

# **SAN JUAN WATER DISTRICT**

## **Board of Director's Meeting Minutes**

April 27, 2016 – 7:00 p.m.

### **BOARD OF DIRECTORS**

Pam Tobin	President
Ken Miller	Vice President
Ted Costa	Director
Dan Rich	Director
Bob Walters	Director

### **SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF**

Shauna Lorance	General Manager
Keith Durkin	Assistant General Manager
Donna Silva	Director of Finance
Teri Grant	Board Secretary/Administrative Assistant

### **OTHER ATTENDEES**

Hilary Straus	Citrus Heights Water District
Bob Churchill	Citrus Heights Water District
Misha Sarkovich	Fair Oaks Water District
Tom Gray	Fair Oaks Water District
Richard Shatz	GEI
Rebecca Guo	MWH
Adam Serereid	GSA

### **AGENDA ITEMS**

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

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

#### **I. PUBLIC FORUM**

Ms. Lorance informed the Board that she received a revised payment agreement regarding the FO-40 from Fair Oaks Water District after the agenda was sent out. She provided the Board with copies of the revised agreement (FOWD), along with the original agreement (SJWD) that the District sent to FOWD and a combined document. She explained that the combined agreement is the original agreement with FOWD's changes incorporated into the document. The agreement will be reviewed by Legal Affairs Committee and brought back to the May 25<sup>th</sup> meeting.

*[Director Walters requested that Mr. Sarkovich's public comment be typed verbatim.]*

Mr. Sarkovich: Well, thank you for having me and thank you for giving me opportunity to speak. This item, I imagine, will have opportunity to talk about that during the Board agenda but one item that I would like to talk about is Fair Oaks 40 Phase II invoicing. Before I start, I just want to say, in general terms, that Fair Oaks Water District Board has made considerable effort to improve the relationship between Fair Oaks Water District and San Juan Water District. We started with this 2x2 board, committees, ad hoc committees. We decided to work diligently to remove any kind of issues, any kind of disagreements that we had in past. Fair Oaks 40 is, remember, one of those items. The initial proposal was to put Fair Oaks 40 invoicing for Phase II on a pre-paid plan. In fact, we already paid the first part, \$98,000. We learned this during preparation for our 2016 budget.

Our request is that we do not, I mean that you guys please do not put us on a pre-paid plan, that you go and institute pay-as-you-go. You receive the invoice from the contractor, you turn around and give it to us, and we'll pay our share, 91% - we're not questioning it. We have about \$8 million currently cash sitting in the bank, so we have ability to pay. So there's a willingness to pay, there's ability to pay, and we would like to go pay-as-you-go. I'm uncomfortable and, matter of fact, all five of us on the board took exception to be put on a pre-paid plan. SMUD use to have a pre-paid plan, we were putting our customers, who were credit challenged customers, on a pre-paid plan, and it didn't go well. It was challenging for many people, and eventually the pilot was killed. I feel the same way, why should we pay something in advance for something that will happen, I don't know how many months, maybe two years from now.

Secondly, the payments are based on the estimates. The estimates can be dramatically off, can be 10-20% off. We would like to pay the actual invoice, so there is no disagreement about the final cost, so be easy to reconcile the final bill and we're willing to pay. I don't know exactly what is in the contract, whether it's 30 days or 45 days, but whatever that number is, we're going to pay. I got an email from Shauna, how she's concerned about the Fair Oaks Water District paying promptly. There's no concern, we will pay promptly.

And that's all I have to say about Fair Oaks 40.

## **II. CONSENT CALENDAR**

All items under the consent calendar are considered to be routine and are 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 Meetings**

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

1. Minutes of the Board of Directors Meeting, April 13, 2016

President Tobin informed the Board that page 8 was missing the name of the Director who seconded the motion for Anthracite. The minutes were corrected to reflect that President Tobin seconded the motion.

***Director Costa moved to approve the amended minutes of the April 13, 2016 Board of Directors meeting. Director Walters seconded the motion and it carried unanimously.***

### III. PRESENTATION

#### 1. Groundwater Reimbursement – Shauna Lorange

Ms. Lorange conducted a brief presentation. A copy of the presentation will be attached to the meeting minutes. She informed the Board that she has met with Citrus Heights Water District (CHWD) and Fair Oaks Water District (FOWD) and has had great collaboration in trying to resolve the groundwater reimbursement issue.

Ms. Lorange reviewed a brief history of entering into long-term water supply agreements which included the water shortage management plan. She explained that CHWD and FOWD were to receive reimbursement for costs associated with pumping groundwater during shortage times and for “readiness to serve.” She explained that the less groundwater used, the higher the cost per acre foot, and vice versa for more groundwater used.

Ms. Lorange informed the Board that the initial cost estimate was at \$4.6 million which was lowered to \$2.5 million as a result of the consultant’s analysis. After discussions with the agencies, the amount has been reduced to \$2.0 million, which removed some administrative labor and overhead.

Ms. Lorange reminded the Board that it was already agreed that the 2014 costs would be paid which comes to \$495,360. She explained that the 2009-2013 costs, with the deductions, come to \$1.486 million. In addition, she explained that there was benefit from the groundwater pumping to the entire wholesale area. Therefore, all of the costs should be placed as wholesale costs and placed in the wholesale financial plan.

Ms. Lorange informed the Board that staff recommends paying the 2014 costs as soon as possible and then paying the 2009-2013 costs over a 3-4 year timeframe. In addition, staff is recommending working with Legal Counsel on an agreement or MOU regarding the payment of the costs. Ms. Silva explained to the Board that the total costs will be placed as an expense in either 2014-15 or 2015-16 and the offset will be either cash (payment) or a liability. Ms. Silva explained that in terms of cash flow management it might benefit the District to pay for the expense over a period of time, but from an accounting perspective,

the whole amount will be an expense and will reduce reserves when booked, regardless of when paid.

Ms. Lorance informed the Board that CHWD, FOWD and SJWD staff have agreed to attend each other's board meetings when discussions of topics which staff have come to agreement on are on an agenda.

The Board discussed the potential of Aerojet contamination in groundwater in the future and the opportunity the District will have to supply water at that time.

Director Miller agrees with the costs presented but would like payment of the costs to be referred to the Finance Committee.

In response to Director Rich's comment, Ms. Lorance explained that a letter was sent to the WCAs to end the shortage agreement since the agreement calls for demands above 54,000 AF and those demands have not been at that level for many years.

***Director Walters moved that the Board accepts the numbers presented and authorizes the General Manager to work with Legal Counsel and the wholesale customer agencies to develop a payment schedule and agreement that would be reviewed by the Legal Affairs Committee and the Finance Committee prior to Board approval. Director Costa seconded the motion and it carried unanimously.***

Director Rich commented that he would like to see the 3-year pay schedule used. Director Miller commented that he would like to see where the \$2 million to pay the costs are coming from. Ms. Lorance responded that staff will work to make the payment schedule as short as possible and will provide information regarding the funds used to pay the costs.

Ms. Lorance thanked Mr. Gray, Mr. Churchill and Mr. Straus for their prompt response in completing the work necessary to arrive at an agreement.

#### **IV. OLD BUSINESS**

##### **1. Wholesale Water Management and Reliability Study**

Mr. Durkin reported that the Board received the staff report and Technical Memorandum No. 4 (TM4) which was prepared by MWH. TM4 covers the High-Level Evaluation & Screening of Water Management Options. Mr. Durkin informed the Board that MWH would like to receive comments from the Board by Wednesday, May 4, 2016. He requested that any comments be sent to Teri Grant with a copy to Ms. Lorance and him.

Director Costa voiced concern regarding in lieu banking in the wholesale area and the water loss due to the cone of depression. Mr. Durkin responded that as MWH looks into the details of the options they will develop more information. Mr. Durkin introduced Mr. Richard Shatz with GEI, who is working with MWH on

the study. Mr. Shatz explained that groundwater banking does not result in the same volume of water to be returned as is banked.

In response to President Tobin's comment, Mr. Shatz explained that detailed well information will be looked at during the next phase of the study when looking at the selected options. In response to Director Rich's question, Mr. Shatz explained that if any groundwater movement is anticipated as a result of an option selected then the agencies involved with potential risk of contamination will be contacted so that they are aware of the District's actions so that they can adjust their treatment facilities to take into account the additional pumping or groundwater recharge.

Mr. Durkin commented that his expectation for any options selected that include groundwater pumping would be for the analysis to include the risk or probability that treatment might be necessary in the future on wells, along with the potential costs.

## **2. Water Transfer Status**

Ms. Lorance informed the Board that there is no pumping capacity per the email that she sent out. She will provide more information at the next Board meeting with Legal Counsel is present.

## **ACTION AND INFORMATIONAL ITEMS**

### **V. COMMITTEE REPORTS**

#### **1. Personnel Committee (4/19/16)**

Director Walters reported that the committee met on April 19, 2016, and discussed the following:

- Employee Policy Review (W/R)
- Compensation Studies Policy (W/R)
- Staffing Levels (W/R)
- Other Personnel Matters
- Public Comment

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

#### **Employee Policy Review (W/R)**

Director Walters informed the Board that Bryce Consulting was hired to update the Employee Manual and bring the employee policies up to date with current laws and regulations. Ms. Anderson provided Bryce Consulting's Corporate Qualifications which were attached to the committee meeting minutes.

Ms. Lorance explained that the Employee Manual is being reviewed and, once the policies are revised, some policies will be moved out of the Employee

Manual and placed in Board Policies. She commented that Legal Counsel and staff will review the policies to bring them up to legal standard.

*For information only; no action requested.*

**Compensation Studies Policy (W/R)**

Director Walters reported that the committee also reviewed the intent to limit the General Manager's authority to make changes to compensation outside of approved salary ranges.

*For information only; no action requested.*

**Staffing Levels (W/R)**

Director Walters informed the Board that Ms. Vicki Sacksteder announced her retirement effective May 2nd as the District's Water Resource Analyst. Ms. Lorance has reviewed the position job description and title and is working with the consultant to post a job announcement. Ms. Lorance informed the Board that the job title has been changed to Water Resource Specialist per recommendation from the consultant. In addition, Ms. Lorance informed the Board that the position salary will fall within the salary range that was recommended by the last compensation study.

Director Walters reported that the committee discussed several positions which were provided to them to review, which include a WTP Operator, a Public Affairs Officer (PAO), a Customer Services Technician, a Human Resources position, and an Administrative Assistant position. He informed the Board that the PAO position funding could come from redirection of funds from the public relations budget. Ms. Lorance explained that the positions will be reviewed at the workshop.

Director Miller inquired how Ms. Spencer's position compares to the recently advertised position with the City of Roseville which sounds like a similar position but on an hourly pay structure. Ms. Lorance informed the Board that her position is also hourly as well as most positions at the District but for more details she will have to research that a report back.

*For information only; no action requested.*

**Other Personnel Matters**

Director Walters reported that the committee reviewed some information on vision plans as requested by the Board. He explained that the current vision coverage for staff is reimbursement of vision expenses up to \$200 every two years. The committee requested that staff obtain a formal quote from ACWA/JPIA and report back to the committee with the information.

President Tobin commented that the committee will also look at the District's dental plan. Ms. Lorance will obtain information and report back to the committee with the information.

## **2. Finance Committee (4/21/16)**

Director Costa reported that the committee met on April 21, 2016, and discussed the following:

- Replacement of Vehicle #10
- Other Finance Matters
- Public Comment

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

### **Replacement of Vehicle #10**

Director Costa informed the Board that the committee discussed replacement of the 2007 Honda Pilot (vehicle #10) that Ms. Lorance drives. He explained that requests for bids were sent to five dealers and the District received 3 bids for a Ford Edge. Director Costa reported that the committee reviewed the information provided and agreed that a replacement vehicle was needed.

***Director Costa moved to award the purchase of a Ford Edge to replace vehicle #10 to the lowest responsive bidder, Harrold Ford, in the amount of \$34,463 plus applicable taxes and fees. President Tobin seconded the motion and it carried with 4 Aye votes and 1 No vote (Miller).***

In response to Director Miller's questions, Director Costa informed the Board that the General Manager's contract with the District calls for a District vehicle and Ms. Lorance pays income tax on the portion used for personal use. Director Miller voiced concern regarding the cost of the vehicle. The Board discussed the purchase of the vehicle and the cost of replacing an in-kind vehicle. In response to Director Rich's question, Ms. Silva informed the Board that there are some vehicles at the District where a lease would be recommended but not in this case due to the mileage limitations placed on leased vehicles.

President Tobin requested that when Ms. Lorance's contract is re-negotiated that the clause for a vehicle be revised to include more details.

### **Other Finance Matters (W or R)**

Director Costa informed the Board that the meeting he was going to have with Misha Sarkovich, FOWD Director, did not take place.

## **VI. INFORMATION AND ACTION ITEMS**

### **1. GENERAL MANAGER'S REPORT**

#### **1.1 SWRCB April 20 meeting**

Ms. Lorance informed the Board that the State Water Resources Control Board (SWRCB) held a workshop on April 20<sup>th</sup> to discuss reduction of the conservation requirements. There was discussion on the issue from many organizations, both pro and con. The District's Water Resource Analyst

attended the workshop and was supposed to read a statement into the report that Ms. Lorance wrote; however, it was not read into the report at the Water Resources Analyst's discretion. Ms. Lorance informed the Board that the SWRCB will hold another meeting on May 3 or 4 which might provide some insight on where they stand for their May 18<sup>th</sup> meeting.

*For information, no action requested*

**1.2 Sacramento County Election Memorandum of Understanding Program**

Ms. Lorance informed the Board that Sacramento County is requesting that the District enter into a memorandum of understanding for election costs.

***President Tobin moved to authorize the General Manager to sign the MOU with Sacramento County regarding elections. Director Walters seconded the motion and it carried unanimously.***

**1.3 Calling for General District Election on November 8, 2016**

Ms. Lorance informed the Board that the seats currently held by Directors Ken Miller and Pam Tobin are up for election in November 2016. Staff recommends approval of Resolutions 16-05 and 14-06 calling for the election. Ms. Lorance reported that the candidate filing opens July 18, 2016 and closes August 12, 2016. Ms. Grant informed the Board that candidate statements can now be paid at Placer County and Sacramento County election offices and candidates no longer have to come to the District to pay their candidate statements for Sacramento County.

***President Tobin moved to approve Resolution No. 16-05 calling for General District Election and Resolution No. 16-06 Notice of Governing Board Member Election. Director Walters seconded the motion and it carried unanimously.***

**1.4 Report Back Item**

Ms. Lorance provided the Board with a handout regarding employee retirements. A copy of the staff report will be attached to the meeting minutes. She informed the Board that 10 of the 13 employees, recognized in 2013 as being able to retire, have retired or formally announced their retirement.

*For information, no action requested*

**1.5 Miscellaneous District Issues and Correspondence**

Ms. Lorance informed the Board that she received an email from American Water which referenced meeting with President Tobin at the RWA Executive Board meeting. He would like to introduce the District to Tom Burnett who manages the business development for California American Water (Cal Am). She will report back to the Board regarding the discussion that she will have with Cal Am.

Ms. Lorange informed the Board that she just received an email from SWRCB indicating that they will initiate rule making on annual drinking water fees. She explained that the fees are currently based on the actual time that SWRCB spends at the District to inspect the facility. SWRCB is proposing fixed fees which are anticipated to increase annual fees by up to 1000%. She informed the Board that ACWA is developing a credible proposal to submit to SWRCB by June 22, 2016, which is the end of the 45-day comment period on the draft regulations. Ms. Lorange will report back on this topic when she receives more information.

For information, no action requested

## **2. ASSISTANT GENERAL MANAGER'S REPORT**

### **2.1 Report Back Items**

Mr. Durkin reported that he received more information on the condition assessments that were performed on the Hinkle and Kokila Reservoirs. He informed the Board that the initial visual inspections were really good; however, preliminary lab work on the material revealed some issues. He explained that the strain stretch test on Hinkle showed that the material could only stretch 50% before it broke, as compared to new at 250% and over 100% in 2000. In addition, the soak test, which shows the ability of the water not to penetrate the cover, revealed 30-35% being retained in the material as compared to 3% in 2000. He explained that this shows that the material is getting brittle.

Mr. Durkin informed the Board that more testing will be performed including a microscopic review of the material. He anticipates that there may only be five years left before replacement is needed. However, since more tests are being performed he will wait to provide the Board with a recommendation until the consultant's report is received. In addition, he informed the Board that he talked to the company which performed the material extraction and they estimate that the cost will be about \$25 million instead of the \$60 million that was previously anticipated. Mr. Durkin will work to incorporate the cost into the financial plan.

Mr. Durkin reported that the Kokila Reservoir preliminary test results are slightly worse than the Hinkle Reservoir results and may have less than five years before it needs to be replaced. He explained that the contractor had significant issues patching the cover after the material extraction due to oxidation issues with the cover. He anticipates the cost for replacement at approximately \$5-6 million for a steel storage tank on-grade for better performance.

Ms. Lorange commented that the Board will discuss funding for both projects at a later date.

For information, no action requested

## **2.2 Miscellaneous District Issues and Correspondence**

There were no items discussed.

## **3. DIRECTOR OF FINANCE'S REPORT**

### **3.1. Report Back Items**

Ms. Silva reported that LSL, the District's auditors, will not be able to make their presentation at the May 11<sup>th</sup> Board meeting since they are not ready. She explained that they are still working on the audit and she has been supplying them with information regarding fixed assets. She informed the Board that FY 2014-15 has been very time consuming since it involved the conversion and separating the wholesale and retail balance sheets.

Ms. Silva reported that a very comprehensive mid-year budget review was completed for FY 2015-16 and she will be presenting the results at the May 11<sup>th</sup> Board meeting. In addition, work has begun on the FY 2016-17 budget. She expects to have a budget adoption in August/September and, once that date is confirmed, the Prop. 218 notice will be sent in advance to allow for the required comment period.

*For information, no action requested*

### **3.2. Miscellaneous District Issues and Correspondence**

There were no items discussed.

## **4. LEGAL COUNSEL'S REPORT**

### **4.1 Legal Matters**

No report.

## **5. DIRECTORS' REPORTS**

### **5.1 SGA**

No report.

### **5.2 RWA**

President Tobin reported that RWA Executive Committee met April 27, 2016. A copy of the written director's report will be attached to the meeting minutes. She reported that the RWA Executive Committee discussed the CalPERS Retirement System Reallocation Agreement, the Regional Water Reliability Plan, the Regulatory Update, and the Legislation Update.

President Tobin requested that staff contact Rob Schwartz and request that he make a presentation to the Board regarding the Regional Water Reliability Plan and how it relates to the CTP and the benefits that the District might receive as well.

President Tobin informed the Board that there is a conference call with Soyla Fernandez, the state lobbyist, on Thursday, May 5, 2016.

### **5.3 ACWA**

#### **5.3.1 Local/Federal Government/Region 4 - Pam Tobin**

President Tobin reported that she went to Washington, D.C. to attend the ACWA Federal Affairs Committee meeting on February 6, 2016. The topics discussed included improving California headwaters, investing in water storage, creating more efficient water market, SGMA implementation, and providing a voice in the greater Sacramento area.

#### **5.3.2 JPIA - Bob Walters**

Director Walters reported that JPIA meets on May 1, 2016 at the ACWA Spring Conference.

#### **5.3.3 Energy Committee - Ted Costa**

Director Costa reported that the Energy Committee meets on May 2, 2016 at the ACWA Spring Conference. He reported that the amount of renewable energy that can be reported for water keeps increasing and the District might want to consider looking into stand-by power.

### **5.4 CVP Water Users Association**

Director Costa reported that the CVPWUA is still working on CVP cost allocations; however, a key employee working on the project at USBR is retiring so this will delay the project.

### **5.5 Other Reports and Comments**

President Tobin reminded the Board that she requested each Board member, at the workshop yesterday, to bring a list of preferred projects that each of them could get involved with and she would like them to bring the information and action plan to the May 11<sup>th</sup> Board meeting.

Director Miller informed the Board that he attended the Lobbyist Subscription Program meeting. He reported that each legislative bill was reviewed at the meeting; however, he provided no input and instead the bills were simply read off. President Tobin and Director Walters both commented that more elected officials need to attend that meeting and be more involved. In response to Director Walters' comment, Director Miller responded that Legal Counsel or the state lobbyist should be monitoring the bills.

#### **5.5.1 Conserved Water Transfer**

Director Walters informed the Board that the proposed language was discussed with a legislator to see if he would be interested in carrying a bill or an amendment to a bill. Director Walters believes that the legislator is willing to take the proposed language to the legislative council for either this year or next year.

***Director Walters moved to submit proposed language clarifying the law on conserved water transfers to a legislator for drafting by the legislative council. President Tobin seconded the motion and it carried unanimously.***

Director Costa commented that once the legislation gets out there, the District might consider hosting a hospitality suite at an ACWA conference in order to talk to other directors to circulate it though and discuss water transfers.

## **VII. UPCOMING EVENTS**

1. 2016 ACWA Spring Conference  
May 3-6, 2016  
Monterey, CA

## **VIII. ADJOURN**

**The meeting was adjourned at 9:15 p.m.**

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PAMELA TOBIN, President  
Board of Directors  
San Juan Water District

ATTEST:

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TERI GRANT, Board Secretary

# GROUNDWATER PUMPING REIMBURSEMENT



**SHAUNA LORANCE  
IN CONJUNCTION WITH  
BOB CHURCHILL  
HILLARY STRAUS  
TOM GRAY**

**APRIL 27, 2016**

# Wholesale Shortage Plan



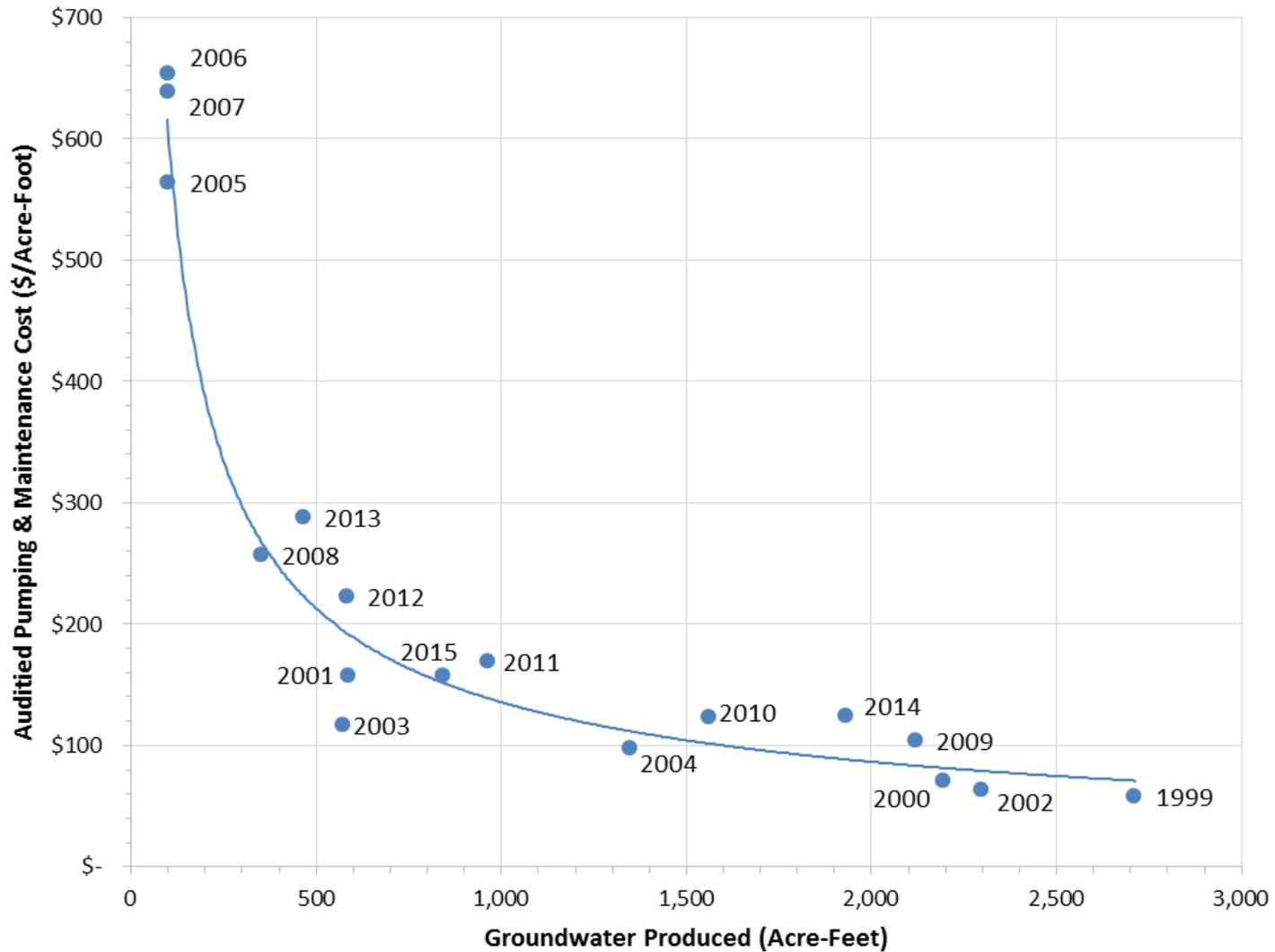
- Water supply agreements with WCA – May 2008
- References SJWD's Surface Water Supply and Water Shortage Management Plan, approved by all agencies as of May 14, 2008
- Water Shortage Management Plan includes:
  - Requirement for CHWD and FOWD to actively maintain well
  - Pump GW when requested by SJWD

## Wholesale Shortage Plan (cont.)



- In return, CHWD and FOWD receive:
  - Reimbursement of costs for “readiness to serve”
  - Reimbursement of costs for pumping GW in shortages

# Citrus Heights Water District Audited Groundwater Cost vs Groundwater Produced 1999-2015



# History



- Initial cost analysis for 2009- mid 2014= \$4.6M
- Consultants revision = \$2.5M
- Final Recommendation = \$2.0M
  - Revised calculations
  - Removal of overhead and administrative labor

# Current Status



- 2014 already agreed (requested pumping)
  - CHWD = \$264,698
  - FOWD = \$230,662
- Now discussing 2009-2013
  - Readiness to serve pumping
  - O&M costs

# Final Revisions



<b>Proposed Labor Deductions</b>		
<b>Agency</b>	<b>FOWD</b>	<b>CHWD</b>
Remove 15% OH	{\$155,342}	{\$129,804}
Remove Admin Staff	{\$214,952}	{\$ 34,349}
Totals	{\$370,294}	{\$164,153}

# Total Reimbursement



	<b>2014</b>	<b>2009-2013</b>	<b>Total</b>
<b>CHWD</b>	\$264,698	\$794,095	\$1,058,793
<b>FOWD</b>	\$230,662	\$691,985	\$922,647
<b>Total</b>	\$495,360	\$1,486,080	\$1,981,440

CHWD and FOWD will be contributing to this cost also as part of their wholesale water rates. Effectively they will only be paid for the benefit provided to other agencies.

# 2009-2013 Reimbursement



	<b>no. of payments</b>	<b>Quarterly payment \$</b>	<b>annual reimbursement</b>
<b>3 yr payback</b>			
<b>CHWD</b>	12	\$66,175	\$264,698
<b>FOWD</b>	12	\$57,665	\$230,662
<b>4 yr payback</b>			
<b>CHWD</b>	16	\$49,631	\$198,524
<b>FOWD</b>	16	\$43,249	\$172,996

# Recommendation



- Authorize staff to work with Legal Counsel to develop and execute an MOU or Agreement to formalize payment as described below:

	2014	2009-2013
CHWD	\$264,698	\$794,095
FOWD	\$230,662	\$691,985
<b>Total</b>	<b>\$495,360</b>	<b>\$1,486,080</b>

	no. of payments	Quarterly payment \$	annual reimbursement
<b>3 yr payback</b>			
CHWD	12	\$66,175	\$264,698
FOWD	12	\$57,665	\$230,662
<b>4 yr payback</b>			
CHWD	16	\$49,631	\$198,524
FOWD	16	\$43,249	\$172,996

3 or 4 year payback ?  
~\$125,000 per year

**Personnel Committee Meeting  
San Juan Water District  
April 19, 2016  
1:00 p.m.**

**Committee Members:** Pam Tobin, Chair  
Bob Walters, Director

**District Staff:** Shauna Lorange, General Manager  
Keith Durkin, Assistant General Manager  
Tony Barela, Operation Manager  
Teri Grant, Board Secretary/Administrative Assistant

**Members of the Public:** Shellie Anderson, Bryce Consulting

**Topics:** Employee Policy Review (W/R)  
Compensation Studies Policy (W/R)  
Staffing Levels (W/R)  
Other Personnel Matters  
Public Comment

**1. Employee Policy Review (W/R)**

Ms. Lorange informed the committee that Bryce Consulting was hired to update the Employee Manual and bring the employee policies up to date with current laws and regulations. She introduced Shellie Anderson of Bryce Consulting and informed the committee that Shellie will also be completing a human resources audit for the District to help determine what level of HR support is needed moving forward. Per Director Walters' request, Ms. Anderson will provide Bryce Consulting's Corporate Qualifications. A copy of the qualifications will be attached to the meeting minutes.

Ms. Lorange provided the committee with a written staff report which will be attached to the meeting minutes. She explained that the Board should consider revising the Employee Manual to be chapters, not Board policies. It has been recommended by Legal Counsel that the employee manual should contain information that describes how operations affect the employee and how the General Manager implements Board policies. The Board policies, such as the compensation policy, should be included with other Board policies.

Ms. Lorange informed the committee that the Employee Manual was reviewed by the managers then sent to Bryce Consulting for suggested revisions. Ms. Lorange has reviewed the suggested revisions and will be reviewing the revisions with the committee, staff and Legal Counsel. She explained that once the revisions are complete, she will bring them back to the committee for review and for recommendation to the Board for approval. In addition, she explained that the Employee Manual will then be kept on a schedule to review every two years. In response to Director Walters' comment, Ms. Lorange informed the committee that both the Employee Manual and the Board policies will be reviewed.

Ms. Lorance reviewed the substantive changes to the Employee Manual which are outlined in the staff report. The committee agreed with staff recommendation to reformat the manual into chapters with appropriate policies moved to Board policies. The committee will review the suggested revisions and contact Ms. Lorance with any comments or edits.

*For information only; no action requested.*

## **2. Compensation Studies Policy (W/R)**

Ms. Lorance reviewed the Compensation Studies Policy, which is included in the Employee Manual. She explained that some changes were made as requested by the Board at the Board workshop, which include:

- Removed “Philosophy” from “Compensation Philosophy”
- Added “for the District” in the first paragraph
- Changed “will” to “may” in first paragraph of 3110.01
- Changes labor market placement from average +10% to a statement that it will be determined after the Board obtains the data

In addition, some other changes are suggested, which are:

- Simplified surveyed agencies description
- Restricted General Manager authority to better meet the Board’s intent

Ms. Lorance explained that the intent is to limit the General Manager’s authority to make changes to compensation outside of approved salary ranges without Board approval. She also suggested that the committee discuss adding 40 hours of Assistant General Manager leave to the Employee Manual when that policy is reviewed.

Director Walters voiced some concern with the wording, “direct competition for employees” that was added to the policy as it might limit the agencies to be surveyed in a compensation study.

*For information only; no action requested.*

## **3. Staffing Levels (W/R)**

Ms. Lorance informed the committee that Ms. Vicki Sacksteder announced her retirement effective May 2<sup>nd</sup> as the District’s Water Resource Analyst. Ms. Lorance will be reviewing the position job description and title and will work with Ms. Anderson to post a job announcement. In addition, Ms. Lorance informed the committee that the position salary will fall within the salary range that was recommended by the last compensation study.

Ms. Lorance informed the committee that Ms. Jerry Spencer will also be retiring later this year and her customer service position is being recruited at this time in order to provide the necessary training. Ms. Lorance commented that Ms. Spencer informed her that she is retiring one year early due to the stress of not having enough time to get the job done correctly. Ms. Anderson commented that she has completed review of the first round of applications and has received a few more applications in the past week. There

have been very few applications that meet the basic requirements for the position. The position will remain open until filled by a qualified applicant.

Ms. Lorange provided the committee with a table of the positions for review, which include a WTP Operator, a Public Affairs Officer (PAO), a Customer Services Technician, a Human Resources position, and an Administrative Assistant position. She provided the committee with work transition flow charts and job descriptions and explained that this information will be provided at the Board workshop.

Ms. Lorange informed the committee that the PAO position funding could come from redirection of funds from the public relations budget. The committee discussed obtaining job descriptions from agencies in the area that utilize a PAO or Public Information Officer.

Ms. Lorange informed the committee that the positions listed on the table are high priority and some are needed as soon as possible. She explained that the positions will be reviewed at the workshop.

*For information only; no action requested.*

#### **4. Other Personnel Matters**

Ms. Lorange reported that she obtained information on vision plans as requested by the Board. She provided the committee with a staff report which will be attached to the meeting minutes. She explained that the current vision coverage for staff is reimbursement of vision expenses up to \$200 every two years. The committee reviewed the table in the staff report and the additional handout from ACWA/JPIA. The committee requested that staff obtain a formal quote from ACWA/JPIA and report back to the committee with the information.

President Tobin inquired about the District's dental plan. Ms. Lorange will obtain information and report back to the committee with the information.

*For information only; no action requested.*

#### **5. Public Comment (W/R)**

There was no public comment.

The meeting was adjourned at 1:42 p.m.



## *Corporate Qualifications*

Bryce Consulting, Inc. was formed in July 1995 to provide the full range of human resource consulting services to governmental clients. We offer comprehensive and integrated advisory services in the areas of human resources management, recruitment and selection, organization development, and training. Our scope and approach to consulting is based on a solid foundation of professional experience in providing consulting services to local governments. Bryce Consulting offers a comprehensive range of human resource consulting services including:

**Classification and Compensation** - This area of the practice includes the development, installation, and modification of all or part of an agency's classification plan and compensation program. Typical study results include compensation policy development; the preparation of class specifications and career ladders that are in compliance with the ADA; internal salary relationship analysis; external compensation surveys; and the development of a revised compensation plan.

**Organizational and Management Review and Analysis** - This practice area includes the review, analysis and development of organizational structure, staffing, levels, reporting relationships, work flow, and management control systems. Specific tasks include detailed operational and organizational data collection, analysis of current systems and processes, and development of new or modified organizational and operational structures to create operational efficiencies, workload balance and appropriate staffing levels. Implementation includes facilitated processes with management, individual staff, and entire work groups to ensure the broadest understanding and success of the study recommendations.

**Training** - This service provides both off-the-shelf and custom designed training programs on a wide variety of salient topics to organizations. Depending on the needs of the organization, we provide employee, mid-management, executive management or agency-wide training on topics such as customer service, supervisory skills, mediation and conflict resolution skills, performance development and evaluation, communicating with your boss and interpersonal skills.

**Human Resources Systems** - Typical assignments in this area result in the development or modification of the basic policy and administrative framework for the agency's human resource management system. Study results include the preparation of personnel rules, policies, and procedures, and employee handbooks.

**Performance Appraisal** - This service area involves the development and installation of comprehensive performance appraisal systems for both management and non-management staff. These systems are complete and include the necessary forms, procedure manuals, and the training of management and supervisory staff.

## *Staff Resumes*

### **SHELLIE ANDERSON**

Shellie Anderson is a principal with the firm who brings over fifteen years of human resource consulting experience, specifically within the public sector. Her background includes managing and participating in compensation and classification studies, organizational analyses, and recruitment and selection. Ms. Anderson has worked with a variety of public agencies including the State of California, cities, counties, and water districts. Ms. Anderson received a Bachelor's degree in Psychology and a Master's degree in Industrial and Organizational Psychology from the California State University, Sacramento. In addition, Ms. Anderson is a Certified Senior Professional in Human Resources and is an International Public Management Association Certified Professional.

### **JEAN SULLIVAN**

Jean Sullivan is a principal with the firm who brings a broad background of twenty-five years of human resources and management consulting experience. Her background includes providing consulting services in the areas of classification and compensation, development and administration of assessment centers, selection and recruitment, and organizational development and training to a wide variety of public sector agencies including cities, counties, school and special districts. Ms. Sullivan has personally been involved in over 500 classification and compensation consulting assignments over the last nineteen years. Ms. Sullivan earned her Bachelor of Science degree from the University of California, Davis in Applied Behavioral Science, with an emphasis in organizational development.

### **STACY JAMES**

Stacy James is a consultant with nine years of professional human resources experience including classification and compensation, recruitment and selection, development of work policies and procedures, and performance appraisal design. Ms. James previously oversaw the personnel practices in nine California Counties for social services and child support services departments which included serving as a business partner, conducting recruitments, determining and developing a variety of assessment processes, conducting job analyses, conducting classification studies, and providing training on rules and regulations governing the departments' merit system. Ms. James has served as consultant to a variety of State agencies, counties, cities, non-profits, and special districts in the State of California. She earned her Bachelor's degree in Psychology from California State University, Sacramento, and will earn her Master's degree in Industrial/Organizational Psychology pending thesis completion.

# STAFF REPORT

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To: Personnel Committee

From: Shauna Lorance, General Manager

Date: April 19, 2016

Subject: Employee Manual Update

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## RECOMMENDED ACTION

Staff recommends the committee review the changes to policies 1000 through 3110. Once all policies are complete, the Board of Directors will consider adoption of the revised Employee Manual.

## BACKGROUND

The Board of Director's adopted the latest version of the Employee Manual in May 2002. A complete review was conducted in 2007 and the revisions were adopted on February 14, 2007.

## CURRENT STATUS

The Board of Directors has requested the personnel committee conduct a review of the existing Employee Manual to confirm the manual complies with all regulations and laws. Staff will be submitting recommended revisions to the Employee Manual in smaller groups of policies. Once all policies have been reviewed, the committee should recommend the changes be adopted by the board of directors.

Shellie Anderson, Bryce Consulting, has conducted a review of the existing policies, and has recommended revisions where appropriate.

This staff report summarizes the substantive changes to policies 1000-3110 that are being recommended for consideration by the personnel committee.

Policy 1000 - Goals and Objectives

Minor clarifications, no substantive revisions

Policy 2010 - Definitions of Employment Status

- Changed probationary employee to evaluation employee
- Changed the term of "Senior Manager" to "Executive"
- Definition of part-time employee changed from less than 30 hours to less than 34 hours per week
- Added a requirement for employees separated from the District for more than 1 year to serve a 6-month evaluation period

Policy 2020 – Recruiting and selection

- Included the requirement for fitness for duty and, where appropriate, background check and drug testing as currently required
- Policy 2030 - Non-Discrimination Policy  
Modified to meet current laws
- Policy 2040 – Employment of Relatives
- Updated policy for existing employees that become close family relatives
- Policy 2050 – District and Employee rights  
Minor clarifications, no substantive revisions
- Policy 2060 – Fitness for duty  
Significantly updated process to match current district procedure and current laws
- Policy 2070 - New Employee Probation Period
- Changed “probation” to “evaluation”
  - Minor clarifications
- Policy 2080 – Personnel records and privacy  
Updated to meet current laws
- Policy 3010 – Work week and hours of work  
Minor clarifications, no substantive revisions
- Policy 3020 – Payday  
No revisions
- Policy 3030 - On-Call/Call Back Pay
- Complete rewrite
  - Summary below

<b>STANDBY/ON-Call POLICY TABLE: Description</b>	<b>Current Practice</b>	<b>Proposed Change</b>	<b>Difference to Operator</b>	<b>Notes</b>
<b>Standby Comp.</b>	18 Hrs	14 Hrs	(4) Hrs/Wk	pay for being on standby, not for time worked
<b>Phone Calls</b>	0 Hrs	>15 Mins = 1 Hr	+/- 1 Hr/Wk	Misc. phone calls are intermittent, possibly 1-3 per month, sometimes more
<b>Min. CO Clock</b>	4 Hrs	4 Hrs	0 Hrs/Wk	No Change
<b>Holiday</b>	4 SB/8 Hol/accrue 8 Vac	4 SB/8 Hol/accrue 8 Vac	--	No Change
<b>Hours Worked</b>	OT after 40 hours	OT for all call outs	No change if the operator works a full scheduled workweek	- Call outs being OT is consistent with all other agencies other than EID. - This change makes tracking time easier for the operator and Finance.

- Policy 3040 - Overtime Pay: Non-Exempt Employees  
Minor clarifications, no substantive revisions
- Policy 3050 - Overtime Pay: Exempt Employees  
Updated job titles for exempt positions
- Policy 3060 – Lunch and rest periods  
Rewritten but no substantive revisions
- Policy 3070 – Early return to work program
- Increased the number of days that must be missed due to illness prior to requiring a physician release to return to work.
  - Added the requirement to work through the District’s occupational medical return to work consultant
- Policy 3080 – Salary Ranges  
Minor clarifications, no substantive revisions
- Policy 3090 – Incentive award program  
Need to decide what to do with this policy
- Policy 3100 – Change in classification of a position  
Rewritten but no substantive revisions
- Policy 3110 – Compensation Studies  
As requested by the Board at the board workshop:
- Removed “Philosophy” from “Compensation Philosophy”
  - Added “for the District” in the first paragraph
  - Changed “will” to “may” in first paragraph of 3110.01
  - Changes labor market placement from average +10% to a statement that it will be determined after the board obtains the data
- Other changes:
- Simplified surveyed agencies description
  - Restricted general manager authority to better meet the Board’s intent

**Finance Committee Meeting Minutes**  
**San Juan Water District**  
**April 21, 2016**  
**9:30 a.m.**

**Committee Members:** Ted Costa, Director (Chair)  
Pam Tobin

**District Staff:** Shauna Lorange, General Manager  
Donna Silva, Director of Finance  
Teri Grant, Board Secretary/Administrative Assistant

**Topics:** Replacement of Vehicle #10  
Other Finance Matters  
Public Comment

**1. Replacement of Vehicle #10**

Ms. Lorange informed the committee that the 2007 Honda Pilot (vehicle #10) that she drives needs to be replaced as she has mentioned to the committee in the past. She provided the committee with a written staff report which will be attached to the meeting minutes. She explained that requests for bids were sent to five dealers; the District received 2 bids. In addition, information was received from the state purchasing program. The committee reviewed the information provided and agreed that a replacement vehicle was needed.

*The Finance Committee recommends consideration of a motion to award bid to lowest responsive bidder, Harold Ford in the amount of \$34,463 plus applicable taxes and fees.*

In response to Director Tobin's question, Ms. Lorange informed the committee that vehicle #10 will be taken to the state auction for sale. Ms. Silva informed the committee that she will review the Community Service District law to update the District's disposal of property policy as part of an overall review of the District Ordinances.

**2. Other Finance Matters (W or R)**

Director Costa informed the committee that he will be meeting with Misha Sarkovich, FOWD Director. In response to Director Costa's question regarding the FO-40 project, Ms. Lorange informed the committee that FOWD staff had requested an alternate payment schedule for the second phase of the FO-40 project. She explained that a draft agreement with an alternate payment plan was sent to FOWD with a request that they sign the agreement within 60 days. FOWD has not returned a signed agreement to date; therefore, FOWD will receive invoices on the FO-40 project that need to be paid according to the existing wholesale water supply agreement. In addition, Ms. Lorange commented that any changes to the alternate payment schedule agreement would need to be sent in writing for review by the full Board.

*For information only; no action requested.*

**3. Public Comment**

There were no public comments.

The meeting was adjourned at 9:50 a.m.

# STAFF REPORT

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To: Finance Committee

From: Shauna Lorance, General Manager

Date: April 21, 2016

Subject: Vehicle #10 replacement

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## RECOMMENDED ACTION

Consider recommendation to the Board to purchase the replacement of vehicle #10 from Harrold Ford as the low bidder in the amount of \$34,463 plus tax and license and amend the wholesale capital budget to include this expenditure.

## CURRENT STATUS

In the spring of 2015, staff discussed with the board that the Honda (vehicle #10) was reaching the end of its useful life. However, as we were entering a period of serious drought and unknown revenue losses, I recommended continuing with minor repairs to maintain the vehicle in operating condition for as long as was feasible.

The vehicle has reached a point where it is not reliable and requires a significant amount of repairs. Incurring thousands of dollars in repairs on a vehicle with over 180,000 miles is not cost effective. During discussions on replacement of the vehicle, it was requested by members of the Board that the replacement vehicle not be made by a foreign car company. The closest comparison to the Honda Pilot is the Ford Explorer. The Ford Edge is a step down, smaller vehicle, but will also meet the needs of the District.

Staff has discussed the need to replace the vehicle as soon as feasible with the finance committee members. Staff requested bids from five area Ford dealers for the Ford Edge. The District developed a general description of the vehicle requested, the deadline for accepting bids, and the time and place for accepting bids. The District distributed the request for bids to responsible prospective vendors (the five regional Ford dealers). In addition, we have reviewed the state purchasing contract, which the District has historically used to replace vehicles.

The District received two bids for readily available 2016 Ford Edge vehicles. The first bid is from Harrold Ford. The MSRP for the vehicle is \$37,385 and they bid \$34,463. The second bid is from Folsom Lake Ford with a MSRP of \$39,050 after discounts and the bid is for \$34,741. This last vehicle includes a panoramic vista roof and aluminum wheels thrown in for a value of \$2490 for an additional \$278,

but this optional equipment are not necessary options. Neither of these bids include tax nor license costs.

The state contract does not include the lower priced Ford Edge, but does include the 2017 Ford Explorer. This vehicle would not be available until at least August, and the cost would be \$35,927 plus tax and license.

<b>Vendor</b>	<b>vehicle</b>	<b>price</b>
Harrold Ford	Ford Edge	\$34,463
Folsom Lake Ford	Ford Edge	\$34,741
State Contract	Ford Explorer	\$35,927 *

\*Not available for at least 12 weeks

### **BUDGET**

This item was not included in the budget, so this will be an amendment to the budget.

# AGENDA ITEM VI-1.2

## MEMORANDUM OF UNDERSTANDING BY AND BETWEEN SAN JUAN WATER DISTRICT AND THE COUNTY OF SACRAMENTO

1. **PARTIES.** This Memorandum of Understanding (MOU) is entered into by the San Juan Water District, (“District”) and the County of Sacramento, a political subdivision of the State of California (“County”).

2. **PURPOSE OF THIS MOU.** The purpose of this MOU is to define the expectations, rights, and responsibilities of the parties with regard to providing certain services for all elections. This MOU supersedes any other agreement between the parties related to the matters covered by this MOU.

3. **ROLES AND RESPONSIBILITIES.** The responsibilities of the Sacramento County Registrar of Voters and the General Manager of the San Juan Water District are defined in Attachment A (Scope of Services), which is a part of this MOU.

4. **REIMBURSEMENT FOR SERVICES PROVIDED.** The District agrees to reimburse the County for elections services within 30 days from receipt of an invoice from the County Elections Office. If there is a dispute about services provided or costs claimed, the Registrar of Voters and the General Manager shall meet in good faith to resolve the dispute before any other remedies are sought.

5. **MUTUAL INDEMNIFICATION.**

5.1 District agrees to indemnify and hold harmless County, its officers, employees, agents, and volunteers from any and all liabilities for injury to persons and damage to property arising out of any act or omission of District, its officers, employees, agents or volunteers in connection with District’s performance of its obligations under this MOU.

5.2 County agrees to indemnify and hold harmless District, its officers, employees, agents, and volunteers from any and all liabilities for injury to persons and damage to property arising out of any act or omission of County, its officers, employees, agents or volunteers in connection with County’s performance of its obligations under this MOU.

5.3 This Section 5 survives the termination or expiration of this MOU.

6. **TERM OF AGREEMENT.** This MOU is effective upon the signatures of the parties, and may be modified at any time by the written consent of the parties. It may be terminated at any time upon mutual consent of the parties, or unilaterally upon written notice from the terminating party to the other party at least 60 days prior to the date of termination. The District shall reimburse the County for cost of services provided through the date of the termination notice.

SAN JUAN WATER DISTRICT,

COUNTY OF SACRAMENTO,  
a political subdivision of the State of  
California

By: \_\_\_\_\_  
Shauna Lorange, General Manager

By: \_\_\_\_\_  
Registrar of Voters

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

Approved as to Form:

By: \_\_\_\_\_  
Board Secretary

By: \_\_\_\_\_  
County Counsel

## ATTACHMENT A - SCOPE OF SERVICES

### ALL ELECTIONS

#### **Registrar of Voters shall provide the following services for all San Juan Water District elections:**

1. Prepare election process forms and provide to the General Manager at least 120 days prior to the election.
2. Verify signatures on petitions, including but not limited to, all candidate official filing forms, nomination paper petitions, and supplemental nomination paper petitions; initiative, referendum, and recall petitions; Notices of Intent to Circulate Petitions; and Notices of Intent to Recall.
3. Assign measure letters.
4. Prepare, translate, and format the sample ballot for materials including, as applicable: candidates' statement, ballot arguments and rebuttals, measure ballot title and summary, measure impartial analysis, facsimile ballot, voting instructions, polling place information, and map and/or address of ballot drop-off locations in the SAN JUAN WATER DISTRICT.
5. Supply sample ballot materials to registered voters in the affected District service area.
6. Provide to the General Manager an electronic listing of all electors eligible to vote in the election, including polling place, if applicable.
7. Provide ballot tabulation equipment and qualified and trained personnel for its operation throughout the election as provided by law.
8. Provide security during ballot counting and tabulation process.
9. Provide sufficient personnel to deliver, process, count, and tabulate election ballots.
10. Provide sufficient personnel to process, count, and tabulate signature withdrawal requests.
11. Distribute and process vote-by-mail ballots.
12. Distribute and process provisional ballots and challenged ballots.
13. Perform canvass and issue Official Statement of Vote to the General Manager as required by federal and state election laws.
14. Prepare invoices for services rendered within 45 days of the election and provide revised invoices, as necessary, following cost reconciliation
15. Other services as requested by the General Manager.

#### **The General Manager shall provide the following services to the Registrar of Voters for all San Juan Water District elections:**

1. Provide a copy of the resolution calling the election and requesting services as required by federal and state election law.
2. Provide Board action regarding costs for printing of candidate statements.
3. As applicable, promptly furnish copies of the full text of measures, including a written description of any related maps or images, impartial analysis, ballot title and summary, arguments, and rebuttals.
4. Remit payment for services rendered within 30 days of receiving invoice.

## ELECTION POLLING LOCATIONS

**The Registrar of Voters shall provide the additional following services for San Juan Water District polling location elections:**

1. Establish polling locations that are compliant with State of California law regarding accessibility.
2. Provide furniture and equipment, as needed, for polling locations and poll workers.
3. Hire, train, and compensate poll workers and alternate poll workers.
4. Hire, train, and compensate Coordinators and technical teams for technical and logistical support to poll workers and elections personnel.
5. Provide the General Manager with a direct link to County website that indicates polling locations.

**The General Manager shall provide the additional following services for San Juan Water District polling place elections:**

1. Provide location and security for a ballot box for vote-by-mail drop-offs at District Office on Election Day and at least 15 days prior. *(this item optional at request of District)*

## ALL-MAIL-BALLOT ELECTIONS

**The Registrar of Voters shall provide the additional following services for San Juan Water District all-mail-ballot elections:**

1. Provide materials, equipment, staffing, and activities required for all-mail-ballot elections as required by law.
2. Hire and train workers for ballot drop-off locations.
3. Provide for the establishment of ballot drop-off locations, with days and hours of operation for a period of at least 15 days prior to Election Day and on Election Day from 7 a.m. to 8 p.m. or as required by election law.
4. Provide materials, furniture, and equipment, as needed, for ballot drop-off locations.
5. Timely deliver all official ballots as required by law.
6. Provide daily tallies of returned ballots by area as requested to the General Manager.

**The General Manager shall provide to the Registrar of Voters for San Juan Water District all-mail-ballot elections:**

1. Assist with the identification of potential facilities for ballot drop-off locations.
2. Provide location and security for a ballot box for vote-by-mail drop-offs at District Office on Election Day and 15 days prior to Election Day or as otherwise required by law. *(this item optional at request of District)*

# AGENDA ITEM VI-1.3

## San Juan Water District

### RESOLUTION CALLING GENERAL ELECTION RESOLUTION NO. 16-05

WHEREAS, an election will be held within the SAN JUAN WATER DISTRICT that will affect the following county or counties PLACER/SACRAMENTO on November 8, 2016, for the purpose of electing DIRECTORS (2) and

WHEREAS, a statewide general election will be held within the County of Sacramento on the same day; and

WHEREAS, Elections Code §10403 requires jurisdictions to file with the Board of Supervisors, and a copy with the Registrar of Voters, a resolution requesting consolidation with a statewide election.

THEREFORE, BE IT RESOLVED, that the SAN JUAN WATER DISTRICT requests the Board of Supervisors of Sacramento County to consolidate the regularly scheduled Presidential General Election with the statewide election to be held on November 8, 2016; and

BE IT FURTHER RESOLVED, that the Candidate pays at the Voter Registration and Elections office for the publication of the candidate's statement, pursuant to Elections Code §13307. The limitation on the number of words that a candidate may use in his/her candidate's statement is 200 words; and

BE IT FURTHER RESOLVED, that the District agrees to reimburse the Registrar of Voters for actual costs accrued for each election, such costs to be calculated by the proration method set forth in the County's current Election Cost to Allocation Procedures.

BE IT FURTHER RESOLVED, that the District will use the following method of selecting a winning candidate for Director in case of a tie vote at the November 8, 2014 general District election:

Upon notification of a tie by the Registrar of Voters, the District Secretary will notify the candidates who have received the tie votes and order those candidates or their designated representatives to appear before the Board of Directors for a determination of the winner at the time and place designated by the Board. At the designated time and place, the Board will determine the tie by a drawing of lots conducted by the Board President or his or her designee, and the winner of the drawing shall be declared the winner by the Board. (Elections Code Section 10551, subd. (b).)

PASSED AND ADOPTED by the Board of Directors of the San Juan Water District on the 27th day of April 2016, by the following vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSENT:	DIRECTORS:

ATTEST:

\_\_\_\_\_  
PAMELA TOBIN, President, Board of Directors

\_\_\_\_\_  
TERI GRANT, Secretary, Board of Directors

**NOTICE OF GENERAL ELECTION**  
**IN THE \_\_\_\_\_ SAN JUAN WATER \_\_\_\_\_ DISTRICT**

Notice is hereby given that a Presidential General District Election will be held in this district on November 8, 2016. The offices for which candidates may be nominated are:

<i>Title of office</i>	<i>Number of Positions</i>
<i>DIRECTOR</i>	<i>2</i>
_____	_____
_____	_____

**QUALIFICATIONS:** Each candidate must meet the following qualifications for office as specified in the principal act or applicable code under which this district is organized:

CANDIDATE SHALL BE A REGISTERED VOTER RESIDING WITHIN THE  
\_\_\_\_\_ BOUNDARIES OF THE DISTRICT.  
\_\_\_\_\_

**CODE REFERENCE:** \_\_\_\_\_ GOV. CODE 61400 \_\_\_\_\_

Official nominating petitions for eligible candidates desiring to file for any of the elective offices may be obtained from the office of the Registrar of Voters at 7000 65<sup>th</sup> Street, Suite A, Sacramento, CA 95823-2315, on and after July 18, 2016, and must be filed not later than 5:00 p.m. on August 12, 2016. However, if nomination documents for an incumbent are not filed by 5:00 p.m. on August 12, 2016, any qualified person other than the incumbent shall have until 5:00 p.m. on August 17, 2016 to file.

Appointment to each elective office will be made by the supervising authority as prescribed by Elections Code §10515 in the event there are insufficient or no nominees for such office and a petition for an election is not filed within the time prescribed by Elections Code §10515; that is, by 5:00 p.m. on August 17, 2016.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

(Seal)

\_\_\_\_\_  
District Secretary

**PUBLICATION OF NOTICE(S) OF ELECTION**

Elections Code §12112 requires the publication of a "Notice of Election". The notice shall contain the date of the General District Election, name the offices for which candidates may file, and state the qualifications required by the principal act for each office, as well as other pertinent information.

**San Juan Water District**

*(Name of District)*

Recommends that the Registrar of Voters publish:

a combined election notice with other districts.

OR

a separate/individual district notice.

(if a separate/individual district notice is requested, the district will be responsible for printing of such notice.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_.

\_\_\_\_\_  
District Secretary

**NOTICE OF GOVERNING BOARD MEMBER ELECTION AND/OR  
NOTICE TO SUBMIT MEASURE(S) TO A VOTE OF THE VOTERS**

Resolution No. 16-06

RESOLUTION OF THE GOVERNING BODY OF THE

**San Juan Water District**

DECLARING AN ELECTION BE HELD IN ITS JURISDICTION;  
REQUESTING THE BOARD OF SUPERVISORS TO CONSOLIDATE THIS ELECTION  
WITH ANY OTHER ELECTION CONDUCTED ON SAID DATE;  
AND  
REQUESTING ELECTION SERVICES BY THE COUNTY CLERK.

WHEREAS, this District Governing Body orders an election to be held in its jurisdiction on  
November 8, 2016; at which election the issue(s) to be presented to the voters shall be:

**NOMINATION OF CANDIDATES FOR THE GOVERNING BODY**

1. Said election shall be to fill a vacancy for the following Board Members(s) who resigned and/or whose term(s) expired:

Incumbent's Name	Division Number (if applicable)	Regular/Short Term
Pamela Tobin		Regular
Kenneth Miller		Regular

2. Said Directors for this District are elected in the following manner:

X At Large.

There are no divisions in the District; all voters within the District vote for all candidates.

     By Division.

Districts are split into areas; only those voters residing in the area may vote for candidates who run in the area.

     Qualified by Division-Elected at Large.

Directors must qualify to run by living in a specific division, but all voters within the District may vote on all candidates.

3. Said District has determined the following election particulars:

- The length of the Candidate Statement shall not exceed 200 words.  
(Specify either 200 or 400 words)
- The cost of the Candidate Statement shall be paid by the Candidate.  
(Specify Candidate or District)

#### **MEASURE(S) TO BE SUBMITTED TO THE VOTERS (IF APPLICABLE)**

(If this election is strictly for deciding one or more measures and no candidates are to be elected, please complete #4 through #6 below)

4. Said District does not request that the following measure(s) be decided at this election.  
(Specify does or does not)

- Said Governing Board orders the following measure(s) to be put to a vote of the residents of the District:

(See attached wording marked Exhibit(s) \_\_\_\_\_)

5. Said District has determined the following election particulars:

- In the case of a tie vote, the election shall be determined by LOT.  
(Specify lot or runoff election)
- The County Clerk is requested to provide election services. If the District requests the Placer County Office of Elections to provide election services, all applicable costs will be paid for by the District.  
(Specify requested or not requested)

6. The District hereby certifies that (please check one):

       There have been changes to the District boundary lines since our last election as shown on the attached map and/or legal description.

  X   There have been no District boundary changes since our last election, but the District understands that the Placer County Public Works Mapping Division will verify our District boundary lines prior to the election.

BE IT RESOLVED that the Board of Supervisors of the County of Placer is hereby requested to:

1. Consolidate the election with any other applicable election conducted on the same day;
2. Authorize and direct the County Clerk, at Governing Body expense, to provide all necessary election services.

This Resolution shall be considered a Notice of Election and Specification of Election Order if applicable.

PASSED AND ADOPTED by the Governing Body on   APRIL 27  , 20  16  .

AYES:

NOES:

ABSENT:

ATTEST: \_\_\_\_\_  
SECRETARY OF THE BOARD

\_\_\_\_\_  
CHAIR OF THE BOARD

(Seal)

# STAFF REPORT

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To: Board of Directors

From: Shauna Lorance, General Manager

Date: April 27, 2016

Subject: Report back on retirements

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## RECOMMENDED ACTION

No requested action, this item is for information only.

## BACKGROUND

The District created a succession plan in November 2013. Staff provided an update on the succession planning at SJWD at the February 17, 2016 Board workshop and a copy of the Succession Plan Executive Summary from 2013. The executive summary included a table that listed the classifications that were held by people eligible to retire as of November 2013. Staff received a request to provide an update on which of the classifications eligible to retire had retired.

## CURRENT STATUS

10 of the 13 classifications have either retired, or formally announced their retirement.

Classification Eligible to Retire  
As of November 2013

Classification	retired	Years with District (as of 2013)
WRA	yes	8
Accounting tech III	In Oct	14
Retail Ops Manager	yes	10
WTPO III	yes	22
Engineering Manager	No	8
Customer Services Manager	yes	23
Distribution Operator II	yes	26
Conservation Tech I	yes	11
WTPO III	yes	13
AGM	no	10
Distribution Lead Worker	May	28
IT	no	1
Conservation Tech II	Yes	18



Bartkiewicz, Kronick & Shanahan  
A Professional Corporation

MEMORANDUM

**TO: BOARD OF DIRECTORS, SAN JUAN WATER DISTRICT**

**CC: SHAUNA LORANCE, GENERAL MANAGER AND KEITH DURKIN, ASSISTANT GENERAL MANAGER**

**FROM: JOSH HOROWITZ**

**DATE: APRIL 22, 2016**

**RE: PROPOSED BILL LANGUAGE TO FACILITATE CONSERVED WATER TRANSFERS**

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The Legal Affairs Committee requested that we prepare proposed language for a bill that would clarify that all conserved water, including water conserved under state-mandated conservation regulations, is transferrable under Water Code section 1011. Water Code section 1011 is the statute that provides for transfers of conserved water. Rather than propose adding a new statute to the Water Code, the District's proposal would amend Water Code section 1011. The following shows the proposed amendments to Section 1011 in the style used by the Legislature.

An act to amend Section 1011 of the Water Code, relating to transfers of conserved water.

**SECTION 1.** (a) It is the intent of the Legislature that any person entitled to use water under an appropriative right is authorized to retain the full benefits of those rights, including making full beneficial use of any water conserved by the water right holder under its right. This policy is expressed in the existing language of Water Code section 1011. However, during the drought that began in 2012, it has been questioned if Section 1011 permits the transfer of water conserved as a result of mandatory conservation requirements adopted by statute, regulations of the State Water Resources Control Board or another state agency, or under the Governor's emergency powers.

This bill clarifies that any conserved water, whether resulting from voluntary or mandatory conservation actions of any kind by the holder of a pre-1914 or state-granted appropriative water right may transfer all water conserved as a result of those actions.

**SECTION 2.** Section 1011 of the Water Code is amended to read:

1011. (a) When any person entitled to the use of water under an appropriative right fails to use all or any part of the water because of *any* water conservation efforts,

any cessation or reduction in the use of the appropriated water, *whether resulting from voluntary actions of the water right holder or from any mandatory action required by statute, regulation, or by order of the Governor*, shall be deemed equivalent to a reasonable beneficial use of water to the extent of the cessation or reduction in use. No forfeiture of the appropriative right to the water conserved shall occur upon the lapse of the forfeiture period applicable to water appropriated pursuant to the Water Commission Act or this code or the forfeiture period applicable to water appropriated prior to December 19, 1914.

The board may require that any user of water who seeks the benefit of this section file periodic reports describing the extent and amount of the reduction in water use due to water conservation efforts. To the maximum extent possible, the reports shall be made a part of other reports required by the board relating to the use of water. Failure to file the reports shall deprive the user of water of the benefits of this section.

For purposes of this section, the term “water conservation” shall mean the use of less water to accomplish the same purpose or purposes of use allowed under the existing appropriative right, *regardless of whether that reduction in use results from voluntary actions or a state mandate*. Where water appropriated for irrigation purposes is not used as a result of temporary land fallowing or crop rotation, the reduced usage shall be deemed water conservation for purposes of this section. For the purpose of this section, “land fallowing” and “crop rotation” mean those respective land practices, involving the nonuse of water, used in the course of normal and customary agricultural production to maintain or promote the productivity of agricultural land.

(b) Water, or the right to the use of water, the use of which has ceased or been reduced as the result of water conservation efforts as described in subdivision (a), may be sold, leased, exchanged, or otherwise transferred pursuant to any provision of law relating to the transfer of water or water rights, including, but not limited to, provisions of law governing any change in point of diversion, place of use, and purpose of use due to the transfer.

(c) Notwithstanding any other provision of law, upon the completion of the term of a water transfer agreement, or the right to the use of that water, that is available as a result of water conservation efforts described in subdivision (a), the right to the use of the water shall revert to the transferor as if the water transfer had not been undertaken.

*(d) To ensure that conserved water is put to maximum beneficial use in the state, the department and board shall take all necessary actions to facilitate water transfers conducted under this section regardless of the method by which the conserved water proposed for transfer is generated.*

# AGENDA ITEM VI-5.2

## Director Tobin's Report 4/27/2016

RWA Executive Committee

CalPers retirement system reallocation agreement

In early 2013 CalPers audited RWA and in July 2013 the findings allowed SGA to apply for CalPers membership. SHA now has membership with CalPers and will be making their own payments beginning in FY17. CalPers will reallocate assets and liabilities from RWA contract to the SGA contract in the amounts estimated in the actuarial valuation report in direct proportions to the service the employees perform on behalf of SGA. Both SGA and RWA will need to approve the reallocation agreement

Regional Reliability - Staff is working with MWH to develop the scope of work on the Regional Water Reliability Plan. RWA submitted a letter of interest with the City of Sacramento, PCWA, El Dorado County Water Agency to partner with Reclamation on an American River Basin Study. RWA submitted a concept proposal for conjunctive use program to the CA Water Commission for the Water a Supply Investment Program funded thru Prop 1. Prop 1 has \$2.1 billion dollars for storage and the water commission will decide the distribution. May 11<sup>th</sup> is the deadline for agencies to describe their needs to help determine how various projects will be funded. Yuba County has benefited through this program and has put together a project for water transfers and made a lot of money doing so.

Regulatory update – DWR has proposed a number of revisions that are consistent with comments provided by RWA, SGA and ACWA. Several commissioners were uncomfortable scaling back the requirements in the draft regulations. RWA and SGA submitted comment letters on the draft regulations as well as coordinating with the ACWA letter. The State Water Control Board held a workshop last week and there were two panels of speakers (Southern CA for individual water suppliers) and RWA and its members discussing hydrologic and water supply conditions to support the topic of modifying the emergency water conservation regulations. Modifications will take effect June 1, 2016.

Legislation Update – some bills that we have been tracking aren't going forward at this time. AB1555 (Gomez) Greenhouse Gas Reduction Fund. (We supported). This is the cash for grass. AB1716 (McCarty) Lower American River Fund. SB 814 (Hill) Drought, excessive water use. This was considered a shaming bill with fines for excessive use. SB1317 (Wolk) Conditional use permit; groundwater extraction. Growth limiting bill. SB1318 (Wolk) Local government: drinking water infrastructure or services:wastewater infrastructure we opposed and this bill was designed to be a LAFCO controlling bill. Next Thursday there is a phone lobbies the meeting with Soyla at 10:00 am.

ACWA Federal Affairs – Feb 6 in DC. Topics included improving CA headwaters, investing in water storage, creating more efficient water market, SGMA implementation and providing a voice in the greater Sacramento area

Note: ask Rob Swartz to give a presentation on Groundwater contamination as it could relate to the CTP and the benefits that Yuba County has seen with water transfers.

Directors to bring their choice of special projects by next board meeting with an informal action plan