

**Grizzly Flats Community Services District
Minutes of the Regular Meeting of the Board
September 12, 2014**

A. CALL TO ORDER

The regular meeting of the Grizzly Flats CSD Board of Directors was called to order at 9:00 AM by Director Legrand.

ROLL CALL OF THE BOARD

Present: Directors Ball, Legrand, Sullivan and Updike

Absent: None

Others: Kim Gustafson, Mel Kelley, Jodi Lauther, Leo Rainwater and Lyle Tomlin

SALUTE TO THE FLAG was led by Director Legrand.

B. APPROVAL OF THE AGENDA- Director Ball made a motion to approve the agenda as presented. Director Sullivan 2nd the motion. There was no further discussion. The motion passed with all Directors present voting aye.

C. PUBLIC COMMENT – Mel Kelley mentioned that the Department of Homeland Security has some funding available, which could be used to get water Districts off the grid. The Board requested that staff look into possible options for receiving funding to install solar power at the District’s office and automatic transfer switches for the Treatment Plant and Tyler facility.

D. CONSENT CALENDAR- These items are expected to be routine business not normally requiring discussion. Action by the Board was taken at one time with one motion.

1. **Approval of the minutes of the regular meeting on August 15, 2014.**

Director Updike made a motion to approve the Consent Calendar as presented. Director Sullivan 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

E. OFFICE & FINANCE / Jodi Lauther, General Manager

Monthly review of Office Operations

1. **Review and accept the resignation letter from Director Davidson, effective 9/4/2014** – Jodi Lauther directed the Board to page 5 of the agenda packet, wherein Art Davidson tendered his resignation from the Board effective September 4, 2014 due to the fact that he is no longer a resident of Grizzly Flats, and is therefore disqualified from serving on our Board of Directors.
2. **Review and discuss the process for filling a vacancy on the GFCSO Board of Directors and consider authorizing the General Manager to post a vacancy notice** – Jodi Lauther said that the Board usually posts vacancy notices inside the glass case at the post office, outside on the post office bulletin board, within the District office, and upon the District’s website. She said that whoever is appointed to the vacant position will serve until the next election scheduled for December, 2015. Director Legrand offered his assistance relative to helping with candidate orientation if needed.

Director Ball made a motion to approve posting of the vacancy notice at the standard locations, to review submittals from interested individuals, to have the Board interview them during a regular Board meeting and to make an appointment following the interviews. Director Updike 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

3. **Review and approve a policy revision for the District’s Health Reimbursement Arrangement (HRA) plan** – Jodi Lauther said that she is seeking the Board’s approval to amend the District’s Health Reimbursement Arrangement (HRA) plan with the changes she submitted to them during the regular meeting on August 15, 2014.

Director Updike made a motion to approve the proposed amendments to the District's Health Reimbursement Arrangement (HRA) plan as presented. Director Sullivan 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

Monthly review of Financial Operations

4. **Report on District's annual financial audit which was performed on August 18 & 19, 2014 and present the final audited financial reports for last fiscal year (July 1, 2013 – June 30, 2014)** – Jodi Lauther presented the final audited financial reports for the year ending June 30, 2014. She said that there was a net loss between the Operations and Maintenance (O&M) and Capital Improvement Projects (CIP) accounts in the amount of \$90,171.60. Total income was at \$513,151.11, and the expenses totaled \$603,322.71. Last year, depreciation increased approximately \$20,000. She then went on to the Balance Sheet listed on page 13, where she noted that the District met all of its reserve targets. She said that the Board may want to increase the Capital Improvement Projects (CIP) dedicated reserve listed under item #11210. Next, she went over the Budget vs. Actuals listed on page 15. She said that the District earned \$18,458.06 more than expected from water user fees, water user penalties, pooled interest, and Grizzly Pond shirt sales. She said that item 65350 Membership & Dues was higher than anticipated due to some charges overlapping the fiscal year. Overall, the District spent 90% of the budget, with a net income of \$55,435.14. Jodi went on to reference page 19 of the packet where the previous years' comparison was listed. She noted that the District has cut down a lot of expenses. The Board requested that the auditor's office make a presentation of their findings during one of the next regularly scheduled Board meetings.
5. **Present the financial reports and spending for August 2014, and the revised/completed financial reports for July 2014** – Jodi Lauther told the Board that the revised Profit and Loss sheet for the Operations and Maintenance (O&M) account is listed on page 22. She said that there were not a lot of expenses in July 2014, resulting in a large net income. The Balance Sheet listed on page 24 shows the same numbers as the audit. She said that the Emergency Reserve item 11130 fluctuates, due to Asset Management. Referencing page 27, Jodi noted that the net income for August 2014 was lower at \$2,608, due to more expenses and the monthly depreciation increase.

Director Sullivan made a motion to approve the financial reports and spending for July and August 2014 as presented. Director Updike 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

6. **Present the District's 2014 Earl F. Sayre Excellence in Safety Award notification from Special District Risk Management Authority (SDRMA) and discuss related expenses** – Jodi Lauther said that the Special District Risk Management Authority (SDRMA) will be paying for one hotel night and transportation charges so that she can accept the District's "2014 Earl F. Sayre Excellence in Safety Award" at the California Special District Association's (CSDA's) Annual Conference in Palm Springs, CA. Since she will already be in Palm Springs, Jodi would like the Board's approval to attend one additional day of the conference. The additional conference attendance, lodging and miscellaneous travel expenses total \$650, which is available in the current budget.

Director Ball made a motion to approve the travel and conference expenses for the General Manager's attendance at the CSDA Annual Conference as requested. Director Sullivan 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

F. OPERATIONS / Leo Rainwater, Water System Manager

Monthly review of plant and field operations

1. **Present the GFCSD System Report for August 2014** – Leo Rainwater said that 90.4 gallons of 11.47% average concentration Sodium Hypochlorite and approximately 5 gallons of 8809 were used last month. The increased chemical usage is attributed to the higher customer demand, which is typical for this time of year. Leo also said that we will still be able to get 8809 from El Dorado Irrigation's facility in El Dorado Hills. He went on to say that the California Department of Public Health has officially changed over to the Division of Drinking Water, State Water Resources Control Board. Additionally, he said that North Canyon diversion rebounded from 6" to 6.5" going into the pipe, and that Big Canyon was down from 2" to 1.5" now going into the pipe. He informed the Board of the fact that the reservoir is now open to five notches, and continues to spill. Leo stated that both Treatment Plants ran well last month, and that backwash remained at 50 hours.

Although there were no leaks in the distribution system last month, several customers called into the District to report leaks on their side of the meter, indicating that they are really paying attention to the State's current conservation mandate. Leo told the Board that the District's Operations staff was busy working on projects last month, and that they were able to complete the installation of eight new cleanouts on Eagle Ditch, and to complete the retaining wall and rebuild our sample shed at the Winding Way Tank site. During the Grizzly Pond work day on August 21, 2014, Director Ball, Director Updike and staff moved the picnic tables and installed a chain link fence on three sides of the water and power utilities, while Mel Kelley extended the front fence. Leo then informed the Board of an incident which occurred on August 22, 2014, when the District's Ford Ranger was struck by a motorcyclist who rounded a corner on the wrong side of the road while driving on Winding Way. The accident caused significant damage to the District's truck, the expense of which Special District Risk Management Authority (SDRMA) will cover without impact to our insurance record. There was no rainfall last month, and the daily production average was 115,465 gallons. Leo then said that the diversion data had not yet been received for August, and that he would therefore present that data at the next regular Board meeting in October.

2. **Emergency generator start-up procedures and scheduling a training day** – Leo Rainwater said that he would like to set up a training day to show designated Board members and volunteers how to start up the District's generators in an emergency situation. He prepared instructions for starting up the Treatment Plant and Tyler generators, which were included in the packet starting on page 49. He said that staff will hang a copy of the procedures in each of the generator buildings. Mel Kelley recommended adding a sign-in/sign-out sheet along with the instructions at each of the generator sites.
3. **Report from the August 21, 2014 Grizzly Pond Work Day** – Leo Rainwater said that this item was discussed under the system report, and then added that Steve Hupner of the Grizzly Flats Fire Safe Council offered to provide the District with some wood chips once their road clearance projects are completed.
4. **Update on options and pricing for transfer switch installations on the District's generators** - Leo Rainwater reported that it would cost \$5,875.02 to install an automatic transfer switch at the District office, and \$5,304.61 to install one at the Tyler Tank site. Due to the proposed costs received for installation of automatic transfer switches at the Treatment Plant generator building and Tyler Tank generator site, the District would need to go to bid prior to proceeding with this project. It was decided that due to the high cost, volunteers will be trained to start up the District's generators in an emergency situation rather than installing the switches at this time.

***Break from 10:30 AM to 10:45 AM**

5. **Review and approve the Vulnerability Assessment (VA), Emergency Response Plan (ERP) and Emergency Notification Plan (ENP). Board review of these items are required every three (3) years and was last done in 2011** – Jodi Lauther told the Board that the District's Vulnerability Assessment (VA), Emergency Response Plan (ERP) and Emergency Notification Plan (ENP) require updating and Board approval every three years. Director Legrand requested comments from the Board, relative to recommended changes. Don Sullivan recommended removing Art Davidson's name from the Emergency Response Plan's "Board Members" listed on page 88, and from the Emergency Action Plan's listed "Personnel Trained in First Aid/CPR" on page 99.

Director Sullivan made a motion to approve the Vulnerability Assessment (VA), Emergency Response Plan (ERP) and Emergency Notification Plan (ENP) as amended. Director Ball 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

6. **Review and take comments for the new Emergency Action Plan. The Plan will be placed on the agenda next month for approval** – Jodi Lauther told the Board that the District's "Emergency Action Plan" is a document which provides staff with clear instructions and procedures to follow during various emergency situations. She said that once the document has been approved, the Board and staff will be trained using its contents.
7. **Review quotes and select a contractor to seal-coat the District's paved driveway** – Leo Rainwater said that he contacted six companies to request quotes for seal-coating the District's paved driveway, but only received two quotes back. His recommendation was to proceed with the lower quote received from Sierra

Nevada Sealcoating. Mel Kelley recommended that staff keep gravel off the corner of our driveway for safety purposes.

Director Ball made a motion to proceed with the lower quote and have Sierra Nevada Sealcoating perform the work on the District's paved driveway. Director Updike 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

GENERAL BUSINESS ITEMS

G. WATER SUPPLY, DROUGHT AND CONSERVATION

1. **Discuss condition of the District's water supply, water demand, drought conditions and related communications** – Jodi Lauther said that although firefighters had pulled water from the District's hydrants to fight the recent fire on Cosumnes Mine Road, August's production was still down 18% than this time last year. The July through August average savings totaled 22%. Jodi mentioned that the diversion flows are barely keeping the reservoir overflowing. There was some discussion about how we would pay for water if it needed to be trucked in, and the response from Jodi was that the funds would come from the District's reserves. The Board requested that staff contact water truckers for quotes, so that the District is prepared if we should ever need water delivered in the future. The Board requested that staff look into our options in case the District ran out of water, such as who would pay for delivering water and how we would keep water here for health and safety purposes.
2. **Discuss the fire on Cosumnes Mine Rd on 9/3/2014; the effect on our water system, dipping of the reservoir by helicopters, and assisting with the identification of other local water sources for firefighting** – Jodi Lauther said that CalFire dipped in the District's raw water reservoir three times during the Cosumnes Mine fire. She said that during the recent Grizzly Flats Fire Safe Council meeting, it was mentioned that CalFire will be working with the owner of Saluti Cellars (a nearby winery) to set up an incident command center and draw from one of their ponds in local emergency fire situations. The Board requested that staff send a letter to CalFire, Pioneer Fire Protection District, and the United States Department of Agriculture (USDA) Forest Service to let them know that they cannot draw water from our sole source of water (raw water reservoir) as it poses a risk to our community's health and safety.
3. **Update on developing a long term Water Plan for the District including investigating additional sources of water** - Leo Rainwater said that as per the Board's request, he looked into the possibility of locating a new well site. He contacted Bruce Berger at the Division of Drinking Water, State Water Resources Control Board, who thought that finding a source would be a good idea, although he was worried about blending it into the reservoir due to the high iron and manganese levels in our area which would limit the amount we could pull from the well. If we do blend the iron and manganese into our reservoir, it could contaminate the watershed below. If we were to proceed, Bruce recommended adding an additional pipe to the Eagle Ditch line to blend the well water directly into the Clearwell. If we were to do so, we would need to permit the new well and run regular tests to ensure that the water quality meets the State standards, the overall costs for which would be very expensive. Director Legrand recommended that District staff continue to research alternate sources of water and/or land to purchase where a well may be established. Leo commented that if the District were to purchase water from an individual homeowner, their well would need to be fully permitted by the State. Mel Kelley mentioned that someone from Shingle Springs has purchased land and will be building on the Spring Flat site, and will begin to drawing water from the Eagle Ditch line. Leo Rainwater said that he will look into whether that site is one of the locations with an existing water right and a connection to Eagle Ditch, or if it will need a new connection and water right.

H. COMMITTEE REPORTS

1. **Mountain Counties Water Resources Association**
 - a. **Discuss the upcoming "Innovative Water Technologies for California" event scheduled to take place at the Lake Natoma Inn in Folsom, CA on Wednesday, October 15, 2014** – Jodi Lauther mentioned that the Mountain Counties Water Resources Association (MCWRA) was going to host an "Innovative Water Technologies for California" event at the Lake Natoma Inn in Folsom, CA on Wednesday, October 15, 2014. She asked if anyone wanted to participate from the Board, and Director Updike confirmed that he will be attending.

I. EL DORADO COUNTY WATER AGENCY (EDCWA)

1. **Discuss the regular meeting of the El Dorado County Water Agency held on September 10, 2014** – Director Ball said that the first part of the meeting was a closed session to discuss labor issues relative to whether they are County or agency employees. He went on to say that the El Dorado County Water Agency plans to make a decision about how much money is available for cost sharing programs by the end of September 2014.

***Lunch from 12:03 PM to 12:47 PM**

J. ANNOUNCEMENTS / DIRECTORS COMMENTS

Director Ball mentioned that he would not be available to attend the next regular Board meeting scheduled for October 10, 2014. Following a brief discussion, the Board decided to adjourn the next regular Board meeting to occur on October 17, 2014 instead. Director Ball then said that a water bond will be going onto the November 2014 ballot. The Board requested that staff compile a list of possible grant items and get them researched so that they are ready to go if funding becomes available. The Board then invited the Mel Kelley to join them in the closed session.

- K. CLOSED SESSION** – The Board entered closed session at 1:05 PM to discuss: Personnel Session as allowed by the Brown Act, Section 54957. The Board will review the performance evaluation of the following position: Water System Manager.

- L. REPORT FROM CLOSED SESSION-** The Board returned to open session at 3:06 PM. Director Legrand reported the following:
Jodi Lauther shared Leo Rainwater’s evaluation.

- M. ADJORNMENT- Director Updike made a motion to adjourn. Director Sullivan 2nd the motion. Director Legrand called for a vote. The motion passed with all directors present voting aye. The meeting was adjourned at 3:07 PM.** The next regular meeting will be at 9:00 am on Friday, October 17, 2014 at The Grizzly Flats CSD office.

Minutes submitted by:

Kim Gustafson, Board Secretary

Approved by:

GFCSD Board Chair

Date:
