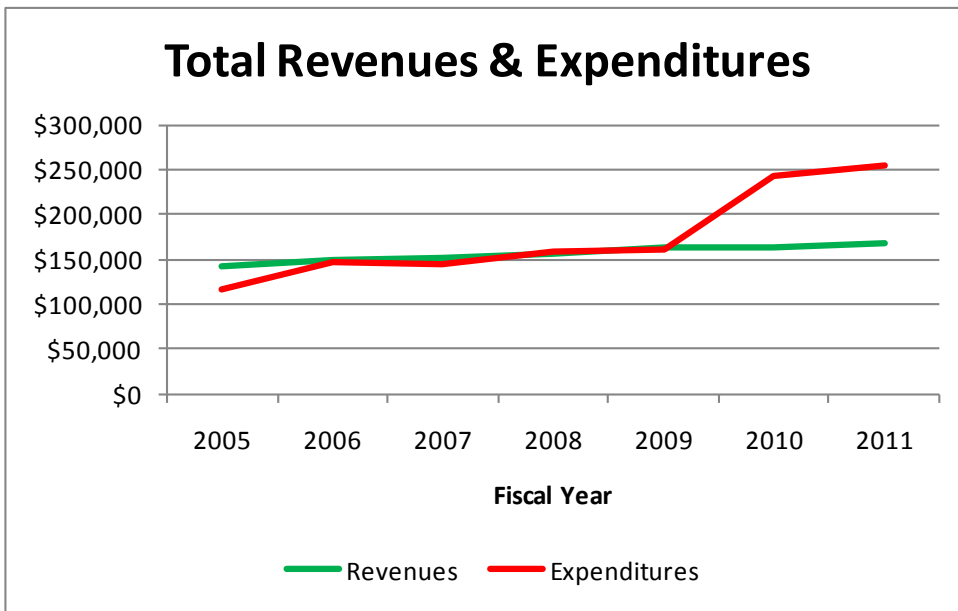


Figure 50 - Total Revenues and Total Expenditures

The fund balance and all reserves are compared to the total expenditures in **Figure 51**. The total fund balance and reserves have increased in relation to the total expenditures through the 2011 period. The fund balance and reserves are above the high target ranges. A range of reserves between 60 and 90 days is generally acceptable to cover unexpected revenue drops or unusual expenditures. **Figure 52** shows that the fund is above the high target for actual year end results and below the target for the projected year ending 2011.



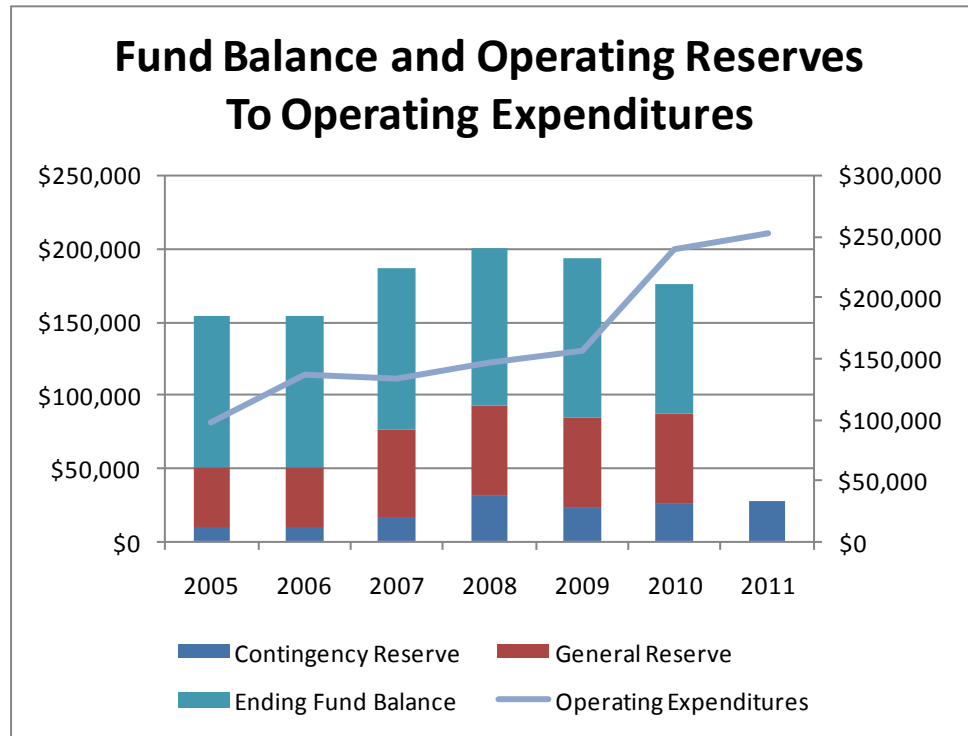


Figure 49 - Funding and Reserves to Expenditures

	2005	2006	2007	2008	2009	2010	2011
Total Reserves to Total Expenditures	43%	35%	53%	58%	52%	36%	11%
Low Target	17%	17%	17%	17%	17%	17%	17%
High Target	25%	25%	25%	25%	25%	25%	25%

Figure 50 –Comparison of Funding and Reserves to Expenditures with Targets

### 7.3.2 LIGHTING AND LANDSCAPE DISTRICT OBSERVATIONS

The Lighting and Landscape District has historically maintained sufficient fund balance and reserves, when compared as a percentage of expenditures. The reserves and fund balance have been maintained above the District’s target range of between 17%-25%. However, the trend historically has been to expend more than the revenues which are coming in. This results in a continual depletion of the fund balance over time, which could eventually dip below the target range set by the District.

## 7.4 VILLAGES OF ZINFANDEL AND CAPITAL VILLAGE COMMUNITY FACILITIES DISTRICT

The Villages of Zinfandel and Capital Village Community Facilities District (CFD) was formed for the purpose of levying and collecting special taxes on all parcels of land within the subdivisions, to provide for the maintenance, operation, servicing, and provision of utilities to park and recreational improvements and to provide maintenance for street trees, and landscape medians, and corridors within the projects. This levy is a Mello-Roos Special Tax.

### 7.4.1 CFD TRENDS

The CFD revenues and expenditures including transfers in and out remain close over the seven year period as shown in **Figure 53**.

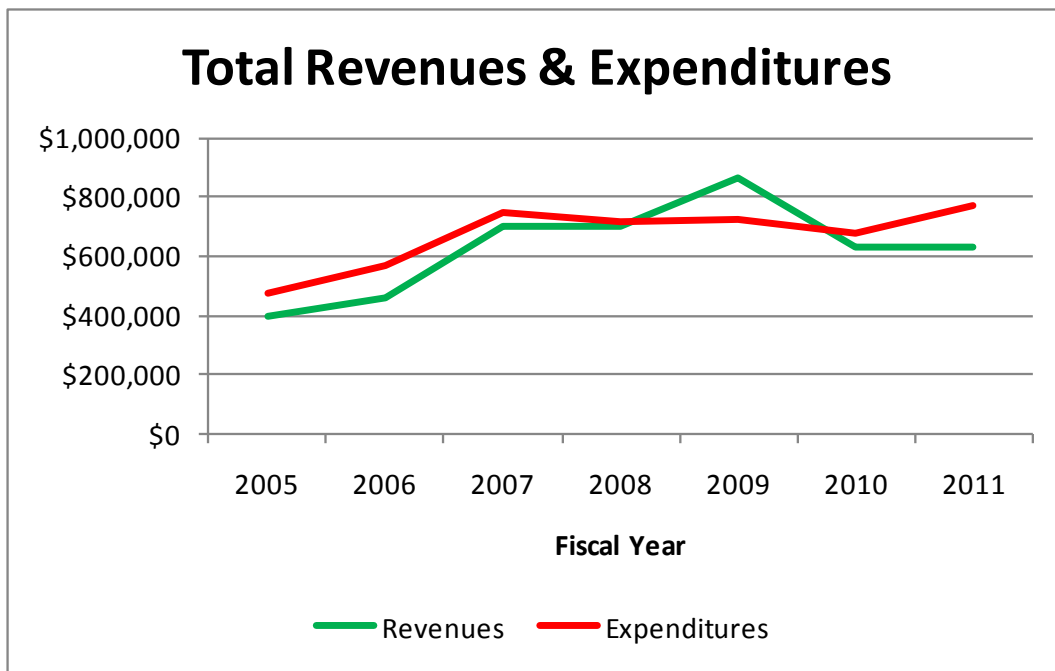


Figure 51 –Total Revenues and Total Expenditures

The fund balance and all reserves are compared to the total expenditures in **Figure 54**. The total fund balance and reserves have decreased in relation to the total expenditures over the period. A continuing decrease could erode the strength of the fund. While decreasing as a percent of total expenditures, the fund balance and reserves are mid range through the fiscal year 2008. The 2009 and projected 2010 fund balances are dangerously low. A range of reserves between 60 and 90 days is generally acceptable to cover unexpected revenue drops or unusual expenditures. **Figure 55** shows that the fund balances are the low target for recent periods.

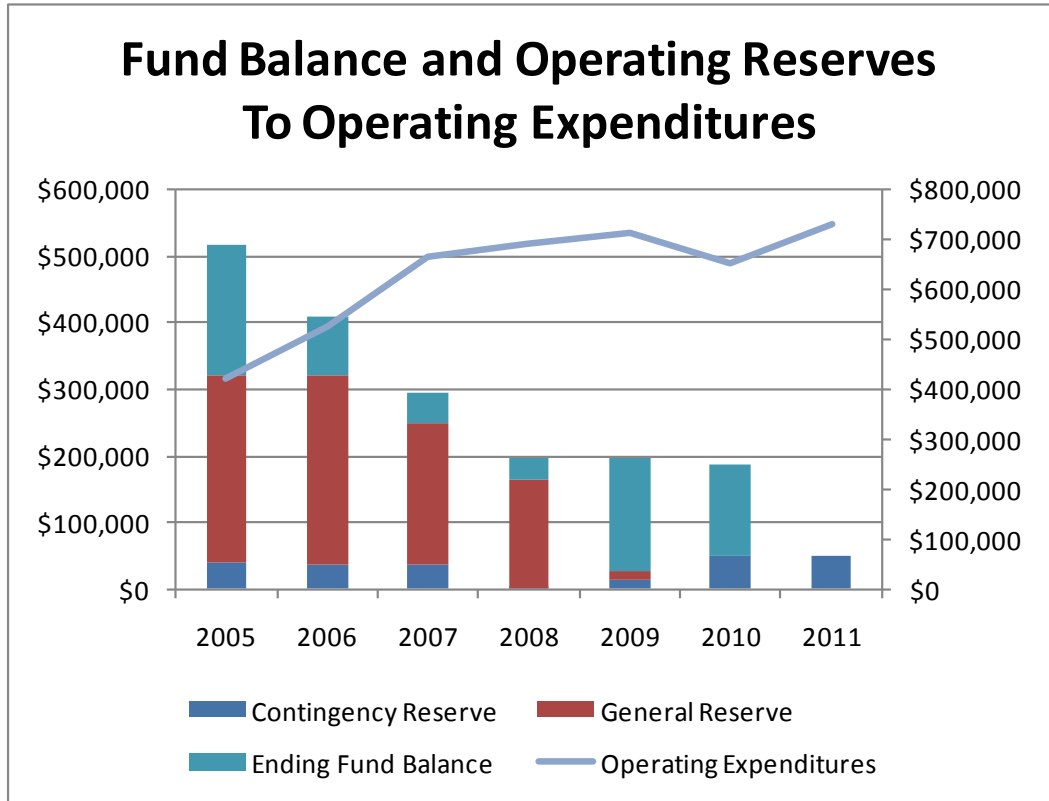


Figure 52 - Funding and Reserves to Expenditures

	2005	2006	2007	2008	2009	2010	2011
Total Reserves to Total Expenditures	69%	57%	33%	23%	4%	7%	6%
Low Target	17%	17%	17%	17%	17%	17%	17%
High Target	25%	25%	25%	25%	25%	25%	25%

Figure 53 - Comparison of Funding and Reserves to Expenditures with Targets

#### 7.4.2 VILLAGES OF ZINFANDEL AND CAPITAL VILLAGE COMMUNITY FACILITIES DISTRICT OBSERVATIONS

The Villages of Zinfandel and Capital Village Community Facilities District may be in financial distress at the end of the 2011 fiscal year. The fund lacks sufficient fund balance and reserves to cover unexpected costs. The balances and reserves are not sufficient to sustain continued operations at the historic levels of service.

## 7.5 SUNRIDGE COMMUNITY FACILITIES DISTRICT

The Sunridge Community Facilities District consists of approximately 325 acres located in the southwestern part of the City. Development is planned for approximately 1,319 single family residential lots, as well as a number of parks, a new elementary school and various facilities for public utilities. On July 19, 2004, the District established the Sunridge Park Community Facilities No. 04-01 and authorized total bonded indebtedness of \$42,000,000.

The land owners at the time of formation then voted to authorize the levy of a Mello-Roos special tax on properties within the CFD. On April 2, 2007, the Rancho Cordova City Council voted to reduce the authorized bonded indebtedness to \$34,200,000 and add a Services Special Tax component to fund the additional cost of police services to benefit the residents in the CFD. In September 2007, special tax bonds in the principal amount of \$13,485,000 were issued on behalf of the CFD.

### 7.5.1 SUNRIDGE CFD TRENDS

The Sunridge CFD revenues and expenditures including transfers in and out remain close for fiscal years ending 2005 through 2010 as shown in **Figure 56**. The projected revenues are less than the projected expenditures for projected year ending 2011. The fund has significant reserves to adequately cover the projected deficit for the fiscal year ending 2011.

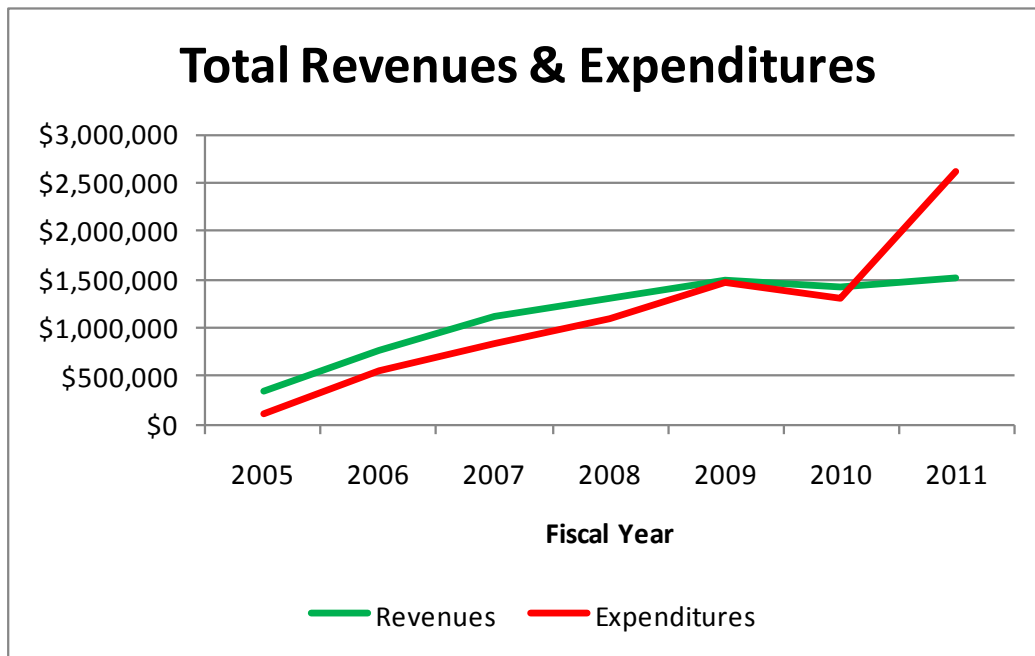


Figure 54 - Total Revenues and Total Expenditures

The fund balance and all reserves are compared to the total expenditures in **Figure 57**. The total fund balance and reserves have increased in relation to the total expenditures over the period. A continuing increase demonstrates the strength of the fund. A range of reserves between 60 and 90 days is generally acceptable to cover unexpected revenue drops or unusual expenditures. **Figure 78** shows that the fund is significantly above the high target for all years.

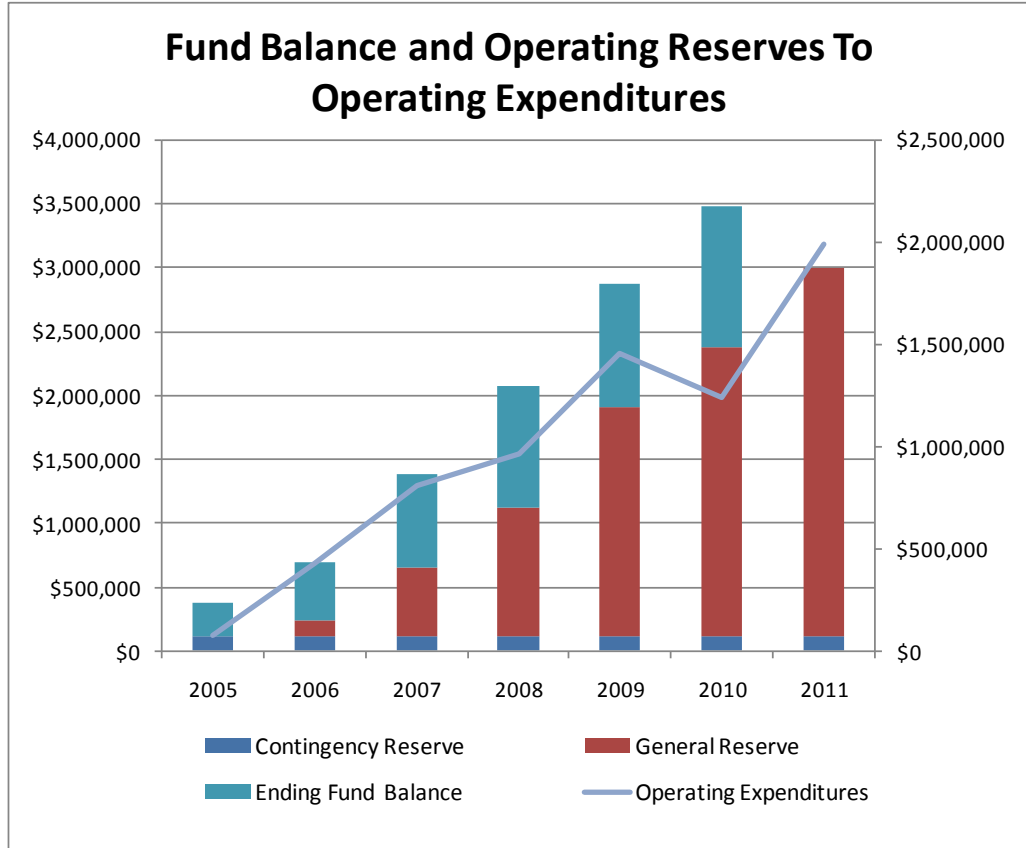


Figure 55 - Funding and Reserves to Expenditures

	2005	2006	2007	2008	2009	2010	2011
Total Reserves to Total Expenditures	117%	44%	78%	103%	130%	184%	114%
Low Target	17%	17%	17%	17%	17%	17%	17%
High Target	25%	25%	25%	25%	25%	25%	25%

Figure 56 - Comparison of Funding and Reserves to Expenditures with Targets

### 7.5.2 SUNRIDGE COMMUNITY FACILITIES DISTRICT OBSERVATIONS

The Sunridge Community Facilities District has sufficient fund balance and reserves to maintain operations.

## 7.6 CORDOVA GOLF COURSE FUND

The Cordova Golf Course, originally constructed in 1958, is a full service golf facility featuring a practice putting green, lighted driving range, Stu’s Bar and Grill, and a proshop offering club repair, private and group lessons. The Course is an executive 18 hole facility open to the public and includes physical features such as cart paths, lakes, and mature trees.

### 7.6.1 CORDOVA GOLF TRENDS

The Cordova Golf Course revenues and expenditures, including transfers in and out remain close over the seven year period as shown in **Figure 59**. The Golf Course was a part of the General Fund in fiscal year ending 2005. The revenues have exceeded expenditures for the historical years 2006 through 2009. The expenditures exceeded revenues for the actual fiscal year ending 2010 and the projected year ending 2011.

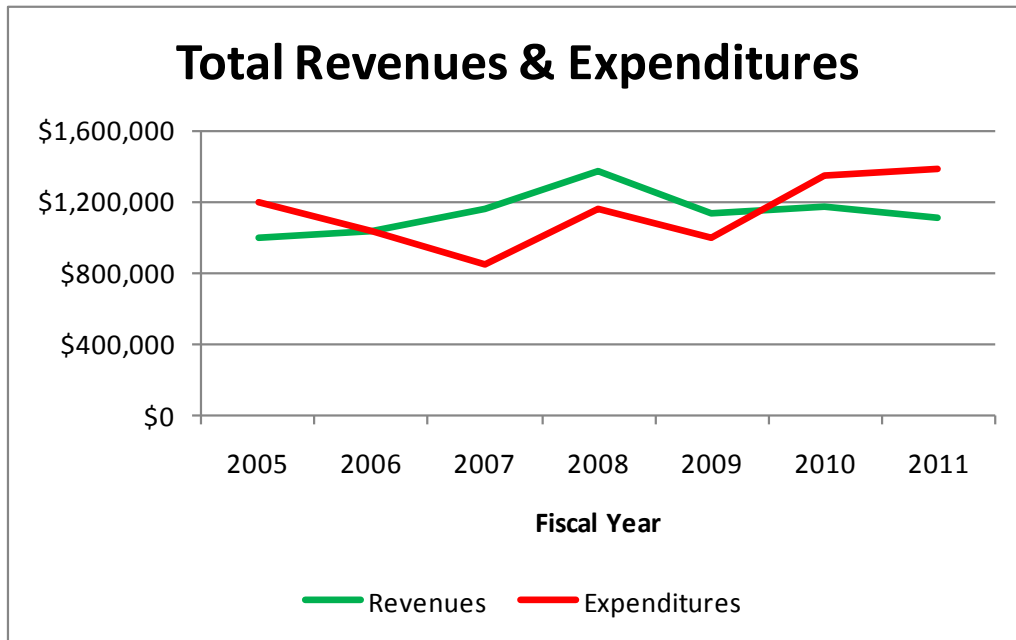


Figure 57 - Total Revenues and Total Expenditures

The fund balance and all reserves are compared to the total expenditures in **Figure 60**. The total fund balance and reserves have increased in relation to the total expenditures for the actual historical years. The fund balance and reserves are below the target ranges for all other fiscal years including the projected year ending 2011. A range of reserves between 60 and 90 days is generally acceptable to cover unexpected revenue drops or unusual expenditures. **Figure 61** shows that the fund is below the low target for most years. The golf course should try to retain the 30 days target for future years.

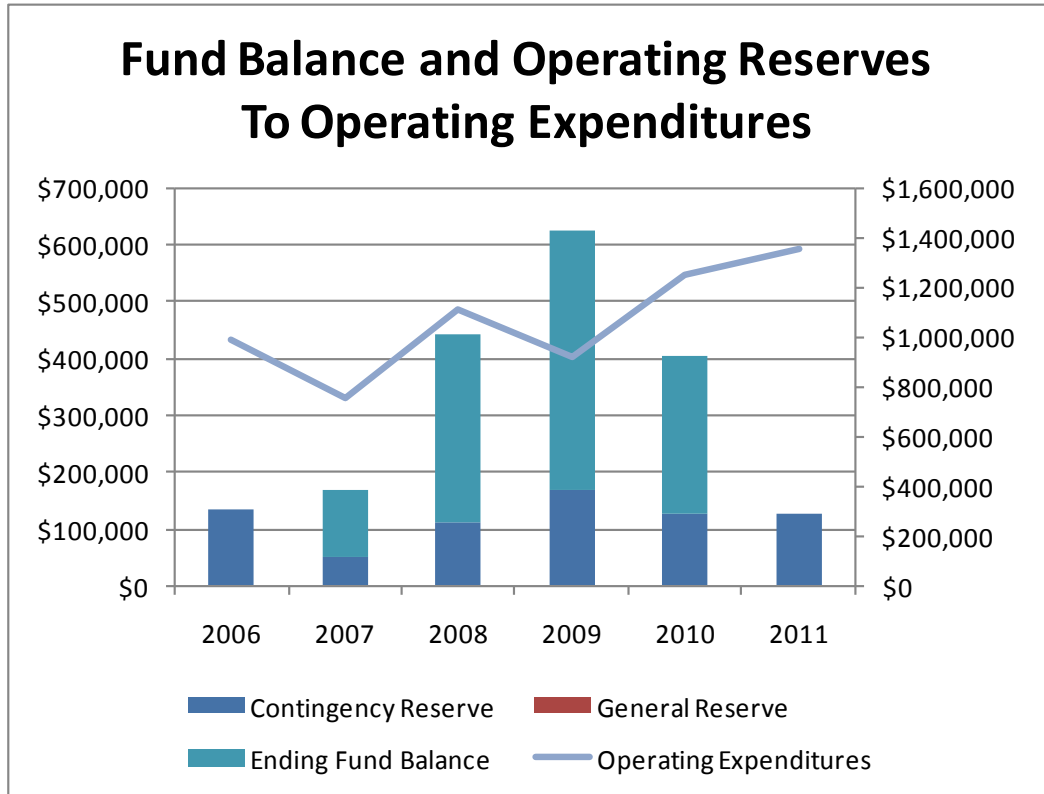


Figure 60- Funding and Reserves to Expenditures

	2005	2006	2007	2008	2009	2010	2011
Total Reserves to Total Expenditures	N/A	13%	6%	10%	17%	9%	9%
Low Target	17%	17%	17%	17%	17%	17%	17%
High Target	25%	25%	25%	25%	25%	25%	25%

Figure 61 - Comparison of Funding and Reserves to Expenditures with Targets

The operating revenues are shown in **Figure 62**. Except for the green fees, the revenues appear to be flat. This indicates that the pricing needs to be reviewed to maintain a balance in cost recovery and to maintain the quality of the course.

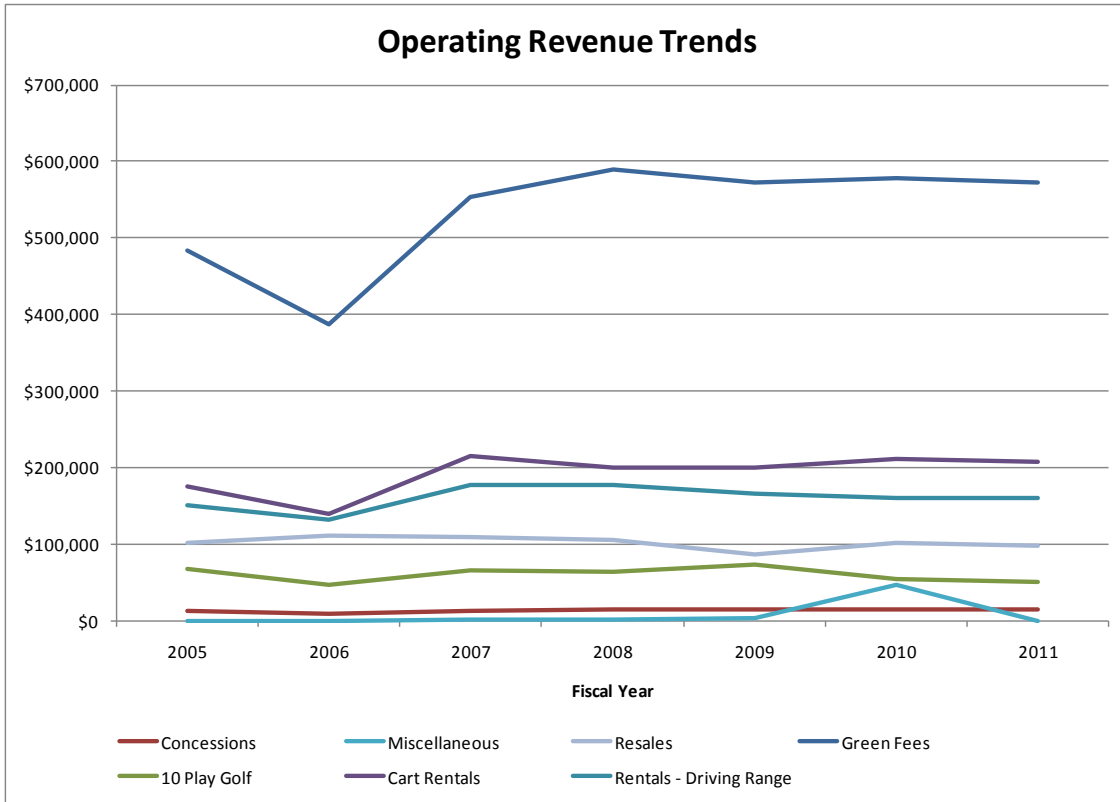


Figure 58 - Operating Revenues

The costs recovery is shown in **Figure 63** for the recovery of O&M expenditures and the recovery of total expenditures. The target cost recovery for Golf Course operations is 100% or more. The cost recovery has exceeded the target since the fiscal years ending 2006 through 2009. The fiscal year ending 2010 and projected year 2011 are below the target cost recovery rates.

	2005	2006	2007	2008	2009	2010	2011
Operating Recovery of O&M Expenditures	86%	105%	154%	123%	122%	93%	82%
Operating Recovery of Total Expenditures	83%	100%	138%	118%	113%	87%	80%

Figure 59 - Percent of Operating Cost Recovery

### 7.6.2 CORDOVA GOLF COURSE RESALE

Resale revenues and expenditures are shown in **Figure 64**. The target cost recovery for direct cost of retail operations is 200% or more. Some modifications in pricing are needed to increase the recovery of the total cost of staff and facilities for retail operations.



Resale	2005	2006	2007	2008	2009	2010	2011
Revenues	\$100,627	\$111,584	\$109,394	\$105,810	\$86,135	\$100,671	\$97,875
Expenditures	\$98,424	\$100,006	\$79,397	\$85,042	\$60,105	\$64,736	\$66,000
Recovery	102%	112%	138%	124%	143%	156%	148%

Figure 60 - Resale Direct Cost Recovery

### 7.6.3 GOLF COURSE OBSERVATIONS

The Golf Course fund balance and reserves need to increase to the target amounts over the next three years. The cost recovery for operating programs needs review to maintain a balanced cost recovery and to maintain the level of quality. Additional funding sources should be reviewed to increase the cost recovery of the golf operations without significantly increasing green fees.

### 7.7 PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT

The Park Maintenance and Recreation Improvement District maintains and improves parks, playfields, recreation areas and other recreational facilities and public areas in the communities of Gold River, Larchmont, Mather, Riviera East, Rosemont and the City of Rancho Cordova. The assessment proceeds are used for ongoing maintenance and improvements to park and recreational facilities. This assessment was levied following a successful assessment election in 2006.

#### 7.7.1 PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT TRENDS

The Improvement District revenues and expenditures including transfers in and out are shown in **Figure 65**. The expenditures exceed the revenues for fiscal years ending 2009 through projected 2011.

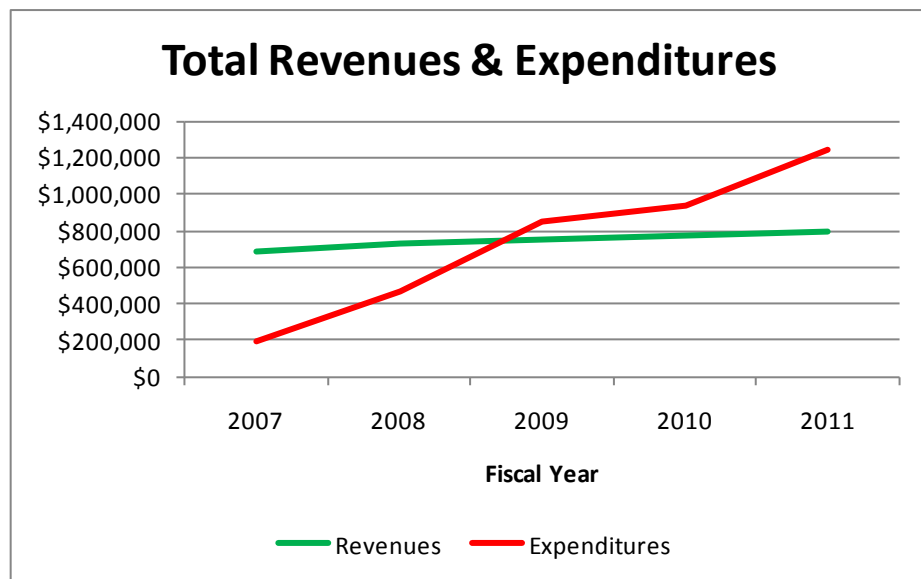


Figure 61 - Total Revenues and Total Expenditures

The fund balance and all reserves are compared to the total expenditures in **Figure 66**. The total fund balance and reserves in relation to the total expenditures are within the target amounts of the fiscal years 2007 through 2009. The fund balance and reserves are below the target levels for actual fiscal year ending 2010 and projected year 2011. A range of reserves between 60 and 90 days is generally acceptable to cover unexpected revenue drops or unusual expenditures as shown in **Figure 67**.

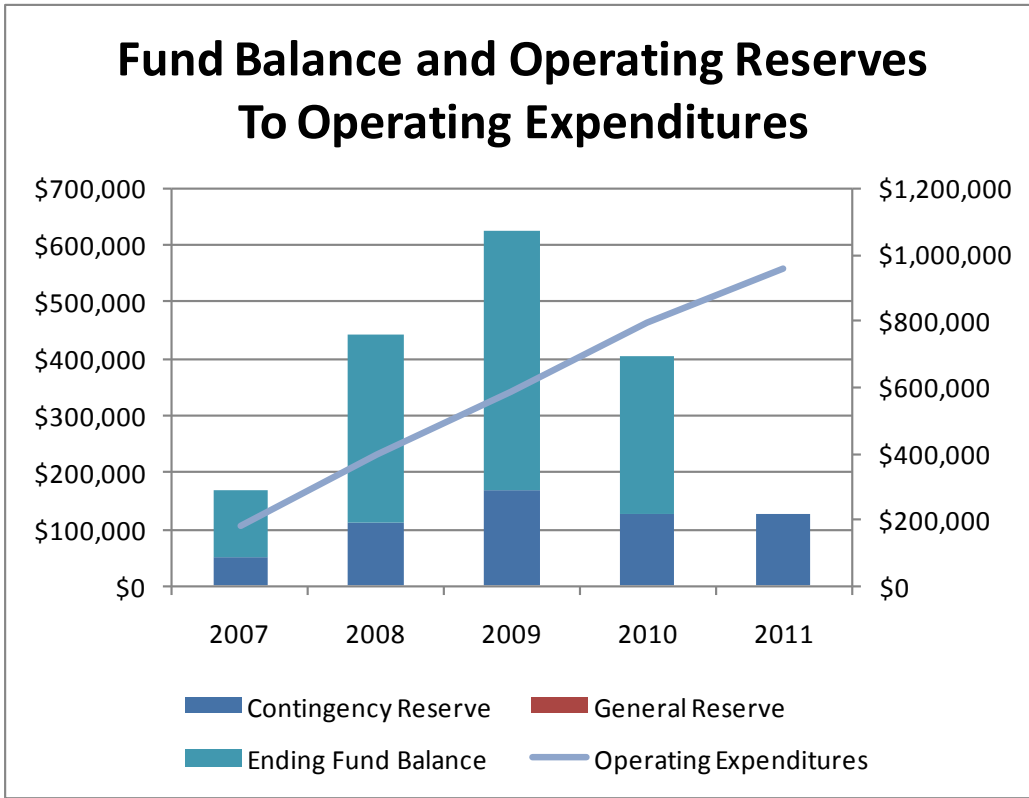


Figure 62 - Funding and Reserves to Expenditures

	2007	2008	2009	2010	2011
Total Reserves to Total Expenditures	25%	24%	20%	13%	10%
Low Target	17%	17%	17%	17%	17%
High Target	25%	25%	25%	25%	25%

Figure 63 - Comparison of Funding and Reserves to Expenditures with Targets

### 7.7.2 PARK MAINTENANCE AND RECREATION IMPROVEMENT DISTRICT OBSERVATIONS

The Park Maintenance and Recreation Improvement District expenditures should be monitored to maintain sufficient reserves for unexpected expenditures.

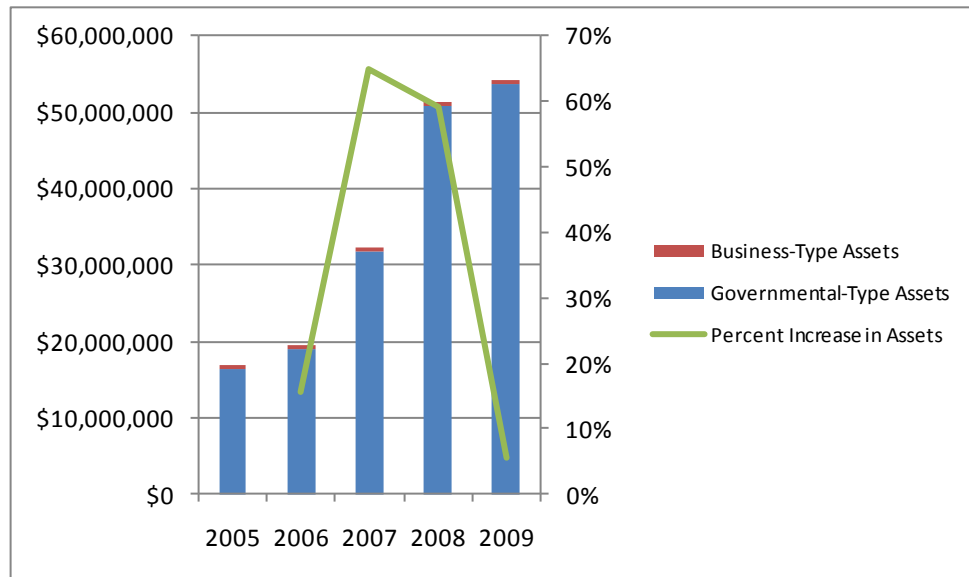
### 7.8 FINANCIAL STRENGTH

The District demonstrates financial strength in the current ratio and debt-asset ratio shown in **Figure 68**. The Current Ratio represents the District’s ability to cover short-term expenses. The calculation is the current assets divided by the current liabilities. A ratio of 2 or above is considered adequate. The debt/asset ratio indicates the amount that the District is leveraged with debt. The District has minimal liabilities as shown by the low ratios. This means that the District has primarily funded the capital assets through operations and grants.

	Fiscal Year Ending				
	2005	2006	2007	2008	2009
Current Ratio	5.7	16.6	20.3	6.1	24.6
Debt/Asset Ratio	0.01	0.09	0.17	0.10	0.09

**Figure 64 – Financial Ratios**

The continual investment in the District’s assets is a reflection of a growing District that is adding to the system and also investing in capital renewal and replacement. PROS recommends that systems invest a minimum of 2% to 4% of their net asset value in new and replacement assets on an annual basis. The District has invested amounts significantly above the minimum amounts. The lowest percent investment occurred in fiscal year ending 2009 and is approximately 5.5%. As the system assets age, the District should strive to invest 2% to 4% annually in system new, renewal, and replacement projects



**Figure 65 – System Investment**

## 7.9 POLICIES FOR CONSIDERATION

### 7.9.1 PRICING POLICY

PROS recommends that written policies be established to guide the regular adjustment of fees and charges in order to maintain cost recovery of services provided. The pricing policies should set forth clear guidelines for informing program participants of the full cost of program participation. Additionally, the policies should provide guidance on communicating to program participants the District's level of subsidy which results in reduced costs to them. This communication should include the cost of operating the program and facilities, even if facilities costs are not being recovered in the fee. Such clear policies will help District staff to better track the costs associated with the programs operated by the District, and to understand what programs are being provided the greatest subsidy for operation.

#### 7.9.1.1 FEES AND CHARGES GUIDELINES

The Policy Guidelines should identify a Pricing Structure that classifies pricing categories by age segment, exclusive use, contractual and special events. This Policy Guideline should consider the following elements:

- Cost Recovery Goals
- Age Segment Pricing
- Group Discounting and Packaging
- Non-primetime
- Level of Exclusivity Pricing
- Incentive Pricing
- Primetime

Guidelines should include incentive pricing for programs that provide significant social benefits, group discounts, and primetime/non-primetime classifications. Incentive pricing may also be used for new programs to test the program content and adequacy of the facilities. Cost recovery guidelines also help programmers in developing program content, number of sessions, and materials and supplies that may be included in the program fee.

#### 7.9.1.2 PRICING POLICY PHILOSOPHY

A Pricing Policy provides the District with consistent guidelines in pricing services and programs. This allows users to better understand the philosophy behind pricing a service. Furthermore, the level of service and benefits users receive is translated into a price that is based on a set subsidy level, or on the level of individual consumption or exclusivity that is involved outside of what a general taxpayer receives.

Cost-of-service documentation with adopted pricing policies provide the District with the tools to adjust the pricing of programs and services as operation and maintenance costs increase against a fixed tax revenue stream.

The objectives of pricing user fees are four-fold:

- Equity
- Revenue production
- Efficiency
- Redistribution of income

**Equity** means that those who benefit from the service should pay for it; and those who benefit the most should pay the most. The type of service will directly determine the cost recovery strategy or pricing strategy to be used in pricing services. Public agencies offer three kinds of services.

**Public services** normally have no user fee associated with their consumption. These services are subsidized with taxes.

**Merit services** can be priced using either a partial overhead pricing strategy or a variable cost pricing strategy. Partial overhead pricing strategies recover all direct operating costs and some determined portion of fixed costs. The portion of fixed costs not covered by the price established represents the tax subsidy. Whatever the level of tax subsidy, the District needs to effectively communicate the level of tax subsidy being incurred.

**Private park and recreation services** are where a specific user or user group receives a benefit above and beyond what the general public receives. Most park and recreation agencies use a full cost recovery strategy for these services.

**Revenue production** means that user fees from parks and recreation programs and activities will assist in the overall operation of the Park and Recreation budget. It offers flexibility in providing services not normally provided through tax dollars. Example: Promotional dollars for programs and services. Revenue production provides the District with in-kind dollars for grant matches and the ability to enhance facilities.

Revenue production helps offset tax dollars spent on a program or service that over time demands more tax dollars to maintain. Example: Tennis and playground programs. Revenue dollars are paid by individuals who value this experience.

**Efficiency** is maintained by pricing and prioritizing activities based on community input and availability of funding. Priorities in management of park lands, resources and activities are clearly defined. Activities in highest demand are priced accordingly. Cost tracking of dollars spent for each activity is documented. Pricing can achieve six positive results:

- Reduces overcrowding in facilities
- Indicates clientele demand and support
- Increases positive consumer attitudes
- Provides encouragement to the private sector (so it can compete with the District, and the District can reallocate resources when appropriate)
- Provides incentive to achieve societal goals
- Ensures stronger accountability on agency staff and management

**Redistribution of income** involves setting fees to cover operational costs as well as future improvements associated with the activity. Example: Adult softball player fees include additional funds for facility maintenance and capital improvements.

The District should regularly review and adjust the funding potential for the sources that best fit the agency's mission and objectives.

## 7.10 FUNDING PLAN

In order to continue to build and maintain a great park system, the District should pursue funding sources presented in this section for operations and Capital Improvement Plan projects.

New, sustainable funding sources are essential to implementing the Master Plan. The District has relied heavily on developer impact fees, Lighting and Landscape assessments, and user fees to support the entire system. The key for the future is to diversify sources of funding to accomplish the initiatives outlined in this Master Plan. These sources need to be committed on a long-term basis to assure a continuing income stream. There is significant potential to increase revenue to operate the parks and recreation services, while still meeting the objectives of providing affordable programs.

The project team conducted a workshop to discuss the major funding options. The staff has been provided a funding model to document the potential funding sources.

The following section lists and describes potential funding options that have been used successfully in other park and recreation systems throughout the United States.

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### 7.10.1 EXTERNAL FUNDING

The following examples provide external funding opportunities for the District to consider for the future. Each of these sources should be evaluated in more detail to determine the level of funding they would yield, if pursued aggressively. Amounts shown are new funds above and beyond any existing amounts collected. Some funding sources were evaluated and determined to not produce significant additional revenue and therefore may not be preferred external funding sources.

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#### 7.10.1.1 CORPORATE SPONSORSHIPS

This revenue source allows corporations to invest in the development or enhancement of new or existing facilities in the park system. Most commonly, sponsorships are used for programs and events as an additional source of marketing for the corporate sponsors.

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#### 7.10.1.2 PARTNERSHIPS

Partnerships are joint development funding sources, or operational funding sources, between two separate agencies, such as government entities, non-profit and public entities, or private businesses. The concept is that two or more partners jointly develop revenue producing park and recreation facilities and share risk, operational costs, responsibilities, and asset management. Partnership responsibilities are generally based on the strengths and weaknesses of each partner, in order to increase capacities not possible by either entity alone.

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#### 7.10.1.3 FOUNDATIONS / GIFTS

These dollars are raised from tax-exempt, non-profit organizations established with private donations in promotion of specific causes, activities, or issues. They offer a variety of means to fund capital projects, including capital campaigns, gift catalogs, fundraisers, endowments, sales of items, etc.

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#### 7.10.1.4 DONATIONS

Private Donations may be received in the form of cash funds, land, facilities, equipment, art, or in-kind services. Donations from local and regional businesses, wealthy District residents, and charity organizations should be pursued by the District.

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#### 7.10.1.5 FRIENDS ASSOCIATIONS

These are groups that are formed to raise money, typically for a singularly focused purpose and generally with the association's special interest in mind. Groups can fund anything from park facilities to specific programs, and generally better the community as a whole.

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#### 7.10.1.6 IRREVOCABLE REMAINDER TRUSTS

These trusts are set up by individuals who typically have more than \$1 million in wealth. Similar to trusts left to heirs, the individual bequeaths a portion of their wealth to the agency, in the form of an irrevocable trust fund, that allows the agency to use a portion of the interest to support specific park and recreation facilities or programs that are designated by the trustee.

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#### 7.10.1.7 VOLUNTEERISM

Volunteer time can be utilized as an indirect, in-kind revenue source provided by persons willing to donate time to assist the District. Volunteers can offer assistance on anything ranging from providing specific products for sale to performing services typically done by District staff on an hourly basis. Volunteers reduce the District's costs in providing service while concurrently building advocacy for the park system.

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#### 7.10.1.8 SPECIAL FUNDRAISERS

Many park and recreation agencies have special fundraisers on an annual basis to help cover specific programs and capital projects.

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### 7.10.2 CAPITAL FEES

Capital fees are added to the cost of revenue producing facilities such as golf courses, pools, recreation centers, hospitality centers and sports complexes and are removed after the improvement is paid off.

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#### 7.10.2.1 DEDICATION/DEVELOPMENT IMPACT FEES

These fees are assessed for the development of residential properties with the proceeds to be used for parks and recreation purposes, such as open space acquisitions, community park site development, neighborhood park development, regional park acquisition and development, etc.

#### 7.10.2.2 IMPACT FEES

These fees are different than the ones above since these fees are in addition to the set user rate for accessing facilities such as golf courses, recreation centers and pool facilities to support capital improvements that benefit the user of the facility.

#### 7.10.2.3 MELLO ROOS DISTRICT

The District currently uses this funding for operations, maintenance, and capital. These are fees for a specific purpose with an election requiring a 2/3 majority for approval.

### 7.10.3 USER FEES

These fees are charged primarily to recreation program users and are based on the direct and indirect cost to provide consumptive recreation services. User fees should vary based on the cost recovery goals of the District as well as pricing policies for core programs. The District has been currently employing a majority of these initiatives and should continue the same.

#### 7.10.3.1 RECREATION SERVICE FEES

This is a dedicated user fee, which can be established by a local ordinance or other government procedures, for the purpose of constructing and maintaining recreation facilities. The fee can apply to all organized activities, which require a reservation of some type or other purposes, as defined by the local government. Examples of such activities include adult basketball, volleyball, tennis, and softball leagues, youth baseball, soccer, football and softball leagues, and special interest classes. The fee allows participants an opportunity to contribute toward the upkeep of the facilities being used.

The District must position its fees and charges to be market-driven and based on both public and private facilities. The potential outcome of revenue generation is consistent with national trends relating to public park and recreation agencies, which generate an average 35 percent to 50 percent of operating expenditures.

#### 7.10.3.2 TICKET SALES/ADMISSIONS

These revenues come from users paying for access to facilities for self-directed activities such as pools, ice skating rinks, ballparks and entertainment facilities. The fees are intended to help offset operational costs of the specific facility being directly used.

#### 7.10.3.3 PERMITS (SPECIAL USE PERMITS)

Special permits allow individuals or groups to use specific park facilities for financial gain. The District either receives a set amount of money for use or a percentage of the gross income created from the service provided.

#### 7.10.3.4 EQUIPMENT RENTAL

Rental of equipment owned by the District, such as tables, chairs, tents, stages, bicycles, roller blades, boogie boards, etc., can be used as a revenue source. These revenues could be used for maintenance of equipment or for other recreational or facility purposes.



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#### 7.10.4 GRANTS

The Grant market is still an option though the reducing spending at the state and federal level makes this tougher to obtain than in previous years. Grant writers and researchers are required to make this funding source work financially. Matching dollars are required for most grants in order to leverage the investment made by the grantor.

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##### 7.10.4.1 PARTNERSHIP ENHANCEMENT MONETARY GRANT PROGRAM

The Partnership Enhancement Monetary Grant Program, administered by the National Tree Trust, provides funding for projects which promote public awareness in support of tree planting, maintenance, management, protection and cultivation. Matching funds are required on a 50/50 cost share basis.

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##### 7.10.4.2 CDBG FUNDING

Funding received in accordance with the Community Development Block Grant (CDBG) Program's national objectives as established by the U.S Department of Housing and Urban Development. Funding may be applied to such programs as Infrastructure Improvements, Public Facility and Park Improvements, Human Service Enhancements, Lead-Based Paint Education and Reduction, Housing Education Assistance, and Economic Development and Anti-poverty strategies. CDBG requires a partnership with the City of Rancho Cordova or County of Sacramento.

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#### 7.10.5 LAND TRUST

Many systems have developed land trusts to help secure and fund the cost for acquiring land that needs to be preserved and protected for greenway purposes. This could be a good source to look to for acquisition of future lands.

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#### 7.10.6 LIGHTING AND LANDSCAPE DISTRICT

This is a special property owner-approved assessment. The District uses this funding source for Proposition 218, which was passed by voters in 1997. The District currently has one Lighting and Landscape District serving the Independence at Mather housing development.

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##### 7.10.6.1 SPECIAL TAXES

Based on gross receipts from charges and meal services, special taxes, such as hotel, motel, and restaurant taxes, may be used to build and operate sports fields, regional parks, golf courses, tennis courts, and other special park and recreation facilities. These taxes are governed by the City of Rancho Cordova or County of Sacramento. Although it is a possible source of funding for the District, the City of Rancho Cordova and County of Sacramento are facing their own funding challenges and are using special revenues for their programs.

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##### 7.10.6.2 SPECIAL IMPROVEMENT DISTRICT/BENEFIT DISTRICT

Special taxing districts can be established to provide funds for certain types of improvements that benefit a specific group of affected properties. Improvements made with these revenues may include landscaping, the erection of fountains, acquisition of art, and promote improvements to other recreation and cultural enhancements.

#### 7.10.6.3 SALES TAX

Tax revenues levied from the point of sale of goods has been a very successful source of funding for park systems throughout the U.S. Sales tax revenues benefiting parks is most popular in high-traffic tourism areas, where non-property tax payers tend to be the bulk of users of parks facilities. Sales taxes are not likely to be feasible for the District as there are not high levels of tourism facility users, and it would require partnership with the City of Rancho Cordova or County of Sacramento for revenue sharing.

#### 7.10.6.4 FOOD AND BEVERAGE TAX

This tax is usually associated with convention and tourism bureaus. However, since parks and recreation agencies manage many of the tourism attractions, they receive a portion of this funding source for operational or capital expenses. This requires a partnership with the City.

#### 7.10.6.5 PUBLIC IMPROVEMENT DISTRICTS (PID)

New developments can establish a Public Improvement District (PID) when authorized by a city and legally set up according to state law. A PID provides funds especially for the operation and maintenance of public amenities, such as parks and major boulevards, within designated newly developing areas.

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### 7.10.7 FRANCHISES AND LICENSES

#### 7.10.7.1 CATERING PERMITS AND SERVICES

This is a license to allow caterers to work in the park system on a permit basis with a set fee, or to provide a percentage of food sale revenues to the permitting agency. Alternatively, some park and recreation agencies operate their own catering services and utilize revenues from the sale of their food for agency activities and maintenance.

#### 7.10.7.2 POURING RIGHTS

Many private soft drink companies and vendors will execute an agreement with an agency for the exclusive right to pour all drinks within park facilities. Generally, the agreement provides a portion of the gross sales to the agency with other profits going to the soft drink company or vendor.

#### 7.10.7.3 CONCESSION MANAGEMENT

Revenue from the retail sale or rental of soft goods, hard goods, or consumable items through concession management, is a popular form of income for many agencies around the country. Typically the agency either contracts out for the service, receives a set amount of the gross percentage, or manages the service themselves, collecting all profit after expenses.

#### 7.10.7.4 PRIVATE CONCESSIONAIRES

Private concessionaire contracts are a popular form of public-private partnerships that involve an agreement with a private business to provide and operate recreational activities.

This agreement may involve projects/activities that are financed, constructed, and operated by the private business with compensation paid to the agency for use of their land or facilities. Alternatively, private concessionaire contracts may also be used solely for the operation of facilities by the private business, but financed and constructed by the public agency.

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#### **7.10.7.5 GREENWAY UTILITY**

Greenway utilities are used to finance the acquisition and development of greenways by selling underground development rights. Businesses such as communications companies and other private utilities then utilize the underground space for making capital infrastructure improvements, such as fiber optic networks. The proceeds from the sale of the development rights can then be used by the agency to build greenways.

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#### **7.10.7.6 NAMING RIGHTS**

Many cities and counties have turned to selling the naming rights for new buildings or renovation of existing buildings and parks for the development costs associated with the improvement. The naming rights are generally purchased by private companies who are interested in naming facilities as a marketing tool.

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#### **7.10.7.7 PRIVATE DEVELOPERS**

Developers lease space from agency-owned land through a subordinate lease that pays out a set dollar amount plus a percentage of gross dollars for recreation enhancements. These could include a golf course, restaurants, driving ranges, sports complexes, equestrian facilities, recreation centers and ice arenas. Future discussions need to be conducted with the City of Rancho Cordova and County of Sacramento to determine feasibility.

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#### **7.10.7.8 EASEMENTS**

Similar to greenway utilities, easements can be revenue generating when the District allows utility companies, businesses or individuals to develop some type of an improvement above or below ground on their property, generally for a set period of time. These agreements typically garner a set dollar amount to be received by the District on an annual basis. The District is using this concept with cellular companies in a number of parks and corridors, but should be explored further as a source to increase annual revenues.

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#### **7.10.7.9 ADVERTISING SALES**

This revenue source is for the sale of tasteful and appropriate advertising on park and recreation related items such as in the agency's program guide, on scoreboards, dasher boards and other visible products or services that are consumable or permanent that exposes the product or service to many people.

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#### **7.10.7.10 INTERLOCAL AGREEMENTS**

Contractual relationships entered into between two or more government agencies and/or between a government agency and a non-profit organization for the joint usage/development of sports fields, regional parks, or other facilities.

#### 7.10.8 FUNDING PLAN SUMMARY

The District should periodically review the funding model to consider new and enhanced funding opportunities. The staff has not quantified the estimated potential additional funding. In PROS experience, similar agencies have identified \$250,000 to \$1,000,000 annually in additional non-tax and non-fee revenues.

## CHAPTER EIGHT - IMPLEMENTATION PLAN

The following section articulates the vision and the goals and strategies by core areas of operations. The detailed Strategy Matrix including tactics, staff groups responsible and performance measures has been provided in **Appendix 3**. The key areas and some of the broad strategies and tactics are:

- Finance
- Maintenance and Operations
- Land and Facilities
- Marketing and Communications
- Recreation Programs

### 8.1 VISION

To be an innovative and trustworthy regional leader

### 8.2 FINANCE

#### 8.2.1 GOAL FOR FINANCE

To maximize opportunities for sustainable operations through cost control and revenue generation and achieve a cost recovery level of 40% including direct and indirect costs within 6 years.

##### 8.2.1.1 STRATEGY

- Develop a business-oriented culture and approach towards managing parks, recreation facilities and services in a sustainable manner
- Focus on a regional approach to partnerships
- Use policy-based decision making to create consistency and structure within the District
- Focus on maximizing non-user fee generated revenue opportunities to supplement current income streams and create a more sustainable agency

### 8.3 MAINTENANCE AND OPERATIONS

#### 8.3.1 GOAL FOR MAINTENANCE AND OPERATIONS

Create greater efficiencies and better planning for maintenance and operational practices in order to create a sophisticated system that is driven by performance indicators and sound data to maximize existing resources.

##### 8.3.1.1 STRATEGY

- Establish priorities for the District based on classifying services on a set criteria that determines “essential, important and valued-added services” and how to manage each type of service to its highest level of capacity and efficiency
- Transition to a functional organizational structure that incorporates a flatter span of control within the District

- Develop a yearly work plan for the District to achieve in support of the recommendations in the Strategic Master Plan
- Focus on environmental sustainability as a part of the District’s operations
- Expand the use of technology to derive data and aid in decision-making
- Emphasize customer feedback as one of the key drivers of program development and enhancement
- Develop a maintenance management plan for all parks, recreation facilities

## 8.4 RECREATION PROGRAMS

### 8.4.1 GOAL FOR RECREATION PROGRAMS

Provide a wide variety of multi-generational programs and increase program participation to 30% by 2015 and 35% by 2020.

#### 8.4.1.1 STRATEGY

- Focus on need based program development starting with core program areas
- Focus on a regional strategy for recreation program planning
- Ensure standardization in program delivery to limit service variation and strengthen brand building
- Increase awareness and participation rates of program offerings among CRPD residents and beyond
- Develop volunteerism as a core program

## 8.5 LAND / FACILITIES

### 8.5.1 GOAL FOR LAND / FACILITIES

Provide 5 acres of neighborhood parks and community parks per 1,000 residents to meet QUIMBY requirements. To provide safe, functional and well-maintained facilities to meet the recommended standard for assets to equitably meet the CRPD population

#### 8.5.1.1 STRATEGY

- Develop neighborhood parks, community parks and recreation facilities in the underserved areas of the District
- Partner with the school Districts to develop or enhance school sites, when practical, to develop land and facility offerings
- Establish an acquisition and site selection criteria for acquiring appropriate types of park land based on unmet needs
- Ensure consistency system-wide through design principles, standards and branding guidelines
- Ensure safe and inviting parks to maximize use and minimize liability
- Leverage signature parks and facilities to enhance the livability of CRPD and generate economic impact through tourism

## 8.6 MARKETING / BRANDING

### 8.6.1 GOAL FOR MARKETING / BRANDING

To create a recognizable and trustworthy brand for CRPD and maximize outreach to increase program participation to 30% by 2015 and 35% by 2020 and consequently help increase cost recovery to 40% system-wide.

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#### 8.6.1.1 STRATEGY

- Develop a marketing plan, brand, and communication strategy for the District
- Focus on developing a strong brand and positive brand equity for CRPD that allows it to differentiate itself from other service providers and create a niche for itself

## CHAPTER NINE - CONCLUSION

The economic downturn has resulted in the creation of a new normal for public agencies nationwide. Coupled with that, the rapid advances in technology and changing demographics has resulted in a need for agencies to be extremely nimble and innovative in their approach.

This Strategic Master Plan is a dynamic, living document that is created to enable the District to survive and thrive in this new normal. The recommended goals and strategies included in this plan primarily focus on positioning the District for the future. However, the success of any planning effort is truly in the implementation. The leadership and the staff have repeatedly demonstrated their passion and commitment to making a difference to the community and the consulting team is confident that the same commitment will be amply visible in the implementation of the plan.

Looking ahead, by focusing on innovation and a business-oriented approach, continuing to build a transparent and supportive culture, forging partnerships, and building a strong brand will be the keys that make the District a place that people come to work and play, and most importantly call home.



**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street #100**  
**Sacramento, California 95814**  
**(916) 874-7458**

June 5, 2013

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: Special Districts Risk Management Assoc. (SDRMA) Board Election

**CONTACT: Don Lockhart, AICP, Assistant Executive Officer (916) 874-2937**

**RECOMMENDATION**

It is respectfully recommended that your Commission adopt the attached SDRMA Resolution selecting four (4) candidates to serve as Directors on the SDRMA Board of Directors.

**BACKGROUND**

As a result of purchasing liability insurance from the SDRMA, Sacramento LAFCo is a member of SDRMA. Your Commission is invited to select four (4) candidates to serve on the Board of Directors. All candidate statements are attached. The four-year terms will begin January 1, 2014.

*Candidates:*

**Muril Clift** (Incumbent)  
Director, Cambria CSD

**Dennis Mayo**  
Director/Pres. McKinleyville CSD

**Mike Scheafer**  
Director/VP, Costa Mesa San. District

**David Aranda** (Incumbent)  
GM, North of the River Muni Water District

**John Woolley**  
Director/Finance Off., Manila CSD

**Tim Unruh**  
District Mgr. Kern County Cemetery  
District No.1

**Jean Bracy** (Incumbent)  
Director Admin. Services, Mojave  
Desert AQMD