

MINUTES OF THE SPECIAL MEETING OF THE FRCD BOARD

Wednesday, March 11, 2015

The special meeting of the Board of Directors of the Florin Resource Conservation District was called to order at 4:00 p.m. by Chuck Dawson, Vice-Chairman, at 9257 Elk Grove Blvd, Elk Grove CA.

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

Directors Present: Chuck Dawson, Bob Gray, Elliot Mulberg, Tom Nelson, and Jeanne Sabin
Directors Absent: None
Staff Present: Mark J. Madison, General Manager; Jim Malberg, Finance Manager; Stefani Phillips, Secretary; Bruce Kamilos, Associate Civil Engineer; Donella Ouellette, Finance Supervisor; Ellen Carlson, Management Analyst; Cindy Robertson, Administrative Assistant II (Confidential)
Associate Directors Present: Dave Ononiwu; Mike Schmitz
Consultants Present: Ann Siprelle, Best Best & Krieger (BB&K); Roy Herburger, Elk Grove Citizen

Public Comment

No comments were made.

The Board of Directors requested to change the order of the agenda items, placing item 2 Approval of Joint Funding Agreement with Lower Consumnes Resource Conservation District and Sloughhouse Conservation District to Pursue Conservation Grant Funding Under Proposition 1, first.

2. Approval of Joint Funding Agreement with Lower Consumnes Resource Conservation District and Sloughhouse Conservation District to Pursue Conservation Grant Funding Under Proposition 1

Tom Nelson, Vice-Chairman, presented the Approval of Joint Funding Agreement with Lower Consumnes Resource Conservation District and Sloughhouse Conservation District to Pursue Conservation Grant Funding under Proposition 1 to the Board of Directors. In summary, the three Resource Conservation Districts (RCD's) would jointly fund the Conservation Strategy Group fee of \$12,000 per year. The fee would be split between the three RCD's and not exceed \$4,000 per year. He stated that this would be a good partnering opportunity with the other two RCD's.

Mark J. Madison, General Manager, stated that the Conservation Strategy Group would be able to help find grant money available for the Florin Resource Conservation District (FRCD), especially the grant money available under proposition 1 as early as July 1, 2015.

Mr. Nelson, Vice-Chairman, commented that the FRCD should try using the Conservation Strategy Group and reevaluate after a year to see if it is working.

Jeanne Sabin, Director, inquired if the Conservation Strategy Group will only look at grant opportunities for the three RCD's together as one or would the FRCD be obligated to join with the other two RCD's for grants. Mr. Nelson responded stating that the Conservation Strategy Group would like the three RCD's to speak as one whole group vs. three separate

groups. He then stated that there will be a Conservation Committee meeting on Tuesday, March 17, 2015 to determine who that main contact would be out of the three RCD's.

Davies Ononiwu, Associate Director, inquired when the grant money will be issued and if the FRCD is partnered up with the other two RCD's, how will the money be distributed between the RCD's. Elliot Mulberg, Director, responded stating "we would have to work it out with the other RCD's on a project basis." Mr. Madison also commented stating "we do not know how the grant money would be allocated between the RCD's but there will be future discussion about the distribution of monies at the next Conservation Committee meeting on Tuesday, March 17, 2015."

MSC (Mulberg/Dawson) to approve a joint funding agreement between the Florin Resource Conservation District, the Lower Resource Conservation District, and the Sloughhouse Resource Conservation District, to jointly fund an agreement with the Conservation Strategy Group, in an amount not-to-exceed \$4,000 per year per district, to pursue conservation grant funding potentially available by Proposition 1 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin.

1. Florin Resource Conservation District/Elk Grove Water District Governance

Chuck Dawson, Chairman and Elliot Mulberg Director made comments prior to the discussion regarding decorum.

Mark J. Madison, General Manager presented the background regarding the Florin Resource Conservation District/Elk Grove Water District Governance to the Board of Directors. In summary, the FRCD is a special district formed as a government subdivision of the State of California in accordance with Public Resource Code Division 9. The EGWD is not a legally established water district, but it is a division of the Florin Resource Conservation District. Questions have been generated as to whether it would be advantageous to form a separate legal entity for the Elk Grove Water District.

Discussion followed.

Tom Nelson, Vice-Chairman, discussed the fact that the EGWD took almost 100% of the time and that the FRCD was put to the side. He would like to encourage the continuation of the FRCD.

Elliot Mulberg, Director, spoke about his feelings for working for more than one service. He does not want to lose sight of the FRCD.

Bob Gray, Director, stated that the water district is the larger of the two and he would like to see the water district as its own entity.

Jeanne Sabin, Director, stated that she didn't even know about the FRCD until she ran for the Board of Director position. She also stated that she would like more information on more fronts. She then inquired if any other RCD's own their own water district. She stated that the number one focus should be to the water rate payers and at the moment she wouldn't be interested in separating the FRCD and water district.

Chuck Dawson, Chairman, stated that the EGWD pays for almost 100% of the election costs. Mr. Dawson commented that he obtained opinions from auditors regarding the election costs and found out that costs should be paid by whoever creates the costs. He also stated he would like to have a study done regarding the options in keeping or separating the FRCD and water district.

Mr. Mulberg, Director, suggested a survey be conducted for the need of conservation services in the area.

Mr. Nelson, Vice-Chairman, stated that he feels there is a debt owed to the FRCD organization for solely running the water district. Mr. Dawson, Chairman, explained that the FRCD Board of Directors are supposed to do be doing the work for the FRCD (work, grants, etc.) according to the California Resource Conservation District Directors Handbook.

Ms. Sabin, Director, gave an example of the FRCD to the EGWD and stated that delineations needed to be clarified.

Mr. Madison, General Manager, inquired to the Board of Directors about how EGWD staff should record their time for FRCD work.

Davies Ononiwu, Associate, inquired if the FRCD could survive financially without the EGWD.

Mr. Nelson, Vice-Chairman, stated the need for more projects for the FRCD and to allocate administrative costs to the EGWD staff time. Ann Spirelle, General Counsel, stated that wouldn't pass Proposition 218. Mr. Nelson then responded inquiring if there was a possibility of adding a parcel tax to the FRCD residents of \$2.00 per year to raise money for the FRCD. Mr. Gray, Director, responded it would be a good idea. Mr. Madison, General Manager, stated if the vote of 2/3 does not pass for the parcel tax, then the FRCD could go bankrupt. He then inquired if this was a gamble that the Board of Directors are willing to take.

MSC (Sabin/Gray) to direct staff to proceed in providing information on the feasibility of creating a separate legally established District for the EGWD; and provide alternate legal means to clarify the funding relationship between the Florin Resource Conservation District and the Elk Grove Water District 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin.

Mr. Madison, General Manager, inquired if in that motion, it would allow the use of legal counsel from Best Best & Krieger (BBK). Ms. Sabin, Director, responded yes that was her intent. Ann Siprelle, Legal Counsel with BBK, also inquired if it would allow the use of Local Agency Formation Commission (LAFCo) staff. The Board agreed to the use of BBK and LAFCo as necessary to carry out the motion.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary