

## MINUTES OF THE REGULAR MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

**Wednesday, December 20, 2017**

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

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

Directors Present:	Bob Gray, Lisa Medina, Tom Nelson, Sophia Scherman, Jeanne Sabin
Directors Absent:	None
Staff Present:	Mark J. Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary; Patrick Lee, Finance Manager; Steve Shaw, Water Treatment Supervisor; Richard Salas, Water Distribution Supervisor; Jose Carrillo, Water Distribution Supervisor; and Sean Hinton, Water Distribution Operator III
Associate Directors Present:	Shahid Chaudhry, Kenneth Strom
General Counsel Present:	Ruthann G. Ziegler, Meyers Nave
Consultants Present:	Mitesh Desai, Badawi and Associates

### **Public Comment**

None

### **1. Proclamations and Announcements**

Finance Manager Patrick Lee announced that the District was recognized at the 2017 ACWA Fall Conference for achieving a loss ratio of twenty percent or less of paid claims and case reserves to deposit premiums in the Liability Program for the period 10/01/2013-09/30/2016.

### **2. Consent Calendar**

- a. Regular Board Meeting Minutes of November 15, 2017
- b. FRCD Cash Flow Worksheet – November, 2017
- c. Warrants Paid – November, 2017
- d. Active Accounts – November, 2017
- e. Bond Covenant Status for FY 2017-18 – November, 2017
- f. Revenues and Expenses – Actual vs Budget FY 2017– November, 2017
- g. Cash Accounts – November, 2017
- h. Consultants Expenses – November, 2017
- i. Major Capital Improvement Projects – November, 2017

Director Jeanne Sabin pulled Consent Calendar item c for discussion.

MSC (Sabin/Medina) to approve FRCD Consent Calendar items a, b, d, e, f, g, h, and i. 5/0:  
Ayes: Gray, Medina, Nelson, Sabin and Scherman.

Ms. Sabin inquired what the \$125,000 warrant paid was for. General Manager Mark Madison replied that the warrant was for a settlement to Lee Farmer, which was a personnel matter and one in which the FRCD Board of Directors approved.

Chairperson Tom Nelson inquired why we were members of California Rural Water Association (CRWA). Mr. Madison replied that the District obtains technical training from CRWA at a reasonable rate. Mr. Nelson inquired with the Board if they were interested in

receiving a list of the organizations that the District pays dues to and the services that are provided in preparation of the Fiscal Year 2018-19 Operating Budget. The Board agreed that that would be useful. Mr. Madison added that the explanation of services would qualify and quantify the dues that are paid to each organization the District is members of.

MSC (Sabin/Medina) to approve FRCD Consent Calendar items a. – i. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

### **3. Committee Meetings**

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

### **4. Public Hearing - Public Health Goal Report**

General Manager Mark Madison introduced the item and provided background. In Summary, the California Health and Safety Code (Code) requires that public water systems serving more than 10,000 service connections prepare a written report every three (3) years that documents detections of any constituents in drinking water that exceed a public health goal. To satisfy this requirement, the Elk Grove Water District (EGWD) completed a report entitled "2016 Report on Water Quality Relative to Public Health Goals". The Code requires that a public hearing be held to receive public comments regarding the Public Health Goal Report before the report is accepted by the Board of Directors.

Mr. Madison noted that the Public Health Goal Report was completed and each of the drinking water constituents are below the maximum contaminant level set by state law, and the EGWD's drinking water system is fully compliant with state law.

A discussion on the item occurred.

Chairperson Tom Nelson opened the Public Hearing.

Tim Hoy inquired if the District was only required to report on Chromium 6 alone, or was it a breakdown of all the constituents; and since the District has two (2) service areas, how the District accounts for the testing of Sacramento County Water Agency. Mr. Madison responded that Sacramento County Water Agency performs their own testing at their own supplies and at the Districts points of connection, with the exception of fluoride. The District is required to test for fluoride within the boundaries. Mr. Madison stated that the District tests monthly, quarterly, and annually as required above what the state requires.

Tim Hoy inquired why the District had an outside agency produce the Public Health Goal Report. Mr. Madison explained that staff has compiled all the data, and the District chose to use an outside agency to help write the report and to make sure that every aspect required by the State was attended to. Mr. Madison explained we had little time to produce the report and the consultants are experts in this area. Mr. Madison stated it is nice to have a second pair of eyes.

With no further comments or questions, Mr. Nelson closed the Public Hearing.

MSC (Scherman/Sabin) to accept the Public Health Goal Report pending public comments.

### **5. Elk Grove Water District Operations Report – November 2017**

General Manager Mark Madison presented the Elk Grove Water District Operations Report – November 2017 to the Board.

Summary Points:

- Door tags and shutoffs (650 & 54, respectively) continued to be somewhat higher than normal.
- We have continued to do a lot of hydrant maintenance (161) and valve exercising (187).
- We had one pressure complaint in November. This was unconfirmed.
- We had four water quality complaints, three of which were and it was unconfirmed.
- Well 1D remained down – it is back online now.
- Wells 4D, 9, and 13 were the main sources of supply for Service Area 1. Hampton continues to perform exceptionally well.
- Production for Service Area 1 dropped down from October by about 55 million gallons.
- Total customer usage for EGWD (SA1 and SA2) was way down compared to November of 2013 at about 22%. November 2013 must have been a warm month.
- The RWA Savings Summary report is a month behind and is for October.
- The Static and Pumping Water level charts have no new data – 4<sup>th</sup> quarter results.
- Nothing unusual relative to our water sample results
- All preventative maintenance activities have been performed in compliance with our Standard Operating Procedures.
- Backflow prevention program -- there were 12 delinquent customers at the end of November.
- We have had 4 formal safety meetings and it has been 670 days since we have had an injury with no lost time!
- Service Line Replacements – No service lines were replaced in November as the Utility crew worked exclusively on the Kent Street Water Main.
- We had no main line leaks and only 3 service line leaks.
- Pressures in both Service Areas bumped up slightly compared to October and probably due to reduced demand. Pressures remain strong and stable.

Bob Stresak inquired what the length of time was for delinquencies before door tags were given. Mr. Madison explained the door tag process. Mr. Stresak also asked what the revenue stream is that represents the delinquent accounts. Mr. Madison replied approximately \$5,000 to \$6,000.

## **6. Rate Study Community Advisory Committee Appointments**

Finance Manager Patrick Lee presented the Rate Study Community Advisory Committee Appointments. In summary, the FRCD is establishing a Community Advisory Committee (CAC) to provide input regarding the 2017 Connection Fee and Water Rate Study, which is now underway. The CAC may also be used to assist the District with other issues such as water quality and capital improvement planning.

The CAC will be made up of eight members of the community and led by both Associate Directors, for a total of 10 committee members. Interested individuals were required to apply by obtaining an application from Elk Grove Water District or by December 15<sup>th</sup>, 2017, at 4:00PM.

Mr. Lee informed the Board that the District received nine (9) applications from interested individuals for the CAC. Mr. Lee inquired if it was the Boards desire to appoint all nine applicants along with the Associate Directors, which would make 11 committee members.

The Board expressed that they would like to have an 11 member CAC.

A discussion regarding the logistics of the CAC occurred.

In summary, the CAC will have approximately three (3) to five (5) meetings including consultants and will remain active until June. The CAC should have a spokesperson and speak at an FRCD Regular Board Meeting periodically. The Board will remain involved through the Finance Committee Meetings.

General Manager Mark Madison thanked Ken Strom for helping to bring interested individuals forward to participate as CAC members.

Tim Hoy inquired why the District hired an outside consulting firm for the 2017 Connection Fee and Water Rate Study when the District has the talent already. Chairperson Tom Nelson responded that rate consultants develop water rate models that can be changed as conditions change to indicate the necessary rates necessary to sustain operations. Mr. Nelson stated currently, the District does not have that kind of expertise on staff. Mr. Madison added that the 2017 Connection Fee and Water Rate Study is far too big not to use a rate consultant. He stated they are also responsible for the legal aspects that need to be considered. General Counsel Ruthann Ziegler spoke about Proposition 218, which requires voter approval prior to imposition or increase of general taxes, assessments, and certain user fees. Ms. Ziegler commented that she is unaware of any entity that is doing a water rate study that has not used an experienced outside consultant. Mr. Madison stated an outside consultant has a level of independence and can provide an independent report to the Board.

MSC (Sabin/Scherman) to appoint selected individuals to the Community Advisory Committee for the 2017 Connection Fee and Water Rate Study.

## **7. Board of Director Benefits**

Human Resources Administrator Stefani Phillips presented the Board of Director Benefits. In summary, the FRCD Board of Directors may be provided with various benefits upon board approval of a resolution, which is required by the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA). The Board may select all benefits that are offered to the employees or they may select only particular benefits of interest to offer to the Board of Directors.

The Board provided staff direction to move forward with a benefit package and policy.

Chairperson Tom Nelson established an ad-hoc committee of two (2) board members to work with staff on the benefit package and a policy. Chairperson Tom Nelson and Vice-Chairperson Bob Gray will comprise the Ad-hoc Committee. The Board would like the item to return to the full Board in February.

## **8. Directors Comments and Information**

Director Lisa Medina thanked everyone who attended the meeting.

Chairperson Tom Nelson shared information he obtained at the 2017 ACWA Fall Conference.

General Manager Mark Madison discussed information on the water sessions he attended at the 2017 ACWA Fall Conference. Mr. Madison also mentioned that he spoke on a panel regarding IT Security.

General Counsel Ruthann Ziegler mentioned that on January 1, 2018, the new law legalizing marijuana will go into effect and she stated that she would like to ensure that the Districts policies are appropriate.

**9. Closed Session**

## a. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Section 54956.9)

Name of case: Sloughouse Resources Conservation District v. Sacramento Central Groundwater Authority, et al.; Sacramento Superior Court Case No. 34-2017-80002529

## b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Section 54957)

Title: General Counsel

No reportable action was taken.

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

Respectfully submitted,

*Stefani Phillips*

Stefani Phillips, Board Secretary