

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

February 4, 2019
7:30PM

1817 Maryal Drive, Suite 300, Sacramento

A G E N D A

The Board will discuss all items on its agenda, and may take action on any of those items, including information items and continued items. The Board may also discuss other items that do not appear on its agenda, but will not act on those items unless action is urgent, and a resolution is passed by two-thirds (2/3) vote declaring the need for action arose after posting of the agenda.

This agenda has been prepared and posted in compliance with the provisions of the Ralph M. Brown Act, and specifically the provisions of Sections 54954.2 and 54954.3 of the Government Code. Board action may occur on any identified agenda item. Any member of the public may directly address the Board on any identified agenda item of interest, either before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker.

In compliance with the Americans with Disabilities Act, Del Paso Manor Water District encourages those with disabilities to participate fully in the public hearing process. If you have a special need in order to allow you to attend or participate in our public meeting and public hearing processes, including receiving notices, agendas, and other writings in appropriate alternative formats, please contact our office at (916) 487-0419 at least 24 hours in advance of the public meeting or hearing you wish to attend so that we may make every reasonable effort to accommodate you.

1. Call to order and roll call
2. Pledge of Allegiance
3. Public Comment: The Public may address the Board on any items not on the agenda which are within the jurisdiction of the Del Paso Manor Water District Board of Directors. Comments shall be limited to five(5)minutes.
4. Consent Calendar: Consent Calendar items are expected to be routine and non-controversial, to be acted on by the Board in one motion. Should any Board member, staff member, or interested person request discussion on an item, the Board will consider the item separate from the Consent Calendar.
 - 4.1 Minutes - December 3, 2018 Regular Meeting
 - 4.2 Minutes - January 7, 2019 Special Meeting
 - 4.3 Minutes - January 7, 2019 Regular Meeting
 - 4.4 Approval of payment of January invoices
5. Report from Field Manager:
 - a. Status of January field matters
6. Report from Manager:
 - a. Status of January operational matters
7. Report from Attorney concerning:

- a. Non-discussion/action items
8. Report on Meetings:
 - a. Regional Water Authority Meeting - Sedwick
 - b. Finance Ad-Hoc Committee Meeting - Burt/Lenahan
 - c. Succession Planning Ad-Hoc Committee Meeting - Harrington/Lenahan
9. Old Business:
 - a. Status update of Del Paso Manor Elementary School Project.
 - b. Update on the Burrell Court Line Replacement Project.
10. New Business:
 - a. Upcoming Meetings:
 1. California Special Districts Association's "Governance Foundations" Seminar - March 26, 2019 in Sacramento, CA
 - b. Appoint an Auditor Selection Ad-Hoc Committee
 - c. Appoint a Policy Manual Review Ad-hoc Committee
 - d. Review, discuss and possible action to direct Manager to begin process to amend Ordinance No. 2, An Ordinance Establishing Rules and Regulations for the Business and Proceedings of the Board of Directors of the Del Paso Manor Water District and Fixing the Time and Place for the Regular Meetings"
 - e. Review and discuss options for Directors to preview invoices prior to the Board meeting.
 - f. Review, discuss and authorize Manager to contract with a company to host our email using the delpasomanorwd.org extension.
 - g. Review, discuss and possible action to terminate the Lucy & Company Outreach Contract.
 - h. Review and discuss Vehicle Use Policy for on-call personnel.
 - i. Review, discuss and possible action to change to an "Action Only" format for meeting minutes
11. Board General Discussion: Opportunity for Board members to ask questions for clarification, provide information to staff, request staff to report back on a matter, or to direct staff to place a matter on a subsequent agenda.
12. Adjournment

**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 December 3, 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. Larry Bain was in attendance for the presentation of audit. There were several residents and members of the public also present.

PLEDGE OF ALLEGIANCE:

President Allen led the Pledge of Allegiance.

PUBLIC COMMENT:

Resident Greg Schneider commented that he feels a review of our Records Retention Policy needs to be done because he turned in a public record request asking for the contract with Kennedy Jenks from 2009 and was told the document was no longer available due to the length of time.

Resident James Sissom commented for three minutes about how he felt a political flyer was unethical. His anger was directed at Director Matteoli and President Allen.

PRESENTATION OF AUDIT BY LARRY BAIN:

Larry Bain reviewed and discussed the fiscal year 2017-2018 Audit with Board. He answered questions from the Directors as well as the public. Manager Sedwick asked about a possible error on the table on page 16 regarding the term of the debt. Larry stated he would look into that. Vice President Saunders made a motion to accept the 2017-18 Audit with the possible correction on the table to reflect that last date to be 2039-2041 rather than 2042 as requested by Manager Sedwick. Director Matteoli seconded the motion. With no further comments from the Board or public, the motion carried by the following roll call vote:

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

CONSENT CALENDAR:

Resident Greg Schneider requested to have the minutes from November 5, 2018 special meeting pulled. Resident Trish Harrington requested to have the November invoices pulled.

Director Matteoli made a motion to approve the minutes from November 5, 2018 regular meeting and the minutes of November 14, 2018 special meeting. The motion was seconded by Director Elmore. With no Board or public comment, the motion carried by the following roll call vote:

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

Greg Schneider commented on his public comment in the minutes; he would like minutes to be marked some way to identify that they are draft. He referenced that he liked how San Juan Water District listed their minutes and they use the same website developer. Director Wilson would also like to see the difference between drafts and approved, possibly with a water mark for clarification. Resident Marissa Burt asked for this to be placed on next month's Board agenda for discussion. Manager Sedwick stated that she would look at San Juan Water District's site and/or contact them and upload the same way for future minutes as the goal of the website is to be transparent and user friendly. Director Matteoli commented that this is about a procedure not a policy and Manager Sedwick stated she would take care of it. He does not feel it is appropriate to be on the agenda next month. Vice President Saunders made a motion to approve the minutes of November 5th special meeting as presented, Director Matteoli seconded. With no other comments, the motion carried to approve the minutes of November 5, 2018 special meeting as presented by the following roll call vote:

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

Resident Trish Harrington inquired why there were two checks to Forsgren Associates. Manager Sedwick reported one is for the Del Paso Manor Elementary School and one is for on call services. Vice President Saunders made a motion for the approval of payment of November invoices which was seconded by Director Elmore. With no public or Board comment, the motion carried to pay the November invoices by the following roll call vote:

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

<u>CHECKS DRAWN</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
Primetax Service Charge 11/5	EFT	192.34
AT&T 11/14	8916	80.78
AT&T 11/14	8917	177.16
Regional Water Authority (Dec. Meeting) 11/14	8918	70.00
Primetax - Payroll 11/15	EFT	9218.01
Primetax - Payroll Taxes 11/15	EFT	5078.86
AT&T 11/21	8919	55.00

PERS/Health 11/29	EFT	7260.77
Primetax - Payroll 11/30	EFT	10442.68
Primetax - Payroll taxes 11/30	EFT	5270.51
Forsgren Associates Inc. 11/30	8920	9991.25
ACWA/JPIA 11/30	8921	620.60
Voya Financial	8922	1800.00
Larry Bain, CPA	8923	9250.00
Hill Rivkins Brown & Associates	8924	3900.00
Burketts	8925	99.25
Chevron	8926	418.26
Lucy & Company	8927	1811.10
Emigh Hardware	8928	664.26
Forsgren Associates Inc.	8929	8351.25
Inland Business Systems	8930	181.80
John F. Mahaney Company	8931	99.48
P.G. & E.	8932	8.32
Petty Cash	8933	121.48
US Postal Service	8934	720.51
CaIPERS-CERBT	8935	25000.00
Sacramento County Utilities	8936	175.22
SMUD	8937	8840.69
Sam's Club	8938	271.21
Sierra Chemical Company	8939	369.00
Debra Sedwick (Reimbursement-Truck Exp.)	8940	145.32
SWRCB-DWOCB	8941	60.00
Streamline	8942	200.00
USA BlueBook	8943	255.28
Uinta Holdings, LLC	8944	1985.00
Stericycle Communication Solutions	8945	300.95
YP	8946	15.50
		113501.84

REPORT FROM FIELD MANAGER CONCERNING:

November field matters:

1. The District field staff responded to four leak service calls during the month. Three were the responsibility of the homeowner or business owners, and the fourth one was the District's responsibility. The District's leak was located in the steel area, and caused by old age. The main line was off for fifty minutes affecting at least thirty homes. All repairs have been made and service restored. Because of the main line's proximity to a swimming pool, it took a great deal more time to excavate and restore the yard.
2. Field staff performed 24 Underground Service Alerts and three customer service line location requests in the month of November.
3. Construction continues at Del Paso Manor Elementary School. McCarthy Construction has brought in their trailers and placed them in front of Well #9. The District has begun reviewing their plans and performing the modeling on their plans.
4. Field staff observed the fire flow test for 3600 Winding Creek Road.
5. Field staff installed a temporary water meter at Country Club Plaza for a Christmas tree lot.
6. Field staff installed a curb stop at 2805 Verma Way.

REPORT FROM MANAGER CONCERNING:

November operational matters:

1. Manager Sedwick attended the quarterly Regional Contamination Issues Committee meeting. Aerojet reported more monitoring wells are being installed, as they are watching a couple of plumes moving. At McClellan, the radium is stilled being cleaned up. Out of the 3,000 acres only 195 acres are left to be transferred from the US Government to private. Time was spent discussing perfluorooctanoic acid (PFOA's) at Mather. Ten sites are potential sources with two site investigations being done now; Mather was used as a training site for fire using foaming agents. The GAC treatment seems to be the most effective at removing PFOA's.
2. At the monthly Regional Water Reliability meeting, the next steps for getting into an operational bank were discussed. The market analysis, governance, and planned schedule will begin in 2019. From mid 2019 to mid 2021 external commitments will be initiated along with the governance structure and CEQA/NEPA. In the middle of 2021, the external partner agreements will be finalized along with approvals from local, state, and federal governments. The plan is to implement operation of the bank by the middle to late 2021
3. Manager Sedwick reported she attended another SJWD/SSWD Collaboration-Integration meeting with other area managers. They reviewed and discussed problems, goals, and potential scope. Sacramento Suburban Water District and San Juan Water District will be reporting to their 2 x 2 committee later this month.
4. The final edition of "Making Water Conservation a California Way of Life" was released. Small utilities are mentioned on page 25. Department of Water Resources has started a working group. Amy Talbot with the RWA is attending and has asked Manager Sedwick to be involved as we are the only small agency in the region. Amy will keep Manager Sedwick informed until it is determined exactly what the group will be doing.
5. The District increased our water production for November by 8.0% with a year to date reduction of 1.4% compared to 2017. Compared to 2013, November water production decreased by 12.3% resulting in a year to date reduction of 21.1%.
6. All bacteriological quality samples tested absent for November.
7. There were no water quality complaints for the month of November.

REPORT FROM ATTORNEY CONCERNING:

No report.

REPORT FROM ENGINEER CONCERNING:

No report.

REPORTS ON VARIOUS MEETINGS:

Vice President Saunders attended the Regional Water Authority meeting. Staff was directed to evaluate alternatives that would lower the long term costs of providing health benefits to future retirees. Executive Director John Woodling introduced the newest staff member Ryan Ojakian as the Legislative and Regulatory Affairs Manager and a brief legislative update was given.

Manager Sedwick attended the ACWA/IPLA meeting. A resolution commending Tim Quinn's service to ACWA was adopted and presented to Tim. They also adopted a resolution to create a Captive Insurance Company. Del Paso Manor Water District received the Presidents Awards for low ratio of claims in all three programs (liability, property, and workers compensation).

Manager Sedwick attended the ACWA conference. She discussed the sessions she attended each day.

Director Matteoli attended the ACWA committee meetings and conference. Director Matteoli discussed the meetings and sessions he attended each day. He also attended the Ethics Training class to meet the requirements of AB1234.

OLD BUSINESS:

1. Reviewed and discussed the Director Compensation and Travel Policy which includes the changes requested last month. The new policy attached hereto will be effective January 1, 2019. Vice President Saunders made a motion to approve the policy as presented. Director Wilson seconded. Resident Greg Schneider questioned if they go to two meetings in the same day, do they get paid two times; it was stated that the compensation is for "each day of meetings," not each meeting. With no other comments by the Board or public, the motion carried by the following roll call vote:

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

NEW BUSINESS:

1. Upcoming Meetings:
 - a. RWA/SGA Annual Dinner Meeting on December 6, 2018 at Northridge Country Club.
2. Manager Sedwick reviewed the Technical Memo provided by Forsgren with the Board. Two scenarios were run, one with all wells available and the interties closed and the other with Well #9 off and the interties closed. She pointed out that Scenario 2 was problematic. Although the requested 1900gpm flow was met at the elementary school, there were significant pressure drops at other locations throughout the District, especially in areas with smaller diameter pipes of 4" or less due to the increased demand. She reported that field calibration was done around the school but not other areas

throughout the District. After the model was prepared, field calibration was the next step but was not done due to funding; it was not a priority since no building was going on and we were trying to keep costs to a minimum. Field Manager Bolton explained the lack of staffing also contributed to the reasons why field calibrations had not been performed. He explained why additional staffing is needed and that it is difficult to do proper field calibrations with only two field personnel. Director Wilson asked about liability of not being able to meet the 1900gpm fire flow when other facilities in the District have a greater fire flow requirement. Attorney Brown commented that there are certain statutory immunities available to public entities with respect to existing infrastructure. There is an obligation to maintain and repair what is presently in the ground, but the District is not an insurer. However, if the Board moves forward with approving these additional services, and has not taken into account and considered mitigations of any potential adverse impacts as a result of the additional fire flow demand on the water system given the problems identified in the initial reports that SJUSD and Forsgen have prepared without further evaluation, the District could be exposed in the event of a fire in which hydrant capacity were demonstrated to be inadequate. Director Matteoli commented that the model update was part of the scope of work in the Master Plan update and we should find out the cost to do that work now. Director Wilson expressed his concerns. He commented that the model shows significant drops and it appears the modeling only goes down to 20psi. He asked if there are areas less than 20psi. He suggested that an additional scale level be added for less than 20psi and the model rerun to see if there are areas with less than 20psi. He also expressed his concern with the requirement of only 1900gpm fire flow; he feels this is way too low for a school and the buildings that are being built at the site. The Board further discussed payment of the project itself and who would be responsible. Manager Sedwick explained that would be negotiated after the project is determined. She explained it could be split by percentage or we could require the School District to upfront all and then reimburse a portion over time for the portion that benefits other ratepayers. Director Elmore stated that many times, in his line of work, the developer has to pay 100% and no reimbursement is given. Attorney Brown agreed that could be the case; however, the scope of the project needs to be determined first then responsibility of payment for the project will be determined. After more discussion, the Board directed the Manager to inform the School District that we can not accept their request for the additional services as proposed, but are willing to work with the school to try to find a suitable alternative that will work for them and mitigate the impact to the areas in the District if they are willing to enter into a Reimbursement Agreement to cover the engineering and staff costs for the additional evaluation and analysis that needs to be done. If they agree, the Board would like to see future model runs to include “less than 20psi” residual pressure. The Board also requested that Manager Sedwick request from the

School District a letter or document from Sacramento Metro Fire on the fire flow they require. Manager Sedwick reported that the District has already requested this information but will request it again. They further requested that Manager Sedwick ask Forsgren Associates to provide an estimate on calibrating the model and performing field verifications including the number of nodes that they suggest need to be verified.

Resident Greg Schneider commented that there is a very motivated client that has lots of money and DPMWD should not pay a dime. He encouraged the Board to take advantage of a long term solution, maybe another well to be installed at their expense.

BOARD GENERAL DISCUSSION:

Each Director went around the table and thanked the outgoing Directors for their service. In reply, Director Elmore thanked each Director and stated it was a lot more exciting then he thought. Vice President Saunders stated he enjoyed working with all and is proud of all we have done the last eight years. Director Wilson stated it has been twelve years for him as a Director and thanked the Board and welcomed the new Board.

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

ATTEST:

Debra Sedwick, Secretary

Richard K. Allen, President

**MINUTES OF SPECIAL 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 a special meeting at the District office located at 1817 Maryal Drive, Suite 300, Sacramento, California on January 7, 2019 at 6:02PM. President Allen was absent due to illness. There being no Vice President of record, senior Board member, Director Robert Matteoli called the meeting to order. Directors Marissa Burt, Trish Harrington and John Lenahan along with Robert Matteoli were present. Also present were Attorney Adam Brown, Manager Debra Sedwick, and Field Manager Rich Bolton. Resident Roy Wilson was also present.

PUBLIC COMMENT:

There were no public comments.

BOARD MEMBER ORIENTATION AND TRAINING:

Attorney Brown conducted the training for the Board members. He covered the legal formation of the District, the statutory powers of the District, and the governance structure. He discussed the roles and responsibilities of the Board, the General Manager, and the District Counsel. He spent the majority of the time discussing the Brown Act including what constitutes a meeting. He also covered the Freedom of Information Act. He provided each Board member with a copy of the California Special District Association Handbook as a reference.

With no further business, senior Board member, Robert Matteoli, adjourned the meeting at 7:03PM.

ATTEST:

John Lenahan, President

Debra Sedwick, Secretary

**MINUTES OF REGULAR BOARD MEETING
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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 January 7, 2019 at 7:30PM.

President Allen was absent due to illness. There being no Vice President of record, senior Board member, Director Matteoli, called the meeting to order. Director Burt, Director Harrington, and Director Lenahan also were present. Also present were Attorney Adam Brown, Manager Debra Sedwick, Field Manager Rich Bolton, and Office Administrator Lori Hensley. Rick Noll and Alan Driscoll with Forsgren Associates were also in attendance. There was an abundance of residents and members of the public also present. With the number of attendees, Attorney Brown addressed the issue that there is a maximum occupancy in the board room and entry room per the fire marshal. A larger venue within the District service area might have to be looked at if we do not have enough seats for everyone. He also stated that the Board can ask for people to leave voluntarily. Director Matteoli stated it will be hard to hear outside of the office building and any comments will not be heard by the Board. Dan York, General Manager of Sacramento Suburban Water District and their Director, Dave Jones, said they could make some room and leave as they just wanted to congratulate the new Board members. A few other residents and members of the public exited the Board room.

PLEDGE OF ALLEGIANCE:

Field Manager Bolton led the Pledge of Allegiance.

ELECTION OF BOARD OFFICERS:

Director Burt nominated Director Lenahan for the position of President and Director Harrington for Vice President. Both accepted the nominations. Director Burt made a motion for Director Lenahan to be President and Director Harrington to be Vice President of the Board for the next two years, Director Harrington seconded the motion; with no board or public discussion, the motion carried by the following roll call vote:

Ayes: Burt, Harrington, Lenahan, and Matteoli
Noes: None
Abstain/Absent: Allen

PUBLIC COMMENT:

Resident Carl Dolk congratulated the newly elected Board members. Carl once again appealed to the Board to begin the Board meetings at 6:30PM so the meetings can end earlier in the evening. Both

Vice President Harrington and President Lenahan requested that the discussion of the Board meeting time be placed on next months agenda.

CONSENT CALENDAR:

Director Burt requested to have both the minutes and invoices from December pulled. She had several corrections and/or additions and asked for clarification on the ending date with the refinance debt. Manager Sedwick said the corrected table has been uploaded to the website with an ending date of 2041 not 2042. She would also like a copy of the approved travel policy attached to the minutes.

Vice President Harrington requested additional verbiage regarding the discussion of who would pay for the actual project such as a new pipeline to be included in the minutes. Manager Sedwick stated that the actual project has not been determined and that it is unknown. Vice President Harrington still felt it was important to include the discussion that took place. Staff will work on corrections and bring back the December 3, 2018 minutes to the Board at the next meeting.

Director Burt is hesitant to approve payment of the invoices when she has yet to review them. She feels the checks drawn list should be provided in the Board packet and the invoices scanned and forward to the Directors ahead of time, as that should only take a few minutes to scan the invoices. Manager Sedwick explained that sometimes the checks drawn report is being prepared the same day of the Board meeting.

Vice President Harrington inquired about the check payable to Scott Sackett; Field Manager Bolton explained that he received a refund on a temporary water permit and usage deposit. Vice President Harrington also inquired about the check payable to Odell's Pump & Motor Service; Field Manager Bolton gave an explanation of items performed at Well #7.

Resident Greg Schneider questioned if Odell's performed those items earlier last year. Manager Sedwick explained Odell's did not complete all the work till July and did not invoice the District till December 2018.

Director Matteoli made a motion for the approval of payment of December invoices which was seconded by Vice President Harrington. With no other public or Board comments, the motion carried to pay the December invoices by the following roll call vote:

Ayes: Harrington, Lenahan, and Matteoli
Noes: Burt
Absent/Abstain: Allen

<u>CHECKS DRAWN</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
City National Bank 12/3	8947	136034.25
State Water Resources Control Board 12/3	8948	550.00
Robert Matteoli (Reim. ACWA Fall Conference) 12/3	8949	842.70
Debra Sedwick (Reim. JPIA/ACWA Conference) 12/3	8950	1548.57
AT&T Mobility 12/4	8951	219.05
PERS/Retirement 12/4	EFT	4722.27
Primetax Service Charge 12/5	EFT	192.34

AT&T 12/6	8952	107.00
AT&T 12/7	8953	177.16
County of Sacramento (Annual Encroachment Permit) 12/13	8954	365.75
Primetax - Payroll 12/14	EFT	8664.91
Primetax - Payroll Taxes 12/14	EFT	4753.66
AT&T 12/17	8955	55.00
Primetax - Payroll 12/31	EFT	10080.99
Primetax - Payroll taxes 12/31	EFT	4617.95
PERS/Health 12/31	EFT	6966.83
PERS/Retirement 12/31	EFT	4646.61
Ken Ingle (Payroll correction) 12/31	8956	19.77
State Water Resources Control Board (Certification) 12/31	8957	60.00
ACWA/JPIA 12/31	8958	620.60
Voya Financial	8959	1800.00
One Print Source & Graphics	8960	292.93
Hill Rivkins Brown & Associates	8961	2650.00
BSK Associates	8962	884.60
Chevron	8963	453.73
AT&T Mobility	8964	219.44
County of Sacramento (Voter Registration & Elections)	8965	4676.23
Lucy & Company	8966	1241.55
Emigh Hardware	8967	125.43
Grainger	8968	36.09
Ferguson	8969	603.38
Heath Consultants	8970	5388.63
Ken Ingle (Reimbursement-Certification)	8971	100.00
Inland Business Systems	8972	184.07
Odell's Pump & Motor Service	8973	15131.77
Office Depot	8974	117.55
P.G. & E.	8975	8.32
Petty Cash	8976	88.06
SMUD	8977	7911.14
SWRCB (Water System Fees)	8978	8782.50
Streamline	8979	200.00
USA BlueBook	8980	157.92
Scott Sackett (Temp. Water Refund)	8981	857.70
Uinta Holdings, LLC	8982	1985.00
Stericycle Communication Solutions	8983	262.01
YP	8984	15.50
		<hr/>
		239418.96

REPORT FROM FIELD MANAGER CONCERNING:

December field matters:

1. The District field staff responded to three leak service calls during the month. All three were the responsibility of the homeowners.
2. Field staff performed 33 Underground Service Alerts and three customer service line location requests in the month of December.
3. Field staff reset a bollard for the fire hydrant at Wendy's.
4. Field staff completed the main line valve exercise program for 2018 with a total of 98 valves exercised for the year.
5. Field staff rebuilt the chlorine manifold at Well #8 and repaired a chlorine compression coupling at Well #6B.
6. Field staff and Manager Sedwick met with representatives from San Juan Unified School District to discuss the current condition of the fire flows around Del Paso Manor Elementary School. More details will be discussed later on the agenda tonight.

7. Field Manager Bolton talked with a representative of Josh Winston who is the owner of 3600 Winding Creek Road regarding the installation of a new or an additional fire hydrant as part of his construction project.

REPORT FROM MANAGER CONCERNING:

December operational matters:

1. All newly elected Board members have been sworn in. Manager Sedwick met with each one during the month. She is happy to report all three have completed their required Ethics Training and two have already completed the required Sexual Harassment Prevention training.
2. A tour of the District facilities for the new Board members is usually done. It has been requested that they go together on the tour so a special meeting is required. The consensus of the Board is to have a Special Meeting at 3:30PM on February 4, 2018 to tour the well sites.
3. Manager Sedwick was requested to look into using the District's website URL for email addresses. Manager Sedwick contacted AT&T to host our email for a year at approximately \$420 and Go-daddy at \$1,100 per year but it has backup and more storage space than AT&T. Manager Sedwick asked the Board if they would like to see this item added to next month's agenda to discuss further. The Board concurred to add the discussion to next month's agenda.
4. Manager Sedwick attended the Regional Water Authority Executive Committee Meeting. The financial audit and several personnel policies were recommended to go to the full Board for approval. A Memorandum of Agreement with non-Federal partners to develop a Water Marketing Strategy Plan was also authorized to go to the full Board for approval.
5. Sacramento Suburban Water District and San Juan Water District had a second 2x2 committee meeting on Water Management/Re-Organization. The committee was given an update and they were directed to meet again with all area Managers to obtain more details and focus. They would also like to see inter-agency agreements soon. The GM's are meeting tomorrow; details will follow at our upcoming Board meetings.
6. The State Board staff released their draft report on options for implementing a Statewide Low Income Water Rate Assistance Program (SB 401) on January 3rd. They are recommending a tax on high income earners to achieve the funding needed and then will give credits for water charges through a customer's electric bill. As a water purveyor, it appears we will be required to provide more data to the State Board. As a region, there is a meeting scheduled for January 16th to discuss comments which are due by February 1st to the State Board.

7. The District increased our water production for December by 7.4% with a year to date reduction of 1.1% compared to 2017. Compared to 2013, December water production decreased by 37.0% resulting in a year to date reduction of 22.0%.

8. All bacteriological quality samples tested absent for December.

9. There were no water quality complaints for the month of December.

REPORT FROM ATTORNEY CONCERNING:

No report.

REPORT FROM ENGINEER CONCERNING:

No report.

REPORTS ON VARIOUS MEETINGS:

Director Matteoli attended the Sacramento Groundwater Authority meeting. The auditor's report was presented and accepted. As with all small agencies, there were concerns of separation of duties. The CalPERS change in discount rates will more than likely change the unfunded liability for the Authority. Pam Tobin as the SGA Chair and Caryl Sheehan as the Vice Chair were elected as the 2019 SGA officers. John Woodling gave the Sustainable Groundwater Management Act (SGMA) update. The 2018 groundwater substitution transfer using local groundwater to sell unused surface water resulted in 10,800 acre-feet transferred and/or sold. The Manager of Technical Services, Rob Swartz, gave an overview of the new groundwater monitoring wells and the monitoring of the full North American Sub-Basin.

OLD BUSINESS:

1. Reviewed and discussed the status of the Del Paso Manor Elementary School Project. Manager Sedwick reported that as directed, a letter to the School was sent off the day after the Board meeting explaining that further evaluations were needed and in order to proceed, a Reimbursement Agreement for those evaluations was needed. The School District and DPMWD staff met to discuss the concerns and evaluations that were needed. They requested that we draft a Reimbursement Agreement to move forward. A Reimbursement Agreement was sent to them on December 28, 2018 to cover the additional engineering for further evaluation, additional staff time, and additional legal expense. Nicholas Arps, the Construction Manager with SJUSD requested a letter of approval in order to proceed with the project once the Reimbursement Agreement is signed. He explained to the Board that in order for them to get the next set of permits, we need to sign off or sign a letter stating that we will serve them. Manager Sedwick expressed some concerns with doing this. Del Paso Manor Water District has

been very responsive and has not delayed their project. Attorney Brown advised the Board that we should not sign off until a solution is found. Resident Roy Wilson commented that the Board needs to look at the existing capacity of all the wells and the pipe condition; even though we have replaced some, more needs to be done. He feels the engineer is responsible and they need to provide a solution. The District also needs to look at bringing in new supplies into the District. Resident Carl Dolk commented that he would like the Board to sign off in good faith on the school project as we are a community and the school would be good for the community. Mary Harris, Board member with Rio Linda Water District, commented that the school district should be required to drill a new well for the water district to assist with having enough water. Manager Sedwick explained to the Board that water supply is not the issue; it is the distribution system where we have small sized mains. She reiterated that we meet the requested fire flow at the school but areas in the District where there are small mains reduced pressure is seen during a fire flow event. Director Matteoli stated it is like clogged arteries, your heart may have enough blood, but it can't get there with clogged arteries! After much discussion, the Board agreed that finding a solution was a top priority, but did not take action on signing off or signing a letter that we will provide the requested service; a solution to mitigate the impact to the residents during a fire flow event needs to be found first.

NEW BUSINESS:

1. Upcoming Meeting(s):
 - a. None.
2. Josh Winston, owner of 3600 Winding Creek Road, has requested that the District install additional fire hydrants along Winding Creek Road to bring up to the current fire code. Manager Sedwick explained to the Board that the District has no obligation to do this. The fire district is requesting additional fire hydrants because of his project. Director Matteoli mentioned that the District should not as it would be considered a gift of public funds. No action was taken.
3. Reviewed the release of Request for Proposal for auditing services for the 2018/2019 fiscal year. Director Burt would like to move the timeline up, so the presentation would be no later than November 4th. Manager Sedwick expressed concern in shortening the timeline as some of the payables do not come in until September. Resident Greg Schneider would like to see shorter cycle times and would like to see the presentation on October 7th. Manager Sedwick stated that to request an October presentation would possibly mean prior year corrections will need to be done the following year. Director Matteoli reminded everyone a public agency moves much slower. President Lenahan understands it is a process. Vice President Harrington made a motion to release the Request for Proposal for auditing services amending

the timeline and having it presented at the October meeting; it was seconded by Director Burt. With no other comments by the Board or public, the motion carried by the following roll call vote:

Ayes: Burt, Harrington, and Lenahan
 Noes: Matteoli
 Absent/Abstain: Allen

4. Manager Sedwick and Field Manager Bolton explained the leak and history of leaks on Burrell Court. The repair work needed this time would probably put us over budget in the Repairs & Maintenance line item. Manager Sedwick reported and she and Field Manager discussed options and one would be to change the scope of work to change the main size going into the court from a 4” to a 6” line and then replacing the services to coated copper. This change in scope would eliminate a 4” main which is problematic and is in line with the Master Plan. Since it is in the Master Plan to change this line to a 6” main, the work could be performed under the Planned System Maintenance budget. Director Burt requested that additional 3 or 4 estimates be obtained and it be discussed next month. Both Manager Sedwick and Field Manager Bolton explained the leak cannot go on that long. Field Manager Bolton also explained the consequences of “shopping the bids”. After Board and public discussion, a motion was made by Vice President Harrington to authorize the Manager to change the scope of work to make it be a Planned System Maintenance project and to approve the work after obtaining one more estimate. The motion was seconded by Director Burt, and carried by the following roll call vote:

Ayes: Burt, Harrington, Lenahan, and Matteoli
 Noes: None
 Absent/Abstain: Allen

- 5. The Directors signed the new bank signature card.
- 6. The Board reviewed the appointment of District Representatives for the various organizations.

After discussion, Present Lenahan appointed the following:

Organization	Representative	Alternate Representative
ACWA	Lenahan	Sedwick
ACWA/JPIA	Lenahan	Sedwick
CSDA	Burt	Harrington
RWA	Harrington	Sedwick
SGA*	Allen	Matteoli
Water Forum	Lenahan	Sedwick
ACWA Groundwater Committee	Matteoli	
ACWA Ag Committee	Matteoli	

*Requires Sacramento City Council appointment

7. Vice President Harrington asked to have the appointment of Succession Planning Ad-hoc Committee added to the agenda. After discussion, President Lenahan appointed Vice President Harrington and himself to the committee.

8. President Lenahan appointed Director Burt and himself to the Ad-hoc Finance Committee.

BOARD GENERAL DISCUSSION:

Director Burt would like to look into changing the Board meeting start time to be 6:30PM. She also would like to discuss next month for ways to preview the invoices before the Board meeting. Director Burt requested we add discussion of email hosting to the agenda as well. She brought up Rio Linda Water District's Policy Manual and would like to create one like theirs. President Lenahan suggested we discuss having an Ad-Hoc committee appointment next month to review policy manuals. Lastly, Director Burt inquired about the Heath Consultants invoice which Field Manager reported was for the replacement locator that was stolen from District truck. Vice President Harrington would like added to the agenda next month the discussion of terminating the Lucy and Company contract as well as a review and discussion of District vehicle use for on-call personnel. She also requested that each document be dated, a map of the District with well sites be hung for Board meetings, and a copy of the District's Policy for volunteers.

There being no further business to come before the Board, President Lenahan adjourned the meeting at 10:25PM.

ATTEST:

John Lenahan, President

Debra Sedwick, Secretary

APPROVED O&M BUDGET 2018/2019

<u>Account</u>	<u>Budget Amount</u>	<u>6 Month</u>
Management Salary	133447.00	66723.24
Staff Salaries	228000.00	108830.91
Conservation	7000.00	3341.00
Power	103000.00	58840.72
Repairs & Maintenance	140000.00	46198.03
Insurance	15000.00	16876.70
Lab Fees	11500.00	7237.00
Engineer/Consulting Fees	40000.00	16181.25 ¹
Office Expense	90000.00	37178.80
Director Fees	21000.00	9400.00
Audit Fees	9250.00	9250.00
Legal Fees	40000.00	16125.00
Election	7000.00	4676.23
Miscellaneous	15500.00	58.98
Payroll Taxes	30000.00	13913.26
PERS/Retirement	80000.00	52898.45
Health	91000.00	50315.03 ²
Retiree Health	0.00	4567.86 ³
OPEB	25750.00	25000.00
City Water	5739.00	0.00
Backflow Program	0.00	0.00
Prof. Administration Fees	22000.00	12378.25
Bank Charges	300.00	224.32
Professional Dues	47000.00	36298.00
Professional Meetings	15000.00	4295.58
Cert/Continuing Education	3000.00	520.00
TOTAL	1,180,486.00	601,328.61

1 - This amount does not include amount paid to engineer for DPM school project as those will be reimbursed.

2 - This is payment for seven months not 6 as payment is made prior to the beginning of the coverage month.

3 - Retiree will be \$0 at year end as we request a reimbursement from the OPEB Trust for these cost.

PSM Expenses

APPROVED SMC BUDGET 2018/2019

	<u>Budget Amount</u>	<u>6 Month</u>
Well #7*	\$	16,613.77
Debt Service	\$ 351,541.00	\$ 136,034.24
TOTAL	<u>\$ 351,541.00</u>	<u>\$ 152,648.01</u>

* Comment #2 on Approved SMC Budget was "We are estimating that Well #7 will be up and on line by fiscal year end; however, if the flushing can not be completed by then some of this amount will need to be carried forward to the next fiscal year." Work was not completed by June 30, 2018.

BOARD OF DIRECTORS
 COMPENSATION/EXPENSE SUMMARY
 JANUARY 2019

DATE	MEETING	ALLEN	BURT	HARRINGTON	LENAHAN	MATTEOLI
	ACWA Fall Conference					
	ACWA Spring Conference					
	ACWA Meeting					
	ACWA Ag Committee Meeting					
	ACWA Groundwater Committee Meeting					
	ACWA/JPIA					
	California Special District's Association					
1/7/2019	DPMWD - Regular Board Meeting	A	1	1	1	1
	DPMWD - Special Board Meeting					
1/31/2019	DPMWD - Adhoc Succession Planning Committee			1	1	
	DPMWD - Adhoc Auditor Selection Committee					
1/17/19 & 1/24/19	DPMWD - Adhoc Finance Committee		2		2	
	DPMWD - Adhoc Policy Manual Review Committee					
Various	DPMWD - AB1234 Ethics Training		1***	1*	1***	
Various	DPMWD - AB1825 Sexual Harassment Prevention Training		1***	1*	1	
	Regional Water Authority			A		
	Sacramento Groundwater Authority					
	Water Forum Successor Effort					
	TOTAL DAYS OF MEETINGS		5	3	6	1
	TOTAL COMPENSATION		700.00	300.00	700.00	100.00
	TOTAL EXPENSES					

* Meetings on same day (only one paid for)

**Only two meetings per adhoc is allowed compensation

*** Take prior to compensation change

A - Absent