

CLEAR CREEK COMMUNITY SERVICES DISTRICT

Board of Directors, Johanna F. Trenerry, Chairwoman
Irwin Fust, Vice-Chairman - Doug Evans, Director
Virginia Bassham, Director - Mark Engel, Director
5880 Oak Street, Happy Valley, CA 96007
Phone: (530) 357-2121 Fax: (530) 357-3723

REGULAR MEETING Wednesday, March 20, 2019 at 9:00AM District Office

MINUTES

DIRECTORS: Johanna Trenerry, Irwin Fust, Doug Evans, Virginia Bassham and Mark Engel

STAFF: Kurt Born, Richard Cascarina, Bill Palmaymesa, Christy Roberts

AUDIENCE: Tammy Cole

CALL TO ORDER: The meeting was called to order at 9:01AM.

PLEDGE OF ALLEGIANCE: Vice-Chairman Fust led the Pledge of Allegiance.

OPEN TIME: None

CONSENT/AGENDA: A motion was made by Vice Chairman Fust and seconded by Director Bassham to approve the minutes from January 16, 2019, paid bills from 1/24/19, 1/31/19, 2/8/19, 2/25/19 and 3/11/19 totaling \$243,376.03, January 2019 and February 2019 Financial Statements.

Motion was voted on and unanimously approved.

OLD BUSINESS:

None

NEW BUSINESS:

UPCOMING STAFF RETIREMENTS: General Manager Born stated that Roxanna Sanford will be the first of three employees to retire this year. Born stated he wanted the board to recognize Roxanna for her 30+ years of service to Clear Creek Community Services District. Chairwoman Trenerry, Director Bassham, Director Evans, Director Engel and Vice Chairman Fust all thanked Roxanna for her years of dedicated service to the District. Roxanna stated her immediate plans after retirement are to spend more time

with her grandchildren. Chairwoman Trenerry read Ordinance 2019-02 aloud. A motion was made by Vice Chairman Fust and seconded by Director Evans.

Motion was voted on and unanimously approved.

WATER MANAGEMENT PLAN: Chairwoman Trenerry read aloud Ordinance 2019-03 of the Five-Year Water Management Plan and in compliance with the requirements of the CVP water service contract. General Manager Born stated that this plan complies with the requirements of USBR. Mr. Born stated it has already been reviewed by USBR and all corrections have been made and it is complete. Chairwoman Trenerry asked the other board members if they had any questions and Director Bassham stated that she has not had a chance to read it and will have to abstain the motion. A motion was made by Vice Chairman Fust and seconded by Director Evans.

Motion was voted on and approved – 4 Ayes and 1 Abstain.

PER DIEM RATE SCHEDULE FOR 2019: General Manager Born stated these schedules need to be reviewed and updated every year. Mr. Born stated that the most significant change is the mileage, increasing from .54.5¢ to .58¢ per mile. Mr. Born suggested an increase to the Directors for the monthly board meetings. Director Engel stated he feels the compensation for the monthly meeting amounts are more appropriate than some of the other compensations on the schedule and suggested we look at those in the future, in addition to the monthly Directors fees. Director Engel suggested that out of town compensations should be increased from \$100.00 to \$200.00 per day. Vice Chairman Fust stated that the current compensation schedule was ok him. Vice Chairman Fust made a motion to keep the Directors compensation at \$100.00 and increase the mileage from .54.5¢ to .58¢ cents per mile and Director Bassham seconded. Director Engel stated that our compensation is much lower than other counties and our rates haven't been adjusted in 25 years. Chairwoman Trenerry stated this will be put off until next month.

Vice Chairman Fust withdrew his motion and Director Bassham withdrew her second so that the compensations can be further reviewed. General Manager Born offered to take a more in depth look before a decision is made.

OFFICE CLOSURE DURING NOON: General Manager Born stated that if the board does not agree with this, to at least try it and see how it goes. Mr. Born stated that being closed for an hour during the day will not change much of anything and would give the office staff an appropriate hour lunch break. Director Bassham disagreed and stated that there is always an employee here to take a payment. Mr. Born disagreed with Director Bassham and stated there is not always someone here to take a payment. Mr. Vice Chairman Fust stated that we should wait for two months in order get the word out to our customers and then test it with a trial period of six months to see if it impedes customer service. Director Engel stated that our customers are accustomed to the office being open and if there's an alternative that we should do that first, but he understands staff needing a required break. Director Bassham stated she doesn't understand why the

lunches cannot be staggered. Mr. Born explained that in previous years the office has always been staffed with three employees and it is now only staffed with two employees. Director Engel stated that we should put it out there and see what the customers response is. Vice Chairman Fust made a motion to notify the public for two months first, with a trial period of six months and Director Engel seconded. Motion was voted on and unanimously approved.

REQUEST FOR FORGIVENESS – WYNN, MIFSUD AND KING: General Manager Born stated that in addition to the current three letters of forgiveness, he has received three more letters. Mr. Born stated that we could apply the green rate to these customers and offer a payment plan with no interest. Director Engel made a motion to apply the green rate to these accounts and offer a payment plan, with no interest, for no more than six months and at the discretion of the manager. Director Evans seconded. Motion was voted on unanimously and approved.

DEBRIS REMOVAL– USBR PLANNING/CARR FIRE COORDINATED EFFORTS: General Manager Born stated that Cal-Fire crews are helping with the clean-up, debris and tree removal at no expense to the District and it's going extremely well. The coordination efforts between USBR and Cal-Fire crews coming in and helping us has been very beneficial. Director Engel thanked Mr. Born for being proactive and staying on top of the clean-up efforts. Mr. Born stated that it's still an ongoing lengthy process due to the magnitude of the fire and we are now dealing with algae and water treatment process issues that are making things difficult for the treatment staff.

WATER QUALITY – TURBID WATERS: Mr. Palmaymesa stated the turbidity has been pretty good from January through March 7th with a 3-5 NTU and from March 7th on, it has been getting worse at 10-15 with highs of 17 NTU. The treatment plant is requiring a lot of attention with shorter treatment runs and a lot of backwashing. The strain of algae is a yellow/green alga called Tribonema, non-toxic and it's just a filter clogging element that is building up on top of the media. It's requiring more backwashing and it will get worse as the weather warms up. Chairwoman Trenerry thanked Mr. Palmaymesa for attending the meeting.

USBR REVIEW OF OPERATION AND MAINTENANCE REPORT – CONDUIT: General Manager Born stated the inspection that the USBR does on the conduit every 5 years was a really good report and one of the best ones that we have had. The engineers that came out to do the inspection were really satisfied with what they saw. Vice Chairman Fust asked if they only inspect the outside? Mr. Born stated that they actually look into several of the vaults and especially the ones that have had trouble in the past, so that they can see that our field staff have put in all drains to keep them dry.

SOLAR INFORMATION: General Manager Born stated that Kevin with United Sun Energy is still doing some research at the Filter Plant. He is supposed to do another assessment which will affect the initial costs greatly. Mr. Born stated that we could break

up the project/locations and we would still qualify for the 30%. Director Engel stated that PG&E is a disaster right now and things will only get worse and doing this would only be a benefit. Mr. Born stated that United Sun is a local company based out of Chico and that Kevin Harrasser would come to the next board meeting if the board wanted him to. Director Engel stated if he came it would be valuable information.

WIIN ACT UPDATE: Assistant Manager Cascarina thanked Director Engel and Chairwoman Johanna for attending the meeting with him and experiencing what is involved with the WIIN Act process. Mr. Cascarina stated that the WIIN Act is a negotiation to convert a water service contract to a repayment contract with the USBR. Mr. Cascarina stated that some of the pros are; no more negotiating the long-term contract, no more environmental reviews, no attorney's fees and we can keep the allocated water. Some of the cons are; all terms in the existing contract would be up for negotiation, including water quantities and the costs. Director Engel agreed with Mr. Cascarina's statement of pros and cons and stated that if we did this, we would be saving a lot of time, money, legal representation and frustration. We would also be buying into fixed water costs and guaranteed water allotment in perpetuity. It can be paid in three installments and everything must be approved and in place by December 16, 2021. All Directors agreed that we have to make this decision soon. Director Engel stated that another meeting will be held in Sacramento. Director Engel suggested that we contact our legal counsel in moving forward.

PROP. 218 – WATER RATE ANALYSIS AND RECOMMENDATION FROM STAFF: General Manager Born stated that he would like the board to review the Prop.218 draft before them and make recommendations and changes so that it is acceptable to everyone. Vice Chairman Fust stated the draft has all the information needed to validate the increase and he provided Mr. Born his written suggestion to include in his final draft. Director Bassham stated that she would like to emphasize the rate increase is over a three-year period. Director Engel stated that he would like to point out that this rate increase has already been put off for numerous years. Chairwoman Trenerry suggested to add total budget numbers along with pictures. Mr. Born stated he will make the changes as requested and with the board's approval he will start informing the public of the rate increase. Director Engel stated to go ahead and start informing the public and that the increase will be significant.

OPERATIONS & ADMINISTRATION

STAFF REPORTS: Assistant Manager Cascarina stated that a rate study should be done every five-years and he has built a book for future reference to avoid these monumental increases in the future. Water allocations North of the Delta are 100% and South of the Delta are 55% for Ag and 80% for M & I. Mr. Cascarina stated that he got into contact with General Manager Chris at Centerville CSD to schedule a meeting to go over his portion of the Backwash Project; as our first payment is due in June of 2019. Mr. Cascarina stated that our CPA was here to finish up our 2017/2018 audit. Mr.

Cascarina stated he attended the EAGSA meeting on February 26, 2019 and met with five or six engineers to start the process of developing a plan. The meeting agenda was a re-cap of what they are doing, objectives, success factors and the public's outreach throughout the project. They will be going to each agency and spending a significant amount of time doing data collection for the groundwater basin. Mr. Cascarina stated that field crews have been performing routine maintenance, meter readings, booster station checks and work orders. Toby Ladewig and Roger Ladewig both took their DDW certification tests on March 16, 2019. Mr. Cascarina stated that there was a 6" PVC main line rupture on Pinehurst, a 3" line rupture on Hidden Valley, a 6" main on Bohn and a saddle tap failed on a 6" line on Fuzzy Ln. Two of the ruptures required paving repair. Mr. Cascarina stated that our dump truck needs to be replaced by January 2020 due to California Air Resource Board compliance. Mr. Cascarina stated that Jim has applied for grants with the Redding Rancheria and McConnell. We should know if we've been selected for the grant by August 2019. Director Bassham suggested that we keep pursuing other avenues and grants. Mr. Cascarina stated that our JPIA underwriter will be here soon to re-evaluate our property and facilities, but no date has been specified yet. Director Bassham thanked Mr. Cascarina for his reports.

STANDING COMMITTEE REPORTS: Vice Chairman Fust stated the LAFCO meeting is on April 4, 2019 and the big item on the agenda is the proposed budget. Chairwoman Trenerry stated that she received a phone call from a company that goes into communities to pick up trash and she is scheduled to be in Happy Valley on April 28, 2019. Chairwoman Trenerry stated she will invite other people that will come and help clean up and she will provide coffee and donuts. Director Engel gave Mr. Born information on Alice/Live intruder training for further review.

QUESTIONS and/or PUBLIC COMMENTS: Tammy Cole suggested that we use the word "gradually" in our rate increase letter. She also asked Mr. Born if he could go over the rate increase with her at a later date.

ADJOURNMENT: 11:33AM

Submitted by,

Christy Roberts

Johanna Trenerry, Chairwoman

Irwin Fust, Vice Chairman

Doug Evans, Director

Virginia Bassham, Director

Mark Engel, Director

ATTEST: _____
Kurt Born, General Manager