

Minutes

Sacramento Suburban Water District Regular Board Meeting Monday, March 21, 2022

Location:

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting Id #837 4699 0176

Call to Order

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

Roll Call

Directors Present: Jay Boatwright, Dave Jones, Craig Locke, 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, Todd Artrip, Susan Schinnerer, Hannah Dunrud, Ann Bradford, and Julie Nemitz.

Public Present: William Eubanks, Jennifer Harris, Paul Helliker, and Legal Counsel Josh Horowitz.

Action Item

- AB 361 Findings to Continue Permitting Director Remote Participation in Board Meetings**

Director Thomas moved to approve Item 1; President Locke seconded. The motion passed by unanimous vote.

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

Announcements

General Manager Dan York (GM York) announced:

- The District's main office is open for customers.

Public Comment

None.

Consent Items

- 2. **Minutes of the February 28, 2022, Regular Board Meeting**
- 3. **Treasurer’s Report**
- 4. **Policy Review - Training and Career Development Policy (PL - HR 004)**

Director Wichert asked clarifying questions in the Treasurer’s report, and requested staff show how much was being spent each month on the high priority engineering projects in the report.

President Locke requested staff provide him with a map illustrating where each well is located in the district.

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

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

Items for Discussion and/or Action

- 5. **Policy Review - Rules for Proceedings of the Board of Directors Policy (PL - BOD 002)**

Assistant General Manager Matt Underwood (AGM Underwood) presented the staff report and answered clarifying questions.

Director Wichert noted he was in favor of eliminating all committees.

Legal Counsel Josh Horowitz (Mr. Horowitz) expressed that the Audit Committee had continuing subject matter jurisdiction, noting it could be a standing committee. He additionally noted that the Ad Hoc General Manager Performance Review Committee could be changed to just having the Board President appoint General Manager Contract Negotiators on an annualized basis. He concluded with adding that the Board President could additionally appoint the Carmichael Water District (CWD)/SSWD 2x2 Ad Hoc Committee as a standing committee rather than an ad hoc committee.

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

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

6. **Policy Review – Directors’ Compensation and Expense Reimbursement Policy (PL – BOD 003)**

AGM Underwood presented the staff report and answered clarifying questions.

Mr. Horowitz provided clarification.

Director Wichert expressed he did not choose to receive compensation for being a Director, as he believed it was a public service. He further expressed that if a Director elected to be compensated, they should only be compensated for up to 6 meetings where they were representing the District and making decisions as that representative.

Director Jones expressed that if conferences, seminars or other meetings benefit the District, Directors should be compensated for them, noting he was not in favor of compensating for short meetings such as a few minutes with the General Manager. He further noted that District Directors’ compensation has never been increased since inception, and added that he was in favor of reducing the meetings from 10 to 8.

President Locke agreed with Director Jones that there was a benefit to Directors attending meetings, conferences and webinars, as Directors stay well informed of the water industry by being engaged. He expressed he was happy with how the Policy was currently written.

Director Thomas agreed with President Locke and Director Jones.

Mr. Eubanks expressed he was in favor of increasing the Director stipend.

Mr. Horowitz expressed that Director compensation could be increased in 5% increments annually.

GM York expressed staff could bring back an item to a future Board meeting for this discussion and include examples of surrounding Water District’s Director stipends.

Director Thomas moved to keep the original Policy with no changes.

The motion failed for a lack of a second.

No changes were made.

7. **Committee and Liaison Appointments for 2022**

GM York presented the staff report.

President Locke appointed Director Boatwright to the Audit Committee as well as appointed him as the representative for the District to the LAFCo Special Districts Advisory Committee.

President Locke changed the CWD/SSWD 2x2 Ad Hoc Committee, and the Audit Committee, to standing committees. He additionally disbanded the Ad Hoc General Manager Performance Review Committee.

8. **North Service Area Water Supply Capacity Improvements Update**
AGM Underwood thoroughly presented the staff report and answered clarifying questions.

GM York commended staff on identifying ways to enhance the system in preparation for the peak demands.

Paul Helliker (Mr. Helliker) commended staff on their efforts, and noted he looked forward to working together with the District on future projects.

9. **Campaign Contribution Limits on Candidates for District Board of Directors**
GM York presented the staff report.

Mr. Horowitz added that the District did not have campaign contribution limits, noting if the Board elected to assign campaign contribution limits, it would need to be done by ordinance, regulation, or by inserting language into the Ethics Policy.

Mr. Eubanks commented that he was not in favor of campaign contributions for Directors of a water district Board.

No changes were made.

General Manager's Report

10. **General Manager's Report**
GM York presented the staff report and answered clarifying questions.

- a. *Grant of Easement and Right of Way*
A written report was provided.

- b. *Hinkle Project Update*
A written report was provided.

GM York noted that Tony Barela, Operations Manager of San Juan Water District, was willing to present further information on the Hinkle Project at a future Board meeting.

Mr. Helliker expressed his appreciation to District staff for assisting with the Hinkle Project.

- c. *Combination Study Business Case Analysis – Proposal Update*
A written report was provided.

President Locke provided a summary of the previous meeting, noting he was hoping to bring something to the full Board at the April 4, 2022, Special Board meeting.

Mr. Eubanks expressed he did not believe there was any benefit to the District ratepayers to merge with CWD.

Department/Staff Reports

11. Financial Report

Jeff Ott (Mr. Ott) presented the staff report.

Julie Nemitz answered clarifying questions regarding collections.

Jennifer Harris expressed she was not in favor of the District having debt.

a. Draft - Financial Highlights

A written report was provided.

b. Budgets

A written report was provided.

c. Information Required by LOC Agreement

A written report was provided.

12. District Activity Report

Todd Artrip presented the staff report and answered clarifying questions.

13. Engineering Report

Dana Dean presented the staff report and answered clarifying questions.

Director Wichert requested to receive information on the root cause analysis from the Coyle Well issue.

a. Major Capital Improvement Program Projects

A written report was provided.

b. Active Wells

A written report was provided.

c. Planning Documents

A written report was provided.

d. Other Projects

A written report was provided.

Information Items

14. **2021 Budget Reconciliation**
Mr. Ott presented the staff report and answered clarifying questions.
15. **2022 Bond Refinancing Update**
A written report was provided.
16. **Upcoming Water Industry Events**
A written report was provided.
17. **Upcoming Policy Review**
A written report was provided.
 - a. Disposing of Surplus District Real Property, Vehicles and Large Equipment and Other Personal Property Policy (PL - Adm 003)
 - b. Information Technology/Disaster Recovery Policy (PL - IT 004)

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

18. a. Regional Water Authority (Director Jones)
The agenda for the March 10, 2022, Board Meeting was provided.

Regional Water Authority Executive Committee (General Manager York)
The agenda for the February 23, 2022, Executive Committee Meeting was provided.
- b. Sacramento Groundwater Authority (Director Thomas)
The agenda for the March 10, 2022, Special Board Meeting was provided.
- c. Director Reports – AB 1234

Director Thomas provided an oral report on the Del Paso Manor Water District Board Meeting he attended on February 1, 2022; the ACWA Groundwater Committee Meeting he attended on February 16, 2022; the ACWA Water Quality Committee Meeting he attended on February 17, 2022; the Water Forum Meeting he attended on February 24, 2022; and the meeting he had with the General Manager on February 25, 2022.

Committee Reports

19. a. Carmichael Water District/SSWD 2x2 Committee Meeting (Director Locke)
Draft Minutes from the February 18, 2022, meeting were provided.

Director's Comments/Staff Statements and Requests

None.

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

The Board convened in Closed Session at 7:44 p.m. to discuss the following:

20. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving claims related to PFAS contamination.
21. Public employee performance evaluation involving the General Manager under Government Code section 54954.5(e) and 54957.

Return to Open Session

The Board convened in Open Session at 8:16 p.m. There was no reportable action.

Adjournment

President Locke adjourned the meeting at 8:17 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District