

**CONFORMED AGENDA
SPECIAL MEETING
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA
THURSDAY, APRIL 28, 2016
9:00 A.M.**

MISSION STATEMENT

It is the purpose of the Georgetown Divide Public Utility District to:

- Provide reliable water supplies
 - Ensure high quality drinking water
 - Promote stewardship to protect community resources, public health and quality of life
 - Provide excellent and responsive customer services through dedicated and valued staff
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
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1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE – *The meeting was called to order at 9:00 AM. Directors present: Hoelscher, Krizl, Uso. Staff present: General Manager Wendell Wall, Operations Manager Darrell Creeks, Office Manager Victoria Knoll. Legal Counsel: Barbara Brenner of Churchwell White. Absent: Directors Capraun and Hanschild. (Director Hanschild arrived at 9:11 AM.)*

2. ADOPTION OF AGENDA

A. Board Action

Motion by Director Hoelscher to adopt the agenda; second by Director Uso.

Public Comment: None.

Vote: Motion carries.

Ayes: Hoelscher, Krizl, Uso

Absent: Capraun, Hanschild

3. PUBLIC FORUM – This is a special meeting under Government Code Section 54956. Public comment is limited to items appearing on the agenda. Under Section 54954.3, the public shall have the right to comment on any items appearing on the agenda prior to or during consideration of this item. Public comment on items not appearing on the agenda should be made at the regular meetings of the District.

Steven Proe stated that prior to the meeting he had requested documents relating to the meeting and was told that there were no documents. Director Krizl noted that there is only one item to be discussed in open session and that is an appeal hearing that was requested by a customer and the Board will be listening to an appeal that will be coming before the Board.

Mr. Proe also noted that there is a closed session item that he did not think was an appropriate matter for a closed meeting.

At this point, the Board took a short break to wait for Director Hanschild to appear. Director Hanschild arrived at 9:11 AM.

4. APPEAL HEARING: BRENT STONE ALLOCATION OF IRRIGATION WATER FOR 2016 IRRIGATION SEASON

- A.** Discussion – *Attorney Derek Cole represented Brent Stone. He noted that Director Uso has property that borders Mr. Stone's property and suggested that Director Uso may have a conflict of interest. Some conversation ensued, and Director Uso stated that he would not declare a conflict. He stated for the record that he has no personal feelings one way or the other for Mr. Stone.*

Mr. Cole continued by stating that a packet had been previously provided to the Board and directed the Board's attention to Exhibit 3, correspondence from former Director McLain indicating her understanding that the reinstatement directive that resulted from a closed session in August, 2014, meant restoring three inches of service. Legal Counsel Barbara Brenner objected to utilizing Ms. McLain's violation of confidentiality in this hearing, stating that the correspondence was an ethical violation. Mr. Cole then posited that there was no basis for a closed session at that time. This was refuted by Ms. Brenner. Mr. Cole then referred to Exhibit 10, a letter from the Interim General Manager stating that Mr. Stone's service was reinstated. He then proceeded to review the history of the issue.

Mr. Stone offered to answer any questions from the Board. There were no questions.

Ms. Brenner then continued with the rebuttal. She began with the issue of the prior Board and the closed session item, without debating the validity of the closed session item, or the calendaring of the item. She noted that the communications of prior Board members are a violation of their ethical obligations to keep confidential information confidential. However, since it has been made public, there is no reason to strike it from the record. There has been discussion along these lines of a prior determination, and counsel had been instructed to go back and look at the notes from the closed session item. That has occurred and from staff's (counsel's) perspective, there were particular conditions on that determination. Staff was instructed to go back and investigate further before making a final determination regarding priority and the amount of water to which Mr. Stone is entitled. That is counsel's recollection of the closed session. She then turned to Operations Manager Darrell Creeks for a review of the basic facts as they relate to the decision before the Board.

Mr. Creeks referred to Exhibit 9, Office Manager Diana Sampson's May 30, 2014, email to Mr. Stone indicating staff's belief that this email correspondence is a good representation of the facts.

Ms. Brenner continued, recapping the events that had occurred. Mr. Creeks added that Mr. Stone's service had been terminated for non-payment. Once a service is terminated for non-payment, the customer must reapply for service as a Priority 3.

General Manager Wall pointed out that Exhibit 5 indicate that a riser was installed, and even though Mr. Stone had not made his payment, Mr. Stone's employee was observed by staff on

September 10, 2011, taking water as a non-paying customer, clearly a violation of the District's Ordinance.

Mr. Stone was given the opportunity to rebut staff's presentation of distinguishing facts. Mr. Stone related his view of the history of the issue, emphasizing that he had made many attempts over the months and years to resolve the issue.

The Board was given the opportunity to ask questions. Director Uso asked Mr. Stone for an explanation for the non-payment. Mr. Stone contended that he had paid for water for May and June, but had not received water, so he withheld payment in July and August.

Director Hanschild asked when the plug was installed by Mr. Stone's employee to divert water to his property. Mr. Creeks and Mr. Stone said it was installed in September, 2011. Mr. Stone continued that he was billed for September after his water was shut off. Ms. Brenner directed the Board to Exhibit 5, reflecting an adjustment made in April, 2012, for the months of May and June, 2011.

Director Hoelscher stated that there was probably equal responsibility on both sides. Director Uso said that the Board needs to base its decision on District policy and the actions that were taken by all parties involved.

Director Hanschild said that in reviewing the history, the documentation seems lacking.

Director Uso stated that he is looking for a solution that honors the District's legal commitment to everyone and follows District policy.

Director Krizl stated that the District must abide by the ordinances in place, and this is an instance in which an ordinance has been violated. It says very clearly that if you stop payment, you will go back to a Priority 3. The fact that there was tampering of District infrastructure is inexcusable and is a show stopper. The District cannot ignore water theft. This is about whether or not the District abides by its policy. A compromise is already in play, and that is for Mr. Stone to get one inch and the other two customers to each get one inch.

There were no more comments from the Board.

B. Possible Board Action

Motion by Director Hanschild to reject Mr. Stone's appeal; second by Director Uso.

Public Comment: *Mr. Cole spoke on behalf of his client. Sam Rounseville, Steven Proe, Ray Kringel, and Dennis Goodenow made comments.*

Director Uso stated that it was Sam Rounseville who brought the matter regarding Mr. Stone's situation to his attention, and he, as a responsible Board Member, brought it to the Board of Directors; Mr. Rounseville acknowledged this as being so.

Vote: ***Motion carries.***

Ayes: Hanschild, Krizl, Uso

Noes: Hoelscher

Absent: Capraun

5. **CLOSED SESSION** – *The Board adjourned to closed session at 10:43 AM.*

A. CONFERENCE WITH LEGAL COUNSEL – Board to consider the appointment, employment, evaluation of performance, discipline or dismissal of a public employee pursuant to Government Code Section 54957 (b)(1).

6. **ADJOURN TO OPEN SESSION** – Announcement of action taken in closed session.

The Board returned to open session at 10:55 A.M. and reported that no action was taken in closed session.

7. **NEXT MEETING DATE AND ADJOURNMENT** – Next regular meeting May 10, 2016 at 2:00 P.M. at the Georgetown Divide Public Utility District office.

The meeting adjourned at 10:56 A.M.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Wendell Wall by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on April 26, 2016.

Signed Shawn Brown

Date 6-27-2016