

CLEAR CREEK COMMUNITY SERVICES DISTRICT

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

REGULAR MEETING

Wednesday, June 17, 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 April Board of Directors meeting will be held via teleconferencing and will be available for the public to attend. We have established a toll-free phone number for call-in attendance. Calling 1-844-855-4444 will connect you to the teleconference.

MINUTES

ROLL CALL OF DIRECTORS: Johanna Trenerry, Irwin Fust, Virginia Bassham and Mark Engel

ROLL CALL OF STAFF: Kurt Born and Christy Roberts

ROLL CALL OF AUDIENCE: Sandy Winters, Scott McVay, Steve Nelson, Tammy Cole, Murray Miller and James Elswick

CALL TO ORDER: The meeting was called to order at 8:59 AM

OPEN TIME: Chairwoman Trenerry stated we are conducting this meeting according to Governor Newsome’s Executive Order N29-20. Chairwoman Trenerry asked if the Secretary if she has been notified of any questions that are not listed on the Agenda? Christy stated, no ma’am. Chairwoman Trenerry stated she will establish the ground rules and that this meeting is being conducted by teleconference due to the Covid-19 pandemic and stated that any audience members in attendance who wish to speak, to wait and she will instruct them when it’s their turn to speak. Please do not interrupt the meeting process. Chairwoman Trenerry then asked the audience members to announce their names. Chairwoman Trenerry stated that we are waiting to appoint the potential Board member due to the Board wanting to interview face to face and administer the oath of office in person.

CONSENT/AGENDA: A motion was made by Vice Chairman Fust and seconded by Director Engel to approve the minutes from May 20, 2020, paid bills dated 5/22/20,

5/27/20, 5/29/20 & 6/10/20 totaling \$163,119.37 and the May 2020 Financial Statement. Motion was voted on and unanimously approved.

OLD BUSINESS:

None

NEW BUSINESS:

Tierra Robles Water Supply Letter – Intent to Negotiate/Authorize Action:

General Manager Born stated that this is only a letter, with Board authorization, to sit down and talk about the technicalities and conditions associated with this. At this point there is no commitment and is only giving us the opportunity to talk further. Steve Nelson stated that what they are looking for right now is commencement from the Clear Creek CSD and acknowledge of this letter. Once the project is approved by the County, your General Manager, Skip Born, would enter negotiations with Bella Vista Water District and provide water to augment the BVWD during drought years. The intent would be to utilize CVP water and augment the water from your wells. Vice Chairman Fust asked if the 100-acre feet of water was set in stone? Mr. Born stated that it is an 'up to' amount and as of right now, it is no more than 100-acre feet. Director Engel asked Mr. Born, just to be clear here, this will authorize you to enter negotiations and you will then bring those decisions back to the Board for approval, correct? Mr. Born stated, that is correct. Those decisions will not be made without our Board or Bella Vista's Board approval. Audience Sandy Winters stated that she has been here through a lot of droughts and she doesn't like the sound of this. Mrs. Winters stated that the drought in 2014 and 2015, we had no irrigation, no garden, no cattle, no pasture, no nothing. Mrs. Winters stated that she wished the Board would take a hard look at this before transferring 100-acre feet of water; they have never transferred any water to us in a drought. Mr. Born stated, they actually have Sandy. We have transferred water back and forth with Bella Vista for the last 15-18 years. It's not very common but we have done transfers with them before and this is not new territory for us, or for them. Vice Chairman Fust stated that to clarify for Sandy; the problem with the drought situation is with the Bureau of Reclamation. They cut us back on our allocation. During the last drought we were able to make up that allocation with the Wells. It costs more money to run the Wells but if you need water, then you need water. The water we are talking about here with Bella Vista would be water from the Wells. Mr. Born stated, actually it would be water through the CVP but we would make up that 100-acre feet by pumping a second Well here in the District. Mr. Fust asked if this would come from the second Well? Mr. Born stated, yes, which still leaves us a third source as a back-up supply. Director Engel stated that for clarification for all of us, when droughts occur; it's not a lack of available water but it is the Bureau of Reclamation mandating limits on Agricultural water, correct? Mr. Born stated, yes but when we get cut-backs from the Bureau, it's not just limiting the Agricultural water, it limits both M&I and Agricultural supplies. Director Engel made a motion authorizing the General Manager to proceed with the Tierra Robles project and Vice Chairman Fust seconded. Motion was voted on and approved.

Authorized Representative to the SWRCB – Financial Assistance Request – General Information Package – Ordinance 2020-05:

General Manager Born stated that this Ordinance is the same thing we did with the Backwash Recycle Project, it gives me the permission to certify, assign, review and it allows the project to move forward without further intervention or permissions from the Board. Mr. Born stated that this program is 100% grant funded and right now I think we are going to get the \$250,000.00 for a portion of the engineering and planning for this project. We have also been granted the \$10,000.00 to hire engineers and other people associated with the project. The total for this entire project will be right around \$4.3 million dollars. Vice Chairman Fust stated that in prior meetings about seeking grants for what we are doing in our District and I have to give a lot of credit to Skip in looking for these grants. If these come to fruition, it will help a lot of these problems in our District and that is really good. Mr. Born stated that we finally got our first reimbursement check from FEMA and can see light at the end tunnel with this project. Director Engel stated, so Skip just to be clear here, this is just authorizing you to act without repeated approvals from the Board, correct? Mr. Born stated that there will be other ordinances that he will bring to the Board throughout this process. Audience James Elswick asked if the Green Rate will be available this year? General Manager Born stated, no, probably not. It depends on what happens with the Prop 218 process; the Prop 218 does not allow Green Rate and cannot be a part of the Prop 218 program. Mr. Elswick asked what our allocation is this year? Mr. Born stated that for the M&I side, it is 75% of a three-year average and for the allocation for the Agricultural side, it is 50% of a three-year average. We will not be asking the customers to cut back usage or anything aside from telling customers to water wisely. There are currently no restrictions or penalties, even though the Bureau has restricted allocations. Mr. Elswick asked if this is the same allocation as last year? Mr. Born stated no, last year we had 100% allocation. Mr. Born stated that we cannot move forward with the Green Rate and then have it potentially jeopardize the Prop 218 project and I am not willing to take that risk. Audience Sandy Winters asked if we still have subsidized water? Mr. Born stated no, the subsidized rate went away. But you are not seeing that reflected on your bill right now. That is being taken into account with the Prop 218 rate increase and we will be bringing that to the Board very soon. Basically, the District is currently absorbing those additional costs until we get the Prop 218 done. As of now, customers are still paying the same price that they did last year, which is at the subsidized rate. This rate study is being done by people who do nothing but rate increases and this is their primary focus. The bottom line here is that this District has not kept up with the cost of doing business over the years and it is time, this Prop 218 is an absolute must. Vice Chairman Fust made a motion to approve Ordinance 2020-05 and Director Engel seconded. Motion was voted on and approved.

Request for Forgiveness – Felipe Guzman: General Manager Born stated that Mr. Guzman experienced a line rupture on his down stream line and needed the water shut-

off and instead of calling for assistance, he used our valve and ended up breaking it. We have had several conversations with him in the past when he has needed his service shut-off and we have told him not to use our valve and that he needs to put his own valve in so that when these things happen he can use it. It is District policy, if the customer broke or damaged the valve; it's the customer's responsibility to pay for that damage. I understand that times are tough right now and we can set up a payment schedule or whatever is acceptable to him but the bottom line is, he is still responsible for the damage that he did. Vice Chairman Fust stated that he agrees with Skip. Director Bassham stated that she agrees with Skip as well, considering we have had this discussion with him several times. Director Engel stated that prior to the meeting, he intended to have a discussion regarding the damage this gentleman did but considering the history, he has to say that he agrees with the other Board Members and the General Manager. Chairwoman Trenerry stated that she was also in agreement and in reading his letter and the options, we will establish a payment plan with the customer. Audience Scott McVay stated that everybody, at some point, has a water break that does not have a shut-off valve. I myself, have had my water off multiple times over the years. Chairwoman Trenerry interjected and stated, it is in the bulletin every month, do not touch it. Mr. McVay asked what the turn around time is to get someone out? Mr. Born stated it depends on who is responding but typically we like to respond within 30 minutes and all our personnel live within a reasonable time frame. The other thing is that when we put new services in and this has always been in practice. We put a down-stream valve in and over the years due to lack of maintenance around the meter box; what happens is those valves get buried and lost and customers don't realize that they have a valve. When they call in and ask us to turn it off, we will ask if they have tried turning off their down-stream valve first. Mr. McVay asked if we show individual lots and where the down-stream valves are installed? Mr. Born stated, no, our as-builts show where the meter is but it ends there. Vice Chairman Fust made a motion to deny Felipe Guzman's forgiveness request and establish a payment plan and Director Bassham seconded. Motion was voted on and approved.

Replacement of Dump Truck: General Manager Born stated that the dump-truck is a risk factor now and is not drivable. We cannot put an employee or the public in any harm, so that truck has been grounded. Even though it is carb compliant, the carb restrictions and the clutch going out have rendered it useless. We need to get it replaced. We are currently looking at used trucks that are carb compliant, that have relatively low miles and have been through safety checks. I am bringing this to the Board to see if you are okay with moving forward or not. Currently if we have a leak at 2:00AM, we will go and shut-off the water, then wait until 9:00AM to go rent a truck so that we can get the mobilizing equipment to the site and then take the truck back. A rental truck just sitting here parked is too expensive. Director Engel asked Mr. Born if that scenario is present at this moment? Mr. Born stated, yes, that is exactly where we are right now. Mr. Born stated that RCAC said they will finance equipment loans with low interest rates, so we are following their guidance and looking at other places for the best vehicle. Mr. Born stated that the reason we are looking at used trucks is because

the dump-truck does not get driven everyday and for the most part it sits. Director Engel thanked Mr. Born for the informed answer and asked if the processes occurring with FEMA and Cal-OES are including administrative costs and if there is a possibility that the reimbursements for the administrative costs could provide additional money towards the truck? Mr. Born stated, yes, those funds could help offset other expenses. Director Engel stated that you are asking for permission to proceed with coming up with some definite options to buy a dump-truck? Mr. Born stated that the longer we sit on our hands and we end up having to go and rent something, then the expenses could be a lot bigger than if we just had a dump-truck here. Chairwoman Trenerry stated that she agrees with Skip and would vote to go and get one. Vice Chairman Fust stated that he agrees. Director Bassham stated she wants to know how much money we are we talking here, a ballpark? Mr. Born stated for a decent truck, around \$100,000.00 ballpark. Audience Murray Miller stated he was at an Anderson City Council meeting and they end up selling their current vehicles with a lease project instead, so they don't have to deal with depreciation. I didn't know how big your fleet was or if that was an option? Mr. Born stated that at this point, everything is an option. That is certainly something we are looking at as well. First thing we need to do is find the vehicle, then look at options. Director Engel stated, that was a good point to make and it hadn't yet occurred to him. He understands the need and they can all agree, but as Board Members we need to meet our responsibility to the District and to rate payers when making a decision on this. I do have some reservation about just getting a carb (unclear of next word). Mr. Born stated, if the Board is more comfortable with bringing this back to July's meeting, I would be willing to do that. Chairwoman Trenerry asked, so if there is a leak we would have to rent a dump-truck? Mr. Born stated yes, so far things have been calm but we are going into the high flows of the year. Vice Chairman Fust stated that his suggestion is to put this off for a month and take a look at the lease option that was presented to us and when July comes we will have a better idea of what price range we are looking at. Mr. Born stated he is fine with it. Chairwoman Trenerry stated, just to clarify that if something happens in the middle of the night, you will not be able to rent one right away, will you? Mr. Born stated no, it will have to wait until the rental places open in the morning and it would be shut down for the night. Director Engel stated he is very motivated to securing a really good vehicle for the District for this purpose. If you find the right truck, you can always call a special meeting if necessary. I hope that by July's meeting we have a few solid candidates for the District to approve or purchase at that time. Director Engel made a motion to replace the dump-truck and Director Bassham seconded. Motion was voted on and approved.

ASADRA Capitalization Additional Assistance Available – BW Ponds: General Manager Born stated the ASADRA Capitalization grant he submitted in 2019 for an additional two million dollars for pond repair; we are going to chase this grant also to help with the Backwash Pond repair and get the ponds back where they need to be. This Additional Supplemental Appropriations for Disaster Relief Act of 2019 when I originally applied for this, I was unsure of FEMA and things were back and forth and so

this was kind of a backup. We are now going to do this in addition to FEMA funds. Director Engel stated, for clarity on his part, FEMA does not affect ASADRA and ASADRA does not affect FEMA, correct? Mr. Born stated, absolutely not, that was one of the first things he checked and if there would be any conflict between the two. The information for ASADRA grant specially states that it does not affect any funds being received from FEMA. Mr. Born stated he can already tell the project is going to be very expensive and long. This ASADRA grant will help pay for things we were not expecting and is a backup for FEMA. Director Engel stated that we have had several discussions on this and he really appreciates the proactive situation you've taken. Mr. Engel stated he really valued Mr. Born as the General Manager, the leadership he has provided and the aggressive steps taken in dealing with all of this stuff. Mr. Born stated one thing he has learned, is to never say no and do not give up. FEMA denied this once and told me we did not meet the requirements and wanted me to sign-off and I flat out said no, I'm not signing off on this and I want our ponds repaired. Mr. Born thanked Director Engel for his comments.

OPERATIONS & ADMINISTRATION

STAFF REPORTS: Nothing to report

STANDING COMMITTEE REPORTS: Nothing to report

QUESTIONS and/or PUBLIC COMMENTS: Audience Scott McVay asked if there is any value in the dump-truck to help mitigate the cost of replacing it? Mr. Born stated yes, we will sell it and those funds would be put towards the new one. Mr. McVay asked Mr. Born if he is still trying to sell extra water? Mr. Born stated he is still talking with someone South but because the Bureau of Reclamation improved their allocation amounts from Shasta-Critical to Shasta-Non-Critical and some of the agencies South of us will receive more water. Mr. McVay stated because of things opening up again, is there anytime soon that these meetings will become face to face? Chairwoman Trenerry stated she hopes in July. Mr. Born stated that we need to get a new Board Member appointed and have those question posed in a public meeting and make the right decision. I just want to get back to normal, I do not like doing meetings this way, none of us do. We will open the meetings as soon as we can and hope we can in July. Chairwoman Trenerry thanked everyone for their attendance and coming up with some fantastic ideas.

ADJOURNMENT: 10:04 AM

Submitted by,

Christy Roberts

Johanna Trenerry, Chairwoman

Irwin Fust, Vice Chairman

Virginia Bassham, Director

Mark Engel, Director

ATTEST: _____
Kurt Born, General Manager