

MINUTES OF THE REGULAR MEETING OF THE FRCD BOARD

Wednesday, May 22, 2013

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: Barrie Lightfoot, Chuck Dawson, Tom Nelson, Elliot Mulberg, and Don Menasco
Directors Absent: None
Staff Present: Mark J. Madison, General Manager; Dennis Coleman, Finance Manager; Stefani Phillips, Secretary/Human Resource Specialist; Bruce Kamilos, Associate Civil Engineer; Donella Ouellette, Finance Supervisor; John Diaz, Water Distribution Operator II; and Jose Carrillo, Water Distribution Foreman
Associate Directors Present: Davies Ononiwu
Consultants Present: Ann Siprelle, General Counsel

1. Proclamations and Announcements

General Manager Mark Madison announced that Elk Grove Water District received a District Transparency Certificate of Excellence by the Special District Leadership Foundation through the California Special District Association. Mark and the Board of Directors thanked the staff for their work to obtain this achievement.

Mr. Madison spoke about the Districts participation at the Western Festival. The Board thanked staff for their time serving the public at the Western Festival.

2. Consent Calendar

- a. Minutes of the Regular Board Meeting of April 24, 2013
- b. FRCD Cash Flow Worksheet – April, 2013
- c. Warrants Paid – April, 2013
- d. Active Accounts – April, 2013
- e. Bond Covenant Status for FY 2012-2013 – April, 2013
- f. Revenues and Expenses – Actual vs Budget FY 2012-2013 – April, 2013
- g. Cash Accounts – April, 2013
- h. Consultants Expenses – April, 2013

Director Tom Nelson pulled Consent Calendar c and d.

MSC (Dawson/Light) to approve the Consent Calendar a, b, e, f, g, and h, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson and Lightfoot.

Mr. Nelson inquired how the General Manager's credit card statements and receipts are reviewed. Dennis Coleman, Finance Manager/Treasurer, responded that he reviews the receipts, and each person who is a signer of checks may review the statements and receipts.

A discussion was held regarding the process of reviewing credit card statements and receipts of the General Manager.

A discussion was held regarding the (d) Active Accounts.

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

3. **USDA Activity Update**

Dwane Coffey, District Conservationist presented the USDA Activity Update to the Board of Directors. Mr. Coffey highlighted the following activities: Urban Cultivators Initiative, Backflow Prevention (BFP) & Abandoned Well Initiatives, Black Agriculture Working Group, and Discover the Delta Native Plant Initiative.

Mr. Coffey asked the Board to meet in August to discuss a local work group. The Board discussed holding a Conservation Committee Meeting in June.

4. **Operations Report – April 2013**

General Manager Mark Madison presented the highlights of the Operations Report for April 2013:

- Well 1 produced very little
- Well 4 D and 11 D – produced over half of the District’s total production that month.
- Well 14 D produced a good amount
- Well 8 – was not used very much
- Well 9 a strong component of system 24/7
- No purchased water
- Combined well production up from last year
- Well 1 D – specific capacity was 21
- Well 4 D – more efficient
- Well 11 D – excellent
- Well 14 D – good
- Well 3 – off the chart – outstanding!
- Well 8 – efficient
- Well 9 – efficient
 - Looking at optimizing well output to conserve energy
- Sampling – compliant
 - Sacramento Regional – waste discharge water (unknown)
- Backwash improvements are working extremely well
- Safety meeting (5)
- 128 meters installed
 - The meters in May might fall below goal
 - Water lines being installed in various locations
- Leaks (4) 3 service and 1 main
- All valves located

5. **Monthly Status Report on FY 2011-12 Audit Findings**

Finance Manager Dennis Coleman the Monthly Status Report on FY 2011-12 Audit Findings. Mr. Coleman stated that the District is still looking for an auditor.

Chairman Barrie Lightfoot stated that he would like the items contained in the Monthly Status Report on FY 2011-12 Audit Findings to be resolved and reported to the Board at the October 2013 Board meeting. Mr. Coleman replied that staff will do so.

6. **Amended and Restated Joint Exercise of Powers Agreement- Regional Water Authority**

General Manager Mark Madison presented the Amended and Restated Joint Exercise of Powers of Agreement - Regional Water Authority. Mr. Madison stated that the agreement authorizes RWA to act on the behalf of all Districts with our approval.

Director Tom Nelson inquired how the FRCD Board of Directors will get involved on various legislative measures. Mr. Madison replied that would be a good topic to discuss during the legislative review each month.

MSC (Nelson/Dawson) to authorize the General Manager to approve the amended and restated Joint Exercise of Powers Agreement for the Regional Water Authority, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson and Lightfoot

7. Revision of the Elk Grove Water District Water Connection Fees and Repeal of Ordinance Nos. 09.20.06.02 and 05.21.03.01

General Manager Mark Madison presented the Revision of the Elk Grove Water District Connection Fees and Repeal of Ordinance Nos. 09.20.06.02 and 05.21.03.01 and provided background for the Water Connection Fees Study.

Mr. Madison highlighted the components that comprise the Water Connection Fee: Water capacity and water meter installation charges. Mr. Madison reviewed both the reduction and increases contained in the revision to the proposed ordinance.

Mr. Madison explained the Proposition 218 notification process that the District complied with related to the Water Connection Fees Study.

Mr. Madison explained that the Water Connection Fees, if adopted, will begin on June 1, 2013 and continuing annually thereafter on that same day, the minimum total connection fee will be automatically increased according to the most recent index values published in the Engineering News-Record Magazine's Construction Cost Index.

Director Elliot Mulberg inquired about who would be affected by the Proposed Water Connection Fees? Mr. Madison replied that first time users would be affected.

Director Tom Nelson inquired about what the Sacramento County's water capacity charge was. Mr. Madison stated that he was not sure, but he would be happy to find out and forward that information to the Board.

Chairman Barrie Lightfoot opened the Public Hearing – no comments were made. Mr. Lightfoot closed the Public Hearing.

MSC (Mulberg/Dawson) to adopt Ordinance No. 05.22.13.01, revising the Elk Grove Water District Water Connection Fees and Repealing Ordinance Nos. 09.20.06.02 and 05.21.03.01, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson and Lightfoot

8. Purchase Agreement - Whiting Property APN#134-0050-074 (South Portion)

General Manager Mark Madison presented the Purchase Agreement – Whiting Property APN#134-0050-074 (South Portion) to the Board of Directors. Mr. Madison stated that two appraisals on the property were obtained and they were very close in value.

Mr. Madison acknowledged Associate Civil Engineer Bruce Kamilos for coordinating the purchase agreement.

Mr. Madison stated that the District would be compensating the Whiting family \$21,000 for the Districts usage of the lot for the last several years.

Associate Director Davies Ononiwu inquired if the Whiting family had requested payment for the property use. Mr. Kamilos responded that he and Mr. Madison met separately before meeting with Robin Whiting to discuss the potential of the District purchasing a portion of the

Whiting property. He stated, in that meeting, he and Mark discussed what would be a fair approach to a purchase offer for the property. He stated, they both agreed that because the Whitings had allowed the District to use the property for vehicle parking the past 3-1/2 years without cost or conditions, it would be equitable to include compensation for past usage of the lot as part of the purchase offer.

MSC (Mulberg/Menasco) to adopt Resolution 05.22.13.01 authorizing the General Manager to execute a purchase agreement in the amount of \$123,500 to acquire property owned by the Whiting family, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson and Lightfoot

9. Legislative Update

General Manager Mark Madison presented the Legislative Update to the Board of Directors. He highlighted the following:

- Federal bills are sitting
- AB 5 (Homeless person's rights and Fairness Act) – Amended (no longer have to provide to the homeless)
- AB 7 (Oil and gas: hydraulic fracturing) – 8 bills are moving forward for fracking
- AB 185 (Public Meeting Recording Retention) – dead and does not impact the FRCD
- AB 295 (Committee on Water, Parks and Wildlife) and AB 1331 (Committee on Water, Parks and Wildlife) – Provide Delta Plan road blocks
- AB 453 (Amending the Public Resource Code regarding sustainable communities) – not moving
- AB 416 (Local Emission Reduction Program) – greenhouse gas emissions
- AB 1235 (Financing management training) – does not apply to the FRCD Board because they are not a paid board.
 - Except for Board activities where the Board members are reimbursed.
- ACA 8 (Local Government Financing: voter approval) – not moving
- SB 40 (Safe, Clean and Reliable Act: Bond reduction and refocus) and SB 42 (California Clean, Secure Water Supply and Delta Recovery Act of 2014) – Supports Water Bond
- SB 750 (Building standards: water meters: multiunit structures) – Would not recommend this bill

Mr. Madison discussed the Bay Delta Conservation Plan.

General Counsel Ann Siprelle stated that she distributed a list regarding the California Environmental Quality Act (CEQA) bills.

10. Committee Meeting(s) Update

General Manager Mark Madison gave a timeline of upcoming meetings. He stated that the District will facilitate a workshop to discuss the Water Rate Study on May 30, 2013, at 5:30 PM, at the Cosumnes CSD (8820 Elk Grove Blvd.). Mr. Madison stated a Finance Committee Meeting would be held on Monday, June 17, 2013, at 6:30 PM, at the EGWD Administration Office (9257 Elk Grove Blvd.) to review the District Budget(s).

11. Directors Comments and Information

Director Elliot Mulberg stated that he would like to have business cards ordered for the Board of Directors. Mr. Madison stated that there were a couple of things that needed to be discussed first.

A brief discussion occurred and no decision was made.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary