



Minutes  
Special Board Meeting  
October 7, 2022

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

B. **SALUTE TO THE FLAG**

C. **ROLL CALL**

PRESENT: Director Bret Silveira, Director Pam Franco, Vice Chair Javier Lopez arrived at 12:05 p.m., Chair Amy Bublak

ABSENT:

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

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

B. **STAFF UPDATES:** None

C. **PUBLIC PARTICIPATION:**

Chair Bublak opened public participation.

Milt Treweiler, City of Turlock resident, indicated he has followed the project from the beginning. Treweiler indicated City of Turlock has made some decisions to cost save money, but they have paid more with some of those decision. Treweiler advised the directors of the City of Ceres to be open minded, not to make assumptions but base it on facts, and do the best they can.

Chair Bublak closed public participation.

4. **DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS:** None

5. **CONSENT CALENDAR:** None

6. **PUBLIC HEARINGS:** None

7. **SCHEDULED MATTERS:**

A. General Manager Granberg reviewed, discussed, and provided direction to staff concerning a revised City of Turlock proposal on project staffing and operations, Turlock recruiting and hiring plans and timing, proposed SRWA/Turlock/Ceres operations agreement, and related issues.

Dale Goodman, City of Turlock Municipal Director, presented on the City of Turlock staffing plan, operations, and maintenance staffing to include the fifth senior operator, organization chart, salaries, and benefits for fiscal year 2022-23 midrange, and hiring timeline with onboarding date of February 16, 2022.

General Manager Granberg expressed his concern that a contingency plan is not being presented if the City of Turlock schedule for hiring does not go as expected and the process of the design build project contract with Jacobs adheres to the schedule. General Manager Granberg indicated he is treating this as he would a private contractor and the ramifications of not meeting schedules could reduce any savings that has been presented.

General Manager Granberg indicated that they have a project management team that would need to be in the panel to help with the interviews.

General Manager Granberg mentioned that the draft operations contract has been sent to the Cities for review and comment. Legal Counsel Shanahan mentioned this contract is structured to have actual labor costs and benefits for employees, five and fifteen percent to cover overhead, and the reimbursement of purchases. It has details on the annual budget process to be presented to the Board with exception of emergencies for City of Turlock to operate within the budget, the cost allocations for the Cities accordingly, and the detail scope of work. The agreement would also confirm that the current Finance Director Moreno can continue as the Finance Director for the SRWA and the General Manager it allows for appointment, but it is not required to have the Turlock Muni director as the General Manager. That would allow for the board to terminate the general manager services and not the contract.

The Board asked why the City of Ceres is involved in the contract. Legal Counsel Shanahan responded that Ceres is obligated to the costs and that Ceres staff had an expectation and preference to be a part of it. The Board asked if City of Turlock wants to step away in the future can Ceres step in and take over. Legal Counsel Shanahan responded that they would need to amend the contract. Legal Counsel Shanahan asked if the City of Turlock or SRWA wants to make changes, City of Ceres would have a say since this is important to the City as well.

Chair Bublak opened public participation.

Milt Treweiler, citizen from City of Turlock, concern is that the Board may not understand the ramifications of what is going on. Treweiler said the Muni director already has enough responsibilities. Treweiler asked if a city can take over an authority and if it was legal in California. Treweiler commented on the lack of employee retention in City of Turlock.

Regan Wilson, City of Turlock City Manager, indicated that the City has already started the process and are waiting for approval from their City Council. Wilson indicated that the City of Turlock is going to do their best.

John Does asked what the strategy is for hiring and retaining employees with the pay it is currently offering.

Regan Wilson, City of Turlock City Manager, said Turlock has a generous benefit program not calculated in the pay salary, the pay salary is based on ten other jurisdictions similar to Turlock and their proposed salary in in the middle.

General Manager Granberg concern is that the plant needs highly qualified operators to run the plant and the offered wages play a big part in the hiring. SRWA used special district rates for calculations. In regard to benefits, City of Turlock's benefits are slightly under the SRWA

as it relates to the proposal benefits. General Manager Granberg added that the City of Turlock proposal is for 15 full-time employees with benefits and two part time, five percent, employees while SRWA's proposal is for 18 full time employees with benefits. If Denair or Hughson decided to get water from SRWA, they would be wholesale customers, and would not affect the operation contract. Legal Counsel Shanahan responded that it would not affect the contract or make up of the JPA. It is a service agreement, and it can be terminated giving the SRWA a one-year notice.

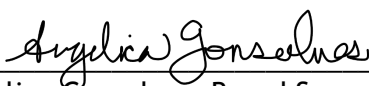
Director Silveira indicated it is important to have the contingency plan and would like to see that in the contract. Director Silveira said it is very important to include City of Ceres in the agreement.

The board suggested that City Managers from both Cities be included in the decision making of the contract and amendment of bylaws.

Chair Bublak closed public participation.

8. **MATTERS TOO LATE FOR THE AGENDA:** None
9. **BOARD ITEMS FOR FUTURE CONSIDERATION:** None
10. **BOARD COMMENTS:** None
11. **NEXT MEETING DATE:** October 20, 2022, Regular meeting Turlock
12. **CLOSED SESSION:** None
13. **ADJOURNMENT:** Chair Bublak adjourned the meeting at 12:43 p.m. Motion carried unanimously.

*Respectfully submitted,*

  
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Angelica Gonsalves, Board Secretary