

**Grizzly Flats Community Services District  
Minutes of the Regular Meeting of the Board  
May 13, 2016**

**A. CALL TO ORDER**

The regular meeting of the Grizzly Flats CSD Board of Directors was called to order at the Grizzly Flats CSD Office (4765 Sciaroni Rd., Grizzly Flats, CA) at 9:01 AM by Director Legrand.

**ROLL CALL OF THE BOARD**

Present: Directors Legrand, McLaughlin, Sullivan, Sutton and Updike

Absent: None

Others: Robert Ball, Kim Gustafson, Jodi Lauther and Leo Rainwater

**SALUTE TO THE FLAG** was led by Director Legrand.

- B. APPROVAL OF THE AGENDA** - Jodi Lauther said that she would like to add an item to the agenda, as she felt that it required immediate action by the Board. She said that it would be item H.1, entitled "Discuss amending the conservation regulations for GFCSD customers".

**Director Updike made a motion to approve the agenda as amended. Director Sullivan 2<sup>nd</sup> 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 April 8, 2016.**
2. **Approval of the minutes of the special meeting on April 20, 2016.**
3. **Review and approve purchase of Parcel Quest DVD for 2016/2017 Tax Roll.**
4. **Receive and file the Quarterly Interest Report from the Local Agency Investment Fund (LAIF).**

**Director Updike made a motion to approve the Consent Calendar as presented. Director Sutton 2<sup>nd</sup> 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. **Update on the "District Transparency Certificate of Excellence" program renewal through the Special District Leadership Foundation (SDLF)** - Kim Gustafson said that on April 13, 2016, the "District Transparency Certificate of Excellence" was renewed by the Special District Leadership Foundation. In order to receive the renewed certificate, the District's website had to be updated with information such as previous audits, the current budget, a link to access the District employee's compensation information, etc. Additionally, staff had to submit numerous examples of existing District policies and samples of public outreach.
2. **Authorize the General Manager to vote on CSDA's proposed bylaws amendments on the Board's behalf** – Jodi Lauther said that California Special Districts Association (CSDA) is proposing some minor changes to their bylaws, and that they are requesting that the District vote by mail as to whether or not the changes should be adopted. She went on to say that the document containing the proposed changes was not been included in the Board packet, as the document was 28 pages long. Rather, she requested that the Board authorize her to vote on the proposed amendment on the Board's behalf.

**Director Updike made a motion to authorize the General Manager (Jodi Lauther) to vote on the proposed bylaw update from California Special Districts Association (CSDA) on the Board's behalf. Director Sullivan 2<sup>nd</sup> the motion. There was no further discussion. Director Legrand called for a vote. The motion passed**

with all directors present voting aye.

3. **Adopt Resolution 2016-01 “Amendment to the District’s Reserve Policy and Target Reserve Balances”** – Jodi Lauther said that although the Board approved changes to the District’s reserve policy during the April 8, 2016 regular meeting, there must be an official resolution which clearly reflects the changes. She referred the Board to page 12 of the packet for Resolution 2016-01 “Amendment to the District’s Reserve Policy and Target Reserve Balances”. Director Legrand recommended that the wording on page 12 be revised from “Whereas, the Board of Directors has previously took” to “Whereas, the Board of Directors has previously taken”.

Director Sutton made a motion to adopt Resolution 2016-01 “Amendment to the District’s Reserve Policy and Target Reserve Balances” as amended. Director McLaughlin 2<sup>nd</sup> 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. **Present the financial reports and spending for April 2016** - Jodi Lauther referred the Board to page 16 of the packet, where the “Profit & Loss, O&M” sheet was. She said that overall, there was a net income for April in the amount of \$5,665.05. She also referred the Board to page 17 of the packet, for a breakdown of which reserves the income is allocated to (year-to-date). Expenses in April included some quarterly payments, and higher than normal banking fees for Wells Fargo which are being researched. The “Profit & Loss CIP” sheet on page 18 showed payment on expenses such as the Cost of Services Study and the new reservoir stairs. Additionally, some income was received from the County for standby charges in April. Jodi then went over the check detail pages 19-20, and said that the Pacific Gas & Electric (PG&E) bill was high last month due to having the electric heaters running to prepare for epoxy coating as part of the Treatment Plant 1 Rehabilitation Project. The “Balance Sheet” on page 22 showed that there are only five active liens remaining, and that a USDA loan reserve was down due to a \$13,485 payment (interest only) made on April 1, 2016. On the “Budget vs. Actual O&M” sheet listed on page 23, Director Sullivan requested that the third column listed as “\$ Over Budget” be revised to read “\$ Left in Budget”. Additionally, Director Sullivan recommended that once the rate structure has been changed, that the O&M income be broken down into fixed costs versus variable costs. Overall, Jodi said that the District’s spending is at 75%, 83% through the year. Jodi then went over the projects listed on page 26, the “Budget vs. Actual –CIP” page. She said that not much has changed for the Proposition 84 Grant project, and that staff will begin work on the Drafting Hydrant project next. Additionally, work is in progress on the Treatment Plant 1 Rehabilitation Project, that the Clearwell Tank Cleaning and Inspection Project.

Director Sullivan made a motion to approve the financial reports and spending for April 2016 as presented. Director Updike 2<sup>nd</sup> 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. **Update from review of metered residences with zero usage** – Leo Rainwater said that during the April 2016 meter reads, staff and volunteers checked locations with no usage to confirm that the residences seemed to be unoccupied. Work orders were issued to verify vacancy at two residences which had zero reads. Overall, it appears as if the District’s meters are accurate and performing properly.
2. **Present the GFCSD System Report for April 2016** – Leo Rainwater said that Sodium Hypochlorite usage in April was down to 37.13 gallons of 13.91% average concentration from 39.5 gallons of 14.22% in March, 2016. 8809 usage was up to 2.25 gallons from 2.0 gallons in March, 2016. He then said that all sample results were normal, that backwash time remained at 65 hours last month, and Treatment Plant 1 remained offline for Phase 3 of the Rehabilitation Process in April. He said that although Treatment Plant 2 ran fairly well last month, chemical dosage needed to be adjusted for the warmer temperatures. There were no leaks in April, and staff is continuing to watch the possible leak on Pine Ridge Drive where the water stopped surfacing and the street dried up after the rains subsided. The daily average last month was 73,257 gallons and 75,131\* gallons of water was returned to the reservoir from the backwash tank (\*this number was revised after the Board meeting, as the original amount listed on the April 2016 system report (37,842) was inaccurate. The

error will be noted to the Board during the June 10, 2016 regular Board meeting.) 3.34” of rain was received in April 2016, bringing the total rainfall to 51.23”. Water conservation was at 24% last month, yielding total conservation in the amount of 22% for this period. Leo then reported that 84.68 acre-feet of water was diverted in March 2016, and that 17.17 acre-feet went into the reservoir, leaving 67.51 acre-feet unaccounted for. He also said that the diversion flows at Big Canyon dropped .23” and North Canyon’s flows decreased .06” in April. Additionally, he mentioned that the butterfly valve at the reservoir is currently open to one notch. Kim Gustafson then referred the Board to the “Webstats” chart listed on page 31, to show the Board that when the rate change process began, the hits to the District’s website increased significantly. For the administration report, she said that 596 bills were mailed out in April, that two liens were released, bringing the total active lien count down to five. Also, she said that there were 93 penalties last month, including one shut-off for non-payment. The Operations staff completed 26 work orders in April, 62 payments were made online through the Official Payments system, and 61 customers are now signed up for e-billing.

3. **Update on the new reservoir stairs** – Leo Rainwater said that the new reservoir stairs were delivered, and will require some assembly. The current plan is to hold a workday to assemble the stairs after the drafting hydrant has been installed at the reservoir. Director Legrand recommended that if a crane is needed, that Leo contact Joe at 49er Propane to see if he could offer his equipment to assist.

## **GENERAL BUSINESS ITEMS**

### **G. DROUGHT MEASURES INFRASTRUCTURE PROJECT**

1. **Update on the Prop 84 Drought Grant project progress and report on the District’s third progress report which was submitted to the Department of Water Resources on April 21, 2016** – Jodi Lauther said that the District’s third progress report in the amount of \$109.55 was submitted to Neysa King at Nevada Irrigation District on April 21, 2016. This progress report related to Kim Gustafson’s time spent drafting a Request for Proposals (RFP) for the Leak Detection Program. It was mentioned that the Operations Committee will be meeting directly after the Board meeting, to discuss the meter replacement project.

### **H. WATER SUPPLY, DROUGHT AND CONSERVATION**

1. **Discuss amending the conservation regulations for GFCSD customers** - Jodi Lauther said that the State Water Resources Control Board is making changes which relax the emergency conservation regulations. The changes would allow larger (urban) water agencies to determine their own conservation targets, not less than 8%. Smaller Districts such as our own would need to submit a report by December 15, 2016, stating our production from December 2015 to November 2016 as compared to 2013, and noting any actions taken to encourage or require our customers to conserve water. Also, the State Water Board is attempting to make some emergency conservation measures permanent such as hosing off sidewalks, driveways, and other hardscapes, washing automobiles with hoses not equipped with a shut-off nozzle, using non-recirculated water in a fountain or other decorative water feature, and watering lawns in a manner that causes runoff, or within 48 hours after measurable precipitation. Since the District’s resolution states that it “shall be effective as long as the State’s Emergency Regulations are in place”, her recommendation is not to rescind all of the conservation requirements, but rather just the ones which limit the outside watering days.

**Director Updike made a motion to eliminate the two (2) days per week outside watering restriction. Director Sullivan 2<sup>nd</sup> the motion. There was no further discussion. Director Legrand called for a vote. The motion passed with all directors present voting aye.**

- I. **COMMITTEE REPORTS** – Kim Gustafson referred the Board to page 41 of the packet, for a spreadsheet which lists all of the current items which are assigned to the various committees. She said that going forward; this sheet will be a normal part of the Board packet.

1. **Finance & Budget Committee / Treasurer Ball, Jodi Lauther, Directors Legrand and Updike**

- a. **Meeting scheduled to review the proposed budget and Five Year Plans on May 24, 2016 at 6:00 PM** - Jodi Lauther said that she will be sending out a draft of the 2016/2017 budget to the Finance & Budget committee on Friday, May 20, 2016, in preparation for their first budget review meeting which is

scheduled to take place at the District office on May 24, 2016, starting at 6:00 PM.

**2. Mountain Counties Water Resources Association (GFCSD Representative: D. Updike)**

- a. **Reminder about the Mountain Counties Water Resources Association (MCWRA) event entitled “The Conquest for and History of “California Water” Past-Present-Future”, which will be held at the Ridge Golf Course & Event Center in Auburn, CA on May 18, 2016** – Jodi Lauther said that this item was put on the agenda to remind the Board about Mountain Counties Water Resources Association’s (MCWRA’s) upcoming event scheduled to take place in Auburn, CA on May 18, 2016. She said that she had recently e-mailed everyone to gauge if there was any interest in participating, but that no one was going to attend this event on the District’s behalf.

**J. COST OF SERVICES STUDY**

1. **Review updated water tables from Bartle Wells Associates, dated April 21, 2016** - Jodi Lauther referred the Board to page 43 of the packet, and said that the updated Cost of Services Study had been received from Bartle Wells Associates. She said that the base rate for 2016/2017 was lowered to \$59.30, which was not as low as was originally hoped. The reason that the base rate was not reduced more is that the staff at Bartle Wells Associates worked really hard to get the rate down originally, so there wasn’t much more that could be reduced. The volumetric rate for the 2016/2017 year will be \$1.15 per hundred cubic feet (HCF).
2. **Update on the Proposition 218 Notice** – Jodi Lauther said that the Proposition 218 Notice was drafted, along with a four page “Frequently Asked Questions (FAQ)” document. Currently, both documents are with the attorney for review. Jodi said that the attorney is attending the Association of California Water Agencies (ACWA) meeting this week, and that she is hoping to receive a response by Monday, May 16, 2016. Once she receives the attorney’s feedback, she will incorporate any recommended changes into the draft and send it out to the Board and Proposition 218 Committee for review. If all goes well, the documents will be mailed out to the District’s rate payers by Friday, May 20, 2016.
3. **Select a date for the Public Hearing** – Jodi Lauther said that she would like to schedule the Public Meeting to occur during the week of July 11-15, 2016 or sometime from July 18-21, 2016. Following a brief discussion, the Board agreed to schedule the Public Meeting for Monday, July 18, 2016, starting at 6:30 PM. Kim Gustafson will check with the Grizzly Flats Community Church to see if their facility is available during this timeframe.

**K. EL DORADO COUNTY WATER AGENCY (EDCWA)**

1. **Update from the El Dorado County Water Agency meetings held on April 13, 2016 and May 11, 2016** – Director Updike said that the El Dorado Water and Powers Authority (EDWAPA) passed a tentative budget for the 2016/17 fiscal year, but that it is subject to change through the hearing process.

He went on to say that the El Dorado County Water Agency (EDCWA) discussed the proposed budget for cost sharing projects during the 2016/17 fiscal year. Ken Payne said that he is still waiting to receive cost sharing project requests from the City of Placerville and Tahoe City. He mentioned that there is a pool of funding which has been marked for “Unidentified Purveyor” in the amount of \$50,000 which could be used to cover any projects they submit. The Board also discussed the water which was coming down, and the benefit of recharging the ground water with it versus releasing it from Folsom Dam to flow into the ocean. It was mentioned that the aqueduct going down south is full, and can’t handle any additional flow at this time.

2. **Update on the cost sharing application for the 2016/2017 fiscal year** - Jodi Lauther said that she will discuss upcoming projects with the Finance & Budget Committee meeting, and that once approved, will take that project list to Ken Payne to see if any of the items can receive funding from the El Dorado County Water Agency.

**L. ANNOUNCEMENTS / DIRECTORS COMMENTS**

Kim Gustafson said that the District’s annual “Loss Prevention Reimbursement” request was submitted into the Special District Risk Management Authority (SDRMA), and that they are issuing a check in the amount of \$988.37 for

reimbursing safety related items.

Kim Gustafson also said that the California Special Districts Association (CSDA) is hosting a webinar on June 1, 2016 from 10:00 AM to 12:00 PM, relative to the "Required AB1825 Sexual Harassment Prevention for Staff and Elected Officials." She said that this training is required of all elected officials and management staff every two years. Directors Sullivan and Updike will not have to repeat this training until January of 2017. However, Directors Legrand, McLaughlin and Sutton will need to take this course soon. She mentioned that if they are not available on the date listed above, this training will be offered on-demand through CSDA's website at no charge.

**M. ADJORNMENT- Director Sutton made a motion to adjourn. Director Sullivan 2<sup>nd</sup> the motion. Director Legrand called for a vote. The motion passed with all directors present voting aye. The meeting was adjourned at 10:23 AM.** The next regular meeting will be at 9:00 am on Friday, June 10, 2016 at The Grizzly Flats CSD office.

Minutes submitted by:

\_\_\_\_\_  
*Kim Gustafson, Board Secretary*

Approved by:

\_\_\_\_\_  
*Andre' Legrand, Board Chair*

Date:

\_\_\_\_\_