



5880 Oak Street, Anderson, CA 96007  
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**Board of Directors: Terry Lincoln - Chair**  
**Scott McVay, Vice Chair**  
**Directors – Pam Beaver, Beverly Fickes, Logan Johnston**

**General Manager: Paul Kelley**

**REGULAR MEETING: August 21, 2024, at 6:00PM: District Office Board Room**

**MINUTES**

- 1. CALL TO ORDER** – *Chair Lincoln 6PM*
- 2. PLEDGE OF ALLEGIANCE** – *Director McVay*
- 3. ROLL CALL** - *Chair Lincoln, Vice-Chair McVay, Directors Beaver, Fickes. Absent – Director Johnston*
  - *GM Kelley, Admin Assistant Valdez*
- 4. OPEN TIME/PUBLIC COMMENT:** - *Sandy Winters: Firewise meeting September 26<sup>th</sup> 6pm, no meetings during summer, we have a speaker, there might be food.*
- 5. CONSENT AGENDA** (Action)

The following items are expected to be routine. Any interested party may comment or request an item be removed from the consent agenda for separate discussion/action.

- a. Minutes from Meetings – Regular meeting 7/17/24
- b. Paid Bills: 8/14/24 – 9/12/24
- c. Payroll: 8-1-24, 8-15-24, 8-29-24
- d. Activity P&L Report: Not Available this month

*There were many challenges with our UMS CUSI and QuickBooks, so the P&L reports are not available. Discussion on finance budget, it was increased for underground service alerts. Service alert calls were set up incorrectly as auto service calls by MGM employees which is why the Underground Service Alert bill is so high and is showing 945 tickets.*

*SCADA update – State paid for the upgrade; SmartSights Invoice is high because we had to purchase alarms for each connection*

*Director Fickes – Lawyer invoice references letter to DLaMalfa, GM explained we had to have environmental review for the concrete pond lining project to ensure we met all SB929 requirements. Still had not received since June 2023, Pace suggested we reach out to FEMA and send a letter to congressman DLaMalfa of which the lawyers assisted. FEMA is now completing review since letter to DLaMalfa.*

**ADA Related Disabilities:**

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*Motion to approve Consent: Fickes, 2<sup>nd</sup> McVay – Vote Unanimous 4-0-1*

**6. OLD BUSINESS/NEW BUSINESS (Discussion/Action)**

a. O.B. – USBR Account Reconciliation - (Discussion)

b. Fiscal Year 2022 Audit For Board Review (Discussion/Action)

*GM Kelley discussed the 2022 Audit report and provided a draft letter to the auditor for the board to review and approve to address some of the points made in the audit report. We are having a CPA review everything and requesting quotes to assist with future audits and financials.*

*Motion to accept FY22 Audit – Beaver, 2<sup>nd</sup> Fickes. Vote: Unanimous 4-0-1*

*Discussion on letter*

*Motion to have District edit and send letter: Beaver (with edits suggested) 2<sup>nd</sup> McVay. Vote: unanimous 4-0-1*

c. Surplus property disposal -1996 Generac 80 KW – (Discussion/Action)

*GM Kelley explained that the yellow 1996 Generac Generator, previously used at the Water Treatment Plant and currently located in our district facility yard, is non-compliant with state regulations and deemed unusable in California. Consequently, it can be classified as scrap and may be surplus accordingly. He emphasized the importance of transparency with the board and community regarding this matter, noting that information about the generator will be posted on the website for a few weeks to facilitate its sale or transfer out of state.*

*Board gave direction to follow the Surplus policy #6 as scrap to dispose of the Generator*

**7. GENERAL MANAGERS REPORT**

*GM Kelley reviewed the items in the report.*

*We are currently recruiting another Distribution Operator with certification.*

*Still working on our Utility Management System – CUSI to accurately export data to QuickBooks*

*In coordination with Shasta Water Managers the Bureau will do the tour on September 20th.*

*Discussed work on the three grant projects – We have all required permits for the Backwash Ponds, and we are on schedule to finish pond in November, we received all the funds for the Emergency Electrical/SCADA project and closed it out. ARPA submitted to county for reimbursement, and the Prospective federal grant for “wildfire and drought resiliency assessment” did not get granted.*

*Discussed upping security at South Booster Station*

*D. McVay stated funds were approved for study to be done by Pace Engineering to inspect water tank. GM Kelley spoke with Pace Engineering, and they plan to get a report to us by October for the board to review in NOV/DEC.*

**8. OPERATIONS REPORT**

*GM Kelley gave the report, and reiterated the back side related to hiring experienced operators, that after analysis the budget can manage an additional member of the operations staff*

*D. McVay asked if this could impact the budget when they get to step 4.*

*GM Kelley – this will need to be monitored, but even if the budget stayed static (not likely), it would take 3 years for all the operator staff to reach step 4.*

*D. Fickes asked about the Delinquencies, is this related to staff? And mentioned the challenges heard at Finance committee that the daily receipts and bank deposits may not have been matching, adding to the other CUSI and QuickBooks challenges mentioned prior about P&L's. It has come to our attention that there were several items left*

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*incomplete or executed incorrectly. As a result, we are currently undertaking extensive clean-up efforts within the Accounts Receivable department.*

*GM Kelley discussed the Water Treatment Plant operations, repairs, and production. Whiskeytown lake had experienced an algae bloom causing short filter runs and an excessive number of backwashes. The WTP has been producing 7-8 MG/Day on average.*

*D. McVay asked what kind of strain that was put on the filtration plant, GM Kelley explained it survived but not without some challenges.*

*GM Kelley discussed Distribution and leak repairs, ordering new traffic control equipment to assist future road and lane closures, we will be working on meter inventory for start up to replace registers and end points.*

## **9. STANDING COMMITTEE REPORT –**

- a. Agriculture – Good Olive meeting, Good report (written from D. Johnston) on HV Farmers Market, next meeting on September 4<sup>th</sup>.*
- b. Finance – Reported on Finance Committee meeting held on August 14<sup>th</sup>, also mentioned previously on Operations Report regarding finding problems with financial reports not balancing correctly and the need to fix many issues.*
- c. Planning/Steering – Gm Kelley mentioned the items reviewed by the committee Aug 20 – Drought Plan update, Water service rules and Extraordinary / Major repairs and replacement list (like a CIP)*

## **10. BOARD MEMBER ITEMS**

*D. McVay – Only 3 current members of board filed for the Board of Directors, so the District will save \$8-12K by not having an election this November*

*D. Beaver – Talked to Distribution Supervisor and really likes the lists, and work organization. Mentioned that best piece of equipment to help the district is a vac-trailer*

*Chair Lincoln – Mentioned a very good ethics training at Rio Alto august 13. It was a Q&A version, and the subject of staff interaction came up. Strongly encouraged and reminded board members that they hire/manage/do performance review the GM. Gaining inside information on items that could be for board decision is not the board's responsibility – and be cautious – and make sure that goes through the GM.*

## **11. CLOSED SESSION ANNOUNCEMENT: - None**

## **12. ADJOURN THE MEETING -7:28pm**

**Approved: 09/18/24 Meeting**



Signed:

**Secretary of the Board  
General Manager: Paul Kelley**

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