

**CONFORMED AMENDED AGENDA**  
**REGULAR MEETING**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS**  
**6425 MAIN STREET, GEORGETOWN, CALIFORNIA**  
**TUESDAY, JULY 11, 2017**  
**2:00 P.M.**

**MISSION STATEMENT**

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

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

*The meeting was called to order at 2:00 PM.*

*Present: Board of Directors: David Halpin, Jesse Hanschild, Carl Hoelscher, Lon Uso, and Dane Wadle. Legal Counsel: Barbara Brenner, Churchwell White. Staff: General Manager Steve Palmer, Operations Manager Darrell Creeks, Engineering Consultant George Sanders; Board Assistant Gloria Omania*

**2. ADOPTION OF AGENDA**

*Director Wadle stated that he wanted to pull Item 6E since he has learned the bill will be amended and there is no longer a need for Board action.*

***Motion by Director Hoelscher to pull Item 6E from the agenda. Second by Director Wadle.***

***No public comment.***

***The motion passed unanimously.***

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

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

*Bill Johnson of Greenwood addressed the Board about the need for road maintenance on Chipiona Way. He said he attempted to make the repairs himself, but doesn't have the proper*

equipment. He pointed out that there are three excavators and commented he has observed a couple guys driving around in the truck. He commented that he knows how hard the District crew works, but thinks it would just take half a day to make these repairs.

Director Uso thanked Mr. Johnson for bringing this to the District's attention.

#### 4. **CONSENT CALENDAR**

##### **A. Approval of Minutes – Emergency Meeting of June 29, 2017**

##### **B. Financial Reports**

1. July 2017 – Payables
2. Month End Cash Disbursements Report
3. Month End Revenue and Expense Summary Report
4. Statement of Cash and Investment Balances

##### **C. Notice of Completion for Walton Treatment Plant Tank 1 Recoating**

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

*In response to Director Wadle's inquiry, Mr. Palmer indicated the minutes of the Special Meeting of July 29 will be on the next agenda.*

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

***No public comment.***

***The motion passed unanimously.***

#### 5. **INFORMATIONAL ITEMS**

##### **A. President's Report**

*Director Uso described the emergency last week which required the closure of a portion of the ALT plant resulting in the production of less water and the need to immediately alert customers to conserve water over the 4<sup>th</sup> of July weekend.*

*Director Uso stated that it quickly became apparent that there is no viable mechanism for alerting customers of an emergency. He and the General Manager discussed the importance of implementing a system that gives the District the capability to reach out to customers at a moment's notice. He stated that he believes this matter falls under the General Manager's signatory authority and he should move forward to resolve this problem. Director Uso stated that he strongly feels that the Board needs to allow the General Manager to move forward to resolve this problem.*

*Director Uso also reported that he and the General Manager met with Supervisor Ranalli and took him on a tour of the Auburn Lake Trails Water Treatment Plant project and other District facilities. He thought the Supervisor was pleased with what he saw and learned, and was complimentary of the Board's work to get to this point and to accomplish this goal.*

##### **B. Board Reports**

*Director Hoelscher began by stating that his comments go along with what Bill Johnson said earlier. He reported that a friend of his informed him that a neighbor whose property*

overlooks the ALT Water Treatment Plant asked him why there are always three trucks at the plant. After comparing pay increases, Director Hoelscher commented that we're going for a rate increase and the optics of this is not good.

Steve Palmer responded that this is something that Staff has been discussing internally—how can we show the public the good work that the employees are doing. He stated that the District is working on tools to allow us to track, with better metrics, and report to the Board on what is being done each day.

Director Uso agreed that optics is important stating that he just wants to make sure it doesn't go beyond optics. It should be clearly established that the three trucks are there for a specific purpose that must do with the work of the District.

Operations Manager Darrell Creeks stated that the ALT Water Treatment Plant serves as a "hub" for the District. There are numerous trucks that go in and out of the plant every day for specific purposes-- the operator truck is there every day, the Zone guy goes there for supplies daily, the distribution crew goes in and out everyday, the ditch tenders communicate from there--so there are trucks in and out of there every day because it's a common hub.

Director Uso stated we all need to make sure we explain to our ratepayers what work is being done; that trucks are there for a specific purpose.

### **C. General Manager's Report**

General Manager Steve Palmer stated he did not have a written report this time, but wanted to report that he attended the State public hearing on the Low-Income Assistance Program. This is now law and the legislature is directing the State Water Resources Control Board to come up with a program to make sure water is affordable to everyone in the state. They basically gave the same presentation as the one at the ACWA Conference.

A lot of work still needs to be done—they don't know yet how they're going to fund this program and how to distribute the assistance to eligible recipients. ACWA representatives was there and did a good job representing the interest of the water agencies. They really emphasized that this has not been a collaborative process with the water board directing and dictating and not really listening to the stakeholder groups ACWA represents. The public could be better served by people who know how to run these programs and not water board staff from their offices.

Mr. Palmer stated that he didn't feel it was a very open meeting. Listening to comments and the state presenter's responses, it didn't appear they were ~~not~~ really listening to stakeholders. They were dismissive and closed minded; it was discouraging, Mr. Palmer stated. The report from the SWRCB is due to the legislature in February 2018.

### **D. Operations Report**

Operations Manager Darrell Creeks summarized his written report stating that things are going smoothly right now, today. Despite the wet year, customers are still conserving a lot of water and 20% conservation seems to be the new normal. The lake is still 98% full.

*Mr. Creeks reported that the emergency repairs to the ALT filters was completed in four days and is working great. Some additional work was necessary and Staff is negotiating the additional cost with the contractor. Staff will bring this back to the Board if the additional costs exceeds the amount the Board approved.*

*Mr. Creeks described the issues with the filters and discussed the need for a maintenance plan—the importance of inspections every ten years or so to avoid these emergency situations. He indicated that he and the General Manager have had ongoing discussions about this.*

*The Operations Manager reported that the crews have been busy repairing leaks every day. The ground has really dried out and causing problems, most are minor, but still require attention. Staff is focusing first on areas where it is impacting private property before moving on to routine maintenance.*

*Additionally, the increased plant growth requires regular excavation to keep the water levels down in the ditches to prevent leaks. Mr. Creeks added that there has been so much excavation work that the excavator tracks have worn down.*

*Director Wadle commented that he appreciated the great work by the District crews, but a lot of maintenance have been deferred for way too long and now we're playing catch-up.*

*Director Uso stated that this is an important point to make to our constituent--that were finally trying to get a grip on all this deferred maintenance.*

#### **E. ALT Treatment Plant Update**

*Engineering Consultant George Sanders provided a slide presentation of the progress at the Auburn Lake Trails Water Treatment Plant project, providing some detail on the activities at the work site.*

*Mr. Sanders summarized his written report describing the current activities of the consultants and contractor working on the project. He reported that the project is on schedule and on budget.*

*Mr. Sanders also updated the Board that Staff is preparing the final payment request on the EPA grant, and has been successful in the prompt processing of disbursement claims on the State Revolving Fund loan.*

### **6. NEW BUSINESS**

#### **A. Consider Rejecting all Bids for Automated Meter Reading and Meter Replacement Project**

##### **Possible Board Action - Adopt a resolution rejecting the bid**

*The General Manager described the Automated Meter Reading and Meter Replacement Project. He stated that it was the Grand Jury's recommendation to move forward with this project, but the District is not able to fund it; and does not qualify for a loan now.*

*In response to Director Uso's question, Mr. Palmer stated this has not been a waste of time. The cost to re-bid the project will now be minimal since much of the work has already been done.*

***Motion by Director Hoelscher to adopt Resolution 2017-11 rejecting all bids for the meter replacement project. Second by Director Hanschild.***

***No public comments.***

***The motion passed unanimously.***

**B. Professional Services Agreement for Auburn Lake Trails Community Disposal System Engineering Evaluation and Associated Budget Increase**

**Possible Board Action – Adopt a Resolution authorizing a budget increase of \$35,680 from Wastewater Operating Fund 40 (ALT Zone) reserves to Account 40-5080-6700, and authorizing the General Manager to execute a Professional Services Agreement with Bennett Engineering Services for an amount not to exceed \$85,680 for the Engineering Evaluation of the Auburn Lake Trails Community Disposal System.**

*Mr. Palmer described the RFP and selection process, the scope of work, as well as the State requirements and its deadline for completion. He stated the initial estimate was for \$85,680, and was able to negotiate it down to approximately \$69K. Mr. Palmer further reported that the State is open to providing an extension for completing the project. He asked for authorization to move forward with the agreement with Bennett Engineering Services.*

*Director Uso expressed his appreciation at the General Manager's successful efforts to negotiate a lower amount.*

***Motion by Director Hoelscher to adopt the corrected Resolution 2017-12 that reduces the not-to-exceed amount from \$85,680 to \$70,000. Second by Director Hanschild.***

***There was no public comment.***

***The motion passed unanimously.***

**C. First Reading of an Ordinance Certifying Annual Direct Charges-Fees and Assessments**

**Possible Board Action - Introduce, read by title only, and waive first reading of an ordinance levying annual assessments and tax liens for unpaid charges**

*Mr. Palmer presented red-line changes to the version of the Ordinance that was included in the agenda packet. He stated that changes can be made between the first and second reading of the Ordinance. There is still opportunity for customers to make payment on a delinquent bill before the second reading at the next meeting.*

***Motion to Director Hoelscher to introduce Ordinance 2017-01, read by title only, and waive first reading of Ordinance 2017-01 levying annual assessments and tax liens for unpaid charges. Second by Director Hanschild.***

***There was no public comment.***

***The motion passed unanimously.***

**D. Review and Approve Professional Services Agreement for ECORP Consulting, Inc.**

**Possible Board Action - Adopt a Resolution authorizing the General Manager to execute a Professional Services Agreement with ECORP in the amount of \$26,165 for Reservoir and Stream Gauging Improvements**

*The General Manager described the services that will be provided by this agreement as mandated by Senate Bill 88 (2015) which requires additional monitoring, measuring and reporting of all the diversions into Stumpy Meadows Reservoir. Because of the cost of all that is required, the work is being done in phases. The first phase is to prepare a work plan outlining how State requirements will be met, as well as the installation of the gauge at Stumpy to make that data available as soon as possible.*

*Director Uso stated that the public is not aware that the District is faced with more and more unfunded mandates from the State every year that causes our finances to blow up. This is information that I need to communicate with my constituents, he added.*

**Motion by Director Hanschild to adopt Resolution 2017-13 authorizing the General Manager to execute a Professional Services Agreement with ECORP in the amount of \$26,165 for Reservoir and Stream Gauging Improvements. Second by Director Hoelscher.**

**No public comment.**

**The motion passed unanimously.**

**E. Review California Assembly Bill 1479 establishing civil penalties in processing California Public Records Act requests and mandating that every local agency assign an individual as the custodian of records**

**Possible Board Action – Authorize the General Manager to submit comments on State Assembly Bill 1479**

*This item was pulled from the agenda.*

**F. Review and provide direction on revisions to the method at which Board members are elected**

**Possible Board Action – Provide direction**

*General Manager Steve Palmer described the current election method and the possible alternatives the Board could consider.*

*Director Uso stated that he brought this to the Board at the last meeting and provided information on the Ordinance adopted by the South Tahoe Public Utility District to change the method by which their Directors are elected at large. Director Uso explained it made a lot more sense to have the top vote getters be elected rather than having candidates chasing individual seats that are not tied to any geographic zone or area. You would then have the best candidates elected, in the opinion of the voters. The way we do it now just doesn't make sense, stated Director Uso.*

*Director Halpin stated that he ran for Seat 5, but had no understanding of the logic behind picking a number and then running at large.*

*Legal Counsel Barbara Brenner agreed that it doesn't make sense -- either you're elected at large or you're not. If you're not elected at large, you usually have a territory to represent, like the Board of Supervisors. Those are the two ways to do it.*

*Director Uso stated that the district is too small to designate areas of representation. We want the best to be running and willing to represent every one wherever they live, he added.*

*Director Halpin stated that when you have designated seats, you're setting up a partisanship that's not helpful.*

*Acknowledging that there is a movement toward districts having districts, Director Wadle commented that having designated seats and running at large doesn't make sense under the current scenario. He added that this should be straight forward for the county and cheaper than having to create districts.*

*Board President Uso acknowledged requests to comment from the public.*

*Bill Johnson pointed out that a majority of the Board members are from Auburn Lake Trails. He stated that the ALT has the population to pull all the votes and it is not fair for people outside ALT.*

*Mr. Johnson pointed to the approval of Resolution 2017-12 as an example of how Board action has benefitted the Auburn Lake Trails. Director Uso clarified that the funds for this State-required project comes from the Zone account which is paid 100% by ALT customers.*

*It was also clarified for Mr. Johnson that the ALT Water Treatment Plant serves areas beyond the ALT; i.e. Cool, part of Garden Valley, Pilot Hill.*

*In response to Director Hanschild's inquiry, Operations Manager Darrell Creeks stated that the percentage of water treated at ALT and Walton is about 50-50.*

*Mr. Johnson acknowledged the clarifications provided by the Board and Staff and stated that he stands corrected.*

*Director Uso thanked Mr. Johnson for speaking up and allowing the Board and Staff to correct misinformation; he encouraged Mr. Johnson to share this information with others.*

*The matter of renaming the two plants (Walton and Auburn Lake Trails) was also raised. Director Uso stated that at some point in time the Board should consider changing the designation of the two plants.*

*Mike Saunders of Cool indicated he agreed with the South Tahoe Ordinance and feels at large seats is probably the best way to go.*

*The Board directed the General Manager to have Legal Counsel draft an Ordinance for the Board's consideration.*

*Director Hoelscher acknowledged the excellent arguments have been raised, but feels strongly that the election method can be done more equitably by precincts, and it would not be difficult for the Elections Board. He reminded the Board that he was the first one to bring this up back in February.*

**G. Review status of emergency at Auburn Lake Trails Water Treatment Plant and consider continuation or termination of the finding of an existing emergency situation that requires action.**

**Possible Board Action – By a 4/5 vote of the Board determine whether to continue the finding of an emergency situation that requires action or terminate the finding of emergency situation that requires action**

*The General Manager reported on the need to officially terminate the emergency situation with the adoption of Resolution 2017-14. Mr. Palmer and the Operations Manager provided additional details on the filter repair work and explained the additional costs that is now being negotiated with the contractor.*

*Director Uso stated that he liked the fact that the General Manager is a negotiator to get the best deal on behalf of the District.*

***Motion by Director Hoelscher to adopt Resolution 2017-14 terminating the emergency. Second by Director Hanschild.***

***Public Comment:*** *Ed Rau stated that he has worked in water district industry for years, explained his understanding of the situation, and asked if Staff had looked at the other two sections of the filter. Staff responded affirmatively.*

***The motion passed unanimously.***


- 7. 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.**

*None.*

- 8. NEXT MEETING DATE AND ADJOURNMENT – Next regular meeting August 8, 2017, at 2:00 PM, at the Georgetown Divide Public Utility District office.**

Meeting adjourned at 3:20 p.m.

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 Steve Palmer 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 7, 2017.



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Steven Palmer, PE, General Manager

8/10/17

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Date