

Minutes

Sacramento Suburban Water District **Regular Board Meeting** Monday, November 16, 2015

Call to Order

President Schild called the meeting to order at 6:31 p.m.

Roll Call

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

Directors Absent: None.

Staff Present: General Manager Robert Roscoe, Assistant General Manager Dan York, Finance Director Dan Bills, Legal Counsel Josh Horowitz, Heather Hernandez-Fort, James Arenz, Greg Bundesen, David Espinoza, Dave Jones, John Valdes, Annette O'Leary and Lynne Yost.

Public Present: Robert Swartz, Brenda Davis, Jim DeHart, Ted Costa, William Eubanks, Avery Wiseman, Brenda Davis, Paul A. Stanbrough.

Announcements

- Rick Franz retirement announcement.
- Form 700 training Wednesday, December 2nd, 2015 from 9am-10am.
- Harassment Prevention in the Workplace training due by December 31, 2015 – Information at the dais.
- Special Closed Session Board meeting on December 10, 2015 at 4:00pm to discuss the Draft Water Rights Review document.
- Association of California Water Agencies Conference December 1-4, 2015.
- Office will be closed November 26th and 27th due to the Thanksgiving Holiday.
- Tax form 1099 information.
- Governor's Executive Order related to the drought.

Director Wichert inquired what the meeting on December 10th was for. General Manager Robert Roscoe (GM Roscoe) clarified that the meeting was for the Draft Water Rights Review document with Brenda Davis (Ms. Davis).

President Schild expressed his confusion, stating that this was an Ad-Hoc Water Rights Review Committee comprised of himself and Director Wichert. He further noted that those are the only Board members that can attend and speak at the meeting, further expressing that the other Directors are welcome to attend, however they are unable to participate.

GM Roscoe explained that due to the draft document being presented, each Board member expressed an interest in attending the meeting; therefore a Special Board meeting was arranged so that each may attend.

President Schild expressed that the only people that were required to be at the meeting, were the Ad-Hoc Water Rights Review Committee members, the General Manager and the Assistant General Manager. He further restated that the other Board members were welcome to attend, but that they were unable to participate.

GM Roscoe stated that the meeting being agendized should be a Special Board meeting to allow for all Directors to attend.

Director Gayle echoed GM Roscoe, stating that it is a Special Board meeting.

President Schild expressed his disapproval regarding transferring the meeting from an Ad-Hoc Water Rights Review Committee meeting to a full Board meeting, stating that its taking the power away from the Ad-Hoc Water Rights Review Committee.

GM Roscoe clarified that he's agreeable to schedule whatever the Board requests him to schedule. President Schild stated that they will talk about it later.

William Eubanks (Mr. Eubanks) commented.

President Schild clarified that the document is still a draft document, therefor not for public release until the Board has had an opportunity to review and approve it. He further stated that some of the Directors were requesting copies of the draft document, but that it is still a part of the Ad-Hoc Water Rights Review Committee.

GM Roscoe stated that he is happy to do whatever the Board would like. President Schild directed to continue onto the regular agenda items.

Public Comment

Avery Wiseman (Mr. Wiseman) provided a handout to the Board. He inquired if staff and/or the Board members see customers/ratepayers as people that the District serves, or if they saw them as just a never ending source of revenue. He further added that customers have been forced to make major reductions, yet he didn't see where the Board is making any sacrifices. He also stated that the rate increases just continue business as usual with no interruption with very low concern for the ratepayers, stating that customers are paying more and receiving less. He added that it's important for the Board to look at ways to cutback also.

President Schild commented that some of the Board members would like to do things for the ratepayer but they are in the minority and that the ratepayers vote the Board members into offices.

Mr. Wiseman commented that the public is getting what they deserve then, President Schild agreed.

Director Gayle commented that he took the oath when he was elected into office, and that he is concerned about the ratepayers as well. He further commented that if there is something specific that the Board can legally do to benefit District ratepayers that he is willing to explore those options.

President Schild reminded Director Gayle that the budget is on the agenda, and asked if a Board member locates any potential cuts to the budget, would Director Gayle be willing to support them.

Director Gayle stated that he would support any potential cuts to the budget that are legal and provide the same or better service to the District's ratepayer.

President Schild also reminded the Board that the Form 700's will need to be submitted electronically this coming year.

Consent Items

1. Minutes of the October 19, 2015 Regular Board Meeting
2. Employee Performance Evaluation, Merit and COLA Policy (PL – HR 003)
3. Resolution No. 15-25 Accepting Grant of Easement and Right of Way and Grant of Access Easement for Howe Avenue Park
4. 2015 Audit Engagement Letter and Contract

President Schild requested Item 3 be pulled from the consent calendar for further discussion.

Director Wichert requested Item 11 be pulled from the Items for Discussion and Action and placed as a Closed Session Item to occur after the open session meeting.

President Schild requested for the other Board members to express their opinion.

Director Thomas inquired if Director Wichert's request is even possible.

Legal Counsel Josh Horowitz (Mr. Horowitz) clarified to the Board that this item is not agendized as a closed session item, therefore cannot be done as such. He further commented that there is no basis in which to agendize the item as a closed session item.

GM Roscoe noted that the item can be tabled and discussed at a future meeting.

Director Wichert then withdrew his request to move the item to closed session.

Director Thomas moved to approve Items 1, 2 and 4; Director Locke seconded. The motion carried by unanimous vote.

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

Regarding Item 3, President Schild commented that he couldn't understand the maps.

Dave Jones (Mr. Jones) clarified the maps for the Board.

President Schild inquired why it was only a 10 foot easement.

Mr. Jones noted that at that particular property, a 10 foot easement gives adequate space to perform work, due to the adjacent parking lot.

Director Wichert inquired that if a 10 foot easement is always adequate.

Mr. Jones answered that it depends on the location, further noting that the particular easement was in a parking lot, which allows for adequate space to work.

Director Wichert noted that he has supported requesting as little of an easement as possible, and he wanted to be sure the policy of a 20 foot easement is not excessive, adding that he believes that an easement is taking property from the ratepayer.

Mr. Jones additionally stated that the Fulton/El Camino Park and Recreation District did not support a 20 foot easement, and only offered a 10 foot easement.

Director Thomas moved to approve Items 3; Director Locke seconded. The motion carried by 4/1 vote (Schild opposed).

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

Items for Discussion and Action

5. **2016 Budget and 2017 Forecast – Third Draft**

A written report was provided. Finance Director Dan Bills (Mr. Bills) presented a review of the power point presentation.

Director Wichert inquired what the reductions were in the operating capital portion of the budget. Mr. Bills explained that \$100,000.00 has been removed from the HVAC and Building and Structures Maintenance.

Director Wichert inquired about the \$1,680,000.00 CIP reduction. Mr. Bills stated that it comes from partially delaying two projects, the well replacements projects and the distribution replacement projects.

Director Wichert restated that the Capital Improvement Project (CIP) budget has been cut by \$1.68 million dollars by deferring some of the projects to 2017.

Director Locke inquired if the deferred costs from this budget will be increased by that amount in the following year's budget. Mr. Bills replied that it wouldn't necessarily.

Director Wichert asked if the reduction in the building and maintenance budget would result in leaking roofs and such. Mr. Bills noted that there is nothing to indicate that we cannot defer those projects to 2017.

GM Roscoe clarified that staff can't predict when something is going to fail and that staff is responding to the Boards request to produce a balanced budget and not draw down the reserves fund.

Director Wichert stated that he trusts staff to make the right decisions.

Mr. Bills noted the final slide represented a balanced budget.

President Schild inquired what budget any potential water transfers come from. Mr. Bills noted that staff would have to present it to the Board for action at that time. Mr. Bills reminded the Board that the budget will be presented again in the spring of 2016 for any needed water transfer adjustments.

GM Roscoe clarified that he is only given authority to move money around within an approved budget, not between the three main budgets without first seeking Board approval.

Director Wichert inquired if they decided to allow the budget reserve amount to decrease; at what percent rate decrease could the District provide the customers. Mr. Bills first inquired how much Director Wichert was requesting for the reserves to decrease.

Director Wichert estimated how much the rate would decrease, if the reserves balance decreased. He further commented that it sounded like the District didn't need the 4% rate increase that was previously approved by the Board. Director Gayle agreed with Director Wichert.

Mr. Bills explained that the rate increase would fund the capital projects and infrastructure repairs.

Director Locke expressed that the District either pays now or pays later with infrastructure repairs/upgrades. He further explained to the Board that the reason the District came up with the Asset Management Plan (the Plan) was to make sure that the District can continue to replace its infrastructure, prior to failure. He continued that if the Board wants to revisit the program as a whole, the Board should revisit the Plan rather than reconsidering how much money should be allocated.

Director Locke further commented that if the Board wanted to reconsider extending the estimated useful life of the current infrastructure, in an attempt to reduce the District's infrastructure investment, that would be a policy decision. He finished with stating that taking money out of the budget and abandoning the Plan is worse than not having one at all.

President Schild suggested forgiving the ratepayers of the 4% rate increase, scheduled to take place on January 1, 2016.

Director Wichert agreed, stating that it sounded as if a 4% rate increase is not needed.

Mr. Wiseman referenced his original handout, noting the District's previous rate increases were due to CIP projects. He further commented that the CIP budget was aggressive, leading to surplus at the end of the year. He also applauded the Board for analyzing the need of the scheduled 4% rate increase. He suggested for the Board to be flexible with CIP in order to adjust the budget.

Mr. Eubanks commented.

Director Wichert moved to have staff place an item on the agenda for the December Board meeting to relieve the next upcoming rate increase.

President Schild inquired about the current proposed budget.

Mr. Bills expressed that the budget and the rate increase can be done as separate actions.

Director Wichert stated that he didn't want to cause any delays in work, but noted that he didn't believe that the budget and the rate increase can be separated.

Mr. Bills explained that for balanced budget purposes, forgoing the 4% rate increase in 2016 would just reduce the reserves balance, but it would not change the budgeted amount.

Director Wichert moved to have staff agendize deferring the next 4% rate increase to be voted on in the December regular Board meeting. President Schild seconded.

President Schild inquired what this would do to the District’s billing procedures, and how much time would staff have to make the necessary adjustments.

Annette O’Leary stated that the rates are manually adjusted and that she is able to make the necessary rate adjustments in time, however, the monthly bill insert references the rate increase.

Director Thomas moved to amend the previously stated motion, announcing that the Finance and Audit Committee should be reviewing all alternate options.

President Schild noted that he does not support the amended motion, stating that it is a Board item and that the Board originally approved the four years of rate increases.

Director Wichert commented that he didn’t believe that there was enough time to implement another meeting. He further inquired who the Chairperson of the Finance and Audit Committee (F&A Committee) is.

Director Locke stated that he is the Chairperson of that Committee, and that he supported this item staying at the Board level.

Director Wichert again moved to have staff agendize deferring the next 4% rate increase to be effective January 1, 2016 as an Action Item in the December Board meeting.

Mr. Bills clarified the 2016 rate increase would need to be eliminated and not deferred, noting that the Board has already adopted two rate increases for 2017 and 2018.

Director Wichert stated that he considers that a friendly amendment from the staff.

Director Wichert moved to have staff agendize eliminating the 4% rate increase to be effective January 1, 2016 as an Action Item in the December Board meeting. President Schild seconded. The motion carried by unanimous vote.

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

GM Roscoe commented that a lot of effort has been put into the Plan, and the reason that rate increases were recommended, was to build the Districts ability to have a sustainable infrastructure. He continued that staff can get by occasionally by deferring a particular project to the middle of the year versus the beginning of the year; however that will not work as a long term plan.

Director Gayle commented that the District would still have to pay later in that case.

GM Roscoe agreed with Director Locke, noting that the Board would need to revisit the assumptions that are in the Plan. He further noted that if we assume that the District’s water mains are going to last further than 100 years, or that the wells are going to last

further than 200 years, than the District can probably get by with lower rates. However, he commented, these are not reasonable assumptions.

GM Roscoe further expressed that staff and the Board have fully analyzed what should be included in the Plan, and the end result was that in the long term, the District's rates didn't support long term sustainable infrastructure.

President Schild commented that the assumptions in the Plans required roughly 19 million dollars per year, but that the District had exceeded that over the last several years, further claiming the District is ahead of schedule.

GM Roscoe corrected President Schild noting that the assumptions in the Plan have an ongoing need of roughly 26 million dollars per year, further noting that once the 4% rate increases are complete, the District still can't claim sustainable infrastructure.

Director Locke noted that he and Director Wichert were not there during the asset management planning, and that he believes this is a part of this rate discussion. He requested to have further information on the Plan at the December Board meeting.

Director Wichert stated that he recognizes the caution that GM Roscoe pointed out.

Director Locke noted that the budget is predicated on the pending rate increase which will be voted on at the December Board meeting.

Mr. Bills reiterated that the 4% rate increase would only affect the income and the reserves, but that the spending budget wouldn't change. He also reiterated that this budget will be revisited again in the spring.

Director Wichert stated that if staff is willing to change the numbers on the budget right then, than he would vote to approve it.

Mr. Bills commented that rearranging the figures to show no 4% rate increase would be prejudging the Board decision, which will be taking place at the December Board meeting.

Director Wichert expressed that is why he believed the two are not capable of being separated.

Mr. Bills restated that the 4% rate increase would only affect the income and the reserves, but that the budget wouldn't change. Director Locke echoed Mr. Bills statement.

GM Roscoe restated that staff is requesting approval for the spending plan/budget amount. President Schild reiterated that the Board is only voting on the expenditures.

Director Wichert asked Mr. Horowitz if the Board is allowed to vote at that current meeting to eliminate the 4% rate increase.

Mr. Horowitz answered that it is not on the agenda, therefore not allowed to be voted on. He further clarified that the Board can however vote to modify the budget.

Director Wichert asked Mr. Horowitz if the Board could modify the budget to remove the 4% increase.

Mr. Horowitz stated that the Board could vote to reflect a reduction in the income of the budget.

President Schild suggested reducing the forecasted income amount.

GM Roscoe stated that staff is not asking the Board to approve the forecasted income, just the budgeted expenditures.

President Schild moved to approve the 2016 budget as presented by staff. Director Gayle seconded.

GM Roscoe clarified that there are 5 specific actions that need approval, including authorizing the GM to spend the approved budget.

President Schild withdrew his motion.

Director Locke requested that the Board take a look at the basic assumptions in the Plan, and decide if any adjustments need to be made.

Director Wichert stated that he was planning on discussing the basic assumptions in the Plan at the next Facilities and Operations Committee (F&O Committee) meeting.

Director Locke moved to accept agenda Item 5 as presented. Director Thomas seconded. The motion carried by 4/1 vote.

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

6. **Reserve Policy (PL – Fin 004)**

Mr. Bills presented the staff report, noting that there are no changes to the policy but proposed bringing the policy back to the Board annually for review with the budget.

Director Thomas moved that staff bring the Reserve Policy back annually with the budget. Director Wichert seconded. The motion carried by unanimous vote.

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

7. **New Accounting Pronouncement – Accounting and Financial Reporting for Pensions**

Mr. Bills presented the staff report noting that there is no change to the cost to the District.

Director Wichert questioned what the difference was.

Mr. Bills answered that the accountants believe that the cost of the pension should be known to anyone reading the District’s financial statements, rather than being disclosed in the footnotes.

8. **Association of California Agencies (ACWA) Officer Elections and Changes to the Bylaws**

President Schild presented the staff report.

Director Thomas moved to give the Board President the authority to support or not support the officer elections. Director Wichert seconded. The motion carried by unanimous vote.

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

9. **Project Agreements with RWA for Grant Management Services for 2015 Prop 84 Sacramento Regional Water Efficiency Drought Measures Project**

Greg Bundesen (Mr. Bundesen) presented the staff report.

President Schild inquired who is responsible for allocating the funds. Mr. Bundesen explained that irrigation efficiency is how it is being defined, and noted that cash for grass is included.

President Schild inquired what other conservation alternatives are included. Mr. Bundesen answered that he believes that only the sprinkler heads and weather based irrigation controls are included.

President Schild inquired what impacts this funding has on reporting to the IRS. Mr. Bundesen stated that RWA reimburses the District.

President Schild inquired about the release of names. Mr. Bundesen answered that staff will follow the Policy adopted by the Board on releasing those names.

Director Thomas moved to approve the staff recommendation. Director Wichert seconded. The motion carried by unanimous vote.

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

10. Setting the Dates for January and February 2015 Regular Board Meetings

A written report was provided.

Director Thomas moved to approve the staff recommendation. Director Wichert seconded. The motion carried by unanimous vote.

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

11. Discussion on District Legal Services

A written report was provided.

President Schild commented that the Board of Directors never participated in selecting the District’s legal services and he believes that they should. He further stated that he requested for the General Manager to place this item on the agenda for discussion.

Director Wichert commented that he didn’t believe that the Board needed to evaluate the legal services of Bartkiewicz, Kronick and Shanahan (BKS). However, he felt that there was a conflict of interest that resulted from the District and the San Juan Water District (SJWD) both using BKS for legal services. He further noted that the Board needed to remedy that conflict of interest.

Director Wichert commented that he had nothing bad to say about Mr. Horowitz’s services, he was just pointing out the conflict of interest.

Director Thomas questioned what kind of conflict Director Wichert was referring to. Director Wichert answered that he didn’t believe that the District’s legal counsel should be representing both Districts. President Schild echoed Director Wichert’s beliefs.

Director Gayle inquired if anyone really looked at the history of it.

GM Roscoe commented that BKS has contractual agreements with a number of surrounding local water purveyors, and that the services from BKS have been very advantageous to the District. He further noted that when a conflict arises, such as the consolidations discussions, BKS quickly identified the issues, and stepped out of the discussions.

President Schild noted that there are several other legal firms in the region.

GM Roscoe noted that the District had a long history with BKS, and recommended having a discussion with them first.

Director Wichert moved to agendize a closed session item for the December Board meeting to discuss District's legal counsel, noting that BKS is not invited to attend that closed session meeting. President Schild seconded.

Director Thomas inquired why it would be in closed session. Director Wichert commented that it would be a closed session because he believed it was a legal issue.

Mr. Horowitz requested to comment. President Schild interrupted, stating that the Board did not request his input and that he didn't have a right to speak on this item.

Mr. Horowitz pointed out that there is a legal issue involved with the motion, noting that the Board cannot agendize a closed session item just to discuss the legal counsel, unless the Board is doing a performance evaluation. Anything else would need to be discussed in open session.

Director Wichert disagreed with Mr. Horowitz.

Mr. Eubanks commented. Discussion ensued regarding the institutional knowledge of BKS and further debates whether there is a conflict of interest.

Director Wichert moved to agendize a closed session item for the December Board meeting to discuss District's legal counsel.

President Schild recommended that the Board agendize the item for open session.

Director Wichert asked Mr. Horowitz if the Board can meet in closed session to discuss the performance of BKS without having to invite BKS to attend.

Mr. Horowitz answered that if the Board wanted to discuss the overall performance of BKS as a performance evaluation, not a contract matter, they can do that without having to invite BKS to attend.

Director Wichert again noted that he didn't have any complaints about Mr. Horowitz performance.

Mr. Eubanks commented.

Director Thomas commented that he didn't see the need for a closed session item regarding this topic, suggesting that if a Board member wanted to talk about it, to keep it in open session.

Director Locke echoed Director Thomas stating that he was having a difficult time seeing any need for a discussion as well. He further stated that Mr. Horowitz withdrew himself from discussions during the last potential conflict of interest.

Mr. Eubanks commented. Discussion ensued regarding the Brown Act.

Director Wichert modified his motion, moving to agendaize a closed session item for the December regular Board meeting, noting that BSK does not need to attend, and they will discuss BKS's performance, not including any contract discussions. President Schild seconded. The motion carried by 3 ayes, 1 no and 1 abstained.

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

Information Items

12. Water Conservation and Regional Water Efficiency Program Report

A written report was provided. Mr. Bundesen presented the staff report.

President Schild recommended using the word "voluntarily" to the advertisement. Director Wichert suggested placing the phrase "volunteer to help" at the end of the sentence in the advertisement. Staff agreed.

GM Roscoe announced that the Governor extended the emergency declaration, and that the State Water Resource Control Board is considering modifying the ordered drought response.

- a. *Drought Report*
A written report was provided.
- b. *Summary of Activities to Date*
A written report was provided.
- c. *Water Conservation Program and Results*
A written report was provided.
- d. *Upcoming Events*
A written report was provided.

13. District Activity Reports

A written report was provided. Director Wichert commented that he is in favor of water going back and forth with SJWD.

- a. *Water Operations and Exceptions Report*
A written report was provided.
- b. *Customer Service Report*
A written report was provided.
- c. *Community Outreach Report*
A written report was provided.

14. **Engineering Report**

A written report was provided.

President Schild inquired about efficiencies with a submersible pump versus a vertical turbin. James Arenz (Mr. Arenz) noted that both styles of pumps can achieve efficiencies within the high 60's and low 70's. He further noted that they are both very efficient with different advantages.

Director Thomas inquired about variable frequency devices (VFD's). Mr. John Valdes noted that the District had roughly 7-10 VFD's throughout the District.

President Schild requested an update on the Eastern Water Line Extension Project. Mr. Dave Jones gave an update and explained that the project will be complete by the end of the year. Discussion ensued regarding how this project was discovered.

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. Groundwater Quality Projects

A written report was provided.

e. Developer Projects

A written report was provided.

f. Other

A written report was provided.

15. **Financial Report**

A written report was provided.

a. Financial Statements – October 2015

A written report was provided.

b. Investments Outstanding and Activity – October 2015

A written report was provided.

c. Cash Expenditures – October 2015

A written report was provided.

- d. Credit Card Expenditures – October 2015
A written report was provided.
- e. Directors Compensation and Expense Accounting – Through October 2015
A written report was provided.
- f. Market Report Yields – January 2010 through September 2015
A written report was provided.
- g. District Reserve Balances – October 2015
A written report was provided.
- h. Information Required by Bond Agreement
A written report was provided.

16. General Manager’s Report

A written report was provided. GM Roscoe gave a summary of each item.

- a. *LED Efficiency*
A written report was provided.
- b. *Notice of Upcoming Election of Offices and Committee Appointments*
A written report was provided.
- c. *Long Term Warren Act Contract*
A written report was provided. President Schild explained the Warren Act further.

Mr. Eubanks commented.

17. Legislative and Regulatory Update

A written report was provided.

18. 2015 Budget Reallocations

A written report was provided.

Director Wichert inquired how many meters staff expected to finish this year and how many the District will have done at the end of the year. Mr. Valdes expressed that staff will report back on that number at the December regular Board meeting.

19. Well Efficiency Testing Annual Report

A written report was provided.

20. CEQA Exemptions for 2016 Water Facility Projects

A written report was provided.

21. **Biannual Groundwater Elevations Report**

A written report was provided.

President Schild requested to see a presentation by the Sacramento Groundwater Association (SGA) on the last state of the basin report. GM Roscoe offered to present a state of the basin presentation announcing that it is presented at SGA also.

22. **California WaterFix Environmental Document**

A written report was provided. GM Roscoe summarized the item.

23. **Upcoming Policy Review**

a. Records Inspection, Retention, and Disposal Policy (PL – Adm 002)

A written report was provided. Directors' comments are due by December 7, 2015.

b. Workplace Dishonesty Policy (PL – Adm 006)

A written report was provided. Directors' comments are due by December 7, 2015.

c. Training and Career Development Policy (PL – HR 004)

A written report was provided. Directors' comments are due by December 7, 2015.

d. Employee Standards of Conduct and Discipline Policy (PL – HR 011)

A written report was provided. Directors' comments are due by December 7, 2015.

Committee Reports

24. a. Facilities and Operations Committee (Director Thomas)
Notes from the October 29, 2015 meeting.

Director Wichert inquired about the potential for gifting a well to the Fulton/El Camino Recreation and Park District (FERPD). AGM York clarified what FEPRD's request was. Director Wichert expressed that he is not in favor of it.

- b. Finance and Audit Committee (Director Locke)
Notes from the October 30, 2015 meeting.
- c. Government Affairs Committee (Director Wichert)
No report.
- d. Ad Hoc Water Banking and Transfer Committee (Director Locke)
No report.
- e. Ad Hoc Water Rights Review Committee (Director Schild)
No report.

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

25. a. Regional Water Authority (Director Thomas)
GM Roscoe provided an oral report regarding the November 12, 2015 meeting.

Regional Water Authority Executive Committee (General Manager Roscoe)
GM Roscoe provided an oral report regarding the October 28, 2015 meeting.

- b. Sacramento Groundwater Authority (Director Schild)
No report.

- c. Water Forum Successor Effort (Assistant General Manager York)
No report.

Carryover Storage Working Group Meetings
No report.

Water Forum Dry Year Conference Meeting
No report.

Water Caucus Meeting
No report.

- d. Other Reports
President Schild provided an oral report regarding the SJWD 218 Hearing & Board Meeting on October 28, 2015 meeting.

Director Thomas provided an oral report regarding the SB 88 Diversion meeting in Stockton on November 6, 2015 meeting and he also provided an oral report regarding the SB 88 Alternative Water Supply on November 6, 2015 meeting. Director Thomas also provided an oral report regarding his meeting with the General Manager on October 22, 2015.

Miscellaneous Correspondence and General Information

26. Correspondence received by the District

27. General Information

Director's Comments/Staff Statements and Requests

None.

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

The Board convened in closed session at 9:23 p.m. to discuss the following:

28. Conference with Legal Counsel – Existing Litigation, Government Code sections 54954.5(c) and 54956.9(d)(1). *In re Municipal Derivatives Antitrust Litigation, Master Docket No. 08-02516 VM-GWG, MDL 1950 (Sacramento Suburban Water District, et al.)* – Proposed Settlement Between District and National Westminster Bank and George K. Baum
29. Conference with real property negotiator involving the purchase of real property, Assessor’s Parcel Numbers 203-0270-001-0000 & 203-0270-001-0000. Robert Roscoe, District negotiator, will negotiate with Scott Thompson, agent for Polycomp Trust Co., fbo Mark Stout and Ruth Stout IRAs. Instructions to the negotiator may include price, terms of payment, or both. (See Government Code sections 54954.5(b) and 54956.8.)

Return to Open Session

The Board convened in open session at 9:34 p.m. There was no reportable action.

Adjournment

President Schild adjourned the meeting at 9:35 p.m.

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