

MINUTES OF THE REGULAR MEETING OF THE FLORIN RESOURCE CONSERVATION DISTRICT BOARD OF DIRECTORS

Wednesday, March 23, 2016

The regular meeting of the Florin Resource Conservation District Board of Directors 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, Jeanne Sabin
Directors Absent: None
Staff Present: Mark J. Madison, General Manager; Stefani Phillips, Secretary; Bruce Kamilos, Assistant General Manager; Jim Malberg, Finance Manager; Donella Murrillo, Finance Supervisor; Ellen Carlson, Management Analyst
Associate Directors Present: Lisa Medina, Mike Schmitz
General Counsel Present: Ann Siprelle, Best Best & Krieger (BB&K)
Consultants Present: None

Public Comment

No comments were made.

1. Proclamations and Announcements

Recognition of Mark Madison, General Manager, for five years of service.

Recognition of Ellen Carlson, Management Analyst, for twelve years of service and her retirement from the District. Mr. Madison spoke on Ms. Carlson's accomplishments throughout her time at the District. The Board thanked Ms. Carlson for her years of service.

2. Consent Calendar

- a. Regular Meeting Minutes – February 24, 2016
- b. Regular Meeting Minutes – March 2, 2016
- c. FRCD Cash Flow Worksheet – February, 2016
- d. Warrants Paid – February, 2016
- e. Active Accounts – February, 2016
- f. Bond Covenant Status for FY 2015-16 – February, 2016
- g. Revenues and Expenses – Actual vs. Budget FY 2015-16 – February, 2016
- h. Cash Accounts – February, 2016
- i. Consultants Expenses – February, 2016
- j. Major Capital Improvement Projects – Budget vs. Actuals – February, 2016
- k. Florin Resource Conservation District Needs Assessment

Director Bob Gray pulled items b and d.

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

For item b, Mr. Gray suggested to clean up Peter Kampa's response to Mr. Gray from the March 2, 2016 meeting regarding full-time employees at RCD's. Staff will correct the minutes.

For item d, Mr. Gray inquired why the SMUD bills are so high. Donella Murrillo, Finance Supervisor, added that the two charges Mr. Gray questioned were for Well 11D and the Railroad facility.

Mr. Gray inquired why the amount paid to Bay Alarm was so high. Jim Malberg, Finance Manager, responded stating the amount paid to Bay Alarm is for 50% of the fire monitoring system that is being placed at the Administration Office. Mark Madison, General Manager, state he would provide the details to Mr. Gray.

MSC (Gray/Nelson) to approve Consent Calendar items b and d 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin

3. Committee Meetings

There were no committee meetings held in the month of March.

4. Elk Grove Water District Conservation Activities – February 2016

Ellen Carlson, Management Analyst, presented the Elk Grove Water District Conservation Activities – February 2016 to the Board. In summary, the District's customers have been doing a good job conserving water. The Office of Administrative Law approved the extended emergency water conservation regulations on February 11, 2016. The extended regulations will be in effect through October 31, 2016. The District's water target has dropped from 28% to 25%.

5. Florin Resource Conservation District Conservation Activities – March 2016

Ellen Carlson, Management Analyst, presented the Florin Resource Conservation District Conservation Activities – March 2016 to the Board. In summary, during the February Board meeting, Director Elliot Mulberg asked staff to investigate PG&E grant opportunities and staff found two opportunities:

1. PG&E provides local grant making programs grant up to \$3000 and a funding match is not required for this grant. The grant cycle for 2016 opens March 1 and closes on October 1.
2. PG&E also contributes to the Nature Restoration Trust, which is administrated through the National Fish and Wildlife Foundation (NFWF). These grants were awarded up to \$30,000 with a 1:1 match requirement. The proposal due date was February 3, 2016.

Director Elliot Mulberg thanked Ms. Carlson for her efforts in finding the grant opportunities.

Mark Madison, General Manager, stated that the Conservation Committee Meeting was rescheduled to April 6, 2016 at 10:00 a.m.

6. Elk Grove Water District Operations Report – February 2016

Mark Madison, General Manager, presented the Elk Grove Water District Operations Report – February 2016 to the Board.

Comments and inquiries included:

- 335 Door Hangers
- 36 Shut Offs
- No customer complaints for the month
- 74 Hydrant Maintenance
- 109 Valve Exercising
- No Utility work orders due to the work that is being performed on the water main project on Colton Avenue/Orton Street
- Monthly Production
 - Well 1D – ran a little
 - Well 4D – offline, due to the motor malfunction

- Well 11D – ran a lot and carried the load for the month
- Well 14D – ran a little
- Well 3 – didn't run much only for sounding purposes
- Well 8 – ran a little
- Well 9 – ran a little
- Well 13 – offline, working on Arsenic level
- Combined Total Production – usage down from last year and also 2013
- Total Demand/Production – usage down from last year and also 2013
- Static and Pumping levels – static water levels are the same as last year
- Water samples came back normal
- No water waste discharge for the month of February
- Preventative Maintenance Program is on track
- 0 outstanding delinquents for the Backflow Prevention Program – kiddos to Steve Shaw, Water Treatment Supervisor, and Aaron Hewitt, Water Treatment Operator III, for working with the District customers and keeping this program on track
- 5 Safety Meetings for the month
- 9 Leaks for the month
 - 1 Main line leak – broken valve
 - 8 Service line leak – mostly pin holes and a bad saddle
- Pressure maps – Sample Station Area (SSA)1 and SSA2 are running about 15% in the 65-75 PSI range due to the running of the shallow wells which aren't controlled by the Variable Frequency Drive (VFD)

Director Bob Gray inquired if the KW Hour Total for Well 3 was correct. Mr. Madison responded that he will look into this and get back to Mr. Gray.

7. Memorandum of Understanding for Election Services

Stefani Phillips, Board Secretary, presented the Memorandum of Understanding for Election Services to the Board. In summary, The County of Sacramento has developed a Memorandum of Understanding (MOU) for election services that defined the responsibilities of all the parties involved in conducting elections.

Vice-Chairman Tom Nelson inquired if there was any change in what has been happening and what will be happening in the scope of services. Ms. Phillips responded stating she would go into further detail when she discusses the Election side of the process.

A discussion occurred amongst the Board Members.

Ms. Phillips commented that she can sign the MOU.

Director Elliot Mulberg commented that he wanted to amend the motion to include the authorization from the Board to have the General Manager or his designee sign the MOU. The Board agreed.

MSC (Sabin/Gray) to approve the Memorandum of Understanding by and Between the Florin Resource Conservation District and the County of Sacramento; authorizing the General Manager or his designee to sign the Memorandum of Understanding on behalf of the Board 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin

8. Florin Resource Conservation District Election

Stefani Phillips, Board Secretary, presented the Florin Resource Conservation District Election to the Board. In summary, the Voter of Registration and Elections office (Registrar

of Voters) has changed their policies regarding how and where a candidate statement may be paid and provided three options for consideration:

1. Candidate pays at the Registrar of Voters
2. Candidate will be billed by the District
3. FRCD pays for the candidate statement

Staff is recommending to have candidates pay for their voluntary candidate statement at the Registrar of Voters.

Chuck Dawson, Chairman, inquired if the board had considered paying for the candidate statements. Mark Madison, General Manager, raised the concern of a potential conflict of interest to both Chairman Chuck Dawson and Director Elliot Mulberg on voting for this item, because they would be incumbents.

The board agreed to go with staff's recommendation.

MSC (Sabin/Gray) to adopt Resolution No. 03.23.16.01 of the Florin Resource Conservation District Board of Directors calling the general election and requesting consolidation with the November 8, 2016 statewide election 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin

9. Elk Grove Water District 2014 Employee Policy Manual Amendment – Post Retirement Benefits

Stefani Phillips, Human Resources Administrator, presented the Elk Grove Water District 2014 Employee Policy Manual Amendment – Post Retirement Benefits to the Board. In summary, during the negotiation of a new contract with the General Manager, legal counsel of Best, Best, and Krieger, LLP observed an inconsistency between the associated provisions of the Employee Policy Manual (Manual) and the terms of the contract. The General Manager's existing contract provides certain post-retirement benefits after five years with the District and this term was not expressly recognized in the Manual's policy on Post Retirement Benefits. Staff recommended to amend Section 5.6.3 "Post Retirement Benefits" in the Manual so that it defines the vesting requirements of the post-retirement benefits that the General Manager would receive.

The resolution to adopt the amendment for the Post Retirement Benefits was inadvertently left out of the board packet and the Board requested it be brought back to next regular board meeting on April 27, 2016, under Consent Calendar for adoption.

10. Elk Grove Water District Cash & Investment Management

Jim Malberg, Finance Manager/Treasurer, presented the Elk Grove Water District Cash & Investment Management to the Board. In summary, the Elk Grove Water District (EGWD) does not have a Custody Agreement with a financial institution in place which limits the EGWD investments to the State Local Agency Investment Fund (LAIF) and Certificates of Deposit through River City Bank. The District's Treasurer will be moving forward with executing a Custody Agreement with Union Bank in order to proactively manage the District's Investment Portfolio.

11. Florin Resource Conservation District General Liability, Property and Workers Compensation Insurance

Jim Malberg, Finance Manager/Treasurer, presented the Florin Resource Conservation District General Liability, Property and Work Compensation Insurance to the Board. In summary, the Florin Resource Conservation District (District) is trying to change their

General Liability, Property and Workers Compensation Insurance Provider from the Special Districts Risk Management Authority (SDRMA) to the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). This will allow the District to consolidate the Insurance Programs with the Employee Medical Insurance Program and will also allow the District and the Insurance Provider to work together to proactively manage future costs.

Discussion followed amongst the Board members and staff.

MSC (Sabin/Nelson) to adopt a motion authorizing the General Manager to execute all necessary documents for the Florin Resource Conservation District to join the Association of California Water Agencies Joint Powers Insurance Authority General Liability, Property and Worker's Compensation Insurance Programs in Fiscal Year 2016-17 4/1: Ayes: Dawson, Gray, Nelson, and Sabin; Noes: Mulberg

12. Legislative Update

Ellen Carlson, Management Analyst, presented the Legislative Update to the Board. In summary, the California Special District Association (CSDA) called their members to send opposition letters regarding SB 885 to legislators. SB 885 eliminates the right of a public agency to contract with design professionals for upfront legal defense against claims related to their work. If a claim is fully litigated, the agencies would ask for reimbursement of costs.

General Counsel, Ann Siprelle spoke about SB 885.

Director Elliot Mulberg, commented that CSDA is also opposed to SB 1318 which prohibits LAFCO from authorizing the extensions of water infrastructure or services or wastewater infrastructure or service until services are extended to disadvantage communities within the sphere of influence or entered into agreement to extend those services to disadvantages communities. Mr. Mulberg would like the District to take an opposed position on this bill. Mark Madison, General Manager, commented that the District will keep an eye on it.

MSC (Mulberg/Sabin) to approve and sign a letter of opposition to SB 885 5/0: Ayes: Dawson, Gray, Mulberg, Nelson, and Sabin

13. Directors Comments

Director Elliot Mulberg stated since the General Manager's contract is new and requires 10% of his time to be spent on RCD activities he would like to add an Executive Officer Report to be brought to the regular board meetings indicating the General Managers activities for the previous month. Mr. Mulberg stated that the list can be in bullet format covering the items. The Board agreed.

Vice-Chairman Tom Nelson, inquired if the entire Board is needed to make a decision as to where the District goes based off the Needs Assessment. The Boards consensus was to have the committee narrow down the options and then bring it back to the Board.

14. Closed Session

- a. CONFERENCE WITH LABOR NEGOTIATORS (Gov't. Code Section 54957.6)
Agency designated representatives: Mark J. Madison, General Manager
Unrepresented employees: All

No reportable action was taken.

Adjourn to Regular Meeting on Wednesday, April 27, 2016 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary

SP/CR