

**Grizzly Flats Community Services District
Minutes of the Regular Meeting of the Board
April 14, 2022**

A. CALL TO ORDER

The regular meeting of the Grizzly Flats CSD Board of Directors was called to order at 9:04 AM by Director Hannblom.

ROLL CALL OF THE BOARD

Present: Directors Chigazola, Davidson, Hannblom, Malonson (in @ 9:05 AM), and McKillop

Called-in: Scott Myers (H2Ou)

Absent: None

Others: Kim Gustafson and Jodi Lauther

SALUTE TO THE FLAG was led by Director Hannblom.

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

Director Malonson arrived at 9:05 AM

C. PUBLIC COMMENT – T. Barsuglia asked why she was not notified of the April 8, 2022 Personnel & Policy Review Committee meeting. Kim Gustafson said that the meeting was noticed, and that she was willing to send copies of all meeting agendas to anyone who would like to receive them once they request that she do so.

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 10, 2022 –** Kim Gustafson noted that on page 2, there is redundant wording. She then recommended removing “for the packet” from item A.
2. **Review Monthly System Report for March (production data, rainfall information, operations unrelated to the Caldor Fire Recovery efforts) –** Jodi Lauther referred the Board to page 5 of the packet and said that on April 12, 2022, Gordon Vicini sent two employees (including a backhoe operator) to repair a water leak in the street on Deerwood Drive. She noted that the large trucks and cranes working on debris removal have damaged the road integrity in Grizzly Flats. Director Davidson said the county is going to get a lot of money to take care of these roads, and their costs. He believes they are getting matching funds for the houses that were hauled off and that's why they pushed so hard to get people to tear out their foundations, and that we've got costs too. He said the roads are torn up terribly down the hill, and we are part of that cost which is something the County has not recognized yet. He said that we need to get our voice out there and let them know, these trucks running around tearing up the roads are tearing up our pipes and our system and we are being left with that cost. Director Davidson recommended that we get in line with Supervisor Turnboo and let him know that this is what's going on and start the conversation. He recommended that staff find out what the county is receiving from the result of the Caldor fire, if it is true that they are receiving matching funds, what kind of money are they getting and what are those matching funds intended for, and if the funding is going to our roads or the County's General Fund? Director Davidson volunteered to meet with Jodi Lauther and Supervisor Turnboo after some research. Director Davidson then recommended that Mel Kelley look at the Toyota Tacoma prior to selling it.
3. **Adopt Resolution 2022-04 (if the Board sees the need to continue to hold remote meetings) - Adopt Resolution 2022-04, Proclaiming a Local Emergency Persists, Re-Ratifying the Proclamation of a State of Emergency for the Caldor Fire by Governor Gavin Newsom on September 1, 2021, and Re-authorizing Remote Teleconference Meetings of the Legislative Bodies of Grizzly Flats Community Services District for the Period of April 20, 2022, to May 19, 2022 CONSISTENT WITH THE TERMS OF CA GOVT § 54953, SUBDIVISION (E), PARAGRAPH (1),**

SUBPARAGRAPH (B) – Director McKillop mentioned that many of the District’s constituents are still displaced due to the fire and that she thinks the Board should keep remote meetings accessible as long as possible.

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

E. CUSTOMER APPEALS TO THE BOARD

1. **K. Krassmire & T. Greenberg – Request for a variance on the GFCSD Ordinance 88-1, Article 4.04, pursuant to section 5.04. Specifically, we are asking the Board to permit the establishment of two new water service connections without furnishing a building permit application from EDC Building Department** – Tal Greenberg said that he and a neighbor would like to request a variance on GFCSD Ordinance 88-1, Article 4.04, pursuant to section 5.04. Specifically, they are asking the Board to permit the establishment of two new water service connections without furnishing proof of an approved building permit from EDC Building Department. He said that he recently received a letter from the El Dorado County Assessor’s office which indicated that the presence of vegetation improves property value. Tal indicated that he and his neighbor will be replanting trees on their lots and that they would be happy to pay the Capital Connection Fee and monthly billing if they can obtain service connections to water the vegetation. J. Bolen noted that she understands where Tal is coming from, but she recommends that the Board take these requests on a case by case basis to avoid any situations that could be harmful to the community (large marijuana grows, trailers on unburned parcels, etc.)

Director Malonson noted that it’s best to plant trees in Spring or Fall, so they can survive without water. Director McKillop indicated that she likes the idea of replanting trees to provide more shade, but that there should be significant restrictions in place for any such installations and the meters should also be read on a monthly basis. Director Hannblom agreed with Director McKillop in applauding replanting efforts but didn’t feel it should be an option for everyone. Director Davidson said that he was concerned that it would make the District staff enforcers of the law and that customers could potentially buy-in to the system at a lower rate. Director Chigazola indicated that county code enforcement is bad and that there would be a possibility that people could take advantage of the situation and it could get out of control. There was discussion about possibly scheduling a Personnel & Policy Review Committee meeting to work on developing a policy for this request. Items the Board would like researched include the history of District policy regarding service connections, recourses available for inaction, and other clarity on vacant lots.

Director McKillop made a motion to move this item to a future agenda. Director Davidson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – AYE, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

F. CALDOR FIRE RECOVERY

1. **Review the most recent Caldor Fire Status Report** – Scott Myers gave a brief update on recovery efforts. Director Hannblom referred to page 16 of the packet and asked when the USDA Rural Development loan will be awarded, and Jodi Lauther said that the required environmental work is currently underway, and the grant should be awarded once that is completed. Scott mentioned that the insurance company’s inspector did not perform a thorough inspection of Tyler and Winding Way tanks, so a more in-depth inspection is being scheduled with an expert. He also noted that a revised estimate of \$250,000 was received for repairing the reservoir liner damage, which is closer to the District’s approximation. Scott went on to say that leak detection is scheduled to begin on the pressure system next week, and that the focus for verifying fire hydrant damage is to collect coating samples for analysis and to have the hydrants taken to a shop for damage assessment.
2. **Update on USDA-RD grant application for funding to remove hazard trees along Eagle Ditch** – This item was discussed during the last agenda item. Environmental work is currently being performed as previously approved by the Board.
3. **Report on status of customer billing** – Kim Gustafson said that in March 2022, 227 bills were mailed out. She also noted that there were nine additional connections re-established since the last billing cycle.

4. **Present updated Financial reports, discuss any emergency actions performed in accordance with Resolution 2021-01, and approve associated expenses** - Jodi Lauther referred the Board to page 19 of the packet and said that in March 2022, the District received \$16,120.98 in base rate water charges from customers. She also noted that staff only billed for 34% of the water produced, and that the rest of the water was likely used filling water tenders, a result of additional hydrant flushing, and lost to leaks. She went on to say that she is working with the District's auditor Larry Bain to capitalize personnel expenses, and that H2Ou's March 2022 billing had not yet been received. Jodi noted that staff is still disputing AT&T charges for services that are not currently available. She said that additional standby charge payments should be reported next month. She noted that the Big Canyon temporary road/hazard tree and Clearwell tank patch projects were reimbursed at 75% by FEMA and 18.25% by Cal OES, and that FEMA was processing an additional reimbursement for the remaining 15% coverage to bring FEMA's share up to 90%. She then referred to page 28 and said that compared to last year, Operations & Maintenance income is down 61% while expenses are only down 26%. Out of the \$415,430 spent so far for Caldor recovery, most of those expenses were for emergency repairs. An additional reimbursement request for \$390,762 was submitted to FEMA for emergency expenses through December 31 2021, but they have only approved funding \$369,000 for that work.

Director McKillop made a motion to approve the financial reports and emergency actions performed in accordance with Resolution 2021-01. Director Chigazola 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – AYE, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

5. **Discuss Resolution 2021-01, Resolution of GFCSD, Declaring an emergency for the Caldor Fire, adopted on August 27, 2021, and confirm an emergency still exists in the District as described in the resolution** - Jodi Lauther requested that the Board declare if an emergency still exists due to the Caldor Fire, and if she should continue to operate under the conditions of Resolution 2021-01.

Director McKillop made a motion to confirm an emergency still exists and all terms of Resolution 2021-01 remain in place until reassessed at the next regular Board meeting in May. Director Malonson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – AYE, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

G. OFFICE & FINANCE / Jodi Lauther, General Manager

Office Operations:

1. **Adopt Resolution 2022-05 Resolution to Oppose Initiative 21-0042A1 Taxpayer Protection and Government Accountability Act** – Kim Gustafson referred the Board to page 41 of the packet and requested that the Board adopt resolution 2022-05 to Oppose Initiative 21-0042A1 Taxpayer Protection and Government Accountability Act. She noted that the proposed legislation could limit the ability of the state and local governments to enact, modify, or expand taxes, assessments, fees, and property-related charges. T. Barsuglia indicated that she opposes any resolution that can't get customers out of charges.

Director Davidson made a motion to adopt Resolution 2022-05 as presented. Director McKillop 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – AYE, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

Financial Operations:

2. **Discuss Positive Pay program and the requirement of “dual control” at the bank and designate who will be the “2nd” control** – Jodi Lauther said that she is attempting to lower Wells Fargo monthly fees from \$250 to \$300 per month down to \$100 per month. In order to do so, she needs to enroll the District's accounts in a new category called Business Essentials which offers more protection, and she would need the Board to authorize granting the District's Treasurer Patti Jobe access to the account. Essentially, it would require that a second person be added for dual control. What this means is when Jodi logs in to run direct deposit payroll transfers, Patti would also need to log in to approve the transaction.

Director Chigazola made a motion to authorize setting up “dual control” and Positive Pay through Wells Fargo

and to designate the General Manager and District Treasurer to hold the “dual control” positions. Director Davidson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – AYE, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop – AYE. The motion passed.

3. Approve annual membership renewal for California Rural Water Association (CRWA).

Director Chigazola made a motion to approve the membership renewal costs for California Rural Water Association (CRWA) as presented. Director Davidson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – AYE, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop – AYE. The motion passed.

H. COMMITTEE MEETINGS

1. Report from the Personnel and Policy Review Committee that met on April 8, 2022
 - a. Present recommended change to the “service connection” definition in Ordinance 88-1.
 - b. Discuss if a policy should be created for “relinquishing service”.
 - c. Present recommended revisions to the “Disconnection of Service Due to Non-Payment” policy.

J. McVey asked why this item was last on the agenda, knowing it was the topic that the public was most interested in. He also stated that the April 8th Personnel and Policy Review Committee meeting agenda was not posted onto the District’s website or sent out by Facebook to let customers know. Kim Gustafson responded to say that the meeting was noticed in accordance with the Brown Act, and that she is happy to send a copy of all meeting agendas to public participants that e-mail her a request to do so. He went on to say that he recommends moving this discussion to the next regular meeting so that the public has time to review the recommended policy changes. There were additional comments by Traci Barsuglia, Thomas Mikkelson and Kaitlyn McVey indicating that they would also like the item deferred.

Jodi Lauther noted that the Ordinance 88-1 revisions were being presented for review today, but that changes would be agendized for approval at the May 12, 2022 regular meeting.

Director McKillop said that out of consideration for the District’s constituents, she recommended moving item H to the top of the May 12, 2022 meeting agenda.

Director McKillop made a motion to move this item to the May 12, 2022 regular meeting agenda. Director Chigazola 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – AYE, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop – AYE. The motion passed.

- I. ANNOUNCEMENTS / DIRECTORS COMMENTS – There were no announcements or director comments.

- J. ADJORNMENT- Director Chigazola made a motion to adjourn. Director Malonson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – AYE, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop – AYE. The motion passed and the meeting was adjourned at 11:05 AM. The next regular meeting will be held via Zoom Meetings starting at 9:00 AM on Thursday, May 12, 2022.

Minutes submitted by:

Kim Gustafson, Board Secretary

Approved by:

Lynn Hannblom, Board Chair

Date:
