

SAN JUAN WATER DISTRICT

Board of Director's Board Meeting Minutes

October 22, 2025 – 6:00 p.m.

BOARD OF DIRECTORS

Ted Costa	President
Mike McRae	Vice President
George Machado	Director
Pam Tobin	Director
Manuel Zamorano	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Adam Larsen	General Manager
Tony Barela	Director of Operations
Andrew Pierson	Director of Engineering
Devon Barrett	Customer Service Manager
Daniel Griego	Field Services Manager
Greg Zlotnick	Water Resources Manager
Mike Spencer	Water Treatment Plant Manager
Chris von Collenberg	Information Technology Manager
Teri Grant	Board Secretary/Administrative Assistant
Elizabeth Ewens	Water Counsel
Scott Drexel	General Counsel

OTHER ATTENDEES

Adam Vasquez	
Clint E	
Meera Deshmane	
Sandy Harris	
Tom Gray	Fair Oaks Water District
Entela Fallstead	SJWD Employee
Jed Thorne	SJWD Employee
Mark Hargrove	SJWD Employee

AGENDA ITEMS

- I. Call to Order**
- II. Pledge of Allegiance**
- III. Roll Call**
- IV. Public Forum and Comments**
- V. Consent Calendar**
- VI. Public Hearing**
- VII. Discussion and Action Items**
- VIII. Information Items**
- IX. Directors' Reports**
- X. Future Agenda Items**
- XI. Committee Meetings**
- XII. Upcoming Events**
- XIII. Closed Session**
- XIV. Open Session**
- XV. Adjourn**

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

The Board Secretary took a roll call of the Board. The following directors were present in the Boardroom: Ted Costa, Mike McRae, George Machado, Pam Tobin, and Manuel Zamorano.

IV. PUBLIC FORUM

There were no public comments.

V. CONSENT CALENDAR

All items under the Consent Calendar are considered to be routine and are approved by one motion. There was no separate discussion of these items unless a member of the Board, audience, or staff requested a specific item removed. Consent Calendar item documents are available for review in the Board packet.

1. Minutes of the Board of Directors Meeting, September 17, 2025 (W & R)

Recommendation: Approve draft minutes

Director Tobin moved to approve the Consent Calendar. Director Zamorano seconded the motion, and it carried unanimously.

VI. PUBLIC HEARING

1. Ordinance No. 25-01 Amending Ordinances 18000.01 and 18000.03 (R)

President Costa opened the Public Hearing at 6:08 p.m.

The Public Hearing was duly posted and published. There were no formal written or verbal comments received.

Mr. Barrett reported that the Board introduced and waived the first reading of Ordinance 25-01, which amends Ordinances 18000.01 and 18000.03, at the last Board meeting. He explained that the ordinance needs to be updated to reflect the update to the user fees which added a new late fee and a lien processing fee.

President Costa opened the floor for public comment. There were no public comments.

In response to Director Zamorano's question, Mr. Barrett explained how the late fee would be applied. In addition, Mr. Barrett informed the Board that the ordinance will not go into effect until January 1, 2026, so that public outreach can be conducted.

President Costa closed the Public Hearing at 6:15 p.m.

In response to President Costa's comment, Mr. Barrett explained that the District no longer turns a customer's water off and instead uses the lien process to collect past due accounts.

Director Tobin moved to waive the Second Reading of Ordinance No. 25-01 and adopt Ordinance 25-01 – An Ordinance of the Board of Directors of the San Juan Water District Amending Ordinances 18000.01 and 18000.03. Director Machado seconded the motion, and it carried with 4 Aye votes and 1 No vote (Zamorano).

VII. DISCUSSION AND ACTION ITEMS

1. FY 2025-26 Operations Plan Report Card (W & R)

GM Larsen reviewed the 1st quarter progress on the FY 2025-26 Operations Plan Report Card. He informed the Board that since it's the first quarter, most of the items are on track. Mr. Pierson commented that he will revise the spreadsheet to reflect that the Hinkle joint seal item needs to have a valve installed before commencing work on the actual project, and he will provide an update on the Backwash Hood project later in the meeting.

2. Retail Rate Analysis Update (R)

GM Larsen provided the Board with a staff report which was included in the Board packet. He explained that he would like to schedule a special Board meeting (workshop) to discuss and receive Board direction on the retail rate structure and the scope of work. Vice President McRae stated that he feels that this will give the new General Manager a stake and contribution in the public outreach process. Vice President McRae informed the Board that he plans to update the draft outline that he previously prepared and will provide that at the workshop. The Board discussed the recommendation and scheduled the workshop for January 14, 2026, at 6:00 pm.

In response to President Costa's question, Vice President McRae confirmed that the Finance Committee will be discussing this item as well. Director Tobin requested that the December 9th Finance Committee meeting be moved to December 8th because she would like to attend. The committee members agreed to the change and moved the time to 2:00 pm.

3. Proposal for Position Reclassifications and Pay Scale Adjustments (W & R)

In response to President Costa's comment, GM Larsen explained that this item was brought to the Personnel Committee at his request and recommendation while the next agenda item are the recommendations from the Ad Hoc Committee.

GM Larsen reviewed the staff report which was included in the Board packet and informed the Board that he is not requesting any new positions, just changes to current positions. In response to Vice President McRae's question, GM Larsen explained that Bryce Consulting provided updated hourly rates for the positions.

GM Larsen explained that the recommended changes are:

- Eliminate one Customer Service Technician Full Time Equivalent (FTE) and add a Human Resources Specialist (one FTE)
Proposed compensation range: \$54.86 – \$65.83 per hour
- Eliminate the CMMS/GIS Coordinator position and replace it with an Operational Technology Coordinator
Proposed compensation range: \$55.81 – \$66.97 per hour
- Eliminate one Water Efficiency Technician FTE and add one Distribution Operator II FTE
Proposed compensation range: \$40.19 – \$48.22 per hour
- Eliminate Purchasing Agent position and replace with Procurement Specialist
Proposed compensation range: \$47.59 – \$57.11 per hour

Director Tobin moved to approve the position reclassifications as recommended. Director Zamorano seconded the motion, and it carried with 4 Aye votes and 1 No vote (Costa).

Mr. Tom Gray, Fair Oaks Water District General Manager, addressed the Board and offered to provide their 2026 Compensation Study which will be completed in the 3rd quarter of 2026. In addition, he mentioned that Fair Oaks just revised their contracts process, and he would be happy to provide the District with that information. President Costa suggested that he talk with GM Larsen regarding both items.

4. Ad Hoc Committee on Employee Compensation (W & R)

GM Larsen explained that the committee reviewed three positions which were found to be under market target and the committee requested staff bring recommendations to the Board regarding how to bring those positions to market target. Therefore, he provided the Board with a staff report which was included in the Board packet.

GM Larsen explained that the Director of Finance and Human Resources is currently 6% below the market target; however, if that position was brought up 6% then that position would be paid higher than the General Manager's position. Therefore, he recommended that the change be implemented after the General Manager's next salary adjustment or implement a 3% increase now then 3% later. The Board discussed the pay discrepancy of the position.

Director Zamorano moved to increase the Director of Finance and Human Resources salary range by 3% now then 3% after the General Manager receives the first salary increase. Director Tobin seconded the motion.

Vice President McRae suggested that salary adjustments be delayed until after the next compensation study is performed. In response to Ms. Deshmane's question, GM Larsen explained that the recommendations are for market adjustments to the salary range then increases are merit based.

Vice President McRae made a substitute motion to increase the Director of Finance and Human Resources salary range by 3% now and then any future adjustment would be determined by the next compensation study. President

Costa seconded the motion, and it carried with 4 Aye votes and 1 No vote (Zamorano).

GM Larsen informed the Board that, at the request of the ad hoc committee, he had Bryce Consulting review all positions in the District to determine if there were any other outliers. He informed the Board that the Water Resources Manager position was set at the range of the other managers and is currently 10% below market target. He recommends that the position title be changed to Director of Water Resources & Strategic Affairs and the position be reclassified to a Director-level position with a new annual salary range of \$183,456 – \$220,147.20, aligning with other Directors.

Director Tobin moved to change the Water Resources Manager position to Director of Water Resources & Strategic Affairs with a salary range of \$183,456 - \$220,147.20. Director Zamorano seconded the motion, and it carried unanimously.

GM Larsen informed the Board that he found that the position of Administrative Assistant/Board Secretary had very few direct market comparisons due to the breadth of responsibilities. He recommends that the position title be changed to Clerk of the Board/Executive Assistant with an hourly rate range of \$51.54 - \$61.84. President Costa voiced concern regarding changing the Board Secretary title since she was appointed as secretary to the Board. The Board Secretary pointed out that there may be some updates needed to the Board policies to reflect the title change and the President Costa suggested that be discussed with legal counsel.

Director Tobin moved to change the Administrative Assistant/Board Secretary position to Clerk of the Board/Executive Assistant with an hourly rate range of \$51.54 - \$61.84. Director Zamorano seconded the motion, and it carried unanimously.

GM Larsen informed that Board that there are currently two positions - Meter Technician and Meter Maintenance Technician, and he would like to restructure the positions into a three-tier classification of Meter Technician I, II and III. In response to Director Machado's question, GM Larsen informed the Board that movement to the next step would require completion of certifications, similar to the Distribution and Treatment Operators. In addition, he requested that he be authorized to hire for the position as soon as possible due to an upcoming retirement to allow for training of a new employee.

Director Tobin moved to restructure the Meter Maintenance Technician and Meter Technician positions into a three-tier classification of Meter Technician I, II and III with the following salary ranges:

Meter Technician I: \$36.38 – \$43.66/hour

Meter Technician II: \$40.19 – \$48.22/hour

Meter Technician III: \$44.39 – \$53.27/hour

Director Zamorano seconded the motion, and it carried unanimously.

5. Conjunctive Use and Groundwater Banking Activities Update (W & R)

Mr. Zlotnick reported that he attended the SGA meeting and there was affirmation by the SGA regarding previously banked water and it was agreed to forfeiting about 47% of the previously banked water balance. He explained that in prior years they had not deducted streamflow depletion and other depletions, and there were other technical analysis completed. He explained that the District has always voiced concern since the water accounting framework did not include the east zone and Citrus Heights and Fair Oaks Water Districts should have some acknowledgement of in-lieu banking through the conjunctive use of being in the District's system. However, at the SGA meeting, CHWD Director Sheehan moved and FOWD Director Marx seconded the motion to accept the water accounting system which incorporates the previously banked water but does not include any in the east zone.

Mr. Zlotnick reported that there was a teleconference meeting with RWA, FOWD and CHWD today to confirm the position of the agencies regarding the water accounting system. He informed the Board that RWA was informed that San Juan and their wholesale customer agencies were adamant that Federal acknowledgement be a priority of the water bank activity. In addition, they discussed CHWD and FOWD receiving credit for previously banked water and suggested an analysis be completed to determine if that could be possible. Mr. Gray commented that he was pleased that the San Juan family of agencies came together and spoke as one voice in a united fashion, and he suggested that the Board consider returning to the name of the San Juan family instead of wholesale customer agencies.

5.1 Discuss practicality of having a standard water contract for banking

President Costa recalled that he initiated discussion on the District having a standard water contract for groundwater banking, which could help streamline the process. Mr. Zlotnick commented that staff will look into this but there may be some questions on how this will work since the wholesale customer agencies have a right to any water that they need. Mr. Zlotnick commented that it would make sense to have partnership agreements with the wholesale customer agencies with regard to banking relationships. In response to Vice President McRae's comment, Mr. Zlotnick pointed out that the District does in a sense have a separate agreement for external partnerships, such as the one with SSWD.

President Costa stated that his intention is to have a standard contract for banking water in the basin. Mr. Zlotnick suggested that the District consider having a standardized contract for agencies outside of the District's service area, and for our wholesale customer agencies who are prohibited from distributing delivered surface water outside of their service areas, another agreement could potentially be created for those agencies that have capacity to inject water into the basin.

VIII. INFORMATION ITEMS

1. GENERAL MANAGER'S REPORT

1.1 General Manager's Monthly Report (W & R)

A written report for September was included in the Board packet.

1.2 Miscellaneous District Issues and Correspondence

GM Larsen reported that he met with most of the general managers in the area and it was suggested that he meet with all Board members before each Board meeting in order to answer any questions about the Board packet. Therefore, he offered to be available for those meetings. In addition, he will make sure that he forwards more information regarding operations at the District.

GM Larsen announced that the District had 3 teams participate in the SAWWA (Sacramento Area Water Works Association) Golf Tournament and one of the teams took 2nd place. In addition, the District entered a team in the Water for People softball tournament, and the team took 1st place. He also announced that the District's Water Efficiency team participated in RWA's water taste test competition, which included 12 agencies, and the District took 1st place – making it the second time that the District won since 2019. He commended the Water Treatment Plant for providing such excellent water.

2. WATER RESOURCES MANAGER'S UPDATE (W & R)

2.1 Hydrology and Operations Update (W & R)

Mr. Zlotnick reported that the graphs were updated for the Folsom Reservoir levels and the statewide reservoirs levels. He reported that the water levels are good across the state. Mr. Zlotnick informed the Board that the snow survey graphs will not be available until December.

2.2 Miscellaneous District Issues and Correspondence

Mr. Zlotnick reviewed the ACWA Final Status of Key Water Bills for 2025 Legislative Year which was included in the Board packet. The table summarizes the final outcome of several key bills, among many, on which ACWA staff advocated during 2025, and the governor took action on. In addition, he mentioned a few bills that were not on the list which included the following:

SB 707 (Signed): Updating the Brown Act.

SB 499 (Signed): Clean up legislation related to the timing of being able to collect development fees.

AB 1096 (Signed): Related to lead testing for elementary schools and childcare facilities and reporting requirements to the State Board if it is declined.

AB 93 (Vetoed): Would have required data centers prior to operation to provide its water supplier, under penalty of perjury, an estimate of the expected water use, and when renewing business license providing water

provider with actual annual water usage. Veto message said: “While I appreciate the author's intent, I am reluctant to impose rigid reporting requirements about operational details on this sector without understanding the full impact on businesses and the consumers of their technology.”

3. DIRECTOR OF FINANCE AND HUMAN RESOURCES’ REPORT

3.1 Miscellaneous District Issues and Correspondence

No report.

4. DIRECTOR OF OPERATIONS’ REPORT

4.1 Miscellaneous District Issues and Correspondence

Mr. Barela reported that Mr. Harry Johnson was hired as Utility Maintenance Worker, he previously worked at the District and was welcomed back. Mr. Barela reported that he, Andrew Pierson, and Michael Spencer attended the regional operations manager’s meeting which was hosted by PCWA and the managers took a tour of the American River conveyance system.

Mr. Barela reported that the District is working with PCWA and City of Roseville regarding the Raw Water Feasibility Analysis to determine if it is feasible for San Juan to join the project with respect to cost and water capacity. He informed the Board that a contract for the analysis is being drafted.

5. DIRECTOR OF ENGINEERING SERVICES’ REPORT

5.1 Miscellaneous District Issues and Correspondence

Mr. Pierson reported that Mr. Daniel Griego has been promoted to Field Services Manager, Mr. Darren Van Dusen has been promoted to Pump Station Lead, and Mr. Robert Morgan has been promoted to Pump Station Operator. In addition, he reported that there is one open position – Distribution Operator.

Mr. Pierson reviewed some pictures of the work being completed on the Kokila Reservoir Replacement Project. He also reported that the backwash hoods in the south basin were completed first and now staff are working to rehabilitate the north basin backwash hoods. He informed the Board that staff discovered a sheared drive shaft and an alignment issue with the track and rail system which will delay the project. He informed the Board that the issues will be fixed then the project will start during the next winter season.

Mr. Pierson reported that the annual Water Service Replacement Project is starting in the Hidden Lakes subdivisions then conclude with the Granite Bay shopping center. He informed the Board that the project is expected to be completed by January/February.

6. LEGAL COUNSEL’S REPORT

6.1 Legal Matters

No report.

IX. DIRECTORS' REPORTS

1. SACRAMENTO GROUNDWATER AUTHORITY (SGA)

President Costa reported that he attended the SGA meeting on October 9th and the details were discussed earlier.

2. REGIONAL WATER AUTHORITY (RWA)

President Costa reported that RWA will meet in November.

3. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

3.1 ACWA - Pam Tobin

Director Tobin reviewed a written report which was added to the Board packet.

3.2 Joint Powers Insurance Authority (JPIA) - Pam Tobin

Director Tobin reviewed a written report which was added to the Board packet.

4. OTHER REPORTS, CORRESPONDENCE, COMMENTS, IDEAS AND SUGGESTIONS

President Costa informed the Board that there will be a reception for new General Manager Larsen at the ACWA Fall Conference, and he is working out the details and will inform those attending of the logistics.

X. FUTURE AGENDA ITEMS

1. Requests by Board Members for Agenda Items

GM Larsen stated that the Big Impact on a Small Budget: Grant Strategies for Resource-Strapped Agencies presentation will be summarized at the next meeting. President Costa mentioned that Georgetown Divide had great success in receiving grants and suggested that he and Director Zamorano contact them to discuss their process. In addition, GM Larsen reported that Ashley Casey will be attending the December Board meeting to discuss the Water Forum agreement. Mr. Zlotnick informed the Board that the November Board meeting agenda will include the Water Forum agreement for the Board's review prior to the December meeting.

2. Meeting Date Changes and Board Attendance

There were no requests to consider.

XI. COMMITTEE MEETINGS

1. Ad Hoc Committee on Employee Compensation – October 6, 2025

The committee meeting minutes were included in the Board packet.

2. Finance Committee – October 7, 2025

The committee meeting minutes were included in the Board packet.

3. Personnel Committee – October 8, 2025

The committee meeting minutes were included in the Board packet.

XII. UPCOMING EVENTS

1. 2025 ACWA Fall Conference

December 2-4, 2025
San Diego, CA

At 8:32 p.m., President Costa announced that the Board was adjourning to Closed Session and there were no public comments.

XIII. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Section 54956.9)

Citrus Heights Water District, et al. vs. San Juan Water District, Case Number: 23WM000064, Sacramento County Superior Court

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to California Government Code Section 54956.9(d)(2) (one case)

XIV. OPEN SESSION

There was no reportable action.

XV. ADJOURN

The meeting was adjourned at 8:55 p.m.

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

ATTEST: _____
TERI GRANT, Board Secretary