



MINUTES

REGULAR MEETING BOARD OF DIRECTORS

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
6425 Main Street, Georgetown, California 95634

TUESDAY, SEPTEMBER 13, 2022
2:00 P.M.

BOARD OF DIRECTORS

Michael Saunders, President
Mitch MacDonald, Vice President Mike Thornbrough, Treasurer
Donna Seaman, Director Gerry Stewart, Director

MISSION STATEMENT

It is the purpose of the Georgetown Divide Public Utility District to:

- Provide reliable water supplies
 - Ensure high quality drinking water
 - Promote stewardship to protect community resources, public health, and quality of life
 - Provide excellent and responsive customer services through dedicated and valued staff
 - Ensure fiscal responsibility and accountability are observed by balancing immediate and long-term needs.
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1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

President Saunders called the meeting to order at 2:04 PM

ROLL CALL:

PRESENT: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

Director MacDonald led in the Pledge of Allegiance.

2. ADOPTION OF AGENDA

MOTIONED BY DIRECTOR THORNBROUGH TO ADOPT THE AGENDA. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE:

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

ABSENT/ABSTAIN: NONE

THE MOTION PASSED.

3. PUBLIC FORUM (ONLY ITEMS THAT ARE NOT ON THE AGENDA)

No public comment.

4. **CONSENT CALENDAR** – Any member of the public may contact a Board member prior to the meeting to request an item be pulled from the Consent Calendar

A. Approval of Minutes

1. Regular Board Meeting of August 9, 2022
2. Special Board Meeting of August 17, 2022
3. Special Board Meeting of September 6, 2022

B. Consider Authorizing the District to Conduct Meetings by Teleconference during the Period October 1 – October 31, 2022, as provided by Assembly Bill 361.

Possible Action: Approve Resolution 2022-56 authorizing the District to continue teleconference meetings during the period October 1 to October 31, 2022.

Director MacDonald pulled item 4A3 from the Consent Calendar on behalf of Cherie Carlyon.

MOTIONED BY DIRECTOR THORNBROUGH TO APPROVE THE CONSENT CALENDAR WITH THE EXCEPTION OF ITEM 4A3. SECONDED BY DIRECTOR STEWART.

ROLL CALL VOTE:

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

ABSENT/ABSTAIN: NONE

THE MOTION PASSED.

The Board discussed agenda item 4A3, Minutes of the Special Meeting of September 6, 2022.

Public Comments:

Cherie Carlyon asked that the minutes be corrected to include the question she asked as to whether the state knew about this and if the District could be fined.

Staff was directed to listen to the recording and add Ms. Carlyon's comments to the minutes. President Saunders then stated the District has the authority to change its water response action plans and can only be fined if the District is not in compliance.

Steven Proe asked if the District had notified the Water Board that the District is going against state policies to make sure they don't hit us with a fine later. President Saunders responded the District had communicated by email with the State before taking this action.

MOTIONED BY DIRECTOR MACDONALD TO APPROVE THE MINUTES OF THE SPECIAL MEETING OF SEPTEMBER 6, 2022, WITH THE ADDITION OF COMMENTS FROM THE PUBLIC. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE:

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

ABSENT/ABSTAIN: NONE

5. FINANCIAL REPORTS

- A. Budget to Actuals Report
- B. Pooled Cash Report

C. Monthly Check Report

Adam Coyan reported that some of the end-of-the-year fund transfers and items that were misclassified were transferred this year so some of the balances will show a negative or a large one. Additionally, project accounting has not been used correctly. Staff is working with LSL to get those issues corrected.

President Saunders stated the District has closed out accounts that are being reported as zero and asked Barbara Brenner, Legal Counsel, when the District can stop reporting on these accounts. Ms. Brenner responded that reporting is no longer required as long as the accounts have been formally closed out, and there is no ability to put funds in or take funds out. She added when this is done, it should be recorded in the minutes of the Board meeting. President Saunders indicated the Board voted to close them out in 2019 and they are now at a zero balance. He added the new General Manager will need to check to make sure these accounts have been officially closed out and initiate the required Board action to remove these accounts from the balance sheet.

6. INFORMATIONAL ITEMS

A. Board Reports

Director Stewart commended staff for how they are reacting to the emergency.

Director Thornbrough reported he attended the El Dorado Water Agency meeting and learned that the state is issuing curtailments to all districts. The state curtailed one district's entire amount of water requiring them to reach an agreement with the state which then allowed them to use the water, but was limited to 55 gallons per household.

President Saunders stated, with the drought, water rights pre-1920/pre-1914 requires permission from the State Resources Water Board to use. Out of nine diversions in the District, three are curtailed. He's not aware where these diversions are located and whether the District is using those curtailed diversions.

Adam Brown responded that an inspection was conducted about four weeks prior, and the District is in compliance with those curtailments. In response to further inquiries from Director Thornbrough and President Saunders, Mr. Brown clarified that Stumpy Meadows is a permitted right, but water is stored, so the District is able to use that water. Legal Counsel Barbara Brenner added the permit for Stumpy clearly spells out when you can store and when you can release.

Director MacDonald reported he has confirmed his attendance at the JPIA/ACWA Fall Conference. He stated, as good stewards of the ratepayer's resources, he and President Saunders will be attending at the least possible cost to the District and described their travel plans.

President Saunders summarized his written report, adding the following points:

- The public review and comment period for LAFCO's Municipal Service Reports for small water districts (Grizzly Flats CSD, South Lake Tahoe PUD, and GDPUD) ends on September 28th. President Saunders said the document, which contains comprehensive information about GDPUD, is posted on the District's website.
- The Board may want to consider becoming involved with the Northern California Regional Water Authority. At the meeting he attended, President Saunders stated they talked about water storage through water banking using groundwater supplies. President Saunders indicated he reminded the Authority of stormwater capture and reservoir storage for funding consideration.
- The Water Loss Standards has been finalized and the District needs to get ahead of this with water loss calculations. He recalled with the land area management process and reminded the Board of issues that could arise if the District does not get ahead of the game.

Public Comments. None.

B. Legislative Liaison Report

President Saunders reported SB 1157, which the District opposed with a coalition of water purveyors, passed out of the Assembly and Senate with amendments. The bill maintains the current standard of 55 gallons per capital daily (GPCD); it will be lowered to 47 GPCD on January 1, 2025, and then lowered to the final standard of 42 GPCD on January 1, 2030. The bill is now on the Governor's desk, and the Governor has until September 30th to sign it. The coalition sent another letter asking the Governor to veto it. The Governor is expected to sign the bill; therefore, the next step is to make sure the District's variances can be calculated in a way to obtain additional water to the District's water budget.

President Saunders described legislation on the "Bills to Watch" list:

- **AB 2449 – Rubio (D) Open meetings: local agencies: teleconferences.** This bill allows teleconference meetings without requiring the location of the elected officials to be announced.
- **AB 2647 - Levine (D) Local government: open meetings.** This legislation allows meeting notices to just be posted online during emergencies.
- **AB 222 - Dodd (D) Water Rate Assistance Program.** This bill provides for a low income assistance program, but does not identify funding source. President Saunders noted the District already has a low income assistance program.

Public Comments: None.

C. General Manager's Report

Mr. Coyan indicated since he gave his resignation, he has taken some vacation time, so his report is very short. He reported Socrata is finalized and a link to the portal will be posted on the website and included IN our next public outreach. He commended staff for their response to the fire emergency and acknowledged Adam Brown for leading the efforts.

Public Comments: None.

D. Operation Manager's Report

Adam Brown summarized his written report with the following points:

- treated water production and gross water use vs. time is down and will be covered later in the meeting;
- the field activities (distribution and maintenance crews) were straight forward;
- the Bathymetric Survey was completed and indicated a full pool capacity of 21,212 acre feet.
- the District is still within the 150-day window to respond to the State's comments on the Urban Water Management Plan. Additional information from the survey will change the District's Water Shortage Contingency Plan (WSCP).
- the 2020 Census was finalized updating the number to use for person per household. This would also change the WSCP.
- the Board had additional discussion about changes to the WSCP due to fire mitigation;
- did raw water gaging to make sure we're still reporting accurately; and
- making good progress on Capital Improvement Plan projects.

Director Seaman thanked Mr. Brown for making the modifications she requested related to ditch clearing and cutting. He asked that the report indicate when work is only being done on one side of the ditch and crews have to complete the other side.

Director Thornbrough asked why only 1,000 meters have been read if 40% of the new

meters have been installed. Mr. Brown responded that nearly 40% have been installed but transfers are not received only once a week due to the complicated transfer between the Tyler and Neptune software.

Public Comments: Steven Dowd thanked Mr. Brown for his great presentation. He then commended and thanked Adam Coyan for his work as general manager.

President Saunders asked if Ferguson halted work due to the fire. Mr. Brown responded work was halted on Friday due to the smoke. There was no work yesterday, but the contractor is back out today doing installations outside of the evacuation area.

E. Water Resources Report

Alexis Elliott summarized her written report. She reported that on August 4, a clog in Manhole 10 in ALT caused some effluent to leak and was contained. It was not really a spill. A call out was made to customers to reduce the flow for that day, an emergency flush was done, and it was back online by Friday, August 3. She also noted the charts in her report were from July as she was not able to update the information working remotely.

Public Comments: None.

7. COMMITTEES

A. Finance Committee – Steve Miller, Chair

Steve Miller presented the following recommendations from the Finance Committee:

1. That the Board consider certain investments – short, medium, and longer-term, guaranteed investments, be made to augment the District's revenues (CD's, bonds, and the like). Mr. Miller stated this matter has been reviewed previously, but has not been acted upon.
2. That the Board review the agreement with the State requiring annual wastewater septic tank inspections of Auburn Lake Trails. Mr. Miller provided a history of how this requirement was based on concern for the American River watershed and the potential impact of the ALT 1800-unit development.
3. That the Board approve Staff's recommendation to amend Ordinance 2011-01- Delinquency Rates and Related Fees.

President Saunders asked Mr. Miller to provide his written report so it could be shared with the Directors and posted on the website. (Mr. Miller subsequently provided a written report which is included as Attachment 1 of these minutes.)

B. Irrigation Committee – Ray Griffiths, Chair

Ray Griffiths was not present. Director Stewart indicated the committee would be meeting the following Thursday, which will be on zoom only.

President Saunders stated none of the ad hoc committees have met, but will probably have the Grants committee meet sometime before the next Board meeting to get a head start on grant opportunities. Additionally, the Labor Negotiation Committee may meet to finally bring forward the MOU agreements.

C. Ad Hoc Grant Writing Committee – President Saunders

D. Ad Hoc Committee for Policy Manual – President Saunders and Director Seaman

E. Ad Hoc Committee for the Audit Committee – President Saunders and Director Thornbrough.

F. Ad Hoc Labor Negotiation Committee – President Saunders, Director Thornbrough

8. OLD BUSINESS

A. Monthly Water Demand Assessment Report, and Update on Public Outreach

Possible Action: Receive water demand assessment, update on public outreach activities and consider revisions to the WSCP.

Operations Manager Adam Brown stated the table compares 2021 and 2022 gross water usage and residential usage. It shows a -16% reduction in gross water use and a -14% reduction in residential use. The state typically looks at residential usage which is why he added this from the last report.

Gloria Omania provided an update on the water conservation public information campaign as outlined in the staff report. Director Seaman corrected the date of the Founder's Day to September 25 and provided feedback about the bill insert.

In response to Mr. Proe's earlier comments regarding the Water Shortage Contingency Plan, President Saunders stated the District was in contact with the State beforehand. They were aware of what the District was planning to do and responded this action was within State requirements.

President Saunders stated it looks like water conservation efforts are on pause since we're using a lot of water to fight the fire. Mr. Brown indicated treated water usage was 30% over normal usage likely due to the many customers who left their sprinklers on to protect their homes. President Saunders stated the District expect customers to receive higher bills and having difficulties in paying them. Mr. Brown indicated the raw water usage has yet to be quantified.

Public Comments: *Steven Dowd asked if CalFire will reimburse District for the water used. Brown responded they typically do and will look into this.*

Mr. Proe offered to share with the District a document he has that describes a program where funds are made available to individuals impacted by the evacuation. Those who are in the evacuation zone area able to submit receipts to CalFire for reimbursements. Mr. Proe was asked to forward the information to the General Manager and the Board President.

No changes were made to the WSCP, and staff was directed to continue researching the requirements for the over-the-street banner.

9. NEW BUSINESS

A. Consider Affirming an Employment Agreement with the New General Manager

Possible Action: Receive summary of recruitment process initiated in 2020, and adopt Resolution 2022-57 affirming an employment agreement with the new General Manager

Heather Renschler of Ralph and Associates, who provided recruitment services for the District, stated it was fortuitous that Nicholas Schneider with his experience and education could be reinterviewed and an agreement reached to fill the position of General Manager so quickly.

She stated Mr. Schneider comes for the Mojave Water Agency where he managed a budget exceeding \$5 million, established working relationships with elected officials, State and Federal regulators, and managed a variety of projects including Urban Water Management Plans and Integrated Regional Water Management Plans. He has successfully overseen several state and federal grant programs. He holds relevant certifications including an AWWA Water Use Efficiency Practitioner Grade 1, California Grade 2 Water Distribution and Grade 2 Water Treatment, OSHA 500 Safety Trainer, to name a few. Schneider holds a Master of Science Degree in Environmental Engineering, a Bachelor of Science Degree in Turfgrass Science, and Associate Degrees in Business, Construction Technology, and Horticulture.

Public Comments: *Steven Proe asked if the new general manager would be working part-time and off site.*

Cherie Carlyon asked if the new general manager would be receiving mileage and an auto allowance. President Saunders responded he would receive mileage if he were attending conferences and things like that. This would be on top of the auto allowance. Ms. Carlyon stated car allowances are taxable and will have to be added to his salary. She asked if moving expenses should be one year from moving date, not employment date. President Saunders responded this starts from employment date. Ms. Carlyon noted moving expenses are also taxable income, bringing his salary to \$185,000. She further asked how many days he would be spending in the district office. President Saunders responded that the new General Manager will be a full-time employee; the Board extended some flexibility while he addresses some family issues during his transition to the area. (Note: During the Board meeting, Ms. Carlyon emailed her statement for the record which is included with the minutes as Attachment 2).

MOTIONED BY DIRECTOR STEWART TO AFFIRM THE EMPLOYMENT AGREEMENT WITH NICHOLAS SCHNEIDER. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE:

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

ABSENT/ABSTAIN: NONE

THE MOTION PASSES UNANIMOUSLY.

President Saunders welcomed Nicholas Schneider. He indicated Mr. Schneider has agreed to an earlier start date of September 19, 2022.

Mr. Schneider thanked the Board. He will be driving up to move to the area on Friday, which is a great day for the last day with his current employer and to start with the District as it also happens to be his birthday. The District is facing a great challenge with the fire going on. He said he has already been in contact with staff and has started working on contacts for help to engage in that emergency. He's excited to be part of this great team.

B. Consider Authorizing Change of Bank Authority

Possible Action: Adopt Resolution 2022-58 removing the former General Manager and adding the new General Manager.

Public Comments: None

MOTION BY DIRECTOR MACDONALD TO ADOPT RESOLUTION 2022-XX UPDATING BANK SIGNATORY AUTHORITY. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE:

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

ABSENT/ABSTAIN: NONE

THE MOTION PASSED.

C. Acceptance of Committee Resignations

Possible Action:

1. Accept Resignation of John Duarte from the Irrigation Committee

Possible Action: Adopt Resolution 2022-59 accepting the resignation of a member of the Irrigation Committee.

MOTIONED BY DIRECTOR MACDONALD TO ACCEPT THE RESIGNATION OF JOHN DUARTE FROM THE IRRIGATION COMMITTEE. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

ABSENT/ABSTAIN: NONE

THE MOTION PASSED.

2. Accept Resignation of Bonnie Neeley from the Finance Committee

Possible Action: Adopt Resolution 2022-60 accepting the resignation of a member of the Finance Committee.

Public Comments: None.

MOTIONED BY DIRECTOR THORNBROUGH TO ACCEPT THE RESIGNATION OF JOHN DUARTE FROM THE IRRIGATION COMMITTEE. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

ABSENT/ABSTAIN: NONE

THE MOTION PASSED.

D. Interview Applicants for Appointment to Irrigation Committee

Possible Action: Adopt Resolution 2022-61 appointing public members to the Irrigation Committee.

Adam Coyan indicated there are currently two vacancies on the Brown Act committee and outlined the process for interviewing the three applicants.

President Saunders invited the applicants to introduce themselves in the order they are listed on the agenda:

Alexandra Duarte

Ms. Duarte introduced her family as an irrigation customer for over 30 years for their vineyard located in Georgetown. She said her husband John has resigned due to his campaign for Congress and commitments in D.C. She said it is very important for them to continue to be engaged in irrigation service and all water needs in the area.

Director Stewart asked if she would be able to make the meetings since she resides in Modesto. Ms. Duarte responded she is in Georgetown two to three times a month for the business and would schedule herself to be able to make the committee meetings.

Rena Lowry:

Ms. Lowry stated she has lived in El Dorado County since she was five years old. Her father is the retired Superintendent of El Dorado County schools, and their family is very vested in the area. She owns 1.5 acres and is an irrigation customer. It is important to her to be involved and to have knowledge of the inter-workings of the District when it comes to irrigation water.

Fran Todd:

Ms. Todd stated she is committed to being an engaged citizen. After considering other options, she and her husband decided to retire in this area. They have five acres and are irrigation customers. She believes with her degrees and experience with LA County she can contribute to the committee.

Director MacDonald asked Ms. Todd where she resided as the Board looks at maintaining a balance on the Board. Ms. Todd responded she lives in Pilot Hill at one of the last homes on the water system.

President Saunders stated there are two open seats. He explained the voting would be through email and asked the Directors to rate candidates 1-3. The two receiving the most top votes will be appointed. The third applicant will be considered for to fill the next opening.

Public Comments: None.

President Saunders announced the ballot voting results below with Ms. Duarte and Ms. Todd receiving the same number of top votes. Ms. Lowry will be appointed to the next open seat.

	Director Stewart	Director Seaman	Director Thornborough	Director MacDonald	Director Saunders	Total
Frances Todd	2	1	1	2	2	8
Rena Lowry	3	3	2	3	3	14
Alexandre Duarte	1	2	3	1	1	8

DIRECTOR SEAMAN MOTIONED TO APPOINT ALEANDRA DUARTE AND FRAN TODD. SECONDED BY DIRECTOR STEWART.

ROLL CALL VOTE:

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSENT/ABSTAIN: NONE.

THE MOTION PASSED.

E. Consider Revising Ordinance 2011-02 - Delinquency Rates and Related Fees

Possible Action: Consider revisions to Ordinance 2011-02 and provide staff direction.

Mr. Coyan indicated Office Finance Manager Jessica Buckle was alerted to evacuate for the second time, so is not present to give the report. He presented staff's recommendation for amending the Ordinance:

- Implement a \$25 minimum account balance policy.
- Increase the "immediate" water reactivation charge from \$50 to \$75, and the water reactivation fee "at the District's convenience" charge from \$15 to \$25.
- Remove provision that staff can receive payments in the field since that is no longer permitted due to safety concerns.
- Update the current late fee penalties by removing the \$12 late fee on day 30, and the 1% interest charge on day 60, and replace it with a 10% fee on all delinquent account balances over \$25.

Public Comments: Steven Miller repeated that the Finance Committee endorsed these recommendations.

MOTION BY DIRECTOR THORNBROUGH TO DIRECT STAFF TO AMEND ORDINANCE 2011-02, AND SET ORDINANCE 2022-02 FOR PUBLIC HEARING. SECONDED BY DIRECTOR MACDONALD.

ROLL CALL VOTE:

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

**ABSENT/ABSTAIN NONE
THE MOTION PASSED.**

F. Consider Approving Professional Services Agreement with CEQA Consultant

Possible Action: Adopt Resolution 2022-62 approving PSA for CEQA Consultation Services.

Adam Brown described the need for CEQA consulting services to move the CIP projects forward. He requested authorization to execute a professional services agreement with ECORP Consulting for environmental consulting services.

Public Comments None

MOTIONED BY SEAMAN APPROVE PSA WITH ECORP CONSULTING FOR CEQA CONSULTING SERVICES. SECONDED BY DIRECTOR THORNBROUGH.

ROLL CALL VOTE:

AYES: MACDONALD, THORNBROUGH, SEAMAN, STEWART, SAUNDERS

NOES: NONE

ABSENT/ABSTAIN: NONE

THE MOTION PASSED.

10. BOARD MEMBER REQUESTS FOR ADDITIONS TO FUTURE MEETING AGENDAS AND REQUESTS FOR INFORMATION OR RESEARCH TO BE COMPLETED BY STAFF
Opportunity for Board members to discuss matters of interest to them and provide input for future meetings as well as report on their District-related meeting attendance.

Director Seaman requested that the Board review the policy on the Irrigation Committee and consider revising it to include lack of attendance as a basis for removing a member.

Director MacDonald requested applicants be recruited to fill openings on the Finance Committee. President Saunders directed Staff to go ahead with the recruitment.

President Saunders took this time to thank Adam Coyan again for his work as General Manager acknowledging his excellent efforts to move the Tyler accounting system forward, get Socrata finalized, and the operating budget adopted. He wished him good luck on his new endeavors. Director MacDonald added that Mr. Coyan's work was done with excellence.

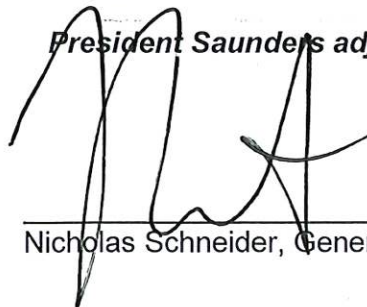
11. NEXT MEETING DATE AND ADJOURNMENT

The next Regular Meeting will be October 11, 2022, at 2:00 P.M., at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, California 95634.

**MOTIONED BY DIRECTOR THORNBROUGH TO ADJOURN THE MEETING.
SECONDED BY DIRECTOR SEAMAN.**

THE MOTION PASSED BY ACCLAMATION.

President Saunders adjourned the meeting at 4:18 PM.



Nicholas Schneider, General Manager

10-18-22
Date

GDPUD Meeting 9-13-22 comments for the record by Cherie Carlyon.

item 9A

New GM contract

Car allowance is Taxable.

Moving expenses are also taxable. Both need to be included in Mr. Schneider's taxable income.

Since Mr. Schneider does not appear to actually be selling his house in Hesperia, the one year exception should start from that date, not his employment date.

Also, I asked how many days Mr. Schneider will actually be working in the district office and was told by the Board President Michael Saunders that he would be working fulltime. He would not confirm that he would be actually working 5 days a week in the district office. This is a disservice to the customers of the district. This district needs to have a fulltime GM.

Cherie Carlyon

**Finance Committee Report to the Board of Directors
of the Georgetown Divide Public Utility District**

by Steve Miller, Finance Committee Chair

The Finance Committee met on August 25, 2022, and voted on the following recommendations to the Board of Directors:

1. ***That the Board consider certain investments, short, medium, and longer-term, guaranteed investments, be made to augment the District's revenues (CD's, bonds, and the like).***

The subject of investing was brought before the Board just before the pandemic hit and interest rates very shortly in a fast fall, but has not been acted upon. The District currently has \$8,695,163 as of the most recent month end's report. These funds sit in a bank earning zero interest. The Finance Committee, through unanimous vote, is now putting this recommendation forward.

2. ***That the Board review the agreement with the State requiring annual wastewater septic tank inspections of Auburn Lake Trails and consider petitioning the State to remove this requirement.***

As history, in 1984, with concern for the American River Watershed the state considered the planned Auburn Lake Trails (ALT) proposed and approved 1800 homes could potentially have a negative impact. An agreement was reached between the ALT HOA and the State that each individual residents septic tank would be inspected annually by GDPUD (this included mound systems). Included in this agreement was that GDPUD could ONLY charge the ACTUAL cost of the inspection and that the cost would be determined in 1985.

An additional agreement was made between TADCO and GDPUD and ALT to build a small Community Disposal System (CDS) to service 123 of these 1800 homes and be managed by GDPUD and charged to the 123 homes on the system and possibly the HOA. The other 1677 lots were in no way responsible for the CDS This was to accommodate the homes that border the proposed golf course. This entirely unique agreement was brought upon ALT due to the DENSITY of population estimated in the development. More severe rules and requirements were enacted in the septic tank which disqualified 698 lots in ALT from any possible home construction. This reduced potential Density in ALT by 39.7%.

The actual annual charges for individual systems were to be conducted in 1985. There are no records to indicate that this was ever done. Initial first year charges to the non-CDS customers included contract costs and other one-time fees. Over the period since 1985 GDPUD has subsidized the CDS system through charges to individual owner systems, but in 2019 GDOUD initiated a cost reduction to non-CDS customers. But no determination has been made to determine the actual cost of the annual inspection, including any postings to the state. This action, while a step in the right direction, was ill-formed by a previous Board. It does not compensate customers that have been overcharged for as much as 37 years.

In spite of the above, I will go back to the origin of the inspection requirement. DENSITY of population. As of the 2019 censuses, ALT is the third most densely occupied entity in the northwest corner of the Divide. The most densely populated section is Georgetown with an average density of 156.4 people per square mile. Second is all of Cool, which includes Cherry Acres, Meadow View Acres, Auburn Lake Trails, and Pilot Hill with an average of 110.2 people per square mile. Third on the list is ALT alone with 100.9 people per square mile. (as the total population of Cool including ALT is greater than ALT alone, it indicates a greater density outside of ALT than within). Garden Valley and Greenwood were considerably lower than the others.

As ALT is now being treated more severely and inequitably than some of the other communities impacting the watershed, it is the recommendation that GDPUD petition the state to rectify this inequity and either eliminate the requirement of annual inspections or include any community with equal or greater DENSITY of population be required to have likewise annual inspections. Recognize this is not a petition to necessarily stop inspections, but rather a petition to establish requirements equitably. I think this will reduce/eliminate being included in any anticipated lawsuit. The impact on several communities could be included if the process is maintained by the state as a significant number of communities impact the American River Watershed.

3. ***That the Board endorsed Staff's recommendation to amend Ordinance 2011-02, Delinquency Rates and Related Fees, to adjust the utility billing late fees and penalties.***

Office Manager Jessica Buckle briefed the Finance Committee on this matter and the Finance Committee voted to endorse staff's recommendations.