

**SAN JUAN WATER DISTRICT
BOARD MEETING AGENDA
January 11, 2012
7:00 p.m.
9935 Auburn Folsom Road
Granite Bay, CA 95746**

The Board may take action on any item on the agenda, including items listed on the agenda as information items. The Board may add an item to the agenda (1) upon a determination by at least three Board members that an emergency situation exists, or (2) upon a determination by at least four Board members (or by three Board members if there are only three Board members present) that the need to take action became apparent after the agenda was posted.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. Public comment on items within the jurisdiction of the Board is welcome, subject to reasonable time limitations for each speaker. Upon request, agenda items may be moved up to accommodate those in attendance wishing to address that item. Please inform the General Manager. Times on the agenda are estimates, and items may be discussed at a different time than listed.

Documents and materials that are related to an open session agenda item that are provided to the District Board less than 72 hours prior to a regular meeting will be made available for public inspection and copying at the District office during normal District business hours.

In compliance with the American's with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Board Secretary at 916-791-0115. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

ESTIMATED TIMES

7:00 p.m.

I. PUBLIC FORUM

During the Public Forum, the Board may briefly respond to statements made or questions posed by the public, or ask District staff for clarification, refer the matter to District staff or ask District staff to report back at a future meeting. The Board will not take action on any matter raised during the Public Forum, unless the Board first makes the determinations to add the matter to the agenda.

7:05 p.m.

II. CONSENT CALENDAR

All items under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board, Audience, or Staff request a specific item removed after the motion to approve the Consent Calendar.

- 1. Minutes of the Board of Directors Meeting November 9, 2011**
- 2. Minutes of the Board of Directors Meeting December 14, 2011**

7:07 p.m.

III. PRESENTATIONS

- 1. Presentation of Award of Appreciation to Ted Costa**

7:10 p.m.

ACTION AND INFORMATIONAL ITEMS

IV. OLD BUSINESS

1. **Response to Petition to the San Juan Water District Board of Directors**
Action: Consider approval of draft response letter
2. **Discussion from Joint Board Meeting (1/5/12)**
Action: Possible action on Next Steps
3. **OPEB Trust Establishment**
Action: Adopt Resolution No. 12-01 for Delegation of Authority to Request Disbursements

V. COMMITTEE REPORTS

1. **Legal Affairs Committee (12/21/11)**
 - 1.1 Agenda for Upcoming Joint Board Meeting (W/R)
 - 1.2 Other Legal Affairs Matters (W/R)
 - 1.2.1 Next Meeting Date
 - 1.3 Public Comment (W/R)
2. **Personnel Committee (1/3/12)**
 - 2.3 Legal Counsel Review (W/R)
 - 2.4 Other Personnel Matters (W/R)
 - 2.5 Public Comment (W/R)
 - 2.6 Closed Session
 - 2.7 Open Session
3. **Finance Committee (1/10/12)**
 - 3.1 Review and Pay Bills (W/R)
Action: Consider Adoption of Resolution No. 12-02
 - 3.2 Other Finance Matters (W/R)
 - 3.3 Public Comment (W/R)

7:50 p.m.

VI. INFORMATION AND ACTION ITEMS

1. **General Manager's Report**
 - 1.1 Report Back Items
 - 1.2 Miscellaneous District Issues and Correspondence
2. **Assistant General Manager's Report**
 - 2.1 Emergency Response Training Table Top Exercise
Verbal report
No action requested, for information

- 2.2 Report Back Items
- 2.3 Miscellaneous District Issues and Correspondence

3. Finance and Administrative Services Manager's Report

- 3.1 Report Back Items
- 3.2 Miscellaneous District Issues and Correspondence

4. Legal Counsel's Report

- 4.1 Legal Matters

5. Directors' Reports

- 5.1 SGA
- 5.2 RWA
- 5.3 Executive Committee
- 5.4 ACWA/JPIA
- 5.5 CVP Water Users Association
- 5.6 LAFCO
- 5.7 Other Reports and Comments

8:30 p.m.

VII. UPCOMING EVENTS

- 1. 2012 ACWA DC Conference
February 28 - March 1, 2012
Washington, DC
- 2. 2012 ACWA Legislative Symposium
March 7, 2012
Sacramento, CA
- 3. 2012 Water Education Foundation – Executive Briefing
March 27-28, 2012
Sacramento, CA

VIII. President Tobin to call for Closed Session

IX. CLOSED SESSION

- 1. General Manager's performance evaluation, and conference with negotiating committee involving compensation of General Manager, under Government Code sections 54954.5(e) and 54954.5(f), 64947 and 54957.6.

X. OPEN SESSION

- 1. Report from Closed Session**

XI. ADJOURN

UPCOMING MEETING DATES

January 25, 2012

February 8, 2012

I declare under penalty of perjury that the foregoing agenda for the January 11, 2012 regular meeting of the Board of Directors of San Juan Water District was posted January 5, 2012, on the outdoor bulletin boards at the District Office Building, 9935 Auburn Folsom Road, Granite Bay, California, and was freely accessible to the public.

Teri Hart
Board Secretary

SAN JUAN WATER DISTRICT

Board of Director's Meeting Minutes

November 9, 2011 – 7:00 p.m.

BOARD OF DIRECTORS

Ted Costa	President
Pam Tobin	Vice President
Ken Miller	Director
Dave Peterson	Director
Bob Walters	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Shauna Lorance	General Manager
Keith Durkin	Assistant General Manager
Mary Morris	Finance & Admin Services Manager
Tony Barela	Senior Engineer
Gretchen Bullock	Purchasing Agent
Jason Mayorga	Distribution Operator IV
Teri Hart	Board Secretary/Administrative Assistant
Joshua Horowitz	Counsel

OTHER ATTENDEES

Kim Silvers	Silvers HR, LLC
Lianne Peterson	Rate Payer
Sandy Harris	Rate Payer
Madelaine Kiliany	Rate Payer

AGENDA ITEMS

- I. Public Forum**
- II. Consent Calendar**
- III. Committee Reports**
- IV. Information and Action Items**
- V. Upcoming Events**
- VI. Adjourn**

President Costa called the meeting to order at 7:00 p.m.

I. PUBLIC FORUM

Ms. Lorance informed the Board that Ms. Silvers was in attendance to re-introduce herself to the Board. Ms. Lorance commented that in March the Board approved utilizing the same process for the General Manager and Legal Counsel evaluations. Ms. Silvers informed the Board that she will be working with the Personnel Committee and passed out a draft of the general outline for the evaluations. She plans to meet with each Board member individually.

II. CONSENT CALENDAR

All items under the consent calendar are considered to be routine and are approved by motion. There will be no separate discussion of these items unless a member of the Board, audience, or staff request a specific item removed after the motion to approve the Consent Calendar.

1. Board of Director's Meeting Minutes

Approval of San Juan Water District's Board of Director's meeting minutes as follows:

1. Minutes of the Board of Directors Meeting October 26, 2011

Director Walters moved to approve the Consent Calendar. Director Miller seconded the motion and it carried 4 Aye votes and 1 Abstain (Director Peterson was not in attendance at the 10/26 meeting).

ACTION AND INFORMATIONAL ITEMS

III. COMMITTEE REPORTS

1. Finance Committee (11/8/11)

President Costa reported that the committee met on November 8, 2011 and discussed the following:

- Review and Pay Bills (W/R)
- Update on OPEB Trust (W/R)
- OPEB Actuarial Valuation – June 30, 2010
- CalPERS Actuarial Valuation – June 30, 2010
- Engineering Services Fees and Charges (R)
- Fair Oaks 40-Inch Pipeline ARC Crossing Replacement Project
- Quarterly Financial and Investment Reports (W/R)
- Finance and Administrative Services Staffing (W/R)
- Other Finance Matters

The committee meeting minutes will be attached to the original board minutes.

Review and Pay Bills (W/R)

President Costa reported that the committee reviewed bills and claims in the amount of \$2,003,690.76 and found them to be in order.

Vice President Tobin moved to approve Resolution 11-18. Director Walters seconded the motion and it carried unanimously.

Update on OPEB Trust (W/R)

President Costa reported that Ms. Morris provided the committee with a staff report which outlined the background and recommendations regarding the OPEB Trust. A copy of the staff report will be attached to the original

committee meeting minutes. In addition, Legal Counsel provided a memo to the Board at the last Board meeting.

The committee discussed the staff recommendations, with staff noting that the funds contributed to CERBT are kept separate from PERS retirement contributions. The Finance Committee recommended that this topic be discussed by the Board for consideration and action. The Board discussed the staff recommendation.

Director Peterson moved to approve staff's recommendation to authorize staff to invest the OPEB Trust with CERBT. Director Miller seconded the motion and it carried with 4 Aye votes and 1 No vote (Costa).

OPEB Actuarial Valuation – June 30, 2010

President Costa reported that Ms. Morris provided the committee with a staff report which briefly discussed the OPEB Actuarial Valuation prepared by EFI Actuaries. A copy of the staff report and OPEB Actuarial Valuation will be attached to the original committee meeting minutes.

Director Peterson moved to accept the OPEB Actuarial Valuation. Director Miller seconded the motion and it carried unanimously.

CalPERS Actuarial Valuation – June 30, 2010

President Costa reported that Ms. Morris provided the committee with a staff report which briefly discussed the CalPERS Actuarial Valuations which were attached. A copy of the staff report and CalPERS Actuarial Valuations will be attached to the original meeting minutes.

Director Miller moved to accept the CalPERS Actuarial Valuation. Director Walters seconded the motion and it carried unanimously.

Engineering Services Fees and Charges (R)

Mr. Durkin informed the Board that both the Engineering Committee and Legal Affairs Committee have reviewed staff's recommendation for a rate schedule for engineering services that are provided to customers at their request. He informed the Board that some customers and staff would prefer the district have a set fee rather than a time and material estimate for work on residential construction, excluding developments. Many of these engineering charges are a result of regulatory requirements for new construction. The Legal Affairs Committee agreed with staff that a rate schedule would make it easier for a home builder or small developer to obtain a list of fees when requested. Therefore, staff developed a rate schedule, which includes information that informs the public of the regulations requiring the District to charge these fees. A copy of the rate schedule and Board Resolution will be attached to the original meeting minutes.

The committee discussed the item and agreed with the staff recommendation to adopt the resolution and rate schedule. The Board discussed the topic and Ms. Morris commented that she will be establishing a general ledger account for the fees in order to track them separately.

Director Miller moved to adopt Resolution No. 11-19. Vice President Tobin seconded the motion and it carried unanimously.

Fair Oaks 40-Inch Pipeline ARC Crossing Replacement Project

President Costa informed the Board that the committee discussed the bids and agreed with the staff recommendation to award the contract to the lowest bidder, Steve P. Rados, Inc. Mr. Durkin informed the Board that the District received nine bids for the construction on the ARC Crossing Replacement Project. The bids ranged from \$676,950 to \$1,190,770. The lowest bid was received from Steve P. Rados, Inc. for the amount of \$676,950. Mr. Durkin informed the Board that a proposal for Construction Management Services for this project will be brought to the Engineering Committee at their December meeting.

Vice President Tobin moved to award the construction contract for the FO-40 ARC Crossing Replacement Project to Steve P. Rados, Inc., for the amount of \$676,950 with an authorized construction budget of \$744,645. Director Miller seconded the motion and it carried unanimously.

Quarterly Financial and Investment Reports (W/R)

Ms. Morris informed the Board that she provided the Quarterly Financial Report to the committee and is completing the Investments Report. The financial report did not get sent to the Board so Ms. Morris will send that out after the Board meeting.

For information only; no action requested.

Finance and Administrative Services Staffing (W/R)

President Costa informed the Board that the Finance Committee reviewed the request to add a new Administrative Services Analyst position in the Finance and Administrative Services Department. Ms. Lorance mentioned that the Personnel Committee supported the General Manager's recommendation for a new position within the Finance and Administrative Services Department and referred the matter back to the Finance Committee for review. The Finance Committee discussed the matter and requested that Ms. Morris provide more information at the Board meeting. Therefore Ms. Morris conducted a presentation regarding the request to add the new position. The presentation provided a summary of how internal and external responsibilities of the Finance and Administrative Services Department have increased over the years with no increase in staff to handle the additional

workload, a full list of duties for all positions within the department, the proposed delegation of duties for the new position, and the difficulties of fulfilling the responsibilities of the department with overtime, temporary help, or “increased efficiencies”.

Per the Board’s request for Ms. Lorance to provide recommendations to the Board, she commented that she very strongly requests and recommends that this position be added. In addition, she commented that this would increase District staff to 46 employees, which is still below the District’s high of approximately 50 employees over 15 years ago.

The Board discussed the General Manager’s recommendation at length. Areas discussed included filling the position based on education and experience versus hiring a CPA; budgeting for the position; clarification of the salary range based on the salary chart, job title and beginning salary amount; number of positions in the department; need for the position since the District received a clean audit report and GFOA award; need for more controls; need for more review capability; job duties of new position and existing positions and potential for shifting job duties to existing employees utilizing overtime; capability of existing employees to perform the level of duties required; amount of work performed by existing employees; functional consolidation with other agencies; and pros and cons of hiring a temporary contractor instead of a new employee.

Vice President Tobin moved to approve the new position in the Finance and Administrative Services that the General Manager has recommended. There was no second.

Director Walters moved to table the matter until the next Board meeting. President Costa seconded the motion and it carried with three Aye votes and two No votes (Miller, Peterson).

Other Finance Matters

Ms. Morris conducted a brief presentation to the Board regarding Board members being contacted by vendors directly. She provided a standard response to Board members if contacted by vendors. A copy of the presentation will be attached to the meeting minutes.

For information only; no action requested.

IV. INFORMATION AND ACTION ITEMS

1. GENERAL MANAGER’S REPORT

1.1 Sacramento Sierra Water Resources Coalition

Ms. Lorance reported that she attended the Sacramento Sierra Water Resources Coalition meeting on November 1st. The group is being formed

with water and business groups, north of the Delta, to fight some very large issues which are believed to be coming forward in this year's legislation.

For information only; no action requested.

1.2 Report Back Items

There were no items discussed.

1.3 Miscellaneous District Issues and Correspondence

Ms. Lorance reported that she received a copy of a study that PCWA conducted concerning impacts to their system if the flow criteria into the Delta was at 75% of unimpaired flow, as proposed. When applied to the District, the study shows that the Folsom Reservoir level will be below the District's intake 50% of the time. Ms. Lorance informed the Board that the State Board will begin to identify the flow criteria into the Delta in March/April 2012. Director Walters suggested that customers be informed of the potential impacts that will affect them. Ms. Lorance informed the Board that as soon as the study is finalized then she will work to get the information out.

Ms. Lorance requested that the Board identify the District's representative for the ACWA elections at the ACWA Fall Conference. The Board selected Director Peterson to be the District representative to select the recommended slate at the conference.

Ms. Lorance reported that staff is still pushing to reduce costs by being able to send out consumer confidence reports electronically. There are a couple bills in the legislature that are pending.

Ms. Lorance mentioned that the District received a customer compliment that referenced Ms. Jerry Spencer for her kindness and understanding over the years.

For information only; no action requested.

2. ASSISTANT GENERAL MANAGER'S REPORT

2.1 SGA Contamination Issues Committee

Mr. Durkin informed the Board that, on behalf of the wholesale customer agencies, he participates on the Sacramento Groundwater Authority Contamination Issues Committee. At the last quarterly meeting held on October 27th, Kennedy/Jenks Consultants provided a presentation on the Groundwater Quality Vulnerability Assessment their team completed for SGA under an AB303 Grant administered by DWR. Mr. Durkin provided a copy of the presentation to the Board and discussed some of the highlights. A copy of the PowerPoint presentation is attached to his staff report which will be attached to the meeting minutes.

The committee meets quarterly and he has attended over the past several years; Vice President Tobin requested to attend the quarterly meetings with Mr. Durkin.

For information only; no action requested.

2.2 Report Back Items

Director Miller inquired if Mr. Durkin determined the number of employees at the new surface water treatment plant in Sacramento County. Mr. Durkin has a request into the County for this information along with a request for a tour of the new plant.

2.3 Miscellaneous District Issues and Correspondence

Mr. Durkin provided the Board with some additional information regarding the amount of work that Ms. Morris and the Finance and Administrative Services Department completes.

3. FINANCE AND ADMINISTRATIVE SERVICES MANAGER'S REPORT

3.1. Required Employee Training

Ms. Morris informed the Board that the District is regulated by multiple agencies with respect to employee training. Over the years, these requirements have grown to include the topics on the attached table. A vast majority of these topics are required in accordance with OSHA Title 8. Some are either required in accordance with other regulatory agencies or as a recommended practice by the District's liability insurer or industry.

For information only; no action requested.

3.2. Report Back Items

There were no items discussed.

3.3. Miscellaneous District Issues and Correspondence

There were no items discussed.

For information only; no action requested.

4. LEGAL COUNSEL'S REPORT

4.1 Legal Matters

Mr. Horowitz provided a written report which will be attached to the original meeting minutes. In addition, he reported back that the new chemical blend would fall under a patent and not a trademark if the District decided to pursue this issue. However, he mentioned that it is a major undertaking, with at least three years to prosecute a patent and is usually very expensive. Ms. Lorange explained that the source water for the new chemical blend is very

specific to the American River watershed and might not be marketable to the broad public.

Mr. Horowitz informed the Board that there are a couple proposed initiatives to reform pensions with similarities such as raising the retirement age and requiring employees to pay a greater share into their pensions. These initiatives will be monitored.

Mr. Horowitz informed the Board that the Delta Plan draft environmental impact report is available for review. A brief review indicates that the plan is suggesting that water purveyors voluntarily give up water in order to make the Delta Plan policies work. Legal Counsel will keep the District up to date on the progress of this plan as the next step is to thoroughly review the plan and comment on the EIR. Mr. Horowitz commented that the region, including the business community and rate payers, need to get involved as this is a potential risk to the District's water rights and water supplies. Director Peterson would like the costs associated with this issue be sized up for the Board. Ms. Lorange commented that a workshop should be set up in January to cover this. In addition, she is working with Legal Counsel's firm to strategize a few issues that will be coming up and she is working to disseminate information to the public.

5. DIRECTORS' REPORTS

5.1 SGA

Vice President Tobin informed the Board that the SGA met on October 13, 2011 and she provided an outline of the meeting. A copy of her written report will be attached to the meeting minutes.

5.2 RWA

Vice President Tobin informed the Board that the RWA meets on November 10, 2011.

5.3 Executive Committee

President Costa reported that the Executive Committee met on October 25th and all agencies were represented, except the city of Folsom. The committee meeting minutes will be attached to the original board minutes.

5.4 ACWA/JPIA

No report.

5.5 CVP Water Users Association

No report.

5.6 LAFCO

No report.

5.7 Other Reports and Comments
There were no items discussed.

V. UPCOMING EVENTS

1. ACWA Fall Conference
November 28-December 2, 2011
Anaheim, CA

2. RWA/SGA Holiday Social
December 8, 2011
North Ridge Country Club

VI. ADJOURN

The meeting was adjourned at 9:40 p.m.

EDWARD J. "TED" COSTA, President
Board of Directors
San Juan Water District

ATTEST:

TERI HART, Board Secretary

The meeting minute attachments are located under Meeting Minutes – *Draft* on the webpage.

SAN JUAN WATER DISTRICT

Board of Director's Meeting Minutes

December 14, 2011 – 7:00 p.m.

BOARD OF DIRECTORS

Ted Costa	President
Pam Tobin	Vice President
Ken Miller	Director
Dave Peterson	Director
Bob Walters	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Shauna Lorance	General Manager
Keith Durkin	Assistant General Manager
Judy Johnson	Customer Service Manager
Tony Barela	Senior Engineer
Teri Hart	Board Secretary/Administrative Assistant
Joshua Horowitz	Counsel

OTHER ATTENDEES

Lianne Peterson	Rate Payer
Ken Roberts	Rate Payer
Randy Marx	Fair Oaks Water District
Tom Gray	Fair Oaks Water District

AGENDA ITEMS

- I. Public Forum**
- II. Consent Calendar**
- III. Old Business**
- IV. Committee Reports**
- V. Information and Action Items**
- VI. Upcoming Events**
- VII. Adjourn**

President Costa called the meeting to order at 7:00 p.m.

President Costa commented that he attended the Fair Oaks Water District board meeting on December 12th and two items were discussed which warrant action by the SJWD Board; therefore, he is requesting that they be added to the agenda at this time.

President Costa moved to add two items to the agenda under Agenda Item III-2 and III-3 as follows:

- 2. Fair Oaks Water District Past Due Invoice***
- 3. Joint Board Meeting with Fair Oaks Water District and Orange Vale Water Company***

Director Peterson seconded the motion and it carried unanimously.

I. PUBLIC FORUM

There was no public comment.

II. CONSENT CALENDAR

All items under the consent calendar are considered to be routine and are approved by motion. There will be no separate discussion of these items unless a member of the Board, audience, or staff request a specific item removed after the motion to approve the Consent Calendar.

1. Board of Director's Meeting Minutes

Approval of San Juan Water District's Board of Director's meeting minutes as follows:

1. Minutes of the Board of Directors Meeting November 9, 2011

Director Peterson requested that item 1 be removed from the Consent Calendar for discussion.

Director Peterson referenced page 4, last paragraph, and requested that the discussion of the Board be included in the minutes since staff comments are included such as on page 6, last paragraph (Agenda Item IV-2.3). The Board Secretary pointed out a numbering error, which needs to be changed so that the second 2.1 is changed to 2.3. President Costa suggested that Agenda Item IV-2.3 be stricken from the minutes.

Director Walters moved to accept the minutes as amended. Director Peterson seconded the motion.

Mrs. Peterson commented that as a rate payer she reads the minutes and would like to be able to tell what the substance of the discussion of the Board was. President Costa commented that the minutes are instructions to the General Manager and staff for guidance on the actions of the Board. Mr. Horowitz commented that the minutes are a historical document and should contain some discussion as it pertains to policy in order to understand the Board directives. The Board discussed the different preferences for summarizing the Board discussion within the minutes. It was suggested that if a member of the Board wants something on record, then at that time they should indicate it so that the Board Secretary can document it in the minutes. The Board did not give specific direction on summarizing future meeting minutes.

Director Peterson would like the minutes revised to reflect the Board's discussion. President Costa informed Mrs. Peterson that she could provide

public comments but not interrupt the Board discussion (Vice President Tobin requested that this be reflected in the minutes).

Director Walters withdrew his motion and Director Peterson withdrew the second.

Director Walter moved to hold the matter of the minutes until the next meeting. Director Peterson seconded the motion and it carried unanimously.

ACTION AND INFORMATIONAL ITEMS

III. OLD BUSINESS

1. May 25 Letter from Paul Bartkiewicz

Ms. Lorance reported that Director Peterson requested discussion by the Board regarding the transition of legal counsel representation from Paul Bartkiewicz to Joshua Horowitz, since he was not in attendance at the May 25th Board meeting when this transition occurred.

Director Peterson explained his concern and mentioned that an appointment of Joshua Horowitz should be completed and not just transitioned to. It is his experience that a specific person is appointed as legal counsel to boards and not the firm as a whole.

President Costa commented that in addition to this, the Board needs to discuss if the firm or individual is being evaluated. Mr. Horowitz commented that the firm should be evaluated, as well as individuals, since more than one attorney performs work for the District.

The Board discussed the evaluation of legal counsel and did not give specific direction to staff. Ms. Lorance commented that Silvers HR sent out the evaluation as an evaluation of Mr. Horowitz only, but after discussing this will be asking for evaluation of the entire firm since more than one attorney performs work for the District. In addition, Silvers HR inquired if Ms. Lorance will be evaluating legal counsel since she deals with the firm and individual attorneys at an operational level. The Board discussed this and decided that Ms. Lorance will not participate in the evaluation of legal counsel.

2. Fair Oaks Water District Past Due Invoice

President Costa reported that he contacted the FOWD General Manager to discuss the outstanding invoice prior to attending the Fair Oaks Water District board meeting. The FOWD board approved to settle the invoice for up to 50% of the amount as suggested by President Costa. The Board discussed the pros and cons of a business decision to accept the 50% as payment in full.

Director Peterson moved to settle the approximate \$14,500 invoice by reducing the bill 50% in order to save administration costs if taken further. Director Walters seconded the motion and it carried with 4 Aye votes and 1 No vote (Miller).

Vice President Tobin inquired about what happens with the amount not paid by FOWD. Ms. Lorance explained that the amount would come out of reserves which are paid for by all agencies.

3. Joint Board Meeting with Fair Oaks Water District and Orange Vale Water Company

President Costa reported that it was discussed at the FOWD board meeting to have a joint board meeting to discuss the Fair Oaks 40-Inch Pipeline Rehabilitation Project. The SJWD Board discussed the objective of the meeting and is under the impression that this meeting is for information only and there will be no negotiating. In addition, legal counsel will not be in attendance at the meeting.

The agenda for the meeting has not been set. The Board discussed the potential agenda and agreed that the meeting is being set to have a joint understanding of the issues and facts related to the project. Mr. Gray, FOWD General Manager, commented that the meeting needs to be policy driven and general with the intention to give Board direction to staff. Mr. Marx, FOWD Board member, commented that a joint meeting might help with communication issues between the agencies.

Vice President Tobin moved to set a Joint Board Meeting for informational sharing with staff providing a presentation. Vice President Tobin withdrew her motion.

Director Peterson moved to schedule a Joint Board Meeting with Fair Oaks Water District and Orange Vale Water Company to discuss the FO-40 Pipeline Rehabilitation Project from a communication standpoint. President Costa seconded the motion and it carried unanimously.

The Board discussed the motion with clarification that there would be no mediation discussion, but instead an explanation of the project, cost allocation and the actions that the Board has taken to date along with time for questions and answers.

Mr. Gray commented that the FOWD board has given him direction to not pay the invoice with the understanding to prepare for possible legal action. Mr. Marx confirmed that it was general direction, not contained in a motion, to delay in paying the invoice until further discussion. Mr. Marx commented that the FOWD board has varying opinions and has had no motions regarding the project, other than setting a joint board meeting. Ms. Lorance requested

clarification that setting the meeting did not delay assessing the penalty and interest on the invoice and the Board concurred.

The Board discussed the agenda and suggested that the Legal Affairs Committee set the agenda for the Joint Board Meeting.

Vice President Tobin moved to have the Legal Affairs Committee set the agenda for the Joint Board Meeting. Director Walters seconded the motion and it carried unanimously.

Mr. Horowitz commented that legal counsel should not be in attendance at the joint board meeting and he suggested that the board presidents meet regarding the agenda.

IV. COMMITTEE REPORTS

1. Personnel Committee (11/15/11)

Director Walters requested to combine agenda items IV-1 and IV-4 into one report. He reported that the committee met on November 15, 2011, and December 6, 2011, and discussed the following:

- Health Benefit Review (W/R)
- Employee Step Increases (W/R)
- Finance & Administrative Services Position (W/R)
- General Manager and Legal Counsel Review (W/R)
- Staff Petition to Board and Board Response to Request for Information (W/R)
- Incentive Award Program (W/R)
- Other Personnel Matters (W/R)

The committee meeting minutes from each meeting will be attached to the original board minutes.

Health Benefit Review (W/R)

Director Walters informed the Board that the committee discussed the actions already taken by the District, along with the upcoming initiatives and legislative actions related to health and retirement, and decided that the most prudent action at this time was to wait and evaluate the result of these external actions.

For information only; no action requested.

Employee Step Increases (W/R)

Director Walters reported that the committee discussed this item, and requested further clarification from Director Costa on the reconsideration and sense of the Board direction on this item. The committee will discuss this item at the next committee meeting.

For information only; no action requested.

Finance & Administrative Services Position (W/R)

Director Walters reported that this item will be discussed at the next committee meeting when Ms. Morris returns from temporary medical leave.

For information only; no action requested.

General Manager and Legal Counsel Review (W/R)

Director Walters informed the Board of the schedule for the General Manager and Legal Counsel Review process. Kim Silvers will meet with the Board members during the week of December 19th. A committee meeting will be set up the first week of January for review of the evaluations and recommendation to the Board for the January 11th meeting.

For information only; no action requested.

Staff Petition to Board and Board Response to Request for Information (W/R)

The Board recently received the final draft response to the staff petition. Due to the importance of the topic, the Board will review in detail and consider approval to send under the president's signature at the January Board Meeting.

For information only; no action requested.

Incentive Award Program (W/R)

Director Walters reported that the committee discussed the draft incentive award program policy statement. The committee recommended a couple minor revisions and discussed keeping the program exempt from special compensation within the CalPERS systems.

Director Walters moved to adopt the revisions to the Incentive Award Program Policy 3090. President Costa seconded the motion.

Director Peterson inquired about the attachment to the policy and Ms. Lorance explained that it was originally a reference document which the committee requested be incorporated into the policy manual.

Director Peterson mentioned that there were some changes in the new program regarding exclusion from CalPERS special compensation calculations, lump sum awards vs. percent awards, separate plan for exempt vs. non-exempt employees, and exclusion of the General Manager in the policy as the general manager's incentive award is referenced in her contract. The Board voiced concern that the intent is not clear in the policy that the General Manager's incentive award should also be excluded from

CalPERS special compensation. Director Peterson would like to provide the committee with some revisions to the policy statement.

Director Walters withdrew his motion and President Costa withdrew the second.

President Costa referred this back to the Personnel Committee for review and consideration of Director Peterson's revisions.

Mr. Roberts inquired if adoption of the policy instigates the program. Mr. Horowitz commented that adoption of the policy only sets the policy and the policy would still require the board to take action and budget for the program if it is to be implemented.

Other Personnel Matters

Next Meeting Date

The next committee meeting will be set to correspond with Ms. Morris' return.

2. Public Information Committee (11/17/11)

Ms. Lorance reported that the committee met on November 17, 2011 and discussed the following:

- WaterGram (R)
- Solar Live Link on Website Update (W/R)
- Regulations Information to Customers
- Other Public Information Matters (W/R)

The committee meeting minutes will be attached to the original board minutes.

Review WaterGram

Ms. Lorance reported that the committee reviewed the WaterGram and recommended minor revisions.

For information, no action requested.

Solar Live Link on Website Update

Ms. Lorance reported that there is a new Green Initiatives page on our website with the solar stats that will be updated monthly.

For information, no action requested.

Regulations Information to Customers

Ms. Lorance reported that the Board has expressed concern regarding the potential direct and indirect cost impacts to our customers associated with the increasing regulations the District is facing and numerous regulatory

compliance audits conducted on SJWD by several agencies including OSHA. The committee agreed that the District should provide as much information as possible in the WaterGram, on the website, and consider a separate wholesale mailer. Staff will work with Crocker and Crocker to develop material for review by the committee at future meetings.

For information, no action requested.

Other Public Information Matters

Ms. Lorance reported that a press release on the cost savings and increased treatment plant capacity due to the new treatment plant process was submitted to several publications, including the Business Journal.

Ms. Lorance mentioned that they are working on a Delta Plan Op/ED.

Ms. Lorance reported that the committee is looking into modifying the Water Stewardship flyer template created by RWA to send a SJWD message to our retail customers.

For information, no action requested.

Next Meeting Date

The next committee meeting date is January 18, 2011 at 9:30 am.

3. Legal Affairs Committee (12/5/11)

Director Walters reported that the committee met on December 5, 2011 and discussed the following:

- VALIC 457 Deferred Compensation Plan Document Update (W/R)
- SB 293 – Retention Cap on Public Works Projects (W/R)
- General Manager Authorization to Suspend Competitive Procurement Procedures During District Emergencies (W/R)
- Other Legal Affairs Matters (W/R)

The committee meeting minutes will be attached to the original board minutes.

VALIC 457 Deferred Compensation Plan Document Update (W/R)

Director Walters reported that the District needs to update a plan document with Valic. The plan is required to be updated based on new IRS requirements.

Vice President Tobin moved to adopt Resolution No. 11-20 Authorizing Adoption of Plan Restatement. Director Walters seconded the motion and it carried unanimously.

SB 293 – Retention Cap on Public Works Projects (W/R)

Mr. Durkin reported that State legislation has reduced the allowable retention on construction contracts from 10% to 5%, unless there is justification for a higher retention. In those cases, staff will provide a recommendation to the board to set a higher retention amount prior to bidding the project.

Director Peterson requested clarification on which public works projects that this bill affects, such as construction, professional services and procurement. Mr. Durkin informed the Board that the bill affects construction projects and Mr. Horowitz will be reviewing the District's bid documents to ensure that this legislative bill and any other legislative changes are reflected accordingly.

For information only; no action requested.

General Manager Authorization to Suspend Competitive Procurement Procedures During District Emergencies (W/R)

Director Walters informed the Board that the committee reviewed an updated resolution to authorize expenditures during an emergency. The committee discussed the resolution and suggested a few revisions be incorporated by legal counsel.

Director Walters moved to adopt Resolution No. 11-21. President Costa seconded the motion.

Mr. Horowitz commented that the resolution provided to the Board was not the updated version.

Director Peterson moved to refer the item to Legal Affairs Committee. Director Walters seconded the motion and it carried unanimously.

Other Legal Matters

Director Walters mentioned that the committee discussed the FOWD past due invoice which the Board discussed under Agenda Item III-2.

In addition, he reported that the committee discussed the penalties and interest to be charged to the FOWD FO-40 pipeline project invoice if it is not paid.

Director Walters reported that there is a SJWD retail customer who does not want SJWD to utilize an existing SJWD access and easement. Staff will continue to work on this issue, and provide updates to the Legal Affairs Committee.

For information only; no action requested.

Next Meeting Date

The next committee meeting is scheduled for Wednesday, January 4th at 9:00 a.m.

4. Personnel Committee (12/6/11)

Director Walters reported on this agenda item under agenda item IV-1.

5. Engineering Committee (12/6/11)

Mr. Durkin reported that the committee met on December 6, 2011 and discussed the following:

- Fair Oaks 40-Inch Pipeline ARC Crossing Project (W/R)
- Fair Oaks 40-Inch Pipeline Rehabilitation Project Schedule (W/R)
- Retail Service Area Redundant Piping for Reliability/ Emergency Response (R)
- Treated Water Pipeline and Cooperative Transmission Bypass Pipeline Project
- Other Engineering Matters (W/R)
- Next Meeting Date
- Public Comment (W/R)

The committee meeting minutes will be attached to the original board minutes.

Fair Oaks 40-Inch Pipeline ARC Crossing Project (W/R)

Mr. Durkin reported that the committee reviewed a proposal from Kennedy/Jenks Consultants (K/J) for Construction Management Services (CMS) for the Fair Oaks 40-Inch Pipeline ARC Crossing Project. K/J provided engineering design services for the project. The committee discussed the project and recommended that staff seek at least two additional proposals for the CMS considering the value of the work and potential concerns other project participants may have with a sole source contract for these services. Staff obtained additional proposals which will be discussed under the Finance Committee report.

For information only; no action requested.

Fair Oaks 40-Inch Pipeline Rehabilitation Project Schedule (W/R)

Mr. Durkin informed the Board that the design phase of the Fair Oaks 40-Inch Rehabilitation Project for the internal rehabilitation of the pipeline has fallen behind schedule. Mr. Durkin informed the Board that the cathodic protection of the exterior of the pipeline will still be completed this year. Along with the ARC crossing replacement, this ensures the two most critical portions of the project are completed this fiscal year.

The committee discussed the project and agreed with staff's recommendation to postpone the internal rehabilitation until the next fiscal year.

For information only; no action requested.

Retail Service Area Redundant Piping for Reliability/Emergency Response (R)

Mr. Durkin informed the Board that staff performed an analysis to identify potential capital improvements necessary to supply the lower gravity portion of the Retail system if the FO-40 Transmission Main were unavailable due to a planned or unplanned (emergency) outage.

Three separate distribution system improvement projects were identified with costs ranging from \$625,000 to \$2,070,000 depending on the desired level of redundancy in the gravity zone.

The committee discussed the analysis and instructed staff to report back at future committee meetings as the recommended project and budget requirements are refined.

For information only; no action requested.

Treated Water Pipeline and Cooperative Transmission Bypass Pipeline Project

Mr. Durkin informed the Board that Mountain Cascade, Inc., is finished with construction of the Treated Water Pipeline and Cooperative Transmission Bypass Pipeline Project. All work has been satisfactorily completed and all requirements of the contract have been met. Mr. Durkin informed the Board that the project came in under budget by a savings of \$918,200 wholesale and \$155,500 retail.

Director Peterson moved to accept the Treated Water Pipeline and Cooperative Transmission Bypass Pipeline Project as complete and authorize staff to file the Notice of Completion with Placer County. Director Walters seconded the motion and it carried unanimously.

Other Engineering Matters

Mr. Durkin informed the Board that the Engineering Committee discussed the same topic of the easement issue that the Legal Affairs Committee discussed.

Next Meeting Date

The next meeting date will be set as necessary.

6. Finance Committee (12/13/11)

Director Peterson reported that the committee met on December 13, 2011 and discussed the following:

- Review and Pay Bills (W/R)
- Fair Oaks 40-Inch Pipeline ARC Crossing Project (W/R)
- Other Finance Matters

The committee meeting minutes will be attached to the original board minutes.

Review and Pay Bills (W/R)

Director Peterson reported that the committee reviewed bills and claims in the amount of \$1,150,792.34 and found them to be in order.

Vice President Tobin moved to approve Resolution 11-22. Director Miller seconded the motion and it carried unanimously.

Fair Oaks 40-Inch Pipeline ARC Crossing Project (W/R)

Director Peterson informed the Board that the committee reviewed the proposals for the Construction Management Services (CMS) for the Fair Oaks 40-Inch Pipeline ARC Crossing Project.

The committee discussed and agreed with staff's recommendation to select the proposal from ICM Group, Inc. based on the qualifications of the staff assigned to the project. ICM Group's resident engineer's significant amount of experience will likely save the District money in the long run.

Director Peterson moved to award an agreement for construction management and inspection services for the ARC Crossing Replacement Project to ICM Group, Inc., for the amount of \$85,868 with a total authorized project budget of \$94,500. Vice President Tobin seconded the motion and it carried unanimously.

Other Finance Matters (W/R)

Director Peterson informed the Board that Rob Watson has been working on the SCADA software purchase. Mr. Durkin commended Mr. Watson during the committee meeting for negotiating the \$110,000 original proposal to \$67,000 for the purchase of the software. Purchase of the software will be on next month's claims.

For information only; no action requested.

V. INFORMATION AND ACTION ITEMS

1. GENERAL MANAGER'S REPORT

1.1 2012 Board Officers

President Costa opened the nominations for President and Vice President for the San Juan Water District Board of Directors.

Director Miller moved to elect Pam Tobin as Board President. Director Peterson seconded the motion and it carried unanimously.

Director Tobin moved to elect Ken Miller as Board Vice President. Director Walters seconded the motion and it carried unanimously.

1.2 Annual Report

In the interest of time, Ms. Lorance inquired if the Board wanted her to present her 2011 Annual Report power point presentation or have the Board members review the written document at their convenience prior to her evaluation. The Board consensus was to read the report on their own time. The presentation will be attached to the original meeting minutes.

For information only; no action requested.

1.3 2012 Focus Workshop

Ms. Lorance informed the Board that she would like to set the date for the Annual Board workshop to focus on policies and issues that are expected to arise in 2012.

She recommended that the Board conduct a Board Focus Workshop that would consist of staff listing the issues/topics that are likely to be the focus of water issues in 2012, providing a brief overview of the issues, and the intended plan to address/complete the issue/action.

The Board discussed the topic and agreed that a meeting in February or March for two nights is warranted. In addition, they would like to have the lobbyist give a brief presentation regarding the legislative issues. Ms. Lorance will schedule the meeting as requested.

1.4 Report Back Items

There were no items discussed.

1.5 Miscellaneous District Issues and Correspondence

Ms. Lorance informed the Board that Ms. Silvers requested that she ask the Board if they want to review the Legal Counsel or if they want Legal Affairs Committee to perform the review. The Board discussed and would like to keep it with the Board for this year. The second question that Ms. Silvers has was whether the General Manager should provide an evaluation of Legal Counsel since she is in close contact with the firm and the Board discussed and decided that only the Board should evaluate Legal Counsel.

Ms. Lorance informed the Board that she received an ACWA Health Benefit Authority request to vote for the ACWA HBA Director open position.

Director Peterson moved to vote for Steven M. Ruetters for the ACWA HBA Director position. Director Walters seconded the motion and it carried unanimously.

Ms. Lorance mentioned that there were three awards for low loss ratio from the ACWA JPIA.

There is a Sea to Sierra Water Tour on March 1st, if interested please inform staff.

For information only; no action requested.

2. ASSISTANT GENERAL MANAGER'S REPORT

2.1 Report Back Items

2.1.3 Sacramento County Water Agency Vineyard WTP staffing levels

Mr. Durkin informed the Board that he talked to the plant manager and they have a 50 MGD plant; however, the Board of Supervisors only authorized a budget to run the plant part-time (5 days per week). For purposes of comparison, the SJWD WTP, a 120 MGD plant that operates 24 hours a day 365 days a year, employees 6 operators including the plant superintendent, and 3 maintenance staff, while the Sacramento plant employs 8 operators, and a shared staff of control system and maintenance employees, which equals about 10 full time employees. He informed the Board that in January SCWA will provide a tour for a few of our operators.

2.1 Miscellaneous District Issues and Correspondence

2.1.1 American River Watershed Basin Study – Request to Reclamation to partner with, and provide cost sharing for a basin study

Mr. Durkin reported that the District, along with the cities of Roseville and Folsom, is requesting funding through the Bureau of Reclamation's Basin Studies Program (a matching grant program). The Army Corp of Engineers is looking at the revised Water Management Plan for Folsom Lake, with flood control their primary objective, therefore, this study will help influence how they prepare the plan and the tools used to manage the resource. Along with 50% matching funding, the District could receive in-kind credit for the work performed by the technical team. It is estimated that the cost to the District will be approximately \$83,000, not including the in-kind service credit. A meeting with the area office is scheduled for December 15th to discuss the basin study.

3. FINANCE AND ADMINISTRATIVE SERVICES MANAGER'S REPORT

3.1. Report Back Items

There were no items discussed.

3.2. Miscellaneous District Issues and Correspondence

There were no items discussed.

4. LEGAL COUNSEL'S REPORT

4.1 Legal Matters

Mr. Horowitz provided a written report which will be attached to the original meeting minutes. President Costa noticed that Mr. Bezerra is billing for the water rights issues and requested that a copy of Mr. Bezerra's resume be brought to the next Legal Affairs Committee meeting.

5. DIRECTORS' REPORTS

5.1 SGA

Vice President Tobin informed the Board that the SGA met on December 8, 2011 and she provided an outline of the meeting. A copy of her written report will be attached to the meeting minutes.

5.2 RWA

No report.

5.3 Executive Committee

President Costa reported that the Executive Committee met on December 13th and all agencies were represented, except the city of Folsom. The minutes will be available at the next Board meeting. The next meeting is scheduled for January 24, 2012.

5.4 ACWA/JPIA

No report.

5.5 CVP Water Users Association

President Costa reported that they have had a few meetings and that the new budget was adopted.

5.6 LAFCO

President Costa reported that there is a new member from the Carmichael Water District now on the committee due to a member not being able to fulfill his duty to attend the meetings.

5.7 Other Reports and Comments

Director Walters commented that District's law firm should be sent a thank you note for not increasing their fees this year.

President Costa thanked the Board for allowing him to serve as chair of the meetings this year.

VI. UPCOMING EVENTS

1. 2012 ACWA DC Conference
February 28 - March 1, 2012
Washington, DC
2. 2012 ACWA Legislative Symposium
March 7, 2012
Sacramento, CA
3. 2012 Water Education Foundation – Executive Briefing
March 27-28, 2012
Sacramento, CA

VII. ADJOURN

The meeting was adjourned at 9:52 p.m.

PAMELA TOBIN, President
Board of Directors
San Juan Water District

ATTEST:

TERI HART, Board Secretary

The meeting minute attachments are located under Meeting Minutes – *Draft* on the webpage.

STAFF REPORT

To: Board of Directors
From: Mary A. Morris, Finance & Administrative Services Manager
Date: January 11, 2012
Subject: OPEB Trust Delegation of Authority to Request Disbursements

RECOMMENDED ACTION

Staff recommends that the Board consider adoption of Resolution No. 12-01 for Delegation of Authority to Request Disbursements to the Finance and Administrative Services Manager and Assistant General Manager.

BACKGROUND

The Board of Directors authorized staff to establish the District's Other Post Employment Benefits ("OPEB" – i.e. healthcare) Trust within the California Employers' Retiree Benefit Trust ("CERBT") on November 9, 2011.

FINANCIAL CONSIDERATIONS

The final document needed to complete the OPEB Trust package for submission to CalPERS is the Resolution for Delegation of Authority to Request Disbursements. This document will authorize the Finance and Administrative Services Manager and Assistant General Manager to request disbursements from the trust fund for post-employment healthcare payments in accordance with the trust agreement.

Attachments: Resolution No. 12-01, Delegation of Authority to Request Disbursements



**DELEGATION OF AUTHORITY
TO REQUEST DISBURSEMENTS**

**RESOLUTION
OF THE**

Board of Directors

(GOVERNING BODY)

OF THE

San Juan Water District

(NAME OF EMPLOYER)

The Board of Directors delegates to the incumbents in
(GOVERNING BODY)

the positions of Finance & Administrative Services Manager and
(TITLE)

Assistant General Manager authority to request on behalf
(TITLE)

of the Employer disbursements from the Other Post Employment Prefunding

Plan and to certify as to the purpose for which the disbursed funds will be used.

By _____

Title _____

Witness _____

Date _____

Legal Affairs Committee Meeting
December 21, 2011
1:00 p.m.

Committee Members: Bob Walters, Chair
Ted Costa, Director

District Staff: Shauna Lorance, General Manager
Keith Durkin, Assistant General Manager
Teri Hart, Board Secretary/Administrative Assistant

Topics: Agenda for Upcoming Joint Board Meeting
Other Legal Affairs Matters

- Next Meeting Date

Public Comment

1. Agenda for Upcoming Joint Board Meeting

The committee discussed the draft agenda for the upcoming Joint Board Meeting with Fair Oaks Water District and Orange Vale Water Company. The committee suggests the following agenda:

1. Open board meetings
2. Introductions
3. Select chair for meeting
4. Discussion items previously provided
5. Next steps
6. Adjourn meetings

The committee recommends that the board presidents provide a list of discussion points to Ms. Lorance by end of day Wednesday, January 4th, so that she can provide a copy to all agencies in advance.

2. Other Legal Matters

There were no other matters discussed.

3. Public Comment

There was no public comment.

The meeting was adjourned at 1:40 p.m.

**Personnel Committee Meeting
San Juan Water District
January 3, 2012
10:00 p.m.**

Committee Members: Pam Tobin, Chair
Ted Costa, Director

District Staff: Teri Hart, Board Secretary/Administrative Assistant

Members of the Public: Kim Silvers, Silvers HR

Topics: Legal Counsel Review (W/R)
Other Personnel Matters
• Next Meeting Date
Public Comment
Closed Session

1. Legal Counsel Review (W/R)

The committee discussed the evaluations provided by the board members regarding Mr. Horowitz and the law firm of Bartkiewicz, Kronick & Shanahan. Ms. Silvers provided a draft review for the committee to review and will forward the document to the Board members for review and comments. She will request that comments be returned to her by Friday, January 6th in order to prepare the document for the January 11th Board meeting. The committee agreed that Ms. Silvers will provide Mr. Horowitz the draft document 24 hours prior to the Board meeting for his review.

For information only: no action requested.

2. Other Personnel Matters

2.1 Next Meeting Date

The next committee meeting was scheduled for January 9, 2011 at 9:00 am.

3. Public Comment

There was no public comment.

President Tobin called for closed session at 3:12 pm

4. Closed Session

General Manager's performance evaluation, and conference with negotiating committee involving compensation of General Manager, under Government Code sections 54954.5(e) and 54954.5(f), 64947 and 54957.6.

5. Open Session

There was no report from the closed session

The meeting was adjourned at 4:35 p.m.



AGENDA ITEM VI-1.2

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

1112 I Street, Suite 100 • Sacramento, CA 95814 • (916) 874-6458 • Fax (916) 874-2939
www.saclafco.org

DATE: December 9, 2011
TO: All Special District Boards
SUBJECT: **Nominations for Membership on SDAC**

You are cordially invited to nominate a Member of your Board to join the Special District Advisory Committee (SDAC). The purpose of the Committee is to provide Sacramento LAFCo with input on issues related to Special Districts, as well as to receive information on issues before the Commission.

The SDAC membership of seventeen is composed of the two LAFCo Special District Commissioners, and the Alternate Special District Commissioner, and representatives from recreation and park, fire, water, flood control, cemetery and other types of special districts. SDAC members serve 2 year terms without compensation. Currently there are seven (7) vacant seats on the Committee. New members will be selected by the SDAC *Sub-committee on Membership* from the pool of nominees provided by the Special Districts.


SDAC meetings are held quarterly on the fifth Tuesday, or as needed. The SDAC meets at 7:00 PM @ SMUD Headquarters (6301 S Street) Sacramento (north of US 50 between the 59th Street and 65th Street exits.)

A nomination form is attached. If you wish to nominate a member of your Board, please complete the form and return it to me no later than **Wednesday, February 29th**.

Please feel free to contact me by email or phone if you have questions about this process.

Sincerely,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION



Donald J. Lockhart, AICP
Assistant Executive Officer
(916) 874-2937
Donald.Lockhart@SacLAFCo.org

Enclosure: Nomination Form
Current Roster



**SPECIAL DISTRICT ADVISORY COMMITTEE
Nomination Form**

*Recommendation to the **SDAC Selection Committee***

In accordance with the bylaws of the Special District Advisory Committee, the Governing Board of the _____ District nominates _____ (Board Member) for the following position on the SDAC:

Two year term (ends 12/31/13)

Signature: _____
Board Chairperson

Date: _____

ATTEST:

District Manager or District Secretary

Please print e-mail address

Please attach resume of Nominee.

Please send completed nominations to:

Donald J. Lockhart, AICP, Assistant Executive Officer.
Sacramento LAFCo
1112 "I" Street; Suite 100
Sacramento CA 95814



SPECIAL DISTRICT ADVISORY COMMITTEE MEMBERSHIP

NOTE: MEMBERSHIP IS ENDING ON DECEMBER 30, 2011:

Office A 1/10-12/11	
Current Seat	District
Brandon Rose	Fair Oaks R&P District
Ron Greenwood	Carmichael Water District
Derek Minnema	American River Flood Control District
Robert Harrison	Fulton El Camino R&P District
Michael Clohossey	Del Paso Manor Water District
John Cockerham	Southgate R&P District
Thomas Nelson	Florin Resource Conservation District

MEMBERSHIP IS ENDING ON DECEMBER 30, 2012:

Office B 1/11-12/12	
Current Seat	District
Carolyn Flood	Fair Oaks Cemetery District
Royce Makishima	Arden Park Recreation & Park District
Ted Costa	San Juan Water District
Dan Speer	Wilton Fire Protection District
Rod Brewer	Cosumnes Community Services District
Jerry Pasek	Rancho Murieta Community Services District
Vacant	--

SPECIAL DISTRICT COMMISSIONERS

Jerry Fox
Gay Jones
Chuck Rose

Arcade Creek Rec. & Park District
Sacramento Metro Fire District
Citrus Heights Water District



IMPORTANT BOARD TRAINING FROM JPIA



Ethics Training (10:00 am ~ 12:00 pm)

This workshop—for Board Members and General Managers—is an overview course on all public service ethics laws and principles necessary to satisfy state law (AB1234) requirements. “Ethics laws” are defined as including: those relating to personal financial gain by public officials; those relating to office-holder perks; those relating to fair processes; and government transparency laws.

Brown Act Training (12:30 ~ 2:30 pm)

This session—for Board Members, Board Secretaries, and district management—will focus on how to keep your hands clean and your decisions transparent. It is a legal primer on how to avoid impropriety and keep governmental decision making open and fair.

Speakers ~ from Burke, Williams & Sorenson, LLP

Joseph Byrne⁺ - Mr. Byrne advises public entities and special districts on a broad range of issues such as the Brown Act, CEQA, code enforcement, conflicts of interest, personnel, the Public Records Act, and more.

Donald Davis⁺ - Mr. Davis advises public agencies on a broad range of issues such as the Brown Act, general plan updates, joint powers agreements, land use, public works bidding, contracts, and more.

Alexandra M. Barnhill^{*} - Ms. Barnhill regularly counsels clients on land use, zoning, permitting, municipal law and environmental compliance matters, and is an advisor to special districts across California.

J. Leah Castella^{*} - some of Ms. Castella’s areas of specialization include Proposition 218, inverse condemnation, and eminent domain. She is experienced in public law litigation at the trial court and appellate court levels.

Southern California⁺

Thursday, February 2, 2012

Cucamonga Valley Water District

10440 Ashford Street (Admin. Board Room)
Rancho Cucamonga 91730 ~ (909) 987-2591

Northern California^{*}

Thursday, February 9, 2012

JPIA Office

2100 Professional Drive
Roseville 95661 ~ (916) 786-5742

***Free of charge* to JPIA Members — \$50 for non-members**

Continental breakfast and lunch included

REGISTRATION REQUIRED ~ Limited seats available so register now!

www.acwajpia.com/training.aspx; 800.786.5742; training@acwajpia.com

AGENDA ITEM VI-1.2

From: Rick Hydrick
Sent: Monday, December 19, 2011 10:33 AM
Subject: RE: Your SJWD rebate

This makes me beam with pleasure. I think the culture of our government and most businesses would be dramatically improved, and their efficiency, if live people answered the phones. This practice keeps us ever mindful of who we work for and thereby true public servants. Thank you.

From: Judy Johnson
Sent: Monday, December 19, 2011 10:27 AM
Subject: FW: Your SJWD rebate

In addition to the compliment this customer made about conservation staff in his e-mail below, he actually took the time to call me after receiving my e-mail to say:

- Thank you for having the guts to write “Merry Christmas” in your e-mail!
- It’s so refreshing to work with the people in your organization and, to actually reach a live person when I call, is almost unheard of!
- If you ever need someone to say a kind word about your staff or organization, you can call on me!

Judy Johnson | Customer Service Manager
San Juan Water District | sjwd.org
Main: 916-791-0115 | Direct: 916-791-6908
Follow us on [Facebook!](#)

From: Judy Johnson
Sent: Monday, December 19, 2011 10:10 AM
To: 'Richard Botkin'
Subject: RE: Your SJWD rebate

Rich,

Thank you for your comments! We strive to provide the best customer service possible and it’s always gratifying to receive feedback such as yours.

Have a Merry Christmas!

Judy Johnson | Customer Service Manager
San Juan Water District | sjwd.org
Main: 916-791-0115 | Direct: 916-791-6908
Follow us on [Facebook!](#)

From: Richard Botkin [<mailto:rlobster@surewest.net>]
Sent: Thursday, December 15, 2011 5:10 PM
To: Judy Johnson
Subject: Re: Your SJWD rebate

Dear Judy--Please forgive my slow reply to your note. My wife and I appreciate the rebate very much. I also wanted to add that the two folks who came out to do the inspection could not have been kinder or more professional. It is such a joy to do business with a company that is so accessible, and has real human beings answer the phone when you call. Merry Christmas--Rich Botkin

----- Original Message -----

From: [Judy Johnson](#)

To: 'rlobster@surewest.net'

Sent: Monday, December 05, 2011 9:47 AM

Subject: Your SJWD rebate

Mr. Botkin,

Thank you for participating in our irrigation improvement rebate program. A \$500 credit has been added to your existing \$20.73 credit on your account and will appear on your January bill. You do not need to send in payment for your water bills as long as your statements show a credit balance.

Judy Johnson | Customer Service Manager
San Juan Water District | sjwd.org
Main: 916-791-0115 | Direct: 916-791-6908
Follow us on [Facebook!](#)

1/3/12 Voicemail message:

Hi George: This is Marie at 168 Temperance River Court, right next to pump station. I just wanted to call and say "thank you" to you and your team. I thought that you guys did just a fantastic job of repairing the hole that was adjacent to the pump station. The whole area looks so much nicer and we just really appreciate it. So I just wanted to call to say "thank you" and happy New Year. Take care, bye-bye.

[The team referred to in this message was Mike, Scott and Daniel. They have been congratulated.]

From: Rick Hydrick

Sent: Wednesday, December 28, 2011 2:35 PM

To: Judy Johnson; Network Users

Subject: RE: Letter from customer

Jason -

Excellent job and followup. Thank you, Jason, for keeping our standards high. You provided a total solution, not just a simple service. The synergy this creates with our

customers is invaluable to a smooth running organization that makes our work life here meaningful.

Rick

From: Judy Johnson

Sent: Wednesday, December 28, 2011 2:05 PM

To: Network Users

Subject: Letter from customer

I wanted to share this letter of appreciation we received from a customer who wrote to acknowledge the excellent service Jason provided him.

Way to go, Jason! It sounds like you did a thorough job. When customers take the time to write a letter, you KNOW you made an impact!

Judy Johnson | Customer Service Manager

San Juan Water District | sjwd.org

Main: 916-791-0115 | Direct: 916-791-6908

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AGENDA ITEM VI-3.2



Lower Rate Hike Expected for CalPERS Plans

According to figures presented at the CalPERS Board meeting last week, most CalPERS plans will experience a rate hike next July for the 2012-13 year; however, the increase will be lower than expected. Overall, 80 percent of local government plans will have an increase in employer rates of one percent or less. These rates reflect the second year of a radical "smoothing" plan that spreads rate increases from huge investment losses over a three-year period.

When the stock market crashed in 2008-09, the CalPERS investment fund dropped 24 percent. The fund peaked at \$260 billion in the fall of 2007, bottomed out at \$160 billion in March 2009 and was \$222.5 billion early last week. According to actuaries, a 13 percent gain in investment earnings during the fiscal year following the stock market crash, 2009-10, was better than what CalPERS expects in an average year, 7.75 percent.

[California Special Districts Association](#) | 1112 I Street | Suite 200 | Sacramento, CA 95814 | 877.924.CSDA (2732)

A Proud California Special Districts Alliance Partner

**San Juan Water District
Executive Committee Meeting Minutes
December 13, 2011 – 1:00 p.m.**

MEMBER ATTENDEES

Chuck Rose	Citrus Heights Water District
Joe Dion	Citrus Heights Water District
David Kane	Citrus Heights Water District
Bob Churchill	Citrus Heights Water District
Randy Marx	Fair Oaks Water District
Tom Gray	Fair Oaks Water District
Ed Formosa, Vice Chair	Sacramento Suburban Water District
Ted Costa	San Juan Water District
Ken Miller	San Juan Water District
Shauna Lorance	San Juan Water District
Keith Durkin	San Juan Water District
Teri Hart	San Juan Water District

AGENDA ITEMS

- I. Call to Order**
- II. Visitors**
- III. Public Comment**
- IV. Review Agenda**
- V. Review Minutes**
- VI. New Business**
- VII. Old Business**
- VIII. Standing Items**
- IX. Other Items**
- X. Future Meeting Dates**
- XI. Adjournment**

I. Call to Order

Vice Chairperson Ed Formosa called the meeting to order at 1:00 p.m.

II. Visitors

There were no visitors.

III. Public Comment

There was no public comment.

IV. Review Agenda

There were no changes to the agenda.

V. Review Executive Committee Meeting Minutes

The minutes of the October 25, 2011 meeting were unanimously approved.

VI. New Business

- ◆ SJWD Board of Directors Delta Workshop January 25, 2012
Ms. Lorance reported that an email was sent to the Executive Committee regarding an upcoming Board workshop meeting at SJWD. Ryan Bezerra, attorney at Bartkiewicz, Kronick and Shanahan, will be providing the SJWD Board of Directors an overview on delta activities. The presentation is scheduled for Wednesday, January 25 at 6:00 p.m. in SJWD Boardroom. Ms. Lorance requested that anyone planning to attend send in their RSVP to her if possible so seating can be arranged to accommodate all in attendance.
- ◆ CUWCC Plenary Meeting December 14, 9:30-3:00
Ms. Lorance commented that this agenda topic was placed as a reminder that this region is hosting the CUWCC Plenary meeting and it would be appreciated if general managers and board members could attend this meeting.
- ◆ Executive Committee Workshop
Ms. Lorance commented that the annual Executive Committee workshop needs to be discussed and a date set. The committee discussed various agenda topics and decided to bring back agenda items and proposed dates to the next committee meeting.

VII. Old Business

- ◆ Report Back on Legislature Meetings
Mr. Durkin reported that he was part of a group which met with Assembly Members Roger Dickenson and Richard Pan. The group, Sacramento Regional Water Alliance (SRWA), is formed with some of the larger agencies in the area and is represented by a lobbyist to help get our message conveyed to some of our legislators. The group is suggesting that a tour of the water treatment plant along with other regional facilities might be a good idea to help educate the legislators.

Ms. Lorance reported that she met with Assembly Member Huber and Assembly Member Yamada's Chief of Staff and was well received. The focus group going forward will be the regional supportive legislators then they will start meeting with other legislators. With water supply being our biggest economic asset, it is imperative to get the legislators educated and in support of our efforts so that asset is not impacted.

Ms. Lorance mentioned that there is a link on the DWR website that references the 45 District customer comment letters on the Delta Plan.

- ◆ Update on PR Associated with Chemical Change at WTP
Mr. Durkin reported that the savings on operations and maintenance at the Water Treatment Plant due to the changes in chemicals is now estimated to be \$250,000 to \$300,000 annually. The savings is due to lower costs for chemicals, electricity, and labor. In addition, the plant is capable of treating more water and therefore can offer SSWD more treated surface water than in the past, which increases revenue for the wholesale budget. Another savings that was not calculated into this annual amount is the savings due to avoided costs from not having to do an expansion in the future – this savings alone could amount to \$20-\$40 million. The Business Journal has been in contact with Mr. Durkin and an article regarding this savings will be coming out in the near future.

- ◆ American River Basin Study Update
Mr. Durkin reported that the District, along with the cities of Roseville and Folsom, is requesting funding through the Bureau of Reclamation's Basin Studies Program (a matching grant program). The Army Corp of Engineers is looking at the revised Water Management Plan for Folsom Lake, with flood control their primary objective, therefore, this study will help influence how they prepare the plan and the tools used to manage the resource. Along with 50% matching funding, the District could receive in-kind credit for the work performed by the agency's technical team. It is estimated that the cost to the District will be approximately \$83,000, not including the in-kind service credit. The committee discussed the topic including concerns that the Corp will not change their existing management plan to better suit water supply needs.

Ms. Lorance informed the committee that Ryan Bezerra researched the Bureau's water rights permit and discovered a section titled Term 14. It essentially states that the Bureau has to supply all water needs to El Dorado, Placer and Sacramento Counties first before they can distribute outside those borders. This topic is being further researched to obtain a better understanding of the potential benefit to SJWD.

- ◆ FO-40 Project Status Update
Mr. Durkin commented that Steve P. Rados, Inc., was awarded the contract for the construction of the American River Canyon Crossing portion of the FO-40 Project. The contractor is scheduled to mobilize on January 4, 2012. The design work on the internal pipe rehabilitation and the external cathodic protection system is almost complete. To mitigate a potential construction schedule impact, and in consideration of Fair Oaks Water District's cash flow concerns for the project, staff is recommending that the internal pipeline rehabilitation portion of the project be postponed until the next fiscal year. Mr. Durkin informed the committee that installation of the cathodic protection

system for the exterior of the pipeline will still be completed this year. Along with the ARC crossing replacement, this ensures the two most critical portions of the project are completed this year.

Mr. Durkin mentioned that he attended the Fair Oaks Water District meeting, along with Director Costa, on December 12th. The FOWD Board suggested that a meeting with the SJWD Board be set to discuss the FO-40 Project. Director Costa confirmed with Director Marx that the intent of the meeting was not to negotiate but to listen and come together on the project with no attorneys in attendance. Mr. Gray commented that there are still technical differences between staff with policy level decisions that need to come together to provide direction to staff.

VIII. Standing Items (as needed)

Groundwater Pumping Update

CHWD – Operating five wells, rotating one well every week, 80 af per month as maintenance.

FOWD – Pumping at approximately 7% of demands, while maintaining approximately 10% per year.

SSWD – Utilizing surface water within their budget, which is their limiting factor.

Agency Updates

Each agency provided a brief update on operations and the status of ongoing capital improvements projects.

Sacramento Suburban Water District:

Mr. Formosa reported that the draft state ASR general permit is out for review as well as Roseville's EIR on ASR. SSWD will comment on the draft. The SSWD website is being updated and is planned to go online at the first of the year. In addition, there have been 110 backflow devices stolen in their district. He also reported that there have been less fire hydrants turned on since the Sheriff's Department located and talked with a person suspected of performing the mischievous operation of the hydrants.

Citrus Heights Water District:

Mr. Churchill reported that the intertie with Orangevale is complete and will provide increased fireflow. They will be putting out an RFP for an architect to complete the expansion of their administrative building. In addition, they are meeting with Roseville to upgrade 3 interties with them.

San Juan Water District:

Ms. Lorance reported that there is a meeting with the Bureau on December 15th to discuss modeling and Folsom Lake levels. The cities of Folsom and Roseville will join the meeting to discuss the difference in the Bureau's modeling and the Water Forum's modeling.

Ms. Lorance reported that she has been requested by the Sacramento Metro Chamber to co-chair the Flood and Water Committee.

Fair Oaks Water District:

Mr. Gray reported that FOWD finalized their 5-year plan and approved their 2012 budget with a 3.2% revenue increase. At this point, any personnel budgetary items will be delayed until the end of the first quarter. In addition, they are talking with Carmichael about installing an inline booster in the intertie to help pump water up the hill and into the FOWD service area.

IX. Other Items

Director Costa mentioned that there have been some initiatives filed regarding tax increases with spending limits which will affect water districts.

X. Future Meeting Dates

- January 24, 2012
- February 28, 2012

XI. Adjournment

The Executive Committee was adjourned at 2:16 p.m.