



**Regular Board Meeting  
Monday, March 17, 2025, 6:00 p.m.**

**Carmichael Water District  
7837 Fair Oaks Boulevard  
Carmichael, CA 95608**

### **MINUTES**

**The Carmichael Water District Board of Directors met in Regular Session this 17<sup>th</sup> day of March at 6:00 p.m. in person and via teleconference.**

#### **ATTENDANCE:**

**Directors:** Ronald Davis, Mark Emmerson, Ron Greenwood, Jeff Nelson, Paul Selsky  
**Staff:** Cathy Lee, Gaby Padilla, and Kelly Doyle  
**Public:** Two (2) Member of the Public

**CALL TO ORDER:** President Greenwood called the meeting to order at: **6:00 p.m.**

**PRESIDENTS COMMENTS:** President Greenwood led the Pledge of Allegiance. President Greenwood commented that there are several items the Board is working on including the General Manager's performance evaluation and several other closed session items that are in process.

#### **PUBLIC COMMENT**

##### **1. Public Comment**

None.

**ANNOUNCED CLOSED SESSION AND ADJOURNED OPEN SESSION TO CLOSED SESSION: 6:04 p.m.**

#### **CLOSED SESSION**

##### **2. CONFERENCE WITH LEGAL COUSEL – SIGNIFICANT EXPOSURE TO LITIGATION (Government Code Sections 54956.9 (d) (2) Related to a Single Claim)**

**ADJOURNED CLOSED SESSION AND OPENED REGULAR SESSION: 6:18 p.m.**

**REPORTED OUT OF CLOSED SESSION:** The Board of Directors gave direction to legal counsel and to staff.

#### **CONSENT CALENDAR**

- 3. Minutes for the Regular Board Meeting – February 18, 2025**
- 4. Minutes for the Special Board Meeting – February 28, 2025**
- 5. Minutes for the Special Board Meeting – March 11, 2025**
- 6. Monthly Expenditure Report – January 2025**

Directors commented that they saw a payment for Toppel Consulting and inquired the schedule for La Vista Tank. The General Manager informed the Board of Directors that the contract was issued as soon as the Board approved it on February 18<sup>th</sup>. On February 19<sup>th</sup>, the notice to proceed was issued to KKI. They have 458 days to finish the project and the estimated date of completion is around May 23, 2026. There has been three meetings with KKI where they have submitted their schedule and they have started working at the project site since then. Unfortunately, last week there was not much progress due to the rain. The General Manager also mentioned that there is an item in this Board packet that discusses this topic in greater detail and that Mr. Toppel would be coming in May to the Board meeting to present the status of the project.

Directors also inquired about the payment to the State Water Resource Control Board for the treatment plant operations and licenses and if this was an increase.

The General Manager informed the Board of Directors that the amount is about the same and the amount is based on the size of the water system.

Directors commented that it looks like the SMUD bill went down.

The General Manager informed the Board of Directors that this is because there is a lower production due to people not irrigating their lawns.

- 7. Budget to Actual Report – January 2025**
- 8. Treasurers Report**
- 9. Directors Compensation and Reimbursements**

M/S Selsky / Emmerson to approve the consent calendar.



Mark Emmerson	Aye	✓	Nay		Absent		Abstain	
Jeff Nelson	Aye	✓	Nay		Absent		Abstain	
Ronald Davis	Aye	✓	Nay		Absent		Abstain	
Ron Greenwood	Aye	✓	Nay		Absent		Abstain	
Paul Selsky	Aye	✓	Nay		Absent		Abstain	
Board Totals:	Ayes:	5	Nays:	0	Absent:	0	Abstain:	0
<b>Passed Unanimously:</b>		✓						

**ACTION ITEMS****10. Request for Proposal: Progressive Design-Build Professional Assistance for the Ladera and Winding Way Well Site Improvement Project**

Staff recommends that the Board of Directors approve a Service Agreement with Water Systems Consulting (WSC) for a not-to-exceed value of \$31,147 and authorize the General Manager to execute the agreement based on approval by the District's attorney.

Directors inquired if WSC would not be submitting a bid on Wednesday in response to the RFP. The General Manager informed the Board of Directors that they were correct.

Directors inquired if this was to assist the District in assessing contractors who submit a bid on the progressive design RFQ.

The General Manager informed the Board of Directors that they were correct.

Directors inquired if the reason staff feels the need to hire a contractor is because they have expertise that CWD's staff does not and/or is it due to the lack of time to review the proposals that come in.

The General Manager informed the Board of Directors that the consultant will be looking at the qualifications and then the proposals later as well. The Engineering Department could possibly be able to assess the bids. Due to the fact that no one in the Engineering Department has done a progressive design project before, they feel like having a contractor with the experience of doing such project will guarantee that all the important items will be reviewed. Directors commented that they are glad that staff decided to hire a consultant since staff has never done a progressive design because this type of design is completely different than a regular one.

Directors inquired how the RFQ was prepared.

The General Manager informed the Board of Directors that staff looked online to see how the RFQ's were structured and focused on the experience of the contractors with wells. The RFQ also included the project description.

Directors inquired if a shortlist will be created with the qualified contractors.

The General Manager informed the Board of Directors that there will be a shortlist after staff and Water Systems Consulting has reviewed the bids then the RFP will be created.

Directors inquired what the ranking was for this RFQ.

The General Manager informed the Board of Directors that GEI came in second but since they were already doing the design for the La Sierra well, staff wanted to have someone new looking at the designs. Vanir and Dugan were tied for third but they did not focus on CWD's project and their reference list did not have topside production and designs experience. Granberg and Toppel were last because they lacked the details that the other firms listed.

Directors inquired if WSC was also going to help staff make sure that the contractor that is chosen is familiar with the two-step process that is rather new in California.

The General Manager informed the Board of Directors that they would be reviewing the proposals and so will CWD's attorney, Ms. Nichols, since she is more familiar with the public contract code. WSC will also be helping staff create the RFP that will be sent out to the contractors that are on the shortlist from the RFQ.

M/S Nelson / Davis to approve staff's recommendation.

Mark Emmerson	Aye	✓	Nay		Absent		Abstain	
Jeff Nelson	Aye	✓	Nay		Absent		Abstain	
Ronald Davis	Aye	✓	Nay		Absent		Abstain	
Ron Greenwood	Aye	✓	Nay		Absent		Abstain	
Paul Selsky	Aye	✓	Nay		Absent		Abstain	
Board Totals:	Ayes:	5	Nays:	0	Absent:	0	Abstain:	0
<b>Passed Unanimously:</b>		✓						



**11. Water Quality Monitoring Laboratory Services Award**

Staff recommends that the Board of Directors approve a Service Agreement with BSK Analytical for 2025-2029 Water Quality Monitoring and authorize the General Manager to execute the agreement.

Directors inquired if the list of constituent testing chemicals are the same chemicals that the Division of Drinking Water (DDW) require agencies to test on a regular basis.

The General Manager informed the Board of Directors that they were correct; all the chemicals listed are a part of title 22.

Directors commented that they know this lab and they believe they are a good lab.

The General Manager informed the Board of Directors that BSK has been working with CWD for about 15 years.

Directors inquired about PFAS testing.

The General Manager informed the Board of Directors that PFAS is not on the list because it is a UCMR.

Directors inquired about CWD handling all other chemicals that are not a part of title 22.

The General Manager informed the Board of Directors that those will come in when EPA approves the lab. Staff will give BSK a service order, which is usually under \$50,000 and get those tested.

Directors inquired if there will be manganese treatment.

The General Manager informed the Board of Directors that there will be at Ladera Well.

M/S Nelson / Davis to approve staff's recommendation.

Mark Emmerson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ron Greenwood	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Paul Selsky	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Board Totals:	Ayes:	5	Nays:	0	Absent:	0	Abstain:	0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>						

**12. Contract Approval for 2025 Rate Study and Business Plan Consultant – Hildebrand Consulting**

Staff recommends that the Board of Directors approve a service agreement Hildebrand Consulting for a not-to-exceed cost of \$89,500 and authorize the General Manager to execute the agreement.

Directors commented that they want to make sure that CWD continues to be financially solid and have working capital so that if an emergency comes up, which could be millions of dollars, CWD would have enough to cover.

The General Manager informed the Board of Directors that the consultant might suggest that CWD is better off saving any excess money. The Water Treatment Plant (WTP) has seven phases of pipeline replacement because these are old pipelines at the WTP that have not been replaced since the construction of the Ranney Collectors. Staff has estimated that this would cost about 13 million dollars. It is projects like this that the consultant will be factoring in on the study to determine whether a rate increase is needed.

Mr. Hanscom commented that he participated in the last two rate studies. The first one was with Mr. Reed and the second was with Mr. Reed and Mr. Hildebrand. Mr. Reed was very easy to work with and very knowledgeable. He mentioned that he was not really enamored with Mr. Hildebrand and stated that he had some issues with communications. He also mentioned that he started looking at what the study cost and determined that it is about nine weeks of work for \$9,940 per week. He feels like it is a lot of money for someone who has done this before who is just updating the rate study template.

Directors responded that there are templates to start to build the study but there is an analysis of all the changed factors over the past five years and that is what the District is paying for. It includes inflation, supply chain disruptions, and more issues that the analysis will inform the District to anticipate those types of changes and how to address them. They also mentioned that the change circumstance from five years ago to today is enormous.

Mr. Hanscom commented that if there is a well-built template then all of that is just plug in and changing numbers. Directors commented that it is not just updating numbers, its situations that could potentially arise and they feel that just a template cannot give them the well thought out analysis under the circumstances that CWD is dealing with for everything.

Mr. Hanscom commented that every time this study gets done there is a lot of the same boiler plate items that get brought up over and over again and he understand that there is going to be a lot of new stuff in this study but there



a lot of repetitive items.

Directors commented that they agree with Mr. Hanscom, because if they have a good template than about 60-70 percent of this is done. They requested staff to query the process that they go through systematically and write it down. So maybe in the future staff can do this type of analysis. They also suggest that this become a standardized procedure or methodology that is done by all the surrounding water districts through RWA.

Directors commented that years ago District staff did the rate study in house and it was flawed. It violated two fundamental rate setting principles on how the fix charges are created for the meter and had an erroneous quantity charge. It was corrected about two years later by an actual rate study consultant.

Directors commented that it is a big mistake to have staff create this analysis because ideally the District should have someone on the outside who is objective, independent, and who can defend the rate increase. They also mentioned that they do not think there could be a template that could cover something so complicated. CWD transitions from surface water to groundwater, there is evolving regulations, the market for funding is different, and there is a base rate and a usage rate and there has to be a determination if that needs to be shifted around. All these examples are why a simple template could not work for a rate study this complicated.

The General Manager informed the Board of Directors that Mr. Hildebrand has the experience to handle all the above and he knows what needs to be done and has seen what a lot of districts are doing or planning with regard to the water shortage contingency.

Mr. Christian commented that he does not agree with this process simply because it is not competitive because it was not sent to other businesses to submit bids on it. By doing an RFP process, it could have potentially brought down the cost and benefited the rate payers. He then inquired as to why there is talks about a rate increase when it has been stated that there is a surplus of money from the previous rate increase. All the projects that will be done in the next fiscal year could be estimated. With the surplus money, there does not need to be a rate increase at least for one year. He mentioned that in the community there is a high number of people suffering from inflation and struggling to pay their bills. He commented that it bothers him that the Board has not looked at this as trying to have some relief for the rate payers since the District is doing so well. He understands that rate increases are inevitable and it is for preventative measures but the District currently has a surplus of money where a rate increase is not needed at this time. Rate payers are not doing well right now financially and cannot generate enough income to pay all their utility bills, mortgage/rent, insurance and living expenses like food. He thinks the District should not do a rate increase for this next year.

Directors commented that it is fiscally responsible to do a rate study every five years but it does not mean there will be a rate increase. If the consultant sees that a rate increase is needed then they are going to have to explain why. The Board could even decide and vote to not do a rate increase like how Mr. Christian suggested as well.

Mr. Christian commented that it seems like there should be a rate return because the District received 18 million dollars in funding.

Directors commented that the funding is tied directly to projects.

Mr. Christian commented that he understand that the funding is for the projects but what he is suggesting to the Board is to not do a rate increase for a year because the District has the money for the next fiscal year's projects. He stated that if they did do a rate increase this upcoming year then it would be impinging on the rate payers to just add funds to the treasury where there is already a surplus and it does not make sense to do so when the District is not in a deficit.

Directors commented that they could easily ask the consultant that will be conducting the rate study to come up with several alternatives to rate increases.

The General Manager commented that the consultant always comes up with different scenarios to present to the Board and the Board votes for the best option for the District and rate payers.

Mr. Christian requested that the Board really deliberate the options and come up with the best option for the District and the rate payers.

Directors commented that they agree with Mr. Christian and their first thought is going to be sensitive to the rate payers. They mentioned that they cannot make any commitments at the moment but the rate payer's interest is the first priority when they make a decision.

M/S Davis / Selsky to approve staff's recommendation.

Mark Emmerson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ron Greenwood	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>



Paul Selsky	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Board Totals:	Ayes:	5	Nays:	0	Absent:	0	Abstain:	0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>						

**13. Budget Adjustment for Raw Water Pump VFD Replacement**

Staff recommends the Board of Directors

1. approve a budget transfer in the amount of \$48,000 from the Bajamont Water Treatment Plant Building Rehab capital improvement project to Water Treatment Plant Systems Maintenance line item within the Operations and Maintenance Production Department Water Treatment Operations, in the approved FY 24-25 Budget, and
2. if Item 1 is approved, authorize the General Manager to execute a contract with ACE Electric Motor to replace one variable frequency drive on Raw Water Pump, 111, with a new Nidec model.

Directors inquired if one of the Toshiba drives were being replaced by the Nidec drive.

The General Manager informed the Board of Directors that this was correct.

Directors inquired if the Nidec drive was a good drive and how did staff choose this.

The General Manager informed the Board of Directors that Nidec's parent company, ACE Electric Motor, is the same as the pump manufacturer and unfortunately Altivar drives are no longer being made. The reason staff chose the Nidec drive was to have all the drives be the same.

Directors inquired when the other Toshiba drive would be replaced.

The General Manager informed the Board of Directors that it will be replaced in October.

Directors inquired why they did not look into the Danish drives.

The General Manager informed the Board of Directors that staff looked into it but they decided it was best to have the same drives at the moment and the Danish drives were more expensive.

Directors commented that they might be expensive because they are good quality.

Mr. Hanscom inquired if there were two drives that are bad.

The General Manager informed Mr. Hanscom that he was correct.

Mr. Hanscom inquired why the District wouldn't replace them both now if there is money in the budget.

Directors commented that they agree and that the prices could increase by the end of the year and would not have to mobilize twice.

The General Manager informed the Board of Directors that staff is concerned about how many they could get at one time and that is why they decided to do one now and one in October.

Directors commented that if it was possible to buy them both then they think it would make the most sense to buy them both at the same time.

The General Manager requested the Board of Directors approve this current request and then next month staff would bring the second one to the Board for approval if it is possible to buy them both

Directors commented that as long as they are both delivered at the same time.

The General Manager informed the Board of Directors that staff would make sure they would be delivered at the same time.

M/S Nelson / Emmerson to approve staff's recommendation.

Mark Emmerson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ron Greenwood	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Paul Selsky	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Board Totals:	Ayes:	5	Nays:	0	Absent:	0	Abstain:	0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>						

**14. Purchase of Replacement Vehicles for the Production Department**

Staff recommends the Board of Directors authorize the General Manager to:

1. Purchase 1 (one) 2025 Ford F150 Super cab 4X4 from Downtown Ford Sacramento under the LPA State Contract ID# 1-22-23-20F and
2. Surplus Vehicle #38 (2018 Ford F150) to public auction.

Directors inquired if the 2018 Ford F150 was creating some type of hardship with the maintenance.

The General Manager informed the Board of Directors that it was and there are some issues on the vehicle that

cannot be fixed and the dealer cannot even figure out what is wrong.

Directors thanked staff for bringing this time back with the Board's recommendation.

Mr. Christian inquired what the purpose of the new truck was for.

The General Manager informed Mr. Christian that the truck is used to go to all the well sites for inspection and to get weekly samples from the distribution systems.

Mr. Christian inquired how many miles is on the 2018 Ford F150.

Staff informed Mr. Christian that it had 99,000 miles.

M/S David / Nelson to approve staff's recommendation.

Mark Emmerson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Jeff Nelson	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ronald Davis	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Ron Greenwood	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Paul Selsky	Aye	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>	Absent	<input type="checkbox"/>	Abstain	<input type="checkbox"/>
Board Totals:	Ayes:	5	Nays:	0	Absent:	0	Abstain:	0
<b>Passed Unanimously:</b>		<input checked="" type="checkbox"/>						

### INFORMATIONAL ITEMS

#### 15. La Vista Tank and Booster Pump Project, Continuous Update #1

Directors thanked staff for the report.

Directors requested to have Mr. Toppel present to the Board, in person, for any significant activity.

#### 16. Claremont Road and Fair Oaks Boulevard at El Camino Avenue Water Main Replacement Project

Directors commented that they appreciate the heads up on this project and asked staff to update the Board with any projects like this so that way they are aware of what projects are going on in the community. As such, if they receive a call about the projects they have a better idea on how to respond.

The General Manager informed the Board of Directors that there will not be any construction going on until June and this is just to inform the Board about the public notice that will be distributed on April 8<sup>th</sup>.

#### 17. Engineering Staffing Update

Directors inquired if there was enough in the budget to fund this position.

The General Manager informed the Board of Directors that there is enough only because the GIS Specialist left and the Water Efficiency Specialist is a lowered paid position than the GIS position.

Directors inquired if this new position only to address water leaks or is it to advertise the turf replacement program. The General Manager informed the Board of Directors that this position will be doing both, and able to address water leaks and go inform the rate payers on all the programs the District has.

#### 18. Surplus Equipment – Distribution and Administrative Services Departments

No comments.

#### 19. ACWA Election Process for 2026-27

Directors inquired if Marwan Khalifa was the Interim Executive Director.

The General Manager informed the Board of Directors that they were correct.

Directors commented that they have an RFP out right now to hire a consultant to do a nationwide search for the Executive Director position.

#### 20. AWWA – Banning Fluoridation of Public Water Systems

No comments.

### COMMITTEE REPORTS

#### 21. Sacramento Groundwater Authority (SGA) Board Meeting

Director Selsky Reports Out.

Director Selsky reported that there was not a regular SGA Board meeting in the last month. He reported that he did attend a prior banked water ad hoc committee meeting and they discussed the Eastern Unit, which includes CHWD and FOWD. They Eastern Unit feel like they should have prior banked water due to their activities. Mr. Trevor Joseph was present in the meeting and stated that he did an analysis for the Eastern Units but he could not find any prior banked water and what he did find was a negative amount of banked water. The committee does not know what to recommend yet but they did decide that one option they may put out there is to not have a recommendation on the



Eastern Unit or choose to say that this is something RWA needs to address.

**22. Regional Water Authority Executive Committee and Regular Meeting**

Director Greenwood Reports Out.

Director Greenwood reported that he attended the RWA Board meeting on March 13<sup>th</sup> and the key topics discussed at the meeting was the Water Forum, the ARTESIAN project, new legislation that is coming, American River Climate Adaptation Project, and the 2025 Strategic Plan was approved.

**23. Carmichael Chamber of Commerce**

Director Greenwood and Nelson Report Out.

Director Nelson reported that at the meeting it was reported that all federal grants were frozen and he does not know if that was changed.

The General Manager informed the Board of Directors that the District actually received funds for the turf replacement program.

Director Nelson inquired if the La Sierra funds and the Ladera funds were frozen.

The General Manager informed the Board of Directors that the La Sierra funds are not frozen and staff is concerned about the Ladera project because that money has been appropriated but not obligated. The EPA staff informed the District that the fund will be allowed to go through because it is a congressional funding and the money will be impounded if it does not get signed.

Director Nelson commented that they will confirm this because he was told that even though the grant was awarded they are just not paying.

The General Manager informed the Board of Directors that the funding agencies did reimburse the District.

**24. Other Committee Report**

Directors Report Out.

Director Nelson reported attending the Water Forum meeting and they were informed that they might be hiring someone by the end of the month for the Executive Director position.

Director Greenwood reported attending the Cap-to-Cap planning meeting where they discussed the topic points and they decided to break into teams of four or five so they do not over power the staff. The biggest topic they will address is funding that has already been appropriated but is currently frozen.

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**STAFF REPORTS:****25. General Manager and District Activity Report – February 2025**

Discussed with the Board.

**26. Director's Expense Reimbursement Summary – February 2025**

No comments.

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**GENERAL CORRESPONDENCE/INFORMATION:****27. Director's Written and/or Oral Reports**

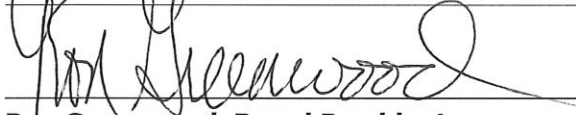
Director Emmerson

1. ACWA Committee Meetings

- a. A very interesting topic discussed was the desalinization amendments because of effects that could be on marine life in the localized areas. He feels like it is a waste of time and funding to do these studies because there are other countries that have many desalination plants with no apparent degradation of the marine life there.

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**ADJOURNMENT:** President Greenwood adjourned the meeting at: **8:18 p.m.**



**Ron Greenwood, Board President**



**Cathy Lee, Board Secretary**

