

Clear Creek Community Services District

Board of Directors: Irwin Fust - Chair; Chuck Jones - Vice-Chair; Scott McVay - Director; Beverly Fickes - Director; Terry Lincoln - Director

5880 Oak Street, Anderson CA 96007

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Regular Meeting

December 14, 2022

District Office Board Room

5880 Oak Street, Anderson CA 96007

Minutes

Call to Order: Chairman Fust called the meeting to order at 6:00pm.

Pledge of Allegiance: Scott McVay led pledge.

Roll Call: Irwin Fust, Scott McVay, Beverly Fickes, and Terry Lincoln. Absent: Chuck Jones.

Staff Present: General Manager Paul Kelley

The General Manager reported that Kristin Thomas (Administrative Assistant) has resigned and the bookkeeper is out sick today.

Oath of Office: Directors Fickes and Lincoln

Chairman Fust administered the oath of office to the new Directors.

Open Time:

Dave Barlow spoke to the Directors about the upcoming Community Clean Up on February 11th, 2023.

Consent Agenda:

- A. Minutes from Board: 11/16/22. Committee: Finance;, Personnel: 8/23/21
- B. Paid Bills: 11/15/22 to 12/9/22
- C. Payroll: 11/25/22, 12/9/22
- D. Activity Reports: 1/22, 2/22, 3/22, 4/22, 5/22, 6/22

Director McVay requested that Paid Bills (Item B) be removed from the Consent Agenda, and Director Fickes requested that Activity Reports (Item D) be removed from the Consent Agenda.

The Directors asked for clarification about various payments and vendors. Director McVay asked if sometimes the equipment should be purchased rather than rented, the GM reported that he will watch the use of the rentals.

Director Fickes asked about the 6/22 Activity Report and questioned how much was charged versus how much was collected and the GM reported that there is no way to tell at this point. She continued to state that she felt that \$451, 149.55 was a large amount for penalties, clarification was given that it was for the year and it was just what was billed, not collected. Director McVay stated that could be calculated to be about \$160 per household. GM Kelley reported on a question regarding the Merchant Account, the system wasn't set up with a budget amount to accurately reflect the balance, they are working on fixing that issue. The GM also reported that he is setting up a meeting with Tri Counties Bank to explore the service fees and why they are so high. The payment of \$32,000 as organizational fees and Winn Act Payments were also discussed.

The GM recommended approving the first three items on the consent agenda and to accept the Activity Reports as they are due to the difficulty in figuring out the accuracy and the urgency to get them to the auditors for the FY 2021-2022 Audit. Director Fickes requested that they change the word accept due to the erroneous nature of the documents.

A motion was made by Director Fickes to submit the Activity Reports as presented to the auditors. Director McVay seconded the motion which was carried unanimously. Ayes - 4; Nays - 0; Abstentions - 0.

A second motion was presented by Director McVay to approve items A, B, and C from the Consent Agenda. Director Lincoln seconded the motion which was carried unanimously. Ayes - 4; Nays - 0; Abstentions - 0.

Old Business/New Business:

- A. USBR Account Reconciliation and USBR November 8th Letter to District (Discussion) - GM reported that they still haven't heard anything related to the USBR Account Reconciliation. He also stated that the letter to the District from the USBR on 11/8/22 stated that the conditions could be the same this year and that zero water would be allotted. A discussion was held about the wells in the district and how they should be determined to be for emergencies not for health and safety. A community member, Charles Hanson, asked how the wells were permitted with Shasta County. Director Fust gave the history of the wells and that originally the District had one well and that was for emergencies, and then when they put in the other two wells it was determined they were there for health and safety purposes. The Board agreed to look into their classification.
- B. Audit Report (Discussion/Action) - GM presented the audit report and talked about the controls that have been put into place as a result. He then went on to discuss the pension liability and how the information from the audit related to it will be discussed in the upcoming MOU discussion at the next Board Meeting. There is also a conference call being scheduled with CALPERS to discuss pension, benefits, and liabilities. Director McVay requested that the Board direct the GM to make sure that all of the procedural recommendations from the audit are put into place. He also requested that the GM put the paperwork in for the next audit as soon as possible because this current audit is already 18 months old. The GM reported that the State has requested updated audits and that there is a reconciliation due with Centerville Water District. Director Lincoln asked about updated policies, he also asked why this audit didn't go to a finance committee meeting. The GM stated that all of the policies need to be updated. Director Lincoln stated that he does not want to see important items like the audit, not presented to the public ahead of time in a committee meeting. Dennis Possehn (Community Member) asked why they couldn't have a community member on the finance committee, Director Fust said that is what he had tried to do with the Community

Advisory Committee. Director Fickes made a motion to accept the results of the FY 2020/2021 Audit, including ensuring that all proper procedures are put into place based on the audit recommendations and that the GM proceed in a timely fashion with the FY 2021/2022 audit. Director Lincoln seconded the motion, which was carried unanimously. Ayes - 4; Nays - 0; Abstentions - 0.

- C. Water Use Restrictions (Discussion/Action) - GM Reported that the Board had previously voted to suspend penalties for water use restrictions. He reported that we used 79 acre feet in November and that no well water was used. There will not be enough McConnell water to make it through February as was previously expected and we will need to use the wells. Charles Hanson (Community Member) asked how much of the water used can be attributed to line breaks, no information could be provided. Director Fickes asked if knew how many people went over their limit, no information could be provided. Director Lincoln made a motion to reinstate the penalty. Director Fickes believed that the only motion needed was to continue the pause on the penalties, there was some discussion, Chair continued with the motion. Director McVay voted no on the motion, motion carried. Ayes - 3; Nays - 1; Abstentions - 0.

General Managers Report

An offer has been made to a new Administrative Assistant. The current Account Clerk has given her notice, so they will start recruiting for that position. Roger Ladewig built a new drop box for the District. JPIA gave the District a special recognition award for zero claims. He has also asked some IT agencies to come in and give him some quotes to update technology due to cyber security and old technology. There is now a part time T4 operator to support the water filtration plant. A maintenance worker has also resigned. In January, a new check signer will be added to the bank account.

Operations Report

257 accounts that are over 90 days delinquent, there are also more than 400 that are over 30 days late. Discussion was held regarding cleaning these accounts up. Director McVay asked if there were any current grant projects.

The GM is going to put in for a grant to update the meter reading process.. Director McVay talked about State Drought Assistance and how they help people who lost landscaping due to the drought, he would like that information on the website.

Standing Committee Reports

No committees have met. Chair Fust said he wants to hold a planning meeting to look at long term plans for the District. Director McVay wants some dates for a mid-year budget review.

Board Member Items

Director Fickes asked if Chair/Vice Chair would be selected at the January meeting, Chair Fust stated that is usually when that happens. She also asked why the Board Packets only stay on the website for one month, GM will check into it. Chair Fust reported that LAFCO will be looking at CCCSD for an updated service review. He said it will be complete by July. Director Lincoln asked about safety meetings, he stated that the line break on Olinda was open with no fencing. GM said they had safety meetings and he is talking to the crew about cleaning up after breaks.

Closed Session Announcements

No reportable action.

Adjournment:

Chairman Fust adjourned the meeting.

Submitted by: