

SAN JUAN WATER DISTRICT

Board of Director's Board Meeting Minutes

April 24, 2024 – 6:00 p.m.

BOARD OF DIRECTORS

Manuel Zamorano	President (absent)
Ted Costa	Vice President
Ken Miller	Director
Dan Rich	Director
Pam Tobin	Director

SAN JUAN WATER DISTRICT MANAGEMENT AND STAFF

Paul Helliker	General Manager
Donna Silva	Director of Finance
Tony Barela	Director of Operations
Andrew Pierson	Director of Engineering
Devon Barrett	Customer Service Manager
Adam Larsen	Field Services Manager
Greg Turner	Water Treatment Manager
Greg Zlotnick	Water Resources Manager
Teri Grant	Board Secretary/Administrative Assistant
Ryan Jones	General Counsel
Elizabeth Ewens	Water Counsel

OTHER ATTENDEES

Roger Canfield	
M. Jadrich	
Mike M.	
Nick Spiers	
Ray Riehle	Citrus Heights Water District
Kyler Rayden	Citrus Heights Water District Legal Counsel
Lindsay Pangburn	Prozio Communications, Inc.
Kevin Thomas	Sacramento Suburban Water District
Mike Spencer	SJWD Employee
Kristen Castanos	Stoel Rives, LLC

AGENDA ITEMS

- I. Roll Call**
- II. Public Forum and Comments**
- III. Consent Calendar**
- IV. Public Hearing**
- V. Old Business**
- VI. New Business**
- VII. Information Items**
- VIII. Directors' Reports**
- IX. Committee Meetings**

- X. Upcoming Events
- XI. Closed Session
- XII. Open Session
- XIII. Adjourn

Vice President Costa called the meeting to order at 6:00 p.m.

I. ROLL CALL

The Board Secretary took a roll call of the Board. The following directors were present in the Boardroom: Ted Costa, Ken Miller, Dan Rich and Pam Tobin. President Zamorano was absent.

II. PUBLIC FORUM

There were no public comments.

III. 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, March 27, 2024 (W & R)**
Recommendation: Approve draft minutes

Director Rich moved to approve the Consent Calendar. Director Tobin seconded the motion and it carried with 4 Aye votes (President Zamorano absent).

IV. PUBLIC HEARING

1. **Board Compensation (W & R)**

Vice President Costa opened the Public Hearing at 6:02 p.m.

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

There were no public comments.

Vice President Costa closed the Public Hearing at 6:03 p.m.

Vice President Costa moved to waive the second reading of Ordinance No. 24-01 and adopt Ordinance No. 24-01 – An Ordinance of the Board of Directors of the San Juan Water District creating Ordinance 1200 - Compensation of Board Members. Director Rich seconded the motion and it carried with 3 Aye votes and 1 No vote (Director Miller with President Zamorano absent).

GM Helliker informed the Board that the revisions to BOD-2.2 Compensation and Reimbursement for Directors policy reflect the ordinance that was just adopted.

Vice President Costa moved to approve revisions to Board Policy No. BOD-2.2 Compensation and Reimbursement for Directors Policy. Director Rich seconded the motion and it carried with 3 Aye votes and 1 No vote (Director Miller with President Zamorano absent).

V. OLD BUSINESS

1. Wholesale Rates (W)

GM Helliker reviewed a written staff report which was included in the Board packet. He explained that the resolution reaffirms the adoption of wholesale rates adopted by the Board by previous motions, which is one of the allegations brought against the District by Citrus Heights and Fair Oaks Water Districts. In response to Director Tobin's question, Legal Counsel Jones informed the Board that the resolution is the proper action for the Board to take at this time.

Vice President Costa moved to approve Resolution 24-01 Reaffirming Wholesale Rates and Charges. Director Rich seconded the motion and it carried with 4 Aye votes (President Zamorano absent).

2. Strategic Plan Update (W & R)

GM Helliker provided the Board with a written staff report which was included in the Board packet. He reported that the plan was distributed to the Wholesale Customer Agencies on March 12th, but no input was received.

Director Tobin moved to approve the revised Strategic Plan. Director Miller seconded the motion and it carried with 4 Aye votes (President Zamorano absent).

3. FY 2023-24 Operations Plan Report Card (W & R)

GM Helliker reviewed the 3rd quarter progress on the FY 2023-24 Operations Plan Report Card. He reviewed a few items that have been delayed.

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

GM Helliker reported that he and Mr. Zlotnick met with Dan York and Matt Underwood from Sacramento Suburban Water District on April 8th. They discussed the three options of buying part of a well, buying groundwater production capacity, or buying water. The financial terms for buying capacity and/or buying water are being drafted for consideration. In addition, he reported that Orange Vale Water Company has been busy getting the treatment facility installed on their well and he has not heard from them in a while, and there have been no discussions with CHWD or FOWD.

GM Helliker reported that the Regional Water Bank had their monthly meeting today and discussed the EIR and the project description. He stated that he voiced concern

with having water transfers included in the project description. He explained that there is a potential that the CEQA documentation which includes water transfers that RWA prepares might conflict with the District's future CEQA documentation for groundwater substitution transfers.

5. 2024 Hydrology and Operations Update (W & R)

GM Helliker reviewed data which included the current reservoir storage levels across the state, data on releases, temperature and precipitation outlooks, and storage levels and projections at Folsom Reservoir. In addition, he reviewed the water allocations for State Water Project and Central Valley Project contractors.

VI. NEW BUSINESS

1. ACWA Letter Regarding Immediate Past President Activities (W & R)

Director Tobin commented that this item should be under Old Business as it was discussed at the last Board meeting and President Zamorano did not want to send a response letter. GM Helliker explained that the item was not on the agenda at the last Board meeting, but was discussed under his report, and that the Board requested that the item be brought back to the Board for consideration. The Board discussed the letter and there were no objections to the letter.

Vice President Costa moved to approve a response letter to the ACWA letter regarding Immediate Past President activities with his name as the acting President. Director Tobin seconded the motion and it carried with 4 Aye votes (President Zamorano absent).

2. General Manager Employment Agreement (W & R)

Legal Counsel Jones reported that the labor negotiators met with GM Helliker and an amendment to the employment agreement was drafted. Vice President Costa reported that the amendment to the agreement includes an increase of 8.2%, which reflects the 5.2% COLA that all staff received and a 3% merit increase, bringing the contract amount to \$251,184 annually.

Vice President Costa moved to approve the revised amendment to the General Manager employment agreement. Director Miller seconded the motion and it carried with 3 Aye votes and 1 No vote (Director Tobin with President Zamorano absent).

3. Amendment to the 2024/2025 Water Transfer Agreement Between San Juan Water District and Sacramento Suburban Water District (SSWD) (W)

GM Helliker reviewed a written staff report which was included in the Board packet. He explained that SSWD is interested in purchasing water since it is a wet year, and this would help establish a foundation for future groundwater substitution transfers. He added that this would be for up to 4,000 acre-feet of water delivered through existing facilities and would offset SSWD's groundwater pumping.

GM Helliker informed the Board that staff complied with the wholesale water supply agreement which requires notification to the Wholesale Customer Agencies for use of surplus water supplies. He reported that a letter was received from CHWD and FOWD, but it did not state that they did not agree with the analysis or indicate any concern of inadequate supply. He reported that the transfer would generate over \$1 million in wholesale revenue.

GM Helliker informed the Board that the CEQA documentation was included in the Board packet and there were concerns expressed by CHWD and FOWD regarding the CEQA process for this transfer. He informed the Board that his recommendation is to complete the water transfer; however, based on the comments received from CHWD and FOWD, staff could do further research and report back on the appropriate CEQA documentation. for this transfer.

Vice President Costa asked Legal Counsel if the District is looking to put its water rights water to beneficial use and someone prohibits the District from doing so does that cause damage to the District. Legal Counsel Ewens informed the Board that it would depend on what the challenge is. Director Rich asked Mr. Ray Riehle, CHWD Board member, if the District were not to complete the transfer this year due to delays in the environmental documentation and not receive the \$1.1 million of which CHWD would receive approximately \$400,000, would that cause any issue for CHWD. Mr. Riehle informed the Board that he was not authorized by the CHWD Board to speak on that issue.

Hearing no objections from the other Board members, Vice President Costa directed staff to conduct future research on the CEQA documentation requirements and return to a future Board meeting for consideration.

4. FY 2024-25 Budget Assumptions (W & R)

Ms. Silva reviewed her written staff report which was included in the Board packet. She shared the proposed assumptions for the FY 2024-25 budget. She informed the Board that the budget workshop will be conducted at the May Board meeting.

5. Short Term Mutual Aid Exchange of Water to/from Placer County Water Agency (PCWA) (R)

Mr. Barela provided the Board with a written staff report which was included in the Board packet. He explained that PCWA reached out to the District for mutual aid support to provide water to them to maintain service essential to PCWA's customers. He informed the Board that PCWA requested that the District provide 2.0 million gallons per day through the Barton Road intertie from May 1st thru as late as December 31, 2024. In addition, he explained that PCWA will return the equivalent amount of water back to the District, through the same intertie, upon completion of the repairs.

Vice President Costa moved to (1) Adopt Notice of Exemption [CEQA] based on the findings detailed in the Staff Report; and (2) Authorize the General Manager to execute the mutual aid exchange between San Juan Water District

and Placer County Water Agency to Provide Surface Water Supplies. Director Tobin seconded the motion and it carried with 4 Aye votes (President Zamorano absent).

VII. INFORMATION ITEMS

1. GENERAL MANAGER'S REPORT

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

GM Helliker provided the Board with a written report for March which was included in the Board packet.

1.2 Miscellaneous District Issues and Correspondence

No report.

2. DIRECTOR OF FINANCE'S REPORT

2.1 Miscellaneous District Issues and Correspondence

No report.

3. DIRECTOR OF OPERATIONS' REPORT

3.1 Miscellaneous District Issues and Correspondence

No report.

4. DIRECTOR OF ENGINEERING SERVICES' REPORT

4.1 Miscellaneous District Issues and Correspondence

No report.

5. LEGAL COUNSEL'S REPORT

5.1 Legal Matters

No report.

VIII. DIRECTORS' REPORTS

1. SACRAMENTO GROUNDWATER AUTHORITY (SGA)

Vice President Costa reported that SGA met April 11th. GM Helliker reported that the SGA meeting included the annual accounting of how much water was banked last year, which was approximately 30,000 acre-feet.

2. REGIONAL WATER AUTHORITY (RWA)

No report.

3. ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA)

3.1 ACWA - Pam Tobin

Director Tobin reviewed a list of activities which included the State Board adopting the Chromium-6 MCL, Celebrate Water Awareness Month, QuenchCA public outreach, ACWA Year in Review, ACWA Alerts, ACWA Spring Conference, and the ACWA Board Workshop for the Strategic Plan.

3.2 Joint Powers Insurance Authority (JPIA) - Pam Tobin

Director Tobin reported that JPIA is looking at regulations that would allow municipalities to join them, and they are strongly opposed to that. In addition, she confirmed that premiums are increasing, as Ms. Silva stated.

4. CVP WATER USERS ASSOCIATION

Vice President Costa reported that the CVP Water Users Association meets quarterly, and the new Executive Director has been dealing with the rate increases at the Bureau.

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

There were no other matters discussed.

IX. COMMITTEE MEETINGS

1. Public Information Committee – April 15, 2024

The committee meeting minutes were included in the Board packet.

2. Finance Committee – April 16, 2024

The committee meeting minutes were included in the Board packet.

x. UPCOMING EVENTS

1. 2024 ACWA Spring Conference

May 7-9, 2024
Sacramento, CA

At 7:14 p.m., Vice President Costa announced that the Board was adjourning to Closed Session and called for public comment. There was no public comment.

XI. 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

XII. OPEN SESSION

There was no reportable action.

XIII. ADJOURN

The meeting was adjourned at 7:37 p.m.

MANUEL ZAMORANO, President
Board of Directors
San Juan Water District

ATTEST: _____
TERI GRANT, Board Secretary