

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

Wednesday, February 21, 2018

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; Donella Murillo, Finance Supervisor; and Sarah Jones, Program Manager
Staff Absent:	Patrick Lee, Finance Manager
Associate Directors Present:	Shahid Chaudhry
Associate Directors Absent:	Kenneth Strom
General Counsel Present:	Ruthann G. Ziegler
Consultants Present:	Thomas Dainat, IT Consultant

Public Comment

None

1. Proclamations and Announcements

General Manager, Mark Madison announced that the Elk Grove Water District (EGWD) has gone (2) years without a lost time injury.

2. Consent Calendar

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

Chairperson Tom Nelson pulled item a, Regular Board Meeting Minutes of December, 2017 and item c, Warrants Paid – December, 2017 from the consent calendar.

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

A discussion occurred regarding item a.

It was mentioned that the documents do not provide clear instruction for what the Economic Development Corporation (EDC) was developed for. Chairperson Tom Nelson provided history mentioned that the EDC was developed as a mechanism to purchase bonds. Ruthann Ziegler, General Counsel stated there could have been a way to issue bonds without forming an EDC.

Mr. Madison raised the question, do we need to have an annual meeting for the EDC. Mrs. Ziegler stated that the District is required to have an annual meeting in July. There will be more discussion on this topic at the March 7th Special Board Meeting.

A discussion occurred regarding item c.

Chairperson Nelson questioned Check #046433, a refund to Elk Grove Unified School District. Finance Supervisor Donella Murillo replied, the refund was for services that were billed incorrectly to Pleasant Grove High School.

MSC (Gray/Sabin) to approve items a and c. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

7. Legislative Update

Chairperson Tom Nelson moved agenda item (7) Legislative Update to be discussed after the consent calendar.

Program Manager Sarah Jones presented agenda item Legislative Update. She highlighted the Permanent Prohibitions, which include things such as recirculating fountains, hose nozzles at all times, and no irrigation for street medians. The Permanent Prohibitions is still in the process of being adopted.

Ms. Jones presented another legislation trying to be pushed through, SB623 – the water tax or the public goods charge. In summary, SB623 was developed to help create a low-income rate assistance program; this is a Budget Trailer bill. Ruthann Ziegler explained that a normal legislative bill, if passed, does not go into effect until January 1 of the following year. A Budget Trailer Bill, such as SB623, if passed, goes immediately into effect. Many are opposed, especially public agencies, because they do not like seeing things passed without stakeholder input.

Director Bob Gray asked if the SB623 - water tax is proposed for private wells. Ms. Jones responded that some funding from the statewide level will be provided for private wells to help treat water quality of the wells. Mr. Gray asked who is going to pay the tax: the rate payers in the district or private well owners. Ms. Jones' stated her understanding is, it would be from the local agencies, which means rate payers.

Mr. Madison asked the Board what position the EGWD should be taking. The Board agreed the District is opposed to the bill.

Ms. Jones provided information on a new proposed bill, SB998 that would require agencies to get permission from the local health and safety department before shutting off someone's water. Mr. Madison further explained that this goes with the argument of is water a commodity or a public right.

Associate Director Shahid Chaudhry asked the question of what does adequate water mean. Ms. Jones stated she wasn't sure, but it is a good question.

3. Committee Meetings

Stefani Phillips, Board Secretary, presented the Committee Meetings to the Board. There were (2) Community Advisory Committee meetings in the month of January. The Community Advisory Meeting and the Finance Committee Meeting were both held on January 10, 2018.

Mr. Madison commented that the Board may desire to hear more updates on outside agency meetings that staff attend. Mr. Nelson mentioned that meetings where staff learn information of interest to the EGWD should be shared.

Mr. Madison informed the Board that the Regional Water Authority (RWA) and Sacramento County Groundwater Authority (SCGA) are the most informative outside agency meetings to report back on. At next month's Regular Board Meeting, Mr. Madison will provide a complete report from the SCGA meeting. Director Sophia Scherman commented to only bring back information that directly affects the District.

MSC (Sabin/Scherman) to accept the minutes of the Community Advisory Committee Meeting and the Finance Committee Meeting held on Wednesday, January 10, 2018 5/0: Ayes: Gray, Medina, Nelson, Sabin, Scherman.

4. Elk Grove Water District Operations Report – January 2018

Mr. Madison presented summary points of the Elk Grove Water District Operations Report – January 2018 to the Board.

Summary Points:

- Door tags and shutoffs (914 & 94, respectively) were very high and this is expected pursuant to the month December when the District does not tag or shutoff customers for non-payment.
- There were no pressure complaints.
- There was one water quality complaints which was unsubstantiated as it was a problem with the customer's water softener.
- 156 hydrants checked. The District's hydrant maintenance target is set at 133 per month (ea. hydrant once per year).
- 165 valves exercised. The District's valve exercising target is set at 120 per month (every valve once per 3 years).
- Well 8 remained offline and is going to be refurbished this spring.
- Wells 9, 4D, 11D, and 14D were the main sources of supply for Service Area 1. Hampton (13) did not run except for sampling and maintenance.
- Production for Service Area 1 remained about the same compared to last month.
- Total customer usage for EGWD (SA1 and SA2) down by 8.3% compared to January 2013. Compared to other agencies in our region, EGWD's reduction is about average.
- The Static and Pumping Water level charts have new data – 1st quarter results. Static water levels are up in all wells compared to two years ago.
- All required bacteriological sampling was performed with one positive result. All retests on this positive sample were negative.
- All preventative maintenance activities have been performed in compliance with our Standard Operating Procedures.
- Backflow prevention program. As of the end of January, we had 6 delinquent customers. Three were carryovers from December.
- We had 3 formal safety meetings and it has been 733 days since we have had a lost time injury.
- No main line leaks and 3 service line leaks (2 pinhole, 1 saddle).
- Service Line Replacements – 20 service lines were replaced in January as part of the Kent St. Water Main project.
- Pressures in Service Area 1 stable in the 60 psi range. Pressures in Service Area 2 running high (70 psi +) a substantial portion of time.

Director Sophia Scherman commented about a hydrant on her court that needed maintenance. She wanted to thank the EGWD for taking care of it.

A discussion occurred regarding the leak on Elk Grove Blvd. Mr. Madison mentioned that leak is not in our District. The District does have a Water and Waste Water Agency Response Network (WARN) agreement, which is a “hold harmless agreement” and relates to providing aid to other agencies. Discussion continued regarding the District’s ability to help other agencies in need.

5. Florin Resource Conservation District 2018 Outside Agency Representation

Mr. Madison presented the Florin Resource Conservation District 2018 Outside Agency Representation.

Following up on last month’s Regular Board Meeting, Mr. Madison spoke more in depth on the RWA and how they are a big and influential organization. The RWA is an organization that has become a very significant group representing the Sacramento region on water issues. The District is a member of the RWA; in return the District is kept up to date on issues, all conservation requirements are covered, and they are provided grant opportunities.

Mr. Madison explained the RWA’s new plan - the Regional Water Reliability Planning, which came out after the drought when agencies wanted to make sure no one ran out of water– the District is involved in this effort. This would create new construction of various things in order to move water around at difficult times. The goal is to use more surface supply and less groundwater through interagency transfers, which is also considered as “in lieu groundwater recharge”.

Director Lisa Medina asked if there is any grant funding for this plan. Bruce responded that there is a huge grant which prompted the question, is the District ready to be involved in this effort. Mr. Madison explained that we are only part of the team at this point.

A discussion occurred regarding the RWA representation.

It was stated that there can be unlimited alternates for the RWA. It was also mentioned that the Board could decide to either change Mr. Madison from primary to alternate and make a Board Member the primary or make no changes to the current representation.

A discussion occurred regarding the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) representation.

Mr. Madison expressed his opinion that there needs to be an alternate for the ACWA/JPIA. As of right now there is a primary and a co-primary.

A discussion occurred regarding the Sacramento Central Groundwater Authority (SCGA) representation.

Director Jeanne Sabin expressed her interest in becoming an alternate. Mr. Madison explained that the City of Elk Grove has to approve the additional alternate and that the District will submit the nomination for her to be added.

MCS (Scherman/Medina) to nominate Director Jeanne Sabin as an alternate to the Sacramento Central Groundwater Authority. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

MCS (Scherman/Medina) to approve the appointment of Mark Madison as an alternate to the Association of California Water Agencies/Joint Powers Insurance Authority. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

6. Florin Resource Conservation District Board of Directors Benefits

Ms. Phillips gave background regarding benefits for the Board of Directors. In summary, the Florin Resource Conservation District (FRCD) Board of Directors appointed a Board of Director Benefits Ad-hoc Committee to work with staff to establish a benefits package and policy.

Chairperson Tom Nelson presented the benefit package for consideration.

Mr. Madison explained if the directors wish to decline benefits, they would need to sign a waiver written by ACWA/JPIA. There was a discussion on the waiver and its specific language.

There was a discussion on the benefit package. Director Sabin asked if future Boards can remove the Board of Director benefits at any time. Mrs. Zeigler stated that it would probably require a certain amount of notice to ACWA/JPIA and to the fellow Board members who may have opted to receive the benefits. Ms. Phillips responded that there probably is some flexibility, but she would need to do some research to answer that question.

MSC (Scherman/Medina) to approve benefits plan as presented: the lowest costing medical plan; Dental benefits – Delta Dental PPO; and Vision Benefits – Vision Services Plan (VSP); and to work with the Board of Directors Ad-hoc Committee to establish a Board of Directors Benefits policy 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

Associate Director, Shahid Chaudhry expressed his opinion that it is not a good idea at this time to provide Board of Directors benefits while a rate study is being performed and with the uncertainty of the FRCD. Director Sophia Scherman responded that the Board of Directors and employees come first and their health and welfare are important. This benefit is a way to help provide them with medical benefits.

8. Directors Comments

Chairperson Tom Nelson mentioned the Spring ACWA Conference will be in Sacramento in May 2018. He stated since there will not be a cost for hotel, travel, and flights the District may have more funds to take additional directors.

Director Jeanne Sabin commented on the Student and Landowner Education and Watershed Stewardship (SLEWS) – it is going very well. She stated there was a little hiccup that happened. A check was presented to SLEWS by Bank of America and kids were in the picture. Ms. Sabin pointed out that waivers need to be initiated and she would like to write an agreement to identify arrangement(s). Agendize for future discussion.

Adjourn to regular meeting on March 21, 2018 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary