

**BOARD OF DIRECTORS
GROVELAND COMMUNITY SERVICES DISTRICT
GROVELAND, CALIFORNIA
September 14, 2009
9:00 a.m.**

The Board of Directors of Groveland Community Services District met in regular session on the above mentioned date with Directors Wes Johnson, President, John Graham, Vice President, Gus Allegri, Dick Lennen and Steve Perreira being present. Also present were General Manager Jim Goodrich, District Engineer Randy Klaahsen, District Treasurer Vicki West and Board Secretary Lena Spilman.

District Counsel Dave McMurchie joined the meeting by teleconference

Director Johnson called the meeting to order at 9:00 a.m.

Agenda Approval

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

Public Comment

None

Public Hearing

2010 Urban Water Management Plan

Director Johnson opened the public hearing at 9:03am.

A member of the public inquired as to whether our community would be considered urban. District Engineer Randy Klaahsen responded that any community with a population higher than 3,000 people is considered urban, thus qualifying Groveland/Big Oak Flat.

No further comments were received, and Director Johnson closed the public hearing at 9:04am.

Action Items

Consent Calendar

Director Graham moved, seconded by Director Lennen, and the motion passed unanimously to approve the consent calendar:

- A. Approve Minutes of the August 10, 2009 Regular Board Meeting
- B. Waive Reading of Ordinances and Resolutions except by Title

Consider Request from SSSI Regarding Memorandum of Understanding

Southside Senior Services, Inc. (SSSI) President Paul Bunt addressed the Board explaining his frustration with a perceived lack of responsiveness from GCSD regarding the SSSI Memorandum of Understanding. Mr. Bunt expressed his concern over recent communications with District Counsel, which indicated additional documentation would be required for the

previously signed lease agreement. Mr. Bunt stated that many plans and decisions had already been made by SSSI based on the lease agreement, which they assumed to be completed at the time of signing, and that it was very frustrating after 5-6 years of work to feel as if they were back to square one.

Director Allegri assured Mr. Bunt that the project has support from the Board members, and that the real issue is not whether the project should move forward or not, but the degree to which the District should agree to legal indemnification. Mr. Bunt indicated that he understood this, but was frustrated that the issue had not been presented before money and time had been expended in moving forward with the project. Mr. Bunt stated that he believed that the issue was not a new development, and should have been addressed before entering into the lease agreement.

Director Lennen agreed that the issue should have been addressed earlier, but stated that he did not believe this issue to be a deal breaker for the project. He stated that generally when you enter into a contract, you are made to sign some sort of indemnification clause.

Director Johnson asked Mr. Bunt if he had a specific request of the board at this time. Mr. Bunt responded that SSSI would need to go back to the drawing board to determine, given the new legal indemnification issues, whether the project would be financially feasible. Director Johnson responded that the GCSD Board needs to consider not only the satisfaction of SSSI, but the degree to which they are comfortable exposing the rate payers to possible financial obligations. Mr. Bunt agreed with Director Johnson, and stated that he has never proposed anything that he felt would expose the rate payers to financial obligations. He continued that the heart of SSSI's issue is the treatment that they've received from the District. Director Johnson apologized to Mr. Bunt if the Board has failed to handle this matter in an appropriate manner.

Director Lennen asked both District Counsel Dave McMurchie and Mr. Bunt what it would take to get this project back on track. Mr. McMurchie responded that one option would be to reconvene the committee to discuss how to memorialize the indemnification issues in writing. Mr. Bunt stated that he would need to bring the suggestion before the SSSI Board before responding.

Director Johnson told Mr. Bunt that staff would be happy to provide him with a copy of the District's Section 600- Facilities Development Policy after the meeting, and that the Board would await a response from him as to whether SSSI would like to reconvene the committee. Mr. Bunt agreed.

Consider Adopting the 2010 Urban Water Management Plan (UWMP)

District Engineer Randy Klaahsen presented this item to the Board, explaining that the 2010 Urban Water Management Plan was prepared by staff during the spring of 2009. The plan is intended to provide a mechanism for the District to take measures to conserve water. The UWMP was circulated to various Tuolumne County departments, to Pine Mountain Lake Association, and to the GCSD Board for review and input. Comments were received and incorporated into the document, and the Plan was made available for public review on August 10th. The Plan has been posted on the website and the Notice of Public Hearing has been published in the Union Democrat. To date, no comments have been received from the public and Mr. Klaahsen recommended that the Board adopt the plan.

A member of the public asked how the population of Groveland was determined for the purposes of this Plan. Mr. Klaahsen responded that the population was determined based on

number of installed water meters, of which the District has 3,400. Assuming an average of two people per meter, you can estimate that there are 6,800 people within the boundaries of the District.

Director Lennen moved, seconded by Director Graham, and the motion passed unanimously to approve the 2010 Urban Water Management Plan

Consider Waiver of Sewer Ordinance Requiring Laundromats to be Charged 1.0 Equivalent Dwelling Unit (EDU) Participation Fee per Washing Machine-Recommended EDU Participation Fee is 0.6 EDUs

District Engineer Randy Klaahsen presented this item to the Board. Mr. Klaahsen informed the Board that a developer has proposed a laundromat at 18605 Highway 120 in downtown Groveland. The proposed facility would have between 6 and 10 washing machines. He explained that the changed use of the property requires that the District reevaluate the sewer connection charges. At present, the District's Ordinance requires that a Laundromat be charged 1 equivalent dwelling unit (EDU) per washing machine for their participation fee. As 1 EDU is \$7,000, the participation fee charged to this laundromat would be approximately \$70,000.

Mr. Klaahsen explained that after reviewing several Ordinances from other Utility Districts, he found that on average laundromats are charged .6 EDU per machine. For this reason, and the fact that the District's Ordinance charges laundromats in an apartment complex .6 EDU per machine, Mr. Klaahsen recommended that the Board consider a waiver allowing laundromats to be charged .6 EDU per machine when calculating their participation fee.

Director Johnson inquired as to why ten houses across the street from a laundromat would all pay 1 EDU each, while a laundromat with 10 machines would only pay .6 EDUs. Mr. Klaahsen responded that there is a lot of water usage going on in a home that is not going on in a laundromat.

Director Perreira argued that the Board should not regard the situation as if the applicants would be getting away with something if the waiver were granted. The applicant would still be paying .6 EDUs multiplied by 7-10 machines, all for one water connection.

Dennis North, Contractor for the proposed project, explained to the Board that the reason that they are asking for the waiver is that the majority of their customers will be on low or fixed incomes, and will not be able to afford the higher rates needed to compensate for the this connection fee. Mr. North stated that the project would not be able to move forward if the waiver were not granted, as there would be no hope of recovering those fees.

General Manager Goodrich spoke to the Board, explaining that the reason the issue reached this level is due to the inconsistencies found within the Ordinance itself, and between ours and those of other similar Districts.

A member of the public spoke in support of the waiver, noting that our community is in dire need of this service.

Terry Michaud, owner of the property in question, addressed the Board. Mr. Michaud stated that these fees threaten the viability of projects like this, and said that he would like to see the fee reduced below the .6 EDU. He stated that he did not foresee how the project could move forward with the current fees.

A member of the public stated that Groveland's particular needs should be considered when making this decision, and the Board should be supporting ventures like this that will bring much needed services to our rural community.

Director Graham motioned, seconded by Director Perreira, and the motion passed unanimously to waive the Sewer Ordinance requiring laundromats to be charged 1.0 EDU Participation Fee per Washing Machine, instead charging .6 EDU per washing machine Participation Fee, with the intention of a future amendment of the Sewer Ordinance to read as such.

(Director Johnson called a recess at 10:55am, the meeting reconvened at 11:00am)

Authorize Transfer from Park Capital Reserves in the amount of \$1,993.00 for California Department of Fish and Game CEQA Fee for Dog Park Notice of Determination and Consider Re-Approving Dog Park Project Adjacent to Leon Rose Ball Field.

General Manager Jim Goodrich presented this item to the Board. Mr. Goodrich explained that on 8/10/09 the Board approved the Dog Park Project and Notice of Determination. The Notice of Determination must be filed with the County Clerk within five (5) days of Board adoption. However, when staff attempted to file the Notice they were informed that the County is now requiring a \$1,993.00 filing fee. As staff was not authorized to approve the transfer of funds from Park reserves to pay the filing fee, the Notice was not filed. Mr. Goodrich explained that if the Board would like to approve the transfer of funds at this time, they will need to reauthorize the Notice of Determination so that staff can comply with the five (5) day filing deadline.

Mr. Goodrich explained that prior to January 2009, small projects deemed to have a “*de minimus*” impact on fish and wildlife were exempt from this fee. Unfortunately in January 2009 the California State legislature passed SB 1535, eliminating this exemption. Mr. Goodrich stated that he had requested an exemption from these fees, but was denied by the California Department of Fish and Game because he could not demonstrate no environmental impact. He explained that almost every project conducted by the District will have some impact on the environment, although in this case it is considered “*de minimus*.”

A member of the public offered to donate the money needed to pay the filing fee. He stated that he is tired of hearing hypocritical complaints about District spending from those who only want rate payer money spent on projects they are in favor of. He commented that the same people who wanted a large waiver of fees for the privately owned laundromat are now arguing against the much smaller fee for the non-profit Dog Park Project which will serve a community service. He offered that he would be more than happy to pay the fee for a project that is widely supported within the community, if only to avoid the unnecessary controversy created by those against it.

Director Graham spoke, adding that whether the Board decides to accept the donation or not, he would still like to go on the record against what he considers to be extortion on the part of the Department of Fish and Game.

Jim Knudsen, Dog Park Representative, commented that the Dog Park Committee sacrificed on many aspects of the project in order to avoid an environmental impact fee. Mr. Knudsen asked if the District does decide to pay the fee, whether the Dog Park Committee would have an opportunity to revisit the parameters of the project.

Director Johnson asked what, if any, additional approval would be needed for additional work on the project. Mr. Goodrich responded that he did not know the answer to that question at this time.

GCSD Collections and Distribution Supervisor Raymond Albanez addressed the Board, stating that the parcel of land in question sits above an existing leachfield, preventing the installation of any irrigation. Mr. Goodrich stated that he believed that to be the reason the plans for irrigation were originally discarded, and that there is no other available GCSD land that can be irrigated.

Mr. Knudsen noted that the lack of available ground cover will affect the Committee's fundraising efforts, and that it has long been a concern for Dog park advocates.

Mr. Goodrich proposed that the Board consider continuing the item to the next meeting.

Director Johnson agreed, and suggested that staff may want to communicate with Fish and Game regarding the consequences of possible alterations to the existing project.

Director Johnson moved, seconded by Director Lennen, and the motion passed unanimously to continue the item to the next regularly scheduled Board meeting, and to direct staff to prepare a letter to the California Department of Fish and Game requesting that the "*de minimus*" filing exemption for Notices of Determination be reinstated.

Information Items

Staff Reports

A. General Manager's Comments

General Manager Jim Goodrich announced that this will be the last year that the District will receive Proposition 40 funds for fire fuel reduction on District property.

B. Engineer's Report

District Engineer Randy Klaahsen offered to answer any questions that the Board had regarding his staff report.

C. Fire Department Report

Fire Chief Shane Warner announced that with any luck the new fire engine will arrive within the week. He commented that the Department is looking forward to being able to run the engine in the parade, and that an ice cream social is tentatively being planned for next month. This event will give the public a chance to get a better look at the new engine and talk to the firefighters.

D. District Counsel's Comments

None

Directors Comments

Director Ferreira asked Mr. Klaahsen several questions regarding the lime pump system.

Adjournment

Director Lennen moved, seconded by Director Graham, and the motion passed unanimously to adjourn the meeting at 11:40am.

APPROVED:

Wes Johnson, President

ATTEST:

Lena Spilman, Board Secretary