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Board of Directors: Beverly Fickes - Chair,
Vacant, Vice Chair
Directors – Irwin Fust, Terry Lincoln, Scott McVay

General Manager: Paul Kelley

REGULAR MEETING: April 19th 2023 at 6:00PM: District Office Board Room

MINUTES

- 1. CALL TO ORDER – By Chair Fickes @ 6pm**
- 2. PLEDGE OF ALLEGIANCE- led by Chair Fickes**
- 3. ROLL CALL- Chair Beverly Fickes, Director Terry Lincoln, Director Scott McVay, Director Irwin Fust, General Manager Paul Kelley, and Administrative Assistant Kayla Faulks.**

Director Lincoln requested that the review of the applications for appointment of the Director be moved up. He mentioned that in the past it has always been the first thing on the agenda. General Manager Paul Kelley said that looking in the past, he had seen the reviewing of applications and appointments had always been the first item of new business. And that is why it's on there for this agenda. He continued to explain the selection of chair and vice chair should always be under roll call, but it didn't have to be this time. He said it was at the discretion of the Board to decide. Chair Fickes asked Director Lincoln if he would like to move the selection of Vice Chair after the applications of appointments are reviewed in item 6B. Director Lincoln responded saying that he thought the applications should be reviewed first before anything else. It was then decided that they would allow open time for public comment then after public comment review the applications for appointment and select the Vice Chair. Jumped down to item 6b.

- a. Selection of Vice Chair- Director Fust motioned to nominate Director Lincoln. Director Beaver 2nd his motion. Motion carried with 5-0 vote.**
- 4. OPEN TIME/PUBLIC COMMENT:** Community Member Sandy Winters announced Fire Wise Meeting scheduled for April 27th at 6pm. She announced they will be having a public speaker, Aaron Hathaway from Cal-Fire. Community Member Dennis Possehn discussed that Trinity Lake is down because they are letting more and more water out into the river for the salmon. He mentioned that even though there is plenty of water this year there is still a

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concern of being dryer than normal next year. Chair Fickes requested that Paul ask for Don Bader or someone from his team to please come to a meeting and talk to the community about Trinity River levels being so high and the level of Trinity Lake being so low. Community Member Emily Rankin wanted to publicly thank General Manager Paul Kelley for all his hard work and endeavors, he continues to keep right on shoveling through the piles and finding issues and resolutions to the problem and set everything in order. She also thanked the staff.

5. CONSENT AGENDA (Action)

- a. Minutes from Board: 3-8-23 – Special Meeting. Committee: 3-1-23 - Planning/Steering
 - i. Director Fust requested that the spelling of Wogoman be corrected.
 - ii. General Manager Paul Kelley mentioned that the March 15th Regular meeting minutes were not quite finished yet since it was a fairly long meeting and there was a lot going on, so they are almost finished up. He also mentioned that at the March 8th special meeting Dennis Possehn came and spoke about the Fire Safe Council grant applications. He reported that the letters had been done and Dennis picked them up, so all was accomplished at that meeting.
 - iii. General Manager Paul Kelley asked that when approving, it needs to be approve as amended.
 - iv. Director Lincoln requested that in the 3/1/2023 planning and steering minutes it be changed to say, “worked with the Tribes” not “worked for the Tribes.”
- b. Paid Bills: 3/11/23 – 4/13/23
 - i. Chair Fickes explained that she no longer has a conflict with Reese, Smally & Wiseman so she will be able to vote on the paid bills in full going forward.
 - ii. General Manager Paul Kelley mentioned that in the paid bills there is a WIIN Act payment that was made. As well as the tax and fee administration payment of \$20,000 which is the water rights fee. He mentioned that payment is different than the drinking water fee which is based on number of connections. He continued to explain that it will be identified differently so that the two can be differentiated in the budget. General Manager Paul Kelley clarified that the NTU are the chemicals and coagulants for the treatment plant. Director Beaver asked what the leasing of the Quadiant equipment charge was. General Manager Paul Kelley answered that it was the folding & stuffing machine, and the postage machine. He continued to explain that it was combined with the lease and the postage cost. He mentioned that he was looking into a mail house, and he is comparing our current costs for the time the staff work on the whole billing process, the lease costs, and postage.
- c. Payroll: 3-16-23, 3-30-23- no comment.
- d. Activity Reports: January – March 2023
 - i. Director Fust mentioned that he really appreciated the activity reports and liked that the line items were broken out the way they were.

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Director Fust made a motion to approve the Consent Agenda Items with corrections to meeting minutes. Director McVay 2nd his motion. Motion carried with a 5-0 vote.

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

- a. **O.B.** - USBR Account Reconciliation (Discussion)
 - i. General Manager Paul Kelley reported that he is still in conversation with the Bureau, but they have not given us anything more definitive.
 - ii. General Manager Paul Kelley mentioned that he would ask if someone from the Bureau would come to the next meeting to answer any questions the public has.
- b. Review Applications Director / Appoint Director (Discussion/Action)
 - i. Chair Fickes asked if one of the applicants, Dwayne was in the audience. And noted that the application clearly states that the applicant must be present to be considered. Dwayne was not in the audience so there was one application to review. General Manager Paul Kelley addressed that under the Government Code of 1680 it states that the District has 60 days to appoint someone for the vacant position. He continued to explain that the vacant position was posted in public locations around the community as well as on the District's website. And to be compliant with the government code, there are applications to review. He also mentioned that the oath of office and affidavits are ready. So once the selection has been made, there will be a pause, the Chair will administer the oath, sign the document, and then the appointed director can be seated. Chair Fickes asked Applicant Pam Beaver to go to the podium and introduce herself and explain what her goals are for the District. Applicant Pam Beaver introduced herself stating that her legal name is Patricia Beaver. She continued to explain that she had been involved in the Volunteer Committee for about 2.5 years to help try to get the rates in order so that they weren't increased drastically as well as see what some of the problems were within the District and see how they could be fixed. She said that she was a retired nurse and was a previous consultant who had 12 facilities underneath her in which she hired and trained nurses. Applicant Pam Beaver explained that she had also been in other leadership roles. She mentioned that she has lived out in Happy Valley for 35 years and acknowledged that there is a problem that needs to be fixed. Chair Fickes then asked the other Directors if they had any questions for Applicant Pam Beaver. Director McVay asked Applicant Pam what she saw herself bringing to the Board. Applicant Pam Beaver responded saying that one of the things that drives her crazy is talk about something and not taking action. She will expect action. She added that another thing she will bring to the Board is the desire to make the District better. She mentioned that she has done lots of accounting work and she was familiar with that. Chair Fickes commented that everyone at the meeting she thinks is aware that for the last 2.5 years Applicant Pam Beaver

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has been a part of investigating and checking things out so it is not like she would be coming to the Board “cold”. And that she already has a lot of information of what’s been going on and what’s happening, so that is very much appreciated. She then asked if anyone else had questions for the Applicant. Director McVay asked if there was any particular thing that she would like to tackle if she was selected to be on the Board. Applicant Pam Beaver responded saying that she agreed with Community Member Dennis Possehn that she would like to see the agricultural rate become more feasible so that they were not getting rid of all the people in the community who do agriculture. Chair Fickes mentioned that unfortunately the rate must be charged, and you can’t subsidize, but it didn’t mean that they can’t look at all avenues and figure out how to adjust it. Chair Fickes said the interview process was closed and asked if there was anyone in the public that had any questions for the applicant. There were none.

- ii. Director Fust made the motion to nominate Applicant Pam Beaver as the appointed Director. Director Lincoln 2nd his motion. Motion carried with a 4-0 vote.
- iii. Chair Fickes asked appointed Director Pam Beaver to raise her right hand and repeat after her.
 1. Chair Fickes: “I, state your name.”
 2. Director Beaver: “I, Pam Beaver.”
 3. Chair Fickes: “Do solemnly swear and affirm.”
 4. Director Beaver: “Do solemnly swear and affirm.”
 5. Chair Fickes: “that I will support and defend the Constitution of the United States.”
 6. Director Beaver: “that I will support and defend the Constitution of the United States.”
 7. Chair Fickes: “And the Constitution of the State of California.”
 8. Director Beaver: “And the Constitution of the State of California.”
 9. Chair Fickes: “against all enemies, foreign and domestic.”
 10. Director Beaver: “against all enemies, foreign and domestic.”
 11. Chair Fickes: “that I will bear true faith and allegiance.”
 12. Director Beaver: “that I will bear true faith and allegiance.”
 13. Chair Fickes: “to the Constitution of the United States.”
 14. Director Beaver: “to the Constitution of the United States.”
 15. Chair Fickes: “and the Constitution of the State of California.”
 16. Director Beaver: “and the Constitution of the State of California.”
 17. Chair Fickes: “that I take this obligation freely.”
 18. Director Beaver: “that I take this obligation freely.”
 19. Chair Fickes: “Without any mental reservation or purpose of evasion.”

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- 20. Director Beaver: “Without any mental reservation or purpose of evasion.”
 - 21. Chair Fickes: “and that I will well and faithfully discharge the duties of office upon which I’m about to enter.”
 - 22. Director Beaver: “and that I will well and faithfully discharge the duties of office upon which I’m about to enter.”
 - iv. General Manager Paul Kelley asked Director Beaver and Chair Fickes to sign the oath of office.
 - v. Moved back up to item 3a.
- c. Ordinance 2023-06 – To Rescind Ordinance 2023-04 Stage II Water Shortage Ordinance (Discussion/Action)- The Bureau increased the allocation to 100% M&I and 80% irrigation.
- i. General Manager Paul Kelley mentioned that in conversations with the Bureau, they confirmed that the Bureau, when they go to 100% of M and I and over 75% of irrigation, they consider that an unconstrained year. So, this year our M&I usage will now be used as its three-year rolling calculation for a future historical municipal M&I average. That means we want people to use as much M&I water as they can possibly afford. He suggested that the District just go completely 100%, no alert stage, no restrictions and drop the drought. General Manager Paul Kelley explained that this new ordinance will rescind that and removes all restrictions and ending the water shortage all at your March 15th meeting. With the new ordinance we move from the blended drought rate to Domestic rate at \$0.72 and Ag rate at \$0.71.
 - ii. Community Member Sandy Winters mentioned the Ag Rate being \$0.71/HCF is still pretty expensive, and it is going to be hard to keep her pasture green. She expressed that buying bales of hay is becoming expensive. Director McVay told her to see him later and that he may know of an opportunity to help her out with that.
 - iii. Community Member Kaitlin Patrick asked if we sold some of the Bureau water to Orland/Artois, does that count as using the water for future years. General Manager Paul Kelley responded saying yes, but it would be under irrigation use. Chair Fickes then explained what makes up the \$0.71/HCF. \$0.56/HCF gets the water to everybody’s door and then on top of that is the water purchase, so that is what makes up that \$0.71/HCF.
- Director McVay made a motion to approve Ordinance 2023-06 as amended. Director Beaver 2nd the motion. Motion carried with a 5-0 vote.**
- d. Quarterly (9 month) Actual/Budget Review & Budget Adjustment (Discussion / Action)
- i. General Manager Paul Kelley mentioned that prior to the Bookkeeper Accountant coming on board in November the District started using

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Quickbooks on July 1, 2022 just to make payments and pay payables. Chart of accounts were not set up until after the Bookkeeper Accountant was hired. He explained that she has been getting those set up the past few months and making the chart of accounts as detailed as possible. Director McVay asked to make sure that on page 2 distribution Cloverdale, Clear Creek Booster, AT&T utilities, safety equipment, and things that he didn't think we're putting into the budget that he would like to see those move over and have a budget line for those items. General Manager Paul Kelley responded saying he will make sure the utilities get added in the Distribution and transmission section of the old budget. Director McVay then asked on page 3, regulatory fees, the water fee is based on the number of meters, so he wanted to know if that number is based off of 2,710 if we really only have 2577 customer accounts. He asked if we were overpaying and if it is per meter, how many customers have 1 meter or multiple units and are paying double base rates. General Manager Paul Kelley said that is something they will need to follow up on because it is based on whatever the District has given them in the past. Chair Fickes pointed out that during the Finance Committee Meeting, the Bookkeeper Accountant mentioned that, for example, the state loan repayment charges have cents even though we charge \$1.00 and that was because there is a problem with the Freys system where if you have a customer that doesn't pay their entire billed amount the Frey system would allocate the payment amount evenly rather than prioritizing the designated revenue accounts. General Manager Paul Kelley said he appreciated the Chair bringing that up because it is an issue that needs to be talked about as it relates to customer accounts and management.

- ii. On the budget amendments section, General Manager Paul Kelley pointed out that it appeared to have been approved at a negative \$30,000 as something was missed in the Excel spreadsheet. He made a few recommendations to modify the adopted 2022-2023 budget. He mentioned that the current actuals are about 87% behind for 9 months. General Manager Paul Kelley stated that the staff checked FREY's customer database system and found that there are 2577 accounts at the full base rate, and 122 accounts at the \$10.81 rate with 11 accounts that are not used. His recommendation made to the Board is to use the more accurate number of accounts at the base rate and 85% collect and amend the Base Rate sales to \$1,475,000. Instead of the 2,710 when they created the budget. Another item needing to be adjusted is the Water Sales. He explained it was drastically underestimated for quantity of water that was to be sold in the fiscal year. The adopted Water sales were at the "drought rate of \$1.04/HCF 85% collect". As can be seen on the 9 month the water sales revenue is behind budget, and we show Ag sales – since ag customers in the system get drought rate charges for water usage and their account is flagged as Ag – even though the water was mostly McConnell and wells. He continued to

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explain that this number needed to be adjusted down – based on actuals, and projected water sales the last quarter of this fiscal year at a normal water usage rate (not drought rate). This number also appeared to have been calculated based on the District selling/delivering to its customers almost 2900af for the fiscal year. It is projected more like 1700af in total will be sold this fiscal year. The District has been at zero allocation for 8 months of this fiscal year, and purchasing McConnell water or using wells with conservation measures and it's more likely the District will sell/deliver 65% of that projected number. General Manager Paul Kelley explained that the District will sell more water in the spring months, but a realistic adjustment is warranted. His recommendation was that since the system has some Ag water sales – move some budgeted revenue to that location and reduce the water sales amount. Some Expense amendments he recommended were the following: To increase the water purchase budget by \$50,000, this is primarily to cover the cost of water in the April – June months. Also set the WIIN payments line item at \$250,000 – the total to be paid in this fiscal year. The original budget did not contemplate purchase of Bureau water for the last 4 months of this fiscal year and underestimated the WIIN act payments. He also recommended increasing the Distribution O&M expenses by \$35,000 since they are running higher than budget due to leaks in the summer and fall of 2022 as well as general materials cost increases. General Manager Paul Kelley mentioned that his wage will be significantly less for the 8 months in the fiscal year, so he recommended moving \$15,000 of that into places where needed such as professional and actuarial to deal with OPEB and HR Services. And for retirees medical he suggested to reduce by \$25,000. The first 9 months of actual is known, the next three months of actual is known and based on that – the actual fiscal year amount will be just under \$110,000. He then opened the conversation up to questions and comments from the Board and Public. Community Member Sandy Winters thanked him for his very detailed explanation of the budget, and she said she didn't think they have ever gotten that great of an explanation before. Director Fust thanked the Finance Committee and the General Manager for all the work done on the budget. Chair Fickes asked if nothing was being put into reserves. General Manager Paul Kelley said that she was correct, but it is something that needs to be fixed. He mentioned that the net position the District is in should be put in reserves and that is what you're supposed to do when you make future amendments. There was some discussion about the WIIN Act and how it is being paid. General Manager Paul Kelley said that whatever is decided on the WIIN ACT needed to be acknowledged by the Board in a public setting that the District has been borrowing against the operating cost to pay off the WIIN Act and that borrowing needs to move forward to getting paid back but that is going to take

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15 years so he wanted it on the record so that future Board members know what is going on.

Director McVay made a motion to adopt the adjustments to the budget to bring it more in line with actions. Director Fust 2nd the motion. Motion carried with a 5-0 vote.

- iii. General Manager Paul Kelley mentioned in the above “Budget Revenue” discussion there are some items that Staff would like to highlight and receive input: there are not 2710 Accounts at the full Base rate – Future budgets and rate making actions should take into account this factor. The number fluctuates during the year, but not up to the 2710 number. It appears there are 80% of the customers paying monthly. He mentioned some thoughts on this. The Staff needs better software to track this, reach out to those who are late paying, the accounts need to have a “finance” fee charged (other districts have fees like this), there needs to be a process of when a customer is more than 60 days late, and lockout procedures are started. Delinquent accounts – district volunteer in the past was effective in setting up payment plans, discussing payment methods etc. this needs attention as well – either by staff or volunteers – with procedures etc. The district needs to make sure that at some point an account is converted to a lien on a property. He suggested making the new Account Clerk full-time to give her time to focus on delinquent accounts as part of her tasks. Director Beaver asked what the cost of a new program would be and what are the obligations to Frey if there were any. General Manager Paul Kelley explained that we currently have an annual licensing fee somewhere around \$9k-\$10k. New systems we are looking have \$10k a year fee as well and some charge you an “x” amount per customer account so it would have to be calculated. Director McVay asked if whatever software we choose to go with, can the data be integrated from Cubic without having to manually input everything in the customer’s accounts. General Manager Paul Kelley explained that there is a conversion cost associated with the new systems which covers the preservation of data and converts it over. Director McVay addressed the Chair asking if they as a board can give the General Manager directions to look into and present to the Board, possibly at the May meeting, some options for the board to discuss and potentially select a new software. Chair Fickes said that yes, he is already directed to investigate and maybe report at the May meeting.
- e. Boil Water Advisory of March 10-21 (Discussion/Action)
 - i. General Manager Paul Kelley reported on the Boil Water Advisory of March 10th-21st. On March 9th the Whiskeytown lake area received over 10 inches of snow. There was a power outage late afternoon / early evening and then a power surge that caused a valve to open, releasing untreated water into the Muletown Conduit. Treatment Staff responded, stopped the water flowing into

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the system, and was able to dump most of the water to be run through the treatments system at a later date. The heavy snow reduced the amount of time that Operators were able to be onsite at the WTP. Centerville relies on the IMG Tank and the Conduit for storage. Operators did not have enough time to drain the Conduit and Tank before Centerville CSD needed water. The Operators did not want to risk depressurizing parts of Centerville CSD. The Muletown Conduit has 8.4 miles of 45" and 42" pipe between the WTP and the Clear Creek CSD tanks. He continued his explanation that 100,000 gallons was the estimated amount of untreated water that entered the Conduit. The State's Division of Drinking Water (DDW) and Centerville CSD were notified. It was determined that on March 10th to issue a Boil Water Advisory (BWA) and issued it for both Clear Creek CSD and Centerville CSD that afternoon. Untreated water was trapped in the Conduit and IMG Tank close to the WTP until March 10th. The water took several days to enter the Clear Creek CSD system. The District used its alert system, posted on the website, and posted paper copies at the local community stores/posting locations. The call service and media were notified. District staff worked diligently with the State Water staff to develop a protocol for rescinding the BWA and tracked the water through the system with the State for eventual lifting of the BWA. Staff met after the BWA was lifted to discuss ways for the District to handle this event better and to have this item for the Boards discussion and input at the April meeting. He mentioned some of the suggestions from the staff were portable light up signs, contacting Shasta OES and see if they can help get the word out, mail postcards to all customers in the database, and better messaging to the Board and the employees so they know what to say to get the word out. General Manager Paul Kelley asked for suggestions and feedback from the Board and the public on how the District can do better for communicating these types of things. Community Member Sandy Winters suggested that the District use the reader board at the school. She mentioned it is pretty successful for FireWise to use and get the word out when needed. She added that it doesn't cost anything to have a message posted on their reader board. Community Member Emily Rankin also mentioned that the Community Center also has a message board, even though it is hard to get anything posted on it, it is worth a shot to inquire about. Kaitlin Patrick suggested the tripod message signs and put them in main locations and entries to the District which would be more cost-effective than renting a scrolling sign. Director Fust added to the conversation saying that the problem is we don't have enough people signed up for the alert system. He stated we need to try to get more people to sign up. He suggested a separate letter printed on a bright colored paper to insert with the next bill to help improve the amount of people signed up for alerts. Chair Fickes mentioned that one thing that she felt was unacceptable is being on the Boil Water

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Advisory for over a week. She asked how the state could even order the advisory for so long. She requested that we look into how the state gets involved in communication because it was their decision to set the Boil Water Advisory and there was very little water that was actually contaminated/raw water. General Manager Paul Kelley mentioned that he agreed it didn't help us nor the State to spend multiple days talking about what the criteria and protocols would be for lifting the boil water advisory. He said that Bill kept in communication with them about testing and what would suffice for them to lift it. He also mentioned that part of the reason it took so long is because it happened in March which is when customers are not using that much water, so it took quite a while to get through the system. General Manager Paul Kelley said that one of the things that was talked to the state about was if we were to open up hydrants at the end of our system and flush out the lines would that have sped up the process and would we have been able to lift the advisory sooner. He said an answer had not been given yet. Community Member Kaitlin Patrick asked how much water was needed to get through the system. General Manager Paul Kelley responded saying there were about 100,000 gallons. Chair Fickes thanked the staff for coming up with ideas on how to communicate an event such as this one in the future.

- f. LAFCO MSR Draft Review (Discussion/Action)
 - i. General Manager Paul Kelley asked that the Board review the LAFCO MSR draft that we received from LAFCO for our District. He said this was for the Board take a look at and get their edits to him so he can make the updates and have a final draft sent to them to approve at their June meeting. He asked that they review the introduction and history section, the rates section, the staff list, the sphere of influence, also the paragraph where it says we are not a disadvantaged community. Director Fust listed out the items he felt needed to be edited. He suggested the number of customers be changed from 2,710 to 2,577 because it turns out we don't have 2,710 customers. Chair Fickes added that the number should include the \$10.81 accounts as well. So, it would be more than the 2,577 accounts that are active with base rates. Director McVay added that we need to account for the trailer parks too. Director Fust said that on page 6 where it talked about other service providers, it needed to mention Happy Valley Fire Protection District and Happy Valley School District because they do provide services to our District. General Manager Paul Kelley mentioned he would communicate that to LAFCO. Director Fust asked why, on page 10, under water services it indicates that the District's water allotment through the US Bureau of Reclamation, Central Valley Project and "exchange water". He asked what "exchange water" meant. General Manager Paul Kelley said he was not sure, but there are exchange water contractors, but didn't think that applied to our District. Director Fust also stated it would be advantageous

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to mention that we have 3 wells for emergency usage to be consistent with other sections of the document. He also mentioned that the section that talked about a 350,000-gallon tank being constructed in the South District Well Field is inaccurate information. The tank is at the Pump Station, not the Well Fields. General Manager Paul Kelley said he would mark that section and get it corrected. Director Fust asked that the number of customer accounts be consistent and where it says the District serves 2,200 and 2,365 customers it should be 2,699. Director Fust also requested that the section where it says the District gets 15,300-acre feet of water from the US Bureau of Reclamation, it needs to say “by contract” we get 15,300-acre feet of water from the US Bureau of Reclamation. Chair Fickes added that where it talks about demand in that same section it said that the amount of delivered and billed in 2022 was 1,800-acre feet, but that wasn’t Bureau water as we did not get any Bureau water in 2022. Director Fust agreed it was a little deceiving and suggested that it mention that it consisted of McConnell purchased water from The McConnell Foundation and well water. Chair Fickes agreed. Director McVay suggested that it just say that it “consisted of purchased water from outside entities and well water”. Director Fust said that on page 11, under the rates it talked about the \$7.55 is for Filtration Plant Repayment to all active and inactive service including each additional unit. The rate also applies to hydrant meter installations, and the backwash recycle project fee of \$0.38 WILL be billed. He said to change “will” to “is” because it is billed. General Manager Paul Kelley said he would get that corrected and in the section about the WIIN Act Reserve as well. Director Fust continued to provide edits for page 11, as there was a table with rates that did not apply to us at all. General Manager Paul Kelley said that he had it highlighted already as he didn’t understand it. He suggested it was maybe something that was given to them in the past. Director Fust suggested that it was left in there from some other District’s draft. Chair Fickes mentioned she did not like the part that talked about the environmental assessment saying that our public health and safety water supply is 3,000. Director Fust suggested that it be changed to say “the M&I water shortage policy, environmental assessment identifies Clear Creek Community Services District public health and safety water supply as 3000-acre feet and the District’s total allocation of 8000-acre feet per year subject to the Bureau of Reclamation shortage policy. Chair Fickes agreed with that change. Director Fust asked that the 21-22 audit be mentioned in the financial overview as that is where the water sales number and other asset amounts come from. He mentioned that some of the numbers mentioned had to have been carried over from another District audit because the figures looked smaller. On page 15, he asked that Chuck Jones’ name be removed and changed to Terry Lincoln for Vice Chair and add Pam Beaver to the list of Directors. Chair Fickes expressed concerns with the paragraph on page 15 that

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mentioned the District maintains various reserves consistent with the reserve policy. She said that we strive to but we are not currently doing that. She also requested that the executive committee be removed from the standing committee section as we no longer have that committee. Director Fickes asked for clarification on if Bill and Roberto were in charge of the hiring in their departments with the approval of the General Manager. She didn't think it stated anywhere that was the practice and it should say that the General Manager is in charge of hiring all of the staff. General Manager Paul Kelley said he would modify that to say that they interview, and they make recommendations to hire. On page 16, Director Fust said it needed to mention the Happy Valley Fire Department because they are the ones who provide fire protection services to our area. On page 19, for the sphere of influence it was recommended to remove the overlap with City of Anderson.

- ii. General Manager Paul Kelley mentioned that he planned to gather all of their feedback and make the edits to the draft as well as request something from George at LAFCO and bring the updated version back to the May meeting.
- iii. **A 5-minute break was taken at 9pm.**

7. GENERAL MANAGERS REPORT

- a. General Manager Paul Kelley reported that the enhanced water supply from McConnell, at a zero rate was effectively at \$187.00/acre foot. He said that we've already talked a lot about the boil water advisories earlier in the meeting. He mentioned that he has already talked about the WIIN Act costs and has received the letter from the Bureau on our allocation. General Manager Paul Kelley reported that in the last month we have, as per the MOU, posted the vacancy of our T3D3 which is our one combined position. Our D3 put in a letter of interest, and we have promoted our D3, Chad to that position. We've also instead of recruiting for backfilling with another D3, we're recruiting for the backfill with the D1 or D2. So, we have somebody coming in that has some place to grow. We also recruited for our treatment operator T3. That's been a vacant position for quite some time. Additionally, on his report, a quick little update on our grants. Pace and others are starting to work on our emergency electrical SCADA repairs for the wells. The one that was brought before the Board in January and then again in February. He said he received a note from the state that said they knew that their signature is due on the funding agreement. And that it's still sitting in the management process. He explained that it will get signed, but our biggest challenge is the lag time if we pay Pace for some of the work they've done, we're not going to get reimbursed until that comes in. He also reported on the Backwash Ponds project and how it is moving along after the State was sent more information about a needed document from the District's Attorney. He planned to coordinate a meeting the following week. General Manager Paul Kelley stated that we're still working with our IT company on some of the other issues that the office is dealing with, primarily, internet service. He thanked Emily, our Volunteer for all her hard work getting more stuff filed and in binders. He mentioned that at the end of this public meeting there will be a closed session held for his 6-month evaluation that was called for in his employment agreement.

8. OPERATIONS REPORT

ADA Related Disabilities:

Contact the front office and speak with a Staff Member if special consideration is needed to attend any public meeting for disability related accommodations or aide is needed. Please give 72 hours - notice prior to the meeting to allow staff to meet your requests appropriately.

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- a. General Manager Paul Kelley mentioned the snapshot of the aging accounts and that we no longer have a report for penalties as the penalties went away with the new ordinance. He explained that Bill reported to him that there was 57af of surface water in March. He continued that was a low number and partially due to the unusual weather. He said that included in the packet was a copy of the completed but not yet ready for publication, 2022 Consumer Confidence Report. He mentioned that it will soon be posted on the website as well as being inserted in with the monthly billing statement. Chair Fickes questioned if it should say the General Manager instead of Bill to contact with any questions or concerns about the drinking water. General Manager Paul Kelley responded saying that it could be both him and Bill. He then reported on the Distribution items from Roberto. He mentioned that there was an isolation valve replacement that was taking place on Olinda so that the whole District didn't have to be shutdown if there was a line break. They had run into issues getting to that valve to replace because it was completely encased in concrete so Axner came in and had to break it all up and once they got down there they had the wrong size fittings. He continued to explain that was why it is just sitting there covered with a steel plate. General Manager Paul Kelley reported that there was a new field crew member brought on, his name is Seth Allison.

9. STANDING COMMITTEE REPORT –

- a. Finance- Director McVay reported that there was a Finance Committee meeting on the 12th, and they went through the profit and loss, budget vs actuals, and the July 1 through March 31 budget review. He thanked the staff for the work done to create a little more transparency. He reported there was some discussion on potential water sales and what the cost would be for the transfer. He continued to report that they discussed the WIIN Act and where the District was with that and how much balance was left on it. He mentioned they discussed the potential to bring to the full board the idea of getting a loan to pay it all off.
- b. Personnel- nothing reported.
- c. Agriculture- nothing reported.
- d. Planning/Steering- General Manager Paul Kelley mentioned that there is a Planning and Steering Committee meeting scheduled for May 3rd at 6pm. He said that a draft of the admin policies will be brought to that meeting.

10. BOARD MEMBER ITEMS

- a. Director Lincoln asked if the committee meetings can be changed to actual full board meetings until stuff gets resolved quicker and all members can be involved. General Manager Paul Kelley responded saying if they all wanted to attend, they could, but it would be considered a special meeting and no decision would be made at that meeting.

Meeting closed to go into closed session at 9:41 pm

11. CLOSED SESSION ANNOUNCEMENT:

The Board will adjourn to Closed Session to discuss the following item:

ADA Related Disabilities:

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- a. **Public Employee, to consider performance evaluation of General Manager pursuant to GC §54957(b)(1),**

12. ADJOURN THE MEETING- Closed session adjourned at 10:55pm

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