

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
IRONHOUSE SANITARY DISTRICT
April 7, 2020**

The Board of Directors of the Ironhouse Sanitary District (ISD) met in regular session on Tuesday, April 7, 2020 via teleconference, consistent with Executive Orders No. N-25-20 and No. N-29-20 from the Executive Department of the State of California and Contra Costa County March 16, 2020 Shelter in Place Order and the Updated Stay-at-Home Order with New Restrictions issued on March 31, 2020 extending the Shelter in Place Order through May 3, 2020.

1. CALL TO ORDER

President Dawn Morrow called the meeting to order at 7:06 p.m.

1.A. BOARD ROLL CALL

Roll Call

Directors present: Dawn Morrow, Doug Scheer, Susan Morgan,
Peter Zirkle and Chris Lauritzen

Members absent: None

Staff/Consultants present: Chad Davisson, General Manager
Tyson Zimmerman, Assistant General Manager
Cecilia Goff, District Secretary/Office Administrator
Louis Solana, Collections Superintendent
David Dal Porto, Ranch/Levee/Reclamation
Superintendent
Chris Christean, Plant Manager
Leah Castella, Legal Counsel
Michael Welty, Financial Consultant
Vivian Housen, Engineering Consultant
Jim Levine, Montezuma Water
Will Kane, Total Compensation Systems, Inc.

Interested Parties: None

1.B. PLEDGE OF ALLEGIANCE – Director Peter Zirkle led the pledge of allegiance.

2. APPROVAL OF AGENDA

M/S C. Lauritzen, S. Morgan and the Board voted to approve the Agenda.

In favor: D. Scheer, P. Zirkle, C. Lauritzen, D. Morrow and S. Morgan. Opposed: None. Absent: None.

3. PUBLIC COMMENTS - Communications from the public on subjects not on the agenda.

There were no public comments.

4. CONSENT CALENDAR

4.A. APPROVAL OF MINUTES OF THE MARCH 3, 2020 ISD BOARD MEETING

4.B. APPROVAL OF THE MINUTES OF THE MARCH 23, 2020 ISD SPECIAL MEETING MINUTES

4.C. APPROVAL OF PAYMENT ORDER, REPORT ON FINANCIAL POSITION & OPERATING PERFORMANCE

M/S S. Morgan, C. Lauritzen and the Board voted to approve the Consent Calendar.

In favor: D. Scheer, P. Zirkle, C. Lauritzen, D. Morrow and S. Morgan. Opposed: None. Absent: None.

5. BUSINESS BEFORE THE BOARD

5.A. ACCEPTANCE OF IRONHOUSE SANITARY DISTRICT ACTUARIAL STUDY OF RETIREE HEALTH LIABILITIES AS OF JUNE 30, 2019, AS PREPARED BY TOTAL COMPENSATION SYSTEMS, INC. REPORT DATED FEBRUARY 7, 2020

Mr. Michael Welty, ISD's Financial Consultant, presented the item to the Board. Mr. Will Kane, with Total Compensation Systems, Inc. (TCS), explained to the Board that ISD contracted with TCS to analyze the District's current retiree health liabilities through June 30, 2019. He explained to the Board the current benefit structure, current valuation results and future valuation results. Questions were solicited from the Board and answered.

M/S D. Scheer, P. Zirkle and the Board voted to accept the Ironhouse Sanitary District Actuarial Study of Retiree Health Liabilities as of June 30, 2019, as prepared by Total Compensation Systems, Inc. report dated February 7, 2020.

In favor: D. Scheer, P. Zirkle, C. Lauritzen, D. Morrow and S. Morgan. Opposed: None. Absent: None.

5.B. CONSIDER ALTERNATIVES FOR PROPOSED RATE STRUCTURE AND PROVIDE DIRECTION TO STAFF

Mr. Chad Davisson explained that both he and District Legal Counsel received requests from Board Members to consider alternatives to the previous Board direction to staff regarding the timing and elements related to the proposed Rate Structure and realignment. The Directors discussed and evaluated concerns regarding the current economic conditions. Alternative rate structure options were discussed. The impacts of postponing planned Capital Improvement Projects were discussed as well. After considerable discussion, the Board did not take any action to change their previous direction to staff to proceed with the proposed rate structure as originally approved.

5.C. AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A CONTRACT WITH CAROLLO ENGINEERS TO PREPARE A BIOSOLIDS MASTER PLAN IN AN AMOUNT NOT TO EXCEED \$300,000

Mr. Zimmerman explained to the Board that ISD currently does not have a comprehensive plan for the management of biosolids. A Biosolids Master Plan will provide an effective plan for the District to manage biosolids by analyzing the needs and recommending solutions to meet those needs. Questions from the Board were solicited and answered.

M/S C. Lauritzen, S. Morgan and the Board voted to authorize the General Manager to enter into a contract with Carollo Engineers to prepare a Biosolids Master Plan in an amount not to exceed \$300,000.

In favor: P. Zirkle, C. Lauritzen, D. Morrow and S. Morgan. Opposed: D. Scheer.
Absent: None.

5.D. CONSIDER CONSOLIDATING THE TWO REGULARLY SCHEDULED MONTHLY BOARD MEETINGS INTO ONE MONTHLY MEETING AND ADJUSTING BOARD MEMBER STIPENDS TO ENSURE APPROPRIATE BOARD MEMBER COMPENSATION

Mr. Davisson explained that this item was a Board Member request. He reminded the Board that the decision to have two monthly meetings was initially an alternative to several Board standing committee meetings. This was done in an effort to improve communication among Board members and between the Board and staff during a period of significant changes at the District. This change was made approximately four years ago. Some Board members have expressed that the business of the District at this time no longer necessitates two regular monthly meetings and requested staff evaluate a more efficient meeting schedule for the Board's consideration.

The General Manager recommended the Board consider reestablishing the Public Outreach and Jersey Island Standing Committees, reduce the number of regular monthly meetings from two to one, and hold additional special meetings as needed.

Mr. Davisson explained that ISD has not reviewed Board member compensation in several years. He recommended that the Board review the Board member stipends from other similar agencies to ensure that ISD Board compensation is appropriate and consistent with the industry.

After discussion, the Board directed staff to provide more information on consolidating the two monthly meetings into one meeting and reestablishing the two recommended committees. District Legal Counsel will prepare a resolution and a revision for the Board to consider regarding this item. The Board did not take any action to modify Board member compensation at this time.

6. INFORMATIONAL ITEMS FROM STAFF

6.A. PROVIDE AN UPDATE ON PARTNERSHIP WITH MONTEZUMA WATER

Mr. Jim Levine, Montezuma Water, provided an update to the Board on the partnership between ISD and Montezuma Water. Potential business activities for Jersey Island are being explored, such as wind and solar production, specialty agriculture, habitat mitigation and biosolids handling. Questions were solicited from the Board and answered.

6.B REPORT ON DISTRICT CASH AND INVESTMENT PORTFOLIO

Mr. Welty presented the cash and investment portfolio to the Board. Questions were solicited and answered.

7. GENERAL MANAGER AND STAFF REPORTS

Mr. Davisson presented the General Manager and Staff reports to the Board. In the month of March 2020, ISD received 23 new connections and, to date, there are 209.77 new connections. For fiscal year 2019/20, staff conservatively projected 150 new connections. The Collections, WRF, Jersey Island, Administration and Engineering departments provided an overview of how adjusting to the requirements of the Covid-19 pandemic is being handled and how it has affected each department. All departments are following the Executive Orders to shelter in place and social distancing policies. Questions from the Board were solicited and answered.

8. BOARD MEMBER ADVISORY REPORTS

Director Morgan attended the Oakley City Council meeting on February 25, 2020 and provided a report.

Director Morrow attended the Oakley City Council meeting on March 10, 2020 and provided a report.

9. GENERAL MANAGER ANNOUNCEMENTS

Mr. Davisson reported that the California Special District's Association (CSDA) Special District Legislative Days will be held online. All interested in attending should contact the District Secretary for arrangements. Directors have been signed up for the required Ethics Training and Sexual Harassment Prevention Training through CSDA. If assistance is needed, contact the District Secretary.

10. FUTURE AGENDA ITEMS FOR CONSIDERATION

There were no future agenda items.

11. ADJOURNMENT

President Morrow adjourned the regular meeting at 10:03 p.m. until Tuesday, April 21, 2020 at 6:00 p.m. for the next Planning and Programs – Collections/WRF meeting of the Board of Directors in the Ironhouse Sanitary District offices at 450 Walnut Meadows Drive, Oakley, California.

APPROVED _____
President

District Secretary