

MINUTES OF THE REGULAR MEETING OF THE FRCD BOARD

Wednesday, April 22, 2015

The regular meeting of the Board of Directors of the Florin Resource Conservation District was called to order at 6:30 p.m. by Chuck Dawson, Chair, 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; Donella Murrillo, Finance Supervisor; Stefani Phillips, Secretary; Bruce Kamilos, Associate Civil Engineer; Ellen Carlson, Management
Associate Directors Present: Davies Ononiwu, Mike Schmitz
Consultants Present: Ann Siprelle, Best Best & Krieger (BB&K); Dwane Coffey, Natural Resource Conservation Service (NRCS) District Conservationist

Public Comment

No comments were made.

1. Proclamations and Announcements

No comments were made.

2. Consent Calendar

- a. Minutes of the Regular Board Meeting of March 25, 2015
- b. FRCD Cash Flow Worksheet – March, 2015
- c. Warrants Paid – March, 2015
- d. Active Accounts – March, 2015
- e. Bond Covenant Status for FY 2014-15 – March, 2015
- f. Revenues and Expenses – Actual vs Budget FY 2014-15 – March, 2015
- g. Cash Accounts – March, 2015
- h. Consultants Expenses – March, 2015

MSC (Mulberg/Nelson) to approve Consent Calendar items a-h 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin.

3. NRCS Conservation Activities Update

Dwane Coffey, Natural Resource Conservation Service (NRCS) District Conservationist, presented the NRCS Conservation Activities Update to the Florin Resource Conservation District (FRCD) Board of Directors. In summary, the Bay-Delta Initiative's Waterbird Habitat Enhancement Program (WHEP) is expanding to include more California counties, including Sacramento. Richard Rivas of the Elk Grove NRCS office is the regional specialist for this program. Cropland and associate agriculture land in the FRCD are eligible for this funding. Selection of projects will be considered in April.

Director Elliot Mulberg inquired if the program was for individual landowners or if it was a program for the FRCD to pursue. Dwane Coffey, NRCS District Conservationist replied stating that the financial assistance programs that are in place for the Environment Quality Incentive Program (EQIP) are for individual land owners. Mr. Coffey commented that, there have been programs that would work for the FRCD projects, but he was not aware of any currently, that the District could apply for.

Mark J. Madison, General Manager, will follow up with the FRCD Board of Directors if any EQIP's become available.

Director Tom Nelson inquired if the WHEP program is still available. Mr. Coffey responded, yes, it is still available. Mr. Coffey commented that if the board would like to get involved in this program to contact Richard Rivas. Mr. Nelson replied that he would contact Mr. Rivas.

Staff will research who the potential customers are for the EQIP program and send out an informative document to the Board. Mr. Madison stated that there are no monies in the FRCD Budget to cover a study (labor costs). Staff will look into the cost and inform the board. Director Mulberg stated if the program is not too costly, then there is a possibility to add it to next year's budget.

4. Conservation Activities

Ellen Carlson, Management Analyst, presented the Conservation Activities to the Board of Directors. In summary, the District has been busy participating in the Regional Water Authority's (RWA) Water Efficiency Program (WEP) also known as RWEFAC, the 2015 Water Spots video contest and the Les Leaky coloring contest.

Director Elliot Mulberg inquired if there has been any activity with the Wildlife Refuge. Ms. Carlson responded stating the Nature Bowl is scheduled to be on April 23, 2015 at the Stone Lake Refuge. She stated that this is one of their biggest events in which the District participates in.

Associate Director Davies Ononiwu inquired what the significance was of participating in the conservation activities. Ms. Carlson responded stating it is a form of public outreach and brings attention to water conservation throughout the community.

5. Operations Report – March 2015

Mark J. Madison, General Manager, presented the highlights of the Operations Report – March, 2015:

- 389 Door Hangers
- 55 Shut-offs
- Customer Complaints
 - 3 water quality complaints – two complaints were related to a mainline break off Iron Rock and one complaint reported having green water but was internal
- Treatment Work Orders
 - 12 Corrective Maintenance – this is more than normal (work on booster pumps, chlorine making equipment using salt)
- Distribution Work Orders
 - 42 Hydrant Maintenance
 - 93 Valve Exercising – new metric is 106 and will be reaching that number going forward
- Utility Work Orders
 - 0 Meters Installed – this will be removed from the report since the program has been completed
 - 25 Service Line Replacements – good progress
- Well Production
 - Well 1D – Ran a little bit this month primarily for sampling purposes
 - Well 4D – Up almost doubled from last month

- Well 11D – Up from last month, noticed the motor temperature is running pretty hot for the month and investigated the issue and noticed that the vent of the enclosure was failing which can cause damage to the motor windings
- Well 14D – Ran a little bit this month primarily for sampling purposes
- Well 3 – Up a little from the preceding month
- Well 8 – Ran very little, sand producing well
- Well 9 – Essentially off for the month
- Total Production up from last year. According to the temperature readings for the month, they are virtually warmer to the prior year. This shows customers watering.
- Total Demand/Production – percentages between service area (SA)1 and SA2 change seasonally. SA1 uses more water in winter than in summer due to commercial activity.
- Static and Pumping levels are the same as last month due to quarterly readings
- Bacteriological samples were taken during the month for Wharf Hydrant Replacement and the Main Line Break off Iron Rock
- No waste discharge for the month
- All preventative maintenance activities were performed on time and per the standard operating procedure (SOP)
- Backflow Prevention Program has 74 outstanding accounts – staff is reviewing why customers are not responding
- 6 safety meetings
- Service Line Replacement Program – the utility crew has been changing 2-4/day
- Leaks
 - 1 Main Line Leak off Iron Rock due to a contractor hitting the line that the District was unaware existed
 - 7 Service Line Leaks due mostly to pin holes
- Pressure remains stable and steady – county has dropped their pressure
 - Mark stated pressure reduction may be considered as a drought conservation measure

Director Elliot Mulberg inquired if SA2 was always higher than SA1. Mr. Madison responded stating SA1 is always higher because it holds 2/3 of the customer base compared to SA2.

Director Tom Nelson inquired if the data shown in SA1 and SA2 can be broken down between residential and commercial. Bruce Kamilos responded stating that this would be difficult because the District is using census data to determine the population of the entire boundary and would be difficult to separate the data per service area. Staff will verify a method and get back to the board.

Director Bob Gray inquired what the difference was between GPCD and R-GPCD. Mr. Madison responded stating that staff will verify a method of recording the data (GPCD vs. R-GPCD) between the service area's.

Mr. Mulberg suggested adding the total population of each service area to the chart.

Associate Davies Ononiwu inquired what the process of the Backflow Prevention Program was and what the District does if the customer doesn't respond to the notices. Mr. Madison responded stating that the customers' service would be shut off until this can be fixed.

6. Drought Status Report

Ellen Carlson, Management Analyst, presented the Drought Status Report to the Board of Directors. In summary, both State and Local agencies are taking action to further conserve water. Letters were sent out to the customers notifying them that the Elk Grove Water District has now elevated their efforts to Stage 2, Water Warning, of the adopted and activated Water Shortage Contingency Plan.

Mark J. Madison, General Manager, informed the Board of Directors that the District has moved to Stage 2 of the Contingency Plan. Under Stage 2, it states that customers are allowed to water only 2 days a week with time restrictions, not allowing customers to irrigate from 10:00AM to 8:00PM. The state requires customers to not irrigate 48 hours after a measurable rain fall event. The District is defining a measureable rainfall event greater than one-tenth (1/10) of an inch. The District will be tracking data from the closest certified rainfall gauging station and will be posting this information on the District's website to declare when an event of this significance has occurred informing the customer when they are allowed to irrigate. State Water Resources Control Board (SWRCB) has placed the district into Tier 4, which has a 35% water use reduction target. Now instead of placing urban water agencies into a four (4) tier framework, the State has developed a framework with nine (9) tiers and has placed the District in Tier 9 which is a reduction of 36%. Mr. Madison stated that staff had provided incorrect data to the SWRCB and he is trying to get the State to correct the data so that the District will be placed into Tier 7, with a 28% reduction of water use.

Director Tom Nelson inquired scheduling a Special Board Meeting to plan how the district will achieve the 28% reduction of water use. Mr. Madison suggested having the Special Board Meeting on May 13, 2015.

Director Elliot Mulberg inquired how many stages are in the District's Drought Management Plan. Mr. Madison responded stating that the District has five (5) stages and he would like to work with the Board of Directors to change the direction of Stage 3. Currently, Stage 3 shows a reduction of 50% of water use. Some actions contained in this stage are aggressive and shouldn't be required at Stage 3. Mr. Madison would like to work with the Board of Directors on what is required from the District's customers at this stage if going to a more aggressive level is needed. Ms. Carlson commented that the District amended Stage 1 and Stage 2 and she stated it would be appropriate to amend Stage 3 in conjunction of what the Governor is requiring.

Mr. Madison continued to discuss options enforcing drought regulations (i.e. having patrol during non-work hours, percentage of water reduction in Stage 3, penalties and etc.).

Mr. Madison discussed the San Juan Capistrano case regarding tier levels being unconstitutional. EGWD rate structure has two (2) tiers and was designed based on a cost of service approach. He then stated that EGWD rate structure is sound, reasonable and defensible.

Associate Director Davies Ononiwu inquired how customers will be notified once a significant rainfall event had occurred. Mr. Madison responded that customers will be able to find this information on the EGWD website. Mr. Ononiwu suggested using an automated phone message to inform customers if there has been a significant rainfall event. Staff will look into options for notifying customers on whether they can water their lawn and present this information at the Special Board Meeting on May 13, 2015.

7. Water Awareness Month

Ellen Carlson, Management Analyst, presented Water Awareness Month to the Board of Directors. EGWD Staff will be volunteering and manning the booth at the Elk Grove Western Festival May 2 and 3. She stated there will be a display demonstrating the average per capita daily use of water, duck races using re-circulated water, and conservation information will be available to anyone who comes to the booth. Ms. Carlson stated there will also be a calendar insert in the Elk Grove Citizen for Water Awareness to provide customers with a water conservation tip each day throughout the month of May.

MSC (Nelson/Mulberg) to Adopt Resolution No. 04.22.15.01 of the Board of Directors of the Florin Resource Conservation District recognizing May as Water Awareness Month 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin.

8. Elk Grove Water District FY 2014-15 Quarterly Operations Budget Status Report

Jim Malberg, Finance Manager, presented the Elk Grove Water District FY 2014-15 Quarterly Operations Budget Status Report for the third quarter to the Board of Directors. In summary, the report is to keep the Board and the public informed on the financial status of the Elk Grove Water District. The information presented was as of March 31, 2015.

Director Bob Gray stated he was concerned with the wording of "Net Cash Position" because it shows the depreciation included in the line item. Mr. Malberg replied he will look into how the data is displayed.

9. Elk Grove Water District FY 2014-15 Quarterly Reserves Status Report

Jim Malberg, Finance Manager, presented the Elk Grove Water District FY 2014-15 Quarterly Reserve Status Report for the third quarter to the Board of Directors. In summary, this report is to keep the Board and the public informed on the status of the Elk Grove Water District Reserve Funds utilized, notably for the FY 2014-15 Capital Improvement Program (CIP). Mr. Malberg stated staff will need to look into the system to improve capitalizing labor costs.

10. Elk Grove Water District 2014 Employee Policy Manual Amendment – Paid Sick Leave

Stefani Phillips, Human Resource Specialist, presented the Elk Grove Water District 2014 Employee Policy Manual Amendment – Paid Sick Leave to the Board of Directors. In summary, the Paid Sick Leave policy is required by California State Law and will go into effect on July 1, 2015. The existing Personal Time Off benefit provides every employee with 12 paid days per year. The Paid Sick Leave law requires a minimum of 3 days off per year. The Personal Time Off benefit that EGWD currently has is sufficient however language was added to the policy relating to sick time use to ensure that EGWD would be in compliance. The Paid Sick Leave benefit was also added for the temporary, seasonal, and part-time employees to meet the minimum requirements of the new law.

Director Elliot Mulberg inquired if the status of the update on the Elk Grove Water District Employee Policy Manual. Ms. Phillips responded stating that amendments will be brought to the Board as needed, but other than such changes, the Employee Policy Manual is up to date.

Chair Chuck Dawson suggested keeping a log of changes/amendments in the Employee Policy Manual for easy referencing.

MSC (Mulberg/Dawson) to Adopt Resolution No. 04.22.15.02 of the Board of Directors of the Florin Resource Conservation District amending Section 5.3 Personal Time Off of the

Elk Grove Water District Employee Manual 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin.

11. Legislative Update

Ellen Carlson, Management Analyst, presented the Legislative Update to the Board of Directors. In summary, policy committees have several deadlines within the month of March, so hearings have been set and amendments are being made in preparation for the deadline in June. June 5, 2015 is the last day for bills to pass their house of origin. In addition, the State's budget must be passed by midnight, June 15, 2015.

Highlights from the Legislative Update include:

- AB 23 – Failed passage and has been granted reconsideration
- AB 88 – In suspense file which is one step from being dead
- AB 91 & 92 – Signed by Governor Brown on 3/27/2015
- AB 453 – Passed Senate and is in the Rules Committee
- AB 454 – Passed Water Parks and Wildlife Committee and is in appropriations
- AB 603 – In suspense file
- AB 647 – Has been amended and has passed committee and is in appropriations
- AB 936 – Has passed committee and is in appropriations
- AB 938 – Has gone forward to the Senate and is Senate Rules for assignment
- AB 939 – Has passed assembly and is in Assembly Rules Committee
- SB 5 – Failed passage and has been granted reconsideration
- SB 7 – Hearing scheduled for April 27, 2015
- SB 454 – Has been amended to say it has been permissible if the water has been geologically isolated and if the water doesn't have a beneficial use

Director Elliot Mulberg commented that SB 239 does not directly affect the District but his concern was that it could set a precedent of allowing the labor union to trump a Board's decision. Mr. Mulberg would recommend we oppose this bill based of CSDA's position, but it doesn't really have anything to do with the District. The rest of the Board members felt they would need more information prior to taking a position. Staff will keep an eye on this and bring back more information to the Board.

Director Bob Gray commented on AB 307 stating that maybe this would be an option to stop polluting the Sacramento River and pump it into the ground instead. Ms. Carlson shared about graywater technology for home graywater to be reused.

12. Committee Meeting

The Conservation Committee met on March 17, 2015 and discussed meeting with the representative from the Conservation Strategy Group. Director Tom Nelson and General Manager Mark J. Madison met with the representative from the Conservation Strategy Group and she was not interested. She suggested the Conservation Committee conduct a need's assessment.

13. Directors Comments and Information

Chairman Chuck Dawson asked the Board members when they would like to have the Strategic Plan meeting. Director Elliot Mulberg responded stating they should have a

Community Needs Assessment performed prior to having a Strategic Plan meeting. The Board agreed to find someone to help the District perform a Community Needs Assessment and then report back to the Board in May on steps moving forward.

14. Closed Session

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to Section 54956.9(d)(4): two cases

No reportable action taken.

Adjourn to Regular Meeting on Wednesday, May 27, 2015 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary

SP/CR