

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

Wednesday, May 15, 2019

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, Tom Nelson, Lisa Medina
Directors Absent: Sophia Scherman, Elliot Mulberg
Staff Present: Mark Madison, General Manager; Bruce Kamilos, Assistant
General Manager; Patrick Lee, Treasurer; Stefani Phillips, Board
Secretary; Donella Murillo, Finance Supervisor; Sarah Jones,
Program Manager
Staff Absent: None
Associate Directors Present: None
Associate Directors Absent: Shahid Chaudhry
General Counsel Present: Ren Nosky, JRG Attorneys at Law

Public Comment

1. Proclamations and Announcements

Program Manager Sarah Jones announced Elk Grove Water District (EGWD) will be holding an Irrigation Workshop on June 1, 2019 at the Community Garden. This event will allow EGWD to inform customers on water conservation practices.

2. Consent Calendar

- a. Minutes of Regular Board Meeting of April 17, 2019
- b. Minutes of Special Board Meeting of April 24, 2019
- c. Warrants Paid – April, 2019
- d. Active Accounts – April, 2019
- e. Bond Covenant Status for FY 2018- 19 – April, 2019
- f. Revenues and Expenses – Actual vs Budget FY 2018- 19 – April, 2019
- g. Cash Accounts – April, 2019
- h. Consultants Expenses – April, 2019
- i. Major Capital Improvement Projects – April, 2019

MSC (Medina/Gray) to approve Florin Resource Conservation District Consent Calendar items a-i with revisions. 3/0: Ayes: Gray, Medina, and Nelson.

3. Committee Meetings

Human Resources Administrator Stefani Phillips presented the Infrastructure Committee Meeting minutes to the Florin Resource Conservation District (FRCD) Board of Directors (Board).

One (1) Infrastructure Committee Meeting was held on Wednesday, April 10, 2019, to review the Draft Fiscal Year (FY) 2020-2024 Capital Improvement Program (CIP).

MSC (Nelson/Medina) to accept the minutes of the Infrastructure Committee Meeting held on Wednesday, April 10, 2019. 3/0: Ayes: Gray, Medina, and Nelson.

4. Elk Grove Water District Operations Report – April 2019

General Manager Mark Madison presented the EGWD Operations Report – April 2019 to the Board.

Chairperson Tom Nelson mentioned he learned about a tag for fire hydrants regarding law for tampering as a deterrent at the Association of California Water Agencies (ACWA) 2019 Spring Conference. Mr. Madison stated he has starting looking for tags that are fitting for the District hydrants.

5. Regional Water Authority Project Agreements

Assistant General Manager Bruce Kamilos presented the Regional Water Authority (RWA) Project Agreements to the Board.

RWA has prepared two (2) separate project agreements. One (1) for the Sacramento Regional Water Bank (Water Bank), Phase 1, and one (1) for an Aquifer Storage and Recovery (ASR) Feasibility Study.

RWA is advancing plans to develop the first phase of activities required to establish the Water Bank. Staff supports the establishment of a Water Bank and recommends that the Board support the project agreement for Phase 1 work. EGWD's contribution for this work is not-to-exceed (NTE) \$18,000.

RWA is facilitating an ASR Feasibility Study. This study will determine if direct recharge injection wells are an effective method of recharging the regional groundwater basin. EGWD has a keen interest in participating in recharge projects that would benefit EGWD customers and ASR projects may offer opportunities in this regard. Staff, therefore, recommends that the Board support the ASR Feasibility Study to determine if ASR is a viable method for recharging the region's groundwater aquifer. EGWD's contribution for this study is NTE \$3,700.

Mr. Nelson inquired about the ASR project and whether drinkable water or river water is being injected. Mr. Kamilos responded that he is not sure what the regulatory requirements are and that is something that will be reviewed. Mr. Madison mentioned that the purpose of the study is to answer questions just like Mr. Nelson's. Mr. Madison is strongly supportive of these studies.

Vice-Chairperson Bob Gray commented he has always heard injecting water into the aquifer is not good. Mr. Madison responded there are different methods to go about injection without destroying the aquifer.

MSC (Medina/Gray) to authorize the General Manager to 1) Execute a project agreement in an amount not-to-exceed \$18,000 with the Regional Water Authority for the Sacramento Regional Water Bank, Phase 1, and 2) Execute a project agreement in an amount not-to-exceed \$4,000 with the Regional Water Authority for an Aquifer Storage and Recovery Feasibility Study. 3/0: Ayes: Gray, Medina, and Nelson.

6. Regional Water Authority Board of Director Alternate Appointments

Mr. Madison presented the RWA Board of Director Alternate Appointments to the Board.

In summary, RWA will be holding a meeting to appoint a candidate to the Executive Director position. The candidate will be selected by the RWA Executive Committee. Neither Mr. Nelson nor Mr. Madison will be available to attend the meeting. In order to have District

representation appoint the RWA Executive Director, it is recommended that the Board appoint Mr. Kamilos as an alternate representative to vote on the District's behalf.

Mr. Madison stated that at the January 18, 2019 regular Board meeting, the Board appointed Mr. Madison as an alternate representative to the RWA Board of Directors. Based on the RWA guidelines, Mr. Madison should be appointed as a member agency representative on the RWA Board of Directors and not an alternate representative.

MSC (Nelson/Medina) to appoint 1) General Manager Mark Madison as a representative from the Florin Resource Conservation District Executive Staff to the Regional Water Authority Board of Directors; and 2) Assistant General Manager Bruce Kamilos as an alternate representative from the Florin Resource Conservation District Executive Staff to the Regional Water Authority Board of Directors. 3/0: Ayes: Gray, Medina, and Nelson.

7. Draft Elk Grove Water District Fiscal Year 2019-20 Operating Budget

Financial Manager Patrick Lee presented the Draft FY 2019-20 Operating Budget to the Board.

Mr. Lee reported changes have been made to the draft FY 2019-20 EGWD Operating Budget development worksheet since the May 1, 2019 Finance Committee meeting.

The draft worksheet has been updated to reflect actual revenues and expenditures through April 30, 2019, which are then used to project the FY 2018-19 expected revenues and expenditures.

The draft worksheet has also been updated with calculations to compare the proposed FY 2019-20 budgeted amounts to the FY 2018-19 expected amounts for informational purposes.

Lastly, the draft worksheet has been updated to reflect a Cost of Living Adjustment (COLA) of 2.90% to be effective July 1, 2019. Non-Exempt Salaries have been updated to reflect the reclassification of a Water Distribution Operation (WDO) III position to a Water Distribution Operation in Training (OIT) position. The Medical Benefits were also adjusted to inflate at only 2% and not the projected 8%.

Mr. Madison commented that Director Elliot Mulberg has requested Mr. Madison to attend the California Special District Association (CSDA) Conference with him. He stated \$1,800 was budgeted into Seminars & Conferences to cover the cost to attend the meeting.

Mr. Madison mentioned Mr. Mulberg commented, he was happy with the budget.

Mr. Madison stated that there is no longer a need for the second Finance Committee Meeting planned for May 22, 2019 or the place holder for the third Finance Committee Meeting on June 6, 2019.

A final version of the FY 2019-20 Operating Budget will be brought back to the June Board meeting for consideration.

8. Elk Grove Water District Fiscal Year 2020-24 Capital Improvement Program

Mr. Kamilos presented the FY 2020-24 CIP to the Board.

In summary, Mr. Kamilos mentioned there are projects in the current FY CIP that were started but not completed. He spoke about a couple of carryover projects in the footnotes and stated that \$290,000 carried over from the previously approved FY 18/19 CIP budget. He also

mentioned there is a carryover of \$415,000 from the previously approved FY 18/19 CIP budget and \$1,423,000, which is for new projects in FY 19/20.

MSC (Medina/Gray) to approve Resolution 05.15.19.01 adopting the Elk Grove Water District Fiscal Year 2020-24 Capital Improvement Program and approving an appropriation of \$1,838,000 from designated reserve funds to the Fiscal Year 2019-20 Capital Improvement Program budget. 3/0: Ayes: Gray, Medina, and Nelson.

9. Proposed Ordinances: Prohibition Of Water Theft And Tampering With District Facilities, Provisions For Claims And Lawsuits, And Provisions Of Water Service

Mr. Madison presented the agenda item to the Board.

In summary, all comments and requested changes have been incorporated into the three (3) revised ordinances and are now presented to the Board for consideration.

MSC (Medina/Gray) to adopt 1) Ordinance 05.15.19.01 prohibiting the theft of water and tampering with District facilities, and 2) Ordinance 05.15.19.02 prescribing provisions for claims and lawsuits, and 3) Ordinance 05.15.19.03 prescribing provisions of water service; replacing Ordinance 06.22.11.01 and making certain findings and determinations in connection therewith. 3/0: Ayes: Gray, Medina, and Nelson.

10. Outside Agency Meetings Report

Mr. Madison presented the Outside Agency Meetings Report to the Board.

Mr. Kamilos reported on the Sacramento Central Groundwater Authority (SCGA) Budget Subcommittee Meeting he attended on April 24, 2019. In summary, costs are going up and in the end it was determined the budget is not going to change this year but next year there will be a significant change.

Mr. Lee reported on the Senate Bill (SB) 998 Working Group Meeting that was held on May 2, 2019. In summary, there were a lot of sharing of Ordinances and policies necessary to document income and medical qualifications for water shut off.

Mr. Nelson, Mr. Madison and Mr. Kamilos reported on the ACWA 2019 Spring Conference held on May 6 through May 7, 2019. Mr. Madison stated the conference was primarily about Sustainable Ground Water Management Act (SGMA) and safe drinking water. Mr. Kamilos mentioned overall it was a good conference with lively key-note speakers.

Ms. Jones reported on the Regional Water Efficiency Program Advisory Committee (RWEFAC) Meeting held on May 14, 2019. The budget was approved and there was a presentation by Sacramento Municipal Utility District (SMUD) to offer partnerships for energy efficient rebates.

Mr. Madison presented the 4x4 Meeting with Cosumnes Community Services District (CSD) to the Board and Mr. Nelson spoke about possibilities. The CSD has property and would like to collaborate on a project that may benefit both agencies.

11. Legislative Report

Ms. Jones presented the Legislative report to the Board. She presented a summary of bills that directly impact the District.

Ms. Jones announced that Governor Newsom recently signed an executive order to put together a water resiliency portfolio similar to the California water plan produced under Jerry Brown.

The Legislative Analyst's Office prepared a report for the Assembly Water, Parks, and Wildlife Committee titled *Funding Water-Related Activities*. The report analyzes existing funding, recent bond funding, legislative options to increase funding, and important considerations around those funding options.

Several bills were discussed which may impact EGWD including SB 669, Assembly Bill (AB) 217, SB 414, AB 1204, and AB 576. In addition several important legislative deadlines were discussed.

Ms. Jones announced that Governor Newsom's water tax language was voted down. The Senate proposed new language and suggested \$150,000,000 annually from the general fund to fund safe and affordable drinking water. Mr. Nelson questioned for what period of time the money would be? Ms. Jones responded one (1) year.

Mr. Madison and Ms. Jones will be meeting with Jim Cooper's District Director, Mikey Hothi on May 16, 2019 regarding possible new legislation.

12. Directors Comments

No comments were made.

Adjourn to Regular Board Meeting on June 19, 2019 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AC/SP