

MINUTES OF THE REGULAR MEETING OF THE FRCD BOARD

Wednesday, October 23, 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 9257 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; and Ellen Carlson, Management Analyst
Associate Directors Present: Mike Schmitz and Davies Ononiwu
Consultants Present: Ann Siprelle, General Counsel

Public Comment

No comments made.

1. Proclamations and Announcements

California Special Districts Association (CSDA) Presenting Transparency Certificate of Excellence

General Manager Mark Madison introduced Dorothy Holzem, California Special District Association who awarded the District, on behalf of the Special District Leadership Foundation, the District Transparency Certificate of Excellence.

Chairman Barrie Lightfoot thanked the staff and stated that it took a team to accomplish this recognition.

Roy Herburger, Elk Grove Citizen, congratulated the District on the accomplishment.

Vice-Chairman Chuck Dawson thanked staff for the participation at the Harvest Festival.

2. Consent Calendar

- a. Minutes of the Regular Board Meeting of September 25, 2013
- b. FRCD Cash Flow Worksheet – September, 2013
- c. Warrants Paid – September, 2013
- d. Active Accounts – September, 2013
- e. Bond Covenant Status for FY 2013-2014 – September, 2013
- f. Revenues and Expenses – Actual vs Budget FY 2013-2014 – September, 2013
- g. Cash Accounts – September, 2013
- h. Consultants Expenses – September, 2013
- i. Conservation Activities – September, 2013

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

3. Operations Report – October 2013

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

- Operations are stable and productive
- 161 valves exercised
- 69 hydrants flushed
- 71 meters installed
- School Street Well 1D – didn't run much (4th in line up)
- Well 4D - heavy producer
 - Chairman Barrie Lightfoot questioned if a submersible pump would help to reduce the noise level of the well pump. General Manager Mark Madison responded that an enclosure would be less expensive.
- Well 11D - not a heavy producer (3rd in line up)
- Well 14D - increased production – (2nd in line up)
 - This well dropped down in line up
- Well 3 strong producer – good producer
- Well 8 reduced production – did not run much
- Well 9 extremely stable well
- No purchased water from Sacramento County
- Combined production – dropped considerably
 - Saving water from intertie closure
- All samples taken
 - Extra samples taken for bacteria for new lines in subdivision and wharf hydrants
 - Lead and copper
 - UCMR 3 samples will be reported in December
- No water discharged
- Backflow Preventative Maintenance Program
 - Approximately 98 delinquent tests for backflow devices
- 1 mainline leak – due to tree root
- Water pressures are good
- Sacramento County water pressures are good
- IT – bombarded with threats to the District systems.
 - Spam and Malicious attempts
 - Data base XC2 (backflow) conversion to TruePoint
 - Meter Route optimization system
- Safety Meetings - 6
- 71 meters installed
 - Water line relocation/working with City of Elk Grove
 - 70 remaining front yard meters
 - 102 remaining commercial meters
 - 300 backyard services

Vice-Chairman Chuck Dawson stated that we should work carefully to resolve any issues that may arise with customers during the meter-retrofit.

Director Donald Menasco inquired if the District will need more individuals to read meters. General Manager Mark Madison responded that there is a team of five individuals who will rotate reading meters.

4. FY 2013-14 Elk Grove Water District Quarterly Budget Status Report

Finance Manager Dennis Coleman presented the FY 2013-14 Elk Grove Water District Quarterly Budget Status Report to the FRCD Board of Directors. Mr. Coleman provided background on the item. Mr. Coleman provided information from last year to indicate trending.

Director Tom Nelson inquired as to why the year-to-date percentage for Vacation Pay was so high. Mr. Coleman replied that that figure is a difficult one to quantify. He stated that vacation time used is off-set in salaries.

Director Tom Nelson inquired if there was anything the District could do to be more accurate with predicting the figure. Mr. Coleman stated that trending would help.

General Manager Mark Madison commented that the District is very stable. Mr. Madison stated that he was proud that the legal costs are low.

Associate Director Davies Ononiwu inquired if the GIS Technician had left. General Manager Mark Madison responded yes, and the GIS Technician I broadened to an Engineering Technician I to encompass more responsibilities.

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

Finance Manager Dennis Coleman presented the Monthly Status Report on FY 2011-12 Audit Findings to the FRCD Board.

Mr. Coleman stated that there were 74 stale dated checks remaining. A brief discussion followed.

Mr. Coleman stated that the current audit for FY 2012-13 had started today.

A discussion occurred regarding the use of the District's financial consultant.

Director Tom Nelson questioned the extent of use needed for the financial consultant and Mr. Coleman replied that we will use him for quarterly reconciliations. Mr. Nelson stated that it was sounding like the District would be keeping him on permanently and that was not what was initially presented. Mr. Coleman responded, yes as needed. Mr. Nelson stated that he thought that in house staff could do that work. Mr. Coleman replied that if the District does not need him, we won't use him and staff will bring it back to the Board for their consideration.

6. Backflow and Cross Connection Program Report

General Manager Mark Madison presented the Backflow and Cross-Connection Program Update to the FRCD Board of Directors. Mr. Madison gave the background and need for improving the Backflow and Cross-Connection Control Program.

Mr. Madison stated that the timeline for instituting the Backflow and Cross-Connection Control Program and adopting the ordinance with the replacement of Article 8 is being driven by the upcoming commercial meter installations.

A question and answer period followed:

Director Elliot Mulberg inquired if the current ordinances require a backflow prevention device. Mr. Madison responded that it is not clear which businesses need them or what kind of device they are required to have.

Director Tom Nelson inquired if Title 17 specifies what kinds of businesses need them or what type of device they need. Mr. Madison responded no, Title 17 only prescribes the degree of hazard.

Director Tom Nelson inquired how a backflow device works. Mr. Madison responded there is two common types of devices used the Reduced Pressure Principle and the Double Check Valve. The purpose of the device is to protect against pollutants and contaminations. Mr. Madison stated that it is very important to protect the District against back pressure and siphonage and it is also important to make sure that the business is getting the right device.

Director Elliot Mulberg inquired if other water districts have ordinances that the District could use. Mr. Madison responded that the District has been using information from other water districts.

Director Tom Nelson inquired if the business owners would have the option of using someone other than the District for installation of the device. Mr. Madison replied that the District could give them that option.

Associate Director Mike Schmitz inquired who was responsible for testing. Mr. Madison replied "a certified contractor from a list."

Mr. Schmitz inquired if the District can perform the test. Mr. Madison responded the District does not currently have a fee schedule or staff who could perform the testing, but we could. Mr. Madison stated the District needs to get the program up and running first.

The Board requested that a special meeting should be held in the first week of November to discuss this topic further.

7. Well Destruction Project Contract

Associate Civil Engineer Bruce Kamilos presented the Well Destruction Project Contract to the FRCD Board for consideration. Mr. Kamilos stated that the Well Destruction Project involves destroying seven inactive wells and two monitoring wells in compliance with Sacramento County Environmental Management Department requirements. Mr. Kamilos stated that the project also includes removal of all surface equipment and piping at each Well location and that the sites are graded smooth to match adjacent natural terrain.

Director Elliot Mulberg inquired how Mr. Kamilos had derived at the figures in the financial summary of the staff report. Mr. Kamilos responded that Well destruction projects from the FY12/13 CIP were carried over and combined with the well destruction project planned for FY13/14. The budgeted funds for the FY12/13 projects were transferred to fund these projects in the FY13/14 CIP.

Director Elliot Mulberg inquired about funds that were allocated last year for special projects and if they were not used wouldn't they stay in that fund, or do they automatically get transferred to unrestricted funds. General Manager Mark Madison responded that monies are not encumbered; they are designated to the individual reserve funds. He stated that when the capital budgets do not get expended, they will roll over to the next fiscal year. Mr. Madison stated that formally the monies still exist in the unreserved funds and have not been allocated. Mr. Mulberg questioned the funds in the capital reserve buckets in relation to what had been budgeted for.

A brief discussion followed regarding the methodology of the capital reserve buckets.

General Manager Mark Madison stated that staff would bring back an update of the capital reserve buckets for review at the December meeting.

MSC (Dawson/Menasco) approve a motion authorizing the General Manager to execute a construction contract with Roadrunner Drilling and Pump Company in the amount of \$291,800 for the Well Destructions Project, 4/1: Ayes: Dawson, Menasco, Nelson and Lightfoot; and Noes: Mulberg.

8. Selection of Sacramento Local Agency Formation Commission (LAFCO) Special District Commissioner and Alternate Special District Commissioner

Board Secretary Stefani Phillips presented the selection of Sacramento LAFCO Special District Commissioner and Alternate Special District Commissioner to the Board of Directors.

The Board held a brief discussion on the candidates and selected Kay Jones as commissioner and Paul R. Green Jr. as the alternate.

MSC (Mulberg/Nelson) to select candidate Kay Jones to be seated as the Special District Commissioner to the Sacramento LAFCO, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson and Lightfoot.

MSC (Nelson/Dawson) to select candidate Paul R. Green Jr. to be seated as the Alternate Special District Commissioner to the Sacramento LAFCO, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson and Lightfoot.

Director Elliot Mulberg requested that the District bring the request for nominations to the Board of Directors for the next election in two years. He stated it would be nice to be able to nominate one of the FRCD Board members.

9. Request for Forestry Challenge Sponsorship

Management Analyst Ellen Carlson presented the request for Forestry Challenge sponsorship to the Board of Directors for consideration. She stated that typically Franklin High School attends the Environthon, but this year they will be competing in the Forestry Challenge and requested that we sponsor them with that activity instead.

MSC (Mulberg/Dawson) to approve the sponsorship request from Franklin High School in the amount of \$925, 5/0: Ayes: Dawson, Menasco, Mulberg, Nelson and Lightfoot.

10. Legislative Update – September 2013

Management Analyst Ellen Carlson presented the Legislative Update for September 2013. She reported that three bills passed: AB 227 (Proposition 65: enforcement: chemical listing), AB 1149 (Identity Theft: Local Agencies), and SB 4 (Oil and gas: Hydraulic fracturing). Ms. Carlson stated that there were 1235 bills vetoed. Ms. Carlson mentioned that she had been following HR 3080 and that bill has no impact on the District.

11. Committee Meeting(s) Update

No meetings to report.

12. Directors Comments and Information

General Manager Mark Madison thanked staff for working at the Harvest Festival, he stated it was well attended and the visitors seemed to enjoy themselves.

Mr. Madison stated that he and Director Tom Nelson would be attending the ACWA Fall Conference in southern California the first week of December.

Director Tom Nelson reported that he attended a meeting with General Manager Mark Madison, Associate Civil Engineer and Jay R. Lund, Director Center Watershed Sciences, University of Davis. The meeting was to gain more knowledge about water recharge. Director Nelson stated that they learned that a master thesis was done on water recharge, but not at the depth that would be needed for furthering the proposed project. He stated that a white paper would need to be done.

Chairman Barrie Lightfoot and Vice-Chairman Chuck Dawson thanked Director Tom Nelson for his efforts of research on the proposed water recharge project.

13. Closed Session

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Section 54956.8:

Property: 8999 Elk Grove-Florin Rd. Elk Grove, CA 95624

Agency Negotiator: Mark J. Madison, General Manager and Dennis Coleman, Finance Manager

Negotiating parties: Florin Resource Conservation District, Sloughhouse Conservation District, Lower Cosumnes Conservation District, and Sonu and Harpreet Singh

Under negotiations: Price and Terms of payment

No reportable action taken.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary