

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

Wednesday, May 25, 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, Jeanne Sabin
Directors Absent: Tom Nelson
Staff Present: Mark J. Madison, General Manager; Stefani Phillips, Secretary; Bruce Kamilos, Assistant General Manager; Jim Malberg, Finance Manager; Donella Murrillo, Finance Supervisor
Associate Directors Present: Lisa Medina, Mike Schmitz
General Counsel Present: Sigrid Asmundson, Best Best & Krieger (BB&K)
Consultants Present: Greg Young, Tully & Young

Public Comment

Chuck Dawson, Chairman, requested to move agenda item no. 8 behind agenda item no. 3.

1. Proclamations and Announcements

No comments were made.

2. Consent Calendar

- a. Regular Meeting Minutes – April 27, 2016
- b. FRCD Cash Flow Worksheet – April, 2016
- c. Warrants Paid – April, 2016
- d. Active Accounts – April, 2016
- e. Bond Covenant Status for FY 2015-16 – April, 2016
- f. Revenues and Expenses – Actual vs. Budget FY 2015-16 – April, 2016
- g. Cash Accounts – April, 2016
- h. Consultants Expenses – April, 2016
- i. Major Capital Improvement Projects – Budget vs. Actuals – April, 2016

MSC (Sabin/Mulberg) to approve Consent Calendar items a-i 4/0: Ayes: Dawson, Gray, Mulberg, and Sabin.

3. Committee Meetings

There were two committee meetings held in the months of April and May:

- Special Meeting of the Infrastructure Committee Minutes – April 21, 2016
- Meeting of the Finance Committee Minutes – May 11, 2016

Mark Madison, General Manager, gave kudos to Bruce Kamilos, Assistant General Manager, on a job well done on the Draft Fiscal Year 2017-21 (FY 2017-21) Capital Improvement Plan (CIP) document. Mr. Madison then stated that revisions to the CIP document have been made and an updated version was sent to the Board. Mr. Madison commented that the Draft FY 2017-21 CIP will be presented at the Finance Committee meeting scheduled for June 8, 2016.

MSC (Sabin/Gray) to accept the minutes of the Special Meeting of the Infrastructure Committee held on April 21, 2016 and the Finance Committee meeting held on May 11, 2016 4/0: Ayes: Dawson, Gray, Mulberg, and Sabin.

8. Draft 2015 Urban Water Management Plan

Bruce Kamilos, Assistant General Manager presented the Draft 2015 Urban Water Management Plan (UWMP) to the Board.

Mr. Kamilos introduced Greg Young, P.E. with Tully & Young.

Mr. Young noted the following:

- 2015 UWMP public draft will be made available no sooner than 14 days to the June 22, 2016 Board meeting
- June 22, 2016 Board Meeting will be a public hearing and an adoption as required by the water statute Elk Grove Water District's (EGWD) water supplies are sufficient to meet forecasted water demand through 2045
- The UWMP 2020 water consumption target for EGWD's customer base will likely be achieved to comply with state-mandated conservation requirements

Elliot Mulberg, Director, commented that the demands are set equal to the supply in Chapter 7 (referencing Table 7-1 of the UWMP). Mr. Young responded stating the District has a stable supply to meet the demand due to the District having groundwater and that is why the demands are set equal to the supply. He then stated since the demand may vary the supply will vary (referencing Table 7-3 of the UWMP).

Mr. Mulberg inquired what assumptions were made going from the second dry year to the third dry year. Mr. Young responded stating 10 percent and then 25 percent.

Bob Gray, Director, inquired if the allowable draw on the basin was 270,000 AF/year. Mr. Young responded stating that was determined by the Central Sac County Groundwater Authority (referenced figure 3-5 on page 3-11).

Mark Madison, General Manager, asked for comments from the Board by Wednesday, June 1, 2016. Mr. Young clarified that a notification of a public hearing is scheduled for June 8, 2016 and the District has a choice on whether the document should be made for viewing on or after June 8, 2016.

4. Amendment to Water Shortage Contingency Plan and Implementation of Normal Water Supply Stage

Mark Madison, General Manager, presented the Amendment to the Water Shortage Contingency Plan and Implementation of Normal Water Supply Stage to the Board. In summary, on May 9, 2016, Governor Brown issued an Executive Order adjusting water conservation regulations through the end of January 2017. On May 18, 2016, the State Water Resources Control Board (Water Board) adopted emergency regulations in compliance with the Governor's Order and for continued statewide urban water conservation, revising certain requirements of urban water suppliers. These new requirements will go into effect on June 1, 2016. As these new requirements relate to the District, water waste will continue to be prohibited.

Mr. Madison provided background on the previously enforced Stage 2 Plus.

Mr. Madison stated that the District customers have achieved a 35 percent level of water savings.

Mr. Madison provided much background on the Governor's Executive order.

Mr. Madison recommended the following notable items:

1. Modify the Normal Stage as identified in the District's Water Shortage Contingency Plan
2. Approve and direct the District to implement the Normal Stage

A discussion occurred regarding irrigation hours.

Bob Gray, Director, suggested that the District include a mailer requesting customers not to water mid-day.

Jeanne Sabin, Director, inquired if employees go into restaurants to check on whether they are serving water to all or when customers ask for it. Mr. Madison responded that the District has taken extra measures to ensure restaurants are serving water only when customers ask (i.e. tents cards on conservation).

Ms. Sabin encouraged enforcement during non-watering hours. Mr. Madison explained that if there isn't a designated employee for water conservation then someone else has to be pulled to research complaints. Elliot Mulberg, Director, commented that he agreed with Mr. Madison's explanation but then alluded that it could happen on other regulations if enforcement is not encouraged.

Greg Young, P.E. stated that restaurant restrictions are not mandated. Mr. Madison added that the Governor Executive Order has not included the restaurant restrictions under the current mandated regulations. He then repeated the five mandated regulations:

1. Hosing off sidewalks, driveways, and other hardscapes
2. Washing automobiles with hoses not equipped with a shut-off nozzle
3. Using non-recirculated water in a fountain or other decorative water feature
4. Watering lawns in a manner that causes runoff, or within 48 hours after measurable precipitation
5. Irrigating ornamental turf on public street medians

Mr. Gray inquired if the restrictions were the same as last year. Mr. Young responded stating that some restrictions were removed.

Forrest Williams, Board Member with Sacramento County Groundwater Authority, stated Sacramento County will implement new water regulations in three (3) weeks.

A discussion occurred on practices that should be considered required or encouraged.

Mr. Mulberg motioned and Chuck Dawson, Chairman seconded to keep the five prohibitions required reductions and encourage fixing water leaks, not serving water at restaurants unless requested, and not irrigating between 12:00 and 6:00 p.m. in the summer months.

Mr. Young commented that drip irrigation is excluded from time of day.

Ms. Sabin suggested to amend Mr. Mulberg's motion to add fixing of water leaks and serving of water to the prohibitions. She then suggested not permitting landscape irrigation

between the hours of 12:00 p.m. and 6:00 p.m. (during summer months of May - October), and have drip irrigation excluded from the time frames.

MSC (Mulberg/Dawson) to keep the five prohibitions required reductions and encourage fixing water leaks, not serving water at restaurants unless requested, and not irrigating between 12:00 p.m. and 6:00 p.m. in the summer months. 3/1: Ayes: Dawson, Gray, Mulberg; Noes: Sabin.

5. Florin Resource Conservation District Conservation Activities Report

Mark Madison, General Manager, presented the Florin Resource Conservation District Conservation Activities Report to the Board.

Mr. Madison spoke about the FRCD becoming the groundwater sustainability agency (GSA) for the FRCD jurisdictional area. He stated that he is not ready to make a recommendation at this time.

Mr. Madison commented that he would like to call a special board meeting on June 8, 2016 and to bring back the GSA discussion.

There was much discussion about what it will take to become a GSA. The Board state they would like a report explaining the process to become a GSA.

Elliot Mulberg, Director, commented that he would like a recommendation brought back to the special meeting June 8, 2016. Mr. Madison responded stating that he would have a full report at the June 8, 2016 meeting.

Chuck Dawson, Chairman, commented that it would be best to wait for Tom Nelson, Vice-Chairman, prior to making a decision, since he has been a representative of this discussion. Ms. Sabin agreed with Mr. Dawson's comment.

6. Elk Grove Water District Operations Report – April 2016

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

Comments and inquiries included:

- 302 Door Hangers
- 35 Shut Offs
- 4 Water Quality Complaints for the month
- 70 Hydrant Maintenance
- 119 Valve Exercising
- 8 Service Line Replacements
- Monthly Production
 - Well 1D – no production
 - Well 4D – big producer for the month
 - Well 11D – down for rehabilitation
 - Well 14D – ran for about a week
 - Well 3 – didn't run much, producing milky water
 - Well 8 – didn't run much
 - Well 9 – was a good producer
 - Well 13 – offline, working on Arsenic level
- Combined Total Production – usage down 33.69% from last year
- Total Demand/Production – usage down 34.4% from last year

- Static and Pumping levels – new sounding data for the quarter showing ground water levels are stable
- Water samples came back normal
- Preventative Maintenance Program is on track
- 2 outstanding delinquents for the Backflow Prevention Program
- 5 Safety Meetings for the month
- 2 Service line leaks for the month
- Pressure maps – Sample Station Area (SSA)1 and SSA2 are running within acceptable ranges

7. General Manager's Report

Mark Madison, General Manager, presented the General Manager's Report to the Board.

Mr. Madison presented his activities since May 25, 2016, they are as follows:

- Florin Resource Conservation District
 - Coordinate the FRCD's efforts to sponsor and participate with the EcoLandscape workshop at the City of Elk Grove held on April 30, 2016.
 - Expended significant efforts to explore the possibility of the FRCD in becoming a groundwater sustainability agency (GSA) for the FRCD jurisdictional area. Some of these efforts included:
 - Attending various sessions at the Association of California Water Agencies preparation of groundwater sustainability plans.
 - Attended the Sacramento Central Groundwater Authority (SCGA) Board meeting on May 11, 2016.
 - Attended the SCGA Subcommittee meeting on May 16, 2016.
 - Participated in a statewide discussion, which included 13 resource conservation districts (RCD's) to discuss issues involving RCD's desiring to become GSA's.
 - Prepare the May, 2016 Florin Resource Conservation Activities Staff Report
- Elk Grove Water District
 - Met with CPS Consultants to complete the new employee classification study for the proposed Program Manager position.
 - Met with the City of Elk Grove Public Works Director to discuss various issues between the City and the EGWD.
 - Attended the ACWA Conference in Monterey to attend various water related sessions, such as hose related to statewide water issues and AB 52.
 - Continued efforts to negotiate and complete the purchase of a property from the Wilton Rancheria Tribe.
 - Worked with staff to develop the 2015 Consumer Confidence Report.
 - Assisted Director Nelson is representing the FRCD/EGWD at the SCGA Board and Subcommittee meetings on May 11 and May 16, 2016, respectively.
 - Initiated outside services to continue and enhance the EGWD Safety Program and conduct safety monitoring and training for the District.
 - Conducted two private meeting with Board Members.
 - Conferenced with the Finance Manager and the EGWD's actuary regarding Other Post-Employment Benefits liability and our budget allocation in FY 2016-17.
 - Advanced efforts to prepare the FY 2016-17 EGWD Operating and Capital Improvement Program (CIP) budgets.
 - Continued efforts to maintain certain activities, previously performed by the Management Analyst, such as the water conservation program and water waste investigations.

- Coordinated various efforts to mitigate problems arising from the Elk Grove power outage on May 17, 2016.

Elliot Mulberg, Director, inquired about Mr. Madison's discussion regarding RCD's desiring to become GSA's. Mr. Madison responded stating that the conference call was a discussion amongst the 13 RCD's and the issues they faced in becoming a GSA. He then stated, Karen Buhr, Executive Director with California Association of Resource Conservation Districts, made a statement that RCD's are prohibited from being a GSA. Mr. Madison challenged Ms. Buhr statement and confirmed with legal counsel that Ms. Buhr statement was incorrect.

9. New Classification Request – Program Manager

Stefani Phillips, Human Resources Administrator, presented the New Classification Request – Program Manager to the Board. In summary, after the vacancy of the Management Analyst position, some members of the leadership team met to discuss the needs of the District moving forward. After much discussion, a list of responsibilities and duties were developed for the vacant position, such as: Safety coordinator, Legislation tracking, Conservation, Grant writing, Public Information Officer. Mark Madison, General Manager then suggested the title of Program Manager. CPS HR Consulting was retained to perform a classification and salary study to evaluate a proposed position of Program Manager. The classification and salary study recommended the salary range for the position of Program Manager to be Grade 69 of the Elk Grove Water District Salary Schedule.

Staff is recommending the following four (4) actions:

1. Create a new position of Program Manager
2. Eliminate the Management Analyst position from the Florin Resource Conservation District (FRCD) Organization Chart
3. Modify the FRCD Organization Chart to add the Program Manager position
4. Amend the Elk Grove Water District Salary Schedule

MSC (Mulberg/Sabin) to adopt Resolution No. 05.25.16.01 approving the Florin Resource Conservation District/Elk Grove Water District Classification and Salary Study and authorizing associated changes to the Florin Resource Conservation District's Organization Chart and Elk Grove Water District Salary Schedule 4/0: Ayes: Dawson, Gray, Mulberg, and Sabin.

10. Florin Resource Conservation District/Elk Grove Water District General Liability, Property and Workers Compensation Insurance

Jim Malberg, Finance Manager, presented the Florin Resource Conservation District/Elk Grove Water District General Liability, Property and Workers Compensation Insurance to the Board. In summary, in order for the District to complete the application process to join the ACWA/JPIA Insurance Programs, the District must complete an application for a public entity certificate to self-insure as well as adopt the following resolutions:

1. Resolution No. 05.25.16.02, of the Board of Directors of the Florin Resource Conservation District authorizing application to the Director of Industrial Relations, State of California for a Certificate to Consent to Self-Insure Workers' Compensation Liabilities. This resolution is required by the State in order for the District to participate in the ACWA/JPIA Insurance Program pool of self-insured agencies.
2. Resolution No 05.25.16.03 of the Board of Directors of the Florin Resource Conservation District consenting to enter the Joint Protection Programs of the

Association of California Water Agencies/Joint Powers Insurance Authority. This resolution is required by the ACWA/JPIA for the District to enter into the ACWA/JPIA Insurance Programs.

3. Resolution No. 05.25.16.04 of the Board of Directors of the Florin Resource Conservation District authorizing volunteer personnel workers' compensation insurance. This resolution is required by the ACWA/JPIA in order for any volunteers performing work for the District to be covered by workers' compensation insurance.

Jim Malberg, Finance Manager explained that there was a possibility the Director of Industrial Relations could deny the application and resolution based on the usage of both organizations, the FRCD and EGWD, listed on the documents. He stated that in that case, staff would have to bring the application and resolution back to the Board at the June meeting for approval. Mr. Malberg also mentioned that ACWA/JPIA assured the District would have no lapse in insurance coverage.

MSC (Sabin/Dawson) to adopt Resolution No. 05.25.16.02, of the Board of Directors of the Florin Resource Conservation District authorizing application to the Director of Industrial Relations, State of California for a Certificate of Consent to Self-Insure Workers' Compensation Liabilities; Resolution No. 05.25.16.03 of the Board of Directors of the Florin Resource Conservation District consenting to enter the Joint Protection Programs of the Association of California Water Agencies/Joint Powers Insurance Authority; and Resolution No. 05.25.16.04 of the Board of Directors of the Florin Resource Conservation District authorizing volunteer personnel workers' compensation insurance 4/0: Ayes: Dawson, Gray, Mulberg, and Sabin.

11. Directors Comments

Elliot Mulberg, Director, commented to have a study completed on comparable agencies to the Florin Resource Conservation District/Elk Grove Water District for future salary adjustments or new positions placements.

Bob Gray, Director, commented that the Emergency Response Plan (ERP) does not cover the power outage. Mark Madison, General Manager, responded that the District learned a lot from that experience.

Mr. Gray suggested that the fuel storage capacity be large, for the generator.

Adjourn to Regular Meeting on Wednesday, June 22, 2016 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary

SP/CR