

**BOARD OF DIRECTORS
GROVELAND COMMUNITY SERVICES DISTRICT
GROVELAND, CALIFORNIA
January 11, 2016
10:00 a.m.**

The Board of Directors of Groveland Community Services District met in regular session on the above mentioned date with Directors Bob Swan, President, Bruce Carter, Vice President, Steve Perreira, and Scott Wemmer being present. Also present was General Manager Jon Sterling, Office Manager/Board Secretary Jennifer Flores, and staff member Lindsay Northrop.

Director Swan called the meeting to order at 10:00am.

Absent: Directors Armstrong and Perreira

Public Comment

No public comment.

Agenda Approval

Director Perreira entered the meeting at 10:01am.

Motion

Director Wemmer moved, seconded by Director Carter, and the motion passed to approve the agenda as written.

Ayes: Directors Swan, Carter, Wemmer, and Perreira

Absent: Director Armstrong

Consent Calendar

- A. Approve Minutes from February 2, 2015 Regular Board Meeting
- B. Approve Minutes from February 23, 2015 Special Board Meeting
- C. Approve Minutes from March 2, 2015 Regular Board Meeting
- D. Approve Minutes from April 1, 2015 Special Board Meeting
- E. Approve Minutes from April 6, 2015 Regular Board Meeting
- F. Approve Minutes from May 4, 2015 Regular Board Meeting
- G. Approve Minutes from May 19, 2015 Special Board Meeting
- H. Waive Reading of Ordinances and Resolutions Except by Title

Motion

Director Swan moved, seconded by Director Wemmer, and the motion passed to approve the Consent Calendar.

Ayes: Directors Swan, Carter, Wemmer and Perreira

Absent: Director Armstrong

Action Items

Consider for Approval Resolution 1-16, Declaration of State of Emergency in the Groveland Community Services District Due to Pervasive Tree Mortality

General Manager Jon Sterling presented the item to the Board and stated that the Board needed to adopt a resolution declaring the state of emergency in order to qualify for state

assistance with dead tree removal. A discussion ensued between the Board, staff, and members of the public.

Motion

Director Swan moved, seconded by Director Wemmer, and the motion passed to approve Resolution 1-16, Declaration of State of Emergency in the Groveland Community Services District Due to Pervasive Tree Mortality.

Ayes: Directors Swan, Carter, Wemmer, and Perreira

Absent: Director Armstrong

Consider for Approval Agreement from Bryant L. Jolly, CPA for Auditing Services for the District for the Next Three Years

Mr. Sterling presented the item to the Board. A discussion ensued between the Board and staff.

Motion

Director Swan moved, seconded by Director Carter, and the motion passed unanimously to approve the Agreement from Bryant L. Jolly, CPA for Auditing Services for the District for the Next Three Years.

Ayes: Directors Swan, Carter, Wemmer, and Perreira

Absent: Director Armstrong

Information Items

Discussion of Prop 218

Director Perreira presented the item to the Board. Director Perreira discussed new court decisions regarding Proposition 218, and reminded the Board of a previous bond challenge received by the town site of Big Oak Flat. Director Perreira briefly summarized the case for the Board.

Member of the public Kay Crow addressed the Board regarding Director Perreira's agenda submittal. Mrs. Crow stated she had faith in the Board to correct the issue, if in fact an issue arises. She stated that Prop 218 requires the agency to list each capital improvements, and stated she does not see it listed in the report. Mrs. Crow further stated that the customers who pay for services, must receive the benefit derived, and does not believe the information listed in the rate study to be accurate.

Discussion of Proposed Water Rate Changes, Info. and Feedback Forum

Director Swan presented the item. He stated that some Board members have received feedback regarding the rate study, and that this is the opportunity for it to be discussed.

Director Perreira read an excerpt from previous minutes and stated for the record, "...the Board agreed to do a rate study. The items were, consider for approval Scope of Work for the Rate Study. The motion was: Director Swan moved, seconded by Director Perreira, and the motion passed to approve the proposed Scope of Work with the additional criteria of figuring out the cost to serve customers in different pressure zones, and if the cost can be factored into the fixed rate. That was approved by four directors. It is more expensive to serve some customers than others, because they live farther away from the center of where the services are provided, and Proposition 218 demands that. Now that is most certainly going to be factored in when we do the sewer rate study that will be done this year. This has not been done for the water study, and at one point we are going to have to return to that, because Proposition 218 demands it. That means, what really should happen, is if there is any significant cost to service difference

between one location, say a far flung area of Pine Mountain Lake versus Groveland, which is very near to the center of services; that the fixed rate, and possibly the variable rates, should be lower than the people in Groveland and higher for the people who are far away from the services. That's what I wanted to say about this, this rate study does not include any geographical particulars."

Member of the public Kay Crow asked for the Board's answer to be on record in regards to revenue requirements, and that the revenue collected in the five year plan is not going to be used for anticipated growth.

Director Carter responded, "It is the intent of the Board to place the funds in a restricted reserve account that may only be used for repair and replacement of Capital Infrastructure. The funds are not to be used to expand new parts of the system. The projected projects were listed in the RCAC report on the website."

Discussion Regarding Procedure for Upcoming Public Hearing on Proposed Water Rates
Director Swan presented the item to the Board. A discussion ensued between the Board and staff.

Ad Hoc Committee

Director Swan assigns the new committee members as listed.

Board of Director's Policy Manual (Directors Perreira & Swan)

No report.

Equipment Review Committee (Directors Wemmer & Armstrong)

No report.

Park Committee (Directors Wemmer & Armstrong)

No report.

Survey Committee (Director Carter)

No report.

Energy Conservation Committee (Directors Wemmer & Perreira)

No report.

General Manager Goals and Objectives Committee (Director Wemmer & Carter)

Mr. Sterling stated that his evaluation is still needed.

Budget Committee (Director Swan & Perreira)

Director Swan reactivated the committee. No Report.

Standing Committee Reports

Director Swan assigns the committee members as listed.

Strategic Planning (Directors Wemmer & Swan)

No report.

Water Conservation (Directors Carter & Wemmer)

Director Carter stated the committee will continue monthly advertising, urging the need to conserve water.

Finance Committee (Director Swan & Perreira)

No report.

Staff Reports

General Manager's Comments

Mr. Sterling thanked all the members of the public for coming.

Operations and Maintenance

Mr. Sterling stated the scheduled Tunnel Outage conducted by SFPUC for annual maintenance is ongoing. Mr. Sterling stated that the community is asked to conserve water as the alternative water treatment plant has a lower water production capacity.

Admin/Finance

Office Manager Jennifer Flores presented the December payables to the Board.

Director Comments

Director Perreira stated that Lake Don Pedro Fire Department is now an all Amador Plan and that this is an option that is available to the District as well.

Director Carter thanked all the members of the public for attending. He also asked staff how many line breaks from the cold have occurred; Mr. Sterling didn't have an exact number, but stated it was down from last year's figure.

Director Swan stated the Board would conduct public workshops for the sewer rate study, unlike it did for the water rate study.


Adjournment

Director Carter moved, seconded by Director Wemmer, and the motion passed to adjourn the meeting at 12:26 pm.

Ayes: Directors Swan, Carter, Wemmer, and Perreira

Absent: Director Armstrong

ATTEST:


Jennifer Flores, Board Secretary

APPROVED:



Robert Swan, President