

## **Minutes**

Sacramento Suburban Water District  
**Regular Board Meeting**  
Monday, March 15, 2021

### **Location:**

Video and Audio Conference Only at 1-669-900-6833, or Zoom at Meeting Id #833 1164 6303

### **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, Dana Dean, Matt Underwood, Julie Nemitz, and Susan Schinnerer.

Public Present: William Eubanks, Lana Phillips, Paul Helliker, Alan Driscoll, and Ted Costa.

### **Announcements**

President Wichert requested for all Directors to refrain from using their cell phones during the meeting.

General Manager Dan York (GM York) announced that the California Department of Public Health announced that the emergency services workers, which included water utility, have been moved in to Phase 1B of the COVID-19 vaccine eligibility guidelines.

### **Public Comment**

William Eubanks (Mr. Eubanks) inquired why some public meetings have been scheduled then canceled.

Director McPherson expressed that the Facilities and Operations Committee was canceled, as it was determined that the single agenda item could have been addressed in a one-on-one meeting between Director McPherson and GM York.

President Wichert expressed that the Employee Benefits Ad Hoc Committee was canceled, as he wanted to discuss the Committee structure with the entire Board, noting he would provide further explanation in Item 6.5.

Mr. Eubanks further inquired why in-person Board and committee meetings were reverted back to virtual meetings only.

GM York expressed that due to some technical issues with equipment, it made the in-person meetings less optimum. He stated he was hopeful to reopen in-person meetings soon.

President Wichert expressed that he was in favor of in-person meetings, as he believed they were more productive, but would leave it up to the discretion of the General Manager.

Lana Phillips (Ms. Phillips) addressed the Board about her request for a partial abandonment of the public utility easement on her property, noting she has already reached out to staff directly, but that her request was denied.

GM York provided Ms. Phillips with his email address and requested she email him directly to discuss the issue further.

President Wichert stated that if her issue was not resolved by April, to come back to the April regular Board meeting to discuss further.

**Consent Items**

1. **Minutes of the August 11, 2020, Employee Benefits Ad Hoc Committee Meeting**
2. **Minutes of the February 22, 2021, Special Board Meeting**
3. **Minutes of the February 22, 2021, Regular Board Meeting**

Director McPherson requested to pull Item 1 for further discussion.

Director Thomas moved to approve Items 2 and 3; Director Locke seconded. The motion passed by unanimous vote.

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

Regarding Item 1, Director McPherson expressed that the minutes from the August 11, 2020, Employee Benefits Ad Hoc Committee consisted of different committee members than the current members. She stated she was not sure how it worked in regards to who should be approving the minutes, as the committee members changed. She additionally requested to strike the last sentence, in the 5<sup>th</sup> paragraph, on page 2 of the referenced minutes. She stated that the sentence was not in the correct context.

Director McPherson moved to approve Item 1 with the removal of the referenced sentence; Director Thomas seconded. The motion passed by unanimous vote. Director Locke abstained, noting he was not at the meeting.

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

**Items for Discussion and/or Action**

4. **Resolution No. 21-02 Amending Regulation No. 7, of the Regulations Governing Water Service**

Jeff Ott (Mr. Ott) presented the staff report and answered clarifying questions.

Discussion ensued over the escalator calculations.

President Wichert wanted to be sure the calculations were all equitable for the rate payers so the new customers were not being undercharged, and the existing customers were not being overcharged.

Mr. Ott expressed that staff could recreate the analysis that was done in the previous rate study, however, he noted a potential issue would be having the final accounting of the asset values by February, in order to have it ready for the April 1st deadline. Mr. Ott pointed out that the Policy stated that the new rates become effective April 1st of each year, noting if the Directors wanted to update the Policy to make the effective date May 1st each year, it would allow staff the ability to get the full asset value, further allowing staff to do the methodology that was being done in the rate study.

GM York recommended for the Board to approve the staff recommendation for this year, then staff would bring the Policy back for the Board to amend, the beginning of 2022.

Director McPherson moved to update the Policy for the FDC, so there is a more usable date for the decision, changing the date from April 1<sup>st</sup>, to May 1<sup>st</sup>.

President Wichert repeated the motion to update the Policy to give staff enough time to have the actual asset value from the previous year, and make the calculation in what would be a more accurate method, coming in later such as May.

Mr. Ott confirmed that May should work.

The motion failed for a lack of a second.

Director McPherson suggested holding this Item until May to allow time to get the Policy updated in the meantime.

Director McPherson further noted that changing a Policy would probably need to be done in writing.

Director Jones moved to approve the staff recommended resolution, and instruct the Facilities and Operations Committee to look at the item in further detail, then bring it back to the Board with their recommendation; Director Thomas seconded. The motion passed by unanimous vote.

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

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

President Wichert commented that the word “resilience” was not fitting for what the program really was.

GM York presented the staff report and answered clarifying questions.

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

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

6. **2021 Long-Term Planning Session**

President Wichert expressed that that he didn’t think there was sufficient updates and information provided in the report.

Mr. Ott presented the staff report and PowerPoint presentation.

Dana Dean (Mr. Dean) continued presenting the PowerPoint presentation and answered clarifying questions.

President Wichert requested to include information on what staff has done to implement goals, what staff is doing currently with each goal, and an estimated time of completion of the goals, in an upcoming updated presentation.

GM York expressed staff would bring the item back to the Board in the future, with additional updates.

Matt Underwood (Mr. Underwood) continued presenting the PowerPoint presentation and answered clarifying questions.

Director McPherson requested to hold a closed session meeting, both upcoming, as well as at the beginning of each year, with the Board of Directors and the General Manager in order to review the General Manager's goals and objectives. She stated that she wanted to ensure that the Board clearly communicated their perspectives on what each Director would like the General Manager to achieve that year. She additionally stated she wanted to be sure he was involved and allowed an opportunity to provide feedback.

Mr. Eubanks inquired why it would need to be in closed session and inquired if Director McPherson was not happy with the General Manager's current goals.

Director McPherson expressed that she thought it would be best in closed session so the Board and the General Manager were able to hold a planning session to communicate and work on stronger alignment. She additionally felt that it didn't make sense for the Board to develop the General Manager's goals without his input. She stated she would like for the Board to meet with the General Manager each January going forward for this discussion.

President Wichert expressed that the Board has already done this for the current year, and he was against holding another closed session meeting for this topic at this time.

Director Jones agreed with President Wichert.

Director Locke expressed he had a prior engagement that he needed to attend, and excused himself from the meeting.

Mr. Ott continued presenting the PowerPoint presentation and answered clarifying questions.

Julie Nemitz (Ms. Nemitz) continued presenting the PowerPoint presentation and answered clarifying questions.

Director McPherson expressed it was important for the Board and staff to know the demographics of the customers served in the District, and inquired what staff was doing to provide information in different languages.

Ms. Nemitz expressed that it was important to staff as well, and that there was access to translation services, which provide services to up to 150 different languages.

Mr. Eubanks expressed that some of the goals were difficult to achieve due to the pandemic.

Director McPherson expressed that it was challenging during the current times, and she believed more improvements would take place once the pandemic was over. Ms. Phillips recommended for the District to embrace additional ways to communicate with customers through advanced technology such as social media.

Ms. Nemitz expressed there were additional ways District staff communicated with customers, however social media was not one of them.

President Wichert expressed staff could consider the availability of some of those additional platforms as ways to communicate with customers.

GM York added that the customer service team requested customer contact info as customers called in.

Susan Schinnerer (Ms. Schinnerer) continued presenting the PowerPoint presentation and answered clarifying questions.

President Wichert requested status updates including due dates related to the Business Initiatives.

Director McPherson additionally requested status updates and commended staff for reaching out to local high schools and colleges to increase water career interests.

Mr. Eubanks inquired if there were any outreach efforts to qualified unemployed individuals; he additionally inquired about the diversity rate at the District.

GM York stated that the District was definitely interested in workforce diversity, and expressed staff could bring back statistics on the diversity at the District.

President Wichert recommended adding an “emphasizing workforce diversity” bullet point to the presentation.

Director McPherson agreed with President Wichert’s comments, adding try to make an effort to reflect the population that the District serves.

Director McPherson moved to schedule a closed session meeting with the General Manager at the beginning of each year, to go over short and long term goals.

The motion failed for a lack of a second.

Mr. Eubanks recommended to remove the language “clean and safe” from Goal A in the Strategic Plan, as he felt it seemed redundant. He additionally requested to clarify the language “fiscal responsibility and affordable rates” in Goal C in the Strategic Plan.

President Wichert expressed that the Board was not going to dive into the language of the Strategic Plan at that time, and asked Mr. Eubanks to hold his comments until they reviewed the Strategic Plan at a future meeting.

#### **6.5. Committee and Liaison Appointments**

President Wichert inquired if the Board wanted to bring the items that would generally go to the Employee Benefits Ad Hoc Committee, to the full Board instead. He

additionally inquired how the Board wanted to proceed with regards to that committee, suggesting to either change committee members, or dissolve it all together.

Director McPherson expressed she was concerned that there were some issues potentially lost in translation when there were new committee members assigned to the committee. She suggested keeping the same committee members on the committee until the issues were resolved, in an effort to avoid new members having a lack of knowledge of the topics that were being discussed.

President Wichert inquired if Director McPherson suggested to keep herself and Director Thomas on the committee, as they were on it last year together.

Director McPherson expressed that it would probably be best to continue to keep committee members the same until the issues they were working on were resolved.

Director Thomas expressed he was ok with rejoining the committee if needed.

Director Jones expressed he felt it was important to have committees in general, as they are important, and stated he wasn't sure it was necessary to have the same members every year, as it was up to the Board President to structure them as they see fit.

President Wichert requested that whichever Directors were chosen for the committee commit to meeting monthly.

Both Director McPherson and Director Thomas agreed to meeting monthly.

Director McPherson noted that she was the chair of the Facilities and Operations Committee and did not want to over commit herself.

President Wichert made the following new committee appointments:

Facilities and Operations Committee ..... Bob Wichert, Chair  
(Standing: no regularly assigned meeting time)..... Dave Jones

Employee Benefits Ad Hoc Committee ..... Kathleen McPherson, Chair  
(Ad Hoc: no regularly assigned meeting time) ..... Kevin Thomas

## **General Manager's Report**

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

GM York presented the staff report and highlighted changes in the report.

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

Regarding Item 2, President Wichert requested staff bring back updates including further details.

Regarding Item 5, GM York expressed the Item was going to be presented to the Employee Benefits Ad Hoc Committee, which will meet in April.

## **Department/Staff Reports**

### **8. Financial Report**

A written report was provided.

*a. COVID-19 Financial Update*

A written report was provided.

*b. Cash Expenditures – February 2021*

A written report was provided.

*c. Purchase Card Expenditures – February 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 – January 2021*

A written report was provided.

*j. Investments Outstanding and Activity – January 2021*

A written report was provided.

*k. Draft - District Reserve Balances – January 2021*

A written report was provided.

*l. Information Required by LOC Agreement*

A written report was provided.



9. **District Activity Report**

Ms. Nemitz highlighted the Targeted Delinquency mailer that was sent to roughly 1,600 District customers, which included an assistance program flier.

10. **Engineering Report**

Mr. Dean pointed out that the Urban Water Management Plan would be coming to the May regular Board meeting.

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)

The agenda for the March 3, 2021 meeting was provided.

Regional Water Authority Executive Committee (General Manager York)

The agenda for the February 22, 2021 meeting was provided.

b. Sacramento Groundwater Authority (Director Wichert)

None.

c. Director Reports – AB 1234

Director Thomas provided an oral report on the Del Paso Manor Water District board meeting he attended on February 2, 2021; the SGA Groundwater Basin meeting he attended on February 10, 2021, the SGA board meeting he attended on February 11, 2021; the San Juan Water District board meeting he attended on February 24, 2021; the Water Quality webinar he attended on February 19, 2021; and the Public Records Webinar he attended on February 18, 2021.

**Committee Reports**

12. a. Ad Hoc Water Banking and Transfer Committee Meeting (Director Thomas)

The draft notes from the February 17, 2021 meeting were provided.

b. Employee Benefits Ad Hoc Committee Meeting (Director Locke)

The draft notes from the February 17, 2021 meeting were provided.

## Information Items

13. **ACWA/JPIA Liability, Property, and Workers' Compensation Risk Review**  
Mr. Underwood highlighted that ACWA/JPIA conducted their annual Liability, Property, and Workers' Compensation Risk Review which reviews District operations, claims, and risk management programs. He noted that no recommendations for improvements were made, resulting in the District continuing to achieve its goal of zero correction recommendations.
14. **Legislative Report**  
GM York presented the staff report.
15. **Upcoming Water Industry Events**  
A written report was provided.
16. **CEQA Notice of Exemption for Miscellaneous Water Facility Projects**  
A written report was provided.
17. **Upcoming Policy Review**  
A written report was provided.
  - a. Legislative Response Policy (PL - Adm 004)

## Director's Comments/Staff Statements and Requests

None.

## Adjournment

President Wichert adjourned the meeting at 8:12 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District