

Clear Creek Community Services District
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Board of Directors: Irwin Fust - Chairman,
Chuck Jones, Vice Chair
Directors - Beverly Fickes, Terry Lincoln, Scott McVay

General Manager: Paul Kelley

REGULAR MEETING
January 18th 2023
District Office Board Room

MEETING MINUTES

I. CALL TO ORDER – at 6:00pm

- a. Irwin Fust, Chairman called the meeting to order and introduced Board Member Terry Lincoln, Board Member Scott McVay, Vice Chairman Chuck Jones, and Board Member Beverly Fickes. Also noting staff and volunteer in attendance, General Manager Paul Kelley, Administrative Assistant Kayla Faulks, Bookkeeper/Accountant Melissa Tenney, and Volunteer Sally Lunn.

2. PLEDGE OF ALLEGIANCE

- a. Chairman Fust asked Director Fickes to lead the pledge of allegiance.

3. ROLL CALL- Chairman Fust addresses that roll call was already addressed during his call to order.

3.A - ELECTION OF CHAIR AND VICE-CHAIR- Chairman Fust asked the public if anyone would like to make a comment on the election of Chair and Vice Chair. No Public comment. Chairman Fust then opens up the discussion to the rest of the Board for nominations.

Director Chuck Jones nominated Irwin Fust as Chair for another year. Chairman, Irwin Fust expressed his gratitude, and accepted his nomination, but he stated he would only sit as Chair for another 6 months (end of this fiscal year). He then asked if any other Board Members have nominations. Director Beverly Fickes wanted to discuss the needs currently and that she thinks they need some experience as Chair or Vice Chair. She also mentions that she thinks they need some fresh blood and preferably someone long term, not short term. Director Fickes then asked if Chairman Fust would be willing to do Vice Chair a full year instead. Chairman Fust then denied that suggestion. Director Scott McVay expressed his view on what the role of Chair is. Chairman Fust then expressed his view of what the role is for the Chairperson. Director Terry Lincoln then nominates Director Beverly Fickes as Chairperson. Director Chuck Jones 2nd the nomination. The decision to appoint Director Beverly Fickes as new Chair was made with 5-0 vote all in favor.

Director Fust then nominated Director Chuck Jones as Vice Chair. Director Scott McVay mentions he is ok with Director Jones remaining Vice Chair, but expressed his concerns with Director Jones missing a lot of meetings due to being out of town for work. Director Fickes also expressed reservations on Director Jones remaining Vice Chair due to his availability. However, Director Fickes did 2nd the motion for Director Jones to remain Vice Chair. The decision to appoint Director Chuck Jones as Vice Chair was made with a 5-0 vote all in favor.

programs and send out a bill for a flat rate for connections. It is a rate per connection fee. He was also curious about this increase and found that the water board adopted the increase in fees by 14.1%. He continued to explain that he would look further for more background as to why the abrupt increase. Chair Fickes asked if we could have the bookkeeper find or make a list of regular fees we have to pay annually so the board and community have a better understanding of what our annual costs of fees are. Director Jones asked for clarification on the Attorney Fees for Reese, Smally & Wiseman; as well as the \$339.50 for the "Public Employees" and what that represents. Bookkeeper clarified that the \$339.50 was for Union Dues. Paul added that it was a deduction that gets taken from the employee's paychecks and the District then writes a monthly check to the Union. Director Lincoln then asked for clarification on the MacLeod Watts charge is (\$1150). Paul clarified it is the OPEB Actuarial Firm and they do an annual year-end report for our Liability costs for that. Director Lincoln also asked for clarification on the SCP Distributors, LLC for \$623. The Bookkeeper clarified it was for material for pipe breaks and stuff like that. Thatcher & Company of California for \$6,393. Bookkeeper clarified it was for chemicals for the Water Treatment Plant, specifically Chlorine. Director Lincoln lastly, asked for clarification on the Valley Pacific charge of \$739. Bookkeeper then clarified it was for fuel for the District vehicles. Paul mentions that there will be a subsequent bill to the PG&E charge related to the pumping meters and a couple other locations. Also, Paul mentions the charge about the Badger Meters is for part of the already approved \$25,000 (at a previous Board Meeting) costs within the budget to replace/update failing transponders and other items related to that. They bill once items are shipped so that is why we are seeing the charge for that. Paul also wanted to note that he has applied for a grant of \$250,000 in funds to help update our meters so that 80% of our meters are able to be read by handheld. Director McVay asks for clarification on which charge was for the backflow testing since the employee was out on medical leave. The bookkeeper clarified it was Northwood Backflow. Chair Beverly Fickes approved all items in consent agenda items but would like to note that she abstains from approval of the Reese, Smally & Wiseman charge due to a family member working for that firm. Chair Fickes then opens up for comment from the community regarding the paid bills. Community Member Sandy Winters wanted to clarify with the new meters and transponders being installed if she would still be able to use her handheld meter reader to monitor if there was a leak. Paul Kelley then confirms that yes, she would still be able to use it.

Director Fust made motion to approve the paid bills. Director McVay made a 2nd. 5-0 all in favor with the exception of Chair Fickes abstaining from the Reese, Smally & Wiseman charge on the bills paid list.

- c. Payroll: 12-22-22, 1-5-23-
- d. Activity Reports : None for this meeting

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

- a. **O.B.** - USBR Account Reconciliation (Discussion)
 - i. No update on this item at this time. GM Paul Kelley mentioned that he and Bill are schedule to talk to them next week. Director Irwin asked if Paul has heard from McConnell. Paul Kelley mentioned that he has not heard from them and will follow up with McConnell Foundation.
- b. **O.B.** - Water Use Restrictions (Discussion/Action)- Paul Kelley wanted to remind the board that at the November board meeting the board voted to keep the restrictions, but to waive the penalty fees and in December 14th meeting the board voted to reinstate the penalty fees, but the timing of the meeting and the meter readings the penalties did not get reinstated in

time. Director McVay asked if Bill had any insight to the penalties. Paul Kelley reports that Bill mentioned he didn't feel there was a necessity for the penalties to be reinstated. Director McVay asks how many acre feet are left in McConnell. Paul Kelley noted that we are about 45 acre feet short for February. Director Jones expressed that keeping the penalties active is useful to keep the customer's water usage under control. Director Lincoln votes on no penalty. Chair Fickes expressed her frustration with the back and forth of turning the penalties on and off and back on. She thinks it needs to be consistent. Public Speaker, Jackie Longcrier questioned if the penalties, each month, are by the same customers getting penalties over and over. Paul Kelley stated that information isn't readily available at this time. Director Fust suggests keeping them on. It was determined that a motion did not need to be made since they all agreed the penalties would stay active. Director McVay requested it be recorded that he did not agree with that. Volunteer, Sally Lunn asked for clarification if the protest is once a year or more than once a year. Chair Fickes states that it is not in the ordinance that it is just once a year.

- c. Water Transfer agreement with City of Shasta Lake for more McConnell water (Discussion/Action)
 - i. GM Paul Kelley reported that he was informed in the resource management meeting that there is 100 acre feet is available to be transferred. Bill sent reminder that in January we used about 30 acre feet of usage. He suggested we would use entirety of McConnell water allocation plus this 30 acre feet by end of February.

Director McVay accepted City of Shasta Lake Agreement to purchase the 30 acre feet. Director Fust 2nd the motions. Motion approved with a 5-0 vote.

- d. Grant update on SCADA/ELECTRICAL REPAIRS project grant with State Board, funding agreement D211815 draft (Discussion)
 - i. Urgent water need project completed by end of year. Sent a draft funding agreement in April. GM Paul Kelley that he received a call today and was informed that the money is time limited. Final funding agreement & schedule for next meeting.
 - ii. Preliminary estimate of completion: 3 months for completion.
 - iii. Procurement Policy Update? Chair Fickes mentioned that she doesn't believe that the policy was ever updated.
 - iv. Grant is specifically for repairs and maintenance.
 - v. Compliance records/reporting- Director McVay expressed concern regarding lack of documentation. And wants to make sure we are being compliant with keeping documentation for state funded grants.
 - vi. Not much wiggle room on increase. So, Paul Kelley has advised Pace of a strict budget and to communicate if there is an increase in cost of materials. It will address well alarm costs, better pressure gauges to pump from 2 wells.
 - vii. Insurance- Pace and District. Proof of coverage (may need more additional coverage).
- e. Protests for Board Consideration – Chair Fickes asked GM Paul Kelley why these protests have been brought before the board for decision, as the ordinance states that the General Manager or their appointee can approve or deny protests. Then if the customer did not agree with the decision made by the GM, they could then bring it before the board. GM Paul Kelley noted that most of these protests are for leaks unnoticed. And they were brought to the board for decision because there has been no record that has been found of

former GM approving the protests. It has been previous Office Staff signing off on them, so GM Paul Kelley is asking for guidance/protocol on approving protests. The board all agreed that the GM can approve/deny penalty protests.

8 protests were on the agenda for a decision. One customer that was in attendance for the meeting was Keo & Boopa Sayavong. The board offered to address their protest first since they were in attendance.

6E-1. Mayreen Hellyer (incorrectly listed as Maureen Hellyer in meeting agenda/memo)- leak occurred in a remote location on the property at Gina Lane. Her bill reflected high water usage only due to the time the bills were generated and the penalty fee being reinstated in the Frey system. Since the current policy is that you can only waive the penalty fee rather than actual usage it was noted that the water usage itself is not something you can get waived. After discussion, Director Jones motioned to set up a payment plan (preference of 12 month plan) with the GM and deny the protest. Director McVay 2nd the motion. 5-0 all in favor.

6E-2. Janet Outcalt- broken pipe, this occurred in November 2022 billing cycle and had a large penalty attached. The leak was fixed, the water usage has already been paid for. Director Jones motioned to forgive the penalty and approve the protest. Director Lincoln 2nd the motion. 5-0 all in favor.

6E-3. Karrie Gard- Water leak occurred in the September 2022 billing cycle. The water usage has been paid. This is the first request this customer has made and no other adjustment have been made. Director Jones motioned to approve the protest and apply a credit to the customer's account. Director Lincoln 2nd the motion. 5-0 all in favor.

6E-4. Jennifer Bell- request to remove \$100 penalty that occurred in November 2022. This was preliminarily approved by a previous office staff member. Noted that an outside agency – HEAP paid a significant portion of the account balance, including the penalty. Director Jones motioned to approve the \$100 penalty waiver and apply credit to the customers account given that previous office staff preliminarily approved the protest. Director McVay 2nd the motion. 5-0 all in favor.

6E-5. Sue Mann- Water leak fixed, two months of penalties. Customers is requesting that the two \$50 penalty charges be waived. Director Jones motioned to approve the \$100 in charges for penalties be waived given that it was previously approved by a previous office staff. Director Fust 2nd the motioned. 5-0 all in favor.

6E-6. Chris Peet- reports that multiple lines have been fixed since moving in to the property (40 acres) in May 2022. Customer filed protest in October. Customer has paid all water usage billed. The board all agreed that more information needs to be requested as there was not a whole lot of supporting information given to make a decision at that time. They deferred to the GM to make a decision after more details is provided. Public speaker in attendance, Caitlyn Patrick, stated that they would definitely get \$50 penalty if triggered \$600 penalty. The board asked for GM to report back on the decision of the general manager. No motion was made since it was deferred back to GM.

Public Speaker, Ken Longcrier, made comment that penalizing those not abusing the system is not right. He wants the board to make decision rather than place on GM shoulders.

6E-7. Jose Montes- In August the customer protested a penalty on the August bill. It appears to have been approved by the account clerk, then put into the system. The customer had also paid the penalty while waiting for approval and posting to the account to be confirmed. While the accounts payable processed a check to refund the customer, and it appears that board had not seen/reviewed or decided on this protest. The remaining credit was removed from the

customers account on 12/7/2022. The board made decision to not proceed with the in-house check to credit the customer back. However, applying a credit back to the customer's account for the balance that was removed from the customer's account on 12/7/2022. Director McVay motioned to credit account for amount remaining credit that was applied in November. Director Lincoln 2nd the motion. 4-1 vote approved with Director Jones opposing the motion. Public Speaker, Caitlyn Patrick, asked if credit gets added to customers account will the customer get a bill? Also suggesting that protests go to accountant prior to GM for account review to supply background information before decision is made going forward.

6E-8. Keo Sayavong- In August the customer filed a protest. As noted in the account there is a listed "\$600 penalty protest approved" credited to the account on 8/4/2022. Since then, there has been a number of emails and requests by the customer for a \$300 credit. But the title of the email says "waiver of penalty \$400 for account". Customer stated that they received verbal approval from Bill for \$300 penalty waiver. But it never got credited and no notes were put on the account so every time the customer called to ask about it, no one knew what was going on with the credit. Community Member Pam Beaver asked for clarification if the leaks have been fixed or if they are still getting penalized? Boopa confirmed they have been very proactive and got the leaks fixed right after the leak happened. Director Jones motioned \$400 penalty fee credit as well as \$1.63 in late fee charges to be amended. Director Lincoln 2nd the motion. 5-0 all in favor. Community Member Sandy Winters, wanted to note that the board was making a very good decision. Community Member Pam Beaver ask the board that when they write the new section about penalties that they do not just limit to one penalty waiver per year.

7. GENERAL MANAGERS REPORT

- a. GM reported that the finalized audit will hopefully be ready to post on website by the next meeting. And that the Personnel list needs to be updated on website.
- b. Board Update: Director Fust reported that a new MSR at April meeting for LAFCO. Director Fust asked if the Mid-year budget report will be available? GM Paul Kelley stated that at the February meeting a preliminary report will be ready.
- c. Director McVay requested to see receivables in quickbooks before finance committee meeting.

8. OPERATIONS REPORT

- a. Nothing more than the packet report from staff at this time.

9. STANDING COMMITTEE REPORT – Appointment of committee members

- a. Finance
- b. Personnel
- c. Agriculture
- d. Planning/Steering

10. BOARD MEMBER ITEMS

11. CLOSED SESSION ANNOUNCEMENT:

The Board will adjourn to a closed session to discuss the following items – At 9:28 pm

- A. Conference with Labor Negotiators. Government Code s. 54957.6
 - Designated Representatives: Directors - Irwin Fust and Chuck Jones; GM - Paul Kelley
 - Employee Organization: UPEC 792

B. Adjourn from Closed Session- Report any direction given

(Note: no action can be completed, if direction is given for an action item, the action item will need to be at a meeting, noticed, and for public review, then action)

Board came back from closed session at 11:06pm, announced direction given to GM and a special meeting for the MOU will be scheduled.

12. ADJOURN THE MEETING: *Meeting Adjourned at 11:07pm*