

## **Minutes**

### **Sacramento Suburban Water District Regular Board Meeting Monday, July 18, 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 #843 1258 0201

#### **Call to Order**

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

#### **Pledge of Allegiance**

President Locke led the Pledge of Allegiance.

#### **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, Greg Bundesen, Julie Nemitz, Geneva Dowl, and Susan Schinnerer.

Public Present: Rob Roscoe, William Eubanks, Alan Gardner, Janice Hall, Jose Henriquez, Trish Harrington, Carl Dolk, and Legal Counsel Josh Horowitz.

#### **Announcements**

General Manager Dan York (GM York) announced:

- Candidate Filing opened today for Divisions 2, 3, 4, and 5, and closes Friday, August 12, 2022.
- Form 470 is at the dais for each Director to sign. Additional information on Form 470 is attached.

#### **Public Comment**

William Eubanks (Mr. Eubanks) pointed out that the Year in Review showed that the District has a lot of money.

#### **Consent Items**

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

2. **Minutes of the June 20, 2022, Regular Board Meeting**
3. **Minutes of the June 27, 2022, Special Board Workshop**
4. **Treasurer’s Report**
5. **Policy Review – Employee Standards of Conduct and Discipline Policy (PL – HR 011)**
6. **Policy Review – Director Sexual Harassment Prevention Training Policy (PL - BOD 005)**
7. **Policy Review – Electronic Mail, Internet and Computer Use Policy (PL - IT 005)**

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

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

**Public Hearing**

8. **Public Hearing on Proposed Ordinance No. 2022-01 – An Ordinance of the Board of Directors of Sacramento Suburban Water District Fixing the Compensation of Directors**

President Locke opened the Public Hearing and asked the General Manager 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 and noted that after all public comments have been received, the Public Hearing would be closed.

Jeff Ott (Mr. Ott) presented the proposed Ordinance No. 2022-01.

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

Janice Hall (Ms. Hall) inquired if there would be more than 10 stipends per month with the new ordinance.

Mr. Ott answered that there would still only be a 10 stipend per month maximum.

President Locke closed the public comment portion of the Public Hearing.

President Locke closed the Public Hearing.

**Items for Discussion and/or Action**

**9. Ordinance No. 2022-01 – An Ordinance of the Board of Directors of the Sacramento Suburban Water District Fixing the Compensation of Directors**

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

Director Wichert expressed he was not in favor of raising the Director’s compensation. He added that if the item did pass, he requested that the only meetings compensable would be Board meetings.

Director Thomas moved to approve the staff recommendation; Director Jones seconded. The motion passed by 4/1 vote, Director Wichert opposed.

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

**10. Former General Manager Post-Retirement Medical Costs**

GM York presented the staff report and provided a summary on the history of the item.

Josh Horowitz (Mr. Horowitz) provided additional information on the history of the item.

Rob Roscoe (Mr. Roscoe) summarized a memo he provided to the Board. He expressed that his post-retirement health benefits were clearly defined in paragraph 6.d. of the contract, noting the contract stated he was entitled to 100% District paid post-retirement health benefits for himself and his spouse, further expressing that would mean the same as 0% paid by him. He noted that since his retirement, the District has been paying 100% of the post-retirement medical benefits, and that any changes to those costs should not change the terms of the agreement, as the contract stated 100% paid. He requested that the Board honor their contractual commitment.

Mr. Eubanks expressed his support for the Board approving Mr. Roscoe’s request.

Director Wichert inquired if Mr. Horowitz believed that Mr. Roscoe was asking the District to pay for his Medicare costs, which were higher due to the fact Mr. Roscoe was making excess income above his retirement income.

Mr. Horowitz answered that he believed so.

Director Wichert inquired if the contract stated that the District would pay Mr. Roscoe’s Medicare payments.

Mr. Horowitz answered that the contract did not state that.

Director Wichert expressed he didn’t believe the District was responsible for paying Mr. Roscoe’s Medicare costs as a result of him making more money.

President Locke pointed out that the District had been paying Mr. Roscoe's Medicare costs, and noted that Mr. Roscoe's contract stated that the cap on District employees did not apply to him. He further inquired what changed in order for staff to bring the item to the Board.

Mr. Ott expressed that staff received a reimbursement request from Mr. Roscoe and wanted to be sure the nature of the expenditure was accurate.

Director Thomas expressed that it was unfortunate that the contract was not written more clearly.

Director Boatwright clarified that CalPERS makes you sign up for Medicare, and noted that the rates will decrease again eventually. He stated he believed that the Medicare cost would be a part of medical insurance.

Director Wichert noted that Medicare was not discussed in the original contract negotiations, and stated that Medicare costs were a personal expense and separate from the District's responsibility, further stating that it was not in the contract.

Director Jones pointed out that the District had already established that they were paying it.

President Locke restated that his understanding of the contract was that Mr. Roscoe's post-retirement medical was paid at 100%.

Mr. Roscoe pointed out that Medicare was not itemized in the contract, but that it was also not specifically excluded either, restating that it was however listed as 100% District paid.

Director Boatwright noted that the premium for Mr. Roscoe's insurance decreased, stating that the Medicare cost replaced the premium costs so it balanced, and further expressed he supported Mr. Roscoe's request.

President Locke moved to clarify that all of the insurance costs, and that the intent of the contract, was to include all of the medical insurance costs for the Roscoe's during retirement. And how that splits up between Medicare, or CalPERS, or anything is irrelevant; Director Boatwright seconded.

Director Wichert expressed he had no problem with paying 100 percent of Mr. Roscoe's CalPERS premiums, but that he was not in favor of paying his Medicare premiums.

Director Jones clarified that Mr. Roscoe would invoice the District for all of his insurance costs, specifically CalPERS and Medicare, regardless of any caps established.

The motion passed by a 4/1 vote, Director Wichert opposed.

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

Mr. Roscoe thanked the Board for approving his request and clarified that he would be reimbursed for past unpaid post-retirement medical amounts.

GM York confirmed that Mr. Roscoe would be reimbursed for past unpaid post-retirement medical amounts.

11. **Sacramento Suburban Water District and Del Paso Manor Water District 2x2 Committee**

GM York presented the staff report and answered clarifying questions.

Mr. Eubanks expressed his concern about the impact of a consolidation with Del Paso Manor Water District (DPMWD) to District ratepayers.

GM York expressed that if the staff recommendation was approved, there were several options to discuss and consider. GM York also commented that he met with Division of Drinking Water staff and was informed there is state funding for consolidations and incentives for consolidations.

Ms. Hall expressed she was a DPMWD ratepayer and requested the District's support, as she felt there were several issues with DPMWD that were not being addressed.

Alan Gardner (Mr. Gardner) General Manager of DPMWD expressed that the DPMWD system had been mismanaged for years prior to his arrival, and provided an overview of the improved status of their system. He expressed that their system fits within the structure of the District's Asset Management Plan without any urgent need for replacements. He expressed that the DPMWD was in a much better position for a merger with the District.

Director Wichert expressed he was in favor of discussions with DPMWD, but that he was not interested in the District ratepayers paying anything additional in support of DPMWD. He expressed he would be interested in getting further information on the condition of DPMWD's facilities, and expressed he would like to be a part of the committee.

Director Jones inquired why Mr. Gardner was interested in merger discussions with the District.

Mr. Gardner expressed it has been challenging finding staff, and noted there could also be benefits to both agencies, as they could provide additional wells to the District.

Director Boatwright expressed he was interested in being proactive and having discussions with DPMWD if it made sense.

President Locke noted he would be interested in discussions if it worked financially for the District. He noted there could be funding available through the State of California, and that he was also interested in getting further information on the condition of DPMWD’s system.

President Locke moved to move forward with 2x2 discussions with DPMWD, as the concepts outlined in the staff report make for a good baseline for what needs to be examined in the committee, noting there would be additional items as discussions continue, and he appointed Director’s Boatwright and Wichert to a new SSWD/DPMWD 2x2 Committee; Director Thomas seconded. The motion passed by unanimous vote.

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

**12. Late Night Water Waste Patrols**

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

Director Wichert pointed out that he requested the item, and expressed it would be for educating the customers, as some do not realize they are wasting water late at night.

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

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

**13. Annual Fraud Prevention Presentation**

Mr. Ott presented the staff report and PowerPoint presentation.

**General Manager’s Report**

**14. General Manager’s Report**

GM York presented the staff report.

- a. *Grant of Easement and Right of Way*  
GM York presented the staff report.

- b. *Sacramento Groundwater Authority and Sacramento Central Groundwater Authority*  
GM York presented the staff report.  
Director Wichert expressed he was frustrated with the outcome of the meeting discussions.

### **Department/Staff Reports**

15. **Financial Report**

Mr. Ott presented the staff report.

a. *Financial Statement Highlights*

A written report was provided.

b. *Budgets*

A written report was provided.

16. **District Activity Report**

A written report was provided.

17. **Engineering Report**

Dana Dean presented the staff report.

Mr. Eubanks commented on Well 78.

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**

18. **Social Media Update**

Mr. Bundesen presented the staff report.

19. **Upcoming Water Industry Events**

A written report was provided.

20. **Upcoming Policy Review**

A written report was provided.

- a. Budget Policy (PL – Fin 012)
- b. Return to Work Policy (PL – HR 007)

Director Wichert requested for the Return to Work Policy to be reviewed by legal counsel.

- c. Discrimination and Harassment Training Policy (PL – HR 012)
- d. Workplace Violence Policy (PL - HR 013)

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

21. a. Regional Water Authority (Director Jones)

The agenda for the July 7, 2022, meeting was provided.

Regional Water Authority Executive Committee (General Manager York)  
The agenda for the June 22, 2022, meeting was provided.

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

**Committee Reports**

22. a. Carmichael Water District/SSWD 2x2 Meeting (Director Locke)  
The Draft Minutes from the June 16, 2022, meeting were provided.

**Director’s Comments/Staff Statements and Requests**

None.

**Adjournment**

President Locke adjourned the meeting at 7:57 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District