

Regular Meeting

7:07 P.M.

MEMBERS PRESENT: J.W. Dell’Orto
Clifford Overmier
Richard Blood
John Lavaroni
Scott Speer

MEMBERS ABSENT: None

STAFF PRESENT: Donna Leatherman, District Manager
Kate Jesus, Administrative Account Assistant
Adam Brown, Legal Counsel

OTHERS PRESENT: Larry Bain, Auditor
Tyla Daries, Weber, Ghio & Associates
Matt Ospital, Weber, Ghio & Associates

1. **ROLL CALL AND PLEDGE OF ALLEGIANCE:** The regular meeting was called to order by Chairperson Dell’Orto at 7:07pm. Directors Dell’Orto, Overmier, Blood, Lavaroni and Speer were present.

2. **PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject):** None.

3. **APPROVAL OF CONSENT CALENDAR:**
- a. Minutes for Regular Meeting of December 10, 2019
 - b. Directors Report for December 2019
 - c. Monthly Maintenance Report for December 2019

Chairperson Dell’Orto requested further description of the Manager’s report be included in the minutes. Director Blood inquired about the difference in treated water and sold water. Chairperson Dell’Orto asked if the water treated figure can be added to the Directors Report; the Manager clarified and will follow up with a revised report. Director Blood inquired about the repairs and cost of the OSG unit referenced on the Maintenance Report and revisions to the Operations Plan. The Manager stated the repairs were maintenance and did not have a cost available, also, that staff is working on updates to the Operations Plan. A motion was made by Director Lavaroni, seconded by Director Overmier, to approve the Consent Calendar. Motion carried 5-0.

4. **FINANCIAL BUSINESS:**
- a. **Approval of Claim Summary #735:** The Board was presented a revised Claim Summary due to a check that was voided. Director Speer inquired about the purchase of a new truck and inquired about what happens to old vehicles and training costs; the Manager stated that the old truck would be presented for surplus as a future Board meeting and clarified the costs for recent staff training. He also expressed concerns with the costs related to the District’s winter newsletter. Directors Speer and Blood requested more detail be provided for Weber, Ghio and Associates invoicing. The Manager would provide the invoice details. Mr. Ospital explained the formatting of the invoices. Director Overmier inquired about the retro pay line item on the Payroll Journal; the Manager stated that two employees were paid out for their vacation time after resigning from the District and one employee was paid for a payroll error. A motion was made by Director Lavaroni, seconded by Director Speer, to approve the revised Claim Summary #735 in the amount of \$367,172.28 as presented. Motion carried 5-0.

5. FINANCIAL STATEMENTS JUNE 30, 2019: Mr. Larry Bain, CPA gave a brief presentation reviewing the District's Financial Statements which explained the District's net position at fiscal year-end 2018/19. The Board inquired about the unfunded liability of the CalPERS Other Post Employment Benefits (OPEB) and Mr. Bain offered clarification. A motion was made by Director Overmier, seconded by Director Lavaroni, to authorize the Manager and Chairperson to sign the Management Letter and accept the Financial Statements for June 30, 2019 as presented. Motion carried 5-0.

6. DISCUSSION/POSSIBLE ACTION: REVIEW OF TEMPORARY WATER SERVICE FEES:

a. Set Public Hearing – March 10, 2020: The Manager reviewed the bulk water fees and determined the need for an increase to be concurrent with the existing water rates. The recommended proposal to increase the Bulk Water Fee from \$7.80 to \$11.20 per thousand gallons will require setting a Public Hearing. A motion was made by Director Lavaroni, seconded by Director Overmier, to authorize the Manager to set a Public Hearing for March 10, 2020 to update the Temporary Water Service Fees. Motion carried 5-0.

7. UPDATE STATUS ON ESTABLISHING DISTRICT MISSION STATEMENT: The Manager and Director Blood have developed language for a draft mission statement. The Manager has requested input from the other Directors. Director Blood suggested the draft language be presented to the Board for review. The Manager mentioned that the recommendation for the Strategic Focus Plan discussed in agenda item 9, also includes the development of a mission statement if considered. Director Blood suggested to continue working on the mission statement in-house by gathering input to discuss at future meetings. Director Lavaroni asked the Manager to email the Board the draft language. Chairperson Dell'Orto stated the Board would review the drafts and report back to the Manager by next week.

8. JEFF DAVIS WATER TREATMENT PLANT SCADA PROJECT:

a. Review: Technical Memorandum: Mr. Ospital reviewed the memorandum and stated that District staff was happy with the contractor. Director Overmier inquired about the warranty; Ms. Daries reviewed the warranty which includes eighteen (18) months of technical support. Director Blood asked to review the system manual; the Manager stated a copy was available at the office. Director Blood expressed concerns with the original cost estimate of \$100,000 not being mentioned in the memorandum and the project not being well-defined.

b. Resolution 2020-1: Accepting Work on the Jeff Davis Water Treatment Plant SCADA Project: A motion was made by Director Lavaroni, seconded by Director Speer to accept Resolution 2020-1: Accepting Work on the Jeff Davis Water Treatment Plant SCADA Project. A roll call vote was taken. Directors Dell'Orto, Overmier, Blood, Lavaroni and Speer voted yes. Motion carried 5-0.

DISCUSSION/POSSIBLE ACTION: ENTER INTO AGREEMENT FOR PROFESSIONAL SERVICES WITH BHI MANAGEMENT CONSULTING TO DEVELOP A STRATEGIC FOCUS PLAN: The Manager gave a review of the proposal. Director Blood suggested tabling the agenda item until a mission statement was developed by the District. He then presented Legal Counsel with a draft document created by the Rate Study Ad Hoc Committee members for review at a March 2019 meeting. Director Speer expressed concerns with the cost of the proposal and did not feel it was necessary expense. No action due to lack of motion.

9. MONTHLY WATER REPORT: The water usage and rainfall report for December 2019 was presented for review and discussion. Director Speer inquired about the annual average amount of rainfall; the Manager clarified.

10. MANAGER'S MONTHLY REPORT: A report of ongoing projects was provided for review and discussion, which included final report of the Winter newsletter, possible Proposition 1 funding for a leak detection program, 2019 storm damage reimbursement, Emergency Action Plan updates for Jeff Davis

and Schaads reservoirs, leak repair on the Schaads penstock and status of the hydro, Court Street line replacement project, and future plans for the updating of the District's billing and accounting software. Director Dell'Orto inquired about the Red Hawk dam repair from the storm damage; the Manager stated it would be repaired in the Spring or when conditions allow. Director Overmier suggested contacting PG&E regarding the issue with the hydro unit at Schaads; the Manager would follow up.

11. DIRECTORS COMMENTS

a. Annual Form 700 and Required Training (Due April 2, 2020): The Board received information regarding the filing of Form 700 and required training for sexual harassment and ethics. Other training opportunities were also presented to the Board.

b. LAFCO – Meeting Reminder 1/27/20 – Director Lavaroni will attend.

c. UMRWA – Meeting Reminder 1/24/20 – Director Blood will attend.

The Manager informed the Board of the ACWA Region 3 Board vacancy and further information would be emailed if any Director was interested.

12. CLOSED SESSION

a. Appointment of District labor negotiator and conference concerning commencement of negotiations with SEIU Local 1021 (Government Code § 54957.6)

Agency Designated Representative: Donna Leatherman

At 8:38pm the Board convened to a closed session. The Board reconvened at 9:04pm. Chairperson Dell'Orto stated that the Board appointed the District Manager as the negotiator concerning commencement of negotiations with SEIU Local 1021.

13. ADJOURNMENT (Next Regular Meeting February 11, 2020): As there was no further business to come before the Board, a motion was made by Director Speer, seconded by Director Overmier, to adjourn the meeting at 9:05 p.m. Motion carried 5-0.

Respectfully submitted,

Kate Jesus, Administrative Account Assistant