

Minutes

Sacramento Suburban Water District
Regular Board Meeting
Monday, January 12, 2015

Call to Order

President Schild called the meeting to order at 6:30 p.m. and announced that Director Locke is absent.

Roll Call

Directors Present: Frederick Gayle, Neil Schild, Kevin Thomas and Robert Wichert.

Directors Absent: Craig Locke.

Staff Present: General Manager Robert Roscoe, Dan York, Dan Bills, Christine Bosley, Jim Arenz, Greg Bundesen, Heather Hernandez-Fort, Annette O'Leary, John Valdes and Lynne Yost.

Public Present: William Eubanks, Brenda Washington-Davis and Avery Wiseman.

Announcements

- Director Locke was unable to attend this meeting. Director Locke is also expected to be absent from the February regular Board meeting.
- The District office will be closed on Monday, January 19, 2015 in observance of Martin Luther King Day and February 16, 2015 for President's Day.
- The Facilities and Operations Committee will meet on January 21, 2015 at 6:00 p.m.
- The January regular Board meeting is being held a week earlier than usual; therefore, the Financial Reporting for December is unavailable. Both the draft December and January Financial Statements will be presented at the February regular Board meeting.
- President Schild commented that he received a notice regarding electronic submission of PPC Form 700. The County will host a meeting January 21.
- On January 20, 2015, ACWA/JPIA will have a presentation on the topic of "Cadillac Tax" on health insurance for 2018.
- ACWA/JPIA will be electing three new Executive Committee members at their May Board meeting.

Public Comment

Avery Wiseman voiced his disappointment that Director Locke, as a new Director, was not present. Mr. Wiseman commented that he is unhappy with the rate increase, the handling of the 218 rate hearing, and stated his concern with regard to the potential consolidation with San Juan Water District. Mr. Wiseman reminded the Board of their responsibility to their constituents and opined that Directors must reject items that do not benefit District ratepayers. Mr. Wiseman also shared his thoughts on a recent Del Paso Manor Water District's Board meeting.

Consent Items

1. Minutes of the December 15, 2014 Regular Board Meeting

President Schild pulled item 1 from Consent to question why the individual votes were not reported for the election of the Board President. General Manager Roscoe explained the vote was cast by blind ballot and, therefore, the individual names were not available.

Director Thomas moved to approve the minutes of the December 15, 2014 Board meeting; Director Wichert seconded. The motion carried by unanimous vote.

AYES:	Gayle, Schild, Thomas and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:	Locke.		

Items for Discussion and Action

2. **Water Conservation Stage Declaration for 2015**

GM Roscoe provided a summary of the report and stated staff's concern with regard to changing the District's declaration at this time.

The Regional Water Authority has made great strides in coming up with common stage declarations for its member agencies which will help avoid the public's confusion over different messaging efforts in the region. Also, the State Water Resources Control Board (SWRCB) is seriously considering suggesting a statewide irrigation schedule. The SWRCB reports the region has been hugely successful in reducing its water use per capita/per day, mainly because many agencies have a two day watering schedule.

Staff explained that to advertise a three days per week watering schedule now, and then possibly advertising again in spring should the District have to go back to a two days per week watering schedule, may not be cost effective and could be very confusing to the public. Additionally, irrigation during the winter is needed much less given the shorter days and cooler temperatures.

Director Wichert stated he was pleased with the staff report. Director Wichert stated he liked El Dorado Irrigation District's approach with regard to more watering days in the summer and less in the winter; he also noted that no other districts have increased their watering schedules during the winter.

William Eubanks stated that he found the report contradictory. Mr. Eubanks question why the District didn't have a more flexible watering schedule. Staff responded that the Governor's drought declaration called for districts statewide to adopt the water stage in their water management plan that required mandatory water restrictions. Mr. Eubanks stated that given recent rains, he believes it would be okay to put off any change in the stage declaration until May, but would then recommend going to a three day per week watering schedule.

Staff's recommendation is to take no action at this time.

President Schild stated his concern over the District's flushing of the distribution system when ratepayers are doing their part to conserve water. Staff responded that District flushes in response to water quality issues only. Director Wichert requested an information item regarding the District's flushing activity be brought to the Board at the February Board meeting. Staff concurred.

Director Thomas stated he would still like to see the watering schedule be increased to three days per week and moved to increase the current mandatory two day per week watering schedule to three days per week and not spend additional money for advertising; President Schild seconded.

Director Wichert stated he is opposed to the motion as it goes against the grain to offer more watering days when it is unnecessary during the winter time.

Directors Gayle and Wichert opposed. The vote was tied; the motion lost.

AYES:	Schild and Thomas.	ABSTAINED:	
NOES:	Gayle and Wichert.	RECUSED:	
ABSENT:	Locke.		

This item will be brought back to the Board at the February regular Board meeting.

Information Items

3. District Activity Reports

Director Schild requested page numbers be added to the report.

a. *Water Operations and Exception Report*

A written report was provided.

b. *Customer Service Report*

A written report was provided.

c. *Water Conservation and Regional Water Efficiency Program Report*

A written report was provided.

d. *Community Outreach Report*

A written report was provided.

4. Engineering Report

A written report was provided. There was a brief, non-substantive discussion regarding manganese in wells. Director Thomas questioned if there had been a response from SMUD regarding Net Zero metering. Engineering Manager John Valdes responded

he had heard from SMUD and all meters are now Net Zero meters and suitable for feeding energy back to the grid. There was a brief non-substantive discussion on the procedure of feeding that energy back to the grid.

a. *Major Capital Improvement Projects*

A written report was provided.

b. *County and City Projects/Coordination*

A written report was provided.

c. *McClellan Business Park*

A written report was provided.

d. *Developer Projects*

A written report was provided.

e. *Other*

A written report was provided.

5. **Human Resources Quarterly Report**

A written report was provided.

6. **Upcoming Policy Review - Investment Policy (PL - Fin 003)**

A written report was provided. Directors' comments are due by February 9, 2015.

7. **Financial Markets Quarterly Report**

A written report was provided.

8. **Year-to-Date Interest Expense Quarterly Report**

A written report was provided.

9. **2014 Final Budget Reallocations**

A written report was provided. Director Thomas requested staff report back on status of reshuffling main replacement projects. Mr. Bills will look into the amount of money left in reserves after the audit and report back.

10. **CIP Projects Quarterly Report**

A written report was provided.

11. **Award of Construction Contract for 2015 Meter Retrofit Project**

A written report was provided.

12. **Proposition 84 Drought Grant for Enterprise Intertie Improvements**

A written report was provided. President Schild stated he is opposed to ratepayers paying for this intertie as he believes there is no benefit to the ratepayers. There was discussion related to costs associated with water transfers and that the cost to the District, after the grant monies received, would be \$30,000 but provides for mutual aid for both agencies. Staff will have a discussion with City of Sacramento and report back.

13. **City of Sacramento Emergency Water Delivery**
A written report was provided. GM Roscoe provided a brief summary.
14. **Preventive Maintenance Annual Report**
A written report was provided. GM Roscoe stated this program has been very successful. There was a brief non-substantive discussion regarding a GPS system.
15. **Rio Linda/Elverta Community Water District Interconnection Update**
A written report was provided.
16. **Status of Phase 2A Reorganization Study**
A written report was provided.
17. **Legislative and Regulatory Update**
A written report was provided.

Committee Reports

18. a. Facilities and Operations Committee
No report.
- b. Finance and Audit Committee
No report.
- c. Government Affairs Committee
No report.
- d. 2x2 Water Management Ad Hoc Committee
See separate agenda item – Status of Phase 2A Reorganization Study.
- e. Ad Hoc Water Banking and Transfer Committee
No report.

Director's Reports (Per AB 1234, Directors will report on their meeting activities)

19. a. *Regional Water Authority*
President Schild provided an oral report regarding the January 8, 2015 meeting.

Regional Water Authority Executive Committee
No report.
- b. *Sacramento Groundwater Authority*
No report.
- c. *Water Forum Successor Effort*
President Schild provided an oral report regarding the January 8, 2015 Water Caucus meeting.

d. *San Juan Water District Executive Committee*
No report.

e. *Other Reports*

President Schild provided an oral report regarding a January 9, 2015 meeting with the Finance Director and Phase 2A Study Consultant John O'Farrell.

Director Wichert provided an oral report regarding a January 9, 2015 meeting with San Juan Water District staff, SSWD staff and Phase 2A Study Consultant John O'Farrell.

Miscellaneous Correspondence and General Information

20. **Certain correspondence received by the District was provided.**

21. **General Information related to District business was provided.**

Director's Comments/Staff Statements and Requests

President Schild discussed committee assignments and requested that any Directors wishing to take on more assignments to let him know.

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

The Board convened in closed session at 8:11 p.m. to discuss the following:

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

Return to Open Session

The Board reconvened in open session at 8:36 p.m. There was no reportable action.

Adjournment

President Schild adjourned the meeting at 8:37 p.m.

Robert S. Roscoe
General Manager/Secretary
Sacramento Suburban Water District