

**BOARD OF DIRECTORS
GROVELAND COMMUNITY SERVICES DISTRICT
GROVELAND, CALIFORNIA
December 8, 2008
9:00 a.m.**

The Board of Directors of Groveland Community Services District met in regular session on the above mentioned date with Directors Richard Lennen, President, Gus Allegri, Wesley Johnson, and Steve Perreira being present. Also present were District Counsel Dave McMurchie, District Engineer Randy Klaahsen, Secretary to the Board Vicki West, and Administrative Staff Member Lena Spilman.

President Lennen called the meeting to order at 9:00 a.m.

Agenda Approval

Director Allegri moved, seconded by Director Johnson, and the motion passed unanimously, to approve the agenda as written.

Public Comment

A member of the public read a prepared statement regarding public records requests.

Rebecca Novak submitted a Letter of Interest for the vacant position on the Board of Directors

A member of the public asked for an explanation of the difference between the District's boundaries and its sphere of influence.

Action Items

Consent Calendar

Director Allegri moved, seconded by Director Johnson, and the motion passed unanimously to approve the consent calendar:

- A. Approve Minutes of the November 10, 2008 Regular Board Meeting
- B. Waive Reading of Ordinances and Resolutions except by Title

Authorize General Manager to Release Request for Proposals to Conduct Required Program– and Project–Level CEQA/NEPA Analyses for the North Side Facilities and Specifically, The Gathering Place

General Manager Jim Goodrich presented this item to the Board. Mr. Goodrich stated that on July 14, 2008, the Board of Directors authorized the execution of a lease agreement between Southside Senior Services, Inc. (SSSI) and GCSO for the construction and operation of The Gathering Place on the northern portion of the District's property.

Mr. Goodrich explained that the first step in this process would be to complete the required environmental documentation. Because several potential community projects were identified in the District's Land Use Study in 2007 for the Northern portion of the District's property, program-level environmental documentation will have to be completed at the same time as the project-level environmental documentation for the Gathering Place.

Mr. Goodrich stated that he had asked Kennedy/Jenks Consultants to prepare a proposal to complete both the required program and project-level documentation. The SSSI Board of Directors reviewed this proposal, and for budgetary reasons the Board requested that the District request proposals from more than one firm. Mr. Goodrich noted that per their agreement with GCSD, SSSI will pay for this work. However, District policy dictates that the GCSD Board of Directors approve the release of requests for proposals.

Director Allegri excused himself at 9:20 am

Director Lennen moved, seconded by Director Johnson, and the motion passed unanimously to authorize General Manager to release request for proposals to conduct required program and project-level CEQA/NEPA analyses for the North Side Facilities and specifically, The Gathering Place.

Ayes: Directors Lennen, Johnson, and Perreira

Absent: Director Allegri

Approve Hiring BHI Management Consultants to Assist the District with its 5-year Strategic Planning Process and Authorize the General Manager to Enter into a Contract with BHI per their Proposal and Approve Transfer from the Water and Wastewater Capital Reserve Funds to the Board of Directors Water and Wastewater Accounts.

General Manager Goodrich presented this item. He explained that in 2003 when the Board last evaluated its strategic plan, the emphasis was placed on meeting all regulatory compliance issues. These issues included upgrades to the water treatment plants and sewer lift stations, as well as increasing the efficiency and effectiveness of various department operations. The District is now nearing the completion of the goals set out in 2003, and Mr. Goodrich noted that several Directors have expressed a desire to revisit the District's 5-year plan.

Mr. Goodrich noted that on November 6, 2008 Director Lennen and himself met with Mr. Brent Ives from BHI Management Consultants. BHI is one of the California Special District Association (CSDA) strategic business partners for strategic planning and organizational management. Mr. Ives was asked to submit a proposal for assisting the District with developing its next 5-year strategic plan. Mr. Goodrich presented this proposal to the Board for their consideration. The cost estimated by BHI Management Consultants to perform this work is approximately \$20,000.

Director Perreira stated that he would like to see the proposal go out to bid, and Director Johnson agreed.

Director Johnson moved, seconded by Director Perreira, and the motion passed unanimously to table the item.

Ayes: Directors Lennen, Johnson, and Perreira

Absent: Director Allegri

Receive and File Chevron Energy Solutions (CES) Report

District Engineer Randy Klaahsen presented this item. Mr. Klaahsen explained that on June 23, 2008 the Board awarded a contract to Chevron Energy Solutions (CES) to perform a business case analysis for the District to automate the District's manually read meters to an automatic meter read (AMR) system. He reported that CES had completed its business case analysis, determining that conversion to an AMR system would not only produce many benefits for the District, but would be self-funding.

Mr. Klaahsen explained that conversion to an AMR system would reduce the man hours required to read meters from 12 days to one day per month. Conversion to a more automated system would also eliminate human error, increase revenue by providing more accurate readings, and allow the District to employ built-in leak detection devices to discover both property owner leaks and other consistent water loss within the system.

Mr. Klaahsen presented the CES report, noting that CES had determined this project to produce a net savings to the District of \$22,135 over the next 15 years. CES will guarantee this savings, and if not realized, will pay the difference. Mr. Klaahsen recommended that the Board proceed with this project, and provided a timeline of the action necessary to do so.

Director Perreira asked if this AMR system could possibly prevent property damage to homeowners by providing early leak detection.

General Manager Goodrich responded that the system could not be specifically employed for that purpose, but that we would have the option of quickly re-reading meters during severe freezes to locate possible water breaks.

Mr. Klaahsen commented that the District presently experiences 21% water loss between what we receive from Hetch Hetchy and what we bill out to our customers. He stated that this system should drastically reduce the amount of water being lost throughout the system and help the district reduce costs.

(Director Allegri re-entered at 9:56 am)

Director Perreira asked Mr. Klaahsen what he considered an acceptable amount of water loss, and what a reasonable goal for the District would be in terms of total system loss.

Mr. Klaahsen responded that the best of systems generally experience a 5-6% water loss, and that the District hopes to reduce its loss to approximately 17% through the installation of the AMR system.

Mr. Goodrich commented that the majority of the District's meters are over 20 years old, and that much of the water loss is likely due to the deteriorating accuracy of the meter reads.

Director Lennen moved, seconded by Director Johnson, and the motion passed unanimously to receive and file Chevron Energy Solutions (CES) Report.

Information Items

Staff Reports

A. General Manager's Comments

Mr. Goodrich announced that he had recently met with Cal Fire, and that they had indicated that the District's request for fire fuel reduction would be given priority. He stated that Staff still hopes to begin the project in early spring.

He also added that the auditors had come and gone, and that they reported that there had been noticeable improvement from last year. A final report is expected in January.

B. Engineering and O&M Reports

District Engineer Randy Klaahsen reported that staff has been busy fine tuning the chemical additions to the Alternative Water Supply Treatment Plant, and that staff is getting very comfortable with operating the plant. He also reported that the next upgrade is scheduled for Lift Station 14. Staff will meet with the homeowners this week regarding construction.

C. Fire Department Report

Fire Chief Shane Warner announced that the Groveland Fire Department was awarded a grant from FEMA for the purchase of new Type I Fire Engine. He noted that we are one of only eight departments throughout the state to receive a grant for the purchase of a new engine this year. Mr. Warner shared that the Fire Department is very excited that all their hard work has paid off, and hope that this process will help them to be more successful in obtaining grants in the future.

Mr. Warner also noted that the Groveland Fire Department will be hosting the Joint Basic Fire Academy this year. Attendees will receive their First Responder and Fire fighter I certificates. He congratulated his staff for stepping up and taking on this responsibility.

D. District Counsel's Comments

None

Directors Comments

Director Perreira stated that he had called a salesman from Pierce Manufacturing to confirm the 3% price increase reported by staff at a previous meeting. Director Perreira also voiced his concerns regarding the state of the CalPers system, and the possible impact on GCSD.

Adjournment

Director Lennen moved, seconded by Director Johnson, and the motion passed unanimously to adjourn the meeting. The meeting adjourned at 10:35 am.

APPROVED:

Richard Lennen, President

ATTEST:

Vicki L. West, Board Secretary