

**MINUTES OF REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS OF
DEL PASO MANOR WATER DISTRICT**

The Board of Directors of the Del Paso Manor Water District held its regular meeting at the District office located at 1817 Maryal Drive, Suite 300, Sacramento, California on September 4, 2018 at 7:30PM.

President Allen called the meeting to order. Vice President Saunders, Director Elmore, Director Matteoli, and Director Wilson were present. Also present were Attorney Adam Brown, Manager Debra Sedwick, Field Manager Rich Bolton and Office Administrator Lori Hensley. Alan Driscoll and Rick Noll with Forsgren Associates were also in attendance. There were several residents and members of the public also present.

PLEDGE OF ALLEGIANCE:

Director Wilson led the Pledge of Allegiance.

PUBLIC COMMENT:

There was no public comment.

CONSENT CALENDAR:

With no request for an item to be pulled, a motion was made by Director Elmore, seconded by Director Wilson, to approve the consent calendar which included the August 6, 2018 Board meeting minutes and approval of payment of the August invoices. With no public or Board comment, the motion carried by the following roll call vote:

Ayes: Allen, Elmore, Matteoli, Saunders and Wilson
 Noes: None
 Abstain/Absent: None

<u>CHECKS DRAWN</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
Primetax Service Charge 8/5	EFT	189.03
Ferguson Enterprises Inc. 8/6	8825	304.99
Jiffy Lube 8/6	8826	18.56
AT&T 8/6	8827	175.93
Primetax - Payroll 8/15	EFT	9162.59
Primetax - Payroll Taxes 8/15	EFT	5060.01
AT&T 8/22	8828	55.00
Primetax - Payroll 8/31	EFT	10435.54
Primetax - Payroll taxes 8/31	EFT	5348.94
PERS/Health 8/31	EFT	7260.77
PERS/Retirement 8/31	EFT	4786.95
PERS/GASB 68 Report Fee 8/31	EFT	700.00
ACWA/JPIA 8/31	8829	620.60
Voya Financial	8830	1800.00
One Print Source & Graphics	8831	1230.47
Aqua Sierra Controls, Inc.	8832	1262.01
Hill Rivkins Brown & Associates	8833	3925.00
BSK Associates	8834	3798.50
Chevron	8835	542.29
AT&T Wireless	8836	324.41
Crocker & Crocker	8837	2283.50
Emigh Hardware	8838	140.44
Forsgren Associates Inc.	8839	1197.50

GM Construction & Developers, Inc.
 Ferguson Waterworks
 Inland Business Systems
 P.G. & E.
 Petty Cash
 SMUD
 Streamline
 Tesco Controls, Inc.
 USA BlueBook
 The Bank of New York Mellon
 Uinta Holdings, LLC
 Stericycle Communication Solutions
 YP

8840	1834.50
8841	983.78
8842	177.12
8843	8.32
8844	73.58
8845	11183.43
8846	200.00
8847	3590.00
8848	308.97
8849	1980.00
8850	1985.00
8851	207.73
8852	15.50
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	83170.96

OLD BUSINESS:

1. Last month the Board directed Manager Sedwick to request a task order for a Master Plan update from Forsgren Associates. Manager Sedwick requested Forsgren Associates assist with a discussion with the Board to determine the scope of work to be included in the task order. Alan and Rick with Forsgren discussed with the Board different elements within the current Master Plan that should be updated as well as ones suggested by Manager Sedwick, such as modernization. After Forsgren Associates went through each element of the existing Master Plan and areas that should be refreshed or updated the Board discussed each area. Director Wilson recommended leaving the original report as is and to call the changes Addendum 2018. Update the work that was done in Phase 1 and include actual cost with an updated map; update the work to be done in Phase 2 and update the map. Include a legend to define the work that has been done and the Phase improvements; the proposed improvement in the remaining Phases should stay the same; recommended using the Engineering News Records Construction Index (2009 Master Plan, Page 74-San Francisco Index of 9757) as a base, to adjust the new estimated cost. The 2009 Master Plan also included an estimated average cost to the ratepayers for the base improvements and optional improvements. These values need to be updated; recommended each new Well site include a building to house the pump and electrical switch gear; the original report has each phase with a 25% contingency cost added for unknown issues that may arise during construction. The Board should take a second look at that number; discussed in previous Board meetings, modernization needs to be address as part of this process; this should include updating the accounting system and possible personnel job descriptions. The Board needs to decide how this will be accomplished as part of updating of the 2009 Master Plan. Director Matteoli feels all the areas discussed need to be refreshed or updated. He is concerned that Board members not confuse demand with usage; this will be very important for SGMA. SGMA needs to be included in the update. He also feels that water banking will need to be discussed and included as a component as it has income potential. The infrastructure replacement of wells, steel and ac pipe needs discussion. Vice President Saunders felt all the points discussed are important for the update. The demand section needs to be

refreshed but may not require an entire update. Water banking and potential income needs to be discussed and possibly added as a component. He feels the pipe condition assessment with feedback is needed in order to make an informed decision for replacement. He also thinks a risk assessment is needed to help the decision making process. He also felt Forsgren should be involved with outreach but in conjunction with our current resources; we should use WaterSpots as a way to communicate. Director Elmore stated the demand portion needs to have a discussion including the relevancy of the current drop in usage, questioning if it will be maintained or if it is short-term. He agreed with Vice President Saunders and Director Matteoli that water banking needs to be discussed and possibly added as a component. He is concerned with the cost of a physical assessment of pipe and recommended using only the desktop assessment with soil conditions included. He agreed with Vice President Saunders on outreach; Forsgren should be used for the community engagement but use our resources already in place for outreach. President Allen agreed with many of the comments already made and felt it was unnecessary for him to restate all the points made. In summary, he felt all areas of the existing Master Plan need to be looked at to be refreshed or updated as necessary. All agreed the model should be refreshed and community engagement was a high priority. The Board consensus was the community engagement should be included in the scope of work but to use current resources for outreach, if needed. In the end, the consensus of the majority of the Board was the following elements should be included in the update (brief summary):

- Demands & Planning Criteria – Refresh, update conservation and include regional plans for reliability and redundancy
- Water Supply Planning – Refresh supply and reliability, update interties and include potential future supply (interties & agreements) and capital facilities needed, discuss and add water banking
- Conjunctive Use – Refresh goals & agreements, update Water Forum Agreement and SGA Water Accounting Framework, discuss and add SGMA component
- Facilities Replacement Planning – Refresh to update production capacity , update well information including physical condition, update groundwater data, update well replacement program, update pipeline data including physical condition assessment, add risk assessment and triggers for replacement, discuss future needs and update model
- Facilities Management Planning – Discuss organizational structure including position roles and future needs, discussion and add modernizing operations both administrative and field.
- Meter Retrofit – Refresh and discuss future plans
- Planned System Maintenance – Update “phases” along with projects in each and cost estimates
- Rate Projections (new) – Provide rate projections
- Community Engagement & Outreach (new) – Include minimum three community meeting. Outreach will be done with DPMWD resources.

2. Manager Sedwick gave a legislative update to the Board. The water tax failed on the last day of session. However, a committee was formed to find solutions to fund the needed safe drinking water issues so it is believed that more bills will be introduced in the next session. Manager Sedwick also reported that AB2050 and SB998 passed both the house and senate and have been sent to the Governor to sign. If SB998 is signed, Del Paso Manor Water District will need to make policy changes to comply with the new law.

NEW BUSINESS:

1. Upcoming Meetings:
 - a. ACWA Region 4 – Folsom Dam: Multiple Benefits for all of California, September 26, 2018 in Sacramento, California.
 - b. Sacramento Groundwater Authority 20th Anniversary, October 18, 2018 at Northridge County Club in Citrus Heights, California.
2. With Director Wilson not seeking re-election, the District needs a new Joint Powers Insurance Authority Director and alternate Director. President Allen is currently the alternate. He appointed himself to be the Director and Manager Sedwick to be the alternate. The Board concurred.
3. Vice President Saunders requested at the June meeting that the Board discuss the Director Compensation Policy. Manager Sedwick gave a brief history stating back in the early 1990's, the law changed that allowed Director compensation to be set and increased by 5% per year which can be cumulative year after year. The maximum number of meetings a Director can be paid for is ten meetings per month. The Board's compensation was increased to the current rate in January 1998 after being at a lower amount for several years. Since this is a Board policy, it should be set by the Board without a manager's recommendation; therefore, Manager Sedwick suggested a Board committee be appointed. The Board concurred; President Allen appointed Vice President Saunders and Director Wilson to the committee to look at the policy and come back to the full Board with a recommendation.
4. Vice President Saunders requested at the June meeting that the Board discuss meeting and conference attendance by Directors and the Manager. Manager Sedwick suggested that the Board compensation committee also look at this at the same time and make a recommendation to the full Board. Vice President Saunders stated that he requested these two items be reviewed and discussed but was not implying a change was needed. He feels the training and information the Directors and the Manager receive at meetings and conferences is valuable but questions if it is necessary to have all attend. President Allen directed the compensation committee to also review and make a recommendation for the full Board to review and discuss.

REPORT FROM ATTORNEY CONCERNING:

No report.

REPORT FROM ENGINEER CONCERNING:

No report.

REPORT FROM FIELD MANAGER CONCERNING:

August field matters:

1. The District field staff responded to ten leak service calls this month. Three were the responsibility of the homeowner/business owners and the other seven were the District's responsibility.

Three of the seven were service line related which were the District's responsibility and the other four were main line breaks. Three of the four main breaks were caused by corrosion on the straps of the tapping saddles and one was caused by tree roots on a 6" main. GM Construction was called in on two of the leaks due to the nature and size.

2. Field staff performed 18 Underground Service Alerts and two customer service line location requests.
3. Field staff collected quarterly well samples for 1,2,3-TCP, nitrates, Chrom 6 and bacteriological.
4. District staff met with San Juan School representatives regarding the Del Paso Manor Elementary School project. Revised fee estimates were provided to the school. Once the school pays the estimated fees, their new plan will go to Forsgren Associates for modeling to make sure we can accommodate their service tap requests.

5. Aqua Sierra programmed the variable frequency drive at Well #7.

Director Wilson stated he is not comfortable with being able to serve the new demands for the Del Paso Manor Elementary School. He stated modeling needs to be performed to see if their demand can be met and obtain the cost prior to fee estimates being provided. He hopes the fees paid are for a feasibility test to determine these items. Field Manager Bolton assured Director Wilson that the District will not perform the modeling until the estimated fees are received. The estimated fees already sent to the school are based on estimated inspection time, as well as projected engineering and legal expense. We received an estimate for engineering to determine the estimated fees. The District keeps track of all costs and reconciles at the end, before water is turned on.

REPORT FROM MANAGER CONCERNING:

August operational matters:

1. Manager Sedwick reported that a good portion of the month was used keeping up with the fast moving pace of SB845 and other legislation. She reported that she sent numerous letters in opposition of various bills. She also thanked the Board members who took the time to make calls to Representative Cooley and Senator Pan to voice opposition. She also thanked the staff for doing the same and also for reaching out to their respective Representatives and Senators.
2. The Water Reliability Plan meeting was longer than expected. Several components were discussed. The next phase of work will include modeling which is expected to take 1 to 1 ½ years. Funding was also discussed. The funding needed by RWA for the next three years includes \$.5M for 2018/19, \$1.1M for 2019/20, and \$.6M for 2020/21. This will not only include the modeling, but the CEQA/NEPA work for the groundwater bank as well as outreach. RWA generated a survey that was sent to all RWA member agencies to complete. Manager Sedwick reported that she completed one for Del Paso Manor Water expressing interest, but it was not a definite commitment. She further stated the

water bank should be discussed as we update our Master Plan as it could possibly generate revenue for the District if we participate. Director Wilson stated that he feels until SGMA (Sustainable Groundwater Management Agency) has established a policy on water banking, we should put a hold on this issue for future updates to the Master Plan.

3. Manager Sedwick reported on the RWA Executive Committee meeting. Most of the meeting was in closed session for the Executive Director's Performance Evaluation.

4. The District reduced our water production for August by 7.1% with a year to date reduction of 24.5% compared to 2013. Compared to 2017, August water production decreased by 6.2% with a year to date reduction of 1.6%.

5. All bacteriological quality samples tested absent for August.

6. There were no water quality complaints for the month of August.

REPORTS ON VARIOUS MEETINGS:

President Allen attended the Sacramento Groundwater Authority meeting. There was a Groundwater Management Program update by Rob Swartz and a SGMA update by John Woodling.


There have been new basin priority levels set. Also, the North American Basin will develop a website.

BOARD GENERAL DISCUSSION:

None.

There being no further business to come before the Board, President Allen adjourned the meeting at 10:20PM.

ATTEST:


Debra Sedwick, Secretary


Richard K. Allen, President