

CONFORMED AGENDA
REGULAR MEETING
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA
TUESDAY, DECEMBER 13, 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: Jesse Hanschild, Carl Hoelscher, Norm Krizl, and Lon Uso. Director Capraun was absent. Staff present: Interim General Manager Darrell Creeks, Office Manager (Meeting recorder) Diane Schroeder, Project Manager George Sanders. Legal Counsel: Kerry Fuller of Churchwell White.

2. ADOPTION OF AGENDA

Motion by Director Uso to adopt the agenda. Second by Director Hoelscher.

At a request of Engineering Consultant George Sanders, Director Uso amended his motion to move Agenda Item #14 before #13.

Public Comment: None

The motion passed unanimously.

*Vote: Ayes: Directors Hanschild, Hoelscher, Krizl, Uso,
Absent: Director Capraun*

3. BOARD REORGANIZATION

- A. Adoption of Resolution 2016-18** Accepting and Declaring the results from the El Dorado Registrar of Voters for the November 8, 2016, Election of the Georgetown Divide Public Utility District Board of Directors.

Discussion – The El Dorado Registrar of Voters certified the results of the November 8, 2016, election. Resolution 2016-18 provides for the acceptance of these results by the Board of Directors.

Interim General Manager Darrel Creeks presented the letter from the El Dorado County Registrar of Voters certifying the results of the November 8, 2016, election.

Board Action – Adopt Resolution 2016-18 Accepting and Declaring the results of the November 8, 2016, Election.

Motion by Director Uso to adopt Resolution 2016-18 accepting and declaring the results of the November 8, 2016, Election. Second by Director Hanschild.

Public Comment: None

The motion passed.

**Vote: Ayes: Directors Hanschild, Hoelscher, Krizl, Uso.
Absent: Director Capraun**

B. Oath of Office of Elected Directors, Administered by Legal Counsel

- ❖ **Dane Wadle** (Seat 4)
- ❖ **David Halpin** (Seat 5)

Legal Counsel Kerry Fuller administered the Oath of Office to Director-Elect Dane Wadle and Director-Elect David Halpin.

Outgoing Director Krizl thanked the Board and Staff for working with him during the past 12-1/2 years. He encouraged the Board to stay focused and continue to keep the community in mind. He stated it has been an honor and privilege to represent the community on the Board.

C. Election of Officers for Calendar Year 2017 (President, Vice-President, and Treasurer)

Discussion – Each year the Board of Directors elects its officers. While there is no legal requirement or timing of officer elections, officers have traditionally been elected during the December or January Board Meeting.

Director Hoelscher, as Vice-President, will preside over the election of officers.

Director Hoelscher stated that the protocol is for Officers to be elected in January. George Sanders responded that this protocol was a conservative approach based on the ability or inability to get the Election Certification in time from the El Dorado County Registrar of Voters. Mr. Sanders also pointed out that a few years ago the election of new officers was conducted in December.

Director Wadle expressed his desire to move forward with the elections. Director Hoelscher concurred and opened it up for nominations.

PRESIDENT:

Motion by Director Hanschild to nominate Lon Uso as Board President. Second by Director Halpin.

Public Comment: None

The motion passed unanimously.

VICE-PRESIDENT:

Motion by Director Uso to nominate Director Hanschild. Second by Director Halpin.

Public Comment: None

The motion passed unanimously

TREASURER:

Motion by Director Uso to nominate Dave Halpin as Treasurer. Second by Director Hanschild.

Public Comment: None

The motion passed unanimously.

Newly elected Board President Lon Uso presided over the remainder of the meeting.

D. Presentation of Commendations to Outgoing Directors for Distinguished Service to the District

Director Uso thanked the Board for the honor of serving as Board President declaring that he will strive to keep the meetings moving forward to make strong and meaningful decisions on behalf of the District's constituency.

He then presented the Board Resolution commending Norm Krizl for his many years of outstanding and dedicated service to the community.

Director Wadle invited a representative of Senator Ted Gaines' Office to present Norm Krizl with a California Senate Resolution recognizing him for his distinguished service during his three terms of office on the GDPUD Board of Directors.

Since Director Capraun was absent, the Board directed Staff to deliver to her the Board's Resolution of Commendation recognizing her for her years of service.

4. **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.

John Kingsberry commended Norm Krizl for his involvement in the community, citing his valuable contribution to Forest Management issues and the King Fire. He hoped Mr. Krizl will remain involved as ex-officio with Mountain Counties and continue to help protect the interests of the local community.

5. CONSENT CALENDAR

A. Approval of Minutes of Regular Meeting of November 8, 2016, and Special Meeting of November 16, 2016.

B. Financial Reports

1. Early Pays – December 2016
2. October 2016 Month End Cash Disbursements Report

C. Approval of Contract with Sacramento Prestige for Gunite Work at Upper and Lower Cherry Acres

Discussion – The Board-approved 2016-17 Capital Budget provides for funding for regular maintenance and repairs (M & R). When the Board considered the approval of the Capital Budget, District Staff provided a list of M & R projects to be funded through this account. The gunite work at Upper and Lower Cherry Acres is included on this list.

Possible Board Action – It is Staff's recommendation that the Board authorize the Interim General Manager to negotiate a contract with Sacramento Prestige Gunite for all necessary labor, material, and equipment for the placement of gunite at Upper and Lower Cherry Acres, with payment from Account 5200, Maintenance and Repairs.

D. Approval of Contract with Crowton's Excavation & Grading for Blacktop Patchwork

Discussion – The Board-approved 2016-17 Capital Budget provides for funding for regular maintenance and repairs (M&R). When the Board considered the approval of the Capital Budget, the District Staff provided a list of M & R projects to be funded through this account. The blacktop patch work at various locations within the District was included on this list.

Possible Board Action – It is Staff's recommendation that the Board authorize the Interim General Manager to negotiate a contract with Crowton's Excavation & Grading for all necessary labor, materials, and equipment for the repair of blacktop at various locations within the District, with payment from Account 5200, Maintenance and Repairs.

E. Approval of Contract with K & W Backflow Service for Hazard Survey

Discussion – This contract with K & W Backflow Service will provide for compliance by the District with a State requirement to conduct an annual cross connection hazard survey of the District's potable water system. Payment for this service will come from Account 5300 of the General Fund.

Possible Board Action – It is Staff's recommendation that the Board authorize the Interim General Manager to negotiate a contract with K & W Backflow Service with payment from Account 5400 of the General Fund.

After Director Hoelscher indicated his interest in pulling items off the Consent Calendar, Director Uso entertained a motion to identify those items and approve the balance of the Consent Calendar.

Motion by Director Hoelscher to pull Consent Items #4C and # 4D and approve the balance of the Consent Calendar. Second by Director Wadle.

Public Comment: None

The motion passed unanimously.

The Board then considered Item #4C, Approval of the Contract with Sacramento Prestige for Gunitite Work at Upper and Lower Cherry Acres.

Interim GM Darrell Creeks informed the Board that Sacramento Prestige Gunitite was hired earlier in the year and Staff was satisfied with their work. There was no waste and the cost came in lower than other bids.

Motion by Director Hoelscher to approve Prestige Gunitite to perform the work. Second by Director Halpin.

Public Comment: None

The motion passed unanimously.

The Board then took action on Item #4D, Approval of Contract with Crowton's Excavation & Grading for Blacktop Patchwork

Darrell Creeks stated that Crowton's Excavation and Grading is a local company and provided better prices than other blacktop contractors that the District has been using. Discussion followed about the expense of mobilizing blacktop contractors to repair small projects, so the District attempts to list several projects under one contract to reduce the costs.

Motion by Director Hoelscher to authorize the Interim General Manager to negotiate a contract with Crowton's Excavation & Grading for all necessary labor, materials, and equipment for the repair of blacktop at various locations within the District, with payment from Account 5200, Maintenance and Repairs. Second by Director Wadle.

Public Comment: *A member of the public called attention to some patchwork that requires some follow up. Darrell Creeks indicated that he is aware of this and will follow up.*

The motion passed unanimously.

6. UPDATE ON THE GENERAL MANAGER SELECTION PROCESS

Discussion – It was reported at the regular Board meeting of November 8, 2016, that the executive search consultant has received 16 applications for the General Manager position.

At the special Board meeting of November 16, 2016, the Board created the General Manager Hiring Committee to include Directors Hanschild, Hoelscher, Uso; newly elected Directors Halpin and Wadle; and Interim General Manager Darrell Creeks. The Board also indicated that this committee would vet all the applications received in a special closed session.

Director Uso indicated a Special Closed Session Meeting has been set for December 15 to meet with the Executive Search Consultant and review applications that have been received. The Consultant will discuss the process used to vet the applications and select

the top candidates; however, for transparency sake, each member of the panel will be provided with a folder of all the applications.

Director Uso further asked the panel members to be prepared for the time commitment that will be required for interviewing the candidates. It could potentially take three to six hours and involve a Saturday or evenings to interview the top five to six candidates.

Possible Board Action – Set a Special Closed Session Meeting for Thursday, December 15, 2016, at 5:30 p.m. and direct District Staff to post the agenda as required.

There were no objections to the date set for the Special Closed Session.

7. PRESIDENT'S REPORT

Director Uso again thanked the Board for selecting him as President and stated he will do everything he can to deserve the honor. He commented that the Board provides guidance and the Staff is responsible for the day-to-day operation of this District. He stated it is important that Board members understand our role and the importance of following the protocol of working with Staff through the General Manager.

8. BOARD REPORTS

Director Wadle thanked the community for electing him to this position, and stated that he is looking forward to working with the Board and Staff to move the district forward.

Director Hapin also expressed his gratitude to the community for providing him with his first opportunity to hold public office. He reaffirmed Director Uso's comments about the role of the Board and the protocol of working with Staff through the General Manager, pointing out the value in the discipline of working within the organizational structure.

9. GENERAL MANAGER'S REPORT

Interim General Manager Darrell Creeks provided an update to his written report which prompted the following comments:

- A notice to customers about the Supplemental Charge will be included in the next billing. In addition, Mr. Creeks indicated he will place an ad in the paper beyond the coverage that has already been in the paper. Staff is preparing to receive calls from customers. Director Wadle suggested that notification should be posted on the website, and Staff indicated their intention to do so.*
- The District's cost share projects are now back on the EDWA Board agenda and positive results are expected. The Interim General Manager commented he will need to ask for special consideration for the tank cleaning project since the District has already entered into that contract. He hopes his special plea will produce cost share funding for that project.*

Director Uso expressed concern about the pattern of not submitting material to the county on time and hoped Staff will be able to get the new General Manager on board to turn this around. Mr. Creeks pointed out that this is due to the District's inability to identify eligible projects for cost share funding in a timely fashion to meet the EDWA's March deadline.

Director Uso stated that this latest cost share funding process will net the District around \$75,000, more than what has been achieved in the past so wanted to commend Staff. Darrell Creeks stated that the District has an opportunity net as much as \$250,000 in cost share funding and is hopeful the District will soon have a Five-Year Plan with identified projects for timely submittal for cost share funding.

Anticipating positive action by the EDWA Board on the District's projects, George Sanders stated this item should be added to the Special Meeting of December 15, 2017, so the Board can take action on the required monetary commitment by the District to move forward with the funding process. The Board was agreeable and directed Staff to do the required noticing.

- *Mr. indicated he has just heard from the State about unaccounted water so the meter replacement project couldn't come at a better time.*
- *The Water Rate Study has been slow, but moving forward with RCAC (Rural Community Assistance Corporation) at no cost to the district. District Staff is working with the Finance Committee, which is scheduled to meet on December 15, 2016.*
- *Staff has supplied a binder for the new board members. JPIA is a valuable resource for training opportunities. Training for District staff will be scheduled and training opportunities described for board members. Updated directory and other information will be provided for all the all the Board members.*
- *At the conclusion of the Operations Manager's Report, Mr. Creeks indicated he had an additional last-minute item to report. He informed the Board that Southern Pacific Industries invited him to speak at a Logging Trade Show in Reno on January 11, about the Stumpy Water Shed and how SPI's actions have benefitted the District.*

10. OPERATIONS MANAGER'S REPORT

Marty Ceirante added the following comments to the Operations Manager's written report:

- *The bid package for the Walton Tank Painting Project is just about complete and Staff expects to release the bid after the holidays with the project completed by Spring.*
- *Water level numbers in the report are much different now. Stumpy was 1'-8" from spilling on Monday and at 97% full with 19,420 acre feet of storage. 19,730 acre feet of storage. Saturday the inflows was over 900 cu.ft. per second.*

Director Hanschild stated that CalFire offers grant funds for ditch work and the District should renew the contract with CalFire for this work. Darrell Creeks indicated the District has been using them and .

11. FINANCE COMMITTEE REPORT

In addition to the Committee's written report, Dennis Goodenow described the work of the Finance Committee related to the RCAC Water Rate Study Objectives and Methodology for the benefit of the new Board members.

Director Uso discussed the need to advertise for new Finance Committee members. He added that the Finance Committee does great work in a very businesslike fashion. As the Board Treasurer, Director Halpin is the liaison to the Finance Committee. If other Board members wish to attend, it should be coordinated through Dennis Goodenow.

12. GEORGETOWN DIVIDE RECREATION DISTRICT WATER BILL

Discussion – At the regular Board meeting of October 11, 2016, the Board of Directors considered a request from the Georgetown Divide Recreation District (GDRD) for a reduction in their water bill for the July-August period due to leakage.

The GDRD has indicated they will pay the balance of the bill, but is requesting that payment be deferred to February.

Darrell Creeks reported that the Recreation District was not successful in recovering their loss from the leakage.

Possible Board Action – It is Staff's recommendation that the Board allow the GDRD to pay the remaining balance of \$5,539 on their July-August bill with their February payment.

Motion by Director Hoelscher to allow the GDRD to pay the remaining balance of \$5,539 on their July-August bill with their February payment. Second by Director Wadle.

The motion passed unanimously.

As previously decided, the Board took up Agenda Item #14 before Item #13 (but remains in numeric order in these minutes).

13. ALT TREATMENT UPDATE

Discussion – This constitutes this month's update on the ALT Treatment Plant Project with the most prominent item being the receipt, by District Staff, of a fully executed Installment Sales Agreement (Loan) from the State. The other update items pertain to the Notice to Proceed with the construction contract, and the status of the RFP for construction management.

Engineering Consultant George Sanders stated the other items relate to the Notice to Proceed, and the status of the RFP for construction management. Project Management will include assistance from Foothill and Associates and in-house staff. All change orders will be shared with the Board.

Mr. Sanders indicated he is still working to finalize the Construction Management RFP and managing: key components to work with Foothill and Associates. Director Halpin asked if there is an exception to starting work in the Spring. Mr. Sanders said delayed work, or controlling items in the work, such as excavation, will be a moving target, and may change the overall project schedule.

Possible Board Action – It is Staff's recommendation that the Board authorize the issuance of the Notice to Proceed with the work subject to execution of the Construction Contract.

Motion by Director Hanschild to authorize the issuance of the Notice to Proceed with the construction of the ALT Treatment Plant. Second by Director Halpin.

The motion passed.

Vote: Ayes: Directors Hanschild, Halpin, Uso, and Wadle

No: Director Hoelscher

Public Comment: Norm Krizl thanked the Board for moving forward with the project.

14. RESOLUTION 2016-21 -- AUTHORIZING THE CONTRACT WITH MYERS & SONS TO CONSTRUCT THE ALT WATER TREATMENT PLANT

Discussion – This agenda item requests the Board adopt Resolution 2016-21 authorizing the Interim General Manager to enter into a contract with Myers & Sons for the construction of the ALT Water Treatment Plant and approve the Construction Contract subject to finalizing by Legal Counsel.

Engineering Consultant George Sanders reported that the Contract with Myers & Sons has now been finalized and would like to update the Board with information that was not available at the time this Staff Report was written. He described the specific changes to the Contract that was included in the Board Packet related to the required inclusion of Davis-Bacon Wage information. In response to Director Uso's inquiry, Mr. Sanders stated Legal Counsel included indemnification language. He stated that he has been assured by the District's Counsel and Counsel representing Myers & Sons that they have worked out all the language issues.

Possible Board Action -- It is Staff's recommendation that the Board adopt Resolution 2016-21 and approve the contract with Myers & Sons with the changes described by the District's Engineering Consultant.

Motion by Director Hanschild to adopt Resolution 2016-21 approving the contract with Myers & Sons with changes described by Staff. Second by Director Wadle.

The motion passed.

Vote: Ayes: Directors Hanschild, Halpin, Uso, and Wadle

No: Director Hoelscher

15. 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 Wadle had previously commented on expanding the information posted on the website for greater public access to District information. He indicated he would provide staff with additional information regarding SB 272, the California Public Records Act.

Director Uso commented on the importance of effective communication pointing out technology efficiencies such as email blasts. In response to his inquiry, Staff indicated the percentage of customers who have provided the district with their email is less than 10%.

Additional discussion ensued about developing a program to allow the district to communicate with customers by email. Director Uso stated that the district could perhaps work with Kevin McLaren to develop such a program. This generated a meaningful exchange of ideas between the Board and Staff to provide for better communication; i.e. newsletter.

Director Uso commented that it is important for actions taken by the Board to have direct pertinence to the Mission Statement. He indicated he would like Staff Reports specify how recommended actions by the Board move the District's mission forward. Director Halpin added the Mission Statement is a living document that should be regularly reviewed and modified accordingly.

Norm Krizl commented that in many instances, the pertinence to the Mission Statement is quite obvious and rather than requiring Staff to "check another box," they should be prepared to answer, if it not obvious to the Board. Director Uso acknowledged that it is an added burden, but emphasized there should be really good, fiscally sound reason for actions taken.

16. CLOSED SESSION

The Board adjourned to closed session at 3:42 PM.

A. CONFERENCE WITH LEGAL COUNSEL – Discussion about Ongoing Litigation.

Name of Case: Jacoby vs. GDPUD

B. Public Employee Performance Evaluation pursuant to Government Code Section 54957(b). Title: District CPA

ADJOURN TO OPEN SESSION – The Board returned to open session at 4:21 PM.
Announcement of action taken in closed session.

17. NEXT MEETING DATE AND ADJOURNMENT –

The meeting was adjourned at 4:22 PM.

Next regular meeting January 10, 2017, at 2:00 PM at the Georgetown Divide Public Utility District office.

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 Darrell Creeks 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 *AMENDED* agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on December 9, 2016.



Darrell Creeks, Interim General Manager



Date