

AGENDA
REGULAR MEETING
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA
TUESDAY, AUGUST 9, 2016
2:00 P.M.

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
 - 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

2. ADOPTION OF AGENDA – Board action to adopt Agenda.

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.

4. INTERIM GENERAL MANAGER SALARY RANGE AND DUTIES

A. Discussion – Opportunity for Board to discuss how much it will compensate the Interim General Manager, and what duties the Interim General Manager will take on. The Board may take action to appoint an Interim General Manager and all necessary steps associated with the appointment.

B. Possible Board Action – Staff recommends the Board of Directors identify compensation, duties, and appointment of Interim General Manager.

5. GENERAL MANAGER RECRUITMENT, SALARY RANGE, AND QUALIFICATIONS

A. Discussion – Opportunity for Board to discuss the qualifications it will require in a new General Manager, and the way in which it wants to recruit applicants for the District's new General Manager. This will also give the Board the opportunity to provide a salary range for a new General Manager. The Board may take action and direct staff to initiate the recruitment process and all necessary steps.

- B. Possible Board Action** – Staff recommends the Board of Directors identify qualifications, process for recruitment, and salary range for a new General Manager and direct staff to initiate a recruitment process and all necessary steps associated with the same.
- 6. APPROVAL OF CONSENT CALENDAR** – Board Action to approve the Consent Calendar. These items are expected to be routine and non-controversial. Action by the Board will be taken at one time without discussion. A Board member may request an item be removed from the Consent Calendar for discussion and possible action. Any member of the public may ask to address an item on the Consent Calendar prior to Board action.
- A. APPROVE MINUTES**
- 1) Regular Board Meeting of June 14, 2016
 - 2) Regular Board Meeting of July 12, 2016
 - 3) Special Board Meeting of August 2, 2016
- B. CONTRACT AGREEMENT WITH CAL.NET – TOWER AND USE AGREEMENT** – Staff recommends the Board of Directors authorize the General Manager to enter into a Contract Agreement with Cal.net for the placement and use of an antenna tower on property within the Angel Camp water storage tank site at Auburn Lake Trails. All language within the contract shall be subject to the review and approval of District Counsel prior to final execution.
- 7. FINANCIAL REPORTS** – Accounts Payable for August 2016
- 8. PRESIDENT’S REPORT**
- 9. BOARD REPORTS**
- 10. GENERAL MANAGER’S REPORT**
- 11. OPERATIONS MANAGER’S REPORT**
- 12. FINANCE COMMITTEE REPORT**
- A. Status of Cost of Services Study
 - B. Update on Finance Committee Vacancies
- 13. UPDATE ON RCAC PERFORMING WATER RATE STUDY**
- A. **Discussion** – On July 20, 2016 Dennis Goodenow and Wendell Wall participated in a conference call with John Van Den Berge of RCAC. Nine key points were discussed and noted relating to what service RCAC would be providing to the District in the development of a Water Rate Study.
 - B. **Possible Board Action** – Staff recommends the Board of Directors instruct staff to work with RCAC in the development of a Water Rate Study.

14. ALT TREATMENT PLANT UPDATE

A. Discussion – This is part of a monthly update, provided by staff, relating to the status of the Auburn Lake Trails Water Treatment Plant Project. The content changes monthly with the deletion of those items that are deemed complete.

B. Possible Board Action –

15. BOARD MEMBER AND STAFF 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 to provide input for future meetings as well as report on their District-related meeting attendance.

16. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Government Code Section 54956.9 (one potential case).

B. CONFERENCE WITH LEGAL COUNSEL – Existing Litigation. Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9. Name of case: Jacoby v GDPUD.

17. ADJOURN TO OPEN SESSION – Announcement of action taken in closed session.

18. NEXT MEETING DATE AND ADJOURNMENT – The next regular meeting will be September 13, 2016, at 2:00 PM at the Georgetown Divide Public Utility District office.

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 Wendell Wall 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 August 5, 2016.

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Planned agenda items for Regular Meetings for the Board of Directors

January	<ul style="list-style-type: none"> • Current Year Budget Revision • Approval of Directors' Attendance at Spring ACWA Conference • Review of Investment Policy
February	<ul style="list-style-type: none"> • Second Quarter Budget Comparison
March	<ul style="list-style-type: none"> • Prior Year Water Supply and Demand Report • Next Fiscal Year Budget • El Dorado County Water Agency Matching Funds Project Request • Budget Workshop
April	<ul style="list-style-type: none"> • Budget Workshop • Consideration of Irrigation Applications for the Current Year Irrigation Season • Declaration of Projected Water Year • Fishing Derby Resolution
May	<ul style="list-style-type: none"> • Budget Workshop • Third Quarter Budget Comparison • Set Hearing on Proposition 4, Appropriation Limitation • Set Hearing on Adoption of UWMP (every five years-2011...) • Consolidated General Election Resolution (even years)
June	<ul style="list-style-type: none"> • Adoption of Budget • Select Firm to Conduct Annual Audit • Public Hearing on Proposition 4, Appropriation Limitation • Public Hearing on Adoption of UWMP (every five years-2011...)
July	<ul style="list-style-type: none"> • Auditor-Controller Requests for Certification of Assessments and Charges • Review of District's Conflict of Interest Code (even years)
August	<ul style="list-style-type: none"> • Status of Annual Audit • Approval of Directors' Attendance at Fall ACWA Conference
September	<ul style="list-style-type: none"> • Discussion of Irrigation Season Ending Date • Fourth Quarter Budget Comparison • Approval of Annual Audit
October	<ul style="list-style-type: none"> • General Manager's Evaluation
November	<ul style="list-style-type: none"> • Last Meeting for Outgoing Directors (even years) • First Quarter Budget Comparison
December	<ul style="list-style-type: none"> • First Meeting for Incoming Directors (even years) • Board Officer Election • Outside Agency Representatives Appointed • Represented and Non-Represented Employee Negotiation

Memo

To: Board of Directors

From: George Sanders, Engineering Consultant

Date: August 4, 2016

Re: **APPOINTMENT OF INTERIM GENERAL MANAGER – SALARY RANGE
AND DUTIES**

Board Meeting of August 9, 2016; Agenda Item #04

BACKGROUND / DISCUSSION

This agenda item provides the Board an opportunity to discuss how much it will compensate the Interim General Manager and what duties the Interim General Manager will take on. The Board may take action to appoint an Interim General Manager and all necessary steps associated with that appointment.

RECOMMENDATION

Staff recommends the Board of Directors identify compensation, duties, and appointment of Interim General Manager.

Memo

To: Board of Directors

From: George Sanders, Engineering Consultant

Date: August 4, 2016

Re: **GENERAL MANAGER RECRUITMENT, SALARY RANGE AND
QUALIFICATIONS**

Board Meeting of August 9, 2016; Agenda Item #05

BACKGROUND / DISCUSSION

This agenda item provides the Board an opportunity to discuss the qualifications that it will require in a new General Manager, and the way in which it wants to recruit applications for the District's new General Manager. This item will also give the Board an opportunity to provide a salary range for a new General Manager. The Board may take action and direct staff to initiate a recruitment process and all necessary steps.

RECOMMENDATION

Staff recommends the Board of Directors identify qualifications, process for recruitment, and salary range for a new General Manager and direct staff to initiate a recruitment process and all necessary steps associated with the same.

RESOLUTION NO. 2016-13

OF THE BOARD OF DIRECTORS OF GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT CONFIRMING APPOINTMENT OF DARRELL CREEKS AS INTERIM GENERAL MANAGER AND AUTHORITY TO TEMPORARILY ACT IN CAPACITY AS GENERAL MANAGER

WHEREAS, the Georgetown Divide Public Utility District (“District”) operates on a day to day basis in part through and under the assistance of a General Manager, who is in charge of various administrative, public relations, personnel and general affairs of the District; and

WHEREAS, the General Manager is appointed by the Board of Directors (“Board”) of the District to effectuate the operations of the District, which, among other things, includes signing checks and other documents, the right and ability to negotiate and transact business and/or enter contracts with outside vendors, contractors, organizations, banks and other institutions; and

WHEREAS, as of August 2, 2016, Wendell Wall is no longer the General Manager of the District; and

WHEREAS, the Board finds it necessary for the benefit and welfare of the District to appoint an Interim General Manager to temporarily replace, and to act in place as acting General Manager in order to effectuate the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS AS FOLLOWS:

1. The Board hereby confirms that the former General Manager, Wendell Wall is no longer the General Manager of the District. The Board desires to appoint an Interim General Manager, for an amount of time needed to recruit and hire a permanent General Manager.
2. The Board hereby appoints Darrell Creeks (“Creeks”), a current District employee, as Interim General Manager, to temporarily act in place of a permanent General Manager, with the same rights, duties, obligations, responsibilities and authority as General Manager.
3. The Board hereby agrees to pay Creeks the rate of Sixty Dollars and Ten Cents (\$60.10) per hour as Interim General Manager until the Board selects and appoints a permanent General Manager.
4. This appointment of Interim General Manager shall last so long as and until the Board directs otherwise, and until further action by the Board.

5. The Board agrees that in the event the Board is not satisfied with Creeks' performance, or he is no longer needed as Interim General Manager, he may return to serving as Operations Manager for the District.
6. The Interim General Manager shall consult with the Board on matters relating to the hiring and firing of personnel.

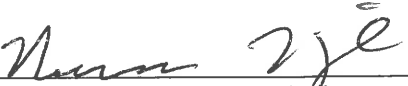
The foregoing Resolution was passed and adopted by the Board of Directors of the Georgetown Divide Public Utilities District at a meeting of said Board held on the 9th day of August, 2016, by the following vote:

AYES: Capraun, Hanschild, Hoelscher, Krizl, Uso

NOES:

ABSTAIN:

ABSENT:



Norm Krizl, President Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:



Clerk and ex officio Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CONFORMED AGENDA

REGULAR MEETING

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA

TUESDAY, JUNE 14, 2016

2:00 P.M.

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
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
-

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 2:01 PM. Directors present: Capraun, Hanschild, Hoelscher, Krizl, Uso. Staff present: General Manager Wendell Wall, Operations Manager Darrell Creeks, Meeting Recorder Gloria Omania. Legal Counsel: Robin Baral of Churchwell White.

2. ADOPTION OF AGENDA

A. Board action to adopt Agenda.

Motion by Director Hoelscher to adopt the Agenda; second by Director Uso.

Public Comment: None.

Vote: 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.

Director Capraun read a prepared statement in response to a question posed to her about the April 28, 2016 special meeting regarding Mr. Brent Stone's irrigation water.

Director Krizl noted that the Board had already held a public hearing on Mr. Stone's appeal, and that the matter has been concluded.

4. PUBLIC HEARING – ADOPTION OF THE 2015 UPDATE TO THE GDPUD URBAN WATER MANAGEMENT PLAN– RESOLUTION 2016-11

A. Public comment on the 2015 Urban Water Management Plan.

Becky Siren, the District's consultant, provided an overview of the process for developing the Urban Water Management Plan (UWMP), which she stated is required because the District serves more than 3,000 customers.

Ms. Siren indicated that the UWMP was initially required as a planning document by the State to ensure districts looked at long term reliability and the ability to supply water during dry seasons. But after 2009-2010, it became more of a regulatory document requiring an update every five years and including the Water Shortage Contingency Plan, a stand-alone document that can be pulled out of the UWMP to be updated and changed by the District at any time.

Ms. Siren said that the State also requires the District to implement water conservation measures. This year the State reduced the foundational programs for conservation from 14 to 5: (1) water waste prevention; (2) metering; (3) conservation pricing; (4) public education and outreach; and (5) program staffing and funding.

One of the big pieces of the UWMP is to set a target of 20% conservation in 2015 with a long-term target of 20% by 2020. The District far exceeded the 2015 target and is trying to maintain that level of conservation during the next five years to sustain and meet the long-term target. Also, the State has added as leverage the ability to withhold funding if requirements are not met. While unable to implement everything intended, the District far exceeded its goal over the last five years.

Another requirement, stated Ms. Siren, is that the District is now required to conduct a water audit using the American Waterworks' Association software. She worked with staff, and the District was able to complete the audit, and will be prepared to conduct it every year.

Director Uso asked whether the annual water audit will be used as a tool to set the District's conservation goals. Ms. Siren responded that that is not the case, because compliance with the UWMP and compliance with emergency regulations are calculated differently. Ms. Siren further explained that compliance is measured on water production, not on sales, so unaccounted water becomes very important. For 2015, the District had 27% of unaccounted water. This was a big red flag for the District since this previously ranged from 5%-10%.

The discussion turned to public outreach and education, with most of the Board members in agreement with Ms. Siren, who stated that the District should reinstate the school education program and host information booths at community special events (such as Founder's Day, Kids Expo, and any community event that draws significant public attendance). This offers the District an opportunity to inform the public about its services and to promote water conservation through the distribution of conservation kits, leak detection pills, and other such items. General Manager Wall stated, and Ms. Siren agreed, that the costs associated with these outreach efforts should be budgeted.

Director Uso stated that the District's discussion about a new meter program could positively impact water per capita reporting. Ms. Siren pointed out that the California Urban Water Conservation Council estimates a 25% reduction in water use with new meters because customers become more aware of their water usage, and the District is able to register more accurate flows. Ms. Siren indicated that the Plan included a calculation of water reduction through new meters.

- B. Consideration of Resolution 2016-11 adopting the Urban Water Management Plan and Water Shortage Contingency Plan.**

Director Capraun acknowledged Ms. Siren's excellent work, and the other Directors also expressed their appreciation.

C. Possible Board Action –

Motion by Director Uso to adopt Resolution 2016-11; second by Director Hoelscher.

Public Comment: None.

Vote: Passed unanimously.

- 5. CONSENT CALENDAR –** These items are expected to be routine and non-controversial. Action by the Board will be taken at one time without discussion. A Board member may request an item be removed from the Consent Calendar for discussion and possible action. Any member of the public may ask to address an item on the Consent Calendar prior to Board action.

ACTION:

A. APPROVE MINUTES

- 1) Regular Meeting of April 12, 2016

This item was approved on the Consent Calendar.

- 2) Special Meeting of April 28, 2016

Director Uso requested that the minutes of the April 28, 2016 meeting be pulled for corrections. He requested that the following additions and corrections be made to the minutes:

- 1. Include a comment made by Director Uso toward the end of the April 28 meeting that it was Mr. Stone who brought this entire issue to the District.*
- 2. Correct the minutes to reflect that it was Mr. Stone's employee who opened the weir for water, and not Mr. Stone himself.*
- 3. Include a statement in the minutes regarding the appropriateness of Director Hoelscher's sharing in public a statement that had been made in closed session.*

Motion by Director Uso to approve the minutes of April 28, 2016 as corrected; second by Director Hanschild.

Public Comment: None

Vote: Passed.

Ayes: Directors Hanschild, Hoelscher, Krizl, Uso.

Abstain: Director Capraun.

- 3) Regular Meeting of May 10, 2016

This item was approved on the Consent Calendar.

B. PUBLIC HEARING – PROP 4 APPROPRIATION LIMIT – RESOLUTION 2016-12

This item was approved on the Consent Calendar.

C. PROFESSIONAL SERVICES AGREEMENT WITH GEORGE SANDERS – EXTEND TERM

This item was approved on the Consent Calendar.

Motion by Director Uso to approve items A1, A3, B, and C on the Consent Calendar; second by Director Hoelscher.

Public Comment: None.

Vote: Passed.

Ayes: Directors Hanschild, Hoelscher, Krizl, Uso.

Abstain: Director Capraun.

6. FINANCIAL REPORTS

- A. Accounts Payable for June 2016, and Disbursements for May 2016
- B. Revenue and Expense Summary for April 2016
- C. Balance Sheet for April 2016
- D. Cash and Investment Reports for April 2016
- E. ALT Zone and CDS Summary for April 2016

Before commenting on the financial reports, GM Wall explained that, due to recent staffing changes, the reports were not completed in time to be included in the Board packet.

Motion by Director Uso to accept and file the financial reports; second by Director Hoelscher.

Public Comment: None.

Vote: Passed.

Ayes: Hanschild, Krizl, Uso.

Abstain: Hoelscher, Capraun.

Director Uso asked for consideration of Dennis Goodenow's suggestion that financial reports be done quarterly. Director Krizl indicated that he favored quarterly reporting for at least some of the reports.

7. PRESIDENT'S REPORT – There was no report.

8. BOARD REPORTS – There were no reports from Directors.

9. OPERATIONS MANAGER'S REPORT

Operations Manager Darrell Creeks reported that the GIS Program will help the field crew and will result in savings for the District; that divers were hired to do specialized work; that vehicles were auctioned off, which essentially paid for the divers; and that no bad samples were found in water quality.

10. GENERAL MANAGER'S REPORT

General Manager Wall provided a staffing update and announced the creation of the District newsletter for the first time in several years. GM Wall added that going forward, staff will be including the newsletter with the customer billing.

GM Wall distributed an invitation from Brenda Bailey, Assistant to County Supervisor Michael Ranalli, to an event honoring Gene Chappie, who was instrumental in protecting water rights for the Divide. GM Wall indicated that Director Uso will be speaking and urged other interested Board members to attend.

11. FINANCE COMMITTEE REPORT

Mr. Goodenow presented the report from the Finance Committee. He indicated that the committee is very close to finalizing the Operations Budget, and the Capital Improvement Plan is almost ready. He informed the Board that the Finance Committee intended to have a joint meeting with the Board, but this was no longer feasible for June.

Mr. Goodenow reported that two Finance Committee members are potentially opting not to continue on the committee after their terms expire at the end of June. This offers an opportunity for others to serve. Director Uso reported that in light of the staff transition, Chairperson Rick Gillespie has agreed to remain on the committee for two to three more months.

Director Uso added that the District should be recruiting interested persons now, in anticipation of the terms ending. He asked that staff get the notice out so the Board can be ready to vet some people at next meeting. General Manager Wall indicated he would post the notice as soon as possible.

Director Capraun expressed her concern that a budget will not be adopted by July 1.

12. REQUEST FOR PROPOSAL FOR CERTIFIED PUBLIC ACCOUNTANT SERVICES

- A. Discussion** – Recent staff changes have created an opportunity to reassess our staffing structure and the process for creating financial reports. Financial reporting, office management, and human resources, has been the responsibility of the Office Manager. Contracting out for CPA services for financial reporting will provide for greater efficiency and create important checks and balances to this important process.

GM Wall provided some background on the need for CPA services. He indicated that with the departure of the office manager, the financial reports are being prepared by Vaughn Johnson.

There was discussion regarding the pros and cons of having the financials done in-house, once an office manager is hired, versus having them done by an outside CPA firm.

- B. Possible Board Action** – Staff recommends the Board of Directors approve the issuance of the Request for Proposal for Certified Public Accountant Services.

Motion by Director Capraun to approve the issuance of an RFP for CPA Services; second by Director Hoelscher.

Public Comment: None.

Vote: Passed unanimously.

13. SELECT FIRM TO CONDUCT ANNUAL AUDIT – FISCAL YEAR 2015-16

- A. Discussion** – On February 12, 2016, the District mailed requests for proposals to five firms with a response deadline of May 31, 2016. In addition, Board members also notified some contractors of the pending RFP. At the suggestion of the Finance Committee, staff posted the RFP to the District web page. The District developed an objective criteria-based score sheet to evaluate the responses. Five responses were received by the due date.

GM Wall provided some background on the five firms who submitted proposals to conduct the annual audit for FY 2015-16. He explained that the rating process revealed all proposers are qualified to perform the audit. It is up to the Board to select the firm.

Director Uso indicated his preference to select the firm based on the lowest bid, since all respondents are qualified.

Director Capraun stated that the lowest bidder is Fletcher & Company from Sacramento. She added that it is beneficial to have a new auditor who may see things that have not been seen before.

- B. Possible Board Action** – Staff recommends the Board of Directors consider all the facts, documentation, and appropriate additional information and select a company for next year's audit.

Motion by Director Hoelscher to select Fletcher & Company; second by Director Capraun.

Public Comment: Mr. Goodenow stated that technical evaluations were done based on the RFP's objective criteria and three individuals rated the proposals, without regard to cost.

Discussion followed.

Vote: Passed unanimously.

14. ORDINANCE 2016-02 – FIRST READING

- A. Discussion** – This is the first reading of **Ordinance 2016-02** amending Article 5 of Ordinance 07-01 to set the connection fee for the second 5/8-3/4 meter at 60% of the current rate.

Project Manager George Sanders provided background for the discussion. He explained that water usage by properties with second meters ranged between 45% and 67%. The average was 58.1%, which he rounded up to 60% to determine the proposed rate.

Comments followed relative to the 60% rate determination. Director Krizl stated that it is difficult to deviate from the 60% rate, if that is the average second meter consumption average. Mr. Sanders pointed out that the math is being drawn from a small pool of customers with second meters (only 1% of the 3500 total customers served by the District).

District Counsel clarified that the connection fee has to be reasonably proportionate to the cost of service.

Director Uso indicated that he would make a motion to set the connection fee at 60%. Director Hoelscher referred to the decision by the Board at its March meeting to set a second meter for

a customer at 50%.

When asked, Operations Manager Darrell Creeks indicated that he personally likes the 50% rate because it is reasonable and he prefers to round down to help people out, but the decision is the Board's. After the additional discussion, Director Uso withdrew his motion.

- B. Possible Board Action** – Staff recommends the Board introduce for first reading **Ordinance 2016-02** setting the connection fee for the second 5/8-3/4 meter at 60% of the current rate. Staff further recommends the Board vote to read a *summary* of the Ordinance in lieu of reading the full text of the Ordinance.

Motion by Director Capraun to waive reading the entire Ordinance and to adopt Ordinance 2016-02 with the modification to set the connection fee for the second meter at 50%; second by Director Hoelscher.

Public Comment: None.

Vote: Passed.

Ayes: Directors Capraun, Hanschild, Hoelscher, Uso.

No: Director Krizl.

15. WATER RATE – COST OF SERVICE STUDY – NEXT STEPS

- A. Discussion** – At a regular Board meeting on May 10, 2016, staff proposed that a consultant be hired to complete the Water Rate Study/Cost of Services report. At the public workshop, which was held on May 31, Board members and staff discussed and clarified the scope of the RFP. Because the Board desires to move forward posthaste, a second alternative was offered for consideration, and that is to simply update the existing 2010 Cost of Service report. Staff was instructed to investigate that possibility and report back to the Board at the June 14 meeting. Staff sees two options for the Board to consider: 1) Hire an outside consultant to complete a current Rate Study/Cost of Services Report; and 2) Update the 2010 Report internally.

General Manager Wall presented the staff report on the Water Rate/Cost of Service Study.

Director Krizl commented on the general options of updating the 2011 Cost of Service Report internally or hiring an outside consultant.

Director Capraun distributed information and made a presentation on the Cost of Service Study done in October 2014.

This was followed by a lengthy discussion regarding the usefulness of the 2014 Cost of Services Report, along with the two options to be considered, as outlined by Director Krizl.

Director Uso emphasized the need to start a process that doesn't take the District more than two to three months to get sufficient rates in place to run the District properly.

Mr. Goodenow stated that he doesn't believe it would take a substantial amount of work to update the 2011 study and suggested that the Finance Committee could do this using numbers gathered from normal years. Mr. Baral stated that the District should look at 2011 as a typical year with a full staff and no drought to provide justifiable numbers.

- B.** Staff recommends the Board of Directors discuss the two options and provide direction to staff.

Motion by Director Uso to direct staff and the Finance Committee to update the 2011 Cost of Service Study and use it toward a Prop 218 rate increase; second by Director Hanschild.

Public Comment: None.

Vote: Passed.

Ayes: Directors Hanschild, Hoelscher, Krizl and Uso.

No: Director Capraun.

16. SALARY EVALUATION AND INCREASE – CERTAIN FIELD PERSONNEL

- A. Discussion** – This agenda item is included at the request of Director Hoelscher. The item relates to a proposed salary increase for a total of three different positions within the District. These positions are the Water Treatment Plant Operator II, the Distribution Operator II, and the Distribution Operator Lead.

Director Hoelscher said he felt it was necessary to bring staff salaries with the same certification to a more equitable basis.

Director Uso agreed, adding that the District needs to make sure salaries are commensurate with industry standards.

GM Wall stated that there should be a review of all staff salaries. Director Capraun stated that each position needs a desk audit of tasks and time to complete those tasks.

- B. Possible Board Action** – Staff remains neutral on this agenda item and is prepared to follow the direction of this Board.

Motion by Director Capraun to accept the salary evaluation increases as presented; second by Director Hoelscher.

Public Comment: Director Uso indicated his strong support for these increases.

Mr. Goodenow commented that the District should establish a systematic process for reviewing salary increase requests.

Vote: Passed unanimously.

17. ALT TREATMENT PLANT UPDATE

- A. Discussion** – Recap and extension of prior month report on progress towards plant replacement.

Project Manager George Sanders presented the staff report noting that Foothill Associates completed the environmental material that was needed to complete the loan application, and the State has confirmed receipt of the packet. Foothill Associates agreed not to charge the District anything additional since they were able to include this in the budget.

Mr. Sanders stated that additional financial information, as well as environmental material, had been provided to the State, and receipt had been confirmed.

The District received ten bids from contractors, which will be reviewed by Legal Counsel. Mr. Sanders said he is unable to confirm at this time, but it appears the submittals are complete. The apparent low bidder is Meyers & Sons with a bid amount of \$10,249,000. Request for

Proposals for Construction Management is getting to a critical stage, and the RFP is something that needs to be completed.

B. Possible Board Action – *Informational item only; no action required or taken.*

- 18. BOARD MEMBER AND STAFF 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.

No additional Board comments.

- 19. CLOSED SESSION** – *The Board adjourned to closed session at 5:49 PM.*

A. CONFERENCE WITH LEGAL COUNSEL – Existing Litigation. Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9. Name of case: Jacoby v GDPUD.

- 20. ADJOURN TO OPEN SESSION** – Announcement of action taken in closed session.

The Board returned to open session at 5:55 PM and reported that no action was taken in closed session.

- 21. NEXT MEETING DATE AND ADJOURNMENT** – The next regular meeting will be July 12, 2016, at 2:00 PM, at the Georgetown Divide Public Utility District office.

The meeting adjourned at 5:58 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 Wendell Wall 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 June 10, 2016.

Signed: _____

Norman A. Krizl, President

Date: _____

8-9-16

CONFORMED AGENDA

REGULAR MEETING

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA

TUESDAY, JULY 12, 2016

2:00 P.M.

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
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
-

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 2:00 PM. Directors present: Capraun, Hanschild, Hoelscher, Krizl, Uso. Staff present: General Manager Wendell Wall, Operations Manager Darrell Creeks, Meeting Recorder Gloria Omania. Legal Counsel: Barbara Brenner of Churchwell White.

2. ADOPTION OF AGENDA – Board action to adopt Agenda.

Motion by Director Capraun to adopt the Agenda; second by Director Hanschild.

Public Comment: None.

Vote: 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.

There was no public comment.

4. APPROVAL OF CONSENT CALENDAR – Board Action to approve the Consent Calendar.

These items are expected to be routine and non-controversial. Action by the Board will be taken at one time without discussion. A Board member may request an item be removed from the Consent Calendar for discussion and possible action. Any member of the public may ask to address an item on the Consent Calendar prior to Board action.

Director Capraun requested that all items be pulled from the Consent Calendar and action taken on each individually.

A. APPROVE MINUTES – SPECIAL MEETING OF MAY 31, 2016.

Motion by Director Uso to approve the minutes; second by Director Hanschild.

Public Comment: None.

Vote: Passed unanimously.

- B. QUARTERLY FINANCIALS** – Historically, the District financial reports have been presented to the Board of Directors on a quarterly basis. This practice changed two years ago, and staff has been presenting all the financial reports each month since that time. At a recent Board meeting, it was suggested by a Board Member that some of the financials could be reported on a quarterly basis.

With the Board's agreement, the following reports would be presented on a quarterly basis: Statement of Cash and Investments, Revenue and Expense Summaries for Operations and the Zone, and the Balance Sheet. Staff would continue to present the Accounts Payable (Early and Final Pays), and the Cash Disbursements on a monthly basis.

Director Capraun stated that she felt it would be in the best interest of the public to continue with monthly reporting.

Motion by Director Hoelscher to not accept staff's recommendation and to continue monthly financial reporting without any change; second by Director Capraun.

GM Wall stated that there have been several different conversations about this item and there seemed to be an understanding that monthly reporting of Accounts Payable and Cash Disbursements is required by law, but the other reports are not required to be provided monthly.

Director Krizl indicated that, aside from Accounts Payable reports, he was inclined to support quarterly reporting, because the minimal benefit of seeing monthly reports is not worth the cost of producing them.

Public Comment: Ray Kringel stated that as a member of the Finance Committee he found it useful to have monthly reporting and felt it would be helpful in managing the budget.

Vote: Failed.

Ayes: Directors Capraun and Hoelscher.

Noes: Directors Hanschild, Krizl and Uso.

- C. UPDATE 2011 COST OF SERVICES REPORT – CONTRACT WITH DENNIS GOODENOW** – The need for the District to identify the costs associated with providing service for both treated and raw water customers has been discussed at recent Board meetings. Staff has limited resources to update the 2011 report. Dennis Goodenow has agreed to update the report, at a cost not to exceed \$2,500. His knowledge of the subject matter and approach to providing possible updates were well displayed in his presentation at the June 14, 2016 Board meeting.

GM Wall presented the staff report. There was some discussion regarding bringing in Rural Community Assistance Corporation (RCAC) to update the 2011 report versus having staff – or the Finance Committee assisted by staff – update the report.

Director Krizl said that if going with RCAC translates into a very lengthy process and further delays, he would be much more inclined to support a study done internally.

After ascertaining from Legal Counsel that a motion was not necessary, the Board directed staff to work with the Finance Committee to update the 2011 Cost of Services Report, and to contact RCAC to determine what role, if any, they might be willing to play in this process.

- D. REVIEW OF DISTRICT’S CONFLICT OF INTEREST CODE FOR 2016** – Every other year, the County Recorder-Clerk-Registrar of Voters requests that the District review its Conflict of Interest Code and amend the Code, if needed. Staff has reviewed the 2016 Biennial Notice sent by El Dorado County Recorder Office and found that no revision to the District’s Code is necessary.

GM Wall presented the staff report, noting that no revision to the District’s Code is necessary.

Motion by Director Capraun to approve the District’s Conflict of Interest Code for 2016. Second by Director Hoelscher.

Public Comment: None.

Vote: Passed unanimously.

- E. CONTRACT AGREEMENT WITH CAL.NET – TOWER AND USE AGREEMENT** – The District received a request from Cal.net, an Internet and phone provider, to allow the placement of an antenna tower at the Angel Camp water storage tank site of Auburn Lake Trails. Staff is requesting Board approval to draft a contract with Cal.net for the placement and use of an antenna tower at the water storage tank site.

Mark Hurd, a Cal.net representative, provided information and answered questions. Cal.net has received a grant to provide Internet services to the unserved areas of the county and is requesting approval to install an antenna tower at the water storage tank site.

Director Uso, with the other Board members nodding in agreement, stated, “Of course we are going to support something that will benefit the community” and provide some revenue for the District.

The Board then directed staff to work with Legal Counsel and Cal.net on a contract for the Board’s review and action at the next Board meeting.

5. FINANCIAL REPORTS

- A.** Accounts Payable for July 2016, and Disbursements for May 2016
- B.** Revenue and Expense Summary for May 2016
- C.** Balance Sheet for May 2016
- D.** Cash and Investment Reports for May 2016

E. ALT Zone and CDS Summary for May 2016

GM Wall presented the reports. There was some discussion regarding reimbursements for conferences, in particular, the ACWA conference.

Director Krizl stated if the Board wanted to set up guidelines for conferences, that can be brought up at another time.

Continuing with the Financial Reports, GM Wall indicated that the District was at 92% of the budget at the end of the fiscal year with 99.58% of the revenues already received.

Director Hoelscher noted that the amount in the reserves for the Zone is excessive and the customers should benefit from this. There was agreement that the Board needs to deal with this, and that it should be part of the Cost of Services study of the whole system.

Motion by Director Uso to accept and file the Financial Reports; second by Director Hoelscher.

Public Comment: None.

Vote: Passed.

Ayes: Directors Hanschild, Hoelscher, Krizl and Uso.

Abstain: Director Capraun.

6. PRESIDENT'S REPORT

Director Krizl shared his experience during a recent boat trip to the upper end of the lake and his amazement at the increase in the amount of water coming in now that the trees are gone. He was pleased to see that the lake looks good, adding that water clarity is fantastic.

He brought up the matter of the SMUD payments and the need to discuss what should be done with these funds. He pointed out that this presents a tremendous opportunity to consider projects to fund with the payments of \$90K or more per year, and how it can be leveraged. He added that it is good that these funds are in a separate account that is being tracked separately.

After others weighed in, the Board directed staff to come back with suggestions on how to leverage these payments and to develop a list of projects that could be funded by these payments.

7. BOARD REPORTS

Director Hanschild commented that he agreed with the suggestion that the new meter program be considered for funding with SMUD payments.

Director Uso reported that he attended the Mountain Counties water meeting where he met a gentleman who provided him with valuable information regarding well systems. He indicated that he set up a meeting outside of the GDPUD to share this information with the public. He said that he emphasized at the meeting that the District has nothing to do with wells. Director Uso reported that the meeting focused on ways neighbors could work together cooperatively, and ways to monitor their well's performance to ensure they know the most efficient and effective ways to use their well. The meeting was attended by around 40 people.

He also added that he hoped staff would come back with replacing meters as one capital improvement project for the SMUD payments.

There were no other reports from Board members.

8. OPERATIONS MANAGER'S REPORT

Operations Manager Darrell Creeks reported on the Trailhead fire and described how staff is working with CalFire and the US Forest Service. CalFire staff contacted the District about installing meters to keep track of its water usage to fight the fire, offering to pay the District for approximately 100,000 cubic feet of water used thus far. CalFire staff also kept track of water pulled from the lake and will pay the District for that usage as well.

Mr. Creeks reported that he received a call from the California Rural Fire Association offering to help the District in any way with issues resulting from the fire. George Sanders commented that it is important for the community to know that these entities are being cooperative and paying for the demands they're placing on the District's system, adding that this is all very positive.

Mr. Creeks went on to inform the Board that there was a flume failure over the weekend. The crew repaired it, but it needs to be completely replaced this fall with steel beams. The Board discussed the need to look at replacing all wooden flumes with metal flumes and to include this as part of the Capital Improvement Plan.

9. GENERAL MANAGER'S REPORT

GM Wall presented the General Manager's Report noting the following:

Three permanent positions have now been filled for Administrative Aide I (Christina Cross), Maintenance Worker I (Eric Tyler), and Office Manager (Diane Schroeder). Gloria Omania, an extra help employee through Blue Ribbon, continues to provide assistance, filling the vacancy that will be left by Diana Michaelson.

The District is currently under contract with the consulting firm of EN2 to perform the environmental permitting and design. District staff continues to work with EN2 on the project.

The El Dorado County Water Agency Board approved funding for two GDPUD projects consisting of a 50% reimbursement through the El Dorado County Water Agency's Cost Sharing Program.

The current Personnel Policy was last updated in 2000. Counsel has assisted the District in the review of the current policy and has recommended a series of updates. Staff is currently working on incorporating these updates.

10. FINANCE COMMITTEE REPORT

Mr. Goodenow reported on the regular Finance Committee meeting of June 21, 2016 on behalf of Committee Chair Rick Gillespie. The committee focused on the Operations Budget and the Board's request to update the Cost of Service Study.

Mr. Goodenow indicated that Mr. Sanders attended as a member of the public. Mr. Sanders alerted the Finance Committee about the need for revolving funds to handle the cash flow related to the ALT

Project in that vendors will want to be paid before loan funds from the State become available. Mr. Goodenow stated that the accounting of this process should be fairly simple and transparent.

The Finance Committee gave final suggestions to staff pertinent to the Operations Budget, adding that some Board members were uncomfortable about not receiving the budget last month. Staff turnover complicated the delivery of the budget on time.

Mr. Goodenow reported that the Finance Committee members were under the impression that the Board had directed staff to update the 2011 Cost of Service report, with the Finance Committee playing an advisory role. However, none of the committee members felt they had the time to make this commitment. They felt they could best help the District by reviewing the staff proposal and providing feedback.

Director Uso stated that the revolving fund for the ALT project would likely come from one or more of the District's reserves. He suggested that it would be a good idea to consider which account would be most appropriate to borrow from. Legal Counsel Brenner commented that this would need to be documented and transparent.

Mr. Goodenow continued his report by stating that Ray Gillespie's two-year term is expiring, but he has agreed to make himself available to some degree until the position can be filled. The Board acknowledged Mr. Gillespie for his hard work on the committee. The General Manager reported that staff recently advertised for the open positions on the Finance Committee, but has not received any applications at this point.

11. FISCAL YEAR 2016-17 OPERATING BUDGET

- A. Discussion** – District staff, working with the Finance Committee, has developed a proposed Fiscal Year 2016-17 Operating Budget. The Budget outlines the past year's accomplishments and describes some of the challenges faced in recent years.

GM Wall presented the Operations Budget. There was some discussion.

GM Wall referenced an Operations Budget workshop conducted by the District's former office manager, noting that information from that workshop was used for updating the Operations Budget being presented to the Board.

- B. Possible Board Action** – Staff recommends the Board of Directors approve and adopt the Fiscal Year 2016-2017 Operating Budget.

Motion by Director Uso to approve the Operations Budget as a spending plan; second by Director Hanschild.

Public Comment: *Director Capraun stated that she has no confidence in the Budget.*

Mr. Goodenow asked the Board to keep in mind that the Budget is a spending plan that authorizes the District to keep the operation going.

Director Uso stated that the District needs to put together a "real world" report that accurately shows, in an understandable manner, the actual financial status of the District so the public is not misguided in any way.

Kevin McLaron called the Board's attention to the recent District newsletter that contained a graphic and narrative showing the District's budget.

Vote: Passed.

Ayes: Directors Hanschild, Hoelscher, Krizl and Uso.

No: Director Capraun.

12. ORDINANCE 2016-02 – REDUCTION OF WATER CONNECTION FEE FOR SECOND SERVICE

- A. Discussion** – This is the second reading of **Ordinance 2016-02** amending Article 5 of Ordinance 07-01 to allow for the reduction of the water connection fee for a second service on a residential parcel to 50% of the value of the connection fee charged for connecting to the District’s treated water system.
- B. Possible Board Action** – Staff recommends the Board of Directors adopt **Ordinance 2016-02** setting the connection fee for the second 5/8-3/4 meter at 50% of the current rate.

Motion by Director Capraun to wave reading the full text of Ordinance 2016-02; second by Director Uso.

Public Comment: None.

Vote: Passed unanimously.

Project Manager George Sanders read a summary of the Ordinance.

Motion by Director Uso to adopt Ordinance 2016-02; second by Director Hoelscher.

Public Comment: Ray Kringel commented that the provisions of this Ordinance are profitable from a business point of view.

Vote: Passed unanimously.

13. ORDINANCE 2016-03 - DIRECT CHARGES – FEES AND ASSESSMENTS FOR FY 2016-17

- A. Discussion** – Annually, the District brings an ordinance and related documents required by the County to place District-related charges on the County’s secured property tax bills. **Ordinance 2016-03** is to lien the property of customers with delinquent balances as of June 30, 2016 and to place the annual charges for the District’s assessment districts.

General Manager Wall presented this item as required annually by the County.

- B. Possible Board Action** – Staff recommends the Board of Directors adopt **Ordinance 2016-03** authorizing the General Manager or his designee to execute any documents needed by the County for the direct charges for each of the assessment districts and the unpaid balance charges.

Motion by Director Hoelscher to adopt Ordinance 2016-03 as recommended by staff; second by Director Hoelscher.

Public Comment: None.

Vote: Passed unanimously.

14. ALT TREATMENT PLANT UPDATE

A. Discussion – Recap and extension of prior month report on progress towards plant replacement.

Project Manager George Sanders provided a brief summary of his report, and then focused his presentation on the Installment Sales Agreement. He indicated that his goal is to move forward with the contract in August. He expressed his appreciation that Legal Counsel is willing to work with him to achieve this goal.

Mr. Sanders stated that the District needs to have a reserve account that is equal to one year of the loan payments in order to finalize the agreement. Mr. Sanders strongly encouraged the Board, based on the recent progress made, to consider collecting the Prop 218 supplemental charge for operating capital.

Mr. Sanders described the timeframe for awarding the contract and said that the State will have to approve the award of the contract before he is able to bring it to the Board of Directors for approval.

B. Possible Board Action –

Mr. Sanders asked Ms. Brenner if official Board action was required in order to begin collecting the supplemental charge. Ms. Brenner indicated she would have to review the specific language in the Prop 218 resolution.

The Board directed staff to bring this back to the Board at its next meeting.

Director Krizl commended Mr. Sanders for his excellent work and acknowledged the amount of work ahead to move this project forward. He offered the support of the Board, to which Mr. Sanders expressed his gratitude. Director Krizl also recognized the excellent work of the District's Counsel.

15. BOARD MEMBER AND STAFF 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.

Director Capraun asked that the General Manager's performance review be added to the August agenda.

16. CLOSED SESSION - *The Board adjourned to closed session at 5:06 PM.*

A. CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Government Code Section 54956.9 (one potential case).

17. ADJOURN TO OPEN SESSION – Announcement of action taken in closed session.

The Board returned to open session at 5:08 PM.

18. NEXT MEETING DATE AND ADJOURNMENT – The next regular meeting will be August 9, 2016, at 2:00 PM at the Georgetown Divide Public Utility District office.

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 Wendell Wall 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 July 8, 2016.

Signed:  _____
Norman A. Krizl, President

Date: 8-9-16

CONFORMED AGENDA

SPECIAL MEETING

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA

TUESDAY, AUGUST 2, 2016
5:00 P.M.

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
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
-
-

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 5:00 PM. Directors present: Capraun, Hanschild, Hoelscher, Krizl, Uso. Legal Counsel: Barbara Brenner. Staff present: Operations Manager, Office Manager Diane Schroeder.

2. ADOPTION OF AGENDA

A. Board action to adopt Agenda.

Motion by Director Uso to adopt the agenda. Second by Director Hoelscher.

Vote: The motion passed unanimously.

3. **PUBLIC FORUM** – This is a special meeting under Government Code Section 54956. Public comment is limited to items appearing on the agenda. Under Section 54954.3, the public shall have the right to comment on any items appearing on the agenda prior to or during consideration of this item. Public comment on items not appearing on the agenda should be made at the regular meetings of the District. 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.

There was no public comment.

4. ADJOURN TO CLOSED SESSION - EMPLOYEE EVALUATION

Pursuant to Government Code 54957(b)(1), the Board adjourns to closed session for: PUBLIC EMPLOYEE PERFORMANCE EVALUATION.

TITLE: General Manager

The Board adjourned to closed session at 5:03 PM.

5. ADJOURN TO OPEN SESSION – Announcement of action taken in closed session.

The Board returned to open session at 6:25 PM. Director Krizl announced that the Board reviewed the General Manager's performance evaluation and took action to terminate the General Manager's contract.

6. NEXT MEETING DATE AND ADJOURNMENT – The next regular meeting will be August 9, 2016 at 2:00 PM at the Georgetown Divide Public Utility District office.

The Board adjourned at 6:28 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 Wendell Wall 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 August 1, 2016.

Signed: 
Norman A. Krizl, President

Date: 8-9-16

Memo

To: Board of Directors

From: Darrell Creeks, Operations Manager

Date: August 4, 2016

Re: **CONTRACT AGREEMENT WITH CAL.NET – TOWER AND USE
AGREEMENT**

Board Meeting of August 9, 2016; Agenda Item #6B

BACKGROUND / DISCUSSION

This item was first presented at the Board meeting of July 12, 2016; Agenda Item #04E. It relates to the placement of an antenna tower at the Angel Camp water storage tank site, located within the community of Auburn Lake Trails.

Based on information received from Cal.net, an Internet and phone provider, it is estimated that the revenue generated from this activity would be \$250 per month.

Per Board direction, staff is currently working with District Counsel and Cal.net in the development of a Contract Agreement. Although nearly complete, staff is lacking the final Agreement for signature.

Both District staff and Cal.net have a desire to expedite this process. Considering the nature of the subject matter and the limited projected revenue generated from the site, staff is suggesting that this Board allow the General Manager to work with District Counsel and Cal.net in the finalization of a Contract Agreement.

RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to enter into a Contract Agreement with Cal.net for the placement and use of an antenna tower on property within the Angel Camp water storage tank site at Auburn Lake Trails. All language within the subject contract shall be subject to the review and approval of District Counsel prior to final execution.

GDPUD
PO BOX 4240
Georgetown, CA 95634
(530) 333 4356
Fax: (530) 333-9442

Memo

To: Board of Directors
From: Stephanie Beck, Administrative Aide
Date: August 9, 2016
Re: Final Pay Accounts Payable for August 2016

Please take note that checks have been printed and mailed prior to August 9, 2016 for the following vendors to take advantage of early payment discounts or to comply with payment deadline.

ATT&T
AARP
Anthem Blue Cross
Blue Shield of CA
Caltronics
Churchwell White
De Lang
Diamond Well Drilling
Georgetown Gazette, LLC
GDPUD-Petty Cash
Legalshield
Medical Eye Services
Mobile Mini
PG&E
Premier Access Dental
Robinson Enterprise
United Health Care
Us Bank
Verizon Wireless
Walton Lake SRF

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
Accounts Payable -- August 2016 Early Pay

Name Description	Amount	Account	Amount
All Cycles	\$ 84.28	5238	\$ 47.28
		5338	\$ 18.50
		5438	\$ 18.50
American Water Works Association	\$ 420.00	5689	\$ 420.00
AT&T-Monthly Service	\$ 779.21	5344	\$ 101.77
		5544	\$ 133.03
		5644	\$ 133.03
		5644	\$ 102.22
		5644	\$ 40.95
		6744	\$ 133.01
California Laboratory Services	\$ 4,348.00	5384	\$ 422.00
		6784	\$ 3,926.00
Caltronics-Copier contract-copy charges	\$ 339.77	5640	\$ 339.77
Churchwell White	\$ 9,140.26	5636	\$ 8,950.26
		6736	\$ 190.00
Corbin Willits Service	\$ 553.20	5546	\$ 276.60
		5646	\$ 276.60
De Lang-Copier Lease 7/1/16-7/31/16	\$ 239.11	5640	\$ 239.11
De Lang-Formax Machine Lease 7/1/16-7/31/16	\$ 194.38	5640	\$ 194.38
Diamond Well Drilling	\$ 1,245.00	5384	\$ 435.00
		5484	\$ 810.00
Divide Auto Parts	\$ 1,041.84	5138	\$ 40.67
		5238	\$ 373.60
		5246	\$ 76.81
		5438	\$ 389.20
		5638	\$ 161.56
Divide Supply, Inc	\$ 156.43	5338	\$ 40.81
		5339	\$ 19.34
		5438	\$ 66.00
		6738	\$ 19.54
		6739	\$ 10.74
Ecorp Consulting, Inc	\$ 1,790.08	5128	\$ 1,790.08
Finchdog Enterprises	\$ 517.20	5311	\$ 517.20
Foothill Associates	\$ 2,049.89	1553	\$ 2,049.89
Gempler's	\$ 256.03	5438	\$ 256.03
GDPUD-Petty Cash August 2016	\$ 282.02	5238	\$ 73.14
		5346	\$ 53.60
		5640	\$ 32.00
		5640	\$ 4.81
		5640	\$ 22.95
		5640	\$ 22.95
		5640-010	\$ 6.80

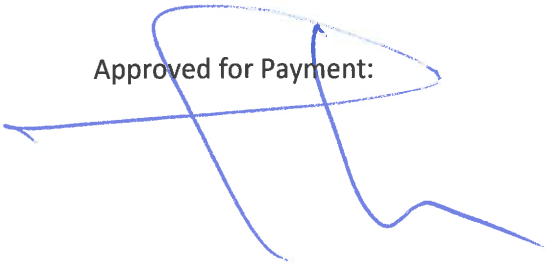
		5641	\$ 23.90
		5641	\$ 17.97
		5641	\$ 23.90
Georgetown Gazette, LLC-Public Notice	\$ 214.64	5640	\$ 214.64
Georgetown Hardware	\$ 262.88	5438	\$ 262.88
Global Machinery	\$ 22.01	5238	\$ 22.01
Golden State Flow Measurement, Inc	\$ 1,041.70	5439	\$ 1,041.70
Grainger	\$ 1,769.46	5439	\$ 1,769.46
Harris Gas	\$ 18.20	5438	\$ 18.20
Hercules Industries, Inc	\$ 587.89	5138	\$ 169.46
		5238	\$ 169.46
		5438	\$ 169.46
		5140	\$ 13.55
		5240	\$ 13.55
		5440	\$ 13.55
		2132	\$ 38.86
Home Depot	\$ 244.84	5439	\$ 244.84
Legalshield	\$ 170.05	5190	\$ 17.90
		5290	\$ 35.80
		5390	\$ 8.95
		5490	\$ 8.95
		5590	\$ 17.90
		5690	\$ 35.80
		5690-010	\$ 26.85
		6790	\$ 17.90
Marcums Equipment and Repair	\$ 840.00	5246	\$ 440.00
		5446	\$ 280.00
		5646	\$ 120.00
Medical Eye Services August 2016	\$ 247.35	5118	\$ 9.37
		5218	\$ 46.85
		5318	\$ 9.37
		5418	\$ 37.48
		5518	\$ 9.37
		5618	\$ 116.17
		6718	\$ 18.74
MJT Enterprises, Inc-Temporary Labor	\$ 3,785.60	5211	\$ 1,601.60
		5611	\$ 2,184.00
Mobile Mini-Storage Rental	\$ 197.85	5639	\$ 197.85
National Document Solutions	\$ 241.30	5540	\$ 241.30
PG&E-Utilities Electric	\$ 2,099.14	5444	\$ 514.74
		5644	\$ 1,024.27
		6744	\$ 560.13
Powernet Global	\$ 119.82	5644	\$ 119.82
Premier Access Dental August 2016	\$ 1,938.60	5118	\$ 111.56
		5218	\$ 167.34
		5318	\$ 55.78
		5418	\$ 278.90

		5518	\$ 55.78
		5618	\$ 1,157.68
		6718	\$ 111.56
Robinson Enterprise-Gasoline & Diesel	\$ 1,568.06	5148	\$ 203.85
		5248	\$ 611.54
		5348	\$ 125.44
		5448	\$ 344.97
		5648	\$ 125.45
		6748	\$ 156.81
Santander	\$ 1,230.88	1418	\$ 1,048.56
		5670	\$ 182.32
Sierra Chemical Company	\$ 4,258.64	5338	\$ 4,258.64
Sunstate Equipment Company	\$ 3,307.28	5239	\$ 3,307.28
US Postal Service-Permit 6	\$ 2,000.00	5540	\$ 1,500.00
		5640	\$ 300.00
		6740	\$ 200.00
USA North	\$ 467.08	5489	\$ 467.08
Us Bank	\$ 8,889.08	5038	\$ 1,943.93
		5039	\$ 2,554.94
		5040	\$ 3,759.41
		5060	\$ 93.30
		6738	\$ 537.50
Verizon Wireless	\$ 420.39	5344	\$ 28.20
		5444	\$ 160.94
		5644	\$ 203.93
		6744	\$ 27.32
Wells Farge SRF	\$ 2,296.95	29-1115	\$ 2,296.95
Total General Fund	\$ 61,172.11		\$ 61,172.11

RETIREE FUND			
AARP Medicare Rx - August 2016	\$ 31.00	12-1157	\$ 31.00
Blue Sheild of CA-J. Leu 8/1/16-10/31/16	\$ 1,431.00	12-1157	\$ 1,431.00
Anthem Blue Cross P Hereford 7/1/16-10/1/16	\$ 514.26	12-1157	\$ 514.26
Blue Shield of CA - J St Dennis August 2016	\$ 169.00	12-1157	\$ 169.00
Blue Shield of CA - M. Davis 06/01-08/31/16	\$ -	12-1157	
Unitedhealthcare Ins - Prepay for D Schwagel, Aug	\$ 142.25	12-5668	\$ 142.25
Total Retiree Fund	\$ 2,287.51	Fund #12	

TOTAL ALL FUNDS IN GENERAL ACCOUNT	\$ 63,459.62		\$ 63,459.62
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Approved for Payment:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke extending to the left.

Treasurer

A handwritten signature in blue ink, featuring a large initial 'J' followed by several loops and a long horizontal stroke extending to the right.

General Manager

Memo

To: Board of Directors

From: Darrell Creeks, Operations Manager and George Sanders, Consultant

Date: August 4, 2016

Re: **GENERAL MANAGER'S REPORT**

Board Meeting of August 9, 2016; Agenda Item #10

BACKGROUND / DISCUSSION

Staffing Update

The resignation last month of Administrative Aide II Sarah Wright, has created a vacancy on the administrative team. Our new office manager, Diane Schroeder, is working diligently to fill the position and reassign existing staff who are working hard to fill the void. At this writing, interviews are currently in process.

Founder's Day Booth

The District will host a booth at the Founder's Day event in September. District representatives will staff the booth to provide information about the services offered by GDPUD and to distribute conservation kits and other materials.

Status of Annual Audit Agreement

The service agreement with Fechter & Company, the firm selected to conduct the annual audit, is nearly complete. Due to delays on the part of the District, the firm has accepted additional work assignments through the months of August and September. It is anticipated that the field work on the District audit will begin in late October. Assistance from District staff will be needed in preparation for this audit.

SMUD Payments

The District receives annual payments from SMUD in the amount of \$105,000. This is a relatively new funding source that is expected to continue into the future for an indefinite time period. These payments are part of the agreement negotiated with SMUD during its FERC relicensing process. The District currently has \$216,340 on reserve, as earnings from this revenue source.

Director Krizl expressed a desire to dedicate this funding stream to specific needs within the District, rather than place these monies in the General Fund. In reviewing the needs of the District, staff is suggesting that this revenue stream be dedicated to either 1) a meter replacement program, or 2) be placed on reserve and dedicated to any and all issues relating to water rights.

Personnel Policy

The District currently operates under a Personnel Policy that was last updated in 2000. The District continues to work with Counsel in the development of a series of updates to the current policy. This activity remains work in progress. It is anticipated the updated policy will be on the agenda for September, for possible Board action.

Drought Funding – CABY Grant

The District recently completed the Quarterly Billing and Quarterly Report for projects identified under the CABY Grant. Unique to this Quarterly Report were a series of proposed changes to the project work areas. Staff continues to work with the consulting firm of *EN2* on a variety of project activities.

RECOMMENDATION

Receive and file.

Memo

To: Board of Directors

From: Darrell Creeks, Operations Manager

Date: August 4, 2016

Re: **OPERATIONS MANAGER'S REPORT**

Board Meeting of August 9, 2016; Agenda Item #11

BACKGROUND/DISCUSSION

Water Treatment (ALT & Walton)

The Auburn Lake Trails Water Treatment Plant produced 36.384 million gallons of potable water for the month of July. This equates to an average of 1,173,677 gallons per day. This flow is an increase of 6.48 million gallons from the month of June. The Walton Lake Water Treatment Plant produced 37.728 million gallons of potable water for the month of July. This equates to an average of 1,217,032 gallons per day. This flow is an increase of 6.749 million gallons from the month of June.

As of July 2014, the District is required to report to the State the amount of total potable water produced through the two plants (ALT and Walton) on a monthly basis and to compare that value with the demands of the prior year over the same reporting period. The table below shows the percentage increase (+) or decrease (-) for 2015/16, together with 2013/16.

The District is no longer required to reduce water consumption by 29% compared to 2013. We will be self-certified at 0%; however, we are still held to reduce 20% by 2020.

Month 2016	+/- over 2015	+/- over 2013	Month 2016	+/- over 2015	+/- over 2013
January	-6%	-8%	July	+24%	-22%
February	+5%	-0%	August		
March	-16%	-15%	September		
April	+3%	-23%	October		
May	+6%	-37%	November		
June	+19%	-25%	December		

DSOD

Division of Safety of Dams did this year's inspection on July 26th. We also received last year's report from them showing they are satisfied with the work that GEI consultants did for us. We have received a letter from the Dept. of Water Resources stating we can now do our survey of the monuments on the dam every other year. They did tell us this year that we will be required to provide electricity for lights and ventilation in the valve tunnel under the dam in the next couple of years for future inspections.

Water Quality

The District conducted the required water quality monitoring at the treatment plants and in the distribution system and submitted the required water quality monitoring reports to the State Water Resources Control Board (SWRCB). Under contract with the District, Becky Siren prepared the required reports and reviewed key elements of the same with the General Manager prior to submittal.

The Treatment Plant reports showed compliance with all drinking water standards, with the exception of the Auburn Lake Trails Water Treatment Plant which is currently under a compliance order from SWRCB for failure to meet the requirements of the Surface Water Treatment Rule.

The distribution system monitoring results showed all samples absent/negative of any bacteriological contamination and adequate levels of disinfection through the system.

A copy of the report, as submitted to the SWRCB, has not been included in this report due to the technical nature and overall size of the document.

Waste Water: Auburn Lake Trails

Average daily flows in the community disposal system were 18,029 gallons per day. This value is far below the limit of 71,800 gallons per day as identified in the Waste Discharge Requirements.

The District is currently up to date in the monitoring of waste water systems in the zone. It is anticipated the District will stay on schedule as a result of permanent staff dedicated to this effort.

Stumpy Meadows Reservoir

The latest measurements collected at Stumpy Meadows Reservoir on August 2, 2016, showed a reservoir elevation of 4,252 feet 5 inches, representing storage of **16,949 acre-feet, or 84.7% of capacity**. This represents a decrease in storage of approximately 986 acre feet over the prior month.

Current releases from Stumpy on this date were 35.32 CFS. Flow into Stumpy on this date was recorded at 5 CFS.

Field Work Activities – Distribution and Maintenance

Distribution: Installed two new meters. Repairs were made on five water main leaks, seven service leaks, and three leaking meters. Replaced two complete service lines on Triple Seven Road. Repaired two fire hydrants and one Warf hydrant. Severed pipe to abandon Pilot Hill Tank. Located several valves in ALT. Installed safety lights on new service truck.

Maintenance: The crew spent the month removing vegetation from the ditches. Repaired an air release valve below Walton Lake. Exercised outlet valve at Walton for DOSD. Replaced pressure gauges and made adjustments on the Garden Valley pipeline. Installed a new service on the Cherry Acres canal. Made repairs to the excavator. The excavator has double the recommend hours for these types of machines.

RECOMMENDATION

Receive and file this report.

Georgetown Divide Public Utility District Finance Committee

"Providing financial research, review, and advisory services for the GDPUD Board of Directors and General Manager in support of sound, prudent and business-like management of the water district"

Meeting Date:

July 19, 2016

Location:

GDPUD Board Room

Adopt the July 19, 2016 Agenda

All members of the Finance Committee were present, with the exception of Dane Wadle. The Agenda was adopted as presented.

Approve the June 21, 2016 Minutes

The Committee approved the minutes from the June 21, 2016 meeting.

Election of Officers

Because Dane was not present, the Committee decided that the election of officers should be postponed until Dane, and hopefully one or two new members, are present. The Committee agreed that an acting Chairperson should be assigned to facilitate the next meeting and report to the Board. Dennis Goodenow was suggested as the acting chairperson and he agreed. Donna Bruss also agreed to continue as Secretary until new officers are elected.

Open Forum

The General Manager gave a status report of the solicitation of new FC members. The announcement placed in local newspapers has not yet generated any interest in the positions. It was suggested that FC members and the Board might want to explore new candidates in person.

Cost of Services Report Update

The Cost of Services Report Update was distributed to the FC members as part of their pre-meeting package. The Update was discussed in detail, and the members thought the Update was well done and did not include any technical or data posting errors. The Committee also agreed that the Update followed the current District rate structure but did not include data that would allow for other rate structure components to be supported. Some of the other rate structure components of interest to the Committee included meter charges, service charges, infrastructural charges, and commodity charges. The Committee was also concerned that if the water rates are adjusted using the Update as the supporting document, the District would not pursue a comprehensive and new water rate study in the near term. Some on the Committee stressed that the District must develop a new water rate study as soon as possible.

Future Discussion Items

The Committee discussed topics for future FC work. Some topics discussed included:

Additional Funds Analyses

New District Budget Format

SMUD Fund Projects

Long Term Capital Improvement Plan

Reserve Policy

COS Allocation Documentation

Memo

To: Board of Directors

From: George Sanders, Engineering Consultant

Date: August 4, 2016

Re: **UPDATE ON RCAC PERFORMING WATER RATE STUDY**

Board Meeting of August 09, 2016; Agenda Item #13

BACKGROUND / DISCUSSION

NOTE: The material content of this agenda item is based on information on file at the District, as compiled by Wendell Wall and/or Dennis Goodenow. Minor edits have been made by staff in an effort to add clarity.

On July 20, 2016 Dennis Goodenow and Wendell Wall participated in a conference call with John Van Den Berge of RCAC. The following nine key points were discussed and noted, as it relates to what service RCAC would be providing to the District in the development of a Water Rate Study.

1. RCAC has not agreed, at this time, to do any work for GDPUD. RCAC wants to assess the Board's resolve to implement any work done before agreeing to do such work.
2. If RCAC agrees to do the work, they will only take directions from the General Manager, or his designee. No directions, requests, or suggestions will be entertained from Board members.
3. The work performed by RCAC would include the Raw Water as a part of the Water Rate Study. This was relayed in a subsequent call from John to Wendell on July 21, 2016.
4. John reviewed the Cost of Service Update sent to him last week (the Finance Committee version) and he thought the work was very well done. The Update identifies findings and recommendations that will need to be corrected, addressed, or removed before RCAC can proceed.
5. The Update and all other Cost of Service Reports completed by the District have all been "accounting" reports. These reports look to the past to determine what the cost of services have been. The work RCAC now does is a "financial" report, one that looks to the future.
6. RCAC is not interested in doing a Cost of Services report, they want to develop a Water Rate Study.
7. The work that can be done by RCAC includes an engineering assessment of the entire infrastructure and a five-year Capital Improvement Plan (CIP); a revenue assessment of where the money will come from to implement the CIP; an assessment of the required

reserves to keep the District viable into the future; conducting a five-year budget projection and sales forecast; and conducting a staff assessment and salary survey. The staff assessment and salary survey would be done by a subcontractor or would use off-the-shelf data.

8. The staff work to be completed by GDPUD includes resolving the findings and recommendations in the Update; developing a policy and verifying that posting data to the appropriate Departments will take place; and meeting with RCAC staff to provide the judgments related to the CIP, reserves, and budget determinations.
9. This effort will require considerable GDPUD staff time by a person with a good working knowledge of the District.

An element of this agenda item can include, at the discretion of the Board, the most current version of the updated 2011 Cost of Service Report together with a Power Point presentation. These materials are not included in the packet due to size.

RECOMMENDATION

Staff recommends the Board of Directors instruct staff to work with RCAC in the development of a Water Rate Study.

Memo

To: Board of Directors

From: George Sanders, Engineering Consultant

Date: August 4, 2016

Re: **AUBURN LAKE TRAILS WATER TREATMENT PLANT**

Board Meeting of August 9, 2016; Agenda Item #14

BACKGROUND / DISCUSSION

This is part of a monthly update, provided by staff, relating to the status of the Auburn Lake Trails Water Treatment Plant Project. The content changes monthly with the deletion of those items that are deemed complete.

Foothill Associates – This firm remains under contract to assist the District in the implementation of the Mitigation Measures as identified in the Initial Study/Mitigated Negative Declaration. No work activities to report during this period. Their next field review, to be conducted no more than 30 days prior to construction, will consist of a field survey for raptors.

State Water Board – Financial Assistance – Staff received notice from Joshua Ruehlig that “this application has been approved by all units and is now being routed to have an agreement drafted.” It is the understanding of staff, from discussions with the Water Board and District Counsel, that the agreement is expected to be complete by early September of this year. This activity remains work in progress.

An element of this report from last month identified the need to fund a separate reserve account in the amount of \$589,808, or one year of debt service. The District received further clarification from the Water Board, via Churchwell White, that monies in the restricted reserve fund (“reserve account”), held in the Water Enterprise Fund, can “normally” be accumulated over a period of 10 years. This would provide great financial relief as it would allow the District to accumulate funding in this account over a 10-year period, which would equate to a monthly payment of approximately \$4,915.

Funding – Funding needs for the project are estimated at \$12,000,000. That would include the construction costs for the facility, contingencies, construction management and administration costs. Anticipated funding sources are identified in the chart below.

FUNDING SUMMARY Updated 08/04/16	
Funding Source	Amount
State Loan	\$10,000,000
Fund 24 ALT- WTP Capital Reserve	763,500
Fund 39 (Portion) Capital Facility Charges	240,000
EPA Grant (Remaining Funds)	740,000
Fund 35 Environmental Protection Agency	315,000
TOTAL	\$12,058,500

Award of Contract – The Apparent Low Bid was received from Myers & Sons Construction LP in the amount of \$10,249,000. Staff anticipates the need to request a Special Meeting the fourth week in August, with an agenda item to Award the Contract.

Construction Management – Staff continues in the process of preparing a Request for Proposals from engineering consulting firms for the construction management phase of this project.

Construction Schedule – The construction schedule is intended to assist the District in measuring progress as we move forward with the various work activities.

WORK PLAN ACTIVITIES Updated 08/04/16	
Item	Planned Completion Date
Project Design	Complete
Addendum to CEQA Document	Complete
Bid Project	Complete
Agency Approvals	Complete
Award for Construction	<i>August 2016</i>
Begin Construction	<i>September 2016</i>
Substantial Completion (18-month Construction)	<i>February 2018 – May 2018</i>
Final Completion	<i>April 2018</i>

This concludes the monthly report on the Auburn Lake Trails Water Treatment Plant Project.

RECOMMENDATION – Possible Board Action.