

CLEAR CREEK COMMUNITY SERVICES DISTRICT

Board of Directors: Irwin Fust - Chair; Chuck Jones - Vice;
Johanna Trenerry - Director; Patricia Delzell - Director; Scott McVay
Director
5880 Oak Street, Anderson CA 96007
Phone: (530) 357-2121; Fax: (530) 357-3723

REGULAR MEETING

Wednesday, August 17, 2022, 6 pm
District Office Board Room
5880 Oak Street, Anderson CA 96007

Minutes were transcribed via video. Full recording may be found on YouTube at Happy Valley CCCSD.

MINUTES

DIRECTORS: Irwin Fust, Chuck Jones, Johanna Trenerry, and Scott McVay. Patricia Delzell was absent.

STAFF: IGM Bill Palmaymesa

AUDIENCE: Beverly Fickes, Terry Lincoln, Sandy Winters, Dave Bartel, Jackie Longcrier, Ken Longcrier, Joanne Blomquist, Greg Blomquist, Charles Hanson, Sara Lincoln, and Gaylene Grabeal

CALL TO ORDER: Chair Fust called the meeting to order at 6 p.m.

PLEDGE OF ALLEGIANCE: Director Jones led the pledge.

OPEN TIME: Sandy Winter reported that 35 people showed up at the last Firewise meeting. The speaker was very informative. She stated the next meeting is scheduled for August 25, 2022, 6 p.m. at the Community Center. Committees will be formed. Dave Bartel introduced himself and indicated he would be taking over the Pride Days from Johanna since she was retiring. He reported that he would be in charge of the community trash pickup days as well as coordinating the free dump day vouchers. The County sponsors the free dump day. Vouchers are currently available at the District office. Beverly Fickes asked about the auditors exit report and if Accountant Christy Sartori could give a presentation. Accountant Christy reported that the auditors did a fantastic job. There will be quite a few suggested improvements/tasks in the auditor report when it is received. The report will be subject to District review prior to release to the public. Accountant Christy reviewed several items that need to be cleaned up and accounted for correctly. She noted that the new auditors were very thorough in their review.

CONSENT AGENDA: Director Trenerry moved to approve the paid bills from 7-8-22, 7-13-22, 7-28-22; Payroll of 7-1-22, 7-15-22, 7-29-22, 8-5-22; and Minutes of 6-16-21, 8-4-21, 8-25-21, and 9-8-21. Director McVay seconded the motion, which carried unanimously.

FUST - YES

JONES - YES

TRENERRY - YES

MCVAY - YES

OLD BUSINESS/NEW BUSINESS:

A. PUBLIC HEARING: FINAL BUDGET (DISCUSSION/ACTION) - IGM Palmaymesa indicated that the final format will change. A few items were updated. The revenue stream may improve with delinquent accounts being notified and possible shut off of meters. Director McVay reported that these delinquent accounts equate to approximately \$500,000.00 in lost revenue for the fiscal year. Director Jones confirmed with IGM Palmaymesa that the penalty charges on the budget were adjusted for possible protest adjustments. Director McVay asked whether the shut off ordinance needed to be rewritten. The Board and staff discussed the ordinance noting it was still valid. Director McVay asked whether additional staff was necessary to ensure late notices, and shut off procedures were handled timely. IGM Palmaymesa reported that the process is time consuming. Staff Sally Lunn indicated that the process was very restrictive and the shut off ordinance makes it difficult to handle quickly. The ordinance follows code requirements and cannot be streamlined. Beverly Fickes asked if staff would review those steps for public information. IGM Palmaymesa stated that the shut off policy/ordinance was on the website for review. He stated that a customer could receive a letter in 30 days and the disconnect letter wouldn't be sent out until 60 days. Staff Sally stated that no disconnect letters had been sent out since 2020 due to COVID restrictions. She stated that staff is getting into a routine now and will send out disconnect letters starting on the 21st. IGM Palmaymesa reported that after the 60 day disconnect letter that it can take up to seven days to post the 24 hour turn off notification letter. IGM Palmaymesa indicated that staff had posted a few door hangers of past due accounts and all of those customers came in to pay. Chair Fust opened the public hearing for public comment. Beverly Fickes asked about the bottom line revenue reserve for the upcoming year. The proposed budget only shows \$10,000 in reserve. IGM Palmaymesa stated that the rate increase had built in a reserve amount which will now cover inflation costs and the WIIN Act payments. He noted that currently we are operating at a loss with more going out than coming in. With no other public comments, Chair Fust closed the public hearing and brought back discussion to the Board. He noted there were several variables with the budget and the Board would have a mid-year review in January.

Director McVay moved to accept the budget as presented. Director Trenerry seconded the motion, which carried unanimously.

FUST - YES

JONES - YES

TRENERRY - YES

MCVAY - YES

Director McVay asked how often the funds were transferred from the Merchant Account to the General Account. He noted that there was over \$370,000 in the account. IGM Palmaymesa said that funds are regularly transferred out monthly.

B. DIRECTOR COMPENSATION REVIEW (DISCUSSION/ACTION) - Director McVay stated he had been researching director's compensation for several water districts and thought that the compensation for our Board members could be eliminated or reduced. He stated he'd like to see the compensation adjusted so it shows staff and the community that the Board is here to be part of the solution. The Board discussed in length the pros and cons of adjusting the compensation and the value of time spent handling District business. It was noted that any Director could donate their compensation back to the District if they chose to do so. Director Jones stated that the compensation was minimal to the amount of time the Board members spend going to meetings, travel expenses, research, and printing documents. Chair Fust stated that any decision made must be cemented in or set by ordinance. Joanne Blomquist commended the Board for having the discussion to reduce their compensation and that it sends an excellent message to the community and to staff when asking them to reduce compensation. She felt the Board should not eliminate compensation completely. Jackie Longcrier suggested car pooling to save on travel expenses. Charles Hanson asked what other Board members from local water districts' received in compensation. Director McVay stated he found \$50 to be the maximum locally. Sara Lincoln spoke on all the volunteer hours provided by the community unpaid. She stated that no other service district has a watchdog group volunteering thousand of hours to right this ship we are on. Sara asked that the Board keep that in mind when making the decision regarding compensation. Director McVay asked for direction from the Board with this review. Director Trenerry asked for a new ordinance to be presented at the next regular board meeting. Director Jones stated that one board member was missing and we were having an upcoming election. He recommended not making any decision tonight. IGM Palmaymesa recommended and Board agreed that it go to the Finance Committee for ordinance revision and recommendation.

Director McVay reported that it was brought to his attention that the Board needed to approve a resolution for the County Elections Department. He indicated it didn't need to be prepared until October/November so the Board had time to review and approve next month.

OPERATIONS & ADMINISTRATION:

A. OPERATIONS REPORT: IGM Palmaymesa reported that currently there were 127 delinquent accounts instead of previous 164. The delinquent amount is approximately \$50,000. There were 50 overage penalties totaling \$15,000 for July. IGM Palmaymesa indicated that the District must do a lead/copper service line inventory from the meter to the residence by mid 2023. He stated the process would be very time consuming and expensive. The surface water used for July was

170 AF and 70 AF of well production. Currently we are just over 100 AF of surface water used. Director Trenerry asked about the letter in the packet to Cal-OES. IGM Palmaymesa reported that this letter confirmed that Cal-OES accepted our action plan. Director McVay asked that staff ensure that the Grant File contains everything requested by Cal-OES. Chair Fust shared information on Ethics training and completion of Form 700 which is being handled online.

- B. STANDING COMMITTEE REPORT** - Chair Fust reported on the Personnel Committee meeting that took place earlier today. The General Manager recruitment process was discussed. He commented on the individual that could work as an interim general manager but who could not work full time. Chair Fust stated that after the close of the last recruitment period, two additional applications came in.

QUESTIONS/PUBLIC COMMENTS: Beverly Fickes asked whether there was enough locks to lock out 127 meters. The Board commented that once people realize the District is implementing the process again, word will get out.

CLOSED SESSION ANNOUNCEMENT:

The Board adjourned to a closed session at 7:19 p.m. to discuss the following items

- A. Public Employment. Government Code s. 54957 Title: General Manager Vacancy
- B. Conference with Labor Negotiators. Government Code s. 54957.6

The Board reconvened at 8:08 p.m. Chair Fust reported that:

- A. In regards to the General Manager Vacancy the recruitment period will continue and be ongoing. The Board agreed to interview a recently received application.
- B. Conference with Labor Negotiators: No reportable action for this item.

ADJOURNMENT: Chair Fust adjourned the meeting at 8:09 p.m.

Submitted by

Beverly Fickes, Volunteer

Irwin Fust, Chair

Johanna Trenerry, Director

Chuck Jones, Vice Chair

Scott McVay, Director

William Palmaymesa, Interim
Manager/Chief Plant Operator