

APPROVED

**DONNER SUMMIT PUBLIC UTILITY DISTRICT
P.O. BOX 610 – SODA SPRINGS – CALIFORNIA – 95728
TELEPHONE (530) 426-3456 – FAX (530) 426-3460**

**Minutes of the Regular Meeting of the Board of Directors
Held: May 20, 2014**

STAFF PRESENT: Tom Skjelstad, General Manager; Jim King, Plant Manager;
Julie Bartolini, Office Manager

OTHERS PRESENT: Geoffrey O. Evers, General Counsel by telephone from 641
Fulton Avenue #200, Sacramento CA 95825

1. Call to Order

The Regular Meeting of May 20, 2014 of the Donner Summit Public Utility District Board of Directors was called to order at 6:10 p.m. by President Cathy Preis, at 53823 Sherritt Lane Soda Springs, California.

2. Roll Call

Cathy Preis, President	- Present
Sara Schrichte, Vice President	- Present
Bob Sherwood, Secretary	- Present
Philip Gamick, Director	- Present
Alex Medveczky	- Present

3. Clear the Agenda

No Changes

4. Public Participation

None

5. Consent Calendar:

All items listed under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board requests an item to be removed from the Consent Calendar for a separate action. Any items removed will be considered after the motion to approve the Consent Calendar.

- A. Cash Disbursements – General, Month of April 2014 -- \$709,374.65**
- B. Cash Disbursements – Payroll, Month of April 2014 -- \$56,634.36**
- C. Regular Meeting Minutes of April 15, 2014**
- D. Financials through February 28, 2014**

Motion: Accept the Consent Calendar

By: Bob Sherwood

Second: Alex Medveczky

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain,

Motion Carries

6. Department Reports

A. Administration: Tom Skjelstad, General Manager

- 1. Stantec Monthly Construction Report for the Month of April 2014**
- 2. Syblon Reid Progress Payment Request #19 DSPUD Disbursement Request #20-** Syblon's payment request for work performed and/or products purchased for the periods of April 1, 2014 to April 30, 2014 and DSPUD Disbursement Request #20. Reported.
- 3. DSPUD Request for Amendment to State Revolving Fund Agreement # 12-805-550-** the District is requesting that the previously approved State Revolving Fund Agreement be amended to include additional monies for construction management services, engineering services, change orders incurred to date, and a 5% contingency on the amount remaining on the construction contract. Tom Skjelstad reported that he wrote a letter to the SRF staff requesting reimbursement for soft costs and additional monies that were previously not available to the District but are needed to complete the WWTP project, without continuing to draw money from existing District funds. District staff believes requesting and receiving additional funds is a sound financial decision.

When the District signed the SRF Loan Agreement (June of 2012), SRF policy did not allow for funding of change orders or a contingency. Additionally, the amount that was loaned to the District was not enough to cover all of the cost including change orders.

SRF changed its policies in 2013 and the new policy allows for contingencies and change orders. Knowing that the District would need additional funding in order to cover change orders, and soft costs, with our further reducing the District's cash balance, Tom Skjelstad contacted SRF staff to see if we could take advantage of the new policy. SRF said no since the project had already begun and the loan documents were signed.

In early May Julie Bartolini spoke with the credit analyst at SRF and explained that the portion of the loan for the District's share of the soft cost was exhausted. The credit analyst suggested that the District representative, Tom Skjelstad, send a letter to SRF staff requesting extra funds.

Evidently, there was a misunderstanding or miscommunication when Tom Skjelstad contacted SRF in 2013. Nevertheless, after a credit analysis of the District's recent financials, it was determined that the District is eligible for the additional funds.

Prior to these recent developments. Tom Skjelstad had contacted Catherine Hansford of Hansford Economic Consulting. The purpose was to discuss updating the Cost of Service Study that Catherine developed in October of 2011, prior which is to project startup. With the project approximately 75% complete Tom Skjelstad wanted to see how the Cost of Service Study, which was based on projections and presumptions as of 2011 compared to the current financial conditions. Catherine Hansford did a preliminary review and found the study is still applicable which is to say no large rate increases are predicted for the next three years. Catherine and Tom Skjelstad agreed that until the request for additional funds is granted, there is no need to incorporate the requested \$773,531.000 into the study. Staff on its own has done a rough estimation of the effect that the additional funds could have to rates and determined that IF all the funds were spent the impact would be an additional \$14.00 per year per EDU.

Staff recommends that the Board approve the Amendment to the District's existing Loan Agreement with SRF.

B. Sewer and Water Department – Jim King, Chief Plant Operator

1. **Waste Water Flow Data – for April-Reported.**
2. **Fresh Water Flow Data – for April-Reported.**
3. **Operations and Maintenance Summary – activities during the month of April-Jim King reported the following:**

Operations WWTP

- The Temporary aeration system was installed in the solids holding tank and put into service.
- Cleaned the chlorine contact basin.

Operations Water Plant

- Closed the gate at Lake Angela Dam.
- Installed a new 2 inch water meter at the Sugar Bowl Sport House.

Repairs and Maintenance WWTP

- Removed failed head works pinch valve and installed a temporary replacement line.

Repairs and Maintenance WTP

- Replaced about 40 feet of water line at Big Bend after a leak was detected.

4. **Update on Water Treatment Plant Upgrade-** report of preliminary Water Treatment Plant Preliminary Design. Reported.

5. Request to Purchase a Mini Excavator. Reported.

Motion: Authorize the Purchase of a Mini Excavator with Costs not to Exceed \$25,000.00.

By: Sara Schrichte

Second: Bob Sherwood

Roll Call Vote

Bob Sherwood - Aye

Phil Gamick - Aye

Cathy Preis - Aye

Alex Medveczky - Aye

Sara Schrichte - Aye

Motion Carries

C. Monthly Safety Committee Meeting Minutes, Month of April

Motion: Accept the Safety Committee Meeting Minutes for April

By: Phil Gamick

Second: Alex Medveczky

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain

Motion Carries

7. President's Report:

1. Ballot for Special District Representative for the Placer County Local Agency Formation Commission

Motion: To Cast the Donner Summit Public Utility District Vote for Special District Representative for the Placer County Local Agency Formation Commission for Ron Treabess

By: Sara Schrichte

Second: Phil Gamick

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain

Motion Carries

2. DSAA Annual Community Picnic 2014 Sponsorship- request for a donation.

Motion: To Sponsor the Porta Potties and \$250.00 for the Donner Summit Area Association Community Picnic

By: Bob Sherwood

Second: Alex Medveczky

Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain

Motion Carries

8. Committee Reports: None

9. Resolutions:

1. Resolution 2014-01 Requesting Collection of Charges on the Nevada County Tax Roll

Motion: Adopt Resolution 2014-01 Requesting Collection of Charges on the Nevada County Tax Roll

By: Sara Schrichte

Second: Bob Sherwood

Roll Call Vote

Bob Sherwood - Aye

Phil Gamick - Aye

Cathy Preis - Aye

Alex Medveczky - Aye

Sara Schrichte - Aye

Motion Carries

2. Resolution 2014-02 Fixing and Placing a Special Tax Levy on Improvement Areas No. 1 and 3 of the Donner Summit Public Utility District Community Facilities District No. 1 for Collection by the County of Nevada

Motion: Adopt Resolution 2014-02 Fixing and Placing a Special Tax Levy on Improvement Areas No. 1 and 3 of the Donner Summit Public Utility District Community Facilities District No. 1 for Collection by the County of Nevada

By: Sara Schrichte

Second: Bob Sherwood

Roll Call Vote

Bob Sherwood - Aye

Phil Gamick - Aye

Cathy Preis - Aye

Alex Medveczky - Aye

Sara Schrichte - Aye

Motion Carries

3. Resolution 2014-03 of the Donner Summit Public Utility District Declaring an Election Be Held in its Jurisdiction; Requesting the Board of Supervisors of Nevada County to Consolidate This Election With Any Other Election Conducted on Said Date; and Requesting Election Services By the County Clerk.

Motion: Adopt Resolution 2014-03 Declaring an Election Be Held in its Jurisdiction; Requesting the Board of Supervisors of Nevada County to Consolidate This Election With Any Other Election Conducted on Said Date; and Requesting Election Services By the County Clerk.

By: Bob Sherwood

Second: Sara Schrichte

Roll Call Vote

Bob Sherwood - Aye

Phil Gamick - Aye

Cathy Preis - Aye

Alex Medveczky - Aye

Sara Schrichte - Aye

Motion Carries

4. Resolution 2014-04 Requesting Collection of Charges on the Placer County Tax Roll

Motion: Adopt Resolution 2014-04 Requesting Collection of Charges on the Placer County Tax Roll

By: Phil Gamick

Second: Sara Schrichte

Roll Call Vote

Bob Sherwood - Aye

Phil Gamick - Aye

Cathy Preis - Aye

Alex Medveczky - Aye

Sara Schrichte - Aye

Motion Carries

5. Resolution 2014-05 Fixing and Placing a Special Tax Levy on Improvement Areas No. 1 and 3 of the Donner Summit Public Utility District Community Facilities District No. 1 for Collection by the County of Placer

Motion: Adopt Resolution 2014-05 Fixing and Placing a Special Tax Levy on Improvement Areas No. 1 and 3 of the Donner Summit Public Utility District Community Facilities District No. 1 for Collection by the County of Placer

By: Alex Medveczky

Second: Phil Gamick

Roll Call Vote

Bob Sherwood - Aye

Phil Gamick - Aye

Cathy Preis - Aye

Alex Medveczky - Aye

Sara Schrichte - Aye

Motion Carries

6. Resolution 2014-06 of the Donner Summit Public Utility District Declaring an Election Be Held in its Jurisdiction; Requesting the Board of Supervisors of Placer County to Consolidate This Election With Any Other Election Conducted on Said Date; and Requesting Election Services By the County Clerk.

Motion: Adopt Resolution 2014-06 Declaring an Election Be Held in its Jurisdiction; Requesting the Board of Supervisors of Placer County to Consolidate This Election With Any Other Election Conducted on Said Date; and Requesting Election Services By the County Clerk.

By: Sara Schrichte
Second: Bob Sherwood
Roll Call Vote
Bob Sherwood - Aye
Phil Gamick - Aye
Cathy Preis - Aye
Alex Medveczky - Aye
Sara Schrichte - Aye

Motion Carries

10. Correspondence: None

11. Closed Session: None

12. Informational In accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities (concerning the District). They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda.

13. Adjournment:

Motion: Adjourn Meeting at 7:12 p.m.
By: Bob Sherwood
Second: Phil Gamick
Vote: 5 Ayes, 0 Noes, 0 Absent, 0 Abstain

Motion Carries

Schedule of Upcoming Meetings

Regular Meeting - June 17, 2014
Regular Meeting - July 15, 2014
Regular Meeting - August 19, 2014

The wording in these minutes are as reread from the notes by the Clerk of the Board.

Respectfully Submitted,
Deleane Mehler
Administrative Assistant

