

Supervisor Anderson asked for clarification regarding the County's policy for funding non-profits. He suggested that this issue should be re-visited at the next Board workshop. Supervisor Miller agreed that this is an important issue that should be added to the workshop calendar.

Supervisor Scofield added that fire safety is a very important issue for Nevada County and he believes the Fire Safe Council is a tool the Board needs to support. He was ready to make a motion.

MOTION: Motion made by Supervisor Scofield, seconded by Supervisor Anderson to pass the Public Safety Augmentation (Proposition 172) budget. On a roll call vote the motion passed unanimously.

Prior to taking a short break, Chairman Miller recessed as the Board of Supervisors and convened as the Nevada County Sanitation District No.1 Board of Directors.

Following the short break, Chairman Miller called the meeting to order.

SCHEDULED ITEM: 10:30 A.M.

Special meeting of the Board of Directors of the Nevada County Sanitation District No. 1.

Call meeting to order. Chairman Miller called the meeting to order. All Directors present

2. [SR 16-0466](#) Public hearing to consider oral and written comments concerning proposed Fiscal Year 2016/17 budgets for Zones 1-12 totaling \$13,797,847. (No rate increases proposed.)
 - The Nevada County Sanitation District No. 1 Labor, Shared Operation, Maintenance, Capital Acquisition and Improvement Budget.
 - Lake Wildwood, Zone 1; Lake of the Pines, Zone 2; North San Juan, Zone 4; Gold Creek, Zone 5; Penn Valley, Zone 6; Mountain Lake Estates, Zone 7; Cascade Shores, Zone 8; Eden Ranch, Zone 9; Higgins Village, Zone 11; and Valley Oak Court, Zone 12, Operation, Maintenance, Capital Acquisition and Improvement Budgets, for Fiscal Year 2016/17.
 - North San Juan Sewer Assessment Budget for Fiscal Year 2016/17.
 - Motion of intent to adopt the Sanitation District No. 1 budget totaling \$13,797,847.

Approved.

ACTION TAKEN: Mr. Polt, Deputy County Executive Officer/Chief Fiscal Officer, introduced the Nevada County Sanitation District No. 1 budgets for Board review, totaling \$13,797,847.

Mr. Steven Castleberry, Director of Public Works, pointed out that Sanitation District revenues come solely from the rate-payers, as a fee-for-service. Revenues are stable because the budget does not include any rate increases in the upcoming Fiscal Year. In general, most of the zones are adding fund balance, which means they are spending less than the revenue that is coming in. This allows future costs to be absorbed before there is a need for rate increases. Mr. Castleberry reported on a couple of issues: 1) an anticipated rate increase within the next five years for Gold Creek, Zone 5, which consists of a single property owner located in Alta Sierra; and 2) issues relating to water quality and finances in Cascade Shores, Zone 8. Public Works is actively working on a solution and will be returning with proposed solutions at the upcoming Board meeting to move that zone toward fiscal health. Mr. Castleberry reviewed possible consolidation of Penn Valley, Zone 6, with Lake Wildwood, Zone 1, and Valley Oak Court, Zone 12, which is not reflected in the current proposed budget. Staff will return to the Board at a later with proposed rate reductions for Lake Wildwood. No increases are expected. Mr. Castleberry recommended moving ahead with the proposed budget and asked for any questions.

Director Weston asked if Valley Oak property owners will have to pay upfront hook-up fees. Mr. Castleberry responded that there will not be an upfront hook-up fee for Valley Oak residents. He explained that in Lake Wildwood, the hook-up costs will be spread over a period of time. Valley Oak rates will reflect the same capital costs as Lake Wildwood's. The hook-up fee will be included as part of their rate.

Director Beason asked about standby charges. His understanding was that those who have the infrastructure, but are not operating within the system all pay standby charges. Mr. Castleberry responded that Director Beason was correct. Properties who want to reserve their place in line to hook-up to the system do pay standby charges.

Chairman Miller opened the public hearing for public comment. There being none, he closed public comment period.

MOTION: Motion of Intent made by Director Weston, seconded by Director Scofield to adopt the Sanitation District No. 1 budget. On a roll call vote the motion passed unanimously.

Adjournment.

ACTION TAKEN: Chairman Miller adjourned as the Board of Directors of the Nevada County Sanitation District No. 1 and reconvened as the Nevada County Board of Supervisors.