

**Grizzly Flats Community Services District
Minutes of the Regular Meeting of the Board
June 9, 2022**

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 Hannblom.

ROLL CALL OF THE BOARD

Present: Directors Chigazola, Davidson, Hannblom, Malonson, and McKillop

Remote: April Bacchi, Scott Myers (H2Ou) (@ 10:08 AM), Lindsay Pangburn (Prosoio Com.), and Charlie Simpson (Basecamp Environmental)

Absent: None

Others: Kim Gustafson, Jodi Lauther, Ken Payne & Tami Scowcroft (EDWA)

SALUTE TO THE FLAG was led by Director Hannblom.

B. APPROVAL OF THE AGENDA – Director McKillop made a motion to approve the agenda as presented. 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.

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 May 12, 2022 regular meeting.**
2. **Review Monthly System Report for May (production data, rainfall information, operations unrelated to the Caldor Fire Recovery efforts)** – Director Davidson asked how the diversions were flowing. Jodi Lauther said that the diversions are still flowing and the reservoir is spilling. She noted that staff was up at North Canyon on Tuesday to clean out silt to get water flowing again at the intake.
3. **Adopt Resolution 2022-07 (if the Board sees the need to continue to hold remote meetings) - Adopt Resolution 2022-07, 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 June 20, 2022, to July 19, 2022 CONSISTENT WITH THE TERMS OF CA GOVT § 54953, SUBDIVISION (E), PARAGRAPH (1), SUBPARAGRAPH (B).**

Director McKillop made a motion to approve the Consent Calendar as presented. 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. CALDOR FIRE RECOVERY

1. **Review the most recent Caldor Fire Status Report** - Jodi Lauther said that staff is moving forward with an application to USDA Rural Development for approximately \$1,000,000 to take approximately 6,000 trees down along Eagle Ditch. She went on to say that \$135,000 was received from the insurance company (Special Districts Risk Management Authority) to replace assets. El Dorado Water Agency will be covering inspection costs for the tank inspections. She noted that FEMA will cover the District's \$500,000 deductible with SDRMA. On Wednesday, Scott Myers and Andy Vicars accompanied FEMA and Cal OES during an inspection of the diversions. Jodi also noted that the El Dorado Water Agency approved \$163,000 in funding to hire a Project Manager that will assist with the FEMA claim process.
2. **Update on USDA-RD grant application for funding to remove hazard trees along Eagle Ditch**
 - a. **Approve the Notice of Exemption for the Grizzly Flats CSD Caldor Fire Hazard Tree Felling Project** – Charlie Simpson of Basecamp Environmental was on the Zoom meeting and noted that he and Cort have

been working to complete the required environmental work for the USDA Rural Development grant. He noted that USDA relaxed the environmental requirements for the grant submission. Charlie said that to finish environmental work for the project, the Board would need to approve a Notice of Exemption.

Director McKillop made a motion to approve the Notice of Exemption so that it can be filed with El Dorado County. 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.

3. **Report on status of customer billing** – Kim Gustafson said that in April 2022, 479 bills were mailed out for \$30,228.12, and 238 payments (50%) were received for a total of \$18,922.53. In May 2022, 517 bills were mailed out for a total of \$37,100.11 and 329 payments were received (64%) totaling \$23,733.14. She said that staff is continuing work to locate missing meters.
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 18 of the packet for some fast financials. She said that page 19 shows a positive net income of \$12,017.94 which doesn't include H2O Urban Solutions billing. Jodi said that staff received a \$500 deductible invoice from SDRMA for the Toyota Tacoma claim, but staff will not issue payment for that until confirming it is required. She noted that some account changes were made to add budget category 14800 for Caldor Fire Expenses, and 24800 for Caldor Fire Recovery. Jodi went on to say that the District is required to adopt a budget by August 31, 2022, and that a first review of the 2022/2023 budget will be scheduled for the Budget & Finance Committee before the July 14, 2022 regular meeting.

Director McKillop made a motion to approve Financial Reports and emergency actions which were performed in accordance with Resolution 2021-01, as presented. 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.

5. **Discuss adopting Resolution 2022-08, Rescinding the Emergency Declaration for the Caldor Fire** – Jodi Lauther said that it has been ten months since the Caldor Fire event, and that the amount of emergency approvals is beginning to slow down. There was a brief discussion about rescinding the emergency declaration, and the possible need to increase the General Manager's spending limit.

Director McKillop made a motion to keep Resolution 2021-01 in place, and not rescind the emergency declaration. 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.

F. OFFICE & FINANCE / Jodi Lauther, General Manager

Office Operations:

1. **2022 Notice of Elective Offices from El Dorado County Elections Department / Gustafson (discussion/action)**
 - a. **Review the Board positions up for election this year and deadlines to file for those positions** - Kim Gustafson said that two Board seats currently held by Directors Chigazola and Malonson will be up for re-election in November 2022. In order to get on the ballot, directors and candidates would need to complete a Declaration of Candidacy form. This document will be available from the El Dorado County Elections Department from July 18th through 5:00 PM on August 12th.
 - b. **Review and approve "Notice of Elective Offices to be Filled"** -- Kim Gustafson referred the Board to page 33 of the packet, and said that in the event of a run-off, the Board should decide whether the District or the candidate(s) should pay for the Candidate's Statement. The Board collectively agreed that the candidate should cover the cost of any potential Candidate's Statements.
 - c. **Review and approve Resolution 2022-09 "Declaring an Election Be Held in its Jurisdiction, Consolidation with other Districts, Requesting Election Services"** – Kim Gustafson requested that the Board adopt Resolution 2022-09 "Declaring an Election Be Held in its Jurisdiction, Consolidation with other Districts, Requesting Election Services." She said that this resolution is required in order to share election costs

with other Districts. There was some confusion on the length of current Board terms, which Kim Gustafson will clarify with the El Dorado County Elections Department.

Director McKillop made a motion to approve the “Notice of Elective Offices to be Filled” and Resolution 2022-09 “Declaring an Election Be Held in its Jurisdiction, Consolidation with other Districts, Requesting Election Services” after the Board terms of office are confirmed. 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.

Financial Operations:

2. **Review and approve quotes from the District’s Auditor Larry Bain to perform the annual audits for years ending June 30, 2021 and June 30, 2022** – Jodi Lauther said that the District’s 2020/2021 audit was missed due to the Caldor fire and that Larry Bain is proposing to perform audits for the last and current fiscal years during the same four-day visit at a cost of \$6,500 per audit. Larry has performed the District’s last five audits, so another Auditor will rotate in to take the lead for the 2020/2021 fiscal year audit. Jodi referred the Board to page 35 and said that Larry prepared separate audit understanding letters for each year due to recent regulation changes. She noted that Larry also offered a \$1,000 discount to assist the District, and that Darlene Serpa will need to schedule two extra audit preparation visits at \$370 each.

Director Chigazola made a motion to approve Larry Bain’s quotes as presented. 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. COMMITTEE MEETINGS

1. **Report from the Water Operations Committee that met on May 19, 2022 / Lauther, Directors Davidson and Malonson, Cort Abney (H2Ou) (discussion/action)**
 - a. **Update from El Dorado County on fire sprinkler design requirements** – Jodi Lauther said that the committee met to discuss the fire flow letters, and that they felt that the District should not impose restrictions on fire sprinkler designs.
 - b. **Discuss the cost associated with fire flow letter requests, and how they will be funded** – Jodi Lauther said that there is staff time required to collect site-specific information, and to prepare and distribute the fire flow letters, for which the cost is estimated between \$100 to \$150. She asked if the District should absorb the cost, or if fire flow letter requestors should be charged for the work. Scott Myers of H2Ou said that locating mains can be difficult, and that he bought a ground penetrating radar (GPR) for \$12,000 and has been using it for the District at no cost.

Director McKillop made a motion to set the fee for fire flow letter preparation at \$150. 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.

- H. **CUSTOMER CORRESPONDENCE** – Jodi Lauther said that staff has been receiving calls and emails from customers who are upset about the monthly billing after losing their homes to the Caldor Fire. There was a brief discussion about what the monthly billing covers, the fact that having a water service connection adds value, and the fact that resuming billing was thoroughly reviewed by the District’s attorney.

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

- J. **ADJORNMENT- Director McKillop made a motion to adjourn. 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 and the meeting was adjourned at 11:18 AM.** The next regular meeting will be held remotely starting at 9:00 AM on Thursday, July 14, 2022.

Minutes submitted by:

Kim Gustafson, Board Secretary

Approved by:

Lynn Hannblom, Board Chair

Date:
