



MINUTES

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

TUESDAY, JULY 13, 2021
2:00 P.M.

BOARD OF DIRECTORS

Michael Saunders, President
Mitch MacDonald, Vice President
Mike Thornbrough, Treasurer
Donna Seaman, Director
Gerry Stewart, Director

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

Director Saunders called the meeting to order at 2:04 PM

ROLL CALL:

DIRECTORS PRESENT: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

Director MacDonald led in the Pledge of Allegiance.

2. ADOPTION OF AGENDA

MOTIONED BY DIRECTOR STEWART TO ADOPT THE AGENDA. SECONDED BY DIRECTOR MACDONALD.

Public Comment: None.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSTAIN/ABSENT: NONE.

THE MOTION PASSED.

3. PUBLIC FORUM (ONLY ITEMS THAT ARE NOT ON THE AGENDA)

There were no public comments.

Director MacDonald stated he had comments from a customer who could not attend the meeting and Director Saunders indicated he could present those comments during Board Reports.

4. PROCLAMATIONS AND PRESENTATIONS

5. CONSENT CALENDAR – Any member of the public may contact a Board member prior to the meeting to request that an item be pulled from the Consent Calendar.

Director Saunders pulled Items 5A and 5B from the Consent Calendar and requested a motion for Item 5C.

A. Approval of Minutes

1. Regular Meeting of June 13, 2021
2. Special Meeting of June 24, 2021

B. Financial Reports

1. Check Report with Descriptions – June 2021
2. Fund 100 200 Object Expense Detail 20210624
3. Purchase Order Status Report as of 29210624

C. Authorizing Change of Bank Signatory Authority

Possible Action: Adopt Resolution 2021-27 adding Darrell Creeks, Interim General Manager, and removing former Interim General Manager on the list of Signatory Authority.

MOTIONED BY DIRECTOR STEWART TO ADOPT RESOLUTION 2021-27 AUTHORIZING A CHANGE OF BANK SIGNATORY AUTHORITY. SECONDED BY DIRECTOR MACDONALD.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSTAIN/ABSENT: NONE.

THE MOTION PASSED.

Director Saunders then directed the Board to consider Item 5A1 – Minutes of the Regular Meeting of June 13, 2021. The following corrections were requested:

- *Director Saunders corrected the date noted on Item 5A1 of the Agenda to June 8, 2021.*
- *Page 3, 1st paragraph of Finance Committee Report: In the text in which Director MacDonald noted the mileage on the dump truck, Director Stewart corrected the mileage to be 100,000 miles, not 100 miles.*
- *Page 5, 4th paragraph of Board Reports: Director Stewart stated the word “not” should be inserted in the sentence “...she had **not** been receiving her bills...”*
- *Page 9, in the Motion: Director Stewart asked for a correction to the spelling of his name.*
- *Page 10 towards the bottom of page: Director Stewart stated “...lost of enforcement” should be corrected to “lack of enforcement...”.*

There were no other corrections to the minutes of June 8, 2021.

MOTIONED BY DIRECTOR STEWART TO APPROVE THE MINUTES OF JUNE 8, 2021, WITH CORRECTIONS. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSTAIN/ABSENT: NONE.

THE MOTION PASSED.

The Board then discussed Agenda Item 5A2 – Minutes of Special meeting of June 24, 2021. The following corrections were requested:

- *Page 5, 1st paragraph, 2nd Sentence: Director Saunders requested a correction to the reference to Darrell Creeks’ compensation while he is Interim General Manager to a rate of \$75/hour.*

- Page 3, on the first Motion under Report on District's Cash Reserves: Director Stewart stated Director Thornbrough seconded his motion.
- Page 4, on the Motion on Item 4A: Director Stewart noted the word "ability" and Director Thornbrough's name was misspelled.
- Page 5, 4th paragraph: Director Stewart stated the word "his" is misspelled.

MOTIONED BY DIRECTOR STEWART TO APPROVE THE MINUTES OF THE SPECIAL MEETING OF JUNE 24, 2021, WITH CORRECTIONS. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSTAIN/ABSENT: NONE.

THE MOTION PASSED.

The Board then considered Agenda Item 5B2, Financial Reports.

Director Saunders requested and Staff provided additional detail on the following checks: (1) #3224 Geocon - Mr. Brown explained Geocon did the compaction testing quality control that was required for the pavement project. (2) #32367 – Mr. Creeks stated the El Dorado County Sheriff billed the District for one of three false alarms. (3) #32345 Nathan Thomas - Mr. Brown stated the State requires a geologist stamp on groundwater reports and Nathan Thomas is the geologist who does this through West Shore Consulting. (4) #32328 National Print and Promo – Mr. Brown stated this is for the printing and mailing of the Consumer Confidence Report that went out to each customer.

Director Seaman inquired about her previous requests for a breakdown of the budget for office supplies under Departments 5500 5600 and 6100. Mr. Creeks said he intended to discuss this under the General Manager's report. He stated Adam Brown spent a considerable amount of time to review the budget and found several items that needed to be recoded to other accounts. He stated he will work with Adam Coyan when he starts on a budget amendment as this will reduce the amount budgeted.

Director Seaman asked for clarification on the eight ATT accounts, the Verizon accounts, and PowerNet. Mr. Creeks explained the PowerNet account is for long distance service. The AT&T accounts are for all the landlines, and lines for equipment and computers at the treatment plants. The Verizon accounts are for cell phones and a modem at the Walton Lake Treatment Plant.

Public Comment: None.

MOTIONED BY DIRECTOR STEWART TO RECEIVE AND FILE THE FINANCIAL REPORTS. SECONDED BY DIRECTOR THORNBROUGH.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSTAIN/ABSENT: NONE.

THE MOTION PASSED.

6. INFORMATIONAL ITEMS

A. Board Reports

Director Thornbrough reported he attended the EDWA (El Dorado Water Agency) meeting on June 9, 2021, when the EDWA Budget was approved. This month's meeting has been cancelled.

Director MacDonald shared a comment he received from a customer who wanted to know more about issues in the District and where to access that information. He stated the customer was interested in knowing what goals the Board has set and what has been achieved as a way to measure Director's performance. The customer also wondered if the Facebook page will be maintained or some other format so that if they are unable to attend the meetings, there's an easy way for the public to find out what's going on other than candidate's Facebook pages.

Director Saunders stated the official source for information is the District website, www.gd-pud.org. In the future, hopefully before December 2022, the Granicus will be up and running allowing for the live streaming of the Board meetings with recordings posted on the website for future reference. Director Saunders says he wants to have a discussion with the new General Manager about social media and freeing up staff time to maintain social media presence, as well as getting the District's Facebook page back.

Director Saunders added that Thomas Frey is the new Mt. Democrat reporter, and he will ask if his articles can be added to the Georgetown Gazette. He also indicated he will probably submit a mid-year report to the Georgetown Gazette.

Director Saunders reported he attended the meeting of the water conservation group, established in 2018 to make recommendations and establish guidelines for water conservation; these are due at the end of this year. The meeting he attended was on variances and so far, there are no standardized formulas on how to calculate or offset these variances for the water budget. Guidelines will give each district a residential indoor/outdoor standard, and a commercial, industrial, and institutional indoor/outdoor standard. These standards plus water losses will be their water budget. The goal is to make sure actuals match budgets. The battle line will eventually be possible fines or other things to make sure district's water use is equal to their water budget for the most efficient use of water.

Director Saunders also reported that the Department of Water Resources released a draft of the results of the Indoor Residential Use Study for public review. A second

public hearing is scheduled for July 19. Director Saunders indicated he will provide information about the hearing to the Board Clerk to post on the website.

Director Saunders reported he attended a meeting of the Environmental Protection Agency on the salinization of fresh water in the US, including a discussion of road salt during the winter running off into streams and creeks and eventually affecting the ionization of our fresh water.

Director Saunders concluded by reporting the Board's participation in the Garden Valley 4th of July event, as one of the Board's first public outreach event to commemorate the District's 75th Anniversary, was well attended and well received. One customer who just moved to the area wanted to thank Staff for greeting them and providing information. Two customers had issues on pressure which he will refer to Operations and GM.

B. Legislative Liaison Report

Director Saunders reported that Governor Newsom signed the first part of the budget bill, SB 129, which contains provisional language for \$100 million of one-time funding to provide fiscal relief to independent special districts that have encountered unanticipated COVID-related costs and loss of revenue. He will discuss grant application opportunities with the Grant Ad Hoc Committee.

There is a budget trailer bill, AB 148, that has not passed which Director Saunders reported is of most significance to the District. It includes a program for the distribution of nearly \$1 billion for water and wastewater arrearages created during the COVID-19 pandemic. AB 148 also contains drought relief language and provides a program for customer to enroll in a payment plan to help stop any service disruptions once the moratorium is lifted.

Director Saunders explained SB 556, authored by Senator Dodd, would expedite the process of installing wireless broadband equipment on utility poles, streetlights, and traffic signs which are owned by cities, counties, or public utility districts. This would force the hand of local jurisdictions to allow the placement of equipment on their infrastructure and property which will probably affect lease agreements that generate revenue. The bill is opposed by the CSDA (California Special Districts Association) for this reason. Director Thornbrough stated he did not like the bill if it impacts the District's ability to generate revenue.

Director Saunders informed the Board about AB 339 which relates to open and public meetings of boards that govern a jurisdiction of at least 250,000. These boards would be required to allow for the public to attend their meetings by a two-way telephonic or two-way internet-based service option. One provision of the bill being opposed is one that would impose a criminal liability for jurisdictions who deprive the public of information. The issue of unfunded state mandate is another issue being discussed.

Director Saunders then acknowledged two of his interns who were online to observe the Board meeting.

Public Comment: No public comment.

C. General Manager's Report – Update on 2020 Water Refill Agreement (Jeff Meyer)

Mr. Creeks invited Jeff Meyer of Western Hydrologics to provide an update on the water transfer refill agreement.

Jeff Meyer began screen sharing a graph (Attachment 1) and prefaced his presentation by stating the District entered into a refill agreement last year associated with the water transfer and, although it was a very dry winter, Stumpy Meadows filled beyond the limit of the refill agreement.

Referring to the graph, Mr. Meyer pointed to the red line showing the maximum storage capacity of Stumpy Meadows Reservoir is 20,000 acre feet (ac-ft). He explained because the District sold (transferred) 2,000 ac-ft, the new storage capacity for this year is 18,000 ac-ft, unless Folsom Lake spills, and the Delta goes into excess conditions. Since neither of these things happened, the storage limit for this year remains at 18,000 ac-ft. The reservoir filled up to 18,505 ac-ft which means that storage limit was exceeded by 505 ac-ft. This is not a violation of any kind, stated Mr. Meyers, but means the District is required to repay the water that would have spilled had the transfer not been done. Mr. Meyer stated this refill agreement concept is common and other districts who have done a water transfer have the same condition in their agreement.

Mr. Meyer explained he completed a Refill Impact Report which he submits to the California Department of Water Resources (DWR) and the U.S. Bureau of Reclamation (USBR) every month. The agencies acknowledged this was an impact and the refill agreement says the District has to pay back the amount the storage limit was exceeded. He talked to Darrell Creeks and Adam Brown about how to do that and also tried to negotiate on behalf of GDPUD a repayment schedule that was agreeable to DWR and USBR. He sent several emails to them and finally at 2:00 today received a reply.

Since 4 CFS is the minimum flow requirement in a normal year, Mr. Meyer said he and Staff decided a 4 CFS release would be adequate until they heard back from DWR and USBR. He further explained that because this is a dry year, the minimum flow requirement was reduced to 2 CFS to offer a little relief.

Mr. Meyer indicated DWR required a 4 CFS release, but the response just received from the USBR indicated they would like to see a 5 CFS release so the debt can be repaid by Labor Day. He stated this is a negotiating point and will work with Staff on a counteroffer.

Mr. Meyer summarized that as of today, the District has paid back approximately 100 ac-ft. With a release of 4 CFS, he calculated the District will still be able to pay back the remaining 400 ac-ft by Labor Day, which will be discussed with the USBR. Mr. Meyer then offered to answer any questions.

In response to Director MacDonald who shared his understanding of the refill agreement, Mr. Meyer stated the District does not owe any more than the refill impact when more water is stored than is allowed under the refill agreement. Mr. Creeks asked whether the District would meet the requirements of the refill agreement if it just automatically released whatever was in excess of 18,000 ac-ft.

Mr. Meyer said if he was turning the knobs on and off at the reservoir, he would try to capture everything he could and then wait to see what is happening at Folsom before releasing any water.

Director Saunders asked, "What is the point in time when we start having an impact to GDPUD when we're giving back more than we transferred?"

Mr. Meyer explained when the District did the transfer, the District reduced the capacity of its reservoir to 18,000 ac-ft. The District will have less capacity until Folsom Lake spills and the Delta goes into excess. That is the point when the District fulfills its obligation and is returned to its original storage capacity of 20,000 ac-ft. Until then, any excess of 18,000 ac-ft or water that flows into the reservoir is considered spill water in the same way that it would if the reservoir was completely full (or 20,000 ac-ft). This is how DWR and USBR view it. He noted that Folsom spills about two-thirds of the time so the odds are pretty good that it will spill.

Director Saunders stated water transfers puts a cap on Stumpy so moving forward, the District needs a water transfer policy. He cautioned that if the District transferred up to the allowed 3,500 ac-ft, that would put a cap on Stumpy at 16,500 ac-ft which automatically puts the District under the Urban Water Management Plan trigger for a drought emergency.

Director Thornbrough asked Mr. Meyer if the District could be paying back to Folsom more than the 2,000 ac-ft that was transferred. If we transferred 2,000 Folsom would have gotten that 2,000 ac-ft, if we give 500 then we only owe 1,500 more. He asked if this was correct.

Mr. Meyer stated that was not correct. Director MacDonald added the District pays back anything over the storage limit that would have spilled any way. He then expressed agreement with Director Saunders' concern about the threshold of 16,500 ac-ft and the reduced buffer.

Responding to Director MacDonald's inquiry, Mr. Meyer explained an overflow at Folsom Dam does not automatically mean the Delta is in flood stage because the Delta receives water from many sources. However, almost every time there is an overflow at Folsom, the Delta is in excess. There are only two times in history when that has not happened.

Director Stewart stated that the water belongs to the State and when the District sold 2,000 ac-ft, we were essentially telling the State that the District doesn't need that water. The District is now restricted to 18,000 until we get another flood condition so we're going to have to survive on 18,000 ac-ft. Director Saunders stated there wasn't that clarity last year.

After Mr. Meyer confirmed for Director Seaman her understanding that only the excess over 18,000 ac-ft has to be repaid, she stated the District needs to start looking at our water usage early on in the year to decide the most beneficial use of that water.

Responding to Director Seaman's concern about the 18,000 ac-ft limitation, Mr. Meyer stated, as a Water Resources Manager himself, he does not see this as a big deal. The

District has been able to make full deliveries to satisfy customers' needs, so the only issue is whether the District will need to refill next year, which is always the case when you do a transfer like this.

Mr. Creeks stated the District looks at water usage every year during the second week of April. Director Saunders said the District may be required to do look at usage additional times during the year. Mr. Creeks responded the District will do whatever the State requires.

Director Thornbrough stated he recalled the refill agreement had a four-year time frame and Mr. Meyer clarified there is no time limit on the refill agreement.

Public Comment: Steven Dowd commented that he thought he understood it perfectly when Mr. Meyer's gave his presentation on the water transfer last year, but he really clarified it now. He told Mr. Meyer he did a great job.

Mr. Dowd then asked why the water level is where it is now, just a few feet above where it was when the transfer ended last September. Last year when the transfer started in August, the water level was at the bottom of the spillway and now it's way out past the booms and it is only July 13. He said he measured and took pictures after the transfer. A lot of water is gone from that Lake, and I assume we're still using the same amount of irrigation and treated water for the customers. Mr. Dowd stated there is more than 100 ac-ft gone from the lake, and asked where it was going.

Mr. Myer replied there is the transfer on top of the 100 ac-ft release, irrigation demands and the minimum flow requirement. Mr. Dowd pursued his questioning, so Mr. Creeks offered to provide a simple explanation. First of all, stated Mr. Creeks, last year the Lake spilled all the way through May, this year it never spilled. We had a lot more water coming into the Lake last year. As we transferred and as we were using water, the streams were strongly flowing keeping the Lake full. In August of last year, we ended the month at 16,200 ac-ft which is more than what we have in the lake right now. Because we started out with less water, and we have far less water is coming into the Lake this year, it's not keeping it full and it's dropping faster than it did last year. Mr. Creeks added the Lake is 76% full today.

Cherie Carlyon asked about measurements in the Operation Manager's Report. Director Saunders stated she could comment on that when this report comes up on the agenda and at the end of the meeting when drought conditions is discussed.

John Duarte commented that he's not generally opposed to an annual water sale, but on these terms and with this arrangement, he does not think this can viewed very favorably in the future. It is a bad deal. He said having to keep Stumpy Meadows 2,000 ac-ft emptier every year until Folsom spills will cost the District severely.

Director Saunders said he invited Mr. Meyer to provide an update because there are four new Board members that were not on board when the transfer was done. He and Mr. Creeks thanked Mr. Meyer for his presentation that provided clarification and a clearer understanding of how a refill agreement works.

D. Operation Manager's Report

Mr. Creeks stated when the report was written the Lake was 79% full, today it is at 76%. We sold 814 ac-ft so far this year as of July 1. Last year as of July 1 we sold 738 ac-ft. That is about 70 ac-ft more than last year which is common because people use more water in dry years. We're still looking good because 814 ac-ft is still a drop in the bucket out of that Lake.

Mr. Creeks reported the RFB (Request for Bids) was out for the demolition of the old Auburn Lake Trails Water Treatment Plant building. He is working with Legal Counsel to determine if one bid has to be eliminated for certain reasons. He indicated he will bring a construction contract for the demolition project for the Board's approval at the next meeting.

Director Saunders commented GDPUD is doing well compared to many other districts in Northern California. Some are already having outages, trucking in bottled water, and/or cutting irrigation service down to 50%. Mr. Creeks added GDPUD was the only district in the area with a water supply that filled up enough to declare a normal water year.

Public Comment: Steven Dowd stated he noticed on July 10 that poison is being sprayed along the side of the road near the Lake and killing a lot of trees. He noted there are warning signs about the spraying. He's concerned about the effect on water quality.

Mr. Creeks responded that this was also issue for him, indicating Federal and State agencies have been doing this every year and more extensively after the King fire. He stated the District samples the water in Lake every year and so far, have found no contamination in the water.

Mr. Dowd described the running water he and his wife observed and filmed that should be going through the Hydro Plant, Mr. Creeks explained when the power went out in Garden Valley, it also went out Upcountry, and it shut down the Hydro Plant. when that happens the water automatically bypasses the Hydro around the ditch, but the District collects the water, and it goes back down the ditch.

E. Water Resources Report

Adam Brown summarized the Water Resources Report stating there was nothing out of the ordinary to report.

Mr. Brown then provided an update on the automated meter replacement project indicating he's working with USBR to set up the grant which involves a lot of paperwork. The Request for Proposals will be released this week to get bids for that project and Staff will be moving forward to select a contractor for the Board's approval in September.

Director Saunders asked if the Board could see the RFP before it is released. Mr. Creeks stated Coastland is putting the RFP together and Staff will be able to email the RFP to the Directors by blind copy without delaying the process.

In response to a question by Director Seaman Mr. Brown stated the District is required to submit a No Spill Certification every month.

Public Comment: None

7. COMMITTEES

A. Finance Committee – Steven Miller, Chair

Director Saunders stated Steve Miller informed him there was no committee report since they haven't met.

Director MacDonald indicated Mr. Miller had asked Andy Fisher to give a report on his behalf but he also had an emergency. Indicated that he is compiling a list of short-term and long term questions after the Committee reviews the budget.

B. Ad Hoc Grant Writing Committee - Director Saunders

Director Saunders stated he will schedule a meeting and will ask the new General Manager to attend to review County, State and Federal grant opportunities for COVID relief funding so staff will be able to maintain and acquire required information to give the District the best chance to receive funding.

C. Ad Hoc Committee for the Finance Committee Policy - Director MacDonald and Director Thornbrough

Director Saunders hoped to bring this up next month.

D. Ad Hoc Committee for Policy Manual – To be appointed.

No report, but there are number of policies that in line to be worked on.

E. Ad Hoc Committee for the Special Audit – Director Saunders

This will start when the new General Manger is on board.

Public Comment: None.

8. NEW BUSINESS

A. Affirm Employment Agreement with General Manager (MS)

Possible Action: Adopt Resolution 2021-28 Affirming the Contract with the General Manager

Director Saunders noted a typographical error in the 5th "Whereas" of the Resolution for Board Clerk to correct the amount to \$155,000. He then summarized the contract.

MOTIONED BY DIRECTOR STEWART TO ADOPT RESOLUTION 2021-28 WITH THE CORRECTION AFFIRMING THE EMPLOYMENT AGREEMENT FOR GENERAL MANAGER. SECONDED BY DIRECTOR MACDONALD.

Public Comments: None

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSENT/ABSTAIN: NONE.

THE MOTION PASSED.

Director Saunders stated that Adam Coyan will begin on August 2.

B. Introduce Ordinance 2021-01 - Certification of Annual Direct Charges, Fees and Assessments

Possible Action: Introduce Ordinance 2021-01 by title only, waive first reading, and receive public comment.

Mr. Creeks reported that since the staff report was prepared, five additional customers are on a payment plan. Four others indicated they wanted to be on a plan but have not returned the paperwork Staff sent.

Director Saunders commented that the number of delinquent of accounts has gone down significantly. He further explained that customers with delinquent accounts are still required to pay the debt so there is no forgiveness. He referred to legislation being passed nationally and by the state to provide COVID arrearage relief for special districts. Legal Counsel Barbara Brenner stated she checked on the Federal bill and found nothing that says districts could receive relief for any unpaid bills.

Mr. Creeks stated the front office staff did an excellent job contacting customers and bringing down the number of delinquent accounts.

Director Seaman stated that some property owners were not aware their tenants were delinquent. Director Stewart also asked about notification to property owners and Mr. Creeks confirmed that property owners have now been notified.

Director Thornbrough stated that staff should be commended. They went above and beyond to work with people. This list now contains people who just don't want to pay the bill and the Board should move on.

Public Comment: *Cherie Carlyon stated the Board needs a serious review of customer service. Accounts Payable should have been calling a year ago and landlords are not getting notified. She stated she has a friend who has not been contacted.*

MOTIONED BY DIRECTOR STEWART TO INTRODUCE ORDINANCE 2021-01 AS WRITTEN. SECONDED BY DIRECTOR MACDONALD.

DIRECTOR SAUNDERS AMENDED THE MOTION TO REQUIRE THAT THE LIST (EXHIBIT A) BE UPDATED BY REMOVING THE NAMES OF CUSTOMERS WHO

HAVE AGREED TO A PAYMENT PLAN OR HAVE PAID. SECONDED BY DIRECTOR MACDONALD.

ROLL CALL VOTE ON ACCEPTING THE AMENDMENT TO THE MOTION:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSENT/ABSTAIN: NONE

THE MOTION PASSED.

ROLL CALL VOTE ON THE AMENDED MOTION :

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART

NOES: SAUNDERS

ABSENT/ABSTAIN: NONE

THE MOTION PASSED 4 TO 1.

C. Consider Amending Contract with Lance, Soll & Lunghand, LLP, for Annual Audit

Possible Action: Adopt Resolution 2021-29 Amending the Contract with Lance, Soll & Lunghang (LSL CPAs) to provide audit services for FY 2020-21.

Mr. Creeks explained the need to approve the amendment to the contract to allow LSL CPAs to do one more audit.

Director Saunders added best practices is to have auditors for three to five years before switching. The District can issue a new RFP next year. He stated LSL CPAs are good auditors.

Public Comment: None.

MOTIONED BY DIRECTOR THORNBROUGH TO ADOPT RESOLUTION 2021-29 AMENDING THE CONTRACT FOR AUDIT SERVICES. SECONDED BY DIRECTOR STEWART.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSENT/ABSTAIN: NONE.

THE MOTION PASSED.

D. Consider Approving Vendor Agreement with Pace Supply

Possible Action: Adopt Resolution 2021-30 approving Vendor Agreement for purchase of distribution parts and supplies for FY 2021-22.

Mr. Creeks presented the staff report stating Pace has been the District's supplier for the past few years. The Vendor Agreement ended so the District went out to bid and they were the lowest bidder.

Director Thornbrough asked Mr. Creeks if Pace was the vendor he had previously reported as being unreliable. Mr. Creeks acknowledged the past problems with PACE. He talked to Pace management, and they agreed to assign a person to GDPUD. He stated part of the problem was COVID. He added he will ask the Board not to renew if service is poor.

Public Comments: Cherie Carlyon how much did we spend with them, and Mr. Creeks indicated that \$65,000 was budgeted last year.

MOTIONED BY DIRECTOR SEAMAN TO ADOPT RESOLUTION 2021-30 APPROVING THE VENDOR AGREEMENT WITH PACE SUPPLY. SECONDED BY DIRECTOR STEWART.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSENT/ABSTAIN: NONE.

THE MOTION PASSED.

E. Receive a Status Report on the Low-Income Assistance Program

Possible Action: Receive Status Report and provide direction to Staff.

Mr. Creeks summarized the staff report indicating there are 42 customers who have not responded to Staff's contacts. Staff will call them again, going the extra mile because notification was issued late.

Director Saunders asked this to be on the agenda due to late issuance of notice. We want to make sure we accept everyone who wants to be on the LIRA program and not remove anyone.

Director Thornbrough asked how much was spent for the program. Director Saunders indicated up to \$15,000 each year is used. There is only a set number of people that would be eligible.

Public Comment: Cherie Carlyon commented that no letters were sent out in 2019 or 2020. This is the first time anyone has had to renew their application. This is another customer service issue. Mr. Creeks stated he agreed with Ms. Carlyon that notification

should happen every year. Ms. Carlyon asked if there was any possibility of increasing the amount since the full allocation of \$35,000 is not being used up. Director Saunders stated the Board would not increase the discount amount beyond what other utilities provide.

Ms. Carlyon stated LIRA applications are not being inserted into the bills once a year. This would be helpful especially for the elderly who don't have access to the internet.

F. Consider Extending Professional Services Agreement with Gloria Omania for Six Months.

Possible Action: Adopt Resolution 2021-31 Approving Amendment 1 to extend term.

Director Saunders described the ongoing work that Ms. Omania will perform under the extended Agreement.

Director Seaman stated she will work with Ms. Omania on an internship program.

Public Comments: None

MOTIONED BY DIRECTOR THORNBROUGH TO ADOPT RESOLUTION 2021-31 APPROVING AMENDMENT 1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH GLORIA OMANIA. SECONDED BY DIRECTOR SEAMAN.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSENT/ABSTAIN: NONE.

THE MOTION PASSED.

G. Receive Update on Drought Conditions

Possible Action: Receive and file.

Mr. Creeks presented the staff report and Mr. Saunders shared the Governor's Executive Order (Attachment 2) and Proclamation (Attachment 3) issued on July 8, 2021, expanding the Drought Emergency to 50 counties, including El Dorado County. Discussion followed that the District has enough water to meet the demand as well as the importance of providing the community with an update on the drought.

Director Saunders recommended that the District send out a communication informing customers of the Governor's Declaration of a Drought Emergency and providing best practices for water conservation.

Public Comment: Steven Dowd asked if the Governor has exempted any group, county, city, town, Hollywood? Director Saunders stated the State Department of Water Resources, and the State Water Resources Control Board are the enforcement

hand for water. At the meeting where we went over county drought procedures and guidance from the state, it was made clear that the Urban Water Management Plan, if it followed the six-step guideline, can supersede what the State recommends. This is because of what happened during the last drought where the State recommended a 29% reduction and the District had available water at Stumpy and our UWMP had us at a different water reduction percentage. As the months go by and as we see how Stumpy progresses, we will take into consideration anything that might require us to change.

Cherie Carlyon asked why the District would request voluntary conservation if we don't have to follow the State. Director Saunders stated because we are in a drought, and we want to give our customers some guidance for conserving water. Ms. Carlyon further commented that there are counties that have been exempted. Director Saunders stated no one is exempt. Legal Counsel Barbara Brenner clarified it is an "ask" for all counties to conserve and no territory is singled from that.

Joe Duarte stated he would be willing to lose irrigation service in September rather than lose August and September next year. He had previously encouraged the Board to look at the 2014-2015 drought and the reservoir levels. In 2015 irrigation service was cut off on August 1. From the point of view of a grape grower, Mr. Duarte said that this was much more impactful than having two seasons of cutting off service on September 1. He said he would not be opposed to curtaining the irrigation season by one month if it means avoiding a two-month curtailment next year.

Director Saunders stated the normal water year was declared based on forecasting. He asked Mr. Brown and Mr. Creeks how the District was looking on forecasting. Mr. Brown forecasting information would not be available until the end of the year. Director Saunders asked what a one-month curtailment would mean. Mr. Brown indicated the savings would range from 600 to 1,000 ac-feet. Director Saunders stated the District will continue to monitor the situation.

Director Seaman asked that the District look at shortening the irrigation season at the front end as well as the back end of the season. She also commented her use of irrigation water for fire prevention and asked that the District look at impact to habitat and possible state violations. Director MacDonald added a month could be straddled with the season starting two weeks later and ending the season two weeks earlier.

MOTIONED BY DIRECTOR MACDONALD TO DIRECT STAFF TO SEND A MAILER TO CUSTOMERS WITH A DROUGHT UPDATE AND BEST PRACTICES FOR WATER CONSERVATION. SECONDED BY DIRECTOR THORNBROUGH.

ROLL CALL VOTE:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSENT/ABSTAIN: NONE.

THE MOTION PASSED.

Mr. Creeks indicated he will send a draft of the mailer to the Board President with a blind copy to the other Directors before it goes out.

9. PUBLIC HEARING

A. Establishment of Proposition 4 Appropriations Limit

Possible Action: Adopt Resolution 2021-32 setting the FY 2021-2022 Proposition 4 Appropriations Limit.

Director Saunders opened the public hearing and explained the basis for setting an appropriations limit.

Public Comments: None.

MOTIONED BY DIRECTOR THORNBROUGH TO ADOPT RESOLUTION 2021-32 SETTING THE PROPOSITION 4 APPROPRIATIONS LIMIT. SECONDED BY DIRECTOR MACDONALD.

ROLL CALL VOTES:

AYES: THORNBROUGH, MACDONALD, SEAMAN, STEWART, SAUNDERS

NOES: NONE.

ABSENT/ABSTAIN: NONE.

THE MOTION PASSED.

- 10. BOARD MEMBER 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 Seaman stated she would like to make sure there is a discussion about the internship program.

Director Stewart asked when the Board would receive training on the Tyler system. Director Saunders stated he hoped to discuss at the next meeting what reports Directors would like to see so that it can be submitted to Tyler to customize the monthly financial reports. Tyler training has not been scheduled but will be once it determined how Directors will have access to the program. Customers will also be shown how to use the program.

Director Thornbrough asked when Finance Committee meetings will be scheduled. Director Saunders stated one may be scheduled before the Board starts reviewing the Budget, but there are a whole host of things that have to bring up. We still need our Strategic Planning Meeting and our CIP meeting. There are a bunch of other things to

build in. I don't know Barbara wants to do it at the FC meeting or if he could just show those two Finance Committee members to go over the Brown Act from CSDA. BB have done BA presentations a few times. I would just share the CSDA training.

Director MacDonald asked about training information for September and Director Saunders he would resend the email.

Director Saunders reported that he was not elected to LAFCO so he will continue as alternate until 2023. He stated Brian Van Kamp and Tim Palmer were elected.

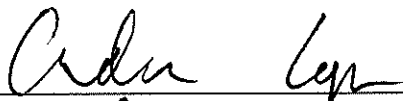
NEXT MEETING DATE AND ADJOURNMENT – The next Regular Meeting will be on August 10, 2021, at 2:00 P.M. via teleconference. Details to follow.

Motioned by Director Seaman to adjourn the meeting Seconded by Director Thornbrough.

The meeting was adjourned by acclamation at 5:29 PM.

ATTACHMENTS:

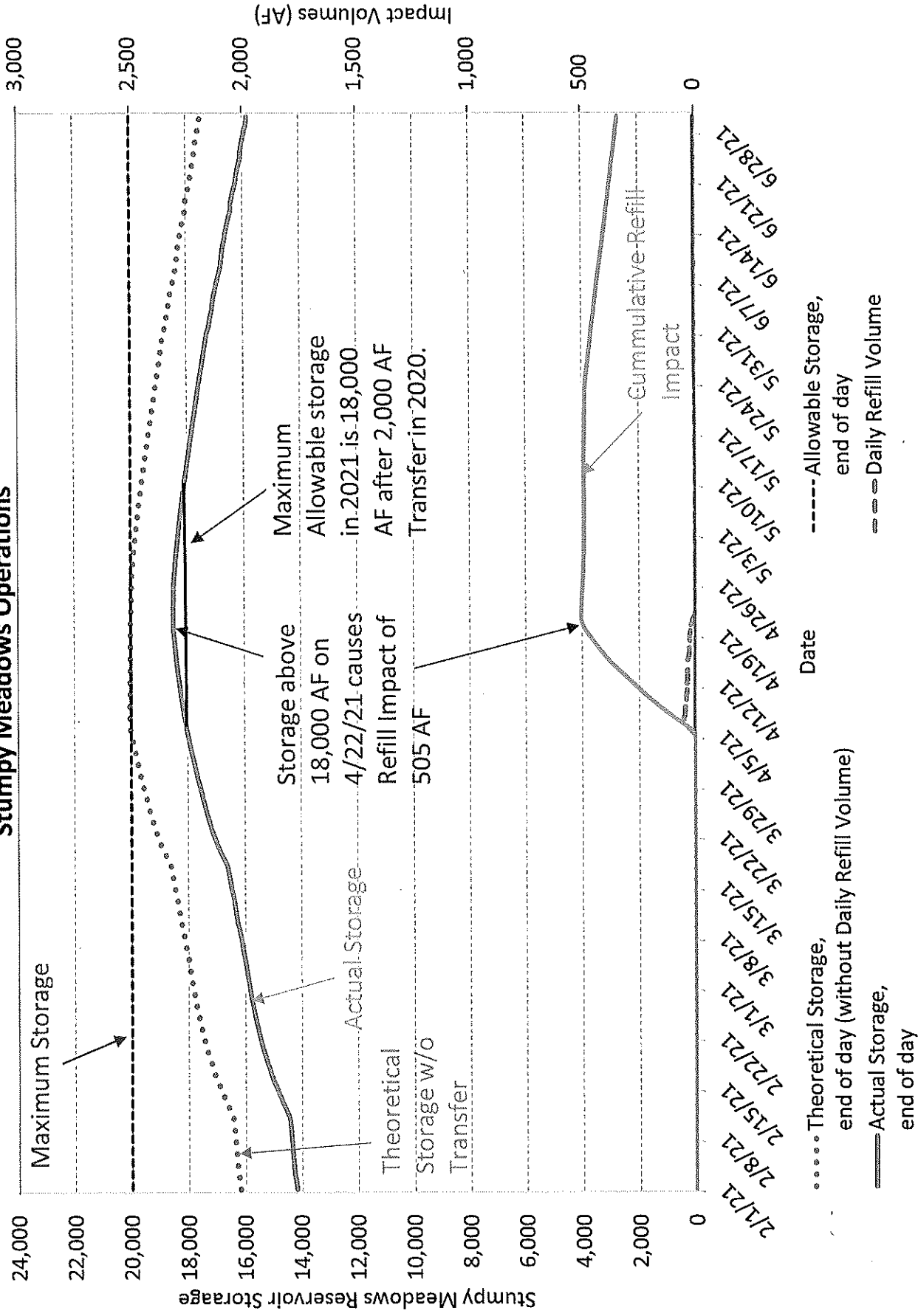
- (1) Graph – Stumpy Meadows Operations
- (2) Drought Governor's Executive Order
- (3) Drought Proclamation



Adam Coyan, ~~P.E.~~ General Manager

Date

Stumpy Meadows Operations



EXECUTIVE ORDER N-10-21

WHEREAS communities across California are experiencing more frequent, prolonged, and severe impacts of climate change including catastrophic wildfires, extreme heat and unprecedentedly dry conditions that threaten the health of our people, habitat for species and our economy; and

WHEREAS severe drought afflicts the American West and increasingly warming temperatures driven by climate change exacerbate harmful drought effects including disruption of drinking water and irrigation supplies, degradation of fish and wildlife habitat, and heightened flammability of wildland vegetation; and

WHEREAS on April 21 and May 10, 2021, I issued proclamations that a state of emergency exists in a total of 41 counties due to severe drought conditions and directed state agencies to take immediate action to preserve critical water supplies and mitigate the effects of drought and ensure the protection of health, safety, and the environment; and

WHEREAS today, I issued a further proclamation of a state of emergency due to drought conditions in nine additional counties (Inyo, Marin, Mono, Monterey, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, and Santa Cruz), and directed state agencies to take further actions to bolster drought resilience and prepare for impacts on communities, businesses, and ecosystems; and

WHEREAS drought conditions present urgent challenges, including the risk of drinking water shortages in communities, greatly increased wildfire activity, diminished water for agricultural production, adverse impacts on fisheries, and additional water scarcity if drought conditions continue into next year; and

WHEREAS agriculture is an important economic driver in California that has made significant investments in irrigation efficiencies such that nearly 70 percent of the nation's farmland using drip and micro-irrigation is located in California, and despite that investment, many agricultural producers are experiencing severe reductions in water supplies and are fallowing land in response to current dry conditions; and

WHEREAS action by Californians now to conserve water and to extend local groundwater and surface water supplies will provide greater resilience if the drought continues in future years; and

WHEREAS during the 2012-2016 drought, Californians did their part to conserve water, with many taking permanent actions that continue to yield benefits; per capita residential water use statewide declined 21 percent between the years 2013 and 2016, and has remained on average 16 percent below 2013 levels as of 2020; and

WHEREAS local water suppliers and communities have made strategic

year and maintain critical flows for fish and wildlife.

NOW THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, do hereby issue the following order to become effective immediately.

IT IS HEREBY ORDERED THAT:

- 1) To preserve the State's surface and groundwater supplies and better prepare for the potential for continued dry conditions next year, and to join existing efforts by agricultural water users, public water systems, and governmental agencies to respond to water shortages, I call on all Californians to voluntarily reduce their water use by 15 percent from their 2020 levels. Commonsense measures Californians can undertake to save water and money include:
 - a. Irrigating landscapes more efficiently. As much as 50 percent of residential water use goes to outdoor irrigation, and much of that is wasted due to evaporation, wind, or runoff caused by inefficient irrigation methods and systems. Watering one day less per week, not watering during or immediately after rainfall, watering during the cooler parts of the day and using a weather-based irrigation controller can reduce irrigation water use, saving nearly 8,800 gallons of water per year.
 - b. Running dishwashers and washing machines only when full. Full laundry loads can save 15–45 gallons per load. Full dishwasher cycles can save 5–15 gallons per load.
 - c. Finding and fixing leaks. A leaky faucet that drips at the rate of one drip per second can waste nearly 3,200 gallons per year.
 - d. Installing water-efficient showerheads and taking shorter showers. Keeping showers under five minutes can save 12.5 gallons per shower when using a water-efficient showerhead.
 - e. Using a shut-off nozzle on hoses and taking cars to commercial car washes that use recycled water.

The State Water Resources Control Board (Water Board) shall track and report monthly on the State's progress toward achieving a 15-percent reduction in statewide urban water use as compared to 2020 use.

- 2) State agencies, led by the Department of Water Resources and in coordination with local agencies, shall encourage actions by all Californians, whether in their residential, industrial, commercial, agricultural, or institutional use, to reduce water usage, including through the statewide Save Our Water conservation campaign at

other metrics, and the Water Board shall monitor progress on voluntary conservation as ongoing indicators of water supply risk that may inform future drought response actions.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 8th day of July 2021.

GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY N. WEBER, PH.D.
Secretary of State

PROCLAMATION OF A STATE OF EMERGENCY

WHEREAS climate change is intensifying the impacts of droughts on our communities, environment, and economy, and California is in a second consecutive year of dry conditions, resulting in drought in all parts of the State and extreme or exceptional drought in most of the state; and

WHEREAS in response to climate change and worsening drought conditions, I issued proclamations on April 12 and May 10, 2021, proclaiming drought emergencies in the counties of Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Kern, Kings, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo, and Yuba, which have faced the most dire and severe drought conditions; and

WHEREAS since my May 10, 2021 Proclamation, California's water supplies continue to be severely depleted, and high temperatures are now increasing water loss from reservoirs and streams (especially north of the Tehachapi Mountains), and thus demands by communities and agriculture have increased, supplies of cold water needed for salmon and other anadromous fish that are relied upon by tribal, commercial, and recreational fisheries have been reduced, and risk has increased of drought impacts continuing in 2022 because of continued water loss from climate change-driven warming temperatures and less water available in reservoirs and streams from two years of below average precipitation; and

WHEREAS the counties of Inyo, Marin, Mono, Monterey, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, and Santa Cruz are now experiencing emergency drought conditions as well; and

WHEREAS it is necessary to expeditiously mitigate the effects of the drought conditions to ensure the protection of health, safety, and the environment; and

WHEREAS under Government Code Section 8558(b), I find that the conditions caused by the drought, by reason of their magnitude, are or are likely

to be beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to appropriately respond; and

WHEREAS under Government Code Section 8625(c), I find that local authority is inadequate to cope with the drought conditions; and

WHEREAS to protect public health and safety, it is critical the State take certain immediate actions without undue delay to prepare for and mitigate the effects of the drought conditions, and under Government Code Section 8571, I find that strict compliance with various statutes and regulations specified in this proclamation would prevent, hinder, or delay the mitigation of the effects of the drought conditions.

NOW THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes, including the California Emergency Services Act, and in particular, Section 8625, **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist due to drought in the additional nine counties of Inyo, Marin, Mono, Monterey, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, and Santa Cruz, such that a drought state of emergency is now in effect in 50 counties (collectively, "Proclaimed Drought Counties").

IT IS HEREBY ORDERED THAT:

- 1) All agencies of the state government are to utilize and employ state personnel, equipment, and facilities for the performance of any and all activities consistent with the direction of the Governor's Office of Emergency Services and the State Emergency Plan. Also, to protect their safety, all residents are to obey the direction of emergency officials with regard to this emergency in order to protect their safety.
- 2) The orders and provisions contained in my April 21, 2021 and May 10, 2021 Proclamations remain in full force and effect, except as modified herein. State agencies shall continue to implement all directions from those Proclamations and accelerate implementation where feasible.
- 3) Consistent with the policies stated in Water Code Section 1011.5(a), local agencies are encouraged to take actions to coordinate use of their available supplies and to substitute an alternate supply of groundwater from existing groundwater wells for the unused portion of surface water that the local agency is otherwise entitled to use. For actions taken pursuant to this paragraph in the Proclaimed Drought Counties, the provisions of Chapter 3 (commencing with Section 85225) of Part 3 of

Division 35 of the Water Code and regulations adopted pursuant thereto are suspended for any (a) actions taken by state agencies pursuant to this paragraph, (b) actions taken by a local agency where the state agency with primary responsibility for implementing the directive concurs that local action is required, and (c) permits or approvals necessary to carry out actions under (a) or (b). The entities implementing this paragraph shall maintain on their websites a list of all activities or approvals that rely on the suspension of the foregoing Water Code provisions.

- 4) To ensure adequate, minimal water supplies in the Proclaimed Drought Counties for purposes of health, safety, and the environment, the State Water Resources Control Board (Water Board) shall consider modifying requirements for reservoir releases or diversion limitations to conserve water upstream later in the year in order to protect cold water pools for salmon and steelhead, enhance instream conditions for fish and wildlife, improve water quality, protect carry over storage, or ensure minimum health and safety water supplies. The Water Board shall require monitoring and evaluation of any such changes to inform future actions. Nothing in this paragraph limits the effect of operative paragraph 4 of my May 10, 2021 Proclamation.
- 5) To support voluntary approaches where hydrology and other conditions allow, the Water Board shall expeditiously consider water transfers requests with respect to the Proclaimed Drought Counties. For purposes of carrying out this paragraph, the following requirements of the Water Code are suspended:
 - a. Section 1726(d) requirements for written notice and newspaper publication, provided that the Water Board shall post notice on its website and provide notice through electronic subscription services where interested persons can request information about temporary changes; and
 - b. Section 1726(f) requirement of a 30-day comment period, provided that the Water Board shall afford a 15-day comment period.
- 6) Operative paragraph 8 of my April 21, 2021 Proclamation and operative paragraph 2 of my May 10, 2021 Proclamation are withdrawn and superseded by the following which shall apply in the Proclaimed Drought Counties.

As necessary to assist local governments and for the protection of public health and the environment, state agencies shall enter into contracts to arrange for the procurement of materials, goods, and services necessary

to quickly assist with the response to and recovery from the impacts of the drought. Applicable provisions of the Government Code and the Public Contract Code, including but not limited to travel, advertising, and competitive bidding requirements, are suspended to the extent necessary to address the effects of the drought. Approval of the Department of Finance is required prior to the execution of any contract entered into pursuant to this provision.

- 7) Operative paragraph 7 of my May 10, 2021 Proclamation is withdrawn and superseded by the following which shall apply in the Proclaimed Drought Counties:

To prioritize drought response and preparedness resources, the Department of Water Resources, the Water Board, the Department of Fish and Wildlife, and the Department of Food and Agriculture, in consultation with the Department of Finance, shall:

- a. Accelerate funding for water supply enhancement, water conservation, or species conservation projects.
 - b. Identify unspent funds that can be repurposed to enable projects to address drought impacts to people, ecosystems, and economic activities.
 - c. Recommend additional financial support for groundwater substitution pumping to support Pacific flyway habitat needs in the lower Sacramento River and Feather River portions of the Central Valley in the Fall of 2021.
- 8) To ensure protection of water in the Proclaimed Drought Counties needed for health, safety, and the environment, the Water Board shall consider emergency regulations to curtail water diversions when water is not available at water right holders' priority of right or to protect releases of stored water.
- 9) To ensure critical instream flows for species protection, the Water Board and Department of Fish and Wildlife shall evaluate the minimum instream flows and other actions needed to protect salmon, steelhead, and other native fishes in critical streams systems in the State and work with water users and other parties on voluntary measures to implement those actions. To the extent voluntary actions are not sufficient, the Water Board, in coordination with the Department of Fish and Wildlife, shall consider emergency regulations to establish minimum drought instream flows in the Proclaimed Drought Counties.

- 10) To proactively prevent situations where a community runs out of drinking water, the Water Board, the Department of Water Resources, the Office of Emergency Services, and the Office of Planning and Research shall assist local agencies in the Proclaimed Drought Counties with identifying acute drinking water shortages in domestic water supplies, and shall work with local agencies in implementing solutions to those water shortages.
- 11) The Department of Fish and Wildlife, in consultation with the Department of Water Resources and the Water Board, shall identify and coordinate actions to mitigate drought-related fisheries impacts in critical stream systems and identify possible mechanisms for accomplishing those actions.
- 12) For purposes of carrying out or approving any actions contemplated by the directives in operative paragraphs 4 through 9, in the Proclaimed Drought Counties, the environmental review by state agencies required by the California Environmental Quality Act in Public Resources Code, Division 13 (commencing with Section 21000) and regulations adopted pursuant to that Division are hereby suspended to the extent necessary to address the impacts of the drought.

For purposes of carrying out the directives in operative paragraph 3 and 10, in the Proclaimed Drought Counties, for any (a) actions taken by the listed state agencies pursuant to that directive, (b) actions taken by a local agency where the Office of Planning and Research concurs that local action is required, and (c) permits necessary to carry out actions under (a) or (b), Public Resources Code, Division 13 (commencing with Section 21000) and regulations adopted pursuant to that Division are hereby suspended to the extent necessary to address the impacts of the drought. The entities implementing these directives shall maintain on their websites a list of all activities or approvals for which these provisions are suspended.

This Proclamation is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

I FURTHER DIRECT that as soon as hereafter possible, this proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this proclamation.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 8th day of July 2021.

GAVIN NEWSOM
Governor of California

ATTEST:

SHIRLEY WEBER
Secretary of State