

**CONFORMED AGENDA**  
**REGULAR MEETING**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS**  
**6425 MAIN STREET, GEORGETOWN, CALIFORNIA**  
**TUESDAY, FEBRUARY 9, 2016**  
**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 amend and adopt the agenda so that Item 11 Request for Variance is heard after Item 4 Approval of Minutes; second by Director Hoelscher.*

*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 January 12, 2016.
- B. Board Action to approve and file minutes.

*Motion by Director Uso to adopt and file the minutes; second by Director Hoelscher.*

*Public Comment: None.*

*Vote: Motion carries.*

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

#### 5. FINANCIAL REPORTS

- A. Accounts Payable for February 2016, and Disbursements for January 2016
- B. Revenue and Expense Summary for December 2015
- C. Balance Sheet for December 2015
- D. Cash and Investment Reports for December 2015
- E. ALT Zone and CDS Summary for December 2015
- F. Board Action to accept and adopt financial reports

*Office Manager Victoria Knoll presented the financial reports.*

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

*Public Comment: Ray Kringel asked whether CPA duties for the FY 2015-16 Audit will be contracted out or performed in-house. They will be performed in-house.*

*Vote: Motion carries.*

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

- 6. **PRESIDENT'S REPORT** – *Director Krizl commented that it is good to see Stumpy filling up.*
- 7. **BOARD REPORTS** – *Director Uso represented GDPUD at the El Dorado County Water Agency's January Board Meeting where the Board voted to provide matching funds to GDPUD for specified projects. That was also the last meeting for GDPUD's term of representation on the Board until GDPUD's rotation comes up again.*
- 8. **OPERATIONS MANAGER'S REPORT** – *Operations Manager Darrell Creeks reported on the District's water use for the previous month. The District achieved only an 8% reduction over the same period in 2013. There is an update to the state's emergency regulation which takes into consideration differences in climate in the various areas of the state. As a result, GDPUD's target has dropped from 32% to 29% cumulative reduction through the year. GM Wall noted that the District still needs to do public outreach to inform the community of the continued need to conserve regardless of Stumpy filling up – we are still under the state-mandated conservation requirement.*

*Mr. Creeks continued his report noting that water quality is good – all samples were free of any bacteriological contamination and contained adequate levels of disinfection through the system.*

*Average daily flows in the ALT community disposal system were 61,045 gallons per day, which is less than the allowed limit of 71,800 gallons per day. The water level at Stumpy on February 9 was 4 feet, nine inches from spill, which is 18,472 acre-feet or 92% full, and the water is clear. Next month staff will bring a recommendation to lift the drought declaration based on the water level at Stumpy.*

*Director Hoelscher asked if there is any debris coming in. Mr. Creeks responded that debris is an issue and staff is working on a plan to remove debris as well as searching for any funding that might be available to help with the cleanup.*

**9. GENERAL MANAGER'S REPORT** – *GM Wall presented the General Manager's Report noting the following:*

- *In March, staff will include a Consent Calendar giving the Board the opportunity to act on several items under one motion rather than hearing each item individually.*
- *Last month GDPUD received a letter of warning from the State Water Board because the District had fallen short of its 32% water conservation target. Staff responded to the letter.*
- *Staff recommends a reimbursement limit of \$50 per day for meals at the upcoming water conferences.*
- *Negotiations between the District and Ralph Elliot have concluded. The District will be abandoning the Pilot Hill water tank and waterline facilities.*
- *In addition to adding content to the GDPUD website, IT volunteer Kevin McClarnon has assisted staff with the conversion of the District's email system to Microsoft Exchange. Directors will also be provided with individual District email addresses shortly.*
- *The District continues to rent three service vehicles. Staff is in the process of finalizing the purchase of two replacement vehicles, previously approved by this Board.*
- *The GM attended a workshop for water agency general managers presented by the Mountain Counties Water Resources Association. Topics included water rights, curtailment, and conservation regulations.*

**10. FINANCE COMMITTEE REPORT** – *Finance Committee Chair Rick Gillespie reported that the last Finance Committee meeting was a joint workshop held with the GDPUD Board on January 19. The Committee will continue working through the rest of the GDPUD funds and accounts, bringing recommendations to the Board. Future meetings will include discussions around the FY 2016-17 Operating and Capital Budgets.*

**11. REQUEST FOR VARIANCE – 2<sup>ND</sup> WATER METER REQUIREMENT**

- A. Discussion** – *On December 8, 2015, the Board approved a two-year variance from the second meter requirement for water service on County Assessment Parcel Number 01-410-48 for Judy Ramsay. Subsequent to that action, staff has received notification from the applicant that a temporary variance will not meet Ms. Ramsay's Chattel loan requirements. Based on GDPUD Ordinance 82-1, each single family residence must have a separate service connection, including a separate meter.*

*Operations Manager Darrell Creeks presented the staff report and recommendation. The property owner, Ms. Jensen, also provided information to the Board regarding the request.*

- B. Possible Board Action** – Staff recommends that should the applicant require a permanent meter, the Board rescind its prior action and deny the waiver.

*The Board directed staff to return next month with a recommended policy and change to Ordinance 82-1.*

## **12. RESOLUTION NO. 2016-02 GARDEN VALLEY ASSESSMENT DISTRICT – ALLOCATION OF RESIDUAL FUNDS**

- A. Discussion** – On January 12, 2016, the Board directed staff to identify maintenance needs within the Garden Valley Assessment District and generate a resolution, for Board consideration, relating to the use of the residual funds for maintenance of the improvements.

*Engineering Consultant George Sanders presented the staff report and recommendation.*

- B. Possible Board Action** – Staff recommends the Board adopt **Resolution 2016-02** authorizing the use of the residual funds within the Garden Valley Assessment District Fund 37 for the maintenance of the improvements within the Garden Valley Assessment District.

*Director Capraun raised the issue of how the funds were collected. The Board directed Counsel to call the previous bond counsel to find out what the statute of limitations is for bringing an action against the District and whether the excess funds were collected legally.*

*Motion by Director Uso to adopt Resolution 2016-02, pending Legal Counsel's research; second by Director Hanschild.*

*Public Comment: Ray Kringel commented regarding record-keeping at the District.*

*Vote: Motion carries.*

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

## **13. CAPITAL RESERVE ACCOUNT PROPOSAL**

- A. Discussion** – At the January 19, 2016 joint Board/Finance Committee workshop, a recommendation was made to rename the Stumpy Meadows Emergency Fund to “Stumpy Meadows Reserve Fund” with an upper limit of \$1M and a lower limit of \$500k. In addition, a Capital Reserve Account should be established for the purpose of maintaining the GDPUD water system.

*Office Manager Victoria Knoll presented the staff report and recommendation. Director Capraun whether funds collected under a bond for project works can be moved to another account for other purposes.*

**Possible Board Action** – Staff recommends the Board rename the Stumpy Meadows Emergency Fund to “Stumpy Meadows Reserve Fund” with an upper limit of \$1M and a lower limit of \$500k and establishing a Capital Reserve Account for the purpose of maintaining the GDPUD water system.

*Motion by Director Uso to:*

1. *Rename the Stumpy Meadows Emergency Fund (Fund 19) to the “Stumpy Meadows Reserve Fund.”*
2. *Set an upper limit of \$1,000,000 and a lower limit of \$500,000 for the Stumpy Meadows Reserve Fund.*
3. *Designate the operating cash surplus to be the funding source, in the amount of \$50,000 per year, or 10% of the annual operating cash surplus, whichever is less, whenever the Stumpy Meadows Reserve Fund falls below \$500,000.*
4. *Establish a new Capital Reserve Account within the Water Fund (Fund 10) by moving \$1,161,000 from the Stumpy Meadows Reserve Fund into the Capital Reserve Account and designate the on-going funding source to come from the budgeted cash surplus equal to that year’s budgeted improvements.*
5. *Require an annual Capital Improvement Budget funded through the Capital Reserve Account maintaining a minimum balance of \$500,000 with the upper limit to be set as part of each year’s annual budget process;*

*second by Director Hanschild.*

*Public Comment: Ray Kringel commented that the entire Stumpy Reserve Fund should be used for capital improvement rather than day-to-day maintenance.*

*Vote: Motion carries.*

*Ayes: Hanschild, Krizl, Uso.*

*Noes: Capraun, Hoelscher*

#### 14. SURPLUS VEHICLES – SALE

- A. Discussion** – Staff has identified eight vehicles that are currently not in use. These vehicles range in age from 42 years (1974 Model) to 11 years (2005 Model). Several, but not all, of these vehicles have significant mechanical deficiencies.

*Operations Manager Creeks presented the staff report and recommendation.*

- B. Possible Board Action** – Staff recommends the Board declare the eight vehicles as surplus and direct staff to dispose of the same through an auction process conducted by staff.

*Motion by Director Capraun to declare the eight vehicles as surplus; second by Director Uso.*

*Public Comment: None.*

*Vote: Motion carries.*

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

#### 15. ALT TREATMENT UPDATE

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

*Engineering Consultant Sanders presented the staff report. Mr. Sanders noted that Foothill Associates had completed the draft environmental document and that both staff and legal counsel have reviewed the document and have submitted some minor edits and comments for Foothill to include. The next step is for the document to go out for public review. He further noted that staff is working with PSOMAS under the current contract, which has about \$35,000 remaining, to prepare the bid documents and go out to bid for the project. This will be further discussed in the next agenda item.*

**B. Possible Board Action –**

**16. ALTWTP PROJECT – APPROVAL OF PLANS AND SPECIFICATIONS AND PERMISSION TO SOLICIT BIDS**

- A. Discussion –** Prior to soliciting bids for the construction of the proposed improvements for the Auburn Lake Trails Water Treatment Plant, staff is requesting Board approval of the plans and specifications and authorization to begin soliciting bids.

*Engineering Consultant Sanders presented the staff report. He stated that this is a good time to be soliciting bids and that staff will be advertising in the Sacramento Builders Exchange as well as the Sacramento Bee, the Mountain Democrat, and the Georgetown Gazette. Staff will be working with legal counsel and PSOMAS to make sure language in the solicitation is structured the right way. Mr. Sanders spoke to the concern for bidding the project before the state loan has been finalized. He shared that staff at the Water Board is encouraging the District to move forward with the process.*

- B. Possible Board Action –** Staff recommends approval of the plans and specifications for the Auburn Lake Trails Water Treatment Plant Project and authorization of staff to begin soliciting bids.

*Motion by Director Capraun to approve the plans and specification for the Auburn Lake Trails Water Treatment Plant Project and authorize staff to begin soliciting bids; second by Director Hoelscher.*

*Public Comment: None.*

*Vote: Motion carries.*

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

**17. 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 Uso would like to see a workshop ASAP regarding replacement of meters and AMR remote reading devices.*

**18. CLOSED SESSION –** *The Board adjourned to closed session at 4:45 PM.*

A. CONFERENCE WITH LEGAL COUNSEL – Existing Litigation (Government Code Section 54956.9(d)(1) (Jacoby v GDPUD).

B. CONFERENCE WITH LEGAL COUNCIL – Anticipated Litigation. Significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9: (one potential case).

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

*The Board returned to open session at 5:20 PM and reported that no action was taken in closed session.*

20. **NEXT MEETING DATE AND ADJOURNMENT** – Next regular meeting March 8, 2016 at 2:00 PM at the Georgetown Divide Public Utility District office.

*The meeting adjourned at 5:20 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 February 5, 2016.

Signed Wendell B. Wall  
Wendell B. Wall, General Manager

Date 3-8-2016