

SPECIAL MINUTES OF THE FRCD BOARD MEETING

Thursday, June 10, 2010

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

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

Directors Present: Chuck Dawson, Barrie Lightfoot, Elliot Mulberg, Tom Nelson, and Tony Perez
Directors Absent:
Staff Present: Ann Siprelle, general counsel; Leo D. Havener, Jr., general manager; Stefani Phillips, secretary/human resource specialist; Jeffrey Maupin, operations manager; Ellen Carlson, management analyst; and Daphne McGuire, customer service representative.
Associate Directors Present: Don Menasco and Davies Ononiwu
Consultants Present: Richard Wilson, Sentium
Public Present: Donella Ouellette, Roy Herburger, and Robert Harris

Public Comment

No comments

1. FRCD FY 2010-2011 Budget

Leo D. Havener, Jr., general manager, presented the FRCD FY 2010-2011 Budget to the Board. He stated that this coming year is an election year and per the Board's direction 10% of the payment will be disbursed from the FRCD Budget.

A question and answer period followed. The Board questioned what the RCD gains by being a member of the CARCD. Ellen Carlson, conservation coordinator, responded that the CARCD provides political lobbying. They represent RCD's, state, and national issues. The Board inquired how the dues were calculated. Elliot Mulberg, vice-chairman, commented that allocating 25% (\$3,000) of the FRCD budget toward a statewide organization is a bit much and it would constrict what the Board can do with a limited budget. Ms. Carlson stated she thought that there might be more than one organization dues lumped under the allocation for the CARCD dues in the Budget. The Board requested staff to determine what dues added up to \$3,000 allocated to the CARCD and bring it back to the June 18th meeting.

A discussion occurred regarding expenditure 5545 labeled "Public Relations". The Board directed staff to change the title to conservation outreach.

MSC (Mulberg/Perez) to table the FRCD FY 2010-2011 Budget until the June 18, 2010; bring back information on dues to support the \$3,000 currently allocated to the CARCD; determine whether the FRCD budget is required to be passed; and determine when the budget for the 2240 Florin Rd. needs to be passed, 5/0: Ayes: Dawson; Mulberg, Nelson, Perez, and Lightfoot.

The items on the agenda were acted on out of order...

3. EGWD FY 2010-2011 Budget

Mr. Havener presented the EGWD FY 2010-2011 Budget with changes and modifications as requested by the Board. Mr. Mulberg thanked Mr. Havener for including the allocations as they pertain to the strategic plan.

A lengthy discussion occurred regarding the proposed 3% rate increase (\$416,000) for FY 2010-2011 as adopted in the five year plan in April of 2007.

Chuck Dawson, director, stated that he felt that the Board should not impose an increase in FY 2010-2011 because through his calculations the District should have enough revenues. Barrie Lightfoot, chairman, concurred.

Tom Nelson, director, stated if it is the Board's desire to not impose the rate increase, they need to be specific as to where the offset of funds will come from. Mr. Havener replied that it would come from the reserve fund.

Tony Perez, director, stated he would not pass the budget until there was a resolution to the four serious issues that had been discussed in closed session at the May 26th Board meeting because it could potentially have a financial impact.

Robert Harris, customer, commented on his displeasure regarding the rate increases.

Mr. Mulberg stated that staff should determine which expense fund the \$416,000 will come from to offset the lack of revenues received if the rate increase is not imposed. Mr. Havener replied that it would come from the reserve fund.

Mr. Perez stated that he would like to have the meter retrofit program implemented in FY 2010-2011 to save on rising costs of materials. He also stated that if we implemented the program now it could be a redevelopment training project to create jobs.

MSC (Perez/Dawson) to table the FY 2010-2011 EGWD Budget to a later date until a potential resolution has been decided for the four serious issues and it is determined which expense fund the \$416,000 will come from, 4/1: Ayes: Dawson, Mulberg, Perez, and Lightfoot; Abstain: Nelson.

MSC (Nelson/Dawson) to add a closed session to discuss possible initiation of litigation, 5/0: Ayes: Dawson; Mulberg, Nelson, Perez, and Lightfoot.

Closed Session

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (1)

MSC (Nelson/Dawson) to continue FY 2010-2011 Budget to the Regular Board meeting on June 18, 2010 and provide options for the \$416,000, 4/1: Ayes: Dawson; Mulberg, Nelson, and Lightfoot; Nay: Perez

MSC (Dawson/Perez) to approve items b, d, f, g, h, k, and l of the Consent Calendar, 5/0: Ayes: Dawson; Mulberg, Nelson, Perez, and Lightfoot.

2. Consent Calendar

Cost of Living Allowance of 2.4%

MSC (Nelson/Dawson) to approve a 2.4% COLA to be effective July 1, 2010, 4/1: Ayes: Dawson; Mulberg, Nelson, and Lightfoot; Nay: Perez

Mr. Perez stated he was voting no because he felt he could not make a good decision without having the answers to four issues that had been discussed in a previous closed session.

MSC (Dawson/Nelson) to adjourn the meeting, 5/0: Ayes: Dawson; Mulberg, Nelson, Perez, and Lightfoot.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary