

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

A. CALL TO ORDER

The regular meeting of the Grizzly Flats CSD Board of Directors was called to order at 9:03 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 (Proso Com.), and Charlie Simpson (Basecamp Environmental)

Absent: None

Others: Cort Abney (H2Ou), Kim Gustafson, Chris Kostov, Jodi Lauther, Lindsay Pangburn (Proso Communications), Tami Scowcroft (EDWA)

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 – 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 June 9, 2022 regular meeting.**
2. **Review Monthly System Report for June (production data, rainfall information, operations unrelated to the Caldor Fire Recovery efforts)** – There was a brief discussion about water loss and booster pump issues.
3. **Adopt Resolution 2022-10 (if the Board sees the need to continue to hold remote meetings) - Adopt Resolution 2022-10, 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 July 20, 2022, to August 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 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.

E. COMMITTEE MEETINGS

1. **Report from the Personnel & Policy Review Committee that met on June 27, 2022 / Lauther, Directors Hannblom and McKillop (discussion/action)**
 - a. **Discuss increasing the General Manager’s spending limit** – Jodi Lauther referred the Board to page 11 of the packet for proposed policy changes and said that the committee’s recommendation is to increase the General Manager’s spending limit to \$5,000.

Director McKillop made a motion to revise the policy as recommended, including increasing the General Manager’s spending limit to \$5,000. 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.

- b. **Research current policy and any previous policies regarding new water installation requests and discuss a request received from a customer** – Jodi Lauther said that staff researched past policies and county rules

regarding new water installations in consideration of the recent customer requests to install two new water service connections without building permits. Director Malonson expressed concern that it would set a precedent. Director McKillop expressed concern about the District's lack of ability for enforcement.

F. CUSTOMER APPEALS TO THE BOARD

1. **K. Krassmire & T. Greenberg – Revisit a request for a variance on the GFCSD Ordinance 88-1, Article 4.04, pursuant to section 5.04, specifically asking the Board to permit the establishment of two new water service connections without furnishing a building permit application from EDC Building Department** – Director McKillop indicated that her recommendation, based on the previous discussion, was to not make an exception at this time. She recommended an alternative solution which was for the customers to purchase and fill water tanks which can be set up with timers to irrigate the tree saplings.

Director McKillop made a motion to decline the requested variance. 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.

G. 2022/2023 BUDGET SESSION

1. **Review and discuss the proposed budget for the 2022/2023 fiscal year for the Operation and Maintenance (O&M), Asset Management Program and Capital Improvement Projects (CIP)**

The proposed budget has been reviewed by the Budget & Finance Committee who met on July 1, 2022. The Board will be asked to consider adopting it at our next regular meeting scheduled for August 11, 2022 – Jodi Lauther said that she met with Patti Jobe (District Treasurer), Director Davidson, and Director Hannblom to review the draft 2022/2023 budget. Jodi said that the normal practice is to present the draft budget to the Board in July so that they may take it home to review, and to then bring it back for discussion and approval during the August regular meeting. She pointed out that she used the last normal budget year for the O&M Comparison sheet, which was 2020/2021. She noted that all Asset Management projects are on hold until after the Caldor fire recovery is completed, and that the final budget must be adopted prior to August 31, 2022.

H. CALDOR FIRE RECOVERY

1. **Review the most recent Caldor Fire Status Report** – Cort Abney said that there has been progress on all fronts even though the District continues to suffer cash flow delays. He mentioned that staff had a back-up booster pump on order since March 2022, but due to supply chain issues it had not yet been received. He also said it's been a challenge for staff to keep up with leak repairs due to PG&E tunneling work. He went on to provide an update for the USDA Rural Development grant and said that after submitting two appeals, USDA decided that the District did not need to perform an extensive California Environmental Quality Act (CEQA) review. The environmental work has been submitted to USDA for final approval. The first task once the grant has been awarded will be to mark the hazard trees. After that is done a contractor can be identified to fell the marked trees. Cort also mentioned that staff met with FEMA and Cal OES staff representatives to visit the Big Canyon and North Canyon sites the week of June 6th. The purpose of their visit was to view sections of damaged pipe which were exposed by staff along Eagle Ditch. Cort indicated that they are now talking with FEMA to address sink holes left behind from burned roots. He went on to say that there was a long delay with contract issues between El Dorado Water Agency and Acuren who will be inspecting the structural integrity and coatings of Tyler and Winding Way tanks.

Director Davidson left the meeting at 9:57 AM

Director McKillop noted that there was a typo on page 22, which should read forty nine service line leaks (not thirty six). Jodi Lauther said that a contract was signed with El Dorado Water Agency to hire a Project Manager. The new Project Manager Andrew Martin previously worked at FEMA before transitioning over to Stantec. He made a site visit on June 30, 2022, and is familiar with FEMA processes and procedures. Additionally, the El Dorado Water Agency provided the District with an Intern who was able to gather various information required for FEMA reimbursement such as GPS locations and pictures of damaged infrastructure. Director Hannblom requested that staff include the monthly total of requested fire flow letters in the system report. Ken Payne of the El Dorado Water Agency said that the El Dorado County Resource Conservation District (RCD) received a 1.8

million dollar grant for watershed work over 280 acres. The funding will be used to improve water quality and make the District's intakes more resilient.

2. **Update on USDA-RD grant application for funding to remove hazard trees along Eagle Ditch** - Jodi Lauther said this item was covered during the previous agenda item.
3. **Report on status of customer billing** - Kim Gustafson said that in April, 479 bills were mailed out for a total of \$30,228.12, of which 238 payments were received totaling \$18,922.53. In May, 517 bills were mailed out for a total of \$37,100.11, of which 329 payments were received totaling \$23,733.14. In June, 527 bills were mailed out for a total of \$38,350.24, of which 379 payments were received totaling \$35,010.72. Staff is continuing work to repair damaged service connections and to locate missing meter boxes.
4. **Present updated Financial reports, discuss any emergency actions performed in accordance with Resolution 2021-01, and approve associated expenses** - Jodi Lauther noted that the financial reports cover the end of the fiscal year. Darlene Serpa will be making two visits in July, one for month end and the other for audit preparation.

Director McKillop made a motion to approve Financial Reports and emergency actions which were performed in accordance with Resolution 2021-01, as presented. Director Chigazola 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – ABSENT, 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.**

Director Chigazola 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 August. Director Malonson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – ABSENT, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

I. OFFICE & FINANCE / Jodi Lauther, General Manager

Office Operations:

1. **Review the District's "Conflict of Interest Code" and "Appendix" as required by El Dorado County Elections Department** - Kim Gustafson said that the District's "Conflict of Interest Code" must be reviewed by the Board every two years to verify that it correctly lists the positions that are required to file 700 forms.

Director McKillop made a motion to approve the District's Conflict of Interest Code and Appendix as presented. Director Malonson 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – ABSENT, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

Financial Operations:

2. **Approve annual membership renewal costs for Mountain Counties Water Resources Association (MCWRA), for the period of July 1, 2022 to June 30, 2023** – There was a brief discussion about the benefits of maintaining membership with Mountain Counties Water Resources Association.

Director Chigazola made a motion to approve MCWRA's annual membership invoice in the amount of \$1,297 as presented. Director McKillop 2nd the motion. There was no further discussion. A roll call vote was taken: Director Chigazola – AYE, Director Davidson – ABSENT, Director Hannblom – AYE, Director Malonson – AYE, and Director McKillop - AYE. The motion passed.

- J. **CUSTOMER CORRESPONDENCE** – There was a brief discussion about the customer correspondence included in the packet. It was noted that the District will be going through the Proposition 218 process again in the future. Also, there was discussion that Paradise Irrigation District had lowered rates after the fire tore through their community,

but that doing so made them struggle to survive. It was also noted that they have different dynamics and rules as an irrigation district. Director Hannblom spoke about how hard it has been to make these decisions after the fire, and that they, as board members truly do care for each member of the community, but were elected to serve the GFCSD, and must make decisions that are in the best interest of the District.

K. ANNOUNCEMENTS / DIRECTORS COMMENTS – Ken Payne of the El Dorado Water Agency noted that he is working with El Dorado County on the American Rescue Plan Act (ARPA) fund adoption.

Director McKillop said that the budget packet summary at the bottom of page 2 was very well written. She went on to say that there seems to be an impression in the community, especially among those who lost their homes and have no intention of coming back, that the Board of Directors of the GFCSD are doing something illegal by following the policies of the district. Also that we have no heart, or that we are lacking in compassion.

1. What people don't seem to understand is, when we agreed to serve on the board, we are bound to put the interests of the district before our own interests. We get to make decisions based on policies of the district. We are governed by the laws of California. We cannot lower the fees for some members of our community and raise the fees for others, all of whom have equal access to our service. We don't get to make decisions that express our hearts or our compassion.

I will speak for myself but imagine that I speak for the other members who serve on this board, that I am often moved to the point of tears when I read of the trauma the fire caused to all our constituents. The letter this month from the O'Brien Family was a case in point.

2. There seems to be a misconception in the community that the Board can change fees by a vote of the board. That is not true. We are bound by Legislation passed by the citizens of California in proposition 218. I'm not going to go into the details of Prop 218 but I strongly encourage those of our constituents who have concerns to read up on this piece of legislation, which was put into place to safeguard their interests. The information laid out on packet page 2 of the proposed budget addresses this as well and I urge our constituents to inform themselves.
3. Lastly, members of the board are elected officials. There is an election coming up. If you wish to run for a position on the board, you may contact the county and fill out the necessary paperwork.

L. 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 – ABSENT, 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, August 11, 2022.

Minutes submitted by: _____
Kim Gustafson, Board Secretary

Approved by: _____
Lynn Hannblom, Board Chair

Date: _____