

**ITEM #5.A**

*Approval of Minutes of the November 07, 2023 Regular Meeting*



**REGULAR MEETING OF THE BOARD OF DIRECTORS  
DEL PASO MANOR WATER DISTRICT**

**DRAFT MINUTES**

**November 07, 2023 6:00 PM  
1817 Maryal Drive, Suite 300, Sacramento 95864**

**1. CALL TO ORDER:**

President Saunders called the meeting to order at 6:00 p.m.

**2. ROLL CALL:**

Directors Present: President Ryan Saunders, Carl Dolk, Bob Matteoli, Gwynne Pratt, and David Ross

Staff Present: General Manager Adam Coyan  
Office Manager Victoria Hoppe  
Certified Public Accountant Robert Merritt  
Assistant Legal Counsel Lauren Bernadette

A quorum of the Board was present.

**3. ADOPTION OF AGENDA:** Members may pull an item from the agenda.

Director Ross made a motion to adopt the agenda. The motion was seconded by Director Matteoli. The agenda was adopted on a 5 Yes/0 No vote.

**4. PUBLIC COMMENTS - ITEMS NOT ON THE AGENDA** The Board of Directors welcomes participation at these meetings. Matters under the jurisdiction of the Board that are not posted on the agenda may be addressed by the public, California law prohibits the Board from acting on any matter which is not on the posted agenda, unless the members determines that it is an emergency or other situation specified in Government Code Section 54954.2. Public comments are limited to five (5) minutes per individual. Please make your comments directly to the DPMWD Chair. Comments will be accepted via teleconference and in writing.

(6:02 pm)

President Saunders called for public comment.

Roy Wilson spoke to a need for an executive summary on staff reports and a merger with Sacramento Suburban Water District.

Seeing no further comments, President Saunders closed public comment.

President Saunders fielded public comment inquiries.

**5. CONSENT CALENDAR:** All items under Consent Calendar will be considered together by one action of the Board, any Member or members of the public may request that an item be removed and considered separately.

(6:05 pm)

Request was made for each item to be discussed and considered separately.

**Item 5.A: Approval of Minutes of the October 02, 2023 Regular Meeting**

President Saunders called for public comment. Seeing no one come forward, he closed public comment.

Director Ross made a motion to approve Consent Calendar Item 5.A. The motion was seconded by Director Dolk. The motion was approved on a 5 Yes/0 No vote.

**Item 5.G: Approval of Warrants and Payroll**

Director Ross inquired regarding the contract with PG&E regarding Well 9. General Manager Coyan fielded the inquiry.

President Saunders called for public comment.

Trish Harrington inquired on general matters of the warrants and payroll.

Roy Wilson inquired on general matters of the warrants and payroll.

Seeing no further comments, President Saunders closed public comment.

Director Ross made a motion to approve Consent Calendar Item 5.G. The motion was seconded by Director Pratt. The motion was approved on a 5 Yes/0 No vote.

**6. PUBLIC HEARING:**

There were no Public Hearing items to consider.

**7. OLD BUSINESS:**

There were no Old Business items to consider.

**8. NEW BUSINESS:**

**Item 8.A: Budget to Actuals**

(6:20 pm)

Certified Public Accountant Merritt presented and fielded questions from the Board.

President Saunders called for public comment. Seeing no one come forward, he closed public comment.

**Item 8.B: Presentation on District Funding Options**

(6:27 pm)

District Manager Coyan and Brandis Tallman presented regarding District funding and fielded questions from the Board.

President Saunders called for public comment.

Roy Wilson provided general comments regarding the presentation.

Seeing no further comments, President Saunders closed public comment.

District Manager Coyan and Brandis Tallman presented regarding State Revolving Loan Fund and fielded questions from the Board.

President Saunders called for public comment.

Roy Wilson provided general comments regarding the presentation.

Seeing no further comments, President Saunders closed public comment.

Direction was given to staff to bring back additional information.

**Item 8.C: Update on Request for Proposal (RFP) for Well #9 Backup Generator**

(7:49 pm)

Forsgren Representatives Brian Gach and Brynn Jensen presented, fielded questions from the Board, and recommended accepting the proposal from Bay City.

President Saunders called for public comment.

Trish Harrington provided general comments regarding the presentation.

Marcy provided general comment regarding the presentation.

Seeing no further comments, President Saunders closed public comment.

Director Pratt made a motion to award to Bay City, subject to the General Manager's review and availability of a service provider. The motion was seconded by Director Matteoli. The motion was approved on a 5 Yes/0 No vote.

**Item 8.D: Water Forum 2.0 Presentation on Interagency Agreement for Cost-Sharing for Fiscal Year (FY) 2023-2024 and FY 2024-2025**

(8:01 pm)

Director Pratt and General Manager Coyan presented and fielded questions from the Board.

President Saunders called for public comment.

Roy Wilson provided general comments regarding the presentation.

Carol Rose provided general comments regarding the presentation.

Seeing no further comments, President Saunders closed public comment.

Director Ross noted concern supporting the Water Forum without knowing what the District will get for the support.

Director Pratt made a motion to support the Water Forum for Fiscal Year 2023-2024. The motion was seconded by Director Matteoli. The motion was approved on a 4 Yes/1 No (Ross) vote.

President Saunders called a break at 8:35 pm. Meeting reconvened at 8:50 pm.

**Item 8.E: Election of Special District Representative to Sacramento LAFCo Nominations for Special District Commission**

(8:50 pm)

President Saunders presented.

General discussion commenced amongst the Board.

President Saunders called for public comment. Seeing no one come forward, he closed public comment.

Director Ross made a motion to vote for Robert "Bob" Wichert. The motion was seconded by Director Matteoli. The motion was approved on a 5 Yes/0 No vote.

**Item 8.F: Finance AdHoc Committee Presentation and Recommendation**

(9:02 pm)

Director Dolk and Director Ross presented and recommended moving checking account from Bank of the West to Chase Bank and leave LAIF as is.

President Saunders called for public comment.

Trish Harrington provided general comment regarding the presentation.

Roy Wilson provided general comment regarding the presentation.

Seeing no further comments, President Saunders closed public comment.

Director Ross made a motion to close the checking account at Bank of the West and open it at Chase Bank. The motion was seconded by Director Pratt. The motion was approved on a 5 Yes/0 No vote.

**9. FIELD REPORT:** Verbal report

**Item 9.A: Field Report on Current and Upcoming Projects**

(9:31 pm)

General Manager Coyan fielded inquiries from the Board.

**10. DIRECTOR REPORT ON COMMITTEE MEETINGS:** Verbal report

*Each Board Member will have 5 minutes to report out on all associated committees*

**Item 10.A: Director Dolk**

American Water Works Association (AWWA)  
Association of California Water Agencies (ACWA)

**Item 10.B: Director Matteoli**

Association of California Water Agencies (ACWA) Agriculture  
Association of California Water Agencies (ACWA) Groundwater  
Sacramento Groundwater Authority (SGA)

**Item 10.C: Director Ross**

California Rural Water Authority (CRWA)  
California Special Districts Association (CSDA)

**Item 10.D: Director Saunders**

Joint Powers Insurance (JPIA)

**Item 10.E: Director Pratt**

Regional Water Authority (RWA)  
Water Forum

(9:35 PM)

Directors provided brief reports on committee meetings they attended.

**11. GENERAL MANAGERS COMMENTS:** Verbal report

(9:40 pm)

General Manager Coyan provided an update on general District matters.

**12. CLOSED SESSION:**

1. Conference with Legal Counsel – Anticipated Litigation - Significant exposure to litigation pursuant to Gov. Code § 54956.9(d)(2): 1 cases
2. Conference with Legal Counsel – Anticipated Litigation - Initiation of litigation pursuant to Gov. Code § 54956.9(d)(4): 1 cases
3. Public Employee Performance Evaluation pursuant to Gov. Code section 54957: General Manager

*This item was heard out of order.*

**13. DIRECTORS COMMENTS:** Verbal information, non-action comments.

(9:40 pm)

Director Dolk spoke to accounts receivable accounts.

President Saunders announced his resignation effective after the January meeting.

**14. FUTURE AGENDA REQUESTS:** Directors can suggest topics they would like on future agendas

(9:45 pm)

Director Dolk requested a report on aging accounts.

Director Matteoli requested a report from legal regarding water rights, presentation on SB 552 and legal prepare a letter to the State Board stating the ground level monitoring does not apply to the District., and discussion on LAFCO membership.

President Saunders noted LAFCO Representative Jose Enriquez would be on the December agenda.

Support was provided by all Directors for all items.

**12. CLOSED SESSION:**

1. Conference with Legal Counsel – Anticipated Litigation - Significant exposure to litigation pursuant to Gov. Code § 54956.9(d)(2): 1 cases
2. Conference with Legal Counsel – Anticipated Litigation - Initiation of litigation pursuant to Gov. Code § 54956.9(d)(4): 1 cases
3. Public Employee Performance Evaluation pursuant to Gov. Code section 54957: General Manager

*This item was heard out of order.*

President Saunders called for public comment. Seeing no one come forward, he closed the public comment.

President Saunders recessed the open session and convened the closed session at 9:52 p.m.

The open session reconvened at 10:53 p.m.

President Saunders reported direction was provided effecting the employment status of the Field Manager.

**15. ADJOURNMENT:** Next Regular Board of Directors meeting is scheduled for December 05, 2023

Director Ross made a motion to adjourn. Director Pratt seconded the motion. There being no further business, the Board of Directors meeting adjourned at 10:53 p.m.

APPROVAL:

ATTEST:

\_\_\_\_\_  
Ryan Saunders, President of the Board

\_\_\_\_\_  
Norma I. Alley, MMC, Clerk of the Board



**ITEM #5.B**

*Approval of Warrants and Payroll*

**Del Paso Manor Water District**  
**VENDORS PAID / APPROVED - NOVEMBER 2023**

VENDORS NAME	DESCRIPTION	CIP	AMOUNT	CHECK #
ACWA JPIA	Health		\$903.23	10829
ACWA JPIA	Worker's Comp, Q1 (07/01/2023 - 10/30/2023)		\$4,196.39	10808
ADP	Payroll		\$23,323.14	EFT
ADP Taxes	Payroll Taxes		\$11,600.62	EFT
A.I. Electric	Well 7		\$270.00	10809
A.I. Electric	Well 6B		\$272.00	10809
American Water Works Association (AWWA)	Annual Membership Dues (01/2024 - 12/2024)		\$501.00	10810
Appletree Answers	Answering service		\$503.57	CC
Association of California Water Agencies (ACWA)	Annual Membership Dues (01/2024 - 12/2024)		\$9,830.00	10811
AT&T	Internet; Phone/Fax		\$85.60	CC
AT&T	Phone		\$344.77	CC
AT&T	Phone		\$214.77	CC
AT&T Mobility	Cell Phones; iPads		\$443.34	CC
BSK	Labs		\$3,324.00	10833
Bud's Tri County Tree Services, Inc	4020 El Camino		\$400.00	10812
California Special Districts Association (CSDA)	Annual Membership (01/2024 - 12/2024)		\$8,212.00	10813
CalPers	Employee Contribution - Classic		\$2,400.85	EFT
CalPers	Employee Contribution - Pepra		\$3,214.86	EFT
CalPers	Health		\$20,027.99	EFT
CalPers	Unfunded Liability - Classic		\$5,958.92	EFT
County of Sacramento	Construction Management/Inspection		\$75.50	10814
DEX.YP	Yellow Pages		\$15.50	CC
Emigh Hardware	Material/Supplies		\$300.07	10830
Forsgren Associates, Inc.	Services Rendered Thru 09/26/2023 (On-Call Services FY 23/24)		\$2,154.84	10815
Forsgren Associates, Inc.	Services Rendered Thru 09/26/2023 (Well 9 Engineering)		\$1,474.75	10815
Kronick, Moskovitz, Tiedemann & Girard	Services Rendered Through September 2023		\$13,402.74	10816
Leaf	Photocopy Machine Lease		\$172.92	10832
Legacy Cleaning Services	Maryal office		\$160.00	CC
MailRite	Billing Mailhouse (Rate Increase Card #2)		\$1,996.84	10818
MailRite	Sept./Oct 2023 Flat Rate		\$1,964.36	10818
Lubrication Engineers, Inc.	Gear Oil		\$437.60	10817
PG&E	Gas		\$8.88	EFT
PG&E	Well 9 Generator		\$12,961.58	EFT
Regional Government Services (RGS)	September 2023 Clerk Services		\$1,284.99	10819
Robert Merritt	CPA - Services Rendered Through September 2023		\$950.00	10820
Sacramento County	Property Tax (Kings Way)(2023-2024)		\$41.10	10821
Sacramento County	Property Tax (Lusk Drive)(2023-2024)		\$17.88	10822
Sierra Chemical Company	Chemicals		\$546.00	10823
Sierra Chemical Company	Chemicals		\$231.00	10823

**Del Paso Manor Water District  
VENDORS PAID / APPROVED - NOVEMBER 2023**

Sierra Chemical Company	Chemicals		\$462.00	10823
Smud	Account# 7000000179		\$11,513.27	10831
Streamline	Website		\$249.00	CC
Terrapin Technology Group	Software / Computers		\$574.81	10824
Terrapin Technology Group	Protest Hearing A/V		\$2,080.00	10824
Tripepi Smith & Associates, Inc	Milestone 3 (final Payment)		\$10,987.28	10825
Uinta Holdings, LLC	December 2023 Rent		\$2,570.00	10826
Umpqua Bank	District Credit Card		\$3,620.57	10835
USA BlueBook	4268 Stock		\$335.12	10827
USA BlueBook	4268 Stock		\$5.22	10827
USA BlueBook	4268 Stock		\$32.59	10827
VOYA	October 2023 Emp. Contribution		\$500.00	10828
Wex Bank	Gas		\$524.41	EFT
Wizix Technology Group, Inc.	Photocopy Machine		\$97.45	CC
Wizix Technology Group, Inc.			\$17.00	CC
<b>MONTHLY TOTAL-----&gt;</b>			<b>\$0.00</b>	<b>\$167,792.32</b>

**Approved at 11/07/2023 Regular Meeting**

**TOTAL CHECKS ISSUED: 27**

**PAID VIA CREDIT CARD (CC): 16**

**PAID VIA ELECTRONIC FUNDS TRANSFER (EFT): 9**

**\* DISTRICT FILES INCLUDES INVOICES BEHIND CREDIT CARD BILL WHICH ARE AVAILABLE FOR REVIEW AT THE DISTRICT OFFICE**

**Del Paso Manor Water District  
VENDORS PAID / APPROVED - NOVEMBER 2023**

<b>UMPQUA DISTRICT CREDIT CARD - PAID NOVEMBER 2023</b>					
<b>VENDORS NAME</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>	<b>PAID DATE</b>	<b>ACCT. / INV. #</b>	
Zoom	Cloud Recording & Annual Webinar Fee	1,719.80	11/4/2023		
Central Valley Gates and Access Controls, Inc.	Well 6B Gate	1,800.00	11/6/2023		
Central Valley Gates and Access Controls, Inc.	Well 6B Gate	607.70	11/13/2023		
AT&T	Upgrade to iPads	174.37	11/14/2023		
Amazon	Office Supplies	105.56	11/10/2023		
Amazon	Office Supplies	190.33	11/11/2023		
Streamline	Website	\$249.00	11/13/2023		
Appletree Answers	Answering service	\$503.57	11/13/2023		
AT&T	Phone	214.77	11/13/2023		
AT&T	Phone	344.77	11/13/2023		
DEX.YP	Yellow Pages	15.50	11/13/2023		
Wizix Technology Group, Inc.	Photocopy Machine	114.45	11/13/2023		
AT&T	Internet; Phone/Fax	85.60	11/15/2023		
AT&T Mobility	Cell Phones; iPads	443.34	11/14/2023		
Legacy Cleaning Services	Maryal office	160.00	11/16/2023		
Smart & Final	Office Supplies	48.49	11/20/2023		
		<b>6,777.25</b>			

**Del Paso Manor Water District  
DECEMBER 2023 VENDORS FOR APPROVAL**

VENDORS NAME	DESCRIPTION	CIP	AMOUNT	CHECK #
ACWA JPIA	Health			
ADP	Payroll			
ADP Taxes	Payroll Taxes			
A.I. Electric	Well 7		\$10,326.01	
Appletree Answers	Answering service			
AT&T	Internet; Phone/Fax			
AT&T	Phone			
AT&T	Phone			
AT&T Mobility	Cell Phones; iPads			
BSK	Labs		\$1,393.00	
CalPers	Employee Contribution - Classic		\$2,400.85	
CalPers	Employee Contribution - Pepra		\$3,098.22	
CalPers	Health		\$12,878.03	
CalPers	Unfunded Liability - Classic		\$5,958.92	
City of Sacramento	Water Forum 2.0 Cost Share Agreement		\$2,441.00	
DEX.YP	Yellow Pages		\$15.50	
Emigh Hardware	Material/Supplies			
Employment Development Department	Employment Tax		\$5,850.00	
Forsgren Associates, Inc.	Services Rendered Thru 10/25/2023 (On-Call Services)		\$4,485.00	
Forsgren Associates, Inc.	Services Rendered Thru 11/25/2022 (Well 9 Engineering)		\$551.25	
Frank Ranells	COE Refund		\$1,073.03	
Ferguson Waterworks	Sample Station Cover		\$770.15	
Iconix Waterworks, Inc.	4268 Stock		\$724.63	
Kronick, Moskovitz, Tiedemann & Girard	Services Rendered Through October 2023		\$14,104.66	
Leaf	Photocopy Machine Lease			
Legacy Cleaning Services	Maryal office		\$160.00	
Loewen Pump Maintenance	Well 7		\$600.00	
Munibilling	Merchant Return Fees		\$20.00	
PG&E	Gas		\$8.04	
Regional Government Services (RGS)	October 2023 Clerk Services		\$1,237.14	
Regional Water Authority (RWA)	F/Y 2023/2024 Annual Water Efficiency Program		\$3,441.00	
Robert Merritt	CPA - Services Rendered Through October 2023		\$1,187.50	
Sacramento County Utilities	Utilities		\$242.68	
Sierra Chemical Company	Chemicals		\$302.00	
Smud	Account# 7000000179		\$8,129.54	
Streamline	Website		\$249.00	
Terrapin Technology Group	Software / Computers		\$327.05	
Uinta Holdings, LLC	January 2023 Rent		\$2,700.00	
Umpqua Bank	District Credit Card		\$6,777.25	
USA BlueBook	Well Parts			
VOYA	November 2023 Emp. Contribution		\$500.00	
Wex Bank	Gas		\$529.28	
Wizix Technology Group, Inc.	Photocopy Machine		\$585.90	
<b>MONTHLY TOTAL-----&gt;</b>			<b>\$0.00</b>	<b>\$93,066.63</b>

**Del Paso Manor Water District  
BOD Compensation Expense Summary  
NOVEMBER 2023**

NOVEMBER 2023 MEETINGS		DOLK	MATTEOLI	PRATT	ROSS	SAUNDERS
	<b>Board Meetings</b>					
11/7/2023	DPMWD - Regular Board Meeting	1	1	1	1	1
	DPMWD - Special Board Meeting					
	DPMWD - Emergency Board Meeting					
	<b>ADHOC Committee Meetings</b>					
	Director Compensation Committee Meeting					
	Finance Standing Committee Meeting					
	General Counsel Review Committee					
	General Manager Evaluation Committee					
	LAFCo 2x2 Meeting					
	SSWD / DPMWD 2X2 Committee					
	Succession Planning Committee					
	<b>Other Meetings</b>					
	American Water Works Association (AWWA) <i>(Dolk)</i>					
	Association of California Water Agencies (ACWA) <i>(Dolk)</i>					
	Association of California Water Agencies (ACWA) Agriculture <i>(Matteoli)</i>					
	Association of California Water Agencies (ACWA) Groundwater <i>(Matteoli)</i>					
	California Rural Water Authority (CRWA) <i>(Ross)</i>					
	California Special Districts Association (CSDA) <i>(Ross)</i>					
	Ethics Training (AB1234)					
	Joint Powers Insurance (JPIA) <i>(Saunders)</i>					
	Legal Council Meeting					
11/9/2023	Regional Water Authority (RWA) <i>(Pratt)</i>			1		
	Sacramento Groundwater Authority (SGA) <i>(Matteoli / Pratt)</i>					
	Sacramento Suburban Water District (SSWD)					
	Sexual Harassment Prevention Training (AB1825)					
11/13/2023	Water Forum <i>(Pratt)</i>			1		
	<b>November Monthly Meeting Totals</b>					
	TOTAL MEETINGS	1	1	3	1	1
	TOTAL COMPENSATED MEETINGS	1	1	3	1	1
	TOTAL COMPENSATION	\$100	\$100	\$300	\$100	\$100

## **ITEM #8.A**

*Budget to Actuals*

Del Paso Manor Water District  
 Budget To Actual Comparison  
 July 1, 2023 to November 30, 2023

Notes

	Year to Date July 1, 2023 to November 30, 2023	Budget	Percent of Budget
<b>Revenues</b>			
Water Sales	546,729	1,358,847	40.23%
C.I.P. Revenue	207,425	598,811	34.64%
Other water sales	606	-	Not budgeted
Other customer charges	120	-	Not budgeted
Interest income	16,309	30,000	54.36%
Misc. income	-	-	Not budgeted
<b>Total Revenues</b>	<b>771,189</b>	<b>1,987,658</b>	<b>38.80%</b>
<b>Employee Related</b>			
Management Salaries	56,248	160,000	35.16%
Staff Salaries	111,071	328,051	33.86%
Director Fees	5,700	22,000	25.91%
Payroll Taxes	13,227	41,000	32.26%
PERS Retirement	44,526	100,500	44.30%
Health	38,257	90,000	42.51%
Retiree Health Benefits & OPEB	26,808	80,000	33.51%
<b>Total Employee Related</b>	<b>295,837</b>	<b>821,551</b>	<b>36.01%</b>
<b>Administration</b>			
Insurance	18,103	59,500	30.43%
Office Expense	45,332	91,500	49.54%
Audit Fees	10,700	12,000	89.17%
Legal Fees	41,860	200,000	20.93%
Election Related	-	3,000	0.00%
Miscellaneous	10,555	5,000	211.10%
Professional Administration Fees	33,091	131,700	25.13%
Bank Charges	745	2,000	37.25%
Professional Dues	45,357	58,500	77.53%
Professional Meetings	-	10,000	0.00%
Cert/Continuing Education	-	5,000	0.00%
<b>Total Administration</b>	<b>205,743</b>	<b>578,200</b>	<b>35.58%</b>
<b>Operations</b>			
Conservation	-	3,400	0.00%
Power	38,066	112,000	33.99%
Repairs & Maintenance	37,312	216,000	17.27%
Lab Fees	14,284	7,000	204.06%
Backflow Program	-	2,000	0.00%
Engineering	32,886	250,000	13.15%
City Water	-	7,000	0.00%
Capital/Equipment Expenditures	-	60,000	0.00%
<b>Total Operating</b>	<b>122,548</b>	<b>657,400</b>	<b>18.64%</b>
<b>Total Employee Related, Administration and Operating Expenses</b>	<b>624,128</b>	<b>2,057,151</b>	<b>30.34%</b>
<b>C.I.P.</b>			
New Pipeline	-	50,000	0.00%
Well #2	-	950,000	0.00%
Well # 6B	-	50,000	0.00%
Well #9	12,962	360,000	3.60%
Interest Expense & Principal Debt Payment	-	325,000	0.00%
<b>Total C.I.P.</b>	<b>12,962</b>	<b>1,735,000</b>	<b>0.75%</b>

Amounts above are not audited

Notes

1 Misc. expenses include employee relocation and operating interest expenses



	November 2023	Budget	Percentage of Budget
<b>Employee Related</b>			
5102.10 · Management salaries	56,248.00	160,000.00	35.16%
5102.15 · Field salaries	78,017.00	250,000.00	31.21%
5102.20 · Office manager salary	33,054.00	78,051.00	42.35%
5102.05 · Director fees	5,700.00	22,000.00	25.91%
5102.30 · Payroll taxes	13,227.00	41,000.00	32.26%
6451.00 · PERS/retirement	44,526.00	100,500.00	44.30%
6501.00 · Employee healthcare (CalPers)	38,258.00	90,000.00	42.51%
6502.00 · Retiree health benefits	26,808.00	80,000.00	33.51%
<b>Administration</b>			
<b>5251.00 · Insurance</b>			
5251.05 · Liability	9,322.00	40,000.00	23.31%
5251.10 · Property	4,585.00	4,500.00	101.89%
5251.15 · Workers Compensation	4,196.00	15,000.00	27.97%
<b>6151.00 · Office expense</b>			
6151.05 · District office lease	15,420.00	32,000.00	48.19%
6151.10 · Phone service	2,007.00	4,500.00	44.60%
6151.15 · Internet provider	2,294.00	5,000.00	45.88%
6151.20 · Sewer & garbage (Lusk)	479.00	2,000.00	23.95%
6151.21 · Miscellaneous (office other)	0.00	0.00	N/A
6151.25 · Postage	16,904.00	20,000.00	84.52%
6151.30 · Printing	0.00	1,000.00	0.00%
6151.35 · Computers & supplies	90.00	3,500.00	2.57%
6151.40 · Office supplies	3,468.00	7,500.00	46.24%
6151.45 · Answering service	2,504.00	5,500.00	45.53%
6151.50 · Office furniture	0.00	2,000.00	0.00%
6151.55 · Payroll preparation	580.00	2,000.00	29.00%
6151.60 · GASB 75 valuation	0.00	2,000.00	0.00%
6151.70 · Janitorial	800.00	2,500.00	32.00%
Office expense - other	785.00	0.00	N/A
6152.00 Building maintenance	0.00	2,000.00	0.00%
6251.00 · Audit	10,700.00	12,000.00	89.17%
6255.00 Election related	0.00	3,000.00	N/A
6301.00 · Legal	41,860.00	200,000.00	20.93%
6401.00 · Misc	10,555.00	5,000.00	211.10%
<b>6601.00 · Professional Admin fees</b>			
6601.05 · SWRCB annual fees	0.00	16,000.00	0.00%
6601.10 · NDPES permit	0.00	1,500.00	0.00%
6601.15 · Cal Pers actuarial reports	700.00	700.00	100.00%
6601.25 · Air Quality permits	0.00	5,000.00	0.00%
6601.30 · Encroachment permits	0.00	500.00	0.00%
6601.35 · CPA fees	3,515.00	18,000.00	19.53%
6601.00 · Professional admin fees - other	28,876.00	60,000.00	48.13%
6601.50 · Public relations	0.00	30,000.00	0.00%
6171.00 · Bank fees	745.00	2,000.00	37.25%

<b>6561.00 · Professional dues</b>			
6561.05 · ACWA	9,783.00	11,000.00	88.94%
6561.10 · AWWA	494.00	700.00	70.57%
6561.15 · CSDA	8,186.00	8,300.00	98.63%
6561.20 · CRWA	750.00	1,000.00	75.00%
6561.25 · RWA	4,423.00	9,500.00	46.56%
6561.30 · SGA	21,243.00	25,000.00	84.97%
6561.35 · SAWWA	0.00	1,000.00	0.00%
6561.00 · Professional dues - other	478.00	2,000.00	23.90%
6551.00 · Professional meetings	0.00	10,000.00	0.00%
6610.00 Certification/continuing education	0.00	5,000.00	0.00%

**Operations**

<b>5121.00 Conservation</b>	0.00	3,400.00	0.00%
<b>5151.00 · Power</b>			
5151.05 · PG&E	35.00	2,000.00	1.75%
5151.10 · SMUD	38,032.00	110,000.00	34.57%
<b>5201.00 · R &amp; M</b>			
5201.05 · Leak repairs	21,342.00	104,000.00	20.52%
5201.10 Field Equipment	0.00	2,000.00	0.00%
5201.15 · Field supplies	3,695.00	35,000.00	10.56%
5201.20 · Fuel for vehicles	2,049.00	9,000.00	22.77%
5201.25 Vehicle repair and maintenance	718.00	3,000.00	23.93%
5201.35 · Chlorine	4,368.00	11,000.00	39.71%
5201.45 · Well repair & maintenance	1,945.00	6,000.00	32.42%
5201.55 · Field staff cellular service	2,311.00	6,000.00	38.52%
5201.00 R & M other	400.00	0.00	N/A
5201.70 SSWD Mutual Aide Field Staff	483.00	40,000.00	1.21%
5301.00 · Lab fees (H2O testing)	14,284.00	7,000.00	204.06%
5451.00 City water	0.00	7,000.00	0.00%
5452.00 Backflow program	0.00	2,000.00	0.00%
5351.00 Engineering	32,886.00	250,000.00	13.15%

**Del Paso Manor Water District**  
**Monthly Cash Flow Activity (Unaudited)**  
**October 2023 2023**

	<u>Operating Bank Account</u>	<u>L.A.I.F.</u>	<u>Total</u>
Account Balances at October 1, 2023	\$ 440,955	\$ 1,809,008	\$ 2,249,963
Rate payer collections	209,391	-	209,391
Other receipts	94	-	94
LAIF interest payment	-	16,309	16,309
Payroll disbursements	(33,872)	-	(33,872)
Vendor payments	(59,149)	-	(59,149)
Account Balances at October 31, 2023	<u>\$ 557,419</u>	<u>\$ 1,825,317</u>	<u>\$ 2,382,736</u>

The activity above is not audited

*Accounts Receivable Aging*

Account Type - All  
 Account Category - All  
 Billing Type - All  
 Status - Active  
 Include 0 Balance - No  
 As Of - 11/29/2023

**Summary**

Account Type	Account Category	Credits	0 - 29 Days	30 - 59 Days	60 - 89 Days	90 + Days	Total
CO (Commercial)	MAIN (MAIN)	0.00	0.00	323.00	0.00	323.00	646.00
	METER (METER)	(1,094.87)	20,470.28	14,459.20	10,461.10	829.81	45,125.52
RE (Residential)	MAIN (MAIN)	(22,608.65)	133.53	28,754.80	0.00	66,999.30	73,278.98
	<b>Total</b>	<b>(23,703.52)</b>	<b>20,603.81</b>	<b>43,537.00</b>	<b>10,461.10</b>	<b>68,152.11</b>	<b>119,050.50</b>

## **ITEM #8.B**

*Presentation on District Funding Options*

**DEL PASO MANOR WATER DISTRICT**

**BOARD MEETING**

**DATE: December 05, 2023**

**AGENDA ITEM NO. 8.B**

---

**SUBJECT: Presentation on District Funding Options**

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**STAFF CONTACT:**

Adam Coyan, General Manager

**BACKGROUND:**

The 2023 Proposition 218 was approved at the September 18, 2023 meeting and assumes a debt issuance of \$9.23M for upcoming capital projects. The District contacted Lance Holman with Holman Capital to provide a presentation on potential options for the required financing.

Holman Capital was created to meet the diverse funding needs of federal, state & local governments, educational institutions, and health systems nationwide and the equally diverse investment needs of institutional investors globally.

**BUDGET:**

The presentation to the Board would have no effect on the district budget.

**RECOMMENDATION:**

Received information presented, discuss possible options and direct staff as appropriate.

**ATTACHMENTS:**

Lance Holman, Holman Capital Presentation



# DEL PASO MANOR WATER DISTRICT

## *Public Sector Financing Strategy*

Investing In America

## Solve Complex Issues

- Identify Critical Issues Facing America
- Develop Solutions to Improve the Quality of Life for All Americans

## Capital & Ideas

- Provide Capital and Ideas to Governments, Educational Institutions, Water Agencies and Health Systems



READINESS  
REDUNDANCY  
RESILIENCY

SOLAR



ENERGY  
CONSERVATION



EQUIPMENT



INFRASTRUCTURE



REAL PROPERTY



**CUSTOMIZED  
FINANCIAL  
SOLUTIONS**

**Public Sector Expertise**

**Financings \$250,000 - \$200,000,000**

**Financings Up To 30 Year Terms**

**Customized Payment Structures**

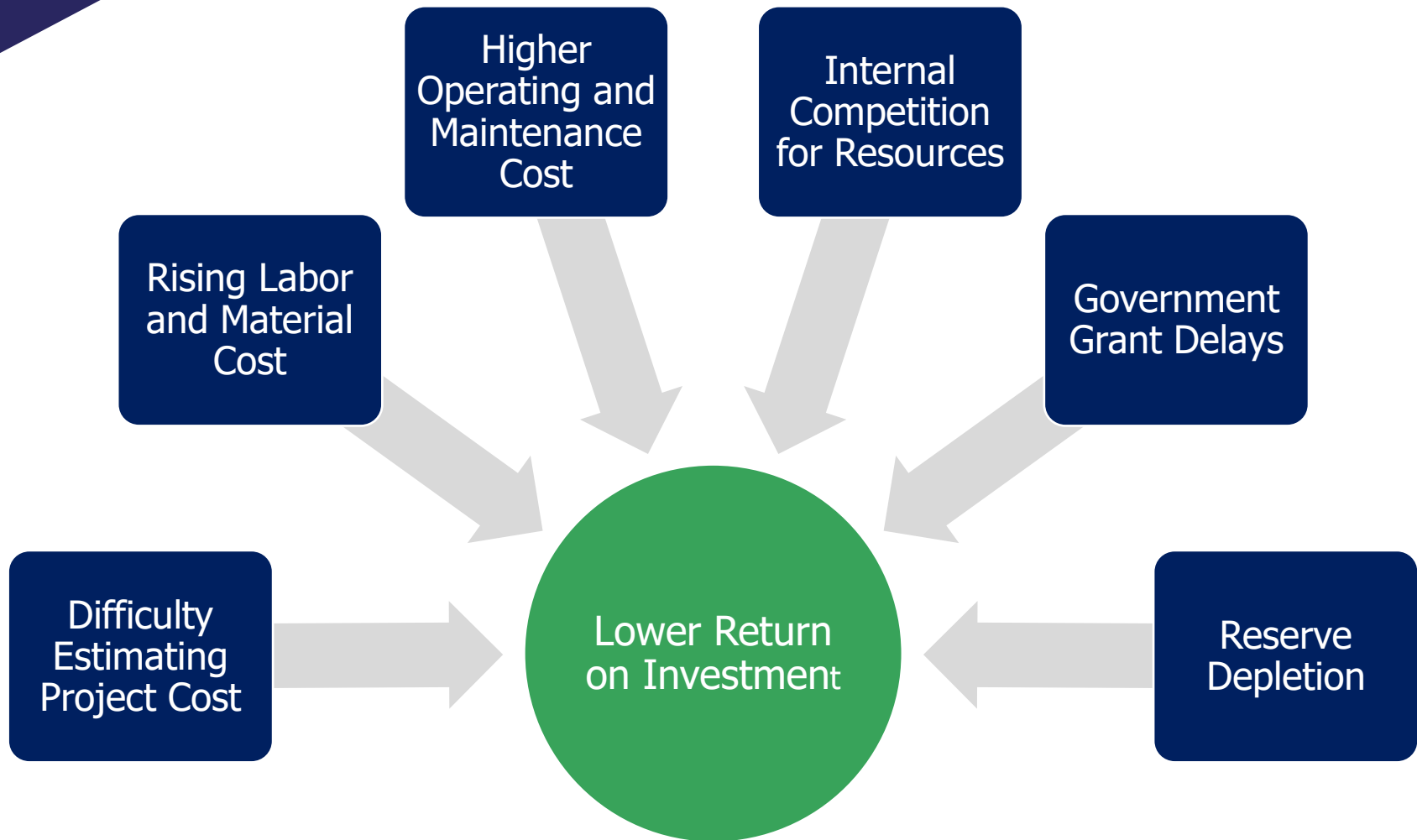
**Fund All Municipal Asset Classes**

**Simplified Documentation**

**Quick Funding**

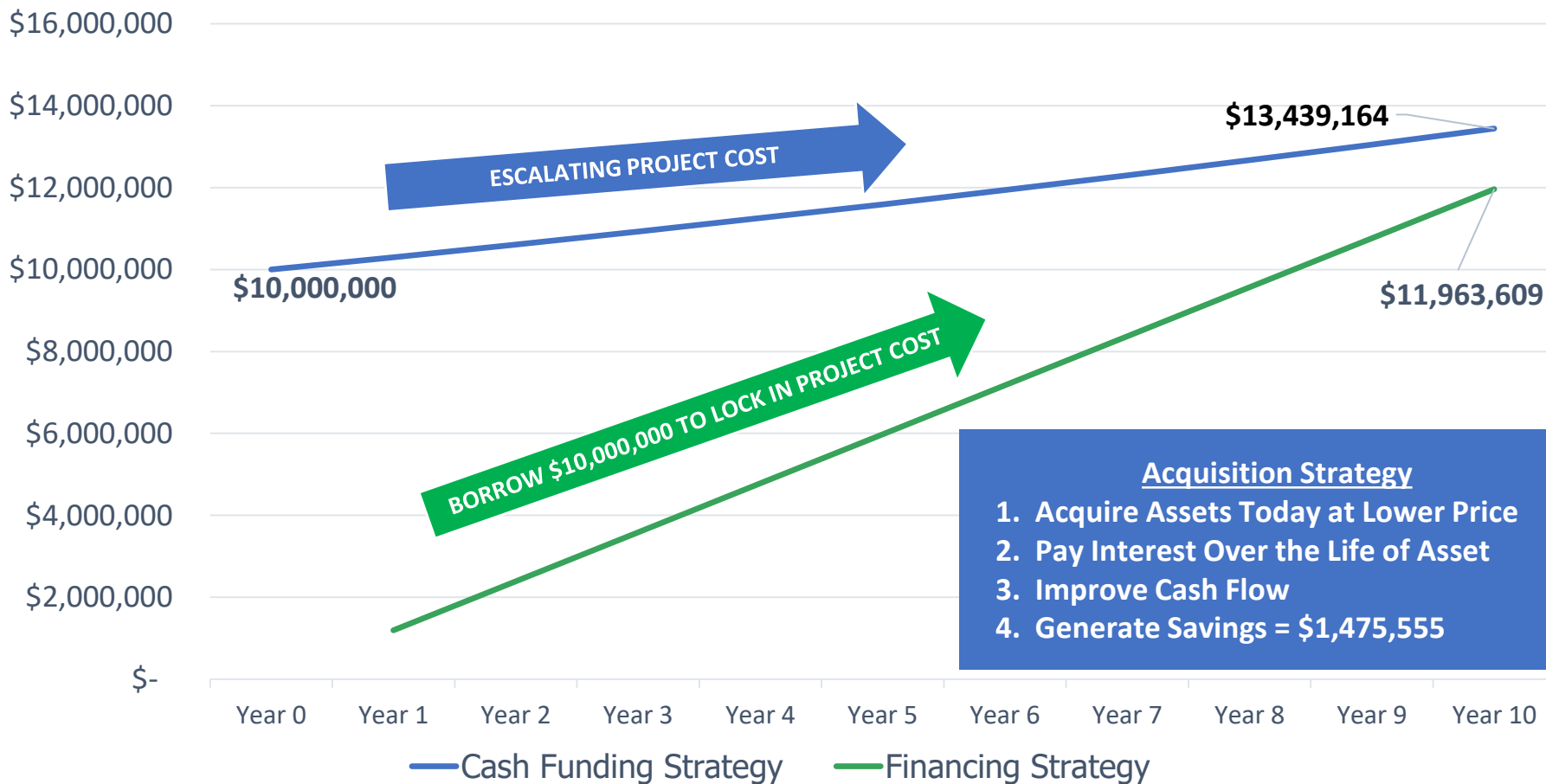


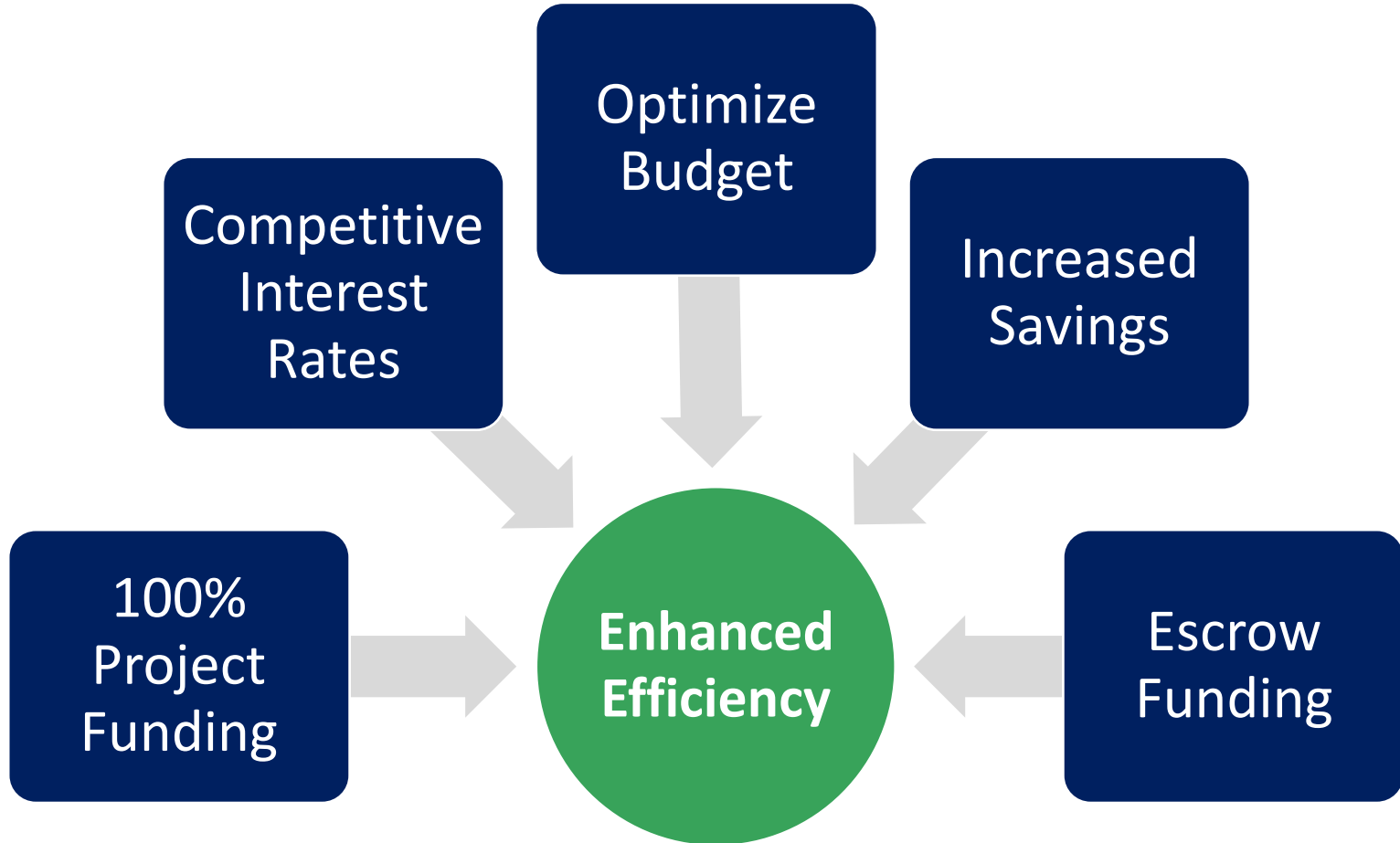
# CASH RESERVES vs PROJECT FINANCING



# MUNICIPAL PROJECTS COST OF WAITING

## LOCKING IN YOUR PROJECT COST





## BONDS

- May Require Voter Approval
- Early Payoff Lockout Period
- Competitive Interest Rates
- Interest Rate Set Day of Funding
- Hire Team of Finance Professionals
- High Fees
- Financings up to 30 Years
- Longer Funding Cycle

## DIRECT LENDING

- No Voter Approval Required
- Early Payoff Allowed
- Competitive Interest Rates
- 30-45 Day Rate Lock
- Eliminate Rating Agency, Trustee, and Underwriter
- Low Fees
- Financings up to 30 Years
- Quick Funding

FINANCING		
Descriptions	Bond	Direct Lending
Financing Amount	\$5,000,000.00	\$5,000,000.00
Interest Rate	5.50%	5.70%
Financing Term	10	10
Payments Per Year	12	12
Periodic Payment	\$54,263.14	\$54,759.98
Annual Payment	\$651,157.67	\$657,119.78
<b>Total Fees &amp; Payments</b>	<b>\$6,593,576.68</b>	<b>\$6,576,197.82</b>

COST OF ISSUANCE		
Debt Issuance Fees	Bond	Direct Lending
Underwriter Fee	\$35,000.00	
Legal Fee/Documentation	\$20,000.00	\$5,000.00
Rating Agency Fee	\$10,000.00	
Trustee Fee	\$5,000.00	
Ongoing Disclosure	\$5,000.00	
Financial Advisor	\$7,000.00	
<b>Total Fees</b>	<b>82,000.00</b>	<b>5,000.00</b>

TRUE COST OF FUNDS		
	Bond	Direct Lending
Financing Amount	\$5,000,000.00	\$5,000,000.00
Less Total Fees	\$82,000.00	\$5,000.00
Net Proceeds Less Fees	\$4,918,000.00	\$4,995,000.00
<b>True Cost of Funds</b>	<b>5.86%</b>	<b>5.72%</b>

True Cost of Funds





A background image of a business professional in a light blue shirt and dark tie, sitting at a desk. The professional's hands are visible, one resting on their chin and the other on a white calculator. The desk is covered with papers, including a large blue bar chart and a smaller line graph. A smartphone is also visible on the desk to the right.

**Master Financing Agreements**  
*Simplifying Your Capital Project Financings*

## MASTER LEASE PURCHASE AGREEMENT

- General Fund Obligation
- Secured by the Collateral

## MASTER INSTALLMENT PURCHASE AGREEMENT

- Enterprise Fund Obligation
- Debt Service Coverage Ratio Covenant

## MASTER FULL FAITH AND CREDIT AGREEMENT

- Tax Pledge
- Municipality Must Prove It Can Afford the Payment

## Global Terms & Conditions

- Security - Collateral/Revenue Pledge/Tax Pledge
- Maintenance of Asset
- Insurance Requirements
- Default Provisions

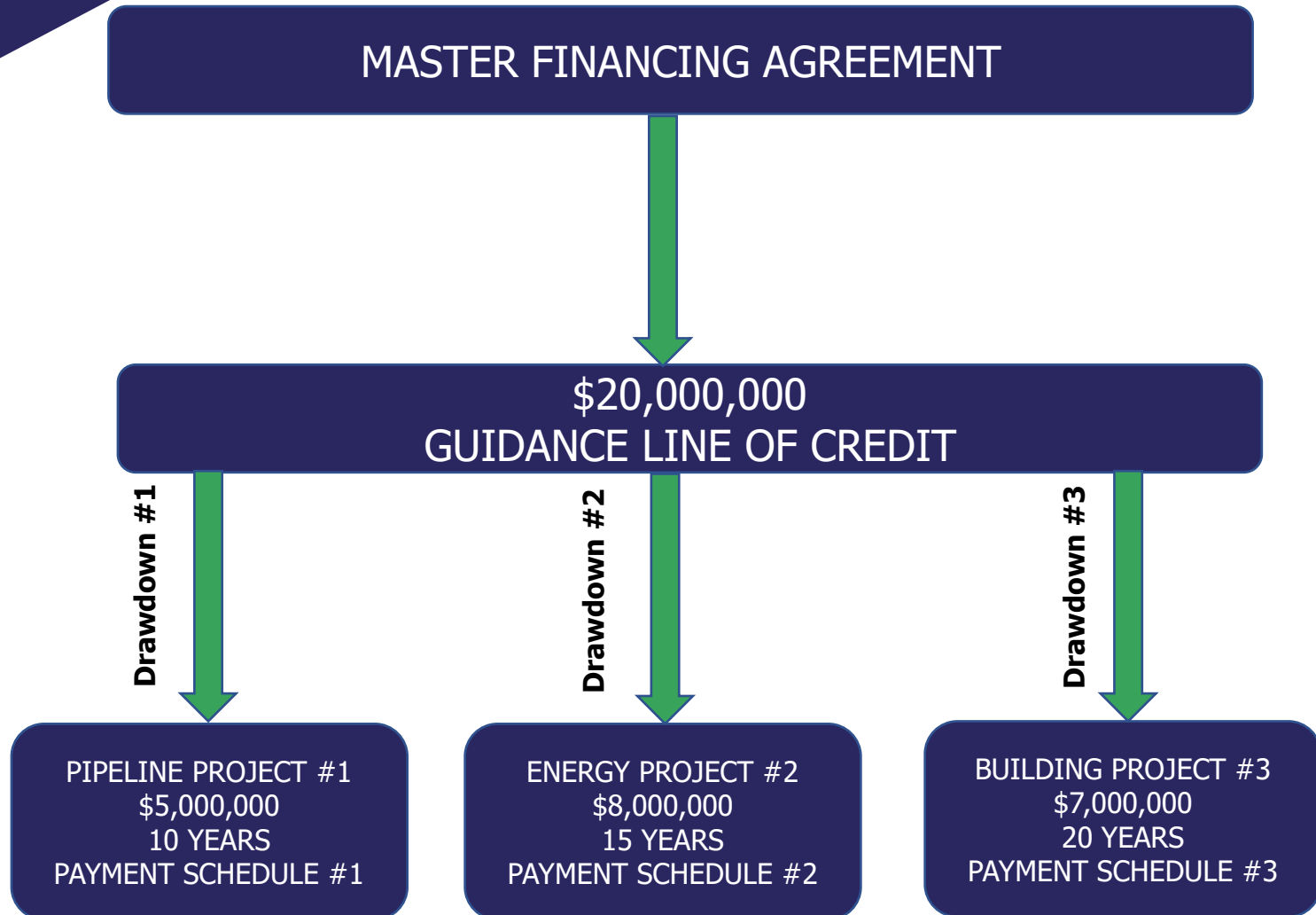
## Guidance Line of Credit

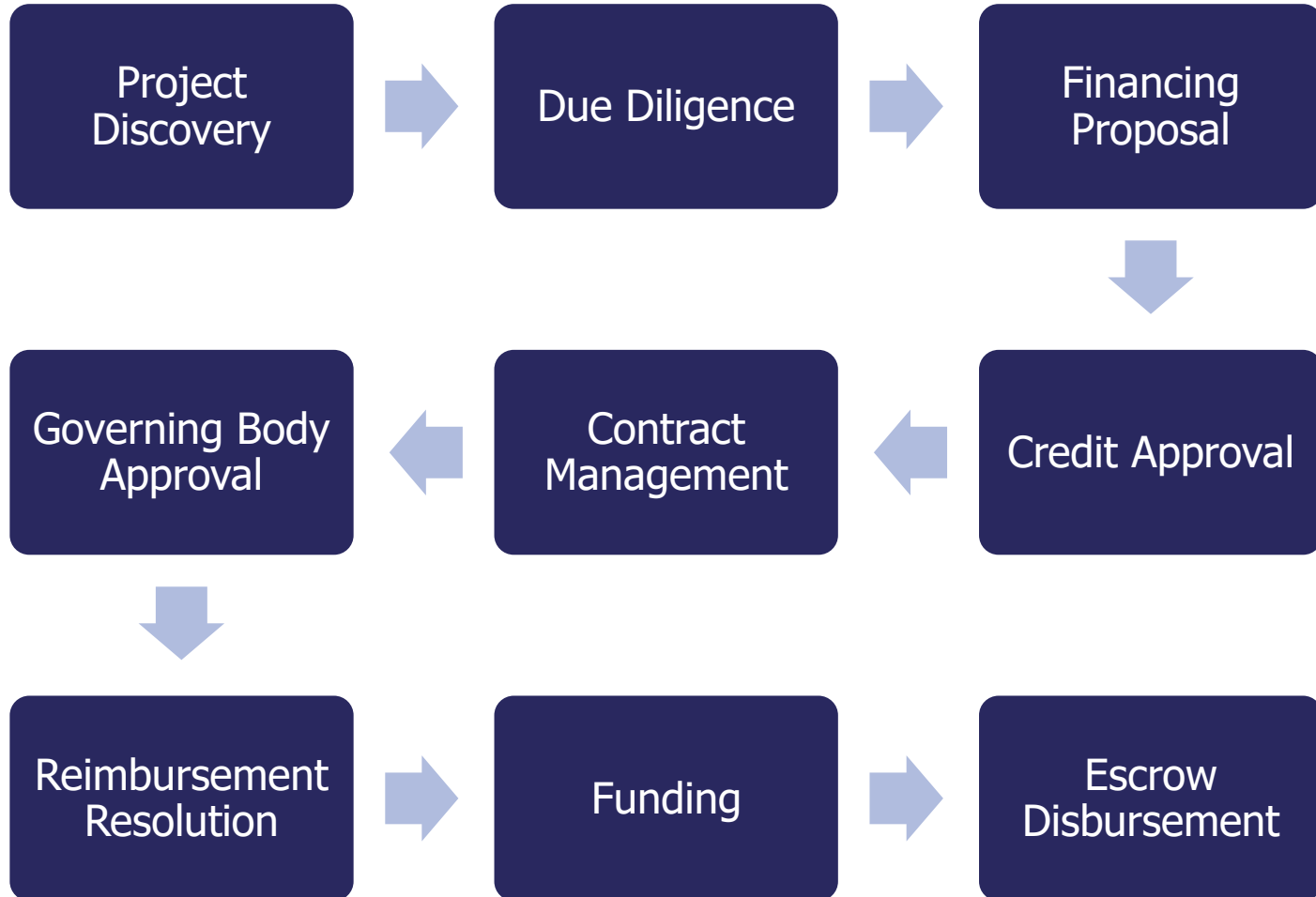
- Maximum Credit Approval
- Renewed 12 – 36 Months

## Transaction Payment Schedules

- Project Description
- Financing Amount
- Interest Rate
- Term

# MASTER FINANCING AGREEMENT





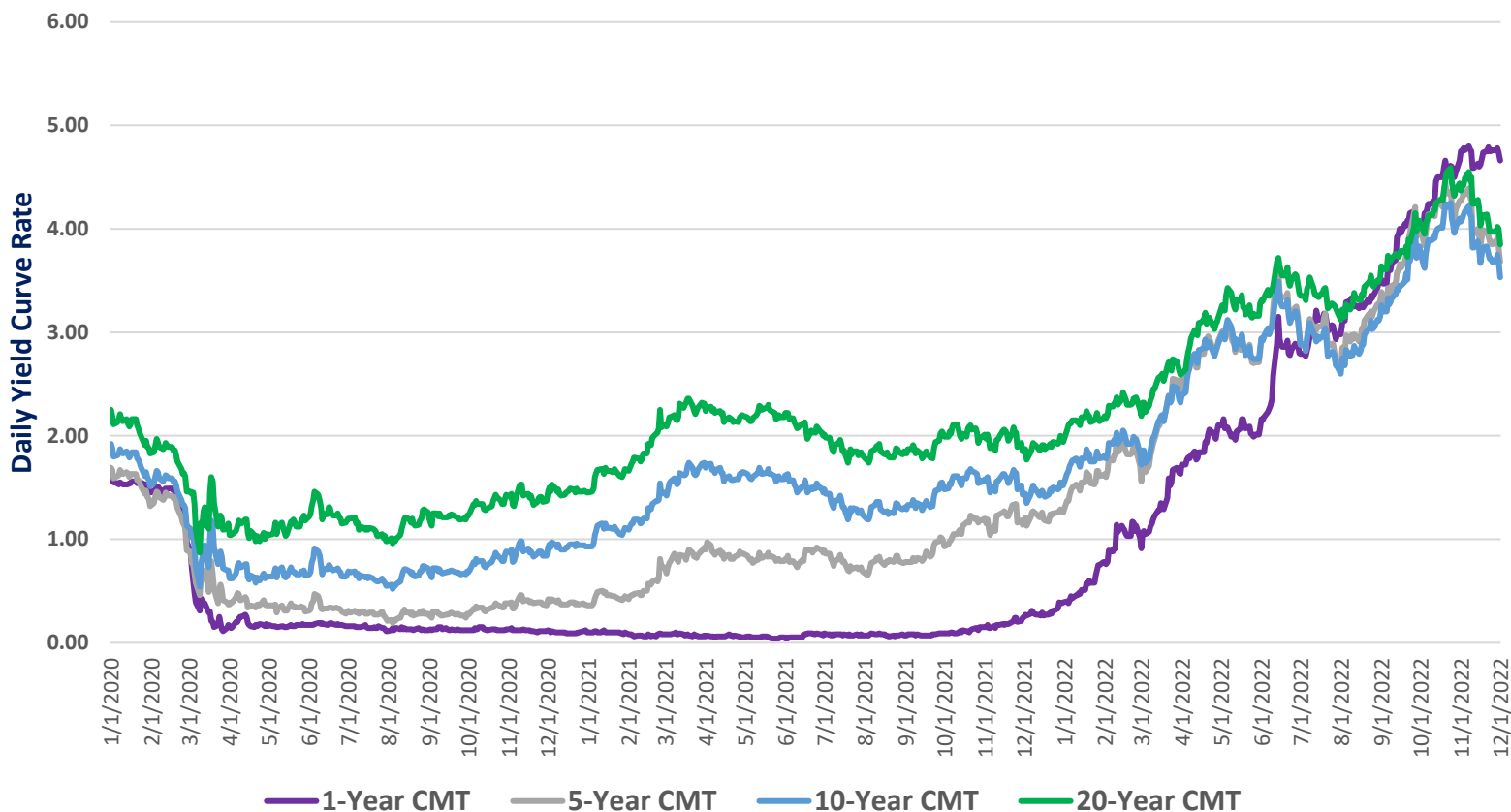


# MARKET RATES

# Historical Daily CMT Yields: 2000 - Present

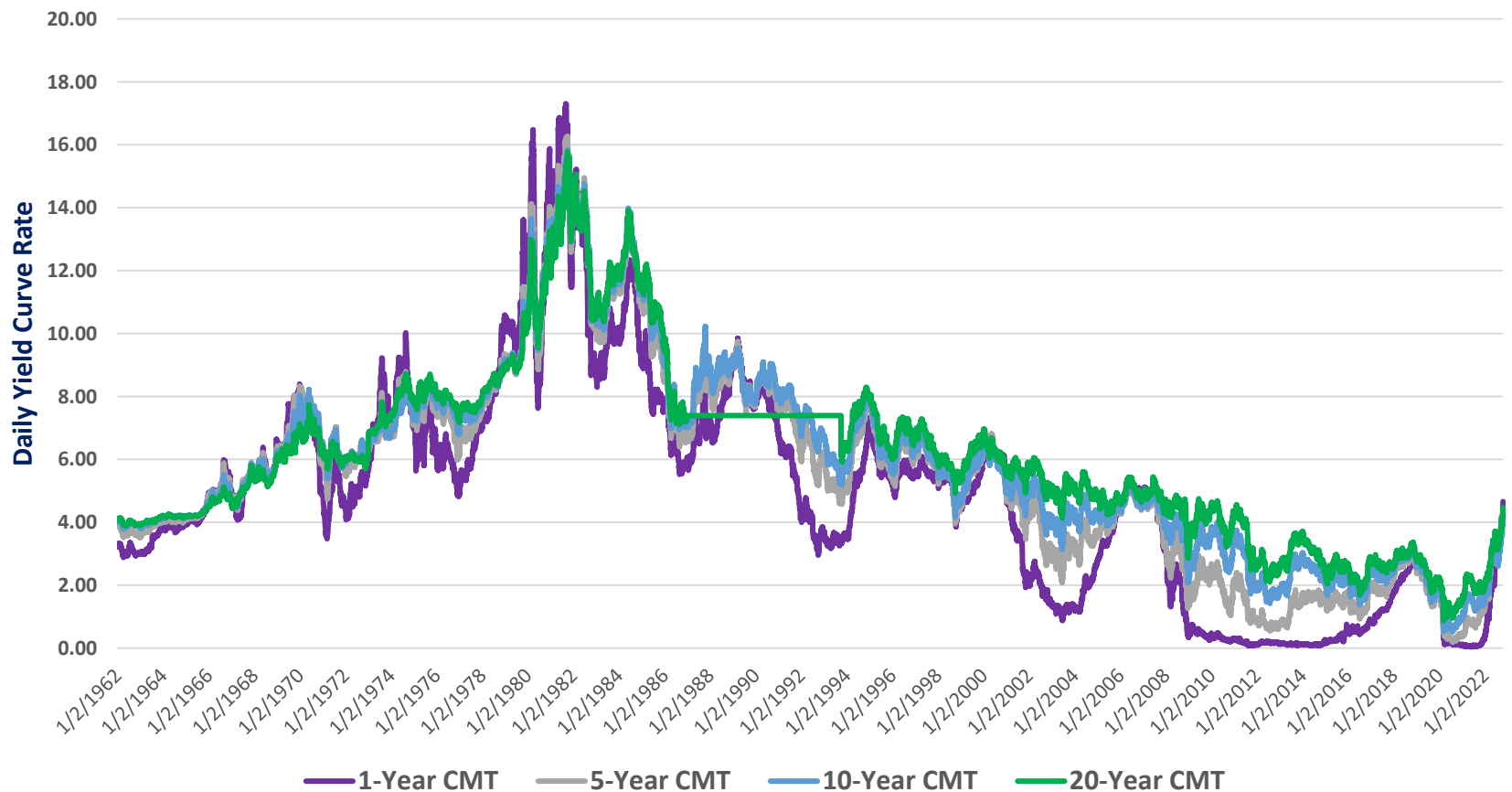


## Constant Maturity Treasury Rates January 2020 - Present



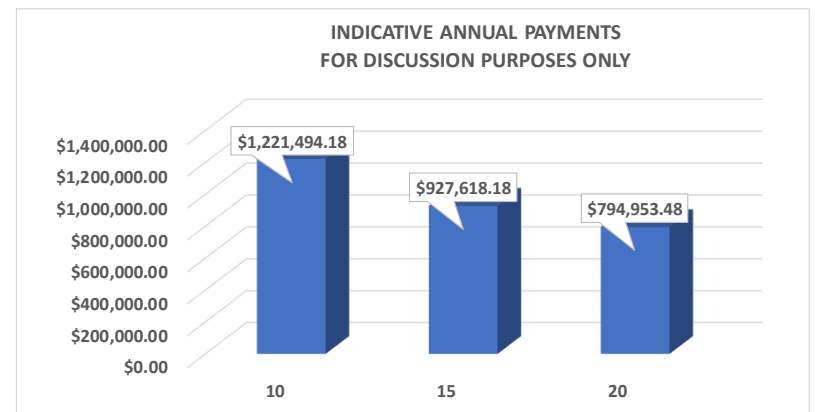
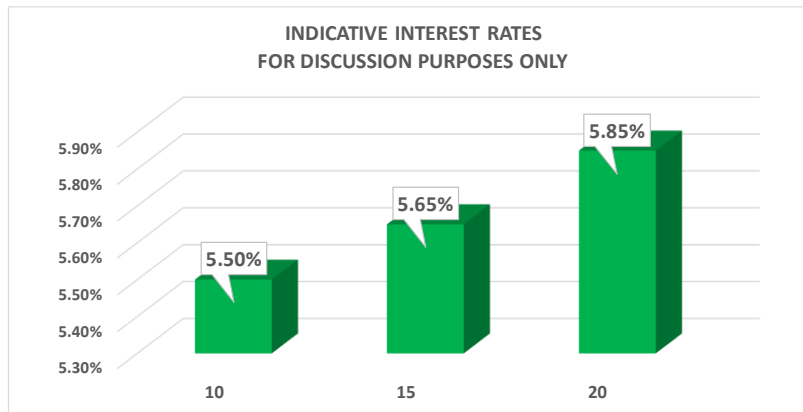


**Constant Maturity Treasury Rates January 1962 - Present**



Inputs	
Project Cost	\$ 9,300,000.00
(-) Equity Contribution	\$ -
(=) Financing Amount	\$ 9,300,000.00
Payment Frequency Per Year	2

Years	Interest Rate	Semi-Annual Payment	Annual Payments	Total Principal and Interest	Excess Cash Flow
10	5.50%	\$610,747.09	\$1,221,494.18	\$12,214,941.80	
15	5.65%	\$463,809.09	\$927,618.18	\$13,914,272.70	\$293,876.00
20	5.85%	\$397,476.74	\$794,953.48	\$15,899,069.60	\$426,540.70

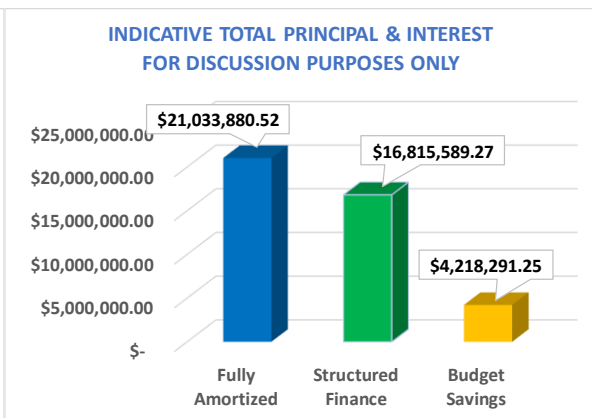
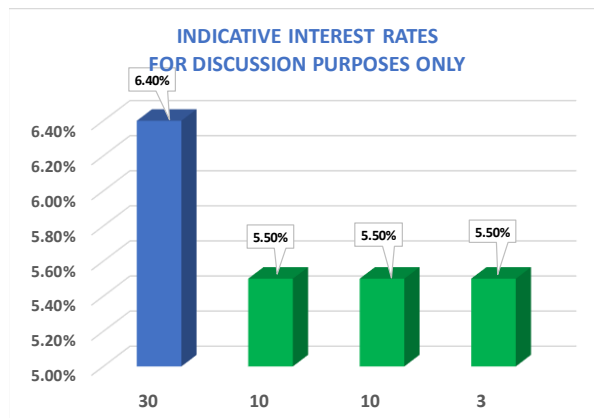


FOR DISCUSSION PURPOSES ONLY

DIRECT LENDING BENEFITS
Buyout Debt Obligation on any Scheduled Payment Date
No Rating Agency Fees
No Trustee Fees
No Underwriting Fees
30 - 45 Day Rate Lock Period to Close Transaction
Transaction Funding within 30 Days

LOAN COMPARISON				
Description	Fully Amortized	Stage I	Stage II	Stage III
Principal	\$ 9,300,000.00	\$ 9,300,000.00	\$ 6,816,102.13	\$ 2,542,733.63
Interest Rate	6.40%	5.50%	5.50%	5.50%
Term	30	10	10	3
Payment Frequency	2	2	2	2
Future Value	\$ -	\$ 6,816,102.13	\$ 2,542,733.63	\$ -
Payment	\$ 350,564.68	\$ 350,564.68	\$ 350,564.68	\$ 465,500.35
Annual Payment	\$ 701,129.36	\$ 701,129.36	\$ 701,129.36	\$ 931,000.70

SAVINGS ANALYSIS			
Description	Fully Amortized	Structured Finance	Budget Savings
Interest Expense Stage I	\$ 11,733,880.52	\$ 4,527,395.73	
Interest Expense Stage II	\$ -	\$ 2,737,925.09	
Interest Expense Stage III	\$ -	\$ 250,268.45	
<b>Total Interest Expense</b>	<b>\$ 11,733,880.52</b>	<b>\$ 7,515,589.27</b>	<b>\$ 4,218,291.25</b>
<b>Principal &amp; Interest</b>	<b>\$ 21,033,880.52</b>	<b>\$ 16,815,589.27</b>	<b>\$ 4,218,291.25</b>



FOR DISCUSSION PURPOSES ONLY

**WORLD CLASS  
SOLUTIONS**

**Public Sector Expertise**

**Competitive Rates**

**Term Loans and Capital Leases**

**Master Financing Agreements**

**Streamlined Process**

**Quick Funding**



**Webinars**



**White Papers**



**Products Sheets**



**One-on-One Consultation**

## APPLE VALLEY FIRE PROTECTION DISTRICT

22400 HEADQUARTERS DRIVE, APPLE VALLEY, CA 92307

*"COMMITMENT TO SERVICE EXCELLENCE"*



**Apple Valley Fire Protection District,  
CA  
\$950,312.06  
Fire Truck  
20 Year Financing Term**

Mark Shaker  
Finance Officer  
Apple Valley Fire Protection District, CA  
760-247-7618  
[mshaker@applevalleyfpd.com](mailto:mshaker@applevalleyfpd.com)  
[www.avfpd.org](http://www.avfpd.org)

**William S. Hart UHSD, CA  
\$43,766,586  
Energy Conservation Project  
20 Year Financing Term**

Ralph Peschek  
Chief Financial Officer  
William S. Hart UHSD, CA  
661-259-0033;254  
[rpeschek@hartsdistrict.org](mailto:rpeschek@hartsdistrict.org)  
[www.hartsdistrict.org](http://www.hartsdistrict.org)

**Montecito Water District, CA  
\$3,000,000.00  
Water Meter Project Financing  
10 Year Financing Term**

Daryl Smith  
Business Manager  
Montecito Water District, CA  
805-969-2271  
[dsmith@montecitowater.com](mailto:dsmith@montecitowater.com)  
[www.montecitowater.com](http://www.montecitowater.com)

# QUESTIONS & ANSWERS





## Lance S. Holman

### President & CEO

Mr. Holman has nearly 30 years of corporate and public finance experience in product development, sales & trading, underwriting, and management. He manages the mission, strategic planning, and capital deployment of the firm.

Mr. Holman worked for US Bank in fixed income sales & trading and Ford Motor Credit in global product strategy. He worked for Banc One Leasing Corporation and SunTrust Equipment Finance Corp originating tax-exempt and taxable equipment financings for state and local governments.

Mr. Holman graduated from Indiana University with a B.S. Public Finance in 1988 and the University of Colorado Denver with a MBA/M.S. Finance in 1993. He resides in Orange County, CA.







**Lance Holman**  
*President & CEO*

**949-981-0237**

**Lance.Holman@HolmanCapital.com**

**HolmanCapital.com**

## **ITEM #8.C**

*Total Compensation Systems, Inc. Consulting Services Agreement for  
GASB 75 Actuarial Valuation Services*

**DEL PASO MANOR WATER DISTRICT**

**BOARD MEETING**

**DATE: December 05, 2023**

**AGENDA ITEM NO. 8.C**

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**SUBJECT: Total Compensation Systems, Inc. Consulting Services Agreement for GASB 75 Actuarial Valuation Services**

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**STAFF CONTACT:**

Adam Coyan, General Manager

**BACKGROUND:**

Total Compensation Systems has been in business for about 25 years. They offer various actuarial services surrounding health and pension benefits, but the core of their business is performing GASB 75 valuations for public agencies. Total Compensation Systems has about 600 public agencies in California which they provide GASB 75 valuations for, including about 35 water districts.

Total Compensation Systems has worked with District in this capacity since at least 2008.

**BUDGET:**

\$2,000 was budgeted for GASB 75 Valuations in the 23/24 approved budget and if approved, there will be an additional \$970.

**RECOMMENDATION:**

Approve Total Compensation Systems, Inc. Consulting Services Agreement effective 01/01/2024 through 12/31/2025

**ATTACHMENTS:**

Total Compensation Systems, Inc. Consulting Services Proposal  
Total Compensation Systems, Inc. Consulting Services Agreement

# TCS Total Compensation Systems, Inc.

November 20, 2023

Victoria Hoppe  
Del Paso Manor Water District  
1817 Maryal Dr Ste 5300  
Sacramento, CA 95864-1510

Dear Victoria,

This letter is our proposal for GASB 74/75 actuarial valuation services. The proposal includes a full actuarial valuation as of June 30, 2023 as well as an anticipated roll-forward valuation as of June 30, 2024.

## Fees and Our 10% Discount

To confidently schedule existing clients, we provide an incentive for clients who make a commitment in advance of the typical valuation timeframe. To reserve a place in our schedule, please send the signed contract and non-refundable deposit of one-half of the full valuation fee by January 31, 2024. By reserving a spot, Del Paso Manor Water District is guaranteed a valuation slot and is prioritized over our other clients that didn't reserve one.

We apply a 10% discount to the full valuation fee as well as to the subsequent roll-forward valuation fee for those who reserve a spot by January 31, 2024. This means that, to reserve a spot, we must receive the signed contract and a check for \$1,485 (one half of the \$2,970 shown below) by January 31, 2024. The following table shows our fees for the GASB 74/75 valuations:

	<u>GASB 74/75 without Discount</u>	<u>GASB 74/75 with 10% Discount</u>
Full Valuation Fee	\$3,300	\$2,970
Roll-Forward Valuation Fee for 2 <sup>nd</sup> Year	\$1,650	\$1,485

Our fees are generally all-inclusive without additional charges for phone calls, re-work, or additional information. Because the vast majority of our clients do not require an in-person meeting or a separate funding valuation, we prefer not to bake those costs into our standard fees. We do not charge to present valuation results via telephone or a video call or to provide an annual contribution target. In the rare cases where an in-person meeting is necessary, we charge based on travel time (to a maximum of \$4,500). Fees for substantial additional funding work are determined based on the scope of the project.

Even if you aren't able to respond until after the discount deadline, we would still be happy to work with you on your GASB 74/75 valuation. It's never too late for us to get started on the valuation.

## Second Year Roll-Forward Valuation

As you know, GASB 75 requires a full actuarial valuation at least every two years. Because your last full valuation was performed as of June 30, 2021, you are due for this full valuation as of June 30, 2023. While this proposal does include the subsequent roll-forward valuation that we anticipate performing as of June 30, 2024, we will confirm with you prior to performing that work to ensure circumstances have not changed, and that you would still like for us to proceed with the roll-forward valuation.

## Timing and Data Requirements

Our records indicate that you will use the results of this June 30, 2023 valuation in your financials for the fiscal year ending June 30, 2024. This means that the valuation process is spread over a longer timeframe since the valuation census data should still be as of June 30, 2023 but asset and audit information will not be available until several months afterwards.

The following timeline shows when the primary data items are expected to be provided.

<b>Data Item</b>	<b>Anticipated Delivery</b>	<b>Responsible Party</b>
Census Data	July-September	Del Paso Manor Water District
Asset Information	October-February	Del Paso Manor Water District
Audit Report/ACFR	January-March	Del Paso Manor Water District
Draft Report	January-May	TCS

Please let us know if you have any questions about the above or generally about retiree health or pension benefits. We would very much appreciate once again having the opportunity to work with Del Paso Manor Water District.

Sincerely,



Geoffrey L. Kischuk  
Actuary  
gkischuk@totcomp.com



Will Kane  
Actuary  
wkane@totcomp.com



Luis Murillo  
Actuary  
lmurillo@totcomp.com

**We request the following information in order to complete your retiree health actuarial valuation:**

- **Census Data.** Demographic information as of June 30, 2023 for active employees eligible for future retiree health benefits and retirees currently receiving health benefits. See below for specific data items needed.
- **Medical Premium Rate Summary.** A summary exhibit that shows the full premium rates (even if the employer only pays up to a certain amount) for medical plans available to active employees and pre-Medicare retirees. Not necessary if you participate in CalPERS Medical as those rates are published and applicable broadly.
- **Audit Report / ACFR.** Your audit report for the fiscal year ending June 30, 2023.
- **Description of Benefit Arrangement.** Either your most recent collective bargaining agreements or a summary of the retiree health benefits and eligibility. If the benefit structure has changed since the last actuarial valuation, a brief description of the change is helpful.
- **Asset Statement.** If retiree health benefits are being funded through an irrevocable trust, please provide the annual trust statement for the full fiscal year ending on June 30, 2023.
- **Formal Funding Policy.** If your plan has a Board-approved funding policy to serve as a basis for an Actuarially Determined Contribution under GASB 75, please let us know (this is relatively rare).
- **Other Useful Information.** Every retiree health plan is unique! If there is information not listed above or below that you believe would be helpful, please feel free to provide it.

For Each Active Employee (any active employee who may become eligible for future retiree health benefits)

- Required Information
  - Date of Birth
  - Sex
  - Date of Hire
  - Employee Group (e.g. Police, Fire, Management, Classified, Certificated, Miscellaneous)
  - Full-Time Equivalent Fraction OR Hours Per Week OR Full-Time / Part-Time Indicator
- Other Information (not required but helpful to have)
  - Name
  - Identifier (e.g. Employee ID, SSN, Last 4 SSN)
  - Active Medical Plan Name, Premium Amount, and Coverage Tier (Single, 2-Party, Family)
  - Salary or Rate of Pay (only needed if you will ask us to calculate the plan's covered payroll)

For Each Retiree (any retiree receiving health coverage (even if self-pay) or health payments through employer)

- Required Information
  - Date of Birth
  - Sex
  - Date of Retirement (to the extent available)
  - Date/Age Benefit Ends (needed if differs amongst retirees – e.g. Lifetime for some / Age 65 for others)
  - Employee Group (e.g. Police, Fire, Management, Classified, Certificated, Miscellaneous)
  - Medical Plan Name and Coverage Tier (Single, 2-Party, Family)
  - Medical Premium – Total Amount (even if employer only pays up to a capped amount)
  - Medical Premium – Employer Portion (including employer reimbursement of Retiree Portion, if any)
  - Medical Premium – Retiree Portion
  - Employer Paid Amount for any Non-Medical Health Benefits (Dental, Vision, Life Insurance, Medicare Part B, HRA Contributions, Cash-In-Lieu, etc.)
- Other Information (not required but helpful to have)
  - Name
  - Identifier (e.g. Employee ID, SSN, Last 4 SSN)



## **TCS Actuarial Clients**

Following is a list of California public employers for which we have performed retiree health valuation services.

Acalanes Union High School District  
Acton-Agua Dulce Unified School District  
Adelanto Elementary School District  
Alameda County Office of Education  
Alameda County Waste Management Authority  
Alisal Union School District  
Allan Hancock Joint Community College District  
Alpine Springs County Water District  
Alpine Union Elementary School District  
Alta Loma School District  
Alta Vista Elementary School District  
Altadena Library District  
Alvord Unified School District  
Amador County Office of Education  
Anderson Union High School District  
Antelope Valley College  
Antelope Valley Mosquito & Vector Control District  
Antelope Valley Union High School District  
Antelope Valley-East Kern Water Agency  
Apple Valley Unified School District  
Arcadia Unified School District  
Arcohe Union Elementary School District  
Armona Union Elementary School District  
Aromas-San Juan Unified School District  
Arrowbear Park County Water District  
Arvin Union School District  
Associated Students of San Jose State University  
Atascadero Unified School District  
Atwater Elementary School District  
Auburn Public Cemetery District  
Auburn Union Elementary School District  
Bakersfield City School District  
Baldy View Regional Occupation Program  
Banning Unified School District  
Banta Elementary School District  
Barstow Community College District  
Bass Lake Joint Union Elementary School District  
Bassett Unified School District  
Bay Area Rapid Transit District  
Bear Valley Unified School District  
Beardsley Elementary School District  
Beaumont Unified School District  
Beaumont-Cherry Valley Recreation and Park District  
Bella Vista Elementary School District  
Belmont Redwood Shores School District  
Berkeley Unified School District  
Big Pine Unified School District  
Bishop Unified School District  
Black Butte Union Elementary School District  
Blue Lake Union Elementary School District  
Bonny Doon Union Elementary School District  
Boulder Creek Fire Protection District  
Branciforte Fire Protection District  
Bret Harte Union High School District  
Burbank Unified School District  
Burlingame Elementary School District  
Burnt Ranch Elementary School District  
Burton School District  
Butte County Office of Education  
Butte-Glenn Community College District  
Buttonwillow Union Elementary School District  
Cabrillo College Foundation  
Cabrillo Community College District  
Cachuma Operation and Maintenance Board  
Calaveras County Office of Education  
Calexico Unified School District  
California State University Los Angeles - Auxiliary Services  
California State University, Long Beach Research Foundation  
Calistoga Joint Unified School District  
Camino Union Elementary School District  
Carmel Unified School District  
Carmichael Water District  
Carpinteria Unified School District  
Cascade Union Elementary School District  
Castaic Union School District  
Castro Valley Sanitary District  
Castro Valley Unified School District  
Castroville Community Services District  
Central Elementary School District  
Central Union School District  
Centralia Elementary School District  
Ceres Unified School District  
Cerritos Community College District  
Chabot-Las Positas Community College District  
Chaffey Community College District  
Chaffey Joint Union High School District  
Chatom Union School District  
Chico Unified School District  
Chino Basin Watermaster  
Chino Valley Unified School District  
Chowchilla Elementary School District  
Chualar Union School District  
Citrus Community College District  
City College of San Francisco Bookstore

City of Arcata  
City of Auburn  
City of Bell  
City of Bell Gardens  
City of Bellflower  
City of Blue Lake  
City of Buena Park  
City of Canyon Lake  
City of Carmel-by-the-Sea  
City of Claremont  
City of Coronado  
City of Covina  
City of Cypress  
City of Diamond Bar  
City of Dunn  
City of East Carbon  
City of El Cajon  
City of El Paso de Robles  
City of Elk Grove  
City of Emeryville  
City of Fountain Valley  
City of Garden Grove  
City of Hercules  
City of Imperial Beach  
City of Industry  
City of Irwindale  
City of La Puente  
City of Lafayette  
City of Lake Forest  
City of Lakeport  
City of Lawndale  
City of Lindsay  
City of Loma Linda  
City of Los Alamitos  
City of Manhattan Beach  
City of Menifee  
City of Millbrae  
City of Mission Viejo  
City of Morro Bay  
City of Oceanside  
City of Orinda  
City of Oroville  
City of Perris  
City of Pomona  
City of Porterville  
City of Rancho Santa Margarita  
City of Ridgecrest  
City of Riverside  
City of Rolling Hills  
City of San Clemente  
City of San Dimas

City of San Gabriel  
City of Scotts Valley  
City of Seaside  
City of Signal Hill  
City of Simi Valley -- General Unit  
City of Solvang  
City of South Ogden  
City of Stanton  
City of Twentynine Palms  
City of Winters  
Claremont Unified School District  
Cloverdale Unified School District  
Coachella Valley Mosquito and Vector Control District  
Coachella Valley Unified School District  
Coast Community College District  
Coastline Regional Occupational Program  
Coastside County Water District  
Coastside Fire Protection District  
Cold Spring Elementary School District  
College and Career Advantage  
College of the Desert  
College of the Redwoods  
College of the Sequoias  
College of the Siskiyous  
Colton-Redlands-Yucaipa Regional Occupational  
Program  
Columbia Elementary School District  
Colusa County Office of Education  
Compton Community College District  
Compton Creek Mosquito Abatement District  
Compton Unified School District  
Conejo Valley Unified School District  
Conrad Hilton Foundation  
Contra Costa Community College District  
Contra Costa County Office of Education  
Copper Mountain Community College District  
Corcoran Joint Unified School District  
Corning Union Elementary School District  
Corning Union High School District  
Corona-Norco Unified School District  
Cotati-Rohnert Park Unified School District  
Cottonwood Fire Protection District  
Cottonwood Union School District  
Crestline Sanitation District  
Cuddeback Union Elementary School District  
Cuesta College  
Cuttan Elementary School District  
Cypress School District  
Davis Joint Unified School District  
Dehesa Elementary School District  
Del Mar Union Elementary School District



Del Norte County Schools  
 Del Paso Manor Water District  
 Delano Joint Union High School District  
 Delano Union School District  
 Denair Unified School District  
 Desert Center Unified School District  
 Desert Health Care District  
 Desert Sands Unified School District  
 Dinuba Unified School District  
 Diocese of San Bernardino  
 Dos Palos Oro Loma Joint Unified School District  
 Douglas City Elementary School District  
 Downey Unified School District  
 Dry Creek Joint Elementary School District  
 Duarte Unified School District  
 Ducor Union Elementary School District  
 Durham Unified School District  
 East Whittier City School District  
 Eastside Union School District  
 El Camino Community College District  
 El Dorado County Transportation Commission  
 El Dorado Hills County Water District  
 El Dorado Irrigation District  
 El Dorado Union High School District  
 El Rancho Unified School District  
 El Segundo Unified School District  
 Elk Grove Benefit Employee Retirement Trust  
 Elk Grove Unified School District  
 Emery Unified School District  
 Encina Wastewater Authority  
 Encinitas Union Elementary School District  
 Enterprise Elementary School District  
 Escalon Unified School District  
 Escondido Union School District  
 Etiwanda School District  
 Eureka City Schools  
 Fairfax Elementary School District  
 Fairfield-Suisun Sewer District  
 Feather River Air Quality Management District  
 Feather River Community College District  
 Ferndale Unified School District  
 Fieldbrook Elementary School District  
 Fillmore Unified School District  
 First 5 San Benito  
 Folsom-Cordova Unified School District  
 Fontana Unified School District  
 Foothill-DeAnza Community College District  
 Fortuna Union High School District  
 Fountain Valley Elementary School District  
 Fowler Unified School District  
 Franklin Elementary School District  
 Fremont Union High School District  
 Freshwater School District  
 Fresno County Superintendent of Schools  
 Fruitvale Elementary School District  
 Fullerton Elementary School District  
 Galt Joint Union Elementary School District  
 Garfield School District  
 Gerber Union Elementary School District  
 Glendale Community College District  
 Glenn County Office of Education  
 Glenn-Colusa Irrigation District  
 Gold Coast Transit  
 Gold Oak Union Elementary School District  
 Goleta Water District  
 Goleta West Sanitary District  
 Grant Elementary School District  
 Gravenstein Union Elementary School District  
 Great Basin Unified Air Pollution Control District  
 Greater Anaheim Special Education Local Plan Area  
 Greenfield Union Elementary School District  
 Greenfield Union School District  
 Gridley Unified School District  
 Grizzly Challenge Charter School District  
 Grossmont Healthcare District  
 Grossmont Union High School District  
 Grossmont-Cuyamaca Community College District  
 Guadalupe Union Elementary School District  
 Guerneville Elementary School District  
 Gustine Unified School District  
 Happy Valley Union Elementary School District  
 Harmony Union Elementary School District  
 Hart Ransom Academic Charter School  
 Hart Ransom Union Elementary School District  
 Hartnell Community College District  
 Healdsburg Unified School District  
 Helix Water District  
 Hemet Unified School District  
 Hi-Desert Water District  
 Housing Authority of the City of Eureka  
 Housing Authority of the City of Los Angeles  
 Housing Authority of the City of South San Francisco  
 Housing Authority of the County of San Joaquin  
 Hueneme Elementary School District  
 Hughson Unified School District  
 Humboldt Bay Harbor Recreation and Conservation District  
 Humboldt County Office of Education  
 Humboldt State University Center  
 Humboldt Transit Authority  
 Huntington Beach City Elementary School District  
 Imperial Community College District

Imperial County Office of Education  
Indian Wells Valley Water District  
Inland Empire Utilities Agency  
Ironhouse Sanitary District  
Jacoby Creek School District  
Jefferson School District  
Jefferson Union High School District  
John Swett Unified School District  
Julian Union High School District  
Junction Elementary School District  
Jurupa Unified School District  
Kaweah Delta Water Conservation District  
Kentfield Elementary School District  
Kerman Unified School District  
Kern Community College District  
Kern Council of Governments  
Kern County Law Library  
Kern County Office of Education  
Kernville Union School District  
Kings Canyon Joint Unified School District  
Kings County Office of Education  
Kings River Union Elementary School District  
Kings River-Hardwick Union School District  
Kingsburg Elementary Charter School District  
Kit Carson Union Elementary School District  
Knights Ferry Elementary School District  
Knightsen Elementary School District  
La Habra City School District  
La Puente Valley County Water District  
Lafayette School District  
Laguna Beach County Water District  
Laguna Beach Unified School District  
Lake Elsinore Unified School District  
Lake Hemet Municipal Water District  
Lake Tahoe Community College District  
Lakeside Fire Protection District  
Lakeside Union Elementary School District  
Lamont Elementary School District  
Lancaster School District  
Larkspur-Corte Madera School District  
Las Lomas School District  
Las Virgenes Unified School District  
Lassen County Office of Education  
Lassen Municipal Utility District  
Lassen Union High School District  
Laton Unified School District  
Lawndale Elementary School District  
Le Grand Union Elementary School District  
Lemon Grove School District  
Lemoore Union Elementary School District  
Lemoore Union High School District  
Lewiston Elementary School District  
Liberty Union High School District  
Lindsay Unified School District  
Littlerock Creek Irrigation District  
Live Oak School District  
Live Oak Unified School District  
Livermore Valley Joint Unified School District  
Livingston Union School District  
Local Agency Formation Commission for the County of  
    Los Angeles  
Lodi Unified School District  
Loleta Union Elementary School District  
Long Beach City College  
Loomis Union School District  
Los Alamitos Unified School District  
Los Angeles County Law Library  
Los Angeles County West Vector & Vector-Borne  
    Disease Control District  
Los Gatos-Saratoga Joint Union High School District  
Lost Hills Union Elementary School District  
Lower Tule River Irrigation District  
Lucia Mar Unified School District  
Luther Burbank Elementary School District  
Magnolia School District  
Mammoth Unified School District  
Manzanita Elementary School District  
March Joint Powers Authority  
Marin Community College District  
Marin County Office of Education  
Mark West Union School District  
Martinez Unified School District  
Marysville Joint Unified School District  
McCabe Union Elementary School District  
McFarland Unified School District  
McKinleyville Union School District  
Meadows Union Elementary School District  
Meeks Bay Fire Protection District  
Mendocino-Lake Community College  
Menlo Park City School District  
Merced Community College District  
Merced County Office of Education  
Merced Irrigation District  
Merced Union High School District  
Mid-Placer Public Schools Transportation Agency  
Mill Valley Elementary School District  
Millbrae School District  
Mission Valley ROP  
Modesto City Schools  
Modoc Joint Unified School District  
Mojave Unified School District  
Mono County Office of Education

Monroe Elementary School District  
 Montecito Sanitary District  
 Montecito Water District  
 Monterey Peninsula Community College District  
 Monterey Peninsula Unified School District  
 Monterey Regional Waste Management District  
 Moraga School District  
 Moreland School District  
 Moreno Valley Unified School District  
 Morongo Unified School District  
 Mosquito & Vector Management District of Santa  
     Barbara County  
 Mount San Antonio Community College District  
 Mount San Antonio Community College District  
     Auxiliary  
 Mount Shasta Union School District  
 Mountain Valley Special Education JPA  
 Mountain Valley Unified School District  
 Mountain View Elementary School District  
 Mountain View Los Altos Union High School District  
 Mt. Diablo Unified School District  
 Mt. San Jacinto Community College District  
 Municipalities, Colleges and Schools Insurance Group  
 Murrieta Valley Unified School District  
 Napa County Office of Education  
 Napa Valley Community College District  
 Natomas Unified School District  
 Nevada Joint Union High School District  
 New Hope Elementary School District  
 New Jerusalem Elementary School District  
 Newman Crows Landing Unified School District  
 North Coast Unified Air Quality Management District  
 North of the River Municipal Water District  
 North Orange County Community College District  
 North Orange County Regional Occupational Program  
 North Tahoe Fire Protection District  
 Northwest Mosquito and Vector Control District  
 Norwalk La Mirada Unified School District  
 Novato Unified School District  
 Nuview Union School District  
 Oak Valley Union Elementary School District  
 Oakdale Joint Unified School District  
 Oakland City Housing Authority  
 Oakley Union Elementary School District  
 Ocean View School District  
 Oceanside Unified School District  
 Ohlone Community College District  
 Ojai Valley Sanitary District  
 Old Adobe Union School District  
 Olympic Valley Public Service District  
 Ontario Montclair School District Board of Trustees  
 Orange Center School District  
 Orange County Superintendent of Schools  
 Orange Unified School District  
 Orcutt Academy Charter  
 Orcutt Union School District  
 Orland Unified School District  
 Oro Grande Elementary School District  
 Oroville City Elementary School District  
 Oroville Union High School District  
 Otay Water District  
 Owens Valley Unified School District  
 Oxnard School District  
 Oxnard Union High School District  
 Pacheco Union School District  
 Pacific Grove Unified School District  
 Pacific Union School District  
 Pacifica School District  
 Pajaro Valley Public Cemetery District  
 Pajaro Valley Unified School District  
 Palermo Union Elementary School District  
 Palm Ranch Irrigation District  
 Palm Springs Unified School District  
 Palo Verde Community College District  
 Palo Verde Unified School District  
 Palomar Community College District  
 Paradise Elementary School District  
 Paradise Irrigation District  
 Paradise Unified School District  
 Parlier Unified School District  
 Pasadena Area Community College District  
 Patterson Joint Unified School District  
 Peralta Community College District  
 Perris Elementary School District  
 Pico Water District  
 Piedmont Unified School District  
 Pioneer Union School District  
 Placentia-Yorba Linda Unified School District  
 Placer County Office of Education  
 Placer Hills Union School District  
 Placerville Union Elementary School District  
 Planada Elementary School District  
 Pleasant Valley School District  
 Pleasant View Elementary School District  
 Pleasanton Unified School District  
 Plumas County Community Development Commission  
 Port of Hueneme - Oxnard Harbor District  
 Porterville Unified School District  
 Poway Unified School District  
 Processing Tomato Advisory Board  
 PSA2 Area Agency on Aging  
 Rancho Santiago Community College District

Ravenswood City Elementary School District  
 Reclamation District No. 1000  
 Reclamation District No. 900  
 Red Bluff Joint Union High School District  
 Redlands Unified School District  
 Reed Union School District  
 Reef-Sunset Unified School District  
 Rescue Fire Protection District  
 Richgrove Elementary School District  
 Rim of the World Unified School District  
 Rincon Valley Union School District  
 Rio Bravo-Greeley Union Elementary School District  
 Rio Dell Elementary School District  
 Rio Hondo Community College District  
 Riverbank Unified School District  
 Riverdale Joint Unified School District  
 Riverside Transit Agency  
 Robla School District  
 Rocklin Unified School District  
 Rodeo-Hercules Fire Protection District  
 Rosedale Union School District  
 Roseland Elementary School District  
 Roseville City School District  
 Ross School District  
 Ross Valley Elementary School District  
 Rowland Unified School District  
 Rubidoux Community Services District  
 Sacramento Public Library Authority  
 Saddleback Valley Unified School District  
 Salinas City Elementary School District  
 Salinas Union High School District  
 San Bernardino City Unified School District  
 San Bernardino Community College District  
 San Bernardino County Superintendent of Schools  
 San Bruno Park School District  
 San Carlos School District  
 San Diego County Office of Education  
 San Francisco Community College District  
 San Francisco Unified School District  
 San Gabriel Unified School District  
 San Jacinto Unified School District  
 San Joaquin County Office of Education  
 San Joaquin Delta Community College District  
 San Juan Water District  
 San Lorenzo Unified School District  
 San Luis Coastal Unified School District  
 San Luis Obispo County Office of Education  
 San Marcos Unified School District  
 San Mateo County Community College District  
 San Mateo County Office of Education  
 San Mateo County Schools Insurance Group  
 San Mateo Union High School District  
 San Miguel Consolidated Fire Protection District  
 San Ramon Valley Unified School District  
 Santa Ana Unified School District  
 Santa Barbara Community College District  
 Santa Barbara County Association of Governments  
 Santa Barbara County Education Office  
 Santa Barbara San Luis Obispo Regional Health  
 Authority (CenCal)  
 Santa Clarita Community College District  
 Santa Cruz County Office of Education  
 Santa Maria Joint Union High School District  
 Santa Maria Public Airport District  
 Santa Monica Community College District  
 Santa Paula City Housing Authority  
 Santa Rita Union School District  
 Santa Ynez River Water Conservation District  
 Saucelito Irrigation District  
 Savanna Elementary School District  
 Scotia Union Elementary School District  
 Scotts Valley Fire Protection District  
 Scotts Valley Water District  
 Seeley Union Elementary School District  
 Selma Kingsburg Fowler County Sanitation District  
 Sequoia Union High School District  
 Serrano Water District  
 Shasta County Office of Education  
 Shasta Regional Transportation Agency  
 Shasta Tehama Trinity Joint Community College District  
 Shasta Union High School District  
 Shasta-Trinity ROP JPA  
 Sierra Lakes County Water District  
 Sierra Sands Unified School District  
 Sierra Unified School District  
 Silicon Valley Clean Water  
 Silver Valley Unified School District  
 Siskiyou County Office of Education  
 Siskiyou Union High School District  
 Solano County Community College District  
 Solano County Office of Education  
 Soledad Unified School District  
 Sonoma Valley Unified School District  
 South Bay Union School District  
 South Bay Union School District  
 South County Support Services Agency  
 South Feather Water and Power Agency  
 South Fork Union School District  
 South Monterey County Joint Union High School District  
 South Pasadena Unified School District  
 South San Francisco Unified School District  
 South San Luis Obispo County Sanitation District

Southern California Association of Governments  
 Southern California Library Cooperative  
 Southern Humboldt Joint Unified School District  
 Southern Kern Unified School District  
 Southern Trinity Joint Unified School District  
 Southwest Transportation Agency  
 Standard Elementary School District  
 Stanislaus County Office of Education  
 Stanislaus Union School District  
 Stege Sanitary District  
 Stockton Unified School District  
 Strathmore Union Elementary School District  
 Successor Agency to the Redevelopment Agency of the  
     City and County of San Francisco dba San Francisco  
     Office of Community Investment and Infrastructure  
     (OCII)  
 Sundale Union Elementary School District  
 Sunnyside Union Elementary School District  
 Susanville Sanitary District  
 Susanville School District  
 Sutter Cemetery District  
 Sutter County Office of Education  
 Sweetwater Authority  
 Taft City School District  
 Tahoe-Truckee Sanitation Agency  
 Tahoe-Truckee Unified School District  
 TCS Miscellaneous  
 Temple City Unified School District  
 Thermalito Union Elementary School District  
 Tiburon Fire Protection District  
 Town of Ross  
 Trabuco Canyon Water District  
 Tracy Joint Unified School District  
 Trinidad Union School District  
 Trinity Alps Unified School District  
 Trinity County Office of Education  
 Truckee Fire Protection District  
 Truckee Sanitary District  
 Trust for Retirees of Associated California Schools  
 Tulare City School District  
 Tulare County Office of Education  
 Tulare Joint Union High School District  
 Tulare Mosquito Abatement District  
 Turlock Unified School District  
 United Water Conservation District  
 Upper Lake Unified School District  
 Upper San Gabriel Valley Municipal Water District  
 UTOPIA Fiber  
 Val Verde Unified School District  
 Vallecito Union School District  
 Vallecitos Water District  
 Valley County Water District  
 Valley Home Joint School District  
 Valley Sanitary District  
 Ventura County Community College District  
 Ventura County Office of Education  
 Victor Elementary School District  
 Victor Valley Community College District  
 Victor Valley Union High School District  
 Vineland Elementary School District  
 Vista Irrigation District  
 Walnut Creek School District  
 Walnut Valley Unified School District  
 Waltham Housing Authority  
 Wasco Union Elementary School District  
 Washington Unified School District  
 Washington Union School District  
 Weed Union Elementary School District  
 West Cities Police Communications JPA  
 West Contra Costa Transportation Advisory Committee  
 West Hills Community College District  
 West Kern Community College District  
 West Sonoma County Union High School District  
 West Valley-Mission Community College District  
 Western Placer Unified School District  
 Westside Union School District  
 Westwood Unified School District  
 Wheatland School District  
 Wheatland Union High School District  
 Willits Unified School District  
 Wilsona School District  
 Windsor Unified School District  
 Winters Joint Unified School District  
 Winton School District  
 Woodland Joint Unified School District  
 Woodside Elementary School District  
 Woodside Fire Protection District  
 Woodville Union School District  
 Yolo County Office of Education  
 Yosemite Community College District  
 Yreka Union Elementary School District  
 Yreka Union High School District  
 Yuba Community College District  
 Yuba County Office of Education  
 Yucaipa-Calimesa Unified School District

# CONSULTING SERVICES AGREEMENT

This Agreement is entered into effective the 1st day of January, 2024 by and between Total Compensation Systems, Inc. ("Consultant"), a California corporation with principal offices located at 5655 Lindero Canyon Road, Suite 223, Westlake Village, California, 91362 and Del Paso Manor Water District ("Customer").

The following shall govern the provision of consulting services by Consultant to Customer.

1. Consulting Services. Consultant shall provide the consulting services described on Schedule 1 attached hereto.
2. Compensation to Consultant. Customer shall pay Consultant for the consulting services described on Schedule 1 attached hereto the compensation set forth on Schedule 2 attached hereto.
3. Term and Termination. (a) Term. This Agreement shall commence on the date first written above and shall continue in effect until December 31, 2025, or until all consulting services described on Schedule 1 have been performed, whichever occurs first, unless sooner terminated in accordance with the provisions of this Agreement. (b) Termination Without Cause. This agreement may be terminated at any time by either party upon sixty (60) days prior written notice to the other party. (c) Termination With Cause. Either party shall have the right to terminate this Agreement upon the failure of either party to observe any of the covenants and agreements required to be observed by it under this Agreement, and such failure continues for a period of thirty (30) days after written notice thereof. (d) Rights and Obligations after Termination. Termination of this agreement shall not relieve either party of any rights or obligations arising out of the Agreement prior to termination, with the exception that the amount of the final payment that shall be made by Customer shall be based solely upon the percentage of work that was completed by Consultant.
4. Customer Will Provide Information. Customer shall provide Consultant with the information necessary for Consultant to provide the consulting services described on Schedule 1 attached hereto.
5. Authorization to Acquire Information. Customer hereby authorizes Consultant to acquire the necessary information reasonably required by Consultant to provide the consulting services described on Schedule 1 attached hereto from any agency, agencies, source or sources.
6. Customer's Right to Provide Information. Customer represents and warrants to Consultant that it has the right to provide the information that will be given by Customer to Consultant, or which will be acquired by Consultant pursuant to paragraphs 4 and 5 above.
7. Limitation on Services. Customer understands that Customer retains sole authority and responsibility for the operation and design of all Customer's employee benefit plans.
8. Ownership of Systems and Materials. All systems, programs, operating instructions, forms and other documentation prepared by or for Consultant shall be and remain the property of Consultant. All data source documents provided by Customer shall remain the property of Customer.
9. Indemnification. (a) By Customer. Customer hereby agrees to defend and indemnify Consultant and hold Consultant harmless against any claims, injury, costs or damages (including actual attorneys' fees incurred) resulting from Customer's gross negligence or willful misconduct. (b) By Consultant. Consultant hereby agrees to defend and indemnify Customer and hold Customer harmless against any claims, injury, costs or damages (including actual attorneys' fees incurred) resulting from Consultant's gross negligence or willful misconduct.

10. General.

- a. Relationship of the Parties. The relationship between Consultant and Customer established by this Agreement is that of independent contractors. Consultant and Customer shall each conduct its respective business at its own initiative, responsibility, and expense, and shall have no authority to incur any obligations on behalf of the other.
- b. Force Majeure. No party shall have liability for damages or non-performance under this Agreement due to fire, explosion, strikes or labor disputes, water, acts of God, war, civil disturbances, acts of civil or military authorities or the public enemy, transportation, facilities, labor, fuel or energy shortages, or other causes beyond that party's control.
- c. Entire Agreement. This Agreement and the Schedules attached hereto contain the entire agreement between the parties and supersedes all previous agreements and proposals, oral or written, and all negotiations, conversations, or discussions between the parties related to the subject matter of this Agreement. This Agreement shall not be deemed or construed to be modified, amended, rescinded, canceled or waived in whole or in part, except by written amendment signed by both of the parties hereto.

11. Confidentiality. Consultant recognizes that its work will bring it into close contact with confidential information of Customer, including personal information about employees of Customer. Consultant agrees not to disclose anything that is the confidential information of Customer, or that is proprietary to Customer, including its software, its legacy applications, and its databases, to any third party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as set forth below.

"CONSULTANT"  
TOTAL COMPENSATION SYSTEMS, INC.

"CUSTOMER"  
DEL PASO MANOR WATER DISTRICT

Signed: 

Signed: \_\_\_\_\_

By: Geoffrey L. Kischuk

By: \_\_\_\_\_

Title: President

Title: \_\_\_\_\_

Date: November 20, 2023

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

## SCHEDULE 1

For the purposes of this Agreement, "consulting services" shall include the following services provided by Consultant to Customer:

Consulting reports including all actuarial information necessary for Customer to comply with the requirements of current GASB accounting standards 74/75 related to retiree health benefits for two years, including one full valuation and one "roll-forward" valuation. Study results can be split by up to one employee classification. Consultant will provide as many copies of the final reports as Customer shall reasonably request.

Services do not include Consultant's in-person attendance at any meetings. Services also do not include a separate funding valuation unless requested by Customer.



## SCHEDULE 2

Customer shall pay Consultant for the retiree health valuation report based on the full valuation a total of \$3,300. One-half, or \$1,650 shall be due within 30 days of the commencement of work by Consultant. One-half, or \$1,650 shall be due within 30 days of the delivery by Consultant to Customer of the draft consulting report for the full valuation (or within 30 days of contract termination, if earlier). Customer shall also pay Consultant for the retiree valuation report based on the “roll-forward” valuation a total of \$1,650 within 30 days of the delivery by Consultant to Customer of the draft consulting report for the “roll-forward” valuation (or within 30 days of contract termination, if earlier)

If Consultant receives a non-refundable deposit from Customer of \$1,485 by January 31, 2024, all amounts shown above shall be reduced by 10%.

## **ITEM #8.D**

*Procedure for Filling Vacancy on Board of Directors*

## **DEL PASO MANOR WATER DISTRICT**

### **BOARD MEETING**

**DATE: December 5, 2023**

**AGENDA ITEM NO. 8.D**

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**SUBJECT: Procedure For Filling Vacancy on Board of Directors**

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**STAFF CONTACT:**

General Manager & General Counsel

**BACKGROUND:**

The President of the Board of Directors (“Board”) of Del Paso Manor Water District (“District”) gave notice to the District that he plans to resign on January 10, 2024. This staff report reviews the process for filling the vacant seat and the process for filling the seat of President on the Board.

**I. Process for Filling the Vacant Seat on the Board**

A seat on the Board becomes vacant when a director resigns. (Gov. Code § 1770(c)(1).) Vacancies on the Board of a County Water District must be filled pursuant to Government Code section 1780. (Wat. Code § 30504.) The following reviews the process of how to fill a vacated seat on the Board pursuant to the Government Code.

**Step 1: Notify Sacramento County Elections Office**

The District must notify the county elections official of the vacancy within 15 days after either (1) the date the Board is notified of the vacancy or (2) the effective date of the vacancy, whichever is later. (Gov. Code § 1780(b).) At the November 7, 2023 Board meeting, the Board President announced his intent to resign after the January 9, 2024 Board meeting. The Board was notified of the vacancy on November 7, 2023, and the effective date of the vacancy is January 10, 2024. The effective date of the vacancy, January 10, 2024, is later. Thus, pursuant to Government Code section 1780(b), the District must notify the county elections official of the vacancy by the end of the day on Thursday, January 25, 2024. Unless the President changes his effective resignation date, the District should contact the County on January 10th or soon thereafter to notify them of the vacancy on the Board.

**Step 2: Fill the Vacancy**

After the Sacramento County Elections Office is notified of the vacancy, the remaining four members of the Board may fill the vacancy by appointment or election. (Gov. Code § 1780(c).) While both options are explained below, filling the seat by appointment may be appealing in order to return to a full five-member Board as soon as possible.

## **Step 2a: Filling the Vacancy by Appointment**

To fill the vacancy by appointment, the Board must make the appointment within 60 days of January 10, 2024, which is Sunday, March 10, 2024. (Gov. Code § 1780(d)(1).)

First, the District must post a notice of the vacancy in at least three clearly visible places in the District at least 15 days before the Board makes the appointment. (Gov. Code § 1780(d)(1).) If the District does not already have a notice of vacancy template, we can help draft the notice. Because this notice requirement can also be easily forgotten or delay District business, this is another requirement we suggest completing as soon as possible after the Board has confirmed that it wants to fill the vacancy by appointment. The notice must be posted at least 15 days before the appointment, and it is fine to have the notice posted for a longer period of time, thus the benefit of completing this requirement early.

The Board, after advertising for the position, can see who is interested in serving. The process involves an application, interviews, and a Board vote. The District would prepare, and the Board would approve, an application for the vacant Board seat. The District would notify District customers through mailing and/or social media that applications can be found on the website or at the District office and are due on a certain day. After applications are due, the Board would review the applications and then conduct open-session interviews with the candidates and take public comment. The Board would then proceed to vote on who to appoint. This process can help the District with transparency and provide the opportunity to talk to the people who might be interested in serving on the Board. The District just needs to make sure it can conduct its desired notification, interviewing, and voting process before the statutory 60 days expire. Note that the process for finding someone to appoint is not controlled by statute. Thus, the Board has leeway in deciding how to proceed but should consult with counsel to ensure other applicable laws are followed.

The rules for filling a vacancy provide that “[i]f the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general district election, the person appointed to fill the vacancy shall hold office until the next general district election[.]” (Gov. Code § 1780(d)(2).) The appointed person holds office until after the election, when the person who is elected to fill the vacancy has been qualified to sit on the Board. (Gov. Code § 1780(d)(2).) The elected person holds office only for the unexpired balance of the term of office. (Gov. Code § 1780(d)(2).) The President’s term expires in 2026. The next general election is on November 5, 2024. Thus, the President’s vacancy will occur in the first half of a term of office and at least 130 days prior to the next general district election. Whoever is appointed would serve until the 2024 election, and until the elected person has been qualified. Whoever is elected in the 2024 election will hold office until 2026.

After the Board has voted to appoint someone, the District must notify the Sacramento County Elections Office of the appointment within 15 days of making the appointment. (Gov. Code § 1780(d)(1).)

## **Step 2b: Filling the Vacancy by Election**

Instead of making an appointment, the Board may call a special election to fill the vacancy.

(Gov. Code § 1780(e)(1).) The decision to call an election would also have to be made within 60 days of January 10, 2024, which is Sunday, March 10, 2024. (Gov. Code § 1780(e)(1).) If the Board elects to fill the vacancy by election, the District’s election would occur as part of the next election falling at least 130 days after the date the Board calls the election. (Gov. Code § 1780(e)(2).) For example, there is a Presidential Primary Election on March 5, 2024, but even if the Board called for an election by special meeting on January 10, 2024, that would still be too late to qualify for the March 5 election. Thus, if the Board proceeds by election, it would likely be part of the Presidential election that will be held on November 5, 2024.

Holding an election includes timing and cost considerations. Calling an election would mean that the Board is operating with four directors for almost all of 2024. That is a long time to be operating a director short when an appointment can ensure that the Board has five members more quickly. While the cost to hold an election for a single Board member could factor considerably into the decision on whether to appoint or elect a Board member, the District has two Board members whose terms end in 2024 (Director Dolk and Director Matteoli), so the District will already be paying to participate in the November 5, 2024 election.

### **Step 3: Board of Supervisor Intervention**

If the Board fills the vacancy by appointment or election within 60 days of December 6, 2023, this step may be disregarded. If the Board fails to fill the vacancy by appointment or election within 60 days of December 6th, then the Sacramento County Board of Supervisors may appoint someone to fill the vacancy within 90 days of December 6th, which is March 5, 2024. (Gov. Code § 1780(f)(1).) Within the same 90-day timeframe, the Board of Supervisors may also order the District to call an election to fill the vacancy. (Gov. Code § 1780(f)(1).) If the Board of Supervisors fails to appoint someone or order an election within its 90-day timeframe, then the District is required by statute to call an election to fill the vacancy. (Gov. Code § 1780(g)(1).)

## **II. Process for Filling the Seat of President on the Board**

This section reviews the statutes and policies applicable to filling the role of President after the President resigns from the Board.

If the vacancy on the Board is filled by election, then the procedure for filling the role of President is controlled by the Water Code and the Elections Code. The Water Code requires Board directors to elect a president within 30 days of taking office pursuant to Elections Code section 10554. (Wat. Code § 30520.) Elections Code section 10554 applies only to elective officers who are elected or appointed pursuant to the Uniform District Election Law. (Election Code § 10554.) The Uniform District Election Law affirmatively applies to County Water Districts and provides a procedure for electing elective officers. (Wat. Code § 30068; Election Code § 10501.) Thus, if the Board fills the seat by election, then the Board will need to follow the Uniform District Election Law, which includes electing a president within 30 days of the directors taking office.

Statutes are silent as to how to fill the role of President in the event of an appointment.

District policies provide “[i]n the absence . . . of the President, the Vice President of the Board

of Directors shall serve as the presiding officer over all meetings of the Board. (Policy Number 3110.1.) The policies also require the Board to “hold an annual organizational meeting at its regular meeting in January. (Policy Number 3235.5.) “At this meeting the Board will elect a President, Vice President and Clerk from among its members to serve during the coming calendar year, and will appoint the General Manager as the Board's Secretary.” (Policy Number 3235.5.)

We understand that the District currently plans to hold a special Board meeting on Tuesday, January 9, 2024, in lieu of its regular Board meeting that would otherwise be held on Tuesday, January 2, 2024. Based on the statutes and policies above, unless the Board votes to make an exception to its policies, we advise the following: At the special meeting on January 9, 2024, the Board holds its annual organizational meeting, where the Board elects a President, Vice President, and Clerk and appoints the General Manager as the Board’s Secretary pursuant to District Policy Number 3235.5. The officer positions elected at the January 9, 2024 meeting would serve until the 2025 organizational meeting or until a new Board member is elected at the November 2024 election. After the November 2024 election, any new Board member(s) would take office on the first Friday in December following the election, which is Friday, December 6, 2024. (Elections Code § 10554.) The meeting required to elect a president within 30 days of taking office would have to occur on or prior to Sunday, January 5, 2025. (Wat. Code § 30520.) Because the District’s regular meeting would occur on January 7, 2025, which falls after January 5, 2025, the District would have to call a special meeting in order to comply with the Water Code’s requirement to elect a president within 30 days of the elective officers taking office.

**RECOMMENDATION:**

Discuss and direct staff to proceed with the required procedure to fill the Board vacancy by election or by appointment. Hold the annual organizational meeting to elect Board officers at the January 2024 meeting.

## **ITEM #9.A**

*Field Report on Current and Upcoming Projects*



## DEL PASO MANOR WATER DISTRICT REGULAR BOARD MEETING FIELD REPORT

**MEETING DATE: December 05, 2023**

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### **AGENDA ITEM 9.A:**

Leaks: We had 0 mainline leak, 0 service line leak on our side, and 2 service line leak on the customer's side

Complaints: We had 0 water quality concern

Water Waste: We had 6 water waste reports

Field Work:

1. 26 USA's marked in November
2. Disinfection By Products sampling
3. Quarterly Bacti samples
4. TCR samples for November were absent
5. 7 additional curb stops have been located bringing the total to 491
6. New VFD (Variable Frequency Drive) installed at Well 7

Current and Upcoming Projects:

1. We have one more non-working meter to replace.
2. Landscaping maintenance around our hydrants.
3. Mainline valve measurements ongoing project.
4. Cleaning up well sites.

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**FIELD STAFF RESPONSIBLE FOR REPORT: Mike Jenner, Field Supervisor  
12/05/2023**