

# MINUTES OF THE FRCD BOARD MEETING

Wednesday, March 25, 2009

The regular meeting of the Board of Directors of the Florin Resource Conservation District was called to order at 6:30 P.M. by Barrie Lightfoot, Chair, at 8820 Elk Grove Blvd., Elk Grove, CA.

## Call to Order; Roll Call; and Pledge of Allegiance.

Directors Present: Chuck Dawson, Barrie Lightfoot, Elliot Mulberg and Tony Perez,  
Directors Absent: Tom Nelson  
Staff Present: Ann Siprelle, General Counsel; Stefani Phillips, Secretary/Human Resources Specialist; Thomas S. Bartlett, Treasurer/Finance Manager; Ellen Carlson, Management Analyst/Conservation Coordinator; Scott Myers, District Engineer; and Denise Maxwell, Utility Billing Specialist  
Consultants Present: Douglas Tokerud; Nicolay Consulting; Richard Wilson, Sentium  
Public Present Include: Donella Ouellette, member of the public; Doreen Myers, member of the public; Pat Myers, member of the public; Keith Myers, member of the public; Jose' Carrillo, member of the public; and Richard Salas, member of the public

## Public Comment

No comments

## 1. Consent Calendar

- a. Meeting minutes for February 23, 2009 and February 25, 2009
- b. FRCD Cash Flow Worksheet – February, 2009
- c. Warrants Paid – February, 2009
- d. Monthly Summary – February, 2009
- e. Monthly Water Connections – February, 2009
- f. Revenue vs. Expense Graphs FY 08-09 - February, 2009
- g. Revenues and Expenses – Actual vs Budget
- h. Month End Investments
- i. General Manager Report

MSC (Mulberg/Dawson) to approve the Consent Calendar by a unanimous vote.

## 2. Presentations/Announcements

- a. GASB 45  
Douglas Tokerud, Nicolay Consulting, made a presentation to the Board on GASB 45. In July 2004 the Governmental Accounting Standards Board issued Statement 45, accounting and financial reporting by employers for postemployment benefits other than pensions. The District provides postemployment health benefits to retirees who meet plan eligibility requirements in that they must have completed five years of service with the District (fully vested with CalPERS) and be at least 55 years of age. The statement requires governmental entities to begin accounting for postemployment benefits on an accrual basis rather than the pay-as-you-go method that the District currently uses.

A brief discussion occurred regarding what impact funding GASB 45 would have on the FY' 08-09 budget and what the cost difference would be to wait until FY' 09-10.

MSC (Mulberg/Perez) to adopt the GASB 45 for FY' 09-10, engaging in CalPERS for plan administration and funding the actuarial accrued liability, 2/2: Dawson: nay; Mulberg: aye; Perez: aye; and Lightfoot: nay.

MSC (Mulberg/Dawson) to bring the item back in April providing a precise cost of proposal and trust options by a unanimous vote: Dawson: aye; Mulberg: aye; Perez: aye; and Lightfoot: aye.

- b. Recognition of Ellen Carlson for five years of service  
Leo D. Havener, Jr., General Manager, presented a plaque to Ms. Carlson recognizing her for five years of service. Mr. Havener stated that Ms. Carlson is a real asset to the District.
- c. Finance Department Presentation – Utility Billing  
Denise Maxwell, Utility Billing Specialist, gave an informative presentation on Utility Billing.

A brief question and answer period followed.

Tony Perez, Director, requested the presentation that Ms. Maxwell gave. Because the presentation represented the utility billing process in such an informative manner, he stated it would be a good resource to have.

### **3. Creek Week**

Ellen Carlson, Conservation Coordinator, requested the Board to sponsor \$600 for Creek Clean Up, which would provide the District the opportunity to host an informational booth at Miwok Park.

MSC (Dawson/Perez) to sponsor \$600 for Creek Clean Up by a unanimous vote.

### **4. Stage 2 – Water Alert**

At the February Board meeting Tom Nelson, Director, had requested information be brought back to this meeting regarding the Districts efforts in addressing the governor's proclamation to increase water conservation. The proclamation states that efforts should include reducing individual water use by 20 percent. Ms. Carlson stated in order to comply with the governor's request to reduce individual water use by 20 percent, each connection must reduce daily usage by 143 gallons.

Ms. Carlson stated the districts that are being more active with conservation measures are those that pull their water from the Folsom Lake. For instance, the City of Folsom has advanced to a Stage 3 Water Alert. San Juan Water District and the City of Roseville have advanced to a Stage 2 Water Alert.

Ms. Carlson stated Sacramento County Water Agency is currently reviewing their choices, but have not advanced to Stage 2 Water Alert at this time.

A question and answer period followed.

Mr. Perez inquired what the financial impact would be on the District's budget if customers reduce their water use by 20 percent. Ms. Carlson stated that the District is looking at some cost analysis because of the meter retrofit program and that could be added to the study.

MSC (Mulberg/Dawson) to not order a Stage 2 Water Alert by a unanimous vote, Dawson: aye; Mulberg: aye; Perez: aye; and Lightfoot: aye.

### **5. Grants and AB1420**

Ms. Carlson informed the Board that AB1420 became effective on January 1, 2009 and is a directive to the state of California not to issue grants or loans to any water agency that has not met all of the requirements for water conservation under the best management practices (BMP). Ms. Carlson stated the District has a choice to make as to whether or not additional funding will be allocated to conservation in order to meet the requirements necessary to become eligible for grants and loans.

A question and answer period included:

Elliot Mulberg, Director, requested Ms. Carlson to bring back an analysis of what it would cost the District to comply with the BMPs. Ms. Carlson stated she had already begun an analysis and provided some details. One of the BMPs to meet would be providing residential interior conservation services, which the District does not currently do because of the safety risk and insurance liability. Mr. Mulberg

<sup>1</sup>Motion, Second, Carried.

inquired whether or not the District has the legal authority to provide that service. Ann Sipelle, General Counsel, replied that she was not sure.

Mr. Perez inquired how many of the 12,000 customers that the District has would need to be inspected each year. Ms. Carlson replied roughly one percent. Ms. Carlson stated the District would need to purchase some equipment for this particular BMP.

Leo D. Havener, General Manager, stated it would be difficult for the District to reach the criteria of the BMPs. He stated the District could potentially spend a lot of money. For instance, the District would probably have to hire one to two more people for conservation to be in compliance and still may be chasing grant money that does not exist.

## **6. Committees**

The Board discussed some alternatives to the appointed Board Committees.

The consensus of the Board was to leave the appointed committees as is.

## **7. Associate Director Policy**

Elliot Mulberg, Director, presented the Associate Director Policy to the Board of Directors. The Board briefly discussed the allocation process.

The Board's consensus was to request the current Associate Directors to submit applications as instructed by the new Application Process, if they are interested.

MSC (Nelson/Dawson) to approve Resolution 03.25.09.01 adopting the Associate Director Policy by a unanimous vote, Dawson: aye; Mulberg: aye; Perez: aye; and Lightfoot: aye.

## **8. Sacramento Central Groundwater Authority**

A brief discussion occurred and Chuck Dawson, Director, volunteered to be the District representative to the Board of SCGA.

MSC (Mulberg/Lightfoot) to nominate Chuck Dawson, Director, as the District representative to the Board of SCGA by a unanimous vote.

## **9. School Street Production Well Site Improvements**

Scott Myers, District Engineer, presented a bid for the School Street Production Well Site Improvement project to the Board for approval. This phase of the project includes equipping, the well with mechanical and electrical equipment to pump water from the site, a small building surrounding the well for noise attenuation and security, and other site improvements as needed for a fully functioning facility. Mr. Myers requested the Board to accept the lowest responsible bid received from CONCO West, Inc. for \$530,000.00 and award the contract to said contractor.

MSC (Mulberg/Perez) to accept the lowest responsible bid received from CONCO West, Inc. for \$530,000.00 and award the contract to said contractor by a unanimous vote, Dawson: aye; Mulberg: aye; Perez: aye; and Lightfoot: aye.

## **10. Meter Retrofit Program**

Scott Myers, District Engineer, presented a proposal to the Board of using in-house personnel and equipment to implement the meter retrofit program. He stated EGWS is required to retrofit nearly 6,000 water service connections with water meters by the end of 2024 to satisfy the state mandate which was signed by Governor Arnold Schwarzenegger in 2004. Mr. Myers stated the funding source for the proposal would come from the water rate revenue associated with the meter retrofit program which was considered and factored into the five year plan. The proposal includes hiring five additional full-time regular employees in lieu of using temporary personnel to complete the work under the supervision of Richard Salas, Utility Foreman, and under the direction of the district engineer Scott Myers.

<sup>1</sup>Motion, Second, Carried.

MSC (Dawson/Perez) to authorize the general manager to use in-house personnel and equipment to implement the meter retrofit program by a unanimous vote, Dawson: aye; Mulberg: aye; Perez: aye; and Lightfoot: aye.

### **11. Purchasing of Equipment**

Mr. Myers presented the proposal of necessary equipment for the meter retrofit program and construction tasks of the in-house personnel. Currently, the work is being performed with existing equipment shared by the Distribution Department and the CIP Program. The proposal includes three large expenditure equipment items for the first year program budgeted at a total cost in the amount of \$300,000.00. Mr. Myers recommended that the Board authorize the general manager to acquire the identified equipment with a purchase price not to exceed the budgeted amounts for each item.

MSC (Dawson/Perez) to authorize the general manager to acquire the identified equipment with a purchase price not to exceed the budgeted amounts for each item as provided. by a unanimous vote, Dawson: aye; Mulberg: aye; Perez: aye; and Lightfoot: aye.

### **12. Director's Comments/Suggestions & Subjects for Future Board Meetings**

No comments

### **13. Closed Session**

#### **a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Pursuant: APN number 125-0210-013

Negotiating parties: Florin Resource Conservation District and County of Sacramento

Under negotiations: Price and Terms of Payment

No reportable action

#### **b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title: General Manager

No reportable action

Respectfully submitted,

***Stefani Phillips***

Stefani Phillips, Secretary