

MINUTES OF THE REGULAR MEETING OF THE FRCD BOARD

Wednesday, July 23, 2014

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 8820 Elk Grove Blvd, Elk Grove CA.

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

Directors Present: Barrie Lightfoot, Chuck Dawson, Don Menasco, Elliot Mulberg and Tom Nelson

Directors Absent: None

Staff Present: Mark J. Madison, General Manager; Dennis Coleman, Finance Manager; Bruce Kamilos, Associate Civil Engineer; Donella Ouellette, Finance Supervisor; Management Analyst Ellen Carlson; Board Secretary Stefani Phillips; and Water Distribution Foreman Richard Salas; Water Distribution Operator I Salvador Mendoza; and Water Distribution Foreman Jose Carrillo

Associate Directors Present: Mike Schmitz and Davies Ononiwu

Consultants Present: Ann Siprelle, General Counsel

Public Comment

None

1. Proclamations and Announcements

Recognition of Salvador Mendoza for 5 years of service.

General Manager Mark Madison presented Salvador Mendoza, Water Distribution Operator I with a plaque recognizing him for 5 years of service.

Mr. Madison introduced Hossein Golestan, who is contracted as interim Finance Manager.

2. Overview of the Solano Resource Conservation District

(Chris Rose, Executive Director)

Chris Rose, Executive Director of the Solano RCD provided an overview of the district.

Highlights:

- Partnerships
 - Joint grants with common goals
- Funding through annual tax revenue
- Other sources of funding
 - State and federal grants
 - Fee for service for service projects for local districts, cities, and county

Question and answer's include:

Director Tom Nelson inquired if the Solano RCD hires people to write grants and can they give them a percentage.

Mr. Rose responded that they already have staff that writes the grants. He said that most of the grants have requirements that identify how the monies can be used.

Mr. Nelson inquired if he has seen many grants that allow the grant writer to receive a percentage.

Mr. Rose responded that they have not pursued any that allow that. He stated that most grants have to be written with that provision included.

Director Elliot Mulberg inquired if the grant could be written to include administration of the grant.

Mr. Rose responded yes, it can be included with limitations. Staff will need to learn what the acceptable limitations are when writing the grants.

Associate Director Davies Ononiwu inquired who pays taxes on a tax assessment.

Mr. Rose responded the county pays the taxes.

3. Introduction of Katie Dahl, Association of California Water Agencies Regional Affairs Representative

Katie Dahl, ACWA Regional Affairs Representative provided information highlighting current information:

1. Statewide Water Action Plan
2. Water Bond
3. Groundwater frame work
4. Drought

Chairman Barrie Lightfoot inquired if the government is listening when Ms. Dahl is representing the interests of the constituents.

Ms. Dahl responded "yes, I believe he is".

4. Consent Calendar

- a. Minutes of the Regular Board Meeting of June 25, 2014
- b. FRCD Cash Flow Worksheet – June, 2014
- c. Warrants Paid – June, 2014
- d. Active Accounts – June, 2014
- e. Bond Covenant Status for FY 2013-2014 – June, 2014
- f. Revenues and Expenses – Actual vs Budget FY 2013-2014 – June, 2014
- g. Cash Accounts – June, 2014
- h. Consultants Expenses – June, 2014
- i. Conservation Activities – June, 2014

Director Elliot Mulberg stated that he appreciates the updates of the Conservation Activities. He stated that he also appreciates Ms. Carlson's work with Stone Lake Wildlife Refuge. He added that he would like to see more partnerships added to the activities in the future.

MSC (Mulberg/Nelson) to approve Consent Calendar item a-i, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson, and Lightfoot.

5. Operations Report – June, 2014

General Manager Mark Madison highlighted the following activities:

- Door hangers – 361
- Low pressure complaints – 8
 - Sacramento County pressure dropped
- USA locates - 112
- Valve exercising – 124 (exceeds the performance metrics)
- Meters Retrofit –Utility Department
 - 29 residential remaining
 - 24 commercial remaining
- Combined total production down – 18.8% (decrease from conservation awareness)
- Static pumping levels dropped significantly.
 - Deep Well 14 D is -104 to -130 below ground surface
 - Shallow wells are not indicating the drop as much.
- All samples were regular and submitted on time.
 - Additional samples were taken related to the warf hydrant retrofits
 - Warf hydrants replaced – 76 completed and 10 left (they will be replaced when the 4” mainline is replaced when the 6” mainline is installed).
- Melrose is currently underway (2 month project)
- Commercial meters are being installed related to backflow.
- Residential meters
 - Multi-family units – approximately 100 units (completion goal – end of calendar year)

Mr. Madison stated that the drought has definitely hit Elk Grove’s water table it is evident in the static pumping levels.

Mr. Madison complimented the customers for reducing their consumption during the drought.

Questions and answer’s include:

Vice-Chairman Chuck Dawson inquired why the combined production was down for 2011.

Mr. Madison stated he would have to research that.

Director Tom Nelson commented that he has a concern about the District using their shallow wells because it may affect people in the area who have shallow wells.

Mr. Madison responded “point well taken.”

6. Adoption of the American River Basin Integrated Regional Water Management Plan

General Manager Mark Madison informed the Board that it was not imperative to adopt the IRWMP at this Board meeting. He stated that the Board could adopt it at the August Board meeting allowing more time to read it.

Chairman Barrie Lightfoot stated that he was not comfortable voting on something that the Board has not thoroughly examined.

The Board's consensus was to bring the item back to the August Board meeting.

7. Amendment to Water Shortage Contingency Plan and Implementation of Stage 1 – Water Alert

Management Analyst Ellen Carlson and General Manager Mark Madison presented the following regarding the Water Shortage Contingency Plan:

On July 15, 2015 the State Water Resources Control Board issued Resolution No. 2014-0038 adopting an emergency regulation for statewide urban water conservation, making certain requirements of urban water suppliers. The proposed amendment will mandate no outdoor irrigation of even number addresses except on Monday, Thursday, and Saturday (although they are urged to water only on Monday and Thursday); and no outdoor irrigation of odd number addresses except on Tuesday, Friday, and Sunday (although these addresses are urged to water only on Tuesday and Friday).

The State Water Resources Control Board approved the emergency regulations to go into effect on August 1, 2014 and require urban water suppliers (such as the District) whom have a water shortage contingency plan to implement a stage of its water shortage contingency plan which imposes mandatory restrictions on outdoor irrigation. The Districts plan meets the requirements and includes related provisions pertaining to penalties and enforcement.

Question and answer's include:

Director Tom Nelson inquired if the fines were the same as they were.

Ms. Carlson responded yes, they are the same.

Vice-Chairman Chuck Dawson inquired if it was mandatory for two days a week.

General Manager Mark Madison responded no, mandatory for three days and urging two.

Vice-Chairman Chuck Dawson inquired if the watering cycles apply to people with wells.

Mr. Madison replied yes, it does apply for EGWD customers.

Director Don Menasco commented that the new state mandate is vague. He inquired who is enforcing it and who will audit.

Mr. Madison responded the requirements for enforcement are vague. He stated that the City of Elk Grove would be the best to enforce the new mandate. He stated that the provisions discuss violations and infractions, which are criminal. Mr. Madison commented that EGWD does not have enforcement for such infractions.

Vice-Chairman Chuck Dawson stated that he was worried about the City being overzealous.

The Board discussed the idea of the City of Elk Grove taking over enforcement.

Chairman Barrie Lightfoot commented that he does not want this to be a money maker for the City.

Mr. Madison stated that he did not want to be heavy handed with the customers. He stated they have done an excellent job in conservation and we want to compliment them on their efforts.

Mr. Madison stated that there will be a meeting in a couple of days with the City, the County of Sacramento, the Cosumnes Community Services District and some others to discuss the mandate. Mr. Madison commented that good communication will be essential with this new mandate.

MSC (Lightfoot/Nelson) to adopt Ordinance No. 07.23.14.02 Amending the Water Shortage Contingency Plan's Outdoor Irrigation Schedule and Order Implementation of Stage 1 – Water Alert

8. Professional Services Agreement for Preparation of Asset Management Plan

Associate Civil Engineer Bruce Kamilos presented the Profession Services Agreement for preparation of the Asset Management Plan. He stated the completion of the Asset Management Plan is part of the EGWD's Strategic Plan and the FY 2015-19 CIP. Mr. Kamilos stated he solicited proposals from five consultant engineering firms for the preparation of an Asset Management Plan. He stated that two consultant firms, MC Engineering and Kennedy/Jenks Consultants, provided EGWD with proposals. Mr. Kamilos provided the proposal with the highest quality and lowest cost to prepare an Asset Management Plan.

Question and answer's include:

Director Elliot Mulberg inquired how often the plan needs to be updated.

Mr. Kamilos replied that he doesn't have a straight answer for the question. He said it should stay data current for some time. Mr. Kamilos stated that as time goes on, assets will need to be updated and formulas will change.

Director Elliot Mulberg was concerned about whether the Asset Management Plan driving the CIP; and do we have someone in-house who can run the model.

Mr. Kamilos responded no, it's not driving it solely, but it will help to improve over the long-term. He said that the District's GIS Technician I is competent in ArcGIS as well as himself.

Vice-Chairman Chuck Dawson stated that the District needs to get a handle on the assets for the future.

Director Tom Nelson inquired if it has the ability to change parameters on the frequency of the District's needs.

Mr. Kamilos replied, yes.

Director Don Menasco inquired if the program was non-proprietary.

Mr. Kamilos responded that it is non-proprietary and based on an open architecture code.

Director Tom Nelson inquired if the District was going to need a new server for the program.

Mr. Kamilos stated that he believes the server the District has now, has enough capacity.

Director Don Menasco inquired if staff thought the District may need consultants for this Asset Management Plan in the future.

Mr. Kamilos responded that he did not believe that the District would need to reach back out for them.

Director Elliot Mulberg inquired if the staff could run the model.

Mr. Kamilos assured Director Elliot Mulberg that District staff was competent to run the model.

MSC (Dawson/Nelson) to approve a Motion Authorizing the General Manager to Execute a Professional Services Agreement with Kennedy/Jenks Consultants in the Amount of \$73,370 for the Preparation of an Asset Management Plan

9. Amendment to FY 2014/15 Capital Improvement Program and Hampton Village Water Treatment Plant Refurbishment Project Contract

Associate Civil Engineer Bruce Kamilos presented the Amendment to FY 2014/15 Capital Improvement Program and Hampton Village Water Treatment Plant Refurbishment Project Contract for consideration by the FRCD Board of Directors.

Mr. Kamilos reported that the bid amount of \$996,039 exceeds the amount budgeted for the project in the FY 2014-15 CIP. He stated that the Board had appropriated \$2,775,000 of unrestricted funds to the FY 2014-15 CIP reserve fund at the July 26, 2014 board meeting. Mr. Kamilos requested an additional \$711,039 of unrestricted funds to the FY 2014-15 CIP reserve fund to cover the difference between what was budgeted and the bid amount of the project.

Mr. Kamilos stated that he would discuss potential value engineering items with the contractor in an effort to achieve cost savings on the project.

Director Elliot Mulberg requested staff to adjust Table 1 in the FY 2014-15 CIP and carry that change throughout the affected tables in the CIP document.

MSC (Menasco/Dawson) to approve a Motion Amending the FY 2015-19 Capital Improvement Program (CIP), Appropriating an Additional \$711,039 of Unrestricted Funds to the FY 2014-15 CIP Reserve Fund, and Authorizing the General Manager to Execute a Construction Contract in the Amount \$996,039 with TNT Industrial Contractors, Inc. for the Hampton Village Water Treatment Plant Refurbishment Project.

Chairman Barrie Lightfoot requested staff to prepare binders in the future of the CIP document, so future pages with changes and revisions may be switched more easily than the bound document.

10. Legislative Update

Management Analyst Ellen Carlson presented the Legislative Update to the FRCD Board of Directors.

Highlights:

- AB 2100 (Yard maintenance and fines during drought) was signed into law by the Governor and is effective immediately.
- AB 1434 (Water Corporations-low income relief) in appropriations
- AB 1739 (Groundwater basin management; sustainability) in appropriations
- SB 1036 (Urban water management plans) in appropriations
- SB 1168 (Groundwater management plans) in appropriations
- SB 1420 (Urban water management plans) in appropriations
- AB 2043 (Safe, Clean and Reliable Water Supply Act of 2014) File notice suspended
- AB 2686 (Safe, Clean and Reliable Water Supply Act of 2014) File notice suspended

11. Committee Meeting(s) Update

No comments were made.

12. Directors Comments and Information

FRCD Board Secretary Stefani Phillips will send by email the Board of Directors the dates for pulling papers for the election.

13. Closed Session

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Section 54957

Title: General Counsel

No reportable action taken.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary