

**Grizzly Flats Community Services District
Minutes of the Regular Meeting of the Board
November 10, 2022**

A. CALL TO ORDER

The regular meeting of the Grizzly Flats CSD Board of Directors was called to order at 6:00 P.M. by Director Hannblom.

ROLL CALL OF THE BOARD

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

Called-in: Scott Myers

Absent: None

Others: Larry Bain, Kim Gustafson, and Jessi Phillips

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. Director Hannblom 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 October 13, 2022, regular meeting.**
2. **Review monthly System Report for October (production data, rainfall information, operations unrelated to the Caldor Fire Recovery efforts).**
3. **Approval of the financial reports and spending for October 2022.**
4. **Receive and file acknowledgements from Special District Risk Management Authority.**

Director Chigazola made a motion to approve the consent calendar as presented. Director McKillop 2nd the motion. There was no further discussion. Director Hannblom called for a vote. The motion passed with all directors present voting aye.

E. PRESENTATION – ANNUAL AUDIT FOR THE YEARS ENDING JUNE 30, 2021 AND JUNE 30, 2022. Larry Bain from Larry Bain, CPA, An Accounting Corporation will present the District’s annual audits to the Board – Larry Bain said that he recently completed annual audits for the years ending June 30, 2021 and June 30, 2022. Although he had been scheduled to perform the June 30, 2021 audit in August 2021, the Caldor fire delayed plans. He indicated that he had a clean opinion for the June 30, 2021 audit which was a pretty normal year with a healthy cash balance over \$600,000 without depreciation. The audit for year ending June 30, 2022 was quite different as water sales were at 50% after the Caldor fire. Overall, the District had a decrease in cash flows of -\$351,688 in fiscal year ending June 30, 2022. Larry noted that he removed \$274,655 from the Capital Assets due to tank and equipment damage during the fire. He noted that the District’s revenues are stabilizing and he does not feel the District will go insolvent in one year.

F. CALDOR FIRE RECOVERY

1. **Update on USDA-RD grant application for funding to remove hazard trees along Eagle Ditch** – Kim Gustafson said that Cort Abney is working on a Request for Proposal document to identify a qualified Arborist or Registered Professional Forester to mark the hazard trees.
2. **Report on status of customer billing** – Kim Gustafson referred the Board to page 6 of the packet and said that 552 bills were distributed in October 2022, for a total of \$39,615.53, and 498 customer payments were received for a total of \$36,302.27.

G. OFFICE & FINANCE / Kim Gustafson, Interim General Manager

Financial Operations:

1. **Discuss California Special Districts Association's (CSDA's) annual renewal** – Kim Gustafson said that membership with California Special Districts Association is required in order to maintain insurance coverage through Special District Risk Management Authority. She noted that the membership fee increased from \$2,051 in 2022 to \$2,205 in 2023.

Director McKillop made a motion to approve the annual CSDA membership renewal fee for 2023 as presented. Director Chigazola 2nd the motion. There was no further discussion. Director Hannblom called for a vote. The motion passed with all directors present voting aye.

2. **Approve cost for Dawson's Drafting Service to prepare preliminary design plans for the COVID testing facility grant opportunity** – Kim Gustafson referred the Board to a separate handout which contained a fee schedule from Dawson's Drafting Service to create a site plan for the new COVID testing facility grant through USDA. Due to the current workload, the Board decided not to pursue the grant opportunity for a new building. The Board recommended that staff forward information to Pastor Bill Brown in case they can use the grant to create a new building at the Grizzly Flats Community Church property.

Director McKillop made a motion to not approve the cost for Dawson's Drafting Service to prepare preliminary design plans. Director Malonson 2nd the motion. There was no further discussion. Director Hannblom called for a vote. The motion passed with all directors present voting aye.

3. **Review and approve costs to purchase and install a replacement chlorine analyzer on Treatment Plant 2 and the raw water turbidimeter for both plants** – Scott Myers said that he looked on eBay for a replacement chlorine analyzer but all that was available were parts. He noted that the Hach CI17 analyzer is finicky when staff changes out reagents. Scott presented three different quotes to the Board. The first quote from MISCOWater was for a Prominent Chlorine Analyzer (Method 2) which comes pre-assembled for \$11,195.70. This equipment not only analyzes chlorine and pH levels, but it also has a new feature that identifies the water temperature. This feature will be useful in summertime when staff has issues with algae that affect water quality. The second quote for \$9,184.77 from MISCOWater was for Prominent Chlorine Analyzer (Method 1) components that would need to be assembled. Scott indicated that it would take a lot of time for staff to assemble the components and that he felt the pre-assembled option was worth the extra cost. The third quote was for Hach equipment, for \$9,225.83.

Director McKillop made a motion to approve the Method 2 quote from MISCOWater for \$11,195.70. Director Davidson 2nd the motion. There was no further discussion. Director Hannblom called for a vote. The motion passed with all directors present voting aye.

4. **Authorize the Interim General Manager to proceed with a Community Disaster Loan application to FEMA in the amount of \$146,301** - Kim Gustafson said that Jodi Lauther had begun work to apply for a Community Disaster Loan after the fire. The amount of the loan granted is the lesser of the cumulative estimated revenue loss for the fiscal year of the disaster and the subsequent three fiscal years or 25% of the approved operating budget of the District. Kim said that the loan amount would be \$146,301, and that the loan may be forgiven before repayment is required. She said that to apply for the loan, Resolution 2022-13 to Authorize the Interim General Manager to Request a Loan Under the Community Disaster Loan Program must be adopted by the Board. There was a brief discussion about current interest rates and fears that they may be too high to justify the need for the loan. Prior to submitting the loan application, staff will present the loan terms to the Board.

Director McKillop made a motion to adopt Resolution 2022-13 as presented. Director Chigazola 2nd the motion. There was no further discussion. Director Hannblom called for a vote. The motion passed with all directors present voting aye.

- H. **ANNOUNCEMENTS / DIRECTORS COMMENTS** – Director McKillop referred to page 53 of the packet and said that she is unable to devote the amount of time and energy needed to be an effective Board member, so she is officially resigning from the Board after the meeting. Staff will add her to the meeting agenda list. The other Board members and staff thanked her for her contributions and expressed the hope that she will once again serve on the Board when

things calm down in the future.

- I. **ADJORNMENT- Director McKillop made a motion to adjourn. Director Chigazola 2nd the motion. There was no further discussion. Director Hannblom called for a vote. The motion passed with all directors present voting aye and the meeting was adjourned at 7:20 P.M.** The next regular meeting will be held in Grizzly Flats and via teleconference starting at 6:00 PM on Thursday, December 8, 2022.

Minutes submitted by:

Kim Gustafson, Board Secretary

Approved by:

Lynn Hannblom, Board Chair

Date:
