

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

Tuesday, February 15, 2022

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:00 p.m. by Chair Sophia Scherman via Zoom.

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

Directors Present: Sophia Scherman, Tom Nelson, Paul Lindsay, Lisa Medina, Elliot Mulberg
Directors Absent: None
Staff Present: Bruce Kamilos, General Manager; Patrick Lee, Finance Manager/Treasurer; Stefani Phillips, Human Resources Administrator/ Board Secretary; Ben Voelz, Associate Engineer; Travis Franklin, Program Manager; Amber Kavert, Administrative Assistant II (Confidential)
Staff Absent: Donella Murillo, Finance Supervisor
Associate Directors Present: None
Associate Directors Absent: None
General Counsel Present: Ren Nosky, JRG Attorneys at Law
Consultants Present: Bob Earl, Earl Consulting Co.

Public Comment

No comment.

1. Future Florin Resource Conservation District Board Meeting by Teleconference

Board Secretary Stefani Phillips presented the item to the Florin Resource Conservation District (District) Board of Directors (Board).

In summary, the Board has conducted board meetings by teleconference since April 21, 2020. On September 30, 2021, Executive Order No. N-29-20, which allows for board meetings to be conducted by teleconference expired. On September 15, 2021, the Governor passed Assembly Bill (AB) 361 extending the allowance of public board meetings to be conducted by teleconference effective October 1, 2021, through December 31, 2023. At the September regular board meeting, the Board concurred that meetings continue to be conducted by teleconference in accordance with AB-361. To meet by teleconference under AB-361, local agency boards must include an initial agenda item to consider finding that the circumstances allowing a teleconference meeting under AB-361 exist. After the initial meeting, if 30 days or less have elapsed since the last meeting, an agenda item should be included to renew the determination that meeting in person presents health risks. However, if more than 30 days have passed, an initial agenda item must be included to re-authorize meeting by teleconference under AB-361.

By unanimous consent, the Board found by a majority vote under Gov. Code § 54953, subd. (e)(1)(B) that as a result of the COVID-19 emergency: (i) meeting in person would present imminent risks to the health or safety of attendees; and (ii) the meeting is authorized to be held by teleconference pursuant to Gov. Code § 54953, subd. (e)(1)(C). 3/0: Ayes: Mulberg, Nelson and Scherman.

It was the Board's consensus to move Item 4 to directly after Item 2.

2. Proclamations and Announcements

General Manager Bruce Kamilos announced the promotion of Ben Voelz to Associate Engineer.

Mr. Kamilos also announced the addition of Richard Ko to the Technical Services Department as Engineer Technician I.

Ms. Phillips recognized Administrative Assistant II (Confidential) Amber Kavert for completing the Human Resources Academy through CPSHR.

4. Florin Resource Conservation District Board of Director Appointment

Ms. Phillips presented the item to the Board and provided background on the situation.

In summary, with the passing of Director Bob Gray, a vacancy opened on the Board. The Board chose to fill the vacant seat by appointment and followed the necessary protocols in accordance with Division 9 of the Public Resource Code. Associate Director Paul Lindsay submitted his letter of interest for the Board vacancy.

MSC (Scherman/Medina) appoint Paul Lindsay as Director of the Florin Resource Conservation District Board of Directors. 4/0: Ayes: Medina, Mulberg, Nelson and Scherman.

Ms. Phillips performed the Oath of Office with Paul Lindsay.

3. Consent Calendar

- a. Minutes of Regular Board Meeting of January 18, 2022
- b. Accounts Payable Check History – January 2022
- c. Board and Employee Expense/Reimbursements – January 2022
- d. Active Accounts – January 2022
- e. Bond Covenant Status for FY 2021-22 – January 2022
- f. Year to Date Revenues and Expenses Compared to Budget – January 2022
- g. CASH - Detail Schedule of Investments – January 2022
- h. Consultants Expenses – January 2022
- i. Major Capital Improvement Projects – January 2022

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

5. Florin Resource Conservation District Committee Appointments and Outside Agency Representation - 2022

Ms. Phillips presented the item to the Board, providing the various committees and various outside agency representation.

Staff recommended the Board absolve the Finance Committee as a standing committee because it embodies the entire Board and generally does not constitute the meaning of a committee. Proceedings previously conducted under the Finance Committee may be conducted as part of a regular or special board meeting.

The new committees are as shown:

Finance Committee – EGWD:

Absolved

Conservation Committee – FRCD:

**Tom Nelson
Elliot Mulberg**

Infrastructure Committee – EGWD:

**Paul Lindsay
Lisa Medina**

MSC (Medina/Lindsay) to absolve the finance committee and appoint Directors to sit on the Conservation and Infrastructure Committees of the Florin Resource Conservation District as follows: Vice-Chair Tom Nelson and Director Elliot Mulberg were appointed to sit on the Conservation Committee; Director Lisa Medina, and Director Paul Lindsay were appointed to sit on the Infrastructure Committee. 5:0 Ayes: Lindsay, Medina, Mulberg, Nelson, and Scherman

The outside agency representation are as shown:

Association of California Water Agency/Joint Powers Insurance Authority (ACWA/JPIA) – Representative of Elk Grove Water District (EGWD)	Sophia Scherman Bruce Kamilos (Alternate)
California Special District Association (CSDA)	Elliot Mulberg
Regional Water Authority (RWA) Board of Directors	Sophia Scherman (Primary) Bruce Kamilos (Primary)
Sacramento Central Groundwater Authority (SCGA)	Bruce Kamilos (Primary) Tom Nelson (Alternate)

MSC (Medina/Lindsay) to appoint representatives for outside agency participation as follows: Chair Scherman to be the representative to the ACWA/JPIA, representing EGWD with General Manager Bruce Kamilos as alternate; Director Elliot Mulberg to be a representative to the CSDA; Chair Scherman and Mr. Kamilos to be primary representatives to the RWA Board of Directors; and Mr. Kamilos to be a representative to the SCGA and Vice-Chair Nelson to be an alternate. 5:0 Ayes: Lindsay, Medina, Mulberg, Nelson, and Scherman

6. Contract Amendment to Construct the Administration Building Tenant Improvement Project.

Mr. Kamilos presented the item and gave background information to the Board.

In summary, A.P. Thomas is currently under contract with the Florin Resource Conservation District/Elk Grove Water District (District) and has been providing preconstruction services for the District Administration Building Tenant Improvements Project (Project). When Project drawings reached the 100% design development stage, A.P. Thomas provided an updated cost estimate based on the design development drawings. Staff presented the updated cost estimate to the Board during a special board meeting on July 13, 2021. After fully discussing the Project costs and the effect that inflation has had on construction costs, the Board agreed that an additional \$500,000 could be used from future capital improvement reserve funds if needed to complete the Project. This would be in addition to the \$2,300,000 approved for the Project in the Fiscal Year (FY) 2021-22 Capital Improvement Program (CIP) Budget. Staff committed to the Board that it would work closely with the design team to value engineer the Project to minimize the need for additional reserve funds required for the Project, prior to returning to the Board with a formal request for additional funds.

A.P. Thomas has completed the bidding process and has delivered to staff a GMP of \$2,562,127 to construct the Project. Though costs have gone up due to inflation and supply chain issues, staff believes the GMP is competitively priced and represents a fair market value to construct the Project. Furthermore, staff has value engineered \$400,000 in savings in the areas of audio-visual equipment, security, facility access control, and telephone equipment by directly contracting for these scopes of work.

The final number for the building with everything included is \$3,235,773.

Mr. Kamilos explained that there is \$200,000 for owner contingency in the GMP, which is within 10% of the contract value, allowing the general manager the authority to, under the District's policy, execute change orders without Board approval. Vice-Chair Nelson asked that the Board still be kept involved and up to date.

Director Mulberg asked where the \$938,028 would be coming from. Finance Manager Patrick Lee explained the money will be taken out of the Future Capital Replacement and Future Capital Reserve funds.

Director Lindsay asked about the areas in the GMP that have gone up more than 35%. Bob Earl, Earl Consulting Co. explained the first budget was based on incomplete plans and assumptions of scope of work and the changes result from the current marketplace and subcontractors being very selective.

Mr. Kamilos asked the Board to amend the authorization on action item 2 to reflect the correct amount of \$2,554,565.

MSC (Lindsay/Medina) to 1. Adopt Resolution No. 02.15.22.01, amending the Elk Grove Water District Fiscal Year 2022-26 Capital Improvement Program and approving an additional appropriation of \$938,028 from future capital improvement reserve funds to the Fiscal Year 2021-22 Capital Improvement Program Budget and amending the Elk Grove Water District Fiscal Year 2021-22 Operating Budget appropriating an additional \$938,028 from operating reserves to fund expenditures in excess of revenues for fiscal year 2021-22; and 2. authorize the General Manager to execute a Contract Amendment with A.P. Thomas, in the amount of \$2,554,565, to provide construction services for the District Administration Building Tenant Improvements Project. 5:0 Ayes: Lindsay, Medina, Mulberg, Nelson, and Scherman

7. New Administration Building Furniture Package Purchase

Ms. Phillips presented the item to the Board.

In summary, staff began working with DesignTech, a design team working under MFDB, in October 2021, to assist with the selection and preparation of bids for the furnishings at the remodeled administration building. In accordance with FRCD's Purchase of Goods and Services from Outside Vendors Policy (Policy), major purchases of items costing more than \$50,000 are required to be competitively bid and approved by the Board. Staff used the competitive bidding process to acquire three (3) bids for the Furniture Package from MTA Offices, One Workplace, and Seats and Stations. The lowest responsive, responsible bidder was One Workplace with a bid amount of \$161,853.36.

MSC (Mulberg/Medina) to authorize the General Manager to execute a purchase order in the amount of \$161,853.36, including tax, with One Workplace to purchase the proposed furniture package for the new administration building. 5:0 Ayes: Lindsay, Medina, Mulberg, Nelson, and Scherman

8. Key Objective Revision

Mr. Kamilos provided background on the item.

In summary, the FY 2021-22 Operating Budget lists six (6) specific key objectives under the Office of the General Manager, one (1) of which is to complete an update of the District's source capacity. A source capacity study evaluates a water agency's capacity to meet anticipated growth in water demand. The District recently adopted the 2020 Urban Water Management Plan (UWMP), which projects future water demand for the District's service area. With the information provided in the UWMP, an assessment of the District's source capacity can be made at the staff level without hiring

an outside consultant. However, the District, as part of its asset management program, should begin planning for a new well. Staff needs expert help to determine the design and location of the new well to achieve the best return on investment. The approved FY 2021-22 Operating Budget has an allocation of \$60,000 for engineering expenses. Should the Board revise the key objective to “complete an update of the District’s source capacity and conduct a new well siting and design study,” staff will stay within budget and retain a consultant who is an expert in water well design.

Director Lisa Medina asked, currently, how much a new well costs. Mr. Kamilos explained a new well could cost anywhere from \$1 million to \$6 million. He also mentioned cost of a new well is one of the main reasons staff wants to use a professional consultant to conduct a new well siting and design study.

MSC (Medina/Lindsay) to approve revising a key objective contained in the Fiscal Year 2021-22 Operating Budget from “Complete an update of the District’s source capacity” to “Complete an update of the District’s source capacity and conduct a new well siting and design study”. 5/0: Ayes: Lindsay, Medina, Mulberg, Nelson and Scherman.

9. Elk Grove Water District Backflow and Cross-Connection Control Ordinance

Program Manager Travis Franklin presented the item to the Board.

In summary, the District has been using its Cross-Connection Control Program (CCCP) to protect the water system by requiring annual backflow testing as required by Title 17 of the California Code of Regulations. Property owners receive a notice that their annual backflow test is required in the next month. If the testing deadline is missed, staff sends out a second notice by certified mail. If the customer does not test their device after the second notice, staff makes direct contact with the customer to hand deliver a third notice. If the backflow is still not tested after the third notice, the water service is shut-off. Throughout this process, staff spends many hours issuing multiple notices and confirming the contact information for the property owners is correct. The CCCP has been updated to reflect a more efficient backflow testing process. The new process proposes to have the initial annual backflow test notice sent to the account holder, not the property owner. If the backflow is not tested by the deadline, the District would send out a backflow tester who is under contract with the District to perform the test. The cost of this test would be added to the account holder’s bill and the Schedule of Charges, Rates, Fees, and deposits would be updated to reflect the new backflow testing process.

To implement these program changes, Section 4.H.1 of the Backflow and Cross Connection Control Ordinance requires updating to include, “In the event a backflow device is not so tested pursuant to this Section, such device shall be made available for inspection by EGWD in accordance with Section 4(E).” This update allows the District to access and test the customer’s backflow device when the customer fails to test the device. These program changes will cut down on staff time needed to administrate the program and will ensure all backflow devices are tested in a timely manner.

MSC (Medina/Nelson) to adopt Ordinance No. 02.15.22.01, amending and replacing Ordinance No. 10.17.18.01, Exhibit A, Backflow and Cross-Connection Control Requirements for the Elk Grove Water District. 5:0 Ayes: Lindsay, Medina, Mulberg, Nelson and Scherman.

10. Amendment to 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, the District 2020-2025 Strategic Plan Goal 1 – Governance and Customer Engagement prescribes that staff continually review and update operational procedures and structures for

improvements to District operations. Staff completed the review and update of the District's Ordinance No. 09.18.19.02, Exhibit A: Florin Resource Conservation District/Elk Grove Water District Water Ordinance – Schedule of Charges, Rates, Fees and Deposits and has updated the ordinance based on changes in operations. The review resulted in the following changes: 1. The form of payment for which a Returned Check Service Charge will be assessed has been updated to reflect all “payment” types and not just checks; 2. The 24-hour Turn-On Fee has been updated to reflect that the fee will be assessed to both vacant and “inhabited” properties; 3. The Over-the-Phone Payment fee has been eliminated from the schedule; 4. A Backflow Testing Fee has been added to the schedule to reflect the changes made to the District's Cross Connection Control Program. The fee stipulates customers who do not have their backflow devices tested timely will have their devices subject to testing by a District testing contractor and will be bill based on time-and-materials as charged by the testing contractor; 5. The Meter Re-read fee has been updated to reflect that charges will also be assessed if a re-read is required due to the obstruction of a water meter; 6. The Construction meter deposit has been updated to reflect the increase in cost of the construction meter devices; and 7. A Water Theft fee has been added to the schedule to reference the fines and penalties established by the District's Water Theft and Tampering with District Facilities Ordinance.

MSC (Scherman/Medina) to adopt Ordinance 02.15.22.02, amending and replacing Ordinance No. 09.18.19.02, Exhibit A, Florin Resource Conservation District/Elk Grove Water District Water Ordinance – Schedule of Charges, Rates, Fees and Deposits. 5:0 Ayes: Lindsay, Medina, Mulberg, Nelson and Scherman.

11. Backyard Water Mains Replacement Project – Elk Grove Florin Frontage Road Bid

Mr. Kamilos presented the item to the Board.

In summary, the District received bids for the Backyard Water Mains Replacement Project – Elk Grove Florin Frontage Road (Project) on February 3, 2022. Five (5) contractors submitted bids for the Project. Soracco Inc. provided the apparent low bid of \$532,388.60. However, due to inflated construction costs experienced this fiscal year, this bid price would result in an exceedance of approximately \$400,000 to the Backyard Water Mains Replacement project (Backyard Mains) approved budget. Staff, therefore, recommended that all bids be rejected and the project be rebid next fiscal year.

MSC (Nelson/Mulberg) to reject all bids for the Backyard Water Mains Replacement Project – Elk Grove Florin Frontage Road. 5:0 Ayes: Lindsay, Medina, Mulberg, Nelson and Scherman.

12. General Managers Report

Mr. Kamilos presented the item to the Board.

In summary, staff was given direction to bring the Strategic Plan Update to the March meeting to coincide with budget. He explained water shut-offs will continue March 1, 2022. Lastly, Mr. Kamilos explained the Groundwater Workshops will begin at the March meeting.

13. Elk Grove Water District Operations Report – January 2022

Mr. Kamilos presented the EGWD Operations Report – January 2022 to the Board and provided information on a couple operational events.

In summary, staff bumped the motor for Well 11D and discovered smoke in the motor control center and burnt out a relay. Staff is investigating the issue and will provide results at the next meeting.

Director Medina inquired about the hydrant that was hit and if any legal action will be taken. Mr. Kamilos informed the Board the District is going to turn it over to the insurance provider to deal with it appropriately.

14. Directors Comments

Vice-Chair Nelson stated the 2022 ACWA Spring Conference will be in Sacramento and mentioned if any of the Directors are interested in attending, there should be enough funds allocated in the budget for attendance.

Adjourn to Regular Board Meeting on March 15, 2022.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary

AK/SP