

Grizzly Ranch CSD Board Meeting Minutes

The Outpost, 300 Club House Dr., Portola CA 96122

September 5, 2017 Tuesday / 9:00 am

I. BOARD MEETING INTRO:

- a) Call to order
- b) Roll call: President Miller, Vice President Downing, Director Reynolds, Director Hickman via conference call established a quorum; General Manager Smith, Assistant General Manager Aaron Corr, and Secretary/Clerk of the Board Allingham also present.
- c) Approval of minutes from last meeting: July 11, 2017: Motion to approve the minutes so moved, seconded and passed unanimously by roll call vote.
- d) Public Comments (for items not on this agenda): NA
- e) Guest Introduction, Dane Wadle CSDA Field Coordinator, introduced and discussed CSDA programs and services, emphasizing the CSDA's goals of education for Special District employees and Board Directors. He distributed material containing scholarship applications as well as the 2017 CSDA Professional Development Catalog.
- f) Appointment of Mark Roberts to fill vacant Director position until official results are certified for the November 7, 2017 election: Mark Roberts introduced himself, giving an overview of his background qualifications, which primarily centered around financial experience and ending with being an Auditor for the state of Pennsylvania in 2007 up until retirement in 2016.

Motion to appoint Mark Roberts as Director on the Grizzly Ranch Community Services District Board so moved, seconded and passed unanimously by roll call vote.

II. CONSENT CALENDAR: – *Items listed on the consent calendar are considered routine in nature and may be enacted by one motion. If discussion is required, that particular item will be removed from the consent calendar and will be considered separately.*

- a) Employee timesheet/payroll review: Discussed with budget detail.
- b) Budget review: 2016/17fiscal year overview demonstrated the benefit of becoming independent from Plumas County with a variety of infrastructure upgrades, repairs and replacements, along with the hiring of 5 employees and still coming under budget.

July and August 2017/18 financials were reviewed noting the balance and expenditures of Grizzly Ranch Community Services District to be in compliance with the adopted budget.

Payroll percentage at 21.88% for the end of the summer season is reasonable and expected to decrease as the fall and winter seasons progress.

III. GENERAL BUSINESS:

- a) Upcoming elections: Due to there being three empty seats and only three applicants, December 1st 2017 will begin the 4 year terms of Vici Downing, Alex Hickman and Mark Roberts to the Grizzly Ranch Community Services District Board.
- b) Special Assessment Certification update from 304 lots to 303 lots, CSD lot removed: General Manager Smith reviewed the elimination of a Grizzly Ranch Community Services District lot from the 2017/18 Special Assessment because the GRCSO does not charge itself.
- c) Special Assessment for lots on Fox Sparrow, 200 Fox Sparrow and 238 Fox Sparrow: General Manager Smith reviewed the finding of a possible missing assessment due to the County issuing one APN number to two lots. It appears that these two lots have been mistakenly billed as one since 2012. General Manager Smith was directed by the board to write a letter to the property owner explaining the situation along with attaching a bill for the unassessed property.
- d) Discuss and adopt a policy to establish Reserve fund accounts for the CSD: The Reserve Fund Policy was analyzed at length detailing the 4 types of funds listed therein. The Working Capital Reserve Fund is the only fund of the four to be an unrestricted account for the General Manager to use up to his \$10,000.00 authorized amount to insure cash flow requirements of the District. The other three accounts, Emergency Reserve, Capital Replacement/system Improvement, and Water/Sewer Rate Stabilization are restricted in use to be directed by the Board of Directors as needed.

The importance of annual review and adjustment of funds as necessary was emphasized as well as the ability to accommodate the Grizzly Ranch Community Services District unique needs with these funds as the District continues to enact policies to ensure financial health of the district's funds.

Motion to adopt the Reserve Fund Policy as presented so moved, seconded and passed unanimously by roll call vote.

- e) Discuss and appoint Aaron Corr as the CSD Treasurer effective October 31, 2017. Authority to do business with the Plumas County Bank for Grizzly Ranch Community Services District requires Assistant General Manager Aaron Corr to be appointed as Treasurer for the Grizzly Ranch Community Services District.

Motion to appoint Aaron Corr as Treasurer for the Grizzly Ranch Community Services District effective October 31, 2017, so moved, seconded and passed unanimously by roll call vote.

- f) LAFCo authorized powers for GRCSO: Careful review by General Manager Smith of LAFCo documents provided clarification that the powers granted to the Grizzly Ranch Community Services District as of 2003 are Water and Sewer, along with the power to assess fees for those services. Other powers, such as Storm Water or Internet Service, may be applied for and granted through LAFCo as seems prudent by the Board after review of the Grizzly Ranch Community Services District's ability to facilitate such services along with powers already held.

- g) Provide direction on the GRI request to share in surveyor costs for the Fire parcel transfer: Director Reynolds recused himself from this discussion and voting due to a conflict of interest. The Grizzly Ranch Investors has offered a 12-acre parcel to the Grizzly Ranch Community Services District with the request that Grizzly Ranch CSD share 50% of the cost of survey work necessary to legally transfer this parcel.

Motion to share 50% of the cost, up to \$2,500.00 so moved, seconded and passed unanimously by roll call vote. John Reynolds being recused from voting.

- h) Internet Project status: It is apparent that a project manager is needed to proceed further. Grizzly Ranch Community Services District has decided that it would be prudent to re-evaluate the options for moving forward due to priorities for funding and staff focus to maintain primarily on water and sewer services.

IV. CSD OFFICE UPDATE:

- a) Update on funds removal from Plumas County Treasury: Final check will be received within a couple of weeks finalizing Grizzly Ranch CSD's transition to independence.
- b) Request approval to add Assistant General Manager Aaron Corr to the Plumas Bank checking account signature list: General Manager Smith requested to give Assistant General Manager Aaron Corr and newly appointed Director Mark Roberts authorization to sign checks for Grizzly Ranch Community Services District. They will be added to the Plumas Bank account signature list. The motion was approved unanimously by the board.
- c) CSD 16/17 Audit update: General Manager Smith updated the Board on the successful first meeting with representatives from McClintock for the initial auditing process. The Audit is scheduled for the last week in October 2017.

V. UPDATE ON WATER AND WASTEWATER OPERATIONS:

- a) Water Treatment Plant filter update and groundwater well renovation projects: Assistant General Manager Aaron Corr updated the Board on the pneumatic valve rebuild project on the iron and manganese filters. Flow meters are the next priority in the filter plant overhaul project. The Groundwater Well renovation, which is tied in with the SCADA system upgrade, has been progressing as well. Each site is being tested for communication with the SCADA system. The SCADA communication box has been reinstalled at Well #3, and we are in the process of refurbishing each component to get SCADA sensors back online.
- b) Water booster station projects, pumps, controllers, generators: Assistant General Manager Aaron Corr explained that Booster Station #2 has two booster pumps in its vault. One pump is out of service due to a nonoperational VFD controller. He decided to replace the nonoperational VFD controller for pump #1 and order a new VFD controller for the out dated controller on pump #2. This will ensure communication between both pumps and renew the life of both pumps at Booster #2. Once the controllers are installed, there is a technician lined up to inspect, service, and test the stand by generator located at Booster #2. There are also 2 mobile standby generators offsite that will be brought back to the Water Reclamation Facility, once the paving project is completed and the necessary resources are available.

- c) Water Reclamation Facility asphalt repair update: Assistant General Manager Aaron Corr explained that the Water Reclamation Facility asphalt project is moving right along and in the process of being completed.
- d) Update on wastewater project / SHAW Engineering:
- e) Update on Plumas Sanitation Vault and Haul: General Manager Smith reviewed the opportunity to save 25% on our Plumas Sanitation Vault and Haul bill after negotiating a price reduction from \$0.17 per gallon to \$0.12 per gallon. The Board directed General Manager Smith to draw up a contract that would detail the agreement, emphasizing that no requirement of a minimum dollar amount per month/year be necessary to retain the negotiated price.
- f) Report on CSD/County meeting with Bundy regarding Potential leach field locations: Mr. Bundy and Ms. Morrison were in attendance and introduced by General Manager Smith. General Manager Smith then reviewed the history of the Grizzly Ranch Community with the Bundy neighbors, explaining past difficulties dating back to the initial development of Grizzly Ranch and before the governance of the current Board of Directors. General Manager Smith emphasized that there is newly established mutual good will between Grizzly Ranch and the Bundy family. He then explained the recent action of the Grizzly Ranch CSD to begin the Leach Field Project had included the percolation testing of property that bordered the Bundy residence. Mr. Bundy and Ms. Morrison are opposed to the placement of a leach field on this proposed site and have communicated clearly with both the County and General Manager Smith. General Manager Smith reviewed the Leach Field Project necessity and progress thus far. He noted that the Grizzly Ranch CSD has not yet received a percolation report for the site next to the Bundy residence. He then stated that he would not recommend proceeding with this proposed site, to the Board, if there were any negative ground water effects on the Bundy property. Mr. and Mrs. Bundy have concerns about their property value being affected negatively as well as potential negative ground water effects.

Ms. Morrison spoke of the unpleasant history with previous Grizzly Ranch representatives as well as her disappointment with County representatives. There has been continuous disregard in relation to many issues and in which she feels were caused by the building of Grizzly Ranch. Such damage includes but is not limited to a decrease in their property value and water source depletion to the harm of her family and horses.

- g) Bi-monthly water reports: Assistant General Manager Aaron Corr overviewed the monthly water reports for July and August. The Grizzly Ranch Community Services District continued in compliance.
- h) Review water conservation efforts to date: General Manager Smith will prepare a letter for residents who have not complied with the Water Conservation Ordinance. Education of the community will continue to be a priority of the District.
- i) Discuss auto allowance for GM and Operator for vehicle use, propose changing authorization of a work truck to a utility vehicle for use around Grizzly property only. The Board directed

General Manager Smith and Assistant General Manager Corr to proceed with their authorization in purchasing the utility vehicle.

Motion to authorize the \$20,000.00 allocated for a Grizzly Ranch Community Service District work vehicle to be allocated to the purchase of a Utility Vehicle.

VI. REPORT OUT ON MEETINGS ATTENDED BY STAFF/BOARD MEMBERS:

- a) John Reynolds/CSDA Meeting: Director Reynolds reviewed the finance presentation given about lenders and Grant options available to Special Districts.

VII. PROPOSE FUTURE AGENDA ITEMS:

Project List to be added to the Budget Report.

VIII. CLOSED SESSION:

- a) Final deliberations on appointing a General Manager effective October 31, 2017 to replace the outgoing General Manager.

IX. REPORT OUT FROM LAST CLOSED SESSION:

Motion to appoint Aaron Corr as General Manager at the starting pay rate \$36.00 per hour as of November 1, 2017 so moved, seconded and passed unanimously by roll call vote.