

# PESCADERO RECLAMATION DISTRICT # 2058

3650 W. Canal Blvd.  
Tracy CA 95304  
(209) 835 2293 FAX: (209) 835 2337

## **PESCADERO RECLAMATION DISTRICT MEETING MINUTES**

Pursuant to Executive Order N-29-20 this meeting will be conducted exclusively by teleconference.

### **Minutes of January 6, 2021 Board of Trustees Meeting**

TRUSTEES PRESENT: Nat Bacchetti  
Richard Pellegrini  
Greg Pombo

OTHERS PRESENT: Alexis Stevens (District Counsel)  
Alyson Ackerman (Somach Simmons & Dunn)  
Nick Prichard (District Engineer)  
Francesca Gosner (District Staff)

The meeting was called to order by Trustee Bacchetti at 10:31 a.m.

### **ROLL CALL**

Roll call was taken and Trustees Bacchetti, Pellegrini, and Pombo were present.

### **PUBLIC COMMENT**

No public comment.

### **CONSENT CALENDAR**

Trustee Bacchetti read the items for consent.

Trustee Pombo moved to approve the minutes for the December 2, 2020 regular Board Meeting, and approve Items B, C, and D of the consent calendar (review and approve claims for payment and financial report, review and approve pump report, and review and approve payroll, respectively). Trustee Pellegrini seconded the motion. The matter was put to a vote and votes were cast as follows:

<b>Trustee Nat Bacchetti:</b>	<b>Yes</b>
<b>Trustee Richard Pellegrini:</b>	<b>Yes</b>
<b>Trustee Greg Pombo:</b>	<b>Yes</b>

The motion to approve the minutes for the December 2, 2020 regular Board Meeting and approve Items B, C, and D of the consent calendar (review and approve claims for payment and financial report, review and approve pump report, and review and approve payroll, respectively) was carried.

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## **PRESENTATION, DISCUSSION, AND ACTION ITEMS:**

### **A. Consider and Discuss Approval of Health Insurance Premium Contributions for District Employees**

District Counsel reported that the District currently has six employees and makes health insurance premium contributions (medical and dental) for five of those employees. District Counsel reported that the District Employee Handbook (Handbook) currently states that the District will contribute \$1,000/month for employees' health insurance premiums and \$600/month for the Trustees' health insurance premiums. District Counsel reported the District's total monthly contributions for health insurance premiums, noting a discrepancy between the actual amounts contributed and those prescribed in the Handbook (i.e., unintentional overpayment). The District Bookkeeper discovered this discrepancy in her financial audit of the District's costs and expenses. District Counsel advised that the Board resolve the discrepancy by either increasing the health insurance premium contributions or make them consistent with the Handbook.

The Board discussed whether to maintain or increase the health insurance premium contribution thresholds provided in the Handbook. The Board discussed ways in which to remedy the premium contribution overpayments and their effects, as well as the true costs of the contributions, concluding that even if the District increased its premium contribution, the District's monthly costs for health insurance premium contributions would thereafter be reduced. The Board discussed the appropriateness of increasing the health insurance premium contributions for long-term employees (e.g., those employees with more than 10 or 15 years of service). The Board then discussed the possible thresholds for "long-term" employees.

Trustee Pellegri moved to maintain the District's health insurance premium contributions at \$600.00/month for trustees and \$1,000.00/month for employees with less than 15 full years of service and to increase the District's health insurance premium contributions for employees with 15 complete years of service (i.e., after their 15<sup>th</sup> year of service) to \$1,200/month. Trustee Pombo seconded the motion. The matter was put to a vote, and votes were cast as follows:

<b>Trustee Nat Bacchetti:</b>	<b>Yes</b>
<b>Trustee Richard Pellegrini:</b>	<b>Yes</b>
<b>Trustee Greg Pombo:</b>	<b>Yes</b>

The motion to maintain the District's health insurance premium contributions at \$600.00/month for trustees and \$1,000.00/month for employees with less than 15 full years of service and to increase the District's health insurance premium contributions for employees with 15 complete years of service (i.e., after their 15<sup>th</sup> year of service) to \$1,200/month was carried. District Counsel reported that the Handbook will be revised accordingly and should be recirculated to District employees.

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## **B. Consider and Discuss Changes to Vacation and Sick Leave Accruals for District Employees**

District Counsel reported the District's current vacation accrual policy. Employees accrue one week (or six days) of paid vacation leave on the employee's annual anniversary. This vacation leave rolls over to the next year, if not used. After 15 years of service, an employee accrues four weeks of vacation leave each year. The District currently caps vacation leave accrual at five weeks. Once an employee reaches the cap, the employee will not accrue any additional vacation leave until the employee's accrued time falls below five weeks.

District Counsel recommended the Board consider changing the policy so that employees accrue vacation leave on an hourly basis, rather all at one time on the employee's anniversary. This change, if made, could also account for the differences in hours worked between seasons. The Board discussed the possible change, noting that six days of vacation is 60 hours for some employees. The Board decided to keep the vacation accrual rates the same as currently delineated in the Handbook:

1<sup>st</sup> Year of Employment – 6 days/60hours  
After 2 years of Employment – 12 days/120 hours  
After 10 years of Employment – 18 days/180 hours  
After 15 years of Employment – 24 days/240 hours

Employees may accrue up to 30 days/300 hours at a time. Once the employee reaches this cap, he/she will stop accruing vacation until the employee takes some time off. The Board also decided to change to an hourly accrual method rather than maintain the annual accrual currently provided for in the Handbook. District Counsel will revise the Handbook accordingly and bring the changes back to the Board for formal approval at the February Board meeting.

District Counsel reported the District's current sick leave accrual policy for employees. The District "front loads" sick leave such that on January 1 of each year, the employee earns three days (or 24 hours) of sick leave that may be used in that calendar year and does not carry over from year to year. District Counsel reported that this policy complies with current law. District Counsel asked whether the Board is interested in revising the policy such that an employee earns sick leave gradually, earning at least one hour of sick leave for every 30 hours work and, thus, accruing 24 hours of sick leave on the 120th day of work. The Board discussed the gradual sick leave accrual alternative proposed by District Counsel. The Board took no action, opting to leave the sick leave policy as is.

## **C. Consider and Discuss Issues Related to General Manager Salary**

District Counsel reported that the General Manager's Employment Agreement (GM Agreement) contains inconsistencies with regard to the salary, which requires updating. District Counsel also reported that the General Manager is a part-time employee and recommended the revised GM Agreement expressly call out that

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classification. District Counsel will revise the GM Agreement and provide a final revised version at the February Board meeting.

## **D. Consider and Discuss Issues Related to Aged Receivables**

District Counsel raised the issue of aged receivables for unpaid water charges. District Counsel reported that the current Irrigation Rules expressly authorize the District to refuse water service to delinquent landowners and require water be paid for in full prior to delivery. District Counsel reported that the Board can consider assessing interest charges for past due water charges.

The Board discussed the aged receivables, stating that the current Irrigation Rules must be strictly enforced. Staff shared recent challenges with enforcing those rules, such as weekend water deliveries or irrigators delivering water to landowners prior to providing staff with the water card. District Counsel recommended sending out a letter to all delinquent landowners reminding them of the Irrigation Rules and stating that payment for water will be required prior to delivery without exception. The Board accepted this recommendation and will consider assessing interest charges on past due water charges at a later date, if the problem persists.

## **E. Consider and Discuss Approval of 2021 Water Rates**

District Counsel asked whether the Board believes raising the 2021 water rates is necessary. Trustee Pombo reported that the Board should not raise water rates until the financial audit of the District's costs and expenses is complete. Trustee Bacchetti reported that the District has lost approximately 600-700 acres of irrigable land to industrial uses, translating to lost revenue for the District. The Board took no action with respect to water rates.

## **GENERAL MANAGER'S REPORT**

### Repairs and Maintenance

The General Manager reported that work on the pipeline at Pump 8 continues and staff is working to repair the gates on Pump 3. The General Manager also reported that Otis completed his work for the year, but missed one location and will return, free of charge, to complete it. He also reported that the Pacific Gas & Electric costs have increased 37% since 2009, while District water rates have increased by 33%.

### Irrigation

The General Manager reported that he expects to receive a quote soon for the variable frequency drive (VFD) for Pump 2 and possibly other pumps which serve drip irrigation.

## **LEVEE REPORT**

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Trustee Pombo reported that the District received the Department of Water Resources' (DWR) draft and final inspection reports. The report rated the levees that the District maintains as "minimally acceptable." Trustee Pombo reported that he anticipated the rating to be higher, but was generally pleased to see the rating increase from last year.

## **DISTRICT ENGINEER'S REPORT**

The District Engineer reported that the environmental easement on the Perry Property remains as the only outstanding item of the Flood System Repair Project (FSRP). He reported that the bank is addressing the issues related to the easement. The District Engineer also reported that the December invoices for the FSRP will be paid within the next week. The December invoices are the final invoices for the FSRP. Accordingly, by March, the District should receive a lump sum payment from DWR for the 5 percent of every FSRP invoice that DWR retained.

The District Engineer reported progress on the NEI Basin project.

District Engineer reported that the Department of Fish and Wildlife approved the District's work performed under the Flood Control Subventions Program and will not require an inspection. DWR, however, will still inspect the work.

District Engineer also reported that there has been no progress on executing the easement documents for the Borges property. Trustee Pellegrini reported that he understands the property sold to a new owner. District Engineer reported that the new property owner will then need to execute the easement.

## **TRUSTEES' REPORTS**

Trustee Bacchetti asked Trustee Pellegrini whether any work is planned to make the head gates on Tom Paine Slough open easier as the tide comes in. Trustee Pellegrini reported that he is designing a hydraulic-powered impeller to affix to the bottom of the head gate. He has not made any changes to the flaps on the gates, but will add a counterweight to see if it improves performance. He noted that the wall is somewhat buckled (i.e., no longer straight), making designing a solution challenging.

## **CLOSED SESSION**

The District did not go into closed session.

## **ADJOURNMENT**

There being no further business, Trustee Bacchetti adjourned the meeting at 12:02 p.m.