

**CONFORMED AGENDA  
REGULAR MEETING  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS  
6425 MAIN STREET, GEORGETOWN, CA,  
TUESDAY, February 10, 2015  
6:00 P.M.**

**MISSION STATEMENT**

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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** *Call meeting to order at 6:00 PM. Directors Present: Hoelscher, Capraun, Hanschild, Uso Director Krizl Absent Staff Present: General Manager Wendell Wall, Operations Manager Darrell Creeks General Counsel Barbara Brenner with Churchwell-White*

**2. ADOPTION OF AGENDA**

- A.** Board Action *Motion to Adopt Agenda by Director Uso, 2<sup>nd</sup> by Director Hanschild. Public Comment: None. Vote: Motion Carries 4 Ayes (Hoelscher, Capraun, Hanschild, 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 members 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.

*Ed Grout of Cool wants clarification concerning handheld meter readers that the District purchased. He is curious about their cost and whether they are being used. Director Capraun answered that the handhelds cost approximately \$16,000 for 4 and OM Darrell Creeks reported that the units never worked properly. Ray Kringel asked about a secured credit card transfer and how it should be reflected in the financial reports.*

**4. APPROVAL OF MINUTES**

- A.** Regular Meeting of December 9, 2014
- B.** Special Meeting of December 17, 2014
- C.** Regular Meeting of January 13, 2015
- D.** Board Action *Motion to receive minutes for December 9, 2014, December 17, 2014, and January 13 by Director Uso, 2<sup>nd</sup> by Director Hanschild, Public Comment: None, Vote: Motion Carries 4 Ayes (Hoelscher, Capraun, Hanschild, Uso).*

**5. FINANCIAL REPORTS:**

- A.** Accounts Payable for February 2015
- B.** Expense Summary for December 2014

C. Cash and Investment Reports for December 2014

D. Board Action to accept and adopt financial reports *GM Wendell Wall addresses Board and reports that there are no financial stand outs. Director Capraun wants to know about the credit card. GM Wendell Wall explains details of Wells Fargo account and the minimum balance required to avoid account fees. Money was transferred from LAIF to El Dorado Savings so an account at Wells Fargo could be funded by writing a check, there was an issue; so, the check to fund the Wells Fargo account was voided. Director Capraun would like the CPA to provide clarification about the Stumpy Fund with respect to the odd amount of cash receipts. Motion to receive and file financial reports by Director Uso; 2<sup>nd</sup> by Director Hanschild. Public Comment: None. Vote: Motion Carries 4 Ayes (Hoelscher, Capraun, Hanschild, Uso).*

6. **PRESIDENTS REPORT** *Director Hoelscher explained that John Kingsbury from the Mountain Counties Water Resources Association put on a seminar that many attended and John Kingsbury is here to bring us up to speed.*
7. **BOARD REPORTS** *Director Capraun goes to the water agency tomorrow and there is an opportunity on the agenda for us to request money for the bathymetric survey. Director Uso discusses the meeting at Mountain Counties and reflected that the meeting provided a clear picture about the entire Sierra Watershed. He feels that we need to be involved with the Sierra Conservancy as he feels that their work is vital to our future. Director Uso also wants the Board to consider becoming involved. Additionally, Director Uso reported that he and GM Wendell Wall have been meeting with the unions and he feels it will be positive for the staff to have certainty in their employment. Director Uso reported that he had finished his ethics course. Finally, he took the opportunity to express thanks to members of the Finance Committee for providing him with some enlightenment about where we are and where we need to go.*
8. **GENERAL MANAGER REPORT** *GM Wendell Wall yields the floor to OM Darrell Creeks who provides production statistics on water plants and comparisons with prior years. Water quality reports were compiled and sent to the State of California on time. Community Disposal System is working well and inspections are caught up. On Wednesday, 2/4/2015, the Stumpy Reservoir level was at 10,709 acre feet (53.5% of capacity); and by Monday, 2/9/2015, the reservoir level had risen to 11,212 acre feet. Director Uso requested a comparison to last year at this time. GM Wendell Wall explained that the Stumpy Reservoir currently has less water than we had last year at this time and we are tracking approximately where we were in 1977. Former Interim GM George Sanders describes the presence of larger pieces of floating debris in the waterways. GM Wendell Wall discusses the bathymetric survey that began on January 19<sup>th</sup> and that we will receive a report by about February 11<sup>th</sup>. Additionally, we may qualify to receive a reimbursement for ½ the cost of the survey. With respect to Proposition 218, GM Wendell Wall met with Director Capraun, Finance Committee Member Ray Kringel, and Mary Fleming about the cost of service. The process is moving forward but the cost allocation plan needs to move forward. GM Wendell Wall reported that OM Darrill Creeks and Former Interim GM George Sanders will be accompanying him to meet with State Water Resource Control Board Officials in Sacramento on Wednesday February 11<sup>th</sup>. At that meeting, they will be discussing the possibility that the 20% down payment required to qualify for the ALT plant loan might be reduced or waived. Additionally, a larger loan might be considered. During the meeting, the group will seek clarification with respect to servicing the loan and when, with respect to plant construction completion, the first payment will be due. Director Uso discusses the loan and how it could be effected if the 20% down payment were waived. Director Uso also expressed an interest in gaining flexibility on the loan so we can avoid having to return mid-construction to seek more funding. Storage tanks were inspected on January 29<sup>th</sup> and 30<sup>th</sup> and we have a preliminary verbal report that indicates that there will be work required on the tanks. GM Wendell Wall reported that the financials for the first 6 months of the fiscal year are here and temporary labor was anomalous when he arrived. The temporary labor fund started with \$22,000 and most of that has already been used primarily for work on Growlersberg. GM Wendell*

Wall expresses an interest in completing a budget revision. He plans to recruit for an Office Manager and he feels that things will be going better when positions are filled. Director Capraun suggests moving funds from labor to temporary labor. Director Capraun wants to have staff contact the county about a SMUD payment. Former Interim GM George Sanders clarifies that we need to formerly request the disbursement from SMUD and \$100k to \$110K will probably come in. GM Wendell Wall directs the audience to photos of the Stumpy Reservoir and the surrounding topography that illustrates the effects of the King Fire. Former Interim GM George Sanders explains SPI has done contour ripping which should result in less debris in the Stumpy Reservoir while the Forest Service has done nothing to date. Finance Committee member Ray Kringel questions SPI's plans for the burnt out area. OM Darrell Creeks indicates that SPI will begin replanting within a year. GM Wendell Wall talks about John Kingsbury and introduces the next agenda item. Dennis Goodenow discusses the Auburn Lake Trails loan and the misunderstanding concerning the 20% down payment requirement. District reserves will be tapped to fund the down payment and will be withdrawn from funds that are designated for other purposes. The reserves that are depleted are there for depreciated assets and the asset funds should be paid back. How much of the \$2 million ALT loan down payment comes from ALT depreciation and how much will come from other sources? Director Hoelscher indicates that consideration will be given to Dennis Goodenow's concerns during the Proposition 218 process. Director Capraun discusses the reserves shortfall and that, with the proposition 218 process, the reserve funds will hopefully be rebuilt. Director Capraun explains that money is earmarked for specific projects and suggests that the District recognize that reserves should be replaced. Director Uso wonders if we have the resources to build the plant and feels that, later on the agenda, time has been allocated when we can talk about these issues. Dennis Goodenow suggests that, during the Proposition 218 process, total funds needed should be requested to fully fund the project.

**9. PRESENTATION; MOUNTAIN COUNTIES WATER RESOURCES ASSOCIATION – No Board Action**

**10. RESOLUTION 2015-02**

- A.** Discussion – Board to consider issuance of 2 District Credit Cards without a guarantor. GM Wendell Wall reads memo. Director Capraun wants clarification with reference to the District's current credit card policy. Additionally, she wants staff to develop an updated credit card policy.
- B.** Board Action – Staff seeks approval of Resolution 2015-02 Motion to Approve Resolution 2015-02 by Director Uso, 2<sup>nd</sup> by Director Capraun. Public Comment: None. Vote: Motion Carries 4 Ayes (Hoelscher, Capraun, Hanschild, Uso).

**11. DROUGHT PREPARATIONS AND OUTREACH**

- A.** Discussion – Staff will provide information on existing drought and future. GM Wendell Wall reads memo. Director Hoelscher agrees that outreach is necessary and he is open to setting time aside for a meeting towards the end of February. Director Hanschild wants to know how many large users we have. Finance Committee member Ray Kringel recites that, last year, 75,000,000 cu ft of treated water was created and the 7 largest users used 11,600,000 cu/ft. Director Hoelscher and Director Hanschild want to get the large users together to see what can be done to conserve more effectively. An ALT resident and ALT Water Conservation Committee member confirmed that his committee has a plan in place to reduce water use on the golf course and a reduction of 25% has been achieved so far. GM Wendell Wall discusses the possibility of a State of California mandated storage curtailment. Former Interim GM George Sanders speaks on curtailment and the water rights the District has which date from both pre- and post-1914. Diversions on creeks can be curtailed by state mandate and George Sanders provides examples of what happened with curtailments last year. Director Uso discusses that we are low on the food chain with respect to standing up to the State of California. He also discusses that

*the District gets paid more for treated water than for raw water. GM Wendell Wall refers to the memo about setting a workshop.*

- B.** Board Action – Possible Board Action. *The Board directed Staff to schedule a workshop for late in February and reserve an offsite community center that can accommodate a large audience. No resolution is required.*

## **12. HARDSHIP VARIANCE; 2<sup>ND</sup> METER REQUIREMENT**

- A.** Discussion – Planning department of water availability letter from district. *Wendell reads memo. Director Capraun questions if we can allow hookups under the current phase 2 drought situation. GM Wendell Wall explains that this is a hardship and is unaffected by the drought situation.*
- B.** Board Action Motion to Approve the Variance by Director Uso, 2<sup>nd</sup> by Director Hanschild. *Public Comment: None. Vote: Motion Carries 4 Ayes (Hoelscher, Capraun, Hanschild, Uso).*

## **13. PROFESSIONAL SERVICES AGREEMENT; SIREN AND ASSOCIATES**

- A.** Discussion – To consider amending 1 month contract to extend for 6 months. *GM Wendell Wall reads memo. Director Capraun wants to consider extending the contract for a year. Director Uso wants to consider using staff to complete reports.*
- B.** Board Action – Consider approval of Professional Agreement with Siren and Associates for 6 months. *Motion to Approve Agreement by Director Capraun, 2<sup>nd</sup> by Director Uso. Public Comment: None. Vote: Motion Carries 4 Ayes (Hoelscher, Capraun, Hanschild, Uso).*

## **14. PROPOSAL; JOE VICINI, INC.**

- A.** Discussion – Repair of road surface along Sliger Mine Rd. *GM Wendell Wall reads Memo. Director Hoelscher wonders if we can proceed with option “A” and save some money by avoiding the second part. Former Interim GM George Sanders discusses the county requirements and that the District is required to match what is already there by paving and then sealing. OM Darrell Creeks agrees with Director Hoelscher but explains that, to fix the entire road surface which the District is obligated to repair, would cost in excess of \$1,000,000. Director Uso feels that it is frustratingly clear that we will spend this money to repair the road and then we will have to cut into the road again next summer. OM Darrell Creeks replied that we are only repairing the roadway where we have already repaired the subsurface water main and the roadway would not have to be repaired again. Director Uso feels that this issue should be addressed in a long range plan.*
- B.** Board Action – Approval of Proposal to enter Contract. *Motion to Approve Proposal by Director Capraun, 2<sup>nd</sup> by Director Uso. Public Comment: Ray Kringel comments on compaction. OM Darrell Creeks explains that staff has compacted already. Vote: Motion Carries 4 Ayes (Hoelscher, Capraun, Hanschild, Uso).*

## **15. DISTRICT CORPORATION YARD DITCH**

- A.** Discussion – Repair of failing section of canal north of the District office. *GM Wendell Wall reads memo. Former Interim GM George Sanders describes the problem within the grizzly and that district staff will perform the repair work. Additionally, most of the \$40,000 requested will be spent on equipment rental.*
- B.** Board Action – Consider releasing \$40,000 for repair of the canal. *Motion to release funds to Repair Canal by Director Uso, 2<sup>nd</sup> by Director Capraun. Public Comment: None. Vote: Motion Carries 4 Ayes (Hoelscher, Capraun, Hanschild, Uso).*

**16. AUBURN LAKE TRAILS TREATMENT PLANT**

- A.** Discussion – Recap and extension of prior month report on progress towards plant replacement. *Former Interim GM George Sanders discusses Director Capraun’s prior work about how plant would be funded. Large sources for funding were identified which include existing reserves and a few grants. The funding required for the plant construction is expected to reach \$11,700,000. He explains that the District will need to come up with some upfront money and he will accompany GM Wendell Wall and OM Darell Creeks to Sacramento tomorrow for clarification. Dennis Goodenow questions money sources and that the funds being tapped are for other uses. Director Capraun explains that the district had previously dedicated money to the treatment plant’s construction. Director Uso comments that this discussion is important and maybe we should maintain a reserve to take care of our obligations. He feels that borrowing more might be a good idea.*
- B.** Board Action – Possible Board Action. *No Board Action*

**17. 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 Capraun wants to approve a calendar for future Board meetings that will include the remainder of the year and she also wants to address altering the meeting time. Director Uso wants to insure that Board Members have access to continuing education which will help them run the District better. He thinks that each Board Member should have money allocated to attend events. Director Capraun explained that the budget has a line item for Board Members to enhance their education and money is available. Director Hoelscher doesn’t mind paying his own way. Director Capraun explained that, to fund an educational item, one need only present what you want to do to the Board. Legal Council Barbara Brenner explains that the policy could be addressed as an agenda item in the next meeting. GM Wendell Wall wants board members to have business cards. Director Hanschild requests that the top 10 most pressing “hardship” repairs be presented. GM Wendell Wall explains that there is a 5 year capital plan being developed.*

**18. CLOSED SESSION**

**A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section §54956.9: (potential cases) (3)

**B. CONFERENCE WITH LABOR NEGOTIATORS**

(Pursuant to Government Code §54957.6)

District Representative: Wendell Wall and Director Lon Uso

**19. ADJOURN TO OPEN SESSION -** Announcement of action taken in closed session *The Board returns from closed session at 9:55pm with nothing to report.*

**20. NEXT MEETING DATE AND ADJOURNMENT -** Next regular meeting March 10, 2015 at a time to be determined 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 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 in the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on February 5, 2014.

Signed: Wendell Wall Date: 3-11-15

Wendell B. Wall, General Manager