

## CONFORMED AGENDA

### REGULAR MEETING

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

TUESDAY, NOVEMBER 10, 2015  
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: Capraun, Hanschild, Hoelscher, Krizl, Uso. Staff present: General Manager Wendell Wall, Operations Manager Darrell Creeks, Office Manager Victoria Knoll. Legal Counsel: Barbara Brenner of Churchwell White.*

2. **ADOPTION OF AGENDA**

A. Board Action to adopt agenda.

*Motion by Director Uso to adopt the agenda; second by Director Hanschild.*

*Public Comment: None.*

*Vote: Motion carries.*

*Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso*

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 MINUTES

- A. Regular Meeting of October 13, 2015.
- B. Board Action to approve and file minutes.

***Motion by Director Hoelscher to adopt the minutes; second by Director Hanschild.***

*Director Capraun said that she did not vote on Item 10. She also stated that her comment under Item 20 was not "to bring in a new face," but that she had asked Director Krizl if the reason for the change was to allow Director Uso to attend the Finance Committee meetings and asked that these corrections be made to the minutes.*

*Director Krizl asked staff to make the revisions, and then confirmed with Directors Hoelscher and Hanschild that they would agree to adopt the revised minutes.*

***Public Comment: None.***

***Vote: Motion carries.***

*Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso*

#### 5. FINANCIAL REPORTS

- A. Accounts Payable for November 2015
- B. Cash Disbursements for October 2015
- C. Revenue and Expense Summary for September 2015
- D. Cash and Investment Report for September 2015
- E. ALT Zone and CDS Summary for September 2015
- F. Board Action to accept and adopt financial reports

*Office Manager Victoria Knoll presented the financial reports, noting that the report entitled "Disbursement Report," is actually a "Payables Payment Report," a posting of invoices report which shows everything that was posted in October, but not necessarily paid. The disbursements are listed in the "Early Pay" report.*

*Director Capraun pointed out a typo in the account listed as 6518 in the Accounts Payable Report.*

*Director Capraun requested that Account 5036 Legal-General be split to show General and Special as sub-accounts under Legal.*

*Director Capraun requested that the comparison columns in the Cash and Investment Report be updated to show FY14-15 Estimated and FY13-14 Audited.*

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

***Public Comment: None.***

***Vote: Motion carries.***

*Ayes: Krizl, Hoelscher, Capraun, Hanschild, Uso.*

6. **PRESIDENT'S REPORT** – *Director Krizl commented regarding the rain and the benefits it will bring to the District.*
7. **BOARD REPORTS** – *Director Uso challenged the Board to contribute personal funds for a staff Christmas party. He pledged \$100, Director Krizl pledged \$100, Director Hanschild pledged \$100, and GM Wall said he would also contribute. Director Uso will make the arrangements.*

*Director Hanschild reported that he had contacted the CalFire chief regarding inmate labor and that the chief would be available to discuss this with the General Manager.*

8. **GENERAL MANAGER'S REPORT** – *Operations Manager Darrell Creeks reported on the District's water use for the previous month. He noted that the District fell short of the Governor's required 32% reduction, reducing water use by only 19% in October (over water use in October 2013), making this the second month in a row that the District significantly missed the mark.*

*GM Wall continued, reporting that staff submitted invoices for administrative costs for the CABY grant.*

*The new website was launched during the first week of November. GM Wall thanked Kevin McLarnon for the time that he dedicated to this effort as a volunteer.*

*ADT Security Services has completed the installation of a security system. This system is operational at the main office, the garage, and the Walton Lake Water Treatment Plant.*

*Staff is currently waiting to hear back from Joshua Ruehlig regarding the status of the loan application.*

*Operations Manager Darrell Creeks met with Bruce Berger, of the State Water Resources Control Board, during the month of October. This meeting, a two-day event, was part of an annual inspection that the State conducts of the District water system. No significant deficiencies were identified. Staff anticipates the findings of that inspection will be available within two months and will share key elements of those findings with the Board.*

*The cross-connection survey is well underway, with 760 properties having been surveyed so far. Of those, 246 properties will require backflow prevention devices to be installed. Staff will begin the notification process to the properties needing the backflow devices in December. Once the notices have been sent, the owners will have 90 days to install the required backflow devices. This state mandated program is intended to protect the public health.*

*GM Wall read a letter of commendation from residents in Kelsey. District staff recently completed a project to reduce leaks within the Kelsey ditch system. A portion of this work included the replacement of a failing concrete bridge with a culvert. Residents expressed their appreciation to staff and commended them for a job well done.*

*Barbara Brenner asked about the SMUD payment and whether these funds are slated for specific uses. Director Krizl responded that the only designation is that funds are to be used for water conservation, noting that about 99% of what is done in the District relates to water conservation. GM Wall stated that he had reviewed the agreements and there are no specific restrictions to GDPUD on the disbursement of the funds.*

**9. FINANCE COMMITTEE REPORT** – Finance Committee Chair Rick Gillespie reported that the Committee met on November 2. The Committee passed the Accounting and Management Policy to the Board for review and approval. The next item they worked on was the reserve accounts. This work continues, and the Committee will be recommending a public workshop to make suggestions in a public format in the near future. The last item that the Committee discussed relates to preliminary planning for a future 218. This is a multi-faceted process that will be further discussed in subsequent Finance Committee meetings.

**10. PILOT CREEK WATERSHED – STUMPY**

**A. Discussion** – At the October meeting, the Board expressed concerns regarding the current resource damage within the Pilot Creek Watershed and the likely negative impacts to Stumpy that would result from an above average (El Niño) series of storm events. Staff conducted a field review of the area and will report their findings.

*Director Hoelscher requested a correction to paragraph two of the staff report: Change the word “cross-connection” to “tie-in.”*

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

***Motion by Director Capraun to allow emergency use of funds from the from Stumpy Meadows Emergency Fund (Fund #19) to mitigate impacts of resource damage within the Pilot Creek Watershed; second by Director Uso.***

***Public Comment:*** Dennis Goodenow noted that Fund #19 is one of the first funds the Finance Committee looked at and that the motion is consistent with the parameters of the fund.

***Vote:*** Motion carries.

*Ayes:* Krizl, Hoelscher, Capraun, Hanschild, Uso.

*Operations Manager Darrell Creeks commented that staff has backup plans in place to continue to provide drinking water if the water in Stumpy gets really dirty due to storm impacts.*

**11. SECOND READING OF PROPOSED ORDINANCE 2015-02**

**A. Discussion** – This is the second reading of **Ordinance 2015-02**. The Ordinance would create enforceable penalties for theft and tampering violations that the District could then prosecute either criminally or civilly, and recover monetary damages caused by the violations.

**B. Possible Board Action** – Adoption of **Ordinance 2015-02** adding a District Ordinance for the Theft of Water and Tampering with District Facilities.

***Motion by Director Uso to waive reading the entire Ordinance 2015-02 and to rename Attachments 1 and 2 of the staff report to Attachments A and B; second by Director Hoelscher.***

***Public Comment:*** None.

**Vote:** *Motion carries.*

*Ayes: Krizl, Hoelscher, Capraun, Hanschild, Uso.*

**Motion by Director Uso to adopt Ordinance 2015-02; second by Director Hoelscher.**

**Public Comment:** *None.*

**Vote:** *Motion carries.*

*Ayes: Krizl, Hoelscher, Capraun, Hanschild, Uso.*

## 12. PG&E CONTRACT

- A. Discussion** – A component of the Auburn Lake Trails Treatment Plant Project will require upgrades to the existing electrical service, as provided by the Pacific Gas & Electric Company. Under the existing service which provides power to the plant, it is the owner (GDPUD) and not the utility provider who is responsible for the cost of the upgrades.
- B. Possible Board Action** – Authorize the General Manager to execute an agreement with PG&E for the required upgrades in the amount of \$18,535.38.

**Motion by Director Hanschild to authorize the General Manager to execute an agreement with PG&E for the required upgrades under the 50% Discount Option in the amount of \$18,535.38; second by Director Capraun.**

**Public Comment:** *None.*

**Vote:** *Motion carries.*

*Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.*

## 13. PILOT HILL EASEMENT

- A. Discussion** – The AB Development Company proposed a Planned Unit Development (PUD) in the Pilot Hill area around 1990. A portion of the project improvements, constructed in 1992, include a water storage tank and waterline. The PUD was never finalized with the County of El Dorado, resulting in a lack of dedicated easements for the tank and waterline.

The tank, located on an elevated ridge between the communities of Cool and Pilot Hill, has a hydraulic gradient that is ideal for the storage of District water. The waterline provides a cross connection between two District water mains. Staff believes that the District water system would benefit from having access to this tank site and waterline.

- B. Possible Board Action** – Staff to review the proposal submitted by Ralph C. Elliot and return to the Board with a recommendation for possible adoption.

*The Board directed staff to review the proposal and to consult with Legal Counsel regarding whether it needs to be taken up in closed session, to report the costs and benefits related to this transaction, and to bring a recommendation back to the Board.*

#### **14. ACCOUNTING AND MANAGEMENT POLICIES AND PROCEDURES MANUAL**

- A. Discussion** – Staff and the Finance Committee worked together to formulate an Accounting and Management Policies and Procedures Manual based on the recommendation of the District Auditor. A copy of the draft was provided to all Directors for their review and comments on October 19.

*Office Manager Knoll pointed out that the Committee made a correction on Page 20, changing “and/or” to “and.”*

*Director Capraun noted that there are some minor grammatical fixes that need to be made and some typos that need clean-up.*

- B. Possible Board Action** – Approval of the Accounting and Management Policies and Procedures Manual.

***Motion by Director Uso to approve the Accounting and Management Policies and Procedures Manual as a working document; second by Director Hoelscher.***

***Public Comment:*** *Rick Gillespie noted that the policy itself states that it is a working document and that the Office Manager is to review it annually.*

*Directors Uso and Capraun both thanked staff for their work in completing this policy manual.*

***Vote: Motion carries.***

*Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.*

#### **15. APPROVAL OF DIRECTORS ATTENDANCE AT FALL ACWA CONFERENCE**

- A. Discussion** – The ACWA 2015 Fall Conference, scheduled December 1-4 at Indian Wells, California, will address current issues facing California Water Agencies. The JPIA meeting, November 30 – December 1, will include relevant seminars.
- B. Possible Board Action** – Approve General Manager to attend ACWA conference and any Board member(s) to attend ACWA conference and/or JPIA meeting.

***Motion by Director Uso to approve the General Manager's attendance at the 2015 Fall ACWA Conference; second by Director Hanschild.***

***Public Comment:*** *Dennis Goodenow commented regarding controlling versus empowering staff to excel at their jobs.*

***Vote: Motion carries.***

*Ayes: Capraun, Hanschild, Krizl, Uso.*

*Noes: Hoelscher.*

## 16. ALT TREATMENT UPDATE

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

*GM Wall provided the report on behalf of Engineering Consultant George Sanders who was out of town. He reported that the US Department of Fish and Wildlife provided its review and conditional approval which will allow the District to move forward with the project. The current CEQA document must be updated, and Foothill Associates will be preparing the required addendum. The SWRCB recently notified the District of the need to review and evaluate the current environmental documents due to their age. That review has resulted in proposed changes to the scope and fee schedule from that as identified in the Foothill proposal of October 7, 2015. Staff has discussed the status of the Plan Review with the SWRCB, which has indicated that the plans appear to be complete and the approval process will move forward with the loan application. Funding for the ALT Project consists of \$1M reserve funds, an EPA grant of about \$1M, and a State loan of \$10M. Staff prepared a construction schedule starting with Project Design (March 2015), which has been completed, and ending with Final Completion (March 2018).*

*Office Manager Knoll noted that the District has received notification from the EPA that the last 4 years of reporting require 25 additional reports that had not previously been submitted. Staff is in the process of reviewing the forms and will be submitting the required reports.*

- B. Possible Board Action** – *Informational report only. No action required or taken.*

## 17. FOOTHILL CONTRACT

- A. Discussion** – The State Water Board identified the need for an Addendum to the CEQA Document for the Auburn Lake Trails Water Treatment Plant. As of January 1, 2015, the Water Board adopted an internal policy which requires all CEQA Documents be current, no older than two years. The CEQA document for this project is dated 2010. Key elements of the revised scope concentrate on an updated Administrative Draft EA/IS with circulation, an updated review on Air Quality and Greenhouse Gas Emissions and the deletion of the Cultural Resources Assessment that had been completed under a prior effort. The prior contract amount was \$20,367. The revised contract amount is \$33,385.

- B. Possible Board Action** – Rescind prior Board Action, Agenda Item #18 of the October 13, 2015 Board Meeting, which authorized the General Manager to contract with Foothill Associates in the amount of \$20,367, and instead authorize the General Manager to enter into a contract with Foothill Associates for an amount not to exceed \$33,385.

***Motion by Director Uso to rescind the prior Board Action of October 13, 2015 and authorize the General Manager to enter into a contract with Foothill Associates for an amount not to exceed \$33,385; second by Director Hoelscher.***

***Public Comment: None.***

***Vote: Motion carries.***

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso.

**18. 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.

*Director Capraun requested that the Board appoint a new representative to the El Dorado County Water Agency at the December 8, 2015 Board meeting.*

*Director Uso commented that all outside agencies should be reviewed annually prior to the new year.*

**19. CLOSED SESSION** – *The Board adjourned to closed session at 4:15 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: (two potential cases).

B. CONFERENCE WITH LEGAL COUNSEL – Board to consider the appointment, employment, evaluation of performance, discipline or dismissal of a public employee pursuant to Government Code Section 54957 (b)(1).


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

*The Board returned to open session at 4:52 PM and reported that no action was taken in closed session.*

**21. NEXT MEETING DATE AND ADJOURNMENT** – Next regular meeting December 8, 2015 at 2:00 PM at the Georgetown Divide Public Utility District office.

*Meeting adjourned at 4:52 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 November 5, 2015.

Signed   
Wendell B. Wall, General Manager

Date 12-8-2015