

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

Wednesday, September 18, 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, Chair, at 9257 Elk Grove Blvd., Elk Grove, CA.

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

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

Public Comment

A customer attended asked that Sacramento Local Agency Formation Commission (LAFCO) meeting dates be added to the Florin Resource Conservation District (FRCD) website. Staff will consider adding LAFCO meetings that have pertinent information regarding the FRCD to the website.

1. Proclamations and Announcements

General Manager Mark Madison recognized Utility Billing Specialist, Daphne Murra-Davis for her 10 years of service.

2. Consent Calendar

- a. Minutes of Regular Board Meeting on August 21, 2019
- b. Warrants Paid – August, 2019
- c. Board and Employee Expense/Reimbursements – August, 2019
- d. Active Accounts – August, 2019
- e. Bond Covenant Status for FY 2019- 20 – August, 2019
- f. Revenues and Expenses – Actual vs Budget FY 2019- 20 – August, 2019
- g. Cash Accounts – August, 2019
- h. Consultants Expenses – August, 2019
- i. Major Capital Improvement Projects – August, 2019

Items c was pulled.

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

Discussed item c and relevance.

Mr. Madison explained item c, Board and Employee Expense/Reimbursements, was added to the consent calendar for transparency in order to help the FRCD obtain the District of Transparency award. Attaining the District of Transparency award will hopefully lead to obtaining the District of Distinction award.

The FRCD Board of Directors (Board) requested a running total of all meetings and conferences paid for by the FRCD. Staff will discuss how to incorporate the request into the Consent Calendar.

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

3. Florin Resource Conservation District Associate Director Appointment

Board Secretary Stefani Phillips presented the application from Paul Lindsay for Associate Director to the FRCD Board.

The Board inquired about the conflict of interest regarding Paul Lindsay recently being the Chair for the Sacramento County Grand Jury. General Counsel Ren Nosky informed the Board because Mr. Lindsay is no longer on the Sacramento County Grand Jury and because Associate Directors do not vote on Board topics, there is no conflict of interest.

There was a brief discussion by the Board.

MSC (Mulberg/Nelson) to appoint Paul Lindsay as an Associate Director to the Florin Resource Conservation District Board of Directors. 5/0: Ayes: Gray, Nelson, Medina, Mulberg, and Scherman.

4. Committee Meetings

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

5. Elk Grove Water District Operations Report – August 2019

Mr. Madison presented an overview of the Elk Grove Water District (EGWD) Operations Report – August 2019 to the Board.

Mr. Madison provided information regarding the replacement of meters in the month of August. He expressed his concern of the new digital meters mentioned the District will continue to monitor the meters closely.

Mr. Madison pointed out that the District performed 36 extra samples for lead and copper in compliance with the California Environmental Protection Agency's Lead and Copper Rule. He explained there were no hits for lead and only trace amounts of copper, none of which exceeded the maximum contaminant levels.

The Board inquired about the repetitive areas where the lead and copper samples were being taken. Mr. Madison stated he would look into it and mentioned the importance of getting representative samples of the District. He mentioned staff needs to look into the recommended guidelines by the American Water Works Association (AWWA) to see if there are standards and guidelines on how to take such samples.

There was a discussion regarding the color of the District's fire hydrants. Mr. Madison explained the fire marshals determine what color the District's fire hydrants are.

Board requested summary points of the Operations Report be brought back to the board meetings. Staff will provide summary points at all future board meetings.

6. Amendments to the Florin Resource Conservation District/Elk Grove Water District Water Ordinance – Provisions of Water Service; and the Florin Resource Conservation District/Elk Grove Water District Water Ordinance – Schedule of Charges, Rates, Fees, and Deposits

Finance Manager Patrick Lee presented the item to the Board.

In summary, staff reviewed Senate Bill (SB) 998, Discontinuation of residential water service: urban and community water systems, and proposed amendments to the District's Water Ordinance - Provisions of Water Service and District's Water Ordinance – Schedule of Charges, Rates, Fees and Deposits to include and become compliant with the requirements of SB 998. In addition to the requirements imposed by SB 998, staff proposed certain changes to clarify the provisions specifically related to Delinquency Shut-offs.

MSC (Medina/Scherman) to adopt Ordinance 09.18.19.01, amending and replacing Ordinance No. 05.15.19.03, Exhibit A: Florin Resource Conservation District/Elk Grove Water District Water Ordinance – Provisions of Water Service. 5/0: Ayes: Gray, Nelson, Medina, Mulberg, and Scherman.

MSC (Scherman/Medina) to adopt Ordinance 09.18.19.02, amending and replacing Ordinance No. 12.19.18.01, Exhibit A: Florin Resource Conservation District/Elk Grove Water District Water Ordinance – Schedule of Charges, Rates, Fees and Deposits. 5/0: Ayes: Gray, Nelson, Medina, Mulberg, and Scherman.

7. Regular Board Meeting Location and Schedule

Ms. Phillips presented the item to the Board.

In summary, the Board has expressed interest in holding the FRCD Regular Board Meetings at the Cosumnes Community Services District (CCSD) board room instead of the FRCD administration building.

There was a brief discussion on the pros and cons of moving the meeting location and day.

The Board motioned to have the Regular Board Meetings be moved to the CCSD on the third Tuesday of each month.

MSC (Scherman/Medina) to move the Regular Meetings of the Florin Resource Conservation District Board of Directors to the third Tuesday of each month at the Cosumnes Community Services District. 5/0: Ayes: Gray, Nelson, Medina, Mulberg, and Scherman.

8. Board of Director Health Benefits Policy

Ms. Phillips presented the item to the Board.

In summary, one of the findings from the 2019 Sacramento County Grand Jury Report was that after voting to award health benefits to Board members, no further action was taken, no policies were created, and no health insurance benefits were awarded to Board members. The Grand Jury recommended the Board rescind its vote approving health benefits for Board members, by September 30, 2019, since no action has ever been taken to implement them.

Staff worked with the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA) and Lars Reed, Liebert Cassidy Whitmore (LCW) legal to develop a draft policy to review with the Board of Director Benefits Ad-hoc Committee. During the process, ACWA/JPIA presented several recent provisional changes, which would provide

more flexibility for the enrollment of the Director benefits. Staff also learned that ACWA/JPIA would not allow the District to only offer the lowest costing medical plan and explained that the District must offer the Board the same medical plans as presented to the employees.

There was a discussion on the item.

Staff recommend that the Board not move forward with the Board of Director Health Benefits Policy.

MSC (Scherman/Medina) to determine that providing health care benefits to elected Board members is not feasible at this time. 5/0: Ayes: Gray, Nelson, Medina, Mulberg, and Scherman.

9. Professional Services Agreement with West Yost Associates for the Unidirectional Flushing Program

Assistant General Manager Bruce Kamilos presented the item to the Board.

In summary, staff wants to proceed with a Unidirectional Flushing (UDF) Program throughout all of Service Area 1. Service Area 1 contains the older portion of EGWD's water distribution system and the pipes in Service Area 1 are in greater need of systematic flushing than Service Area 2. The water distribution system in Service Area 2 is relatively new, by comparison, and does not require this level of flushing at this time. Staff proposed to use West Yost on a sole-source procurement basis to develop the UDF Program for Service Area 1. Per the EGWD's Professional and Consultant Services Agreements Policy, a sole source procurement is justified if, a) no other reasonable alternative source exists that meets the EGWD's requirements, and b) only one (1) source meets the business needs of the EGWD. It is also noteworthy that last fiscal year, West Yost developed a UDF Pilot Program for EGWD that was highly successful, and is the basis of staff's recommendation to perform a Service Area 1 UDF Program.

Mr. Kamilos pointed out that this Professional Services Agreement is a one-time cost to the District for Service Area 1 because once the District has the UDF Program, the District will have it for life.

The Board asked when Service Area 2 will be subject to UDF and if ratepayers will be informed. Mr. Kamilos informed the Board that at some point in the future Service Area 2 will be looked at for the UDF Program. He also mentioned that staff will be providing a door tag to customers when there will be a flushing in their area. It will also be placed on the website.

There was a lengthy discussion on the UDF Program.

MSC (Mulberg/Medina) to authorize the General Manager to execute a sole-source professional services agreement with West Yost Associates in an amount not-to-exceed \$84,000 for the preparation of a Unidirectional Flushing Program. 5/0: Ayes: Gray, Nelson, Medina, Mulberg, and Scherman.

10. Sacramento Central Groundwater Authority Fiscal Year 2019-20 Contribution

Mr. Madison presented the item to the Board.

In summary, the Sacramento Central Groundwater Authority (SCGA) adopted the proposed Fiscal Year (FY) 2019-20 budget, which specified the contribution amounts from member agencies, including the District. The contribution amount for the District is \$46,829.00, which

includes a Base Contribution amount, a Connection Contribution amount, and a Groundwater Usage contribution amount. The assessment for these contribution amounts are derived from several changes made to the SCGA's budget revenue structure in 2016. These changes, in the District's opinion, do not comply with the provisions of Section 8 of the Joint Powers Authority (JPA). For this reason, the District has been advocating for the SCGA to complete a new rate study, which includes a new rate structure that is equitable and comports with the JPA. SCGA has initiated this new rate study, although it has not yet been completed.

Despite staff's opinion that there are numerous problems with the current allocations of member contributions, staff recommends that the District pay the FY 2019-20 contribution, under protest, to prevent being suspended from participating in SCGA. The SCGA is presently completing a Strategic Plan and it is possible that improvements to SCGA could come about from the development of that Strategic Plan. The District is, and has been, a strong voice in effectuating potential improvements with SCGA, and it is vital that the District remain a voting member on the SCGA Board.

Mr. Madison explained there is discussion of moving SCGA from under the Sacramento County umbrella to under the umbrella of the Regional Water Authority (RWA), making it an independent agency. He mentioned he will keep the Board up to date as things progress.

Mr. Nosky stated that Mr. Madison already has the authority to pay the SCGA FY 2019-20 Contribution invoice without authorization from the Board.

MSC (Mulberg/Medina) to approve the payment made by the General Manager, under protest, for the Fiscal Year 2019-20 contribution, in the amount of \$46,829, to Sacramento Central Groundwater Authority. 5/0: Ayes: Gray, Nelson, Medina, Mulberg, and Scherman.

11. Status Update on Action Items Following the 2019 Grand Jury Report – The Florin Resource Conservation District – A Case of Mistaken Identity?

Mr. Madison provided an update on the item.

Mr. Madison mentioned that Recommendation R8, regarding health benefits for Board members, has been completed. He also mentioned that Recommendation R10, regarding programmatic on-boarding process for new Board Members and establishing a web-page with Board policies for public review, is partially complete.

12. Outside Agency Meetings Report

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

Notably, Director Elliot Mulberg mentioned that the California Special Districts Association (CSDA) asked him to participate in the review of rate increase protest proceedings with a group through California LAFCO.

13. Legislative Update

Program Manager Sarah Jones provided the Legislative Update to the Board.

Ms. Jones spoke about Senate Bill (SB) 134, Assembly Bill (AB) 60, AB 134, AB 352, AB 402, AB 441, Affordable Care Act (ACA) 1, AB 1184, SB 1, and SB 13.

14. Directors Comments

Mr. Madison briefed the Board on the Strategic Plan. He explained that Ms. Jones is leading the project and staff may have the Strategic Plan ready for review in October. He also mentioned a graphic designer is being used for the final layout.

Ms. Jones informed the Board the District will be participating in the 25th Annual Pumpkin Festival on October 4th – 6th.

15. Closed Session

No reportable action.

Adjourn to the next Regular Board Meeting on Tuesday, October 15, 2019 at 6:30 p.m. at the CCSD.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AK/SP