

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

May 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 and by teleconference at the Wyndham Shearwater Clubhouse located at 3730 Kamehameha Road, Princeville, HI 96722 on May 2, 2019 at 6:30pm PST.

Manager Sedwick gave the Oath of Office of newly appointed Director Gregory Schneider.

President Lenahan called the meeting to order. Director Burt, Director Matteoli, and Director Schneider were also present. Vice President Harrington attended via teleconference. Also present were Manager Debra Sedwick, Field Manager Rich Bolton, and Office Administrator Lori Hensley at the Maryal Drive location. There were several residents and members of the public also present at the Maryal Drive location. Resident Roy Wilson was present at the Hawaii location.

PLEDGE OF ALLEGIANCE:

President Lenahan led the Pledge of Allegiance.

ANNOUNCEMENTS:

None.

PUBLIC COMMENT:

Resident Gwynne Pratt commented on educating the newer Board members on water knowledge and developing policies and she still feels water articles should be included in newsletters as residents are engaged and interested.

Resident Carl Dolk congratulated Greg Schneider on being appointed as a Director. He also stated that this is the Board's fifth meeting and he is still waiting for them to discuss the Master Plan. He also recommended that with the quarter ending soon, they should focus on expenses and budget. He also agrees with Gwynne on gaining knowledge about water issues affecting our District.

OLD BUSINESS:

1. The Board reviewed the engagement letter from Richardson & Company to perform the 2018/19 fiscal year audit. Director Matteoli asked the committee why they did not provide a written report to explain their recommendation. He is concerned about why they interviewed the least expensive firm and the 2nd highest cost firm; why did they not interview the other lowest bidder. After discussion, the committee agreed they should provide a report and will write up a report to be included in the minutes.

Vice President Harrington made a motion to approve the engagement letter from Richardson & Company, Director Schneider seconded the motion. There being no public comments or further discussion, the motion carried by the following roll call vote:

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

2. The District Investment Policy was tabled to a future Board meeting.
3. The Board reviewed and discussed the Succession Planning Committee's recommendations for the General Manager recruitment. The revised job description was accepted by all. The desired qualifications were accepted by all. They discussed the process and schedule. All Directors were fine with the recruitment methods and schedule that was presented by the committee. Next they discussed the proposed salary range of \$80,000 to \$110,000 per year. Director Matteoli feels the salary range is too low; however, the other Directors like the recommendation. Finally they discussed the job announcement. Director Matteoli stated that the benefits the District offers should be included in the job announcement; especially the CalPERS pension and health benefits. Director Burt stated that they were not sure if they wanted to offer CalPERS to the new manager. Manager Sedwick stated that since the District is a CalPERS agency, they have to offer CalPERS pension benefits. There was more discussion about that and what items may be negotiable. Director Matteoli suggested that the District contact Attorney Brown for his view on adding benefits to the job announcement and that all the documents should be reviewed by the attorney before being published. President Lenahan asked Director Matteoli if that was a motion. Director Matteoli stated he would make a motion to approve the package subject to the attorney's review. Vice President Harrington seconded the motion. Resident Michael commented that he hires a lot of people in his line of work, and it sounds like the Board is not willing to negotiate a reasonable salary offer for the job description and qualifications they are requiring. Resident Kyle Packham commented that he believes the salary range is low by their own salary survey. He stated the District has a staff of four and with less staff you still have to comply with all the same laws and responsibilities of a large agency. Resident Diane Graves agrees with Kyle; she commented that the new general manager should not be making as much as Debra, given her experience and versatility, but the Board should not low ball the salary range. Resident Carl Dolk commented that the Board should see where they are in the Master Plan. If the Master Plan shows there is a need to consolidate, an interim manager may be what is needed. The Board had a little more discussion about the public comments. Director Burt suggested that the Board move forward with the manager recruitment but the committee should also begin looking for an interim manager. The motion carried by the following roll call vote:

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

NEW BUSINESS:

1. Upcoming Meeting(s):

a. California Special Districts Association's "Financial Management", August 8, 2019 in Sacramento, CA.

2. Manager Sedwick requested that the Board approve the annual service contract with TESCO for Wells 8 & 9. Director Schneider inquired about past history of work performed under the service contract. Field Manager Bolton answered stating we always get value from the contract, especially with Well #8 since they no longer make the LIQ 4. With no public comments or further Board discussion, the motion carried by the following roll vote:

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

3. The Board reviewed and discussed the contract with Total Compensation Systems, Inc. to perform the valuation required under Governmental Accounting Standard Board (GASB) 74/75 for measurement date of June 30, 2019. A motion was made by Vice President Harrington to approve the contract with adding the calculation for the ADC Funding Valuation. Director Matteoli seconded the motion. With no public comments or further Board discussion, the motion carried by the following roll call vote:

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

4. President Lenahan stated that Director Burt stepped down from the HR Committee and he as the remaining committee member is suggesting the Board consider amending the District Holiday Policy. He would like to amend the policy by:

- Removing Lincoln's Birthday
- Removing ½ day for Good Friday
- Removing California Admission Day
- Removing Columbus Day
- Removing ½ day for Christmas Eve

Vice President Harrington made a motion to approve. Director Burt seconded the motion. Director Matteoli questioned why this was on the agenda. He looked up several website for state holidays and got different ones based on the site. President Lenahan stated that in the United States, the only requirement is to give three sick days per year, holidays are not required. Vice President Harrington left the meeting, the time was 8:07PM.

President Lenahan opened the floor to public comments. Resident Carl Dolk commented that even when employees are on a holiday, they are still on-call so they really don't get a holiday. Resident Kyle Packman commented that it is smart to look at the policy but as a whole this is not much of a savings. They need to compare to what other agencies are giving and also look at a complete compensation package. The timing is not good with the recruitment of a new general manager. Resident Diane Graves commented that she thinks by law employees are entitled to take time off for religious purposes and with only four employees closing on Good Friday makes sense. The savings is so small and the benefit so great to employees. Resident Michael commented that the Board should not be looking at taking away holidays, it is a very minimal expense. Resident Roger Nelson commented that the Board is moving in the wrong direction. Even on holidays, the District staff respond to emergencies. He further stated that the expense is minimal; you may give a few extra days but it gives great employee morale. Also, a few extra holidays is cheap considering the District does not pay standby time to the on-call personnel. Public member Paul Stanbrough commented that the Board should table this item until they vet it. They should listen to the ratepayers. Director Matteoli expressed concern with taking away holidays from the employees and stated the attorney should review if there are any requirements with public employees and holidays. Director Schneider expressed concern with the timing of this; he feels holidays should be reviewed when the HR Committee is reviewing the personnel manual. All amendments should be done together. Director Burt stated she is concerned with customer service and the availability of staff with so many holidays. She mentioned that with the Good Friday holiday, staff was needed for a meeting and was unavailable. Manager Sedwick stated that employees are always available, 24 hours a day, 7 days a week, 365 days a year for emergencies. In her years here, there has been many times that emergencies have been on holidays and staff respond. She also stated that in the 31 years here, she has not observed a customer complaining about the office being closed; a comment may be made that they came by but they have never been angry. There was discussion about amending the motion. With Director Harrington making the motion then leaving she cannot accept an amendment. Resident Kyle Packman stated a substitution motion could be made. In the end, President Lenahan called for the vote with the motion on the floor. The motion was to approve the amended holiday policy. The motion failed passage by the following roll call vote:

Ayes: Burt and Lenahan
Noes: Matteoli and Schneider
Abstain/Absent: Harrington

5. The Board reviewed the minutes of the April 2, 2019 Special Meeting. A motion to approve was made by Director Schneider and seconded by Director Burt. With no public comments or further Board discussion, the motion carried by the following roll call vote:

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

6. The Board reviewed the minutes of the April 2, 2019 Regular Meeting. A motion to approve was made by Director Burt and seconded by Director Schneider. With no public comments or further Board discussion, the motion carried by the following roll call vote:

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

7. The Board reviewed the April invoices. A motion to approve was made by Director Burt and seconded by Director Matteoli. With no public comments or further Board discussion, the motion carried by the following roll call vote:

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

<u>CHECKS DRAWN</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
ACWA/JPIA-Workers Comp 4/4	9079	1711.59
Primetax Service Charge 4/5	EFT	194.03
AT&T 4/5	9080	67.23
AT&T 4/9	9081	177.70
Primetax - Payroll 4/15	EFT	8936.28
Primetax - Payroll Taxes 4/15	EFT	4921.05
AT&T 4/18	9082	55.00
Primetax - Payroll 4/30	EFT	10852.84
Primetax - Payroll taxes 4/30	EFT	5386.40
PERS/Health 4/30	EFT	6966.83
PERS/Retirement 4/30	EFT	4724.10
ACWA/JPIA 4/30	9083	620.60
Voya Financial	9084	1800.00
Hill Rivkins Brown & Associates	9085	1350.00
BSK Associates	9086	198.00
Chevron	9087	291.06
AT&T Mobility	9088	248.79
Emigh Hardware	9089	42.33
Forsgren Associates Inc. (DPM Elem. School Project)	9090	17008.75
GM Construction & Developers Inc. (Lasuen)	9091	2943.79
Ferguson Waterworks	9092	136.58
Ken Ingle (Reimbursement)	9093	100.00
Inland Business Systems	9094	184.90
Les Schwab Tires	9095	580.24
Office Pro	9096	187.61
P.G. & E.	9097	8.60
Petty Cash	9098	13.92
The Sacramento Bee	9099	64.80
SMUD	9100	5260.97
Debra Sedwick (Reimbursement)	9101	52.50
Sprinkler Service & Supply	9102	147.70
State Water Resources Control Board-DWOCP	9103	90.00
Streamline	9104	200.00
USA BlueBook	9105	1382.68
Uinta Holdings, LLC	9106	2045.00
Stericycle Communication Solutions	9107	231.33
YP	9108	15.50
		<u>79198.70</u>

REPORT ON MEETINGS:

Director Burt reported that the Communication Ad-hoc Committee did not meet so there is no report.

President Lenahan reported that the Finance Ad-Hoc Committee is still looking for accounting solutions.

President Lenahan reported he excused Director Burt from the Human Resource Ad-hoc Committee. He will appoint a new director next month.

Director Burt reported that the Policy Review Ad-Hoc Committee has divided the policies into three parts: General, Board, and Administrative. Manager Sedwick is reviewing the first two and it will go to the attorney next. They are still working on the third section.

Director Matteoli provided a written report on the Sacramento Groundwater Authority Meeting.

President Lenahan reported that he attended the Water Forum Successor Effort Meeting. The budget was adopted and there was an update on habitat management.

REPORT FROM ATTORNEY CONCERNING:

No report.

REPORT FROM MANAGER CONCERNING:

April operational matters:

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

REPORT FROM FIELD MANAGER CONCERNING:

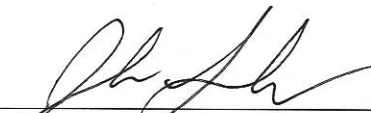
April field matters:

A written report was provided. Director Schneider and Director Burt asked a few clarification questions which Field Manager Bolton answered.

BOARD GENERAL DISCUSSION:

Director Schneider inquired about the school district reimbursement for engineering costs. He also inquired about the monthly Director Compensation report and the Board asked for there to be a discussion next month on improving the reporting. Director Burt commented on the total cost of the consumer confidence report this year versus last year.

There being no further business to come before the Board, President Lenahan adjourned the meeting at 9:51PM.



John Lenahan, President

ATTEST:

Debra Sedwick, Secretary