

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

Tuesday, May 18, 2021

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:02 p.m. by Sophia Scherman, Chair via Zoom.

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

Directors Present: Sophia Scherman, Tom Nelson, Bob Gray, Lisa Medina, Elliot Mulberg
Directors Absent: None
Staff Present: Bruce Kamilos, General Manager; Patrick Lee, Finance Manager/Treasurer Stefani Phillips, Board Secretary; Travis Franklin, Program Manager; Amber Kavert, Administrative Assistant II (Confidential)
Staff Absent: Donella Murillo, Finance Supervisor
Associate Directors Present: Paul Lindsay
Associate Directors Absent: None
General Counsel Present: Ren Nosky, JRG Attorneys at Law
Consultants Present: Greg Young, Tully & Young

Public Comment

Nothing to report.

1. Proclamations and Announcements

Nothing to report.

2. Consent Calendar

- a. Minutes of Regular Board Meeting of April 20, 2021
- b. Minutes of Special Board Meeting of April 27, 2021
- c. Accounts Payable Check History – April 2021
- d. Board and Employee Expense/Reimbursements – April 2021
- e. Active Accounts – April 2021
- f. Bond Covenant Status for FY 2020-21 – April 2021
- g. Revenues and Expenses – Actual vs Budget FY 2020-21 – April 2021
- h. Cash Accounts – April 2021
- i. Consultants Expenses – April 2021
- j. Major Capital Improvement Projects – April 2021

Item c was pulled.

A few questions were asked regarding various items in the Accounts Payable Check History.

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

6. 2020 Urban Water Management Plan Update

Program Manager Travis Franklin presented the item to the Florin Resource Conservation District (FRCD) Board of Directors (Board) before handing it over to Greg Young, Tully & Young to present a PowerPoint.

In summary, the Elk Grove Water District (EGWD) contracted with Tully & Young and its subconsultant, Zanjero, to update the Urban Water Management Plan (UWMP). The major findings and conclusions of the 2020 UWMP are: 1) The EGWD's water supplies are stable and reliable. Both the groundwater supply and Sacramento County Water Agency's surface and groundwater water

supply are highly reliable over the 25-year UWMP planning horizon. As such, water service to Service Area 1 and Service Area 2 should remain stable in all year types. (Normal, Single Dry Year and Multi-Year Drought) and 2) The state-mandated 2020 water consumption target for EGWD's customer base was achieved (2020 Target GPCD = 191; 2020 Actual GPCD = 137). The UWMP gives EGWD confidence that it has a robust water supply to meet the current water needs and accommodate the anticipated future water demands in its service area. Staff will work with Tully & Young to complete the Public Draft 2020 Urban Water Management Plan for a public hearing and Board consideration on the matter at its regular Board meeting on June 15, 2021.

3. Elk Grove Water District Fiscal Year 2022-26 Capital Improvement Program

General Manager Bruce Kamilos presented the item to the Board.

In summary, the Fiscal Year (FY) 2022-26 Capital Improvement Program (CIP) describes capital improvement projects planned by the Elk Grove Water District (EGWD) over the next five (5) fiscal years. Staff presented the FY 2022-26 CIP at the Infrastructure Committee (IC) meeting held on April 6, 2021. Revisions to the CIP were made based on comments from that meeting. The notable changes made were: 1) a large portion, approximately fifty percent, of the requested FY 2021-22 CIP budget was related to the recently acquired administration building. Staff requested \$2,300,000 to construct tenant improvements to the building and an additional \$300,000 for the installation of a fiber optic cable between the building and the EGWD Railroad Water Treatment Plant and 2) another large portion of the requested FY 2021-22 CIP budget related to the Backyard Water Mains/Services Replacement project. Staff requested \$1,500,000 to complete this project which will employ a combination of EGWD work forces and contract work forces. The final version of the FY 2022-26 CIP was presented to the Board for consideration.

MSC (Nelson/Medina) to adopt Resolution No. 05.18.21.01, approving the Elk Grove Water District Fiscal Year 2022-26 Capital Improvement Program and the appropriation of \$5,055,000 from designated reserve funds to the Fiscal Year 2021-22 Capital Improvement Program budget. 5/0: Ayes: Gray, Medina, Mulberg, Nelson and Scherman.

4. Draft Florin Resource Conservation District/Elk Grove Water District Fiscal Year 2021-22 Operating Budget

Finance Manager Patrick Lee presented the item to the Board.

In summary, each year staff develops a draft operating budget of estimated revenues and expenses and presents the document to the Finance Committee and Board. The Finance Committee met on April 27, 2021 to discuss the draft District FY 2021-22 Operating Budget development worksheet. The following changes were made to the draft District FY 2021-22 Operating Budget Development Worksheet since the April 27th Finance Committee meeting: 1) Salaries and Benefits increased by \$46,116 due to an update to reflect a Cost of Living Adjustment (COLA) of 3.97%, up from the 2.5% COLA originally used to calculate salary projections; 2) Office and Operational decreased by \$23,995 due to an increase for Software Program & Update of \$4,505 due to the addition of the annual maintenance fee for the GPS Data Collection Tool. Tools decreased by \$28,500 due to the removal of the GPS Data Collection Tool, which will be capitalized as part of the CIP Budget; and 3) Capital Expenditures increased the CIP Budget by \$288,000 (\$28,500 was added for the GPS Data Collection Tool and an additional \$265,000 was added for the Sara Street Backyard Watermain project, which will now occur in FY 2021-22 due to the need to re-bid the project).

Including the changes discussed above, the draft District FY 2021-22 Proposed Operating Budget projects total revenues of \$15.716 million and total expenditures of \$19.746 million. The expenditures in excess of revenues of \$4.030 million will be funded from operating reserves carried over from prior years.

Staff will bring back the Draft Florin Resource Conservation District/Elk Grove Water District FY 2021-22 Operating Budget to a Finance Committee Meeting before the regular board meeting in June.

5. On-Call Duty Policy Revision

Human Resources Administrator Stefani Phillips presented the item to the Board.

In summary, staff recommended on-call duty pay be increased from \$50 per day to \$75 per day to be competitive with the on-call pay provided by other water districts in the region. Staff performed inquiries with other districts in the region to learn about various conservation practices carried out by on-call operators, and in doing so, learned that the FRCD/EGWDs (District) on-call pay was lower, by comparison, than the majority of the agencies surveyed. On-call duties have expanded from what they have been in the past. In the past, employees assigned to on-call duty were required to receive calls, report for work whenever needed, and to keep their supervisor informed of the telephone number where they can be reached. Additionally, the on-call employee must respond by telephone within five (5) minutes of receiving notification of a call-out event and must respond in person within 45 minutes. In addition to the already established on-call duties, employees are now expected to periodically monitor water waste complaints sent to the District's "Report Water Waste" email listed on the District's website. The purpose of this additional task is to keep a watchful eye on potential emergency leaks that our customers may mistakenly report as a water waste event. This additional task requires another layer of vigilance that our employees must maintain while performing on-call duty.

After a lengthy discussion, the Board agreed to increase the on-call pay from \$50 to \$85 per day.

(Mulberg/Medina) to adopt Resolution No. 05.18.21.02, amending Section 4.2.10 On-Call Duty of the 2019 Elk Grove Water District Employee Policy Manual and increase on-call pay to \$85 per day. 4/1: Ayes: Medina, Mulberg, Nelson and Scherman. Noes: Gray

7. Amendment to Professional Services Agreement with SoftResources for Finance Needs Assessment

Mr. Lee presented the item to the Board.

In summary, on November 30, 2020 staff issued a Request for Proposals (RFP) for a Financial System Needs Assessment (Project) with proposals due by December 18, 2020. RFPs were posted on the California Society of Municipal Finance Officers (CSMFO) and the California Special Districts Association (CSDA) RFP forums, as well as on the District's website, resulting in three (3) total proposals received. Staff completed the review and evaluation of the proposals and selected the firm SoftResources based on their qualifications, understanding of the project and experience. The recommendation was made to the General Manager, who executed a professional services agreement (PSA) with SoftResources in an amount not to exceed \$47,136.

MSC (Medina/Nelson) authorize the General Manager to execute an amendment to the professional services agreement with SoftResources for an additional amount not-to-exceed \$8,000 for additional work to be included in the Financial Services Needs Assessment, bringing the total contract to a not-to-exceed amount of \$55,136. 5/0: Ayes: Gray, Medina, Mulberg, Nelson and Scherman.

8. Outside Agency Meetings Report

Staff and Board members spoke regarding the meetings they attended since the last regular board meeting.

9. Legislative Update and Potential Direction to Staff

Program Manager Travis Franklin updated the Board on legislative matters.

10. Elk Grove Water District Operations Report – April 2021

Mr. Kamilos presented the Elk Grove Water District (EGWD) Operations Report – April 2021 to the Board.

11. Directors Comments

Nothing to report.

Adjourn to Regular Board Meeting on June 15, 2021.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary

AK/SP