

Minutes

Sacramento Suburban Water District Regular Board Meeting Monday, December 18, 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 and Robert Wichert.

Directors Absent: Kevin Thomas.

Staff Present: General Manager Robert Roscoe, Finance Director Dan Bills, District Legal Counsel Josh Horowitz, Heather Hernandez-Fort, Dana Dean, Matt Winans, David Armand, Jim Arenz, Lynne Yost, Annette O'Leary, David Espinoza, David Morrow and Matt Underwood.

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

Election of District Officers

1. Election of District Officers

President Wichert suggested to table the Item until Director Thomas was present at the meeting.

Director Jones suggested to continue with the Item.

Director Jones nominated Director Locke for President, Director Schild seconded. The motion passed by unanimous vote.

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

President Locke presided over the remainder of the meeting.

Director Schild nominated himself for Vice President, Director Wichert seconded.

Director Jones nominated himself for Vice President, President Locke seconded.

President Locke tabled the Item of Vice President until Director Thomas could be present at the meeting.

Director Schild requested staff to provide a spreadsheet to the Directors of who was President and Vice President over the last 10 years.

Staff expressed that a list would be provided to the Directors.

Announcements

General Manager Robert Roscoe (GM Roscoe) announced:

- The 2018 calendar magnets at the dais;
- Dan York was not at the meeting due to his mother passing;
- The January regular Board meeting start time will be 6:00 p.m.;
- The Save the Date for a Regional Water Authority’s, Making Safe, Clean, Affordable and Accessible Water a Reality event.

Finance Director Dan Bills (Mr. Bills) announced that GM Roscoe received the Emissary Award from ACWA as well as the Distinguished Service Award from RWA.

Public Comment

None.

Consent Items

2. **Minutes of the November 20, 2017 Regular Board Meeting**
3. **Minutes of the December 4, 2017 Special Board Meeting**
4. **Minutes of the December 11, 2017 Special Board Meeting**
5. **Claims Processing Policy (PL - Adm 007)**
6. **Capital Asset Policy (PL – Fin 002)**

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

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

Public Hearings

7. **Public Hearing on Initial Study and Proposed Mitigated Negative Declaration for Well 78 - Butano/Cottage Production Well and Pumping Plant Project**

President Locke opened the Public Hearing.

President Locke opened the floor for public comment.

Randy Davis (Mr. Davis) expressed his support for the initial study.

There being no further public comments, President Locke closed the Public Hearing.

Items for Discussion and Action

8. **Potential Adoption of an Initial Study/Mitigated Negative Declaration for the Well 78 - Butano/Cottage Production Well and Pumping Station**

Director Wichert moved to adopt the staff recommendation, Director Jones seconded.

Director Schild expressed that the easement was not clearly identified.

Jim Arenz (Mr. Arenz) expressed that staff had made contact with all parties involved and that everyone contacted was in support of the project.

Director Schild was unhappy with the lack of clarification with regards to the easement.

GM Roscoe clarified that staff had been in communication with the church and that they were in support of the project.

The motion passed by a 3/1 vote, Director Schild opposed.

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

9. **Committee and Liaison Appointments for 2018**

GM Roscoe presented the staff report.

Director Wichert recommended to table the Item until Director Thomas was present, Director Jones seconded.

Director Schild reminded the Board that selections for RWA were required as the Executive Committee was meeting before the next regular Board meeting.

GM Roscoe recommended that Assistant General Manager Dan York (AGM York) be the staff representative for the District.

The Board agreed to allow Dan York be the staff representative.

Director Schild requested to be an alternate, but not the delegate.

President Locke nominated himself to be the delegate.

Director Wichert also nominated himself to be the delegate.
Discussion ensued.

Director Wichert moved to be the delegate for RWA; Director Schild seconded. The motion passed by unanimous vote.

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

President Locke tabled the rest of the Committee and Liaison appointments until the January regular Board Meeting, when Director Thomas could be included.

10. New Website Overview

Annette O’Leary (Ms. O’Leary) presented the staff report and provided an overview of the District’s new website.

President Locke suggested to include a map to coincide with the current listed engineering projects.

Ms. O’Leary expressed that there was a map included, however she would consider additional maps for clarity of project location.

11. A Day in the Life of the IT Department

Matt Winans presented the staff report and the PowerPoint presentation.

William Eubanks (Mr. Eubanks) expressed his displeasure in the listed hobbies of the IT staff and expressed that he was disappointed that there were no professional qualifications listed.

12. Debt Management

Mr. Bills presented the staff report and PowerPoint presentation.

13. General Manager’s Out of State Travel Requests

GM Roscoe presented the staff report. He expressed that AGM York was interested in attending the AWWA Conference as well as the Cap-to-Cap trip.

Mr. Eubanks inquired who the General Manager would be.

GM Roscoe expressed that the staff report noted that the approval would be for the General Manager at the time of the event.

President Locke expressed interest in the Cap to Cap trip.

Director Jones expressed his interest in the Cap to Cap trip as well.

Director Wichert moved to approve Director Jones, President Locke and the General Manager to attend the Cap to Cap trip, and that the General Manager be approved to attend the AWWA Conference, noting that if any Directors would like to attend the

AWWA Conference, that staff would bring back a separate agenda item to a future meeting; Director Jones seconded.

Director Schild disagreed with two Directors attending the Cap to Cap trip.

The motion passed by a 3/1 vote, Director Schild opposed.

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

14. New Other Post Employment Benefit (OPEB) Valuation

Mr. Bills presented the staff report.

Director Schild noted that the Finance and Audit Committee received the detailed presentation and that they recommended to bring the Item to the full Board with a recommendation of approval.

Director Jones recused himself.

Mr. Eubanks spoke regarding recent court cases similar to the topic.

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

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

Information Items

15. Chromium 6 Court Complaint Update

A written report was provided.

16. 2017 Budget Reallocations

A written report was provided.

Director Wichert commented that reallocating 1,000% of the original budget for the engine generator was not good budgeting on staff's part.

GM Roscoe expressed that whenever staff puts together budgets, they are making estimates, and that occasionally if a project gets held up due to permits or other circumstances that staff cannot control, it could affect the budget.

Mr. Bills expressed that staff will work harder at budgeting more accurately.

17. **Final 2018 Budget**
A written report was provided.
18. **Regional Water Authority Elections**
A written report was provided.
19. **Demonstration Gardens Featured in the Fall 2017 AWWA Source Magazine**
A written report was provided.

Director Schild commented that Director Thomas expressed to him that the Garden at Eden was not maintained, mentioning that someone should look into that.

20. **Legislative and Regulatory Update**
A written report was provided.
21. **Upcoming Water Industry Events**
A written report was provided.
22. **Upcoming Policy Review**
A written report was provided.
 - a. *Employee Standards of Conduct and Discipline Policy (PL – HR 011)*
A written report was provided. Directors' comments are due by January 8, 2018.

23. **District Activity Report**
A written report was provided.

Director Schild inquired about the valve issue with the transmission pipeline.

Matt Underwood provided an update.

Mr. Arenz provided further details and noted that staff would bring updated information to a future meeting.

- 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.

24. **Engineering Report**

A written report was provided.

Director Jones inquired if the easement for the Fernando Well Site was ever received as the outcome of doing the drought tolerant garden with Fulton/El Camino Parks and Recreation District, Howe Park.

GM Roscoe expressed that there would be an updated report on the item in the January regular Board meeting packet.

a. Major Capital Improvement Projects

A written report was provided.

b. County and City Projects/Coordination

A written report was provided.

c. Development Projects

A written report was provided.

d. Planning Studies

A written report was provided.

e. Other

A written report was provided.

25. **General Manager's Report**

A written report was provided.

a. McClellan Business Park Successor Agreement Update

A written report was provided.

GM Roscoe provided an update to the meeting that took place that day.

b. Long Term Warren Act Contract Update

A written report was provided.

c. Cal WaterFix Update

A written report was provided.

d. Grant of Easement and Right of Way at 3521 Arden Way

A written report was provided.

e. Grant of Variance to Public Utility Easement

A written report was provided.

26. **Financial Report**

A written report was provided.

Director Schild commented on a line item in the report stating \$402.93 for SSWD local travel cost. Mr. Bills expressed he would look into that and let Director Schild know what it was.

a. *Financial Statements – November 2017*

A written report was provided.

b. *Cash Expenditures – November 2017*

A written report was provided.

c. *Credit Card Expenditures – November 2017*

A written report was provided.

d. *District Reserve Balances – November 2017*

A written report was provided.

e. *Information Required by Bond Agreement*

A written report was provided.

Committee Reports

27. a. Facilities and Operations Committee (Director Schild)

No report.

b. Finance and Audit Committee (Director Thomas)

Draft Minutes from the December 5, 2017 Meeting were provided.

c. Water Quality Committee (Director Wichert)

Agenda for the December 18, 2017 Meeting was provided.

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)

- 28. a. Regional Water Authority (Director Thomas)
No report.

Regional Water Authority Executive Committee (General Manager Roscoe)
The agenda for the December 6, 2017 Meeting was provided.

- b. Sacramento Groundwater Authority (Director Schild)
The agenda for the December 14, 2017 Meeting was provided.

- c. Water Caucus Meeting
No report.

- d. Water Forum Successor Effort (General Manager Roscoe)
The agenda for the December 14, 2017 Meeting was provided.

- e. Other Reports
Director Schild provided oral reports regarding the FISH Group webinar that he participated in; the SGA Meeting that he attended on November 7, 2017; and the SGA Committee Conference Call that he participated in on November 15, 2017.

Miscellaneous Correspondence and General Information

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

Director's Comments/Staff Statements and Requests

Mr. Eubanks provided his opinion on Item 33. He disagreed with the monthly salary for GM Roscoe and inquired if he was still retiring.

Director Wichert explained that GM Roscoe was taking a transitional position until the end of April 2018. He further explained that after April 2018, GM Roscoe was going to take his vacation until it runs out, then unpaid leave until the end of his contract on January 30, 2019.

Director Wichert expressed that the District would gain GM Roscoe's expertise and knowledge as an advisor for the first 4 months of the year and expressed that the Board believed there was value in that.

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

The Board convened in closed session at 8:15 p.m. to discuss the following:

30. Conference with legal counsel--existing litigation; Government Code sections 54954.5(c) and 54956.9 (d)(1); *In re Municipal Bond Insurance Litigation*, San Francisco Superior Court Case No. JCCP 4555 (Sacramento Suburban Water District, et al.) – proposed settlement with MBIA and Jason Kissane.
31. 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.
32. 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 8:31 p.m. There was no reportable action.

33. **General Manager Employment Agreement – Robert Roscoe**
34. **General Manager Employment Agreement – Dan York**
 Director Wichert moved to accept, ratify and submit for signature both Dan York and Rob Roscoe’s contracts; Director Jones seconded. The motion passed by unanimous vote.

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

GM Roscoe reminded the Board of the Director’s Comments/Staff Statements and Requests section of the agenda for any future Board meetings.

Director Jones requested information on the flow meter at the pump back.

Director Schild requested a report and an update on the Eden/Root drought garden.

President Locke suggested to hold a meeting at Antelope Gardens sometime.

Director Schild recommended to instead take a Director’s tour at the Antelope Garden, but to hold the regular Board meeting at the District office, as usual.

Adjournment

President Locke adjourned the meeting at 8:35 p.m.

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