



**MINUTES
REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**

6425 Main Street,
Georgetown, California 95634

**THURSDAY, SEPTEMBER 5, 2024
2:00 P. M.**

BOARD OF DIRECTORS

Mitch MacDonald, President

Donna Seaman, Vice President

Mike Thornbrough, Treasurer

Michael Saunders, Director

Robert Stovall, 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.

A full record of this meeting is available on the District's channel:

<https://youtube.com/live/1nJTRwQ0-Fg>

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

President MacDonald called the meeting to order at 2:01 p.m.

Roll Call:

Present: Saunders, Stovall, Seaman, Thornbrough, and MacDonald

Absent: None

President McDonald led the Pledge of Allegiance.

2. ADOPTION OF AGENDA

Public Comment:

Cherie Carlyon

Director Stovall motioned to adopt the Agenda. Director Thornbrough seconded the motion.

President MacDonald called for the vote:

Ayes: Saunders, Stovall, Thornbrough, Seaman, and MacDonald

Nays: None

The motion passed **unanimously**.

3. PUBLIC FORUM

Steven Dowd
Steven Proe
Cherie Carlyon

4. CONSENT CALENDAR

A. Approval of Minutes

- August 1, 2024, Regular Meeting
- August 13, 2024, Town Hall
- August 14, 2024, Town Hall
- August 15, 2024, Town Hall

B. Approval of Surplus List Additions

Public Comment:

No comments were received.

Director Stovall motioned to adopt the Consent Calendar items. **Director Saunders** seconded the motion.

President MacDonald called for the vote:

Ayes: Saunders, Stovall, Thornbrough, Seaman, and MacDonald

Nays: None

The motion passed **unanimously**.

5. OFFICE/FINANCE MANAGER'S REPORT

- Financial Reports
- Investment Report
- Grant Report

Office Finance Manager Jessica Buckle shared that FY 2023-24 is continuing to shore up. The revenue amounts will continue to grow as past-due billing amounts are collected and processed.

Public Comment:

Cherie Carlyon

6. INFORMATIONAL ITEMS

A. Board Reports

Director Saunders the regional water authority will promote advocacy to the State Water Resource Control Board (SWRCB). The policy at the moment accounts for hotter and dryer, the advocacy will work to include hotter, dryer, and wetter, to account for stormwater, flooding, and excess water to allow for storage ability for reservoirs and the ability for flood control.

Director Stovall appreciates the District's collaboration with the community as demonstrated through a recent partnership with KFOK's Day on the Divide event. The Director shared his approaching attendance at a Special District Leadership Academy (SDF) training.

Director Seaman attended the National Night Out Event in Garden Valley and three Town Hall Meetings. The Director has begun the Strategic Planning process as a member of the Ad Hoc Strategic Planning Committee.

Director MacDonald shared his attendance at a recent Chamber of Commerce meeting at which he spoke about the cost-of-service analysis process. The Director also participated in the Water Rate Town Halls.

B. Operation Manager's Report

- Monthly Water Demand Assessment

General Manager Nicholas Schneider delivered the update. The Stumpy Meadows Reservoir is currently at approximately 85% of capacity. Recent repairs to the Lake Walton Dam were reviewed.

C. Water Resources Manager's Report

Alexis Elliott Water Resource Manager reported that the team performed 6 escrow and 2 new inspections and plan reviews during August. The 2nd Quarter Zone report was submitted. The District received .14 inches of rain. No new weather predictions have been developed.

D. General Manager's Report

General Manager Nicholas Schneider delivered the update. August had several events, including National Night Out, shortly after which the Crozier fire broke out.

Public Comment:

No comments were received.

7. COMMITTEES

A. Irrigation Committee – Ray Griffiths, Chairman – Next September 17, 2024

- **Board Liaisons:** Directors Seaman and Thornbrough

The meeting failed to achieve a quorum and was canceled thus no update is available.

B. Finance Committee – Andy Fisher, Chairman - Next September 26, 2024

- **Board Liaisons:** Directors MacDonald and Stovall

Director Stovall reported an informative past meeting. The Committee will begin assessment as the fiscal year-end reports become available evaluating the District's current financial standing. The Director continues to be impressed with the thoroughness of work and knowledge contributed by the members.

C. Ad-Hoc Labor Negotiations Committee- Meetings held as necessary.

- **Board Liaisons:** Directors Thornbrough and MacDonald

No developments were available to report.

D. Ad-Hoc Strategic Planning Committee- Meetings held as necessary.

- **Board Liaisons:** Directors Seaman and Stovall

Director Stovall shared that the Committee enjoyed a highly productive session. The Director is impressed with the project and sees value in the product which will be produced through the Committee's work.

8. ACTION ITEMS

A. Receive Legislative Update and Develop District Positions

Legislative Liaison Saunders shared the newest developments and discussed the legislation development processes. An Advocacy window remains before September 30th allowing for continued work on the State level.

Senate Bill 937 prescribes time frames during which agencies may collect fees, recently water was included in the bill language. The request is for a District opposition stance.

Public Comment:

Cherie Carlyon
Steven Dowd

Director Saunders motioned to accept the recommended District action on positions moving to a stance of opposition for SB 937 and join the CSDA and RWA coalition letters. Director Thornbrough seconded the motion

President MacDonald called for the vote:

Ayes: Saunders, Stovall, Thornbrough, Seaman, and MacDonald

Nays: None

The motion passed **unanimously**.

B. Review and Discuss the Cost of Service and Water and Wastewater Rate Analysis, Receive Community Input, and Provide Direction

Director Thornbrough shared his Alternate Rate Increase Presentation. The factors involved in determining the rates were examined. The coverage ratios were reviewed as a necessary component relative to debt. Sanjay Gaur of Water Resource Economics shared an interactive model to review the inflationary factors and various inputs impacting the rate proposal and factors involved in those determinations.

Board Discussion involved analysis of inflationary factors and their calculations into the analysis, reserve account requirements, the Capital Improvement Project Plans (CIP), the Auburn Lake Trails rates with past subsidy issues and the associated impacts to the reserve account, as well as the potential rate increase percentage proposals. Forecasting to account for future inflation and the factors included in that modeling were examined.

Provided Board Direction:

- Director Stovall supports what is established in the Water Resource Economics (WRE) proposal.
- Director Saunders shared his support for what was presented in the workshops by WRE.
- Director Thornbrough preferred his model which included an initial increase of 15% and 5% in the following years for both treated and raw water accounts.
- Director Seaman like to see the original WRE proposal.
- Director MacDonald agreed with the WRE proposal with the option of annual analysis.

Public Comment

Steven Dowd
Cherie Carlyon
Steve Proe

C. Consider the Adopted Fiscal Year 2024-25 Operating Budget and Capital Improvement Plan (CIP) Discussion with CIP Adjustments

General Manager Nicholas Schneider introduced that this item is for review of the operating budget and the Capital Improvement Plan (CIP) to identify any suggestions for potential changes. Direction had been previously received from a Director requesting that revenue from the investment's earned interest be allocated to CIP. Staff request is for the direction from the Board.

The discussion item was turned over to Director Thornbrough as this was an agenda item he requested. The Director's requests included attribution of assets sales into the CIP account, revaluation of items in priority one, and foregoing priority two projects this year. Interest accrued on the CIP funds should remain with the CIP. The Growlersburg crew work and associated budget allocations were explained as being greater than needed. Utilization of funds only for purposes for which they are allocated such as the headquarters building moving forward was given as a direction. Director Seaman requested that the Finance Committee examine the budget utilization percentages for the fiscal year. Director Saunders requested the creation of a line item for CIP revenue contribution and reporting of grant offsets. This would reflect inputs and expenses facilitating accurate year-end calculations.

Public Comment:

Cherie Carlyon

D. Consider Annual Year-End Zero out of the Fiscal Year 2023-24 Capital Improvements Plan Remaining Balances

General Manager Nicholas Schneider explained the accounting need for this action. The accountant identified remaining funds in accounts after past fiscal year closings which must be cleared for the auditing processes to occur. This is a standard practice to ensure the unrestricted fund numbers are correct.

Public Comment:

Cherie Carlyon

Director Thornbrough motioned to approve the recommended staff recommendation and adopt the resolution amending the Fiscal Year 2023-24 Capital Improvement Plan to a zero balance. Director Saunders seconded the motion

President MacDonald called for the vote:

Ayes: Saunders, Stovall, Thornbrough, Seaman, and MacDonald

Nays: None

The motion passed **unanimously**.

E. Consider Implementing an Ad Hoc Committee to Review and Update Board Member Reimbursement Related Policies and Approve ACWA Conference Related Expenses

Legal Counsel Frank Splendorio introduced the item and reviewed the contributing factors to the issue at hand. The existing policies contain language open to several interpretations which were examined. The decision to establish an Ad Hoc Committee to remove these issues so that moving forward the District procedures are clear of conflict and well established was established.

Public Comment:

Steven Dowd

Cherie Carlyon

Director Thornbrough Motioned for Directors Thornbrough and Saunders be appointed to the Ad Hoc Policy Committee. There was no second to the motion.

Director Stovall motioned for Directors Saunders and Seaman to be appointed to the Ad Hoc Policy Committee. The motion was seconded by Director Seaman.

Director Saunders made a substitute motion that Director Thornbrough and Saunders be appointed to the Ad Hoc Committee. Director Thornbrough seconded the motion.

President MacDonald called for the vote:

Ayes: Saunders, Thornbrough, and MacDonald

Nays: Stovall, Seaman,

The motion **passed**.

Director Stovall motioned to approve the travel and lodging expenses incurred at the Spring ACWA Conference in Sacramento and approve any block registration and hotel expenses for the approaching ACWA and SDLF conferences' recommended hotels. Director Saunders seconded the motion.

President MacDonald called for the vote:

Ayes: Saunders, Stovall, Thornbrough, Seaman, and MacDonald

Nays: None

The motion passed **unanimously**.

9. PUBLIC HEARING

A. Ordinance 2024-03 Establishing Backflow Requirements

President MacDonald opened the public hearing at 5:48 p.m.

Adam Brown Operations Manager introduced the Ordinance providing background establishing its necessity. This Ordinance provides compliance authority ensuring the District's water supply is protected enabling backflow requirement enforcement.

Public Hearing:

Cherie Carlyon

President MacDonald closed the public hearing at 5: p.m.

Director Seaman motioned to adopt Ordinance 2024-02 Certification of Annual Direct Charges, Fees, and Assessments with the proposed amendments. Director Thornbrough seconded the motion.

President MacDonald called for the vote:

Ayes: Saunders, Stovall, Thornbrough, Seaman, and MacDonald

Nays: None

The motion passed **unanimously**.

Public Comment:

No comments were received.

President MacDonald adjourned the open session to a closed session at 6:00 p.m.

10. CLOSED SESSION

- A. **Public Employee Performance Evaluation (Gov Code § 54957)**
Title: General Manager
- B. **Conference with Labor Negotiators (Gov. Code § 54957.6)**
Agency Designated Representative: President MacDonald
Unrepresented Employee: General Manager
- C. **Conference with Legal Counsel-Existing Litigation (Gov. Code § 54956.9(d)(1))**
Name of Case: GDPUD v. PG&E
- D. **Conference with Legal Counsel-Existing Litigation (Gov. Code § 54956.9(d)(1))**
Name of Case: Local 1 v. GDPUD, Unfair Practice Charge No. SA-CE-1266-M
- E. **Conference with Legal Counsel-Anticipated Litigation**
Initiation of litigation pursuant Section 54956.9(d)(4): 1 case
- F. **Conference with Labor Negotiators (Gov. Code § 54957.6)**
Agency Designated Representative: General Manager Schneider
Employee Organizations: Local 1
- G. **REPORT OUT OF CLOSED SESSION-**
There was no report out of the Closed Session.

President MacDonald adjourned the closed session to an open session at 8:59 p.m.

11. BOARD MEMBER REQUESTS FOR ADDITIONS TO FUTURE MEETING AGENDAS

This item was executed prior to the Closed Session per a request from Director Saunders.

Director Saunders requested a Board approval process in December for the conferences in 2025.

12. NEXT MEETING DATE AND ADJOURNMENT

- A. The next Regular Meeting will be October 3, 2024, at 2:00 PM., at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, California 95634.

Director Thornbrough motioned to adjourn the meeting. Director MacDonald seconded the motion.

President MacDonald called for the vote:

Ayes: Saunders, Stovall, Thornbrough, Seaman, and MacDonald

Nays: None

The motion passed **unanimously. The meeting adjourned at 9:00 p.m.**



Nicholas Schneider, General Manager



Date

Attachments:

- 1. Legislative Report Updated 2024_09_05

LEGISLATIVE REPORT

Director Saunders

August 2024

Requested Advocacy Position/Changes

State			
Bill	Brief Description	District Position	Recommended Position
SB 937 (Wiener)	This bill makes numerous changes to development fees . Limits when a local agency can collect development fees and connection fees. https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB937 Previously removed language affecting Water Agencies, language has since been put back in which includes water/sewer/wastewater districts. At the very least, their is unequivocabe exposure to water agencies. Current position (Neutral/Watch) Recommended Position: Oppose (other Agencies: CSDA, RWA)	Neutral/Watch	Oppose
9/4 - Presented to the Governor			

District Positions

Federal			updates
Bill	Brief Description	District Position	
S 3830 LIHWAP ACT	Would make the LIHWAP program permanent (US sunset - May 2024) https://www.congress.gov/bills/118th-congress/senate-bill/3830/text	Support	In Senate: referred to the Committee on Health, Education, Labor, and Pensions
H.R.8812 - Water Resources Development Act of 2024	GDPUD has a Bill amendment for \$20.5 million in the Bill.	Support	Passed House - 7/22 In Senate - 7/23

State			
Bill	Brief Description	District Position	updates
SB 1110 (Ashby)	Would specify that the Water Board can forgo strict enforcement of water efficiency requirements if there are lower cost water supply options and extends the timeline by two years. https://leginfo.legislature.ca.gov/faces/billCompareClient.xhtml?bill_id=202320240SB1110&showamends=false	Support	Passed Senate. August 15 hearing: Held in Assembly Approp committee and under submission (suspense file)
SB 1072 (Padilla)	Would amend and remedy issues with Prop 218. https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1072	Support	Passed Assembly 8/28 Senate 8/29 Enrolled 8/29
AB 2257 (Wilson) ACWA sponsored	This bill would aid member agencies in defending against Proposition 218 lawsuits by requiring litigants to have participated and raised specific objections during the public administrative process. https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2257	Support	Passed Senate 8/27. Enrolled 8/29
SB 1088 (Alvarado-Gil)	It is the intent of the Legislature to establish a Rural and Small Community Fire Resilience Program within the Office of Emergency Services to work in coordination with the Department of Water Resources, the State Water Resources Control Board, and other appropriate state entities to develop a program for the distribution of state matching funds to communities within the Wildland Urban Interface, or WUI, to improve water system infrastructure, including upgrading and upsizing waterlines, installing additional fire hydrants of water systems, and enhancing water system delivery to ensure adequate water flow for fire prevention and suppression activities https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1088	Support	Passed Senate. August 15 hearing: Held in Assembly Approp committee and under submission (suspense file)
AB 1827 (Papan)	Would provide that the fees or charges for property-related water service imposed or increased, as specified, may include the incrementally higher costs of water service due to specified factors, including the higher water usage demand of parcels. https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1827	Support	8/27 Passed, Enrolled to Governor

SB 1218 (Newman)	Would declare that it is the established policy of the state to encourage, but not mandate, the development of emergency water supplies, and to support their use during times of water shortage. https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1218	Support	Passed Senate. August 15 hearing: Held in Assembly Approp committee and under submission (suspense file)
SB 1393 (Niello)	Would require the State Air Resource Control Board to establish the Advanced Clean Fleets Regulation Appeals Advisory Committee for purposes of reviewing appeals of denied requests for exemptions from the requirements of the Advanced Clean Fleets Regulation. https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1393	Support	4/3 Failed Senate Environmental Quality Committee. Reconsideration Granted.
SB 867 (Dodd)	Climate Resiliency Bond https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1393	Support	Passed. Approved by Governor 7/3/24; going to Nov Ballot
Advocacy Coalition	Join ACWA's Coalition to Maintain Funding for Agreements to Support Healthy Rivers and Landscapes	Support	
AB 1337 (Wicks)	This bill would authorize the board to issue a curtailment order for any diversion, regardless of basis of right, when water is not available under the diverter's priority of right. Violation would be considered a trespass. https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1337	Oppose Unless Amended	Hearing cancelled by author
SB 1255	LIRA Program Bill. Water agencies - must have a Low Income Rate Assistance Program, and funding would be by customers that would not qualify. Customers would automatically be charged a fee unless they "Opt-out" of the contribution fee. Maximum of 10% voluntary contributions for administrative costs. https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB1255	Oppose Unless Amended	Passed Senate. August 15 hearing: Held in Assembly Approp committee and under submission (suspense file)

Neutral/Watch

AB 1820 (Schiavo)	This bill would authorize a development proponent that submits a preliminary application for a housing development project to request a preliminary fee and exaction estimate, as defined. The bill would require a local agency to comply with the request within 10 business days of the submission of the preliminary application. https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1820		Passed Senate 8/27. Enrolled 8/29
AB 460 (Bauer-Kahan)	Was a water rights bill. Text amended now only refers to Fines and Penalties. https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB460		Passed Senate 8/29 enrolled 9/5