

Minutes

Sacramento Suburban Water District Regular Board Meeting Monday, July 19, 2021

Location:

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, and Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting Id #835 4181 4009.

Call to Order – Videoconference/Audioconference Meeting

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

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 Matt Underwood, Heather Hernandez-Fort, Jeff Ott, Dana Dean, Julie Nemitz, Greg Bundesen, David Espinoza, Todd Artrip, Doug Cater, Joe Crockett, and Susan Schinnerer.

Public Present: William Eubanks, Paul Helliker, Bob Ames, Norma Ames, Brian Cater, Shelly Cater, Deann Cater, Justen Cater, Cristina Cater, Aaron Cater, Chloe Cater, Sara Michel, Ryan Michel, Cleta Cater, Allen Trux, Susan Enslow, Ted Costa, Alan Driscoll, and Bill DeBoer.

Pledge of Allegiance

President Wichert led the Pledge of Allegiance.

Announcements

None.

Public Comment

None.

Consent Items

1. **Minutes of the June 21, 2021, Regular Board Meeting**
2. **Policy Review - Communication and Team Building Policy (PL - Adm 008)**
3. **Proposed Changes to Monthly Financial Reports**

4. **Resolution No. 21-08 Adopting Procedures for Payment of Demands and Payment of Demands Policy PL-Fin 014**

5. **Resolution No. 21-09 Amending Regulation No. 7, of the Regulations Governing Water Service**

Director Thomas moved to approve all Consent Items; Director Jones seconded. The motion passed by unanimous vote.

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

Public Hearing

6. **Public Hearing on Initial Study and Proposed Mitigated Negative Declaration for Well 80 Walnut/Auburn Project**

President Wichert opened the Public Hearing and asked General Manager Dan York (GM York) to provide a summary of the circumstances that brought forth the need for the Public Hearing.

GM York provided a timeline from the Board action calling for the Public Hearing through legal notices provided to the public. He explained the order of the proceeding for the Public Hearing. After all public comment has been received, the Public Hearing would be closed and the Board would then deliberate.

David Espinoza (Mr. Espinoza) presented the PowerPoint presentation of the Initial Study and Proposed Mitigated Negative Declaration for Well 80 Walnut/Auburn Project answered clarifying questions.

President Wichert opened the public comment portion of the Public Hearing.

Hearing no public comment, President Wichert closed the public comment portion and closed the Public Hearing.

Items for Discussion and/or Action

7. **Adoption of an Initial Study/Mitigated Negative Declaration for the Well 80 Walnut/Auburn Project**

Mr. Espinoza presented the staff report and answered clarifying questions.

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

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

8. **Resolution No. 21-10 Honoring Douglas Cater, Production Superintendent on his Upcoming Retirement**

GM York presented the staff report.

President Wichert moved to approve the staff recommendation; Director Locke seconded. The motion passed by unanimous vote.

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

GM York recited the approved Resolution for Doug Cater (Mr. Cater), and expressed his appreciation for all of the hard work and dedication Mr. Cater has provided to the District.

Mr. Cater expressed his appreciation for the kind words.

President Wichert additionally expressed his appreciation for Mr. Cater's dedication.

9. **Water Conservation – Reduce Water Use Update**

Greg Bundesen (Mr. Bundesen) presented the staff report and answered clarifying questions.

Discussion ensued over setting the amount of voluntary reduction between 15 percent and 20 percent.

The Board agreed to stay with the 15 percent.

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

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

10. **Employee Handbook Review - Sick Leave**

Susan Schinnerer (Ms. Schinnerer) presented the staff report, the PowerPoint presentation, and answered clarifying questions.

Director McPherson expressed she believed there should be an option to eliminate any cash pay-out for all employees. She further expressed she did not see a cost savings to the District, noting it was a very generous benefit. She suggested a hybrid option eliminating cash pay-outs for employees, but rather giving employees the option to transfer the unused time to CalPERS service credit.

GM York pointed out that at the last Employee Benefits Ad Hoc Committee, Director Thomas expressed interest in keeping any changes to prospective employees only.

Director Jones expressed that years ago, when he became an employee of the District, he was told that sick leave was paid out, and he was afraid that if the Board continued to take benefits away from the employees little by little, they were limiting the pool of employees to hire and retain. He further expressed he preferred to either keep it the way it was, or he would support option 2.

William Eubanks (Mr. Eubanks) expressed he was not in support of employees being paid for unused sick time, further noting this benefit was not listed as a benefit on the District website. He further suggested to pay all the employees out that are over the limit, then eliminate the program.

President Wichert requested staff present an option that removes any sick time payout for employees.

GM York expressed that after reviewing the sick leave section of the handbook, and based on comments from some of the Directors, staff drafted the presented options, noting the Board had the opportunity to make any changes needed.

President Wichert noted he was not interested in compensating anyone for unused sick leave, but felt that sick leave should be accrued without any limits.

Director Locke moved to approve option 2. The motion failed for a lack of a second.

President Wichert requested staff take the report back and review it.

Director McPherson suggested to look at a hybrid option to vote on at this meeting.

President Wichert expressed the topic was too sensitive to come up with an option on the fly.

Director McPherson moved to eliminate cash payout for everyone, and allow employees to convert their accrued sick leave to CalPERS service credit. The motion failed for a lack of a second.

President Wichert noted he additionally wanted to discontinue the CalPERS credit as well, as he did not support any monetary benefit for unused sick leave.

Ms. Schinnerer expressed that currently as part of the CalPERS contract with most agencies, the contract does allow service hours to be converted to service credit.

President Wichert reiterated that he wanted staff to present an option with no cash payouts, no CalPERS payouts, and unlimited sick leave.

Director Locke expressed he was not in favor of unlimited sick leave, and further noted he didn't believe that paying employees for unused sick leave was a substantial liability. He expressed he was trying to find the problem the Board was trying to solve, as he didn't feel it was an issue.

Director McPherson clarified that the problem was the monetization of sick leave.

The Board agreed to table the Item until next month, when staff would come back with additional options.

General Manager's Report

11. General Manager's Report

GM York presented the staff report.

- a. *Grant of Easement and Right of Way*
A written report was provided.
- b. *Sacramento Local Agency Formation Commission – Executive Officer*
A written report was provided.

Department/Staff Reports

12. Financial Report

Jeff Ott (Mr. Ott) presented the staff report and answered clarifying questions.

- a. *COVID-19 Financial Update*
A written report was provided.
- b. *Cash Expenditures – May 2021*
A written report was provided.
- c. *Purchase Card Expenditures – May 2021*
A written report was provided.
- d. *Directors Compensation and Expense Accounting – Second Quarter 2021*
A written report was provided.
- e. *Financial Highlights*
A written report was provided.

- f. *Statements of Net Position*
A written report was provided.
- g. *Statements of Revenues, Expenses, and Changes in Net Position*
A written report was provided.
- h. *Budgets*
A written report was provided.
- i. *Debt – May 2021*
A written report was provided.
- j. *Investments Outstanding and Activity – May 2021*
A written report was provided.
- k. *District Reserve Balances – May 2021*
A written report was provided.
- l. *Information Required by LOC Agreement*
A written report was provided.

13. **District Activity Report**

Todd Artrip presented the staff report and answered clarifying questions.

Assistant General Manager Matt Underwood provided an update to the chlorine shortage impact, noting staff is preparing for all possibilities.

14. **Engineering Report**

Dana Dean presented the staff report.

President Wichert expressed he was interested in having a presentation to the Board on the SCADA Asset Management Plan.

Director Thomas expressed he would like to see how the system runs in a future presentation as well.

- 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.

Information Items

15. **Sacramento Suburban Water District Goals – 2021 Update**
A written report was provided, GM York provided an update.
16. **COVID-19 Temporary Regulation Suspension Update**
A written report was provided, Mr. Ott provided an update.
17. **Biannual Groundwater Level Report**
A written report was provided.
18. **Upcoming Water Industry Events**
A written report was provided.
19. **Upcoming Policy Review**
A written report was provided.

Director McPherson expressed she had additional comments on a Policy in the Consent Items, and that she would get with staff to provide those comments.

- a. Purchasing Card Policy (PL – Fin 006)
- b. Impaired Capital Asset Policy (PL – Fin 008)

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

20. a. Regional Water Authority (Director Jones)
The agenda for the July 8, 2021 meeting was provided.

Regional Water Authority Executive Committee (General Manager York)
The agenda for the June 23, 2021 meeting was provided.

- b. Sacramento Groundwater Authority (Director Wichert)
None.
- c. Director Reports – AB 1234

Director Thomas provided oral reports on the RWA meeting's he attended, on May 6, May 10, May 13, June 11, and June 23, 2021; the meeting's he attended with GM York on May 14, June 18, and June 19, 2021; the meeting he had with Director McPherson on May 16, 2021; the Water Caucus meeting he attended on May 18, 2021; the Collaboration Study meeting he attended on May 21, 2021; the Water Forum meeting he attended on June 10, 2021; and the Carmichael Water District meeting he attended on June 15, 2021.

Committee Reports

21. a. Employee Benefits Ad Hoc Committee Meeting (Director McPherson)
Draft notes from the June 16, 2021, meeting were provided.
- b. Finance and Audit Committee Meeting (Director Thomas)
Draft notes from the June 28, 2021 meeting were provided.
- c. Carmichael Water District/SSWD 2x2 Ad Hoc Committee (Director Locke)
Draft notes from the July 7, 2021 meeting were 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 7:22 p.m. to discuss the following:

22. Conference with real property negotiator involving the purchase, sale, lease or exchange of APN 203-0120-101-0000, Sacramento, CA. Dan York, District negotiator, will negotiate with Lennar Corporation. Instructions to the negotiator(s) 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 7:37 p.m. There was no reportable action.

Adjournment

President Wichert adjourned the meeting at 7:38 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District