

**CONFORMED AGENDA**  
**REGULAR MEETING**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS**  
**6425 MAIN STREET, GEORGETOWN, CALIFORNIA**  
**TUESDAY, MARCH 14, 2017**  
**2:00 P.M.**

**MISSION STATEMENT**

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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
  - Insure 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**

*The meeting was called to order at 2:00 pm. Directors present: David Halpin, Jesse Hanschild, Carl Hoelscher, Lon Uso and Dane Wadle. Staff present: General Manager Steve Palmer, Operations Manager Darrell Creeks, Office Manager Diane Schroeder, Engineering Consultant George Sanders, and Meeting Recorder Gloria Omania. Legal Counsel: Barbara Brenner of Churchwell White.*

**2. ADOPTION OF AGENDA**

***Motion by Director Hoelscher to adopt the agenda. Second by Director Halpin.***

***Public Comment: None***

***The motion passed unanimously.***

- 3. PUBLIC FORUM –** Any member of the public may address the Board on any matter within the jurisdictional authority of the District. Public members desiring to provide comments, must be recognized by the Board President, and speak from the podium. Comments must be directed only to the Board. The public should address the Board members during the public meetings as President, Vice President, or Director, followed by the Board member's individual last name. The Board will hear communications on matters not on the agenda, but no action will be taken.

No disruptive conduct shall be permitted at any Board meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the President, of that person's privilege of address.

*No Public Comment.*

**4. CONSENT CALENDAR**

**A. Approval of Minutes -** Regular Meeting of February 14, 2017

**B. Financial Reports**

1. March 2017 – Early Pays
2. January 2017 Month End Accounts Payable Activity Report

3. Month End Revenue and Expense Summary Report
4. Cash Investment Report

**Possible Board Action – Approve Consent Calendar.**

***Motion by Director Halpin to approve the Consent Calendar. Second by Director Wadle.***

***The motion passed unanimously.***

## **5. PRESIDENT'S REPORT**

*Director Uso reported that he attended last month's Mountain Counties Water Resources Association meeting with Director Wadle and Darrell Creeks. State legislators were in attendance and the importance of developing more water storage in the State was discussed. Darrell Creeks agreed with Director Uso that it was exciting to hear that Federal restrictions for building more storage might be dialed back with the new Administration, but then it was deflating to learn that the State is already posed to resist the roll back of environmental restrictions. Director Uso pointed out there were protesters outside the meeting.*

*Director Wadle encouraged the other Board members and staff to attend future meetings of the Mountain Counties.*

## **6. BOARD REPORTS**

*Director Wadle informed the Board about a State Little Hoover Commission that has been conducting a review of special districts for the past several months. One Commission member is promoting that Special Districts sunset after ten years and then require an election to re-establish the Special District.*

*Dennis Goodenow commented on the importance of more community outreach to inform the community of the benefits provided by the District. Director Uso agreed and commented that letting the public know of the District's accomplishments was one of the topics he discussed with the new General Manager.*

## **7. GENERAL MANAGER'S REPORT**

*Steve Palmer pointed out that this is his first Board meeting and is on Day 7 as the new General Manager. He reported that he has been meeting with staff and getting up to speed on the District. He then summarized his written report which prompted the following points of discussion:*

- *Cost of Service Study and the Auburn Lake Trails Wastewater Zone*

*Director Hoelscher asked if RCAC was doing a Cost of Study Report on the Zone. It is his understanding that such a study needs to be done once a year. He believes there is presently between \$750,000 and \$950,000 in that account that should be returned to the citizens of ALT.*

*Dennis Goodenow stated he is not aware of a required annual Cost of Service Report on the Zone, but pointed out the last study was done in 2011, which is posted on the District website.*

*Director Uso stated that the Board needs to resolve this issue. The Zone fees should be re-evaluated and an appropriate rate set. He feels that issuing a refund could be*

*complicated and costly. He stated that the charges could be suspended for a required period to meet the appropriate rate standard.*

*General Manager Palmer indicated that he would review the matter. The Board directed Staff to bring back a report with recommended action by the Board.*

- *Policy for Inactive Meters*

*In response to Director Wadle's inquiry, Office Manager Diane Schroeder indicated that there are about 280 inactive meters.*

*Director Halpin asked what constitutes an inactive meter. He asked about the process for abandoning a meter and the cost of reconnecting. Operations Manager Darrell Creeks responded there is a fee to unlock the meter.*

*Director Halpin expressed concern that there is no charge for inactive meters. Legal Counsel Barbara Brenner stated that there should be a fee toward the capital cost of the District's system. Director Wadle added that other utility companies have a model for this, and that would be a good place to look.*

*Director Halpin stated that the policy for inactive meters should be revisited. Staff was directed to place this on a future agenda.*

## **8. OPERATIONS MANAGER'S REPORT**

*Darrell Creeks summarized his written report, which was then received and filed by the Board.*

## **9. FINANCE COMMITTEE REPORT**

*Dennis Goodenow stated the Committee met last month and finalized their thinking on the issues related to the RCAC Rate Study and is ready to make a presentation to the Board.*

*With terms ending in June, Mr. Goodenow asked the Board for help in recruiting new members. Director Uso stated he is constantly looking.*

*Director Hoelscher asked if the Finance Committee reviews the expense reports. He called attention to the expense of Lifelock which should only be for one year, the rent for a mini-storage unit that he thought could be purchased for the cost of rent, and continued payments to Vaughn Johnson.*

*Dennis Goodenow reminded the Board that the Resolution adopted to form the Finance Committee calls for the committee to be driven by Staff. If the Staff asked the Committee to review those things, he thinks the Committee has the talent and expertise to do that, but the Committee has not been asked to review these reports at that level of detail.*

*Director Uso commented that the District had been going through some transitions, but is hopeful the operation is becoming more stabilized and the Finance Committee can be move forward with more staff input for the Finance Committee. He thanked Director Hoelscher for bringing up these expenses.*

## **10. METER REPLACEMENT PROJECT UPDATE**

**Discussion** – Bids are due by March 17, 2017, at 2 PM. A Special Meeting is tentatively set for March 22, 2017, to award the bid and approve the loan agreement.

*Darrell Creeks reported that he and Steve Palmer will meet with Mark Cary to review the proposals. At that point, the need for and timing of a Special Meeting will be determined.*

*Director Uso stated that he heard the interest rates will be going up this weekend. He asked if Staff had heard from I-Bank. Diane Schroeder responded that I-Bank requested and received a copy of the last audit and she has not heard from them.*

*Director Uso stated that it is always good to have more than one loan proposal. He asked Staff to contact I-Bank again to determine their interest.*

*Steve Palmer agreed with Director Lon and informed the Board about some addendums as far as the financing, and stated he would have more answers before a Special meeting is called.*

*Director Uso suggested that Staff reach out to ACWA for information as they likely deal with this regularly.*

*Additional discussion followed regarding the existing rate structure and whether customers should be charged for new meters, active or inactive.*

**Possible Board Action -** Receive and file.

#### **11. 2016 WATER SUPPLY AND DEMAND REPORT**

**Discussion –** The Water Supply and Demand Report is prepared annually to quantify the water demands of the District.

*Steve Palmer presented this internal report on how much water was sold, an estimate on the demand, and how much is available. Darrell Creeks provided additional clarification.*

*Director Uso summarized his understanding that even with the demand at full utilization, there remains almost 4,000 af of water available in a normal year.*

**Possible Board Action –** Receive and file.

#### **12. WALTON LAKE WATER TANK RECOATING PROJECT - OLYMPUS & ASSOCIATES**

**Discussion –** This project is included in the FY 2016-17 Capital Budget. Funding for this contract, not to exceed \$165,797, is budgeted in Fund Account 45.

*Marty Ceirante provided an overview of the Walton Lake water tank recoating project and described the recent bid process that resulted in Olympus & Associates as being the apparent low bidder. He reported that four out of the five references responded to Staff's inquiries, and they were all positive.*

**Possible Board Action –** Authorize the General Manager to enter into a contract with Olympus and Associates, issue a Notice to Proceed, and provide the General Manager with change order authority not to exceed 10% of the bid amount.

***Motion by Director Hoelscher to approve Staff's recommendation. Second by Director Halpin.***

**Public Comment: None**

***The motion passed unanimously.***

### 13. ALT TREATMENT PLANT UPDATE

**Discussion** – This constitutes this month’s update on the ALT Treatment Plant Project.

*Engineering Consultant George Sanders summarized his written report with the following points:*

- *CEQA Compliance issues were identified this past week.*
- *The raptor study has been completed and special worker training on identifying red-legged frogs and box turtles is being provided.*
- *Construction management is being done internally, working with PSOMAS.*
- *Construction has started--trailer has been placed and the project sign (meeting State requirements) was received and will be posted.*

*Director Uso informed the Board that a groundbreaking ceremony will be scheduled. Elected officials and the press will be invited.*

*Mr. Sanders stated that Staff will review requirements in the Loan Agreement for public and media events.*

**Possible Board Action** – Receive and file.

### 14. ALT TREATMENT PLANT PROJECT CONSTRUCTION MANAGEMENT

**Discussion** – The Auburn Lake Trails Water Treatment Plant Project is scheduled to begin construction on March 13, 2017 -- Contractor: Myers & Sons Construction; Engineering Support Consultant: PSOMAS; Materials Testing: Youngdahl Consulting Group; Environmental Compliance: Foothill Associates.

*George Sanders presented the staff report providing additional information (distributed as an **Addendum to the Agenda Item #14 Staff Report**) on the outcome of negotiations with NEXGEN, the selected consultant.*

**Possible Board Action** – Possible awarding of contract for Construction Management and Inspection Management.

***Motion by Director Wadle to authorize the General Manager to execute a contract with NEXGEN for contract management and inspection services, for an amount not to exceed \$650,000. Second by Director Hanschild.***

***VOTE: Ayes: Directors Hanschild, Halpin, Uso and Wadle***

***Noes: Director Hoelscher***

***The motion passed.***

### 15. CONSIDERATION OF RESOLUTION 2017-02 – AUTHORIZING THE CHANGE OF SIGNATORY AUTHORITY FOR ACCOUNTS ESTABLISHED WITH EL DORADO SAVINGS BANK.

**Discussion** – The El Dorado Savings Bank requires a Board Resolution to effectuate changes to the Signatory Authority for the District’s accounts.

*Diane Schroeder stated this resolution is a requirement of the bank to add the new General Manager to the bank's list of those with signatory authority.*

**Possible Board Action** – Approve Resolution 2017-2.

**Motion by Director Halpin to approve Resolution 2017-2; Second by Director Hanschild.**

**The motion passed unanimously.**

16. **BOARD MEMBER COMMENTS, 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.

*Dennis Goodenow commented on sustaining the district and the need to discuss staffing and salaries of the Staff. He added that much of work is not getting done because there is not enough staff. It's time to revisit and this should be agenda item.*

*Director Uso stated that the Board should allow the new General Manager to assess the District's priorities and staffing needs and bring a recommendation to the Board.*

*Mr. Goodenow stated that RCAC offered to do a study on staffing and salaries, and should be considered.*

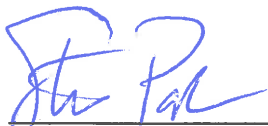
*Kevin McLarren congratulated the Board on the positive tone of the Board meetings.*

*Director Uso stated he would like to see on a future agenda a discussion about our irrigation system as a separate enterprise.*

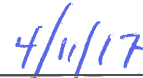
17. **NEXT MEETING DATE AND ADJOURNMENT** – Next regular meeting April 11, 2017, at 2:00 PM, at the Georgetown Divide Public Utility District office.

*The meeting adjourned at 3:16 PM.*

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Darrell Creeks by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one-full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on March 9, 2017.



Steven Palmer, PE, General Manager



Date