

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

Tuesday, April 21, 2020

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Tom Nelson, Chair via Zoom.

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

Directors Present: Tom Nelson, Bob Gray, Lisa Medina, Elliot Mulberg, Sophia Scherman
Directors Absent: None
Staff Present: Mark Madison, General Manager; Bruce Kamilos, Assistant General Manager; Patrick Lee, Finance Manager/Treasurer; Stefani Phillips, Board Secretary; Donella Murillo, Finance Supervisor; Jeff Ramos, Interim Program Manager; Travis Franklin, Program Manager; Sean Hinton, Water Distribution Supervisor; Alan Aragon, Water Distribution Supervisor; Amber Kavert, Administrative Assistant II (Confidential)
Staff Absent: None
Associate Directors Present: Paul Lindsay,
Associate Directors Absent: None
General Counsel Present: Ren Nosky, JRG Attorneys at Law

Public Comment

Nothing to report.

1. Proclamations and Announcements

General Manager Mark Madison thanked Aaron Hewitt, Water Treatment Operator III for his 10 years of service to the Florin Resource Conservation District/Elk Grove Water District (District).

Mr. Madison also told the District Board of Directors (Board) about the Certificate of Achievement that was awarded to the District for its Comprehensive Annual Financial Report (CAFR) from the Government Finance Officers Association (GFOA). He congratulated Finance Supervisor Patrick Lee and Finance Supervisor Donella Murillo for achieving the award for the District.

Mr. Madison announced that Travis Franklin is officially the District's new Program Manager.

2. Consent Calendar

- a. Minutes of Regular Board Meeting of February 18, 2020
- b. Minutes of Special Board Meeting of March 31, 2020
- c. Warrants Paid – February, 2020
- d. Warrants Paid – March, 2020
- e. Board and Employee Expense/Reimbursements – February, 2020
- f. Board and Employee Expense/Reimbursements – March, 2020
- g. Active Accounts – February, 2020
- h. Active Accounts – March, 2020
- i. Bond Covenant Status for FY 2019-20 – February, 2020
- j. Bond Covenant Status for FY 2019-20 – March, 2020
- k. Revenues and Expenses – Actual vs Budget FY 2019-20 – February, 2020
- l. Revenues and Expenses – Actual vs Budget FY 2019-20 – March, 2020

- m. Cash Accounts – February, 2020
- n. Cash Accounts – March, 2020
- o. Consultants Expenses – February, 2020
- p. Consultants Expenses – March, 2020
- q. Major Capital Improvement Projects – February, 2020
- r. Major Capital Improvement Projects – March, 2020

Chair Tom Nelson pulled item b.

MSC (Gray/Medina) to approve Florin Resource Conservation District Consent Calendar items a, c-r. 5/0: Ayes: Gray, Medina, Mulberg, Nelson, and Scherman.

Chair Nelson explained he pulled item b because he would like staff to bring back an item covering the financial impact on the District due to COVID-19. Mr. Madison stated staff is still working on the numbers and will provide the information requested at the Special Board Meeting on May 5, 2020.

MSC (Gray/Medina) to approve Florin Resource Conservation District Consent Calendar items b. 5/0: Ayes: Gray, Medina, Mulberg, Nelson, and Scherman.

3. Elk Grove Water District Operations Report – February and March 2020

Mr. Madison presented an overview of the Elk Grove Water District (EGWD) Operations Report for both February and March 2020.

Associate Director Paul Lindsay asked what the issues were under the preventative maintenance and corrective maintenance in the Operations Activities Summary. Staff will look into it and reply to Mr. Lindsay by email.

4. Equipment Amended and Restated Agreement for General Counsel Services Between the Florin Resource Conservation District and JRG Attorneys at Law

Chair Nelson asked the Board if they had any questions or comments on the agreement.

There were no questions or comments.

MSC (Medina/Scherman) to authorize the General Manager to execute the proposed Amended and Restated Agreement for General Counsel Services, between the Florin Resource Conservation District and JRG Attorneys at Law. 5/0: Ayes: Gray, Medina, Mulberg, Nelson, and Scherman.

5. Florin Resource Conservation District Election

Board Secretary Stefani Phillips presented the item to the Board.

In summary, the Board has used the Election process to determine who will serve on the FRCD five (5) member board since 2002. The Board members individually serve a term of four (4) years. The current Board is comprised of the following five (5) members: Bob Gray, Lisa Medina, Elliot Mulberg, Tom Nelson, and Sophia Scherman. Every two (2) years an election is held. Preceding an election, the Board must adopt a resolution calling the Election. The resolution includes a description of the boundaries that contain the election and its purpose. The resolution also stipulates that candidates may purchase a 200-word candidate statement, which will be included in the voter's pamphlet. The District will have two (2) Board members whose terms will end in December 2020, Directors Medina and Scherman.

Director Scherman asked that staff find out how the election process will work during the quarantine and Chair Nelson asked that staff find out how the Board members can file remotely. Staff will keep the Board updated.

MSC (Medina/Mulberg) to adopt Resolution No. 04.21.20.01, calling the General Election and requesting consolidation with the November 3, 2020 statewide election; and authorize General Manager Mark J. Madison to sign on behalf of Chair Tom Nelson.5/0: Ayes: Gray, Medina, Mulberg, Nelson and Scherman.

6. Elk Grove Water District Fiscal Year 2019-20 Quarterly Operating Budget Status Report

Mr. Lee presented the item to the Board.

In summary, the revenues collected through the third quarter of the fiscal year total \$12,396,827 which is 81.71% of the \$15,172,244 annual budget. The revenues are \$872,503 or 7.57% above the same quarter of the prior year. This is due mainly to an overall increase in water consumption in FY 2019-20 as compared to FY 2018-19, as well as an increase in development resulting in more meter/water capacity/plan check fees.

Director Mulberg asked what the Bond Covenant ratio was. Mr. Lee explained that as of 3/31/2020 it is 1.189.

7. Elk Grove Water District Fiscal Year 2019-20 Quarterly Capital Reserve Status Report

Mr. Lee presented the item to the Board

In summary, the total amount available for reserves at July 1, 2019 was \$16,082,657. Based on Board policy, the reserves are allocated first to the Operating Reserve (120 days of budgeted operating and maintenance expenses), then to the Fiscal Year (FY) 2019-20 capital budget, followed by elections/special studies, with the balance allocated to future capital improvements and future capital replacements in the ratio of 75:25, respectively. Through the third quarter of FY 2019-20, the District expended \$894,788 for capital projects leaving a remaining total reserve balance at March 31, 2019 of \$15,187,869. Total amount expended of \$897,788 includes \$92,734 of expenditures related to projects carrying over from prior year but not budgeted for in the FY 2019-20 Capital Improvement Program (CIP) program.

Vice-Chair Gray mentioned the District needs to increase the election reserve because the cost is going up. Mr. Lee explained the number will be higher when the budget is brought back in June or July. He mentioned there will be one (1) more reserve bucket and with that bucket, staff will adjust allocations of monies accordingly.

8. Board Policies

Chair Nelson asked the Board if there is anyone who has questions or concerns on any of the policies presented.

In summary, staff with the assistance of Regional Government Services (RGS), General Counsel Ren Nosky, and Board Working Groups (BWG) prepared and reviewed the following draft amended Policies: California Public Records Act Request Policy, Legal Services Policy, Legislative and Regulatory Advocacy Policy, Purchasing of Products Containing Recycled

Materials Policy, and Travel Procedures and Expenditures Policy, including a revision to the Employee Policy Manual (Manual) Travel Procedures, Appendix D for the Board to approve. MSC (Scherman/Medina) to 1) Adopt Resolution No. 04.21.20.02, amending and replacing the California Public Records Act Request Policy; and 2) Adopt Resolution No. 04.21.20.03, amending and replacing the Legal Counsel Policy with the Legal Services Policy; and 3) Adopt Resolution No. 04.21.20.04, amending and replacing the Legislative Advocacy Policy with the Legislative and Regulatory Advocacy Policy; and 4) Adopt Resolution No. 04.21.20.05, amending and replacing the Purchasing of Products Containing Recycled Materials Policy; and 5) Adopt Resolution No. 04.21.20.06, amending and replacing the Travel Procedures and Expenditures Policy; and 6) Adopt Resolution No. 04.21.20.07, amending and replacing Appendix D – Travel Procedures and Expenditures Policy contained in the Manual. 4/0: Ayes: Gray, Medina, Mulberg, and Nelson.

9. Outside Agency Meetings Report

Staff and Board members spoke regarding the meetings they attended since the last Regular Board Meeting.

Mr. Madison informed the Board there is a potential for Regional Water Authority, Sacramento Central Groundwater Authority, and Sacramento Groundwater Authority to consolidate. He mentioned that he was asked to be a part of an Ad-Hoc meeting for the matter.

Interim Program Manager Jeff Ramos informed the Board that the Senate and Assembly were informed to cut the number of bills brought forward this year and limit them to COVID-19 legislation at this time, which means the District's bill, Assembly Bill (AB) 2095 - Water Theft Legislation will most likely not be moving forward.

10. Legislative Update

Mr. Ramos presented the legislative update to the Board. He mentioned the legislative session will reconvene on May 4, 2020. He explained that if what was told to the Senate and Assembly regarding only COVID-19 legislation coming through, the bills in the report will not be moving forward.

11. Directors Comments

Director Medina commended staff for how they are handling the District's business during these times and the other Board members echoed her appreciation.

Director Scherman congratulated Ms. Phillips and Administrative Assistant II (Confidential) Amber Kavert for their work with the Zoom meetings.

Chair Nelson praised staff for being innovative and looking out for each other and the public.

Adjourn to Regular Board Meeting on May 19, 2020.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AK/SP