



MINUTES

REGULAR MEETING

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

**TUESDAY, JULY 14, 2020
2:00 P.M.**

David Souza, President
Michael Saunders, Vice President
Cynthia Garcia, Treasurer
Dave Halpin, Director
Dane Wadle, 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.
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1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

The meeting was called to order by Director Souza at 1407hrs.

Director Souza requested Director Saunders to officiate the meeting until which time Director Souza could rejoin the meeting.

Roll Call was taken:

Garcia: Aye
Halpin: Aye
Saunders: Aye
Souza: Aye
Wadle: Aye

All Directors present.

Director Garcia led the Pledge of Allegiance.

2. ADOPTION OF AGENDA

Director Wadle motioned to adopt the agenda as presented. Director Garcia seconded the motion.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Aye
Souza:	Aye
Wadle:	Aye

The motion passed unanimously.

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

Mr. Tony Franco brought up an issue that he has been dealing with over the last few years. He said is new to the area. He purchased property about four years ago. He said the Georgetown Creek runs through the property. He said on the same property, there is another creek called Poverty Creek that merges with Georgetown Creek on his property. He said the water then flows into Greenwood Creek and then travels down to the South Fork of the American River. He said in 2018 the District performed gunnite ditch lining done. He said after that work was done, the Georgetown Creek dried up within 24 hours. There are fish in the creek. Essentially is the Georgetown Creek is fed by the seepage or leakage from the drainage ditch. He said he has had the water rights, and geologists come to the area and both reports, which were sent to Kelly Molloy yesterday to be added to the public record.

He said the reports state the seepage feeds Georgetown Creek. He said the recent lining of Georgetown Creek, which was a stretch west of MarVal Supermarket done in November 2019 caused the Georgetown Creek to stop running. He said Georgetown Creek was running year-round, and does not run any longer. He said the only thing that has continued, which is on his property, is Poverty Creek. He said Poverty Creek is still running is because the gunnite hasn't reached it yet. Further, he said the CEQA paperwork filed by GDPUD was not done accurately. He said the report was not thorough. He said the report did not state Georgetown Creek has been reliant on the ditch. He said a neighbor who has lived in the area for 60 years said he has never seen the creek run dry. He said hunters who care about wildlife, and there is no natural source of water will have an environmental impact on hunting, and the wildlife that depends on this creek running. He said this started in November 2018. He is asking GPUD to continue flowing the creek. Additionally, he said there was a Facebook post stating that he and directors were trespassing. He said that is a falsehood. He said he supplied text messages that confirmed he was able to go on the property.

Director Saunders asked Ms. Molloy if she received the documents from Mr. Franco. Ms. Molloy confirmed she received the documents.

Director Saunders said since there were no other public comments, they would move to the consent calendar.

4. PROCLAMATIONS AND PRESENTATIONS –

There were no Proclamations or Presentations

5. 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 Meeting of May 12, 2020
2. Special Meeting of June 1, 2020
3. Regular Meeting of June 9, 2020
4. Special Meeting of June 17, 2020

B. Financial Reports

1. Statement of Cash Balances – May 2020
2. Month-End Cash Disbursements Report

C. Notice of Completion – Spanish Dry Diggins

Director Saunders asked if there were any items the Directors wanted to pull. Director Wadle said he would like to pull 5.A.3. He said he had a minor change to the June 9, minutes.

Director Saunders said he wanted to pull 5.B.1, Statement of Cash Balances.

Director Saunders said the Board would vote to approve the consent calendar with items 5.A.1., 5.A.2., 5.A.4., 5.B.2., and 5.C.

Director Wadle so moved. Director Garcia seconded the motion.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Aye
Souza:	Abstain
Wadle:	Aye

The motion passed four to one.

Director Wadle said item 5.A.3. on page 16 said the sentence should include that the motion passed. Ms. Molloy stated she would correct the error on page 16.

Director Wadle motioned to accept the minutes with the change. Director Halpin seconded the motion.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Aye

Souza: Abstain
Wadle: Aye

The motion passed four to one.

Director Saunders said he wanted to discuss item 5.B.1. He said it was regarding the negative \$26K for the Capital Replacement Fund. Christina asked if he was talking about Fund 24. Christina said that Fund is specified for ALT. She said Fund 20 was for the loan. She said Fund 24, and Fund 35 were both used for the retrofit. She said after year end happens, the Board will have to determine how to true that up. Director Saunders said he wanted to confirm what account it was for, and thanked Jeff and Christina for answering the many questions he had prior to the meeting as to not take up time during the meeting.

Director Halpin motioned to approve 5.B.1. of the Consent Calendar. Director Garcia seconded the motion.

Roll Call was taken:

Garcia: Aye
Halpin: Aye
Saunders: Aye
Souza: Abstain
Wadle: Aye

The motion passed four to one.

6. INFORMATIONAL ITEMS

A. Board Reports

Director Wadle said he wanted to follow up on a comment from the last Board meeting. The District submitted a letter of support for HR7073. The letter was sent to the State Representatives, and US Senators. He commented on the discussion at the Water County Water Agency meeting last week. He said they were approving contracts. He said he informed the entire agency Board about the adoption and inclusion of the use of the SMUD money for the gunniting purchase. He said he reiterated the appreciation for the County making that money available to the District, and said the District was putting that money to good use within County.

Director Garcia said she wanted to thank Jeff Nelson for reaching out to customers, including Tony Franco. She also thanked him for responding to her emails. She said she had multiple questions in emails, a PRA request and he has gotten back to her. She said she really appreciated his outreach. She said there was a workshop coming up, ACWA summer virtual conference coming 29 30 of July. She said she was looking for reimbursement amounts for attending virtually, and in person. She attended several webinars that RCAC orchestrated. She said one was covering septic systems, and operation of septic systems and the other was about private wells. She said she participated in the water transfer workshop, she said felt did a good job on the workshop. She asked Barbara about her PRA request. She asked why there would be redactions related to financial documents

when she is the Board Treasurer. Barbara said Director Garcia was seeking documents under a PRA, which makes those documents, public documents. She said under that circumstance any information that can't be shared with the public needs to be redacted. Director Garcia said she went to a PRA request because she had previously requested these documents and had not received them in an ample amount of time.

Director Saunders said he attended a lot of the same meetings as Director Garcia. He said he will attend the water loss conference for water conservation, and Adam may be at that one. He said once we get that information, he felt work could begin on the urban water plan for the District because there will be a lot of new recommendations and guidelines to give to the staff.

B. General Manager's Report

Jeff said the Consumer Confidence Report went out ahead of schedule. He thanked Adam for putting the report together. Jeff said regarding the temporary water transfer, he had a phone call yesterday with Jeff Myer, the sub-consultant, and the representatives from Fish and Wildlife Service and Fish and Wildlife from the State. They had a few questions about the petition for the water transfer. He feels their questions were answered. He said they did ask for a survey at two locations to check for the yellow-legged frog which is upstream of the confluence, Rubicon Creek, and Pilot Creek. He said it is a very inaccessible area, so he is unsure if that survey will get done.

Jeff said he did speak with Mr. Franco regarding the ditch. The irrigation ditch was stopped on Sept 30 2019, so there is not a lot of water after September 30. The repair of the ditch did result in a significant savings of 600acre feet of water for the District. He will look more into the information that Mr. Franco provided. He said the repair of the ditch is required by the State as part of the water conservation measures.

Jeff said the office had a staff resignation, and we have a temp employee who is filling in. He said COVID is backtracking. The office is reenacting some of the measures we relaxed.

Jeff said he wanted to bring up the Georgetown Gazette Article which was an opinion article written by Director Garcia. He said he had spoken to Director Garcia about this subject. He said some of the things stated were not true and wanted to clarify them. He said Director Garcia said the general manager hired an outside consultant to investigate the internal funds, and then informed the Board after the fact. He said that statement was not true. Jeff said he utilized Eide Baily. He said that firm has been working for the District for a couple of years. He said the Board unanimously agreed to extend their contract during the March 16, 2020 Board meeting. He said another comment by Director Garcia was about the water transfer and she questioned why the funds weren't included in the budget. He said the District hasn't received the permits yet, and it is not a done deal. He said all 2000ft of water may not be able to be transferred. He said this transfer is contingent on if the permits are approved. He said Director Garcia said she was going to apologize to him, and he appreciated it. He said staff is still working on the fund verification report, and he said he hopes to have it completed by the middle of next week.

Director Halpin said he noticed Director Garcia's comments in the newspaper. He said she was concerned that \$1.1M seems to have gone missing, and Director Garcia said she wasn't sure

what had been going on. Director Halpin said it is alarming that the District treasurer is not sure where the \$1.1M may have gone. He said as a previous treasurer, along with Director Wadle, and Director Saunders, would be glad to help Director Garcia understand where the money might be. He said he could assure Director Garcia it has not gone missing.

Director Garcia said she had a few questions related to Jeff's report. She asked what fund the \$40K for the water transfer went. Jeff said a separate account was created. He asked Christina to respond. Christina said it is going back into Fund 43 where it was paid out from.

Director Halpin said to Director Garcia that she was voted as the District Treasurer and the Board is looking to her to have those answers. He feels she should not be asking staff or submitting articles to the local newspaper wondering what is going on. He said he feels it is her responsibility as the Treasurer to have those answers and report back to the Board and the community and assure the Board those funds were managed appropriately. He said if Director Garcia is concerned for one moment that \$1.1M or \$40K or \$700K has not been accounted for properly, he encourages her to reach out to her colleges as opposed to the newspaper knowing everyone can help get the answers for her immediately. Director Garcia thanked Director Halpin for his comments.

Director Garcia asked Jeff about the valve, and if that was going to be added to the CIP. Jeff said staff is evaluating the potential problem. He said staff decided because it may be a significant fix, Darrell suggested getting a second opinion. Jeff said he felt that was a very prudent idea. Darrell said he agreed with Jeff. Darrell said it will be expensive. He said it will probably be added to CIP.

Director Garcia asked Jeff to expand on the collaborative work with El Dorado Water Agency as to how they might help the District with a phased approach with the urban water projects. Jeff said they have \$50K earmarked for GDPUD to assist the District on securing either grant funding or assisting the District directly for some of the projects that the District has. Jeff said he would provide them with the Capital Improvement Program, once that is sorted out. He said as far as the phased approach, he said that was a new idea just introduced by Ken Payne. Director Wadle said that through the Agency Act there are only certain things they can help with. They cannot provide funding for actual construction of a project. The funds are supposed to be used for planning, or preliminary work. He said this question has been asked multiple times. He said the Agency Act was set up in the 1950's and prohibits direct funding to another District for construction. Director Saunders asked if the Regional Watership management plan tie in with how the District's plan works as well? Director Wadle said one of the projects is a regional assessment to include impacts to GDPUD. The District is supposed to be a part of their study.

Director Garcia asked if it is possible to have staff, possibly Adam look at the Delta out flows and the Bureau's management of Folsom Lake to find out when was the last time the Delta was in excess and Folsom was in flood stage. She said that may be one of the questions the Board may have when they review the refill agreement to see what the District's long-term obligations might be to the temporary water transfer. Jeff said it was last year or the year before. He said he would confirm it was two years ago. He said flood stages happen two out of three years. Director Garcia said for her clarification the refill agreement conditions have to be met together, meaning the Delta needs to be in excess and Folsom Lake needs to be in flood stage. Jeff said correct. He said Jeff Myer states this happens two out of three years.

Director Garcia said she publicly wanted to apologize to Jeff for jumping to a conclusion that he had hired an outside contractor. She said she didn't realize the consultant was Eide Bailey. She said she appreciates the communication related the financial documents. She said her request has had to go to a PRA request because she has not received the information. She said to Director Halpin's comments, she and Jeff are working diligently to get her the information she requested, and that is taking extra steps. She said this is to find out where the missing money is, as it was missing her calculations, not necessarily in the District's books. She is not saying that the money is missing, she is saying the money is missing based on her calculations based on the audit information, prior fiscal years information based on this years' budget. She said her numbers do not match with hers. She said she will continue to work with Jeff on that to get the answers to the questions that she has. Jeff thanked Director Garcia for her apology. Jeff said staff has been trying to get Director Garcia information, and staff is sometimes confused with the request. Director Garcia said if staff has questions about her requests, she hopes to work collaboratively with him, and staff to get her questions answered.

C. Operation Manager's Report

Darrell said both treatment plants are going well. He said there are still a few problems with the new treatment plant. The operators are doing a great job keeping the water flowing. He said as of last week Stumpy Meadows was 96% capacity. He said the Distribution crew has been very busy. The treated water distribution had 18 after hours calls last month and repaired ten leaks. He said he is continuing to work with Coastland for CIP repairs such as the Walton filter. He said that project is out to bid, and he is working with Coastland to choose a contractor to bring that to the Board. The Spanish Dry Diggins tank recoating is done and the Notice of Completion was done today. Darrell said we are really having problems with the public at Greenwood Lake. He said the public is dumping trash, there is an RV dumped. He said the public has called the office, yelling at him, they are saying they are ashamed of the District. Darrell said the District did not dump the waste there. Darrell said El Dorado Sheriff's office was called. He said the District cannot remove a vehicle when the Sheriff's Office has tagged them. The Sheriff's Office has to release the vehicle to the tow company. He said he spoke with a homeowner who drives through the property to get home daily. Darrell said he would like to put a gate up at the front of the property. Not fence in the entire space, but put a gate up so vehicles cannot access the area. He said people have been living next to the lake, having camp-fires in the middle of summer. He said he wanted to bring this to the Board's attention for their consideration.

Director Souza said he would like to help Darrell. He said he would work with Darrell to reach the abatement officers within the Sheriff's Office, to move quickly on this. Darrell said thanked Director Souza.

Director Halpin said to Darrell and Jeff, given the magnitude of the effort to put up a gate, does this raise to the level of a Board decision or is this well within the range of the General Manager's authority to put up a gate. Jeff said it is within his spending authority. He said it is a question of does the Board want to weigh in restricting the access to the property or not. Jeff said he would suggest erecting the gate. Director Halpin said he supported Jeff's recommendation, and because he has the spending authority, he would like to hear him to report back that he acted in the best interest of the District. Director Souza agreed with Director

Halpin. Darrell said the gate will be expensive. Director Halpin said he would support a gate that was appropriate for the need. Director Saunders asked if staff if they could construct a PSA from Staff and the Board related to the issue. Jeff said he felt that was a good idea. He said we are going to move forward with the outreach. Director Halpin said he thought that was a good idea too. Director Wadle said as long as it is within the spending authority, staff should move on it. Darrell said thank you. He said it was a popular place, and he can see it may be a contentious issue. Director Saunders thanked Darrell for making changes within his report which will allow for easier tracking.

D. Water Resources Report

Jeff said Adam is on vacation today. He said Darrell can answer any questions.

Director Garcia asked Darrell about the issue of the possible people living next to the lake. She asked if there are any easements, where no trespassing signs can be posted. Darrell said that signs have been posted multiple times, and they are continually pulled down.

7. NEW BUSINESS

A. Update CIP Report

Possible Board Action: Board Discussion

Jeff said he is not asking for the CIP to be approved today. He said Darrell can answer specific questions about the projects listed in the report. He said staff is still going through and verifying account balances and the different reserve funds to understand what kind of budget surplus the District will have this year. He said he knew it will be significantly less than what was projected when the proposed budget was approved for FY 19-20. He said he would like to present which of the projects the Board feels comfortable with going forward with given the financial situation. Jeff said the projects can wait another month. He said the item that will make an immediate impact is the purchase of the gunnite machine, and materials which can be purchased with the SMUD funds.

Jeff and Darrell spoke about the projects listed in the CIP report submitted under agenda item 7A.

- *Reservoir and Stream gauging is to measure flows and identify where leaks and repairs can be made. Darrell said this project is already beginning and he has been working with Jeff Myer on this. He said there is already work being done. Darrell said field crews need to wait for irrigation season to end, when there is less water in the ditch, and he estimated beginning in October. Jeff said a lot, if not all of these projects have been deferred from earlier years.*
- *Office & Shop Roof – Darrell said he received a bid with All State Roofing and the estimate was \$72K. He said those projects need to be done before winter.*
- *Annual Tank Recoating – Darrell said he is thinking of skipping a year due to budget constraints. Jeff said he is not convinced if we need to skip a year, and all of this will change if we are successful with the water transfer.*

- *Meter Replacement Program.* Jeff said we are working on a loan with the State with the application and grants. He said staff will be looking at grant opportunities, but the grant process is a long one. He said this program needs to be done and is the biggest item on the CIP.
- *Old ALT Demo –* Darrell said staff would like to get going on that removing the generator and the filters. Jeff said there might be some salvage value associated with the equipment. He said once the project was closed out, we are trying to get this done this year.
- *Replace Pump Stations –* Darrell said he would be working with Coastland on this project. He said they would put something together. He said two stations need to be done. Director Wadle asked which stations Darrell was referring to. Darrell said Hotkiss Hill, Reservoir Road, and Blackridge Road, and Angel camp will need it as well. These pump stations were all built 40 years ago.

Jeff said we jumped over the annual canal lining. He asked Darrell if some of that will be addressed by the gunnite machine. Darrell said yes.

- *Resurface District Parking Lots –* Darrell said we have received the bid, he said the total was \$200K. Adam will need to discuss this more and come back to the Board.
- *Filter at Walton –* Darrell said it is already out to bid. He is working with Coastland to see if the lowest bidder is qualified.
- *Wastewater Lift Station Upgrade –* Darrell said this is station 16 at ALT. Darrell said he helped rebuild it himself over twenty years ago. The unit needs to be replaced.

Jeff said, the total is \$2.9M, removing the meter replacement program, there will leave \$1M to spend. Fund 43 has about \$800-900K to use and be validated. He said staff is reviewing multiple reserve funds, and what they can be used for, and staff hopes to have it resolved in the next week or so. Staff is trying to be a conservative. He said if it is determined that the water transfer will go through, 65-75% will get added back to the reserve funds. Director Wadle said he wanted to clarify that the waste-water lift station comes out of different funds meaning Fund 42. Jeff said he would work with Director Souza to determine if a special meeting is warranted, or if waiting until the regular meeting in August would be enough.

Director Saunders asked if some of the savings recaptured from the tank was already in the budget. He said the recoating of the Spanish Dry Diggings tank came in under budget. Darrell said yes, that will help. Director Saunders said he would send some priority-based numbers to help with decision making.

Mike Thoronborough asked if the roof was repair or replacement. Darrell said a little of both. Mike confirmed to just replace the comp? Darrell said yes. Mike asked how many feet of gunnite the District would get for \$100K in the canal. Darrell said it depends on the canals being gunnited. Mike asked if the \$123,400 for the pump stations is for 3 or more. Darrell said he would like to do as many as he could. Jeff said two.

Director Garcia said at the end of the recommended staff report, the Board can hear make recommendations at the August board meeting. Director Wadle said August is fine as well. He said he had a question about the meter replacement application. Jeff said he knew Adam was getting close. Christina said Adam submitted all the paperwork, and the State has come back to the District with questions about the budget and revenues. She said we are working on providing the State a five-year projected revenue and expenses report.

Director Saunders said it seemed the only thing removed from the CIP was the Upcountry Ditch project, and the District didn't get the Smart Water grant for that. He said the Board would have staff return with an updated CIP report in August.

B. Customer Request to Cancel Irrigation Service

Possible Board Action: Board Discussion

Darrell said this customer purchased the land which already had access to irrigation. They applied on time and went through the proper channels to get water. He said the customers tried to locate the water line. He said field crews went out to the property but water never made it to the property. The District received a request to have the water service cease. The customers have already paid for the first two months. Darrell said staff recommends that the customer not pay for the rest of the season because they are not getting any water.

Director Garcia asked if they received any water. Darrell said that is correct. Director Garcia asked if the Board could refund the customer for the two months, they paid for but did not receive water. Darrell said yes, that is a Board decision. Director Halpin said he would like to refund the money for the customer. Director Wadle asked if because of this change would the customer be a priority for next year. Darrell said because they were a customer this year, they would be a priority one.

Director Saunders said he agrees with the other directors. He agrees with allowing them to cancel their service and get a refund. He would agree with. Director Souza said he agrees. Director Garcia said she agrees and hopes staff would continue to help if they reapply next year.

Stephen Dowd said he is wondering if water leaving the ditch was why these customers didn't get water. Darrell said it would not go down the pipeline, the District was not losing water.

Director Wadle motioned to adopt staff's recommendation to cancel their irrigation water and refund the customer the previous months that they didn't receive water. Director Souza seconded the motion.

Mike Thornborough said he is in agreement with what the Board said. He said he doesn't think the District staff should be helping customers solve their issues.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Aye
Souza:	Aye
Wadle:	Aye

The motion passed unanimously.

C. Customer Request to Reinstate Irrigation Service

Possible Board Action: Discussion

Darrell said after the board approved the irrigation season summary, staff called customers who had not turned in an application. One of the phone calls was to Ms. Johnson. When she was asked if she wanted to keep her irrigation water, she said no, and hung up the phone. The account was then made inactive. On June 19, Ms. Johnson's daughter, letting the District know the property is in her name, and her mother is not well and didn't mean to discontinue the service. Darrell said there is water available and no one is on a waiting list. Darrell said they have been customers for 60 years. Staff recommends to have the Board to reinstate the irrigation service.

Director Saunders said he agrees with reinstating services.

Director Wadle motioned to approve staff's recommendation. Director Halpin seconded the motion.

Director Garcia asked if there would be any reconnection fees. Darrell said no.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Aye
Souza:	Aye
Wadle:	Aye

The motion passed unanimously.

D. NOT USED

E. County Tax Roll for Property Bills

Possible Board Action: Adopt Resolution

Jeff said this is routine matter; however, this year it is a little different due to the large number of delinquent bills the District has, and due to COVID-19 the District has been waiving late fees. This item is a lot of work for staff, and staff wanted direction from the Board before proceeding with this process.

Christina said every year, the District puts delinquent accounts onto the County tax roll. She said, as of June 30 the District had 284 delinquent customers within the last billing cycle equaling a total of \$66K. Typically, the District has approximately \$12K in delinquent accounts. She said she put together the ordinance for just the assessment districts, which do not have anything to do with water bills. She said the \$66K is strictly unpaid water bills.

Director Halpin asked what the term tax-rolled meant?

Christina said it means the unpaid balance of their water bill is attached to their property taxes.

Jeff said the amounts are sent to the County to collect, and customers names are published in newspaper.

Director Halpin asked if the Board chooses to not put a lien on the specified customers, does the debt still owed to the District? Jeff said yes. Christina said we tax roll every year. She said the customers who do not pay these accounts would be tax-rolled and the District would see those funds next fiscal year.

Director Halpin said assuming the District chooses to not to put a lien on the customers, and they continue to owe debt to the District, does the District have the option to put a lien on those customers in the future? Christina said yes. Director Halpin said can we forgive the unpaid bills. Christina said Barbara had to answer Barbara asked if Christina how many of the unpaid bills are directly related to COVID?

Director Halpin said that the difference is COVID. Barbara said yes, that is the assumption. Barbara said when the Board agreed to not impose late fees due to COVID, staff should have kept track and it seems that follow-up has not been done. She said the customers would need to tell the District that their past due water bill is related to COVID.

Director Halpin said if we chose not to put a lien on them this year, there is nothing stopping the District from following up next year. Christina said yes, that is correct.

Jeff said the Board could chose to do the tax rolls for the assessment districts and not the customers. He said the tax rolls can be done for both, either or, or neither. He said staff is recommending for assessment districts.

Director Wadle asked Christina if the assessment districts are \$12K? Christina said the assessment districts are different. She said NBS handles what is owed. She said none of these numbers include the assessment districts. She said the only two assessment Districts are Kelsey North and Stewart mine.

Director Wadle said he felt the recommended action were for both. Director Wadle said he is hesitant to not do this. Director Souza said he agree Director Wadle.

Director Garcia said we are all sympathetic and empathetic. She said this is difficult to lien on customers properties. She said customers have a responsibility to pay their bills. She asked if there were any emergency fund monies that could be applied to off-set this, or would that be prudent to do so.

Director Saunders said this is two fold. He said the District is aware of COVID, and the Board waived fees. He said it has also come out from the state, that if your bills are not paid, the District is not going to turn off the water. He said he would recommend giving customers the option to pay their bills before putting their names on a tax roll or in the newspaper and giving them the option to set up a payment plan.

Christina said if a customer was on a payment plan they would have been dealt with before June. She said all of these customers still had balances as of the end of June. She said typically the District does not allow a payment plan to avoid this because if they default on the payment plan, all of that money is due immediately and they would not have been placed on the tax-roll. Customers who are already getting assistance, are not placed on the tax roll.

Director Saunders said he understood that, but the Governor, and the State put agencies into this situation where customers know they do not have pay, and they will get their water. He said the customers need to know that if the District does not receive the revenue, the District will be hurting. He said he thinks customers should know they owe these funds before tax-rolling them, so they have the option to pay.

Christina said all of this would need to be done by the beginning of August.

Director Garcia asked if the tax roll is done once a year. Christina said the tax roll is done once a year. Director Garcia asked if the customer is notified that they could potentially be placed on the tax roll. Christina said they will get notified when the list is published in the newspaper.

Director Souza said he agrees with Director Wadle.

Director Garcia said if they are notified and read it in the paper then the customer may pay the bill. Director Saunders said or work on a payment plan. Director Garcia asked how customers find out about payment options or payment plans. Christina said that is now in the SB998 policy that the District, and she is unsure if it has ever been published. Director Garcia asked about putting the senate bill on Facebook as a public outreach measure. Christina said it is on the website. Director Garcia asked if it was on the District Facebook page. Christina said she didn't know.

Director Wadle asked if there is an estimate, what percentage of customers pay. Christina said there are not a lot who pay the invoice once the unpaid balance is put on tax roll. Christina said we scrubbed the list up until the end of August and there are not a large amount of customers who pay once they are informed.

Director Halpin said if the Board were to defer any liens in this year, and notified the public and did public outreach that this was done in lieu of COVID, is there any reason we couldn't do it 12 months from now. Jeff said do what? Director Halpin said can we defer for 12 months. Jeff said yes, that can be done. Christina said any unpaid balance can be tax rolled, it should not matter from year to year. Director Halpin said we need to try to collect the monies due us and would like to defer for 12 months in lieu of COVID. Director Wadle, said historically the District does not get paid. Director Halpin said he assumes many people are facing COVID hardships.

Jeff asked Christina if this was tax rolled, when would the tax bills be due. Christina said they would be done in two installments. Director Wadle said December and April.

Barbara said that is not how this works. The reason why there is an annual tax roll and why agencies such as the District put the lien is on each year, is because that tax won't get paid unless the property taxes are paid, or the house transfers/sells. If there is a sale of the property, the lien will get paid. She said the lien doesn't just go on the property tax bill and gets paid. She said there is no incentive to pay and that is why it happens every year.

Director Halpin said he is going to retract his earlier statement.

Director Saunders said the numbers are 5.5 times more than normal. He said he feels it related to COVID. He said there are a lot of small businesses on the Divide. He said we really need to look at if the liens will be hurting the customers more. He said looking at \$60K in the scheme of the entire budget, he doesn't know if that would be COVID relief and maybe look at the assessment districts as an option for this year.

Director Garcia said do you know if the requirement to put these delinquent accounts, does it require us to notify each and every account. Christina said we publish the list in the newspaper. Director Garcia asked if there has been any attempt to reach out to the customers to let them know their account is delinquent. Christina said no, the water bill shows the amount they are past due.

Jeff said if he understood Barbara correctly, the lien goes on the property tax bill, but customers can only pay the property tax, and not the lien. But the lien protects the District in a way in case the home owner sells the house. He said basically the liability to the District would then be attached to the property.

Director Halpin said at closing, the bill would be part of escrow account, and the District would get the funds. Barbara said if anything is done with the property the lien will pop up and will need to be cleared. Director Halpin said it encumbers their title. Jeff said yes. Director Saunders asked if this encumbers home-owners insurance at all. Barbara said it does not involve home-owners insurance at all, but a lien will show up on a credit check. Christina said the District does not report to the credit bureau.

Director Halpin said he is fine with putting liens on the customers at this point in time instead of waiting for 12 months.

Director Saunders said we have already waived for COVID, and should consider give customers right of notice. He said recommends a mailer notification to alert those customers before the tax roll.

Stephen Dowd said he agrees with Director Saunders. He said there should be something sent out to these customers.

Mike Thoronborough asked if the delinquent bills are from property owners or tenants. Christina said a large amount are property owners. Mike then said then some of them are tenants and the property owners will not know. Christina said the property owner will be notified if it is a rental. She said she was waiting for the Board to give direction. She said the notification would be to the property owner, via the newspaper. Christina said staff will notify a homeowner if there is a past due balance. Mike said it was mentioned in the meeting that these debts could be forgiven. He asked how that would not be considered a gift. Director Halpin said we cannot forgive the bill.

Barbara said it is it is difficult when it comes to gifting of public funds. She said there are hardship situations. The District would have to establish that the hardship was due to COVID. She said there is an effort to try and have the federal government to supplement these kind of

funds to be able to forgive a past due bill. She said it is not an easy answer and a very unusual situation.

Director Halpin said we can't use public funds as a gift based on our own discretion. Barbara said no, you cannot. Director Halpin said there is no point in speculating.

Director Saunders said there was a request for special district help, so he feels the District should wait and see if the District will get some relief. Director Wadle said we are trying.

Mike Thoronborough asked if any of the accounts are paying some money toward their balance? Christina this is an aging and are unpaid for 180 days. She said she removed anyone who was \$25 or less. Jeff said there are 284 customers who are 120-180 days late.

Director Saunders said the Board needs to make a decision with several different ways to pay. Director Garcia asked of the emails that are on file, approximately 400, are we aware if some of these customers have email addresses, and if so, can staff send them an email Christina said MOM does not allow for email extraction. Director Garcia said she was trying to think of a way that customers could be notified before August. Jeff said that is a lot of work of staff. Director Saunders said he would recommend a mailer. Director Garcia asked if staff could make phone calls. Director Halpin stated that these customers have received several bills, thus they have been notified several times. Director Saunders said this would be letting them know that they would be going to the tax roll and a lien will be placed on their property. Director Halpin said there is nothing stopping them from paying their bill. They are not mutually exclusive. Director Saunders asked if there was another reading before it goes to the paper. Christina said there will not be another reading before the list would be submitted to the paper with everyone's name on it, then it would go to the County. Barbara said you are at the first and second reading. Director Wadle said the notice says to waive the first reading. Barbara said yes, we are waiving the first, it has notification requirements, and then it is brought back for the second notice.

Director Wadle motioned to accept staff's full recommendation.

Barbara said the second reading in this instance, can be the notification. She said there is often the notice is the newspaper that ordinance becomes effective after it is put in the newspaper.

Director Wadle motioned to adopt staff's recommendation as listed. Director Halpin said seconded the motion.

Director Saunders asked if a notification mailer could be sent to those customers before their names are placed in the paper. Christina said we won't have enough time to send out a mailer, get things returned, and then put it in the paper. Director Garcia asked if there was any way to ask for an extension from the County. Christina said she did not believe that was an option.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Nay

Souza: **Aye**
Wadle: **Aye**

The motion passed four to one.

F. Ad Hoc Grant Writing Committee

Possible Board Action: Adopt Resolution

Jeff said Adam is not here. He said this is something we have talked about for the last few months. Said the committee is supposed to be made up of one or two directors, and this is something that Director Saunders has worked with Adam on. Jeff said he was turning the agenda item over to Director Saunders. Jeff said he wanted to clarify something on the resolution, he said the third bullet point where it states selected Board members to work with the public to match grant opportunities. He said Board members are not staff. He said that can be revisited. Director Saunders said it will be in the presentation.

Director Saunders said this has been talked about for a long time. He said it is another way to bring revenue to the District which can be used for things like the CIP. He said he has attended a lot of webinars helping him to gain success in grant writing. His idea to have a grant committee can help the District by having the committee continually look for grants and then match them with CIP projects and the timing of applying for the grants. He said this is a supplement to assist staff with the many steps in applying for grants, and an improvement of the process. He said the Board has had issues with the Board separating staff, committee and Board specific duties. He said his presentation separates all of those duties and activities. Director Saunders shared the presentation he prepared and spoke about each slide.

Director Halpin said he is impressed with Director Saunders approach. He really likes the idea for grants, but he stated he is a much bigger fan of ad hoc committees than he is of standing committees. He really likes the idea of grants and financing or special projects, taking tasks on one at a time. He feels that is a very good approach. He said he feels that is a much more effective approach rather than the standing committee. He said they need to have a mission, they have a timeline, they have a deliverable. He said the only comment he would make on it, making it a committee/ working group, so that it will not be encumbered by the Brown Act, that would completely defeat the purpose with adding the Brown act. He told Director Saunders he did a good job.

Director Wadle said he wanted to hear more about the expert volunteers, and what that process would look like.

Director Saunders said he would like to have volunteers based on minimum qualifications the Board thought was appropriate. He said his would be that the volunteers have successful experience in applying for, written and received grants. He said he is aware of several people throughout the Divide who have these specific qualifications.

Director Halpin asked if they would be appointed by the Board.

Director Saunders said he would like to have Board appointment, but he wanted to have an application process. Director Halpin said there should be both. He said Director Wadle makes a good point.

Director Wadle said he feels this committee should be like every committee at Districts he has worked with. He said they are Board member committees and they are working with staff. His recommendation is to have Board members speaking with members of the community, but he said he has a problem with memorializing this in a resolution with expert volunteers on the committee. He said he doesn't agree with that. He said he feels the Whereas: Board members to work with volunteers should be stricken. He said the one or two Board members can speak to volunteers, but it would not be memorialized in a resolution, and that they would not be formal members of the committee.

Director Saunders asked Director Wadle for further clarification.

Director Wadle said he would not be in support of having community members to an ad hoc committee. He appreciates all the work Director Saunders has done.

Jeff said along the lines of what Director Wadle said, and with no disrespect to Director Halpin, staff would rather have the staff work with the public. He said he would rather have the ad hoc committee deal with the public.

Director Halpin wanted to confirm that Jeff stated he was in agreement with Director Wadle's statement.

Jeff said from staff's perspective he would rather have the committee deal with the public.

Director Saunders said yes, that is why the committee is ad hoc.

Director Halpin he would fall in behind Director Wadle's suggestions based on his experience.

Director Saunders said the research part is something that requires a commitment. Director Saunders said that is the only worry with volunteers.

Director Wadle said he doesn't agree with that.

Director Souza said he didn't think we need community members. He said the Board members and the staff. He said partners are good. He said let's keep it simple. We don't need community members to be involved.

Director Garcia said she has done grants, and she knows how much commitment and work it takes with a lot of nuances. She said it takes a lot of time and information. She is aware of the commitment. Her concern is if volunteers are asked, and they are not made part of the committee, she is unsure if they will follow through. Director Garcia suggested the Board review who the volunteers are first.

Director Saunders asked for public comment. No public comment was given.

Director Saunders said using the community as partners can be helpful for the future as well.

Director Wadle motioned to forming an Ad Hoc Committee to appoint Board members, but he would change the resolution to strike the Whereas clause which states Board members will work with members of the public for grant opportunities. Director Souza seconded the motion.

Steve Dowd said there were great committee members on the Finance Committee that volunteered their efforts. He said maybe some of the Finance Committee members could volunteer for this committee.

Director Saunders said if effect volunteers with not be committee members, but they can be worked with as partners.

Roll Call was taken:

Garcia: Aye
Halpin: Aye
Saunders: Aye
Souza: Aye
Wadle: Aye

The motion passes unanimously.

Director Saunders said the next thing to be decided is which Board members will be on the Grant Committee. Jeff said it can be done now, or at the next meeting.

Director Souza said he declines. Director Garcia said she would volunteer because she has expertise in this subject, and in grant writing and research. Director Saunders said he would like to volunteer as well.

Director Halpin said he would decline.

Director Wadle said he was interested, but he would decline. Director Garcia said she knows that Director Wadle is busy, and there could be opportunities in the future.

Director Wadle motioned to appoint Director Garcia and Director Saunders on to the Ad Hoc Grant Support Advisory Committee. Director Souza seconded the motion.

Roll Call was taken:

Garcia: Aye
Halpin: Aye
Saunders: Aye
Souza: Aye
Wadle: Aye

The motion passed unanimously.

G. Contract with Gloria Omania

Possible Board Action: Adopt Resolution

Jeff said as all of you know, Ms. Omania has been supporting the District for a few years now, and has experience in grant writing, political advocacy, and has been working with George, she has also helped Jeff with different documents. She also has a lot of experience with a lot of contracts and can help with contract management. Jeff is asking the Board to approve her contract as it is presented in the Board packet.

Director Garcia said she is thrilled to see Gloria is willing to come back and help the District. Her communication skills and work skills are excellent. She would be just another great member of the team to get a lot more done in a short amount of time.

Director Wadle said he was prepared to make a motion to approve staff's recommendation.

Director Souza said we love Gloria.

Director Halpin said he agrees with everything Director Garcia said, and said he is a big fan of using contract labor, applying it where needed, and she is an excellent example of that working well. He would support the motion to bring her on board.

Director Saunders said she has worked in almost every position with us, and has been an asset to the District.

Stephen Dowd asked if she could be an independent contractor because of the law that was passed last year for this situation, instead of being hired as a staff worker?

Jeff said she would be hired as an independent consultant.

Ms. Omania said she would like to say thank you to the Board for their generous and kind comments. She said it has been an honor and a pleasure to work with the Board, and she is looking forward to continuing.

Director Wadle motioned to approve staff's recommendation. Director Garcia seconded the motion.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Aye
Souza:	Aye
Wadle:	Aye

The motion passed unanimously.

8. PUBLIC HEARING

Jeff asked Christina if she wanted to discuss this item. Christina said it is up to the Board to open the hearing. She said the limits have been set in what the County says. Barbara said yes.

Director Saunders opened up the hearing for the Appropriations Limit.

No public comments were given.

Director Garcia said for the recording, she wanted to read limits into the recording.

Director Saunders said he would be considering the limit of \$1,760,000.

Barbara, you consider the limit.

Director Saunders said it would be less than the expected total of \$2,909,000.

Director Saunders closed the public hearing

Director Wadle motioned to approve the recommendation and adopt the resolution. Director Souza seconded the motion.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Aye
Souza:	Aye
Wadle:	Aye

The motion passed unanimously.

Director Saunders said this is the property taxes that the District can take in.

9. 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.

Director Garcia asked Director Souza and Jeff if can we add the emergency notification system for discussion on to the August agenda, and to request for emails from customers so we can build the District email list. She said fire season is coming up and we would like to talk about notifying our customers in case of emergencies.

Director Saunders said he agreed with that and would want to work on strategies to increase our emails. He said Tyler will be soon to be online and we will have a better ability to contact customers through that system. Christina said she would suggest that we wait for the email notifications once the utility billing is up and going. She said they are hoping for the week of Christmas.

Director Halpin said he thinks an expanded email list is a great idea, however he would share the experience of ALT on emergency notification. He said last year there was a fire in ALT. He said they had set some kind of expectation that ALT would be able to provide emergency response notifications, and emergency response directives. He said when the emergency came, ALT was woefully inadequate and unprepared. Consequently, lots of our customers contacted us looking for direction and they were sorely disappointed to be directed to the guard shack. There was a huge disappointment between the expectations we had set as a community, with the very best of intentions, and our ability to deliver on those commitments. So now our response has been reduced to pointing to the County CalEOS. He said they have the authority to provide the appropriate information. He said the District should be mindful about handling an emergency, and passing out advice is fraught with problems.

Director Saunders said he agreed, that is not the role of the District.

Director Halpin said we cannot manage an emergency response.

Director Saunders said he was not thinking of emergencies of that level. He said he was thinking about the emergencies where we need to call the customers to conserve water.

Director Halpin said agreed, anything in our prevue.

Director Garcia said you have a lot information. She would like to have it on the next agenda, so the District can come up with a system. She was thinking of something like an opt-in system.

Jeff asked if this will be a discussion item? Director Garcia said yes, she would like to discuss it. Jeff said ok.

Director Souza motioned to adjourn the meeting. Director Garcia seconded the motion.

Roll Call was taken:

Garcia:	Aye
Halpin:	Aye
Saunders:	Aye
Souza:	Aye
Wadle:	Aye

The motion passed unanimously.

10. NEXT MEETING DATE AND ADJOURNMENT – The next Regular Meeting will be on August 11, 2020, at 2:00 P.M. via teleconference. Details to follow.

Jeff Nelson, Interim General Manager

Date