

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

April 2, 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 April 2, 2019 at 6:30PM.

President Lenahan called the meeting to order. Director Burt and Director Matteoli were also present. Vice President Harrington was absent due to a prior commitment. There is one vacant seat on the Board. Also present were Attorney Adam Brown, Manager Debra Sedwick, Field Manager Rich Bolton, and Office Administrator Lori Hensley. Richard Noll and Alan Driscoll with Forsgren Associates were present. There were several residents and members of the public also present.

PLEDGE OF ALLEGIANCE:

President Lenahan led the Pledge of Allegiance.

PUBLIC COMMENT:

Resident Gwynne Pratt commented on the need for water knowledge on the Board and water articles should be included in newsletters as she feels residents are interested.

OLD BUSINESS:

1. Forsgren Associates gave a presentation on the modeling efforts for the school project. Their final recommendation included the approval of the project as the school district requested and for the Board to discuss and establish a policy as to the District's desired and acceptable pressure for daily operations and during a fire flow event. They also recommended the Board consider adding Variable Frequency Drives to the well motors, if financially feasible and to replace the main lines in the Northeast section of the District. The Board asked many questions. After discussion, Director Matteoli made a motion to approve the school district's request for two 8" connections and one 4" connection as they submitted. Director Burt seconded the motion. Three residents made comments. With no further comments, the motion carried by the following roll call vote:

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

2. Manager Sedwick presented to the Board her findings on the cost to have Gmail host the District email service with the delpasomanorwd.org extension. The cost would be \$10 per month per email address. After discussion, the Board decided to wait until a later date to implement.

3. The Board reviewed and discussed the Actuarial Study for GASB 74/75 as well as the funding strategies and funding & contribution method recommended by the Manager. Director Burt asked if the District could have the actuary give a presentation. Manager Sedwick explained that the cost would be approximately \$1600. She suggested that the District will need to contract for the next full valuation for a measurement date of June 30, 2019 and suggested that she ask for a presentation for that report in the next fiscal year since payment has already been sent for the current fiscal year. She also suggested that we request that contribution amounts be calculated based on different amortization schedules since the new reporting does not give the Annual Required Contribution amount like the old valuations. The Board directed the Manager to budget a presentation and calculations in the next fiscal year budget. After discussion, Director Matteoli made a motion to approve the study, funding Strategy 1 and funding & contribution methods as recommended by the Manager. Director Burt seconded the motion. With no further Board or public comments, the motion carried by the following roll call vote:

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

4. The amended Investment Policy as discussed last month was presented to the Board for adoption. Director Burt requested the item be tabled as she would like the Policy Review Ad-Hoc Committee to review and make additional changes.

5. President Lenahan stated that the Succession Planning Ad-Hoc Committee has not completed the package for review and tabled the succession planning item to next month.

6. Manager Sedwick presented to the Board her findings as to adding PayPal payment option to the website. When she spoke with PayPal, they informed her that their fee of 2.9% + the flat rate currency fee is taken off the top of every payment and there is no way for it to be set up by them for the fee to be paid by the customer. Manager Sedwick also reported she spoke with Sloane at Streamline and she also understood that was how PayPal worked. Sloane provided 3rd party vendors as an alternative. Resident Carol Rose questioned is there a demand for PayPal in the District with the older population of residents. After discussion, the Board decided this item would go back to the Finance Ad-Hoc Committee for further investigation.

NEW BUSINESS:

1. Upcoming Meeting(s):
 - a. California Special Districts Association's "Financial Management", April 25, 2019 in Simi Valley, CA or August 8, 2019 in Sacramento, CA.
 - b. California Special Districts Association's "Legislative Days", May 21-22, 2019 in Sacramento, CA.

c. California Special Districts Association’s “Governance Leadership Academy”, July 7-10, 2019 in Napa, CA.

2. President Lenahan appointed Director Matteoli as the additional signer for the Voya Deferred Compensation Plan since Richard Allen is no longer a Director

3. The Auditor Selection Ad-hoc Committee stated they interviewed two firms of the four firms that presented proposals and were recommending Richardson & Company to perform the 2018/19 fiscal year audit as they felt they were the most qualified. Director Burt disclosed that she had contacted Richardson & Company last year to ask questions about the prior year’s audit. Although Richardson & Company did not accept payment for their time with her, she sent them a \$25 gift card. Resident Carl Dolk suggested that for appearance, Director Burt should exclude herself from the vote. Attorney Brown stated there was no financial conflict and Director Burt did not legally need to. Director Matteoli made a motion to approve the committee’s recommendation of Richardson & Company to perform the 2018/19 audit. The motion was seconded by Director Burt. Resident Greg Schneider inquired about the amount of the contract. With no further comments, the motion carried by the following roll call vote:

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

4. The Board reviewed and discussed the request to execute a letter of support for Paradise Irrigations District’s request for a one-time funding from the State’s General Fund to provide assistance from the Camp Fire disaster. Director Burt made a motion to approve the request and Director Matteoli seconded the motion. With no further comments, the motion carried by the following roll call vote:

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

5. The Board reviewed the District’s Drought Preparedness and Water Shortage Plan. They also discussed the current laws in place on making conservation “A Way of Life”. Manager Sedwick recommended that the District be in Phase 1 of the plan for the 2019 season which asks for voluntary reductions and for the District not to hire a conservation patrol this year due to the amount of rain the region has received. Director Burt discussed comments made by a resident last month and suggested ways for the District staff to respond to complaints. She requested that the Drought Preparedness and Water Shortage Plan be revised to indicate that it has been reviewed April 2, 2019 and put onto the District’s website. Manger Sedwick stated upon approval, a notice will be put on the website with the adopted rules for the season with a link to the Plan. Director Burt made a motion to approve the District be in Phase 1 (voluntary reductions) and not to hire a patrol for this season. Director Matteoli seconded the motion. With no further comments, the motion carried by the following roll call vote:

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

6. Manager Sedwick reported that she contact both Sacramento Suburban Water District and Carmichael Water District, per the Board's request, for assistance with the Consumer Confidence Report. Both agencies replied that they could not assist due to not having the additional staffing and also with the liability since it is a compliance report. Manager Sedwick further reported that she contacted Gemini Group who could assist at a cost of approximately \$2600. This company guarantees compliance with the State's requirements. Director Burt stated she also investigated and found compliance was important and she liked that this company offered a guarantee. After discussion, Director Burt made a motion to authorize the Manager to contract with Gemini Group to assist with the development of the District's Consumer Confidence Report this year. Director Matteoli seconded the motion. With no further comments, the motion carried by the following roll call vote:

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

7. The Board reviewed and discussed Phase 1 of the Sacramento Regional Water Bank Project. Director Matteoli expressed his support for the participation as he sees this as beneficial to the region and also a potential revenue source to the District. Director Burt stated that although she has concerns, all the other agencies in the region are participating and Del Paso Manor Water District should to. President Lenahan stated that the District's cost is relatively small and it is not committing the District to Phase 2. After further discussion, Director Matteoli made a motion to authorize the Manager to sign the participation agreement. Director Burt seconded the motion. Resident Greg Schneider asked for clarification on the minor changes to the agreement that Manager Sedwick described. With no further comments, the motion carried by the following roll call vote:

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

8. President Lenahan requested the Board consider changing the regular meeting date for the May meeting due to the possibility of a lack of quorum since he and Director Matteoli will be at the Association of California Water Agencies conference. After looking at schedules, Director Burt made a motion to change the date to May 2, 2019. Director Matteoli seconded the motion. With no further comments, the motion carried by the following vote:

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

9. The Board discussed the possibility of having a Board newsletter instead of a District newsletter per the request of President Lenahan. Director Burt spoke on behalf of the Communication Ad-Hoc Committee that she felt it should be a District Newsletter but developed with both staff and Board members input. They also briefly discussed if it should be bi-monthly, quarterly or semi-annual. Two residents commented on the newsletter timing and content.

10. The District discussed the possibility of outsourcing the District's accounting functions. After discussion, no action was taken. It was referred to the Finance Ad-Hoc Committee to look into and bring back a recommendation.

CONSENT CALENDAR:

President Lenahan requested the Regular Board Meeting minutes of March 4, 2019 be pulled. The items left on the consent calendar were the minutes of the Special Meeting on March 4, 2019 and the approval of March invoices. Director Matteoli made a motion to approve the remaining consent calendar. Director Burt seconded the motion. With no Board or public comments, the motion was carried by the following roll call vote:

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

<u>CHECKS DRAWN</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
AT & T Mobility 3/4	9043	249.01
Primetax Service Charge 3/5	EFT	274.03
One Print Source & Graphics (Replace Cks.#8960 & #8987) 3/7	9044	300.56
AT&T 3/7	9045	177.70
CSDA (Sample Policy Handbook) 3/12	9046	225.00
Primetax - Payroll 3/15	EFT	8999.62
Primetax - Payroll Taxes 3/15	EFT	4949.23
AT&T 3/19	9047	55.00
Schiff Hardin, LLP(Public Records Req-Refund Est. chgs.) 3/26	9048	25.55
Debra Sedwick (Reim.Copy Charges PRR-Schiff Hardin) 3/26	9049	169.20
Primetax - Payroll 3/29	EFT	9330.40
Primetax - Payroll taxes 3/29	EFT	4982.59
PERS/Health 3/29	EFT	6966.83
PERS/Retirement 3/29	EFT	4652.11
GM Construction & Developers Inc. (Burrell Ct.) 3/29	9050	70650.00
ACWA/JPIA 3/29	9051	620.60
Voya Financial	9052	1800.00
One Print Source & Graphics	9053	370.67
Aqua Sierra Controls, Inc. (Scada reports DPM Elem.Project)	9054	520.00
Hill Rivkins Brown & Associates	9055	2850.00
BSK Associates	9056	2562.50
California Rural Water Association (Dues)	9057	777.00
Chevron	9058	382.82
AT&T Mobility	9059	249.01
Emigh Hardware	9060	252.04
Forsgren Associates Inc. (DPM Elem. School Project)	9061	12175.00
GM Construction & Developers Inc. (Butano)	9062	398.00
Ken Ingle (Reimbursement)	9063	195.00
Inland Business Systems	9064	177.12
P.G. & E.	9065	8.88
Petty Cash	9066	45.42
U.S. Postal Service	9067	770.00
The Sacramento Bee (Director Vacancy)	9068	277.24
Sacramento County Utilities	9069	175.22
Sac. Metropolitan Air Quality Management District	9070	2134.00

SMUD	9071	5606.14
Sam's Club	9072	303.33
Sierra Chemical Company	9073	417.60
Streamline	9074	200.00
Amber Beasley (Customer Refund)	9075	218.25
Uinta Holdings, LLC	9076	2045.00
Stericycle Communication Solutions	9077	219.53
YP	9078	15.50
		<u>14772.70</u>

President Lenahan stated he received a few requested changes from Vice President Harrington and had a few as well. He gave his corrections. Director Matteoli made a motion to approve the March 4, 2019 minutes as amended. Director Burt seconded the motion. With no further public or Board comments, the motion carried by the following roll call vote:

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

REPORT ON MEETINGS:

Director Burt reported that the Communication Committee developed the March-April Newsletter. They are pleased with the report and look forward to developing the next one.

President Lenahan reported that he met with Manager Sedwick for the Finance Ad-Hoc Committee and open items were discussed. Additional work is being done but progress is being made.

President Lenahan reported that the Human Resource Ad-Hoc Committee has received materials from Manager Sedwick and will begin working on reviewing the current job descriptions and the current personnel manual.

Director Burt reported that the Policy Manual Review Ad-Hoc Committee has purchased the California Special Districts Associations Sample Policy Handbook and will begin work on developing a new policy manual.

Manager Sedwick gave a report of the Regional Water Authority Meeting.

REPORT FROM ATTORNEY CONCERNING:

No report.

REPORT FROM MANAGER CONCERNING:

March operational matters:

A written report was provided. There were no questions or comments.

REPORT FROM FIELD MANAGER CONCERNING:

March field matters:

A written report was provided. There were no questions or comments.

BOARD GENERAL DISCUSSION:

Director Burt requested that next month there be a report and discussion on associations the District belongs to and the dues associated with each. She also request that the consent calendar be removed from future agendas.


Director Matteoli commented that it appears items are starting to be implemented that were on a letter of recommendations to the Board provided by Marissa Burt and Greg Schneider in March 2018. In that recommendation letter, there were statements that consultants were used. He asked Director Burt to provide names of those consultants. Director Burt responded that that was given by a private citizen and herself as a private citizen and felt it was not appropriate to disclose.

There being no further business to come before the Board, President Lenahan adjourned the meeting at 10:31PM.

ATTEST:



Debra Sedwick, Secretary



John Lenahan, President