

**Grizzly Flats Community Services District
Minutes of the Regular Meeting of the Board
August 13, 2026**

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, Forbey, Hannblom, Malonson, and Simmons

Called-in: None

Absent: None

Others: Cort Abney, A. Davidson, M. Kelley, Kim Gustafson, and Jessi Phillips

SALUTE TO THE FLAG was led by Director Hannblom.

B. APPROVAL OF THE AGENDA - Director Malonson made a motion to approve the agenda as presented. Director Simmons 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 – Mel Kelly asked if a connection could be installed on a property without a building permit. He asked why the District switched to basing the costs off square footage of the home instead of the previous lump sum capital connection fee. Kim Gustafson informed him this change was made during the last proposition 218 process in 2024 as it was determined to be more equitable for the CIP plan to base the cost off square footage. There was a brief discussion about our inability to provide service to parcels outside our District boundary and the process to adjust our service area through LAFCO. M. Kelley said that all District vehicles should be marked with the District logo.

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 July 9, 2026 regular meeting minutes.**
2. **Review monthly System Report for July 2026.**
3. **Approval of the financial reports and spending for July 2026.**
4. **Receive and file the current Action Items List.**
5. **Receive and file the Quarterly Interest Report from the Local Agency Investment Fund (LAIF).**
6. **Receive and file Special District Risk Management Authority's (SDRMA's) letters dated July 21, 2026 regarding no paid Property/Liability or Worker's compensation Program claims in 2025-2026.**
7. **Receive and file the 2026/2027 Direct Charge confirmations from El Dorado county -** The Board of Directors directed staff to contact the Tax Assessor's office to get more information about when their office initiates auction of delinquent properties.

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

E. OFFICE & FINANCE

Office Operations:

1. **Update on back-up pump repair and power options for South View –** Director Forbey said he spent half the day at the South View pump site while Carnahan Electric wired in the recently rebuilt Berkeley pump. He determined that the pump had been installed for over 20 years and that the brushes would not have survived a simulated power outage. He expressed concerns about the in-rush currents and how that could fry the motor. He suggested that the District order another single-phase pump as an emergency backup.

Monthly review of Financial Operations

2. **Annual disclosure of Board member or employee reimbursements for individual charges over \$100 for service or products** - Kim Gustafson referred the Board to page 28 of the packet for employee reimbursements exceeding \$100 during the fiscal year of July 1, 2025 – June 30, 2026. She said there were three items to report which included a boot allowance reimbursement to Jesse Withrow, a reimbursement to herself for paying cash to the El Dorado County Surveyor to get a street address assigned for South View in order to expedite the generator installation process, and reimbursement for purchasing a power converter through her personal Amazon account to secure overnight delivery during the pump failure emergency at South View.
3. **Approve annual membership renewal with Mountain Counties Water Resources Association (MCWRA) for the period of July 1, 2026 to June 30, 2027** - After a brief discussion the Board approved the annual membership renewal.

Director Simmons made a motion to approve Mountain Counties Water Resources Association's annual membership invoice in the amount of \$1,488. Director Malonson 2nd the motion. There was no further discussion. Director Malonson called for a vote. The motion passed with all directors present voting aye.

F. INSURANCE FUNDED FIRE RECOVERY PROJECTS

1. **Consolidated Tank Replacement Project**
 - a. **Update on the Consolidated Tank Replacement Project** - Kim mentioned that M3 Construction installed some piping in preparation for the tank construction, that the ring wall was complete, and that they have been preparing the vault. She said the tank construction should begin on Monday, August 17, 2026.
2. **Approve Crosno Construction's change order #4.1 in the amount of \$22,941.82 to add another 296 square feet of retaining wall due to different terrain, change order #5 in the amount of \$3,243.08 to cover the cost of additional over-excavation as directed by Geocon Consultants, and change order #6 in the amount of \$5,883.09 for culvert realignment to move ductile iron uphill and place owner supplied piping** – Kim Gustafson called Scott Myers of H2O Urban Solutions to and placed him on speaker phone to participate in this discussion item. The Board wanted to know why there have been so many change orders and why the District had to pay for the additional retaining wall costs due to the differing topography. Cort Abney (Shoreline Engineering) said that a 10% change order contingency is a standard baseline reserve in construction budgeting used to cover unforeseen field conditions, scope modifications, or owner-directed changes. He went on to remind the Board about the difficulty of obtaining funding after the Caldor Fire, when the insurance agent offered \$800,000 for recovery, but that after much negotiation from Kim, Scott, and Cort, they District was able to get that amount up to \$3.3 million instead. Cort and Scott were also able to help secure the American Rescue Plan Act (ARPA) allocated funding after El Dorado Water Agency (EDWA) had requested a return of \$1.2 million, and they were able to prove the costs would have been cheaper to replace than repair the Water Treatment Modules. Cort went on to mention that he was able to secure a \$1,000,000 USDA grant to remove dead and damaged trees, perform pipeline repairs, and purchase a skid steer to maintain vegetation along our easement along Eagle Ditch pipeline. Due to the fighting efforts of Scott, Cort, and Kim, the District received over \$6 million in additional funding from fighting over the last three plus years. Cort summarized the project change orders and the Board approved them.

Director Chigazola made a motion to approve change order 4.1, change order #5 and change order #6 as presented for a total of \$32,067.99. Director Forbey 2nd the motion. There was no further discussion. Director Hannblom called for a vote. The motion passed with all directors present voting aye.

G. DISASTER RECOVERY

1. **Review the most recent Disaster Recovery Status Report** - Kim Gustafson said that she is continuing to reach out to Congressman Kiley's office in hope of having him sign off on the pending FEMA projects.

- H. **ANNOUNCEMENTS / DIRECTORS COMMENTS** – Director Malonson mentioned the District's sign at the entrance has faded significantly and asked if staff could re-stain it.

- I. **ADJOURNMENT - Director Chigazola made a motion to adjourn. Director Malonson 2nd the motion. There was no further discussion. Director Malonson called for a vote. The motion passed with all directors present voting aye and the meeting was adjourned at 8:02 P.M.**

Minutes submitted by:

Kim Gustafson, Board Secretary

Approved by:

Lynn Hannblom, Board Chair

Date:
