

**Grizzly Flats Community Services District
Minutes of the Regular Meeting of the Board
April 10, 2015**

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, MacDonald, Sullivan and Updike

Absent: None

Others: Nick Chapman, Kim Gustafson, Mel Kelley, Jodi Lauther 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 amended. 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.

C. PUBLIC COMMENT – There were no public comments.

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 March 13, 2015.**
2. **Approval of the minutes of the special meeting on March 31, 2015.**

Director MacDonald 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. TREASURER VACANCY- Kim Gustafson told the Board that the Treasurer candidate called to say that he recently experienced a major life change, and will no longer be able to pursue the Treasurer position.

F. OFFICE & FINANCE / Jodi Lauther, General Manager

Monthly review of Office Operations

1. **Update on the Environmental Impact Statement for the United States Department of Agriculture (USDA) Forest Service's Trestle Forest Health Project /** Kim Gustafson said that staff distributed a letter to Laurence Crabtree and Duane Nelson at the United States Department of Agriculture Forest Service, letting them know that the District anticipates the release of and the opportunity to respond to the Environmental Impact Statement for their Trestle Forest Health Project. Director Updike said that he recently read an editorial in the Mountain Democrat about the El Dorado County Board of Supervisors and the emergency state they declared following the King Fire. Part of the declaration was to get some relief for private land adjacent to the National Forest by receiving reduced fire loads, so that the Forest Service would take action. It was suggested that the Sheriff has jurisdiction to inform the Forest Service of heavy fire load areas and/or could give watershed benefits from any actions taken.
2. **Update on the District's current CIP point status with Special District Risk Management Authority (SDRMA) -** Kim Gustafson referred the Board to pages 7 and 8 of the packet, wherein it shows that the District has already reached the maximum amount of Credit Incentive Points (CIP) points available for the Property/Liability and Worker's Compensation plans, and therefore are receiving the largest discount possible.
3. **Update on the District's RFP's for Audit and Legal Services** – Jodi Lauther said that the Audit and Legal Services Requests for Proposals (RFP's) were distributed, and that to date, staff has received one proposal for each. The Legal Service RFP's are due back by April 15, 2015, and the Auditor RFP's are due back by April 24, 2015. She then mentioned that the one Legal Service proposal received came from the firm which William Wright (the

District's current legal counsel) is now representing. Also, she mentioned that Robert Johnson (the District's current Auditor) will not be submitting a proposal, as he feels that it is a good idea for the District to pursue a new Auditor as they have been representing the District since 2006.

4. **Discuss District's cost share requests to the El Dorado County Water Agency** – Jodi Lauther said that last year, Dave Eggerton, the El Dorado County Water Agency's former General Manager, told the District that there would not be any cost share funding available for several years. In result, staff was left scrambling to prepare the cost share grant application request for the 2015/2016 fiscal year. Items submitted by staff included a Cost of Services Study to prepare us for the Proposition 218 process, and reimbursement costs for half of our annual Small Water System Permit Fees to the State Water Resources Control Board, Division of Drinking Water. She then went on to say that Georgetown Divide Public Utility District had received funding for the 2014/2015 fiscal year, and that the El Dorado Irrigation District and our staff will both be requesting funding for this year as well. Jodi will be meeting with Ken Payne (EDCWA's Interim General Manager) to discuss the District's potential cost sharing projects for this cycle, which currently consist of the Backwash Tank Replacement Project Engineering Fees, Cathodic Protection System Installation Project Engineering Fees, and the one-time set up fees relative to the Supervisory Control and Data Acquisition (SCADA) system.
5. **2015 Consolidated District Election Notice for three GFCSD Board positions** – Jodi Lauther said that three Board positions will be up for election this November, including Director Ball's three year term, Director MacDonald's two year term, and Director Legrand's three year term. The Board asked what the deadline was for candidates to file, and Kim Gustafson responded to say that she would confirm that information with the Board during the next regular Board meeting which is scheduled to take place on Friday, May 8, 2015, when they will also need to review and possibly approve the resolution for the upcoming election.
6. **Request for Board authorization to surplus the District's 1991 Ford F150** – Jodi Lauther said that staff would like to surplus the District's 1991 Ford F150 truck, and that she would need Board authorization per the District's Accounting Policy 3.10.4 (Surplus Equipment).

Director Updike made a motion to authorize staff to surplus the District's 1991 Ford F150 truck in accordance with District policy. 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.

Monthly review of Financial Operations

7. **USDA – Rural Development semi-annual payment for \$13,702.50 was due on April 1, 2015** – Jodi Lauther referred the Board to page 14 of the packet, and told them that the District's semi-annual loan payment (interest only) for the amount of \$13,702.50 was made to the United States Department of Agriculture (USDA) Rural Development on April 1, 2015.
8. **Present the financial reports & spending issued for March 2015** – Jodi Lauther referred the Board to the District's Profit & Loss – O&M sheet listed on page 15 of the packet, where it showed that some quarterly payments had been made. On page 16, she pointed out that the District's Ford F350 truck had some work done, and that the net O&M income was \$7,601.67 in March 2015. She also pointed out item 65100 "Agency Admin. Fee" which is one of the items submitted to the El Dorado County Water Agency for cost sharing during the 2015/2016 fiscal year. Director MacDonald referenced page 18 of the packet, and asked where item 17900 "Work In Progress – Backwash Tank" code was listed. Jodi said that the code referenced should have been 17700, as it had been changed following the start of the Drought Measures Infrastructure Project. Jodi then referred the Board to page 21, wherein the District's available reserve funds were listed. She said that she is nervous about the lack of an executed funding contract between the Nevada Irrigation District (NID) and the Department of Water Resources for the Drought Measures Infrastructure Project, and that the District may need to use reserve funds in order to proceed with the Backwash Tank Replacement Project, and wait for reimbursement from NID later on. On page 23, she referenced that staff is 9 months (75%) into the fiscal year, and that overall expenses amount to 64%. She then mentioned that the District may need an engineer to re-run wiring at the Tyler Tank site where water is dripping on the electrical wires, which was one of the items listed on our annual inspection report from the State Water Resources Control Board, Division of Drinking Water. On page 26, she referred the Board to the Budget vs. Actual – CIP sheet where it showed an increase to CIP payroll,

due to staff time which is being tracked for the Drought Measures Infrastructure Project.

Director Updike made a motion to approve the financial reports, spending and purchase orders issued for March 2015 as amended. Director MacDonald 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

9. **Annual budget process starting soon – Budget & Finance Committee (Kelley, Legrand, Ball and Lauther) will meet to review proposed budget and Five Year Plans starting in May. A final budget must be adopted by the Board of Directors on or before September 1st** – Jodi Lauther said that the annual budget process will be starting again soon, and that although policy states that we need to adopt our annual budget prior to September, we try to get it done prior to July. It was decided that a Budget Committee Meeting would be scheduled from 9:00 AM to 12:00 PM on Friday, May 14, 2015.

G. OPERATIONS / Nick Chapman, Treatment 2 Operator

Monthly review of plant and field operations

1. **Present the GFCSD System Report for March 2015** - Nick Chapman said that chemical usage was up to 34.1 gallons of 14.0% average concentration Sodium Hypochlorite from 29.94 gallons of 14.4% in February, 2015, and down to approximately 2.0 gallons of 8809 from 2.5 gallons in February, 2015. Following a brief discussion, Director MacDonald requested that staff update the monthly system report so that the lab testing portion's header reads "all lab results are normal unless noted otherwise". Nick then said that North Canyon diversion's level started out at 7.1" of water going into the pipe, and the water level gradually rose to 7.5" going into the pipe. Big Canyon's water level started out at 7.1" of water going into the pipe, and gradually dropped throughout the month to 4.7" of water going into the pipe. The butterfly valve at the reservoir remains open at one notch, and the reservoir is continuing to spill. Nick said that staff did a great job on the Plant 1 Filter Rehabilitation Project, which was completed early in March. They have been working to refine the chemical dose now that it has been brought back on-line. He said that both plants ran well last month, and that backwash remained at 50 hours. Director Ball asked if staff will be starting the exterior work on Treatment Plant 1, and Nick responded to say that there were no plans to begin that work at this time. There was some discussion about purchasing a Streaming Current Controller (SCC) for Plant 1, which will be included during the next budget cycle. The Board requested that Leo Rainwater figure out the amount of staff time the additional SCC would save annually, to justify the District's potential purchase. A volunteer meter reader located one possible leak on Woodview Court in March. Staff is working to verify whether it is an actual leak, or just groundwater surfacing through a crack in the pavement around an old patch in the road. Staff checked the Grizzly Pond site two to three times a week in March, and cleaned up a little trash at the site. A total of 1.49" of rain was received in March, bringing our fiscal year total to 27.00". The daily production average for March was 73,416 gallons. Nick then went on to say that the diversion data for February had not yet been received, and therefore will be included in the May system report. Kim Gustafson then presented the administration report to the Board. She mentioned that 587 bills were mailed out in March, and that 89 penalties were assessed, with one shut-off. The Operations staff was busy completing 28 work orders in March, and a total of 46 payments were made through the Official Payments system.
2. **Discuss the District's fire hydrant maintenance process** – Jodi Lauther said that this item was requested by Director MacDonald, to bring him up to speed on the District's fire hydrant maintenance policy and procedures. Frank Showers had volunteered to do some flow testing and other hydrant activities, as he has a lot of experience with this through his previous work in Sacramento, CA. Director Legrand mentioned that hydrant maintenance and flow testing are two separate issues. He said that there is an annual maintenance, but that the schedule for flow testing may vary. Director MacDonald said that upon investigating the matter, he discovered that the Pioneer Fire Protection District no longer manages hydrants in our area, and that the hydrant maintenance is entirely up to our District staff. Jodi Lauther said that last year during inventory, staff did a complete inventory and documented everything, issuing work orders where needed. Due to this year's drought, staff plans to stagger the hydrant maintenance schedule and hit up a couple hydrants each month to make sure they are operating properly, ensuring that there isn't such a large amount of water used at one time during the summer. Director Legrand mentioned that when working at the City of Davis, flow tests were typically completed during winter. As to maintenance, he said that they would only open the hydrant enough to ensure they are working and get a static pressure so as not to waste a lot of water. Director Legrand

mentioned that it is imperative that no one else touch the District's hydrants without our direct approval. Upon publishing the next newsletter, Jodi Lauther will be sure to inform customers of the fact that they are not authorized to touch any of the District's hydrants, other than to clear debris from around them. Director MacDonald pointed out some discrepancies in the District's current policy, relative to when the hydrants receive maintenance. He went on to say that Frank Showers said that he performed flow testing before on behalf of the District, but that it had stirred up some sediment in the lines and caused some customer issues. Frank said that in Sacramento, they used to do their flow testing every year, and would plot the data so that they could identify hydrants which were going downhill before they failed. Director MacDonald feels that this is a chance for us to have a very skilled person bring our operations up a notch. Frank has volunteered to go around and paint hydrants, and the Grizzly Flats Firesafe Council has a bunch of people who would like to help out. Nick Chapman mentioned that staff was discussing painting of our hydrants with Leo Rainwater (Water System Manager) earlier this morning, and that a budget will be made to purchase paint to color code the hydrants based on their flow pressure next year. Frank had also mentioned that most of the District's hydrants are now into their 40-80 year lifespan, and that there will soon be failures. Director Legrand recommended scheduling a meeting with himself, Frank Showers, Director MacDonald, Leo Rainwater and Nick Chapman to talk about what everyone has to say, the possibility of changing our policies and procedures to make sure our hydrants are the best that they can be, and the option of purchasing some hydrant extensions for the system.

3. **Update on solar panel relocation for the District's stream gages** – Jodi Lauther said that Leo Rainwater had contacted some tree climbers, and is working on finding someone to complete the stream gage solar panel relocation further up into the tree canopies.

GENERAL BUSINESS ITEMS

H. DROUGHT MEASURES INFRASTRUCTURE PROJECT

1. **Update on the progress of the grant and project components / Lauther (discussion)**
 - a. **Backwash Tank Replacement, Cathodic Protection System Installation, Supervisory Control and Data Acquisition (SCADA), Meter Replacements, Air Release Valves (ARVs), Leak Detection Program and Conservation Program** – Jodi Lauther said that as discussed during the March 31, 2015 special Board meeting, staff is still waiting for signed funding contracts prior to proceeding with any of the grant projects. The bid for the Backwash Tank will be valid through May 1, 2015. Director Legrand said that if there is no resolution in the next few weeks relative to the funding contracts, the Board should hold a special meeting to resolve the matter. Nick Chapman said that the Backwash Tank side sheds have been removed, so it is ready for demolition.
2. **Review and consider approval the Construction Management quote from Sara Rogers of Domenichelli & Associates, Inc. for the Backwash Tank Replacement Project** – Jodi Lauther said that Construction Management assistance is very important, and will be needed during the Backwash Tank Replacement Project. She said that the quote from Domenichelli & Associates includes full time Inspection Services for a two month period, and combines Geotechnical and Construction Management assistance together. She also mentioned that this is one of the items we will request El Dorado County Water Agency to share the cost on. It was mentioned that the Construction Management costs could supersede the Supervisory Control and Data Acquisition (SCADA) project. Director Ball said that he thinks Domenichelli & Associates, Inc. approach to the project is solid, and that the contract for Construction Management should be time and materials based, with a not to exceed amount of \$69,175.

Director Sullivan made a motion to approve the Construction Management quote from Sara Rogers of Domenichelli & Associates, Inc. as presented, with a not to exceed amount of \$69,175. Director MacDonald 2nd the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.

I. 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 she would like to combine this discussion with the next agenda item.
2. **Review State Water Resources Control Board's (SWRCB's) media release dated March 17, 2015 and Governor Brown's mandatory water restriction order issued April 1, 2015. Review our actual water use and conservation rate. Discuss what residents in our District can do to meet the water conservation mandated by the Governor (limit filling pools or hot tubs, limit gardens, ornamental landscapes and lawns and fixing leaks)** – Jodi Lauther said that on April 1, 2015, Governor Brown issued a mandate that California residents collectively cut their water use to achieve 25% conservation compared to 2013, due to the fact that the snowpack is only 5% of average. She mentioned that this would be a hard hit to our District's customers who already have low water usage. The State Water Resources Control Board (SWRCB) sent out an example of the framework they would like to use to achieve the 25% conservation target, which listed urban users on a tiered schedule where those with fewer customers would only need to conserve 10%. Jodi said that she plans to submit comments back to the State Water Resources Control Board, and will ask them if we get a credit for water used to fight fires and/or perform system maintenance such as flushing. Staff will send out a newsletter to our customers in the April billing which will recommend fixing leaks, and that will strongly advise against the filling of soft-sided pools and planting of large gardens. Director Updike recommended that the District identify what level of individual daily use is required to maintain our customers' health and safety. Jodi then said that when submitting her comments, she will ask if we get conservation credit for lining our reservoir and piping the Eagle Ditch line. She then told the Board that our District is required to submit a report to the State Water Resources Control Board once a year.
3. **Update on the call to the Department of Water Resources to inquire about the possibility of acquiring additional water storage rights** – Director Ball said that he had started the process, but wanted El Dorado County Water Agencies input prior to contacting the Department of Water Resources. He said that he would like to start a conversation with other sources (such as Domenichelli & Associates, Inc. and/or URS Corporation) relative to the possibility of acquiring additional water storage rights and off-stream storage options, prior to contacting the State. It was mentioned that we might be able to persuade the Forest Service to help us obtain a new water source if helicopters could dip from it during wildfire emergencies. Director Ball would like this item to be on the agenda for the next regular meeting on May 8, 2015, so that he may provide an update to the Board.

J. COMMITTEE REPORTS

1. **Mountain Counties Water Resources Association (GFCSD Representative: R. Ball)**
 - a. **Discuss California Department of Fish and Wildlife's public meeting which took place at the Resources Agency Building in Sacramento, CA on April 1, 2015** – Jodi Lauther said that the state is providing funding for watershed restoration. She had participated in this meeting online, which covered grant funding through Proposition 1. Approved projects would be completed by the California Conservation Corps (CCC), and would therefore need to be something they could do. Currently, California Department of Fish and Wildlife is looking for public comment. There is \$285,000,000 available to areas outside the Delta, and this grant does not require participant cost sharing. Jodi mentioned that she's not sure if our District would qualify to receive state funding, as all projects we could submit would be located on federal land, and she's not sure if that would create a conflict.

K. EL DORADO COUNTY WATER AGENCY (EDCWA)

1. **Report from the El Dorado County Water Agency meeting held on April 8, 2015** – Director Ball said that he attended the meeting on April 8, 2015, and that Merv DeHaas (former EDCWA General Manager) was in attendance. The Board reviewed and approved the cost share plan for the 2015/2016 fiscal year, and will be reviewing all of the individual requests. Their approval recommendations will be based on senior water rights, staff and the money that is available. The El Dorado County Water Agency will also be submitting a letter to Governor Brown regarding the fact that they don't think his conservation mandate fits the bar for everyone. Director Ball then mentioned that Board Supervisor Shiva Frentzen would like to come up to our District on an annual basis. He requested that staff also be sure to copy Director MacDonald on the agenda

packets for the El Dorado County Water Agency meetings going forward.

- L. **ANNOUNCEMENTS / DIRECTORS COMMENTS** – Director MacDonald mentioned that another attempt to get a local Community Center established is already in motion. The committee who is attempting to have the Community Center created will file as a 501(c)3 organization, and was entertaining the possibility of using the Grizzly Pond site for their location. Additional information will be forthcoming on this topic.

Mel Kelley recommended that residents use wood chips in their yards, as it helps hold the moisture in the soil.

- 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 11:52 AM.** The next regular meeting will be at 9:00 am on Friday, May 8, 2015 at The Grizzly Flats CSD office.

Minutes submitted by:

Kim Gustafson, Board Secretary

Approved by:

GFCSD Board Chair

Date:
