

MINUTES OF THE REGULAR MEETING OF THE FRCD BOARD

Wednesday, July 27, 2011

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, Tom Nelson, and Tony Perez
Staff Present: Mark J. Madison, General Manager; Ann Siprelle, General Counsel; Jim Malberg, Interim Finance Manager; Stefani Phillips, Secretary/Human Resource Specialist; Jeffrey Maupin, Operations Manager; Donella Ouellette, Finance Supervisor; Ellen Carlson, Management Analyst; Richard Salas, Water Utility Foreman; Jose Carrillo, Water Distribution Foreman; and Travis Small, GIS Technician I
Associate Directors Present: Donald Menasco and Davies Ononiwu
Consultants Present: None
Public Present: Bob Gray, Roy Herberger, and Dwane Coffey

Public Comment - No comments

1. Consent Calendar

- a. Approve Regular Meeting minutes for June 22, 2011; and Special Meeting minutes of July 12, 2011.
- b. FRCD Cash Flow Worksheet – June, 2011
- c. Warrants Paid – June, 2011
- d. Monthly Water Connections – June, 2011
- e. Bond Covenant Requirements for FY 2010-2011
- f. Revenues and Expenses – Actual vs Budget
- g. Cash Accounts
- h. Revenue Distribution Worksheet
- i. Consultants Expenses

MSC (Dawson/Perez) to approve Consent Calendar items b, c, d, f, h, and i, 5/0: Ayes: Dawson, Mulberg, Nelson, Perez, and Lightfoot.

Elliot Mulberg, Vice-Chairman, corrected the Regular Meeting minutes for June 22, 2011. Revisions are as followed: Item no. 2 Public Hearing – Urban Water Management Plan should include Mr. Mulberg as an Aye vote; and same item number revise “change in climate” to climate change in two sentences.

The Board had brief questions on items e and g.

MSC (Mulberg/Dawson) to approve Consent Calendar item a, e, and g with revisions, 5/0: Ayes: Dawson, Mulberg, Nelson, Perez, and Lightfoot.

Mark J. Madison, General Manager, introduced Jim Malberg, who was contracted through Willdan for the Interim Finance Manager position.

2. Help Program

Ann Siprelle, General Counsel, presented a resolution to repeal the Household Emergency Lifeline Program (HELP). Ms. Siprelle stated that the District had discontinued the HELP program in January, 2011 after determining that there was no budgeted funding source for the program. The proposed resolution would formally repeal the existing resolution and program.

A question and answer period followed.

Mr. Mulberg requested that staff bring back costs and options for funding the HELP Program to the August Board meeting.

3. Legislative Update

Ellen Carlson, Management Analyst, presented the Legislative Update. She stated that AB 23 (Local agency meetings: simultaneous meetings: compensation disclosure) was signed and is complete.

The Board requested Ms. Carlson to monitor the following legislative measures:

- AB 685 (State water policy: regional water management planning)
- S 641 (Water for the World Act)
- SB 34 (California Water Resources Investment Act of 2011)
- SB 474 (Commercial construction contracts: indemnity)

Ms. Carlson provided information on SB 931. She stated that the bill would prohibit public agencies from using public funds to seek outside consultants or legal advisors for counseling the public employer about ways in which they could minimize or deter the exercise of rights. Ms. Carlson stated that the District does not propose to oppose SB 931 and will monitor it closely.

4. Operations Report

Jeff Maupin, Operations Manager, reported operations activity highlights include:

- Both storage tanks were inspected by divers in June.
- Changed out bad capacitors contactors on all (10) booster pumps.
- Performed thermograph/IR testing on all electrical panels.
- Completed SCADA system upgrade.
- Completed Chlor-tec electrical upgrade and integrated into SCADA.
- A service line was hit and upon repair, it was noticed that the saddle was corroded and needed replacing.
- Well # 10 was severed from the system and the motor was installed at well # 3.

A question and answer period followed.

Mr. Maupin stated that he believes that the water capacity will allow the District to supply water to the customers without using Sacramento County.

Mr. Mulberg thanked Mr. Maupin for the improved Operations Report format.

Mr. Mulberg inquired if the District had the opportunity to use actual numbers as opposed to calculations.

Mr. Madison responded and indicated that the direct answer to Mr. Mulberg's question is no; however, Mr. Madison provided some background on the question. He stated that the California Department of Public Health (CDPH) requires us to calculate our maximum day demand. The District is also required to demonstrate that we have adequate production capabilities to meet our maximum day demand without the largest source of supply in service and without relying on any non-firm sources of capacity. Mr. Madison stated that our calculated maximum day demand for the Districts system is 10,626 gallons per minute (GPM). Mr. Madison stated that over the last year the District has developed real data using the SCADA system. The data is suggesting that the demand is much less than the calculated value. For example, the highest value that has been observed occurred on July 1, 2010, yielding a total demand for the day of 6,400 GPM. Mr. Madison stated that through two meetings held with CDPH, they have indicated that they are comfortable with the Districts current water production capability. Mr. Madison stated that the District will address the calculated number that CDPH requires through the Source Capacity Improvement Project in the Fall of 2011 or Winter 2012.

Mr. Madison complimented Steve Shaw, Water Treatment Foreman, for being very authentic during a recent tour of the Water Treatment and Storage Facility to CDPH last.

Tony Perez, Director, questioned whether there was a way to determine how much water is leaking in the Districts system. Mr. Maupin replied that when the entire system is metered, the goal is to have under a 10% loss in the system. Methods such as listening devices can be used to locate leaks in the system.

Barrie Lightfoot, Chairman, thanked the staff for all the effort they put into the Operations Report.

5. Meter Retrofit Status Report

Mr. Maupin gave a presentation with the help of Travis Small, GIS Technician I, on an overview of the Districts historical and current efforts relative to the meter retrofit project.

Highlights of current efforts:

- Due to a reduction in staff, the estimated meter installations have been reduced from 1200 to 800/1,000 for FY 2011-2012
- Meter retrofit is estimated to be completed by 2016

A question and answer period followed.

Mr. Perez requested an update on the financing of the railroad corridor project and to review the status of completion.

Mr. Madison replied that those questions will be answered through the development of the Capital Improvement Program. He stated that the District will also perform a financial review in the Winter of 2012 to determine what is needed over the next five years.

6. Committee Meeting(s) Update

No comments

7. Directors Comments/Suggestions & Subjects for Future Board Meetings

Mr. Perez reported that San Juan Water District has received financial benefits as a result of solar energy. He inquired whether the ratepayers would benefit from a similar program if the District pursued it. **The Board requested staff to research solar energy and the prospects and bring back a presentation to the August Board meeting.**

The Board requested that staff bring back the HELP Program to the August meeting.

Stefani Phillips, Board Secretary, requested approval from the Board to hold the Annual Economic Development Corporation meeting in January of 2012, consistent with the election of officers. The Board approved the request.

8. Closed Session

- a. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION (Subdivision (a) of Section 54956.9)
United States, et al. ex rel John Hendrix v. J-M Manufacturing Company Inc. dba JM Eagle, et al.
Docket No: ED CV06-00055-GW
Court: United States District Court for the Central District of California
- b. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Section 54957
Title: General Manager

No reportable action was taken.

Respectfully submitted,

Stefani Phillips, Secretary