

CONFORMED AGENDA
REGULAR MEETING
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA
TUESDAY, JANUARY 12, 2016
2:00 P.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 2:00 PM. Directors present: Capraun, Hanschild, Hoelscher, Krizl, Uso. Staff present: General Manager Wendell Wall, Operations Manager Darrell Creeks, Office Manager Victoria Knoll. Legal Counsel: Robin Baral of Churchwell White.*

2. ADOPTION OF AGENDA

A. Board Action to adopt agenda.

Motion by Director Uso to amend and adopt the agenda so that Item 13 Mid-Year Budget Revision is heard after Item 14 Vehicle Replacement; second by Director Hanschild.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

3. PUBLIC FORUM – Any member of the public may address the Board on any matter within the jurisdictional authority of the District. Public members desiring to provide comments must be recognized by the Board President, and speak from the podium. Comments must be directed only to the Board. The public should address the Board members during the public meetings as President, Vice President, or Director followed by the Board member's individual last name. The Board will hear communications on matters not on the agenda, but no action will be taken.

No disruptive conduct shall be permitted at any Board meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the President, of that person's privilege of address.

Dennis Goodenow asked whether attendance at Board meetings by Finance Committee members should be restricted to only two in order to avoid a violation of the Brown Act. Mr. Baral stated that he would look into it. [Note: Subsequent to the meeting, Legal Counsel confirmed that because the Finance Committee is a standing committee of the Board, it is subject to provisions of the Brown Act.]

4. APPROVAL OF MINUTES

- A. Regular Meeting of December 8, 2015.
- B. Board Action to approve and file minutes.

Motion by Director Hoelscher to adopt and file the minutes; second by Director Uso.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

5. FINANCIAL REPORTS

- A. Accounts Payable for January 2016, and Disbursements for December 2015
- B. Revenue and Expense Summary for November 2015
- C. Balance Sheet for November 2015
- D. Cash and Investment Reports for November 2015
- E. ALT Zone and CDS Summary for November 2015
- F. Board Action to accept and adopt financial reports

Office Manager Victoria Knoll presented the financial reports. Looking at checks cut during December, Director Hoelscher asked what work was performed by the CPA, Vaughn Johnson. Ms. Knoll responded that it was for the audit submittal as well as for transitional duties. Ms. Knoll continued, providing explanations of the various financial reports.

Motion by Director Uso to adopt and file the financial reports; second by Director Hoelscher.

Public Comment: Ray Kringel noted that regarding the "Zone," nothing is shown for employee benefits and some other categories where there is a "zero," and some of those expenses should be shared with "CDS." Ms. Knoll responded that those are usually calculated at year end, because it is time consuming to take out a couple of employee hours each month.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

- 6. **PRESIDENT'S REPORT** – *Director Krizl wished everyone a Happy New Year. He expressed hope that the State will consider inequities in mandated water conservation amounts and consider the hydrology of this year.*

7. BOARD REPORTS

Director Hoelscher reported on the recent EN2 tour of the ditches relative to the CABY grant.

Director Uso thanked those who contributed to the staff party, noting that it was well received by staff and that about 30 individuals had attended.

Director Capraun noted that the District request for matching funds will be taken up at the next El Dorado County Water Agency meeting.

- 8. OPERATIONS MANAGER'S REPORT** – *Operations Manager Darrell Creeks reported on the District's water use for the previous month. The District achieved a 21% reduction over the same period in 2013 – far short of the mandated 32%, but better than November. He continued, reporting that a new water audit program will be started, which will be very strict, looking at monthly production. He noted that meters will need to be replaced in order to get accurate readings. Water level at Stumpy was recorded at 12,164 acre feet, which is 60% of capacity. This indicates a 17-foot rise from the lowest point – which was in August.*

The District will be updating its Urban Water Management Plan this year. Mr. Creeks suggested that the Board consider more options for the future, and staff will bring recommendations as the Plan is being drafted.

Regarding SB 88, a portion of the bill deals with the monitoring of water diverted in California. An element of this bill would require that the District install satellite monitoring stations at all areas where the District has permitted diversions through the Water Board. The cost for these monitoring devices is estimated at \$10,000 per diversion.

The Department of Water Resources Division of Safety of Dams is requiring that the District make changes in the way it submits numerous reports to the Division and that it hire a civil engineer to oversee the work. The District is in the process of hiring a firm that is comprised of Safety of Dams retired employees who will be assisting the District in meeting the Division's requirements.

- 9. GENERAL MANAGER'S REPORT** – *GM Wall reported that staff is currently working with volunteer Kevin McClarnon in the development of the District's new website. These efforts will concentrate on construction activities associated with the Auburn Lake Trails Water Treatment Plant Project and the Water Conservation measures identified under the CABY Grant.*

The FY 2014-15 final audit is nearly ready. Once the auditor's opinion is received, it will be reviewed by the Audit Committee and then presented to the Board for review and approval.

The District continues to rent three vehicles until the District's three inoperable vehicles are replaced. A proposal to purchase one vehicle will come as a separate item under this agenda.

Staff completed an updated loan application and has submitted the same to Joshua Ruehlig of the State Water Resources Control Board. The loan application is currently under staff review at the Water Board. The application is for a 20-year, \$10,000,000 loan at an annual interest rate of 1.663 percent.

All of the financial information requested by the Water Board has been submitted as an element of the loan application.

Staff continues to work with Foothill Associates in the preparation of the updated documents to the CEQA process.

The District had previously been approved for a \$5 million loan from the US Department of Agriculture for the ALT project. But a better opportunity was subsequently found with the State Water Resources Control Board. Staff recently submitted a letter to the USDA declining the loan.

Staff has identified several project needs and has submitted applications for matching funds through the El Dorado County Water Agency. The agency's Interim GM, Ken Payne, indicated to staff that he will present the District's list of requests at the agency's Board meeting on January 13 with a

recommendation to approve all but one of the requests. Staff is currently working on another list to submit in March for FY 2016-17.

- 10. FINANCE COMMITTEE REPORT** – *Dennis Goodenow, Vice Chair, reported that the Committee had recently changed its meeting date to the third Monday of each month. The Committee suggested that the Board hold a joint workshop with the Committee to discuss the Committee’s Phase I Report relating to certain District funds. The Directors agreed that it would be helpful to have that discussion and directed staff to post an agenda for a joint workshop to be held on Tuesday, January 19.*

11. INVESTMENT POLICY REPORT AND REVIEW

- A. Discussion** – Annually, the Board of Directors reviews and ratifies the District’s Investment Policy.

Office Manager Knoll presented some suggested amendments to the policy to bring it current.

- B. Possible Board Action** – Staff recommends adoption of the District’s Investment Policy.

Motion by Director Uso to amend the District’s Investment Policy to delete items 4 and 5 and update item 6 to reflect FDIC aggregate coverage of \$250,000; second by Director Hoelscher.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

12. UTILIZATION OF FUND 37 – GARDEN VALLEY ASSESSMENT DISTRICT

- A. Discussion** – At its December 8, 2015 Board meeting, staff presented a review of the history of Garden Valley Special Assessed District’s Fund 37. The Fund was fully paid by 2000, and a residual of \$87,000 plus interest was reported by El Dorado County in 2002. The decision as to the disposition of the residual funds was tabled until GDPUD’s legal counsel could review and complete a legal opinion. The legal opinion has been provided and states that residual funds may be used for maintenance activities within the Assessment District.

Office Manager Knoll presented a summary of her report. Legal Counsel Robin Baral stated that staff’s recommendation to use the residual funds for maintenance activities within the Assessment District is legal.

- B. Possible Board Action** – Staff recommends Board approval to use the residual funds for maintenance activities within the Garden Valley Assessment District.

Motion by Director Uso to use the residual funds for maintenance activities within the Assessment District and for staff to bring a resolution with an assessment of projects staff recognizes are necessary for that district; second by Director Hanschild.

Public Comment: Kevin McClarnon commented that it might be difficult for staff to come up with a list of specific projects prior to the next Board meeting, and instead, perhaps the Board could direct staff to provide a strict accounting of monies spent on any maintenance projects within that special district.

Ray Kringel asked how many customers are in this Assessment District. Staff estimated about 200 customers.

Dennis Goodenow spoke in favor of the motion.

Vote: Motion carries.

Ayes: Hanschild, Hoelscher, Krizl, Uso.

Noes: Capraun.

13. FISCAL YEAR 2015-16 MID-YEAR BUDGET REVISION

- A. Discussion** – The Operations Budget has been increased by \$49,000 and the Capital Budget has been increased by \$92,000 for Fiscal Year 2015-16.

Office Manager Knoll presented the staff analysis and recommendation.

- B. Possible Board Action** – Staff recommends Board approval to increase the District's FY 2015-16 Operations Budget by \$49,000 and FY 2015-16 Capital Budget by \$92,000.

Motion by Director Uso increase the FY 2015-16 Operations Budget by \$49,000 and the FY 2015-16 Capital Budget by \$92,000; second by Director Hanschild.

Public Comment: *Ray Kringel advised caution in spending.*

Dennis Goodenow spoke in support of staff's recommendation.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

14. VEHICLE REPLACEMENT

- A. Discussion** – The District urgently needs to replace one of its inoperable vehicles. Staff recommends purchasing a Ford F-150 in order to maintain service to the treatment plants.

Operations Manager Creeks presented the staff analysis and recommendation.

- B. Possible Board Action** – Staff recommends Board approval of the purchase of a Ford F-150 not to exceed \$35,000.

Motion by Director Hanschild to approve the purchase of a Ford F-150 up to \$35,000; second by Director Uso.

Public Comment: *None.*

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

15. PROFESSIONAL SERVICES AGREEMENT WITH SIREN & ASSOCIATES

- A. **Discussion** – Siren and Associates agreement to assist the District with the regulatory compliance for both the Public Water and Onsite Waste Water Management Zone reporting and other duties not to exceed \$88,856.

GM Wall presented the staff report and recommendation.

- B. **Possible Board Action** – Staff recommends Board approval of a professional services agreement with Siren & Associates for an amount not to exceed \$88,856 for the period February 12, 2016 through February 12, 2017.

Motion by Director Uso to approve the professional services agreement with Siren and Associates for an amount not to exceed \$88,856 for the period February 12, 2016 through February 12, 2017; second by Director Hanschild.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

16. PROFESSIONAL SERVICES AGREEMENT WITH K & W BACKFLOW SERVICES

- A. **Discussion** – Last year K & W Backflow Services completed 760 cross-connection surveys ahead of schedule under an \$8,000, one-year contract set to expire on May 31, 2016. Staff proposes to early terminate the current contract and enter into a new contract to complete an additional 1000 surveys for an amount not to exceed \$12,000 for the period January 13, 2016 through January 12, 2017.

GM Wall presented the staff report and recommendation.

- B. **Possible Board Action** – Staff recommends Board approval of a professional services agreement with K & W Backflow Services to survey 1000 residential connections for an amount not to exceed \$12,000 for the period January 12, 2016 through January 12, 2017 and early termination of the current contract which is set to expire on May 31, 2016.

Motion by Director Uso to approve the professional services agreement with K&W Backflow Services for an amount not to exceed \$12,000 for the period January 12, 2016 through January 12, 2017; second by Director Hoelscher.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

17. PETE SWEENEY – REQUEST TO USE DITCH WATER FOR POWER GENERATION

- A. **Discussion** – The District is in receipt of a request from Pete Sweeney to divert a portion of the water flow in the Main Ditch, to generate power for use at his private residence.

Pete Sweeny presented his request. Legal Counsel commented that this kind of use would require a change in the District's water rights, requiring an application with the State.

- B. Possible Board Action** – Staff recommends the Board deny the request.

Motion by Director Uso to deny the request; second by Director Hanschild.

Public Comment: Kevin McClarnon commented that requiring a bond would mitigate risk for the District. Director Krizl agreed with that, noting that the real problem here is with the water rights issue.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

18. RESIDENTIAL FIRE SPRINKLER SYSTEM REQUIREMENTS: 1-INCH METER

- A. Discussion** – All permitted new residential construction within the GDPUD service area must comply with an automatic fire sprinkler system requirement mandated by the State of California. A 1-inch service connection rather than the standard ¾-inch size is sometimes required.

Engineering Consultant Sanders presented the staff analysis and recommendation.

- B. Possible Board Action** – Staff recommends the Board review the information provided by staff and provide direction.

The Board directed staff to draft an ordinance to put the practice into place.

19. MOUNTAIN COUNTIES WATER RESOURCES ASSOCIATION – ELECTION

- A. Discussion** – Mountain Counties Water Resources Agency (MCWRA) is holding an election for a vacant seat on its Board of Directors. The MCWRA requests that the District cast its ballot for one MCWRA Board member.

GM Wall presented the staff report and recommendation.

- B. Possible Board Action** – Staff recommends the Board vote for one of the candidates listed on the MCWRA Ballot.

Motion by Director Capraun to vote for Director Hoelscher; second by Director Uso.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

20. APPROVAL OF STAFF AND DIRECTORS TO SPRING CONFERENCES

- A. Discussion** – The Association of California Water Agencies (ACWA) 2016 Spring Conference is scheduled for May 3 through 6 at Monterey, California. The California-Nevada Section of the American Water Works Association (AWWA) 2016 Spring Conference is scheduled for March 21-24 in Sacramento.

GM Wall presented the staff report and recommendation. Directors Uso and Hanschild expressed interest in attending the ACWA Conference.

- B. Possible Board Action** – Staff recommends Board approval for the General Manager, Office Manager, Operations Manager, and any Board members who so request, to attend the ACWA 2016 Spring Conference. Staff also recommends Board approval for the General Manager to attend the CA-NV Section AWWA 2016 Spring Conference.

Motion by Director Uso to approve Directors Uso and Hanschild and the three managers to attend the ACWA Conference and GM Wall to attend the AWWA Conference; second by Director Hanschild.

Public Comment: Ray Kringel requested that staff attending these conferences report on what was learned.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

21. ALT TREATMENT UPDATE

- A. Discussion** – Recap and extension of prior month report on progress towards plant replacement.

Engineering Consultant Sanders presented the staff report.

- B. Possible Board Action** – Informational report only. No action required or taken.

22. ADOPTION OF RESOLUTION 2016-01 TO APPOINT A MEMBER AND ALTERNATE TO THE EL DORADO COUNTY WATER AGENCY BOARD OF DIRECTORS

- A. Discussion** – GDPUD currently holds a Board position with the El Dorado County Water Agency (EDCWA). At the request of Tom Cumpston, El Dorado Irrigation District Legal Counsel, GDPUD staff has prepared Resolution 2016-01 appointing EID Director Ed Coco, MD as Director to the EDCWA Board of Directors and EID Director George Osborne as an alternate.

GM Wall presented the staff report and recommendation.

- B. Possible Board Action** – Staff recommends the Board consider adoption of Resolution 2016-01 appointing EID Director Coco to the EDCWA Board and designating EID Director Osborne as an alternate.

Motion by Director Uso to adopt Resolution 2016-01 in support of EID's recommendation; second by Director Hanschild.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

23. BOARD MEMBER COMMENTS, 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.

Director Uso commented on the importance of moving forward with the Prop 218 process.

GM Wall requested that this agenda item also allow for input from the General Manager in the future.

24. CLOSED SESSION – The Board adjourned to closed session at 5:35 PM.

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – Property: Parcel No. 071-051-62-100. Agency negotiators: Darrell Creeks, Operations Manager; George Sanders, Engineering Consultant; Wendell Wall, General Manager; Barbara Brenner, Legal Counsel. Negotiating parties: Ralph C. Elliot and Georgetown Divide Public Utility District. Board to discuss terms of the proposal submitted by property owner Ralph C. Elliot pursuant to Government Code §54956.8.

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

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

The Board returned to open session at 7:00 PM and reported that negotiations between Ralph C. Elliot and GDPUD have been terminated.

26. NEXT MEETING DATE AND ADJOURNMENT – Next regular meeting February 9, 2016 at 2:00 PM at the Georgetown Divide Public Utility District office.

The meeting adjourned at 7:00 PM.

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 January 8, 2016.

Signed Wendell B. Wall
Wendell B. Wall, General Manager

Date 2-9-2016