

MINUTES OF THE REGULAR MEETING OF THE FRCD BOARD

Wednesday, August 24, 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 Sipelle, General Counsel; Jim Malberg, Interim Finance Manager; Stefani Phillips, Secretary/Human Resource Specialist; Jeffrey Maupin, Operations Manager; Donella Ouellette, Finance Supervisor; and Jose Carrillo, Water Distribution Foreman
Associate Directors Absent: Donald Menasco and Davies Ononiwu
Consultants Present: Chris Cleveland, Carollo Engineers and Larry Ernst, Wood Rodgers
Public Present: Bob Gray

Public Comment - No comments

1. Consent Calendar

- a. Approve Regular Meeting minutes for July 27, 2011 and Infrastructure Committee Meeting minutes for July 27, 2011.
- b. FRCD Cash Flow Worksheet – July, 2011
- c. Warrants Paid – July, 2011
- d. Active Accounts – July, 2011
- e. Bond Covenant Requirements for FY 2011-2012
- f. Revenues and Expenses – Actual vs Budget
- g. Cash Accounts
- h. Consultants Expenses

MSC (Mulberg/Perez) to approve the Consent Calendar, 5/0: Ayes: Dawson, Mulberg, Nelson, Perez, and Lightfoot.

2. Presentation of Government Finance Officers Association Award of Financial Reporting Achievement

Mark J. Madison, PPE, General Manager, presented the Government Finance Officers Association Award of Financial Reporting Achievement (GFOA) to the Board and recognized Thomas S. Bartlett, previous Finance Manager, Donella Ouellette, Finance Supervisor, and Stefani Phillips, Human Resource Specialist, for their hard work.

3. Solar Energy Development Presentation

Chris Cleveland from Carollo Engineers gave a presentation on solar energy and the prospects of solar energy development by the FRCD as requested by Tony Perez, Director, at the July Board meeting.

Question's and comments include:

Mr. Perez inquired why the District did not go through SMUD for a solar energy feasibility study. Mr. Madison asked Mr. Cleveland to elaborate on his knowledge of SMUD's capability of such a study. Mr. Cleveland responded stating, SMUD can supply basic details such as rate information and basic projections based on limited data; however, they will not look at specific installation.

Elliot Mulberg, Vice-Chairman, commented that based on the information provided, it did not sound like a feasible option for the District.

Mr. Cleveland concluded that solar development does not appear to be feasible without significant capital cost and a lengthy payback period.

Tom Nelson, Director, thanked Mr. Cleveland for his hard work and commented to the Board that the Board needs to be careful of what they ask staff to do as to not incur more expenses.

4. Repeal of Resolution 09.20.06.01 Adopting Policy No. 7 for low-income assistance (Household Emergency Lifeline Program (HELP))

Mr. Madison provided three options for the Board to consider for HELP: 1) Offer a voluntary donation program; 2) Obtain a 2/3 voter approval to finance the program, following the Proposition 218 process (since financing the program would be considered a special tax); and 3) Do not offer a low-income assistance program.

Mr. Madison requested that the Board repeal the HELP. He also recommended that the Board oppose a new assistance program and direct staff to prepare letters to the appropriate officials advocating government assistance.

Chuck Dawson, Director, inquired what criteria the District used previously for screening customers who apply for HELP. Donella Ouellette, Finance Supervisor, responded that the District modeled SMUD's screening process. Mr. Dawson stated that SMUD uses the Sacramento Food Bank to administer the funds which assist the customers in paying their power bills.

Barrie Lightfoot, Chairman, stated that PG&E has a program (Balance Payment Plan) that will average the energy costs for qualified residents or small business owners over a 12 month period.

Mr. Dawson suggested that maybe the District can adjust the customer's accounts to reflect the average water use once the all of the meters are installed.

MSC (Nelson/Lightfoot) to repeal Resolution 09.20.06.01 adopting Policy No. 7 for low-income assistance (Household Emergency Lifeline Program (HELP)), 4/1: Ayes: Dawson, Mulberg, Nelson, and Lightfoot; Abstain: Perez.

Mr. Madison stated that Jose Carrillo, Water Distribution Foreman, had suggested that meters be installed for homeowners that are struggling as a means to reduce their costs.

Mr. Madison suggested that staff continue to explore outside funding sources that may help the District move forward with assisting the customers with their water bills.

MSC (Nelson/Dawson) to oppose a new assistance program and direct staff to prepare letters to the appropriate officials advocating appropriate government assistance and reporting back to us in six months or sooner, 3/2: Ayes: Dawson Nelson and Lightfoot; Nays: Mulberg and Perez.

5. Legislative Update

Mr. Madison presented the Legislative Update in the absence of Ellen Carlson, Management Analyst. He stated that the format had been changed to include organizations in support of the legislative measure and those that are opposed.

Elliot Mulberg, Vice-Chairman, raised the question of whether staff or the Board would provide support or opposition for various legislative measures. Mr. Madison stated staff would bring their recommendation for support or opposition to the full Board for action.

Mr. Nelson stated that he would like to send a letter of support for AB 591 (Fracking Disclosure).

The consensus of the Board was to have staff send a letter in support of AB 591 to the legislature.

The Board requested that AB 685 (State water policy: regional water management planning) be monitored.

6. Committee Meeting(s) Update

Infrastructure Committee Meeting

The minutes of the Infrastructure Committee Meeting were presented and approved in the Consent Calendar and no additional comments were made.

7. Operations Report

Jeff Maupin, Operations Manager, presented the Operations Report. He elaborated on Hexavalent Chromium, which has been found in the drinking water. Mr. Maupin stated we are not required to test for it, but the District is currently sampling for it and will report the results. Mr. Maupin added that the IT Department completes routine preventative measure to secure the Districts network against intrusions (anti-virus and anti-spam measures).

Mr. Nelson stated that he appreciated the report on the work of the IT Department, but did not necessarily feel that it belonged with the Operations Report. Mr. Madison stated that he would like to see the Operations Report expand to cover all aspects of business and would like the IT Report to be kept.

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

Mr. Mulberg requested that a review of the Associate Board Member Policy be brought back to the September Board Meeting.

9. Closed Session

- a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: 2450 Florin Rd., Sacramento, CA
Agency negotiators: Mark Madison and Jim Malberg
Negotiating parties: FRCD and Sacramento County
Under negotiation: Terms of payment
- b. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION (Gov't. Code Section 54956.9(a))
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
- c. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Subdivision (a) of Section 54956.9)
Name of case: J.B. Jones v. FRCD, EGWS, et al, Sacramento Superior Court Case No. 34-2009-00046310

No reportable action was taken.

Respectfully submitted,

Stefani Phillips, Secretary