

## **Agenda Item: 1**

**Date:** February 12, 2025

**Subject:** Draft Minutes of January 8, 2025, Del Paso Manor Water District and Sacramento Suburban Water District Joint Special Board Meeting

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

**Recommended Board Action:**

Approve the Draft Minutes of January 8, 2025, Del Paso Manor Water District and Sacramento Suburban Water District Joint Special Board Meeting.

**Attachment:**

1. Draft Minutes of January 8, 2025, Del Paso Manor Water District and Sacramento Suburban Water District Joint Special Board Meeting.



## Minutes

### Del Paso Manor Water District and Sacramento Suburban Water District Joint Special Board Meeting

January 8, 2025

#### Location:

3701 Marconi Avenue, Sacramento, CA 95821, and Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting ID #848 0870 1843

#### Call to Order – Videoconference/Audioconference Meeting

Sacramento Suburban Water District (SSWD) Board President Robert Wichert (Chair Wichert) called the meeting to order at 6:00 p.m.

#### Pledge of Allegiance

Chair Wichert led the Pledge of Allegiance.

#### Roll Call

SSWD Directors

Present:

Craig Locke, Diana Lynch, Kevin Thomas, and Robert Wichert.

SSWD Directors

Absent:

Jay Boatwright.

DPMWD Directors

Present:

Carl Dolk, Trish Harrington, Chuck Mensch, Gwynne Pratt, and David Ross.

DPMWD Directors

Absent:

None.

SSWD Staff Present: SSWD General Manager Dan York (SSWD GM York), Jeff Ott, and Heather Hernandez-Fort.

DPMWD Staff

Present:

Del Paso Manor Water District (DPMWD) General Manager Adam Coyan (DPMWD GM Coyan).

Public Present:

SSWD Legal Counsel Josh Horowitz, DPMWD Legal Counsel Mona Ebrahimi, Jay Boatwright, William Eubanks, Victoria Hoppe, Roy Wilson, Alan Driscoll, Alex Peterson, Jose Henriquez, Emily Hathaway, Sabrina Gluch, J Hannum, and Kathy Lauer.

**Announcements:**

None.

**Public Comment**

None.

**Consent Items**

**1. Draft Minutes of December 11, 2024, Del Paso Manor Water District and Sacramento Suburban Water District Joint Special Board Meeting**

DPMWD Director Dolk moved to approve the Consent Item; DPMWD Director Pratt seconded.

The DPMWD motion passed by unanimous vote.

DPMWD Vote:

AYES:	Dolk, Harrington, Mensch, Pratt, and Ross.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

SSWD Director Thomas moved to approve the Consent Item, SSWD Director Lynch seconded.

The SSWD motion passed by unanimous vote.

SSWD Vote:

AYES:	Locke, Lynch, Thomas, and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:	Boatwright.		

**Items for Discussion and/or Action**

**2. Plan for Services and Sacramento Local Agency Formation Commission Application Update**

SSWD GM York pointed out an error in the staff report, noting that in the third paragraph, there was a statement that Sacramento Local Agency Formation Commission (LAFCo) would officially certify the reorganization of DPMWD with SSWD on March 5, 2025, and he clarified that they would not be officially certifying, but rather LAFCo would either accept or deny the request to reorganize.

DPMWD Director Harrington inquired where the 21-day advance notice would be published at.

Jose Henriquez, Executive Officer for LAFCo (Mr. Henriquez) commented that the notice would be published in several places such as the Daily Recorder, the Board of Supervisors chambers, the LAFCo office, the LAFCo website, and the districts websites.

DPMWD Director Dolk inquired that if everything were to be approved, when the certification date would be.

Mr. Henriquez expressed that he would be drafting a plan to provide to the General Managers, but that the typical process was if there was an approval by the LAFCo Commission, then there is a 30-day reconsideration period, where members of the public would be able to request a reconsideration if they provided evidence that was not already considered by the LAFCo Commission. Then, he noted, the typical process would be for either a hearing to take place where members of the public could protest, or that hearing could be bypassed under a specific section in the Government Code. If the LAFCo Commission approved it, then both districts would have 12 months to comply with any conditions of approval. Once all of the conditions have been completed, LAFCo would then file a Certificate of Completion, formalizing the reorganization into one district. He noted that he felt this could be complete around the summer of 2025. He then answered additional clarifying questions.

William Eubanks (Mr. Eubanks) asked clarifying questions of the reorganization process.

SSWD GM York commended Matt Underwood on his efforts getting the Plan for Services Application submitted to LAFCo.

3. **Grant Funding Application – Memorandum of Understanding**

Jeff Ott (Mr. Ott) presented the staff report and provided a status update.

Chair Wichert requested for all documents to reflect that this process is a reorganization as opposed to a consolidation, as he noticed it was occasionally referred to a consolidation.

DPMWD Director Dolk pointed out that in the very first paragraph of the Memorandum of Understanding (MOU), the term should be districts, not district.

DPMWD Director Harrington pointed out that under section A, the word “report” needed to be added after “Sacramento Grand Jury.”

DPMWD Director Harrington pointed out that under section D, the duplicate word “would” should be removed.

DPMWD Director Harrington pointed out that at the top of the second page, she requested to include the word “Board” after DPMWD, and placed before staff and counsel.

DPMWD Director Pratt inquired if Section 4. Confidentiality, was appropriate, as she was unaware of any information that would be confidential.

Clarification was provided about Section 4. Confidentiality, noting that the paragraph was appropriate for confidential information such as customer information or litigation, or similar information.

Chair Wichert requested to include a specific reference to the Forsgren contract under Section D, to say, “undertake such representations with the additions that we have already talked about including design contract with Forsgren Associates, and their respective consultants.”

Chair Wichert clarified that it was his desire for SSWD to manage the Forsgren contract, noting that any changes would need to be approved by the DPMWD Board.

DPMWD Legal Counsel Mona Ebrahimi (Ms. Ebrahimi) expressed concern about SSWD managing the contract, as the contract is between DPMWD and Forsgren, noting SSWD was not a signatory to the contract.

Discussion ensued regarding SSWD managing the Forsgren contract, options on how that could work, and the decision was made that the MOU already gave SSWD the authority to move forward with the grant application submittals, and that through the operational agreement, SSWD would work with Forsgren to ensure completion, but not necessarily give direction, to Forsgren.

Ms. Ebrahimi pointed out that as a part of the Board motion when approving the MOU, she recommended to direct the General Manager to direct Forsgren to work cooperatively with SSWD to fulfil the contract terms.

Alan Driscoll, Manager of Sacramento Operations for Forsgren Associates, (Mr. Driscoll) pointed out that there was already a Master Services Agreement in place with both DPMWD, as well as SSWD, and that there was already a good working relationship between both districts and their firm, and that he was confident that it would be a cooperative effort going forward.

Kathy Lauer (Ms. Lauer) inquired about drought planning.

SSWD Director Thomas moved to approve the staff recommendation, including any approved edits as suggested, SSWD Director Locke seconded.

The SSWD motion passed by unanimous vote.

SSWD Vote:

AYES:	Locke, Lynch, Thomas, and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:	Boatwright.		

DPMWD Director Ross moved to approve the staff recommendation, including any approved edits as suggested; DPMWD Director Pratt seconded.

The DPMWD motion passed by unanimous vote.

DPMWD Vote:

AYES:	Dolk, Harrington, Mensch, Pratt, and Ross.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

4. **Grant Funding Application – Status Update**

Mr. Ott presented the staff report and provided a status update.

Mr. Ott provided an explanation of the terms “90% design,” and “90% shovel ready,” noting the Division of Financial Assistance expressed that 90% percent design is all that was required.

Alex Peterson, with Forsgren Associates, clarified that Forsgren intended to work with the State Revolving Fund to understand exactly what they require for the design to ensure they provide it.

Additional clarifying questions were answered.

Chair Wichert requested additional details of the schedule.

Ms. Lauer inquired if the grant funding was not approved, if there were other funding options to look into, and encouraged staff to inquire.

5. **Reorganization Task List – Status Update**

SSWD GM York presented the staff report and answered clarifying questions.

6. **Operations Assistance Update**

DPMWD GM Coyan presented the staff report noting DPMWD appreciated the assistance from SSWD staff.

SSWD GM York expressed that while SSWD staff is willing to assist with DPMWD, it does put a strain on operations within SSWD, noting that he was hopeful to come up with ideas on how to address this issue. He noted that it is fine as a temporary situation, but if the reorganization lasted beyond 6 months, it could take a toll on SSWD’s operations.

SSWD GM York commented that there are currently three operational positions currently vacant at DPMWD and it would be more appropriate to initiate recruitment for two operators under SSWD’s recruitment process rather than DPMWD’s recruitment process.

SSWD Director Locke pointed out that SSWD should consider discussing the topic at a SSWD Board meeting, noting that adding an additional couple of positions would be appropriate.

DPMWD Director Harrington asked clarifying questions about the maintenance required on the well runs, noting some of them are not in service.

Ms. Lauer expressed she felt better about having SSWD staff assist DPMWD.

Mr. Eubanks expressed that he supported SSWD adding additional staff positions.

7. **Communications Plan Update**

SSWD GM York presented the staff report, noting a more detailed report would be presented at the February Joint Board meeting.

It was suggested to consider conducting an Open House near the time the reorganization is finalized.

8. **Agenda Items for Future Joint Board Meetings**

SSWD GM York presented the staff report.

Chair Wichert requested the same items remain on the next Agenda and additionally requested to receive a more detailed schedule for Forsgren.

9. **Director Comments**

There were no Director comments.

**Adjournment**

Chair Wichert adjourned the meeting at 7:10 p.m.

DPMWD Director Dolk adjourned the meeting at 7:10 p.m.

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Heather Hernandez-Fort  
Board Secretary  
Sacramento Suburban Water District

## Agenda Item: 2

**Date:** February 12, 2025

**Subject:** Advisory Committee Bylaws

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

### Recommended Board Action:

Receive presentation on the Draft Bylaws of the Advisory Committee of the Sacramento Suburban Water District for the Del Paso Manor Service Area and direct staff as appropriate.

### Discussion:

At the December 11, 2024, Joint Board meeting of the Del Paso Manor Water District (DPMWD) and Sacramento Suburban Water District (SSWD), the two Boards approved a similar resolution to submit to the Sacramento Local Agency Formation Commission (LAFCo) for reorganization of the two districts.

Within the resolution, it reflects the intent of both Boards to create a DPMWD Advisory Committee (Committee) that will be responsible for reviewing proposals and making recommendations to SSWD Board for capital improvement projects and outreach to the ratepayers within the Del Paso Manor service area. The resolution sets forth the following parameters:

- Upon reorganization, the then-existing DPMWD Directors would become the members of the Committee;
- The Committee may consist of 5 members total;
- The Committee will be responsible for reviewing proposals and making recommendations to the SSWD Board for capital improvement projects within the Del Paso Manor Service Area;
- The Committee will be responsible for outreach to ratepayers within the service area;
- The Committee will have the right to appoint new members if there are vacancies;
- The term of the Committee will be for not less than 3 years; and,
- The Committee will be subject to the Brown Act.

The resolution also states that, in order to facilitate its functions, that the Committee adopt bylaws for governance. At the February 4, 2025, DPMWD Board Meeting, the DPMWD Board was asked to provide input on what they would like to be included in the bylaws.

The DPMWD Board conversed over some of the specific aspects of the Committee at their February 4<sup>th</sup> Board meeting. Listed below are their discussion points, with staff providing input on suggested answers to such questions based on previous discussions on this topic at Joint Board meetings:



- Will there be administrative support and staffing; The Committee would not have a dedicated staffing position but would receive the appropriate administrative support necessary.
- Who would take minutes; Administrative staff would attend Committee meetings and be responsible for Committee meeting minutes.
- Is there an operational budget for the Committee; Yes, staff develops an annual budget amount for Board/Committee member stipends associated with attending water related activities.
- Where would the Committee meet; All Board and Committee meetings are held at the Marconi Administration office.
- Is there a stipend for Committee members; The intent is for the Committee to receive a stipend, which could similarly follow SSWD's Directors' Compensation and Expense Reimbursement Policy. The subject policy sets forth the amount of compensation and types of service for which compensation will be provided. Legal counsel will provide a recommendation for what type of policy would need to be developed.

A draft of the bylaws (or terms that are important to the DPMWD Board) are included in Attachment 1. Some aspects of the bylaws for consideration, along with recommendations, are as follows:

- The posting of all notices for meetings shall be in accordance with the Brown Act. Notices will be posted in accessible locations, and on the SSWD webpage.
- All meetings will be open to the public.
- Minutes of the meetings shall be maintained, approved at the subsequent meeting, and recorded.
- Public comments on each agenda item will be limited to 3 minutes, unless otherwise directed by the Board President or Committee Chairperson.
- All Committee members shall file a Form 700 upon assuming "office" and shall be subject to the conflict-of-interest provisions set forth in the Political Reform Act.
- Regular meetings will be established by resolution of the Committee.

### **Attachment:**

Attachment 1: Draft - Bylaws of the Advisory Committee of the Sacramento Suburban Water District for the Del Paso Manor Service Area

**BYLAWS OF THE ADVISORY COMMITTEE OF THE SACRAMENTO SUBURBAN  
WATER DISTRICT FOR THE DEL PASO MANOR SERVICE AREA**

**ARTICLE I**

**Meetings:**

Section 1: Regular Meetings. Regular Meetings of the ADVISORY COMMITTEE OF THE SACRAMENTO SUBURBAN WATER DISTRICT FOR THE DEL PASO MANOR SERVICE AREA of Sacramento County, hereinafter referred to as the "Advisory Committee," or "Committee" shall be held monthly at regular times and places as set by resolution of the Advisory Committee.

Section 2: Special Meetings. A special meeting may be called at any time by the Chairperson of the Advisory Committee or by a majority of the members of the Committee, by delivering written notice to each member of the Committee and to each newspaper of general circulation or person requesting notice in writing. The notice shall be delivered personally or by mail, e-mail, or facsimile at least 24 hours before the time of the meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted. The Committee shall consider no other business at the meeting. The notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to the public.

Section 3: Public Meetings. All regular and special meetings of the Advisory Committee shall be open to the public in accordance with the Brown Act of the State of California.

Section 4: Quorum. Membership of the Advisory Committee shall consist of the then-existing Del Paso Manor Water District (DPMWD) board of directors, at the time of the reorganization, for a total of five (5) seats. A majority of the members appointed to the Advisory Committee shall constitute a quorum.

Section 5: Order of Business. The normal order of business for regular meetings shall be determined by the Chairperson in consultation with members of the Advisory Committee and with staff to the Advisory Committee at the time of preparation of the meeting agenda or prior to conducting the meeting. The order of business of any meeting may be changed by the affirmative vote of a majority of the quorum of the Advisory Committee during the meeting. The order of business shall include the following items not necessarily in the following order:

- A. Call to order
- B. Roll call
- C. Public comment on non-agenda items
- D. Approval of minutes of previous meeting
- E. Report by staff
- F. Correspondence
- G. Report by chairperson
- H. Report(s) by Committee(s)
- I. New business

- J. Future Agenda Item Requests
- K. Adjournment

Section 6: Rules of Order. The rules of order shall be the same of any adopted by the Sacramento Suburban Water District (SSWD) for its board of directors.

Section 7: Tapes and Minutes. Each meeting shall be taped, and a written record that accurately reflects the agenda and decisions made at the meeting (minutes) shall be maintained. The meeting tapes can be reviewed upon request at any time with prior notice to staff and will be maintained on the SSWD website.

Section 8: Manner of voting. The vote of all questions coming before the Advisory Committee shall be by voice vote, except by request of a member or staff that a roll call vote be taken. All votes, whether by voice or roll call, shall be entered into the minutes of such meeting and reflect the yeas, nays, and abstentions.

Section 9: Other Procedures. The Advisory Committee may adopt, by majority vote, other rules, regulations and procedures as may be required for the orderly conduct of business.

Section 10: Absence of Advisory Committee Members. After a Committee member has three unexcused absences in a twelve-month period from regularly scheduled meetings, the Advisory Committee may recommend formally to the SSWD board of directors that the member be removed. In that case, the Advisory Committee may accept nominations and applications to fill the vacancy.

## **ARTICLE II**

### **Purpose:**

Section 1: The Advisory Committee will be responsible for reviewing proposals and making recommendations to the SSWD board for capital improvement projects within the Del Paso Manor Service Area ("service area").

Section 2: The Advisory Committee will be responsible for outreach to ratepayers within the service area.

## **ARTICLE III**

### **Membership:**

Section 1: The Advisory Committee shall consist of five members.

Section 2: All members of the Advisory Committee shall serve until the Advisory Committee is terminated by the SSWD board of directors, but not for less than three years upon formation.

## ARTICLE IV

### Officers:

Section 1: Designation of Officers. The Officers of the Advisory Committee shall be the Chairperson and the Vice-Chairperson.

Section 2: Nominations. Advisory Committee members may propose candidates for Advisory Committee office.

Section 3: Vacancies of Officers. Any vacancy occurring among any of the officers by reason of death, resignation from office or removal of any officer shall be filled by a vote of a majority of all current members of the Advisory Committee and the person filling the vacancy shall serve the remaining term of office.

Section 4: Powers and duties of the Chairperson. The Chairperson shall call the meeting to order at the appointed time; shall appoint all committees, subject to the approval of the Advisory Committee, and, shall perform other duties as may from time to time be prescribed by the Advisory Committee.

Section 5: Powers and Duties of the Vice-Chairperson. The Vice-Chairperson shall have all the powers and perform all the duties of the Chairperson in the absence or inability of the Chairperson to act. The Vice-Chairperson shall perform such other duties as may from time to time be prescribed by the Advisory Committee or by the Chairperson.

## ARTICLE V

### Public Statements:

Section 1: Only the Chairperson or his/her designee may speak or make statements officially on behalf of the Advisory Committee. The designee shall be a member of the Advisory Committee or staff.

## Agenda Item: 3

**Date:** February 12, 2025

**Subject:** Staffing Needs for Del Paso Manor Water District System Operations

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

**Recommended Board Action:**

Authorize the Sacramento Suburban Water District General Manager to initiate the recruitment process to hire two Operations positions.

**Background:**

At the July 10, 2024, Joint Board meeting, the Sacramento Suburban Water District (SSWD) and Del Paso Manor Water District (DPMWD) Boards approved a Contract Services Agreement between SSWD and DPMWD for Operations Assistance, effective August 1, 2024.

As of August 16, 2024, SSWD fully assumed operational responsibility for the DPMWD system. This transition involves SSWD’s production, environmental, and distribution teams taking charge of 24-hour system monitoring, emergency responses, regulatory compliance, and daily maintenance operations.

At the December 11, 2024, DPMWD and SSWD Joint Board meeting, each Board adopted their respective Resolutions for Application to the Sacramento Local Area Formation Commission (LAFCo) to reorganize DPMWD into SSWD.

On December 23, 2024, the Plan for Services and Application was electronically submitted to LAFCo and confirmed received. LAFCo immediately began reviewing the documents provided.

**Discussion:**

The current LAFCo Application Timeline identifies March 5, 2025, for a LAFCo Hearing to make a decision to approve the reorganization request, with or without conditions. LAFCo staff has indicated it will recommend that the Commission approve the reorganization with conditions. The resolution of approval may include specific conditions that need to be met for the reorganization to proceed.

SSWD continues to provide operational assistance to DPMWD and averages approximately 120 labor hours per month. It should be noted that this pertains only to required tasks and does not include proactive or preventive maintenance tasks.

DPMWD currently has three vacant full-time employee positions. DPMWD has elected not to recruit for the positions during the reorganization process due to the high likelihood that they would not attract qualified candidates.

At the January 8, 2025, DPMWD and SSWD Joint Board meeting, SSWD GM Dan York informed the Boards that while SSWD is operating DPMWD's water system, it places a strain on operations within SSWD, noting that he was hopeful to come up with ideas on how to address this issue. SSWD GM York noted that it's working as a temporary solution, but if the reorganization process lasted beyond six months, it would be a significant impact on SSWD's operations. Both Boards discussed the potential for SSWD to add one or more positions to alleviate the workload associated with supporting DPMWD. The SSWD Board directed staff to bring this as an agenda item at an upcoming Board meeting.

At the January 27, 2025, SSWD regular Board meeting, staff presented a report discussing the potential for SSWD to add one or more positions to alleviate the workload associated with supporting DPMWD. The SSWD Board directed staff to bring this as an agenda item to the next Joint Board meeting.

SSWD staff would like to request, from each Board, authorization to initiate the hiring of two operations positions that would be fully paid by DPMWD. Once the positions are filled, SSWD would begin to progressively increase the levels of service provided to DPMWD. The monthly support billing would continue to be the full cost of resources provided to DPMWD with a minimum billing of the actual full cost (salary and benefits) of the two new employees. This would allow SSWD to continue to provide the full range of operations support to DPMWD and hire two new staff to train, the cost of which would, at a minimum, be covered by DPMWD.

**Fiscal Impact:**

The current annualized labor charges billed to DPMWD for minimal reactive maintenance activities (based on Aug 2024 – Dec 2024) are approximately \$159,000. The fully burdened annual cost of two Operator I employees at the minimum salary level with full benefits would be approximately \$224,000. The fully burdened annual cost of two Operator II employees at the maximum salary level with full family benefits would be approximately \$279,000. The labor costs are already built into the DPMWD rates.

## Agenda Item: 4

**Date:** February 12, 2025

**Subject:** Plan for Services and Sacramento Local Agency Formation Commission Application Update

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

### Recommended Board Action:

No action. Receive update on the Plan for Services and Sacramento Local Agency Formation Commission Application Timeline.

### Discussion:

At the December 11, 2024, Del Paso Manor Water District (DPMWD) and Sacramento Suburban Water District (SSWD) Joint Board meeting, each Board adopted their respective Resolutions for Application to the Sacramento Local Area Formation Commission (LAFCo) to reorganize DPMWD into SSWD.

On December 23, 2024, the Plan for Services and Application <https://www.sswd.org/home/showpublisheddocument/11619> was electronically submitted to LAFCo and confirmed received. LAFCo immediately began reviewing the documents provided. LAFCo's Process for Review and Decision is included as Attachment 1.

LAFCo is scheduled to hold a hearing on February 5, 2025, to consider amending the spheres of influence for DPMWD and SSWD. The required public notice was posted 21-days in advance of the meeting on the Daily Recorder (Attachment 2) and on both SSWD and DPMWD websites. This sets the stage for a subsequent approval of the reorganization.

LAFCo is tentatively scheduled to hold a hearing on March 5, 2025, where LAFCo will approve unconditionally, or approve with conditions, the reorganization request. Because both districts approved substantially similar resolutions of application, Government Code 56853 states that LAFCo can only approve, or conditionally approve, the proposal. After deliberation, the LAFCo Commissioners will make a decision to approve the application, with or without conditions. LAFCo staff has indicated it will recommend that the Commission approve the reorganization with conditions. The resolution of approval may include specific conditions that need to be met for the reorganization to proceed.

As part of the Plan for Services process, the County of Sacramento (County) has five separate departments that need to verify that the subject reorganization does not affect the County's operations. On December 30, 2024, the County contacted staff stating they are in the process of providing their input in the Plan for Services document. Staff will continue to update the Boards on this very timely process.

### Attachments:

1. Sacramento Local Agency Formation Commission's Process for Review and Decision
2. Sacramento Local Agency Formation Commission Legal Notice of Public Hearing

## **Sacramento Local Agency Formation Commission's Process for Review and Decision**

- **Application Submission:** The process began when Sacramento Suburban Water District (SSWD) and Del Paso Manor Water District (DPMWD) submitted the Plan for Services and Application to LAFCo on December 23, 2024. LAFCo confirmed receipt.
- **Application Review:** The LAFCo Executive Officer will review the application and prepare a staff report.
- **Public Notice:** A 21-day public notice will be given, and the application will be posted on the LAFCo website.
- **An amendment to the Spheres of Influence for Sacramento Suburban and Del Paso Manor Water Districts:** The LAFCo Commission is tentatively scheduled to hold a hearing on **February 5, 2025**, to consider amending the spheres of influence for Del Paso Manor Water District and Sacramento Suburban Water District. This sets the stage for a subsequent approval of the reorganization.
- **LAFCo Application Hearing:** The LAFCo Commission is tentatively scheduled to hold a hearing on **March 5, 2025**, where LAFCo will approve unconditionally or approve with conditions the reorganization request. Because both Districts approved substantially similar resolutions of application, Government Code 56853 states that LAFCo can only approve, or conditionally approve, the proposal.
- **Decision:** LAFCo will approve the application with or without conditions.
- **Reconsideration:** Any person may file a request for reconsideration within 30 days.
- **Protest Hearing:** There will be no protest hearing or election on this reorganization. Government Code 57077.1(c) states that, "if a change of organization consists of the dissolution of a district that is consistent with a prior action of the commission pursuant to Section 56378, 56425, or 56430," and if "the dissolution is initiated by the district board," LAFCo can "immediately approve and order the dissolution without an election or protest proceedings." DPMWD's resolution of application to reorganize into SSWD (which includes DPMWD's dissolution) is consistent with the actions taken by LAFCo at its May 1, 2024, [Government Codes 56430 and 56375.1(a)1(A)] and February 5, 2025, meetings (Government Code 56425).



- **Final Filings:** At the end of the reconsideration period and after the applicants complete any conditions of approval, LAFCo will file a Certificate of Completion, which ends the LAFCo proceedings and makes the reorganization final. Del Paso Manor WD ceases to be its own district and Sacramento Suburban formally annexes the former DPMWD service area. No further request for a substantially similar change can be made for at least one year.

**What should we expect at the Application Hearing (tentatively scheduled for March 5, 2025)? Will there be opportunities for public input?**

At the LAFCo application hearing, here's what you can expect:

- **Introduction:** The hearing will begin with an introduction and opening remarks by the LAFCo Chairperson.
- **Staff Report Presentation:** The LAFCo Executive Officer will present a staff report summarizing the application, the findings, and the recommendations.
- **Applicant Presentation:** Representatives from SSWD and DPMWD will have the opportunity to present their case, including the benefits and details of the proposed reorganization.
- **Public Testimony:** Members of the public will be invited to provide their input. Individuals can speak in favor of or opposition to the proposal, ask questions, or provide other relevant comments. Please note that the time for the commenters to speak may be limited to allow everyone the opportunity to address the Commission.
- **Agency Input:** Representatives from affected agencies (e.g., County departments) will also have the opportunity to provide their input and comments on the proposal.
- **Commission Deliberation:** The LAFCo Commissioners will discuss the proposal, consider the staff report, applicant presentation, public testimony, and agency input. They may ask questions to the staff, the applicant, or the public to clarify any points.
- **Decision:** After deliberation, the LAFCo Commissioners will make a decision to approve the application, with or without conditions. LAFCo staff has indicated it will recommend that the Commission approve the reorganization with conditions. The resolution of approval may include specific conditions that need to be met for the reorganization to proceed.

**Opportunities for Public Input**

- **Verbal Testimony:** Members of the public can attend the hearing in person and provide verbal testimony during the public comment period. Be aware that there may be time limits for public testimony to ensure that everyone has a chance to speak.

- **Written Comments:** Written comments can be submitted in advance of the hearing. These comments will be included in the official record and considered by the Commissioners. These comments can be sent to [commissionclerk@saclafco.org](mailto:commissionclerk@saclafco.org). If the written comments are received by January 15, 2025, the letters will be included in the Commission packet. Written comments submitted after that date will be distributed to the Commissioners but will not be included in the packet. All comments will be kept as part of the official, public record.

**How many public hearings are part of the LAFCo process?**

There typically are up to two hearings: the LAFCo application hearing and, potentially, a protest hearing. As detailed above, because of the way the resolutions of application to LAFCo were structured and the unique circumstances of this application, there will be no protest hearing. The LAFCo application hearing, tentatively scheduled for March 5, 2025, is for the initial review and decision.

**Is LAFCo required to hold a protest hearing?**

Per Government Code 57077.1(c), LAFCo is not required to hold a protest hearing due to the way the resolutions of application to LAFCo were structured and the unique circumstances of this application.

For more detailed information, you can visit the [Sacramento County LAFCo website](#).

**Will there be a public vote?**

A public vote is not required on this reorganization.

**PUBLIC NOTICE**

**THE DAILY RECORDER**  
barbara\_bennett@dailyjournal.com

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**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
LEGAL NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that the Sacramento Local Agency Formation Commission on Wednesday February 5, 2023, at 5:30 pm or as soon thereafter as is practicable, shall conduct a public hearing to

- 1) Consider and Adopt CEQA Categorical Exemption 15320 and the setting of a Zero Sphere of Influence Amendment for Del Paso Manor Water District (LAFCo Project #2022-01); and
- 2) Consider and Adopt CEQA Categorical Exemption 15320 and the Amendment to the Sphere of Influence for Sacramento Suburban Water District (LAFCo Project #2023-02).

The hearings will be held in the Board Chambers, 700 H Street, Room 1450, Sacramento, California.

**PUBLIC MAY ADDRESS THE COMMISSION ON MATTERS  
NOT ON THE AGENDA**

**VIEW MEETING**

The meeting is videotaped and cablecast live on Metrocable 14 on the Comcast, and AT&T U-Verse Systems. It is closed captioned for hearing impaired viewers and livestreamed at <http://metro14live.saccounty.gov>.

**MEETING MATERIALS**

The on-line version of the agenda and associated material is available at <https://sacraclafco.saccounty.gov/Pages/default.aspx>. Some documents may not be posted on-line because of size or format (maps, site plans, renderings). Contact the Commission office at (916) 874-6458 to obtain copies of documents.

**ACCOMODATIONS**

If there is a need for an accommodation pursuant to the Americans with Disabilities Act (ADA), medical reasons or for other needs, please contact the Clerk of the Board by telephone at (916) 874-5411 (voice) and CA Relay Services 711 or [Boardclerk@saccounty.gov](mailto:Boardclerk@saccounty.gov) prior to the meeting.

For further information contact Sacramento LAFCo; (916) 874-6458, or [www.sacraclafco.org](http://www.sacraclafco.org)

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**PUBLICATION:** **DAILY RECORDER**

**NOTICE PREPARATION DATE:** **January 10, 2025**

**PUBLISH DATE:** **Once, January 15, 2025**

**BILLING:** **José C. Henríquez, Executive Officer**  
**Sacramento LAFCo**  
**1112 ‘T’ Street, Suite 100**  
**Sacramento, California 95814**  
[henriquezj@saclafco.org](mailto:henriquezj@saclafco.org)  
**(916)874-6458**

## Agenda Item: 5

**Date:** February 12, 2025

**Subject:** Grant Funding Application – Status Update

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

### Recommended Board Action:

No action. Receive an update on the status of the Grant Funding Application.

### Discussion:

Key activities since the last report:

- Executed Task Order to contract with Forsgren Associates (Forsgren) for technical assistance in preparing Drinking Water State Revolving Fund (DWSRF) Applications.
- Identified Sacramento Suburban Water District (SSWD) working group for email communications.
- Kickoff Workshop scheduled February 11, 2025.
- Uploaded all existing documents to secure Forsgren project directory.
- Updated schedules:
  - Design project on schedule for:
    - April 18, 2025 - 70% submittal
    - June 6, 2025 - 90% submittal for grant application.
  - DWSRF application preliminary working group schedule.

As previously reported, a Grant Funding Application (Grant) was submitted by SSWD on June 24, 2024, to the State Water Resources Control Board, Division of Financial Assistance (DFA) program portal. The Grant was designated a project manager, Ryan Mitchell (Mr. Mitchell). A meeting with Mr. Mitchell was held on August 26, 2024, where he described the grant process and requirements. The salient points of the meeting included the following:

- 1) Projects need to be “shovel ready” to be submitted for funding request. (90% design will suffice)
- 2) Funding availability is determined annually. The FY2024/25 funding meeting was held in August 2024. However, projects are continually being funded throughout the year as they are approved, and funding is available.
- 3) Consolidations/Reorganizations do take precedence in approving funding requests. However, this may change as funding for the program is diminishing.
- 4) Del Paso Manor Water District (DPMWD) is not classified as a Disadvantaged Community based on Median Household Income (MHI) above 80% of statewide MHI. However, DPMWD is also not above the upper threshold for MHI (150% of statewide MHI) which makes DPMWD eligible for grant funding.
- 5) Issues related to meeting maximum day demand are also prioritized for funding.

In order to continue with the grant application process, one of the important aspects is to prepare “shovel ready” projects. Staff feels the Distribution Main Replacement Priority 1 Level project that was identified, utilizing SSWD’s Distribution Main Asset Management Plan criteria, is a project that would warrant grant funding.

#### Pipeline Replacement Project Area 2D – Update

DPMWD is proceeding with the design of the Priority Level 1 Main Replacement project with Forsgren. This step must be completed to continue the application process for grant funding. Below is an update on the design schedule with next milestones provided by Forsgren:

- February 6, 2025      Coordination meeting with SSWD and Forsgren
- February 13, 2025    SSWD/Forsgren Project Site Walk, and Basis of Design Review Workshop
- March 12, 2025      SSWD/Forsgren Project Status Update Meeting
- April 2, 2025        SSWD/Forsgren Project Status Update Meeting
- April 18, 2025      70% design completed package
- April 23, 2025 (TBD) DWSRF Program Meeting to Review 70% design and confirm criteria of Plan Submittal
- May 3, 2025         SSWD Review complete
- June 6, 2025        Draft 90% design submittal (Shovel Ready)
- June 10, 2025      Funding and Joint District Meeting to Review and Comment
- June 13, 2025      Funding Shovel Ready Package

After further discussions with DFA, it was revealed that many grant applications are submitted with a 90% design, then once the project is accepted, the plans are taken to 100% and the bid package and contract documents are prepared. In addition, all planning and design costs are eligible for reimbursement under a construction financing agreement. For the construction funding application, CEQA does need to be completed as part of the application submittal.

Forsgren invoicing is through DPMWD. Percent complete for the Forsgren work as provided by Forsgren are approximately as follows:

- Preliminary Design                      100%
- Conceptual Design Basis of Design    100%
- Surveying and Mapping                 100%
- Final Design                                8% with Subcontract invoicing estimated.

In terms of funding, DFA has a continuous funding program, so there are no deadlines for application submittal. However, funding criteria and eligibility can/do change annually based on the annual DWSRF Program, Intended Use Plan (Plan).

The Plan can be reviewed in the link provided below:

[https://www.waterboards.ca.gov/water\\_issues/programs/grants\\_loans/srf/docs/2024/2024-25-dwsrf-iup.pdf](https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/2024/2024-25-dwsrf-iup.pdf)

There are several pieces in the grant application package that need to be completed before the Grant can be submitted for consideration. Below are the major items needed for the complete grant application package:

**General Information Package:** General project information and documentation.

- 1) Applicant Information
- 2) Project Information and Proposed Schedule
- 3) Managerial Information
- 4) Attachments

Status: Submitted

**Technical Package:**

- 1) Engineering Report
- 2) Technical, Managerial, and Financial (TMF) Assessment
  - a. Consolidation Feasibility (Mandatory)
  - b. System Description
  - c. Certified Operators
  - d. Source Capacity
  - e. Operations Plan
  - f. Training
  - g. Ownership (Mandatory)
  - h. Water Rights (Mandatory)
  - i. Organization
  - j. Emergency Response Plan
  - k. Policies
  - l. Budget/Capital Improvement Plan (Mandatory)
  - m. Budget Control
- 3) Professional Engineering Service Contract
- 4) Plans and Specifications (90%)
- 5) Project Summary
- 6) Water Rights
- 7) Comprehensive Response to Climate Change
- 8) Drought Planning

**Additional Application Deliverables for Consolidation Projects:**

- 1) Consolidation Commitment Documentation (Plan for Services)
- 2) Authorization to Act on Behalf of (MOU for Board Action)
- 3) Service Agreement
- 4) TMF Capacity
- 5) Ownership Information

**Environmental Package:**

- 1) General Information
- 2) CEQA
- 3) CEQA Exemption Information
- 4) Federal Environmental Requirements and Documentation

Grant Funding Application – Status Update

February 12, 2025

Page 4 of 4

Staff have engaged Forsgren to manage the grant application process. As part of that project effort, a schedule of deliverables, with dates, culminating in the submission of the completed grant application, will be developed and provided to the Boards by the next joint Board meeting.

**Attachment:**

1. Sacramento Suburban Water District/Del Paso Manor Water District Preliminary Drinking Water SRF Working Group Schedule.



**Sacramento Suburban Water District/  
Del Paso Manor Water District**

**Preliminary Drinking Water SRF  
Working Group Schedule**

Submitted To: Jeff Ott (SSWD); Adam Coyan, (DPMWD)

This work has been prepared under the Task 1 Needs Assessment and Project Scope authorization

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Qtr 1, 2025											
							Jan	Feb	Mar	Qtr 2, 2025	Apr	May	Jun					
1		<b>Preliminary Drinking Water SRF Working Group Schedule</b>	107 days?	Tue 1/14/25	Thu 6/12/25													
2		SRF Requirements Research	15 days	Tue 1/14/25	Mon 2/3/25													
3		Transfer Existing Records	6 days?	Tue 2/4/25	Tue 2/11/25	2												
4		Working Group Kickoff Meeting	0 days	Tue 2/11/25	Tue 2/11/25	3												
5		Summary Workshop Notes	6 days	Wed 2/12/25	Wed 2/19/25	4												
6		<b>Working Group Meeting</b>	61 days	Tue 2/25/25	Tue 5/20/25	5												
14		Review Meeting with DWSRF	0 days	Mon 4/21/25	Mon 4/21/25													
15		Draft DWSRF Submittal Review	8 days	Wed 5/21/25	Fri 5/30/25	14												
16		DWSRF Submittal	0 days	Thu 6/12/25	Thu 6/12/25	15												

## Agenda Item: 6

**Date:** February 12, 2025

**Subject:** Amendment to Memorandum of Understanding for Cost Sharing for Public Outreach

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

### Recommended Board Action:

Direct staff to execute an amendment to the Memorandum of Understanding dated July 10, 2024, regarding a cost sharing agreement for a 50/50 shared cost split between Sacramento Suburban Water District and Del Paso Manor Water District regarding the implementation of a reorganization Communications Plan extending the termination date to December 31, 2025.

### Background:

On July 10, 2024, at the Sacramento Suburban Water District (SSWD) and Del Paso Manor Water District (DPMWD) Joint Board meeting, the Directors of both districts executed a Memorandum of Understanding (MOU) cost share agreement for services related to the implementation of a Communications Plan. The MOU, executed on July 10, 2024, expired on December 31, 2024.

### Discussion:

Staff are recommending that the Directors of both districts direct their respective General Managers to execute an amendment to the MOU extending the termination date to December 31, 2025 (Attachment 1).

SSWD currently has a Professional Services Agreement (Agreement) with IN Communications for its external communications efforts. The Agreement can be amended to assist with the public outreach for the SSWD/DPMWD reorganization discussions.

Based on prior communication outreach efforts, IN Communication provided a Scope of Work for the 2024 Outreach Plan. The implementation schedule for the Scope of Work was for combination communication services beginning in July 2024, extending through June 2025. The attached amendment would have a term ending on December 31, 2025, for the balance of the not to exceed funding.

### Fiscal Impact:

The 2024 Agreement between SSWD and IN Communications was executed with a not to exceed amount of \$51,185, of which \$16,969.50 was expensed. The balance of \$34,215.50 will be applied as the not to exceed amount for the 2025 Agreement.

The cost of public outreach and communications will be split 50/50 between DPMWD and SSWD.

### Attachments:

1 – Amendment to Memorandum of Understanding

**AMENDMENT TO MEMORANDUM OF UNDERSTANDING REGARDING  
COMMUNICATIONS FOR REORGANIZATION BETWEEN SACRAMENTO  
SUBURBAN WATER DISTRICT AND DEL PASO MANOR WATER DISTRICT  
DATED JULY 10, 2024**

This Amendment to the Memorandum of Understanding dated July 10, 2024, (“Agreement”) is entered into and made effective on this 12<sup>th</sup> Day of February 2025, by and between the Sacramento Suburban Water District (SSWD) and Del Paso Manor Water District (DPMWD).

**TERMS**

The above parties, in consideration of the mutual promises set forth in this Agreement, have reached the following understandings:

1. Term. The Memorandum of Understanding dated July 10, 2024, shall terminate upon completion of the reorganization and no later than December 31, 2025, unless extended by mutual written agreement of DPMWD and SSWD.
2. General. All other terms and conditions of the Memorandum of Understanding dated July 10, 2024, shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement was executed by the parties hereto as of the date first above written.

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Adam Coyan  
General Manager  
Del Paso Manor Water District

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Dan York  
General Manager  
Sacramento Suburban Water District

## Agenda Item: 7

**Date:** February 12, 2025

**Subject:** Communications Plan Update

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

### Recommended Board Action

Receive report regarding public communication efforts for the Del Paso Manor Water District and Sacramento Suburban Water District reorganization discussions and direct staff as appropriate.

### Background

On July 26, 2024, Del Paso Manor Water District (DPMWD) and Sacramento Suburban Water District (SSWD) executed a Memorandum of Understanding (MOU) regarding public outreach and communications for the combination discussions between the two water districts. On July 31, 2024, SSWD entered into a Service Agreement (Agreement) with IN Communications for services associated with public outreach and communications regarding the reorganization discussions between DPMWD and SSWD. The MOU and Agreement expired on December 31, 2024.

### Discussion

Outreach materials have been and will be developed with the intention of ensuring that the reorganization discussions between DPMWD and SSWD remain transparent and keep DPMWD and SSWD customers updated on the progress of the reorganization efforts.

Attached is the proposed Communication Strategy Plan (Plan). The Plan (Attachment 1) highlights the following:

- Milestones for SSWD-DPMWD Local Agency Formation Commission (LAFCo) Application Process
  - 
  - February 2025 Online ads for LAFCo Public Hearing held on February 5, 2025.
  - March 5, 2025, LAFCo Public Hearing
- Communications Strategy for Reorganization
  - Goals
  - Target Audiences
  - Foundational Materials
    - Updated Frequently Asked Questions (Attachment 2)
  - Outreach Tools and Activities for Customers (Attachment 3)
    - Direct mail customer letter regarding March 5, 2025, LAFCo Public Hearing (Attachment 4)
    - March 5<sup>th</sup> LAFCo Public Hearing Public Notice (Attachment 5)
  - Outreach Tools and Activities for Employees of both districts

## Communications Plan Update

February 12, 2025

Page 2 of 2

- Post-Reorganization Activities
  - Welcome Packet
  - Meet and Greet/Open House for DPMWD customers

Staff will continue to ensure the websites for both districts remain updated with the most recent information.

### **Fiscal Impact**

The 2024 Agreement between SSWD and IN Communications was executed with a not to exceed amount of \$51,185, of which \$16,969.50 was expensed. The balance of \$34,215.50 will be applied as the not to exceed amount for the 2025 MOU Amendment.

The cost of public outreach and communications will be split 50/50 between DPMWD and SSWD.

### **Attachments**

1. SSWD-DPMWD Reorganization Communication Strategy Plan
2. SSWD -DPMWD Updated Frequently Asked Questions
3. February 2025 Online ads for February 5, 2025, LAFCo Hearing
4. Customer Letter Regarding March 5, 2025, LAFCo Hearing
5. March 5<sup>th</sup> LAFCo Hearing Public Notice

**SSWD-DPMWD Reorganization  
Communication Strategy Plan  
UPDATED—February 5, 2025**

**COMMUNICATION STRATEGY PLAN FOR SSWD-DPMWD REORGANIZATION**

**Goals:**

- Keep target audiences updated about reorganization discussions, processes, and opportunities to provide input/ask questions.
  - Build trust in the reorganization process through proactive, transparent communication.
  - Foster two-way communication by proactively addressing questions.
- 

**Target Audiences:**

- Sacramento Suburban Water District (SSWD) and Del Paso Manor Water District (DPMWD) customers
  - Internal Stakeholders: Employees of both districts to ensure they are informed and can act as credible messengers.
  - Other external stakeholders: Influencers/elected officials, neighboring water providers, and other interested parties (e.g., Regional Water Authority (RWA) and the Sacramento Water Forum)
- 

**Foundational Materials**

- **Websites:** Work with the SSWD and DPMWD webmasters to provide current and consistent information on their websites.
  - **Frequently Asked Questions:** Update the existing Frequently Asked Questions (FAQ) sheet to communicate the latest developments and provide detailed information about reorganization.
- 

**Outreach Tools and Activities: Customers**

- **Advertising (Digital):** Draft, design, and place digital advertising on Facebook and the Google Display Network to promote the Local Agency Formation Commission (LAFCo) Public Hearings scheduled for February 5<sup>th</sup> and March 5<sup>th</sup>.
- **Direct Mail Letter:** Draft and distribute a letter to make sure every DPMWD and SSWD customer is notified about the process for the LAFCo Public Hearing scheduled for March 5<sup>th</sup>.

- **Advertising (Print):** Draft, design, and place a print advertisement for the *Carmichael Times* to promote the LAFCo Public Hearing scheduled for March 5<sup>th</sup>.
  - **Flyer:** Reformat the print advertisement as a flyer to make available at the SSWD and DPMWDs offices.
  - **Media Outreach:** Draft and distribute press releases to regional and local media about the LAFCo Public Hearing scheduled for March 5<sup>th</sup>, results of the public meeting, and when reorganization is finalized.
  - **Social Media:** Develop social media posts and graphics to communicate with customers about the LAFCo Public Hearing scheduled for March 5<sup>th</sup>, results of the public meeting, and when reorganization is finalized.
  - **SSWD Bill Inserts and Newsletters:** Continue to include articles about reorganization in SSWD's regularly scheduled bill inserts and the fall newsletter.
- 

### **Outreach Tools and Activities: SSWD and DPMWD Employees**

- **Regular Updates and Briefings:** Continue to provide regular updates for employees on milestones, timelines, and key developments via staff meetings.
  - **Key Messages:** Provide talking points for staff to use if they receive questions from customers/the public.
- 

### **Post-Reorganization Activities**

**Welcome Packet:** Develop a Welcome Packet/Web Content for DPMWD customers that may include:

- Welcome message from General Manager, Dan York.
- Background information on SSWD, its history, water supplies, rates, budget, and Capital Improvement Plan.
- Instructions on billing, payment methods, online account access, and service requests.
- Information on rebates and water conservation programs.
- Contact information for customer support.

The Welcome Packet can be posted as a downloadable PDF on the DPMWD website, as well as printed and mailed to DPMWD customers.

**DPMWD Office Signage and Flyer:** Develop signage and a flyer to educate DPMWD customers about changes in where/how they pay their bill and other changes.

**Media Outreach:** Distribute a press release announcing the reorganization and promoting the Open House. Include industry media such as Association of California Water Agencies (ACWA) News in the distribution.

**Meet and Greet:** Host an in-person opportunity in spring/summer to welcome DPMWD customers to SSWD and introduce them to staff and Board members and share information about reorganization, customer and conservation services, billing processes, and other resources.

**SSWD Bill Inserts and Newsletters:** Include articles about the reorganization in SSWD's regularly scheduled bill inserts and newsletters.



**SSWD-DPMWD Combination  
Updated Frequently Asked Questions  
FINAL—January 28, 2025**

**Updated Frequently Asked Questions About the LAFCo Process**

**What is the process for LAFCo's review and decision?**

- **Application Submission:** The process began when SSWD and DPMWD adopted substantially similar resolutions of application for reorganization, which consists of dissolving DPMWD and transferring its assets, liabilities, and obligations to SSWD on terms and conditions agreed to by the Boards of Directors of the two districts. The districts submitted a Plan for Services and Application to LAFCo on December 23, 2024. .
- **Application Review:** LAFCo has 30 days from submission to review the application and determine if it is complete. During this period, LAFCo notifies affected local agencies and initiates the property tax revenue exchange agreement process. Since SSWD and DPMWD do not currently receive any portion of the property tax revenue generated in the county, and instead utilize water rate charges to operate and fund services, it is anticipated that no property tax revenue will be transferred as part of this proposed reorganization.
- **Public Notice:** Once the application is deemed complete, LAFCo will notify both districts and schedule a Public Hearing during a regularly scheduled LAFCo Commission meeting. A 21-day Public Notice will be given in advance of the Public Hearing, and the staff report along with supporting documentation will be posted on the LAFCo website. Members of the public may provide written comments in advance of the Public Hearing or attend the hearing in person or virtually.
- **LAFCo Application Hearing:** The LAFCo Commission is tentatively scheduled to hold the Public Hearing on **March 5, 2025**, where the subject agencies, any affected local agencies, and the public can provide comments on the proposed reorganization. The LAFCo staff report, findings and recommendation will be provided.
- **LAFCo Commission Action:** After reviewing the LAFCo staff report and recommendation, considering public comments, and deliberating on the reorganization proposal, the LAFCo Commission shall approve, or conditionally approve, the proposed reorganization or continue the Public Hearing. LAFCo may adopt terms and conditions for approval. However, LAFCo will not make material changes without notifying the subject agencies (G.C. §56853). Since this application is consistent with prior LAFCo actions, there will be no protest hearing (G.C. §57077.1(c)).
- **Reconsideration:** Approval triggers a 30-day reconsideration period, during which any person or affected local agency may submit a request for reconsideration.

**LAFCo is hosting a Public Hearing on February 5, 2025, at 5:30 p.m. on a combination-related item. What is that hearing about?**

- **LAFCo is conducting a Public Hearing on February 5, 2025, at 5:30 p.m.** to amend the Spheres of Influence (SOI) for DPMWD and SSWD. These amendments are required in anticipation of a potential reorganization involving both districts.

The Public Hearing will address:

1. **Adopting a “Zero” Sphere of Influence for DPMWD:** This indicates that the district is anticipated to be dissolved and will no longer provide services independently after reorganization.
  2. **Expanding SSWD's Sphere of Influence:** The SOI for SSWD would be amended to include the area currently served by DPMWD, aligning with the anticipated reorganization plan.
- **What is a Sphere of Influence (SOI)?**  
An SOI is a planning boundary that identifies the probable physical boundaries and service area of a local agency, as determined by LAFCo. Adjustments to an SOI are required to ensure that any future reorganization aligns with LAFCo’s long-term planning goals.
  - **Will this affect customers right now?**  
No immediate changes to services or rates are expected from these SOI amendments. They are part of the administrative and planning steps required by LAFCo to proceed with the reorganization process.
  - **For more information:**  
Visit [www.saclafco.org](http://www.saclafco.org) or call Sacramento LAFCo at (916) 874-6458.

### **What should we expect at the Application Hearing (tentatively scheduled for March 5, 2025)?**

At the LAFCo Application Hearing, here's what you can expect:

- **Introduction:** The Application Hearing will begin with an introduction and opening remarks by the LAFCo Chairperson.
- **Staff Report Presentation:** LAFCo staff will present a staff report summarizing the application, the findings, and the recommendations.
- **Applicant Presentation:** Representatives from SSWD and DPMWD will have the opportunity to present their case, including the benefits and details of the proposed reorganization.
- **Agency Input:** Representatives from affected local agencies (e.g., County departments) will also have the opportunity to provide their input and comments on the proposal.
- **Public Testimony:** Members of the public will be invited to provide comment. Individuals can speak in favor of or opposition to the proposal, ask questions, or provide other relevant comments.
- **Commission Deliberation:** The LAFCo Commissioners will discuss the proposal, consider the staff report, applicant presentation, public testimony, and agency input. They may ask questions to the staff, the subject agencies, or the public to clarify any points.
- **Decision:** After deliberation, the LAFCo Commissioners will take an action to approve with or without conditions the application. The decision may include specific conditions that need to be met for the reorganization to proceed. Alternatively, the LAFCo Commission may choose to continue the Application Hearing to another date.

### **What are the opportunities for the public to provide input during the LAFCo process?**

- The LAFCo process provides multiple opportunities for public input. At the Public Hearing (tentatively scheduled for March 5, 2025), community members can provide written comments in advance or attend the hearing to share their support, voice opposition, or ask questions about the proposal.
- It's important to note that time limits for public testimony might be in place to ensure everyone has a chance to speak. Additionally, members of the public can submit written comments ahead of the Public Hearing. These written submissions will be included in the official record and considered by the LAFCo Commissioners as part of the decision-making process.

**How many Public Hearings are part of the LAFCo process?**

- There are typically two hearings: the LAFCo Application Hearing and a subsequent Protest Hearing, if required. However, **since both agencies adopted substantially similar Resolutions of Application, and the proposed reorganization is consistent with prior LAFCo actions, no Protest Hearing will be held for this application.** The LAFCo Application Hearing, tentatively scheduled for March 5, 2025, is for the LAFCo Commission to review and take action on the proposed reorganization.

**Is an election required to approve the reorganization?**

- No. Since the proposed reorganization is consistent with prior LAFCo actions, including the Resolution of Intent to Initiate Dissolution of DPMWD adopted on May 1, 2024, no Protest Hearing will be held and no election is required (G.C. §57077.1(c)). Additionally, since DPMWD and SSWD adopted substantially similar Resolutions of Application, LAFCo shall approve or conditionally approve the proposed reorganization (G.C. §56853).

**How does a member of the public submit a protest to Sacramento County LAFCo?**

- Since a Protest Hearing will not be held for this application, no official protest forms can be submitted to LAFCo. However, the public is invited to provide written or verbal comments as part of the Public Hearing (tentatively scheduled for March 5, 2025). All constructive comments, either for or against the proposed reorganization, will be accepted and considered by the LAFCo Commission.

For more detailed information, you can visit the [Sacramento County LAFCo website](#).

Attachment 3

# LAFCo Public Hearing on SSWD and DPMWD Reorganization

Wednesday, February 5<sup>th</sup>  
at 5:30 p.m.

Details at  
[sswd.org](http://sswd.org)  
[delpasomanorwd.org](http://delpasomanorwd.org)





February 4, 2025

**Subject: Important Update on the Potential Reorganization of SSWD and DPMWD**

Dear Valued Customer,

This letter is written to update you on the potential reorganization of the Sacramento Suburban Water District (SSWD) and Del Paso Manor Water District (DPMWD) and to inform you of a Public Hearing where you can learn more and share your input.

**Public Hearing on the Proposed Reorganization  
Sacramento Local Agency Formation Commission  
Wednesday, March 5, 2025, at 5:30 p.m.**

*Sacramento County Board Chambers*

*700 H Street, Sacramento, CA 95814*

*Live stream available at [metro14live.saccounty.gov](https://metro14live.saccounty.gov)*

The Sacramento Local Agency Formation Commission (LAFCo), the agency that oversees changes to local government structures, will review the proposed reorganization and accept public comments before making a decision. You can attend in person, virtually, or submit written comments in advance. Comments will be included in the official record for consideration by LAFCo Commissioners. Visit [saclafco.saccounty.gov](https://saclafco.saccounty.gov) for details.

**What This Means for You**

In May 2024, LAFCo adopted a Resolution of Intent to Dissolve DPMWD. Reorganization could provide DPMWD with financial stability while SSWD is well-positioned to integrate DPMWD customers and staff while providing financial protection for both districts.

If approved:

- **Governance and Name:** The reorganized district will retain the name Sacramento Suburban Water District with a five-member Board of Directors that includes incumbent SSWD Directors.
- **Debt and Liabilities:** Ratepayers within their respective service areas will continue to be responsible for any debts and liabilities.
- **Assets Transfer:** Certain assets will be used exclusively for the benefit of ratepayers within their respective service areas.
- **Separate Water Systems:** The Del Paso Manor service area will operate separately with its own rates, fees, and charges until sufficient rehabilitation and replacement of its water system have been completed.
- **Advisory Committee:** A Del Paso Manor Advisory Committee will be created and responsible for reviewing proposals and making recommendations to the SSWD Board for Capital Improvement Projects within the DPM Service Areas and be responsible for outreach to the ratepayers of that service area. This committee will be comprised of incumbent DPMWD Directors.

- **Employee Transition:** Existing non-contract DPMWD staff will transition to SSWD during the reorganization period.

We encourage you to stay informed. More information, including Frequently Asked Questions, is available at [sswd.org](http://sswd.org) and [delpasomanorwd.org](http://delpasomanorwd.org).

You are also invited to attend the SSWD and DPMWD Joint Board Meetings. The next meeting scheduled is at 6:00 p.m., on March 12, 2025, in the SSWD Boardroom located at 3701 Marconi Avenue, Sacramento, CA 95821.

If you have any questions, please don't hesitate to reach out.

Sincerely,



**Dan York**  
General Manager  
Sacramento Suburban Water District



**Adam Cohan**  
General Manager  
Del Paso Manor Water District

**PUBLIC NOTICE**

**THE DAILY RECORDER**  
barbara\_bennett@dailyjournal.com

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**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
LEGAL NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that the Sacramento Local Agency Formation Commission on Wednesday March 5, 2025, at 5:30 pm or as soon thereafter as is practicable, shall conduct a public hearing to

1) Consider and Adopt CEQA Categorical Exemption 15320 and the Reorganization of Del Paso Manor Water District into Sacramento Suburban Water District (LAFCo Project #2024-01). Specifically, the reorganization involves the dissolution of the Del Paso Manor Water District (DPMWD) and the annexation of the DPMWD service area into the Sacramento Suburban Water District. Per Government Code Sections 56853 and 57077.1(c), the Commission has no discretion to deny the reorganization proposal and the dissolution will be ordered without an election or a protest hearing. DPMWD provides water services to a community within Arden/Arcade located in the area generally bounded by Marconi Avenue, Cottage Way, Eastern Avenue, and Watt Avenue. Please contact the LAFCo office at (916) 874-6458 for specific parcel numbers or additional information.

The hearings will be held in the Board Chambers, 700 H Street, Room 1450, Sacramento, California.

**PUBLIC MAY ADDRESS THE COMMISSION ON MATTERS  
NOT ON THE AGENDA**

**VIEW MEETING**

The meeting is videotaped and cablecast live on Metrocable 14 on the Comcast, and AT&T U-Verse Systems. It is closed captioned for hearing impaired viewers and livestreamed at <http://metro14live.saccounty.gov>.

**MEETING MATERIALS**

The on-line version of the agenda and associated material is available at <https://saclafo.saccounty.gov/Pages/default.aspx>. Some documents may not be posted on-line because of size or format (maps, site plans, renderings). Contact the Commission office at (916) 874-6458 to obtain copies of documents.

**ACCOMODATIONS**

If there is a need for an accommodation pursuant to the Americans with Disabilities Act (ADA), medical reasons or for other needs, please contact the Clerk of the Board by telephone at (916) 874-5411 (voice) and CA Relay Services 711 or [Boardclerk@saccounty.gov](mailto:Boardclerk@saccounty.gov) prior to the meeting.

For further information contact Sacramento LAFCo; (916) 874-6458, or [www.saclafco.org](http://www.saclafco.org)

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**PUBLICATION:** **DAILY RECORDER**

**NOTICE PREPARATION DATE:** **February 7, 2025**

**PUBLISH DATE:** **Once, February 12, 2025**

**BILLING:** **José C. Henríquez, Executive Officer**  
**Sacramento LAFCo**  
**1112 "I" Street, Suite 100**  
**Sacramento, California 95814**  
[henriquezj@saclafco.org](mailto:henriquezj@saclafco.org)  
**(916)874-6458**



## Agenda Item: 8

**Date:** February 12, 2025

**Subject:** Reorganization Task List – Status Update

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

**Recommended Board Action:**

No action. Receive status update and direct staff as appropriate.

**Discussion:**

The Del Paso Manor Water District (DPMWD) and Sacramento Suburban Water District (SSWD) Board of Directors adopted similar Resolutions Making Application to the Local Agency Formation Commission (LAFCo) for reorganization of the two districts at the December 11, 2024, Joint Board meeting. The Plan for Services was submitted to LAFCo, and confirmed receipt, on December 24, 2024.

Now that the Plan for Services has been officially submitted to LAFCo, there are a list of tasks that need to be conducted throughout the process of combining the two agencies. These tasks will be conducted internally by DPMWD and SSWD staff, however, there are tasks that will need to be approved/adopted by the Board(s).

Staff have developed a Reorganization Task List (see Attachment 1) that outlines each task to be conducted and the status of each task. Staff meet weekly to ensure the tasks remain on track for completion in a timely and efficient manner.

**Attachment:**

1 – Reorganization Task List

Attachment 1

REORGANIZATION TASK LIST			
Activities	Board or Staff	Status	2/6/2025
<b>Plan for Services - LAFCo</b>	Board and Administrative Staff	PlanWest Partners submitted the Plan for Services and Application to LAFCo on December 24, 2024. LAFCo confirmed receipt of the subject document and has begun the review and notification process.	February 5, 2025, LAFCo Commission approved the Sphere of Influence to SSWD.
<b>Grant Application Process</b>	Staff - Finance	Staff to engaging with Forsgren to manage the grant process. Reviewing scope of work.	Kick-off meeting scheduled for February 11, 2025.
<b>Special Advisory Committee Implementation</b>	Legal Counsel First Review	A draft action plan to implement the subject committee will be brought to the Boards for review and input at the February 12th Joint Board meeting.	Special Advisory Committee staff report to be discussed at the February 12, 2025, Joint Board Meeting.
<b>Employment</b> - Retention Staff - Assignments/Org Chart - Salary Schedule - Unified Benefits - Retirement Supplemental PERS Plan - Employee Manuals/Policies	Staff - GM and HR	SSWD GM met with SSWD Management Team to initiate discussions on position placement of DPMWD staff.	SSWD staff contacted CalPERS to obtain information regarding merging DPMWD'S retirement and benefit plans into SSWD.
<b>Consultants/Vendors Inventory</b>	Staff - Finance	DPMWD staff will draft spreadsheet of DPMWD contracts. Will schedule meeting between DPMWD and SSWD staff to develop a plan.	DPMWD and SSWD staff met and developed a plan to compile a consultant and vendors list.
<b>Real Property Disposition Inventory</b> - Consolidating Properties - Inventory Plan to Maintain Easements - Surplus Property Disposal - Real Property Transfer	Staff - Engineering, Finance, Administrative	Need to schedule meeting between DPMWD and SSWD staff to develop a plan.	DPMWD and SSWD staff have met and will develop a priority list of items.
<b>Inventory, Consolidate, Surplus, Dispose of "Personal" Property</b> - Leases/Rented - Fleet - Materials Inventory	Staff - Finance, Operations	Need to schedule meeting with DPMWD CPA for leases and inventory.	Meeting scheduel for February 6, 2025.
<b>Ordinances/Resolutions/Rules and Policies</b> - Inventory, Review, and Select	Board, Legal Counsel, and Administrative Staff	DPMWD and SSWD staff will develop a plan and schedule to review. Will need legal counsel advise on particular items.	DPMWD and SSWD staff will begin the process of compiling DPMWD's documents and determine which ones need to be amended into SSWD and retained.
<b>Financial System</b> - Look at financial reporting. - Determine how cash receivables/liabilities are transferred - Detail fixed asset listing	Staff - Finance	Need to schedule meeting with DPMWD CPA	Meeting scheduel for February 6, 2025.
<b>Outstanding Indebtness</b> - Notify Bondholders - Inventory non-bonded loans/grants and notice	Staff - Finance	Need to schedule meeting with DPMWD CPA	
<b>Utility Billing</b> - Data Conversion - Accounts, parcels/services, meters - Current Rates - Meter Reading	Staff - Finance, IT, CS and Operations	DPMWD and SSWD Project Team set for billing system conversion. Meetings began in January 2025. Meter reading currently conducted manually. Develop a plan to convert DPMWD commercial accounts to read automatically through SSWD's system. Need to determine if existing meters are AMI compatible.	In process. Currently working on billing codes, timing, and coordination.

<b>Software/Operating Systems</b> - Inventory & Prepare Plan - Coordinate, Transfer, and Terminate	Staff - IT	DPMWD and SSWD staff to meet and develop a plan.	
<b>Insurance Claims/Litigation</b> - Identify and notify outstanding items and substitute new district - Notify ACWA JPIA and Terminate and Obtain New Coverage	Board, Legal Counsel, Administrative Staff	DPMWD and SSWD staff will develop a plan and schedule to review. Will need legal counsel advise on particular items.	SSWD staff will contact JPIA to address timing of combining DPMWD's insurance coverage into SSWD.
<b>Due Diligence Plan</b> - Final Audits	Staff - Finance	Need to schedule meeting with DPMWD CPA and Auditor. DPMWD audit is Fiscal and SSWD is calendar.	Meeting scheduled for February 6, 2025.
<b>Determine Schedule for Regulatory DDW</b> - Water System Permit - Assignment Surface Water Transfer of DPMWD - Well Permits for DPMWD/SSWD	Staff - Operations	DPMWD and SSWD staff to meet with DDW to develop a plan for new Water System Permit.	SSWD staff and DPMWD staff have coordinated schedules and have sent their availability to DDW on February 3, 2025.
<b>SCADA System</b> - System and Processes	Staff - IT	DPMWD and SSWD staff to meet and develop a plan.	In process.
<b>Web Site</b> - Provider, access rights, update process	Staff - IT	DPMWD and SSWD staff to meet and continue with a communications plan moving forward.	DPMWD has a link to SSWD website.
<b>GIS/Mapping</b> - GIS Maps - Parcel data - Cityworks Workorders	Staff - GIS, IT	DPMWD and SSWD staff to meet with GIS Department to determine status of DPMWD GIS data.	There are DPMWD layers in CityWorks. This item is in process.
<b>Communications Plan/Website</b>	Board - Administrative Staff	Staff and PR firm has a meeting scheduled for January 8th, to develop a plan to communicate with the customers on the process as it proceeds forward. In Communications is working with Plan West on LAFCo process timeline.	Updated Communications Plan for the February 12, 2025, Joint Board meeting. Customer outreach letter being mailed out on February 13, 2025. FAQ's have also been updated on each website.
<b>PM Program</b>			When direction is provided, the SSWD PM Program Team will be prepared to initiate PM for all valves and fire hydrants in the DPM Service Area. This is anticipated to take approximately 3 months. Note: Once a valve or fire hydrant is deemed inoperable, scheduling will take place to replace such infrastructure.
<b>Compliance (CCR, DDW, Annual Report, Backflow, etc.)</b>			SSWD Environmental Compliance Team is currently evaluating compliance data.
<b>Financial Plan for DPMWD</b>			SSWD Staff contacted Mark Hildebrand to conduct a financial analysis on DPMWD's rates, CIP, O&M, and finances.

## Agenda Item: 9

**Date:** February 12, 2025

**Subject:** Operations Assistance Update

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

**Recommended Board Action:**

No action. Receive update on Sacramento Suburban Water District providing Water System Operations to Del Paso Manor Water District.

**Discussion:**

At the July 10, 2024, Joint Board meeting, the Sacramento Suburban Water District (SSWD) and Del Paso Manor Water District (DPMWD) Boards approved a Contract Services Agreement between SSWD and DPMWD for Operations Assistance, effective August 1, 2024.

As of August 16, 2024, SSWD fully assumed operational responsibility for the DPMWD system. This transition involves SSWD's Production, Environmental Compliance, and Distribution Teams taking charge of 24-hour system monitoring, emergency responses, regulatory compliance, and daily maintenance operations.

Operational Details:

- SCADA Monitoring and Alarm Response: The Production Team provides 24/7 SCADA monitoring for DPMWD's system, managing alarms and standby operations during evenings.
- Well Operations: The Production Team conducts well runs at eight facilities every Monday and Thursday.
- Coliform Sampling Compliance: The Environmental Compliance Team ensures Total Coliform Rule sampling is conducted every Tuesday for regulatory compliance.
- Distribution Operations: The Distribution Team handles Underground Service Alerts daily as needed, monthly meter reads, and reactive maintenance including, but not limited to, service line locations and exposures, and miscellaneous requests from customers.

Workload Summary (August 16, 2024 – January 31, 2025):

- 591 operations labor hours during normal business hours.
- 27 after-hours calls totaling 79 hours of overtime.

**Fiscal Impact:**

Costs incurred and labor support services are reimbursed by DPMWD, so there is no fiscal impact to SSWD. The total amount invoiced for labor and equipment hours for August 2024 through January 2025 is \$104,564.89.

## Agenda Item: 10

**Date:** February 12, 2025

**Subject:** Del Paso Manor Service Area Financial Plan

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

**Recommended Board Action:**

Direct staff as appropriate.

**Discussion:**

Sacramento Suburban Water District (SSWD) is in the process of engaging a rate analysis consultant (Hildebrand Consulting) to develop a financial plan for the Del Paso Manor (DPM) Service Area. The financial plan will address the following: 1) DPM Service Area contribution to combined operating costs utilizing the operating cost per connection metric, 2) the necessary capital improvements (CI) required to bring the DPM Service Area into the same general condition as the SSWD Service Area, and 3) required debt service of existing outstanding DPM Water District debt.

The DPM Service Area operating costs will be proportional to the SSWD operating costs. This will be determined by taking the total operating costs of both Service Areas and dividing by the total number of connections in both Service Areas. DPM Service Area revenues will cover the operating cost per connection for the number of connections in the DPM Service Area.

The financial plan will analyze the CI costs, with and without grant funding. The required CIs include the replacement of all steel mains, converting all connections to Advanced Metering Infrastructure (AMI) compatible meters, and installing the necessary interties to properly connect both systems. Upon completion of these CIs, the DPM Service Area will be considered in the same general condition as the SSWD Service Area and will no longer require unique rates to fund the CIs outlined in the financial plan.

The remaining item the financial plan will address is the outstanding debt service carried over from the DPM Water District. This outstanding debt will be fully serviced by the DPM Service Area customers.

The financial plan will analyze available revenues from currently approved DPM Service Area rates, including potential grants, to determine the funds available, after operating cost contribution and debt service payments, to allocate to CIs. This analysis will allow the SSWD to best determine how to move forward in initiating CIs and the potential duration for the DPM Service Area to be on unique rates.

## Agenda Item: 11

**Date:** February 12, 2025

**Subject:** Agenda Items for Future Joint Board Meetings

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

**Recommended Board Action:**

Discuss agenda topics to be presented at the next meeting of Del Paso Manor Water District and Sacramento Suburban Water District and direct staff as appropriate.

**Discussion:**

Direct staff on which topics need to be placed on the agenda for the next Joint Board meeting between Del Paso Manor Water District and Sacramento Suburban Water District.

## Agenda Item: 12

**Date:** February 12, 2025

**Subject:** Director Comments

**Staff Contact:** Dan York, SSWD General Manager  
Adam Coyan, DPMWD General Manager

**Recommended Board Action:**

No Action.

**Discussion:**

This is a placeholder for Director comments.