

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

**JUNE 8, 2019**

**6:30 PM**

**1817 Maryal Drive, Suite 300, Sacramento, CA 95864**

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 June 8, 2019 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, Trish Harrington John Lenahan, Robert Matteoli, & Gregory Schneider
Directors Absent:	None
Staff Present:	None
Legal Counsel Present:	Adam Brown
Public Present:	Several members of the public were in attendance.

**Announcements:**

President Lenahan read a statement which explained that at no time did the Board consider or take action to reduce pension benefits for current or past employees. There was also a memorandum from the District's legal counsel giving guidance regarding a variety of matters that included the District's PERS pension benefits, vacation, and sick leave. He provided his legal opinion to the Board and the previous General Manager confirming these rights were vested under the law to existing and retired employees. The memorandum, dated, May 28, 2019, was made available to the public attending the meeting.

**Public Comment:**

Several members of the public addressed the Board.

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

**1. Appointment of a Board Secretary**

The Board discussed the need to appoint a Board Secretary due to the resignation of the General Manager, who was the Secretary to the Board. Under the provisions of the California Water Code applicable to the

District, a Board member is not allowed to be appointed as Board Secretary. Legal Counsel, Adam Brown, suggested that he fill that position until a new General Manager is hired.

Director Burt moved to appoint Legal Counsel Adam Brown as the District's Board Secretary. Director Harrington seconded. The motion passed by unanimous vote.

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

**2. Consideration and possible action to appoint Derrick Whitehead of Municipal Consulting Group as Interim General Manager**

Director Matteoli recused himself from this agenda item and left the room during the discussion and vote. Director Burt introduced Derrick Whitehead to the Board and the public. She explained that he had extensive experience and came highly recommended. The Transition Committee has reviewed Mr. Whitehead's qualifications and interviewed him prior to this Board meeting. Director Burt suggested that the Board consider him as Interim General Manager while the search for a permanent employee continues. Mr. Whitehead's proposal is to work part time and average 20 hours a week at the consulting rate of \$115 per hour. The attorney explained that President Lenahan called this special meeting on a Saturday due to the fact that there is an official report due to the State Water Board, Division of Drinking Water, on Monday, June 10<sup>th</sup>. If Mr. Whitehead is appointed, he would be responsible to meet that deadline for the District.

Director Harrington moved to appoint Derrick Whitehead as the District's Interim General Manager. Director Burt seconded. The motion passed by unanimous vote.

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

Upon returning to the Boardroom after the vote, Director Matteoli explained that he recused himself because his daughter worked for Derrick Whitehead in the past and felt his participation could be a conflict of interest.

**3. Update on Sacramento Suburban Water District Mutual Aid and Assistance Agreement**

President Lenahan reported that the written request for mutual aid under the Mutual Aid Agreement with Sacramento Suburban Water District (SSWD) has been signed. The official start date is the day the District asked SSWD for assistance, which was May<sup>31</sup> at the Emergency Meeting of the Board. The mutual aid is for a period of 60 days but could be extended if necessary. Work logs will be maintained by both Districts, and reimbursement will occur for time and materials provided.

**4. Update from Ad Hoc Transition Committee**

Committee members President Lenahan and Director Burt advised the Board that invoices have been paid and customer water bills have been mailed out on schedule. The majority of the committee's time has been spent searching for an interim General Manager.

**5. Discussion and possible action on approval of amendment to Resolution 20181203 Del Paso Manor Water District Director Compensation and Travel Allowance Policy**

President Lenahan and Director Burt suggested increasing the number of days Directors can be paid during a calendar month for meetings. The current limit is two days for an ad hoc committee and ten days overall. There was Board discussion and public comment. No action was taken on this item.

**6. Discussion and possible action to adopt resolution approving new District Investment Policy**

Director Burt requested that the Board increase the amount allowed to invest in the Local Agency Investment Fund (LAIF) from 1 million to 4 million dollars. She explained that the District is losing thousands of dollars per year allowing over a million dollars to sit in the District's checking account. She also pointed out that only \$250,000 of the total in the District checking account is FDIC insured. Director Schneider commented that the District earned approximately \$13,000 in interest from LAIF last year and we could have easily doubled that by investing wisely.

Director Harrington moved to increase the amount to 4 million allowed in our District's LAIF investment account. Director Schneider seconded. The motion passed by unanimous vote.

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

**7. Discussion and possible action authorizing the purchase of microphone and speaker equipment for Board meetings**

President Burt borrowed a microphone and speaker equipment for tonight's meeting. She asked the Board to purchase equipment so the audience can better hear the proceedings. Director Burt suggested a budget of \$1,000.

Director Harrington moved to purchase microphone and speaker equipment for Board meetings not to exceed \$750. Director Schneider seconded. The motion passed by unanimous vote.

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

**8. Consideration and approval of minutes of the March 31, 2019 Emergency Meeting of the Board of Directors**

Director Schneider explained that he did not say the following statement and would like it changed to read: "Director Matteoli asked about Ken Ingle's duties and responsibilities for the role along with potentially reviewing his pay at a future date under the circumstances." No other changes were suggested.

Director Burt moved to approve minutes of March 31, 2019 emergency meeting as amended. Director Harrington seconded. The motion passed by unanimous vote.

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

**Board General Discussion: None**

**Adjournment:**

President Lenahan adjourned the meeting at 8:14 p.m.

  
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John Lenahan, President

ATTEST:

  
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Adam Brown, Secretary