

Minutes

Sacramento Suburban Water District Regular Board Meeting March 18, 2024

Location:

3701 Marconi Avenue, Sacramento, CA 95821, Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting ID #889 9056 2588

Call to Order

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

Pledge of Allegiance

President Thomas led the Pledge of Allegiance.

Roll Call

Directors Present: Jay Boatwright, Craig Locke, Dave Jones, Kevin Thomas, and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Assistant General Manager Matt Underwood, Heather Hernandez-Fort, Lynn Pham, Howard Moreland, Dana Dean, Greg Bundesen, Tommy Moulton, Julie Nemitz, and Todd Artrip.

Public Present: Legal Counsel Josh Horowitz, Legal Counsel Jennifer Buckman, Paul Selsky, Greg Zlotnick, Ted Costa, Jeff Nelson, and Kyler Rayden.

Announcements

General Manager Dan York (GM York) announced:

- Director Wichert was officially appointed to the Regional Water Authority's Executive Committee Board on March 14, 2024.
- Todd Artrip, Operations Manager for the District, has announced his retirement.

Public Comment

None.

Consent Items

1. **Draft Minutes of the February 26, 2024, Regular Board Meeting**
2. **Treasurer's Report**
3. **Policy Review - Employee Compensation Policy (PL – HR 002)**

- 4. **Policy Review - Workplace Dishonesty Policy (PL – Adm 006)**
- 5. **March 2024 Legislation Update**

Director Wichert requested to pull Item 3 for discussion.

Director Wichert moved to approve all Consent Items except Item 3; Director Boatwright seconded. The motion passed by unanimous vote.

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

Regarding Item 3, Director Wichert requested to table the Policy until the Board has had a presentation on alternative compensation options, including more flexibility to reward employees, as well as offering additional incentive for performance, resulting in wider pay bands.

GM York expressed he would work on bringing a presentation to the Board before the budget.

President Thomas tabled the Item.

Items for Discussion and/or Action

- 6. **Carmichael Water District/Sacramento Suburban Water District Combination Discussion – Public Information Workshops and Outreach Report**
GM York presented the staff report.

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

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

- 7. **Carmichael Water District/Sacramento Suburban Water District Combination Discussion - Draft LAFCo Resolution**
GM York presented the staff report.

Director Wichert expressed he would like to have a Joint Board Meeting to discuss the Draft LAFCo Resolution.

Discussion ensued regarding the place of use language on page 3, paragraph 3 in the Draft LAFCo Resolution. The Board generally did not agree with the edits, as they

agreed that the intent of the consolidation discussions included sharing resources jointly.

Legal Counsel Josh Horowitz (Mr. Horowitz) provided clarifying comments on the edits he made in the Draft LAFCo Resolution.

The Board agreed that the addition of Section 4 by Carmichael Water District (CWD) was confusing.

Regarding Section 4. d. 2. Mr. Horowitz pointed out that there would need to be a section in the Draft LAFCo Resolution to provide a consolidated Board flexibility to adjust rates consistent with current law.

Discussion ensued amongst the Board regarding this section and rates, where they agreed with adding the language “as soon as possible,” in Section 4. d. 2.

The Board agreed to keep the language in Section 4. d. 3. regarding the bond debt.

The Board identified that the language in Section 4. g. was problematic, as it was not legal, and was a Policy issue, and they agreed to have labor counsel review it.

Director Wichert pointed out that he was not in support of language regarding not changing compensation and benefits.

The Board requested clarification on Section 4. i. 3. as it was not clear.

Discussion ensued regarding the number of Director seats on the Board, noting the Joint Board agreed with 7 seats with only one election.

Mr. Horowitz expressed he could amend the language in the Draft LAFCo Resolution to clarify the election and Director seats.

The Board recommended GM York or President Thomas attend the CWD Board Meeting and request a Joint Board Meeting.

8. **RiverArc Project**

Assistant General Manager Matt Underwood (AGM Underwood) presented the staff report and answered several clarifying questions. He provided an update to the fiscal impact noting that participation in Phase 1 Procurement, Design, and Construction would cost approximately \$105,000,000 for 10 million gallons per day of capacity, and approximately \$191,000,000 for 20 million gallons per day of capacity.

Director Wichert inquired how often the water would be available and requested staff present a business case for the project.

President Thomas requested additional information on the project.

AGM Underwood clarified that there were still several unknowns with the project, and that staff would continue to keep the Board apprised of any updates.

9. **Reservoir and Booster Pump Station Asset Management Plan – Status Update**

Howard Moreland presented the staff report.

General Manager’s Report

10. **General Manager’s Report**

GM York presented the staff report.

a. *LAFCo Municipal Services Review*

GM York presented the staff report.

Department/Staff Reports

11. **Groundwater Well Status Report**

Tommy Moulton presented the staff report and answered clarifying questions.

12. **Engineering Report**

Dana Dean presented the staff report and answered clarifying questions.

Director Wichert requested to see the progressive design build milestones schedule monthly and suggested to insert the graph into the Engineering Report.

a. *Major Capital Improvement Program Projects*

A written report was provided.

b. *Planning Documents*

A written report was provided.

c. *Other Projects*

A written report was provided.

13. **Financial Report**

Lynn Pham (Ms. Pham) presented the staff report and answered 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 (Mr. Artrip) presented the staff report.

Information Items

15. **2023 Budget Reconciliation**
Ms. Pham presented the staff report.
16. **2023 Budget Transfers and Amendments**
Ms. Pham presented the staff report.
17. **Association of California Water Agencies/Joint Powers Insurance Authority Risk Control Grant Program**
Mr. Artrip presented the staff report.
18. **Upcoming Water Industry Meetings/Conferences**
A written report was provided.

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

19. a. Regional Water Authority (Director Wichert)
None.
- b. Sacramento Groundwater Authority (Director Boatwright)
Agenda from the February 8, 2024, meeting.
- c. Director Reports – AB 1234

Director Jones provided an oral report on the meetings he had with the General Manager on January 19, and February 20, 2024; and the Cap to Cap meeting he attended on February 23, 2024.

President Thomas provided an oral report of the Sacramento Groundwater Authority meeting he attended on February 8, 2024; the meetings he had with the General Manger on February 16, and February 23, 2024; the ACWA Webinar he attended on February 20, 2024; the Webinar he attended on February 22, 2024; and the SJWD Board meeting he attended on February 28, 2024.

Committee Reports

20. a. Carmichael Water District/SSWD 2x2 Committee Meeting (Director Locke)
The agenda from the March 4, 2024, meeting was provided.
- b. Facilities and Operations Committee Meeting (Director Jones)
The agenda from the March 7, 2024, meeting was 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 at 8:01 p.m. to discuss the following:

21. 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 8:05 p.m.

22. **Report from Closed Session.**
There was no reportable action.

Adjournment

President Thomas adjourned the meeting at 8:06 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District