



Newsletter

Clear Creek Community Services District
5880 Oak Street, Anderson, CA 96007

Serving the Communities
of Happy Valley & Olinda
1963 - 2020

December 2020
Issue XII

Phone: (530)357-2121
Fax: (530)357-3723

cccsd@clearcreekcsd.com
www.clearcreekcsd.org

Board of Directors

Johanna Trenerry, Chairwoman
Irwin Fust, Vice Chairman
Virginia Bassham, Director
Mark Engel, Director
Murray Miller, Director



Manager

Kurt Born, General Manager

*Minutes from November 18th, 2020 * Next BOD Meeting ~ December 16th, 2020*

DIRECTORS: Johanna Trenerry, Irwin Fust, Virginia Bassham, Mark Engel and Murray Miller

STAFF: Kurt Born, Cary Brown and Christy Roberts

AUDIENCE: Dennis Possehn, Shawna Welch, Nora Willson, Tammy Cole, Beverly Fickes, Cameron Weist, Sandy Winters, Cedric Twight, Frank Soriano and Scott McVay

CALL TO ORDER: The meeting was called to order at 9:01 AM

OPEN TIME: Chairwoman Trenerry stated that we always have an open time for the public to speak about items that are not on the Agenda. Audience Scott McVay asked if there will be a chance for the public to comment on items listed on the Agenda before any action is taken? Chairwoman Trenerry stated we have always done that and she has always allowed the public to comment.

CONSENT/AGENDA: A motion was made by Vice Chairman Fust and seconded by Director Miller to approve the minutes, with corrections to the special meeting minutes of October 12, 2020 and the regular meeting minutes of October 21, 2020, paid bills dated 10/26/2020 through 11/10/2020 and the October 2020 financial statements. Motion was voted on and unanimously approved.

NEW BUSINESS: WIIN Act Validation – Financing of Construction Costs: General Manager Born introduced Cameron Weist of Cal-Muni Advisors and he is going to discuss the process we are looking at. Mr. Weist stated he provided a PDF document to the Board Members. Mr. Weist advised that this item is pertaining to the WIIN Act contract and whether or not the Board wants to use loan financing to pay off that contract. Mr. Weist went over the PDFs provided to the Board and after a lengthy explanation, Director Miller asked Mr. Weist which option seems more feasible considering our current financial status? Mr. Weist stated with your current status, your only option might be the private placement. Director Bassham stated she is concerned on which way we need to go. Director Fust asked, that what the Board is being asked today is whether we go with the public option and finance it over a 20-30 year period of time or to go with paying it off in 4-payments, is that correct? Mr. Born stated that is correct. Audience Sandy Winters stated that she's so tired of this and everything comes down to penalizing or the customers having to pay, everything falls back on us. It boils down to lack of action that should have been taken a long time ago. I feel that you guys should look into other options besides raising our rates again. Office Manager Cary stated that she doesn't think the Community understands that as a CSD or Community Service District; the water bill you pay for every month, pays to keep the lights on, keeps the water flowing, the Filter Plant running, our Distribution personnel fixing line-breaks and the Office personnel doing the billing, etc.. In that respect and as Community members we need to understand those rates are going to go up. You are right Sandy; our rates should have been going up for the last 10-years but as Community members we need to understand that it is on us to keep things flowing here. In the last 10-years the water bills have only gone up \$5.46 total, so we need to accept that there is going to be some sort of an increase here. Audience Cedric Twight said we need to focus on the task at hand. My question to Mr. Weist is how many participants are lined up in the pool and what are their credit ratings and to Mr. Soriano, what kind of interest rate to you suspect? Mr. Weist stated the credit ratings of the 2 Districts that have adopted resolutions, their credit ratings are each in the A category. Mr. Soriano stated on A rated, for a 20-year, on a private placement is 3% and a 25-year is 3.5%. Shorter terms would be at lower rates. On the public side is 2% for 15-year, 2.2% for 20-year, 2.35% for 25-year and 2.5% for 30-years. There is a great difference between the private placement and public offering. Mr. Twight asked Mr. Weist if he expected the number in the pool to go up? Mr. Weist stated yes, he does expect others to join the pool. Mr. Weist stated the Districts currently in the pool expect to close at the end of January or early February but if there are other Districts that want to join with that A quality credit rating, I'm sure they would hold back because it does spread those costs out. Chairwoman Trenerry asked Mr. Weist if our Community makes a turn around with revenues and say in 3 years, can we re-negotiate the interest rate? Mr. Weist stated some of the pre-payment provisions with the public option is a 10-year lock-out, so nothing can be done for the first 10-years but after that it's pre-payable, with no penalty and then you could re-set the rate. Chairwoman Trenerry stated that we must make a decision today and Vice Chairman Fust agreed and stated we need to decide whether we go with the public financing option or private option. We also need to move forward with a rate increase. I agree with Sandy, we have not done increases for a long time. We had good reserves and we dipped into those as Mr. Weist has noticed, to make up for us not increasing the rates over the years but the time has now come to do that and there is no other option. We can look at the costs as Mrs. Fickes suggested. I look at costs all the time and I'm afraid you are not going to find much in the way of cost cutting, in lieu of raising rates. We are going to have to raise rates. I personally think we need to go with the public option and we have to raise the rates in the meantime. Vice Chairman Fust made a motion to go with the public option to finance our approximate \$800,000 over the longest period of time we can get. Director Engel seconded the motion. The motion was voted on an unanimously approved. The BOD also voted on and unanimously approved Downey Brand Law Firm as the attorney representing CCCSD with the courts in regard to the WIIN Act.

Community Advisory Committee: Chairwoman Trenerry stated she wanted to clarify with Mr. Fust, if you go to #3; at the present moment we are in lock-down and we won't be able to conduct meetings here. I also have a concern about meeting at night, we are trying to cut costs, so I think you need to excuse us from having the meetings here at the CCCSD. Vice Chairman Fust stated this is just a proposal and you can modify it as you want. What I got out of the last Prop 218 meeting is that the Community wanted to help the Board make the decision on what the rate increase will be. So, I made a motion at the last meeting to form a Committee. The Committee will be 2 CCCSD Board members, 3 Community members and the Community members will be chosen by the CCCSD Board and that Committee will come up with a reasonable rate increase that they will recommend to the CCCSD Board. What we are looking for is a Community Advisory Committee (CAC) to help us make the decision, not make the decision for us. The only people that can make the legal decision in this District about the rates are the CCCSD Board of Directors. The formation of the CAC will be an Ad Hoc Committee, which means it will go away when this is done. The CAC will be made up of 2 CCCSD Board Members, one acting as Chairman. 2 Community members with financial experience and 1 Community member with Agricultural experience. All CAC meetings will be open to the public. The meeting dates and times will be noted on the CCCSD website and in the newsletter. For the purpose of an official CAC meeting, a quorum will consist of 3 members of the CAC with one being a CCCSD Board member acting as Chairman. Should a vacancy exist on the CAC, the vacancy will be filled by a vote of the CCCSD Board of Directors. An initial meeting of the newly appointed CAC will take place at a date and time in December 2020 to get this started. The initial meeting of the CAC will choose a Chairman and Vice Chairman from the 2 appointed CCCSD Board members and choose a Secretary to take minutes and be one of the 3 Community members. Develop a date and time schedule for future CAC meetings and the meeting calendar will be posted on the CCCSD website and in the newsletter. Discuss the purpose of the CAC as set forth by the CCCSD Board and list the resources the members of the CAC will need to carry out their duty. The purpose of the CAC is to review the annual CCCSD budget, reserve accounts and Capital Improvement Program and make recommendations to the CCCSD Board of Directors for a rate increase structure, over a multi-year period, if necessary. That would put the District on a sound financial footing and restore adequate reserve accounts. The recommended rate increase would have an M&I and Agricultural component. In addition, the CAC would make recommendations on a Capital Improvement Plan and a plan for increasing Agriculture in Happy Valley. The recommended Capital Improvement Plan can be based on customer rates, grants or loans or a combination of all 3. To talk a bit about this, Ag has made a dramatic decline and Johanna has done has so much for this District as far as Agriculture and it still declines, so I insist

that if you want to keep Agriculture you are going to have to do something about promoting it. Director Engel said, to clarify, we are choosing those people today? Mr. Fust stated that is correct. After a lengthy discussion, it was stated that we needed to move forward with this decision. Chairwoman Trenerry stated she wanted to make a suggestion that Mr. Twight and Mr. Swim be appointed to the financial and Mr. Possehn be appointed to Agriculture. Director Engel made a motion to appoint Chairman Fust, Direct Miller as the CCCSD Board members and the 3 members recommended by Happy Valley community, which are Mr. Twight, Mr. Swim and Mr. Possehn to the CAC. Vice Chairman Fust seconded the motion. Audience Scott McVay stated he has been muted for the last 20 minutes and had to call the office. My name hasn't been given a chance to put forward with this CAC. I have vested interest in Commercial Agriculture and in Financial. Mr. Fust stated we have a motion on the table, it would be up to Director Engel to amend the motion. Director Engel thanked them for their comments and stated his original motion still stands. Motion was voted on an unanimously approved.

CCI Rate Increase – 1.9% November – 2020 Ordinance 2020-14: General Manager Born stated that we talked about this last month and is based on the CCI. Beverly Fickes pointed out a few typos. Director Miller asked some questions in regard to the tiered rates. Mr. Born stated that we have been billing this way for years, as we are required to do so from the Bureau, who provides us with the water. He further stated that he has contacted the State asking them exactly what they need for us to qualify for their grants because they do not like tiered rates. I want to know exactly what the requirements are. Chairwoman Trenerry stated we have done this for many years and have never had a problem. Vice Chairman Fust made a motion and Director Engel seconded, it was voted on with four ayes and one abstain.

Initial Rate Structure Proposal – Director Engel: Director Engel had provided the BOD with a potential rate proposal. A lengthy discussion was had between the BOD and the public in regard to this proposition. The proposal was billing for meters according to size. 5/8"-1" = \$30.00mo., 1 1/2"-3" = \$50.00mo., 4"-6" = \$70.00mo.. No action was taken on this item. To see the full minutes of this discussion, you can contact the office after the next BOD meeting, wherein the minutes will be approved for release.

Consolidation – Services for Igo/Ono – Tech Assistance # 6223: The BOD gave Skip permission to take further action in regard to finding out whether or not Igo/Ono would be interested in doing a consolidation with CCCSD in order to provide them clean potable water. To see the full minutes of this discussion, you can contact the office after the next BOD meeting, wherein the minutes will be approved for release, as we could not fit them all into the newsletter.

Distribution System Grant – Tech Assistance # 6079:

FEMA/CalOES Funding for Backwash Pond Repair – Carr Fire:

EPA Utility Risk Assessment:

General Manager Born updated the BOD and Community on the above mentioned subjects. To see the full minutes of this discussion, you can contact the office after the next BOD meeting, wherein the minutes will be approved for release as we could not fit them all in the newsletter.

**Water Usage In Acre Feet
March 1, 2019 to February 29, 2020**

Month	Previous Year	Current Year	+/-
March	112.3	141.9	+29.6
April	155.5	188.2	+32.7
May	278.7	298.2	+19.5
June	474.2	466.1	-8.1
July	697.4	714.3	+16.9
August	650.9	659.6	+8.7
Sept	493.8	541.4	+47.6
October	334.6	415.5	+80.9
YTD	3197.4	3009.7	-146.9

Figures reflect Meter readings at Whiskeytown Dam, less the water diverted to Centerville CSD.

**Weather Observations
October 2020**

Monthly High & Low Temperatures

High	105	Low	40
Avg. High	86.8	Avg. Low	55.2

Rainfall Totals	2018	2019	2020
MTD	0.0"	0.0"	0.00"
YTD	6.11"	16.53"	16.29

CIMIS

The California Irrigation Management Information System (CIMIS) is a program unit in the Water Use and Efficiency Branch, Division of Statewide Integrated Water Management, California Department of Water Resources (DWR) that manages a network of over 145 automated weather stations in California. CIMIS was developed in 1982 by DWR and the University of California, Davis (UC Davis). It was designed to assist irrigators in managing their water resources more efficiently. Efficient use of water resources benefits Californians by saving water, energy, and money. Visit the website @ www.cimis.water.ca.gov.

Water Saving Tips:

Take short showers instead of baths.

REMINDER

Clear Creek C.S.D. would like to remind customers to please call the District Office any time water service needs to be turned off or on inside the meter box. This will ensure that District valves will only be operated by District employees, thus protecting the customer from charges incurred if valves are broken or meters are damaged. A field staff member is on-call during the weekends and evenings. 530-357-2121



**~ Happy Valley Volunteer Fire
Department Christmas Tree Sale ~**

When: Saturday, December 5th 2020

Where: 16218 Cloverdale Road ~ Station #2

Time: 7:00 AM ~ 12:00 PM

Tree prices start at \$10.00 and go up.

There will be NO PANCAKE BREAKFAST THIS YEAR!

***The Fire Department will be following CDC guidelines**

and asks that you please social distance and wear masks*

Trees will be available for purchase at Station #1 on Palm Ave Monday, December 7th - Friday December 11th, 8:00 AM - 4:00 PM (or until sold out)



Congratulations Roger Schreiber

on 43 years of service to Clear Creek CSD!

Thank you for

everything that you have done for the

District & making great quality water!

Enjoy your retirement!



~ Merry Christmas! ~

Clear Creek CSD will be closed **Thursday, December 24th** and **Friday, December 25th** in observance of **Christmas Eve** and **Christmas Day**. We hope everyone has a safe and blessed Christmas!

