

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

Wednesday, December 14, 2016

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Tom Nelson, Vice-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  
Directors Absent: Jeanne Sabin  
Staff Present: Mark J. Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary; Jim Malberg, Finance Manager; Donella Murrillo, Finance Manager; Sarah Jones, Program Manager  
Associate Directors Present: Mike Schmitz  
General Counsel Present: Sigrid Asmundson, Best Best & Krieger (BB&K)  
Consultants Present: None

## Public Comment

None

### 1. Oath of Office

Stefani Phillips, Board Secretary, conducted the oath of office for the newly elected directors. Lisa Medina and Sophia Scherman were sworn in.

### 2. Proclamations and Announcements

- a. Mark Madison, General Manager, recognized Bruce Kamilos, Assistant General Manager, for his five years of service (2011-2016) with the District.
- b. Mr. Madison recognized David Frederick, Water Distribution Operator II, for his five years of service (2011-2016) with the District.

### 3. Florin Resource Conservation District 2017 Election of Officers

Ms. Phillips presented the Florin Resource Conservation District 2017 Election of Officers to the Board. In summary, each year a Chairperson and Vice-Chairperson are elected by the Board to serve as officers of the Florin Resource Conservation District. The Board is also responsible for appointing a Treasurer. Staff also proposed to revise, as appropriate, the Board By-Laws.

MSC (Gray/Scherman) to nominate Tom Nelson as Chairperson, 4/0: Ayes: Gray, Medina, Nelson, and Scherman.

MSC (Nelson/Medina) to nominate Bob Gray as Vice-Chairperson, 4/0: Ayes: Gray, Medina, Nelson, and Scherman.

MSC (Gray/Scherman) to appoint the Finance Manager as Treasurer, 4/0: Ayes: Gray, Medina, Nelson, and Scherman.

### 4. Consent Calendar

- a. Minutes of Regular Board Meeting of October 26, 2016
- b. FRCD Cash Flow Worksheet – October, 2016
- c. FRCD Cash Flow Worksheet – November, 2016

- d. Warrants Paid – October, 2016
- e. Warrants Paid – November, 2016
- f. Active Accounts – October, 2016
- g. Active Accounts – November, 2016
- h. Bond Covenant Status for FY 2016-17 – October, 2016
- i. Bond Covenant Status for FY 2016-17 – November, 2016
- j. Revenues and Expenses – Actual vs Budget FY 2016-17 – October, 2016
- k. Revenues and Expenses – Actual vs Budget FY 2016-17 – November, 2016
- l. Cash Accounts – October, 2016
- m. Cash Accounts – November, 2016
- n. Consultants Expenses – October, 2016
- o. Consultants Expenses – November, 2016
- p. Major Capital Improvement Projects – October, 2016
- q. Major Capital Improvement Projects – November, 2016

MSC (Scherman/Medina) to approve FRCD Consent Calendar items a. - q. 4/0: Ayes: Gray, Medina, Nelson, and Scherman.

## 5. Florin Resource Conservation District 2017 Committee Appointments and Outside Agency Representation

The Board discussed the various committees. Mr. Madison provided background to the Board on the various committees and various outside agency representation.

The new committees are as shown:

*Finance – FRCD/EDC/EGWD:* *All Board Members*

*Conservation Committee – FRCD:* *Tom Nelson*  
*Jeanne Sabin*  
*Sophia Scherman*  
*Lisa Medina*  
*Mike Schmitz*

*Alternate:*

*Infrastructure Committee – EGWD:* *Bob Gray*  
*Lisa Medina*

*Planning – FRCD/EDC/EGWD:* *Tom Nelson*  
*Jeanne Sabin*  
*Sophia Scherman*  
*Mike Schmitz*

*Alternate:*

The new outside agency representation are as shown:

*ACWA/JPIA – Representative of EGWD:* *Tom Nelson*

*Sacramento Local Agency Formation Commission (LAFCo):  
Advisory Committee:* *Sophia Scherman*

*Regional Water Authority (RWA) Board of Directors:  
Alternate:* *Tom Nelson*  
*Mark Madison*

*Sacramento Central Groundwater Authority:  
(Nomination)*

*Tom Nelson  
Vacant*

Chairperson Tom Nelson provided background to the Board on the various outside agencies.

Mr. Madison spoke about additional associations the District participates with.

Director Medina inquired if staff can provide a description of associations the District participates with. Staff will work on putting this together.

MSC (Scherman/Medina) to appoint Director Sophia Scherman to be seated to the Conservation Committee and Director Lisa Medina to be seated as an alternate to the Conservation Committee; to appoint Director Medina to be seated to the Infrastructure Committee; to appoint Chairperson Tom Nelson and Director Scherman to be seated to the Planning Committee and Associate Mike Schmitz to be seated as an alternate to the Planning Committee, to appoint Chairperson Nelson to be a representative of the Elk Grove Water District to the ACWA/JPIA; to appoint Director Scherman to be a representative to the Advisory Committee to the Sacramento Local Agency Formation Commission; to appoint Chairperson Nelson to the Regional Water Authority Board of Directors and appoint Mr. Madison as an alternate to the Regional Water Authority Board of Directors; and to appoint Chairperson Nelson to be a representative to the Sacramento Central Groundwater Authority 4/0: Ayes: Gray, Medina, Nelson, and Scherman.

## **6. Committee Meetings**

Stefani Phillips, Board Secretary, presented the Committee Meetings to the Board. There was no committee meetings held in the month of October and November.

## **7. Florin Resource Conservation District Conservation Activities Report**

Sarah Jones, Program Manager, presented the Florin Resource Conservation District Conservation Activities Report to the Board. In summary, Ms. Jones attended the California Association of Resource Conservation District's annual fall conference to explore activities and funding for the Florin Resource Conservation District. Ms. Jones spoke mostly about the Resource Conservation District Financial Assistance Program and how the District meets the requirements of Tier 1.

Mr. Madison commented that efforts were expended by staff in the preparation of a new Municipal Services Review as required by the Sacramento Local Area Formation Commission.

## **8. Water Usage and Conservation Report**

Ms. Jones presented the Water Usage and Conservation Report to the Board. In summary, for the month of October, service area 1 reduced its waters consumption by 31.88% in comparison to October 2013 usage. Service area 2 reduced by 7.33% for the same period. The combined reduction for both service areas was 23.04%. For the month of November, service area 1 reduced its waters consumption by 41.40% in comparison to November 2013 usage. Service area 2 reduced by 7.33% for the same period. The combined reduction for both service areas was 23.04%.

Ms. Jones provided background on the release of the draft/framework on Executive Order B-37-15 from the State Water Resource Control Board to the Board. She explained that comments on the draft framework are due by December 19, 2016.

The staff's opinion of the draft/framework on Executive Order B-37-15 is that they agree with the reporting aspect but disagree on the water targets that the State Water Resource Control Board is recommending. The Board concurred with staff's opinion.

Director Medina suggested to provide information in the Water Drop Newsletter, to the Districts customers, on the Executive Order and how it could affect the District.

Chairperson Nelson commented that the Elk Grove Water District should form a citizen advisory committee for conservation framework, and bring back a plan for the next regular board meeting.

Director Scherman suggested if there is not a good response for the citizen advisory committee, then ask the CSD or City of Elk Grove for home owner recommendations within the District that could participate on the advisory committee.

There was much discussion on the formation of the advisory committee.

## **9. Elk Grove Water District Operations Report – October and November 2016**

Mr. Madison presented summary points of the Elk Grove Water District Operations Report – October and November 2016 to the Board.

Comments and inquiries included:

- Door hangers and shutoffs remained high in October. There were very few in November due to the holiday practice of not shutting people off during Thanksgiving.
- The District has continued to do a lot of hydrant maintenance and valve exercising.
- Wells 4D, 11D, 14D, 3 and 9 have been the main source of supply for Service Area 1.
- Total production for Service Area 1 dropped approximately 36 million gallons from October and November.
- Total customer usage for EGWD (SA1 and SA2) is down compared to 2013. For the month of November, the District is down by 44%.
- The static and pumping water level data includes the fourth quarter measurements. The statics levels still show that the water table remains stable.
- There have been no problems with water quality or regulatory compliance.
- There have been no wastewater discharges from either the Railroad Plant of the Hampton Well & Plant.
- In October, the District sampled the discharged from the Railroad Water Treatment Plant (even though there was no discharge) in compliance with the Districts permit from Sacramento Regional. Everything was fine.
- All preventative maintenance activities have been performed and are in compliance with the District's standard operating procedures.
- The District's domestic service backflow prevention program is working well and there are very few delinquent customers.
- The District had 10 formal safety meetings and it has been 300 days since a reportable injury.
- There were 2 main line leaks and 7 service line leaks over the past two months. One of the service line leaks appears to be caused by sand and this is a concern.

- Pressures in both Service Areas 1 and 2 have remained sufficient and balanced. Recent data suggests that the pressures in SSA4 (Hampton area) are up by about 7 psi due to the Railroad Corridor Pipeline.

## **10. Elk Grove Water District Fiscal Year 2016-17 Water Revenue Adjustment Deferral and Operating Budget Amendment**

Jim Malberg, Finance Manager, presented the Elk Grove Water District Fiscal Year 2016-17 Water Revenue Adjustment Deferral and Operating Budget Amendment to the Board. In summary, deferring one-half percent of the scheduled water revenue adjustment on January 1, 2017 and amending the Elk Grove Water District Fiscal Year 2016-17 (FY 2016-17) Operating Budget will reduce budgeted revenues in FY 2016-17 approximately \$32,195. This will result in FY 2016-17 budgeted expenditures exceeding budgeted revenues by \$12,780. To keep the FY 2016-17 Operating Budget structurally balanced, \$12,780 will be set aside from operating reserves.

MSC (Scherman/Medina) to adopt Ordinance No. 12.14.16.01, 4/0: Ayes: Gray, Medina, Nelson, and Scherman.

MSC (Scherman/Medina) to adopt Resolution No. 12.14.16.01 deferring one-half percent of the water revenue adjustment scheduled on January 1, 2017 and amending the Elk Grove Water District Fiscal Year 2016-17 Operating Budget, 4/0: Ayes: Gray, Medina, Nelson, and Scherman.

## **11. Legislative Update**

Ms. Jones provided a brief legislative update to the board on the following bills that recently passed and potentially affect the District:

- SB 814
- SB 7
- SB 552
- AB 2874
- AB 2257
- AB 1436
- AB 2801
- AB 2515

Mr. Madison addressed SB 814, which prohibits excessive water use. He stated that the District needs to define what is considered excessive water use and have this definition built into the District's revised Water Shortage Contingency Plan. Mr. Madison expressed that Greg Young, consultant with Tully & Young, will be helping the District revise the Water Shortage Contingency Plan.

Chairperson Nelson highlighted AB 1436. AB 1436 requires a local legislative body to orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting prior to taking the related final action. Mr. Madison explained to the Board the logistics of how AB 1436 works.

## **12. General Manager's Report**

Mr. Madison presented the General Manager's Report to the Board. He reviewed the lists of FRCD activities and EGWD activities.

**13. Florin Resource Conservation District Regular Board Meeting Schedule**

Mr. Madison opened up the discussion of the Florin Resource Conservation District Regular Board Meeting Schedule to the Board.

A discussion about the regular board meeting schedule occurred amongst the Board members.

MSC (Scherman/Medina) to move the Regular Board Meeting of the Florin Resource Conservation District to the third Wednesday of every month at 6:30 p.m. starting in January 2017, 4/0: Ayes: Gray, Medina, Nelson, and Scherman.

**14. Directors Comments**

Director Scherman thanked staff for the great welcome at the District's holiday party.

Director Scherman inquired if Board members have business cards. Ms. Phillips responded stating, yes and that staff is working on this to get it done.

Chairperson Nelson provided the Board with some take backs from the ACWA Conference he attended earlier in the month.

Adjourn to Regular Meeting on January 18, 2017.

Respectfully submitted,

*Stefani Phillips*

Stefani Phillips, Board Secretary

SP/CR