



Minutes
Regular Board Meeting
December 15, 2022

1. A. **CALL TO ORDER:** Chair Bublak called the meeting to 12:00 p.m.

B. **SALUTE TO THE FLAG**

C. **ROLL CALL**

PRESENT: Director Bret Silveira, Director Pam Franco, Vice Chair Javier Lopez, Chair Amy Bublak

ABSENT:

2. **RECOGNITION, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS:** None

3. A. **SPECIAL BRIEFINGS:** None

B. **STAFF UPDATES:**

1. General Manager Granberg provided a presentation on design-build project activities, design build contract status, environmental clearance/permitting, other activities, funding/financing update, public outreach, and shared project photos.

Chair Bublak opened public participation.

Chair Bublak closed public participation.

2. Finance Director Moreno provided an update on financial activities as of December 8, 2022. Revenue and expenses reviewed.

Chair Bublak opened public participation.

Chair Bublak closed public participation.

3. Dale Goodman provided an update on the City of Turlock staff recruitment effort. Goodman said up to date only two positions have been filled and interviews for the remainder of the positions are scheduled for December 2022 and January 2023.

Chair Bublak opened public participation.

Chair Bublak closed public participation.

C. **PUBLIC PARTICIPATION:**

Chair Bublak opened public participation.

Milt Trieweler commented that he had an incident where City of Turlock employees did not notify him of continuous usage that lasted over three weeks. He indicated his concern with how City of Turlock, being shorthanded, will provide service to their residents, like notifying on high usage, when they take on the plant operation.

Chair Bublak closed public participation.

4. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS: None

5. CONSENT CALENDAR:

- A. **Action:** Motion by Director Franco, seconded by Vice Chair Lopez, to approving the minutes of the special meeting of November 17, 2022. Motion carried 4/0 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

6. PUBLIC HEARINGS: None

7. SCHEDULED MATTERS:

- A. General Manager Granberg spoke regarding the Stanislaus Regional Water Authority Regional Surface Water Supply Project Operations Agreement between the SRWA and the Cities of Turlock and Ceres and authorize and direct the General Manager to sign the Agreement

Chair Bublak opened public participation.

City of Turlock Attorney George Petrulakis commented that the operation agreement presented has been revised to the issues addressed during the November meeting. Petrulakis indicated this is a complicated agreement since City of Ceres was added to the agreement. This provides a risk to the City of Turlock because City of Ceres can cancel the agreement at any time. Petrulakis indicated City of Turlock has decided to link the operation agreement and the General Manager agreement due to the board decision to support Turlock managing operations. Petrulakis expressed his concern if the board moves to appoint a City of Ceres employee as General Manager. Petrulakis requested to keep the original decision to keep General Manager position with a City of Turlock employee.

Milt Trieweiler said this has been a long process to get here and to continue to be cautious.

Chair Bublak closed public participation.

Vice Chair Lopez indicated his support for the City of Turlock to operate the plant.

Director Silveira requested section 7, last paragraph to be changed from 10 days to 30 days for processing payments. Legal Counsel Shanahan supported that change to the standard practice for most businesses to 30 days.

Another outstanding issue brought up by Legal Counsel Shanahan, is whether to link the agreements and appointing City of Turlock as the General Manager. Section 14 was added to link the two agreements for the board to decide.

Director Silveira indicated he is in favor of the current agreement if section 14 is removed, and section 7 is changed to 30 days. Vice Chair Lopez added support to that change.

Finance Director Moreno indicated the processing can be completed in 10 days since it is internal processing from SRWA to City of Turlock but would support the change to get the agreement passed.

Director Franco will be in favor of the change if the Finance Director approved the change to 30 days.

Director Silveira indicated it is a right for the City of Ceres to be part of the agreement so he would like for section 14 to be removed to unlink the agreements.

City of Turlock Attorney Petrulakis indicated this may bring up complications on the roles of the General Manager and Plant Manager if this is not a City of Turlock employee. City of Turlock Attorney Petrulakis suggested putting together a committee of two board members with their counsels to address these issues.

Director Silveira indicated the General Manager role and issue is in section 5.6 and possibly no need to add section 14. Attorney Petrulakis indicated section 14 is very important to City of Turlock to say that if the General Manager is not a City of Turlock, then they can terminate the agreement. Vice Chair Lopez indicated that City of Ceres has their full support for City of Turlock and the General Manager discussion is also important to City of Ceres. Legal Counsel Shanahan wanted to get clarification how much notice will be given to terminate the contract with section 14. Attorney Petrulakis anticipates one year notice of termination.

City of Ceres Attorney Nubia Goldstein was in support of adding the timeline to section 14, adding the acknowledgement that is important to City of Turlock, and to include a subcommittee for recommendation to finalize the agreement.

Director Shanahan indicated that section 14 needs to be revised to make sure they get enough votes to pass the operation agreement and to indicate if City of Turlock is not satisfied with the GM decision, that can be a reason to terminate the agreement.

Director Franco indicated the items brought up are very minor items to delay the approval of the agreement. Director Franco said City of Turlock is doing this for the rate payers to save money for both cities and does not see why there is a need for City of Turlock employees to work under someone else. Chair Bublak responded in support to Director Franco's delay to the agreement.

The legal team for City of Ceres, City of Turlock, and SRWA took a recess to redraft language for section 14 and report back to the board for approval.

The board took the closed session item at this time.

Chair Bublak indicated there was nothing to report on the closed session.

Legal Counsel Shanahan came back to report that all legal teams came up with a revised section 14, change to section 7 from 10 days to 30 days, and change the start date to January 1, 2023.

The board suggested the General Manager selection subcommittee include Chair and Vice Chair of the SRWA. Legal counsel Shanahan recommended to choose the two from the board now and they can invite anyone to the meetings they feel are necessary.

Action: Motion by Director Silveira, seconded by Director Franco to approve the Stanislaus Regional Water Authority Regional Surface Water Supply Project Operations Agreement between SRWA and the Cities of Turlock and Ceres in substantially the form as presented at this meeting and authorize and direct the General Manager to finalize and sign the Agreement with such additions and changes as deemed necessary or advisable by the General Manager upon consultation with the Board Chair and General Counsel. Motion carried 4/0 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

Action: Motion by Director Silveira, seconded by Director Franco to recommend the Chair and Vice chair of the SRWA, and a staff member from each City to be part of the General Manager selection subcommittee. Motion carried 4/0 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

- B. General Manager Granberg discussed the General Manager Services Agreement with the City of Turlock.

Chair Bublak and Director Franco asked to table item B.

Action: Motion by Director Franco, seconded by Director Franco to table item b for a future date. Motion carried 4/0 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

- C. General Manager Granberg discussed Resolution 2022-010 approval of the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Prop 50) Funding Agreement and related actions.

Chair Bublak opened public participation.

No one from the public spoke.

Chair Bublak closed public participation.

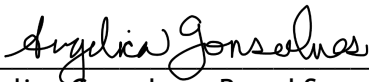
Action: Motion by Director Franco, seconded by Director Silveira to approve Resolution 2022-010 approval of the Water Security, Clean Drinking Water, Coastal and Beach

Protection Act of 2002 (Prop 50) Funding Agreement and related actions. Motion carried 4/0 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

- 8. **MATTERS TOO LATE FOR THE AGENDA:** None
- 9. **BOARD ITEMS FOR FUTURE CONSIDERATION:** A resolution to what is the outcome if the board reaches a 2/2 vote.
- 10. **BOARD COMMENTS:** Vice Chair Lopez, Director Silveira, and Director Franco congratulated all staff involved in drafting the agreement.
- 11. **NEXT MEETING DATE:** January 19, 2023, Regular meeting Ceres
- 12. **CLOSED SESSION:** Closed session for public employee performance evaluation of the General Manager position
- 13. **ADJOURNMENT:** Chair Bublak adjourned the meeting at 1:40 p.m. Motion carried unanimously.

Respectfully submitted,



Angelica Gonsalves, Board Secretary