

MINUTES

REGULAR MEETING

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS 6425 MAIN STREET, GEORGETOWN, CALIFORNIA 95634

TUESDAY, JUNE 14, 2022
2:00 pm

BOARD OF DIRECTORS

Michael Saunders, President
Mitch MacDonald, Vice President
Mike Thornbrough, Treasurer
Donna Seaman, Director
Gerry Stewart, Director

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
- Ensure fiscal responsibility and accountability are observed by balancing immediate and long-term needs.

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

President Saunders called the meeting to order at 2:04 PM.

PRESENT: DIRECTORS MACDONALD, THORNBROUGH, SEAMAN, STEWART,
SAUNDERS

ABSENT: NONE

OTHERS Barbara Brenner, Legal Counsel
PRESENT: Adam Coyan, General Manager

Director Stewart led in the Pledge of Allegiance.

2. ADOPTION OF AGENDA

President Saunders requested that New Business item 9A be moved before Old Business because that presentation may lead the Board to changes to the Capital Improvement Plan.

Public Comments: None.

Director Thornbrough motioned to adopt the agenda as amended. Director Stewart seconded the motion.

Roll Call vote was taken:

**Aye: THORNBROUGH, MACDONALD, SEAMAN, STEWART,
SAUNDERS**
Nay: None

The motion CARRIED.

3. PUBLIC FORUM (ONLY ITEMS THAT ARE NOT ON THE AGENDA)

Cherie Carlyn commented that the newsletter she received indicated June 30th as the deadline for renewals and new applications, but the policy states this deadline is only for renewals. She also described the difficulty in finding the LIRA link on the website.

Steven Dowd commented that he has observed that the water in Canyon Creek has been flowing for four days and requested that the District keep an eye on that.

4. CONSENT CALENDAR – Any member of the public may contact a Board member prior to the meeting to request that an item be pulled from the Consent Calendar

A. Approval of Minutes

1. Regular Board Meeting of April 12, 2022
2. Special Board Meeting of April 26, 2022 (Joint Budget Workshop)
3. Regular Board Meeting of May 10, 2022
4. Special Meeting of May 19, 2022 (Closed Session)

B. Consider Authorizing the District to Conduct Meetings by Teleconference during the Period July 1 – July 31, 2022, as provided by Assembly Bill 361.

Possible Action: Approve Resolution 2022-XX authorizing the District to continue teleconference meetings during the period July 1 to July 31, 2022.

President Saunders indicated that he had nothing to pull from the Consent Calendar but wanted to request that actual and full motions are recorded in the minutes.

Director Macdonald motioned to approve the Consent Calendar. Director Stewart seconded the motion.

Roll Call vote was taken:

Aye: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS
Nay: None

The motion CARRIED.

5. FINANCIAL REPORTS

- A. Budget to Actuals Report
- B. Pooled Cash Report
- C. Monthly Check Report – February 2021

Public Comments: *None*

Director Macdonald motioned to approve the Financial Reports 5A through 5C. Director Thornbrough seconded the motion.

Roll Call vote was taken:

Aye: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

Nay: None

The motion CARRIED.

6. INFORMATIONAL ITEMS

A. Board Reports

Director Thornbrough reported that the El Dorado Water Agency approved the EDWA budget.

Director MacDonald said he attended the Auburn Lake Trails town hall meeting and received positive feedback from the Vice-President.

President Saunders stated he received positive comments about customer service and expressions of appreciation for calls customers are receiving. He reported that he received a complaint from a customer that the newsletter may be too glossy; and we do not want to base our rate increases on the fanciness of the newsletter. He said he has received comments that Jessica Buckle, Adam Brown, and Alexis Elliott are all doing a good job. President Saunders then referred to his written reports included in the agenda packet.

B. Legislative Liaison Report

President Saunders acknowledged past Board President Dane Wadle who was present to provide a legislative update from the California Special Districts Association.

Mr. Wadle introduced himself as CSDA Field Coordinator and thanking the Board for the opportunity to share information and answer any questions. He highlighted the "Take Action Brief" publication, CSDA's monthly legislative update, and provided the following information:

- CSDA has been closely following a proposed ballot initiative that would negatively impact special districts across the state. The good news is that the proponents of the measure has not secured the necessary signatures to qualify for the November ballot, but they are trying to qualify for November 2024.
- CSDA has also been active at the federal level and has established an urban and rural working group to advocate for Congressional legislation that would provide funding for water infrastructure for firefighting.
- CSDA has been involved in the State budget process to pursue budget requests on behalf of special districts, including the Water Arrearage Program that would allow the District to obtain funding of up to \$42,000 in COVID-related expenses by extending the timeline to apply for leftover funds
- CSDA closely following SB 1157 related to indoor water usage per capita allocation on behalf of special districts.

Mr. Wadle indicated he would keep Staff on track with CSDA efforts. He thanked the District for their advocacy with CSDA and then offered to answer any questions.

Director Seaman stated that over the year and a half that she has been on the Board, this is the first time she has seen a representative from CSDA. She asked Mr. Wadle what the Board could expect from him in terms of being at the front end of information rather than at the end and used the expired survey opportunity as an example. Mr. Wadle explained he attempts to balance his representation between the several special districts in his territory. He indicated he would sign up the Board to receive the monthly "Take Action Brief" and weekly emails on pressing legislative issues. Mr. Wadle indicated that he has worked with the Board President on the General Manager in the past when there is a major call to action. He said he would be happy to provide whatever additional customer service the Board would like to receive.

Director Thornbrough asked about if the extra funds in the Water Arrearage Program has the same design use as the funds originally. Mr. Wadle responded that the program is designed to address COVID-impacted expenses and the same requirements apply with an extended timeframe.

Public Comments: None.

President Saunders summarized his written Board Report and provided the following additional points:

- The public hearings will soon begin on the Municipal Service Reviews by LAFCO. He invited Board participation in the LAFCO meeting scheduled for June 21 at 11:30 am. Director Seaman expressed interest and Director Saunders confirmed that he and Director Seaman would attend the June 21st meeting.
- He requested the Board members to sign the letter to Supervisor Parlin

requesting her assistance in obtaining funds that may become available through the American Rescue Plan to support \$800,000 in projects.

Public Comments: None.

C. General Manager's Report

Adam Coyan reported that Socrata will be live on July 1st, but the program will not provide the capabilities that the District were led to believe; the Board will not be able to run their own financial reports. The link to the Socrata website will be posted on the GDPUD website for training. He summarized his written report.

Public Comments: None.

D. Operation Manager's Report

Operations Manager Adam Brown summarized his written report with some of the additional comments listed below:

- *Stumpy Meadows Reservoir is still near capacity.*
- *The WaterSmart Software has been fully going for the past few months. 6.5% of customers have registered for the customer portal. Public outreach through the newsletter and press releases will hopefully drive up the registration number.*
- *The District has been billed around \$240,000 for the automated meter replacement project and have submitted two SRF loan disbursement requests. Received final clearance for the WaterSMART grant funds. The installation of new meters started today with Upcountry and will pick up in July and August with more meter shipments.*
- *The District did not receive the CalFire grant funding, which has become much more competitive. Mr. Brown stated he believes the District has a valid reason to continue applying for these grants and will keep refining the application and work to get more in front of the game.*
- *Received minor comments from the Department of Water Resources on the 2020 Urban Water Management Plan. The main comment was the District did not meet their 2020 target for gallons per capita per day. Staff will respond to their comments and make required edits to the document.*

President Saunders provided information about a grant opportunity through the Association of Water Agencies for safety programs. Mr. Brown added the Joint Powers Insurance Authority (JPIA) also has grant funding program.

Director Thornbrough asked if the District still plans to do fire mitigation work. Mr. Brown responded there is no funding for it right now. President Saunders indicated the District may be able to do the work with other conservancy groups to get the project done.

Director Seaman stated she wanted to gather information for the Irrigation Committee on various aspects of irrigation. She asked what field calls related to irrigation and

hoped the table could clearly distinguish irrigation-related field work. Mr. Brown explained calls the canal crew respond to relate to irrigation activities, noting there were 134 irrigation calls and 54 treated water service calls last month. He indicated that he would see if the table could show more detail.

Director MacDonald asked for clarification between general calls and after hour calls and Mr. Brown indicated that field work could be necessary in both cases; after hour field work is overtime.

Public Comments: *Cherie Carlyon asked what the last point (2,639 Total Customer Address) under WaterSmart Software Update meant. Mr. Brown clarified that these are the total email addresses now in the system directly tied to customers. She further asked about the installation of new meters. Starting with Upcountry meters now with one crew with District crew support. A mailer is going out seven days in advance with a door hanger notification the day before.*

Steven Dowd asked how much cubic feet of water was coming into Stumpy and how much is going out. Mr. Brown responded there is about 20 cfs going out and 17-18 cfs coming in.

E. Water Resources Report

Alexis Elliott summarized the water resources report. There were no Board questions.

Public Comments: *None.*

7. COMMITTEES

A. Finance Committee – Steve Miller, Chair

Steve Miller reported the committee continues to monitor the budget and expenses and everything seems to be on track. The committee discussed the state of the economy and the increase in costs as it relates to the District's expenses. He feels the District is well prepared, but the committee will continue to track.

President Saunders asked if the committee had any requests for matters to review. Mr. Miller indicated the committee would like to look at the ALT wastewater system and Director MacDonald expressed his support for that review. The committee meets the last Thursday of the month.

Public Comments: *None.*

B. Irrigation Committee – Ray Griffiths, Chair

Ray Griffiths reported that the committee held their first meeting to organize the committee and he chosen Chairman.

C. Ad Hoc Grant Writing Committee – Director Saunders

President Saunders reported the committee met per the Board's direction to identify

the CIP projects to be included in an application for the American Rescue Plan should funding become available. As reported in the legislative update, the projects were identified and included in the letter to the El Dorado Water Agency and the letter to Supervisor Parlin.

Public Comments: In response to Cherie Carlyon's inquiry about public notification of the grant committee meeting, Mr. Cohan responded the ad hoc committee is not Brown Act committee so public notice is not required. President Saunders added it was announced at the last Board meeting.

- D. Ad Hoc Committee for Policy Manual – President Saunders and Director Seaman**
President Saunders reported the committee did not meet last month; the list of items for the committee is growing and he hopes the committee will be able to meet soon.

Public Comments: Bonnie Neeley commented that the policy on Director compensation includes a paragraph that requires the Board to follow the ordinance adopted in 2011. And a sentence is inserted after that says, "on July 1st of every year, the Board is free to decide if they are going to give themselves an increase." She asked how that was approved. A lot of the community is upset that the Board gets \$400 a month while many struggle financially; she has been against it, even though she was a Board member.

President Saunders responded that the Board does not have the ability to give themselves a raise; the stipend amount is pursuant to the law, the Public Utility Code. He does not believe that is in the policy, but the Board can bring it up for discussion.

- E. Ad Hoc Committee for the Audit Committee – Director Saunders and Director Thornbrough.**

There has been no need for the committee to meet.

- F. Ad Hoc Labor Negotiation Committee – President Saunders and Director Thornbrough**

There has been no need for the committee to meet.

At this point, the Board then considered **Agenda Item 9A** according to the amended agenda.

David Burdick provided his PowerPoint presentation which was included with the agenda packet. An exchange of questions by the Board and responses Mr. Burdick followed.

Public Comments: The following questions and comments were received from members of the public:

- How would these projects integrate with Pioneer Energy? Mr. Burdick stated the work will be done directly with PG&E. The bill impact on Pioneer Energy would be included in the initial analysis to determine where credit would go to PG&E or Pioneer.*

- *The table in the presentation indicates the Sweet Water Treatment Plant and the Walton Lake Irrigation Plant have the same energy usage; is this correct? Mr. Burdick acknowledged this was an error as the two plants do not use the same amount of energy.*
- *The State is considering taxing those with solar and expanding that to business. Mr. Burdick responded the solar tax does not apply to commercial customers. There is a fixed service charge that PUC is considering in addition to other bill determinants. Water agencies would not be subject to that change. There is no final decision.*

Additional discussion ensued regarding the time limit for making a decision. President Saunders commented the District has two years to receive the 26% tax credit; the following year the credit goes down to 22%. Mr. Burdick was informed that the Board will need to look at the CIP and hopes to come back with staff direction by the end of the meeting. The Board thanked Mr. Burdick for the presentation.

President Saunders confirmed for Director Thornbrough his understanding that the District would be required to issue an RFP for the project.

8. OLD BUSINESS

A. Receive Update on Refill Agreement by Western Hydrologics, Consultant.

Possible Action: Receive update and provide Staff direction.

Adam Brown began by distributing the table entitled, "Records for May 2022," and asked that it be included as an attachment to the minutes (Attachment 1). Mr. Brown presented the staff report which he indicated has not changed significantly since the prior Board discussions on this matter. He pointed out, however, an error in the staff report in the paragraph under Discussion relative to the volume of water credited. He referenced the table that shows 1528 ac-ft need to be repaid this year. The District has submitted these reports monthly to the Department of Water Resources and they have not requested the District release this water for this year.

Director Seaman asked if they do not request the water, do we still owe the same amount. Mr. Brown responded that based on the agreement, the District would still owe the same amount and would have to pay at some point.

Jeffrey Meyer of Western Hydrologics joined the meeting by remotely at this point. Mr. Meyer stated last year he reached out to the Bureau of Reclamation and the Department of Water Resources and discussed there was water stored at Stumpy Reservoir. They arrived at an agreeable release pattern of 5 cfs until the District reached a zero balance owed to Folsom Lake. He indicated something similar may happen again this year. They have not heard from the two agencies, and they have not reached out to them. They are waiting for something to happen, adding they are not eager to release that water, but will work with the agencies on an agreeable release pattern if they do contact the District.

President Saunders inquired how the curtailments may affect the District's ability to release. Mr. Meyer responded the curtailments are for direct diversion and would not have any effect on what is in storage already and the District's ability to release water is not changed by the curtailments.

Mr. Meyer stated he has been trying to find a way to make the Board feel more comfortable about the refill agreement. He realized that there is nowhere in this refill agreement that tells the District how much has been refilled into the reservoir. The information is there, but you have to dig for it. He is working with DWR to modify the spreadsheets, so information is more digestible.

Director Seaman asked who came into agreement on the release pattern. Mr. Meyer clarified that he did not make the decision. He discussed this with then Operations Manager Darrell Creeks who produced the release amount of 5 cfs and DWR was agreeable.

Public Comments: Steven Dowd confirmed with Mr. Meyer that he was at the meeting a few years ago when this came before the Board. He said most people did not understand; he understood and was against it. He added if the Board had been provided with the whole story, they would have voted against it.

Director Thornbrough stated it is frosting him that the past Board adopted the Resolution to approve the refill agreement before the agreement was developed and executed, because they authorized the General Manager to approve it. President Saunders stated he raised concerns, but the Board proceeded with it.

In response to Director Seaman's inquiry about how and where the values in the report come from, Mr. Meyer indicated he would get her in touch with the people at the Bureau of Reclamation who provide that information.

Robert Stoffregen commented that the District receives the report on the transfer, that nothing is negotiable, and they just tell the District when they want to take their water. President Saunders responded they will let the District know when they want a release. There is tracking so you can see when it is in excess and there is a release, and this is reported out by the Operations Manager. Water transfer is one of the few ways that districts can make revenue so it is something to have full transparency and have the full community involved and hoped there could be a policy that would at least require a public hearing.

B. Consider Adoption of Final FY 2022-23 Operating Budget and Capital Improvement Plan

Possible Action: Adopt Resolution 2022-XX Approving Final Budget and Resolution 2022-XX Approving the Capital Improvement Plan.

General Manager Adam Coyan summarized the three-month budget review process and presented the proposed Budget and CIP, with corrections from feedback received through the public process, for the Board's adoption.

President Saunders commented with monthly tracking in real time and a budget increase of 80% to cover anticipated operational cost increases due inflation, the budget seems adequate.

President Saunders invited Board comments on the Capital Improvement Plan given the discussion about the solar/battery projects.

Points were raised about the Board's interest in making changes to the CIP to include the solar/battery project, including the following:

- The general manager commented that the District's income/debt ratio and credit rating should be taken into consideration in deciding to include an additional \$1.5 million for the three solar/battery projects.*
- President Saunders stated there is a big push for Congress to provide grant funding for energy projects.*
- Director Thornbrough stated he did not like the time pressure to make this decision and the Finance Committee should be involved.*

President Saunders asked if the Board wanted to put the \$1M cost of this project to this year's budget or save it for next year. He described the incentive of the 26% credit versus 22% if the decision is put off. The Board can always amend the CIP to pull the million back.

Additional discussion ensued about the cost of each project and the need for additional information. The Board elected to not include this project in the CIP and Staff was directed to request return on investment information from TerraVerde on the proposed District projects.

Director Thornbrough commented on the AMI system and does not think it is a wise investment; heard it just allows customer to see usage in real time and they should just look at their meter. The General Manager explained the District would look at strategically placing AMI sites to get the most amount of coverage for the least amount of cost.

Public Comments: *None.*

Director MacDonald motioned to adopt the Final FY 2022-2023 Operating Budget, and the Capital Improvement Plan amended to add the main office to the solar project. Director Seaman seconded the motion.

Roll Call vote was taken:

***Aye: THORNBROUGH, MACDONALD, SEAMAN, STEWART,
SAUNDERS***

Nay: None

The motion CARRIED.

9. NEW BUSINESS

A. Receive Presentation on Energy Management by Terra Verde

Possible Action: Receive presentation and provide Staff direction.

(Note: This agenda item was taken up before Agenda Item 8A.)

B. Receive Drought Update and Report on SWRCB Emergency Water Conservation Regulation and Consider Implementing a Water Warning for the District

Possible Action: Adopt Resolution 2022-XX to implement a drought water warning for the District, and provide additional Staff direction, if necessary.

Adam Brown summarized the staff report and highlighted the Level 2 water conservation measure including in the District's Water Shortage Contingency Plan and the District public outreach plan.

Director Seaman asked if the District would begin looking at enforcement and President Saunders responded that Level 2 does not include enforcement. The District will have the ability to check the largest users and provide best management practices for commercial users.

President Saunders indicated attending Chamber meetings and other community events is a way to reach out to the public. He noted the Board's participation in the Garden Valley 4th of July event will offer an opportunity to interface with the community. He added the Board might consider having a town hall meeting on the drought to provide updates and education on conserving water.

The Board directed staff to correct the Resolution to indicate that Level 2 requires a reduction of up to 20%.

Director Stewart motioned to adopt Resolution 2022-xx to implement a Level 2 emergency water conservation measure as outlined in the Water Shortage Contingency Plan. Director Saunders seconded the motion.

Roll Call vote was taken:

***Aye: THORNBROUGH, MACDONALD, SEAMAN, STEWART,
SAUNDERS***

Nay: None

The motion CARRIED.

C. Consider Extending the Rate Freeze to the End of the Year

Possible Action: Adopt Resolution 2022-XX approving the extension of the rate freeze to the end of the calendar year.

Mr. Coyan presented the staff report and explained his in-depth analysis of the repairs and projects needed within the next 40 years that total over \$113 million and recommended the rate be increased to the full amount authorized by the 2018 Prop 218 to save the ratepayers over a hundred million dollars over the next 40 years. He noted the current budget does not include the 5% rate increase.

Director Thornbrough stated there is no reason not to continue this rate freeze to the end of the year because the District will have to do another 218. He acknowledged that the General Manager's analysis can be useful when the Board considers a new 218.

President Saunders asked Legal Counsel if the District could go beyond the 5% increase per year. Barbara Brenner responded the District could increase up to the amount that was justified by the study.

Director Seaman commended the General Manager for wanting to work on the CIP projects and get more employees to do the work they look forward on how to make the district better by building the workforce.

Director Thornbrough motioned to adopt Resolution 2022-XX approving the extension of the rate freeze to the end of the 2022 calendar year. Director MacDonald seconded the motion.

Roll Call vote was taken:

**Aye: THORNBROUGH, MACDONALD, SEAMAN, STEWART,
SAUNDERS**

Nay: None

The motion CARRIED

D. Consider Adopting Updated Schedules for Capital Facility Charges and Meter Installation Fees

Possible Action: Adopt Resolution 2022-XX approving updated Capital Facility Charges and Resolution 2022-XX approving meter installation fees.

Adam Brown summarized the staff report.

Director Stewart motioned to adopt schedules for both the Capital Facility Charges adopt Resolution 2022-XX approving updated Capital Facility Charges and Resolution 2022-XX approving the meter installation fees. Director Thornbrough seconded the motion.

Roll Call vote was taken:

Aye: THORNBROUGH, MACDONALD, SEAMAN,
STEWART, SAUNDERS

Nay: None

The motion CARRIED

E. Consider Approving a Request for Proposals for Consultant Services for the Auburn Lake Trails Wastewater Permit Application

Possible Action: Adopt Resolution 2022-XX approving issuance of the RFP for consultant services for the ALT Wastewater Permit Application

Water Resources Manager Alexis Elliott presented the staff report.

Public Comments: None

Director Seaman motioned to adopt Resolution 2022-xx authorizing the General Manager to execute the PSA for consulting services. Director MacDonald seconded the motion.

Roll Call vote was taken:

Aye: THORNBROUGH, MACDONALD, SEAMAN, STEWART,
SAUNDERS

Nay: None

The motion CARRIED

F. Consider Approving Issuance of Request for Qualifications (RFQ) of a CEQA Consultant

Possible Action: Adopt Resolution 2022-XX authorizing the General Manager to issue an RFQ.

Adam Brown presented the staff report.

Public Comments: Cherie Carlyon asked for a clarification and Mr. Brown .

Director MacDonald motioned to adopt Resolution 2022-XX authorizing the General Manager to issue a request for qualifications for a CEQA Consultant. Director Stewart seconded the motion.

Roll Call vote was taken:

Aye: THORNBROUGH, MACDONALD, SEAMAN,
STEWART, SAUNDERS

Nay: None

The motion CARRIED

G. Consider Approving Costs Related to the District's Participation in the Garden Valley 4th of July Parade and Community Event Booth

Possible Action: Adopt Resolution 2022-XX Approving Costs for District participation in the Garden Valley 4th of July Parade and Community Event

Public Comments: Cherie Carlyon stated the Fire Chief will be Grand Marshall

Director Seaman motioned to approve participation in the Garden Valley 4th of July event. MacDonald seconded the motion.

Roll Call vote was taken:

Aye: THORNBROUGH, MACDONALD, SEAMAN, STEWART,
SAUNDERS

Nay: None

The motion CARRIED

10. PUBLIC HEARING – PROP 4 APPROPRIATIONS LIMIT

Possible Action: Receive public testimony and adopt Resolution 2022-XX establishing Appropriation Limit amount.

It was determined that Agenda Item 10 was inadvertently not reflected in its entirety in the posted agenda necessitating the rescheduling of this public hearing to July 12, 2022.

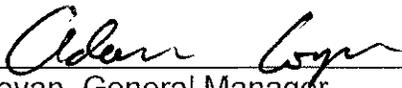
11. BOARD MEMBER REQUESTS FOR ADDITIONS TO FUTURE MEETING AGENDAS AND REQUESTS FOR INFORMATION OR RESEARCH TO BE COMPLETED BY STAFF – Opportunity for Board members to discuss matters of interest to them and provide input for future meetings as well as report on their District-related meeting attendance.

President Saunders summarized the follow up and agenda items to move forward:

- *Check the website for the link to the LIRA Program.*
- *Director Seaman will attend LAFCO meeting on June 21 regarding the municipal service reviews.*
- *Staff will check into duplication of bill inserts in irrigation and treated water bills.*
- *The Board policy for the review of Director stipends will be added to the next agenda.*

12. **NEXT MEETING DATE AND ADJOURNMENT** – The next Regular Meeting will be on July 12, at 2:00 P.M., at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, California 95634.

Director Thornbrough motioned to adjourn the meeting. Director MacDonald seconded the motion. The motion passed by acclamation and the meeting was adjourned at 6:17 PM.


Adam Coyan, General Manager

7/14/22
Date