

Minutes

Sacramento Suburban Water District Regular Board Meeting Monday, July 15, 2019

Call to Order

President Jones called the meeting to order at 6:00 p.m.

Pledge of Allegiance

President Jones led the Pledge of Allegiance.

Roll Call

Directors Present: Dave Jones, Craig Locke, Kathleen McPherson, Kevin Thomas, and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Assistant General Manager Mike Huot, Director of Finance and Administration Dan Bills, Heather Hernandez-Fort, Cassie Crittenden, Matt Underwood, Julie Nemitz, David Armand, and Dana Dean.

Public Present: William Eubanks, Avery Wiseman, Alan Driscoll, and Gregory Schneider.

Announcements

General Manager Dan York (GM York) announced:

- The U.S. Geological Survey awarded the District with an appreciation award for the collaboration with the Groundwater Ambient Monitoring Assessment Program-Priority Basin Project, an ongoing statewide assessment of groundwater quality.
- Thursday, July 18, 2019, Jonas Main Replacement Open House at 5:30.
- There were books titled “52 Ways to be a Better Board” for each Director at the dais. He expressed that President Jones purchased the book at a CSDA conference, and thought it would be a great tool for each Director.

Public Comment

Avery Wiseman (Mr. Wiseman) provided a handout to the Board and expressed his displeasure with the District’s Proposition 218 process. He further expressed that the District needed to control cost better.

Consent Items

1. **Minutes of the June 17, 2019 Regular Board Meeting**
2. **Purchasing Card Policy (PL – Fin 006)**

3. **Impaired Capital Asset Policy (PL – Fin 008)**
4. **Water Fluoridation – South Service Area**
5. **2020 Budget Preparation Timeline**
6. **Resolution No. 19-08 Adopting the 2018 Update to the American River Basin Integrated Regional Water Management Plan**
7. **Resolution No. 19-09 Authorizing Application for Funding Assistance through the Integrated Regional Water Management Grant Program – Proposition 1**

Director Wichert requested to pull Items 4 and 7.

Director Thomas requested to pull Items 6 and 7.

Director Locke moved to approve Items 1, 2, 3, and 5, Director Wichert second. The motion passed by unanimous vote.

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

Regarding Item 4, Assistant General Manager Mike Huot (AGM Huot) presented the item.

Director Wichert expressed that he felt the District was stuck in a bad deal with First 5, as fluoride in only half of the District makes operations very difficult.

President Jones pointed out there would be additional fees to break the contract.

William Eubanks (Mr. Eubanks) agreed with Director Wichert noting that it was a bad deal.

Director Thomas moved to approve the staff recommendation, Director Wichert second. The motion passed by unanimous vote.

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

Regarding Item 6 Dana Dean (Mr. Dean) presented the item and provided clarification to the Board.

Director Thomas moved to approve the staff recommendation, Director Locke second. The motion passed by unanimous vote.

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

Regarding Item 7, clarifying questions were asked.

Mr. Dean provided clarification to questions asked by the Board.

Director Thomas moved to approve the staff recommendation, Director McPherson second. The motion passed by unanimous vote.

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

Items for Discussion and/or Action

- 8. **Regional Water Meter Replacement Program**
Matt Underwood (Mr. Underwood) presented the item.

Mr. Underwood provided clarification to questions asked by the Board.

Director Wichert moved to approve the staff recommendation, Director Locke second. The motion passed by unanimous vote.

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

- 9. **Sacramento Suburban Water District / San Juan Water District Management/Re-Organization Committee**
GM York presented the item.

President Jones summarized the Sacramento Suburban Water District / San Juan Water District Management/Re-Organization Committee meeting that took place on June 20, 2019.

Discussion ensued regarding the study.

Director Wichert expressed that he was most interested in the economic benefits to the District.

Mr. Eubanks expressed that he didn't believe that the high quality water that San Juan Water District provided would ever be delivered to the South Service Area under any consolidated agreement. He further stated that the water he received was of a high mineral content. He didn't see a great benefit in discussions about consolidation.

Director Wichert inquired if there was any option for Del Paso Manor Water District to participate in the study at no cost.

GM York explained that it would be up to each of the participating Boards.

Director Wichert moved to approve the staff recommendation, Director Thomas second. The motion passed by 4/1 vote.

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

10. **Committee and Liaison Appointments – Alternate for SSWD/SJWD Water Management/Re-Organization Committee and Assessment of the Finance and Audit Committee**

GM York presented the staff report.

President Jones appointed Director Wichert to be the alternate to the Committee.

President Jones further expressed that the Board discussed the previous Finance and Audit Committee meeting in Closed Session and determined that the matter had been resolved. He noted that all committees would stay as originally appointed.

11. **Sacramento Groundwater Authority Board Representative Appointment**

GM York presented the staff report.

President Jones noted that Director Thomas would stay as the Sacramento Groundwater Authority representative.

12. **Resolution No. 19-10 Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants Under the Public Employees' Medical and Hospital Care Act**

Cassie Crittenden (Ms. Crittenden) presented the staff report.

Clarifying questions were asked.

Director Wichert inquired if there was an option to select the lowest of the lowest HMO and PPO plan.

GM York explained that the Board directed staff to select the highest of the lowest plan.

Director Wichert inquired if staff could look at private sector plans as well.

GM York explained that Ms. Crittenden looked at a variety of plans.

Director Thomas moved to approve the staff recommendation, Director Locke second. The motion passed by unanimous vote.

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

13. Annual Fraud Prevention Presentation

GM York presented the staff report.

General Manager’s Report

14. General Manager’s Report

GM York presented the staff report.

- a. *Regional Water Supply/Wheeling Opportunities*
AGM Huot presented the staff report and provided an update.
- b. *Strategic Plan/Implementation Plan Update*
AGM Huot presented the staff report and provided an update.
- c. *Del Paso Manor Water District Update*
GM York presented the staff report.
- d. *American River Watershed Tour – Regional Congressional Staff*
GM York presented the staff report.
- e. *City of Sacramento General Plan*
GM York presented the staff report and provided an update.

Department/Staff Reports

15. Financial Report

A written report was provided.

- a. *Financial Highlights – June 2019*
A written report was provided.

- b. *Financial Statements – June 2019*
A written report was provided.
- c. *Investments Outstanding and Activity – June 2019*
A written report was provided.
- d. *Cash Expenditures – June 2019*
A written report was provided.
- e. *Credit Card Expenditures – June 2019*
A written report was provided.
- f. *Directors Compensation and Expense Accounting – Second Quarter 2019*
A written report was provided.
- g. *District Reserve Balances – June 2019*
A written report was provided.
- h. *Information Required by LOC Agreement*
A written report was provided.
- i. *Financial Markets Report – June 2019*
A written report was provided.

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

Director Wichert noted that he was happy to see the changed language in the Consumer Confidence Report.

17. **Engineering Report**
A written report was provided.

- a. *Major Capital Improvement Program (CIP) Projects*
A written report was provided.
- b. *Planning Documents*
A written report was provided.
- c. *Other*
A written report was provided.

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

- 18. a. Regional Water Authority (President Jones)
The agenda from the July 11, 2019 meeting was provided.

GM York provided an oral report on the meeting.

Regional Water Authority Executive Committee (General Manager York)
The agenda from the June 26, 2019 meeting was provided.

- b. Sacramento Groundwater Authority (Director Thomas)
The agenda from the June 13, 2019 meeting was provided.
- c. Water Caucus Meeting (General Manager York)
None.
- d. Water Forum Successor Effort (General Manager York)
None.
- e. Other Reports – AB 1234

President Jones provided an oral report on the following meetings he attended:

- June 3, 2019 meeting with the General Manager.
- June 4, 2019 Del Paso Manor Water District Board meeting.
- June 14, 2019 Fulton El Camino Parks and Recreation District presentation.

Director Locke provided oral reports on the following meetings he attended:

- May 21, 2019 meeting of the Finance and Audit Committee audio.
- May 31, 2019 Del Paso Manor Water District Board meeting.
- June 3, 2019 meeting with Rob Roscoe.
- June 5, 2019 meeting with Ted Costa from SJWD.

Director Thomas provided oral reports on the following meetings he attended:

- March 20, 2019 meeting with the General Manager.
- July 17, 2019 Aero Jet CAG meeting.

Committee Reports

- 19. a. Facilities and Operations Committee (Director Jones)
None.
- b. Finance and Audit Committee (Director Wichert)
None.
- c. San Juan Water District/Sacramento Suburban Water District Water Management/Re-Organization Committee (Director Jones)
The notes from the June 20, 2019 meeting were provided.

Information Items

20. **Human Resources and Succession Plan Biannual Report**
A written report was provided.
21. **Legislative and Regulatory Update**
A written report was provided.
22. **Upcoming Water Industry Events**
A written report was provided.
23. **Upcoming Policy Review**
A written report was provided.
 - a. Workplace Dishonesty Policy (PL – Adm 006)
A written report was provided.

Director's Comments/Staff Statements and Requests

None.

Adjournment

President Jones adjourned the meeting at 7:41 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District