



MINUTES

**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA 95634**

SPECIAL MEETING OF THE FINANCE COMMITTEE

**MONDAY, AUGUST 9, 2021
3:30 P.M.**

FINANCE COMMITTEE MEMBERS

Steve Miller, President
Marilyn Boehnke, Member
Andy Fisher, Member
Mitch MacDonald, Board Liaison
Mike Thornbrough, Board Liaison

MISSION STATEMENT

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

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

Steve Miller opened the meeting at 3:31 PM

Mr. Miller led in the Pledge of Allegiance.

MEMBERS PRESENT:

Public Members: Steve Miller, Marilyn Boehnke, Andy Fisher

Board Liaison: Mitch MacDonald, Mike Thornbrough

Mr. Miller invited the new General Manager, Adam Coyan, to introduce himself and provide a little background. Mr. Coyan stated he comes from Del Paso Water District and prior to that he was the general manager for a homeowner's association that provides a variety of services. He stated he was happy to be with the District. He is pleased to be able to work with collaborative team to look the finances and hopefully we can all work well to advise the Board.

2. ADOPTION OF AGENDA

Marilyn Boehnke discussed the agenda changes recommended by the Board Chair that included the following:

- *Delete Agenda Item 5A.*
- *Reword Agenda Item 5F to Discussion with Staff on Process and Procedure for Recommending the Use of Professional Service Agreements, and Contracts for Services.*
- *Reword Agenda Item 5G to Discussion of Irrigation Water and Revenues*

**MOTIONED BY STEVE MILLER TO APPROVE THE AGENDA WITH CHANGES.
SECONDED BY MARILYN BOEHNKE.**

THE MOTION PASSED UNANIMOUSLY.

3. **PUBLIC FORUM** - Any member of the public may address the Finance Committee on any matter within the jurisdictional authority of the Finance Committee. Public members desiring to provide comments, must be recognized by the Committee Chairman, and speak from the podium. Comments must be directed only to the Finance Committee. The public should address the Finance Committee members during the public meetings as Chairman, Vice Chairman, Secretary, or Member, followed by the Committee member's individual last name. The Finance Committee will hear communications on matters not on the agenda, but no action will be taken. No disruptive conduct shall be permitted at any Finance Committee meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the Chairman, of that person's privilege of address.

4. FINANCE COMMITTEE MEMBER COMMITTEE COMMENTS AND REPORTS

No Reports.

5. NEW BUSINESS – Discussion of the following items:

A. Initiation of Prop 218 Process - DELETED

B. Monthly Financial Reports

Mr. Miller stated, since there has been some difficulty in the past, he would like to make arrangements with Staff to receive monthly revenue reports moving forward so when the budget review process approaches, the committee is well prepared with information.

C. Reserve Accounts, both existing and proposed

Mr. Miller stated he would like to work with staff to get list of all current reserve accounts and the balance in each. He described reserves as being there for repair and replace. Mr. Miller stated the committee needs to clarify for staff the kinds of reports we need to receive as we go, not quarterly or later, in order to proceed with a

clear picture of the financials.

D. Monthly Project Reports

Mr. Miller referenced the Capital Improvement Plan and stated the committee needs to receive monthly project reports on projects have been initiated and the status of each. He added the General Manager can report if something has been changed or adjusted.

E. Health Care and Pension Report

Mr. Miller stated the Finance Committee would like to see the health care and pension financials on an ongoing basis, adding the committee is not interested in who gets what, but interested in looking at the total package and a report on the monetary disbursements.

F. Outsourcing Tasks that Result in Reductions in Productivity Gains changed to Discussion with Staff on Process and Procedure for Recommending the Use of Professional Service Agreements, and Contracts for Services

Mr. Miller explained the intention behind this agenda item was to just take a look at what it cost to perform a job and consider whether outsourcing is a better option based on the health of the District.

Mr. Fisher stated outsourcing was one of the questions he raised when he came on committee having been through an exercise of that analysis as an employee of Placer County: What are the tasks within an organization that makes sense to contract out? What are the tasks in our organization that are done routinely that makes sense for a contractor? Where is the market? What are the tasks performed by staff that may be below their market rate?

Mr. Fisher emphasized that before making any such recommendation to the Board, the committee should make it clear that we stand behind existing employees; that when we're looking at labor, we're looking at it through attrition and not through letting folks go. We must take a long range view of our budget and when you look at the financial constraints, you acknowledge that you either need to raise revenue or you look at labor, because it is the biggest expense.

Mr. Fisher also referred to SB5 that contains restrictions on how, when and under what circumstances public agencies can hire contractors to do the work.

Mr. Miller reiterated the purpose of looking at outsourcing is not to replace currently held positions. The Finance Committee respects and honors the current staff.

Mr. Coyan stated a utility district must pay a prevailing wage and that adds to the cost of contractors, so a lot of times it pays to have an employee on staff performing the task when prevailing wage is involved.

Mr. Fisher added it needs to be analyzed well and it has to makes sense.

G. Survey of Irrigation Customers to Determine Barriers to Water Use changed to Discussion of Irrigation Water Usage and Revenues

Mr. Miller stated the District has lost quite a few of our irrigation customers, and the Board is putting together a committee to determine the impacts. The committee can look at financials as well as monitor irrigation water consumption and unusual changes in revenues to assist the Board.

6. AGENDA ITEMS FOR NEXT FINANCE COMMITTEE MEETING

NEXT MEETING DATE AND ADJOURNMENT – The next Finance Committee Meeting will be determined by the Committee.

Mr. Miller explained the intention behind Item 5A was to discuss and develop two time-line templates, should the Board ever contemplate the need for initiating a Proposition 218 review--one timeline template for the RFP process and one timeline template for the Sole Source process. Using these tools will enable the Board to understand the estimated time for each required step and the total time estimate between initiation of the process and completion. He would like to add this item to the next meeting with better wording.

Ms. Boehnke stated she would like to review monthly reports.

Mr. Fisher stated he would like to take a hard look at the budget,

Mr. Miller apologized for short notice on this meeting committing to a two-week notice.

Ms. Boehnke requested that a regular monthly meeting be scheduled. The committee determined they would meet on the last Thursday of each month at 3:30 PM. The next meeting was scheduled for Thursday, August 26, at 3:30 PM.

Mr. Fisher asked if the General Manager could arrange for tours of District facilities. Mr. Coyan responded this could be arranged adding tours will bridge the gap between the numbers and what is really happening.

MOTIONED BY ANDY FISHER TO ADJOURN. SECONDED BY MARILYN BOEHNKE.

THE MOTION PASSED BY ACCLAMATION.

The meeting was adjourned at 4:08 PM

Respectfully submitted,

Gloria Omania, Interim Board Clerk

Date