

ITEM #5.A

Approval of Minutes of the March 05, 2024 Regular Meeting



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

DRAFT MINUTES

**March 05, 2024 6:00 PM
1817 Maryal Drive, Suite 300, Sacramento 95864**

1. CALL TO ORDER:

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

2. ROLL CALL:

Directors Present: Vice President Carl Dolk, Bob Matteoli, and Gwynne Pratt

Directors Absent: David Ross

Vacant Position: One Vacant Position

Staff Present:

General Manager	Adam Coyan
Office Manager	Victoria Hoppe
Field Supervisor	Mike Jenner
Certified Public Accountant	Robert Merritt
District Engineer	Alan Driscoll
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 Pratt made a motion to adopt the agenda. The motion was seconded by Director Matteoli. The agenda was adopted on a 3 Yes/0 No/1 Absent (Ross)/1 Vacancy 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)

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

It was noted there was no public in attendance at the meeting.

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.

(6:03 pm)

Request was made for Item 5.A and 5.C to be discussed and considered separately.

Item 5.A: Approval of Minutes of the February 06, 2024 Regular Meeting

Director Matteoli requested it be noted in the minutes that he provided a document to be entered in to the record.

Director Pratt made a motion to approve the Consent Calendar Item 5.A, as amended. The motion was seconded by Director Matteoli. The motion was approved on a 3 Yes/0 No/1 Absent (Ross)/1 Vacancy vote.

Item 5.B: Approval of Minutes of the February 22, 2024 Special Meeting

Director Pratt made a motion to approve the Consent Calendar Item 5.B. The motion was seconded by Director Matteoli. The motion was approved on a 3 Yes/0 No/1 Absent (Ross)/1 Vacancy vote.

Item 5.C: Approval of Warrants and Payroll

Vice President Dolk requested clarification on delinquent account. Staff fielded the inquiries.

Director Matteoli made a motion to approve the Consent Calendar Item 5.C. The motion was seconded by Director Pratt. The motion was approved on a 3 Yes/0 No/1 Absent (Ross)/1 Vacancy 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

(6:09 pm)

Certified Public Accountant Merritt presented the staff report and fielded inquiries from the Board.

It was noted there was no public in attendance at the meeting.

Director Pratt made a motion to approve the Budget to Actuals. The motion was seconded by Director Matteoli. The motion was approved on a 3 Yes/0 No/1 Absent (Ross)/1 Vacancy vote.

Item 8.B: California Special Districts Association (CSDA) Board of Directors Call for Nominations Seat A

(6:17 pm)

There were no nominations from the floor.

Item 8.C: Forsgren Associates Presentation

(6:19 pm)

District Engineer Alan Driscoll and Forsgren staff presented the staff report and fielded inquiries from the Board.

9. FIELD REPORT: Verbal report

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

(6:46 pm)

Field Supervisor Jenner summarized the staff report and 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

(6:49 pm)

Directors provided brief reports on committee meetings they attended or would attend at future meetings.

11. GENERAL MANAGERS COMMENTS: Verbal report

(6:58 pm)

General Manager Coyan provided an update on general District matters.

12. CLOSED SESSION:

There were no Closed Session items to consider.

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

(7:04 pm)

Director Matteoli requested a discussion regarding SB522 and SB88 and requested his analogy be entered into the record with the minutes.

Vice President Dolk stated applications for the vacant Board position were due on March 21.

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

(7:09 pm)

Director Matteoli requested a discussion regarding website updates. Support was provided by all Directors.

15. ADJOURNMENT: Next Regular Board of Directors meeting is scheduled for March 05, 2024

Director Matteoli made a motion to adjourn. Director Pratt seconded the motion. There being no further business, the Board of Directors meeting adjourned at 7:12 p.m.

APPROVAL:

ATTEST:

Carl Dolk, Vice 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 - MARCH 2024

VENDORS NAME	DESCRIPTION	CIP	AMOUNT	CHECK #
ACWA JPIA	Health		\$573.24	10905
ADP	Payroll		12,497.53	EFT
ADP Taxes	Payroll Taxes		\$6,642.01	EFT
A.I. Electric	Well 5 Troubleshoot		\$367.54	10906
A.I. Electric	Well 4 Motor		\$4,156.80	10906
Appletree Answers	Answering service		\$533.56	CC
AT&T	Internet; Phone/Fax		\$116.28	CC
AT&T	Phone		\$346.97	CC
AT&T	Phone		\$214.82	CC
AT&T Mobility	Cell Phones; iPads		\$507.51	CC
BSK	Labs		\$2,821.00	10907
CalPERS	Employee Contribution - Classic		\$3,090.36	EFT
CalPERS	Employee Contribution - Pepra		\$3,034.07	EFT
CalPERS	Health		\$14,050.40	EFT
CalPERS	Unfunded Liability - Classic		\$5,958.92	EFT
DEX.YP	Yellow Pages		\$15.50	CC
Emigh Hardware	Material/Supplies		\$194.73	10908
Forsgren Associates, Inc.	Services Rendered Thru 01/25/2024 (On-Call Services)		\$4,032.50	10909
Forsgren Associates, Inc.	Services Rendered Thru 01/25/2024 (Hydraulic Model Update)		\$5,427.50	10909
Forsgren Associates, Inc.	Services Rendered Thru 01/25/2024 (Well 9 Engineering)		\$7,400.13	10909
Iconix Waterworks	4268 Stock		\$775.80	10910
Kronick, Moskowitz, Tiedemann & Girard	Services Rendered Through January 2024		\$5,127.89	10911
Leaf	Photocopy Machine Lease		\$172.92	EFT
Legacy Cleaning Services	Maryl office		\$160.00	CC
Loewen Pump Maintenance	Well 4 Motor		\$8,052.73	10912
Regional Government Services (RGS)	January 2024 Clerk Services		\$489.52	10913
Richardson & Company, LLP	State Controller's Report for 06/2023		\$450.00	10914
Robert Merritt	CPA - Services Rendered Through January 2024		\$2,517.50	10915
Smud	Account# 7000000179		\$5,665.89	10916
Streamline	Website		\$249.00	CC
TAK Communications, Inc.	2521 Avalon Repair		\$5,695.58	10917
Terrapin Technology Group	Software / Computers		\$187.39	10918
Tony's Backflow Services	Backflow device Testing		\$462.00	10919

Del Paso Manor Water District
VENDORS PAID / APPROVED - MARCH 2024

Uinta Holdings, LLC	April 2024 Rent	\$2,700.00	10921
Umpqua Bank	District Credit Card	\$2,527.44	10922
VOYA	February 2024 Emp. Contribution	\$500.00	10920
Wex Bank	Gas	\$507.91	EFT
Wizix Technology Group, Inc.	Photocopy Machine	\$114.46	CC
MONTHLY TOTAL----->		\$0.00	\$95,839.87

Approved at 03/05/2024 Regular Meeting

TOTAL CHECKS ISSUED: 18

PAID VIA CREDIT CARD (CC): 15

PAID VIA ELECTRONIC FUNDS TRANSFER (EFT): 8

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

UMPQUA DISTRICT CREDIT CARD - PAID MARCH 2024			
VENDORS NAME	DESCRIPTION	AMOUNT	PAID DATE
Zoom	Cloud Recording	40.00	3/5/2024
Smart & Final	Office Supplies	47.66	3/5/2024
Appletree	Answering Service	533.56	3/7/2024
Streamline	Website	249.00	3/6/2024
Dex YP	Yellow Pages	15.50	3/6/2024
Legacy Cleaning	Maryal office	160.00	3/6/2024
AT&T	Phone	346.97	3/6/2024
AT&T	Phone	214.82	3/8/2024
Amazon	Office Supplies	139.98	3/10/2024
Amazon	Office Supplies	34.28	3/10/2024
Wizix Technology Group, Inc.	Photocopy Machine	114.46	3/6/2024
Amazon	Office Supplies	89.46	3/10/2024
Amazon	Membership	149.77	3/12/2024
AT&T Mobility	Cell Phones; iPads	507.51	3/14/2024
AT&T	Internet; Phone/Fax	116.28	3/14/2024
		2,759.25	

Del Paso Manor Water District
APRIL 2024 VENDORS FOR APPROVAL

VENDORS NAME	DESCRIPTION	CIP	AMOUNT	CHECK #
AT&T	Phone		\$346.97	
CalPers	Employee Contribution - Classic		\$3,001.50	
CalPers	Employee Contribution - Pepra		\$3,052.09	
CalPers	Health		\$14,050.40	
CalPers	Unfunded Liability - Classic		\$5,958.92	
DEX.YP	Yellow Pages		\$15.50	
Forsgren Associates, Inc.	Services Rendered Thru 02/25/2024 (Well 9 Engineering)		\$6,082.50	
Forsgren Associates, Inc.	Services Rendered Thru 02/25/2024 (Hydrolic Model)		\$9,682.50	
Forsgren Associates, Inc.	Services Rendered Thru 02/25/2024 (On-Call Services)		\$5,346.25	
Iconix Waterworks	4268 Stock		\$316.79	
Iconix Waterworks	4268 Stock		\$181.02	
Kronick, Moskovitz, Tiedemann & Girard	Services Rendered Through February 2024		\$4,742.44	
Legacy Cleaning Services	Maryal office		\$160.00	
MailRite	Billing Mailhouse (January 2024)		\$2,639.42	
Munibilling	Q2 Software & Merchant Return Fee		\$2,506.00	
Regional Government Services (RGS)	February 2024 Clerk Services		\$948.45	
Robert Merritt	CPA - Services Rendered Through February 2024		\$997.50	
Sacramento County Utilities	Utilities		\$242.68	
Sacramento Air Quality Management District (SMAQMD)	Annual Permit Renewal (FY 2023-2024)		\$2,568.00	
Sierra Chemical Company	Chemicals		\$462.00	
Smud	Account# 7000000179		\$5,805.73	
Streamline	Website		\$249.00	
TAK Communications, Inc.	Louisiana Street		\$4,038.96	
TAK Communications, Inc.	2404 Andrade Way		\$4,323.92	
Terrapin Technology Group	Computers/Programs		\$1,027.20	
Uinta Holdings, LLC	May 2024 Rent		\$2,700.00	
Umpqua Bank	District Credit Card		\$2,759.25	
VOYA	March 2024 Emp. Contribution		\$500.00	
Wex Bank	Gas		\$489.69	
Wizix Technology Group, Inc.	Photocopy Machine		\$97.45	
MONTHLY TOTAL----->			\$85,292.13	

Del Paso Manor Water District
BOD Compensation Expense Summary
MARCH 2024

MARCH 2024 MEETINGS		DOLK	MATTEOLI	PRATT	ROSS
	Board Meetings				
3/5/2024	DPMWD - Regular Board Meeting	1	1	1	
3/28/2024	DPMWD - Special Board Meeting	1	1	1	1
	DPMWD - Emergency Board Meeting				
	ADHOC Committee Meetings				
	LAFCo 2x2 Meeting				
	Budget Planning Committee				
	SSWD / DPMWD 2X2 Committee				
	Other Meetings				
	American Water Works Association (AWWA) (Dolk)				
	Association of California Water Agencies (ACWA) (Dolk)				
	Association of California Water Agencies (ACWA) Agriculture (Matteoli)				
	Association of California Water Agencies (ACWA) Groundwater (Matteoli)				
	California Rural Water Authority (CRWA) (Ross)				
	California Special Districts Association (CSDA) (Ross)				
	Ethics Training (AB1234)				
	Joint Powers Insurance (JPIA)				
	Legal Council Meeting				
3/26/2024	Regional Water Authority (RWA) (Pratt)			1	
	Sacramento Groundwater Authority (SGA) (Matteoli / Pratt)				
	Sacramento Suburban Water District (SSWD)				
	Sexual Harassment Prevention Training (AB1825)				
3/11/2024	Water Forum (Pratt)			1	
	March Monthly Meeting Totals				
	TOTAL MEETINGS	2	2	4	1
	TOTAL COMPENSATED MEETINGS	2	2	4	1
	TOTAL COMPENSATION	\$200	\$200	\$400	\$100
					\$0

ITEM #8.A

Budget to Actuals

**Del Paso Manor Water District
Budget To Actual Comparison
July 1, 2023 to March 31, 2024**

	Year to Date July 1, 2023 to March 31, 2024	Budget	Percent of Budget
Revenues			
Water Sales	1,135,036	1,358,847	83.53%
C.I.P. Revenue	403,892	598,811	67.45%
Other water sales	1,235	-	Not budgeted
Other customer charges	7,220	-	Not budgeted
Interest income	34,647	30,000	115.49%
Misc. income	441	-	Not budgeted
Total Revenues	1,582,471	1,987,658	79.61%
Employee Related			
Management Salaries	101,246	160,000	63.28%
Staff Salaries	194,061	328,051	59.16%
Director Fees	8,400	22,000	38.18%
Payroll Taxes	30,844	41,000	75.23%
PERS Retirement	77,599	100,500	77.21%
Health	73,086	90,000	81.21%
Retiree Health Benefits & OPEB	49,113	80,000	61.39%
Total Employee Related	534,349	821,551	65.04%
Administration			
Insurance	59,491	59,500	99.98%
Office Expense	73,111	91,500	79.90%
Audit Fees	10,700	12,000	89.17%
Legal Fees	73,927	200,000	36.96%
Election Related	-	3,000	0.00%
Miscellaneous	10,920	5,000	218.40%
Professional Administration Fees	61,485	131,700	46.69%
Bank Charges	1,466	2,000	73.30%
Professional Dues	51,239	58,500	87.59%
Professional Meetings	-	10,000	0.00%
Cert/Continuing Education	-	5,000	0.00%
Total Administration	342,339	578,200	59.21%
Operations			
Conservation	-	3,400	0.00%
Power	65,691	112,000	58.65%
Repairs & Maintenance	94,516	216,000	43.76%
Lab Fees	22,194	7,000	317.06%
Backflow Program	847	2,000	42.35%
Engineering	72,949	250,000	29.18%
City Water	3,939	7,000	56.27%
Capital/Equipment Expenditures	-	60,000	0.00%
Total Operating	260,136	657,400	39.57%
Total Employee Related, Administration and Operating Expenses	1,136,824	2,057,151	55.26%
C.I.P.			
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	67,665	325,000	20.82%
Total C.I.P.	80,627	1,735,000	4.65%

Amounts above are not audited

Notes

- Misc. expenses include employee relocation and operating interest expenses

	March 2024	Budget	Percentage of Budget
Employee Related			
5102.10 · Management salaries	101,246.00	160,000.00	63.28%
5102.15 · Field salaries	136,800.00	250,000.00	54.72%
5102.20 · Office manager salary	57,261.00	78,051.00	73.36%
5102.05 · Director fees	8,400.00	22,000.00	38.18%
5102.30 · Payroll taxes	30,844.00	41,000.00	75.23%
6451.00 · PERS/retirement	77,599.00	100,500.00	77.21%
6501.00 · Employee healthcare (CalPers)	73,085.00	90,000.00	81.21%
6502.00 · Retiree health benefits	49,113.00	80,000.00	61.39%
Administration			
5251.00 · Insurance			
5251.05 · Liability	46,392.00	40,000.00	115.98%
5251.10 · Property	4,585.00	4,500.00	101.89%
5251.15 · Workers Compensation	8,514.00	15,000.00	56.76%
6151.00 · Office expense			
6151.05 · District office lease	26,220.00	32,000.00	81.94%
6151.10 · Phone service	3,911.00	4,500.00	86.91%
6151.15 · Internet provider	3,936.00	5,000.00	78.72%
6151.20 · Sewer & garbage (Lusk)	965.00	2,000.00	48.25%
6151.21 · Miscellaneous (office other)	0.00	0.00	N/A
6151.25 · Postage	20,525.00	20,000.00	102.63%
6151.30 · Printing	0.00	1,000.00	0.00%
6151.35 · Computers & supplies	265.00	3,500.00	7.57%
6151.40 · Office supplies	4,687.00	7,500.00	62.49%
6151.45 · Answering service	4,641.00	5,500.00	84.38%
6151.50 · Office furniture	0.00	2,000.00	0.00%
6151.55 · Payroll preparation	1,340.00	2,000.00	67.00%
6151.60 · GASB 75 valuation	2,160.00	2,000.00	108.00%
6151.70 · Janitorial	1,440.00	2,500.00	57.60%
Office expense - other	3,022.00	0.00	N/A
6152.00 Building maintenance	2,408.00	2,000.00	120.40%
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	73,927.00	200,000.00	36.96%
6401.00 · Misc	10,920.00	5,000.00	218.40%
6601.00 · Professional Admin fees			
6601.05 · SWRCB annual fees	15,598.00	16,000.00	97.49%
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	9,428.00	18,000.00	52.38%
6601.00 · Professional admin fees - other	35,759.00	60,000.00	59.60%
6601.50 · Public relations	0.00	30,000.00	0.00%

6171.00 · Bank fees	1,466.00	2,000.00	73.30%
6561.00 · Professional dues			
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	7,864.00	9,500.00	82.78%
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	2,919.00	2,000.00	145.95%
6551.00 · Professional meetings	0.00	10,000.00	0.00%
6610.00 Certification/continuing education	0.00	5,000.00	0.00%

Operations

5121.00 Conservation	0.00	3,400.00	0.00%
5151.00 · Power			
5151.05 · PG&E	60.00	2,000.00	3.00%
5151.10 · SMUD	65,631.00	110,000.00	59.66%
5201.00 · R & M			
5201.05 · Leak repairs	42,084.00	104,000.00	40.47%
5201.10 Field Equipment	0.00	2,000.00	0.00%
5201.15 · Field supplies	8,917.00	35,000.00	25.48%
5201.20 · Fuel for vehicles	3,976.00	9,000.00	44.18%
5201.25 Vehicle repair and maintenance	718.00	3,000.00	23.93%
5201.35 · Chlorine	5,846.00	11,000.00	53.15%
5201.45 · Well repair & maintenance	25,250.00	6,000.00	420.83%
5201.55 · Field staff cellular service	3,834.00	6,000.00	63.90%
5201.00 R & M other	1,000.00	0.00	N/A
5201.70 SSWD Mutual Aide Field Staff	483.00	40,000.00	1.21%
5301.00 · Lab fees (H2O testing)	22,194.00	7,000.00	317.06%
5451.00 City water	3,939.00	7,000.00	56.27%
5452.00 Backflow program	847.00	2,000.00	42.35%
5351.00 Engineering	72,949.00	250,000.00	29.18%

Del Paso Manor Water District
Monthly Cash Flow Activity (Unaudited)
February 2024

	Operating Bank Account	L.A.I.F.	Total
	<u> </u>	<u> </u>	<u> </u>
Account Balances at February 1, 2024	\$ 491,918	\$ 1,843,654	\$ 2,335,572
Rate payer collections	250,554	-	250,554
Other receipts	480	-	480
LAIF interest payment	-	-	-
Payroll disbursements	(38,829)	-	(38,829)
Vendor payments	(84,339)	-	(84,339)
	<u> </u>	<u> </u>	<u> </u>
Account Balances at February 29, 2024	<u>\$ 619,784</u>	<u>\$ 1,843,654</u>	<u>\$ 2,463,438</u>

The activity above is not audited

Del Paso Manor Water District Account Type - All
 Account Category - All
 Billing Type - All

As Of:
 03/31/2024

Accounts Receivable

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	693.48	0.00	484.50	1,177.98
	METER (METER)	(1,728.88)	0.00	20,520.09	1,514.67	2,373.59	22,679.47
RE (Residential)	MAIN (MAIN)	(22,372.27)	476.81	58,939.44	0.00	66,271.66	103,315.64
Total		(24,101.15)	476.81	80,153.01	1,514.67	69,129.75	127,173.09

ITEM #8.B

Additional Website Information

DEL PASO MANOR WATER DISTRICT

BOARD MEETING

DATE: April 2, 2024

AGENDA ITEM NO. 8.B

SUBJECT: ADDITIONAL WEBSITE INFORMATION

STAFF CONTACT:

Adam Coyan, General Manager

BACKGROUND:

Director Matteoli requested that we add additional information to our website.

RECOMMENDATION:

Staff recommend setting the January meeting as an annual review for the board to consider new legislation to add to the website. Discuss current drinking water rules and regulations and direct staff which should be added to the website.

ATTACHMENTS:

ENVIRONMENTAL IMPACT:

This item is an update to an existing structure and does not need a CEQA review.

FINANCIAL IMPACT:

This item is in the current budget and the project has been approved.

ITEM #8.C

California Business Roundtable's Initiative 1935

DEL PASO MANOR WATER DISTRICT

BOARD MEETING

DATE: April 2, 2024

AGENDA ITEM NO. 8.C

SUBJECT: CALIFORNIA BUSINESS ROUNDTABLE’S INITIATIVE 1935

STAFF CONTACT:

General Manager & General Counsel

BACKGROUND:

Initiative 1935 (filed as 21-0042A1) is a measure that the California Business Roundtable slated for California’s November 2024 ballot. The language of Initiative 1935 is attached as Exhibit A. Introduced as the “Taxpayer Protection and Government Accountability Act” and alternatively called the “Taxpayer Deception Act,” Initiative 1935 has garnered serious attention from the California legislature, the League of California Cities, the California Special Districts Association, and state and local governments across California. In short, if passed, Initiative 1935 would limit the ability of state and local governments to raise revenues for government services.

Initiative 1935 would amend the state Constitution to impose stricter rules for raising taxes, fees, assessments, and other charges; create new grounds to challenge taxes, fees, assessments, and other charges; and restrict the ability of local governments to issue fines and penalties to corporations and other property owners that violate local environmental, water quality, public health, public safety, fair housing, nuisance, and other laws and ordinances.

The Initiative would retroactively void all state and local taxes and fees adopted after January 1, 2022, that do not align with the Initiative’s provisions. It would also reverse decades of lawsuits decided by an appellate court in favor of local governments under Propositions 13, 218, 26, and 62.

HOW WOULD INITIATIVE 1935 AFFECT DEL PASO MANOR WATER DISTRICT?

In 2023, Del Paso Manor Water District (“District”) undertook a Proposition 218 process to raise its water rates. Because Initiative 1935 applies retroactively to 2022, if passed, it would void the District’s Proposition 218 process and new rates unless the District complied with the new requirements set forth in Initiative 1935. To retain its new water rates, the District would have to prove by clear and convincing evidence that the rate is reasonable and does not exceed the actual cost of providing water to the ratepayers. Initiative 1935 does not define “reasonable,” so that term would be unclear until resolved through litigation. “Actual cost” is defined as the minimum amount necessary, which would require the District to prove its rates were set based on the cheapest option in every scenario.

The District's rate study was constructed pursuant to existing Proposition 218 standards, not Initiative 1935 standards, so proving that the rates are reasonable and always using the cheapest option would require reverse engineering of the rate study and hoping that it meets Initiative 1935 standards. If it does not, the District would need to engage in the rate study and rate-setting process all over again in order to raise its rates again.

WHAT IS NEXT?

The California Business Roundtable has until June 27, 2024 to withdraw the initiative before the California Secretary of State certifies the ballot for the November 2024 election.

The California Legislature filed a petition for writ of mandate with the California Supreme Court to keep Initiative 1935 off the ballot, arguing that the initiative is an invalid revision of the State Constitution and would impair essential governmental powers. The Legislature also introduced its own constitutional amendment that would require any ballot measure proposing to impose a supermajority voting requirement (like Initiative 1935) to be approved by a supermajority of voters.

The League of California Cities and the California Special Districts Association have mobilized their public affairs teams and membership to educate local governments and the public about Initiative 1935. They are participating in the lawsuit challenging the Initiative, engaging in campaign outreach, and meeting with city officials.

The League of California Cities is encouraging its members and local governments who oppose Initiative 1935 to pass a resolution or send a letter opposing the measure.

RECOMMENDATION:

Discuss the District's position on Initiative 1935. If the Board determines it is opposed to Initiative 1935, staff recommends the Board adopt Resolution No. 24-0402-01 attached as Exhibit B and direct staff to send the resolution to the League of California Cities at ballotmeasures@calcities.org. If the Board determines that it supports Initiative 1935, then it may direct staff accordingly. The Board also may take no action.

EXHIBIT A

BELL, McANDREWS & HILTACHK, LLP
ATTORNEYS AND COUNSELORS AT LAW
455 CAPITOL MALL, SUITE 600
SACRAMENTO, CALIFORNIA 95814

(916) 442-7757
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www.bmhlaw.com

21-0042 Amdt. # 1

January 4, 2022

RECEIVED

JAN 04 2022

INITIATIVE COORDINATOR
ATTORNEY GENERAL'S OFFICE

Anabel Renteria
Initiative Coordinator
Office of the Attorney General
State of California
PO Box 994255
Sacramento, CA 94244-25550

Re: Initiative 21-0042 - Amendment Number One

Dear Initiative Coordinator:

Pursuant to subdivision (b) of Section 9002 of the Elections Code, enclosed please find Amendment #1 to Initiative No. 21-0042 "The Taxpayer Protection and Government Accountability Act." The amendments are reasonably germane to the theme, purpose or subject of the initiative measure as originally proposed.

I am the proponent of the measure and request that the Attorney General prepare a circulating title and summary of the measure as provided by law, using the amended language.

Thank you for your time and attention processing my request.

Sincerely,



Thomas W. Hiltachk

The Taxpayer Protection and Government Accountability Act

[Deleted codified text is denoted in ~~strikeout~~. Added codified text is denoted by *italics and underline*.]

Section 1. Title

This Act shall be known, and may be cited as, the Taxpayer Protection and Government Accountability Act.

Section 2. Findings and Declarations

(a) Californians are overtaxed. We pay the nation's highest state income tax, sales tax, and gasoline tax. According to the U.S. Census Bureau, California's combined state and local tax burden is the highest in the nation. Despite this, and despite two consecutive years of obscene revenue surpluses, state politicians in 2021 alone introduced legislation to raise more than \$234 *billion* in new and higher taxes and fees.

(b) Taxes are only part of the reason for California's rising cost-of-living crisis. Californians pay billions more in hidden "fees" passed through to consumers in the price they pay for products, services, food, fuel, utilities and housing. Since 2010, government revenue from state and local "fees" has more than doubled.

(c) California's high cost of living not only contributes to the state's skyrocketing rates of poverty and homelessness, they are the pushing working families and job-providing businesses out of the state. The most recent Census showed that California's population dropped for the first time in history, costing us a seat in Congress. In the past four years, nearly 300 major corporations relocated to other states, not counting thousands more small businesses that were forced to move, sell or close.

(d) California voters have tried repeatedly, at great expense, to assert control over whether and how taxes and fees are raised. We have enacted a series of measures to make taxes more predictable, to limit what passes as a "fee," to require voter approval, and to guarantee transparency and accountability. These measures include Proposition 13 (1978), Proposition 62 (1986), Proposition 218 (1996), and Proposition 26 (2010).

(e) Contrary to the voters' intent, these measures that were designed to control taxes, spending and accountability, have been weakened and hamstrung by the Legislature, government lawyers, and the courts, making it necessary to pass yet another initiative to close loopholes and reverse hostile court decisions.

Section 3. Statement of Purpose

(a) In enacting this measure, the voters reassert their right to a voice and a vote on new and higher taxes by requiring any new or higher tax to be put before voters for approval. Voters also intend that all fees and other charges are passed or rejected by the voters themselves or a governing body elected by voters and not unelected and unaccountable bureaucrats.

(b) Furthermore, the purpose and intent of the voters in enacting this measure is to increase transparency and accountability over higher taxes and charges by requiring any tax measure placed on the ballot—

either at the state or local level—to clearly state the type and rate of any tax, how long it will be in effect, and the use of the revenue generated by the tax.

(c) Furthermore, the purpose and intent of the voters in enacting this measure is to clarify that any new or increased form of state government revenue, by any name or manner of extraction paid directly or indirectly by Californians, shall be authorized only by a vote of the Legislature and signature of the Governor to ensure that the purposes for such charges are broadly supported and transparently debated.

(d) Furthermore, the purpose and intent of the voters in enacting this measure is also to ensure that taxpayers have the right and ability to effectively balance new or increased taxes and other charges with the rapidly increasing costs Californians are already paying for housing, food, childcare, gasoline, energy, healthcare, education, and other basic costs of living, and to further protect the existing constitutional limit on property taxes and ensure that the revenue from such taxes remains local, without changing or superseding existing constitutional provisions contained in Section 1(c) of Article XIII A.

(e) In enacting this measure, the voters also additionally intend to reverse loopholes in the legislative two-thirds vote and voter approval requirements for government revenue increases created by the courts including, but not limited to, *Cannabis Coalition v. City of Upland*, *Chamber of Commerce v. Air Resources Board*, *Schmeer v. Los Angeles County*, *Johnson v. County of Mendocino*, *Citizens Assn. of Sunset Beach v. Orange County Local Agency Formation Commission*, and *Wilde v. City of Dunsmuir*.

Section 4. Section 3 of Article XIII A of the California Constitution is amended to read:

Sec. 3(a) Every levy, charge, or exaction of any kind imposed by state law is either a tax or an exempt charge.

(b)(1) (a) Any change in state statute law which results in any taxpayer paying a new or higher tax must be imposed by an act passed by not less than two-thirds of all members elected to each of the two houses of the Legislature, and submitted to the electorate and approved by a majority vote, except that no new ad valorem taxes on real property, or sales or transaction taxes on the sales of real property, may be imposed. Each Act shall include:

(A) A specific duration of time that the tax will be imposed and an estimate of the annual amount expected to be derived from the tax.

(B) A specific and legally binding and enforceable limitation on how the revenue from the tax can be spent. If the revenue from the tax can be spent for unrestricted general revenue purposes, then a statement that the tax revenue can be spent for "unrestricted general revenue purposes" shall be included in a separate, stand-alone section. Any proposed change to the use of the revenue from the tax shall be adopted by a separate act that is passed by not less than two-thirds of all members elected to each of the two houses of the Legislature and submitted to the electorate and approved by a majority vote.

(2) The title and summary and ballot label or question required for a measure pursuant to the Elections Code shall, for each measure providing for the imposition of a tax, including a measure proposed by an elector pursuant to Article II, include:

(A) The type and amount or rate of the tax;

(B) The duration of the tax; and

(C) The use of the revenue derived from the tax.

(c) Any change in state law which results in any taxpayer paying a new or higher exempt charge must be imposed by an act passed by each of the two houses of the Legislature. Each act shall specify the type of exempt charge as provided in subdivision (e), and the amount or rate of the exempt charge to be imposed.

(d) ~~(b)~~ As used in this section and in Section 9 of Article II, "tax" means every ~~any~~ levy, charge, or exaction of any kind imposed by the State state law that is not an exempt charge, except the following:

(e) As used in this section, "exempt charge" means only the following:

~~(1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the State of conferring the benefit or granting the privilege to the payor.~~

~~(1) (2) A reasonable charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable actual costs to the State of providing the service or product to the payor.~~

~~(2) (3) A charge imposed for the reasonable regulatory costs to the State incident to issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.~~

(3) A levy, charge, or exaction collected from local units of government, health care providers or health care service plans that is primarily used by the State of California for the purposes of increasing reimbursement rates or payments under the Medi-Cal program, and the revenues of which are primarily used to finance the non-federal portion of Medi-Cal medical assistance expenditures.

~~(4) A reasonable charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property, except charges governed by Section 15 of Article XI.~~

~~(5) A fine, or penalty, or other monetary charge including any applicable interest for nonpayment thereof, imposed by the judicial branch of government or the State, as a result of a state administrative enforcement agency pursuant to adjudicatory due process, to punish a violation of law.~~

(6) A levy, charge, assessment, or exaction collected for the promotion of California tourism pursuant to Chapter 1 (commencing with Section 13995) of Part 4.7 of Division 3 of Title 2 of the Government Code.

~~(f) (e) Any tax or exempt charge adopted after January 1, 2022 2010, but prior to the effective date of this act, that was not adopted in compliance with the requirements of this section is void 12 months after the effective date of this act unless the tax or exempt charge is reenacted by the Legislature and signed into law by the Governor in compliance with the requirements of this section.~~

~~(g) (1) (d) The State bears the burden of proving by a preponderance of the clear and convincing evidence that a levy, charge, or other exaction is an exempt charge and not a tax. The State bears the burden of proving by clear and convincing evidence that the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor. ~~that the amount is no more than necessary to cover the reasonable costs of the governmental activity and~~~~

that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity

(2) The retention of revenue by, or the payment to, a non-governmental entity of a levy, charge, or exaction of any kind imposed by state law, shall not be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(3) The characterization of a levy, charge, or exaction of any kind as being voluntary, or paid in exchange for a benefit, privilege, allowance, authorization, or asset, shall not be a factor in determining whether the levy, charge, or exaction is a tax or an exempt charge.

(4) The use of revenue derived from the levy, charge or exaction shall be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(h) As used in this section:

(1) "Actual cost" of providing a service or product means: (i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing "actual cost" the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

(2) "Extend" includes, but is not limited to, doing any of the following with respect to a tax or exempt charge: lengthening its duration, delaying or eliminating its expiration, expanding its application to a new territory or class of payor, or expanding the base to which its rate is applied.

(3) "Impose" means adopt, enact, reenact, create, establish, collect, increase or extend.

(4) "State law" includes, but is not limited to, any state statute, state regulation, state executive order, state resolution, state ruling, state opinion letter, or other legal authority or interpretation adopted, enacted, enforced, issued, or implemented by the legislative or executive branches of state government. "State law" does not include actions taken by the Regents of the University of California, Trustees of the California State University, or the Board of Governors of the California Community Colleges.

Section 5. Section 1 of Article XIII C of the California Constitution is amended, to read:

Sec. 1. Definitions. As used in this article:

(a) "Actual cost" of providing a service or product means: (i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing "actual cost" the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

(b) "Extend" includes, but is not limited to, doing any of the following with respect to a tax, exempt charge, or Article XIII D assessment, fee, or charge: lengthening its duration, delaying or eliminating its expiration, expanding its application to a new territory or class of payor, or expanding the base to which its rate is applied.

~~(c) (a)~~ "General tax" means any tax imposed for general governmental purposes.

~~(d)~~ "Impose" means adopt, enact, reenact, create, establish, collect, increase, or extend.

~~(e) (b)~~ "Local government" means any county, city, city and county, including a charter city or county, any special district, or any other local or regional governmental entity, or an elector pursuant to Article II or the initiative power provided by a charter or statute.

~~(f)~~ "Local law" includes, but is not limited to, any ordinance, resolution, regulation, ruling, opinion letter, or other legal authority or interpretation adopted, enacted, enforced, issued, or implemented by a local government.

~~(g) (c)~~ "Special district" means an agency of the State, formed pursuant to general law or a special act, for the local performance of governmental or proprietary functions with limited geographic boundaries including, but not limited to, school districts and redevelopment agencies.

~~(h) (d)~~ "Special tax" means any tax imposed for specific purposes, including a tax imposed for specific purposes, which is placed into a general fund.

~~(i) (e)~~ As used in this article, and in Section 9 of Article II, "tax" means every any-levy, charge, or exaction of any kind, imposed by a local government ~~law that is not an exempt charge,~~ except the following:

~~(i)~~ As used in this section, "exempt charge" means only the following:

~~(1)~~ A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.

~~(1) (2)~~ A reasonable charge imposed for a specific local government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable actual costs to the local government of providing the service or product.

~~(2) (3)~~ A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

~~(3) (4)~~ A reasonable charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.

~~(4) (5)~~ A fine, or penalty, or other monetary charge including any applicable interest for nonpayment thereof, imposed by the judicial branch of government or a local government administrative enforcement agency pursuant to adjudicatory due process, as a result of to punish a violation of law.

~~(5) (6)~~ A charge imposed as a condition of property development. No levy, charge, or exaction regulating or related to vehicle miles traveled may be imposed as a condition of property development or occupancy.

~~(6) (7)~~ An Assessments and property related fees assessment, fee, or charge imposed in accordance with the provisions of subject to Article XIII D, or an assessment imposed upon a business in a tourism marketing district, a parking and business improvement area, or a property and business improvement district.

(7) A charge imposed for a specific health care service provided directly to the payor and that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the health care service. As used in this paragraph, a "health care service" means a service licensed or exempt from licensure by the state pursuant to Chapters 1, 1.3, or 2 of Division 2 of the Health and Safety Code.

The local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

Section 6. Section 2 of Article XIII C of the California Constitution is amended to read:

Sec. 2. Local Government Tax Limitation. Notwithstanding any other provision of this Constitution:

(a) Every levy, charge, or exaction of any kind imposed by local law is either a tax or an exempt charge. All taxes imposed by any local government shall be deemed to be either general taxes or special taxes. Special purpose districts or agencies, including school districts, shall have no power to levy general taxes.

(b) No local ~~law government, whether proposed by the governing body or by an elector,~~ may impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote. A general tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved. The election required by this subdivision shall be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body.

(c) ~~Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).~~ (d) No local ~~law government, whether proposed by the governing body or by an elector,~~ may impose, ~~extend, or increase~~ any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote. A special tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved.

(d) The title and summary and ballot label or question required for a measure pursuant to the Elections Code shall, for each measure providing for the imposition of a tax, include:

(1) The type and amount or rate of the tax;

(2) the duration of the tax; and

(3) The use of the revenue derived from the tax. If the proposed tax is a general tax, the phrase "for general government use" shall be required, and no advisory measure may appear on the same ballot that would indicate that the revenue from the general tax will, could, or should be used for a specific purpose.

(e) Only the governing body of a local government, other than an elector pursuant to Article II or the initiative power provided by a charter or statute, shall have the authority to impose any exempt charge. The governing body shall impose an exempt charge by an ordinance specifying the type of exempt charge

as provided in Section 1(j) and the amount or rate of the exempt charge to be imposed, and passed by the governing body. This subdivision shall not apply to charges specified in paragraph (7) of subdivision (j) of Section 1.

(f) No amendment to a Charter which provides for the imposition, extension, or increase of a tax or exempt charge shall be submitted to or approved by the electors, nor shall any such amendment to a Charter hereafter submitted to or approved by the electors become effective for any purpose.

(g) Any tax or exempt charge adopted after January 1, 2022, but prior to the effective date of this act, that was not adopted in compliance with the requirements of this section is void 12 months after the effective date of this act unless the tax or exempt charge is reenacted in compliance with the requirements of this section.

(h)(1) The local government bears the burden of proving by clear and convincing evidence that a levy, charge or exaction is an exempt charge and not a tax. The local government bears the burden of proving by clear and convincing evidence that the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor.

(2) The retention of revenue by, or the payment to, a non-governmental entity of a levy, charge, or exaction of any kind imposed by a local law, shall not be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(3) The characterization of a levy, charge, or exaction of any kind imposed by a local law as being paid in exchange for a benefit, privilege, allowance, authorization, or asset, shall not be factors in determining whether the levy, charge, or exaction is a tax or an exempt charge.

(4) The use of revenue derived from the levy, charge or exaction shall be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

Section 7. Section 3 of Article XIII D of the California Constitution is amended, to read:

Sec. 3. Property Taxes, Assessments, Fees and Charges Limited

(a) No tax, assessment, fee, ~~or~~ charge, or surcharge, including a surcharge based on the value of property, shall be assessed ~~by any agency~~ upon any parcel of property or upon any person as an incident of property ownership except:

(1) The ad valorem property tax ~~imposed pursuant to~~ described in Section 1(a) of Article XIII and Section 1(a) of Article XIII A, and described and enacted pursuant to the voter approval requirement in Section 1(b) of Article XIII A.

(2) Any special non-ad valorem tax receiving a two-thirds vote of qualified electors pursuant to Section 4 of Article XIII A, or after receiving a two-thirds vote of those authorized to vote in a community facilities district by the Legislature pursuant to statute as it existed on December 31, 2021.

(3) Assessments as provided by this article.

(4) Fees or charges for property related services as provided by this article.

(b) For purposes of this article, fees for the provision of electrical or gas service shall not be deemed charges or fees imposed as an incident of property ownership.

Section 8. Sections 1 and 14 of Article XIII are amended to read:

Sec. 1 Unless otherwise provided by this Constitution or the laws of the United States:

(a) All property is taxable and shall be assessed at the same percentage of fair market value. When a value standard other than fair market value is prescribed by this Constitution or by statute authorized by this Constitution, the same percentage shall be applied to determine the assessed value. The value to which the percentage is applied, whether it be the fair market value or not, shall be known for property tax purposes as the full value.

(b) All property so assessed shall be taxed in proportion to its full value.

(c) All proceeds from the taxation of property shall be apportioned according to law to the districts within the counties.

Sec. 14. All property taxed by state or local government shall be assessed in the county, city, and district in which it is situated. Notwithstanding any other provision of law, such state or local property taxes shall be apportioned according to law to the districts within the counties.

Section 9. General Provisions

A. This Act shall be liberally construed in order to effectuate its purposes.

B. (1) In the event that this initiative measure and another initiative measure or measures relating to state or local requirements for the imposition, adoption, creation, or establishment of taxes, charges, and other revenue measures shall appear on the same statewide election ballot, the other initiative measure or measures shall be deemed to be in conflict with this measure. In the event that this initiative measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and the provisions of the other initiative measure or measures shall be null and void.

(2) In furtherance of this provision, the voters hereby declare that this measure conflicts with the provisions of the "Housing Affordability and Tax Cut Act of 2022" and "The Tax Cut and Housing Affordability Act," both of which would impose a new state property tax (called a "surcharge") on certain real property, and where the revenue derived from the tax is provided to the State, rather than retained in the county in which the property is situated and for the use of the county and cities and districts within the county, in direct violation of the provisions of this initiative.

(3) If this initiative measure is approved by the voters, but superseded in whole or in part by any other conflicting initiative measure approved by the voters at the same election, and such conflicting initiative is later held invalid, this measure shall be self-executing and given full force and effect.

C. The provisions of this Act are severable. If any portion, section, subdivision, paragraph, clause, sentence, phrase, word, or application of this Act is for any reason held to be invalid by a decision of any court of competent jurisdiction, that decision shall not affect the validity of the remaining portions of this Act. The People of the State of California hereby declare that they would have adopted this Act and each and every portion, section, subdivision, paragraph, clause, sentence, phrase, word, and application not

declared invalid or unconstitutional without regard to whether any portion of this Act or application thereof would be subsequently declared invalid.

D. If this Act is approved by the voters of the State of California and thereafter subjected to a legal challenge alleging a violation of state or federal law, and both the Governor and Attorney General refuse to defend this Act, then the following actions shall be taken:

(1) Notwithstanding anything to the contrary contained in Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code or any other law, the Attorney General shall appoint independent counsel to faithfully and vigorously defend this Act on behalf of the State of California.

(2) Before appointing or thereafter substituting independent counsel, the Attorney General shall exercise due diligence in determining the qualifications of independent counsel and shall obtain written affirmation from independent counsel that independent counsel will faithfully and vigorously defend this Act. The written affirmation shall be made publicly available upon request.

(3) A continuous appropriation is hereby made from the General Fund to the Controller, without regard to fiscal years, in an amount necessary to cover the costs of retaining independent counsel to faithfully and vigorously defend this Act on behalf of the State of California.

(4) Nothing in this section shall prohibit the proponents of this Act, or a bona fide taxpayers association, from intervening to defend this Act.

EXHIBIT B

RESOLUTION NO. 24-0402-01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
DEL PASO MANOR WATER DISTRICT
OPPOSING INITIATIVE 1935 (FILED AS #21-0042A1) SLATED FOR THE NOVEMBER 2024
CALIFORNIA BALLOT**

WHEREAS, an association representing California’s wealthiest corporations is spending tens of millions of dollars to promote a deceptive ballot measure currently eligible for the November 2024 statewide ballot; and

WHEREAS, the measure creates constitutional loopholes that allow corporations to pay far less than their fair share for the impacts they have on our communities, which could force residents and taxpayers to pay more to maintain services; and

WHEREAS, the measure threatens billions of dollars every year in local government funding for services like fire and emergency response, law enforcement, affordable housing, services to support homeless residents, mental health services, and more; and

WHEREAS, the measure would jeopardize the rate-setting process that the Del Paso Manor Water District (“District”) completed in 2023, resulting in water rates to support capital improvements and operations and maintenance within the District; and

WHEREAS, the measure is an attack on voters’ rights, containing undemocratic provisions that would make it more difficult for local voters to pass measures to fund services, provisions that retroactively cancel measures recently passed by voters, and provisions that prevent voters from passing advisory measures that provide direction on how they want their local tax dollars spent; and

WHEREAS, the measure contains intentionally restrictive language that will encourage hundreds of frivolous lawsuits against cities and local governments – costing taxpayers many millions and stopping investments in vital local services; and

WHEREAS, the measure would make it much more difficult for state and local regulators to issue fines and levies on corporations that violate laws intended to protect our environment, public health and safety, and our neighborhoods; and

WHEREAS, the measure is opposed by hundreds of local governments, teachers, firefighters, working families and local elected officials.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DEL PASO MANOR WATER DISTRICT:

1. The Board of Directors does hereby find that the foregoing recitals are true and correct and hereby incorporates them into its findings.
2. The District opposes Initiative 1935 (filed as #21-0042A1).
3. The District will join the “Stop the Corporate Tax Trick” coalition, a growing coalition of public safety, education, labor, local government, and infrastructure groups throughout the state.

4. The Board of Directors directs District staff to email a copy of this adopted resolution to the League of California Cities at BallotMeasures@calcities.org.

I certify that the foregoing Resolution was adopted by the Board of Directors of the Del Paso Manor Water District at a regular meeting held on the 2nd day of April 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Carl Dolk, Vice President
Board of Directors

ATTEST:

Adam Coyan, General Manager

ITEM #8.D

*Calling an Election to Fill the Vacant Board Seat and Requesting
Sacramento County Elections to Provide Election Services*

DEL PASO MANOR WATER DISTRICT

BOARD MEETING

DATE: April 2, 2024

AGENDA ITEM NO. 8.D

SUBJECT: CALLING AN ELECTION TO FILL THE VACANT BOARD SEAT AND REQUESTING SACRAMENTO COUNTY ELECTIONS TO PROVIDE ELECTION SERVICES

STAFF CONTACT:

Adam Coyan, General Manager

BACKGROUND:

At the March 28, 2024 special meeting, the District's Board of Directors voted to fill the vacancy on the Board of Directors by calling an election and requests that the Sacramento County Board of Supervisors consolidate the District's election with the County's General Election to be held on November 5, 2024.

RECOMMENDATION:

Approve resolution 24-0402-02 Calling an Election to Fill the Vacant Board Seat and Requesting Sacramento County Elections to Provide Election Services

ATTACHMENTS:

Resolution 24-0402-02

ENVIRONMENTAL IMPACT:

This item is an update to an existing structure and does not need a CEQA review.

FINANCIAL IMPACT:

This item is in the current budget and the project has been approved.

RESOLUTION NO. 24-0402-02

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
DEL PASO MANOR WATER DISTRICT
CALLING AN ELECTION TO FILL THE VACANT BOARD SEAT AND REQUESTING
SACRAMENTO COUNTY ELECTIONS TO PROVIDE ELECTION SERVICES**

WHEREAS, a vacancy was created on the Board of Directors of the Del Paso Manor Water District (“District”) by the resignation of Director Ryan Saunders; and

WHEREAS, Government Code section 1780, subdivisions (c) and (e), provide that the remaining members of the Board may fill the vacancy by calling an election on the next established election date provided in Chapter 1 of Division 1 of the Elections Code that is at least 130 days after the date the District Board calls the election; and

WHEREAS, the District requests to consolidate its election with the next eligible election in Sacramento County, which is Sacramento County’s General Election to be held on November 5, 2024.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
DEL PASO MANOR WATER DISTRICT:**

1. The District’s Board of Directors desires to fill the vacancy on the Board of Directors by calling an election.

1. The District’s Board of Directors respectfully requests that the Sacramento County Board of Supervisors consolidate the District’s election with the County’s General Election to be held on November 5, 2024.

2. Candidates shall be responsible for paying the cost of publication of the candidate’s statement pursuant to Election Code section 13307.

3. The District’s Board of Directors requests the Sacramento County Board of Supervisors to authorize the Sacramento County Elections Office to provide all necessary election services.

4. The District’s Board of Directors authorizes reimbursement to Sacramento County for services rendered related to the election.

I certify that the foregoing Resolution was adopted by the Board of Directors of the Del Paso Manor Water District at a regular meeting held on the 2nd day of April 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Carl Dolk,
Vice President Board of Directors

ATTEST:

Adam Coyan, General Manager

ITEM #9.A

Field Report on Current and Upcoming Projects



DEL PASO MANOR WATER DISTRICT REGULAR BOARD MEETING FIELD REPORT

MEETING DATE: April 02, 2024

AGENDA ITEM 9.A:

Leaks: We had 2 mainline leaks, 1 service line leak on our side, and 0 service line leak on the customers side

Complaints: We had no water quality concern

Water Waste: We had no water waste report

Field Work:

1. 36 USA's marked in March
2. TCR samples for March were all absent
3. Completed 2 hot taps for new services lines do to low flow
4. 2 new curb stops were installed where there were no shutoffs
5. 8 additional curb stops located for a total to date of 525

Current and Upcoming Projects:

1. Curb stop locates
2. Mainline valve measurements ongoing project
3. Cleaning up well sites

**FIELD STAFF RESPONSIBLE FOR REPORT: Mike Jenner, Field Supervisor
04/02/2024**