

*Agenda Item No. 7*

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

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

**November 2, 2011**

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

**RECOMMENDATION**

Receive and file status report.

**DISCUSSION**

This report summarizes the actions, developments, and events related to the Rio Linda Elverta Community Water District that have occurred since November 2, 2011.

**I. Board Appoints New Director**

On November 21, 2011, the Board of Directors unanimously appointed Jerry Trautman to replace Martin Smith who resigned last month. Mr. Trautman will serve until the November 2012 election. There are no vacancies.

## **II. Progress of Well and Pipeline Construction**

### **Well No. 15**

The District has completed drilling Well No. 15 and completed construction of the pipeline. The well is not operational and will be completed in the Spring of 2012 because construction is not permitted in wetland areas between October 15<sup>th</sup> and April 15<sup>th</sup>.

## **III. Status of CDPH Compliance Orders**

The water quality and quantity continue to be satisfactory.

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

No changes in the operation or status of the intertie with Sacramento Suburban Water District. This is an annual agreement and expires next Spring.

## **V. Status of District Operations**

### **District Financial Condition**

The FY 2009-10 Financial Audit has not yet been completed. It is anticipated that the Audit will be completed by December 31, 2011. Also, the District recently authorized the Auditor to conduct a separate Audit to review bank accounts from 2005 to 2010.

The District's account payables are current, however, cash flow remains tight.

### **Staffing and Employee Relations**

The District is still negotiating a Memorandum of Understanding to reach an agreement with the Union and is currently operating under the Last, Best and Final offer. Approval of the agreement is pending.

### **Pending Litigation as of November 21, 2011**

1. CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54957.6 - Update and discussion, and possible action on Labor Negotiations.
2. CONFERENCE WITH BOARD OF DIRECTORS - The Board of Directors will meet in closed session pursuant to Government Code § 54957(b)(1) - to consider semi-annual evaluation of performance of General Manager. Discussion and possible Action.
3. CONFERENCE WITH GENERAL COUNSEL – PENDING LITIGATION - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a) (Teamsters Local 150 v. RLECWD, PERB case # SA-CE-736M).

4. CONFERENCE WITH GENERAL COUNSEL – PENDING LITIGATION - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a) (Teamsters Local 150 v. RLECWD, PERB case # SA-CE-634M).

5. CONFERENCE WITH GENERAL COUNSEL – PENDING LITIGATION - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Myers v. RLECWD (Unemployment Insurance Appeals Board case # 3786431).

6. CONFERENCE WITH GENERAL COUNSEL – PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE - The Board of Directors will meet in closed session pursuant to Government Code § 54957(b)(1).

7. CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(b)(1) - Potential Litigation. pending litigation matter for Liz Myers, United States Federal District Court Case # 2:11-cv-02671-MCE-EFB.

8. CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Pending Litigation - Joseph Sherrill. Sac. Superior Court Case # 34-2011-00103481.

#### **VI. District Operations**

The General Manager's report for November, 2011 is attached highlighting the status of various district operations. Routine well site inspections are being made in order to keep on top of problems and in order to implement preventative maintenance activities.

#### **VII. 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**



Peter Brundage,  
Executive Officer

cc: Board of Directors and General Manager RLECWD  
California Department of Public Health  
Sacramento Grand Jury

## Manager Report

For October 12, 2011 thru November 16, 2011

On October 12, 2011 I attended a water conservation tracking tool workshop. The District is supposed to track its highest water users water usage. There has been a new technology created using Google earth and a free computer program that helps track where the highest usage is occurring. The workshop was very interesting and could be of value if the District had a person dedicated to the water conservation program.

On October 13, 2011 I attended the semi monthly SGA meeting. The method used for investing funds in the Calif. Employee Benefit Trust was discussed. There was an update on the fifth draft of the Delta Plan. A Resolution from SGA in support of participation in a Regional Water Resources Coalition was presented and approved. The Executive Directors report was discussed. Please see the SGA Executive report attached.

On October 19, 2011 The air compressor that was on site when Cal OSHA came through and did their inspection in 2009 was not adequate. I have purchased a new ASTM certified air compressor and Chubb Insurance came to our site and certified our new air compressor. This is one of the requirements of the Cal OSHA compliance order that have now been completed.

October 24, 2011 we had our monthly Lafco subcommittee meeting. The current status of the District and the projects we are doing were discussed. Mr. Brundage informed us that Lafco is meeting with several entities in the near future to determine a consolidation strategy if necessary for our agency with others in the area. Mr. Brundage and Mr. Lockhart then toured our well site #15 and pipeline projects and they also looked at the proposed well site #14 location.

November 2, 2011 The regular meeting of Lafco was held. Their subcommittee reported on the progress of the District including their opinion that the Board in its current state is dysfunctional. The staff also reported on a meeting they had with other agencies regarding the possible need to dissolve our District. It was felt that currently that would not be an option but it was still very much under consideration. I also reported on events that had occurred since the subcommittee meeting. The Lafco Board felt that it was of the utmost importance for our Board to find a qualified Board member and have them seated on our Board as soon as possible.

November 3, 2011 I spent the afternoon in small claims court. In the case of RLECWD vs V. Johnson. The court found in favor of Ms. Johnson.

November 9, 2011 Jim Carson, Pat Goyet and myself met with Roxanne Cargill and Salvador Turrubiertes of Calif. Dept. of Health Services regarding our biannual inspection report. We exchanged a great deal of information regarding all aspects of the report. It was determined that Mr. Carson would provide the State with additional information before the report is finalized and that Ms. Cargill would review our sampling schedule waivers.

November 10, 2011 I went to the bimonthly RWA meeting. The Executive Directors raise was once again voted down. A Delta update was presented. Linda Yager gave an update on what the Water Efficiency Program has accomplished in the last year. The Executive Directors report was presented. See attached.

November 15, 2011 I met with a few demolition contractors regarding the demolition of the vacant house at our office. This buildings condition was also one of the citations from OSHA.

November 16, 2011 I received bids from 4 Contractors regarding the destruction of the vacant house. This is addressed under another item in the agenda.

We have received a commendation from our workers compensation carrier because we had not had any claims in the year 2010. This is not only a pat on the back to our staff but it will also help to keep our workers comp premiums down.

November 16, 2011

General Manager  
Director Appointment  
RLECWD  
P O Box 400  
Rio Linda, CA 95673

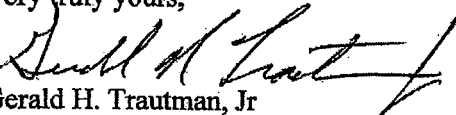
Dear General Manager,

By this letter I am applying for the open position on the RLECWD board of directors. I have followed the Districts activities in the past and I feel that I am familiar with the issues. I have some experience with water services that will be helpful for me to understand the District operations.

My main strength is my financial background. I am a Certified Public Accountant (inactive) and most of my career was a chief financial officer. I believe that this experience will be very helpful to the District.

I have attached a brief resume. I will be happy to answer any additional questions regarding my background or my qualifications. Thank you for your consideration.

Very truly yours,

  
Gerald H. Trautman, Jr

## Resume

Gerald (Jerry) H. Trautman, Jr

### Education:

1957-1961

Stanford University - BA in Economics

1962

University of Santa Clara - night courses in accounting, audit and tax – no degree

### Professional:

Certified Public Accountant (inactive) - Cert # 12038

### Work Experience:

1962

San Jose Water Works – Property Accountant

1963-1972

Touche Ross & Co – Certified Public Accountants – Audit manager

1973-1985

Jack LaLanne's European Heath Spas – Chief Financial Officer and on the Board of Directors

1985-2001

Mania GmbH – Chief Financial Officer (President 1988-1992) and on the Board of Directors.

### Community Service:

1975-1980

Board of Directors – Psynetics Foundation

1982-1985

Board of Advisors – Sanwa Bank

1998-present

Board of Directors – Tahoe Meadows Home Owners Association (President 2004-2010) – Responsible for the installation of three miles of water line which was dedicated to South Tahoe PUD.

2006-2008

Rio Linda Elverta Incorporation Committee – Board of Directors and President 2007-2008. Extensive contact with Peter Brundage and Don Lockhart of LAFCO and personal meetings with Roger Dickinson, then County Supervisor, and John McGinness, then Sacramento County Sheriff.



# RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT

730 L Street  
PO Box 400  
Rio Linda, Ca 95673  
Office (916)991-1000  
Fax (916)991-6616

## Board of Directors Regular Meeting

**Monday, November 21, 2011**  
Meeting will begin at 6:30 P.M.

**Meeting Location:**  
**Visitor's / Depot Center**  
**6730 Front St**  
**Rio Linda, CA 95673**

The next Regular Meeting is scheduled for  
Monday, December 19, 2011  
at 6730 Front Street, Rio Linda

It is the intent of the Board that meetings shall remain as informal as reasonably possible consistent with the business needs of the District. The Board President or a majority of the Board may invoke formal proceedings pursuant to Robert's Rules of Order should action be deemed necessary. The Board may discuss and take action on any item listed on this agenda. The Board may also listen to other items that do not appear on this agenda, but the board will not discuss or take any 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. Copies of the agenda are posted at the Community Center, the District Office and on the District's Web Site at <http://www.RLECWD.com>. All documents relating to items listed on this agenda are available for public inspection at the District office: 730 L Street, Rio Linda, California. The public will be given the opportunity to directly address the Board on each listed item during the Board's consideration of that item. An opportunity for public comment on other items within the jurisdiction of the Board is offered under the item "Public Comment" and such comments are welcomed. Reasonable time limitations may be imposed on each speaker by the Board President. The Board may address any items in any order as approved by the Board.

Upon request, agendas and documents in the agenda packet will be made available in appropriate alternative formats to persons with a disability, as required by law. Any such request must be made in writing to the Rio Linda/Elverta Community Water District, 730 L Street, or P.O. Box 400, Rio Linda, CA 95673. Requests will be valid for the calendar year in which the request is received and must be renewed prior to January 1st of the next year. Persons needing disability-related modifications or accommodations in order to participate in public meetings, including persons requiring auxiliary aids or services, may request such modifications or accommodations by calling the Rio Linda/Elverta Community Water District at (916) 991-1000 at least 48 hours prior to the meeting.

<b>Rio Linda / Elverta Community Water District, Board of Directors</b>		<b>General Manager/Secretary to the Board</b>
Courtney Caron, President	Cathy Hood, Director	Mary Henrici
Frank Caron, Vice President	Vacant, Director	
	Vivien Spicer-Johnson, Director	

<b>CALL TO ORDER AND ROLL CALL</b>	The President will call the meeting to order and take roll.
<b>PLEDGE OF ALLEGIANCE</b>	The President will lead the pledge of allegiance.
<b>PUBLIC COMMENT</b>	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. (Policy Manual 2.01.160 Public Comment)
<b>1.1 SCHEDULED ITEMS</b>	
<b>1. Selection and possible appointment of new Board Member</b>	The Board will receive information on candidates and make a possible selection of a new Board Member.
Requested by G.M. Mary Henrici	Action: The Board may vote to take action.
<b>1. CLOSED SESSION</b>	The Board of Directors will convene to Closed Session to discuss the following items.
<b>CLOSED SESSION</b>	1.) CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54957.6 - Update and discussion, and possible action on Labor Negotiations.



**Monday, November 21, 2011**

<p><b>CLOSED SESSION (continued)</b></p>	<p>2.) CONFERENCE WITH BOARD OF DIRECTORS - The Board of Directors will meet in closed session pursuant to Government Code § 54957(b)(1) - to consider semi-annual evaluation of performance of General Manager. Discussion and possible Action.</p> <p>3.) CONFERENCE WITH GENERAL COUNSEL - PENDING LITIGATION - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a) (Teamsters Local 150 v. RLECWD, PERB case # SA-CE-736M).</p> <p>4.) CONFERENCE WITH GENERAL COUNSEL - PENDING LITIGATION - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a) (Teamsters Local 150 v. RLECWD, PERB case # SA-CE-634M).</p> <p>5.) CONFERENCE WITH GENERAL COUNSEL - PENDING LITIGATION - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Myers v. RLECWD (Unemployment Insurance Appeals Board case # 3786431).</p> <p>6.) CONFERENCE WITH GENERAL COUNSEL - PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE - The Board of Directors will meet in closed session pursuant to Government Code § 54957(b)(1).</p> <p>7.) CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(b)(1) - Potential Litigation. pending litigation matter for Liz Myers, United States Federal District Court Case # 2:11-cv-02671-MCE-EFB.</p> <p>8.) CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Pending Litigation - Joseph Sherrill. Sac. Superior Court Case # 34-2011-00103481.</p>
<p><b>Reconvene Open Session</b></p>	<p>The President will reconvene the open session of the meeting.</p>
<p><b>Announcements from Closed Session</b></p>	<p>The President will report on any actions taken in closed session.</p>
<p><b>2. CONSENT CALENDAR</b></p>	
<p><b>A. MINUTES:</b>  <b>March 21, 2011, Regular Meeting</b>  <b>June 20, 2011, Regular Meeting</b>  <b>July 25, 2011, Special Meeting</b>  <b>August 1, 2011, Special Meeting</b>  <b>August 15, 2011 Public Hearing</b>  <b>October 12, 2011, Special Meeting</b>  <b>October 17, 2011, Regular Meeting</b></p>	<p>The Board will review and approve minutes of previous meetings.</p>
<p><b>B. EXPENDITURES:</b></p>	<p>The Board will review and approve the expenditures for the period since the October 17th, 2011 meeting.</p>

**Monday, November 21, 2011**

<b>C. BUDGETARY REPORTS:</b>	The Board will review the budgetary reports for the period since the October 17th, 2011 meeting.
<b>1-2. SCHEDULED ITEMS (continued)</b>	
<b>2. Demolition of vacant building on District property</b>  Requested by G.M. Mary Henrici	The Board will receive estimates for the cost of demolition of the vacant building on District property.  Action: The Board may vote to take action.
<b>3. Well #15 Pipeline Project</b>  Requested by G.M. Mary Henrici	The Board will receive an update on the Well #15 Pipeline Project.  Non-Action item.
<b>4. Richardson &amp; Company Engagement Letter</b>  Requested by G.M. Mary Henrici	The Board will receive the revised engagement letter from Richardson & Co. to audit the Districts bank accounts from 2005 thru 2010.  Action: The Board make take action.
<b>MANAGER/BOARD/COMMITTEE ACTIVITIES (NO ACTION TAKEN)</b>	The General Manager and Board Members will report on Activities since the last meeting.
<b>General Manager's Reports</b>	The General Manager will report on activities since the last meeting.
<b>Operations Reports</b>	The Board will receive updated operations reports for September 2011.
<b>Engineering Reports</b>	The Board will receive updated engineering reports.
<b>Regional Water Authority, Sacramento Groundwater Authority and other Board and Committee Meeting Reports</b>	Board Members and / or committees will report on their activities during the past month.
<b>DIRECTORS' and MANAGER COMMENTS</b>	Directors' and General Manager may comment on matters not on the agenda, but no action other than placing the matter on a future agenda for discussion or a report from staff is allowed by the Brown Act.
<b>ADJOURNMENT</b>	The President will adjourn the meeting.