

Minutes

Sacramento Suburban Water District
Regular Board Meeting
Monday, November 20, 2017

Call to Order

President Wichert called the meeting to order at 6:30 p.m.

Pledge of Allegiance

President Wichert led the Pledge of Allegiance.

Roll Call

Directors Present: Dave Jones, 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, Heather Hernandez-Fort, Dana Dean, Jim Arenz, David Morrow and Matt Underwood.

Public Present: William Eubanks, Avery Wiseman, Jim DeHart and Ryan Gunstream.

Announcements

General Manager Robert Roscoe (GM Roscoe) announced:

- The ACWA Conference meeting with the Bureau of Reclamation – President Wichert appointed both Director Thomas and Director Locke to attend;
- The RWA Holiday Social invitation at the dais;
- At the December regular Board meeting, that the Board would select a new President, Vice President and Committee Appointments and reminded the Board that if anyone was interested in any committees, to being to think about that, and that Dan York should replace himself as the RWA representative, and;
- That David Morrow was the District's new Senior Engineer.

Public Comment

None.

Consent Items

1. **Minutes of the October 16, 2017 Regular Board Meeting**
2. **Training and Career Development Policy (PL - HR 004)**

Director Schild moved to approve the consent calendar; Director Locke seconded. The motion passed by unanimous vote.

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

Items for Discussion and Action

3. **Workplace Dishonesty Policy (PL - Adm 006)**

GM Roscoe presented the staff report.

William Eubanks (Mr. Eubanks) explained his understanding of the policy.

Director Locke moved to accept Director Schild’s first two edits, but to keep the original way the Policy was written for section 200.10 – 8; Director Thomas seconded. The motion passed by unanimous vote.

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

4. **Addendum to the Initial Study/Mitigated Negative Declaration for the Well N6A – Palm Project**

Dana Dean (Mr. Dean) presented the staff report.

Director Thomas suggested to build four walls around the site instead of just the one.

Staff explained that the one wall was a sound wall and three additional walls would be costly to construct.

Director Thomas moved to approve the staff recommendation; Director Schild seconded. The motion passed by unanimous vote.

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

5. **Association of California Water Agencies (ACWA) Officer Elections, Changes to the Bylaws, and Designate the Voting Representative**

GM Roscoe presented the staff report.

President Wichert inquired if Director Thomas was interested.

Director Thomas stated that he was.

President Wichert appointed Director Thomas to be the voting delegate at the ACWA Fall Conference.

President Wichert moved that the District vote for Brent Hasteley for ACWA Board President, Steven LaMar for ACWA Vice President and to support the proposed changes in the bylaws unless something unthawed happened at the conference; Director Jones seconded. The motion passed by unanimous vote.

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

Director Schild noted that he was not attending so that the President needed to appoint a representative for JPIA for the Board meeting.

Director Thomas moved to appoint Assistant General Manager Dan York (AGM York) as the JPIA Representative; Director Schild seconded. The motion passed by unanimous vote.

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

6. 2018 Budget and 2019 Forecast – Third Draft & Reserve Policy (PL – Fin 004)

Dan Bills presented the staff report.

Mr. Eubanks commented that he disagreed with the findings that the CPI Index was the best measure of inflation.

Avery Wiseman (Mr. Wiseman) commented that Mr. Bills was arguing for income for the staff, and he wanted the Board to consider cost to the ratepayers regarding the CIP Index.

President Wichert inquired if staff could do the study on the Antelope Demonstration Garden and save the \$70,000 with hiring a consultant.

Director Locke suggested to have the Facilities and Operations Committee (F&O Committee) review the status of the Antelope Garden and provide a recommendation to the full Board.

President Wichert requested for staff to do a study on the Antelope Demonstration Garden.

Mr. Eubanks commented that he believed that the Antelope Garden was a continual maintenance issue and he recommended doing away with it.

President Wichert moved to remove the \$70,000 for the Antelope Garden consultant study completely out of budget; Director Thomas seconded.

Director Locke expressed that the District had already made an investment into the educational value of the garden, he suggested that if the money was not going to be used toward that garden, to consider using it to partner with another special district on a project similar to the Howe Park Demonstration Garden.

Director Schild commented that if staff came up with an idea to do an additional educational garden like the Howe Park Demonstration Garden, for staff to bring the idea to the Board for consideration of additional funding at that time.

Director Jones suggested to keep the money in the budget for additional projects.

Director Locke added that he believed the \$70,000 was in the budget for educational garden use, which he agreed to commit funding to. He added that the F&O Committee should review the status of the Antelope Garden.

The motion passed by a 3/2 vote.

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

Director Schild moved to remove the \$200,000 allotted for property acquisitions from the budget; President Wichert seconded.

Mr. Bills stated that having that money in the budget allowed staff to negotiate if a site became available, noting that the property cannot be purchased without Board approval, but it allowed conversation.

Director Schild commented that if staff found a piece of land that they were interested in, they should bring it to the Board for approval.

Director Jones noted that the size of the lot that the staff would be looking for does not become available often, he noted that he supported keeping the \$200,000 in the budget.

Mr. Eubanks spoke in support of Director Jones' comments.

Director Thomas noted that staff should look at the property asset management plan and review for potential treatment on groundwater.

Director Locke noted that he didn't see the advantage to taking that money out of the budget and that it would just limit the General Manager's abilities to negotiate swiftly.

Director Jones echoed Director Locke noting that the well asset plan was calling for a reduction of the smaller wells, and having the money in the budget would allow the ability to move on a property faster.

The motion passed by a 3/2 vote.

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

President Wichert complimented staff for the good relationship that staff had with City of Sacramento resulting in the lowering of the price of water.

President Wichert moved to approve the budget as amended; Director Jones seconded. The motion passed by unanimous vote.

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

President Wichert requested to see the revised version of the budget at the next regular Board meeting.

Information Items

7. **Chromium 6 Court Complaint Update**

A written report was provided. AGM York presented the report.

8. **Water Rate Increase History of Surrounding Purveyors – 3/4” Connection**

A written report was provided.

Mr. Eubanks requested clarification.

9. **McClellan Business Park Successor Agreement Update**

A written report was provided. AGM York presented the staff report.

AGM York stated that the F&O Committee Meeting which was scheduled for Monday, December 11, 2017 at 3:30 p.m. would be rescheduled.

Mr. Eubanks urged the board to cancel the existing contract with McClellan Business Park.

AGM York expressed that the District still had a commitment to installing backflow devices.

GM Roscoe clarified that this was just a minor setback and discussion continue.

10. **Fixed Network Meter Reading Report**

A written report was provided, Matt Underwood (Mr. Underwood) presented the staff report.

President Wichert directed staff to bring this item to the next F&O Committee meeting.

11. **Drive-By Legacy Meter Reading Report**
A written report was provided, Mr. Underwood presented the staff report.

President Wichert directed staff to bring this item to the next F&O Committee meeting.
12. **5073 Shell Street Water Main Leak**
A written report was provided, Matt Underwood presented the staff report.
13. **Environmental Review for Well 78 – Butano/Cottage Project**
A written report was provided.

Mr. Eubanks withdrew his comment.
14. **Biannual Groundwater Elevations Report**
A written report was provided. Mr. Underwood provided the staff report.
15. **Long Term Warren Act Contract Update**
A written report was provided, AGM York provided the staff report.
16. **New Other Post Employment Benefit (OPEB) Valuation**
A written report was provided. Mr. Bills provided a summary of the staff report.

President Wichert requested to bring this item to Finance and Audit Committee to see what they recommend.
17. **Legislative and Regulatory Update**
A written report was provided.

Director Schild inquired about the status of lead in public schools.

AGM York stated that the law was passed for water purveyors to test schools.
18. **Upcoming Water Industry Events**
A written report was provided.
19. **District Activity Report**
A written report was provided.
 - a. *Water Operations and Exceptions Report*
A written report was provided.
 - b. *Water Conservation and Regional Water Efficiency Program Report*
A written report was provided.
 - c. *Customer Service Report*
A written report was provided.

- d. *Community Outreach Report*
A written report was provided.

20. **Engineering Report**

A written report was provided.

- a. *Major Capital Improvement Projects*
A written report was provided.
- b. *County and City Projects/Coordination*
A written report was provided.
- c. *Developer Projects*
A written report was provided.
- d. *Planning Studies*
A written report was provided.
- e. *Other*
A written report was provided.

21. **General Manager's Report**

A written report was provided.

- a. *Grant of Easement and Right of Way at 2928 and 2930 Eastern Avenue*
A written report was provided.
- b. *Cal WaterFix Update*
A written report was provided.
- c. *Del Paso Manor Water District*
A written report was provided.

Mr. Eubanks inquired how the District got involved in talks with Del Paso Manor Water District (DPM).

GM Roscoe explained that the General Manager at DPM requested the meeting for a discussion on particular grant requirements.

Mr. Wiseman provided his opinion of why the Districts met.

22. **Financial Report**

A written report was provided.

- a. *Financial Statements – October 2017*
A written report was provided.

- b. *Cash Expenditures – October 2017*
A written report was provided.
- c. *Credit Card Expenditures – October 2017*
A written report was provided.
- d. *District Reserve Balances – October 2017*
A written report was provided.
- e. *Information Required by Bond Agreement*
A written report was provided.

23. Upcoming Policy Review

- a. *Claims Processing Policy (PL – Adm 007)*
A written report was provided. Directors’ comments were due by December 4, 2017.
- b. *Capital Asset Policy (PL – Fin 002)*
A written report was provided. Directors’ comments were due by December 4, 2017.

Committee Reports

- 24. a. Facilities and Operations Committee (Director Schild)
No report.
- b. Finance and Audit Committee (Director Thomas)
No report.
- c. Water Quality Committee (Director Wichert)
Minutes from the October 16, 2017 Meeting were provided.

Mr. Eubanks withdrew his comment.
- d. Government Affairs Committee (Director Locke)
No report.
- e. Ad Hoc Water Banking and Transfer Committee (Director Schild)
No report.
- f. Ad Hoc Selection Committee (Director Wichert)
No report.
- g. Ad Hoc Process Committee (Director Wichert)
No report.

- h. Ad Hoc Compensation 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)
Agenda from the November 9, 2017 Meeting was provided.

Director Schild provided an oral report about the meeting.

Regional Water Authority Executive Committee (General Manager Roscoe)
Agenda from the October 25, 2017 Meeting was provided.

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

- c. Water Caucus Meeting
No report.

- d. Water Forum Successor Effort (General Manager Roscoe)
No report.

- e. Other Reports

Director Schild reported on the McClellan Restoration Meeting that he attended on September 27, 2017; the Carmichael Founders Day event that he attended on September 30, 2017; the SGA meeting that he attended on October 12, 2017; and the meeting he had with the Assistant General Manager on October 24, 2017.

Director Jones provided an oral report regarding his meeting with the Assistant General Manager and General Manager on October 2, 2017; the SGA meeting that he attended on October 12, 2017; the SAWWA meeting that he attended on October 19, 2017; and the AWWA Conference that he attended October 23 through October 26, 2017.

Director Locke provided an oral report regarding the AWWA Conference that he attended October 23 through October 26, 2017

Director Thomas provided an oral report regarding the SGA meeting that he attended on October 12, 2017; his meeting with the Assistant General Manager on October 24, 2017; his meeting with the Finance Director on November 2, 2017 and his meeting with the Assistant General Manager on November 6, 2017.

Miscellaneous Correspondence and General Information

- 26. **Correspondence received by the District**
A written report was provided.

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 8:22 p.m. to discuss the following:

27. Conference to provide District's labor negotiator, Robert Wichert, with direction concerning changes to existing General Manager's compensation and benefits and proposed compensation and benefits for new General Manager; Government Code sections 54954.5(f) and 54957.6.
28. Public employee appointment involving the position of General Manager; Government Code sections 54954.5(e) and 54957(b)(1).

Return to Open Session

The Board convened in open session at 9:18 p.m. There was no reportable action.

Adjournment

President Wichert adjourned the meeting at 9:19 p.m.

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