

## Executive Committee Meeting Minutes

July 1, 2019

Committee Chair Mary Harris opened the meeting at 6:05 PM.

**Attendees:** Director Jason Green, Director Mary Harris, District Engineer Mike Vasquez and District General Manager Mr. Tim Shaw were present. There were no members of the public in attendance.

**Public Comment.** Director Harris offered to allow Director Green to chair the meeting. Director Green politely declined.

### Agenda Items

1. Review and discuss the expenditures of the District for the Month of May 2019.
  - *Director Harris commented regarding the number of expenditures which include the words, "Employee benefits". The Executive Committee forwarded the item to the July 15<sup>th</sup> Board agenda with their recommendation for Board approval. Subsequent to the meeting, the GM and Accounting Specialist discussed the descriptions used in the expenditures report and several items were modified.*
2. Review and discuss the financial reports for the Month of May 2019.
  - *The Executive committee forwarded the item onto the July 15<sup>th</sup> Board agenda with their recommendation for Board approval*
3. Discuss the Terms and Conditions for *Stripe* credit/debit card processing service.
  - *Following discussion and clarification regarding the relative merits/risks of Bluefin, PayGOV.US and Stripe credit card processing service providers, the Executive Committee forwarded the Stripe Terms and Conditions document (contract terms) onto the July 15<sup>th</sup> Board agenda with their recommendation for Board approval.*
4. Discuss the recent issuance of refund for capacity fees paid by a relatively small-scale developer many years ago.
  - *The Executive Committee reviewed the staff report and engaged in dialog with the GM regarding the facts and circumstances that enabled payment of the capacity fees long before the homebuilder was ready to build. The Executive Committee agreed that the District's Policy/Practice of only accepting payment of capacity fees "at building permit, ready to build" needs to be emphasized. There is no Board action required for this item.*
5. Continue discussing the Capital Improvement Plan projects list update.
  - *The District Engineer presented the updated CIP projects list included with the Committee packets. The District Engineer summarized the updates and provided substantiation of the construction costs used in the estimates for the Well 12A project. The General Manager reviewed to correlation between the projects' costs, timing and annual capital budget adoption. The next steps are to discuss the timing of the projects*

6. Discuss the logistics and timing of a proposed outsourcing of the billing process, i.e. contracting with a service provider for printing, folding, stuffing and mailing District's bi-monthly bills.
  - *The Executive Committee reviewed the staff report and other packet documents related to this item, then the Committee engaged the GM regarding the timing and logistics for transitioning to outsourced printing/folding/mailing. Staff has recently received approximately 6-months supply of paper and envelopes from our local vendor. Accordingly, it would be wasteful to transition prior to using these materials. The GM also apprised the committee regarding staff concerns expressed over suspected motives to eliminate permanent positions due to the decrease in person-hours from outsourced services. The GM directed the Committees attention to the SB-998 material in the packets and explained that the reduction in person hours from outsourced printing/folding/mailing would likely be replaced by new, individualized shut off requirements mandated by SB-998, which must be in place by February 2020 (6-months from now).*
7. Engineer's update on projects underway and planned.
  - *The Engineer provided a written report on items.*
8. Surplus District Assets.
  - *The Executive Committee forwarded this item onto the July 15<sup>th</sup> Board agenda with their recommendation for approval. The GM requested direction and preference from the Committee regarding the need for the surplus items list to come to committee prior to being placed on the Board agenda, i.e. streamlining the process due to the routine nature. Director Harris expressed her preference for maintaining status quo.*
9. (Item Added by Unanimous Vote) Sacramento Regional Water Agencies Collaboration Study RFP.
  - *The GM advised that this item meets the criteria for urgent addition to the Executive Committee agenda. The item will not wait until the next Executive Committee meeting and the item materialized after the 72-hour deadline for posting the agenda. Directors Harris and Green agreed to add the item.*
  - *The Planning Committee and Board have been updated on the meetings among nine area water agency GMs for more than the passed six months. The GM explained that those meeting have now produced a draft RFP for a consultant to explore the feasibility and scope of potential collaboration among the agencies. Just before reaching this point, Del Paso Manor and Orangevale water agencies dropped out of the process. Scope of the study is to address to full spectrum of forms of collaboration, from zero collaboration up to and including full consolidation (merger). However, there are only two agencies (San Juan and Sacramento Suburban) actually interested in exploring consolidation. The remaining five agencies (Citrus Heights, Carmichael, Folsom, Fair Oaks and RLECWD) are interested in reducing costs via sharing equipment, facilities, key personnel, contracting/purchasing coordination etc. Accordingly, the RLECWD GM has recommended the group of area GMs consider introducing a tiered approach to cost sharing for the study consultant charges. Agencies not interested in exploring consolidation would be in one tier and the consolidation agencies in the other.*
  - *The Executive Committee forwarded the item onto the July 15<sup>th</sup> Board agenda. However, the Committee intentionally withheld any recommendation for approval.*

**Other items.**

Staff anticipates continued discussion on updates to fees, e.g. fee for insufficient funds (bounced check).

The meeting was adjourned at 7: 38 PM