

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

March 4, 2019

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 March 4, 2019 at 7:30PM.

President Lenahan called the meeting to order. Vice President Harrington, Director Burt, and Director Matteoli were also present. Director Allen was absent due to illness. Also present were Attorney Adam Brown, Manager Debra Sedwick, Field Manager Rich Bolton, Field Technician Ken Ingle, and Office Administrator Lori Hensley. There were several residents and members of the public also present.

PLEDGE OF ALLEGIANCE:

Field Manager Bolton led the Pledge of Allegiance.

PUBLIC COMMENT:

Resident Gwynne Pratt handed out copies of her letter to the Board and staff. She thanked the staff for their service and commented on the importance and professionalism of the WaterSpots newsletter, especially the article on the Sustainable Groundwater Management Act. Resident Carl Dolk commented that he would like to know where the District is with the Master Plan update and appreciates some of the agenda shifts; however, he questioned why the Attorney's report is at the end of the meeting as he feels his report should be moved up on the agenda. He also thanked Manager Sedwick and Field Manager Bolton for their written reports per his suggestion. Resident Deake Marschall informed the District of the 2019 Sacramento Funding Fair will be on April 17th and thought it would be nice to have a Board or staff person attend to obtain information on infrastructure grants, loans, and bond financing programs and options. Resident Charles Marshall lodged a complaint about water waste by his neighbors and proposed a 50% fee increase to duplexes and that they be metered. He stated he called the office and it was explained that per State law as long as there was a shut off nozzle on the hose, the washing of the vehicles is permitted in the District and nothing can be done unless they were watering their property within 48 hours after measureable rainfall. He felt this was ridiculous. Mr. Marshall also suggested that property owners for 48 years plus should be entitled to a long time District owner discount. Director Burt also met with Mr. Marshall earlier to hear his concerns. Manager Sedwick and Attorney Brown both said the District is not able to bill one class of residents differently than the other. All new construction is metered per law. Manager Sedwick also stated that the District's conservation rules are slated to be discussed in April. Resident Chris Nelson

commented he just had a very negative experience with a cable outfit parking on his lawn leaving deep ruts, parking in front of his garage, and stringing cable everywhere in the way. He wanted to thank the District for a positive experience a couple of years ago when there was water main break in his backyard with water and mud everywhere. When he came home a couple days later it was all cleaned up like it had never happened. He thanked the staff for taking pride in their work and apologized for not thanking them at the time.

OLD BUSINESS:

1. The Board reviewed and discussed the status of the Del Paso Manor Elementary School Project. *National Pollutant Discharge Elimination System S.S. permit 4/2/19*
Manager Sedwick reported the field work was delayed due to the rain. The District's NPDES permit does not allow water flowing from hydrants for non-emergency events within 48 hours of rain. However, all field work was completed by February 22nd. Forsgren is inputting the data along with data from the District's SCADA system. The goal is to have the input and model runs completed by March 18th. Vice President Harrington asked about cost reimbursement, the change in well pumping, and the letter from Sacramento Metro Fire stating the required fire flow requirements for the school project. Manager Sedwick stated the reimbursement agreement from San Juan Unified School District was received in January. As far as the well pumping, nothing has changed since 2014 due to limited funds for pipe replacement. As far as the letter from Sacramento Metropolitan Fire District, she has requested it several times and has not received one yet. Director Matteoli stated he knows the District can meet the fire flow of 1900gpm at the school; however, it puts a strain on other areas in the District where small mains exist. It will be the school's engineer that signs off for the plans and fire protection. Director Burt suggested maybe Sacramento Metro Fire would be willing to attend a Board meeting and the Board directed Manager Sedwick to invite Sacramento Metro Fire to the next Board meeting.

2. The Board reviewed and discussed email hosting. Manager Sedwick checked with Streamline and they do not provide email hosting. Manager Sedwick asked if the Board was interested in AT&T, Go-Daddy, or if there were other options they would like her to pursue. President Lenahan mentioned that there is a corporate Gmail accounts but there is a cost involved. Director Burt suggested that Manager Sedwick talk with Streamline for ideas. Manager Sedwick is to report back next month.

3. Resolution 20190304 "Amending the Day and Time of the Regular Board Meetings" was reviewed. Manager Sedwick reviewed the last Ordinance amendment and language was included that allows changes to the time and day to be done by resolution. A motion was made by Director Burt and seconded by Vice President Harrington to adopt Resolution 20190304 to change the regular Board meetings to the first Tuesday of the month beginning at 6:30PM. With no further Board or public comments, Resolution 20190304 passed by the following roll call vote:

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

The next regular Board meeting will be Tuesday, April 2, 2019 at 6:30PM.

NEW BUSINESS:

1. Upcoming Meeting(s):
 - a. California Special Districts Association's "Governance Leadership Academy", April 7-10, 2019 in San Diego, California. Director Burt is looking forward to attending CSDA in July as she received a scholarship award to attend from CSDA.
 - b. Association of California Water Agencies Spring Conference, May 7-10, 2019 in Monterey, California.
2. President Lenahan appointed Vice President Harrington and Director Burt to the Communication Ad-Hoc Committee to create quarterly newsletters.
3. President Lenahan appointed Director Burt and himself to the Human Resources Ad-hoc Committee.
4. The Board tabled the approval of the Actuarial Study for GASB 74/75 and the funding strategy and funding and contribution method until next month.
5. President Lenahan appointed himself as the additional signer for the Voya Deferred Compensation Plan.
6. The Board reviewed and discussed the nomination of a Board member to the California Special Districts Association Board of Directors, Seat B. No action was taken.
7. Reviewed and discussed the District Investment Policy. Director Burt looked into CalTrust for investments rather than just the Local Agency Investment Trust (LAIF). Resident Carol Rose believes LAIF is a good idea. Director Burt said CalTrust has a good investment performance history. Vice President Harrington inquired about funds being insured. ^{LAIF funds are invested by the State and protected by statute 8.5.4(b)(9)} The Board directed Manager Sedwick to amend the policy to add CalTrust as an investment tool and to make CalTrust and LAIF both at \$4,000,000 and to bring back next month for adoption.
8. The Board reviewed and discussed the General Manager's signing authority. Director Burt found no limit on the General Manager spending limit authority and then read in Ordinance #2 dated in 1955 that requires the Board President to sign all District contracts. Attorney Brown explained that there is a code that gives the authority for the Manager to sign and it is acceptable for the Board to authorize the Manager to sign by action at a Board meeting. Director Matteoli stated he trusts the staff and management as they do a good job and feels there is no reason to micro manage them. Director Burt felt there should not be a limit on emergencies but there should be one for other spending. She feels that an

“emergency” needs to be defined. President Lenahan suggested a spending limit of \$5,000^{AS a starting point for discussion} Manager ^{P.S. 1/16/19}

Sedwick requested a clear policy and also reminded the Board that checks and balances are in place since every check requires two signatures. Director Matteoli suggested the Policy Review Ad-hoc Committee bring back a policy recommendation to the Board. Resident Roger Nelson suggested that the Board view an emergency issue in the broader sense; it is important to look at emergencies with respect to leaks including yard repair in addition to well issues. Resident Greg Schneider suggested that the President of the Board be required to sign any and all contracts as Ordinance #2 states or to develop a new policy.

9. Manager Sedwick provided the Board with cost estimates for new padded chairs for the audience. The Board discussed purchasing of the new chairs. Vice President Harrington asked why only new chairs and not used chairs from the State surplus office were looked at. President Lenahan explained that the cost of staff time to get used chairs would equal the cost of new chairs. Residents Carol Rose and Diane Graves commented that this was a silly conversation and no new chairs are needed. Resident Roger Nelson stated that he would be willing to go to the Dollar Store and purchase cushions if this was really important. Resident Debra Simpson said that the chairs are hard but she has no intention of coming to every Board meeting so it really isn't a concern. After more Board discussion, no action was taken.

10. The Board reviewed and discussed a job description for the new general manager that the committee presented. The Board discussed the required qualifications and desired qualifications included in the job description. The consensus was the job description was fine with a few minor changes. Next they reviewed the salary survey that the committee provided which was developed from the State Compensation website. The Committee recommended a range of \$55,000 to \$100,000. Director Burt felt the salary range should be closer to \$90,000 with a \$100,000 cap with eight years of prior experience and five years management experience. Director Matteoli questioned the numbers in the survey. If they came from the State site, they are 2017 numbers and not current. He also stated that many numbers included are not accurate as he called several of the companies listed and found the Manager's salary to be much higher than stated. He also showed where one agency was an Ag District so this survey is comparing apples to oranges. He feels a new survey needs to be done by the committee and they need to actually call and get current information. Director Burt agreed that a new survey is needed and it should only include Districts in our area. President Lenahan and Vice President Harrington thanked the Directors for the good discussion. Next, the Board discussed recruitment methods. Director Matteoli asked Manager Sedwick what she suggested. She suggested to advertise on the District's web site, a one day listing in the Sacramento Bee, RWA email list, CRWA, CSDA, BCJobs, and possibly CANNV AWWA. Vice President Harrington also suggested the local universities, UC Davis and Sacramento State. Next, they discussed a proposed schedule and process. President Lenahan stated the proposed

schedule has the new Manager starting in September giving a couple months of overlap for training. Director Burt wants only one month of training. Resident Carol Rose stated she does not have a lot of confidence that the Board has the experience in hiring a new General Manager for our District. Director Matteoli suggested that the committee come back with better numbers and a complete hiring package including the recruitment notice/flyer because right now they have nothing to review and accept. Vice President Harrington stated she has experience hiring, just not in water. President Lenahan responded that he has hired controllers before. Resident Carl Dolk asked Manager Sedwick if she was being pushed out as the General Manager and if she was given the option to stay. Manager Sedwick stated her contract ends in November 2019 and the Board from last year felt it was up to whomever was elected to engage with her for a contract extension. She further stated that she let all parties know, including the new Board that she was willing to engage in that conversation. Resident Carl Dolk then asked Manager Sedwick if she would extend her contract if that was offered. Manager Sedwick replied that an offer is not on the table so she could not answer. Resident Greg Schneider appreciated all the work done by the committee. He is not fond of the spreadsheet layout but is thankful for the detail. He was also surprised to learn that Board members are included as employees in the District count.

11. The Board reviewed and discussed accepting payments by PayPal on the District website. President Lenahan stated PayPal is an easy way to allow customers to pay with credit card and other forms of payment with little or no fees. No credit cards would be accepted at the office, the customer would have to go to the website. Director Matteoli stated he is fine with it as long as the District does not pay any fees as it would be considered a gift of public funds. Attorney Brown stated that it could be problematic with one class subsidizing another; he has found that many agencies use a third party vendor to get around this issue as the customer using this form of payment pays the fee associated with it to the third party vendor. Vice President Harrington also expressed concerns with the District paying any fees. Director Burt suggested that Manager Sedwick reach out to Streamline to see how to set up PayPal without fees. Resident Ken Ingle stated that, from his experience, it may not be as seamless as the Board thinks. Resident Roy Wilson commented that he likes using his bank bill pay service which is no cost to him nor the District and is concerned with using PayPal and having any fees especially to the District. Director Burt made a motion for Manager Sedwick to set up the website to begin accepting payments by PayPal providing there are no fees to be paid by the District. Vice President Harrington seconded the motion. With no further public or Board comments, the motion carried by the following roll call vote:

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

REPORT ON MEETINGS:

The Finance Ad-Hoc Committee reported that they are looking at different banks to reduce fees. They are also looking at QuickBooks which they feel is an inexpensive way to computerize the accounting system.

The Auditor Selection Ad-Hoc Committee reported there were four bids received, two of which will be interviewed. A recommendation will come to the Board at the April meeting.

The Policy Manual Review Ad-Hoc Committee reported that even though Rio Linda Water District has offered to share their manual with us, upon review it appears it may be outdated. Director Burt met with representatives from California Special District Association this afternoon. They discussed the sample policy manual they have for purchase. It is \$100 and comes with updates of any new laws via email. The Committee sees this as a benefit and requested the District to purchase it. Attorney Brown agreed that CSDA has a good sample policy handbook.

President Lenahan attended the Water Forum Successor Effort meeting. The meeting was very well attended even though it was held on Valentines Day. A presentation on the Cordova Creek Project located in Rancho Cordova within the American Parkway was given.

Vice President Harrington attended the Regional Water Authority Special Meeting. The Executive Director recruitment process and schedule was presented. The Interim Executive Director appointment of Robert J. Swartz was made. His appointment begins on March 1, 2019 until a new permanent Executive Director begins work on June 30, 2019 whichever comes first. Vice President Harrington question why we are members of RWA and felt the District may want to look at dropping our membership.

CONSENT CALENDAR:

Director Burt requested to have the regular minutes for February and invoices for February pulled.

Vice President Harrington made a motion to approve the minutes of the Special Board meeting for February 4, 2019 as presented. Director Burt seconded the motion. With no further public or Board comment, the motion carried by the following roll call vote:

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

Director Burt requested additional verbiage in the old business discussion of the Burrell Court project. Manager Sedwick read the paragraph Director Burt would like added to the minutes. Resident Carol Rose stated that her paragraph is incorrect as she did not present anything to the Board, Field Manager Bolton did. Director Burt agreed that Field Manager Bolton gave the presentation. Vice President Harrington made a motion to approve the February 4th Regular Meeting minutes adding

Director Burt's paragraph as corrected. Director Burt seconded the motion. With no further public or

Board comments, the motion carried by the following roll call vote:

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

Manager Sedwick answered a couple of invoice questions from the Directors. Director Burt made a motion for the approval of payment for the February invoices which was seconded by Vice President Harrington. With no further public or Board comments, the motion carried to pay the February invoices by the following roll call vote:

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

<u>CHECKS DRAWN</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
Primetax Service Charge 2/5	EFT	319.83
AT&T 2/13	9017	177.70
AT&T 2/13	9018	55.00
Primetax - Payroll 2/15	EFT	9133.15
Primetax - Payroll Taxes 2/15	EFT	4997.93
Sacramento LAFCo (Special District Assessment) 2/19	9019	232.00
Jiffy Lube (Replacement of ck.#9003) 2/19	9020	47.52
City of Sacramento (Replacement of ck.#8999) 2/19	9021	2823.98
ACWA (Spring Conference) 2/22	9022	2175.00
PERS/Health 2/28	EFT	6966.83
PERS/Retirement 2/28	EFT	4585.62
VOID	9023	0.00
Primetax - Payroll 2/28	EFT	9010.71
Primetax - Payroll taxes 2/28	EFT	4819.76
ACWA/JPIA 2/28	9024	620.60
Voya Financial	9025	1800.00
AT&T	9026	67.23
Hill Rivkins Brown & Associates	9027	5950.00
BSK Associates	9028	84.00
Chevron	9029	358.75
Lucy & Company (Final)	9030	2877.30
Emigh Hardware	9031	9.46
Inland Business Systems	9032	177.12
Charles Moore/Effective Phone Solutions, Inc.	9033	546.25
P.G. & E.	9034	8.33
Petty Cash	9035	31.32
The Sacramento Bee (RFP Notice)	9036	277.24
SMUD	9037	5516.20
Streamline	9038	200.00
Total Compensation Systems, Inc.	9039	630.00
Uinta Holdings, LLC	9040	2045.00
Stericycle Communication Solutions	9041	195.93
YP	9042	15.50
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REPORT FROM FIELD MANAGER CONCERNING:

February field matters:

A written report was provided. Vice President Harrington inquired as to why the District was waiting on the return of the Hold Harmless Agreement from Kensington Apartments. Field Manager Bolton explained the need for the hold harmless agreement to use their sewer outlet for flushing when working on Well #8.

REPORT FROM MANAGER CONCERNING:

February operational matters:

A written report was provided. Vice President Harrington questioned what does "TAF" mean in the report on the Unimpaired Inflow into Folsom Reservoir and what did "Hodge" year mean. Manager Sedwick replied that "TAF" stands for Total Acre Feet and "Hodge" year refers to a decision made by Judge Hodge regarding the flow requirement in the Lower American River.

REPORT FROM ATTORNEY CONCERNING:

Attorney Brown commented on a public official's absence/vacancy per the request of Vice President Harrington. He stated directors can miss three consecutive months as no shows with the exception of sickness or notification given that they will be absent. The idea is they need to make contact with the District.

BOARD GENERAL DISCUSSION:

Director Burt requested to look at water conservation next month as we have a concerned rate payer. Vice President Harrington stated again she would like to receive a letter from Sacramento Metro Fire with the fire flow requirements for Del Paso Manor School.

There being no further business to come before the Board, President Lenahan adjourned the meeting at 10:38PM.

ATTEST:


Debra Sedwick, Secretary


John Lenahan, President

RESOLUTION 20190304

A RESOLUTION AMENDING THE DAY AND TIME OF THE REGULAR BOARD MEETINGS FOR DEL PASO MANOR WATER DISTRICT BOARD OF DIRECTORS

WHEREAS, pursuant to Ordinance No. 2 of the Del Paso Manor Water District (the "District"), regular Board meetings are held on the first Monday of the month as 7:30 p.m. at the District offices located at 1817 Maryal Drive, Suite 300, Sacramento, CA 95864; and

WHEREAS, the District's Board of Directors amended Ordinance No. 2 on June 4, 2018 to allow the Board to change the time and place of its regular monthly meeting by a duly passed resolution; and

WHEREAS, the Board of Directors desires to change the regular monthly Board of Directors' meeting time to the first Tuesday of each month at 6:30 p.m. at the District offices located at 1817 Maryal Drive, Suite 300, Sacramento, CA 95864;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Del Paso Manor Water District that the regular meetings of the Board of Directors be held henceforth on the first Tuesday of each month at 6:30 p.m. at the District offices located at 1817 Maryal Drive, Suite 300, Sacramento, CA 95864. Should said meeting day fall upon a legal holiday, then said meeting shall be on the next business day following the day so established. This Resolution shall become effective immediately upon passage, such that the next regular meeting of the Board of Directors pursuant to this Resolution 20190304 shall take place on April 2, 2019 at the aforementioned place and time.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Del Paso Manor

Water District on this 4th day of March, 2019 by the following vote:

AYES: *Burt, Harrington, Lenahan, and McFeeley*

NOES: *None*

ABSTAIN: *None*

ABSENT: *Allen*

DEL PASO MANOR WATER DISTRICT

By:  _____
John Lenahan, President

ATTEST:

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Debra Sedwick, Board Secretary