

**MINUTES OF THE REGULAR MEETING OF THE FLORIN RESOURCE
CONSERVATION DISTRICT BOARD OF DIRECTORS AND SPECIAL MEETING OF
THE FLORIN RESOURCE CONSERVATION DISTRICT ECONOMIC
DEVELOPMENT CORPORATION**

Wednesday, September 19, 2018

Chairperson Tom Nelson opened the regular meeting of the Florin Resource Conservation District and special meeting of the Florin Resource Conservation District Economic Development Corporation to run as a concurrent meeting. The meeting was called to order at 6:30 p.m. at 9257 Elk Grove Blvd., Elk Grove, CA.

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

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| Directors Present: | Bob Gray, Tom Nelson, Sophia Scherman, Jeanne Sabin |
| Directors Absent: | Lisa Medina |
| Staff Present: | Mark Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary; Patrick Lee, Treasurer; Sarah Jones, Program Manager |
| Staff Absent: | Donella Murillo, Finance Supervisor |
| Associate Directors Present: | Shahid Chaudhry |
| Associate Directors Absent: | None |
| General Counsel Present: | Ren Nosky, Nosky Legal Group |

Public Comment

Tony Tillman, District Conservationist introduced himself. He gave a brief update of the status of conservation activities.

1. Proclamations and Announcements

Nothing to report.

2. Consent Calendar

- a. Regular Board Meeting Minutes of August 18, 2018
- b. Warrants Paid – August, 2018
- c. Active Accounts – August, 2018
- d. Bond Covenant Status – August, 2018
- e. Revenues and Expenses – August, 2018
- f. Cash Accounts – August, 2018
- g. Consultants Expenses – August, 2018
- h. Major Capital Improvement Projects – August, 2018

MSC (Scherman/Sabin) to approve FRCD Consent Calendar items a-h. 4/0: Ayes: Gray, Nelson, Sabin and Scherman.

3. Committee Meetings

There were no committee meetings held in the month of July.

4. Elk Grove Water District Operations Report – July 2018

General Manager Mark Madison presented the EGWD Operations Report – August 2018 to the Florin Resource Conservation District Board of Directors (Board).

Summary:

- Door tags and shutoffs remained high in August at 572 & 68, respectively.
- There was one pressure complaint in Service Area 2 and this was unsubstantiated.

- There was one water quality complaint in SA1, which also was unsubstantiated.
- 156 hydrants were checked. The District's hydrant maintenance target is set at 135 per month (each hydrant is checked once per year).
- 142 valves were exercised. The District's valve exercising target is set at 120 per month (every valve once per 3 years).
- Wells 4D, 14D, 8, 9, and 13 were used as the main sources of supply for Service Area 1. Wells 1D and 11D were hardly used and Well 3 was offline.
- Production for Service Area 1 remained almost the same as last month and also about the same as August of last year.
- Total customer usage for EGWD (SA1 and SA2) was also about the same compared to those months.
- The Static and Pumping Water level charts have no new data. The next measurements will be taken in early October.
- All required sampling was performed with no anomalies.
- All required regulatory reports were submitted on time and there were no excursions of any regulatory requirements.
- All preventative maintenance activities have been performed in compliance with our Standard Operating Procedures. This includes a run test conducted on the generator which provides backup power for the Administration building.
- Backflow prevention program. As of the end of August, we had 47 delinquent customers. That number stands at 9 right now. They have until August 27 until they are shut off.
- We had 4 formal safety meetings in August. We did have a lost time injury which actually occurred in June but just recently required surgery.
- Service Line Replacements – 24 service lines were replaced in August and 213 remain. Because this work is taking longer than expected, we plan to bid out the first water main on Elk Way.
- There were 2 service line leaks in August and these were from pinholes.
- Pressures in Service Area 1 continued to remain stable in the 60 psi range. Pressures in Service Area 2 were also about the same.

Vice-chairperson Bob Gray questioned if it was important to perform hydrant maintenance once a year. Mr. Madison responded there is no standard, but it is a good practice.

5. City of Elk Grove/Florin Resource Conservation District Right-of-Access/License Agreement

Mr. Madison provided background on the agenda item to the Board. He stated with the Right-of-Access/License Agreement, the District will have legal rights to access the Railroad Treatment Plant at all times, including road closures for events.

MSC (Scherman/Sabin) to adopt Resolution No 09.19.18.01, authorizing the General Manager to execute a Right-of-Access/License Agreement with the City of Elk Grove. 4/0: Ayes: Gray, Nelson, Sabin and Scherman.

6. Professional Services Agreement Amendment with HDR Engineering, Inc.

Patrick Lee, Finance Supervisor/Treasurer presented the professional services agreement (PSA) amendment with HDR Engineering, Inc. He informed the Board of the additional costs that arose from meetings that occurred, stating this was the reason for the PSA amendment.

There was a discussion on the number of additional meetings held. It was explained that the additional meetings were well attended.

MSC (Sabin/Scherman) to authorize the General Manager to execute an amendment to the professional services agreement with HDR Engineering, Inc., in an amount not-to-exceed

\$11,280, to cover the costs of additional meetings with the Community Advisory Committee and Finance Committee for the preparation of the 2018 Connection Fee Study and 2018 Water Rate Study. 4/0: Ayes: Gray, Nelson, Sabin and Scherman.

7. **Online Bill Payment Processing**

This item was pulled from the agenda and tabled until October.

MSC (Sabin/Scherman) to table item until October. 4/0: Ayes: Gray, Nelson, Sabin and Scherman.

8. **Outside Agency Meetings Report**

Mr. Madison, Program Manager Sarah Jones, and Assistant General Manager Bruce Kamilos spoke regarding various outside agency meetings that they attended.

Ms. Jones presented on the Regional Water Authority (RWA) Public Outreach Committee meeting that took place on September 5, 2018. In summary, this is a quarterly meeting that focuses on public outreach for the Regional Water Efficiency group. Marketing strategies take place during this meeting.

Ms. Jones presented on the Department of Water Resources (DWR) Urban Water Conservation and Drought meeting that took place on September 5, 2018. In summary, this was the first meeting since the new water conservation bills passed. It was a listening session to discuss the methodologies for implementing those compliance related items related to the new bills when they come along.

Ms. Jones also presented on the RWA Regional Water Efficiency Program Advisory Committee (RWEFAC) meeting that took place on September 11, 2018. In summary, this meeting is a quarterly meeting where one of the Districts presents a presentation on their water conservation program. There was a lot of discussion on the water conservation bills as well.

Mr. Madison presented on the Sacramento Central Groundwater Authority (SCGA) Regular Board meeting that took place on September 12, 2018. In summary, there were two principle updates. The first is regarding the Rate Study being performed by HDR Consulting, Inc. for the SCGA. The biggest issue with the rate study right now is the parcel based assessments and the requirements to adopt such parcel based assessments relative to Proposition 218 and Proposition 26. The second principle update is on a regional groundwater model that is being created by GEI Consultants. This is a very complicated model that is needed for whichever plan goes through; the alternative submittal plan or the groundwater sustainability plan. The concern with the regional groundwater model is that RWA is moving forward with a Regional Reliability Plan and therefore are also building a regional groundwater model. The SCGA members questioned why everyone has to pay for both these expensive regional groundwater models and instead build a partnership to make just one model.

Director Sophia Scherman asked if Mr. Madison sees a resolution soon for this matter. Mr. Madison stated, he does not. He further mentioned, the question is, why do we need two (2) agencies governing the same basin.

Mr. Kamilos presented on the RWA Regional Water Reliability Planning meeting that took place on September 12, 2018. In summary, this meeting had a presentation on aquifer storage recovery wells. The idea now is to go out and request quotes to see if there is a feasibility to the wells. Woodland is already using this system.

Discussion occurred on the wells and where they would go if they were installed in the District.

Mr. Madison presented on the Elk Grove City Council meeting that took place on September 12, 2018.

Mr. Madison presented on the RWA Regular Board meeting that took place on September 13, 2018. In summary, there was a discussion on the big issues facing the RWA, including retiree health benefits for new hires, long term succession planning, current vacant position for legislative advocacy program, and quest to get new members.

Mr. Chaudhry asked, related to alternate water management where one option is to use surface water during rainy season versus pumping groundwater, where does the District stand on what is more viable or economical. Mr. Madison responded he and Bruce discussed this at the Sacramento County Water Agency meeting regarding the surface water rights and when/how much water the county could acquire. He clarified the District does not have those rights. He also mentioned that there are restraints from Term 91, which puts constraints on taking water out of the rivers and Delta when the State is releasing water out of its storage, such as Shasta Lake.

9. Legislative Report

Ms. Jones presented the legislative report to the Board. She mentioned the last month of 2017-18 Legislative Session included numerous amendments to and actions on key bills as of August 31, 2018: SB 845 – Safe and Affordable Drinking Water Fund (did not pass) SB 998 – Water Service Shut-offs (passed), AB 2050 – Consolidation of failing water systems (awaiting signature), AB 2649 Groundwater (held), SB 1422 – Drinking Water Testing for Microplastics (awaiting signature), AB 2370 – Lead testing for daycare centers (awaiting signature), and AB 747 – Administrative hearings office (awaiting signature).

Mr. Gray asked when the 60 days start relating to SB 998 preventing service disconnection for at least 60 days for delinquent customers. Ms. Jones mentioned she would have to check in to that further.

Ms. Jones mentioned that October 1, 2018 is when the results will be in regarding what was passed and what was vetoed with a January 1, 2019 effective date.

Mr. Nelson opened the Special Meeting of the Florin Resource Conservation District Economic Development Corporation meeting.

10. Dissolution of the Florin Resource Conservation District Economic Development Corporation

Mr. Lee presented the item to the Board. He mentioned that with this report, staff is recommending that the Florin Resource Conservation District Economic Development Corporation (EDC) adopt a resolution to wind up and dissolve the EDC. He provided background on the creation of the EDC. He states, this is a clean-up item.

Mrs. Scherman asked if the District has to go to court to dissolve the EDC. Ren Nosky, Nosky Legal Group replied, no there is no court action required.

Director Jeanne Sabin asked if the District is current with the IRS. Mr. Lee informed her the District is working with legal to resolve all clean up, but because the EDC is a non-profit so it would not be subject to filing taxes.

Mr. Madison commented that if approved, this resolution authorizes the District to get moving to get the EDC dissolved.

Lynn Wheat asked for help obtaining minutes and agendas from the District website. The staff will assist her with this request.

MSC (Sabin/Scherman) to adopt Resolution No. 09.19.18.02, electing to wind up and dissolve the Florin Resource Conservation District Economic Development Corporation, and authorize staff to proceed with the wind up and dissolution of the Florin Resource Conservation District Economic Development Corporation.. 4/0: Ayes: Gray, Nelson, Sabin and Scherman.

Mr. Nelson closed the Special Meeting of the Florin Resource Conservation District Economic Development Corporation meeting.

11. Directors Comments

Director Sophia Scherman asked if there will be applications sent out for Associate Board Members. Ms. Phillips mentioned that she already did so in May.

Ms. Sabin asked if the District had reached out to any of the Community Advisory Committee (CAC) members. Mr. Madison said he tried, but got no interest.

Mr. Madison discussed the meeting schedule for November and December – December 19, 2018 will be a combined meeting. He discussed the overview of the items on the December agenda: Oath of office, Election of officers, Appointment of committees.

12. Closed Session

a. No reportable action was taken.

b. The Florin Resource Conservation District Board of Directors, by a vote of 4-0, decided in closed session that it will not pursue legal action against the Sacramento County Groundwater Authority (SCGA) at this time and has directed the General Manager to pay the invoice issued by the Sacramento County on behalf of the SCGA for the FY 2018-19 contribution by the FRCD minus the base charge component, minus the connection charge component, and minus the double charge related to Zone 13.

Adjourn to regular meeting on October 17, 2018 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AK/SP