

## **Minutes**

Sacramento Suburban Water District

### **Regular Board Meeting**

Monday, August 15, 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 #859 0666 7284

#### **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 (via Zoom), 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, Ann Bradford, Todd Artrip, Monica Vazquez, Julie Nemitz, Lynn Pham, Aaron Caudillo, Greg Bundesen, David Armand, Dylan Huntzinger, and Susan Schinnerer.

Public Present: William Eubanks, Jeff Nelson, and Legal Counsel Josh Horowitz.

#### **Announcements**

General Manager Dan York (GM York) announced:

- Candidate Filing closed last Friday, and Division 2 was the only Division with two candidates running. The rest of the candidates are running unopposed.
- Rob Swartz with the Regional Water Authority and the Sacramento Groundwater Authority has announced his retirement.

#### **Public Comment**

None.

#### **Consent Items**

1. **AB 361 Findings to Continue Permitting Director Remote Participation in Board Meetings**
2. **Minutes of the July 18, 2022, Regular Board Meeting**

3. **Treasurer’s Report**
4. **Policy Review – Budget Policy (PL – Fin 012)**
5. **Policy Review – Return to Work Policy (PL – HR 007)**
6. **Policy Review – Discrimination and Harassment Prevention Policy (PL – HR 012)**
7. **Policy Review – Workplace Violence Policy (PL - HR 013)**
8. **2022 Mid-Year Budget Update**

Director Wichert requested to pull Item 8 for discussion.

William Eubanks (Mr. Eubanks) requested to speak on Item 8.

Director Thomas moved to approve Consent Items 1-7; Director Jones seconded. The motion passed by unanimous vote.

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

Regarding Item 8, Director Wichert commented that the current projection was that the full budget would not be spent, and wanted to keep this in mind when discussing next year’s budget, as he suggested to not budget more than can be spent.

Mr. Eubanks echoed Director Wichert, noting staff was under budget, and further stating the CIP projects budgeted were not being completed.

Director Thomas moved to approve Consent Item 8; 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**

9. **Long-Term Contract With a Well Contractor**  
Assistant General Manager Matt Underwood (AGM Underwood) presented the staff report and answered clarifying questions.

Director Jones inquired if staff considered hiring a separate contractor to work on making sure the costs were appropriate, if there would be a Sacramento Suburban

Water District staff person dedicated to managing the company, what the termination agreement would be in case the contract didn't work out, what costs were associated in this, and what safeguards were being put in place to protect the District. He further expressed he supported the concept, but wanted to see some more of the details.

Mr. Eubanks supported the concept noting it was innovative thinking, and commented that this should have been considered years ago.

Director Thomas additionally supported the item.

President Locke expressed his support for the item and echoed Director Jones, noting he wanted to safeguard the District should the contract not work out for any reason.

Director Wichert requested staff find out if other water agencies have their own well contractor companies, such as East Bay MUD or Las Vegas Valley Water District.

Director Wichert inquired if there were any neighboring water agencies that were interested in opportunities in sharing this type of contract.

GM York expressed that the District was the first in the region that has had these types of discussions, and that it should be something to consider, noting the District would be the first priority. He additionally expressed intent was to bring the contract back at the September regular Board meeting for approval.

Mr. Eubanks inquired what was more important to Director Wichert, getting the work done, or saving money.

Director Wichert expressed he was more in favor of getting the work done, and additionally expressed he was in favor of the item.

Director Boatwright expressed he wanted to be cautious of costs, making sure it was reasonable, and to be cognizant of any safeguards for the District. He expressed his support for the item.

Director Wichert moved to approve the staff recommendation.

President Locke stated he wanted to get further details on the item at the next Regular Board meeting.

Director Thomas seconded; the motion passed by unanimous vote.

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

10. **2022 Triennial Public Health Goal Report and Call for Public Hearing**  
David Armand and Monica Vazquez presented the staff report and PowerPoint presentation.

Director Wichert asked clarifying questions.

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

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

11. **Calendar Year 2023 Budget Assumptions**

Lynn Pham (Ms. Pham) presented the staff report, the Budget Assumption spreadsheet, and answered clarifying questions.

Director Wichert inquired how other agencies outside of water, such as the State of CA, or SMUD, handle merit pay when someone was at the top of their salary band.

Regarding CIP, Director Wichert proposed staff not budget more in 2023 than they could spend in 2022.

President Locke expressed he hopes more is spent in 2023, than in 2022.

Staff requested to remove line item 11, the construction inflation line item, as staff uses current construction costs based on current experience with contractors to budget as well as the fact that the ENR index utilized is a 20 cities average and doesn't properly reflect construction cost inflation in the Sacramento area.

Director Wichert moved to remove line item 11 from the Budget Assumptions spreadsheet, and approve the staff recommendation.

Mr. Eubanks inquired about the CIP budget and asked clarifying questions.

Ms. Pham answered that the CIP budget would be presented at the October 5, 2022, Special Board Workshop.

Director Thomas seconded Director Wichert's motion. The motion passed by a 4/1 vote. Director Boatwright was experiencing technical difficulties and was unable to provide a vote.

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

## **General Manager's Report**

### **12. General Manager's Report**

GM York presented the staff report.

a. *Del Paso Manor Water District/Sacramento Suburban Water District 2x2 Committee Meeting*

GM York presented the staff report.

b. *South-of-Delta Central Valley Project Tour*

GM York presented the staff report.

## **Department/Staff Reports**

### **13. Financial Report**

A written report was provided.

Mr. Eubanks asked clarifying questions.

a. *Financial Highlights*

A written report was provided.

b. *Financial Statements*

A written report was provided.

c. *Budgets*

A written report was provided.

### **14. District Activity Report**

Todd Artrip presented the staff report.

Julie Nemitz provided additional information on the District's collections process.

Greg Bundesen presented conservation results for July.

### **15. Engineering Report**

Dana Dean (Mr. Dean) presented the staff report.

Director Wichert requested for each project to have a baseline schedule included in the Engineering Report, showing the start date and the projected completion date of each project going forward. He clarified to include the baseline schedule with the newer projects going forward.

GM York expressed staff can do that, as well as add the schedule of the maintenance on wells.

Director Jones supported Mr. Dean, noting that there are pipeline and supply issues and that materials are just not available, regardless how much you are willing to spend to get them.

Director Wichert suggested placing orders on the supplies needed to complete projects, as he felt that even if supplies are not available now, staff could still place an order for when it is available.

GM York expressed staff is doing everything they can to purchase supplies, noting if they are not available, there is not much staff can do. He stated that staff wants to get these projects completed as much as everyone else. He further commended the Board for considering the concept of a long term well contractor to try to accomplish those goals.

Mr. Eubanks expressed that the District needed to adjust to the new world that we live in, noting that these projects are taking much longer than anticipated.

Director Boatwright suggested staff work on designing new wells and get them submitted to the County early to anticipate the delays in the process.

President Locke suggested working on design, while waiting on the supply chain, in an effort to be ahead.

*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**

**16. National Special Districts Working Group to Address Water Infrastructure and Fire Flows**

GM York presented the staff report.

**17. United States Environmental Protection Agency - Consecutive System**

AGM Underwood presented the staff report.

**18. Environmental Review for Well 84 Antelope/Don Julio Project**

Mr. Dean presented the staff report.

19. **Upcoming Water Industry Events**

A written report was provided.

20. **Upcoming Policy Review**

A written report was provided.

- a. Public Works Contracting Policy (PL – Eng 002)
- b. Environmental Sustainability Policy (PL - Adm 005)
- c. Directors’ Compensation and Expense Reimbursement Policy (PL - BOD 003)

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

21. a. Regional Water Authority (Director Jones)

None.

Regional Water Authority Executive Committee (General Manager York)

The agenda for the July 27, 2022, meeting was provided.

b. Sacramento Groundwater Authority (Director Wichert)

The agenda for the August 11, 2022, meeting was provided.

c. Director Reports – AB 1234

Director Thomas provided an oral report of the meeting he had with the General Manager on July 17, 2022; the AeroJet CAG Meeting he attended on July 20, 2022; and the ACWA Water Quality Committee Meeting he attended on July 27, 2022.

**Committee Reports**

22. a. Carmichael Water District/SSWD 2x2 Meeting (Director Locke)

The draft Minutes from the July 20, 2022, meeting were provided.

The Board agreed that after the next 2x2 Committee meeting, they would hold the following meeting with both full Boards as opposed to two separate Board meeting.

b. Del Paso Manor Water District/SSWD 2x2 Meeting (Director Wichert)

The draft Minutes from the August 8, 2022, meeting were provided.

Mr. Eubanks provided his opinion of the last committee meeting.

**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 at 8:10 p.m. to discuss the following:

23. Conference with legal counsel – potential litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving the State Water Resources Control Board’s proceedings related to the California Water Fix and the Bay-Delta Water Quality Control Plan Update.

**Return to Open Session**

The Board convened in Open Session at 8:30 p.m. There was no reportable action.

**Adjournment**

President Locke adjourned the meeting at 8:31 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District