

## **CLEAR CREEK COMMUNITY SERVICES DISTRICT**

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

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### **REGULAR MEETING**

**Wednesday, July 22, 2020 at 9:00 AM**

**District Office - 5880 Oak Street Anderson, CA 96007**

Due to COVID-19, the need to ‘shelter in place’ and in compliance with CA Executive Order N-29-20 the July Board of Directors meeting will be held via Zoom (video) or telephone conference and will be available for the public to attend. We have established an entry point for log in and attendance. In your web browser type in <https://zoom.us/> and in the upper right of the screen click on “join a meeting”. When the next page opens enter the meeting ID number 309 792 2136, in the field meeting ID click the blue box below the meeting ID after entering the ID number. The next screen will allow the user to enter the password. That password is 5zY2c1. It is case sensitive. The next prompt will have you wait for the host to bring you into the meeting. For those who would rather place a telephone call the dial in number is 415-762-9988, enter meeting ID listed above and listen to and follow the prompts to join the meeting.

### **MINUTES**

**DIRECTORS:** Johanna Trenerry, Irwin Fust, Virginia Bassham, Mark Engel and Murray Miller

**STAFF:** Kurt Born, Cary Brown, Roberto Chacon and Christy Roberts

**AUDIENCE:** Scott McVay, Dave Bartle, Rodney Page, Sandy Winters and Tammy Cole

**CALL TO ORDER:** The meeting was called to order at 9:02 AM

**PLEDGE OF ALLEGIANCE:** Chairwoman Trenerry led the Pledge of Allegiance

**OPEN TIME:** Director Engel stated that as the JPIA Director, he will be attending virtual JPIA Board of Director meeting next Monday, the 27<sup>th</sup> and there is no fee for attendance.

**CONSENT/AGENDA:** A motion was made by Vice Chairman Fust and seconded by Director Bassham to approve the minutes from June 17, 2020, paid bills dated 6/25/20, 6/29/20 and 7/10/20 totaling \$101,172.74 and the June 2020 Financial Statement. Motion was voted on and unanimously approved.

### **OLD BUSINESS:**

None

## **NEW BUSINESS:**

**Appointment of New Board Member:** Chairwoman Trenerry asked if the potential Board Members wanted to say anything? Audience Scott McVay stated that he was under the impression they were being interviewed. Vice Chairman Fust stated that he would like to be able to talk to each perspective member and then have each person present an opening statement? Mr. Fust stated that before we start, I want to thank all the perspective Board Members for hanging in here with us during these trying times and everything going on with this pandemic; otherwise this would have been handled long ago. Mr. Fust apologized to the candidates for having to wait so long to do this. We hoped to do this in a live session but obviously that is not the case and this Zoom meeting is the second best we can do. Chairwoman Trenerry called on Scott McVay. Scott McVay stated that he has been a resident of Happy Valley for over 18 years and if he is chosen for the Board, he promises to serve the people to the best of his ability. Mr. McVay stated that his background is in Management and he is retired. Vice Chairman Fust stated he had a question; in your opinion, what is the most important thing to ensure the future of this District? Mr. McVay stated that there are a few things and one of the most important is to get the rate structure sustainable. I also feel a fund needs to be set-up for the retirees and veterans who are struggling with their finances to mitigate those costs for them. We have some real issues with the infrastructure and the aging of it and if there are grants out there to help us replace the old pipe, that would be great. Vice Chairman Fust asked Mr. McVay if he is an Ag customer? Mr. McVay stated yes, I am. Mr. Fust stated that Ag has been in decline the last few years. Do you think there should be measures to keep providing Ag or should we plan for a future without Ag? Mr. McVay stated that he believes there are measures that can be taken, partially by the District but ultimately it is up to the individual customers. I think it is up to the Government if we lose Ag water, that maybe out of our hands. Director Bassham asked Mr. McVay if he had experience with looking for grants? Mr. McVay stated no, he does not but it is an interest and that doesn't mean that he can't. Director Engel asked Mr. McVay what his interest is in being on the Board? Mr. McVay stated its very simple, to serve the people of the community and my salary from serving will go into a fund to help the people of the community who are struggling. Chairwoman Trenerry called on Dave Bartle. Dave Bartle stated that he has lived in the Happy Valley area for about 33 years and has been involved with the community for years with trash pickup. We have 5 acres out here but we are not on Ag. Vice Chairman Fust asked Mr. Bartle what is the most important thing to ensure the future of this District? Mr. Bartle stated that access to water through the Bureau is always going to be important and the issue of cutting Ag back is definitely going to be something we have to look at. Mr. Bartle stated that the infrastructure of the system is also an issue and being fiscally concerned about that. Mr. Fust asked Mr. Bartle if we should take measures to revive Ag or plan a future without it? Mr. Bartle stated that we should do both. If the District thinks that Ag is beneficial for us in the future, then I would like to improve and increase that; however to be honest, besides some of the olive orchards, there is not a lot of Ag or Commercial users out here. Director Bassham asked Mr. Bartle if he has a day job? Mr. Bartle stated no, he is retired and this is why I decided to get

involved and watching this water situation for years. I am involved with the Redding community and I would like to be involved out here. Director Engel thanked Mr. Bartle for his motivation in pursuing a position on the Board. Chairwoman Trenerry called on Murray Miller. Murray Miller stated that he is currently a Pastor at a Church in Anderson and the Shasta Bible fellowship in Shasta Lake City. Mr. Miller stated that he tries to be involved in his community some way or another. I've lived here for 8 years. I know my neighbors and I need to help in my community. So, as I looked into your complex situation and I've learned a lot. I want to learn more regardless of my nomination. First and foremost, I want to work together and consult with others. I can contribute to that because of the various School and Church Boards that I have been on, Management training, strategic planning, regulations and HR laws. Basically I want to learn more about what is going on here in my community whether or not I am appointed. Director Bassham asked Mr. Miller what he will bring to the Board? Mr. Miller stated that he really thinks things through and looks into everything before making a decision. Vice Chairman Fust asked Mr. Miller what is most important to ensure the future of this District? Mr. Miller stated that it's our responsibility to find financial stability in the District to sustain us in the future. Mr. Fust asked Mr. Miller if he is an Ag customer? Mr. Miller stated no but he has about 50 fruit trees but is not an Ag customer. Mr. Fust stated that Ag is on the decline and the new generation is not as interested in Ag. Mr. Fust asked Mr. Miller if we should revive Ag or should we plan a future without it? Mr. Miller stated from what he has read, we typically have small hobby farms, compared to the larger acreage farms in the Midwest and is that sustainable? Not really, unless you have a co-op going on. Like we need to get the people to work together, if its going to work. The hodge-podge of everyone having a few apple trees here and there, selling items on the corner or the Farmers Market brings some income back to the Valley but it's not huge income. Director Engel stated that Mr. Miller seems like a very objective and organized individual. Mr. Engel stated that he likes that Mr. Miller looks things over and those are big positives for me. Chairwoman Trenerry stated the other 2 applicants are not present, so we can't ask them questions. We are now going to take time to vote. Director Bassham asked if the votes are anonymous? Mr. Born stated yes, the votes are confidential. Chairwoman Trenerry thanked everyone that applied and its very important. Chairwoman Trenerry stated Murray Miller, you have been elected and welcome to the Board. Chairwoman Trenerry asked to administer the Oath of Office? Vice Chairman Fust asked if that can be done in this fashion? General Manager Born stated yes, he clarified this with the County office. Chairwoman Trenerry administered the Oath of Office to Murray Miller. Vice Chairman Fust welcomed Mr. Miller to the Board.

**Proposition 218 Presentation by Rodney Page:** General Manager Born stated the ground rules. Please do not interrupt the presentation and questions will be taken afterwards. Rodney Page of RCAC congratulated Murray on his election and thanked Clear Creek CSD for being so organized. Mr. Page thanked Skip, Cary and Robert for working with him over the last year to get this rate study done. Rate studies are a requirement to get grants. RCAC is a Rural Community Assistance Corporation that help rural communities such as the CCCSD and our purpose is to make sure you stay in

compliance with State and Federal rules and regulations, while achieving the goal of providing safe drinking water. Mr. Page stated that no decisions are being made today, this is for your review. An extensive discussion was had and the entire RCAC Prop 218 presentation was completed by Rodney Page and is available to anyone who requests it.

**Centerville Request for Water Transfer of 200 A/F:** General Manager Born stated that he was contacted by the General Manager of Centerville, asking if we would have any extra water to sell and we do. 200-acre feet really is not that much. Centerville agreed to pay all costs associated with the sale. This will not affect our customers or our ability to serve them. Director Engel stated that he is not really against this but he can't help but note that we've never had the opportunity to do that ourselves and typically when we buy water, we have to make a commitment to a certain amount. General Manager Born stated if he could clarify, typically when we need water the only person who has it would be the McConnell Foundation and they charge an extraordinary amount for their water but it's available when your in dire need. This is unusual for Centerville. We have supplied them with water for a very long time and I think this is a preemptive measure on their part because of the restrictions. We have plenty of water to sell. Vice Chairman Fust stated that he has no problem with this. Director Bassham asked Mr. Born what the benefit of this sale is to us? General Manager Born stated they will pay for the water at our cost and pay the extra fees, we get an additional \$30.00 per acre foot. Vice Chairman Fust stated they are our neighbors; this is water we normally would not be selling and it is such a small amount. It's just a way of being neighborly so I am all for this. Director Bassham stated she's not saying she's not for it but it's water, we can make a little bit of money. Director Engel stated that Director Bassham makes a good point and I don't think we have a problem doing this. It's just not very significant and it's something we should think about in the future. Vice Chairman Fust made a motion and Director Engel seconded. Motion was voted on and approved.

**Replacement of Dump Truck – Ordinance 2020-07:** Chairwoman Trenerry stated that based on the information we were given, they went to several locations getting our questions answered about another dump-truck. General Manager Born stated that Robert inspected and drove the vehicles. There is not a lot to choose from right now but we found 3 and have narrowed it down to 2 Freightliners. Director Engel stated that it would appear that the 2012 with 58,000 miles for a couple thousand more would be the better value with 30,000 miles less? Roberto Chacon stated the truck with 58,000 miles was hard to shift and the air conditioner was not working right. The other truck with 86,000 miles, I felt was better even though it had a more miles; it drove better, its clean and a good truck. Vice Chairman Fust stated that it seems a truck with 86,000 miles is not very many miles for a truck like that, correct? Robert stated yes, we were lucky to find trucks with only this many miles on them. Director Miller asked if RCAC was contributing a certain amount or is this a loan? Mr. Born stated yes, it's a loan.

Director Miller asked Robert if he drove the 2017? Robert stated no, first of all the price of the truck, the loan would be more and we're trying to save the District money. Director Bassham asked what truck are we talking about? Robert stated we are talking about the 2012 Freightliner with 86,000 miles. General Manager Born stated it's a short-term rate, generally in the 5% range and depending on the amount of the loan. Chairwoman Trenerry stated the Ordinance needs a correction. If you turn it over, it says 'loan amount to exceed' and it needs to say 'not to exceed'. Vice Chairman Fust stated that he also noticed that this includes a trailer and I was under the impression we had a trailer already, is that correct? Mr. Born stated that the trailer we have today is the same one we've had for 20+ years and it's had many issues with the brakes and the wiring but the biggest issue is with the backhoe we have today is pushing the trailers weight limit. 20 years ago it was not carrying the weight that it's carrying today. Mr. Fust stated so your intention is to finance a new trailer for \$20,000 and sell the old trailer? Mr. Born stated yes. Mr. Fust stated and with the new truck at about \$76,000 plus the trailer at \$20,000, you're looking at closer to \$100,000? Mr. Born stated yes, that is correct. Director Murray stated he is okay with the idea of getting another truck but how are we going to avoid this again? Mr. Born stated it's just the truck itself is wore out and the trailer is old and wore out. The truck we have now was purchased in 1994, it was bought used and here we are 20 years later. Vice Chairman Fust made a motion and Chairwoman Trenerry seconded. Motion was voted on and approved with the correction not to exceed \$120,000.00.

**Small Business Loan:** General Manager Born stated he wanted to talk to the Board about a small business loan as a possibility to help us pay for the invoices and bills coming in from Contractors like Pace for the work being done on the Backwash pond. When we get an invoice, I submit it to Cal-OES so we can get our reimbursements, but the problem is they take at least 30 days to process and the issue is the invoice is due in 30 days. It's just an over-lap between invoices and reimbursements coming in and is something to consider so that we are not late paying our bills. Chairwoman asked Mr. Born if we could use the reserves and replenish them later? Mr. Born stated no, those are CD's. This loan does come with an interest rate of 4.5% and this is just a discussion at this point. Chairwoman Trenerry stated the CD's are at 1.5% and the loan is 4.5% it leads me to want to use a CD and then replace it when the State reimburses us. Mr. Born stated that was a good idea that he had not thought of that. Director Miller asked Mr. Born if we are drawing interest on the CD's? Mr. Born stated yes but it's less than 1% so it's pretty pathetic. Chairwoman Trenerry asked if there are any other suggestions?

**Request for Qualifications – Distribution System Grant Funding:** General Manager Born stated this has to do with the rebuild of the Distribution system and sending out information to different Engineering firms and gathering data on who is best to do this job. The State will allow up to \$250,000.00 to get the process done. We have 3 different Engineering firms, one is Pace Engineering, Lawrence & Associates and

Luhdorff & Scalmanini. All 3 firms have worked with us in the past. This is just to bring you up to speed letting you know where we are at this stage. This is part of the Prop 218 rate increase. If this rate increase doesn't happen, neither does this.

**Disaster Cleanup Assistance – Carr Fire – Mule Town Conduit:** General Manager Born stated that he is just letting the Board know that we were successful in getting another grant for clean-up all along the perimeter of the Filter Plant and the conduit. The information for this grant came from Chris Muelbacher, the General Manager of Centerville. Director Engel stated he had a question and a potential issue would be our Workers' Compensation liabilities? Mr. Born stated that they come with their own Workers' Comp insurance and this comes at zero cost to the District.

**Treatment Plant Generator Replacement Compliance:** General Manager Born stated that this is just letting you know that we have followed the correct process as far as generator replacement due to the Carr fire at the Filter Plant. We were required to get another permit and have things inspected. The application was approved and all we are waiting for is the generator to show up.

## **OPERATIONS & ADMINISTRATION**

**STAFF REPORTS:** Nothing to report

**STANDING COMMITTEE REPORTS:** Vice Chairman Fust stated LAFCO is running smoothly and they also are doing meetings with Zoom. They are on target and not much is different. Mr. Fust asked Mr. Born if he has received another ballot concerning the Special District Elections? Mr. Born stated yes, he received 3 and he responded again. Chairwoman Trenerry stated the roadside cleanup is not until October but in the meantime if you see trash on the side of the road, call the number and help keep our streets clean.

All Board members welcomed Murray to the Board.

**QUESTIONS and/or PUBLIC COMMENTS:**

**ADJOURNMENT:** 11:30 AM

Submitted by,

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Christy Roberts

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Johanna Trenerry, Chairwoman

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Irwin Fust, Vice Chairman

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Virginia Bassham, Director

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Mark Engel, Director

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Murray Miller, Director

ATTEST: \_\_\_\_\_  
Kurt Born, General Manager