



**REGULAR MEETING OF THE BOARD OF DIRECTORS**

District Office, 18966 Ferretti Road

Groveland, CA 95321

(209) 962-7161 [www.gcsd.org](http://www.gcsd.org)

**AGENDA**

May 14, 2019

10:00 a.m.

**Call to Order**

**Pledge of Allegiance**

**Roll Call of Board Members**

Janice Kwiatkowski, President

Nancy Mora, Vice President

John Armstrong, Director

Spencer Edwards, Director

Robert Swan, Director

**1. Approve Order of Agenda**

**2. Public Comment**

Members of the public are appreciated for taking the time to attend this meeting and provide comments on matters of District business. Public comments are subject to a 3-minute time limit; 10 minutes on an individual topic. Although no action can be taken on items not listed on the agenda, please know we are listening carefully to your comments.

**3. Information Items**

Brief reports may be provided by District staff and/or Board members as information on matters of general interest. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future agenda. Public comments will be taken after each report is provided.

**A. Staff Reports**

i. Fire Department Report

ii. General Manager's Report

1. Notice of Completion Filed for the Ferretti Road Water and Sewer Repairs

2. Update Report on the Status of Preparation of Water and Sewer System Capital Improvement Plans

3. Update report on the status of the District's response to Tuolumne County Regarding the Environmental Impact Report Notice of Preparation (NOP) for the Proposed Terra Vi Lodge Project

iii. Operations Manager's Report

iv. Administrative Services Manager's Report

1. 3<sup>rd</sup> Quarter Financial Statement

2. Quarterly Investment Report

**B. Community Relations Consultant's Report**

**C. Park Advisory Committee Report**

**4. Consent Calendar**

Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the Board, Staff or a member of the Public requests specific items be set aside for separate discussion.

**A. Approve Minutes from the April 12, 2019 Special Meeting**

- B. Approve Minutes from the April 12, 2019 Special Meeting
- C. Accept April Payables
- D. Waive Reading of Ordinances and Resolutions Except by Title
- E. Adoption of Resolution 13-2019, A Resolution Approving an Option and Lease Agreement Between Groveland Community Services District and New Cingular Wireless PSC, LLC, for Cell Site at Second Garrote
- F. Adoption of Resolution 26-2019 Approving a Legislative Advocacy Policy
- G. Establish a Development and Adoption Schedule for the 2019/20 Fiscal Year Budget, Including a Special Meeting/Budget Workshop on May 30, 2019 at 10:00am

**5. Old Business**

(Items tabled or carried forward from a previous meeting to be considered on this agenda)

- A. Review of, and Board Prioritization and Direction on Board Goals, Management Objectives and Related Actions; Covering all District Services and Activities

**6. Discussion and Action Items**

The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.

- A. Approval of the Submission of a CALFIRE Volunteer Assistance Grant Application in an Amount of up to \$20,000 and Committing to a 50% Project Cost Match
- B. Adoption of Resolution 23-2019 Approving Implementation FY 2019/20 Water Rates to be Effective July 1, as Stipulated in the 2015 Water Rate Analysis
- C. Adoption of Resolution 24-2019 Approving Implementation FY 2019/20 Sewer Rates to be Effective July 1, as Stipulated in the Approved 2018 Sewer Rate Plan
- D. Adoption of Resolution 25-2019 Establishing Designated Water Reserve System Reserves
- E. Consideration of Appointment of a Representative of the Board to Serve as the Candidate for Potential Selection to Serve as a Special District Representative on the County LAFCO and Provide Direction Regarding Associated Cost Sharing Agreements and Decision Making
- F. Approval to Proceed with Preparation of a Funding Application to the USDA Rural Development, Rural Utilities Services for Water System Improvements Including Installation of an Automated (Water) Meter Reading System, Improvements to the Alternate Water Supply Facility, Upgrade of the Wastewater Plant Headworks and Renovation of the Wastewater Reclaimed Irrigation System
- G. Initial Review of a Private Sewer Lateral Regulation to be Included in the Revised Sewer Ordinance

**7. Closed Session** (Public may comment on closed session item prior to Board convening into closed session)

- A. Public Employee Appointment (Pursuant to Govt. Code Sec. 54957)  
Title: General Manager
- B. Conference with Labor Negotiators pursuant to Government Code Section 54957.6  
Agency Designated Representatives: General Manager and Administrative Services Manager  
Employee Organization: Operating Engineers, Local 3

**8. Public Session – Board Action/Announcement out of Closed Session**

- A. Consideration of Adoption of Resolution 26-2019 Approving an Employment Agreement with Peter Kampa for the Position of General Manager

**9. Adjournment**

ALL AGENDA MATERIAL ARE AVAILABLE ON THE DISTRICT WEBSITE AT [WWW.GCSD.ORG](http://WWW.GCSD.ORG) OR MAY BE INSPECTED IN THE GROVELAND COMMUNITY SERVICES DISTRICT OFFICE AT 18966 FERRETTI ROAD, GROVELAND, CALIFORNIA

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*Any person who has any questions concerning this agenda may contact the District Secretary.* In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at 209-962-7161. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting. (28FR35.102-35.104 ADA Title 11)

**Groveland Community Services District  
Fire Department / CALFIRE**

18966 Ferretti Road Groveland, CA 95321

Staff Report  
May 14, 2019

To: Board of Directors

From: Andy Murphy, Assistant Chief  
By: Jude R. Acosta, Battalion Chief

Subject: Monthly Activity Report – April 1, 2019 to May 5, 2019

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**Operations:**

**Emergency Incident Response:**

On April 4, 2019 Engine 4476 and Engine 787 responded to a reported tree falling onto a victim at Highway 120 X Catholic Cemetery St. Upon arriving at scene, there was a yard service employee on the ground with major blunt force trauma injuries to his chest and arms. Ambulance and fire crews immediately assessed the patient requesting an air ambulance. Our firefighters provided care, stabilized the patient, packaged, and loaded him in the waiting ambulance. The patient was transported to the Moccasin landing zone and flown by air ambulance to Memorial Hospital in Modesto for further evaluation.

On April 7, 2019 Engine 4476 was dispatched to Wards Ferry Bridge to assist the Tuolumne County Sherriff with the patient removal of a rafter that went under water four miles upstream the Tuolumne River. CHP Copter H-40 performed the hoist rescue and transported the patient to the Wards Ferry Bridge to the awaiting fire crew and ambulance. The patient was assessed and transported to Adventist Health Sonora for further evaluation.

On April 14, 2019 Engine 4476 responded to a commercial structure fire at the Greeley Hill Market in Mariposa County. Upon arriving at scene, there was heavy smoke and fire inside the compressor room and in the attic. Our fire crews assisted with fire attack, salvage and overhaul containing the fire within an hour. Due to the electrical hazards inside the structure, it was a challenging fire to locate and extinguish. While our fire crews were committed for several hours, the District remained covered.

Fire Chiefs Report  
May 14, 2019  
Page 2 of 3

On April 25, 2019, CAL FIRE and Groveland fire units responded to a vegetation fire at 19639 Old Highway 120. Upon arrival, there was a fully involved gazebo and 1/8 acre of vegetation burning uphill at a slow rate of spread toward residences. Fire crews were able to contain the fire immediately preventing any additional spread. The cause of the fire was determined to be an escaped burn pile.



On May 2, 2019 CAL FIRE and Groveland fire units responded to a vegetation fire at 20821 Hemlock street. Upon arrival, there a small burn pile smoldering and an oak tree approximately 25 ft. away burning on top. The property owner was attempting to extinguish the tree but due to the lack of water pressure he was unsuccessful. Fire crews applied water and foam to immediately control the fire. The cause of the fire was determined to be an ember from the burn pile landing onto the oak tree.

Apparatus and Equipment:

Apparatus	Description	Status
Engine 781	2009 Pierce Contender	In Service
Engine 787	2000 Freightliner FL112	In Service
Engine 788	1984 GMC Wildcat	In Service
Utility 786	2008 Chevrolet 2500	In Service

Public Education:

Groveland Fire and CAL FIRE participated in the Wildfire Prevention Week by hosting an Open House at the Groveland Fire Station. Our firefighters greeted the public and handed out public education materials, encouraging residents to help safeguard their homes by preparing for fire risk. Station tours were available and both fire engines were on display to show the equipment carried and capabilities.

**Training:**

In addition to our monthly Emergency Medical Technician (EMT) curriculum and engine company performance standards, Battalion personnel received the following specialized training:

- Congratulations to Engineer Jake Johnston in completing the 14-week Basic Fire Control and Company Officer Academy at the CAL FIRE Training Center
- Engineer Rich Shade attended Motel Technical Specialist course
- Engineer Dave Donabedian attended the S-390 Fire Behavior Calculations course
- Water Rescue
- Pump and Draft Operations
- Ladder Evolutions
- Low Angle Rope Rescue Operations
- Self-Contained Breathing Apparatus



**MONTH - APRIL 2019**



Alarm Sounding	1
Odor Investigation	0
Debris Fire	0
Medical Aid	35
Fire Menace Standby	4
Fire Other	0
Haz Mat	1
Landing Zone	0
Plane/Heli Crash	0
Public Assist	3
Smoke Check	0
Structure Fire	0
Commercial Structure Fire	0
Vegetation Fire	2
Vehicle Accident	1
Vehicle Accident/Pin in	0
Vehicle Fire	0
<b>TOTAL</b>	<b>47</b>

( 44 calls in GCSD district, 3 calls in Tuolumne County)

Auto Aid	Given
Tuolumne County	3

**Last Call Logged Run # TCU 005200**

**MONTH - April 19**

**GROVELAND FFS**

Alarm Sounding	0
Odor Investigation	0
Debris Fire	0
Medical Aid	17
Fire Menace Standby	0
Fire Other	0
Haz Mat	0
Landing Zone	1
Plane/Heli Crash	0
Public Assist	2
Smoke Check	2
Structure Fire	0
Commercial Structure Fire	1
Vegetation Fire	2
Vehicle Accident	4
Vehicle Accident/Pin in	0
Vehicle Fire	0
TOTAL	29

Auto Aid	Given
MMU	5

**Last Call Logged Run # TCU#004958**



**DEPARTMENT OF FORESTRY AND FIRE PROTECTION**

P.O. Box 944246  
SACRAMENTO, CA 94244-2460  
(916) 653-7772  
Website: [www.fire.ca.gov](http://www.fire.ca.gov)



April 24, 2019

Peter Kampa  
Groveland Community Services District  
P.O. Box 350  
Groveland, CA 95321

**RE: PROJECT APPLICATION FOR THE CAL FIRE CALIFORNIA CLIMATE INVESTMENTS (CCI) FIRE PREVENTION (FP) GRANTS**

Dear Applicant:

The Department of Forestry and Fire Protection (CAL FIRE) is pleased to inform you that your application for the grant project entitled **Jones Hill (18-FP-TCU-2091)** has been selected for funding.

You will receive the full agreement with instructions via email by the end of May 2019. All documents must be returned to CAL FIRE no later than August 30, 2019. Failure to return documents by this date may result in loss of funding. It is important that you do not start on your grant project until you have received a confirmation that your grant agreement has been fully executed.

Additionally, you are required to complete the Fire Prevention Grants Grantee Worksheet for CalMAPPER Entry found on our website in the CALMAPPER section ([http://calfire.ca.gov/fire\\_prevention/firepreventiongrants](http://calfire.ca.gov/fire_prevention/firepreventiongrants)). Once completed, please provide to your CAL FIRE Unit contact found below. In addition, you will be required to provide information to complete the required emissions calculations for your project per the required Quantification Methodology. You will be contacted if this information is needed.

We look forward to working with you on your grant project. If you have any additional questions, please contact **Adam Frese** at **(209) 754-2706** or **[Adam.Frese@fire.ca.gov](mailto:Adam.Frese@fire.ca.gov)**.

Sincerely,

SCOTT WITT  
Deputy Chief  
Fire Plan and Prevention Grants Program Manager

**RECORDING REQUESTED BY:  
AND FOR THE BENEFIT OF,**

Groveland Community Services District  
No Fee-Gov/t. Code Sections  
6103 and 27383

**WHEN RECORDED, MAIL TO:**

Groveland Community Services District  
18966 Ferretti Road  
Groveland, CA 95321

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**NOTICE OF COMPLETION**

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion.

Notice is hereby given that:

1. The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
2. The full name of the owner is: **Groveland Community Services District**
3. The full address of the owner is: **18966 Ferretti Road, Groveland, CA 95321**
4. The nature of the interest or estate of the owner is: **In Fee**
5. A work of improvement on the property hereinafter described was completed on: **April 15, 2019** . The work done was: **Water and Sewer Repairs along Ferretti Road, generally consisting of installing 100 LF of 10" PVC water main and 100 LF of 6" sewer main.**
6. The name of the contractor, if any, for such work of improvement was: **Moyle Excavation Inc., PO Box 498, Jamestown, CA 95327.**
7. The properties on which said work of improvement was completed is in Tuolumne County, State of California, and is described as follows: **Ferretti Road Water and Sewer Repairs**
8. The street address of said property is: **None**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Peter Kampa  
General Manager

**VERIFICATION**

I, the undersigned, say: I am the District Engineer for the Groveland Community Services District, the declarant of the foregoing notice of completion;

I have read said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.



\_\_\_\_\_  
(PERSONAL SIGNATURE OF THE INDIVIDUAL WHO IS SWEARING THAT THE CONTENTS OF THE NOTICE OF COMPLETION ARE TRUE.)

Executed on April 25, 2019, at Fresno, CA.  
(DATE) (LOCATION)



# COMMUNITY RESOURCES AGENCY

DAVID GONZALVES, C.B.O.  
Director

Administration - Building - County Surveyor - Engineering - Environmental Health - Fleet Services - GIS - Housing - Planning - Roads - Solid Waste

48 Yaney Avenue, Sonora  
Mailing: 2 S. Green Street  
Sonora, CA 95370  
(209) 533-5633  
(209) 536-1622 (Fleet)  
(209) 533-5616 (fax)  
(209) 533-5909 (fax - EHD)  
(209) 588-9064 (fax - Fleet)  
(209) 533-5698 (fax - Roads)  
[www.tuolumnecounty.ca.gov](http://www.tuolumnecounty.ca.gov)

**Date:** May 2, 2019

**To:** State Clearinghouse  
State Responsible Agencies  
State Trustee Agencies  
Other Public Agencies  
Interested Organizations

**From:** Quincy Yaley, Assistant CRA Director – Development  
County of Tuolumne  
Community Resources Agency  
2 South Green Street  
Sonora, CA 95370-4618

**Subject:** Notice of Preparation (NOP) of the Draft Environmental Impact Report (EIR) for the Terra Vi Lodge Yosemite Project  
**Lead Agency:** County of Tuolumne Community Resources Agency  
**Project Title:** Terra Vi Lodge Yosemite Project  
**Project Location:** 11262 Sawmill Mountain Road, Groveland, CA 95321

Notice is hereby given that the County of Tuolumne (County) will be the Lead Agency and will prepare a project-level EIR for the Terra Vi Lodge Yosemite Project (proposed project) pursuant to the California Environmental Quality Act (CEQA) Guidelines (14 California Code of Regulations Section 15060(d)). The EIR is being prepared by the County in accordance with applicable law, in particular, CEQA and the State of California CEQA Guidelines.

As shown on Figure 1, the 64-acre project site is located at the intersection of Sawmill Mountain Road (Forest Road 1S03) and State Highway 120 (Big Oak Flat Road), near Groveland in unincorporated Tuolumne County. The project site located approximately halfway between Buck Meadows and the Big Oak Flat entrance to Yosemite National Park.

The project site is in a rural area within Stanislaus National Forest, and there are currently no structures on the site. The project site was heavily burned in the 2013 Rim Fire, resulting in a significant burn scar that extends several acres into the site from Highway 120, and which destroyed most of the mature trees on-site. Rural residential homes are located to the north of the site and walking and hiking trails are available within and near the site. Nearby development also includes several campsites, resorts, and recreational vehicle sites. The project site is located in a Very High Fire Hazard Severity Zone within the State Responsibility Area, as mapped by the California Department of Forestry and Fire Protection in 2007.

The proposed project would develop the western portion of the project site with a lodge containing hotel rooms, a public market, meeting space, and guest facilities. This portion of the site would also include cabins for guests, employee housing, outdoor amenities, on-site roadways and walkways, and surface parking. The eastern portion of the project site would be open space, with an existing trail maintained.

The project includes the following on-site utilities: a public water system would be developed from two existing on-site wells; water treatment and storage; graywater systems for landscape irrigation; wastewater systems utilizing septic tanks and leach fields; a food service wastewater treatment system; rainwater collection and storage; stormwater detention; and roof-mounted solar

photovoltaic and solar thermal panel systems with battery storage.

The project is zoned Commercial Recreation (C-K) and Open Space (O) and does not require rezoning. Further details of the proposed project are available at:

<https://www.tuolumnecounty.ca.gov/1158/Terra-Vi-Lodge-Yosemite>

**EIR Scope:** The EIR will evaluate the project for potential impacts on the environment and determine the potential environmental consequences of future change. The proposed project could potentially affect the following environmental factors, each of which will be addressed in the EIR:

- Aesthetics
- Air quality
- Biological resources
- Cultural resources
- Energy
- Forestry resources
- Geology and soils
- Greenhouse gas emissions
- Hazards and hazardous materials
- Hydrology and water quality
- Land use and planning
- Noise
- Population and housing
- Public services and recreation
- Transportation
- Tribal cultural resources
- Utilities and service systems
- Wildfire

Cumulative impacts will consider impacts of relevant projects in and around the project area combined with those of the project. An evaluation of project alternatives that could reduce significant impacts will also be included in the EIR.

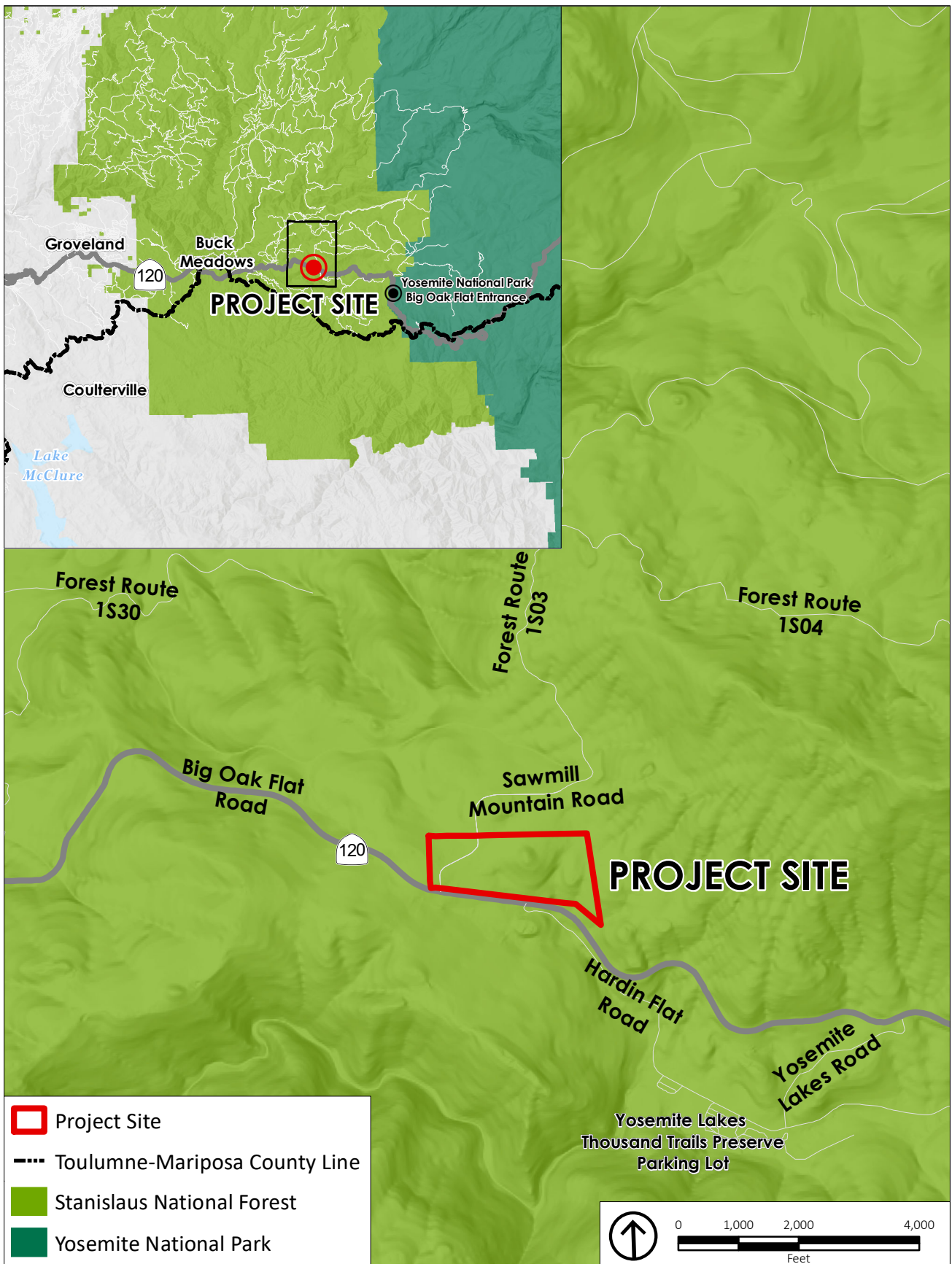
To ensure that the EIR for this proposed project is thorough and adequate and ensure that the issues of concern to the public and public agencies are addressed, the County is requesting comments and guidance on the scope and content of the EIR from interested public agencies, organizations, and individuals. Public comments on the scope of issues to be evaluated in the EIR are encouraged. With respect to the views of Responsible and Trustee Agencies as to significant environmental issues, the County needs to know the reasonable alternatives and mitigation measures that are germane to each agency's statutory responsibilities in connection with the project.

**Notice of Scoping Meeting:** A public Scoping Meeting will be held on Monday, May 13, 2019 at 6:00 pm at the Groveland Community Hall, 18720 Main Street, Groveland, CA. Public agencies, organizations, and interested members of the public are invited to attend this meeting and present verbal or written comments on the proposed project.

**Public Review Period: May 2, 2019 to June 3, 2019.** Please send all written comments to Quincy Yaley, County of Tuolumne, at the address shown above or email to [QYaley@co.tuolumne.ca.us](mailto:QYaley@co.tuolumne.ca.us) with "Terra Vi Lodge Yosemite Project EIR" as the subject. Public agencies providing comments are asked to include a contact person for the agency.

If you wish to comment during the NOP comment period, or if you cannot attend the scoping meeting, we will accept written comments until the close of the NOP comment period. Comments on the NOP are due no later than the close of the 30-day review period at 5:00 p.m. on June 3, 2019.

Please direct questions about the proposed project description to Quincy Yaley, Assistant CRA Director in the Community Resources Agency at [QYaley@co.tuolumne.ca.us](mailto:QYaley@co.tuolumne.ca.us), (209) 533-5961.



Source: ESRI, 2019; National Park Service, 2019; Toulumne County, 2019; PlaceWorks, 2019.

Figure 1  
Regional and Vicinity Map

## Budget to Actual

### *Groveland Community Services District*

For 3rd Quarter ended Mar. 31, 2019

Total - District-Wide	2018/19 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget-Remaining \$	CY Actual Vs. CY Budget-Remaining%
Fixed rates	\$ 2,736,520	\$ 2,058,121	\$ (678,399)	25%
Variable rates	1,267,825	1,040,951	\$ (226,874)	18%
Property taxes	1,135,835	652,136	\$ (483,699)	43%
Other operating revenues	95,530	217,010	\$ 121,480	-127%
Other nonoperating revenues	1,718,496	344,890	\$ (1,373,606)	80%
<b>Total Revenues</b>	<b>6,954,206</b>	<b>4,313,108</b>	<b>(2,641,098)</b>	
Salaries and benefits	(1,588,080)	(1,044,491)	543,589	34%
Cost of water	(215,000)	(116,013)	98,987	46%
Utilities	(274,000)	(170,998)	103,002	38%
Legal	(31,000)	(9,415)	21,585	70%
Cal Fire contract	(1,256,480)	(699,630)	556,850	44%
Other operating expenses	(1,399,467)	(764,995)	634,472	45%
Leases: prin+interest	(49,996)	(45,965)	4,031	8%
General Manager	(185,000)	(108,323)	76,678	41%
Transfer to OPEB Trust	(185,000)	-	185,000	100%
Transfer to Pension	(176,000)	(167,345)	8,655	5%
<b>Total Expenses</b>	<b>(5,360,023)</b>	<b>(3,127,174)</b>	<b>2,232,849</b>	
<b>Capital outlay (fixed assets)</b>	<b>(2,769,411)</b>	<b>(618,219)</b>	2,151,192	78%
<b>Net profit (loss)</b>	<b>\$ (1,175,228)</b>	<b>\$ 567,715</b>	<b>\$ 1,742,943</b>	
Debt Service Collections	930,459	723,924	(206,535)	
Debt Service: Prin/Interest	(1,007,008)	(999,103)	7,905	
	(76,549)	(275,178)	(198,629)	

## Budget to Actual

### *Groveland Community Services District*

For 3rd Quarter ended Mar. 31, 2019

Water	2018/19 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget- Remaining \$	CY Actual Vs. CY Budget- Remaining%
Fixed rates	\$ 1,493,090	\$ 1,155,850	\$ (337,240)	23%
Variable rates	886,800	734,326	(152,474)	17%
Other operating revenues	62,030	99,967	37,937	-61%
Other nonoperating revenues	194,000	85,063	(108,937)	0.56
<b>Total Revenue</b>	<b>2,635,920</b>	<b>2,075,205</b>	<b>(560,715)</b>	
Salaries	(526,811)	(326,336)	200,475	38%
Benefits	(296,764)	(210,909)	85,855	29%
General Manager	(103,600)	(60,661)	42,939	41%
Cost of water	(215,000)	(116,013)	98,987	46%
Utilities	(105,000)	(70,238)	34,762	33%
Legal	(17,360)	(5,373)	11,987	69%
Other operating expenses	(734,072)	(445,042)	289,030	39%
Leases	(10,124)	(8,546)	1,578	16%
Transfer to OPEB Trust	(103,600)	-	103,600	100%
Pension Unfunded Liability	\$ (78,400)	\$ (74,476)	3,924	5%
<b>Total Expenses</b>	<b>(2,190,731)</b>	<b>(1,317,593)</b>	<b>873,138</b>	
<b>Capital outlay (Fixed assets)</b>	<b>(469,208)</b>	<b>(179,319)</b>	<b>289,889</b>	<b>62%</b>
<b>Net profit (loss)</b>	<b>\$ (24,019)</b>	<b>\$ 578,293</b>	<b>\$ 602,312</b>	
Debt service collections-3236	604,801	464,700	(140,101)	23%
Debt service Prin/Interest	(686,123)	(681,783)	4,340	1%
	<b>(81,322)</b>	<b>(217,083)</b>	<b>(135,761)</b>	<b>(135,761)</b>

#### Water Fund Quarter Summary Notes

##### REVENUE

Other Operating Rev.- Water Connections \$25K, Other Water Sales \$7K, Interest Earned \$14K

Other Non-Operating Rev-Downtown/BOF \$67K, CDAA Flood \$14K

##### EXPENSES

Nothing Notable

##### CAPITAL OUTLAY

Downtown/BOF \$60K, Storm Damage \$55K,

## Budget to Actual

### *Groveland Community Services District*

For 3rd Quarter ended Mar. 31, 2019

Sewer	2018/19 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget-Remaining \$	CY Actual Vs. CY Budget-Remaining%
Fixed rates	\$ 1,243,430	\$ 902,271	\$ (341,159)	27%
Variable rates	381,025	306,625	(74,400)	20%
Other operating revenues	12,000	49,952	37,952	-316%
Other nonoperating revenues	1,354,296	62,581	(1,291,715)	95%
<b>Total Revenue</b>	<b>2,990,751</b>	<b>1,321,429</b>	<b>(1,669,322)</b>	
Salaries	(431,056)	(277,595)	153,461	36%
Benefits	(220,205)	(165,905)	54,300	25%
General Manager	(70,300)	(41,163)	29,137	41%
Utilities	(115,000)	(66,924)	48,076	42%
Legal	(11,780)	(3,568)	8,212	70%
Other operating expenses	(557,800)	(259,554)	298,246	53%
Leases	(39,872)	(37,419)	2,453	6%
Transfer to OPEB Trust	(70,300)	-	70,300	100%
Pension Unfunded Liability	(53,200)	(50,537)	2,663	5%
<b>Total Expenses</b>	<b>(1,569,513)</b>	<b>(902,665)</b>	<b>666,848</b>	
<b>Capital Outlay (fixed assets)</b>	<b>(2,012,497)</b>	<b>(226,079)</b>	<b>1,786,418</b>	<b>89%</b>
<b>Net profit (loss)</b>	<b>\$ (591,259)</b>	<b>\$ 192,685</b>	<b>\$ 783,944</b>	
Debt service collections-1329/No BOF	325,658	259,224	(66,434)	20%
Debt service:Prin/Interest	(320,885)	(317,320)	3,565	1%
	4,773	(58,096)	(62,869)	

#### **Sewer Fund Quarter Summary Notes**

##### **REVENUE**

Other Operating Rev.-Sewer Connections \$35K

Non-Operating Revenue-Downtown/BOF \$36K, CDAA Flood \$6500, Septage \$16K

##### **EXPENSES**

Nothing Notable

##### **CAPITAL OUTLAY**

Sludge Drying Bed \$110K, Downtown/BOF \$24K, Culvert/Ponds \$31K, Storm Damage \$31K



**Budget to Actual**  
*Groveland Community Services District*

**Budget to Actual**  
*Groveland Community Services District*

For 3rd Quarter ended Mar. 31, 2019

<b>Total - Governmental Funds</b>	<b>2018/19 Annual Budget</b>	<b>Year-to-date Actuals</b>	<b>CY Actual Vs. CY Budget- Remaining \$</b>	<b>CY Actual Vs. CY Budget- Remaining%</b>
Property taxes	1,135,835	652,136	(483,699)	43%
Other operating revenues	21,500	67,092	45,592	-212%
Other nonoperating revenues	170,200	197,246	27,046	-16%
<b>Total Revenues</b>	<b>1,327,535</b>	<b>916,474</b>	<b>(411,061)</b>	
Salaries and benefits	(113,244)	(63,746)	49,498	44%
General Manager-Consulting	(11,100)	(6,499)	4,601	41%
Utilities	(54,000)	(33,835)	20,165	37%
Legal	(1,860)	(474)	1,386	75%
Cal Fire/Amador contract	(1,256,480)	(699,630)	556,850	44%
Other operating expenses	(107,595)	(60,399)	47,196	44%
Transfer to OPEB Trust	(11,100)	-	11,100	100%
Transfer to Pension/Unfunded	(44,400)	(42,333)	2,067	5%
<b>Total Expenses</b>	<b>(1,599,779)</b>	<b>(906,916)</b>	<b>692,863</b>	
<b>Capital outlay (fixed assets)</b>	<b>(287,706)</b>	<b>(212,821)</b>	<b>74,885</b>	<b>26%</b>
<b>Net profit (loss)</b>	<b>\$ (559,950)</b>	<b>\$ (203,263)</b>	<b>\$ 356,687</b>	

**Budget to Actual**  
*Groveland Community Services District*

For 3rd Quarter ended Mar. 31, 2019

Fire	2018/19 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget-Remaining \$	CY Actual Vs. CY Budget-Remaining%
Property taxes	\$ 1,044,969	\$ 599,965	\$ (445,004)	43%
Other operating revenues	20,000	63,275	43,275	-216%
Other nonoperating revenues	1,000	913	\$ (87)	9%
<b>Total Revenues</b>	<b>1,065,969</b>	<b>664,154</b>	<b>(401,815)</b>	
Salaries and benefits	(41,074)	(19,288)	21,786	53%
General Manager	(1,850)	(1,083)	767	41%
Cal Fire Contract	(996,096)	(699,630)	296,466	30%
Amador Contract	(260,384)	0	260,384	100%
Utilities	(12,000)	(9,192)	2,808	23%
Legal	(310)	(45)	265	86%
Other operating expenses	(71,106)	(38,511)	32,595	46%
Transfer to OPEB Trust	(1,850)	-	\$ 1,850	100%
Tfr. to PERS Unfunded/Smoothing	(37,400)	(35,683)	\$ 1,717	5%
<b>Total Expenses</b>	<b>(1,422,070)</b>	<b>(803,432)</b>	<b>618,638</b>	
<b>Capital Outlay (fixed assets)</b>	<b>(76,013)</b>	<b>(5,376)</b>	<b>\$ 70,637</b>	
<b>Net Profit (Loss)</b>	<b>\$ (432,114)</b>	<b>\$ (144,654)</b>	<b>\$ 287,460</b>	

**Fire Fund Quarter Summary Notes**

**REVENUE**

Property Tax payments are received in Dec/Apr.

Equipment Rental \$55K

**EXPENSES**

Nothing Notable

**Budget to Actual**  
*Groveland Community Services District*

For 3rd Quarter ended Mar. 31, 2019

Parks	2018/19 Annual Budget	Year-to-date Actuals	CY Actual Vs. CY Budget-Remaining \$	CY Actual Vs. CY Budget-Remaining%
Property taxes	\$ 90,866	\$ 52,171	\$ (38,695)	43%
Other operating revenues	1,500	3,817	2,317	-154%
Other nonoperating revenues	169,200	196,332	27,132	
<b>Total Revenue</b>	<b>261,566</b>	<b>252,321</b>	<b>(9,245)</b>	
Salaries and benefits	(72,170)	(44,458)	27,712	38%
General Manager	(9,250)	(5,416)	3,834	41%
Utilities	(42,000)	(24,644)	17,356	41%
Legal	(1,550)	(429)	1,121	72%
Other operating expenses	(36,489)	(21,888)	14,601	40%
Transfer to OPEB Trust	(9,250)	0	9,250	100%
Transfer to Pension	(7,000)	(6,650)	350	5%
<b>Total Expenses</b>	<b>(177,709)</b>	<b>(103,484)</b>	<b>74,225</b>	
<b>Capital outlay (fixed assets)</b>	<b>(211,693)</b>	<b>(207,445)</b>	<b>4,248</b>	<b>2%</b>
<b>Net Profit (Loss)</b>	<b>\$ (127,836)</b>	<b>\$ (58,608)</b>	<b>\$ 69,228</b>	

**Parks Fund Quarter Summary Notes**

**REVENUE**

Property Tax Payments are received in Dec/Apr.  
Cell Tower Rent \$30K

**EXPENSES**

Nothing notable

**CAPITAL OUTLAY**

Park Restoration \$201K- Will receive 75% Grant Money for this project

<b>GROVELAND COMMUNITY SERVICES DISTRICT</b>									
<b>Quarterly Investment Report Jan-Mar 2019</b>				<b>Enterprise &amp; D/G Funds</b>			<b>Government Funds</b>		
		Interest	YTD Interest						
Cash Accounts	Acct	Rate	Earned-2019	Water	Sewer	Grunsky	Fire	Parks	G/L Totals
Rabobank Operating Account	4498	0	0	1,034,282.28	526,127.61	5,356.94	461,619.89	27,683.48	2,055,070.20
Rabobank Investment (Operating Reserves)	2814	0.20%	119.20	-	-	-	-	-	-
Rabobank Payroll Account	2426	0	0	23,072.50	23,783.92		3,175.50	3,422.68	53,454.60
Water Bond Pymt Reserve	4662	0.20%	418.39	923,835.12	-		-	-	923,835.12
Sewer Bond Pymt Reserve	4745	0.20%	372.95	-	812,173.04		-	-	812,173.04
Cash Drawer				168.00	132.00				300.00
Petty Cash				100.00	100.00				200.00
Cash in Co Treas SAD 77-1				(588.00)					(588.00)
LAIF to Investment Reserves Acct	5001	2.55%	14,908.63	1,545,944.62	184,517.61	11,780.22	743,350.14	237,899.86	2,723,492.45
Closed Pension/Drought Acct.	58/89	0.20%	0.00						
<b>Total Unrestricted Cash</b>				<b>3,526,814.52</b>	<b>1,546,834.18</b>	<b>17,137.16</b>	<b>1,208,145.53</b>	<b>269,006.02</b>	<b>6,567,937.41</b>
2013 Water Bond Sale - Restricted Reserve	2498	0.20%	152.22	315,793.41					315,793.41
2014 BNY Water Bond Sale - Restricted Reserve	5112	2.52%	2147	384,192.03					384,192.03
2014 BNY Sewer Bond Sale-Restricted Reserve	9240	2.52%	1,843.21		329,830.58				329,830.58
<b>Total Restricted Cash</b>				<b>699,985.44</b>	<b>329,830.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,029,816.02</b>
<b>Total Cash and Investments</b>				<b>4,226,799.96</b>	<b>1,876,664.76</b>	<b>18,464.26</b>	<b>1,208,145.53</b>	<b>269,006.02</b>	<b>7,597,753.43</b>
<b>2019 YTD Interest Earned</b>		Jan-Mar	<u>\$ 19,961.60</u>						
"I certify that the District investments have been made in accordance with the Investment Policy. I further certify that the District has adequate revenue to cover its operating expense for the next six months, in accordance with California Government Code Sections 53646 (b) (2) and (3) respectively."									
Name		Title				Date			

May 9, 2019  
Community Relations Consultant Report  
Roni Lynn Borrego

April saw a great deal of positive connection between the community and the district. I have received a significant increase in personal positive feedback from community members that I encounter as well as a decrease in negative and false comments posted as facts on social media platforms. The GCSD Facebook page “likes” have had a 65% increase since January of this year. There is still work to be done to get clicks to the district website, and I will be implementing new strategies to see that increase

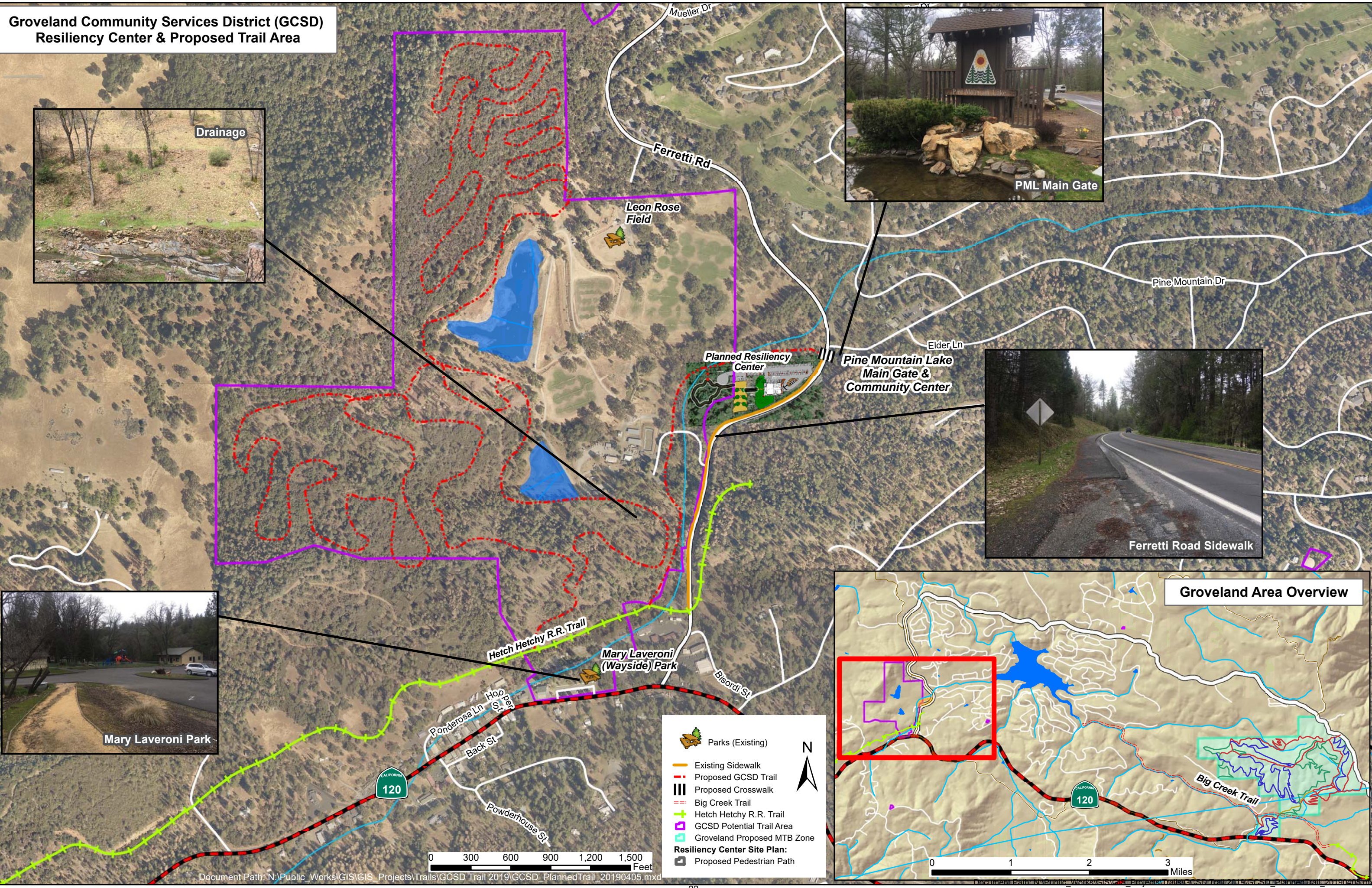
The staff did a great job preparing for and hosting the GRACE Community Input Event on April 22<sup>nd</sup>. My direct outreach efforts proved to be successful in gaining the support of local stakeholders and created a lot of interest and excitement in the community. The informative presentation given by Pete sparked great comments by the public in attendance and resulted in a powerful dialogue with attendees. The Tioga High School Culinary Programs appetizers were a delicious hit! What came out of this first event was the community’s strong desire for the ballpark to be rejuvenated and new park services that will serve the youth in the regional area. The ad-hoc committee will be meeting soon to discuss the getting the remaining input events on the calendar and these will be on the district calendar once decided. I will reach out to the community often to increase attendance.

Looking forward we will see much improved communication between the district and constituents in the form of announcements in advance of district projects that could effect traffic and supply. I attended a safety meeting and spoke candidly with the staff about giving our public more information about all of the good work we are doing. There is a firm communication plan between me, the district management and each operator.

I have also reached out to Pine Mountain Lake General Manager about improving communication with our largest constituency and am looking forward to his response. I intend to meet with Joe Powell to strategize how the District and PML can collaborate more successfully to serve our shared constituents.

In summary, the outreach provided is making a positive difference in public knowledge of all of the good services and work done by the district.

**Groveland Community Services District (GCSD)  
Resiliency Center & Proposed Trail Area**

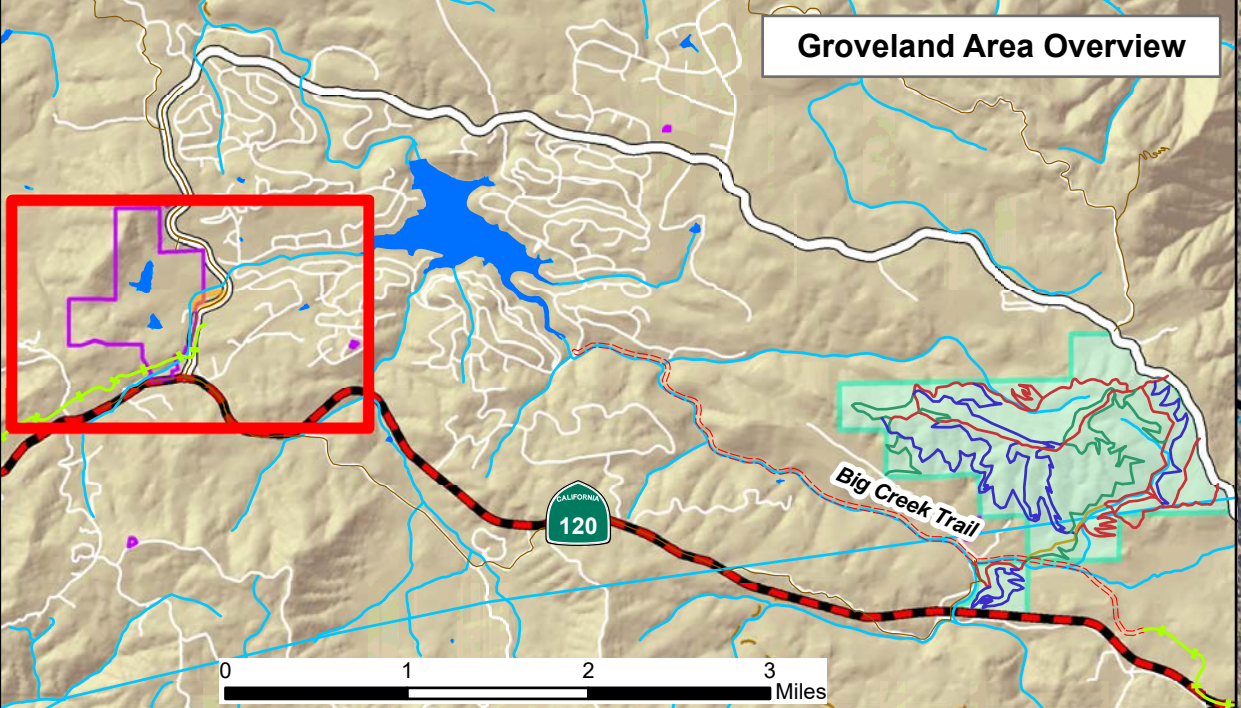
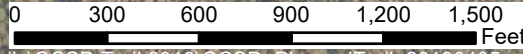


**Legend**

- Parks (Existing)
- Existing Sidewalk
- Proposed GCSD Trail
- Proposed Crosswalk
- Big Creek Trail
- Hetch Hetchy R.R. Trail
- GCSD Potential Trail Area
- Groveland Proposed MTB Zone

**Resiliency Center Site Plan:**

- Proposed Pedestrian Path



**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
GROVELAND COMMUNITY SERVICES DISTRICT  
GROVELAND, CALIFORNIA**

**April 12, 2019**

**9:00 a.m.**

The Board of Directors of Groveland Community Services District met in special session on the above mentioned date with Directors Janice Kwiatkowski, President, Nancy Mora, Vice President, John Armstrong, Spencer Edwards, and Robert Swan being present. Also present was Administrative Services Manager Jennifer Flores, Operations Manager Luis Melchor, and General Manager Pete Kampa.

**Call to Order**

Director Kwiatkowski called the meeting to order at 9:05am.

**Approve Order of Agenda**

Motion

*Director Edwards moved, seconded by Director Armstrong and the motion passed unanimously to approve the order of the agenda.*

**Public Comment**

None.

A. Closed Session

(Public may comment on closed session item prior to Board convening into closed session)

The Board convened into closed session at 9:06am.

A. Public Employee Appointment (Pursuant to Govt. Code Sec. 54957)

Title: General Manager

The Board reconvened into open session at 9:57am.

B. Announcement out of Closed Session

Director Kwiatkowski announced that, *"...the Board discussed the possibility of converting our part time General Manager position to a full time employee of the District. We will be assigning two directors to an ad hoc committee to investigate the possibility of how to handle this matter and to negotiate contract details, if appropriate, and to consult with legal counsel as needed."*

C. Appointment of a Board Representative(s) for the Purpose of Negotiations with the General Manager Regarding Contract Terms and Conditions

Motion

*Director Edwards moved, seconded by Director Mora, and the motion passed unanimously to appoint Directors Kwiatkowski and Armstrong to the ad hoc committee created for the purpose of General Manager contract negotiations.*

**Adjournment**

*The meeting was adjourned at 10:02am.*

APPROVED:

\_\_\_\_\_

Janice Kwiatkowski, President

ATTEST:

\_\_\_\_\_

Jennifer Flores, Board Secretary

DRAFT



**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
GROVELAND COMMUNITY SERVICES DISTRICT  
GROVELAND, CALIFORNIA  
April 12, 2019  
10:00 a.m.**

The Board of Directors of Groveland Community Services District met in special session on the above mentioned date with Directors Janice Kwiatkowski, President, Nancy Mora, Vice President, John Armstrong, Spencer Edwards, and Robert Swan being present. Also present was Administrative Services Manager Jennifer Flores, Operations Manager Luis Melchor, and General Manager Pete Kampa.

**Call to Order**

Director Kwiatkowski called the meeting to order at 10:09am.

**Approve Order of Agenda**

The Board approved the order of the agenda by consensus.

**Public Comment**

A member of the public asked how the District would pay for the implementation of the salary schedule as proposed in the Koff and Associates report.

**Information Items**

Brief reports may be provided by District staff and/or Board members as information on matters of general interest. No action will be taken by the Board during Reports, however items discussed may be recommended for discussion and action on a future agenda. Public comments will be taken after each report is provided.

- A. Staff Reports
  - i. Fire Department Report
  - ii. General Manager's Report
  - iii. Operations Manager's Report
  - iv. Administrative Services Manager's Report
- B. President's Report
  - i. Fire Services Evaluation and Funding

**Consent Calendar**

Consent Calendar items are considered routine and will be acted upon by one motion. There will be no separate discussion on these items unless a member of the Board, Staff or a member of the Public requests specific items be set aside for separate discussion.

- A. Approve Minutes from the March 12, 2019 Regular Meeting
- B. Accept March Payables
- C. Waive Reading of Ordinances and Resolutions Except by Title
- D. Adoption of a Resolution Ratifying the Award of Contract to Smith Construction Company, Inc. for the Fire Department Approach Renovation Project
- E. Adoption of a Resolution Approving an Updated Multi-Jurisdictional Local Hazard Mitigation Plan
- F. Adoption of a Resolution Removing Drought Water Restrictions and Implementation of Water Use Requirements Consistent with Those of the State
- G. Approval of a Process for Evaluation of the Performance of the General Manager

*Motion*

*Director Armstrong moved, seconded by Director Edwards, and the motion passed unanimously to approve the Consent Calendar.*

## Old Business

(Items tabled or carried forward from a previous meeting to be considered on this agenda. The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action)

- A. Adoption of a Resolution Accepting the Compensation Survey Prepared by Koff and Associates and Directing the Development of an Implementation Plan for Revised Salaries

### Motion

*Director Armstrong moved, seconded by Director Edwards, and the motion passed unanimously to approve Resolution 12-19, Accepting the Compensation Survey Prepared by Koff and Associates and Directing the Development of an Implementation Plan for Revised Salaries with the discussed modifications as agreed upon.*

The Board moved Item 6I up for consideration to accommodate the county representative in attendance.

Item 6I: Consideration of Offer to Tuolumne County to Purchase Groveland Townsite Common Land

No Board action taken on Item 6I.

- B. Adoption of a Resolution Approving a Revised Policy Providing Requirements for District Staff Use of Credit Cards for General Purchasing

### Motion

*Director Swan moved, seconded by Director Mora, and the motion passed unanimously to adopt Resolution 11-19 Approving a Revised Policy Providing Requirements for District Staff Use of Credit Cards for General Purchasing.*

## Discussion and Action Items

The Board of Directors intends to consider each of the following items and may take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.

- A. Appointment of a District Representative(s) for the Purpose of Union Negotiations with Operating Engineers Local #3

### Motion

*Director Swan moved, seconded by Director Kwiatkowski, and the motion passed unanimously appoint District General Manager and Administrative Services Manager as the District Representatives for the Purpose of Union Negotiations with Operating Engineers Local #3.*

- B. Adoption of a Resolution Approving Agreement with Granicus for Board Meeting and Agenda Management Services, and Approving the Purchase of Related Video Equipment

No Board action taken on Item 6B.

- C. Adoption of a Resolution Approving Application(s) for Per Capita Grant Funds Through the State Department of Parks and Recreation

### Motion

*Director Mora moved, seconded by Director Armstrong, and the motion passed unanimously to adopt Resolution 14-19 Approving Application(s) for Per Capita Grant Funds through the State Department of Parks and Recreation.*

- D. Adoption of a Resolution Approving Agreement with California CAD Solutions, Inc for the Preparation and Publication of a Dash GIS Site to Display District Boundaries and Assessors Parcels/Information; to Serve as the Base Site for Digital Infrastructure Maps

Motion

*Director Armstrong moved, seconded by Director Swan, and the motion passed unanimously to adopt Resolution 15-19 Approving Agreement with California CAD Solutions, Inc. for the Preparation and Publication of a Dash GIS Site to Display District Boundaries and Assessors Parcels/Information; to Serve as the Base Site for Digital Infrastructure Maps.*

- E. Adoption of a Resolution Approving Agreement with AquaSierra Controls, Inc for the Evaluation of all District Computers and Related Software, Licenses, Operational Status, Replacement Needs, Perform Software Updates and Staff Training, Develop System Schematic and Identify Improvement Needs

Motion

*Director Armstrong moved, seconded by Director Mora, and the motion passed unanimously to adopt Resolution 16-19 Approving Agreement with AquaSierra Controls, Inc. for the Evaluation of all District Computers and Related Software, Licenses, Operational Status, Replacement Needs, Perform Software Updates and Staff Training, Develop System Schematic and Identify Improvement Needs.*

- F. Adopting of a Resolution Approving Agreement with Citygate Associates for the Update of the Fire Department Master Plan, and Establishment of Services Standards and a Deployment Plan

Motion

*Director Edwards moved, seconded by Director Armstrong, and the motion passed unanimously to adopt Resolution 17-19 Approving Agreement with Citygate Associates for the Update of the Fire Department Master Plan, and Establishment of Services Standards and a Deployment Plan.*

- G. Adoption of a Resolution Recognizing the Creation of a Community Emergency Response Team (CERT) and Providing Certain Support and Insurance

Motion

*Director Swan moved, seconded by Director Edwards, and the motion passed unanimously to adopt Resolution 18-19 Recognizing the Creation of a Community Emergency Response Team (CERT) and Providing Certain Support and Insurance.*

- H. Consideration of Nomination of Candidates for the Board of Directors of California Special Districts Association and Special District Risk Management Authority

Motion

*Director Mora moved, seconded by Director Edwards, and the motion passed unanimously to adopt Resolution 20-19 nominating Director Swan as a candidate for election to the Special District Risk Management Authority Board of Directors.*

Motion

Director Edwards moved, seconded by Director Armstrong, and the motion passed unanimously to nominate Director Mora as a candidate to the California Special Districts Association Board of Directors.

- I. Consideration of Offer to Tuolumne County to Purchase Groveland Townsite Common Land

Moved up for consideration after Item 5A. No Board action taken.

- J. Approval of a Consulting Services Contract Change Order with Koff and Associates for the Development of Updated Job Classifications

Motion

Director Kwiatkowski moved, seconded by Director Armstrong, and the motion passed unanimously to approve a Consulting Services Contract Change Order with Koff and Associates for the Development of Updated Job Classifications.

**Adjournment**

Motion

Director Swan moved, seconded by Director Mora, and the motion passed unanimously to adjourn the meeting at 1:49pm

APPROVED:

\_\_\_\_\_  
Janice Kwiatkowski, President

ATTEST:

\_\_\_\_\_  
Jennifer Flores, Board Secretary



# **ACCOUNTS PAYABLE CHECK LISTING**

**April, 2019  
Fiscal Year 18/19  
Board Approval \_\_\_\_\_**

# Accounts Payable Checks



User: dpercoco  
Printed: 5/3/2019 3:39:54 PM

Check N	Vendor N	Vendor Name	Check Dat	Committe	Description	Amount
17723	Accela	Accela, Inc. #774375	4/24/2019	True	Monthly C/C Web Pmt Fees	\$996.25
17724	AQU01	Aqua Labs	4/24/2019	True	050 Water Tests	\$2,745.00
17725	ATT02	AT&T	4/24/2019	True	Monthly Cal Net phone service	\$485.25
17726	UB*02431	Azevedo, Steve	4/24/2019	True	Refund Check	\$10.87
17727	UB*02429	Banker Segerstrom, Coldwell	4/24/2019	True	Refund Check	\$139.83
17728	UB*02416	Basile, Anthony	4/24/2019	True	Refund Check	\$33.27
17729	UB*02421	Best, Ernie & Shirley	4/24/2019	True	Refund Check	\$174.64
17730	BRE01	Breshears, W. H.	4/24/2019	True	Fuel & Oil	\$3,738.64
17731	CAR06	Carbon Copy Inc.	4/24/2019	True	Monthly Copier Usage	\$79.63
17732	Datapros	Dataprose Inc.	4/24/2019	True	Monthly UB Statement Processing	\$395.34
17733	UB*02428	DIANDA	4/24/2019	True	Refund Check	\$59.30
17734	DIS01	Dish Network	4/24/2019	True	Satellite TV for FD	\$45.68
17735	dow05	Down to Earth Const. & Nursery	4/24/2019	True	1 yard drain rock for Ferretti Rd. water break	\$45.05
17736	UB*02433	Escamilla, Luis & Yolanda	4/24/2019	True	Refund Check	\$375.39
17737	GEN01	General Plumbing Supply	4/24/2019	True	Parts for Backflow install 13/220	\$45.86
17738	gilb01	Gilbert Associates, Inc.	4/24/2019	True	CPA Services	\$3,100.00
17739	Gol08	Golden Bell Products, Inc.	4/24/2019	True	7 ea. 5 gal pails LS degreaser, 7 ea. 5 gal pails oil sponge UC	\$2,582.56
17740	gro08	Groveland Transfer Station	4/24/2019	True	Dump run	\$84.85
17741	H&S	H & S Parts and Service	4/24/2019	True	Rear brake shoes/ drums for Engine 781	\$409.21
17742	Hes01	Hessler Construction Co.	4/24/2019	True	Firehouse bathroom repair	\$5,208.00
17743	UB*02427	Hines, E.	4/24/2019	True	Refund Check	\$12.39
17744	HIT01	Hi-Tech E V S, Inc	4/24/2019	True	Rebuild kit for leaking valves on Engine 788	\$419.04
17745	JSW02	J.S. West Propane Gas	4/24/2019	True	Propane	\$1,842.98
17746	Kof02	Koff & Associates	4/24/2019	True	Classification/Comp Study	\$4,288.00
17747	UB*02422	Kokovai, Hanna	4/24/2019	True	Refund Check	\$116.58
17748	UB*02426	Larson, David	4/24/2019	True	Refund Check	\$110.90
17749	UB*02397	MacDonald, Brandon & Patricia	4/24/2019	True	Refund Check	\$68.89
17750	UB*02417	Mausumi, Sayed O. & Sheela	4/24/2019	True	Refund Check	\$113.21
17751	UB*02432	Meister, Eric	4/24/2019	True	Refund Check	\$130.15
17752	UB*02415	Monshi, Farzan	4/24/2019	True	Refund Check	\$135.27
17753	neu01	Neumiller & Beardslee	4/24/2019	True	Legal Services	\$228.00
17754	pin06	Pine Mountain Employment Temp Agency	4/24/2019	True	Temporary Office clerk	\$1,083.81
17755	Pri04	PLIC-SBD Grand Island	4/24/2019	True	Monthly Dental, Vision, Life & LTD Insurance	\$3,449.43

Check N	Vendor N	Vendor Name	Check Dat	Committe	Description	Amount
17756	UB*02419	Pluckhan, Gary & Deborah	4/24/2019	True	Refund Check	\$5.58
17757	pot01	Potable Divers, Inc.	4/24/2019	True	Tank 1, 3 & 5 Water Tank Cleaning	\$3,400.00
17758	UB*02424	Provost, Eleanor	4/24/2019	True	Refund Check	\$420.69
17759	R&B	R & B Company	4/24/2019	True	Parts for Backflow install 13/220	\$2,315.06
17760	rabo01	Rabobank Visa Card	4/24/2019	True	March Credit Card Purchases	\$1,097.59
17761	UB*02430	RD Partner LLC	4/24/2019	True	Refund Check	\$11.10
17762	UB*02423	Rogers, Darren & Kimberly	4/24/2019	True	Refund Check	\$147.90
17763	UB*02425	RushMyFile Inc.	4/24/2019	True	Refund Check	\$45.67
17764	Sie17	Sierra Instant Printing	4/24/2019	True	Business cards and one box of envelopes	\$177.79
17765	UB*02420	Smith, John & Cheryl	4/24/2019	True	Refund Check	\$10.77
17766	UB*02418	Snitchler, Dennis & Lorena	4/24/2019	True	Refund Check	\$115.27
17767	UB*02193	Stallion Springs Trust	4/24/2019	True	Refund Check	\$95.00
17768	Sta15	Staples Credit Plan	4/24/2019	True	New Office chair	\$894.67
17769	SWR02	SWRCB	4/24/2019	True	Greg Dunn T3 Certification	\$90.00
17770	Ver03	Verizon Wireless 7706	4/24/2019	True	Monthly Auto Dialers	\$157.53
17771	UB*02165	Waldman, Trustee, Dana Ross	4/24/2019	True	Refund Check	\$52.96
17772	ZAL01	Zalreich Chemical Co	4/24/2019	True	1350 lbs Polymer for WWTP	\$2,716.30
115710	OE3	Operating Engineers Local #3	4/23/2019	True	PR Batch 00003.04.2019 Oper Engin Union Dues	\$304.56
901979	DCSS	Dept of Child Support Services	4/23/2019	True	PR Batch 00003.04.2019 Wage Garnish Child Support	\$235.95
901980	EDD01	EDD - Electronic	4/23/2019	True	PR Batch 00003.04.2019 State Income Tax	\$1,186.14
901981	FedEFTPS	Federal EFTPS	4/23/2019	True	PR Batch 00002.04.2019 Medicare Emple Portion	\$8,593.94
901982	PER01	Pers - Electronic	4/23/2019	True	PR Batch 00003.04.2019 PERS Employee Deduct	\$5,247.99
901983	TD 457	TD Ameritrade Trust Co.	4/23/2019	True	PR Batch 00003.04.2019 457 Deferred Compensation	\$980.00
17691	3TEquip	3T Equipment Company, Inc.	4/12/2019	True	2 ea. 1" ball valves for jetting truck	\$472.02
17692	Accela	Accela, Inc. #774375	4/12/2019	True	Monthly C/C Web Pmt Fees	\$38.70
17693	AIR01	Airgas USA, LLC	4/12/2019	True	Parts for Welder	\$177.54
17694	BLU01	Anthem Blue Cross	4/12/2019	True	Monthly Group Health Ins.	\$21,503.82
17695	BRE01	Breshears, W. H.	4/12/2019	True	Fuel & Oil	\$1,118.16
17696	UB*02414	Bukhtiar, Susan	4/12/2019	True	Refund Check	\$2,000.00
17697	BOA01	CA Dept of Tax/Fee Administration	4/12/2019	True	Diesel Fuel Taxes	\$457.92
17698	csb01	CSBA District Services	4/12/2019	True	GASB AMM Report-GASB Roll Forward report	\$500.00
17699	Datapro	Datapro Inc.	4/12/2019	True	Monthly UB Statement Processing	\$1,965.41
17700	Del02	Dell Business Credit-Payment	4/12/2019	True	New Dell computer for Admin	\$1,378.76
17701	flo01	Flores, Jennifer	4/12/2019	True	Parking/Lunch for Notary class for J Flores	\$22.20
17702	GCS02	GCSB	4/12/2019	True	GCSB Water Bill	\$2,821.69
17703	GEN02	General Supply Co	4/12/2019	True	6 ea. 250 MCM wire connectors	\$216.68
17704	HAC01	Hach	4/12/2019	True	Chemicals for Treatment plants	\$1,129.62
17705	JSW02	J.S. West Propane Gas	4/12/2019	True	Propane	\$571.14
17706	KC Auto	KC Auto Parts	4/12/2019	True	March Auto Parts	\$260.29
17707	KKI01	KKI Corporation	4/12/2019	True	IT Services	\$472.50
17708	MOT03	Mother Lode Answering Service	4/12/2019	True	Monthly Call Forward/Paging	\$183.00
17709	Nji01	Njirich & Son's, Inc.	4/12/2019	True	Retention billing for Sludge Drying bed project	\$5,509.92
17710	Oreil	O'Reilly Auto Parts	4/12/2019	True	Filters for Kubata tractor	\$382.08

Check N	Vendor N	Vendor Name	Check Dat	Committe	Description	Amount	
17711	PGE01	PG&E	4/12/2019	True	Monthly Electric Charges	\$697.00	
17712	pml01	PML Hardware & Supply Inc.	4/12/2019	True	March Hardware supplies	\$623.97	
17713	SUE01	Ray Suess Insurance & Invst	4/12/2019	True	Retired Members Medical SW	\$4,298.72	
17714	SFPUC	San Francisco Public Utilities Commission	4/12/2019	True	Monthly Water Purchase	\$10,162.56	
17715	SDR01	SDRMA	4/12/2019	True	Liability Insurance	\$31.10	
17716	TUO01	Tuo. Co. Public Power Agency	4/12/2019	True	Public Power Purchase	\$10,374.03	
17717	UNI05	Univar Usa Inc.	4/12/2019	True	349 bags of White Crystal Morton Salt	\$6,649.25	
17718	USA03	Usa Blue Book	4/12/2019	True	Pole, brush, 5 Ea. Electrode Storage solution for AWS Filter	\$313.16	
17719	UNI01	Western Communications, Inc.	4/12/2019	True	Public Notice-Adoption of Ordinance	\$207.80	
17720	am01	AM Consulting Engineers, Inc.	4/12/2019	True	DWSRF Planning Grant-Downtown/BOF Engineering/Environmental fees	\$8,040.00	
17721	Kam01	Kampa Community Solutions, LLC	4/12/2019	True	General Manager consulting duties	\$11,412.50	
17722	Rex01	Rexel	4/12/2019	True	SMC Flex Smart Soft Start for STP Irrigation Motor	\$4,962.66	
115704	MOT05	Oak Valley Community Bank	4/10/2019	True	Steve Williamson HSA for Apr-Jun 2019	\$712.50	
115705	OE3	Operating Engineers Local #3	4/10/2019	True	PR Batch 00001.04.2019 Oper Engin Union Dues	\$304.56	
115706	Rabo02	Rabobank, N.A.	4/10/2019	True	Debra Lucas HSA for Apr-Jun 2019	\$712.50	
901974	DCSS	Dept of Child Support Services	4/10/2019	True	PR Batch 00001.04.2019 Wage Garnish Child Support	\$235.95	
901975	EDD01	EDD - Electronic	4/10/2019	True	PR Batch 00001.04.2019 SDI - Employee	\$1,173.37	
901976	FedEFTPS	Federal EFTPS	4/10/2019	True	PR Batch 00001.04.2019 Medicare Employer Portion	\$8,224.00	
901977	PER01	Pers - Electronic	4/10/2019	True	PR Batch 00001.04.2019 2nd Tier PERS	\$4,943.32	
901978	TD 457	TD Ameritrade Trust Co.	4/10/2019	True	PR Batch 00001.04.2019 457 Deferred Compensation	\$980.00	
17670	APP01	Applied Industrial Technologies-CA, LLC	4/2/2019	True	2 ea. Drive couplings for Rain for Rent pump	\$607.51	
17671	UB*02413	Axiak, Bette Lee	4/2/2019	True	Refund Check	\$1.71	
17672	BUR01	Burton's Fire Inc	4/2/2019	True	Seat cushion & seat belt for Engine 781	\$747.12	
17673	GCS01	GCSO Petty Cash	4/2/2019	True	Utensils	\$8.54	
17674	GRA04	Grainger	4/2/2019	True	1 ea. Transfer fuel tank for Truck #18 / Vehicle Inspection form	\$779.48	
17675	Gre05	GreatAmerica Financial Services	4/2/2019	True	Monthly Avaya Phone System Lease	\$186.36	
17676	UB*02403	Grincewich, Philip	4/2/2019	True	Refund Check	\$52.93	
17677	KC01	KC Courier, LLC	4/2/2019	True	Monthly Courier Service	\$372.38	
17678	UB*02412	Mattingly, Jerome	4/2/2019	True	Refund Check	\$129.16	
17679	UB*02411	Monahan, Linda	4/2/2019	True	Refund Check	\$97.40	
17680	MOO01	Moore Bros. Savenger Co., Inc.	4/2/2019	True	Garbage Service	\$598.46	
17681	MOU03	Mountain Oasis Water Systems	4/2/2019	True	Bottled Water	\$185.50	
17682	per04	Percoco, Ronald	4/2/2019	True	Janitorial/Park Services	\$2,082.00	
17683	pin06	Pine Mountain Employment Temp Agency	4/2/2019	True	Temporary Office clerk	\$1,108.17	
17684	R&B	R & B Company	4/2/2019	True	Backflow install/Unit 13/220	\$198.63	
17685	Ron01	Roni Lynn Photography	4/2/2019	True	Social Media Management	\$2,900.00	
17686	Sec01	Secretary of State	4/2/2019	True	Notary exam fee	\$40.00	
17687	Stream	Streamline	4/2/2019	True	Quarterly Web Maintenance	\$600.00	
17688	STS01	STS Automation, Inc.	4/2/2019	True	I T Services, 2G PLC problems, install new office comp, etc.	\$2,529.31	
17689	Ver02	Verizon Wireless 5298	4/2/2019	True	Monthly Cell Phone	\$304.05	
17690	WOR01	WorkSmart Automation, Inc.	4/2/2019	True	Programming/Support SCADA	\$1,160.00	
						Direct Deposit Payroll	\$48,708.55
						TOTAL ACCOUNTS PAYABLE	\$240,693.39





## **BOARD MEETING AGENDA SUBMITTAL**

**TO:** GCSD Board of Directors

**FROM:** Jennifer Flores, Administrative Services Manager

**DATE:** May 14, 2019

**SUBJECT:** Agenda Item 4E: Adoption of Resolution 13-2019 Approving an Option and Lease Agreement Between Groveland Community Services District and New Cingular Wireless PSC, LLC, for Cell Site at Second Garrote

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### **RECOMMENDED ACTION**

Staff recommends the following action:

1. *Adopt Resolution 13-2019 Approving an Option and Lease Agreement Between Groveland Community Services District and New Cingular Wireless PSC, LLC, for Cell Site at Second Garrote*

### **BACKGROUND**

The Board received a presentation by a representative from New Cingular Wireless PSC, LLC at their January 8, 2018 Board meeting regarding the approval of two Option Lease Agreements for AT&T cell sites at Vernal Drive and Second Garrote. The Board approved both agreements at the meeting and the Vernal Site agreement was fully executed in April 2018.

The Second Garrote Lease Agreement was put on hold by New Cingular Wireless PSC, LLC as they had changeover in the company and assigned new staff to review. District staff has been working with New Cingular Wireless PSC, LLC over the last year with regard to the terms of the agreement for the Second Garrote cell site.

Included as an attachment is the final proposed Option Lease Agreement for the Second Garrote cell site which terms include:

1. \$967.50 monthly rent with an annual 3% increase
2. Initial three (3) year term to automatically renew for four (4) additional three (3) year terms

### **ATTACHMENTS:**

1. Resolution 13-2019
2. Option and Lease Agreement

### **FINANCIAL IMPACT**

\$11,610 additional annual revenue which the Board has designated to the Parks Fund that will increase automatically 3% every year.

**RESOLUTION NUMBER 13-2019**

**Adoption of a Resolution Approving an Option and Lease Agreement Between Groveland Community Services District and New Cingular Wireless PSC, LLC, for Cell Site at Second Garrote**

WHEREAS, the Groveland Community Services District Board of Directors was approached by New Cingular Wireless PSC, LLC in January 2018 regarding two Option Lease Agreements for AT&T Cell Sites at Vernal and Second Garrote;

WHEREAS, the Board approved both Lease Option Agreements at their January 8, 2018 Board meeting;

WHEREAS, the Option Lease Agreement for the Vernal Site was fully executed in April 2018;

WHEREAS, New Cingular Wireless PSC, LLC experienced staff turnover and did not complete the full execution of the Option Lease Agreement for the Second Garrote Site;

WHEREAS, District staff has been working with New Cingular Wireless PSC, LLC over the last year regarding the revised terms of the Option Lease Agreement for the Second Garrote Site;

WHEREAS, District staff believes the revised agreement terms are consistent with its other cell tower contracts and to be in the best interest of the District.

NOW, THEREFORE, BE IT RESOLVED that GROVELAND COMMUNITY SERVICES DISTRICT hereby approve Option and Lease Agreement between Groveland Community Services District and New Cingular Wireless, PSC, LLC for cell site at Second Garrote.

This Resolution shall take effect upon its adoption.

THE FOREGOING RESOLUTION was introduced at a special meeting of the Board of Directors held on the 14<sup>th</sup> day of May, 2019, and was passed by the following vote:

AYES:

NOES:

ABSTENTIONS:

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Janice Kwiatkowski, President

ATTEST: \_\_\_\_\_  
Jennifer L. Flores, Board Secretary

**CERTIFICATE OF SECRETARY**

I, Jennifer Flores, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on May 14, 2019.

DATED: \_\_\_\_\_

Market: Northern California  
Cell Site Number: CVL03317  
Search Ring Name: Second Garrotte  
Cell Site Name: Second Garrotte (CA)  
Fixed Asset Number: 13787564

## OPTION AND GROUND LEASE AGREEMENT

THIS OPTION AND GROUND LEASE AGREEMENT ("**Agreement**"), dated as of the latter of the signature dates below (the "**Effective Date**"), is entered into by Groveland Community Services District, a Community Services District, having a mailing address of 18966 Ferretti Rd., Groveland, CA 95321 ("**Landlord**"), and New Cingular Wireless PCS, LLC, a Delaware limited liability company, having a mailing address of 575 Morosgo Drive NE, Atlanta, GA 30324 ("**Tenant**").

### BACKGROUND

Landlord owns that certain plot, parcel or tract of land, as described on **Exhibit 1**, together with all rights and privileges arising in connection therewith, located at 209601 Elderberry Way, Groveland, in the unincorporated area of the County of Tuolumne, State of California [APN: 093-040-04] (collectively, the "**Property**"). Tenant desires to use a portion of the Property in connection with its federally licensed communications business to provide space for certain of Tenant's equipment necessary or advisable for the operation of its antennas and associated communications fixtures and equipment installed or to be installed on an antenna structure (the "**Tower**") owned by Pinnacles Cellular, Inc., a Delaware corporation, d/b/a Verizon Wireless ("**Verizon Wireless**"), which Tower is located on the Property. Landlord desires to grant to Tenant the right to use a portion of the Property in accordance with this Agreement.

The parties agree as follows:

#### 1. OPTION TO LEASE.

(a) Landlord grants to Tenant an option (the "**Option**") to lease a certain portion of the Property containing approximately three hundred seventy-five (375) square feet including the air space above such ground space, as described on attached **Exhibit 1** (the "**Premises**"), for the placement of Tenant's Communication Facility (as defined in Section 2 below) in accordance with the terms of this Agreement and grants such easements as are necessary for installation of all equipment required or advisable to connect Tenant's antennas located on the Tower with the Communication Facility.

(b) During the Option Term (as defined in Section 1(c) below), and during the Term (as defined in Section 3(d) below) of this Agreement, Tenant and its agents, engineers, surveyors and other representatives will have the right to enter upon the Property to inspect, examine, conduct soil borings, drainage testing, material sampling, radio frequency testing and other geological or engineering tests or studies of the Property (collectively, the "**Tests**"), to apply for and obtain licenses, permits, approvals, or other relief required of or deemed necessary or appropriate at Tenant's sole discretion for its use of the Premises and include, without limitation, applications for zoning variances, zoning ordinances, amendments, special use permits, and construction permits (collectively, the "**Government Approvals**"), initiate the ordering and/or scheduling of necessary utilities, and otherwise to do those things on or off the Property that, in the opinion of Tenant, are necessary in Tenant's sole discretion to determine the physical condition of the Property, the environmental history of the Property, Landlord's title to the Property and the feasibility or suitability of the Property for Tenant's Permitted Use (as defined in Section 2 below), all at Tenant's expense. Tenant will not be liable to Landlord or any third party on account of any pre-existing defect or condition on or with respect to the Property, whether or not such defect or condition is disclosed by Tenant's inspection. Tenant will restore the Property to its condition as it existed at the

commencement of the Option Term, reasonable wear and tear and loss by casualty or other causes beyond Tenant's control excepted.

(c) In consideration of Landlord granting Tenant the Option, Tenant agrees to pay Landlord the sum of Nine Hundred Sixty-Seven and 50/100 Dollars (\$967.50) within thirty (30) business days of the Effective Date. The Option will be for an initial term of one (1) year commencing on the Effective Date (the "**Initial Option Term**") and may be renewed by Tenant for an additional one (1) year (the "**Renewal Option Term**") upon written notification to Landlord and the payment of an additional Nine Hundred Sixty-Seven and 50/100 Dollars (\$967.50) no later than five (5) days prior to the expiration date of the Initial Option Term. The Initial Option Term and any Renewal Option Term are collectively referred to as the "**Option Term.**"

(d) The Option may be sold, assigned or transferred at any time by Tenant to an Affiliate (as that term is hereinafter defined) of Tenant or to any third party agreeing to be subject to the terms hereof. Otherwise, the Option may not be sold, assigned or transferred without the written consent of Landlord, such consent not to be unreasonably withheld, conditioned or delayed. From and after the date the Option has been sold, assigned or transferred by Tenant to an Affiliate or a third party agreeing to be subject to the terms hereof, Tenant shall immediately be released from any and all liability under this Agreement, including the payment of any rental or other sums due, without any further action.

(e) During the Option Term, Tenant may exercise the Option by notifying Landlord in writing. If Tenant exercises the Option then Landlord leases the Premises to Tenant subject to the terms and conditions of this Agreement. If Tenant does not exercise the Option during the Option Term or any extension thereof, this Agreement will terminate and the parties will have no further liability to each other.

(f) If during the Option Term, or during the Term of this Agreement the Option is exercised, Landlord decides to subdivide, sell, or change the status of the zoning of the Premises, Property or any of Landlord's contiguous, adjoining or surrounding property (the "**Surrounding Property**"), or in the event of foreclosure, Landlord shall immediately notify Tenant in writing. Landlord agrees that during the Option Term, or during the Term of this Agreement if the Option is exercised, Landlord shall not initiate or consent to any change in the zoning of the Premises, Property or Surrounding Property or impose or consent to any other use or restriction that would prevent or limit Tenant from using the Premises for the Permitted Use. Any and all terms and conditions of this Agreement that by their sense and context are intended to be applicable during the Option Term shall be so applicable.

**2. PERMITTED USE.** Tenant may use the Premises for the transmission and reception of communications signals and the installation, construction, maintenance, operation, repair, replacement and upgrade of its communications fixtures and related equipment, cables, accessories and improvements, which may include a suitable support structure, associated antennas, equipment shelters or cabinets and fencing and any other items necessary to the successful and secure use of the Premises (collectively, the "**Communication Facility**"), as well as the right to test, survey and review title on the Property; Tenant further has the right but not the obligation to add, modify and/or replace equipment in order to be in compliance with any current or future federal, state or local mandated application, including, but not limited to, emergency 911 communication services, at no additional cost to Tenant or Landlord (collectively, the "**Permitted Use**"). Landlord and Tenant agree that any portion of the Communication Facility that may be conceptually described on **Exhibit 1** will not be deemed to limit Tenant's Permitted Use. If **Exhibit 1** includes drawings of the initial installation of the Communication Facility, Landlord's execution of this Agreement will signify Landlord's approval of **Exhibit 1**. For a period of ninety (90) days following the start of construction, Landlord grants Tenant, its subtenants, licensees and sublicensees, the right to use such portions of Landlord's Surrounding Property as described on **Exhibit 1** as may reasonably be required during construction and installation of the Communication Facility. Tenant has the right to install and operate transmission cables from the equipment shelter or cabinet to the Tower, electric lines from the main feed to the equipment shelter or cabinet and communication lines from the Property's main entry point to the equipment shelter or cabinet, and to make other

improvements, alterations, upgrades or additions appropriate for Tenant's Permitted Use, including the right to construct a fence around the Premises and undertake any other appropriate means to secure the Premises at Tenant's expense. Tenant has the right to modify, supplement, replace, upgrade, expand the equipment, increase the number of antennas or relocate the Communication Facility within the Premises at any time during the Term of this Agreement. Tenant will be allowed to make such alterations to the Property in order to ensure that Tenant's Communication Facility complies with all applicable federal, state or local laws, rules or regulations. In the event Tenant desires to modify or upgrade the Communication Facility, in a manner that requires an additional portion of the Property (the "**Additional Premises**") for such modification or upgrade, Landlord agrees to lease to Tenant the Additional Premises, upon the same terms and conditions set forth herein, except that the Rent shall increase, in conjunction with the lease of the Additional Premises by the amount equivalent to the then-current per square foot rental rate charged by Landlord to Tenant times the square footage of the Additional Premises. Landlord agrees to take such actions and enter into and deliver to Tenant such documents as Tenant reasonably requests in order to effect and memorialize the lease of the Additional Premises to Tenant.

### **3. TERM.**

(a) The initial lease term will be three (3) years (the "**Initial Term**"), commencing on the effective date of written notification by Tenant to Landlord of Tenant's exercise of the Option (the "**Term Commencement Date**"). The Initial Term will terminate on the third (3<sup>rd</sup>) anniversary of the Term Commencement Date.

(b) This Agreement will automatically renew for four (4) additional three (3) year term(s) (each three (3) year term shall be defined as an "**Extension Term**"), upon the same terms and conditions unless Tenant notifies Landlord in writing of Tenant's intention not to renew this Agreement at least sixty (60) days prior to the expiration of the Initial Term or then-existing Extension Term.

(c) Unless (i) Landlord or Tenant notifies the other in writing of its intention to terminate this Agreement at least six (6) months prior to the expiration of the final Extension Term, or (ii) the Agreement is terminated as otherwise permitted by this Agreement prior to the end of the final Extension Term, then upon the expiration of the final Extension Term, this Agreement shall continue in force upon the same covenants, terms and conditions for a further term of one (1) year, and for annual terms thereafter ("**Annual Term**") until terminated by either party by giving to the other written notice of its intention to so terminate at least six (6) months prior to the end of any such Annual Term. Monthly rental during such Annual Terms shall be equal to the Rent paid for the last month of the final Extension Term. If Tenant remains in possession of the Premises after the termination of this Agreement, then Tenant will be deemed to be occupying the Premises on a month to-month basis (the "**Holdover Term**"), subject to the terms and conditions of this Agreement.

(d) The Initial Term, any Extension Terms, any Annual Terms and any Holdover Term are collectively referred to as the "**Term**".

### **4. RENT.**

(a) Commencing on the first day of the month following the date that Tenant commences construction (the "**Rent Commencement Date**"), Tenant will pay Landlord on or before the fifth (5<sup>th</sup>) day of each calendar month in advance Nine Hundred Sixty-Seven and 50/100 Dollars (\$967.50) (the "**Rent**"), at the address set forth above. In any partial month occurring after the Rent Commencement Date, Rent will be prorated. The initial Rent payment will be forwarded by Tenant to Landlord within forty-five (45) days after the Rent Commencement Date.

(b) In year two (2) of the Initial Term, and each year thereafter, including throughout any Extension Terms exercised, the monthly Rent will increase by three percent (3%) over the Rent paid during the previous year.

(c) All charges payable under this Agreement such as utilities and taxes shall be billed by Landlord within one (1) year from the end of the calendar year in which the charges were incurred; any charges beyond such period shall not be billed by Landlord, and shall not be payable by Tenant. The foregoing shall not apply to monthly Rent which is due and payable without a requirement that it be billed by Landlord. The provisions of this subsection shall survive the termination or expiration of this Agreement.

**5. APPROVALS.**

(a) Landlord agrees that Tenant's ability to use the Premises is contingent upon (i) the suitability of the Premises and Property for Tenant's Permitted Use, (ii) Tenant's ability to secure a lease, license or other use agreement with Verizon Wireless for space on the Tower and such lease, license or other use agreement remaining in full force and effect during the Term hereof, and (iii) Tenant's ability to obtain and maintain all Government Approvals. Landlord authorizes Tenant to prepare, execute and file all required applications to obtain Government Approvals for Tenant's Permitted Use under this Agreement and agrees to reasonably assist Tenant with such applications and with obtaining and maintaining the Government Approvals.

(b) Tenant has the right to obtain a title report or commitment for a leasehold title policy from a title insurance company of its choice and to have the Property surveyed by a surveyor of its choice.

(c) Tenant may also perform and obtain, at Tenant's sole cost and expense, soil borings, percolation tests, engineering procedures, environmental investigation or other tests or reports on, over, and under the Property, necessary to determine if Tenant's use of the Premises will be compatible with Tenant's engineering specifications, system, design, operations or Government Approvals.

**6. TERMINATION.** This Agreement may be terminated, without penalty or further liability, as follows:

(a) by either party on thirty (30) days prior written notice, if the other party remains in default under Section 15 of this Agreement after the applicable cure periods;

(b) by Tenant upon written notice to Landlord, if Tenant is unable to obtain or maintain, any required approval(s) or the issuance of a license or permit by any agency, board, court or other governmental authority necessary for the construction or operation of the Communication Facility as now or hereafter intended by Tenant; or if Tenant determines, in its sole discretion that the cost of or delay in obtaining or retaining the same is commercially unreasonable;

(c) by Tenant upon written notice to Landlord, if Tenant is unable to obtain a lease, license or similar agreement with Verizon Wireless for space on the Tower, if Tenant determines in its sole discretion that the cost of obtaining a lease, license or similar agreement with Verizon Wireless for space on the Tower is commercially unreasonable, or if the lease, license or similar agreement between Tenant and Verizon Wireless for space on the Tower expires or is terminated for any reason;

(d) by Tenant, upon written notice to Landlord, if Tenant determines, in its sole discretion, due to the title report results or survey results, that the condition of the Premises is unsatisfactory for its intended uses;

(e) by Tenant upon written notice to Landlord for any reason or no reason, at any time prior to commencement of construction by Tenant; or

(f) by Tenant upon sixty (60) days' prior written notice to Landlord for any reason or no reason, so long as Tenant pays Landlord a termination fee equal to three (3) months' Rent, at the then-current rate, provided, however, that no such termination fee will be payable on account of the termination of this Agreement by Tenant under any termination provision contained in any other Section of this Agreement, including the following: 5 Approvals, 6(a) Termination, 6(b) Termination, 6(c) Termination, 6(d) Termination, 6(e) Termination, 11(d) Environmental, 18 Condemnation, or 19 Casualty.



**7. INSURANCE.**

(a) During the Term, Tenant will carry, at its own cost and expense, the following insurance: (i) workers' compensation insurance as required by law; and (ii) commercial general liability (CGL) insurance with respect to its activities on the Property, such insurance to afford protection of up to Three Million Dollars (\$3,000,000) per occurrence and Six Million Dollars (\$6,000,000) general aggregate, based on Insurance Services Office (ISO) Form CG 00 01 or a substitute form providing substantially equivalent coverage. Tenant's CGL insurance shall contain a provision including Landlord as an additional insured. Such additional insured coverage:

(i) shall be limited to bodily injury, property damage or personal and advertising injury caused, in whole or in part, by Tenant, its employees, agents or independent contractors;

(ii) shall not extend to claims for punitive or exemplary damages arising out of the acts or omissions of Landlord, its employees, agents or independent contractors or where such coverage is prohibited by law or to claims arising out of the gross negligence of Landlord, its employees, agents or independent contractors; and

(iii) shall not exceed Tenant's indemnification obligation under this Agreement, if any.

(b) Notwithstanding the foregoing, Tenant shall have the right to self-insure the coverages required in subsection (a). In the event Tenant elects to self-insure its obligation to include Landlord as an additional insured, the following provisions shall apply (in addition to those set forth in subsection (a)):

(i) Landlord shall promptly and no later than thirty (30) days after notice thereof provide Tenant with written notice of any claim, demand, lawsuit, or the like for which it seeks coverage pursuant to this Section and provide Tenant with copies of any demands, notices, summonses, or legal papers received in connection with such claim, demand, lawsuit, or the like;

(ii) Landlord shall not settle any such claim, demand, lawsuit, or the like without the prior written consent of Tenant; and

(iii) Landlord shall fully cooperate with Tenant in the defense of the claim, demand, lawsuit, or the like.

**8. INTERFERENCE.**

(a) Prior to or concurrent with the execution of this Agreement, Landlord has provided or will provide Tenant with a list of radio frequency user(s) and frequencies used on the Property as of the Effective Date. Tenant warrants that its use of the Premises will not interfere with those existing radio frequency uses on the Property, as long as those existing radio frequency user(s) operate and continue to operate within their respective frequencies and in accordance with all applicable laws and regulations.

(b) Landlord will not grant, after the date of this Agreement, a lease, license or any other right to any third party, if the exercise of such grant may in any way adversely affect or interfere with the Communication Facility, the operations of Tenant or the rights of Tenant under this Agreement. Landlord will notify Tenant in writing prior to granting any third party the right to install and operate communications equipment on the Property.

(c) Landlord will not, nor will Landlord permit its employees, tenants, licensees, invitees, agents or independent contractors to, interfere in any way with the Communication Facility, the operations of Tenant or the rights of Tenant under this Agreement. Landlord will cause such interference to cease within twenty-four (24) hours after receipt of notice of interference from Tenant. In the event any such interference does not cease within the aforementioned cure period, Landlord shall cease all operations which are suspected of causing interference (except for intermittent testing to determine the cause of such interference) until the interference has been corrected.

(d) For the purposes of this Agreement, "interference" may include, but is not limited to, any use on the Property or Surrounding Property that causes electronic or physical obstruction with, or degradation of, the communications signals from the Communication Facility.

**9. INDEMNIFICATION.**

(a) Tenant agrees to indemnify, defend and hold Landlord harmless from and against any and all injury, loss, damage or liability (or any claims in respect of the foregoing), costs or expenses (including reasonable attorneys' fees and court costs) arising directly from the installation, use, maintenance, repair or removal of the Communication Facility or Tenant's breach of any provision of this Agreement, except to the extent attributable to the negligent or intentional act or omission of Landlord or Verizon Wireless, or their respective employees, agents or independent contractors.

(b) Landlord agrees to indemnify, defend and hold Tenant harmless from and against any and all injury, loss, damage or liability (or any claims in respect of the foregoing), costs or expenses (including reasonable attorneys' fees and court costs) arising directly from the actions or failure to act of Landlord, its employees or agents, or Landlord's breach of any provision of this Agreement, except to the extent attributable to the negligent or intentional act or omission of Tenant, its employees, agents or independent contractors.

(c) The indemnified party: (i) shall promptly provide the indemnifying party with written notice of any claim, demand, lawsuit, or the like for which it seeks indemnification pursuant to this Section and provide the indemnifying party with copies of any demands, notices, summonses, or legal papers received in connection with such claim, demand, lawsuit, or the like; (ii) shall not settle any such claim, demand, lawsuit, or the like without the prior written consent of the indemnifying party; and (iii) shall fully cooperate with the indemnifying party in the defense of the claim, demand, lawsuit, or the like. A delay in notice shall not relieve the indemnifying party of its indemnity obligation, except (1) to the extent the indemnifying party can show it was prejudiced by the delay; and (2) the indemnifying party shall not be liable for any settlement or litigation expenses incurred before the time when notice is given.

**10. WARRANTIES.**

(a) Tenant and Landlord each acknowledge and represent that it is duly organized, validly existing and in good standing and has the right, power and authority to enter into this Agreement and bind itself hereto through the party set forth as signatory for the party below.

(b) Landlord represents, warrants and agrees that: (i) Landlord solely owns the Property as a legal lot in fee simple; (ii) the Property is not and will not be encumbered by any liens, restrictions, mortgages, covenants, conditions, easements, leases, or any other agreements of record or not of record, which would adversely affect Tenant's Permitted Use and enjoyment of the Premises under this Agreement; (iii) as long as Tenant is not in default then Landlord grants to Tenant sole, actual, quiet and peaceful use, enjoyment and possession of the Premises without hindrance or ejection by any persons lawfully claiming under Landlord; (iv) Landlord's execution and performance of this Agreement will not violate any laws, ordinances, covenants or the provisions of any mortgage, lease or other agreement binding on Landlord; and (v) if the Property is or becomes encumbered by a deed to secure a debt, mortgage or other security interest, Landlord will provide promptly to Tenant a mutually agreeable subordination, non-disturbance and attornment agreement executed by Landlord and the holder of such security interest.

**11. ENVIRONMENTAL.**

(a) Landlord represents and warrants that, except as may be identified in **Exhibit 11** attached to this Agreement, (i) the Property, as of the date of this Agreement, is free of hazardous substances, including asbestos-containing materials and lead paint, and (ii) the Property has never been subject to any contamination or hazardous conditions resulting in any environmental investigation, inquiry or remediation. Landlord and Tenant agree that each will be responsible for compliance with any and all applicable governmental laws, rules, statutes, regulations, codes, ordinances, or principles of common law regulating or imposing standards of liability or standards of conduct with regard to protection of the environment or worker health and safety, as may now or at any time hereafter be in effect, to the extent such apply to that party's activity conducted in or on the Property.

(b) Landlord and Tenant agree to hold harmless and indemnify the other from, and to assume all duties, responsibilities and liabilities at the sole cost and expense of the indemnifying party for, payment of penalties, sanctions, forfeitures, losses, costs or damages, and for responding to any action, notice, claim, order, summons, citation, directive, litigation, investigation or proceeding (“**Claims**”), to the extent arising from that party’s breach of its obligations or representations under Section 11(a). Landlord agrees to hold harmless and indemnify Tenant from, and to assume all duties, responsibilities and liabilities at the sole cost and expense of Landlord for, payment of penalties, sanctions, forfeitures, losses, costs or damages, and for responding to any Claims, to the extent arising from subsurface or other contamination of the Property with hazardous substances prior to the effective date of this Agreement or from such contamination caused by the acts or omissions of Landlord during the Term. Tenant agrees to hold harmless and indemnify Landlord from, and to assume all duties, responsibilities and liabilities at the sole cost and expense of Tenant for, payment of penalties, sanctions, forfeitures, losses, costs or damages, and for responding to any Claims, to the extent arising from hazardous substances brought onto the Property by Tenant.

(c) The indemnifications of this Section 11 specifically include reasonable costs, expenses and fees incurred in connection with any investigation of Property conditions or any clean-up, remediation, removal or restoration work required by any governmental authority. The provisions of this Section 11 will survive the expiration or termination of this Agreement.

(d) In the event Tenant becomes aware of any hazardous substances on the Property, or any environmental, health or safety condition or matter relating to the Property, that, in Tenant’s sole determination, renders the condition of the Premises or Property unsuitable for Tenant’s use, or if Tenant believes that the leasing or continued leasing of the Premises would expose Tenant to undue risks of liability to a government agency or other third party, Tenant will have the right, in addition to any other rights it may have at law or in equity, to terminate this Agreement upon written notice to Landlord.

**12. ACCESS.** At all times throughout the Term of this Agreement, and at no additional charge to Tenant, Tenant and its employees, agents, and subcontractors, will have twenty-four (24) hour per day, seven (7) day per week pedestrian and vehicular access (“**Access**”) to and over the Property, from an open and improved public road to the Premises, for the installation, maintenance and operation of the Communication Facility and any utilities serving the Premises. As may be described more fully in **Exhibit 1**, Landlord grants to Tenant an easement for such Access and Landlord agrees to provide to Tenant such codes, keys and other instruments necessary for such Access at no additional cost to Tenant. Upon Tenant’s request, Landlord will execute a separate recordable easement evidencing this right. Landlord shall execute a letter granting Tenant Access to the Property substantially in the form attached as **Exhibit 12**; upon Tenant’s request, Landlord shall execute additional letters during the Term. If Tenant elects to utilize an Unmanned Aircraft System (“**UAS**”) in connection with its installation, construction, monitoring, site audits, inspections, maintenance, repair, modification, or alteration activities at the Property, Landlord hereby grants Tenant, or any UAS operator acting on Tenant’s behalf, express permission to fly over the Property and Premises, and consents to the use of audio and video navigation and recording in connection with the use of the UAS, provided, however, that any such use of the UAS is conducted in compliance with all applicable Laws, including, without limitation, those of the Federal Aviation Administration (“**FAA**”) or any successor agency to the FAA. Landlord acknowledges that in the event Tenant cannot obtain Access to the Premises, Tenant shall incur significant damage. If Landlord fails to provide the Access granted by this Section 12, such failure shall be a default under this Agreement. In connection with such default, in addition to any other rights or remedies available to Tenant under this Agreement or at law or equity, Landlord shall pay Tenant, as liquidated damages and not as a penalty, \$500.00 per day in consideration of Tenant’s damages until Landlord cures such default. Landlord and Tenant agree that Tenant’s damages in the event of a denial of Access are difficult, if not impossible, to ascertain, and the liquidated damages set forth above are a reasonable approximation of such damages.

**13. REMOVAL/RESTORATION.** All portions of the Communication Facility brought onto the Property by Tenant will be and remain Tenant's personal property and, at Tenant's option, may be removed by Tenant at any time during or after the Term. Landlord covenants and agrees that no part of the Communication Facility constructed, erected or placed on the Premises by Tenant will become, or be considered as being affixed to or a part of, the Property, it being the specific intention of Landlord that all improvements of every kind and nature constructed, erected or placed by Tenant on the Premises will be and remain the property of Tenant and may be removed by Tenant at any time during or after the Term. Tenant will repair any damage to the Property resulting from Tenant's removal activities. Any portions of the Communication Facility that Tenant does not remove within one hundred twenty (120) days after the later of the end of the Term and cessation of Tenant's operations at the Premises shall be deemed abandoned and owned by Landlord. Notwithstanding the foregoing, Tenant will not be responsible for the replacement of any trees, shrubs or other vegetation.

**14. MAINTENANCE/UTILITIES.**

(a) Tenant will keep and maintain the Premises in good condition, reasonable wear and tear and damage from the elements excepted. Landlord will maintain and repair the Property and access thereto and all areas of the Premises where Tenant does not have exclusive control, in good and tenantable condition, subject to reasonable wear and tear and damage from the elements. Landlord will be responsible for maintenance of landscaping on the Property, including any landscaping installed by Tenant as a condition of this Agreement or any required permit.

(b) Tenant will be responsible for paying on a monthly or quarterly basis all utilities charges for electricity, telephone service or any other utility used or consumed by Tenant on the Premises. In the event Tenant cannot secure its own metered electrical supply, Tenant will have the right, at its own cost and expense, to submeter from Landlord. When submetering is required under this Agreement, Landlord will read the meter and provide Tenant with an invoice and usage data on a monthly basis. Landlord agrees that it will not include a markup on the utility charges. Landlord further agrees to provide the usage data and invoice on forms provided by Tenant and to send such forms to such address and/or agent designated by Tenant. Tenant will remit payment within forty-five (45) days of receipt of the usage data and required forms. As noted in Section 4(c) above, any utility fee recovery by Landlord is limited to a twelve (12) month period. If Tenant submeters electricity from Landlord, Landlord agrees to give Tenant at least twenty-four (24) hours advance notice of any planned interruptions of said electricity. Landlord acknowledges that Tenant provides a communication service which requires electrical power to operate and must operate twenty-four (24) hours per day, seven (7) days per week. If the interruption is for an extended period of time, in Tenant's reasonable determination, Landlord agrees to allow Tenant the right to bring in a temporary source of power for the duration of the interruption. Landlord will not be responsible for interference with, interruption of or failure, beyond the reasonable control of Landlord, of such services to be furnished or supplied by Landlord.

(c) Landlord hereby grants to any company providing utility or similar services, including electric power and telecommunications, to Tenant an easement over the Property, from an open and improved public road to the Premises, and upon the Premises, for the purpose of constructing, operating and maintaining such lines, wires, circuits, and conduits, associated equipment cabinets and such appurtenances thereto, as such companies may from time to time require in order to provide such services to the Premises. Upon Tenant's or the service company's request, Landlord will execute a separate recordable easement evidencing this grant, at no cost to Tenant or the service company.

**15. DEFAULT AND RIGHT TO CURE.**

(a) The following will be deemed a default by Tenant and a breach of this Agreement: (i) non-payment of Rent if such Rent remains unpaid for more than thirty (30) days after written notice from Landlord of such failure to pay; or (ii) Tenant's failure to perform any other term or condition under this Agreement within forty-five (45) days after written notice from Landlord specifying the failure. No such failure, however, will be deemed to exist if Tenant has commenced to cure such default within such period and provided that such efforts are prosecuted to completion with reasonable diligence. Delay in curing a default will be excused if due to causes beyond the reasonable control of Tenant. If Tenant remains in default beyond any applicable cure period, Landlord will have the right to exercise any and all rights and remedies available to it under law and equity.

(b) The following will be deemed a default by Landlord and a breach of this Agreement: (i) Landlord's failure to provide Access to the Premises as required by Section 12 of this Agreement within twenty-four (24) hours after written notice of such failure; (ii) Landlord's failure to cure an interference problem as required by Section 8 of this Agreement within twenty-four (24) hours after written notice of such failure; or (iii) Landlord's failure to perform any term, condition or breach of any warranty or covenant under this Agreement within forty-five (45) days after written notice from Tenant specifying the failure. No such failure, however, will be deemed to exist if Landlord has commenced to cure the default within such period and provided such efforts are prosecuted to completion with reasonable diligence. Delay in curing a default will be excused if due to causes beyond the reasonable control of Landlord. If Landlord remains in default beyond any applicable cure period, Tenant will have: (1) the right to cure Landlord's default and to deduct the costs of such cure from any monies due to Landlord from Tenant, and (2) any and all other rights available to it under law and equity.

**16. ASSIGNMENT/SUBLEASE.** Tenant will have the right to assign this Agreement or sublease the Premises and its rights herein, in whole or in part, without Landlord's consent. Upon notification to Landlord of such assignment, Tenant will be relieved of all future performance, liabilities and obligations under this Agreement to the extent of such assignment.

**17. NOTICES.** All notices, requests and demands hereunder will be given by first class certified or registered mail, return receipt requested, or by a nationally recognized overnight courier, postage prepaid, to be effective when properly sent and received, refused or returned undelivered. Notices will be addressed to the parties as follows:

If to Landlord: Groveland Community Services District  
18966 Ferretti Rd.  
Groveland, CA 95321

If to Tenant: New Cingular Wireless PCS, LLC  
Attn: Tower Asset Group – Lease Administration  
Re: Cell Site No.: CVL03317  
Search Ring Name: Second Garrotte  
Cell Site Name: Second Garrotte (CA)  
Fixed Asset No.: 13787564  
575 Morosgo Drive NE  
Atlanta, GA 30324

With a copy to the AT&T Legal Department:

New Cingular Wireless PCS, LLC  
Attn.: Legal Department – Network Operations  
Re: Cell Site No.: CVL03317  
Search Ring Name: Second Garrotte  
Cell Site Name: Second Garrotte (CA)  
Fixed Asset No.: 13787564  
208 S. Akard Street  
Dallas, TX 75202-4206

The copy sent to the Legal Department is an administrative step which alone does not constitute legal notice. Either party hereto may change the place for the giving of notice to it by thirty (30) days' prior written notice to the other as provided herein.

**18. CONDEMNATION.** In the event Landlord receives notification of any condemnation proceedings affecting the Property, Landlord will provide notice of the proceeding to Tenant within forty-eight (48) hours. If a condemning authority takes all of the Property, or a portion sufficient, in Tenant's sole determination, to render the Premises unsuitable for Tenant, this Agreement will terminate as of the date the title vests in the condemning authority. The parties will each be entitled to pursue their own separate awards in the condemnation proceeds, which for Tenant will include, where applicable, the value of its Communication Facility, moving expenses, prepaid Rent, and business dislocation expenses. Tenant will be entitled to reimbursement for any prepaid Rent on a prorata basis.

**19. CASUALTY.** Landlord will provide notice to Tenant of any casualty or other harm affecting the Property within forty-eight (48) hours of the casualty or other harm. If any part of the Communication Facility or Property is damaged by casualty or other harm as to render the Premises unsuitable, in Tenant's sole determination, then Tenant may terminate this Agreement by providing written notice to Landlord, which termination will be effective as of the date of such casualty or other harm. Upon such termination, Tenant will be entitled to collect all insurance proceeds payable to Tenant on account thereof and to be reimbursed for any prepaid Rent on a prorata basis. Landlord agrees to permit Tenant to place temporary transmission and reception facilities on the Property, but only until such time as Tenant is able to activate a replacement transmission facility at another location; notwithstanding the termination of the Agreement, such temporary facilities will be governed by all of the terms and conditions of this Agreement, including Rent. If Landlord or Tenant undertakes to rebuild or restore the Premises and/or the Communication Facility, as applicable, Landlord agrees to permit Tenant to place temporary transmission and reception facilities on the Property at no additional Rent until the reconstruction of the Premises and/or the Communication Facility is completed. If Landlord determines not to rebuild or restore the Property, Landlord will notify Tenant of such determination within thirty (30) days after the casualty or other harm. If Landlord does not so notify Tenant, and Tenant decides not to terminate under this Section, then Landlord will promptly rebuild or restore any portion of the Property interfering with or required for Tenant's Permitted Use of the Premises to substantially the same condition as existed before the casualty or other harm. Landlord agrees that the Rent shall be abated until the Property and/or the Premises are rebuilt or restored, unless Tenant places temporary transmission and reception facilities on the Property.

**20. WAIVER OF LANDLORD'S LIENS.** Landlord waives any and all lien rights it may have, statutory or otherwise, concerning the Communication Facility or any portion thereof. The Communication Facility shall be deemed personal property for purposes of this Agreement, regardless of whether any portion is deemed real or personal property under applicable law; Landlord consents to Tenant's right to remove all or any portion of the Communication Facility from time to time in Tenant's sole discretion and without Landlord's consent.

**21. TAXES.**

(a) Landlord shall be responsible for timely payment of all taxes and assessments levied upon the lands, improvements and other property of Landlord, including any such taxes that may be calculated by the taxing authority using any method, including the income method. Tenant shall be responsible for any taxes and assessments attributable to and levied upon Tenant's leasehold improvements on the Premises if and as set forth in this Section 21. Nothing herein shall require Tenant to pay any inheritance, franchise, income, payroll, excise, privilege, rent, capital stock, stamp, documentary, estate or profit tax, or any tax of similar nature, that is or may be imposed upon Landlord.

(b) In the event Landlord receives a notice of assessment with respect to which taxes or assessments are imposed on Tenant's leasehold improvements on the Premises, Landlord shall provide Tenant with copies of each such notice immediately upon receipt, but in no event later than thirty (30) days after the date of such notice of assessment. If Landlord does not provide such notice or notices to Tenant within such time period, Landlord shall be responsible for payment of the tax or assessment set forth in the notice, and Landlord shall not have the right to reimbursement of such amount from Tenant. If Landlord provides a notice of assessment to Tenant within such time period and requests reimbursement from Tenant as set forth below, then Tenant shall reimburse Landlord for the tax or assessments identified on the notice of assessment on Tenant's leasehold improvements, which has been paid by Landlord. If Landlord seeks reimbursement from Tenant, Landlord shall, no later than thirty (30) days after Landlord's payment of the taxes or assessments for the assessed tax year, provide Tenant with written notice including evidence that Landlord has timely paid same, and Landlord shall provide to Tenant any other documentation reasonably requested by Tenant to allow Tenant to evaluate the payment and to reimburse Landlord.

(c) For any tax amount for which Tenant is responsible under this Agreement, Tenant shall have the right to contest, in good faith, the validity or the amount thereof using such administrative, appellate or other proceedings as may be appropriate in the jurisdiction, and may defer payment of such obligations, pay same under protest, or take such other steps as Tenant may deem appropriate. This right shall include the ability to institute any legal, regulatory or informal action in the name of Landlord, Tenant, or both, with respect to the valuation of the Premises. Landlord shall cooperate with respect to the commencement and prosecution of any such proceedings and will execute any documents required therefor. The expense of any such proceedings shall be borne by Tenant and any refunds or rebates secured as a result of Tenant's action shall belong to Tenant, to the extent the amounts were originally paid by Tenant. In the event Tenant notifies Landlord by the due date for assessment of Tenant's intent to contest the assessment, Landlord shall not pay the assessment pending conclusion of the contest, unless required by applicable law.

(d) Landlord shall not split or cause the tax parcel on which the Premises are located to be split, bifurcated, separated or divided without the prior written consent of Tenant.

(e) Tenant shall have the right but not the obligation to pay any taxes due by Landlord hereunder if Landlord fails to timely do so, in addition to any other rights or remedies of Tenant. In the event that Tenant exercises its rights under this Section 21(e) due to such Landlord default, Tenant shall have the right to deduct such tax amounts paid from any monies due to Landlord from Tenant as provided in Section 15(b), provided that Tenant may exercise such right without having provided to Landlord notice and the opportunity to cure per Section 15(b).

(f) Any tax-related notices shall be sent to Tenant in the manner set forth in Section 17 and, in addition, of a copy of any such notices shall be sent to the following address. Promptly after the Effective Date of this Agreement, Landlord shall provide the following address to the taxing authority for the authority's use in the event the authority needs to communicate with Tenant. In the event that Tenant's tax addresses changes by notice to Landlord, Landlord shall be required to provide Tenant's new tax address to the taxing authority or authorities.

New Cingular Wireless PCS, LLC  
Attn: Network Real Estate Administration – Taxes  
Re: Cell Site No.: CVL03317  
Search Ring Name: Second Garrotte  
Cell Site Name: Second Garrotte (CA)  
Fixed Asset No.: 13787564  
575 Morosgo Drive NE  
Atlanta, GA 30324

(g) Notwithstanding anything to the contrary contained in this Section 21, Tenant shall have no obligation to reimburse any tax or assessment for which the Landlord is reimbursed or rebated by a third party.

**22. SALE OF PROPERTY.**

(a) Landlord shall not be prohibited from the selling, leasing or use of any of the Property or the Surrounding Property except as provided below.

(b) If Landlord, at any time during the Term of this Agreement, decides to rezone or sell, subdivide or otherwise transfer all or any part of the Premises, or all or any part of the Property or Surrounding Property, to a purchaser other than Tenant, Landlord shall promptly notify Tenant in writing, and such rezoning, sale, subdivision or transfer shall be subject to this Agreement and Tenant's rights hereunder. In the event of a change in ownership, transfer or sale of the Property, within ten (10) days of such transfer, Landlord or its successor shall send the documents listed below in this subsection (b) to Tenant. Until Tenant receives all such documents, Tenant shall not be responsible for any failure to make payments under this Agreement and reserves the right to hold payments due under this Agreement.

- i. Old deed to Property
- ii. New deed to Property
- iii. Bill of Sale or Transfer
- iv. Copy of current Tax Bill
- v. New IRS Form W-9 & CA FTB Form 590
- vi. Completed and Signed AT&T Payment Direction Form
- vii. Full contact information for new Landlord including phone number(s)

(c) Landlord agrees not to sell, lease or use any areas of the Property or Surrounding Property for the installation, operation or maintenance of other wireless communications facilities if such installation, operation or maintenance would interfere with Tenant's Permitted Use or communications equipment as determined by radio propagation tests performed by Tenant in its sole discretion. Landlord or Landlord's prospective purchaser shall reimburse Tenant for any costs and expenses of such testing. If the radio frequency propagation tests demonstrate levels of interference unacceptable to Tenant, Landlord shall be prohibited from selling, leasing or using any areas of the Property or the Surrounding Property for purposes of any installation, operation or maintenance of any other wireless communications facility or equipment.

(d) The provisions of this Section shall in no way limit or impair the obligations of Landlord under this Agreement, including interference and access obligations.



**23. RENTAL STREAM OFFER.** If at any time after the date of this Agreement, Landlord receives a bona fide written offer from a third party seeking an assignment or transfer of Rent payments associated with this Agreement (“**Rental Stream Offer**”), Landlord shall immediately furnish Tenant with a copy of the Rental Stream Offer. Tenant shall have the right within twenty (20) days after it receives such copy to match the Rental Stream Offer and agree in writing to match the terms of the Rental Stream Offer. Such writing shall be in the form of a contract substantially similar to the Rental Stream Offer. If Tenant chooses not to exercise this right or fails to provide written notice to Landlord within the twenty (20) day period, Landlord may assign the right to receive Rent payments pursuant to the Rental Stream Offer, subject to the terms of this Agreement. If Landlord attempts to assign or transfer Rent payments without complying with this Section, the assignment or transfer shall be void. Tenant shall not be responsible for any failure to make payments under this Agreement and reserves the right to hold payments due under this Agreement until Landlord complies with this Section.

**24. MISCELLANEOUS.**

(a) **Amendment/Waiver.** This Agreement cannot be amended, modified or revised unless done in writing and signed by Landlord and Tenant. No provision may be waived except in a writing signed by both parties. The failure by a party to enforce any provision of this Agreement or to require performance by the other party will not be construed to be a waiver, or in any way affect the right of either party to enforce such provision thereafter.

(b) **Memorandum/Short Form Lease.** Contemporaneously with the execution of this Agreement, the parties will execute a recordable Memorandum or Short Form of Lease substantially in the form attached as **Exhibit 24b**. Either party may record this Memorandum or Short Form of Lease at any time during the Option Term or the Term, as the case may be, in its absolute discretion. Thereafter during the Term of this Agreement, either party will, at any time upon fifteen (15) business days’ prior written notice from the other, execute, acknowledge and deliver to the other a recordable Memorandum or Short Form of Lease.

(c) **Limitation of Liability.** Except for the indemnity obligations set forth in this Agreement, and otherwise notwithstanding anything to the contrary in this Agreement, Tenant and Landlord each waives any claims that each may have against the other with respect to consequential, incidental or special damages, however caused, based on any theory of liability.

(d) **Compliance with Law.** Tenant agrees to comply with all federal, state and local laws, orders, rules and regulations (“**Laws**”) applicable to Tenant’s use of the Communication Facility on the Property. Landlord agrees to comply with all Laws relating to Landlord’s ownership and use of the Property and any improvements on the Property.

(e) **Bind and Benefit.** The terms and conditions contained in this Agreement will run with the Property and bind and inure to the benefit of the parties, their respective heirs, executors, administrators, successors and assigns.

(f) **Entire Agreement.** This Agreement and the exhibits attached hereto, all being a part hereof, constitute the entire agreement of the parties hereto and will supersede all prior offers, negotiations and agreements with respect to the subject matter of this Agreement. Exhibits are numbered to correspond to the Section wherein they are first referenced. Except as otherwise stated in this Agreement, each party shall bear its own fees and expenses (including the fees and expenses of its agents, brokers, representatives, attorneys, and accountants) incurred in connection with the negotiation, drafting, execution and performance of this Agreement and the transactions it contemplates.

(g) **Governing Law.** This Agreement will be governed by the laws of the state in which the Premises are located, without regard to conflicts of law.

(h) **Interpretation.** Unless otherwise specified, the following rules of construction and interpretation apply: (i) captions are for convenience and reference only and in no way define or limit the construction of the terms and conditions hereof; (ii) use of the term "including" will be interpreted to mean "including but not limited to"; (iii) whenever a party's consent is required under this Agreement, except as otherwise stated in this Agreement or as same may be duplicative, such consent will not be unreasonably withheld, conditioned or delayed; (iv) exhibits are an integral part of this Agreement and are incorporated by reference into this Agreement; (v) use of the terms "termination" or "expiration" are interchangeable; (vi) reference to a default will take into consideration any applicable notice, grace and cure periods; (vii) to the extent there is any issue with respect to any alleged, perceived or actual ambiguity in this Agreement, the ambiguity shall not be resolved on the basis of who drafted the Agreement; (viii) the singular use of words includes the plural where appropriate and (ix) if any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall remain in full force if the overall purpose of the Agreement is not rendered impossible and the original purpose, intent or consideration is not materially impaired.

(i) **Affiliates.** All references to "Tenant" shall be deemed to include any Affiliate of New Cingular Wireless PCS, LLC using the Premises for any Permitted Use or otherwise exercising the rights of Tenant pursuant to this Agreement. "Affiliate" means with respect to a party to this Agreement, any person or entity that (directly or indirectly) controls, is controlled by, or under common control with, that party. "Control" of a person or entity means the power (directly or indirectly) to direct the management or policies of that person or entity, whether through the ownership of voting securities, by contract, by agency or otherwise.

(j) **Survival.** Any provisions of this Agreement relating to indemnification shall survive the termination or expiration hereof. In addition, any terms and conditions contained in this Agreement that by their sense and context are intended to survive the termination or expiration of this Agreement shall so survive.

(k) **W-9/FTG 590.** As a condition precedent to payment, Landlord agrees to provide Tenant with both a completed IRS Form W-9 and CA FTB Form 590, or their respective equivalents, upon execution of this Agreement and at such other times as may be reasonably requested by Tenant, including, any change in Landlord's name or address. A copy of the IRS Form W-9 and the CA FTB Form 590 in their current forms are attached hereto as **Exhibit 24k**.

(l) **Execution/No Option.** The submission of this Agreement to any party for examination or consideration does not constitute an offer, reservation of or option for the Premises based on the terms set forth herein. This Agreement will become effective as a binding Agreement only upon the handwritten legal execution, acknowledgment and delivery hereof by Landlord and Tenant. This Agreement may be executed in two (2) or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties. All parties need not sign the same counterpart.

(m) **Attorneys' Fees.** In the event that any dispute between the parties related to this Agreement should result in litigation, the prevailing party in such litigation shall be entitled to recover from the other party all reasonable fees and expenses of enforcing any right of the prevailing party, including without limitation, reasonable attorneys' fees and expenses. Prevailing party means the party determined by the court to have most nearly prevailed even if such party did not prevail in all matters. This provision will not be construed to entitle any party other than Landlord, Tenant and their respective Affiliates to recover their fees and expenses.

**[SPACE INTENTIONALLY LEFT BLANK]**

(n) **WAIVER OF JURY TRIAL.** EACH PARTY, TO THE EXTENT PERMITTED BY LAW, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER ANY THEORY OF LIABILITY ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR THE TRANSACTIONS IT CONTEMPLATES.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be effective as of the last date written below.

**"LANDLORD"**

Groveland Community Services District,  
a Community Services District

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**"TENANT"**

New Cingular Wireless PCS, LLC,  
a Delaware limited liability company

By: AT&T Mobility Corporation

Its: Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT 1**

**DESCRIPTION OF PREMISES**

Page 1 of 19

to the Option and Ground Lease Agreement dated as of \_\_\_\_\_, 2019, by and between Groveland Community Services District, a Community Services District, as Landlord, and New Cingular Wireless PCS, LLC, a Delaware limited liability company, as Tenant.

**The Property is legally described as follows:**

Beginning at point on the Westerly line of said parcel from which point the Northeast corner of Lot 18, as said lot is shown and so designated on the Plat of Pine Mountain Lake Unit No. 11, said Plat being filed in the Tuolumne County Recorders Office in Volume 6 of Subdivisions at Page 22, bears North 85°51'34" West 307.52 feet; thence, from said POINT OF BEGINNING North 64°48'42" East 95.30 feet; thence, South 61°08'28" East 72.21 feet; thence, South 06°06'10" West 80.24 feet; thence, South 00°34'57" East 10.00 feet; thence, South 89°25'03" West 169.60 feet; thence, North 00°34'57" West 29.76 feet; thence, North 27°12'04" East 63.12 feet to the point of beginning, containing .3932 acres more or less.

**The Premises are described and/or depicted as follows:**

[100% Construction Drawings Dated February 12, 2019, Prepared by Peek Site-Com, and Consisting of Eighteen (18) Pages, Appears on Following Pages]

**Notes:**

1. THIS EXHIBIT MAY BE REPLACED BY A LAND SURVEY AND/OR CONSTRUCTION DRAWINGS OF THE PREMISES ONCE RECEIVED BY TENANT.
2. ANY SETBACK OF THE PREMISES FROM THE PROPERTY'S BOUNDARIES SHALL BE THE DISTANCE REQUIRED BY THE APPLICABLE GOVERNMENTAL AUTHORITIES.
3. WIDTH OF ACCESS ROAD SHALL BE THE WIDTH REQUIRED BY THE APPLICABLE GOVERNMENTAL AUTHORITIES, INCLUDING POLICE AND FIRE DEPARTMENTS.
4. THE TYPE, NUMBER AND MOUNTING POSITIONS AND LOCATIONS OF ANTENNAS AND TRANSMISSION LINES ARE ILLUSTRATIVE ONLY. ACTUAL TYPES, NUMBERS AND MOUNTING POSITIONS MAY VARY FROM WHAT IS SHOWN ABOVE.

**EXHIBIT 11**

**ENVIRONMENTAL DISCLOSURE**

Landlord represents and warrants that the Property, as of the date of this Agreement, is free of hazardous substances except as follows:

1. NONE.

**EXHIBIT 12**

**STANDARD ACCESS LETTER**

[FOLLOWS ON NEXT PAGE]

[Landlord Letterhead]

DATE

Building Staff / Security Staff  
Landlord, Lessee, Licensee  
Street Address  
City, State, Zip

Re: Authorized Access granted to AT&T

Dear Building and Security Staff,

Please be advised that we have signed a lease with AT&T permitting AT&T to install, operate and maintain telecommunications equipment at the property. The terms of the lease grant AT&T and its representatives, employees, agents and subcontractors (“representatives”) 24 hour per day, 7 day per week access to the leased area.

To avoid impact on telephone service during the day, AT&T representatives may be seeking access to the property outside of normal business hours. AT&T representatives have been instructed to keep noise levels at a minimum during their visit.

Please grant the bearer of a copy of this letter access to the property and to leased area. Thank you for your assistance.

\_\_\_\_\_  
Landlord Signature

**EXHIBIT 24b**

**MEMORANDUM OF LEASE**

[FOLLOWS ON NEXT PAGE]



**Recording Requested by  
& When Recorded Return to:**

New Cingular Wireless PCS, LLC  
Attn: Tower Asset Group – Lease Administration  
575 Morosgo Drive NE  
Atlanta, GA 30324

**APN: 093-040-04**

---

(Space Above This Line For Recorder's Use Only)

Re: Cell Site No.: CVL03317  
Search Ring Name: Second Garrotte  
Cell Site Name: Second Garrotte (CA)  
Fixed Asset No.: 13787564  
State: California  
**County: Tuolumne**

**MEMORANDUM  
OF  
LEASE**

This Memorandum of Lease is entered into on this \_\_\_\_ day of \_\_\_\_\_, 2019, by and between **Groveland Community Services District**, a Community Services District, having a mailing address of 18966 Ferretti Rd., Groveland, CA 95321 (hereinafter referred to as "**Landlord**"), and New Cingular Wireless PCS, LLC, a Delaware limited liability company, having a mailing address of 575 Morosgo Drive NE, Atlanta, GA 30324 (hereinafter referred to as "**Tenant**").

1. Landlord and Tenant entered into a certain Option and Ground Lease Agreement dated as of \_\_\_\_\_, 2019 ("**Agreement**"), for the purpose of installing, operating and maintaining a communications facility and other improvements. All of the foregoing is set forth in the Agreement.
2. The initial lease term will be three (3) years commencing on the effective date of written notification by Tenant to Landlord of Tenant's exercise of its option, with four (4) successive three (3) year options to renew.
3. The portion of the land being leased to Tenant and associated easements are described in **Exhibit 1** annexed hereto.
4. This Memorandum of Lease is not intended to amend or modify, and shall not be deemed or construed as amending or modifying, any of the terms, conditions or provisions of the Agreement, all of which are hereby ratified and affirmed. In the event of a conflict between the provisions of this Memorandum of Lease and the provisions of the Agreement, the provisions of the Agreement shall control. The Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors, and assigns, subject to the provisions of the Agreement.

**IN WITNESS WHEREOF**, the parties have executed this Memorandum of Lease as of the day and year first above written.

**"LANDLORD"**

Groveland Community Services District,  
a Community Services District

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**"TENANT"**

New Cingular Wireless PCS, LLC,  
a Delaware limited liability company

By: AT&T Mobility Corporation  
Its: Manager

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**[ACKNOWLEDGMENTS APPEAR ON FOLLOWING TWO (2) PAGES]**

**LANDLORD ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_,  
(insert name and title of the officer)

personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**TENANT ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_,  
(insert name and title of the officer)

personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**EXHIBIT 1**

**DESCRIPTION OF PREMISES**

Page 1 of 2

to the Memorandum of Lease dated \_\_\_\_\_, 2019, by and between Groveland Community Services District, a Community Services District, as Landlord, and New Cingular Wireless PCS, LLC, a Delaware limited liability company, as Tenant.

**The Property is legally described as follows:**

Beginning at point on the Westerly line of said parcel from which point the Northeast corner of Lot 18, as said lot is shown and so designated on the Plat of Pine Mountain Lake Unit No. 11, said Plat being filed in the Tuolumne County Recorders Office in Volume 6 of Subdivisions at Page 22, bears North 85°51'34" West 207.52 feet; thence, from said POINT OF BEGINNING North 64°48'42" East 95.30 feet; thence, South 61°08'28" East 72.21 feet; thence, South 06°06'10" West 80.34 feet; thence, South 00°34'57" East 10.00 feet; thence, South 89°25'03" West 169.60 feet; thence, North 00°34'57" West 29.76 feet; thence, North 27°12'04" East 63.12 feet to the point of beginning, containing .3932 acres more or less.

**The Premises are described and/or depicted as follows:**

[One (1) Page Depiction of the Premises Suitable for Recording in Tuolumne County  
Appears on Following Page]

**EXHIBIT 24k**

**IRS FORM W-9 & CA FTB FORM 590**

Page 1 of 3

[IRS FORM W-9 (REVISED OCTOBER 2018) & 2018 CA FTB FORM 590  
APPEAR ON FOLLOWING TWO (2) PAGES]



# 2018 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent. The withholding agent keeps this form with their records.

**Withholding Agent Information**

Name \_\_\_\_\_

**Payee Information**

Name \_\_\_\_\_

SSN or ITIN  FEIN  CA Corp no.  CA SOS file no.

Address (apt./ste., room, PO box, or PMB no.) \_\_\_\_\_

City (if you have a foreign address, see instructions.) \_\_\_\_\_

State \_\_\_\_\_ ZIP code \_\_\_\_\_

**Exemption Reason**

Check only one box.

By checking the appropriate box below, the payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

- Individuals — Certification of Residency:**  
I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.
- Corporations:**  
The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.
- Partnerships or Limited Liability Companies (LLCs):**  
The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.
- Tax-Exempt Entities:**  
The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 \_\_\_\_\_ (insert letter) or Internal Revenue Code Section 501(c) \_\_\_\_\_ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.
- Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit-Sharing Plans:**  
The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.
- California Trusts:**  
At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.
- Estates — Certification of Residency of Deceased Person:**  
I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.
- Nonmilitary Spouse of a Military Servicemember:**  
I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

**CERTIFICATE OF PAYEE:** Payee must complete and sign below.

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to [ftb.ca.gov/forms](http://ftb.ca.gov/forms) and search for 1131. To request this notice by mail, call 800.852.5711.

Under penalties of perjury, I declare that I have examined the information on this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare under penalties of perjury that if the facts upon which this form are based change, I will promptly notify the withholding agent.

Type or print payee's name and title \_\_\_\_\_ Telephone (\_\_\_\_) \_\_\_\_\_

Payee's signature ► \_\_\_\_\_ Date \_\_\_\_\_



**MEETING DATE:** May 14, 2019

**ITEM SUBMITTED BY:** Peter J. Kampa, General Manager

**SUBMITTAL PREPARED BY:** Peter J. Kampa, General Manager

**AGENDA ITEM: 4F. Adoption of Resolution 26-2019 Approving a Legislative Advocacy Policy**

---

**RECOMMENDED ACTION**

Staff recommends the Board adopt Resolution 26-2019 Approving a Legislative Advocacy Policy.

**BACKGROUND**

The District regularly participates in state legislative activities either directly with the state capitol, or in coordination with CSDA. The legislative process can be fast paced, with many language changes to bills occurring at the last minute before vote, in the evening, on weekends or other inopportune times. It is impossible to assume that the GCSD Board will be able to meet and take positions on bills as they are written and amended. Therefore, CSDA recommends that District's adopt legislative advocacy policies delegating responsibility to specific members of the board and/or staff.

Attached is a draft legislative advocacy policy developed by CSDA for consideration by the GCSD Board. If approved, our District name will be inserted in the appropriate locations of the policy, and it will be included in our policy manual.

**ATTACHMENTS**

- Resolution approving the policy

**FINANCIAL IMPACTS**

There is no financial impact associated with adoption of this policy.

## **RESOLUTION NUMBER 26-2019**

### **Adoption of a Resolution Approving a Legislative Advocacy Policy**

WHEREAS, the Groveland Community Services District regularly participates in state legislative activities either directly with the state capitol, or in coordination with CSDA;

WHEREAS, the legislative process can be fast paced, with many language changes to bills occurring at the last minute before vote, in the evening, on weekends or other inopportune times;

WHEREAS, it is impossible to assume that the GCSD Board will be able to meet and take positions on bills as they are written and amended;

WHEREAS, CSDA recommends that Districts adopt legislative advocacy policies delegating responsibility to specific members of the board and/or staff;

NOW, THEREFORE, BE IT RESOLVED that GROVELAND COMMUNITY SERVICES DISTRICT hereby adopt the Legislative Advocacy Policy as recommended by CSDA.

# **GROVELAND COMMUNITY SERVICES DISTRICT**

## **Policy and Procedure Manual**

**POLICY TITLE: Legislative Advocacy Policy**

**POLICY NUMBER:**

### **1055 Purpose**

The purpose of the policy is to guide [DISTRICT] officials and staff in considering legislative or regulatory proposals that are likely to have an impact on [DISTRICT], and to allow for a timely response to important legislative issues. Although the expenditure of public funds for the purpose of supporting or opposing a ballot measure or candidate is prohibited,<sup>1</sup> the expenditure of public funds is allowed to advocate for or against proposed legislation or regulatory actions which will affect the public agency expending the funds.<sup>2</sup>

The purpose for identifying Legislative Advocacy Procedures is to provide clear direction to [DISTRICT] staff with regard to monitoring and acting upon bills during state and federal legislative sessions. Adherence to Legislative Advocacy Procedures will ensure that legislative inquiries and responses will be administered consistently with “one voice” as to the identified Advocacy Priorities adopted by the Board of Directors. The Legislative Advocacy Procedures and Advocacy Priorities will provide the [DISTRICT] General Manager, or other designee, discretion to advocate in [DISTRICT] best interests in a manner consistent with the goals and priorities adopted by the Board of Directors. This policy is intended to be manageable, consistent, and tailored to the specific needs and culture of [DISTRICT].

### **1055.1 Policy Goals**

- Advocate the [DISTRICT] legislative interests at the State, County, and Federal levels.
- Inform and provide information to the Board of Directors and district staff on the legislative process and key issues and legislation that could have a potential impact on the district.
- Serve as an active participant with other local governments, the California Special Districts Association, and local government associations on legislative and regulatory issues that are important to the district and the region.
- Seek grant and funding assistance for [DISTRICT] projects, services, and programs to enhance services for the community.

### **1055.2 Policy Principles**

The Board of Directors recognizes the need to protect [DISTRICT] interests and local control, and to identify various avenues to implement its strategic and long-term goals. It is the policy of [DISTRICT] to proactively monitor and advocate for legislation as directed by the Advocacy Priorities and by the specific direction of the Board of Directors.

<sup>1</sup> Cal. Gov. Code § 54964.

<sup>2</sup> Cal. Gov. Code § 53060.5; *Stanson v. Mott* (1976) 17 Cal. 3d 206.

This policy provides [DISTRICT] General Manager, or other designee, the flexibility to adopt positions on legislation in a timely manner, while allowing the Board of Directors to set Advocacy Priorities to provide policy guidance. The Board of Directors shall establish various Advocacy Priorities and, so long as the position fits within the Advocacy Priorities, staff is authorized to take a position without board approval.

Whenever an applicable Advocacy Priority does not exist pertaining to legislation affecting the [DISTRICT], the matter shall be brought before the Board of Directors at a regularly scheduled board meeting for formal direction from the Board of Directors. [The Board of Directors may choose to establish a standing committee of two Directors, known as the “Legislative Advocacy Committee”, with the authority to adopt a position when consideration by the full Board of Directors is not feasible within the time-constraints of the legislative process.]

Generally, the [DISTRICT] will not address matters that are not pertinent to the district’s local government services, such as social issues or international relations issues.

### **1055.3 Legislative Advocacy Procedures**

It is the policy of [DISTRICT] to proactively monitor and advocate for legislation as directed by the Advocacy Priorities and by the specific direction of the Board of Directors. This process involves interaction with local, state, and federal government entities both in regard to specific items of legislation and to promote positive intergovernmental relationships. Accordingly, involvement and participation in regional, state, and national organizations is encouraged and supported by the [DISTRICT].

Monitoring legislation is a shared function of the Board of Directors and General Manager or designated staff. The Legislative Advocacy Procedures are the process by which staff will track and respond to legislative issues in a timely and consistent manner. The General Manager, or other designee, will act on legislation utilizing the following procedures:

1. The General Manager or other designee shall review requests that the [DISTRICT] take a position on legislative issues to determine if the legislation aligns with the district’s current approved Advocacy Priorities.
2. The General Manager or other designee will conduct a review of positions and analysis completed by the California Special Districts Association and other local government associations when formulating positions.
3. If the matter aligns with the approved priorities, [DISTRICT] response shall be supplied in the form of a letter to the legislative body reviewing the bill or measure. Advocacy methods utilized on behalf of the district, including but not limited to letters, phone calls, emails, and prepared forms, will be

communicated through the General Manager or designee. The General Manager or designee shall advise staff to administer the form of advocacy, typically via letters signed by the General Manager, or designee, on behalf of the Board of Directors.

4. All draft legislative position letters initiated by the General Manager or designee shall state whether the district is requesting “support”, “support if amended”, “oppose”, or “oppose unless amended” action on the issue, and shall include adequate justification for the recommended action. If possible, the letter should include examples of how a bill would specifically affect the district, e.g. “the funding the district will lose due to this bill could pay for X capital improvements.”
  - a. Support – legislation in this area advances the district’s goals and priorities.

- b. Oppose – legislation in this area could potentially harm, negatively impact or undo positive momentum for the district, or does not advance the district’s goals and priorities.
- 5. The General Manager may also provide a letter of concern or interest regarding a legislative issue without taking a formal position on a piece of legislation. Letters of concern or interest are to be administered through the General Manager or designee.
- 6. When a letter is sent to a state or federal legislative body, the appropriate federal or state legislators representing the [DISTRICT] shall be included as a copy or “cc” on the letter. The appropriate contacts at the California Special Districts Association and other local government associations, if applicable, shall be included as a cc on legislative letters.
- 7. A position may be adopted by the General Manager or designee if any of the following criteria is met:
  - a. The position is consistent with the adopted Advocacy Priorities;
  - b. The position is consistent with that of organizations to which the district is a member, such as the California Special Districts Association; or
  - c. The position is approved by the Board of Directors [or the Legislative Advocacy Committee].
- 8. All legislative positions adopted via a process outside of a regularly scheduled Board Meeting shall be communicated to the Board of Directors at the next regularly scheduled Board Meeting. When appropriate, the General Manager or other designee will submit a report (either written or verbal) summarizing activity on legislative measures to the Board of Directors.

1055.4 **Advocacy Priorities**

***Revenue, Finances, and Taxation***

Ensure adequate funding for special districts’ safe and reliable core local service delivery. Protect special districts’ resources from the shift or diversion of revenues without the consent of the affected districts.  
Promote

the financial independence of special districts and afford them access to revenue opportunities equal to that of other types of local agencies. Protect and preserve special districts’ property tax allocations and local flexibility with revenue and diversify local revenue sources.

Support opportunities that allow the district to compete for its fair share of regional, state, and federal funding, and that maintain funding streams. Opportunities may include competitive grant and funding programs.

Opportunities may also include dedicated funding streams at the regional, state, or federal levels that allow the district to maximize local revenues, offset and leverage capital expenditures, and maintain district goals and standards.

***Governance and Accountability***

Enhance special districts’ ability to govern as independent, local government bodies in an open and accessible manner. Encourage best practices that avoid burdensome, costly, redundant or one-size-fits all approaches.

Protect meaningful public participation in local agency formations, dissolutions, and reorganizations, and ensure local services meet the unique needs, priorities, and preferences of each community.

Oppose additional public meeting and records requirements that unnecessarily increase the burden on public resources without effectively fostering public engagement and enhancing accountability of government agencies.

Promote local-level solutions, decision-making, and management concerning service delivery and governance structures while upholding voter control and maintaining LAFCO authority over local government jurisdictional reorganizations and/or consolidations.

### ***Human Resources and Personnel***

Promote policies related to hiring, management, and benefits and retirement that afford flexibility, contain costs, and enhance the ability to recruit and retain highly qualified, career-minded employees to public service. As public agency employers, support policies that foster productive relationships between management and employees.

Maintain special districts' ability to exercise local flexibility by minimizing state mandated contract requirements. Oppose any measure that would hinder the ability of special districts to maximize local resources and efficiencies through the use of contracted services.

### ***Infrastructure, Innovation, and Investment***

Encourage prudent planning for investment and maintenance of innovative long-term infrastructure. Support the contracting flexibility and fiscal tools and incentives needed to help special districts meet California's changing demands. Promote the efficient, effective, and sustainable delivery of core local services.

Prevent restrictive one-size-fits-all public works requirements that increase costs to taxpayers and reduce local flexibility.

This Resolution shall take effect upon its adoption.

THE FOREGOING RESOLUTION was introduced at a special meeting of the Board of Directors held on the 14<sup>th</sup> day of May, 2019, and was passed by the following vote:

AYES:

NOES:

ABSTENTIONS:

\_\_\_\_\_  
Janice Kwiatkowski, President

ATTEST: \_\_\_\_\_  
Jennifer L. Flores, Board Secretary

**CERTIFICATE OF SECRETARY**

I, Jennifer Flores, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on May 14, 2019.

DATED: \_\_\_\_\_





## **BOARD MEETING AGENDA SUBMITTAL**

**MEETING DATE: May 14, 2019**

**ITEM SUBMITTED BY: Peter J. Kampa, General Manager**

**SUBMITTAL PREPARED BY: Peter J. Kampa, General Manager**

**AGENDA ITEM: 4G. Establish a Development and Adoption Schedule for the 2019/20 Fiscal Year Budget, Including a Special Meeting/Budget Workshop on May 30, 2019 at 10:00am**

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### **RECOMMENDED ACTION**

**Staff recommends that the Board establish a budget workshop for May 30, 2019 at 10:00am and direct staff to prepare a final budget to be approved by June 30, 2019.**

### **BACKGROUND**

Staff is deep in the process of evaluating budget performance for 2018/19 and determining necessary operating and capital expenditures for 2019/20. Staff will work with the Board President and schedule of the members to establish dates for development and delivery of the budget, dates for workshops and meetings. The success of the budget workshop and subsequent meetings will determine whether a preliminary or final budget will be adopted by the June 30, 2019 timeline. The District is also allowed to amend the budget once adopted.

Approval of the Consent Agenda as presented establishes the May 30, 2019 budget workshop and directs staff to prepare for final budget adoption prior to June 30, 2019. The Budget is being developed with options to implement the 2019 Salary Study Report approved by the Board in April.

### **ATTACHMENTS**

- None

### **FINANCIAL IMPACTS**

No impacts

**MEETING DATE:** May 14, 2019

**ITEM SUBMITTED BY:** Peter J. Kampa, General Manager

**SUBMITTAL PREPARED BY:** Peter J. Kampa, General Manager

**AGENDA ITEM: 5A.           Review of, and Board Prioritization and Direction on  
Board Goals, Management Objectives and Related  
Actions; Covering all District Services and Activities**

---

**RECOMMENDED ACTION**

**Staff recommends approval of the management objectives as presented.**

**BACKGROUND**

In March 2019, the Board directed the update of the approved management objectives based on Board and public input. A slate of management objectives will be reviewed at the Board meeting.

**ATTACHMENTS**

- Draft management objectives (likely delivered at meeting)

**FINANCIAL IMPACTS**

No impacts.



## **BOARD MEETING AGENDA SUBMITTAL**

**MEETING DATE: May 14, 2019**

**ITEM SUBMITTED BY: Andrew Murphy, Assistant Fire Chief**

**SUBMITTAL PREPARED BY: Andrew Murphy, Assistant Fire Chief**

### **AGENDA ITEM:**

---

#### **RECOMMENDED ACTION**

**Staff recommends that your Board allows the GCSD Fire Department to apply for the CAL FIRE Volunteer Assistance Grant and to allow the General Manager to sign any subsequent documentation for the application.**

#### **BACKGROUND**

The primary goal of the Volunteer Assistance Grant (VFA) is intended to assist rural fire protection jurisdictions in the purchase of certain training, safety, and communications equipment. Since 1980, the VFA grant has helped firefighters and other first responders to obtain critically needed equipment, protective gear, training, and other resources needed to protect the public and emergency personnel from fire and related hazards. The grant program is a 50/50 matching fund grant provided by the United States Forest Service under the Cooperative Forestry Assistance Act of 1978. In California, the program is administered by CAL FIRE.

The GCSD Fire Department is seeking authorization to submit an application prior to May 22, 2019 for additional training, safety, and communications equipment.

#### **ATTACHMENTS**

- 2019 VFA Grant Requested Items

#### **FINANCIAL IMPACTS**

The VFA grant provides for an award during the fiscal year 2019/20 not to exceed \$20,000.00 and would require a 50% match. Total GCSD match would be approximately \$8,975.65. This GCSD Fire match would be incorporated into the FY 2019/20 Fire Department budget utilizing historically approved amounts for equipment and would require no additional allotment to the Fire budget.

## VFA purchase items

If awarded the VFA grant we plan to purchase the following list of items:

1. 2-Full sets structure PPE- \$6600.00

- Lyon Apparel (helmet, coat, pant, hood, gloves and boots) Est. 3300 p/set, all-star

Replacement of structural firefighting PPE is a constant struggle to ensure personnel are in current, up to date, NFPA compliant PPE. Groveland CSD Fire currently has a limited budget amount for PPE. By utilizing funds through the VFA grant it could give us the ability to acquire our annual 2 sets of turnouts while leaving approximately \$4000.00 in the PPE budget for other PPE purchases. Traditionally purchasing 2 sets of turnouts consumes the entire PPE budget.

2. Thermal imaging camera (TIC)- \$5874.68

- FLIR K55, vehicle charger kit and lanyard, Mallory safety & supply

Our current thermal imaging camera is well over 10 years old and utilizes outdated technology and imagery. Current technology has made thermal imaging cameras more streamlined with extremely advanced imagery creating clear images and creating multiple modes of operation to expand the uses for a thermal imager. It could make locating a victim inside a fire easier and quicker, or searching for victims of a traffic collision at night easier.

3. 2-wildland hose clamps – 381.82

- Timberline, \$190.91/ea., LN Curtis

Our current hose clamps are antiquated and are intended to be used with single jacket cotton fire hose. With the implementation of single jacket nylon hose our antiquated hose clamps require modification in order to effectively stop the flow of water for adding additional lengths of hose. These new style hose clamps are made specifically to be used with single jacket nylon hose and will increase our speed and efficiency when conducting a progressive hoselay during wildland fire suppression.

4. 2-300' rescue ropes- \$720.00

- ½' blue water rescue rope, \$360.00/ea., LN Curtis

Groveland CSD Fire currently responds to more over the bank rope rescues than any other fire station or agency in the entire county. Our ropes are utilized on average 10-15 times a year during actual rescue calls and several more times for training. Due to the mountainous area we work in the potential for one of these valuable rescue ropes to sustain damage during a rescue operation is very high. The purchase of 2 additional 300 ft. rescue ropes will allow us to have reserve rescue equipment in the event one of the in service ropes sustains damage, keeping our rescue capabilities intact.

5. 25- 1.75 'X 50' fire hose- 4375.00

- PONN tru-a-tak double jacket hose, \$175.00/ea., LN Curtis

Just as our firefighting PPE gets old and worn out, so does our fire hose. The purchase of 25 new lengths attack hose will allow engine 781 and engine 787 to be outfitted with new attack hose that is lighter, flows water more easily and is more maneuverable again increasing our speed and efficiency during fire suppression operations.

Total amount of equipment to be requested: \$17,951.30

Amount needed from GCSO Fire 2019/2020 operating budget: \$8975.65



**BOARD MEETING AGENDA SUBMITTAL**

**TO:** GCSD Board of Directors

**FROM:** Jennifer Flores, Administrative Services Manager

**DATE:** May 14, 2019

**SUBJECT:** Agenda Item 6B: Adoption of Resolution 23-2019 Approving Implementation FY 2019/20 Water Rates to be Effective July 1, as Stipulated in the 2015 Water Rate Analysis

**RECOMMENDED ACTION**

Staff recommends the following action:

1. *Adopt Resolution 23-2019 Approving Implementation FY 2019/20 Water Rates to be Effective July 1, as Stipulated in the 2015 Water Rate Analysis*

**BACKGROUND**

In January 2016 the Board approved the 2015 Water Rate Analysis Engineer’s Report which set water rate increases over a five year span. It’s been a year since the last increase was implemented and it is time to vote to implement the next annual increase if the Board chooses.

The current and proposed rates are listed in the charts below. If the Board votes to implement the water rate increase, the new rates will take effect July 1, 2019 and District staff will send a notice of the upcoming rate increase out with the June bills.

**CURRENT RATES**

Meter Size	Flat Rate	Debt Service	Usage Rate	
			Baseline Usage	Peak Demand Usage
5/8" x 3/4"	\$37.36	\$15.57	\$0.00721	\$0.01427
3/4" x 3/4"	\$37.36	\$15.57	\$0.00721	\$0.01427
1"	\$59.79	\$24.90	\$0.00721	\$0.01427
1 1/2"	\$97.15	\$40.47	\$0.00721	\$0.01427
2"	\$130.77	\$54.48	\$0.00721	\$0.01427
3"	\$205.50	\$85.60	\$0.00721	\$0.01427
4"	\$291.44	\$121.39	\$0.00721	\$0.01427

**PROPOSED RATES**

<b>Meter Size</b>	<b>Flat Rate</b>	<b>Debt Service</b>	<b>Usage Rate</b>	
			<b>Baseline Usage</b>	<b>Peak Demand Usage</b>
5/8" x 3/4"	\$38.48	\$15.57	\$0.00743	\$0.01469
3/4" x 3/4"	\$38.48	\$15.57	\$0.00743	\$0.01469
1"	\$61.58	\$24.90	\$0.00743	\$0.01469
1 1/2"	\$100.07	\$40.47	\$0.00743	\$0.01469
2"	\$134.70	\$54.48	\$0.00743	\$0.01469
3"	\$211.67	\$85.60	\$0.00743	\$0.01469
4"	\$300.18	\$121.39	\$0.00743	\$0.01469

**ATTACHMENTS:**

1. Resolution 23-2019

**FINANCIAL IMPACT**

Increased revenue stream for the Water Fund

**RESOLUTION NUMBER 23-2019**

**Adoption of a Resolution Approving Implementation FY 2019/20 Water Rates to be Effective July 1, as Stipulated in the 2015 Water Rate Analysis**

WHEREAS, the Groveland Community Services District Board of Directors approved the 2015 Water Rate Analysis Engineer's Report which set water rate increases for a five year span for the District;

WHEREAS, the Board has continually approved implementing water rate increases as stipulated in the Engineer's Report annually since the report was adopted;

WHEREAS, the Board has the option to approve and direct staff to implement the next phase of water rates for FY 2019/2020;

WHEREAS, annual rate increases helps the District to be fiscally solvent and address annual inflation of operating expenses.

NOW, THEREFORE, BE IT RESOLVED that GROVELAND COMMUNITY SERVICES DISTRICT does hereby approve implementation of FY 2019/20 water rates to be effective July 1, 2019 as stipulated in the 2015 Water Rate Analysis.

BE IT FURTHER RESOLVED, that staff is directed to send notice of upcoming water rate increase with the June bills to affected constituents.

This Resolution shall take effect upon its adoption.

THE FOREGOING RESOLUTION was introduced at a special meeting of the Board of Directors held on the 14<sup>th</sup> day of May, 2019, and was passed by the following vote:

AYES:

NOES:

ABSTENTIONS:

\_\_\_\_\_  
Janice Kwiatkowski, President

ATTEST: \_\_\_\_\_  
Jennifer L. Flores, Board Secretary



**CERTIFICATE OF SECRETARY**

I, Jennifer Flores, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on May 14, 2019.

DATED: \_\_\_\_\_



**BOARD MEETING AGENDA SUBMITTAL**

**TO:** GCSD Board of Directors

**FROM:** Jennifer Flores, Administrative Services Manager

**DATE:** May 14, 2019

**SUBJECT:** Agenda Item 6C: Adoption of Resolution 24-2019 Approving Implementation FY 2019/20 Sewer Rates to be Effective July 1, as Stipulated in the 2018 Sewer Rate Plan

**RECOMMENDED ACTION**

Staff recommends the following action:

1. *Adopt Resolution 24-2019 Approving Implementation FY 2019/20 Sewer Rates to be Effective July 1, as Stipulated in the 2018 Sewer Rate Plan*

**BACKGROUND**

The Board approved the Sewer Rate Study Report prepared by Bartle Wells and Associates in August 2018 and directed staff to implement the first phase of rate increases effective September 2018. The Sewer Rate Report set the rate increases to be effective with each new fiscal year.

If the Board chooses, it is recommended by staff that the Board approve the next sewer rate increase as stipulated in the report for FY 2019/20 and direct staff to send notice of the upcoming rate increase out with the June bills.

The sewer rate increase chart has been included below.

**Table 6: Proposed Rates - (\$300,000 Annual Capital, \$100,000 Annual Set-Aside)  
Groveland Community Services District  
2018 Sewer Rate Study**

	Current	2018/19	2019/20	2020/21	2021/22*	2022/23*
<b>Residential</b>		<b>17%</b>	<b>17%</b>	<b>15%</b>	<b>3%</b>	<b>3%</b>
Monthly Fixed Charge	\$53.10	\$62.13	\$72.69	\$83.59	\$86.10	\$88.68
Debt Service Charge - PML	\$25.75	\$20.42	\$20.42	\$20.42	\$20.42	\$20.42
Volume Charge (\$/gal)	\$0.00698	\$0.00817	\$0.00955	\$0.01099	\$0.01132	\$0.01166
Typical Residential Bill (3100 gals) - Groveland/BOF	\$74.74	\$87.44	\$102.31	\$117.66	\$121.18	\$124.82
Typical Residential Bill (3100 gals) - PML	\$100.49	\$107.86	\$122.73	\$138.08	\$141.60	\$145.24
<b>Commercial</b>		<b>17%</b>	<b>17%</b>	<b>15%</b>	<b>3%</b>	<b>3%</b>
Monthly Fixed Charge	\$53.10	\$62.13	\$72.69	\$83.59	\$86.10	\$88.68
Debt Service Charge - PML	\$25.75	\$20.42	\$20.42	\$20.42	\$20.42	\$20.42
Volume Charge (\$/gal)	\$0.01121	\$0.01312	\$0.01535	\$0.01765	\$0.01818	\$0.01872
Typical Commercial Bill (4000 gals) - Groveland/BOF	\$97.94	\$114.59	\$134.07	\$154.18	\$158.81	\$163.57
Typical Commercial Bill (4000 gals) - PML	\$123.69	\$135.01	\$154.49	\$174.60	\$179.23	\$183.99

\* Cost of living increase will be tied to CPI for FY2022 and FY 2023.

**ATTACHMENTS:**

1. Resolution 24-2019

**FINANCIAL IMPACT**

Increased revenue stream for the Sewer Fund

**RESOLUTION NUMBER 24-2019**

**Adoption of a Resolution Approving Implementation FY 2019/20 Sewer Rates to be Effective July 1, as Stipulated in the Approved 2018 Sewer Rate Plan**

WHEREAS, the Groveland Community Services District Board of Directors adopted Resolution 22-18 which approved increased sewer rates to fund sewer services through 2023 as presented in the Bartle Wells and Associates Sewer Rate Study Report;

WHEREAS, by adopting said resolution, the first sewer rate increase was implemented in September 2018 and took effect for the October 2018 billing cycle;

WHEREAS, the Board has the option to approve and direct staff to implement the next phase of sewer rates for FY 2019/2020;

WHEREAS, annual rate increases help the District to be fiscally solvent and address annual inflation of operating expenses.

NOW, THEREFORE, BE IT RESOLVED that GROVELAND COMMUNITY SERVICES DISTRICT does hereby approve implementation of FY 2019/20 sewer rates to be effective July 1, 2019 as stipulated in the Bartle Wells and Associates Sewer Rate Study Report.

BE IT FURTHER RESOLVED, that staff is directed to send notice of upcoming sewer rate increase with the June bills to affected constituents.

This Resolution shall take effect upon its adoption.

THE FOREGOING RESOLUTION was introduced at a special meeting of the Board of Directors held on the 14<sup>th</sup> day of May, 2019, and was passed by the following vote:

AYES:

NOES:

ABSTENTIONS:

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Janice Kwiatkowski, President

ATTEST: \_\_\_\_\_  
Jennifer L. Flores, Board Secretary

**CERTIFICATE OF SECRETARY**

I, Jennifer Flores, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on May 14, 2019.

DATED: \_\_\_\_\_



**MEETING DATE:** May 14, 2019

**ITEM SUBMITTED BY:** Peter J. Kampa, General Manager

**SUBMITTAL PREPARED BY:** Peter J. Kampa, General Manager

**AGENDA ITEM:** 6D. Adoption of Resolution 25-2019 Establishing Designated Water Reserve System Reserves

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**RECOMMENDED ACTION**

**I move to Adopt Resolution 25-2019 Establishing Designated Water Reserve System Reserves.**

**BACKGROUND**

The Board of Directors has adopted a policy which defines the need for financial reserves in each service, and establishes two specific types of reserves; Designated and Restricted. The policy also defines the appropriate categories of reserves as:

- Designated for Capital Improvements
- Designated for Operating and Other Contingencies
- Restricted for Debt Service

The policy further defines how revenue flows into the reserves, how reserves are discontinued and allowing the use of reserves in an emergency situation.

This agenda item deals with Water Service Designated Capital Improvement Reserves, as contemplated in the 2015 Water Rate Study Report. State law and District policy require that the Board of Directors declare the exclusive purposes for which the funds in each reserve in each fund may be spent, on establishing such reserves in such fund. Staff proposes that the following designated reserve be established:

**1. Capital Facility Replacement Reserve (Water Service and Administration)**

1.1. Purpose: Funds from monthly fees and connection/capacity fees are both set aside (reserved) for future and budgeted for immediate expenditure on the replacement of existing capital facilities and equipment (capital assets).

1.2. Target Balance: The target balance continually fluctuates with the addition and replacement of new facilities and equipment. As new facilities and equipment are built, acquired or purchased, the target balance will increase in order to provide for the ultimate replacement of these facilities at the end of their life-cycle. As such, the current target reserve balance is the amount that should be funded at the end of each fiscal year

according to a replacement reserve study and Capital Improvement Plans (CIP), which are reviewed annually.

1.3. Methodology/Rational: The District records depreciation using the straight-line method over the estimated useful lives of facilities and equipment. A portion of the monthly fees are collected to fund this reserve to replace District facilities and equipment as they reach the end of their useful life and also to handle unanticipated repairs during the life-cycle.

1.4. Use of Funds: The funds will be budget to accumulate in reserve or be budgeted for use to replace and upgrade water system facilities and equipment, and purchase capital equipment and vehicles as necessary to continue reliable and efficient District water services.

1.5. Funding: Annual contributions from user fees are currently based upon annual projected requirements in conjunction with the overall budget, replacement reserve study and CIP. Interest earnings will be accrued on and added to fund balance, using the District's earnings rate on investments. In addition, the Board of Directors may approve the designation of available fund balance as Capital Replacement Reserves provided, however, that sufficient Operating Fund balances are preserved. Annual budgets may contain both deposits into capital reserves and expenditures out of capital reserves.

#### **ATTACHMENTS**

- Resolution establishing designated water system reserves
- Existing District Reserve Policy

#### **FINANCIAL IMPACTS**

There is no financial impact by establishing the designated reserve.

**RESOLUTION NUMBER 25-2019**

**Adoption of a Resolution Establishing Designated Water Reserve System Reserve**

WHEREAS, the Water Rate Study Report of October 2015 allocated a portion of the then proposed water rate increase to replacement of the water system facilities and equipment, and

WHEREAS, Board policy provides for the creation of designated reserves to be used for capital improvements and contingencies associated with District services, and

WHEREAS the District wishes to create a designated capital facility replacement reserve to be used for specified purposes as described herein below:

NOW, THEREFORE, BE IT RESOLVED that GROVELAND COMMUNITY SERVICES DISTRICT hereby Establishes Designated Water Reserve System Reserve.



**GROVELAND COMMUNITY SERVICES DISTRICT**  
**Policy and Procedure Manual**

**1. Capital Facility Replacement Reserve (Water Service and Administration)**

1.1. Purpose: Funds from monthly fees and connection/capacity fees are both set aside (reserved) for future and budgeted for immediate expenditure on the replacement of existing capital facilities and equipment (capital assets).

1.2. Target Balance: The target balance continually fluctuates with the addition and replacement of new facilities and equipment. As new facilities and equipment are built, acquired or purchased, the target balance will increase in order to provide for the ultimate replacement of these facilities at the end of their life-cycle. As such, the current target reserve balance is the amount that should be funded at the end of each fiscal year according to a replacement reserve study and Capital Improvement Plans (CIP), which are reviewed annually.

1.3. Methodology/Rational: The District records depreciation using the straight-line method over the estimated useful lives of facilities and equipment. A portion of the monthly fees are collected to fund this reserve to replace District facilities and equipment as they reach the end of their useful life and also to handle unanticipated repairs during the life-cycle.

1.4. Use of Funds: The funds will be budget to accumulate in reserve or be budgeted for use to replace and upgrade water system facilities and equipment, and purchase capital equipment and vehicles as necessary to continue reliable and efficient District water services.

1.5. Funding: Annual contributions from user fees are currently based upon annual projected requirements in conjunction with the overall budget, replacement reserve study and CIP. Interest earnings will be accrued on and added to fund balance, using the District's earnings rate on investments. In addition, the Board of Directors may approve the designation of available fund balance as Capital Replacement Reserves provided, however, that sufficient Operating Fund balances are preserved. Annual budgets may contain both deposits into capital reserves and expenditures out of capital reserves.

This Resolution shall take effect upon its adoption.

THE FOREGOING RESOLUTION was introduced at a special meeting of the Board of Directors held on the 14<sup>th</sup> day of May, 2019, and was passed by the following vote:

AYES:

NOES:

ABSTENTIONS:

\_\_\_\_\_  
Janice Kwiatkowski, President

ATTEST: \_\_\_\_\_  
Jennifer L. Flores, Board Secretary

**CERTIFICATE OF SECRETARY**

I, Jennifer Flores, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on May 14, 2019.

DATED: \_\_\_\_\_

## 404 RESERVE POLICY

### 404.1 Definition of Reserves

#### A. Water Fund Reserves

Water rates, connection fees, standby charges and other fees collected by the District for providing water service to its residents should be established at a sufficient level to pay the expenses of day-to-day operations for providing water service as well as the anticipated repair and replacement of the District's water utility infrastructure. The excess of the amount collected in water fees and other water revenues during the fiscal year over the amount expended during the same period for water fund expenses are referred to as "retained earnings" in the Water Fund.

#### B. Sewer Fund Reserves

Sewer rates, connection fees, standby charges and other fees collected by the District for providing wastewater services to its residents should be established at a sufficient level to pay the expenses of day-to-day sewer and wastewater operations as well as the anticipated repair and replacement of the District's sewer and wastewater utility infrastructure. The excess of the amount collected in sewer and wastewater fees and other revenues during the fiscal year over the amount expended during the same period for sewer and wastewater expenses are referred to as "retained earnings" in the Sewer Fund.

#### C. Fire Fund Reserves

The District's share of general *ad valorem* real property taxes apportioned by the District's Board of Directors to fund fire protection facilities and operations and other fees collected by the District for providing fire suppression services to its residents are budgeted at a sufficient level to pay the expenses of day-to-day fire protection services as well the anticipated repair and replacement of the District's fire safety facilities and equipment. The excess of the amount collected in such fire protection revenues during the fiscal year over the amount expended during the same period for fire protection expenses are referred to as "retained earnings" in the Fire Fund.

#### D. Park Fund Reserves

The District's share of general *ad valorem* real property taxes apportioned by the District's Board of Directors to fund park, recreation and community facilities and operations and other fees collected by the District for providing park, recreation and community facilities services to its residents are budgeted at a sufficient level to pay the expenses of day-to-day park, recreation and community facilities services as well the anticipated repair and replacement of the District's park, recreation and community facilities and equipment. The excess of the amount collected in such park, recreation and community facilities revenues during the fiscal

year over the amount expended during the same period for park, recreation and community facilities purposes are referred to as “retained earnings” in the Park Fund.

#### 404.2 Establishment of Reserves

In its annual preliminary and final budget, the Board of Directors may allocate any retained earnings in each of its Governmental Funds and Enterprise Funds to one or more established reserves in each such fund. There are two different types of reserves in each of the District’s funds as follows: 1) designated reserves; and 2) restricted reserves.

##### A. Designated Reserves

Designated reserves are net funds that are set aside based on Board policy or tentative plans for financial resource utilization in a future period, such as for general contingencies, Operating shortages, or for equipment or infrastructure replacement. Such designated reserves reflect tentative managerial plans or intent which are subject to change and which funds may never be legally authorized or result in expenditures. Examples of such designated reserves are the designated reserve for capital improvements, and the designated reserve for Operating shortages and other contingencies in each of the District’s funds.

##### B. Restricted Reserves

Restricted reserves are defined as that portion of retained earnings in any of the Governmental Funds or Enterprise Funds maintained by the District, or bond proceeds received by the District, which are set aside in a separate reserve in such fund, the expenditure of which are limited by legal or contractual requirements. The District also maintains restricted debt service reserves funded by a component of the District’s sewer rates and water rates as specified in Section 404.3.C below.

#### 404.3 Categories of Reserves

Designated reserves and restricted reserves established by the Board of Directors in each Governmental Fund and Enterprise Fund of the District shall be defined as follows:

##### A. Designated Reserve for Capital Improvements

Funds allocated to this reserve in each Governmental Fund or Enterprise Fund of the District represent funds available to finance planned future expenditures for construction of improvements, purchase of supplies and equipment, and repair or replacement of all or a portion of the District’s water, wastewater, fire protection and park and recreation infrastructure, including but not limited to water distribution and treatment facilities and equipment, sewer collection, treatment and disposal equipment or facilities, fire suppression equipment, parks, open space and other recreational improvements and facilities, and any other District owned buildings and other structures. Appropriate expenditures of the designated reserve for capital improvements in each fund includes the costs of site acquisition, site development, including CEQA compliance, architectural services, inspection services,

engineering services, construction, reconstruction, alterations, repair and replacement, and related legal services.

B. Designated Reserve for Operating and Other Contingencies

Funds allocated to this reserve in each Governmental Fund or Enterprise Fund of the District represent funds allocated for the purpose of paying the costs and expenses associated with unanticipated events including but not limited to temporary cash flow shortages in each fund, repair and/or replacement of facilities, equipment, supplies or infrastructure in each fund resulting from a catastrophic event, or expenditures in each fund required to respond to an emergency which threatens public health and safety. Funds allocated to the designated contingency reserve in each fund may also be used to pay damage claims against the District which are not covered by insurance provided by that fund. The Board of Directors may authorize expenditure of the funds allocated to the designated reserve for Operating and other contingencies in each fund on any expenses that may be incurred during the fiscal year in each such fund for which no specific appropriation has previously been made.

C. Restricted Debt Service Reserve

The debt service charge component of the District's sewer rates and the debt service charge component of the District's water rates, as established by the Board of Directors from time to time, shall be deposited into the restricted debt service reserve established in the Water Fund and the Sewer Fund. The purpose of the reserve in each such Fund is to provide sufficient revenue to pay annual debt service on any and all bonds, including certificates of participation, or other forms of indebtedness issued by the District in each such fund to finance the construction, rehabilitation and/or improvement of the District's water, wastewater and sewer capital facilities; to provide upgraded, safe and dependable water and sewer management and to remain in compliance with existing and future state and federal regulations. This restricted debt service reserve in the Water Fund and the Sewer Fund may be divided into sub-accounts representing the annual debt service to be paid on each individual issuance of bonds, certificates of participation, or other forms of indebtedness issued by the District to finance such capital improvements in each such fund. The Board of Directors may at any time deposit any sources of retained earnings in each fund into the restricted debt service reserve for that fund.

D. Funding of Reserves

At any time after the establishment of a designated reserve or restricted reserve in any Governmental Fund or Enterprise Fund of the District, the Board of Directors may transfer any retained earnings in any such fund to such designated or restricted reserve in such fund. The Board of Directors shall declare the exclusive purposes for which the funds in each reserve in each fund may be spent on establishing such reserves in such fund. The funds deposited into each designated reserve and/or restricted reserve in each fund shall only be spent for the exclusive purposes for which the Board has established such a designated reserve or restricted reserve in each fund. The Board of Directors may transfer any revenue in any Governmental or Enterprise Fund to any restricted or designated reserve in such fund at any

time after establishment of that reserve. All such reserves shall be maintained according to generally accepted accounting principles.

E. Discontinuance of Reserves

If the Board of Directors finds that the funds in a designated reserve or a restricted reserve in any Governmental Fund or Enterprise Fund of the District are no longer required for the purposes for which such designated or restricted reserve in such fund was established, the Board of Directors may, by a 4/5 vote of the total membership of the Board of Directors, discontinue a designated or restricted reserve in any such fund of the District and transfer any funds that are no longer required from a designated reserve or restricted reserve in any fund of the District to any other reserve in such fund, or to the District's operating account.

F. Use of Reserves in an Emergency

In a state of emergency or in a local emergency as defined by Government Code Section 8558, the Board of Directors may temporarily transfer funds from a designated reserve for capital improvements, or a designated reserve for Operating or other contingencies in any Governmental Fund or Enterprise Fund of the District to the District's general fund to fund those costs necessary to respond to such emergencies. The Board of Directors shall restore any such funds to the designated reserve from which such funds were drawn as soon as feasible pursuant to the requirements of Government Code Section 61112.

**MEETING DATE:** May 14, 2019

**ITEM SUBMITTED BY:** Peter J. Kampa, General Manager

**SUBMITTAL PREPARED BY:** Peter J. Kampa, General Manager

**AGENDA ITEM: 6E.**            **Consideration of Appointment of a Representative of the Board to Serve as the Candidate for Potential Selection to Serve as a Special District Representative on the County LAFCO and Provide Direction Regarding Associated Cost Sharing Agreements and Decision Making**

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**RECOMMENDED ACTION**

**Staff recommends that the Board:**

- 1. Appoint a candidate to serve on LAFCO should the Commission be expanded to include special districts**
- 2. Allow special district members to vote on proposals affecting their own districts**
- 3. Authorize the Board President or designee to approve a special district funding allocation of up to 1/3 of the cost of LAFCO operation, distributed among districts according to a formula acceptable to a majority of the special districts participating**

**BACKGROUND**

The District Board of Directors has adopted a resolution requesting special district representation on the Tuolumne County Local Agency Formation Commission (LAFCO). As you will remember, LAFCO makes decisions regarding the boundaries and services provided by the various districts and cities within the county. State law now allows special districts to participate on LAFCO as a voting member.

Please see the attached background information prepared by the LAFCO CEO, attached hereto, that provides information about the process for approving special district representation. LAFCO adopted the attached Resolution at its April 2019 meeting. The next step is completely up to the special districts in the county, some of which are so small they have no office or phone for contact. Since we need a majority of the Districts to answer the following questions in order to secure representation, we have scheduled a meeting of the districts on May 29. Our goal is to leave this meeting with agreement on the following:

- a. Do the Independent Special Districts accept representation on LAFCO?
- b. If so, appoint two regular members and one alternate member



- i. Are the Independent Special District members to be disqualified from voting on proposals affecting their own special district?
- c. Do the Independent Special Districts accept the default LAFCO budget apportionment of one-third share?
  - i. If not, has an alternate funding allocation been approved by a majority vote of each of the following: the Board of Supervisors; the Sonora City Council; and the Independent Special Districts representing a majority of the combined total population of Independent Special Districts in the County?

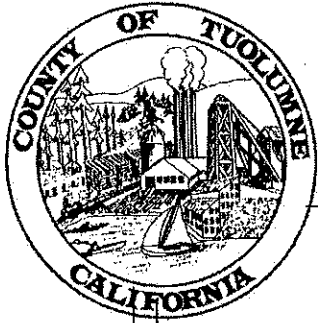
Also attached for consideration is a cost allocation spreadsheet prepared by Twain Harte CSD, which identifies the contributions of the various districts using the statutory 1/3 split, and the alternative of 8.5% as currently paid by the city. Staff requests the flexibility for the Board President or designee to negotiate an allocation of costs acceptable to a majority of the other districts. The above stated action is recommended by staff.

#### **ATTACHMENTS**

- Special Districts on LAFCO information report and resolution
- Draft budget allocation worksheet

#### **FINANCIAL IMPACTS**

The maximum cost to the District for participation on LAFCO for the 2019/20 fiscal year is estimated at \$4401.



**County of Tuolumne  
Local Agency Formation Commission**

**David Gonzalves, CBO**  
*Executive Officer*

A.N. Francisco Building  
48 Yanev Avenue  
Mailing: 2 S. Green Street  
Sonora, CA 95370  
209 533-5633  
209 533-5616 (fax)  
[www.tuolumnecounty.ca.gov](http://www.tuolumnecounty.ca.gov)

## **EXECUTIVE OFFICER'S REPORT**

### **PROPOSED ACTION**

Consideration of adopting Resolution No. 296 approving the formation of an Independent Special District Selection Committee to determine whether independent special districts accept representation on LAFCO and associated budgetary responsibilities.

### **BACKGROUND INFORMATION**

1. LAFCO is currently comprised of two County Supervisors, two City Council Members and one Public Member. When a LAFCO does not have Independent Special District representation, the LAFCO must initiate proceedings for such representation upon receipt of a written request by one or more independent special districts representing 10% or more of the assessed value of taxable property in the County, as shown on the last equalized County assessment roll. (Gov. Code § 56332.5.)
2. On October 23, 2018, correspondence was received requesting the Commission to initiate the proceedings for representation of Independent Special Districts as members of the Tuolumne County LAFCO. The correspondence also included a request for a LAFCO budgetary allocation formula of 8% to be shared among the special districts. Nine (9) independent special districts adopted Resolutions supporting this request as follows:
  - Columbia Fire Protection District
  - Groveland Community Services District
  - Jamestown Sanitary District
  - Mi-Wuk Sugar Pine Fire Protection District
  - Strawberry Fire Protection District
  - Tuolumne City Sanitary District
  - Tuolumne Fire District
  - Tuolumne Utilities District
  - Twain Harte Community Services District

### **PROCEEDINGS FOR INDEPENDENT SPECIAL DISTRICT REPRESENTATION**

3. After receipt of a request to initiate proceedings for independent special district representation, the Commission is required to adopt a resolution of intention (see attached Resolution 296). The LAFCO Executive Director is then required to call and give notice of a meeting of the independent special district selection committee to be held within 15 days after the adoption of the resolution in order to determine whether independent special districts shall accept representation on LAFCO and appoint Independent Special District representation.

4. The Independent Special District Selection Committee consists of the presiding officer of the legislative body of each Independent Special District. An alternate may be appointed by the legislative body of an Independent Special District if the presiding officer of that Independent Special District is unable to attend. The districts eligible for representation on the selection committee are:
  - Districts located wholly within the County
  - Districts containing territory within the County representing 50 percent or more of the assessed value of taxable property of the district, as shown on the last equalized county assessment roll
  
5. There are a total of 18 eligible Independent Special Districts in the County. In addition to the 9 Districts requesting LAFCO representation, the following special districts will be members of the selection committee:
  - Carters Cemetery District
  - City of Sonora
  - Columbia Cemetery District
  - Columbia Fire Protection District.
  - Groveland Community Services District.
  - Jamestown Cemetery District
  - Jamestown Fire Protection District
  - Jamestown Sanitary District.
  - Leland Meadows Water District
  - Mi-Wuk Sugar Pine Fire Protection District
  - Oak Grove Cemetery District
  - Shaws Flat-Springfield Cemetery District
  - Strawberry Fire Protection District.
  - Tuolumne City Sanitary District
  - Tuolumne Parks and Recreation District
  - Tuolumne Fire District
  - Tuolumne Utilities District
  - Twain Harte Community Services District
  
6. Each member of the Independent Special District Selection Committee has one vote. Members representing a majority of the eligible districts constitute a quorum. At the initial meeting of the selection committee, the committee will determine (1) whether independent special districts shall accept representation on LAFCO and (2) if so, appoint two regular members and one alternate member to LAFCO. Appointed members must reside within the County and be elected or appointed members of an independent special district legislative body. As a default, special district LAFCO commissioners are not disqualified from acting on proposals affecting their own special district. However, the selection committee, at the time of appointment, can provide that the member is disqualified from voting on proposals affecting their own special district.

### **LAFCO BUDGET ALLOCATION FORMULA**

7. When there is only county and city representation, the default LAFCO budget apportionment is one-half shares for the county and the city. (Gov. Code § 56381.) This default can be revised with agreement of the parties. On March 11, 2008, the County Board of Supervisors approved an MOU with the City of Sonora that altered the LAFCO billing formula to a per capita basis. This generally works out to a LAFCO budget allocation of: County – 92%, City – 8%.
  
8. When there is county, city and special district representation, the default LAFCO budget apportionment is one-third shares for the county, the cities, and the special districts. Any alternative method of apportionment of the LAFCO net operating expenses may be used if approved by a majority vote of each of the following: the Board of Supervisors; the Sonora City

Council; and the independent special districts representing a majority of the combined total population of independent special districts in the County.

9. The Independent Special Districts seeking LAFCO representation have requested an alternate LAFCO budget allocation from the statutory default. Given the overlapping jurisdictions of the County, City, and special districts, a per capita billing formula would not likely be appropriate. However, any alternate funding allocation will require approval by the City and County, in addition to the Independent Special Districts.
10. If the Independent Special District Selection Committee agrees to accept the statutory default one-third budget apportionment, LAFCO can move forward seating the special district representatives. If the Independent Special District Selection Committee continues to request an alternate funding allocation, the seating of special district representatives will not occur until a Memorandum of Understanding is approved by the City, County and Independent Special Districts.
11. With regard to allocation of the LAFCO budgetary allocation among the Independent Special Districts, the statutory default is to apportion the share in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. (Gov. Code § 56381(b)(1)(C).) An alternative method can be approved by a majority of the Independent Special Districts representing a majority of their combined populations.

## **ENVIRONMENTAL ANALYSIS**

The action to adopt a Resolution of Intention to initiate the proceedings to seat Independent Special Districts representatives on LAFCO is categorically exempt from environmental review pursuant to Section 15320 of the State CEQA Guidelines; because the action relates to changes in the organization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised.

## **RECOMMENDATION**

The Executive Officer recommends adoption of Resolution No. 296 to approve the formation of an Independent Special District Selection Committee to determine the following issues:

- a. Do the Independent Special Districts accept representation on LAFCO?
- b. If so, appoint two regular members and one alternate member
  - i. Are the Independent Special District members to be disqualified from voting on proposals affecting their own special district?
- c. Do the Independent Special Districts accept the default LAFCO budget apportionment of one-third share?
  - i. If not, has an alternate funding allocation been approved by a majority vote of each of the following: the Board of Supervisors; the Sonora City Council; and the Independent Special Districts representing a majority of the combined total population of Independent Special Districts in the County?

Prepared by: Renee Hendry, Planner II

Date: March 27, 2019

**RESOLUTION NO. 296**  
**OF THE**  
**LOCAL AGENCY FORMATION COMMISSION**  
**OF THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA**

APPROVING THE FORMATION OF THE INDEPENDENT SPECIAL DISTRICT SELECTION  
COMMITTEE  
AND  
ADOPTING DETERMINATIONS

\*\*\*\*\*

WHEREAS, pursuant to Government Code Section 56332.5, when a LAFCO does not have Independent Special District representation, the LAFCO must initiate proceedings for such representation upon receipt of a written request by one or more independent special districts representing 10% or more of the assessed value of taxable property in the County, as shown on the last equalized County assessment roll; and

WHEREAS, the Commission has received resolutions from nine of the independent special districts in Tuolumne County, representing 10% or more of the assessed value of taxable property in the County, requesting special district representation on LAFCO as follows:

1. Columbia Fire Protection District.
2. Groveland Community Services District.
3. Jamestown Sanitary District.
4. Mi-Wuk Sugar Pine Fire Protection District.
5. Strawberry Fire Protection District.
6. Tuolumne City Sanitary District
7. Tuolumne Fire District
8. Tuolumne Utilities District
9. Twain Harte Community Services District

WHEREAS, pursuant to Government Code Section 56381(b)(1)(A), when there is county, city and special district representation, the default LAFCO budget apportionment is one-third shares for the county, the cities, and the special districts; and

WHEREAS, pursuant to Government Code Section 56381(b)(4), any alternative method of apportionment of the net operating expenses of the Commission may be used if approved by a majority vote of each of the following: the Board of Supervisors; the Sonora City Council; and the independent special districts representing a majority of the combined total population of independent special districts in the County; and

WHEREAS, the special districts seeking LAFCO representation have requested an alternate LAFCO budget allocation formula of 8% to be shared among the special districts.

NOW, THEREFORE, BE IT RESOLVED that the County of Tuolumne Local Agency Formation Commission does hereby determine and order as follows:

SECTION 1: An Independent Special District Selection Committee shall be formed, consisting of the presiding officer of the legislative body of each eligible independent special district. An alternate may be appointed by the legislative body of an independent special district if the presiding officer of that independent special district is unable to attend.

SECTION 2: The independent special districts eligible for membership on the Independent Special District Selection Committee are as follows:

1. Carters Cemetery District
2. City of Sonora
3. Columbia Cemetery District
4. Columbia Fire Protection District.
5. Groveland Community Services District.
6. Jamestown Cemetery District
7. Jamestown Fire Protection District
8. Jamestown Sanitary District.
9. Leland Meadows Water District
10. Mi-Wuk Sugar Pine Fire Protection District
11. Oak Grove Cemetery District
12. Shaws Flat-Springfield Cemetery District
13. Strawberry Fire Protection District.
14. Tuolumne City Sanitary District
15. Tuolumne Parks and Recreation District
16. Tuolumne Fire District
17. Tuolumne Utilities District
18. Twain Harte Community Services District

SECTION 3: The Executive Officer is ordered to call and give notice of a meeting of the Independent Special District Selection Committee to be held within 15 days after the adoption of this Resolution. Each eligible district is entitled to one vote on the Independent Special District Selection Committee. Members representing a majority of the eligible districts constitute a quorum. The Executive Officer shall use the operating procedures set forth in Government Code section 56332.

SECTION 4. The Independent Special District Selection Committee shall determine the following by a majority vote:

- a. Do the independent special districts accept representation on LAFCO?
  - i. If so, appoint two regular members and one alternate member
  - ii. Are the special district members to be disqualified from voting on proposals affecting their own special district?
- b. Do the independent special districts accept the default LAFCO budget apportionment of one-third share?
  - i. If not, has an alternate funding allocation been approved by a majority vote of each of the following: the Board of Supervisors; the Sonora City Council; and the independent special districts representing a majority of the combined total population of independent special districts in the County?

\*\*\*\*\*

The foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of the County of Tuolumne, State of California, at a regular meeting held on the 8th day of April, 2019, by the following vote:

AYES: Commissioners \_\_\_\_\_

NOES: Commissioners \_\_\_\_\_

ABSENT: Commissioners \_\_\_\_\_

ABSTAIN: Commissioners \_\_\_\_\_

ATTEST: \_\_\_\_\_  
David Gonzalves, CBO  
Executive Officer

\_\_\_\_\_  
LAFCO, Chair

**GOVERNMENT CODE COST SHARE - SPECIAL DISTRICT LAFCO REPRESENTATION**

Based on FY 2019-20 LAFCO Budget and FY 16-17 SCO Report

**TUOLUMNE COUNTY LAFCO OPERATIONAL COSTS**

TOTAL FY 2019-20 BUDGET EXPENSES	EXPENSES COVERED BY LAFCO AGENCIES <sup>1</sup>	SPECIAL DISTRICT COST SHARE (1/3 Split)	SPECIAL DISTRICT COST SHARE (Same as City - 8.1%)
\$65,356.00	\$58,267.00	\$19,422.33	\$4,719.63

**SPECIAL DISTRICT COSTS**

INDEPENDENT SPECIAL DISTRICT	TOTAL REVENUE <sup>2</sup> per GC 53681(b)(1)(C) SCO Report - FY 2016-17	PROPORTION OF TOTAL REVENUE	ADJUSTED PROPORTION OF TOTAL REVENUE <sup>3</sup>	PROPORTIONAL DISTRICT COST 1/3 SPLIT	PROPORTIONAL DISTRICT COST 8.1% (CITY) SPLIT
<b>Utilities Districts</b>					
Tuolumne Utilities District	\$18,812,405.00	57.92%	50.00%	\$9,711.17	\$2,359.81
<b>Community Services Districts</b>					
Groveland Community Services District	\$6,193,720.00	19.07%	22.66%	\$4,400.86	\$1,069.41
Twain Harte Community Services District	\$3,728,860.00	11.48%	13.64%	\$2,649.49	\$643.83
<b>Sanitary Districts</b>					
Jamestown Sanitary District <sup>4</sup>	\$1,075,842.00	3.31%	3.94%	\$764.42	\$185.75
Tuolumne City Sanitary District	\$1,333,118.00	4.10%	4.88%	\$947.23	\$230.18
<b>Water Districts</b>					
Leland Meadow Water District	\$72,742.00	0.22%	0.27%	\$51.69	\$12.56
<b>Fire Protection Districts</b>					
Columbia Fire Protection District	\$98,384.00	0.30%	0.36%	\$69.91	\$16.99
Jamestown Fire Protection District	\$92,141.00	0.28%	0.34%	\$65.47	\$15.91
Mi-Wuk/Sugar Pine Fire Protection District	\$448,015.00	1.38%	1.64%	\$318.33	\$77.35
Strawberry Fire Protection District	\$95,736.00	0.29%	0.35%	\$68.02	\$16.53
Tuolumne Fire Protection District	\$78,612.00	0.24%	0.29%	\$55.86	\$13.57
<b>Park and Recreation Districts</b>					
Tuolumne Park and Recreation District	\$274,531.00	0.85%	1.00%	\$195.06	\$47.40
<b>Resource Conservation Districts</b>					
Tuolumne County Resource Conservation District	\$47,117.00	0.15%	0.17%	\$33.48	\$8.14
<b>Cemetery Districts</b>					
Carters Cemetery District	\$66,448.00	0.20%	0.24%	\$47.21	\$11.47
Columbia Cemetery District	\$40,491.00	0.12%	0.15%	\$28.77	\$6.99
Jamestown Cemetery District	\$4,269.00	0.01%	0.02%	\$3.03	\$0.74
Oak Grove Cemetery District	\$9,469.00	0.03%	0.03%	\$6.73	\$1.63
Shaws Flat-Springfield Cemetery District	\$7,901.00	0.02%	0.03%	\$5.61	\$1.36

**TOTAL SPECIAL DISTRICT REVENUE \$32,479,801.00**

**Notes**

- 1 These are LAFCO's budgeted expenses remaining after it collects outside fees (application fees, etc.). These are the actual costs split by the County and City.
- 2 This total revenue is calculated per Government Code 53681(b)(1)(C) based on the following revenues reported in the latest State Controllers Report:  
Enterprise Operating + Enterprise Non-Operating + Non-Enterprise Gen Purpose - Total Inter Governmental
- 3 Gov Code 56381(F) does not allow any district to pay more than 50% of costs without consent. The share beyond 50% is proportionally split by the remaining districts.
- 4 Jamestown Sanitary District is mistakenly included in the State Controller Report for *Dependent* Districts. Their revenue comes from that report.
- 5 A different cost share can be agreed to by a majority vote, but no District can be required to pay more than the above share or 50% without their consent.



# STAFF REPORT

**AGENDA ITEM:**       **6F.     Approval to Proceed with Preparation of a Funding Application to the USDA Rural Development, Rural Utilities Services for Water System Improvements Including Installation of an Automated (Water) Meter Reading System, Improvements to the Alternate Water Supply Facility, Upgrade of the Wastewater Plant Headworks and Renovation of the Wastewater Reclaimed Irrigation System**

**MEETING DATE:**     **May 14, 2019**

**PREPARED BY:**       **Alfonso Manrique, District Engineer**

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## **RECOMMENDATION:**

Staff recommends that the Groveland Community Services District (GCSD) Board of Directors authorize the preparation of a Preliminary Engineering Report and submit a funding application to USDA to fund some of the FY 2019-20, and FY 2020-21 Capital Improvement Projects.

## **BACKGROUND:**

Staff has been working on the preparation of a comprehensive Capital Improvement Plan (CIP) that addresses the Districts most immediate needs with regards to Water and Sewer Infrastructure. The CIP identifies projects and prioritizes them based on how critical they are. Copies of the most recent Water and Sewer CIP projects and their costs are attached to this staff report. In the next 5 fiscal years, the CIP identifies \$11.8 million for water projects and \$6.7 million for sewer projects.

## **DISCUSSION:**

Staff has been working with the local IRWM group to include some of the projects for future funding consideration. Funding from the IRWM will not fund the entirety of the CIP and additional sources of funding will be needed. Staff has been in conversations with USDA about funding some of the water and sewer improvement projects. Staff has selected the following projects to be included in a USDA funding application:

1. Alternative Water Supply Water Treatment Plant Upgrade
2. Water Meter Upgrade
3. Wastewater Treatment Plant Headworks Replacement
4. Wastewater Treatment Plant Irrigation Pump Station Replacement

The sum of all these four projects is \$6.0 million. USDA Rural Development can fund this project in a loan/grant combination. However, the split between loan and grant is not announced to the applicant until a full application is submitted. The application will require at a minimum a Preliminary Engineering Report in a format approved by USDA. The preparation of the PER for all the four projects would cost approximately \$35,000.

The PER will be submitted to USDA and additional information may be requested from the District at that time. AMCE will assist the District with the application process to address USDA's request for information.

Additional sources of funding such as CDBG grants and/or Water SMART grants are announced usually every year. Staff will pursue additional funding opportunities and they become available.

**FISCAL IMPACT:**

Authorizing the preparation of the USDA Application will be covered by water and sewer fund reserves.

**ATTACHMENTS:**

1. CIP

**GROVELAND COMMUNITY SERVICES DISTRICT  
CAPITAL IMPROVEMENT PLAN  
WATER AND SEWER PROJECTS**

<b>WATER</b>							
<b>ID</b>	<b>CAPITAL ITEM DESCRIPTION</b>	<b>FY 19-20</b>	<b>FY 20-21</b>	<b>FY 21-22</b>	<b>FY 22-23</b>	<b>FY 23-24</b>	<b>TOTAL</b>
W-1	Big Creek Tank Rehab(CCT/CW)	\$2,500,000					\$2,500,000
W-2	AWS Site Upgrade			\$2,000,000			\$2,000,000
W-3	Tank 5 and 1 Rehabilitation				\$1,600,000		\$1,600,000
W-4	Tank Mixers and ladder rehab					\$200,000	\$200,000
W-5	Ops&Maint Building Re-Roof	\$100,000					\$100,000
W-6	Big Creek Generator Replacement				\$125,000		\$125,000
W-7	2G & BC Turbine Upgrades					\$450,000	\$450,000
W-8	WTP Roof Replacements (2G)			\$50,000			\$50,000
W-9	Water System Mapping Upgrade	\$200,000					\$200,000
W-10	Hydrant Replacement (549)					\$600,000	\$600,000
W-11	ARV & PRV Replacement					\$650,000	\$650,000
W-12	Tank 4 Study and possible relocation		\$400,000				\$400,000
W-13	Upgrade to Auto Read Meters (AMR)		\$3,000,000				\$3,000,000
							\$0
							\$0
	<b>TOTAL</b>	<b>\$2,800,000</b>	<b>\$3,400,000</b>	<b>\$2,050,000</b>	<b>\$1,725,000</b>	<b>\$1,900,000</b>	<b>\$11,875,000</b>

**GROVELAND COMMUNITY SERVICES DISTRICT  
CAPITAL IMPROVEMENT PLAN  
WATER AND SEWER PROJECTS**

<b>SEWER</b>							
<b>ID</b>	<b>CAPITAL ITEM DESCRIPTION</b>	<b>FY 19-20</b>	<b>FY 20-21</b>	<b>FY 21-22</b>	<b>FY 22-23</b>	<b>FY 23-24</b>	<b>TOTAL</b>
S-1	Lift Station 14 Rehab		\$600,000				\$600,000
S-2	All Hub Station Old Can Rehabs		\$120,000				\$120,000
S-3	Effluent/Biosolids Process Improvements	\$200,000					\$200,000
S-4	Headworks Rehabilitation and Update	\$600,000					\$600,000
S-5	STP Irrigation Pump Station Replacement	\$400,000					\$400,000
S-6	Spray Field Improvements/Expansions					\$600,000	\$600,000
S-7	STP Generator Replacement		\$100,000				\$100,000
S-8	STP MCC Room Rehab					\$700,000	\$700,000
S-9	LS6 to STP Force Main				\$1,000,000		\$1,000,000
S-10	Lift Station Generator Replacement (1,2,7,8 & 9)				\$150,000		\$150,000
S-11	Sewer System Mapping Upgrade	\$250,000					\$250,000
S-12	Force Main Inspections and ARV Replacements			\$400,000			\$400,000
S-13	Upper Skyridge Sewer			\$240,000			\$240,000
S-14	LS 10 Force Main		\$250,000				\$250,000
S-15	Lift Station 2 Plumbing Upgrade			\$300,000			\$300,000
S-16	E-Basin Aeration Piping Replacement			\$400,000			\$400,000
S-17	Reservoir #1 Lining					\$500,000	\$500,000
	<b>TOTAL</b>	<b>\$1,450,000</b>	<b>\$1,070,000</b>	<b>\$1,340,000</b>	<b>\$1,150,000</b>	<b>\$1,800,000</b>	<b>\$6,810,000</b>

**MEETING DATE:** May 14, 2019

**ITEM SUBMITTED BY:** Peter J. Kampa, General Manager

**SUBMITTAL PREPARED BY:** Peter J. Kampa, General Manager

**AGENDA ITEM: 6G. Initial Review of a Private Sewer Lateral Regulation to be Included in the Revised Sewer Ordinance**

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**RECOMMENDED ACTION**

**Staff recommends that the Board accept the recommended language for inclusion in the draft revised Sewer Ordinance.**

**BACKGROUND**

State regulations and our approved Sewer System Management Plan (SSMP) require that the district adopt regulations to manage all connections to and discharge into the system. Private Sewer laterals are defined as the piping from the residence or business and the public sewer lateral/sewer main. Improperly installed or maintained private sewer laterals can cause increased stormwater inflow/infiltration, grease buildup and mass discharge, root intrusion and ultimately sanitary sewer overflows; which are strictly prohibited.

The Board has directed the update of the District sewer ordinance, which is currently in progress. The current ordinance does not contain the required regulation of private sewer laterals/connections. Included in this agenda item is a draft private sewer lateral program language, taken from model state language and modified specifically for our needs. The state regulations and our SSMP do not specify exactly how or to what degree the District must control private sewers. Therefore, much leeway is available in how we craft our program.

The more stringent our regulations and programs such as inspections and enforcement, the higher the cost of implementation both to the District and customer. For example, a program that requires aggressive lateral inspections will result in increased operations and administrative staff time; possibly requiring additional staff to be added. A program lacking adequate lateral inspections will be ineffective. If District staff is to conduct the lateral inspections, there is additional cost to the District (and all customers) directly, where if we require customers to conduct and submit inspection results, the cost is 100% on them and District administrative effort and enforcement actions increase accordingly.

At this Board meeting, staff will review the various components of the regulation and discuss where the District has flexibility to modify the requirements.

## **ATTACHMENTS**

- Proposed draft Private Sewer Lateral regulation language

## **FINANCIAL IMPACTS**

There is no financial impact in acceptance of the proposed regulation. The costs for implementation of the new regulation will be covered by administrative, application, permitting and inspection fees, to be adopted/updated in the future.

## CHAPTER 9. PRIVATE SEWER LATERALS

The operation of the District's sanitary sewer system can be negatively impacted by excessive inflows during the wet seasons. As a result of infiltration and inflows into broken, cracked, and poorly maintained private sewer facilities, including private sewer laterals, flows occasionally overload the conveyance and treatment capacity of the District's Sewer System. In addition, plugging and blockage of private sanitary sewer pipelines caused by root intrusions, grease accumulation, offset joints, flat spots or bellies, can result in overflows, difficulties in operation, contamination of surface waters, and nuisances and endangerment to the public health, safety, and welfare. Therefore, in accordance with state permits and laws, it is hereby found and determined that the District must adopt an aggressive policy of inspection of such private sewer facilities that discharge wastewater into the District's sanitary sewer system and to require property owners to repair or replace defective private sewer facilities when such conditions are found to occur.

### 9.1 Owner Responsibility

The owner of a property served by the District's sanitary sewer system shall at all times maintain, at the owner's cost and expense, the private sanitary sewer facilities serving the property in a good condition and repair and which does not allow the infiltration, inflow or discharge of storm water, rainwater, groundwater, subsurface or street drainage into the District's sanitary sewer system. The owner shall be responsible for the operation, maintenance, and repair of such private sanitary sewer facilities, including pipelines and all devices or safeguards required by this section which are part of the such private sanitary sewer facilities serving said property (collectively, "private sanitary sewer facilities").

The owner's operation, maintenance, and repair responsibility is generally from the building to the connection at the District's sewer main. On properties where an approved cleanout was installed on the private sewer lateral at the owner's property line; the owner's responsibility is from the building to the property line cleanout, and the District is typically responsible for the sewer lateral from the property line cleanout to the District sewer main. Ownership of the various components of the Private Sanitary Sewer Facilities shall be determined by the District on a case by case basis and the District will perform a free site inspection for the purpose of determining and documenting such ownership responsibilities.

The owner's responsibility shall extend to and include the private sanitary sewer pipelines, manholes, equipment, pump stations, and related appurtenances serving the premises. The District shall not be responsible for any loss or damage caused by improper or defective installation of such private sanitary sewer facilities, whether inspected and/or approved by the District. All such installations of private sanitary sewer facilities shall conform to all federal, state, county, city, District and local laws, rules, regulations and ordinances.

### 9.2 Damage to District Facilities

The owner of the property served by the District's sanitary sewer system shall be responsible and liable for all costs involved in the repair of all damages caused to the District's sanitary sewer system facilities by the owner or the owner's tenant, occupant, customer, or agent, including but not limited to sewer obstructions, wherever located, and including any costs incurred by the District resulting from such damage or repairing the same.

### 9.3 Repairs Required

All private sanitary sewer facilities found in need of repair as a result of testing procedures required by this chapter shall be repaired, upgraded and/or installed to the standards set forth in the District Standards at the owner's expense. If the repairs are not made promptly pursuant to notice being given and to the satisfaction of the District, the District may take any of the enforcement and abatement actions described in Chapters 6 and 7 of this Ordinance, including the termination of service to the premises. The District may also at its option cause the improvements or repairs to be made by the District at the owner's cost and to collect the same as a delinquent account by any of the procedures described in Chapter 5, including the establishment of a lien against the property.

The District may also notify the county building inspector, county health inspector, health officer, or other affected county office of any apparent violation of a county ordinance or state law related to sanitary sewers, or any contamination, pollution as nuisance relating thereto.

## 9.4 Notice

Any of the following shall constitute the giving of notice by the District under this section:

- Notice to both the owner and to any tenant, either by notice in person, by telephone, or by hand delivery of a notice, or
- Posting such notice in a conspicuous place on the premises and the expiration of 48 hours after posting, plus the mailing of notice by first class mail with postage prepaid in the U.S. mail to the owner and any such tenant and the expiration of 72 hours after such mailing.

## 9.5 Emergency Repairs

The District Manager is authorized in his/her discretion upon the request of any owner or tenant in writing to provide emergency repairs to any broken, plugged or inoperative private sewer lateral when assurance is given for the District to be reimbursed for the costs thereof. If the costs are not paid to the District pursuant to such assurances or within 30 days after such billing, the District may utilize any remedies for the collection thereof that are available for collection of unpaid sewer charges, including but not limited to terminating sewer services to the premises, collection on the tax roll and by establishing a lien against the property.

## 9.6 Testing Requirements

It is the intent of the District to test and as necessary, video inspect the private sewer laterals, pipelines, and connections of customers served by the District's sewer system on a rotating basis, at a frequency determined by the District, or when changes are made to the Owner's property or plumbing as described below, for the purposes of reducing sanitary sewer overflows and eliminating inflow and infiltration into the District's sewer system. Video inspection may be used to identify defects in the private sanitary sewer facilities including, but not limited to unacceptable construction materials, leaks, breaks, plugs, blockages, root intrusion, grease accumulation, offset joints, flat spots or bellies.

Owner, user or occupant of a house, building, or property connected to the District's sanitary sewer system shall maintain private sanitary sewer facilities in a condition such that the tests and inspections described herein can be successfully accomplished.

Testing will apply to all private sanitary sewer facilities, including those serving or intended to serve residential, multiple residential, commercial, and industrial users connected to the District's sanitary sewer system. Testing procedures are detailed in the District's current Standard Specifications and Details (collectively referred to herein as District Standards); which are incorporated herein.

Testing shall be conducted at the owner's expense when any of the following improvements or changes in property use occurs:

- Remodeling of the house, building, or property served to an extent of more than 25 percent of the square footage before improvements;
- Repair or replacement of all or part of the private sanitary sewer facilities, including sewer lateral(s), or private lift station components;
- Installation of an additional sewer lateral pipeline;
- Change of use of the house, building, or property serviced from residential to business or commercial, or from non-restaurant commercial to restaurant commercial;
- Addition of living quarters, such as guest cabins on the property served, or conversion of garages into living quarters with plumbing fixtures, or addition of structures on the parcel that may, as determined by the District, impact an existing sewer lateral or increase fixture units;
- When an inspection by the District indicates reasonable cause; or
- Upon determination of the District that testing or sanitary sewer facility replacement is required for the protection of the public health, safety, and welfare.



## 9.7 Testing Procedures

9.7.1 The owner of a house, building, or property connected to the District's sanitary sewer system shall conduct all private sanitary sewer facility upgrades and testing required pursuant to District Standards at the owner's sole expense and shall notify the District 48 hours prior to testing. Testing and repair or replacement shall be conducted by a contractor determined qualified by the District. All testing shall be witnessed by a qualified District employee (referred to herein as Inspector) and carried out in accordance with District Standards.

9.7.2 At new construction, the owner shall call the District during working hours at least forty-eight (48) hours in advance for sewer inspection as part of acceptance and occupancy. All underground piping, including the connection to the District sewer, shall be open for complete viewing and examination by the District Inspector.

For new construction: once the connection has been constructed to District standards, the sewer lateral shall be tested at the owner's expense per one of the methods described below and conducted in accordance with District Standards.

### 9.7.3 Sanitary Sewer Pipeline Testing

All sewer laterals and privately owned sewer pipelines shall be tested by either an air or water method, at the discretion of the District.

In the case of sewer laterals, the test section shall be from the building cleanout to the property line/easement cleanout. If such a cleanout does not exist, one will need to be installed per District standards before testing can proceed. The test section includes all private pipelines, including joint laterals, which provide sanitary sewer service to the parcel in question.

If a cleanout has not been installed at the easement/property line, a cleanout per District standards shall be installed prior to testing. If there is no cleanout located outside the building foundation (within two (2) feet of the foundation wall), then a cleanout per District standards shall be installed. A "popper" style backflow prevention device shall be installed, per District standards, on at least one cleanout. If the building lateral exits the foundation under an existing deck or concrete patio, the location of the building cleanout near the foundation may be modified on a case-by-case basis as determined by the District. The owner shall be responsible for proper cleanout installation.

In the event of a failed test, the Owner or the Owner's Contractor must do one of the following:

- Replace the entire sewer lateral from the building cleanout to the property line cleanout or;
- Arrange for a video inspection of the sewer lateral extending from the house to the property line cleanout in order to ascertain the location needing repair. A copy of the video inspection shall be furnished to the District for review. Following completion of a video inspection, the property owner may opt, with approval from the District, to undertake one of the following:
  - Dig and replace the entire sewer lateral from the building cleanout to the property line cleanout;
  - Dig and spot repair deficient sections of the lateral as identified in the video inspection. The method of repair must be approved by the District Inspector; or
  - Arrange for trenchless rehabilitation of the entire sewer lateral from the building cleanout to the property line cleanout. The method of rehabilitation must be approved by the District Inspector.

All permits including, but not limited to encroachment permits, building permits, etc. necessary to complete the repair or replacement work will be the property owner's

responsibility to obtain and said work shall be in compliance with the conditions of such permits.

## **9.8 Time Limits for Initial Testing**

Initial testing shall be completed by the owner in a timely manner as follows:

Within thirty (30) days of written notification from the District of a defective sewer discovered by video inspection, service call, or maintenance records; or

Immediately if it is determined by the District that testing and repair are necessary to protect public health and the integrity of the sanitary sewer system.

Time extensions may be granted on a case-by-case basis by the District Manager.

Once the private sanitary sewer facilities have passed the required tests, the District Inspector shall notify the District office of its acceptance and written notice shall be provided to the property owner, city or county, as applicable.

## **9.9 Payment of Inspection Costs**

No fee will be charged for the initial inspection to determine ownership of the various components of the private sanitary sewer facilities, or of a fully replaced private sewer lateral with a successful first test. A fee will be charged for each District inspection required by this section for re-inspections and District review of video inspections. The fee shall be the current per hour inspection rate listed in Exhibit C of this Wastewater Ordinance.

## **9.10 Time Limits for Repairs and Retesting**

If a private sanitary sewer facility fails any of the above described tests, including defects discovered during video inspection, the owner shall cause corrective work and retesting to be performed within thirty (30) days from the date of written notification by the District. All repairs shall be inspected by the District.

Time extensions may be granted on a case-by-case basis from the District Manager. However, the maximum time extension shall be eight (8) months.

In the event that testing would be required during the period from October 15 to April 15 or during such other periods when such work may be impractical due to weather conditions, the District Manager or his/her designee may defer such requirements upon posting of a performance bond with and satisfactory to the District guaranteeing completion that is satisfactory to the District. The posting of the performance bond is intended to assure funds are available to conduct the testing, and to repair and/or replace the sanitary sewer facilities in question if needed when weather conditions permit. The amount of the performance bond shall be calculated by the District and based on estimated testing costs, the current local construction costs, the lineal footage of the building lateral, the number of cleanouts and other related appurtenances to be installed as well as the removal and replacement of existing physical obstacles and structures affected by the test.

Once the new or repaired sewer connection and lateral meet District standards and pass required tests, the District Inspector shall notify the District office of its acceptance and written notice shall be provided to the property owners, city or county, as applicable.

In the event that a private sanitary sewer facility has not been successfully repaired and tested within the required time period, the District may discontinue sewer service to the property pursuant to this Wastewater Ordinance.

## 9.11 Waiver of Testing Requirements

The Manager or his/her designee shall have the authority to waive testing requirements if:

The private sanitary sewer facility was newly installed and tested within a prior twenty (20) year period and there have been no substantial changes to the property including the addition of landscaping, property grading, decks or other improvements which may have damaged the sewer; or

The existing private sanitary sewer facility was tested within a prior ten (10) year period and, due to pipe material type and site conditions, there is good reason to believe that such testing is not necessary; or

The private sanitary sewer pipeline is of such a length that testing is not practical; or  
The private sanitary sewer facilities are part of a central private sanitary sewer system and the District has an established written agreement concerning specific testing requirements.



**MEETING DATE:** May 14, 2019

**ITEM SUBMITTED BY:** General Manager Ad-Hoc Appointment Committee  
(President Janice Kwiatkowski and Director John  
Armstrong)

**SUBMITTAL PREPARED BY:** Jennifer Flores, Administrative Services Manager

**AGENDA ITEM: 8A.** Consideration of Adoption of Resolution 27-2019  
Approving an Employment Agreement with Peter  
Kampa for the Position of General Manager

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**RECOMMENDED ACTION**

**I move to Adopt Resolution 27-2019 Approving an Employment Agreement with Peter Kampa for the Position of General Manager.**

**BACKGROUND**

Kampa Community Solutions and its President Peter Kampa have been providing part time general management services for the last year. Throughout 2018, the Board and management have been updating plans, establishing priorities and have adopted an extensive list of necessary management objectives. Accomplishment of the approved management objectives will take the full time efforts of the General Manager.

In order for Mr. Kampa to serve as full time General Manager for the District, the part time consulting agreement with Kampa Community Solutions must be terminated and an employment agreement executed between the District and Mr. Kampa directly. In preparation for development of an employment agreement, the Board of Directors on April 12, 2019 appointed an Ad-Hoc Committee consisting of Board President Janice Kwiatkowski and Director John Armstrong to negotiate the terms and conditions GM employment.

The terms and conditions resulting from the negotiation are listed on the attached GM Contract Terms Sheet and will be contained as presented/amended within an updated GM employment agreement, currently under development by the District's legal counsel. The employment agreement will be delivered to the Board and public prior to the meeting. The current consulting agreement with Kampa Community Solutions, LLC is also included for reference. The attached Resolution terminates the consulting agreement with Kampa Community Solutions, LLC and approves the employment agreement with Peter Kampa. The proposed salary is based on the median of the Board approved comparator agencies, and Mr. Kampa would receive the same benefits package as other regular employees.

## **ATTACHMENTS**

- Consulting Agreement with Kampa Community Solutions, LLC
- Draft employment agreement with Peter Kampa (being prepared by District legal counsel. Proposed terms and conditions attached)
- Resolution 27-2019

## **FINANCIAL IMPACTS**

The current consulting agreement provides for billing rates of \$110 per hour, not to exceed \$110,000 in a six month period (\$220,000 annually). No travel, benefits or taxes are paid to KampaCS under the consulting agreement.

The full time employment agreement proposes an annual salary of \$150,000 (\$12,500 monthly) with an associated benefit cost of approximately \$74,019 annually; of which, \$24,809 is accrued for vacation, sick leave, holidays and administrative leave.

## CONTRACT FOR PROFESSIONAL SERVICES

This Contract is made this 1<sup>st</sup> day of February, 2018 by and between Groveland Community Services District, a special district organized under the laws of California (hereinafter called "District") and Kampa Community Solutions, LLC hereinafter called "Consultant."

### 1. THE CONTRACT

This Contract consists of: (1) the general terms and conditions contained herein, and (2) the Exhibits attached hereto, as Exhibits A through B inclusive. The District has furnished the Consultant with the general program and requirements of Consultant's services and the Consultant acknowledges being informed as to the nature and extent of the services required. It is expressly understood between the parties that the District is relying on and looking to the Consultant for performing and establishing the specific and technical requirements of the professional services described below, except where otherwise provided.

### 2. THE PROFESSIONAL SERVICES

Consultant shall execute the following professional services specified in Exhibit A (Scope of Work) attached hereto and incorporated herein by reference.

### 3. COMPENSATION FOR SERVICES

Consultant shall receive compensation for performance of the professional services in the amount, and at the times specified, in Exhibit B (Compensation) attached hereto and incorporated herein by reference.

### 4. CONSULTANT'S RESPONSIBILITIES

A. The Consultant shall perform those services specified in Exhibit A (Scope of Work) and any such additional services as may be authorized in accordance with Article 6 hereof.

B. Consultant enters into this Contract, and will remain through the term of this Contract, as an independent contractor. Consultant agrees that Consultant is not and will not become an employee of the District while this Contract is in effect. Consultant is not entitled to the rights or benefits afforded to the District's employees, including but not limited to disability or unemployment insurance, worker's compensation, medical insurance, sick leave or other employment benefits. Consultant is responsible for providing at Consultant's own expense disability, unemployment, and other insurance, workers' compensation (as set forth below), training, permits, and licenses for Consultant and for Consultant's employees and subcontractors. The Consultant shall be responsible for methods and means used in performing the Consultant's services under this Contract.

C. In the event the Consultant's services are related to a particular project, the Consultant's services shall be performed in a manner, sequence and timing so that they will be

coordinated with the needs of the District and other consultants, engineers, architects or contractors for the project. The District General Manager or Interim General Manager shall be the general administrator of the professional services for the project and shall facilitate the exchange of information amongst the consultants, engineers, architects or contractors retained by the District for the project as necessary for the coordination of the project. Except as authorized by the District, all written communications between the Consultants and the District or others for the project shall include the District.

D. The Consultant shall provide progress copies of drawings, reports, specifications and other necessary information to the District and other contracted consultants for coordination and review. All aspects of the project designed by the Consultant shall be coordinated by the Consultant, and the Consultant shall also become familiar with aspects of the project designed by the engineers and/or contracted consultants as necessary for the proper coordination of the project.

E. Consultant may, at Consultant's own expense, use any employees or subconsultants as Consultant deems necessary to perform the services required of Consultant by this Contract. The District shall not control, direct or supervise Consultant's employees or subconsultants in the performance of those services.

F. Consultant agrees that all designs, plans reports, specifications, drawings, inventions, processes and other information or documents produced by Consultant as a product of the performance of Consultant's services under this Contract will be and are hereby assigned to the District as the sole and exclusive property of the District and the District's assigns, nominees and successors, as well as any copyrights, patents, or trademarks obtained by Consultant in connection with the performance of services under this Contract.

G. Any written, printed, graphic, electronically or magnetically recorded information furnished by the District for Consultant's use are the sole property of the District. All such information shall be proprietary, including, but not limited to customer requirements, customer lists, marketing information and information regarding the project, the District's employees, products, services, prices, operations and subsidiaries. Consultant will keep such proprietary information in the strictest confidence, and will not disclose it by any means to any person except with the District's approval or except as required by law. On termination of the Contract, Consultant will return any proprietary information in Consultant's possession to the District.

H. Consultant agrees to indemnify and hold harmless the District, the members of its governing board and its officers, agents and employees from and against all demand, claims, damages, losses, liabilities, expenses and/or costs including reasonable attorney's fees and court costs, arising out of Consultant's willful misconduct, or negligent or reckless acts, errors, or omissions of services contemplated by this Contract, except however, for any such demands, claims, damages, losses liabilities, expenses and/or costs resulting from the willful misconduct, reckless acts, errors or omissions, or negligence of the District and/or its prorata share of negligence.

## 5. DISTRICT'S RESPONSIBILITIES

A. If the Consultant's services are related to a particular project, the District shall, with reasonable promptness, provide available information regarding the requirements for the project, including any existing or proposed plans and specifications and any requirements of public or quasi-public governmental agencies of which the District is aware.

## 6. TERMINATION, SUSPENSION OR ABANDONMENT

A. Notwithstanding any other provision of this Contract, this Contract may be terminated by either party at any time by giving thirty (30) days written notice to the other party. In the event of such termination, Consultant shall be compensated hereunder for the hours worked up to the date of termination. In the event of such termination without cause, the District shall not be entitled to rely upon, nor shall Consultant have any liability arising out of the District's use of incomplete designs, plans, reports, specifications, drawings, or other uncompleted tasks.

B. This Contract may be terminated by either party upon not less than seven (7) days written notice should the other party fail to substantially perform in accordance with the terms of this Contract through no fault of the party initiating the termination. For purposes of this subparagraph, the failure to substantially perform in accordance with this Contract includes, but is not limited to, the following:

(1) The District's failure to pay Consultant any compensation due within thirty (30) days after written demand for payment.

(2) Consultant's failure to competently complete the services specified under this Contract within the time periods specified herein or as reasonably directed by the District.

(3) Consultant's or the District's material breach of any representation or agreement contained herein.

(4) Failure of consultant to maintain insurance coverage as required in Section 7.

(5) Consultant may also withdraw from this Contract upon seven (7) days written notice in the event of the District's refusal to cooperate with Consultant or to follow Consultant's advice on any material matter, or the occurrence of any fact or circumstance that would render Consultant's services unlawful or unethical.

(6) In the event of any such termination, Consultant shall be compensated hereunder for the hours worked up to the date of termination.

## 7. INSURANCE COVERAGE



A. Consultant shall maintain insurance covering claims arising out of the performance of professional services under this Contract and caused by the errors, omissions or negligent acts for which the Consultant is liable, in an amount of no less than \$1,000,000 per occurrence. Additional coverage or terms may be required for Consultant's services related to a particular project.

B. The Consultant shall carry the following additional insurance:

C. Worker's Compensation as required by law and Employer's Liability Insurance in the sum of not less than \$1,000,000.

D. General Liability Insurance, which insurance shall have limits of liability not less than the following:

Bodily Injury:	\$1,000,000 each occurrence
	\$1,000,000 each person
	\$2,000,000 aggregate
Property Damage:	\$1,000,000 each occurrence
	\$2,000,000 aggregate

Comprehensive Automobile Liability, for all vehicles, automobiles, trucks and equipment which insurance shall have limits not less than the following:

Bodily Injury:	\$1,000,000 each occurrence
	\$1,000,000 each person
Property Damage:	\$1,000,000 each occurrence

Consultant shall furnish the District, upon request, with (1) a certificate of insurance countersigned by an authorized agent or representative of the insurance company, that the insurance policies will not be cancelled, altered or reduced without thirty (30) days prior written notice to the District and that the policy or policies do not exclude coverage for contractual liability, and (2) an endorsement to the General Liability Policy, in the form of CG2010, or such other form reasonably acceptable to the District, confirming that the District is named as additional insured on such policies. In the event of cancellation for non-payment, the District may pay premiums due by Consultant and deduct the paid payment from amounts then or subsequently owing to the Consultant hereunder. Insurance limits called for herein shall be considered to be minimum and the District shall have the absolute discretion to require higher limits should the nature of the work and risks involved therein call for such higher limits. District shall reimburse Consultant the cost for the difference between the normal insurance detailed above and any higher limit insurance required by the District.

## 8. SAFETY

A. With respect to those items and actions under Consultant's immediate direction and control, Consultant shall strictly observe and comply with applicable laws, ordinances, rules, regulations and lawful orders of public authorities bearing on safety of persons or properties or their protection from damage, injury or loss. Without limiting the foregoing, with respect to those items and actions under Consultant's immediate direction and control, Consultant shall comply with requirements, regulations, orders and directives promulgated under the Federal Occupational Safety and Health Act, the California Occupational Safety and Health Act, and the California Safe Drinking Water and Toxic Enforcement Act of 1986.

B. Consultant shall be liable to the District for all loss, cost and expense attributable to any acts of commission or omission by the Consultant, or its employees or agents that are not employees of the District, resulting from the failure to use reasonable safety precautions and programs or to comply with safety laws, regulations or ordinances, including but not limited to any fines, penalties or corrective measures. Consultant shall not be liable for any loss, cost and expense attributable to violation of safety laws, regulations or ordinances, and with which Consultant had no direct involvement or control.

## 9. PAYMENT PROVISIONS

A. Unless otherwise specified in Exhibit B, the Consultant shall render monthly invoices in duplicate covering work completed in such month. Invoices received by the end of the month will be payable by the 15<sup>th</sup> of the following month.

B. Additional services, beyond the services listed in Exhibit A, may be required by the District. Such additional services shall be performed only in accordance with Change Orders, authorized and issued by the District or the District's designated representative. Each Change Order shall list the scope of revisions to be performed, state the time within which the work is to be completed, designate any special conditions, and state the agreed upon compensation for such services.

## 10. MISCELLANEOUS PROVISIONS

A. This Contract represents the entire and integrated agreement for the services between the District and Consultant and may be amended only by written instrument signed by both the District and Consultant.

B. Any notices required to be given under this Contract by either party to the other may be effected by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested, by facsimile, or by any nationally recognized overnight service. Notices must be addressed to the parties at the addresses indicated on this Contract, but each party may change the address by giving written notice in accordance with this paragraph. Notices personally delivered will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated as of the date of receipt or the fifth day after mailing, whichever occurs

first. Notices sent by overnight services or facsimile shall be deemed communicated as of the earlier of the date of receipt or twenty-four (24) hours after mailing.

C. If any provision of this Contract is held by a court of a competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

D. This Contract shall be binding upon the executors, administrators, heirs, successors and assigns of the District and the Consultant.

E. If any legal action or arbitration is instituted, including an action for declaratory relief to enforce or interpret the provisions of the Contract, the prevailing party will be entitled to reasonable attorney's and expert fees, which may be set by the court in such action or arbitration, or in a separate action brought for that purpose, in addition to any other relief to which that party may be awarded.

F. This Contract will be governed by and construed in accordance with the laws of the State of California.

G. In the event that either the District or the Consultant shall at any time waive any breach of this Contract by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Contract, whether of the same or any other covenant, condition, or obligation.

H. If any term, condition or covenant of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Contract shall be valid and binding on District and Consultant.

I. If the scope of services includes Consultant's assistance in applying for governmental permits or approvals, Consultant's assistance shall not constitute a representation, warranty or guarantee that such permits or approvals will be acted upon favorably by any governmental agency.

**District Signature:**

**Consultant Signature:**

By: Robert Atwan  
Its: Board President

By: [Signature]  
Kampa Community Solutions, LLC  
Its: President / member

Groveland Community Services District  
18966 Ferretti Rd.  
Groveland, CA 95321  
Mailing Address:  
P.O. Box 350  
Groveland, CA 95321-0350

A-6

## Exhibit A

### Scope of Work

1. Retention of Consultant. District hereby retains Consultant to perform the duties identified in this Exhibit A, for District on the terms and conditions specified in the "Contract for Professional Services".
2. Duties to be Performed. Consultant shall perform the duties of the District's Interim General Manager as outlined in the established Job Description for the General Manager position.
3. Job Description.

### **GENERAL MANAGER**

#### General Description:

Under administrative direction of the Board of Directors, the General Manager is responsible for the financial, administrative, and operational affairs of the District. He/she represents the Board's policies and programs with employees, community organizations, the general public, other agencies, and associations. The General Manager is responsible for managing all expenditures, programs, and projects of the District and manages this process through the development and implementation of the District's Budget. The General Manager is responsible for all Human Resources and Personnel issues in the District.

**Essential Functions-** *Essential responsibilities and duties for the General Manager include, but are not limited to the following:*

Serve as the Chief Executive Officer of the District, with responsibility for the day-to-day and long term operations and activities of the District, organizing and assigning responsibilities, and directing and overseeing the management provided by the subordinate managers.

- Provides advice and consultation on the development of District programs, projects and policies.
- Keeps the Board of Directors advised of District activities and laws, issues or problems that may affect District Operations.
- Coordinates the preparation of the Agenda for Board Meetings and Board Committee Meetings.
- Motivates employees to safe and efficient operations of the District
- Oversees the preparation and implementation of the District's Annual Budget.
- Responsible for all personnel matters, including employment procedures, grievance, employer-employee relations, performance evaluations and goal setting, and training.
- Responsible for all financial matters of the District, including payment authorization, grant applications, and contracts and agreements

- Responsible for the planning and implementation of long and short-term Capital Improvement Programs.
- Responsible for Strategic Planning activities, and the long-term goals and objectives of the District.
- Serves as the District's representative with other government and community agencies, boards, and commissions.
- Represents the Board's policies and programs with employees, community representatives, and other governmental agencies.
- Responds to and resolves difficult and sensitive customer inquiries and complaints.

### **General Manager Entry Requirements**

#### **Knowledge of:**

- Principles and practices of executive management and leadership, including planning and organizing responsibilities, motivation and delegation of authority.
- Applicable federal, state, and local laws, codes and regulation relative to water treatment and distribution, wastewater collection, treatment and disposal, and fire departments.
- Fundamentals of safety and risk management.
- Principles and practices of construction and service contract negotiations and administration.

#### **Demonstrated ability to:**

- Formulate, manage, and implement annual budgets.
- Develop and implement Strategic Plans.
- Motivate and manage a safe and efficient staff.
- Manage small- and large-scale capital projects.
- Work with and assist Boards of Directors of diverse backgrounds and motivations.
- Creatively solve complex administrative, financial and technical (operational and engineering) problems.
- Understand diverse technical and engineering principles.
- Work with regulatory agencies.
- Pass physical and drug screening tests.
- Demonstrate knowledge of the Operations and Maintenance of a Water and Wastewater system.
- Effectively communicate orally and in writing, including written reports and oral presentations.
- Plan, establish and implement programs, services, capital improvements, goals, objectives, policies, and procedures.
- Understand and interpret Grant Applications, and have successful award experience.

#### **Desirable Attributes:**

- Prior work experience with a Community Services District.
- Prior experience working with a Public Fire Agency.
- Registered professional Engineer with experience in water and waste water system design.
- Experience and familiarity of Government accounting standards.

**Physical Demands:**

The physical demands described herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to speak and hear to effectively interface with other staff members and the public; maintain the capacity to sit at the computer for a period of time; walk, stand, kneel, climb, stoop, bend, squat; and use hands and fingers to write and to handle, grip and operate office equipment and drive a District vehicle.

Specific vision abilities required by this job include close vision, distance vision, peripheral vision, and the ability to adjust focus.

**Work Environment:**

The work environment characteristics described below are representative of those an employee encounters while performing the essential functions of this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Inside: The majority of the job activities are performed indoors in a temperature-controlled environment.

Noise/Vibration: The majority of the job activities have minimal exposure to noise generated from the operation of office equipment.

**Education/Certification:**

BS or MS degree from an accredited college or university, in Engineering (preferred), or Public Administration. (Applicants with evidence of extensive experience in lieu of Four year degree may be considered.)

Candidates shall demonstrate continued professional development through continuing education and/or certification programs.

Must possess a valid California driver's license and have a satisfactory driving record.

**Experience****Minimum:**

A minimum of ten (10) years of management level experience in the areas of staff development, finance/budget, capital projects, personnel management, intergovernmental relations/negotiations and interdepartmental coordination.

**Preferred:**

Extensive management experience reporting to an elected board or commission which has provided a broad knowledge of the operation of local government in California along with water/wastewater related issues and the operation of a community services district.

**Work Hours:**

Consultant shall work the hours necessary to accomplish the assigned responsibilities detailed herein, and the management objectives established by the Board. To the maximum extent possible, Consultant will arrange their schedule to attend Board Committee and Board meetings, and shall be in attendance at the District office as needed for the efficient and effective management of the District. Consultant shall attend to major emergencies such as natural disasters or major system malfunctions, as necessary, and shall serve as public information officer for the District as necessary.

**Exhibit B**

**Compensation**

<b>Type of Work Performed</b>	<b>Hourly Rate</b>
Interim General Manager	\$110.00 (Not to exceed \$115,000 over a six month period)
Travel	No travel related expense except for Board directed travel outside of Tuolumne County for District purposes. Travel expenses shall be kept to a minimum and will be reimbursed at cost in accordance with District travel expense policies, with mileage at the current IRS Mileage Reimbursement Rate.



**Proposed Draft Terms and Conditions**  
**Employment Contract Between Peter Kampa And GCSD**  
**May 14, 2019**

1. Contract effective date of May 14, 2019
2. Full time, salary exempt position (must work hours/days necessary for full job performance)
3. Starting salary of \$150,000 annually paid biweekly with regular employees
  - a. Annual performance evaluation and consideration of pay adjustments if warranted, based on performance
4. Five year employment contract that can be terminated:
  - a. By mutual agreement
  - b. By the General Manager by providing 120 days advance notice
  - c. By the Board at any time for cause
  - d. By the Board at any time for no cause
    - i. Six month severance period if the contract is terminated for no cause
5. Medical, dental, life and vision insurance to be the same as all employees
6. CalPERS (PEPRA) retirement and employer/employee contributions the same as other PEPRA employees
7. 30 days' vacation/administrative leave available each year, capped at 2 times the annual accrual
8. Sick leave accrual, use and pay out per policy
9. GCSD to support CSDA Board membership and related activities, which shall be considered normal work days
10. GCSD to proportionally fund attendance including registration, travel, meals and related reimbursements (per District policy) at industry functions and training including CSDA annual conference, GM Summit, Legislative Action Days

## **RESOLUTION NUMBER 27-2019**

### **Adoption of a Resolution Approving an Employment Agreement with Peter Kampa for the Position of General Manager**

WHEREAS, the Board of Directors desires to appoint an individual to the full time position of general manager of the District; and

WHEREAS, an employment agreement has been negotiated between the District and General Manager candidate Peter Kampa; and

WHEREAS, both parties believe it in the best interest of the District to enter into an employment agreement for the position of General Manager; and

WHEREAS, the terms and conditions of the employment agreement are included herewith and are to be included in the employment agreement prepared by District legal counsel.

NOW, THEREFORE, BE IT RESOLVED that GROVELAND COMMUNITY SERVICES DISTRICT hereby approve the employment agreement with Peter Kampa effective immediately.

### **Proposed Draft Terms and Conditions Employment Contract Between Peter Kampa And GCSD May 14, 2019**

1. Contract effective date of May 14, 2019
2. Full time, salary exempt position (must work hours/days necessary for full job performance)
3. Starting salary of \$150,000 annually paid biweekly with regular employees
  - a. Annual performance evaluation and consideration of pay adjustments if warranted, based on performance
4. Five year employment contract that can be terminated:
  - a. By mutual agreement
  - b. By the General Manager by providing 120 days advance notice
  - c. By the Board at any time for cause

- d. By the Board at any time for no cause
  - i. Six month severance period if the contract is terminated for no cause
- 5. Medical, dental, life and vision insurance to be the same as all employees
- 6. CalPERS (PEPRA) retirement and employer/employee contributions the same as other PEPRA employees
- 7. 30 days' vacation/administrative leave available each year, capped at 2 times the annual accrual
- 8. Sick leave accrual, use and pay out per policy
- 9. GCSD to support CSDA Board membership and related activities, which shall be considered normal work days
- 10. GCSD to proportionally fund attendance including registration, travel, meals and related reimbursements (per District policy) at industry functions and training including CSDA annual conference, GM Summit, Legislative Action Days

This Resolution shall take effect upon its adoption.

THE FOREGOING RESOLUTION was introduced at a special meeting of the Board of Directors held on the 14<sup>th</sup> day of May, 2019, and was passed by the following vote:

AYES:

NOES:

ABSTENTIONS:

\_\_\_\_\_  
Janice Kwiatkowski, President

ATTEST: \_\_\_\_\_  
Jennifer L. Flores, Board Secretary

**CERTIFICATE OF SECRETARY**

I, Jennifer Flores, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on May 14, 2019.

DATED: \_\_\_\_\_