

## Minutes

Sacramento Suburban Water District

### Special Board Meeting

Tuesday, June 7, 2016

#### Call to Order

President Thomas called the meeting to order at 11:00 a.m.

#### Roll Call

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

Directors Absent: Craig Locke.

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

Public Present: William Eubanks, Joyce Dahl and Alan Dahl.

#### Announcements

None.

#### Public Comment

None.

#### Item for Discussion and Action

1. **Resolution No. 16-13 Amending Regulation No. 15 of the Regulations Governing Water Service**

Greg Bundesen (Mr. Bundesen) presented the staff report and the PowerPoint presentation.

Director Schild noted that not many customers use sub-surface drip systems for turf irrigation and suggesting that it not be included.

Mr. Bundesen commented that staff is hopeful that the program might inspire customers to explore the option of sub-surface drip systems.

Director Wichert noted that he was inspired and was interested in further information about sub-surface drip system irrigation.

Director Gayle requested the records of the Twin Rivers Unified School District's water usage. Staff commented that they will provide that information to Director Gayle.

Director Wichert suggested staff utilize the District’s Advanced Metering Infrastructure (AMI) continuous water flow detection system for conservation enforcement efforts.

Mr. Bundesen expressed that the AMI continuous water flow detection system is currently being utilized for notification purposes only.

Director Wichert requested that staff investigate how other water purveyors are using the AMI system for suspected leaks and enforcement purposes. Mr. Bundesen commented that he will research it and report back to the Board.

William Eubanks (Mr. Eubanks) complimented Mr. Bundesen on doing a terrific job on the conservation program. He expressed his dissatisfaction with the 7 day repair notice, noting that it is not enough time and could create a hardship for customers. He further commented that it is unnecessary to have a specific irrigation exemption for food growers.

President Thomas commented that he agreed with Mr. Eubanks that perhaps a 7 day notice was not sufficient time.

Director Wichert expressed that he was ok with the way the 7 day notice was written, and that he trusted staff to execute proper discretion with exceptions.

Director Schild stated that he had some edits that he would submit to staff. He noted that the document had some inconsistencies. Mr. Bundesen expressed that staff would appreciate any suggestions from the Board members.

Director Wichert moved to approve staff’s recommendation; Director Gayle seconded. The motion carried by 3/1 vote.

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

2. **2016 Water Conservation Program and Stage Declaration**

Mr. Bundesen presented the staff report and the PowerPoint presentation.

Director Schild suggested clarifying that the 10% savings would be a 10% savings from the water used in 2013.

Director Gayle suggested that staff directly contact school districts with any specific conservation classes or trainings that become available. Mr. Bundesen expressed that he will do so.

Mr. Eubanks withdrew his comment.

Director Schild requested to remove the water pitchers at the dais in an effort to remain consistent with District conservation efforts. Director Wichert agreed, stating that staff could always ask before the meetings if the Directors wanted water.

President Thomas noted that he wanted the water pitchers to stay as he appreciated it.

Mr. Eubanks disagreed with Directors' Schild and Wichert, inquiring if he would need to fill out a form to get a glass of water at future meetings.

Director Gayle moved to approve staff's recommendation; Director Wichert seconded. The motion carried by unanimous vote.

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

3. **Proposed 2016 Bureau of Reclamation Environmental Water Transfer**

Assistant General Manager Dan York (AGM York) presented the staff report.

General Manager Robert Roscoe (GM Roscoe) explained that since Placer County Water Agency (PCWA) water has been made available, the District's wells have been turned off, and the District has been serving surface water to the North Service Area (NSA) customers.

Director Wichert noted there was an error in the staff report that was misleading regarding the operational status of the wells.

GM Roscoe clarified the error in the staff report. He stated that if the agreement was approved, the groundwater wells would be turned on, not off, as stated in the staff report, additionally commenting that the error would be corrected.

Director Wichert moved to table the item until the staff report could be corrected.

AGM York reminded the Board that a commitment had to be decided by the Board in order for the Bureau of Reclamation to continue negotiations in order to have the water transfer ensue on July 1, 2016.

GM Roscoe stated that the groundwater substitution transfer agreement is a potential for income for the District, as well as an opportunity for the District to bank more groundwater.

Mr. Eubanks expressed his support for selling available water.

Director Wichert move to accept the staff recommendation with the correction in the wording of the staff report to change from "off" to "on," and in addition, clarifying that the proceeds of the transaction will be used to purchase at least 10% more water for in

lieu banking than the District sells, when the water is available. Director Gayle seconded. The motion passed by a 3/1 vote.

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

Director Schild left the meeting.

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

The Board convened in closed session at 12:34 p.m. to discuss the following:

4. 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 Settlements Between District and Natixis Funding Corporation; PFM Asset Management and PFM Investment, LLC; Assured Guaranty Municipal Corp., Assured Guaranty US Holdings, Inc., and Dexia S.A.; UBS AG, UBS Financial Services, Inc., and UBS Securities, LLC; Piper Jaffray & Co.; and MBIA Inc.

**Return to Open Session**

The Board convened in open session at 12:37 p.m. There was no reportable action.

**Adjournment**

President Thomas adjourned the meeting at 12:38 p.m.

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