



5880 Oak Street, Anderson, CA 96007
Phone: (530) 357-2121

Board of Directors: Scott McVay - Chair
Logan Johnston, Vice Chair
Directors – Pam Beaver, Beverly Fickes, Terry Lincoln

General Manager: Paul Kelley

REGULAR MEETING: January 15th 2025 at 6:00PM: District Office Board Room

MINUTES

- 1. CALL TO ORDER** – *Chair Lincoln at 6pm*
- 2. PLEDGE OF ALLEGIANCE** – *Led by Director Johnston*
- 3. ROLL CALL** – *Directors: Chair Lincoln, Vice-Chair McVay, Directors Beaver, Fickes, and Johnston. GM Paul Kelley, Admin Assistant Amity Valdez.*
 - a. Selection of Chair and Vice-Chair** – Director Fickes moved to select Director Scott McVay as the new Chair; 2nd by Director Lincoln; 5-0. Director Beaver motioned to nominate Director Logan Johnston as Vice-Chair; 2nd by Director McVay; 5-0
Meeting Adjourned by Chair Lincoln 6:04PM
Meeting Re-convened by new Chair McVay 6:05PM
 - b. Committee Assignments** – GM Kelley is recommending the creation of an Ad-Hoc Committee for the purpose of meeting with Centerville to re-negotiate the contract. This is a non-Brown Act committee.
The board members discussed and selected the following Directors for each Standing Committee as listed below:
Standing Committee – Director Fickes; Chair McVay and Alternate Director Beaver
Agriculture Committee – Vice-Chair Johnston; Director Beaver and Alternate Chair McVay
Planning/Steering – Director Lincoln; Director Beaver and Alternate Vice-Chair Johnston
JPIA – Director Fickes
EAGSA – Chair McVay and Alternate Director Fickes
We will recruit Community members and post the application January 2025
- 4. OPEN TIME/PUBLIC COMMENT:** Community member Mark Crowell – Regarding December 2024 water bill. Returned from fire to find a very high bill in December. Had previous water line broken on property and the District refused to help. In December, the bill said we used 66 units which is over normal usage, and this was due to the usage being estimated. Spoke with office staff and they sent someone to re-read our meter and would like to know why we guessed on his bill? Mr. Crowell also

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noted that when there was a call for a leak last night the District did not fix it until today. Wants to know if we charge the customers for that. Mr. Crowell thinks the District should reimburse him for his time walking his property to look for a leak to account for his usage being so high. He also noted that how we are handling the billing is very unorthodox. He went on to say that one of the office staff hung up on him and if that were his employee they would be fired. He asked how we are going to fix his bill. This estimation has happened to too many people. Why does it take two people to read a meter, why are we sending two people? Mr. Crowell asked if the filters are replaced or washed out or thrown out? How many people are in the District?

Community member Jesse Beckett – Has the same concerns as Mr. Crowell regarding usage and had a similar incident with office staff hanging up on him. He called about an issue and the office lady, Morgan hung up on him.

Community Member Robert Oconnell/Morgan – Appreciated that the complaints were civil. We don't have anyone to speak on our behalf and present our complaints to the Board. We need to look into finding an "Ombudsman" someone that can investigate our complaints and help us try to resolve them. Chair McVay also noted that he had a high usage bill and will be discussing it more later in the meeting. GM Kelley agreed that we had many challenging issues due to the new CUSI system and meter issues. The current transponders were installed 18-22 years ago. Shasta County allocated ARPA funds and we were able to purchase 700 registers and transponders of which are currently being installed. December was also challenging due to the Christmas holiday being on Wednesday and all meters had to be read much earlier than usual. Some were unable to be read. The Estimations were done via our system CUSI using a twelve-month average. We received several customer calls and adjusted as needed after verifying actual reads. When the next billing comes out Customers will see an adjustment on their bill for those affected. We have 2500 accounts; 2350 bills go out.

Chair McVay inquired about how many months of billing went out that were estimated.

GM Kelley replied – the one in December.

GM with the board's approval addressed the questions regarding the filters made by Mr. Crowell – We have four 8' X 30' Large cannister filters that are 10' X 50' long as well. All have media filters and undercarriage – all impurities get mixed with chemicals and purifies the water. Media sits on frame of two of the filters and they have collapsed so they are currently down.

Director Beaver explained that some Customers are unaware of the battle we've been fighting to catch up since each member has started on the board. From having all new employees, meters not reading to equipment being in poor shape; it has been unending and our people that are working are trying their best. All of us board members are busy too, all doing water district work, we cut pay and 2-3 days a week we take the time to work because the district needs our help.

Director Fickes also explained that the CUSI system allows for the range of a year for averaging, but it will not be used again. It should have only averaged winter months.

Chair McVay thanked the public for the comments, we will resume the answers to any remaining questions during the meeting where we discuss the Operations Report.

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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 12/18/2024.
- b. Paid Bills: 12/14/24 – 1/9/2025
- c. Payroll: 12-5-24, 12-19-24, 1-2-25.
- d. Activity P&L Report: (N/A) – N/A (6 months for next meeting)

GM Kelley noted that on page 3 of December 18, 2024 minutes, the Chief Plant Operator (CPO) was asked which option was recommended from those listed in the Pace report. For clarification, Option #1 was suggested. Director Fickes motioned to accept the Consent Agenda as presented; 2nd Vice-Chair Johnston; 5-0

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

- a. O.B. – USBR Account Reconciliation - (Discussion) – Nothing new to report. GM Kelley informed the board that Don Bader retired and recognized him for his service. Elizabeth Hadly was appointed to the position and should be here in May.
- b. Shasta County District 5 Supervisor, Chris Kelstrom: County/District Report and Grants – (Discussion/Action)

Chair McVay invited Supervisor Chris Kelstrom to the podium.

Supervisor Christ Kelstrom informed the board that the Public Works Director let him know that Shasta Conty has no jurisdiction over providing funds for the water district. Supervisor Kelstrom however does have a grant writer who has several pages of grant opportunities, he will give GM Kelley his contact information. Supervisor Kelstrom received a call from the Fire Chief; they will be implementing a plan for Fire protection and will have a Fire Inspector and Code Enforcement begin to oversee fire protection and property readiness related issues. Sheriff Johnson gave a presentation last Tuesday regarding Prop 36 and the ability to be able to enforce laws for stealing and making it a crime again instead of only receiving a ticket. The jail is currently at capacity, so Sheriff Johnson is currently looking for alternative solutions such as a work program and additional custody locations. Sheriff Johnson believes that we could quadruple farm production at the Breslauer work program.

GM Kelley asked if Supervisor Kelstrom is aware of any road work that is scheduled for Happy Valley. Supervisor Kelstrom replied that they have been repaving quite a few roads but he's not sure how they choose which roads they will do next.

Director Fickes inquired about whether Supervisor Kelstrom is aware of any other resources other than grants for us to investigate for more funding. Supervisor Kelstrom explained that a Bond could be an option but should explore the grants first.

- c. Appointment of two members of the Board for Contract negotiations with Centerville CSD representatives – (Discussion/Action)

This committee is being formed with two board members appointed from each water district to negotiate the contract between Clear Creek CSD and Centerville CSD. GM Kelley is in contact with the Centerville GM. The length of the committee is until the contract is signed;

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no later than December 2027. GM Kelley will attend all Ad Hoc Committee meetings and occasionally will ask Bill Palmaymesa to sit in as an expert as well.

Director Lincoln recommended Directors Fickes and Beaver.

The following Board members were selected to be on the Ad Hoc Committee – Director Fickes and Director Beaver.

d. Ordinance 2025-01 District Service Fees – (Discussion/Action)

GM Kelley explained that the District Fees have not been updated since November of 2020 and included the corresponding Ordinance 2020-14 in the packet as well as a fee list of which he went over the various fees and what the suggested increase/decreases are. It was noted that these are not property related fees, only service related. A rate study was conducted back in 2021 through a Citizen Advisory Committee which focused on Prop 218 (only affects property related fees) All property related fees were removed from the list. The non-property-related fees should be increased yearly by 1.9% but none have been updated for four years. GM Kelley consulted with the District’s legal counsel who recommended set service fees using cost of living and a reasonable increase based upon CPI over the last four years that would amount to a 19% increase. The fees listed in the packet are GM Kelleye’s recommendation. It is not clear on our rate sheet what after-hours connection fee was, and the reconnection fee is for delinquency. GM Kelley recommends amended Exhibit A.

Director Lincoln motioned to accept Ordinance 2025-01 and Exhibit A as amended; 2nd Director Beaver; 5-0

7. GENERAL MANAGERS REPORT

GM Kelley thanked Supervisor Kelstrom for attending as well as Shasta County for ARPA of which was used to purchase and replace meter registers. We are currently in the process of installation and are about 50% complete.

GM Kelley also provided brief updates on the Backwash ponds and that we were waiting on the sealant on the cracks to cure, will need to test the pond in Feb/March to put online and use so we can move on to Pond two.

GM Kelley mentioned the Bureau releasing water out of Shasta Lake due to encroachment on flood pool. The Bureau should be releasing allocation letters in February.

GM Kelley met with Pace Engineering regarding the report, Pace agreed that we will re-energize for the state grant as well as look into other grant opportunities.

GM Kelley applied for the Wildfire Resilience Assessment Grant and was denied last year but the opportunity was recently re-opened so we will re-apply or go after a similar one.

In response to the concern about wildfires in the area due to what is going on in Los Angeles, GM Kelley noted that we are always aware of fire flow challenges and are hoping some of our concerns/issues will help us get a grant such as if we were to turn on four hydrants at once the tank would be drained in a few minutes. The hydrant on Palm Ave is designed to put out houses, stores etc.

GM Kelley went over items to consider looking forward such as the two audits that should be done in the next six months, equipment review, Cross Connection compliance (will go over in February), Need to work on the Budget for next year, need Master Plan updated, Drought Contingency Plan, Phone System/Server upgrade; just to name a few but the list is very extensive.

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GM Kelley addressed the remaining Public Comments/Questions – We do not bill Customers for District leaks.

GM Kelley let the board know about recent staff changes in December. Our D2 left; he was employed with us for about 2 ½ months but the job wasn't what he had expected. So, we are currently recruiting a replacement.

GM Kelley discussed the Happy Valley Fire Department and CalFire letters he sent regarding the fire hydrant shutdowns after fires. He was able to talk to Matt at Happy Valley Fire Department, we are working on a Letter of Agreement to incorporate yearly training on hydrant operations which will be done in the March/April months. We have not heard anything back from CalFire. Happy Valley Fire Dept. often calls in other resources for aid, we are working on other processes such as having one of our staff on site with Hydrant operations.

Vice-Chair Johnston inquired about the Backwash Ponds and the fact that we are in triage mode. What capital improvements were eligible for the Carr Fire funds? Why were the ponds chosen over the filter trains?

GM Kelley explained that it was prior to his time so it is unknown why the choice was made to rehab the backwash ponds instead of filters. The fire did have an impact on the ponds because the trees that were there prior to the Carr fire that used to be a protection for the ponds are no longer present. The ponds were leaking as well. JPIA, our insurance company, paid for all the paint damage and the damage to the eaves that was caused by the fire. The problem with filters is internal.

8. OPERATIONS REPORT

GM Kelley went over the following key items from the Operations report – The Treatment plant is running 2700-acre feet surface water turbidity spikes from rains in December, but it's taken care of. The Bureau technical committee changes flow often, and it can increase turbidity produced.

Admin report - meter readings will start next week, and we will ensure all reads and billing get done correctly.

Distribution – Began the flushing program this week. Pictures were provided in the back of the packet of pond 3 completed. Possibly schedule a tour.

Director Fickes inquired about the Accounts Receivable being back up to around \$145,000 – are accounts not being paid? Admin Assistant Valdez explained the shutoffs, payment arrangements and some accounts that are extremely aged. We will have to get training to utilize the lien feature on the CUSI system so that we can begin the lien process.

Chair McVay mentioned that he thought that you must write off certain accounts that have become uncollectible due to their age.

GM Kelley - there is also an issue with people renting out properties and the tenants not paying their bills and the deposits do not cover their bill, so we send the bills to the property owner and that often becomes an issue as well. We may need to change our Rental Agreement to include the property owners' signatures.

Admin Assistant Valdez explained that the office staff will be in a four-hour training with CUSI in early February.

Citizen Katelyn asked if we are going to send delinquent notices to the customer with estimated bills from December, GM Kelley responded, "no."

Citizen Patricia voiced concern about wildfires, worried about what is around us and how district can cope. Is there anything we can do? Anyone with acre or less need to keep up on.

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Director Beaver explained that the wells can help as a back up to fight fires.

GM Kelley explained that we are working with Firewise, and it would be beneficial to be involved with the community to make sure the area is fire safe. We do have generators and may need to purchase another one. We do need to take into consideration that we have an ageing infrastructure and that is a legitimate concern. The benefit of our system is that it is gravity fed and has high pressure.

Chair McVay pointed out that we do have some vegetation mitigation.

Director Fickes pointed out that this information is beneficial to give to the grant writer.

9. **STANDING COMMITTEE REPORT –**

- a. Agriculture – Next meeting is in March, and we will be working on the next Farmer’s Market for Summer 2025. Dates are TBD.
- b. Finance – Meeting February 5th, 2025 – Completing FY24 Budget to Actuals and 6-month. We will review.
- c. Planning/Steering – GM spoke with members should have something in March – Drought Plan and Extraordinary Repair List
We will let the community know that we are accepting applications for the Planning & Steering/ Ag Committees. We will also put it in the newsletter and on the website.

10. BOARD MEMBER ITEMS – Director Fickes inquired about the correct procedure for future leaks if notified. In regard to the Leak on 1/14/2025 the office phone kept ringing and didn’t go to phone service. She did not have the Distribution Supervisor’s phone number, so she reached out the CPO Bill Palmaymesa and GM Kelley.

GM Kelley explained that sometimes the TDS phone system doesn’t work correctly, or we neglected to roll the phones. Admin Assist Valdez is looking into the matter. For future incidents, contact GM Kelley and he will contact the Distribution Supervisor.

GM Kelley also explained that the 1/14/2025 leak was just a service line that only affected one customer and was quickly resolved today. The Isolation valves are lacking though.

Director Fickes has a neighbor that has been being charged three base rates for three residences but only has two on the property one of which is unlivable and not being used.

GM Kelley explained the process to get the additional base rates removed. A similar situation has come before the board before which resulted in the Customer being required to bring in proof that there are no connections to our meter and that the line is capped. Then we will send staff to verify, once completed then we can remove the base rate for the residence not in use.

11. CLOSED SESSION ANNOUNCEMENT: - None

12. ADJOURN THE MEETING – 7:55pm

Approved: 02/19/2025 Meeting



Signed:

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

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