

**Grizzly Flats Community Services District
Minutes of the Regular Meeting of the Board
October 8, 2020**

A. CALL TO ORDER

The regular meeting of the Grizzly Flats CSD Board of Directors was called to order at 6:30 PM by Director McKillop.

ROLL CALL OF THE BOARD

Present: Directors Davidson, Humphreys, Malonson and McKillop

Absent: None

Others: Robert Chigazola, Kim Gustafson, Lynn Hannblom, Jodi Lauther, Sean Lloret, and Scott Myers (H2Ou)

SALUTE TO THE FLAG was led by Director McKillop.

B. APPROVAL OF THE AGENDA – Director Humphreys made a motion to approve the agenda as presented. Director Davidson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Davidson – AYE, Director Humphreys – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

C. PUBLIC COMMENT – There was no public comment.

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 13, 2020** – Sherry McKillop recommended that the last paragraph on page 3 be updated to say that “Dan Humphreys made” (not mad).
2. **Approval of the financial reports and spending for August and September 2020.**
3. **Review the GFCSD System Reports for August and September 2020.**
4. **Receive and file the Action List for September 2020.**
5. **Receive and file the 2020/21 Direct Charge confirmation from El Dorado County** – Kim Gustafson noted that several parcels have been merged over the past few years, resulting in less direct charge revenue for the District. She said there were 1220 parcels in 2020, compared to 1225 parcels in 2017. In result, the District’s tax roll is down \$240 per year.
6. **Approval of the WSIP loan payment to USDA-Rural Development on October 1, 2020.**
7. **Review and approve transfer from Local Agency Investment Fund (LAIF) in the amount of \$29,000.**

Director Humphreys made a motion to approve the Consent Calendar as amended. Director Malonson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Davidson – AYE, Director Humphreys – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

E. OPERATIONS & FINANCE / Jodi Lauther, General Manager

Financial Operations:

1. **Review quotes and select a contractor for replacing the pump at Winding Way tank** – Jodi Lauther referred the Board to page 44 of the packet and said that staff reached out to nine local pump companies to request quotes for the Winding Way Pump Replacement project, but none of them were interested. Some companies did not respond to calls and e-mails, one company said that the location was too far and they were too busy, and another company indicated that they do not want to deal with the prevailing wage requirements of a governmental agency. Jodi then directed the Board to an updated quote from Scott Myers at H2Ou which was presented as a separate handout. The updated quote separated the District’s project costs from that of H2Ou. The District’s estimated costs totaled \$5,468.25 for purchasing a Grundfos single service pump, air compressor & timer, materials (pipe, fittings, wire, etc.) and hiring an electrician to wire in the new pump. H2Ou’s costs were estimated at \$3,360.00 for the pump installation and project management. The estimated total for the Winding Way Pump Replacement project was \$8,828.25.

Director Malonson made a motion to accept the quote from H2O Urban Solutions for purchasing replacement equipment and the installation costs using funds from the Asset Management Reserve account. Director Davidson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Davidson – AYE, Director Humphreys – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

2. **Review and approve the additional cost for the NSF certification for the fire pump at Tyler tank** – Jodi Lauther referred the Board to a separate handout from H2Ou that estimated the additional cost to obtain NSF certification for the fire pump at Tyler tank. Scott Myers said that the old 10 HP pump at Tyler tank was removed and replaced with the new twin Grundfos CMBE pumps, and that Carnahan Electric came up and got the 30 HP Berkeley pump working. Scott also said that the company he had purchased the fire flow pump from will no longer add NSF certification to pumps due to recent issues they experienced with coating failures. In result, he is researching alternative options. His quote for the additional cost to obtain NSF certification for the fire pump at Tyler tank was divided to break out the District’s cost from those of H2Ou. The District’s portion was estimated at \$6,201.63, which included the cost difference between a non-NSF approved and a NSF approved 20 HP Goulds End Suction Fire Pump, materials (pipe, fittings, wire, etc.) and electrical work. Scott estimated H2Ou’s cost for installation and project management at \$2,400.00. The project total was estimated at \$8,601.63. Scott said that this is a placeholder budget and that he will locate a similar pump that has the NSF approval. He requested Board approval to get the project done for a total not-to-exceed \$8,601.63. If there are additional charges, they will be brought back to the Board for approval.

Director Davidson made a motion to accept the proposal from H2O Urban Solutions for additional costs related to the NSF certification, using funds from the Asset Management Reserve account. Director Malonson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Davidson – AYE, Director Humphreys – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

3. **Review quotes and authorize purchasing new tire chains and two new front tires for the Terex backhoe** – Jodi Lauther referenced page 50 of the packet for a quote comparison to replace the front tires and all four tire chains on the Terex backhoe. She said that Quick Road Service would not provide chains, and that staff had contacted four additional companies who were not interested. She noted that the District’s 2020/2021 budget includes \$2,250 for these items. The quote from Les Schwab was slightly lower than Sierra Nevada Tire & Wheel’s at \$2,216.99. She requested the Board’s authorization to proceed with the quote from Les Schwab.

Director Humphreys made a motion to proceed with the quote from Les Schwab for purchasing new tire chains and tires as requested. Director Davidson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Davidson – AYE, Director Humphreys – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

4. **Report from the District’s annual audit, which was performed on August 17th and 18th, 2020, and review final year-end financial reports** – Jodi Lauther said that the audit went well. She said that the District’s year-end financial reports start on page 54 of the packet, and that the annual audit was being presented as a separate handout. On page 56, the Profit & Loss O&M sheets listed a net income of \$9,360.52. On page 57, the CIP income was listed at \$17,067.15 for the year. Jodi said that the final audited financial report for the Asset Management Program was listed on page 58. There were several purchases funded by the Asset Management account during the 2019/2020 fiscal year, including stream gage sensors, road remediation costs, and the new dual pumps for Tyler tank. She moved on to page 59 and said that the District collected less penalty revenue than expected because the District did not charge penalties from March to June 2020 due to COVID-19, and customers were not disconnected for non-payment due to the governor’s order. Overall, 96% of the budget was spent. Jodi also noted that the Management Report from Larry Bain did not list any major deficiencies or material weaknesses.

F. BOARD VACANCY

1. **Review and discuss insufficient nominees notice from the El Dorado County Elections Department** – Kim Gustafson referred the Board to page 61 of the packet and said that although all five Board seats were up for election, only four candidates filed with the El Dorado County Elections Department. In result, one vacant seat remained unfilled. She went on to say that the Board can nominate one candidate for appointment by the EDC Board of Supervisors, as long as the selection is made before October 15, 2020.
2. **Review Board vacancy notice which was posted on September 22, 2020** – Kim Gustafson referred the Board to page 62 of the packet and said that the vacancy notice was posted on the District’s website and at the Grizzly Flats Post Office on September 22, 2020.
3. **Nominate one candidate for appointment by the El Dorado County Board of Supervisors to the vacant position on the GFCSD Board of Directors. (*Note: The Board will conduct informal interviews if deemed necessary, or else selection may be based on information submitted by the interested candidates)** – Director McKillop said three candidates expressed interest in filling the vacant Board seat, and that their letters of interest and/or resumes were included within the agenda packet starting on page 63. Director Humphreys said that he is pulling out from consideration for the vacancy due to personal reasons. The remaining two candidates were Robert Chigazola and Sean Lloret. The candidates briefly spoke about the strengths they can contribute to the Board.

Director Davidson made a motion to nominate Robert Chigazola to fill the vacant position. Director Malonson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Davidson – AYE, Director Humphreys – ABSTAIN, Director Malonson – AYE, and Director McKillop - NO. The motion failed due to lack of a majority.

Director Humphreys made a motion to nominate Sean Lloret to fill the vacant position. Director McKillop 2nd the motion. A roll call vote was taken: Director Davidson – NO, Director Humphreys – YES, Director Malonson – NO, Director McKillop – YES. The motion failed due to lack of a majority.

Director McKillop said that the Board has experienced regular turn-over in the last few years, and she believed another vacant seat would be available within the next year or so. She then asked if either of the candidates would consider withdrawing at this time so that a resolution could be reached by the Board. Sean Lloret volunteered to withdraw from consideration for the current vacancy.

Director Davidson made a motion to nominate Robert Chigazola to fill the vacant position. Director Malonson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Davidson – AYE, Director Humphreys – ABSTAIN, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

GENERAL BUSINESS ITEMS

G. EL DORADO COUNTY WATER AGENCY (EDCWA)

1. **Report from El Dorado County Water Agency’s September 18, 2020 special meeting** – Jodi Lauther said that the September 9, 2020 EDCWA meeting was cancelled, and they scheduled a special meeting for September 18, 2020. Although she was unable to attend that meeting, she has been working with Stantec Consulting to provide information for development of a county-wide drought plan.
2. **Review approved Cost Share Agreement for 2020/2021 Fiscal Year** – Jodi Lauther referred the Board to page 73 of the packet for the finalized Cost Share Agreement for the 2020/2021 fiscal year. She said that they approved 50% cost sharing for the District’s Water Master Plan, up to \$25,000. If the District does not proceed with the Water Master Plan, they will share costs for the District’s Cost of Services Study and/or Sanitary Survey, for an amount not-to-exceed \$25,000.

H. ANNOUNCEMENTS / DIRECTORS COMMENTS – There were no announcements or directors comments.

I. **ADJORNMENT- Director Humphreys made a motion to adjourn. Director Davidson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Davidson – AYE, Director Humphreys – AYE, Director Malonson – AYE, and Director McKillop - AYE. The meeting was adjourned at 7:36 PM.** The next regular meeting will be held via teleconference starting at 6:30 PM on Thursday, November 12, 2020.

Minutes submitted by:

Kim Gustafson, Board Secretary

Approved by:

Sherry McKillop, Board Chair

Date:
