

## **CLEAR CREEK COMMUNITY SERVICES DISTRICT**

Board of Directors, Cedric Twight Chair, Johanna Trenerry-Director, Irwin Fust-Director, Chuck Jones-Director.

5880 Oak Street, Happy Valley, CA 96007

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### **REGULAR MEETING**

**Wednesday, April 27<sup>th</sup> 2022**

**District Office Board Room - 5880 Oak Street Anderson, CA 96007**

### **MINUTES**

**DIRECTORS:** Cedric Twight, Johanna Trenerry, Irwin Fust, Chuck Jones

**STAFF:** Bill Palmaymesa, Chad Krick, Sally Lunn

**AUDIENCE:** Beverly Fickes, Scott McVay,

**CALL TO ORDER:** The meeting was called to order by Cedric Twight at 6:31 p.m.

**PLEDGE OF ALLEGIANCE:** Director Twight led the Pledge of Allegiance

**OPEN TIME:** Scott McVay asked that several items be removed from the consent/agenda, specifically September through December 2021 Activity Reports and asked for this to be put to an open discussion. Mr. McVay indicated he would like to further discuss the proposed budget and make any needed revisions. Mr. McVay offered a suggestion regarding past due water bills and turning off water and feels now is a good time for the district to implement this now that the district is getting their feet under them and financially things are better. He cited Code 61115B which is a legal process which includes an initial letter to the water customer giving notice to the place and time for a public hearing. Both the individual person and the public will be informed of the hearing and this is where the board will make a decision. After this, the delinquent account will be turned over to the Tax Collector and turned over to collections. Mr. McVay questioned how much revenue this might possibly bring but that answer was unknown unless further investigation of the accounts is completed. Sally Lunn: She shared some of her interaction with a few of the delinquent accounts and indicated that some have no intention of paying their bills. She spoke of an elderly woman in the district who now has an agency managing her finances. But they are

refusing to pay her past due bill of \$5,000 as this was before they took over managing her affairs so Sally is unsure how we would get this elderly woman to pay her bill.

#### CONSENT/AGENDA:

Director Irwin Fust moved to pull Activity Reports from September through December 2021 and Check registers from 3-25 and 4-15. Director Trenerry seconded the motion and it was a unanimous aye vote.

Beverly Fickes: Beverly brought up the 7 acre feet of water purchased from McConnell foundation in March 2021 and she was informed that was the beginning of the water year. Beverly discussed several line items with beginning/ending balances that didn't match. Discussion ensued and clarified question. Beverly indicated her frustration with little revenue being shown in the line item for "Trinity PUD" and stated that the district has been collecting more money than was documented on the line. She shared that approximately \$8,700 per month should be collected for this based on the rate indicated on the water bill. She discussed an accounting/overcharge mistake that the district made for many years. Director Chuck Jones shared that the previous General Manager stated this was from a software issue and was unable to be fixed. It was suggested to manually test software to see if rates are being calculated correctly. Scott McVay: Brought up discussion about the 3-25 and 4-15 check registers. The 3-25 register shows a payment of \$2200 to Bryan Brown Printing and Interim GM, Bill Palmaymesa explained this bill covers office supplies for invoice paper, return envelopes, etc. Orders from this company are made as supplies are needed in the office. The 4-15 register shows a payment of \$25,000 to PG &E which Bill Palmaymesa explained was for the South Booster station. There was a \$50,000 payment towards the Win Act and the outstanding balance is still \$550,000. Discussion about the likelihood of paying this loan in the agreed time was reviewed. Director Cedric Twight suggested that this financial obligation be discussed in the next Finance Committee meeting. Director Irwin Fust: Discussion for the January 5th Special Meeting on page 3 which indicated the standing committee wanted to postpone the GM position for 6 months. He wanted to clarify the reasoning behind this was because Bill Palmaymesa had agreed to be the Interim General Manager for another 6 months. Letters were sent to the applicants stating it was going to be delayed. Director Chuck Jones moved to only approve minutes from 1-5-22 and Director Johanna Trenerry seconded with a unanimous aye vote.

**NEW BUSINESS: Director Vacancy.** There is a Director Vacancy as Dave has resigned according to Director Irwin Fust. Process to fill the vacancy is to create a flyer to be shared with the public and position is to be filled 60 days from the date of resignation. Director Cedric Twight discussed approving payroll from 3-22-22.

Director Chuck Jones moved to approve payroll from 3-22-22 and Director Trenerry seconded with a unanimous aye vote.

**Drought Water Rate Modification.** A discussion about the drought water rate of \$1.19 was brought up and it was acknowledged that a mistake was made and the rate should be \$1.04. Bill Palmaymesa indicated this rate is already in effect as of June 1st.

**Proposed Budget:** Bill Palmaymesa indicated there were a few modifications from the last one. A wage was added for the new General Manager. A discussion about the tax revenue from property tax in Shasta County was brought up and CCCSD should receive approximately \$374,000 from this. Director Fust had made a call to Robin at the Auditors office and was informed that CCCSD received this money so he suggested to Bill Palmaymesa to look into this to make sure we received all of the monies. Director Twight also suggested some new line items on the budget to show quantity of water used by source per month and the revenue/volume right by it. Scott McVay had some specific questions about the State Loan Fee, Debt Service and the retirees/former employees medical expenses. Beverly Fickes asked for new line items for the state loan, base rates and associated fees. Director Twight explained that some customers may still have to pay a fee even if they are non-use meters as they still have an option to have water and the meters have to be maintained.

**Declaration of Surplus Items:** Bill Palmaymesa asked if empty 200 gallon totes that had chemicals for the treatment plant could be sold. Director Trenerry moved to sell these totes for \$75 and it was seconded by Chuck Jones followed by a unanimous aye vote. Monies from selling these totes will be given to the Treatment plant.

**Operation Administration Report:** Bill Palmaymesa made a list of responses to the concerns that were submitted by the HVCC. The treatment plant is barely making water and is off more than its on. More algae is in the water this time of year. From 6-7 to 6-25, 3,000 acre feet of water will be spilled into Clear Creek as part of a pulse flow. Well #3 needs a new soft start drive replaced which takes 4-6 weeks to receive and is \$6,000 to replace. Field staff is doing repairs as needed with valves that don't work as the higher priority. One valve that needs to be replaced is estimated to cost \$85,000-\$90,000 for a 24 inch valve. It will require much digging, approximately 10-12 feet deep and will require several hundred yards to move to get to it. May 20th is the date that customers will start getting a late fee. If they are more than 60 days late paying their bill then they will receive a 24 hour shut off door notice if they don't comply. Sally Lunn has been very helpful with volunteering her time with this.

**Questions:** Beverly Fickes brought up several collection errors of the district over many years and the district owes approximately \$19,000 back to the customers. There were some options suggested that the customer could just allow the district to keep the

money or the customer could get a credit on their account or request a refund check be sent to them. The amount to be refunded is not substantial to each customer but they should be given the option to get this money back if they'd prefer. Discussion about the Win Act Payments and the Trinity PUD payments ensued, and Director Twight suggested that these issues be addressed by the Finance Committee. Beverly brought up a 38 cent charged that was added incorrectly as it didn't follow the Prop 218 process which requires it be brought before the public. Director Fust explained this was incorrect and this couldn't go before a Prop 218 hearing. He explained that the State of California had required the district to resolve an issue surrounding the discharge of water out of the ponds. A contractor had to be hired and the project had to be funded. Director Fust explained that if it had been brought to a Prop 218 hearing and the public refused, the district still would have had to complete the project as the State of California was requiring it be done. Director Twight questioned Beverly Fickes about her bringing up the financial mistakes made by the district over the years and wondered if she was just sharing or if she had a specific "ask". Beverly indicated she was just sharing in hopes this wouldn't happen again.

**OPERATIONS AND ADMINISTRATION:** There are two seats up in November, one for Johanna Trenerry and one for Dave and the filing time for these positions is July 18th to August 12th. It was suggested that this information could be shared in the water bills. Discussion about whether to have open time at the beginning or end of the boards meetings was discussed and Director Twight shared he likes it at the beginning of the meeting but Director Fust stated its been tradition in this district to do it at the end.

#### **STANDING COMMITTEE REPORTS:**

Ag committee report by Director Trenerry shared that a visit to the Dragon Fly farm was done and it was awesome. Suggestions for another meeting could be how to educate people on water efficiency and how to use their water system. Discussion about various water customers and their properties. Director Trenerry shared that on May 7th at 8:00 a.m. they will meet at the community center to pick up garbage on the roads. If it rains, it will be postponed until May 14th.

General Manager Vacancy: Director Fust was instructed to call the top three applicants to find out if they were still employed, still interested in the GM job and what salary range they expected.

Applicant F: Still employed and still interested in the GM job and would like \$136,000/year. Director Fust stated applicant was very pleasant on the phone, was easy to talk to and was very professional.

Applicant E: Still employed but is no longer interested in the GM job.

Applicant G: Still employed and is interested in the job but has lots of questions about the position, duties, etc. and feels he needs to know more of the expectations. His salary range is \$90,000 with increases as he gains experiences. Director Fust stated applicant was not professional over the phone and seemed immature and lacking in confidence.

Beverly Fickes stated they would like the board to reconsider interviewing Applicant D as he has a lot of administrative experience which they feel is more needed than water experience, which applicant D doesn't have. They also sent the board a list of 20 questions they would like asked in the GM interviews.

Discussion about the possibility of buying water from the City of Redding. Bill Palmaymesa indicated it could be up to 400 acre feet but may be less. Meeting adjourned at 9:05PM to close session.

#### **REPORT OUT OF CLOSED SESSION: 10:19PM**

**Acting GM Evaluation:** Increase in compensation for the 9 months that Bill Palmaymesa has been the acting GM will be increased by \$7.21/hr. for 9 months. This will sun set when Bill goes back to the CPO position.


**General Manager Vacancy:** Interviews with the candidates that stand out to the Directors will take place at a later date, TBD

**Labor Negotiations:** No reportable action.

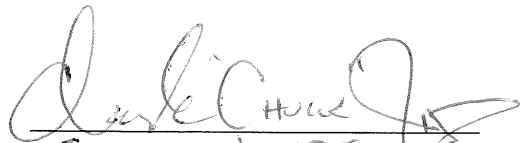
Comments: Scott McVay would like community members involved in the interview process. Beverly Fickes asked about a percentage increase for Acting GM wage increase. The increase is 13% increase and retro-active for nine months, but has been performing GM duties almost 12months.

**ADJOURNMENT: 10:29PM**


Submitted by,


  
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William Palmaymesa

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Cedric Twight-Chair

  
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CLAUDE JONES

  
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Johanna Trenerry, Director

  
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Irwin Fust-Director

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ATTEST:   
William Palmaymesa-Interim Manager/Chief Plant Operator