

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
GROVELAND COMMUNITY SERVICES DISTRICT
GROVELAND, CALIFORNIA
January 13, 2016
6:00 p.m.**

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

Director Swan called the meeting to order at 6:05pm.

Director Armstrong was absent.

Agenda Approval

Motion

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

Ayes: Directors Swan, Carter, Wemmer, and Perreira

Absent: Director Armstrong

Action Items to be Considered by the Board of Directors

Public Hearing: Consider for Adoption the Proposed Water Rates to be Implemented Beginning April 2016

- A. Staff Presentation on Proposed Water Rates
- B. Rate Proposal-Overview

General Manager Jon Sterling made a presentation to the Board and the public regarding the proposed water rate increase.

C. Open Public Hearing

Members of the public asked questions of Mr. Sterling regarding certain specifics of the water rate increase. Members of the public expressed concerns regarding the proposed water rate increase. Some of the concerns that were raised included what the rate increase would be used for, concern for individuals on fixed incomes, and issues with the way the rate study was structured.

D. Final Request for Written Objections

Director Swan requested that all final written objections be submitted to the Board Secretary for tally.

E. Close Public Hearing

Director Swan closed the public hearing.

F. Tally Objections Received

Director Swan asked Board Secretary Jennifer Flores to report the total number of written objections received. Ms. Flores stated that a total of 179 written objections to the rate increase had been received.

G. Board Action-Vote

Director Perreira read a statement objecting to the water rate increase.

Motion

Director Wemmer moved, seconded by Director Swan, and the motion passed to adopt the new proposed water rates.

Director Perreira requested an amendment be made to the motion to "...extend the rate study period for ninety days...until we fix the problems identified." The amendment was not accepted.

Vote

Ayes: Directors Carter, Wemmer, and Swan

Noe: Director Perreira

Absent: Director Armstrong

Director Comments

Director Carter stated that he appreciated all the members of the public turning out and expressing their views and opinions, but that he was confident with the way the rate study was conducted and structured. He further stated that the rate increase was necessary for the District to address its capital improvement replacement needs.

Director Wemmer also thanked the members of the public for coming to the public hearing and further reiterated Director Carter's comments.

Director Swan also thanked the members of the public for the input regarding the proposed water rates.

Director Perreira stated that the rate study is "riddled with problems."

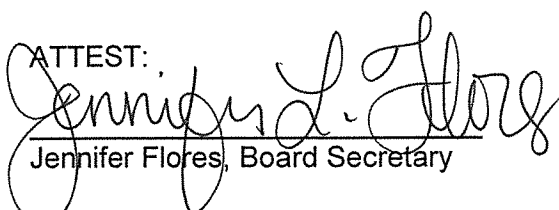
Adjournment

Director Swan moved, seconded by Director Carter, and the motion passed to adjourn the meeting at pm 8:23pm.

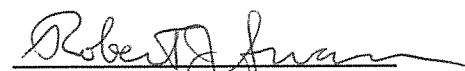
Ayes: Directors Swan, Carter, Wemmer, and Perreira

Absent: Director Armstrong

ATTEST:


Jennifer Flores, Board Secretary

APPROVED:


Robert Swan, President



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Board of Directors
c/o Mr. Jon Sterling
General Manager
Groveland Community Services District
P.O. Box 350
Groveland, CA 95321-0350

Re: Review of Water Rate Analysis Dated October 2015

Dear Board of Directors:

You have asked that I provide this letter regarding the District's Water Rate Analysis October 2015 ("Analysis"), confirming my review of the Analysis and my communication with the General Manager upon the completion of my review.

This will confirm that I reviewed the Analysis prior to its adoption by the Board and informed the General Manager that I found that it met the requirements of California Constitution Article XIIIID Section 6(a)(1), more commonly known as Proposition 218.

It is my understanding that a purpose of this letter is so that it can be made available to the public and would thus not be subject to the attorney-client privilege.

Very truly yours,

NEUMILLER & BEARDSLEE

By: 

DANIEL J. SCHROEDER
Attorney at Law

DJS/ect