This brief is being provided to inform the board, staff, and public of the details of an agenda item that requires no action from the board. The President of the Board will provide board members, staff, and the public the opportunity to ask questions about this topic when this agenda item is announced.

**Date:** 19 April 2021

**Originator:** General Manager

**Purpose of Brief:** Informational Briefing

**Supporting Documents Included:** No

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1. **GMCSD Rate Study Update**

The CSD has not conducted a rate study since 2006 and has not levied a rate increase in over 10 years. Cost of living increases in salary, electrical, and cost of supplies, coupled with needed repairs/replacement/maintenance to aging infrastructure have stressed the District’s operating budget to the point we need to assess operating fees.

My initial phase of contacts included three companies, including HDR Engineering that conducted the District’s 2006 rate study. After an initial confirmation that they received my email, HDR never returned my emails or calls. The other two organizations failed to follow through on discussions or proposals. My sense is that all three considered GMCSD as too small to bother with.

I have sense reached out to 5 more companies that came highly recommended on the CSDA forums, and have had discussions with two, and on track to talk to the third. From initial discussion, all companies I’ve talked with have described a similar process consisting of five phases:

1. Data Collection
2. Cost of service analysis
3. Developing rates IAW with Prop 218 and other legal guidance
4. Hearing and approval process

Water and sewer rates are separate but related studies share steps 1 and 4 but require different analysis and rate building processes. From discussions held with three of the companies contacted, each study for a small district ranges between $20 and $30k – bottom line the process is not cheap.

The companies I’ve talked to have all offered to provide a scope of work and a cost estimate, by they are not interested in responding to an RFP due to the size and simplicity of a study for a small district. As they described, this is a relatively standard process which doesn’t warrant their cost and effort to respond to RFPs that likely will not be awarded. My intent is to have a package available at the May board meeting comparing each offering and open board discussions.

1. **Grant Outlook**

I have four grants on my grant horizon:

1. CSDA Technology grant – small grant suitable to upgrade technology to support transparency. Plan to request funding for a professional conferencing capability for the District conference room. Closes 15 June
2. CAL FIRE Prevention Grant – this is similar to the grant we applied for in 2019-2020 but failed to receive an award. I think we have a strategy this year that should have a reasonable chance of success. Meeting with Mike C. and Kyle Felkner next week to scope out our solution. Closes 19 May.
3. Sierra Nevada Conservancy Wildfire and Forest Resilience Grants in support of the Watershed Improvement Program (WIP). $200k+ grants, details TBD
4. IRWM Prop 1. Webinar on 6 May to discuss program. We have three projects eligible for Prop 1 grant funding: High elevation water tank, high elevation well, water reclamation facility. No guarantee for funding but projects have been approved.
5. **Other Ongoing Initiatives**
6. To complete a revised draft district Municipal Service Review (MSR) for submission to LAFCO and for use in or Fire Services Consolidation initiative (last MSR in 2011)
7. Developing a Water & Sewer Owners Guide for distribution and posting
8. Work with staff to implement an updated CSD Welcome package for new homeowners, new property owners, and institutional property owners.
9. Risk Mitigation Project – working on responses to priory risks identified in the District’s risk review.
10. Developing procedural manuals for bot administrative and operational procedures