

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

Wednesday, November 14, 2018

The special meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Tom Nelson, Chairperson, at 9257 Elk Grove Blvd., Elk Grove, CA.

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

Directors Present: Bob Gray, Tom Nelson, Lisa Medina, Sophia Scherman, Jeanne Sabin
Directors Absent: None
Staff Present: Mark Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary; Patrick Lee, Treasurer; Donella Murillo, Finance Supervisor
Staff Absent: Sarah Jones, Program Manager
Associate Directors Present: Shahid Chaudhry
Associate Directors Absent: None
General Counsel Present: Ren Nosky, Nosky Legal Group
Consultants Present: None

Chairperson Tom Nelson welcomed Elliot Mulberg back as the Florin Resource Conservation District's (FRCD) next board member.

1. Procurement Policies

General Manager Mark Madison introduced the item to the FRCD Board of Directors (Board). He provided background regarding the necessity for updating the four (4) procurement policies.

Chairperson Tom Nelson thanked the board members for working on these policies in their respective board working group meetings.

Finance Manager Patrick Lee presented each policy to the Board.

Resolution No. 11.14.18.01 – Public Works Construction Contracts Policy

In summary, the District's bidding policy and procedures for public works construction contracts was previously encompassed in Policy No. 8 – District Bidding and Procedures for Public Works Construction Contracts as adopted by Resolution No. 10.18.06.02. With the repeal and replacement of Resolution No. 10.18.06.02, the procurement guidelines and procedural requirements for public works construction contracts have been established under a new policy.

This new policy sets forth the procedural requirements and dollar limit approval thresholds for public works construction contracts of less than \$100,000 and in excess of \$100,000. Changes to the proposed policy include reducing the General Manager's dollar limit approval threshold from \$150,000 down to \$100,000. All public works construction contracts in excess of \$100,000 will continue to require Board approval. The proposed policy also adds provisions for the approval of change orders for contracts less than \$100,000, and contracts for more than \$100,000.

A discussion occurred regarding the level of contract signing authority of the General Manger.

MSC (Medina/Gray) to adopt Resolution No. 11.14.18.01, repealing and replacing Resolution No. 10.18.06.02, Policy No. 8 - District Bidding Policy and Procedures for Public Works

Construction Contracts and establishing a new Public Works Construction Contracts Policy. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

Resolution No. 11.14.18.02 – Purchases of Goods and Services from Outside Vendors Policy

In summary, the purchase of goods and services was previously encompassed in Policy No. 3 – Purchase of Goods and Services from Outside Vendors, as adopted by Resolution No. 09.23.09.01 “Exhibit A”. With the repeal and replacement of Resolution No. 09.23.09.01 Exhibit A, the procurement guidelines and procedural requirements for the purchase of goods and services have been established under a stand-alone policy.

Changes to the proposed policy include increasing the petty cash purchase threshold from \$50 to \$100, increasing the minor purchase threshold from more than \$50 but less than \$500, to more than \$100 but less than \$3,000, and increasing the intermediate purchase threshold from more than \$500 but less than \$50,000 to more than \$3,000 but less than \$50,000. The major purchase threshold remained unchanged at \$50,000. The proposed policy also adds provisions for the approval of change orders for contracts more than \$3,000 but less than \$50,000, and for contracts more than \$50,000.

A discussion occurred regarding one-time purchases over \$50,000.

MSC (Sabin/Medina) to adopt Resolution No. 11.14.18.02, repealing and replacing Resolution No. 09.23.09.01 “Exhibit A”, Policy No. 3 - Purchase of Goods and Services from Outside Vendors and establishing a new Purchase of Goods and Services from Outside Vendors Policy. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

Resolution No. 11.14.18.03 – Professional and Consultant Services Agreements Policy

In summary, the procurement of professional and consultant services was previously encompassed in Policy No. 3 – Purchase of Goods and Services from Outside Vendors, as adopted by Resolution No. 09.23.09.01 “Exhibit A”. With the repeal and replacement of Resolution No. 09.23.09.01 “Exhibit A” the procurement guidelines and procedural requirements for the procurement of professional and consultant services have been established under a stand-alone policy.

This new policy sets forth the procedural requirements and dollar limit approval thresholds for professional and consultant services. Agreements for less than \$3,000 will be left to the consultant of the District’s choice, agreements between \$3,001- \$50,000 will require the solicitation of three informal proposals, and agreements in excess of \$50,000 will require a formal proposal solicitation through a request for proposal. The current policy has two approval thresholds, agreements more than \$500 but less than \$50,000 and agreements exceeding \$50,000. Changes to the proposed policy include resetting the purchasing threshold to any agreements up to \$3,000, more than \$3,000 but less than \$50,000 and anything over \$50,000. The proposed policy also adds provisions for the approval of change orders for agreements more than \$3,000 but less than \$50,000, and agreements more than \$50,000.

Vice-chairperson Bob Gray asked whether any consulting services came under \$3,000. Assistant General Manager Bruce Kamilos responded that there have been a few consulting services that came in under \$3,000.

MSC (Sabin/Medina) to adopt Resolution No. 11.14.18.03, establishing a new Professional and Consultant Services Agreements Policy. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

Resolution No. 11.14.18.04 – Acquisition of Real Property Policy

In summary, the District did not previously have a policy governing the acquisition of real property. This new policy will provide guidance and governance over the acquisition of real property with District funds, acquisition through grants, donations, gifts, dedications and property exchanges, and real property rents and leases.

Mr. Madison mentioned staff was in the process of selling a piece of property, but before moving forward will bring it to the Board in December.

Associate Board Member Shahid Chaudhry asked about language in the policy that stated, “The Board must authorize negotiations and approve the acquisitions of any real property” and asked if it should point out who specifically should be negotiating the deals. General Counsel Ren Nosky, Nosky Legal Group responded that the Brown Act addresses this question, stating that under the Brown Act any property negotiations are going to be done in closed session with an agency negotiator designated on the agenda. Mr. Madison provided a scenario. Discussion continued on the subject.

Mr. Mulberg asked if the District has thought about adding an appraisal to the policy. Mr. Nosky responded there is no legal requirement to have an appraisal, only that the District cannot give public funds away.

Mr. Madison mentioned staff can add language, if desired by the Board, which states anything over \$50,000 shall have a formal appraisal. Discussion occurred regarding at what point the appraiser performs.

Mr. Nosky provided parameters for amendment to Resolution No. 11.14.18.04.

Staff will bring the Acquisition of Real Property Policy back during the December regular board meeting with the addition of “require the General Manager to get an appraisal for anything over \$50,000 when commercially feasible”. No action taken on this resolution.

2. **Recognition of Director Jeanne Sabin for her Service on the Florin Resource Conservation District Board of Directors**

Mr. Nelson presented recognition of Director Jeanne Sabin for her years of service. All of the board members gave well wishes to Ms. Sabin.

Ms. Sabin gave a speech regarding her time on the FRCD board.

Director Sophia Scherman mentioned the Camp Fire that took place in Paradise, CA. She asked if the District could collect diapers to send to those who lost their homes. Mrs. Scherman will collect the diapers by next week. Cash is acceptable as well.

Adjourn to Regular Board Meeting on December 19, 2018 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary
AK/SP