

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

**February 4, 2020  
6:30 PM  
1817 Maryal Drive, Suite 300, Sacramento**

The Board of Directors of the Del Paso Manor Water District convened a Regular Board Meeting at the District office located at 1817 Maryal Drive, Suite 300, Sacramento, California on February 4, 2020 at 6:30 p.m.

**Call to Order:**

President Lenahan called the meeting to order at 6:30 p.m.

**Pledge of Allegiance:**

President Lenahan led the Pledge of Allegiance.

**Roll Call:**

Directors Present:	Marissa Burt, John Lenahan, Robert Matteoli, Gregory Schneider, Andrew Ping
Directors Absent:	None
Staff Present:	Ken Ingle - Field Supervisor
Legal Counsel Present:	Kerry Fuller, Churchwell White LLP
Public Present:	Approximately 10 members of the public were in attendance.

**Announcements:**

None

**Public Comment:**

Roy Wilson expressed concern about the budget and progress toward meeting the O&M reserve goal. Michael Clohossey asked if Director Ping had been sworn in prior to this meeting. President Lenahan responded affirmatively. Michael also commented that he had received the letter offering one year of identity theft protection with 30-day deadline and stated he had contacted office for details. Mary Dietz spoke on behalf of her mother, who said everyone should stop quibbling and replace the pipes. She presented John with a new desk nameplate but was informed that Directors cannot accept gifts without Board action.

**Items for Discussion and/or Action:**

1. Audit and Accounting Update  
District CPA Robert Merritt reported that the audit is scheduled for mid-March. He said that audit must be done within one year from end of fiscal year. Robert said he performed a "hard close" on the old manual accounting books for April 2019.

Computerized books commenced on May 1, 2019. Director Burt inquired about monthly budget-to-actuals and Mr. Merritt responded that we could have either monthly or quarterly statements. He suggested that the O&M reserve be a separate account.

Michael Clohossey stated that the Master Plan dictates that O&M reserve cannot be used for Capital Improvement Projects.

Director Matteoli asked about unfunded liability and current interest rate. He advocates for paying off the unfunded liability.

Natalie Clohossey requested definitions of what is an O&M expense versus CIP.

No action was taken

## 2. Discussion on General Manager Position

Succession Planning Committee requested feedback on the job description and recruitment plan.

Director Burt requested that the word "Mentor" be deleted from page 2, 5<sup>th</sup> bullet. Director Matteoli thinks timeline is too optimistic.

President Lenahan commented that the previous ad-hoc committee did phone interviews to weed out candidates that were not qualified. Director Matteoli requested that full Board be able to review all resumes.

The Board agreed to bring the resumes of all qualified candidates to the full Board for ranking and then bring top (# TBD) to the Board for interviews.

The Board is satisfied with the ad placement and ad cost recommendations of the ad-hoc committee.

President Lenahan commented about his outreach to two different companies that could provide recruitment services, CPS HR Consulting and Regional Government Services (RGS). Proposals came in too late to include in Board packet.

Public Comment:

Natalie Clohossey mentioned the savings to the District of job vacancies since mass resignation on May 31, 2019.

Debbie Simpson suggested we start internal search for two weeks and then consider RGS if no resumes are received.

Michael Clohossey suggested looking at districts that have consolidated and/or small districts for recruitment.

The Board provided direction to President Lenahan to table this agenda item and bring RGS staff and full proposal to future Special Meeting for consideration.

No Action was taken.

3. DPMWD & Sacramento Suburban Water District 2x2 Ad-Hoc Committee, appoint members to the committee

The Board of SSWD has approved our request for a 2x2 and has appointed their two representatives.

President Lenahan asked Director Matteoli to join committee but he declined. President Lenahan appointed himself and Director Burt to the 2x2 Ad-Hoc Committee.

4. Appoint Finance Standing Committee members

President Lenahan appointed himself and Director Burt to this committee.

Director Burt obtained permission to use the mission statement from the Finance Committee at Sacramento Suburban Water District.

Director Matteoli asked what staff members will attend? (Robert Merritt CPA), who will take minutes? (Director Burt), and will District Counsel attend? (No).

President Lenahan stated that 72-hour notice is required for a meeting agenda to be posted.

Director Burt moved to approve the Finance Standing Committee Mission Statement using SSWD's with some edits. Director Ping seconded.

Motion Passed

<b>Ayes</b>	<b>Burt, Lenahan, Schneider, Ping</b>
<b>Noes</b>	<b>Matteoli</b>
<b>Absent</b>	<b>0</b>

5. Authorization to provide an offer letter to water operator candidate with tentative start date in February

President Lenahan stated that the offer letter was to be signed by former GM Leo Havener but the signing did not occur. He also noted that the hiring/interview committee consisted of Mr. Havener, Roger Nelson, and Ken Ingle. Director Burt questioned why a ratepayer was involved in the hiring process and ask if he was paid. President Lenahan replied that he was not compensated.

Legal Counsel stated that the Board could assign authority to Field Supervisor Ken Ingle to hire the candidate but Director Matteoli sees a problem with Ken viewing the results of required background check and drug test. Director Matteoli also suggested that President Lenahan implement the hiring.

Director Schneider spoke to the lack of outreach. Advertising for the position consisted of a posting on the DPMWD website and an email blast from the Rural Water Authority (RWA). Field Supervisor Ken Ingle praised the job candidate and stated that he felt the hiring process was fair.

Director Ping moved to authorize President Lenahan to sign the offer letter and Director Matteoli seconded.

Motion Failed

<b>Ayes</b>	<b>Matteoli, Ping</b>
<b>Noes</b>	<b>Burt, Lenahan, Schneider</b>
<b>Absent</b>	<b>0</b>

6. Update Resolution Number 20191001 regarding Umpqua Bank Credit Card

President Lenahan spoke to the problem of having specific names on the credit cards. He suggested we remove the names and use only job positions.

Director Schneider moved to approve the amended Resolution and Director Burt seconded.

Mike Clohossey noted that the bank may not accept the Resolution without user names.

Motion Passed

<b>Ayes</b>	<b>Burt, Lenahan, Matteoli, Schneider, Ping</b>
<b>Noes</b>	<b>0</b>
<b>Absent</b>	<b>0</b>

7. Update Resolution Number 20191002 regarding Paid Vacation Leave and Holidays

President Lenahan tabled this item due to Resolution lacking Exhibit A

8. Policy on attaching ratepayer statements to official board minutes

It was discussed by the Board and agreed that written statements will be referenced in the minutes and the Secretary of the Board is responsible for seeing that the statements are placed in a retrievable file. This will be implemented beginning with the March 2, 2020 Regular meeting.

9. CSDA BOD Call for Nominations Seat C

There were no volunteers therefore no action was taken

10. Minutes

- a) Director Schneider moved to approve the December 3, 2019 Regular Board Meeting minutes with edits. Director Matteoli seconded.

Motion Passed

<b>Ayes</b>	<b>Burt, Lenahan, Matteoli, Schneider</b>
<b>Noes</b>	<b>0</b>
<b>Abstain</b>	<b>Ping</b>

- b) Director Matteoli moved to approve the December 18, 2019 Special Board Meeting minutes with edits. Director Schneider seconded.

Motion Passed

<b>Ayes</b>	<b>Burt, Lenahan, Matteoli, Schneider</b>
<b>Noes</b>	<b>0</b>
<b>Abstain</b>	<b>Ping</b>

- c) Director Burt moved to approve the January 7, 2020 Regular Board Meeting. Director Matteoli seconded.

Motion Passed

<b>Ayes</b>	<b>Burt, Lenahan, Matteoli, Schneider</b>
<b>Noes</b>	<b>0</b>
<b>Abstain</b>	<b>Ping</b>

- d) Director Burt moved to approve the January 14, 2020 Special Board Meeting minutes with edits. Director Matteoli seconded.

Motion Passed

<b>Ayes</b>	<b>Burt, Lenahan, Matteoli, Schneider</b>
<b>Noes</b>	<b>0</b>
<b>Abstain</b>	<b>Ping</b>

- e) Director Burt moved to approve the January 23, 2020 Special Board Meeting minutes with edits. Director Matteoli seconded.

Motion Passed

<b>Ayes</b>	<b>Burt, Lenahan, Matteoli, Schneider</b>
<b>Noes</b>	<b>0</b>
<b>Abstain</b>	<b>Ping</b>

11. Warrants list for January 2020

Director Burt requested that staff salaries with both payroll and taxes be added back to list. President Lenahan directed staff to add a title to the chart.

Director Burt moved to approve the Warrants List for January 2020. Director Schneider seconded.

Motion Passed

<b>Ayes</b>	<b>Burt, Lenahan, Matteoli, Schneider, Ping</b>
<b>Noes</b>	<b>0</b>
<b>Abstain</b>	<b>0</b>

**Director's Meetings and Committees (Per AB 1234):**

12. Succession Planning Ad-Hoc Committee  
See Agenda Item #2

13. Regional Water Association  
No Report

14. Other Reports – AB 1234  
President Lenahan reported that the Mutual Aid Agreement with Sacramento Suburban Water District has been extended until Feb. 20, 2020  
President Lenahan attended a LAFCO meeting along with Dan York and received an extension on the MSR until Summer 2020  
President Lenahan also attended the Regular Board Meeting of SSWD on January 27, 2020

**General Counsel's Report:**

15. Non-discussion/action items  
Kerry Fuller of Churchwell White LLP informed us that they received a flash drive from former General Counsel Adam Brown

**Field Operations Report:**

See provided Field Report for January 2020

**Directors and/or Staff Comments, Statements, and Requests.** The Board and District staff may ask questions for clarification and make brief announcements or comments. Board members may also request staff to report back on a matter, or direct staff to place a matter on a subsequent agenda.

Director Burt requested that three items be added to the March 2, 2020 Regular Meeting agenda: 1) Dues for California Rural Water Association (CRWA), 2) Discuss hiring of a new engineering firm, 3) Discuss Master Plan

Director Matteoli requested that the May 2020 Regular Meeting be moved to second Tuesday of the month. He noted that the April 24<sup>th</sup> and May 2<sup>nd</sup> minutes are not posted on website. Director Matteoli also expressed concern for Director Schneider taking the minutes as Interim Board Secretary. He feels it may compromise his ability to fully engage in meeting proceedings.

Director Matteoli provided a six-page document titled "Public Records Request since February 2017" and requested that it be added to the file for this meeting.

**Closed Session (Closed Session Items are not open to the public)**

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of GOVERNMENT CODE § 54956.9 Number of potential cases: 3

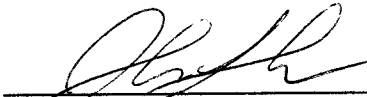
Return to Open Session:

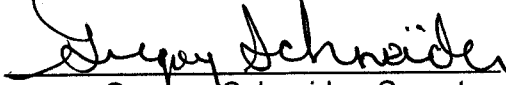
The attorney reported out that by a 4 to 1 vote, the Board directed counsel to retain a third-party investigator to review the circumstances of the May 31, 2019 departure of three employees.

**Adjournment:**

President Lenahan adjourned the meeting at 11:59 p.m.

**Next scheduled meeting: March 3, 2020 Regular Board Meeting**

  
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John Lenahan, President

  
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Gregory Schneider, Secretary