

# MINUTES OF THE REGULAR MEETING OF THE FRCD BOARD

Wednesday, December 12, 2012

The regular meeting of the Board of Directors of the Florin Resource Conservation District was called to order at 6:30 p.m. by Barrie Lightfoot, Chair, at 9257 Elk Grove Blvd, Elk Grove CA.

## Call to Order, Roll Call, and Pledge of Allegiance.

Directors Present: Barrie Lightfoot, Chuck Dawson, Tom Nelson, and Elliot Mulberg  
Directors Absent: None  
Staff Present: Mark J. Madison, General Manager; Dennis Coleman, Finance Manager; Stefani Phillips, Secretary/Human Resource Specialist; Bruce Kamilos, Associate Civil Engineer; Donella Ouellette, Finance Supervisor; Richard Salas, Water Distribution Foreman; Darren Sissom, Water Distribution Operator II; Bryan Hutchinson, Water Distribution Operator I; John Alexander, Water Distribution Operator I; and Marcell Wilson, Water Distribution Operator I  
Associate Directors Present: Davies Ononiwu  
Associate Directors Absent: Donald Menasco  
Consultants Present: Ann Sipelle, General Counsel, and William Robinson, Best, Best, & Krieger, LLP

## 1. Proclamations and Announcements

General Manager Mark Madison recognized Director Tony Perez for nine years of public service with the Florin Resource Conservation District. Mr. Perez tendered his resignation after being elected to the Elk Grove Unified School District Board of Directors in November. The Board and staff wished Mr. Perez well with his new endeavor.

Mr. Madison recognized and congratulated Water Distribution Operator II Darren Sissom for his five years of service with Elk Grove Water District.

## 2. Administer Oath of Office and Seat Directors

Secretary Stefani Phillips administered and seated incumbent Directors Chuck Dawson and Elliot Mulberg to the Florin Resource Conservation District Board of Directors.

## 3. Farm to Table Presentation

Amanda Platt, Cosumnes River Watershed Coordinator gave a presentation to the Board regarding the Farm to School Project, which is a program to integrate new farmers and low-income schools to provide healthier choices of foods to the students. Ms. Platt will be responsible for administering the project on behalf of the California Association of Resource Conservation Districts and is requesting the support of the Board to receive assistance in administering the project. This project would help the District meet its Strategic Plan Goal of Cooperative Programs by partnering with the other Resource Conservation Districts.

MSC (Mulberg/Dawson) to show interest in the Farm to School Project, 4/0: Ayes: Dawson, Lightfoot, Mulberg, and Nelson

## 4. Consent Calendar

- a. Minutes of the Regular Board Meeting of October 24, 2012
- b. FRCD Cash Flow Worksheet – October, 2012
- c. Warrants Paid – October, 2012
- d. Active Accounts – October, 2012
- e. Bond Covenant Status for FY 2012-2013

- f. Revenues and Expenses – Actual vs Budget FY 2012-2013
- g. Cash Accounts
- h. Consultants Expenses

The Board pulled item (f) to discuss.

MSC (Dawson/Nelson) to approve Consent Calendar items a-e, g and h, 4/0: Ayes: Dawson, Lightfoot, Mulberg, and Nelson

A brief discussion was held regarding item (f) Revenues and Expenses – Actual vs Budget FY 2012-2013.

MSC (Mulberg/Dawson) to approve Consent Calendar item (f), 4/0: Ayes: Dawson, Lightfoot, Mulberg, and Nelson

## 5. Operations Report – October 2012

Mr. Madison presented the Operations Report for October 2012.

He highlighted the following:

- 689 door hangers
- Well 9 – the location is indicated on map
- Well 1 D is performing well
- Well 4 D is performing well
- Well 14 D was rehabilitated and back online
- Well 3 is not being used often
- Well 8 is dependable
- Well 9 has improved
- Well 12 has been taken offline because of cavitation
- No purchased water in the month of October
- Combined production is slightly higher compared to last year
- Well 11 D specific capacity is low – under rehabilitation
- Well 9 – specific capacity good
- All samples have been taken
- Serious problems with filters (6)
  - Media has not been changed since 2004
  - Will use in-house workforce to replace
  - Media (green sand) is not inexpensive - \$50,000 per filter train
  - Will need to be done before Spring 2013
- All preventative maintenance has been done
- Safety meetings were held
- 132 meters installed in October
- No leaks in October
- 105 valves were exercised

Mr. Madison indicated that staff would proceed with the media replacement for Filter Train A. If successful, then Filter Train B and C will also be rehabilitated, although the media procurement would require a change order to be approved by the Board.

The Board discussed the longevity of the media (metal vs. green sand). Associate Civil Engineer Bruce Kamilos responded that the MetalEase media lasts approximately eight years and the Greensand media lasts approximately ten years.

## 6. Board Member Vacancy

The Board discussed the process in which to fill the Board member vacancy previously occupied by Director Tony Perez.

The Board concluded that they would post the vacancy for a period of three weeks in the Elk Grove Citizen and the Sacramento Bee. They agreed that if more than three letters of interest were received, they would hold ad-hoc committee meetings to narrow the candidates down to three in which they would bring before the whole Board at the January Board meeting. The Board agreed that Chairman Lightfoot and Director Dawson would sit on the ad-hoc committee for the Board Member Vacancy.

MSC (Mulberg/Dawson) to post the Board member vacancy in the Elk Grove Citizen and the Sacramento Bee for a period of three weeks and if more than three letters of interest are received an ad-hoc committee (Chairman Lightfoot and Director Dawson) will meet to narrow the candidates down to bring before the whole Board at the January Board meeting, 4/0: Ayes: Dawson, Lightfoot, Mulberg, and Nelson

## 7. Elk Grove Water District 2012 Employee Policy Manual Amendment

Ms. Phillips presented the Elk Grove Water District 2012 Employee Manual Amendments. The changes would include amending section 3.1.1 "Harassment Policy" and Section 5.6.2 "Retirement Plan" and adding Section 5.6.3 "Grandfathered Members" and Section 5.6.4 "New Members" to the Elk Grove Water District Employee Policy Manual.

Ms. Phillips explained that a new law will go into effect on January 1, 2013 (SB 1038), which eliminates the California Fair Employment and Housing "Commission" (FEHC) from the hearing process and transfers the duties to the "Department" of Fair Employment and Housing (DFEH) changing how charges of discrimination and harassment are handled. She further explained that the second proposed change to section 5.6.2 Retirement Plan adds language to incorporate provisions affecting retirement benefits to current employees (grandfathered members) and new members hired on or after January 1, 2013. Among the provisions adopted by PEPRA, are mandatory contributions for new members (new members defined by Government Code Section 7522.04(f)).

MSC (Mulberg/Dawson) to approve Resolution No. 12.12.12 of the Board of Directors of the Florin Resource Conservation District amending section 3.1.1 "Harassment Policy" and Section 5.6.2 "Retirement Plan" and adding Section 5.6.3 "Grandfathered Members" and Section 5.6.4 "New Members" to the Elk Grove Water District Employee Policy Manual, 4/0: Ayes: Dawson, Lightfoot, Mulberg, and Nelson

## 8. Elk Grove-Florin Road Property Lease

Mr. Madison presented the Board with the Elk Grove-Florin Road Property Lease. He stated that the lease term was for a period of one year for \$1700 a month for half of the property. Mr. Madison explained that \$200 of the lease payment would be deposited in a joint RCD account for maintenance. He stated that any expense for property maintenance up to \$100 would be an out-of-pocket expense for the tenant.

MSC (Mulberg/Dawson) to approve a twelve month lease, for a sum of \$1,700 per month, with Steve Ouellette for the operation of his U-Haul business on the Elk Grove-Florin Rd. property jointly owned by Florin Resource Conservation District, Sloughhouse Resource Conservation District and Lower Cosumnes Resource Conservation District, 4/0: Ayes: Dawson, Lightfoot, Mulberg, and Nelson

## 9. Contract Amendment for Water Rate Study Services

Finance Manager Dennis Coleman presented the contract amendment for water rate study services to the Board of Directors. Mr. Coleman explained that the amendment proposes an additional \$39,030, which increases the total contract price to \$95,375. He said that the water rate study would facilitate

18 public meetings between the Community Advisory Committee and the Board of Directors. Mr. Coleman stated that this rate study is producing a rate structure, the AB 1600 nexus study (connection fees), differing customer classes, including multi-family, an analysis on the elasticity of rate adjustments versus consumption, and a financial model that can be used by the District in the future.

The additional cost includes:

- November Meetings (\$4,000)
- Financing options (12 total hours; Principle 6/Analyst 16 - \$1,590)
- Cost of Service Analysis (32 total hours; Principle 16/ Analyst 16 - \$4,240)
- Rate Design Analysis (20 total hours; Principle 10/Analyst 10 - \$2,650)
- AB 1600 Nexus Study (68 total hours; Principle 32/Analyst 36 - \$8,960)
- Meetings (8) (64 total hours; Principle 32/Analyst 32 - \$16,000)
- Proposition 218 Process (12 total hours; Principle 6/Analyst 6 - \$1,590)

Mr. Coleman stated that the completion and approval of the water rate study will be in April and the adoption of the new rates will be in June.

Vice-Chair Elliot Mulberg inquired if the amendments to the contract were based on milestones after delivery or time and materials. Mr. Madison stated that he did not believe it was addressed as milestones. Mr. Mulberg stated that he was reluctant to sign for changes outside of the agreement.

Mr. Madison replied that the contract was a task based contract for deliverables outside on the agreement.

The Board agreed they would like to see presentation information from the consultants well in advance of meetings.

Mr. Mulberg motioned to amend the recommendation to include that staff complete any additional work. Mr. Coleman stated that he does not have the expertise to complete the additional duties.

MSC (Lightfoot/Dawson) to authorize the General Manager to execute a contract amendment with Willdan Financial Services, in an amount as a maximum and not-to-exceed \$39,030, to complete the 2012 Water Rate Study for the Elk Grove Water District, 4/0: Ayes: Dawson, Lightfoot, Mulberg, and Nelson

## 10. Bureau of Reclamation Water Smart Grant Application

Mr. Madison presented the Bureau of Reclamation Water Smart Grant Application to the Board of Directors for consideration. He stated that the U.S. department of Interior Bureau of Reclamation is soliciting applications for funding for water efficiency projects. There is \$21.5 million available through the federal budget for two funding groups. One group offers up to \$300,000 for two year projects, the second group funds projects up to \$1.5 million for three years. Staff intends to apply for both groups to help support the costs of the meter retrofit project and the backyard main/services replacement which is contained in the Capital Improvement Program. The grant requires a 50% match.

MSC (Nelson/Mulberg) to adopt resolution 12.12.12.03 of the Board of Directors of the Florin Resource Conservation District designating the General Manager as the authorized representative to commit to the financial and legal obligations associated with the receipt of WaterSMART grant financial assistance.

## 11. Legislative Update

Mr. Madison presented the Legislative Update to the Board. He stated that the legislature convened on December 3, 2012 and staff will continue to monitor. He noted that SB3626 has been sent to

committee whose purpose is to “enhance” State revolving funds for water and wastewater infrastructure projects. He stated staff will follow up on this bill at the January Board meeting.

## **12. Committee Meeting(s) Update**

Finance Committee Meeting Minutes - August 13, 2012

MSC (Dawson/Lightfoot) to approve the minutes of the Finance Committee Meeting held on August 13, 2012, 4/0: Ayes: Dawson, Lightfoot, Mulberg, and Nelson

## **13. Directors Comments and Information**

Director Tom Nelson reported on his experience at the ACWA/JPIA Conference. He stated that he learned about all of the benefits/savings that the ACWA/JPIA has to offer regarding insurances (liability, workers compensation, etc.) He stated that staff will be looking further into this in the near future. He also mentioned that he learned of a webinar on ObamaCare that would be presented by Tom Sher on January 17, 2013.

Mr. Mulberg announced that he was appointed to the Legislative Committee for the California Special Districts Association.

Mr. Madison announced that Mr. Mulberg was appointed as Interim Executive Officer for Solano County LAFCO.

Respectfully submitted,

*Stefani Phillips*

Stefani Phillips, Secretary