

CONFORMED AGENDA
SPECIAL JOINT MEETING WITH FINANCE COMMITTEE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CA 95634

MONDAY, MAY 7, 2018
2:00 P.M.

Note: This meeting is being held in lieu of the May 8, 2018 Regular Board Meeting.

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 at 2:05 PM. Director Hanschild led in the Pledge of Allegiance.

Directors Present: David Halpin, Jesse Hanschild, David Souza, Lon Uso, Dane Wadle.

Staff Present: General Manager Steven Palmer, Operations Manager Darrell Creeks, Engineering Consultant George Sanders, Board Assistant Diana Michaelson. Legal Counsel: Barbara Brenner, Churchwell White, LLP.

2. ADOPTION OF AGENDA

Motion by Director Hanschild to adopt the agenda. Second by Director Halpin.

Public Comment: Steven Proe asked that Agenda Item 7.A. be pulled from the agenda.

Vote: The motion passed unanimously.

- 3. PUBLIC FORUM** – Any member of the public may address the Board on any matter within the jurisdictional authority of the District. Public members desiring to provide comments, must be recognized by the Board President, and speak from the podium. Comments must be directed only to the Board. The public should address the Board members during the public meetings as President, Vice President, or Director, followed by the Board member's individual last name. The Board will hear communications on matters not on the agenda, but no action will be taken. No disruptive conduct shall be permitted at any Board meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the President, of that person's privilege of address.

Steven Proe commented that GDPUD is installing a service line to his and his neighbor's property, noting that there is a big hole and wanted to know if the workers used a caisson for protection. He asked to be notified in writing by the General Manager of what staff is doing to protect workers in the field.

Mike Saunders of the Finance Committee thanked Operations Manager Darrell Creeks and Marty Ceirante for giving tours to new Finance Committee Members.

4. PROCLAMATIONS AND PRESENTATIONS

A. Congratulating Craig Carlyon

The General Manager read the proclamation commending Craig Carlyon for his outstanding service to the District and congratulating him on his recent retirement.

B. AWWA Drinking Water Week

The General Manager read the proclamation declaring May 6-12 American Water Works Association Drinking Water Week, with the theme "Protect the Source."

5. CONSENT CALENDAR

A. Approval of Minutes

1. Regular Meeting of April 10, 2018
2. Special Meeting of April 19, 2018

B. Financial Reports

1. Statement of Cash Balances
2. Month End Cash Disbursements Report

C. Declaring a Consolidated General Election

Possible Board Action: Adopt Resolution 2018-31.

D. Authorize General Manager to Execute Lease Agreement with AT&T

Possible Board Action: Adopt Resolution 2018-30.

E. Set Hearing on Proposition 4 Appropriation Limitation

Possible Board Action: Adopt Resolution 2018-28.

Motion by Director Halpin to approve the Consent Calendar. Second by Director Hanschild.

Public Comment: *There was no public comment.*

Vote: *The motion passed unanimously.*

6. INFORMATIONAL ITEMS

A. President's Report

Director Uso reported that three Directors – Hanschild, Souza, and Uso – and the General Manager recently attended a meeting at the El Dorado Irrigation District. The topic of the meeting was "Is the State Overreaching?" The consensus of all the attendees was that the State is, indeed, overreaching.

B. Board Reports

Director Souza also commented on the EID meeting stating that he was surprised to learn the degree to which the State wants to take over all the water districts. Director Wadle noted that it is a big risk for the rural districts because that is where the water would be taken from. Director Uso responded that Mountain Counties Water Resources Association is putting together a group from Northern and Southern California districts to come together to talk about the best way to deal with the State Water Board.

C. General Manager's Report

General Manager Steven Palmer provided updates on staff recruitments. He then announced that to ensure clear separation of duties and allow no overlap between Accounts Payable and Accounts Receivable, the

office will be closed from 12:30 to 1:00 PM going forward. He also noted that the office will be closed on May 28, Memorial Day.

Mr. Palmer provided an update on the FY 2018-19 budget process and reviewed the list of upcoming Board items.

D. Operation Manager's Report

Operations Manager Darrell Creeks reported that all the ditches are on. The Kelsey canal is having some problems and crews are busy completing numerous work orders. The Garden Valley pipeline experienced problems with the failure of a pressure reducing valve. That is now fixed. Both treatment plants are working well and producing a normal amount of water for this time of year. The lake is spilling . . . for now. Staff is currently performing hydrant flushing on various routes and doing pressure testing and flow testing along with the flushing. Director Uso commented that it would be a good idea to include in the budget funds to repair and replace old hydrants.

E. ALT Treatment Plant Update

Engineering Consultant George Sanders provided a summary of work activities at the ALT treatment plant. During the month of April, construction activities at the site have been within the Filter Building, the Raw Water Pump Station Building, together with miscellaneous Site Improvements. To date \$8.3M has been spent on this project. There were no additional change orders in this reporting period.

Mr. Sanders followed his report with a slide show of project-related photos. He concluded by reporting that the project is currently on time and on budget.

F. Finance Committee Report

Finance Committee Chairperson Rick Gillespie reported that the Committee met on March 20 and approved the meeting notes compiled by the new secretary, Michael Saunders. Mr. Gillespie reported that he also went on the tour (up-country) and was impressed with what he saw. He commended staff for keeping things going and fixing problems as they occur. He then commended new Committee members who are very involved and participating in all the meetings. Mr. Gillespie commented that the Draft Capital Improvement Plan is a good one that presents more information than any of the previous plans he has seen.

Director Uso expressed the Board's deepest thanks to the Finance Committee and to Mr. Gillespie for chairing it.

7. NEW BUSINESS

A. Award a Construction Contract and Authorize General Manager to Execute a Construction Contract with Bosco Contractors Inc. in the Amount of \$937,300 for the Water Conservation, Supply Reliability, and Environmental Protection Project

Possible Board Action: Adopt Resolution 2018-27.

Mr. Sanders presented the staff report and recommendation. On August 7, 2015, the Georgetown Divide Public Utility District (District) entered into a Local Sponsor Agreement with the Nevada Irrigation District (NID) which designated the District as a Local Project Sponsor to receive Cosumnes American Bear Yuba (CABY) Integrated Regional Water Management (IRWM) grant funding in an amount not to exceed \$860,894 for a Water Conservation, Supply Reliability and Environmental Protection Project (Project). The terms of the grant indicate that construction funds must be expended by December 31, 2018.

Since the execution of this Agreement, the District has submitted to NID the required Environmental Documentation and Quarterly Reports. On February 13, 2018, the Board of Directors approved the Project plans and specifications and authorized the solicitation of construction bids.

On March 7, 2018, the District released a request for bids for the Project. The Project consists of lining with gunite approximately 10,500 lineal feet of different sections of the ditch system that delivers water to both the raw water customers (5200 LF) and the Auburn Lake Trails Water Treatment Plant (5300 LF). All ditch work would occur after the end of irrigation season.

On April 16, 2018, the District received two construction bids. Based on a review of the construction bids, as submitted by each of the contractors, Bosco Constructors, Inc., has been identified as the apparent low, responsive, responsible bid.

Motion by Director Halpin to accept Staff's recommendation and adopt Resolution 2018-27.

Second by Director Hanschild.

Public Comment: Cherie Carlyon asked if the ditch would still require maintenance after the lining is put in. Mr. Creeks responded that it would, but not nearly as much. Mr. Proe spoke in opposition to Agenda Item 7.A.

Vote: The motion passed unanimously.

B. Review Strategic Planning Workshop and Adopt Board Goals and Objectives for Fiscal Year 2018/2019

Possible Board Action: Adopt Resolution 2018-29.

Mr. Palmer presented the staff report and recommendation. On March 30, 2018, the District Board held a strategic planning workshop with the theme "Creating Stability and Looking to the Future." The workshop was facilitated by Dr. Bill Mathis of Mathis Consulting Group and lasted from 9am until 4:30pm.

Following the workshop, Dr. Mathis provided the District with a memo and notes from the workshop. In those documents, Dr. Mathis presents several recommendations and goals to the Board for consideration. Recommendations from Dr. Mathis to the Board included:

1. Regularly have public meetings to develop trust with your constituents. Your Board and Finance Committee are your key advocates. The General Manager and staff implement effective decisions.
2. Find strategies to assign key financial analysis of major purchases and projects by the Finance Committee.
3. Provide annual General Manager evaluation and formalize Goal Setting Session.
4. Fund key engineer and information technology roles. Fund consultant to work with GM and Board on communications strategy for 2018.
5. Stay focused in infrastructure, repairs and maintenance as General Manager focuses on quality, delivery and hiring the best staff with resources to complete their work.
6. Fund equipment replacement vs. fixing old, worn out resources. Replace equipment as recommended by General Manager and key personnel.
7. Formally adopt key governance and policy documents discussed at workshop.

In order to implement these recommendations, the Board needs to review and approve the goals discussed at the workshop. Staff summarized goals from Dr. Mathis memo and the workshop into a list of goals and objectives for consideration and approval.

There was a lengthy discussion regarding whether to go through the report line by line before taking a vote. The general consensus was that the Board Members had all been through the 7-hour workshop and there was no need to further analyze the goals.

Motion by Director Wadle to adopt Resolution 2018-29. Second by Director Halpin.

Public Comment: Cherie Carlyon asked if the entire report was included in the agenda packet. Mr. Palmer responded that it was. Mr. Proe noted that the District website needs a search feature and needs to be more user friendly. Michael Saunders spoke to the difference between goals for budgeting vs. goals for fiscal year. Cindy Garcia suggested that there is nothing that prevents the Board from revising any of the goals in the future.

Vote: The motion passed unanimously.

C. Review Fiscal Year 2018/2019 Draft Budget with Input from Finance Committee

Possible Board Action: Receive General Manager's Draft Fiscal Year 2018-2019 District Budget and provide direction on preparation of a final budget.

Mr. Palmer presented the Draft Budget. There was some discussion. The Board asked the General Manager to try to find more savings in order to put more toward infrastructure.

D. Review Draft Capital Improvement Plan Update With Input from Finance Committee

Possible Board Action: Receive the Draft 5-Year Capital Improvement Plan and provide direction on preparation of a final 5-Year Capital Improvement Plan.

Mr. Palmer presented the Draft 5-Year CIP. There was some discussion. The Board instructed the GM to make some revisions and bring the plan back to the Board.

8. BOARD DISCUSSION

9. 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.

There being no further comments, the Board adjourned to closed session at 6:05 P.M.

10. ADJOURN TO CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL

A. ANTICIPATED LITIGATION: Potential litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (one potential case).

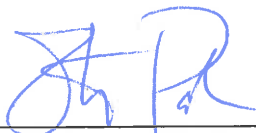
**B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(Pursuant to Government Code section 54957(b)(1))
Title: General Manager**

The Board returned to open session at 6:50 P.M. and reported that no action was taken in closed session.

11. NEXT MEETING DATE AND ADJOURNMENT – Next Regular Meeting is June 12, 2018, at 2:00 PM, at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, CA 95634.

The meeting adjourned at 6:50 P.M.

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 Steve Palmer by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one-full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on May 3, 2018.



Steven Palmer, PE, General Manager

6/19/18

Date