

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

Wednesday, July 19, 2017

The regular meeting of the Florin Resource Conservation District Board of Directors was called to order at 6:30 p.m. by Tom Nelson, Chairperson, at 9257 Elk Grove Blvd., Elk Grove, CA.

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

Directors Present: Bob Gray, Lisa Medina, Tom Nelson, Sophia Scherman, Jeanne Sabin
Directors Absent: None
Staff Present: Mark J. Madison, General Manager; Bruce Kamilos, Assistant General Manager; Stefani Phillips, Board Secretary; Donella Murillo, Finance Supervisor; Sarah Jones, Program Manager
Associate Directors Present: Shahid Chaudhry
General Counsel Present: Ruthann G. Ziegler, Meyers Nave
Consultants Present: Jim Steele, Financial Consultant with Management Partners; Adam Robin, Legislative and Regulatory Affairs Program Manager with Regional Water Authority

Public Comment

None

Mark Madison, General Manager, commented that based on the action taken at the preceding Special Meeting, staff recommended to remove item no. 8 from the agenda.

MSC (Sabin/Medina) to pull item no. 8 from the agenda. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

Mr. Madison recommended to move item no. 6 ahead of item no. 4.

1. Proclamations and Announcements

None

2. Consent Calendar

- a. Minutes of the Special Board Meeting of June 15, 2017
- b. Minutes of the Regular Board Meeting of June 21, 2017
- c. FRCD Cash Flow Worksheet – June, 2017
- d. Warrants Paid – June, 2017
- e. Active Accounts – June, 2017
- f. Bond Covenant Status for FY 2016-17 – June, 2017
- g. Revenues and Expenses – Actual vs Budget FY 2016-17 – June, 2017
- h. Cash Accounts – June, 2017
- i. Consultants Expenses – June, 2017
- j. Major Capital Improvement Projects – June, 2017

Chairperson Tom Nelson pulled items b, e and i.

MSC (Scherman/Medina) to approve FRCD Consent Calendar items a., c-d, f-h, and j. 5/0: Ayes: Gray, Medina, Nelson, Sabin and Scherman.

Bruce Kamilos, Assistant General Manager, provided clarity on item b with an update on the double wide trailer, used as temporary office housing, for the field crew.

Donella Murillo, Finance Supervisor, provided clarity on item e to the board. She stated that the increase in fire service from May to June 2016 was due to the District's field service crew performing a backflow audit and found a number of unbilled fire services.

Mr. Madison provided clarity on item i to the board. He stated that the District is no longer needing services from Downey Brand LLP, and that the purchase order can be closed.

3. Legislative Update and Process Overview

Sarah Jones, Program Manager, presented the Legislative Update and Process Overview to the Board. In summary, a meeting was held on July 10, 2017 by the State Water Resources Control Board (Water Board). The Water Board is seeking out public input on program scenarios to provide affordable drinking water to low-income Californians as mandated by AB 401 (Dodd, 2015). There are four (4) program scenarios:

- Scenario #1: All state households below 200% of the Federal Poverty Level (FPL) are enrolled in a statewide program offering 20% discount.
- Scenario #2: All state households below 200% of FPL and paying less than \$100 on their monthly water bill receive a 20% discount; households below 200% of FPL paying \$100 or more on their monthly water bill receive a 35% discount. This scenario incentivizes water waste.
- Scenario # 3: All state households below 200% of FPL who are not served by a California Public Utilities Commission regulated water system with an existing LIRA Program are enrolled in a separate, unified program offering 20% discount.
- Scenario # 4: All state households below 200% of FPL who are served by a water system not currently offering a compliant LIRA Program are enrolled in separate, unified program offering 20% discount.

Vice-Chairperson Bob Gray, inquired how other agencies have these types of programs and meet the Proposition 218 requirement. Ms. Jones responded stating some of the agencies have voluntary donations and other forms of income besides rate-payer money.

Mr. Madison introduced Adam Robin, Legislative and Regulatory Affairs Program Manager with Regional Water Authority (RWA). Mr. Robin provided an overview of the California legislative process to the Board.

Chairperson Nelson inquired what the proper etiquette is for talking to a legislator on behalf of the board or self. Ruthann Ziegler, General Counsel, responded stating that it should be made clear who you're talking on behalf of (i.e. on behalf of the board or self).

6. Water Usage and Conservation Report

Mr. Robin updated the board on a recent letter RWA submitted in opposition to AB 1667 which would grant the Water Board extraordinary and unprecedented authorities over how Californians use water in urban communities. This would grant unlimited authority to set standards for water use, including indoor water use and outdoor irrigation for residential, commercial, and institutional (CII) water users.

Ms. Jones provided water consumption figures for the month on June.

4. Committee Meetings

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

5. Florin Resource Conservation District Conservation Activities Report

Ms. Jones presented the Florin Resource Conservation District Conservation Activities Report to the Board. In summary, a potential site has been identified at the Stone Lakes Wildlife Refuge, adjacent to an agricultural field for the Student and Landowner Education and Watershed Stewardship (SLEWS) project. The Center for Land Based Learning (CLBL) applied for a small grant to provide lunches to the students and will arrange a meeting to discuss sponsorship by the Sacramento Tree Foundation. Regarding the Community Conservation Workshop Series, five (5) workshop presenters have been secured, some workshop dates are still to be determined. A marketing strategy will be developed once all workshop dates and presenters have been identified.

Ms. Jones provided the board information on the Delta Stewardship. Director Scherman commented asking Ms. Jones to contact the Elk Grove Adult Training Center for additional local projects. Ms. Jones responded that any projects regarding the Delta Stewardship would need to be on the Delta.

Ms. Jones commented that the District received a \$500 donation from Central Valley Joint Ventures to purchase rubber boots for the SLEWS project.

Chairperson Nelson stated it would be good for the District to continue to establish connections with other agencies so the District can continue on projects, such as SLEWS.

7. Elk Grove Water District Operations Report – June 2017

Mr. Madison presented the Elk Grove Water District Operations Report – June 2017 to the Board.

Summary Points:

- Door tags and shutoffs remained at the normal level for the month of June and almost identical to the month of May.
- The District has continued to do a lot of hydrant maintenance and valve exercising.
- The District had two (2) pressure complaints and all are unconfirmed for the month of June.
- The District had seven (7) water quality complaints. These complaints were not confirmed or deemed to be valid.
- Well 1D remains down – the pump for the well is being rebuilt and the well needs rehab.
- Wells 4D, 11D, 14D and 3 were the main sources of supply for Service Area 1. Well 9 was also operated a fair amount as well.
- Well 13 is ready to go online, but there are some problems that still needs to be fixed.
- Total production for Service Area 1 is slightly up from May and is almost the same as June of last year.
- Total customer usage for EGWD (SA1 and SA2) still remained down compared to June of 2013 at about 18.4%.
- There are no new static and pumping water level data. The data shown are the 2nd quarter measurements.

- Relative to water quality or regulatory compliance, the District had one sample test positive for coliform bacteria. The re-test was negative which could have resulted in a bad sample.
- All preventative maintenance activities have been performed in compliance with the District's Standard Operating Procedures. On July 7, 2017, the District performed a load test on the RRWTP generator, which caused a plant shutdown and also created service problems to the District's customers.
- Backflow prevention program - there are 30 delinquent customers at the end of June. 20 of the 30 were due to the District having the letters sent to a wrong address.
- The District had 7 formal safety meetings and it has been 517 days since a reportable injury.
- There were no service lines replaced during the month of June. In the month of June, the Utility crew worked on patch paving.
- There were no main line leaks and 2 service line leaks.
- Pressures in both Service Areas 1 and 2 remained almost identical to May. Sample Station Area 4 is up a little and this is probably due to Well 13.

Director Scherman thanked Mr. Madison for notifying the Board on the Well power outage that occurred on July 7, 2017.

Mr. Madison announced to the Board that the Water Board adopted a new requirement on July 18, 2017, regulating the potential contaminant or constituent, called 1,2,3-Trichloropropane (1,2,3-TCP). This chemical is found at industrial or hazardous waste sites and it has been used as a cleaning and degreasing solvent and it is also associated with pesticide products. Mr. Madison stated an MCL of 5 parts per trillion (ppt) is the lowest detection limit. Staff is going to test for this to be proactive. The last time the District tested for this constituent was in 2014, and the District had a non-detect at that time.

8. Elk Grove Water District Fiscal Year 2017-18 Operating Budget Amendment – Customer Service Representative II Position

This item was pulled.

9. California Special Districts Association Board of Directors 2017 Election

Ms. Phillips presented the California Special Districts Association Board of Directors 2017 Election to the Board. In summary, the California Special Districts Association (CSDA) is requesting the Florin Resource Conservation District (FRCD) to vote to elect a representative for the Sierra Network, Seat C for the CSDA 2017 Board Elections. The Sierra Network has one (1) vacant seat (Seat C) and there are three (3) candidates on the ballot: Orlando Fuentes, Cosumnes Community Services District (CSD); Scott Holbrook, Auburn Area Recreation and Park District; and Peter J. Kampa, Saddle Creek Community Services District.

Director Scherman commented that Orlando Fuentes is new to the CSD and the FRCD had worked with Peter Kampa previously.

Chairperson Nelson provided more background on Peter J. Kampa, Saddle Creek Community Services District, who developed the FRCD Needs Assessment.

Director Jeanne Sabin commented it would be nice to have a local candidate take the seat.

Associate Shahid Chaudhry agreed with Director Sabin's comment.

MSC (Medina/Gray) to consider to elect Orlando Fuentes as a representative to the California Special Districts Association Board of Directors for the Sierra Network, Seat C. 4/1: Ayes: Gray, Medina, Nelson, and Sabin, Abstain: Scherman

10. Elk Grove Water District Fiscal Year 2016-17 Quarterly Operating Budget Status Report

Mr. Madison presented the Elk Grove Water District Fiscal Year 2016-17 Quarterly Operating Budget Status Report to the Board. In summary, the fourth quarter preliminary numbers were provided and the final numbers for Fiscal Year (FY) 2016-17 and additional payables are still coming in for the FY.

11. Elk Grove Water District Fiscal Year 2016-17 Quarterly Capital Reserve Status Report

Mr. Madison presented the Elk Grove Water District Fiscal Year 2016-17 Quarterly Capital Reserve Status Report to the Board. In summary, the total amount available for reserves on July 1, 2016 was \$11,295,772. Based on Board policy adopted August 22, 2012, the reserves are allocated first to the Operating Reserve (120 days of expenses), then to the Fiscal Year 2016-17 capital budget, followed by elections/special studies, with the balance allocated to future capital improvements and capital replacements in the ratio of 75:25, respectively. As of June 30, 2017, the District spent \$1,230,140 on capital projects leaving a remaining total reserve balance of \$10,065,632. Preliminary fourth quarter results show a net contribution to reserves. The final reserves shown in the staff report does not reflect the net contributions.

Mr. Kamilos stated the District has checked off all the items year and has made good progress. He also stated money is going back into reserves.

12. Directors Comments and Information

Chairperson Nelson inquired the status of the table skirts. Ms. Phillips provided a status updated to the Board and the estimated costs associated with the table skirts, which was about \$600.00. Director Scherman provided some local restaurant supply stores so Ms. Phillips can look into. The Board agreed and would like staff to purchase table skirts.

13. Closed Session

- a. PUBLIC EMPLOYEE PERFORMANCE APPOINTMENT (Section 54957)
Title: General Manager

There was nothing to report out of closed session.

Adjourn to regular meeting on June 21, 2017 at 6:30 p.m.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Board Secretary

SP/CR