

Amended Agenda
Sacramento Suburban Water District
Special Board Meeting

3701 Marconi Avenue, Suite 100
Sacramento, California 95821

Monday, April 4, 2022
5:00 p.m.

This meeting will be conducted both in-person in the District’s Boardroom at the address above, and by videoconference and teleconference using the information provided below. The public is invited to listen, observe, and provide comments during the meeting by any method provided. The President will call for public comment on each agenda item at the appropriate time and all votes will be taken by roll call.

The District recommends that members of the public participate in public meetings via videoconference and/or teleconference per the instructions below.

For members of the public interested in viewing and having the ability to comment at the public meeting via Zoom, an internet enabled computer equipped with a microphone and speaker or a mobile device with a data plan is required. Use of a webcam is optional. You also may call in to the meeting using teleconference without video. Please use the following login information for videoconferencing or teleconferencing:

Join the meeting from a computer, tablet or smartphone:

<https://us02web.zoom.us/j/87122133225?pwd=Qk9Ya2lhWFVlNmROMXBJMjdQRlhJZz09>

Meeting ID: 871 2213 3225

Password: 059712

You can also dial in using your phone: 1 (669) 900-6833

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Zoom uses encryption of data during Zoom meetings. The District uses a secure password to restrict access to scheduled meetings. The meeting host has control of content sharing, recording, and chat.

Please mute your line.

Where appropriate or deemed necessary, the Board may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District’s Administrative Office at the address listed above.

The public may address the Board concerning an agenda item either before or during the Board’s consideration of that agenda item. Persons who wish to comment on either agenda or non-

agenda items should fill out a Comment Card and give it to the General Manager. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 916.679.3972. Requests must be made as early as possible and at least one full business day before the start of the meeting.

Call to Order

Roll Call

Announcements

Public Comment

This is the opportunity for the public to comment on non-agenda items within the Board's jurisdiction. Comments are limited to 3 minutes.

Public Hearing for the Reapportioning of Divisions for Election of Directors after the 2020 Federal Census

1. Public Hearing for the Reapportioning of Divisions for the Election of Directors After the 2020 Federal Census
Recommendation: Conduct a second Public Hearing on the draft revised voting division map. Following the Public Hearing, consider adopting the proposed voting division map.

Items for Discussion and/or Action

2. Resolution No. 22-06 Reapportioning Divisions for the Election of Directors After the 2020 Federal Census
Recommendation: Adopt Resolution No. 22-06 a resolution of the Board of the Board of Directors of the Sacramento Suburban Water District reapportioning divisions for the election of directors after the 2020 Federal Census.
3. Carmichael Water District and Sacramento Suburban Water District Combination Study - Business Case Analysis
Recommendation: Review and discuss the proposal/workplan from Raftelis, in the amount of \$155,119, and approve authorizing the General Manager to sign a Professional Services Agreement with Raftelis, and a Memorandum of Understanding regarding a Combination Study Business Case Analysis with Carmichael Water District for a 50/50 cost share.

Closed Session (Closed Session Items are not opened to the public)

- 4. Public employee performance evaluation involving the General Manager under Government Code section 54954.5(e) and 54957.

Adjournment

Upcoming Meetings

Monday, April 18, 2022, at 6:00 p.m., Regular Board Meeting

I certify that the foregoing agenda for the April 4, 2022, meeting of the Sacramento Suburban Water District Board of Directors was posted by March 24, 2022, in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was freely available to the public.

Dan York
 General Manager/Secretary
 Sacramento Suburban Water District



Agenda Item: 1

Date: April 4, 2022

Subject: Public Hearing for the Reapportioning of Divisions for the Election of Directors After the 2020 Federal Census

Staff Contact: Matt Underwood, Assistant General Manager

Recommended Board Action:

Conduct a second Public Hearing on the draft revised voting division map. Following the Public Hearing, consider adopting the proposed voting division map.

Background:

Every 10 years, local government agencies which have voting divisions for their governing body elections must review population data prepared after the federal decennial census to determine if they must redraw their voting division boundaries to reflect how local populations have changed. The key consideration is whether the populations between divisions varies by more than 10 percent. This requirement is provided in Elections Code section 22000 through 22002 and is imposed on the District by Water Code section 30. Elections Code sections 22000 and 22001 require that the District engage customers in the redistricting process by conducting public outreach and to hold at least one Public Hearing on any proposal to adjust voting divisions. Normally, the District is required by Elections Code section 22000 to review and possibly redistrict its Director voting divisions after each federal decennial census. Census data is usually available quickly enough after a census to enable agencies required to redistrict within a year of a census. However, because the COVID pandemic and other factors delayed the compilation and release of 2020 Census data until late summer 2021, the Legislature passed SB 594 last year to permit local agencies to redistrict their voting divisions that are elected at the November statewide general election until April 17, 2022. This is the reason why this issue is being brought to the Board now.

Discussion:

2020 Census Results and Required District Action

The United States 2020 Decennial Census (2020 census) data show that the population within the District's service area grew by 23,215 to 194,444 persons in the period since the prior United States Decennial Census in 2010. The 2020 census data show that the voting divisions now range in population from 37,037 to 40,908, and that the population deviation (the greatest difference between any two Divisions relative to the average ("target") size) is 10 percent. Therefore, in compliance with Elections Code section 22000, adjustments to Directors' voting divisions ("reapportioning") are required.

The deadline to complete reapportioning is April 17, 2022. To meet this deadline, in compliance with Elections Code section 22001, the following Board actions were conducted at a Special Board meeting held on March 21, 2022; and the following Board actions are to be conducted at a second Special Board meeting held on April 4, 2022, as follows:

A. Special Board Meeting, and Initial Public Hearing – March 21, 2022

Action:

1. Hold a Public Hearing on the draft voting division map to receive public input on the proposed division boundary adjustments.
2. Board considers the proposed voting division map attached to this report and provides any input to staff, taking into consideration public input.

B. Special Board Meeting, and Final Public Hearing – April 4, 2022

Action:

1. Hold second Public Hearing to receive comments on the proposed adoption of revised voting division map.
2. The Board considers adopting a resolution establishing the proposed changes to voting divisions as shown on the proposed or a revised proposed division map.

Proposed Changes to Voting Divisions

Staff has prepared a proposed voting division map depicting the recommended adjustments to four of the five voting divisions for consideration by the Board of Directors and for comment by the public (Attachment 1). The population deviation (greatest relative difference in size between any two voting divisions) in the proposed voting divisions is 1.7%, which is well within the 10 percent deviation permitted under federal and state voting rights law. The proposed adjustments are relatively minor due to the so-called secondary factors the District must consider when adjusting voting division boundaries. These factors include: (1) topography, (2) geography, (3) cohesiveness, contiguity, integrity, and compactness of divisions, and (4) community of interests of each division. Although this is not a factor in drawing the maps, for the Board's information the proposed adjustments would not result in any Director's residence being located outside of their current voting division.

As advised by legal counsel, staff has consulted with the Sacramento County Registrar of Voters' office to review the draft proposed voting division map. Sacramento County Registrar of Voters' staff found that the draft proposed voting division map is acceptable and in compliance with federal and state voting rights and election laws.

Outreach

SSWD staff conducted thorough outreach to residents and customers, which consisted of:

1. Mailer – An informational mailing to all residents and property owners within the District boundaries, which amounted to 81,187 mailings. An invitation to learn about the redistricting maps was provided in English, Korean, Tagalog, Chinese (simplified), Spanish, Vietnamese, and Russian.
2. Flyer – An information flyer was posted at 20 public locations within the District, which included community centers and libraries. A full list of the locations is provided as Attachment 2. An invitation to learn about the draft proposed voting division map was provided in English, Arabic, Korean, Tagalog, Chinese (simplified), Spanish, Vietnamese, and Russian.
3. Web page – A webpage (linked from the sswd.org home page) was created providing details on the draft proposed voting division map, process, and public comment opportunities. The webpage is available in English, Arabic, Korean, Tagalog, Chinese (simplified), Spanish, Vietnamese, and Russian.
4. Advertisement – An advertisement was published in the Arden-Carmichael News on Friday, March 11, 2022. An invitation to learn about the proposed voting division map was provided in English, Arabic, Korean, Tagalog, Chinese (simplified), Spanish, Vietnamese, and Russian.
5. Media – A media release was distributed on March 9, 2022, outlining the upcoming public input opportunities.

Public Comment Opportunities

Members of the public may provide their comment in three different ways, as summarized below.

In-Person Comment

- Members of the public may address the Board in-person.

Verbal Comment (remote meeting attendance)

- Members of the public may make a verbal public comment during a meeting by joining the meeting by telephone or video-call.

Written Comment

There are two options to submit written comment in advance of the Public Hearing:

- Email comments may be sent to: feedback@sswd.org
- Mailed comments may be sent to 3701 Marconi Avenue, Ste. 100, Sacramento, CA 95821

Public Comment Received as of March 23, 2022

In-Person Comment (including at the Public Hearing held on March 21, 2022)

- None.

Verbal Comment

- Four phone calls were received inquiring about the process. No input was provided.

Written Comment

- One email was received inquiring about the process. No input was provided.

Fiscal Impact:

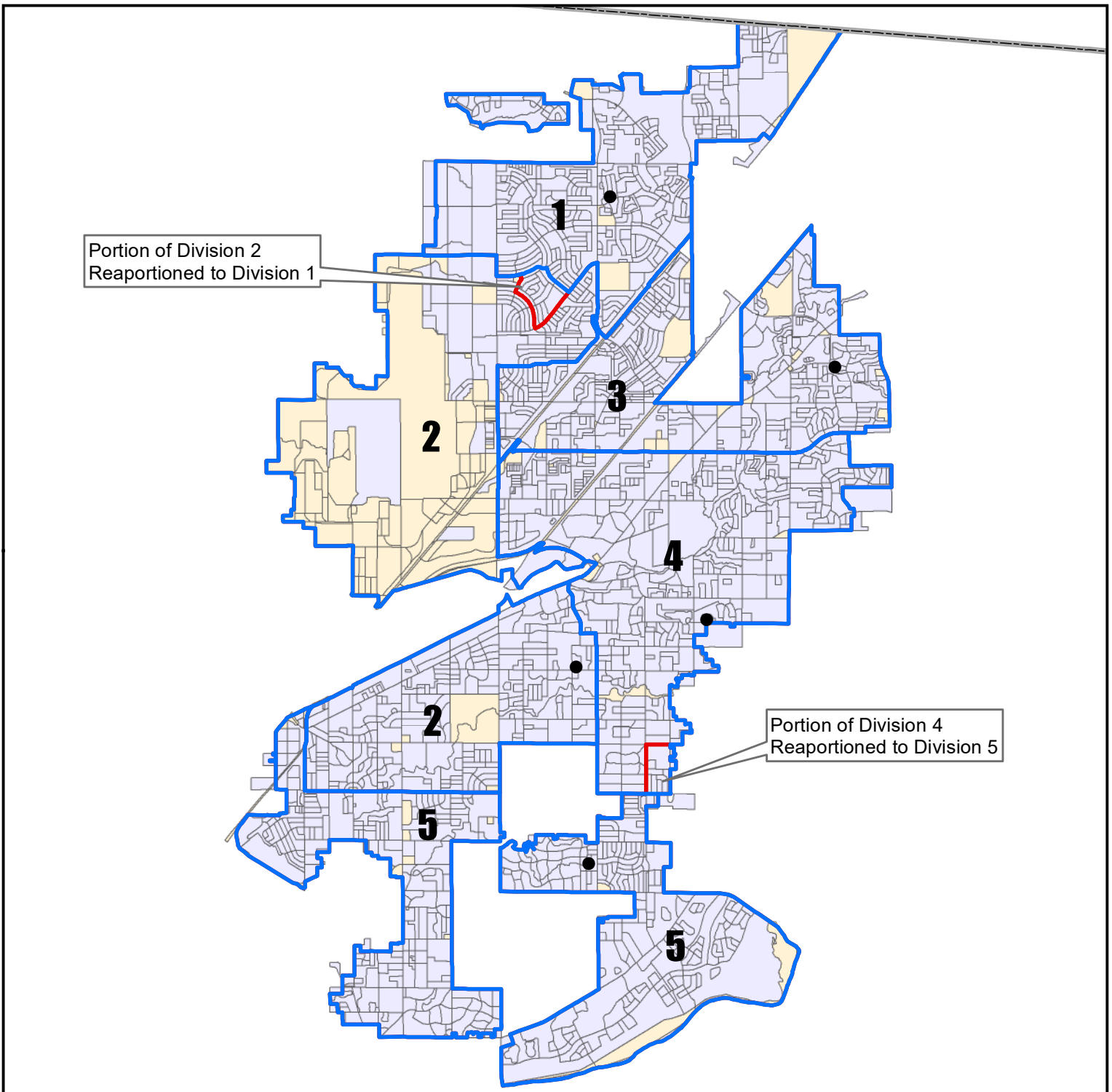
None.

Strategic Plan Alignment:

Goal B: Optimize Operational and Organizational Efficiencies

Attachments:

1. Map - Proposed Voting Divisions with 2020 Census Blocks
2. Flyer Public Posting Location Distribution List



Portion of Division 2 Reapportioned to Division 1

Portion of Division 4 Reapportioned to Division 5

Voting Division	Population		Change (2020 to 2022)		2022 Proposed	
	2020 Census	2022 Proposed	Number	(%)	Population Minus Target	(%)
1	37,308	39,060	+1752	+4.7	171	0.4
2	40,908	39,156	-1752	-4.3	267	0.7
3	39,124	39,124	0	0.0	235	0.6
4	40,067	38,603	-1464	-3.7	-286	-0.7
5	37,037	38,501	+1464	+4.0	-388	-1.0
Total	194,444	194,444	--	--	--	--
Average (Target)	38,889	38,889	--	--	--	--

- Director Location
- Census Block with Population
- Census Block without Population
- ▭ Existing Voting Division Bdry
- ▭ Proposed Voting Division Bdry

Proposed Voting Divisions with 2020 Census Blocks

Difference between lowest and highest percentages from 2022 Proposed.

Division 2	0.7 %
Division 5	-1.0 %
	1.7 %

Flyer Public Posting Location Distribution list

Libraries	Address
Arden-Dimick Library	891 Watt Ave, Sacramento, CA 95864
Arcade library	2443 Marconi Ave, Sacramento, CA 95821
North Highlands-Antelope Library	4235 Antelope Rd, Antelope, CA 95843
FamilySearch Library	2745 Eastern Ave, Sacramento, CA 95821
Carmichael Library	5605 Marconi Ave, Carmichael, CA 95608
Community Centers	
Arcade Community Center	2427 Marconi Ave #103, Sacramento, CA 95821
Swanston Community Center	2350 Northrop Ave, Sacramento, CA 95825
The Richard T. Conzelmann Community Center	2201 Cottage Way, Sacramento, CA 95825
The Cove Community Center	5033 Whitney Ave, Carmichael, CA 95608
Mission Oaks Community Center	4701 Gibbons Dr, Carmichael, CA 95608
La Sierra Community Center	7900, 5325 Engle Rd # 100, Carmichael, CA 95608
Hagginwood Community Center	3271 Marysville Blvd, Sacramento, CA 95815
Foothill Community Center	5510 Diablo Dr, Sacramento, CA 95842
Slavic Community Center	4811 Chippendale Dr STE 708, Sacramento, CA 95841
Bird House Community Center	4901 Palm Ave, Sacramento, CA 95841
North Highlands Recreation and Parks District	6040 Watt Ave, North Highlands, CA 95660
Crosswoods Community Center	6742 Auburn Blvd, Citrus Heights, CA 95621
Orangevale Community Center	6826 Hazel Ave, Orangevale, CA 95662
Citrus Heights Community Center	6300 Fountain Square Dr, Citrus Heights, CA 95621
All Veterans Community Center	6921 Sylvan Rd, Citrus Heights, CA 95610



Agenda Item: 2

Date: April 4, 2022

Subject: Resolution No. 22-06 Reapportioning Divisions for the Election of Directors After the 2020 Federal Census

Staff Contact: Matt Underwood, Assistant General Manager

Recommended Board Action:

Adopt Resolution No. 22-06 a resolution of the Board of the Board of Directors of the Sacramento Suburban Water District reapportioning divisions for the election of directors after the 2020 Federal Census.

Background:

Every 10 years, local government agencies which have voting divisions for their governing body elections must review population data prepared after the federal decennial census to determine if they must redraw their voting division boundaries to reflect how local populations have changed. The key consideration is whether the populations between divisions varies by more than 10 percent. This requirement is provided in Elections Code section 22000 through 22002 and is imposed on the District by Water Code section 30. Elections Code sections 22000 and 22001 require that the District engage customers in the redistricting process by conducting public outreach and to hold at least one Public Hearing on any proposal to adjust voting divisions. Normally, the District is required by Elections Code section 22000 to review and possibly redistrict its Director voting divisions after each federal decennial census. Census data is usually available quickly enough after a census to enable agencies required to redistrict within a year of a census. However, because the COVID pandemic and other factors delayed the compilation and release of 2020 Census data until late summer 2021, the Legislature passed SB 594 last year to permit local agencies to redistrict their voting divisions that are elected at the November statewide general election until April 17, 2022. This is the reason why this issue is being brought to the Board now.

Discussion:

As reported at the March 21, 2022, special Board meeting, and at the April 4, 2022 special Board meeting, as advised by legal counsel, staff has consulted with the Sacramento County Registrar of Voters' office to review the draft proposed voting division map that was prepared by District staff. Sacramento County Registrar of Voters' staff found that the draft proposed voting division map is acceptable and in compliance with federal and state voting rights and election laws.

As reported at the March 21, 2022, special Board meeting, and at the April 4, 2022 special Board meeting, significant public outreach was conducted. Very little input from the public was received, and as of March 23, 2022, none was relevant to the proposed changes to the voting divisions.

Resolution No. 22-06 Reapportioning Divisions for the Election of Directors After the 2020 Federal Census
April 4, 2022
Page 2 of 2

Additionally, two Public Hearings were conducted to provide additional opportunity for public input on the matter. No public input was received at the first hearing that was held on March 21, 2022.

Fiscal Impact:

None.

Strategic Plan Alignment:

Goal B: Optimize Operational and Organizational Efficiencies

Attachments:

1. Map - Proposed Voting Divisions with 2020 Census Blocks

RESOLUTION NO. 22-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT REAPPORTIONING DIVISIONS FOR THE ELECTION OF DIRECTORS AFTER THE 2020 FEDERAL CENSUS

WHEREAS, the District, in accordance with the standards provided in the County Water District Law, Water Code sections 30000 and following, and Resolution 04-09, has established a five-member Board of Directors whose members are elected by the residents of each of the five electoral divisions;

WHEREAS, subdivisions (c) and (d) of Water Code section 30733 and Elections Code section 22000 require the District to readjust its electoral divisions as necessary after each federal decennial census;

WHEREAS, the Sacramento County Office of Voter Registration and Elections notified the District that the County would assist the District with reapportioning its electoral divisions using the 2020 federal census data applicable to the District's territory;

WHEREAS, District staff has received 2020 census block data from the Sacramento County Office of Voter Registration and Elections and related assistance and based on that data, has created a proposed map with adjusted electoral divisions that reflect the changes in population of the divisions since the last reapportionment conducted after the 2010 Census; and

WHEREAS, each of the five proposed reapportioned electoral divisions shown on the map attached to and made a part of this resolution as Exhibit A (the "Map") is substantially equal in population, with the largest having a population of 40,908 and the smallest having a population of 37,037, or a deviation of 1.7 percent.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Sacramento Suburban Water District as follows:

1. The Board makes the following findings:

A. The reapportioned divisions shown on the Map are as nearly equal in population as practicable. The difference between the division with the smallest population (Division 5) and the division with the largest population (Division 2) is less than 2 percent.

B. The divisions shown on the Map are reasonably reapportioned in light of the need to ensure the equality of population, and to take into account the irregularity of the District's boundaries and the need to make each division relatively compact and contiguous and to protect communities of interest existing within the divisions, and

therefore the reapportioned divisions comply with the requirements of federal and state voting rights laws.

C. Division 2, which encompasses McClellan Business Park, while somewhat larger in area than the other electoral divisions in the District, has been appropriately drawn because it is reasonably equal in population with the other divisions. Furthermore, because McClellan lacks any significant population, but is a distinct entity politically and geographically, it should be appended as a whole to one division as a community of interest.

2. The reapportioned electoral divisions described on the Map are approved and adopted as shown thereon. The Map is the official delineation of the District’s reapportioned electoral divisions for future general district elections, until changed by action of the Board in accordance with the requirements of Elections Code sections 22000 and following and other applicable law.

3. The Board authorizes and directs the General Manager or his designee to cooperate with Sacramento County elections officials to fully accomplish the reapportionment of the District’s five electoral divisions as shown on the Map, and to ensure that future elections for the District's five elected Directors are held in compliance with the reapportioned districts described therein. The Board further authorizes and directs its the General Manager or his designee to take any actions and execute any documents necessary to implement the reapportionment.

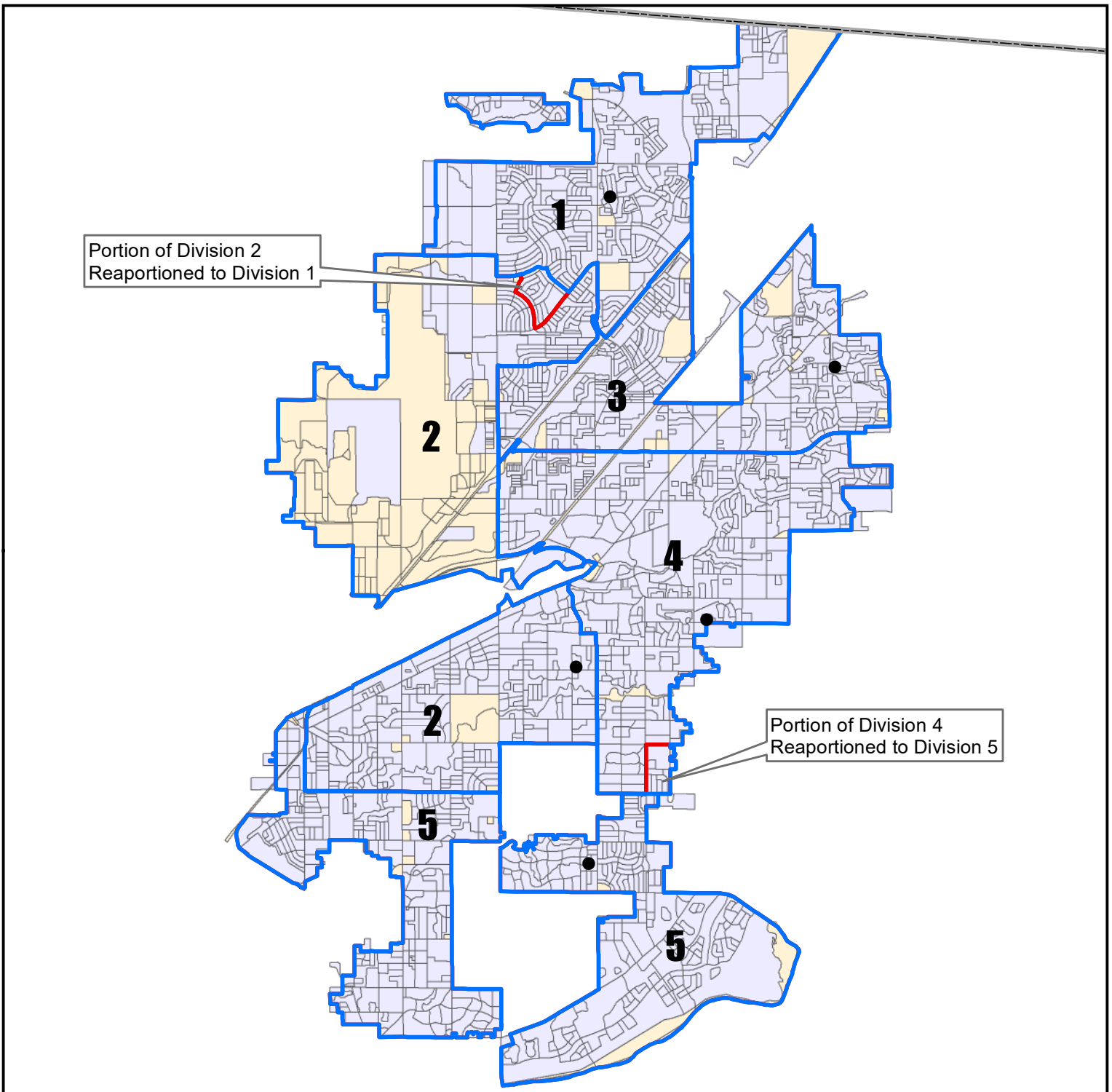
PASSED AND ADOPTED by the Board of Directors of Sacramento Suburban Water District at a meeting on the 4th day of April 2022 by the following vote:

AYES:
NOES:
ABSENT:

By: _____
Craig M. Locke
President, Board of Directors
Sacramento Suburban Water District

I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a special meeting hereof held on the 4th day of April 2022.

(SEAL) By: _____
Dan York
General Manager/Secretary
Sacramento Suburban Water District



Portion of Division 2 Reapportioned to Division 1

Portion of Division 4 Reapportioned to Division 5

Voting Division	Population		Change (2020 to 2022)		2022 Proposed	
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Total	194,444	194,444	--	--	--	--
Average (Target)	38,889	38,889	--	--	--	--

- Director Location
- Census Block with Population
- Census Block without Population
- ▭ Existing Voting Division Bdry
- ▭ Proposed Voting Division Bdry

Proposed Voting Divisions with 2020 Census Blocks

Difference between lowest and highest percentages from 2022 Proposed.
 Division 2 0.7 %
 Division 5 -1.0 %
 1.7 %



Agenda Item: 3

Date: April 4, 2022

Subject: Carmichael Water District and Sacramento Suburban Water District Combination Study - Business Case Analysis

Staff Contact: Dan York, General Manager

Recommended Board Action:

Review and discuss the proposal/workplan from Raftelis, in the amount of \$155,119, and approve the following, pending legal counsel review:

1. Authorize the General Manager to sign a Professional Services Agreement with Raftelis, not to exceed \$155,119.
2. Authorize the General Manager to sign a Memorandum of Understanding regarding a Combination Study Business Case Analysis with Carmichael Water District for a 50/50 cost share.

Discussion:

At the October 6, 2021, Joint Board meeting between Carmichael Water District (CWD) and Sacramento Suburban Water District (SSWD), staff was directed to develop a draft Request for Proposal (RFP) for the purpose of conducting a business case analysis of a potential combination between CWD and SSWD. In addition to the RFP, staff was directed to provide an estimated budget to conduct the subject study. Staff estimated the budget for the study at approximately \$200,000.

The respective Boards of CWD and SSWD provided direction to the 2X2 Committee (Committee) to approve the RFP and proceed to distribute it to a pre-selected list of consultants, as well as place the RFP on the districts website.

As reported at the February 2022, regular Board meeting, only one proposal was received by the set deadline. The proposal was submitted by Raftelis with a proposed cost of \$155,119.

The Committee met on February 18, 2022, to discuss the proposal and provide input and direction to staff. Upon agreement of the Committee, the General Managers and two members from the Committee met with Raftelis on March 8, 2022, to finalize the scope of work in order to bring the contract to the respective Boards for potential approval. Based on the outcome of the March 8 meeting, staff and Raftelis continued to develop a final scope of work. The final draft proposal is now ready to be reviewed and recommended to be approved by the CWD and SSWD Board of Directors. CWD has this topic as an action item on the agenda for their April 5, 2022 Special Board meeting.

Carmichael Water District and Sacramento Suburban Water District Combination Study -
Business Case Analysis

April 4, 2022

Page 2 of 2

If both CWD and SSWD approve of the subject analysis, SSWD will be responsible for administering the professional agreement in accordance with SSWD procurement and contracting requirements and procedures. It has been agreed that Dan York shall be the point of contact for the consultant. All direction to the consultant shall be done in cooperation with the General Manager of CWD.

Attachments:

1. Raftelis Workplan
2. Cost Proposal



Carmichael Water District and Sacramento Suburban Water District

Strategic Business Case Analysis for a Potential
Combination

WORKPLAN / MARCH 21, 2022



Study Workplan

Raftelis has developed the following workplan for this study, which is heavily based on our submitted proposal, but includes adjustments based on the comments we received from Carmichael Water District (“CWD”) and Sacramento Suburban Water District (“SSWD”) or CWD and SSWD together (“the Districts”). It will result in the development of a strategic business case evaluation of a potential combination of the Districts. A key objective will be to objectively frame the business case for each District’s Board and stakeholders to help them decide whether or not to proceed with consolidation.

Task 1: Project Initiation and Management

We will use the kick-off meeting to identify important project outcomes and, more importantly, to create a shared vision for this engagement. Our team will meet with the Joint Committee and/or other designated representatives from the Districts to establish projects goals, key tasks and milestones, and non-negotiables, as well as to identify key areas of focus for the review of consolidation of the entities. We will prepare a document/data request for each District to gather important background information, building on the information that we have previously collected during past engagements.

Our team will develop a project plan with communication expectations, a timeline, and a project charter to clearly identify stakeholder expectations, goals, in-scope and out-of-scope activities, success factors and potential risks, key participants, and constraints as a product of the kickoff meeting. Getting buy-in on the project plan from stakeholders will be a critical success factor during and beyond this study if a combination is pursued.

DELIVERABLES:

- Agenda, kick-off meeting materials, and participation
- Project plan with communication expectations, a timeline, and a project charter

Task 2: Describe the Current Environment

Our team will focus on combination alternatives, which will be subjected to analytics necessary to determine how combined finances would impact the fiscal condition of the Districts and what the approximate ratepayer burdens could look like over time following a combination. We will

Combining Water Resources

Evaluating a combination necessitates studying the integration of each Districts’ water asset portfolio.

Understanding the fundamental principles of the opportunities and restrictions of each water asset is a primary driver to understanding how water supply integration will actually occur.

Our team will recommend a reliable water asset utilization strategy based on a conjunctive use program with the combined water asset from both Districts focusing on issues like climate change and regulatory restrictions under the Bay-Delta Water Plan. The Raftelis team will explain how to effectively use each agencies water assets and provide guidance on cost-effective approaches to water asset management integration in the context of changed future climatological and regulatory conditions.

thoroughly analyze and assess the financial condition and practices of each District to support the combination alternatives. We will review financial documents, including the CAFR and budget at a minimum, and document rate structure, financial policies, asset base, reserve levels, annual revenues, customer volume, pension liabilities, operating expenses, credit ratings, debt capacity, connection fees, and more to ensure equitability for both Districts.

Our team will review and document at a high level how each District operates, including services and programs, service standards, policies and procedures, staffing levels, water resources, structure, governance, costs, and -- something that is often overlooked -- culture. Because of our work on the previous Sacramento Regional Collaboration Study, we are familiar with the two entities which will allow us to expedite some of the data gathering.

DELIVERABLES:

- Impacts at both Districts based on combination alternatives with financial analyses

Task 3: Identify Opportunities and Challenges

We will compare and contrast the operating models of each entity and of a consolidated entity using a strategic business case format. In this phase, we will analyze and identify opportunities and challenges to a combination, including comprehensively assessing the following areas:

- Governance form/structure
- Organizational structure
- Service integration
- Facilities integration
- Financial impacts and challenges of combining Districts
- Staffing opportunities, impacts, and challenges
- Stakeholder and community organization outreach
- Significant water resource implications
- Major regulatory impacts
- Other opportunities and challenges.

For each item above, our team will identify opportunities and challenges associated with the consolidation of the Districts, including costs and benefits (such as net cost savings vs. newly incurred cost burdens to either District), key operational factors that need to be addressed, and more. The analyses will account for scenarios where known and potential future changes create operational impacts (e.g., growth, legislation, , etc.). For governance, we will assess issues of apportionment (representation), customer equality, and equity. This will include recommendations about the structure of a combined governance body and transitional representation during a combination process. For staffing, we will include a discussion of the likely implications with respect to collective bargaining, culture, and staffing. All of these analyses will be informed by information from our work with other clients in the region as a means of comparison.

Raftelis plans to collect data, including interviews, for Tasks 3 and Task 4 using a combination of on-site and virtual data gathering. One trip is scheduled for Tasks 3 and 4.

We will develop a detailed stakeholder and outreach plan that identifies and prioritizes stakeholders, highlights key areas for messaging, and outlines the channels and intensity of engagement by stakeholder group based on their prioritization. Assistance with execution of stakeholder outreach activities is not presently included in the scope.

We will review preliminary observations and recommendations with the Districts and perform any follow-up required to finalize recommendations.

DELIVERABLES:

- Preliminary observations and recommendations

Task 4: Project Deliverables

Once recommendations have been finalized, our team will prepare a comprehensive draft report incorporating our assessments and using data from all project tasks to make recommendations as to how consolidation of the Districts might proceed, and what the costs and efficiencies (together the strategic business case) are likely to be from such a consolidation. The report will include a model (recommended) sequence of activities to achieve a combination, understanding that combination is a process and certain regulatory, financial, and water resource elements may be impacted by outside forces. The draft report will detail the information collected, the analysis conducted, and our recommendations, and make use of creative graphics, tables, and figures to clearly tell the story to a broad audience. To ensure factual accuracy, the entities will have the opportunity to provide one round of consolidated comments. Raftelis will then produce and present a final report.

Raftelis will present its findings and recommendations in person or via a web meeting (if desired by the Districts). This presentation meeting will augment our ongoing virtual check ins and interactions with the Districts and 2x2 Committee that will occur roughly monthly to provide updates and get feedback. We are available for additional in person or virtual meetings to present findings and recommendations beyond what is described, as an amendment to the scope of work.

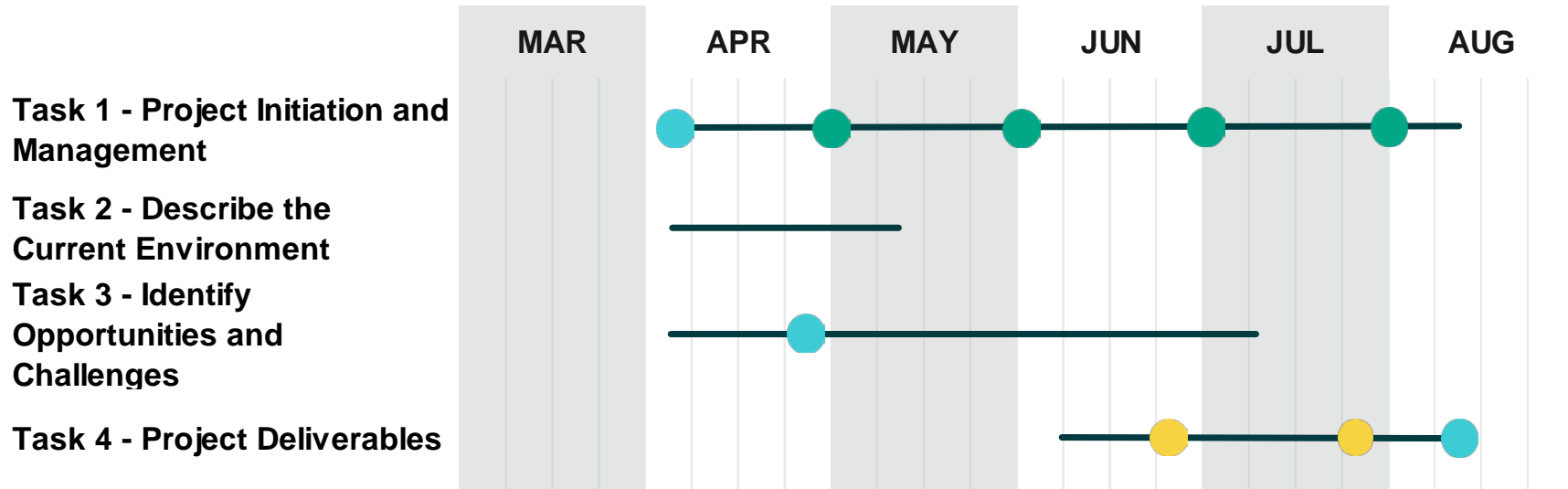
DELIVERABLES:




- Draft and final report
- One presentation of findings and recommendations in person or via a web meeting (if desired by the Districts)

Hours by Task and Role:

Role	Name	Availability	PROJECT HOURS				
			Task 1	Task 2	Task 3	Task 4	Total Hours
Project Director	Seth Garrison	40%	7	8	72	28	115
Project Advisor	Jim Armstrong	30%	2	1	11	2	16
Project Advisor	John Mastracchio	25%	--	1	2	2	5
Finance/ Organization	Zach Green	60%	12	20	126	40	198
Finance	Kevin Kostiuk	25%	1	2	6	6	15
Information Technology	Doug Spiers	20%	1	2	4	2	9
Engagement	Melissa Elliott	25%	12	5	16	2	35
Staffing/HR	Lisa Wilson	20%	--	2	4	1	7
Water Resources & Regulatory	Zanjero	35%	8	6	51	30	95
LABOR HOURS			33	42	307	113	495

TIMELINE:



-  *In-Person/Virtual Meetings*
-  *Project Status Report/Billing*
-  *Deliverables*



Carmichael Water District and Sacramento Suburban Water District

Business Case Analysis for a Potential Combination

COST PROPOSAL / March 21, 2022



