

Minutes

Sacramento Suburban Water District
Regular Board Meeting
Monday, February 22, 2021

Location:

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, and Video and Audio Conference at 1-669-900-6833, or Zoom at Meeting Id #899 8719 1271

Call to Order – Videoconference/Audioconference Meeting

President Wichert called the meeting to order at 6:01 p.m.

Pledge of Allegiance

President Wichert led the Pledge of Allegiance.

Roll Call

Directors Present: Dave Jones, Craig Locke, Kathleen McPherson, Kevin Thomas, and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Heather Hernandez-Fort, Jeff Ott, Julie Nemitz, Dana Dean, Matt Underwood, and Susan Schinnerer.

Public Present: William Eubanks, Dane Wadle, Josh Horowitz, Paul Olmstead, and Paul Helliker.

Announcements

None.

Public Comment

Public Comment

Dane Wadle, Field Coordinator for the California Special Districts Association, presented some legislative items regarding financial assistance for Special Districts and urged the Board to sign the coalition, expressing the District could either send a support letter, or sign the form online.

Discussion ensued over options for extending the possibility for Boards to hold public meetings both in person as well as virtually after the pandemic ends.

Consent Items

1. **Minutes of the January 25, 2021, Special Board Meeting**
2. **Minutes of the January 25, 2021, Regular Board Meeting**

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

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

Items for Discussion and/or Action

3. **Placing Closed Session at the Beginning of the Regular Board Meeting Agendas**

President Wichert presented the staff report, expressing he was in favor of holding Closed Session before the regular Board meetings.

Legal Counsel Josh Horowitz (Mr. Horowitz) explained the options available to the Board with regards to holding Closed Session meetings.

President Wichert moved to change to one single agenda, which would allow the Board to hold the regular Board meetings at the same time and having Closed Session at the beginning of the meeting.

Director McPherson expressed that she felt it was more clear for the public to hold separate meetings.

Director Locke seconded.

Director Jones expressed he was not in favor of the proposal as he had a personal issue that prevented him from attending an earlier meeting. He recommended either keeping the meeting at either the end of the regular Board meeting, or holding a separate Special Board meeting.

Director Thomas expressed he enjoyed the communication among Directors and public prior to the regular Board meetings, but was open to trying the new proposal.

Director Locke expressed he was in favor of holding the Closed Session an hour before the regular Board meeting as it limited long meetings, but he expressed, if Director Jones was not able to attend, than he was against it.

Mr. Eubanks commented that he was not in favor of the change as the public would not know what time to attend the open meeting.

The motion failed by a 4/1 vote. Director’s Jones, Locke, McPherson and Thomas opposed.

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

4. **Regional Water Authority - Major Projects Program Agreement**

GM York presented the staff report and answered clarifying questions.

Director Locke inquired about the fee structure, as it indicated different costs for some of the water purveyors.

GM York expressed he was unaware of why there were different fees and would inquire and report back.

Director Jones moved to approve the staff recommendation, Director Thomas seconded.

Mr. Eubanks additionally did not understand why the fees were different for only two of the water purveyors.

The motion passed by a 3/2 vote. Director's Locke and McPherson opposed.

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

5. **Regional Water Authority - Water Resilience Program**

GM York presented the staff report.

President Wichert expressed he would like more information about the Item before it was voted on.

Director McPherson pointed out that the City of Sacramento was not mentioned in Exhibit 1, but was mentioned in Exhibit 2. She further expressed she was interested in seeing how some of the other agencies voted on the Item before the Board voted on it.

Director Locke inquired why Carmichael Water District and San Juan Water District were not listed on Exhibit 2.

President Wichert requested further explanation on what water resiliency was.

GM York expressed he would bring the Item back with further details.

President Wichert tabled the Item until next month.

6. **Sacramento Region Water Utility Collaboration Study Update**

President Wichert requested for the Directors to provide their comments to staff. He requested for staff to take those comments and incorporate them, then schedule a Special Board Meeting for the one Item to be further discussed.

GM York expressed that he could try to coordinate a meeting in two weeks.

President Wichert commented that he believed staff should reconsider using pipe miles when looking at the Capital Budget and additionally commented that the HR metrics needed improvement.

Director Jones commented that he would like to see more examples of why it might work.

Director McPherson expressed that a regional collaboration study of this nature should be looking at what the benefits would be to the ratepayers by reducing the amount of agencies. She expressed the report was more of a comparison of how the different agencies ran their business. She additionally pointed out the District's leak detection costs were much higher than the other agencies, and also noted the cost per call out for the District was much higher than other agencies. She noted that there were some areas where the District could improve and stated she expected more from a regional collaboration study.

Director Locke expressed he would provide his comments to the General Manager.

Mr. Eubanks expressed that the document was convoluted with lots of redundancies. He suggested placing the conclusion at the front of the report so anyone interested in details could look them up last.

Paul Helliker noted that the report was only the second of three reports, and that the third report would cover several of the comments expressed.

President Wichert tabled the Item until next month.

General Manager's Report

7. General Manager's Report

GM York presented the staff report.

a. *District Board Meeting Participation Outreach*

GM York presented the staff report.

b. *Ad Hoc Committee – Folsom Lake College*

GM York presented the staff report.

President Wichert suggested to see about including Engineering as a profession.

Director Locke expressed his support in this program.

c. *2020 Regional Water Management Award – Regional Groundwater Substitution Transfer Award*

GM York presented the staff report.

- d. *Sacramento Suburban Water District Goals - 2021 Update*
GM York presented the staff report.

Director Jones suggested to present this Item either every other month or quarterly as it was a lot of information to go over each month.

President Wichert expressed he wanted it presented monthly, and further recommended for staff to graph and/or chart every goal that they could for efficiency.

Discussion ensued over the Administrative Budget and the expenses within that budget.

Director Thomas requested Mr. Ott send him an email with the subcategories in the Administrative Budget.

Mr. Horowitz provided an updated to goal 10, pursuing water transfer opportunities.

Mr. Eubanks recommended including typical topics that are discussed at Board meetings in the bill inserts, to assist with getting interest from the public to attend meetings. He additionally asked several clarifying questions regarding the goals, including inquiring what “issue paper format” was.

Director McPherson explained issue paper format had to do with brevity, including access to background information but it was more used as a brief decision making document.

GM York answered clarifying questions about the water transfer opportunities report.

Director McPherson noted that she wanted to be sure staff highlighted the benefit of groundwater versus surface water transfers for ratepayers to see.

Department/Staff Reports

8. Financial Report

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

- a. *COVID-19 Financial Update*
A written report was provided.

- b. *Cash Expenditures – January 2021*
A written report was provided.

- c. *Purchase Card Expenditures – January 2021*
A written report was provided.

- d. *Draft - Financial Statements*
A written report was provided.
- e. *Draft – Financial Highlights*
A written report was provided.
- f. *Draft – Statements of Net Position*
A written report was provided.
- g. *Draft – Statements of Revenues, Expenses, and Changes in Net Position*
A written report was provided.
- h. *Budgets*
A written report was provided.
- i. *Debt – December 2020*
A written report was provided.
- j. *Investments Outstanding and Activity – December 2020*
A written report was provided.
- k. *Draft - District Reserve Balances – December 2020*
A written report was provided.
- l. *Information Required by LOC Agreement*
A written report was provided.

9. **District Activity Report**

Matt Underwood (Mr. Underwood) presented the staff report.

Director Locke requested to separate the valves and hydrants.

10. **Engineering Report**

Dana Dean presented the staff report.

- 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.

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

11. a. Regional Water Authority (Director Jones)
None.

Regional Water Authority Executive Committee (General Manager York)
The agenda's for the January 27, 2021 and February 5, 2021 meetings were provided.

- b. Sacramento Groundwater Authority (Director Wichert)
The agenda for the February 11, 2021 meeting was provided.
- c. Director Reports – AB 1234
A written report was provided.

Director Thomas provided an oral report on the December 14, 2020, December 22, 2020, December 23, 2020, and January 5, 2021 meetings with the General Manager he had; the December 11, 2020 and January 3, 2021 meetings he had with Director Locke; the Webinar's he attended on December 17, 2020, December 18, 2020, January 11, 2021, January 19, 2021, and January 25, 2021; the RWA Board meeting he attended on January 14, 2021; the RWA Executive Committee meeting he attended on January 27, 2021; and the Collaboration Study meeting he attended on January 28, 2021.

Committee Reports

12. a. Finance and Audit Committee (Director Thomas)
Draft notes from the January 20, 2021 meeting were provided.

Information Items

13. **Winter Storm Impacts**
Mr. Underwood presented the staff report.

Present Wichert requested staff report back on details of the failure of the pressure reduction valve, why it happened, what staff is planning on doing to prevent it, and the cost of the leak repairs.

Director McPherson expressed that staff should look into how many faulty solenoids remained in the District infrastructure and inspect them to prevent future failures.

Director Locke expressed he was not too interested in spending a lot of time and effort testing the system, noting sometimes things just don't work as intended.

Mr. Eubanks inquired how the District planned on communicating with its customers in the event of a catastrophic failure.

President Wichert requested staff present the District's Disaster Recovery Plan to the Board.

14. **Municipal Service Review and Sphere of Influence Refresh**

GM York presented the staff report.

15. **ACWA/JPIA President's Special Recognition Awards**

A written report was provided.

16. **Correspondence Received by the District**

A written report was provided.

17. **Upcoming Water Industry Events**

A written report was provided.

18. **Upcoming Policy Review**

A written report was provided.

a. Improvement Standards and Technical Specifications (PL - Eng 001)

Director's Comments/Staff Statements and Requests

The Board thanked staff for all of their hard work preparing the Board packet.

Adjournment

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

Dan York
General Manager/Secretary
Sacramento Suburban Water District