

**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 November 14, 2018 at 6:00PM.

President Allen called the meeting to order. All Board members were present. Also present were Attorney Adam Brown, Manager Debra Sedwick and Field Manager Rich Bolton. Several residents were also present.

PUBLIC COMMENT:

Resident Trish Harrington commented that the Ethics Policy on the website appears to be incomplete and suggested that it be dated. Resident Greg Schneider questioned if this meeting was really necessary and that the Board needs to come up with a way to finish all items on the agenda.

CLOSED SESSION:

The Board convened into closed session at 6:05PM for Manager Sedwick's annual performance evaluation and to discuss making an offer to purchase the property located at 4262 Lusk Drive, Sacramento, CA.

The Board convened back into open session at 8:03PM.

Attorney Brown reported the Board conducted and completed the General Manager's annual evaluation. The Board discussed the possible purchase of the property located at 4262 Lusk Drive but decided not to open negotiations for the purchase of the property.

BOARD COMPENSATION AND TRAVEL POLICY:

The committee discussed with the Board that they reviewed seven local water districts on compensation for Board meetings, conferences, committee meetings, trainings, and social events and also reviewed the per-diem rates for mileage and meals.

The committee recommended no change to the per-diem as Del Paso Manor Water District is the lowest in the area. As far as compensation, the committee felt that while the "per day of meetings" is the highest, the overall compensation is the middle of the road. However, given that there has been an increase in the number of meetings over the last few years, the committee is recommending tiered compensation as follows:

Social events, Region events, etc. – Keep the current policy of no compensation for attending; just the cost of the event is covered.

Required training classes – All Directors attending a required training class will be compensated at a rate of \$100 unless they are already attending other meetings that day at a higher rate.

Conferences – Keep the current policy that only Directors who attend a meeting where representation is needed for voting (ie: JPIA or ACWA) will be compensated; however, that amount will be at a rate of \$100 unless already attending other meetings that day at a higher rate. All Directors will have the event, lodging, meal, and mileage paid and/or reimbursed. They are also recommending that attendance be limited to no more than three Directors and the General Manager. If more Directors want to attend, then attendance will be done on a rotation basis.

Committees – This includes voluntary committees, ad-hoc committees and association meetings where there is an assigned representative (RWA, SGA, etc). The amount of compensation for this will be \$100 unless already attending other meetings that day at a higher rate. Ad-hoc committee meetings are limited to two paid per month for each committee.

Board meetings – This includes meetings for Del Paso Manor Water District and includes regular Board meetings, special meetings, workshops, and hearings. The recommended amount is to remain at \$200 for each day of meetings.


The Board discussed their recommendations. President Allen felt is should be dropped down to \$50 per day of meetings for all types of meetings. He stated the goal is to save money. A Director is not making money for the time put in even at \$200 and should not be on the Board if that is their goal. For him, it doesn't matter if its \$200 or \$50, he did not get onto the Board for the money. Reducing the amount to \$50 will really allow for a savings. He also recommends that the District not allow teleconference meetings; if a Director is on vacation, then be on vacation. Director Matteoli appreciates the work Director Saunders and Director Wilson did but feels it should be \$100 for a day of meetings for all types of meetings. This was the amount requested by the ratepayers. Director Elmore feels it should be lowered but to what amount is the question. As much as he feels the lowest amount should win, he can support the \$100. He thinks it should be the same amount for all meeting types. Director Wilson is standing by the numbers recommended. Vice President Saunders feels there should be compensation to the Board for the work they do and \$50 is way too low. He stated although no Board member signs up to make money, the purpose of the committee was to look at getting Del Paso Manor Water in alignment with other Districts. After more discussion, the Board directed Manager Sedwick to bring back the policy for approval, changing the current policy from \$200 to \$100 for each day of meetings, limit ad-hoc meetings to two paid meetings per month, limiting conference attendance to

three directors and the general manager while keeping all the other items the same. The per-diem and mileage rates are to remain the same as well.

SEPARATING EMPLOYEE EXPENSES BETWEEN O&M AND PLANNED SYSTEM MAINTENANCE:

Manager Sedwick suggested that this be discussed and possible action when she presented the budget. She reminded the Board that the auditor brought this subject up when last year the Board requested the auditor provide a supplemental report as part of the audit notes separating the O&M Fund and Planned System Maintenance Fund. He discussed that if the goal is to separate the two funds then revenue and all expenses should be reported including employee expense. With the budget presentation Manager Sedwick suggested this be discussed as the supplemental report in the audit notes states it does not include salary expense. Given our staffing size, all employees perform work that would go into both funds. To break out on an hourly or daily basis would increase the workload. Manager Sedwick suggested that Del Paso Manor Water determine a percentage for each employee as the RWA and SGA do. This would allow for the expenses to be accounted for, but at the same time not create a burdensome accounting of the time. After thorough discussion, the Board decided not to change and all the employee expense will show up as expenses in the Operations & Maintenance Fund.

With no further business, the Board President adjourned the meeting at 9:04PM.


Richard K. Allen, President

ATTEST:


Debra Sedwick, Secretary