

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, January 18, 2017 at 9:00am District Office

MINUTES

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

STAFF: Kurt Born, Rick Cascarina & Roxanna Sanford

AUDIENCE: Tammy Cole, Billie Evans, Mark Clausen and Walt McNeill

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: Chairwoman Trenerry asked Director Engel to read aloud a letter that Clear Creek C.S.D. had received from JPIA. Chairwoman Trenerry asked Director Evans to read aloud a letter that Clear Creek C.S.D. had received from Daniel Moore. Comments were made by the BOD. Mark Clausen thanked everyone at Clear Creek C.S.D. for all the help during the Clover Fire.

CONSENT/AGENDA: A motion was made by Director Evans and seconded by Vice-Chairman Fust to approve the minutes of November 16, 2016, November 2016 & December 2016 Financial Statements and the paid bills from 11/28/16, 11/30/16, 12/9/16, 12/27/16, 12/30/16 & 1/10/17 totaling \$273,010.17. Motion was voted on and unanimously approved.

OLD BUSINESS: None

NEW BUSINESS:

ELECTION OF OFFICERS & COMMITTEE APPOINTMENTS:

A motion was made by Vice-Chairman Fust and seconded by Director Evans to nominate Johanna Trenerry for Chairwoman.

Motion was voted on and unanimously approved.

A motion was made by Director Evans and seconded by Director Engel to nominate Irwin Fust for Vice-Chairman.

Motion was voted on and unanimously approved.

Chairwoman Trenerry then read the list of committees and members aloud.

CAPACITY CHARGES RATE INCREASE - ORDINANCE 2017-01: Chairwoman Trenerry stated that she had asked Mr. Born to change the amount of the Capacity Charges from 3.90% to 3.38%. Mr. Born explained that the 3.38% is the CCI for November 2016 instead of the one for now. After a discussion, a motion was made by Director Engel and seconded by Director Evans to approve the revised amount of 3.38% increase to the Capacity Charges.

Motion was voted on and unanimously approved.

LAFCO – VACANT POSITION FOR ALTERNATE MEMBER: Mr. Born stated that the only reason that he had added this item to the agenda was because he had received a letter stating that they had an opening. It was the consensus of the BOD that no one was interested in filling the opening.

REQUEST FOR CONSIDERATION OF VEHICLE SALE OR TRADE FOR SERVICES:

Mr. Born stated that this was one of our vehicles that was slated to get rid of this year. Mr. McNeill had shown interest in it and offered to either buy it or trade for services. Mr. Born stated that his recommendation was to trade for services. Director Engel stated that he is good with the trade for services as long the contract states it's all legal. Mr. Born stated that he and Mr. McNeill had read everything and it was perfectly fine as long as it's listed as surplus property. A motion was made by Director Engel and seconded by Director Evans to trade the 1999 F-150 Truck to Walt McNeill for services valued at \$2500.00.

Motion was voted on and unanimously approved.

GSA UPDATE: Mr. Cascarina informed the Board that we have been very active. The proposal that we all have been working on is in front of you. The proposal had an unanimous consensus at 10/19/16 BOD Meeting. Mr. Cascarina stated that Irwin and he had met with Walt on Monday, 1/9/17 to discuss the governance structure. Mr. Cascarina sent an e-mail on 1/11/17 to Walt asking him to forward to Barry & Jody his

comments and concerns. ACID's Board meeting was last night and it's unknown what the outcome was at this time. Dustin Cooper made contact with Jody Burgess. Walt McNeill stated that he was unaware of the legal subcommittee. Walt informed the Board of his e-mail to the other agency attorneys. Walt explained that a JPA (agreement) is not a separate legal entity. Joint Power Agreement to a Joint Powers Authority which would then become an independent legal entity. A MOU is a contract between agencies. A MOU would not create legal separate entity. Anderson Sub Basin and Enterprise Sub Basin are currently ranked "Medium" by DWR. Chairwoman Trenerry asked Walt what is the issue? Get to the point! Walt stated that he was getting there. Walt stated that he preferred a MOU over the JPA, which is a reversal from his previous opinion. CASGEM Classifications are reviewed periodically through DWR. Walt stated that he recommends an MOU with a "light touch". A MOU could be converted to a JPA at a later date. Mr. Cascarina stated that we have a June 30th deadline in order to be in compliance with SGMA and get in the funding opportunity for Proposition 1 funding. Vice-Chairman Fust gave a clarification of what is needed. We need to get the GSA formed by June 30, 2017. We need funding for the GSP from DWR. We are still using November's draft governance proposal. Recognize that if ACID files as their own GSA, that the current governance proposal would have to be reworked. There was a MOU/JPA discussion. Right now we are just dancing with ACID and GSA. Mr. Cascarina stated that Walt needs to get together with Jody and Barry. Jody is meeting with Dustin Cooper. A discussion ensued in referenced to the voting strength and cost allocation. Mr. Cascarina explained variables and concerns are so wide spread between the agencies. City of Anderson's sole source is groundwater, Clear Creek has critical needs of groundwater during drought years, City of Redding's primary source is groundwater within certain areas of the city, ACID's pumping to move water downstream. The cost and benefit ratio is a big factor. Mr. Cascarina stated that nobody in this process is comfortable with this proposal and that all agencies involved have made compromises. There is no one formula that fits all. This started many months ago, when Stan with ACID opened these negotiations. The cost in this proposal are proportional to the interest of the agency. This document is the best that we could come up with over a long period of time. Vice-Chairman Fust stated that his consensus is we need one GSA formed, It's desired to have GSA with all six agencies, preferred to have a MOU, usable voting structure to protect Clear Creek's interest. Mr. Cascarina stated that Walt needs to contact Barry & Jody and then have those comments and concerns forwarded to the AD HOC Committee.

CALIFORNIA RURAL WATER ASSOCIATION: Mr. Born stated that he had a conversation with a representative with California Rural Water Association. She stated that she attends Board Meetings and talks, regarding director training, and wanted to know if we would be interested in her attending a Board meeting. She did say that it usually takes about three hours to go over everything. Mr. Born asked to get some

more specific details of her training and never heard back from her. Mr. Born asked the BOD if they would be interested in her attending a Board meeting? It was agreed by the BOD that they were not interested.

DIRECTORS HANDBOOK 2017: Mr. Born stated, to look your handbooks over and if there are any changes you would like, please have them back to him within 30 days. It will be brought back next month as an Ordinance.

SHASTA COUNTY PROPERTY TAX REIMBURSEMENT: Mr. Born stated that Clear Creek CSD is in line for a substantial check for reimbursement of property taxes. Vice-Chairman stated that in 1993 & 1994 the state took monies from all the agencies and gave it to the schools. After all this time, they have realized that the agencies should be receiving a refund from the tax shift that took place from the state in 1993 & 1994. Mr. Born stated that we need two new trucks and also need to replenish the accounts that we had to use during the drought. Tammy Cole asked how much money are we talking about? Mr. Born stated \$295,000.00.

A motion was made by Director Evans and seconded by Director Engel to pay cash for two new trucks and put the balance into an interest bearing account and also make it discretionary.

Motion was voted on and unanimously approved.

BOXER-FEINSTEIN TAKE OPPOSING VIEWS ON WATER BILL: Walt McNeill stated that the Water Infrastructure Improvements for the Nation Act is 900 pages, the California section is 90 of the 900 pages. Mr. McNeill handed the Board Members copies of the California section. The legislation is obviously heading more towards agriculture. With this bill passing, it will mean that there will be more water moving south. Area of origin rights are also a part of the California section of the bill. The United States Bureau of Reclamation hold Stakeholders meetings quarterly. It would be a very good idea for someone on behalf of Clear Creek CSD to attend these meetings. All the BOD agreed that it would be very interesting to attend these meetings.

OPERATIONS & ADMINISTRATION:

STAFF REPORTS: Mr. Cascarina advised that as of the end of December we have used 700 ac. ft. of water from the USBR and that we won't be buying more water from them this year. We have used 1892 ac. ft. from the McConnell Foundation, with 172 ac. ft. left to use. The total water use this year is estimated at 2775 ac. ft. With all the rain this winter we should be just fine next year.

Mr. Born stated that he will be getting in touch with Orland-Ortois Water District and see if they are interested in buying some water from us.

Mr. Cascarina stated that the crew has been busy with routine meter reading, booster station checks and maintenance. The crew flushed well #1 and a bac-t sample was taken, as a routine effort to keep wells in active status. The 4" line extension on Myerock is complete. Daniel Moore wrote the District a letter complimenting the field crew on how smooth the job went. A security light was replaced at the south booster station. Unit 1 was taken out of service due to being too expensive to repair to meet smog requirements. There have been two service leaks and one 21" AC main leak. On November 22, 2016, a 21" AC main coupling failed on Hawthorne Ave due to a root intrusion. It took all night and half of the next day to put the line back into service. The two service leaks were on Palm Ave and Buckskin Lane. Palm Ave was a leaking tapping valve which was replaced, under pressure using a Dutch finger tool. Buckskin Lane was a simple repair disrupting service to a few customers for about half an hour. The backwash project is coming along smoothly. RTA Construction has all the exterior and interior piping installed at the chlorine room and is ready to weld on the tap sleeve and tap the 45" conduit. The pumps are still on order and the electrical portion of the project is set to start on February 2, 2017. There will be a 10 day period where the plant will need to be operated manually during the day. The plant will be secured during night hours. Centerville CSD is on board with this plan and will aid in assistance if needed during this time related to their draws from the conduit. The backup generator at the plant is in need of repairs. A scheduled shutdown by PG&E last week was done and the generator failed to start. Plant staff went directly to the plant and got the generator started and a service appointment was made. A new fuel pump is needed.

Vice-Chairman Fust stated that he wants to thank Mr. Cascarina for all the work he has been doing on the GSA.

STANDING COMMITTEE REPORTS:

LAFCO: Vice-Chairman Fust advised that the next meeting is the first Thursday of February. It will be kind of a reorganization meeting.

LION'S CLUB: Director Evans advised that the president, Dennis McCoy passed away.

HAPPY VALLEY PRIDE DAY: Winter Roadside Clean-Up February 4, 2017 at 8:00am to 11:00am Rain Date: February 11, 2017. Coffee and Donuts will be provided, as well as garbage bags.

There will be an Agricultural Meeting here at CCCSD this Friday January 20, 2017 at 9:00am to 12:00 Noon.

QUESTIONS AND/OR PUBLIC COMMENTS: None

ADJOURNMENT: 11:13 A.M.

Submitted by,

Roxanna Sanford
Secretary

Johanna Trenerry, Chairwoman

Irwin Fust, Vice Chairman

Doug Evans, Director

Virginia Bassham, Director

Mark Engel, Director

ATTEST: _____
Kurt Born, General Manager