



## Minutes

### **Carmichael Water District/Sacramento Suburban Water District 2x2 Committee Meeting March 3, 2023**

#### **Location:**

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, and Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting Id #868 8331 9319

#### **Call to Order – Videoconference/Audioconference Meeting**

SSWD Director Craig Locke (Chair Locke) called the meeting to order at 2:01 p.m.

#### SSWD Directors

Present: Craig Locke.

#### SSWD Directors

Absent: Dave Jones.

#### CWD Directors

Present: Jeff Nelson.

#### CWD Directors

Absent: Mark Emmerson.

SSWD Staff Present: Heather Hernandez-Fort.

CWD Staff Present: Carmichael Water District General Manager Cathy Lee (CWD GM Lee).

Public Present: William Eubanks, Ted Costa, Christine Kohn, Jay Boatwright, Carl Jones, and Bruce Hartzell.

#### **Announcements**

CWD GM Lee announced SSWD GM Dan York was absent due to illness.

#### **Public Comment**

None.

#### **Consent Items**

1. **Minutes of the February 8, 2023, Carmichael Water District/Sacramento Suburban Water District 2x2 Committee Meeting**

CWD Director Nelson moved to approve the Consent Item; Chair Locke seconded. The motion passed by unanimous vote.

AYES:	Locke and Nelson.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:	Emmerson and Jones.		

**Items for Discussion and/or Action**

2. **Combination Discussions – Draft Outline Report**

CWD GM Lee presented the staff report and answered clarifying questions.

CWD Director Nelson requested for this information to be provided to both Boards for consideration, and requested for a schedule to be included.

The Committee agreed to proceed with the outline as presented, with a goal of preparing 30% of the Scope of Work to present to the next meeting.

Chair Locke suggested to hold another 2x2 Committee meeting towards the end of March to review the progress and provide further direction.

William Eubanks (Mr. Eubanks) commented that he can see the value in a combination, however, he was concerned about the financial impact to the ratepayers.

3. **Combination Discussions – Communications Plan Update**

CWD GM Lee introduced Christine Kohn (Ms. Kohn) with InCommunications, who presented the staff report and reviewed each attachment.

Ms. Kohn highlighted that the outreach materials prepared were intended to be a neutral way to help share information and shape discussions.

Chair Locke reminded the Committee that the SSWD Board would like to be included in approving all outreach materials.

CWD Director Nelson expressed he was sensitive to the material about potential advantages of a combination, noting he didn't feel all of the advantages were included.

Ms. Kohn pointed out that the materials on advantages and disadvantages were reflective of the Raftelis report, from a neutral third party perspective.

CWD Director Nelson expressed that the scope of the Raftelis report was limited, and that there were more advantages that were not included or identified in the report. He suggested adding the additional advantages to the materials as he felt it was very important to include all advantages.

Chair Locke pointed out that the Raftelis report was more of a fatal flaw analysis, and was not intended to point out advantages as much. He suggested discussing it further at the next Committee meeting.

Discussion ensued regarding the status of the two districts' websites, where Ms. Kohn informed the Committee that the SSWD website was updated with current information, and CWD GM Lee informed the Committee that the CWD website was in the process of being updated with the same information, and will be live by their next Board meeting in March.

CWD GM Lee informed the Committee that the CWD Board delegated authority to the 2x2 Committee to approve outreach materials.

The Committee continued reviewing the attachments.

Chair Locke recommended a single document with key information, and advantages of a combination, to capture customer's attention.

CWD Director Nelson agreed with Chair Locke, noting he felt the advantages and disadvantages was a very important message to deliver.

Ms. Kohn expressed to the Committee that the outreach materials were intended to not be persuasive, but rather information sharing as neutral as possible. She continued with expressing that it was important to provide a complete evaluation of the report for the public, as there was a lot of information in the report.

CWD Director Nelson commented that the Raftelis report was only a part of the analysis.

Ms. Kohn expressed that she felt there could be a way to add the rest of the advantages into the one page external document that Chair Locke recommended.

Chair Locke noted that the Committee was not entirely neutral when initiating combination discussions, as he felt the Committee was in support of combination discussions from the start, noting the Raftelis analysis was to identify if there were any fatal flaws.

CWD Director Nelson agreed with Director Locke.

The Committee agreed to present the materials to each Board to provide an opportunity for input and approval.

The Committee discussed providing a companion document to the Raftelis Report Fact Sheet, which described the opinion of the Boards on the report.

Mr. Eubanks supported Chair Locke's recommendation of a single document with key information.

Ted Costa recommended the Committee look into consultants to assist with the further analysis.

4. **Carmichael Water District and Sacramento Suburban Water District - Joint Board Meeting Agenda**

CWD GM Lee presented the staff report, and noted that April might be difficult to schedule a Joint Board meeting with the other meetings and conferences occurring.

The Committee agreed they would like to schedule a Joint Board meeting as soon as possible, and suggested early April.

The Committee directed staff to present the most influential topics from the Scope of Work document to the Joint Board meeting, such as category 4. Model Merged District and category 5. How Reorganization will Affect Customers, Employees and Other Stakeholders. They recommended staff update the Boards on where staff was with those items, as well as provide a schedule to the Scope of Work.

Mr. Eubanks recommended having water rights and place of use as the highest priority to analyze.

5. **Consultant Services**

CWD GM Lee presented the staff report and answered clarifying questions.

The Committee was in support of considering consultant services, and requested staff present a scope of work at the Joint Board meeting.

Chair Locke recommended staff request funding for consultant services to each respective Board.

6. **Field Trip of Buildings/Water Production Facilities**

CWD GM Lee presented the staff report.

The Committee was not interested in holding a tour, but recommended seeing more of the statistics of each District.

Chair Locke noted if anyone was interested in an actual tour, they could schedule them individually with staff.

7. **Next Meeting of 2x2 Committee**

The Committee requested staff provide a quick summary and overview of what staff was preparing to present to the Joint Board meeting, at the next 2x2 Committee meeting at end of March or beginning of April.

8. **Public Comment**

None.

**Adjournment**

Chair Locke adjourned the meeting at 3:18 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District