

CALAVERAS PUBLIC UTILITY DISTRICT

March 9, 2021

Regular Meeting

7:00 pm

MEMBERS PRESENT: J.W. Dell'Orto  
Scott Speer  
Richard Blood

STAFF PRESENT: Donna Leatherman, General Manager  
Carissa Bear, Administrative Account Assistant  
Adam Brown, Legal Counsel  
Matt Ospital, District Engineer

OTHERS PRESENT: Megan Long  
Gary Phillips, Bob Murray & Associates \*

1. ROLL CALL AND PLEDGE OF ALLEGIANCE: The regular meeting was called to order by President Dell'Orto at 7:02 P.M. Directors Dell'Orto, Blood and Speer were present.

2. PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject): Megan Long had a previous request for water service. At that time, her application was denied due to needing an easement. She has since obtained the easement and would like water service. She asked for clarification on what the policy is to get water service in regarding having a physical address or assessor's parcel number. She also expressed her frustration with the office still being closed due to COVID-19 and wanted to know when the office will be open again.

3. APPROVAL OF CONSENT CALENDAR:

- a. Minutes of Regular Meeting of February 9, 2021
- b. Minutes of Special Meeting February 16, 2021
- c. Systems Totals Report for February 2021
- d. Maintenance Report of February 2021
- e. Water Report for February 2021

Director Blood inquired as to why the minutes from the Special Meeting held March 2, 2021 were not included, the General Manager explained. Director Dell'Orto stated he liked the water comparisons being closer. A motion was made by Director Speer, seconded by Director Blood, to approve the Consent Calendar as presented. A roll call vote was taken. Directors Dell'Orto, Speer and Blood voted yes, none opposed. Motion carried 3-0.

\*At 7:15pm President Dell'Orto moved to items #7 and #8 on the agenda.

4. FINANCIAL BUSINESS

a. Approval of Claim Summary #749: Director Speer inquired as to what work was completed by Cole Tiscornia Construction (CTC). The General Manager clarified that CTC assisted with three leak repairs; the ballpark in Mokelumne Hill, Lewis Avenue, Miller Court, and support with a pressure station rebuild and fire hydrant replacement on Gold Strike Road. President Dell'Orto inquired about a bill for Glencoe pump station from Henwood. The General Manager clarified it was an old bill related to a P.S.P.S event. President Dell'Orto verified that the Solar Bee is the aerator at Jeff Davis, Reservoir, the General Manager confirmed. A motion was made by Director

Speer, seconded by Director Blood, to approve Claim Summary #749 in the amount of \$168,669.03. A roll call vote was taken, none opposed. Directors Dell'Orto, Speer and Blood voted yes. Motion carried 3-0.

b. Investment Update: President Dell'Orto made sure that the Directors were aware of the additional documents sent via email. The General Manager notified the board the CD that matured March 1<sup>st</sup> was reinvested. However, a different option was presented at a higher rate as shown. It will become callable June 1, 2021. Director Blood asked if there would be a penalty if the District were to pull its investments. The General Manager will get clarification and report back.

5. APPOINTMENT OF BOARD SECRETARY – POLICY NO. 1015: The General Manager described the duties of the Board Secretary and provided her recommendation of Carissa Bear, who has been recently promoted to the position of Administrative Account Assistant. A motion was made by Director Speer, seconded by Director Blood, to appoint Carissa Bear as Board Secretary. A roll call vote was taken. Directors Dell'Orto, Speer and Blood voted yes, none opposed. Motion carried 3-0.

6. APPOINTMENT OF REPRESENTATIVES TO ASSOCIATION MEMBERSHIPS POLICY NO. 1005: With the retirement of the General Manager, she recommended appointing Board members to association memberships. Each association meets quarterly. Discussion was held and the Board President appointed himself and Director Blood the alternate for Calaveras Amador Mokelumne River Authority, Director Speer, and President Dell'Orto alternate for Calaveras Public Power Agency, Director Blood and Director Speer, will be the alternate for Upper Mokelumne River Watershed Authority.

7. PRESENTATION: DRAFT – WATER CAPACITY AND CONNECTION FEES STUDY - HANSFORD ECONOMIC CONSULTING

The General Manager presented the draft study for the Board to review. The draft and comment from the Board will need to be submitted by March 26, 2021. President Dell'Orto asked for clarification on the term basic size, Matt Ospital, District Engineer clarified. Director Blood asked for the difference in cost between a 5/8" meter and a 1" meter, the General Manager clarified. Director Dell'Orto commented on the cost being higher than expected. Director Speer expressed that he had no concerns with the cost and thought the price was right where he expected it to be. President Dell'Orto agreed an adjustment to connection fees is needed.

8. STATUS REPORT – CLEARWELL TANK PROJECT – WEBER, GHIO AND ASSOCIATES, INC.

Matt Ospital, District Engineer, provided update and information on a similar tank project in Linden which came in over the engineer's estimate. He explained the difference in cost is due to the cost of steel going up. Mr. Ospital reported on project status and next steps. Director Blood inquired about where the dirt will be put, Mr. Ospital clarified. Director Blood expressed his concerns with the cost and the potential of the rest of the supplies being over budget. Mr. Ospital explained that his only concern at this time is with the cost of steel. Director Blood wanted clarification on what was included in the price, Mr. Ospital clarified. Director Blood expressed his dissatisfaction with the size of the tank that will be used. He believes a smaller tank would have worked for less money. The General Manager stated the project needs to move forward as approved. Change will delay all efforts thus far. President Dell'Orto expressed his concern with the timeline for the rest of the project and delays due to COVID-19, Mr. Ospital reassured him that he is not concerned.

\*At 7:38pm Gary Phillips, Bob Murray & Associates joined the meeting. Adam Brown recommended moving to item #11 on the agenda.

#### 9. CLEARWELL TANK PROJECT-FINANCING AGREEMENT

The General Manager presented the financial agreement and explained that it had been reviewed by Legal Counsel and there were no concerns. The only change was to the installment agreement modifying payment to biannual, which was originally an annual payment. Mr. Brown believes an explanation will be provided during the April board meeting. Director Blood expressed his concern with the language regarding the Water Treatment Plant being put up as collateral. Mr. Brown informed him that is normal practice. Director Blood asked if this is a draft agreement that is being voted on at this time. Mr. Brown confirmed that is a draft and the final agreement is not expected to change much. Director Blood asked what section of the agreement states this is not the final draft. Mr. Brown informed him the language he is looking for could be found in section 2 in the resolution. Director Blood asked for President Dell'Orto's opinion. Director Dell'Orto provided his opinion. A motion was made by Director Speer, seconded by Director Blood, to approve Resolution 2021-3 – Resolution of The Calaveras Public Utility District Approving Conveyance Agreement and an Installment Purchase Contract. A roll call vote was taken. Directors Dell'Orto, Speer and Blood voted yes, none opposed. Motion carried 3-0.

\*At 8:34pm President Dell'Orto returned to item #4 on the agenda.

10. ACWA/JPIA – President's Special Recognition Awards: The General Manager reported that ACWA/JPIA annually recognizes their members that have a loss ratio of 20% or less in their insurance program. The District has received this award since 2000 and continues to strive to meet these goals in Liability, Property, and Workers Compensation programs.

11. CONSIDERATION OF BOB MURRAY & ASSOCIATES PROPOSAL FOR GENERAL MANAGER RECRUITMENT: Mr. Gary Phillips of Bob Murray & Associates opened with a presentation. He went over the proposal in detail, following the presentation he welcomed any questions. Director Blood asked clarifying questions pertaining to how the interview process works, Mr. Phillips clarified. The General Manager inquired if the number of Board members and vacancies on the Board could potentially impact the process, Mr. Phillips clarified he has worked with this situation before. Mr. Phillips assuring the Board and the General Manager that although difficult a full Board is not required. Director Dell'Orto inquired as to how many applicants typically meet the qualifications. Mr. Phillips informed him it is typically expected to receive 6-12 qualified applicants. Director Blood inquired as to when work can begin if the Board decides to go with the proposal. Mr. Phillips advised he could start within days of the contract being signed. Mr. Phillips left the meeting at 8:13pm. The Board, General Manager, and Legal Counsel discussed the proposal. A motion was made by Director Speer, seconded by Director Blood to approve Consideration of Bob Murray & Associates Proposal for General Manager Recruitment at a cost not to exceed \$25,000. A roll call vote was taken. Directors Dell'Orto, Speer and Blood voted yes, none opposed. Motion carried 3-0.

\*At 8:17pm President Dell'Orto moved to item #9.

#### 12. STAFF REPORTS

a. General Manager's Report: The General Manager provided an overview of current work

projects as reported.

b. Legal Counsel's Report: Mr. Brown reported the legal counsel's report was covered so far and the remainder will be covered in closed session.

c. Engineer's Report: Engineer's Report was covered earlier on. Nothing more to report.

### 13. BOARD MEMBERS' REPORTS:

a. LAFCO Public Hearing: The General Manager reported LAFCO hearing will be held Monday, March 15, 2021 at 6 pm, she will attend the Zoom meeting.

b. Director Blood- UMRWA Meeting Reminder for April 22, 2021.

c. Other Board Member Comments: Director Speer asked if someone needs to replace Director Lavaroni's position on LAFCO. The General Manager reported LAFCO will appoint one of their alternates. President Dell'Orto requested a Resolution of Appreciation for Director Lavaroni at the April Board meeting. The General Manager agreed and stated the Lavaroni family had served on the board for over fifty years between John and his father Hank Lavaroni.

d. Reminder of Annual Statement of Economic Interest – Form 700 (Due: April 1, 2021)

The General Manager reminded the board to complete their Form 700 forms. Also, she informed the Board of the \$10 a day penalty for filing after the deadline.

### 14. CLOSED SESSION

a. Conference with Labor Negotiators (Government Code §54957.6)

Adam Brown briefly discussed the agenda of the closed session, the Board convened to closed session at 9:12 pm. The General Manager left the meeting, and the remainder of the meeting was attended by District Legal Counsel, Adam Brown, who also conducted the Zoom hosting privileges and served as secretary.

The Board reconvened into open session at 11: 35. During closed session, the Board discussed with the General Manager a possible delay in her retirement until a permanent General Manager replacement was recruited. No action was taken.

15. ADJOURNMENT (Next Regular Meeting April 13, 2021 at 7:00pm) As there was no further business to come before the Board, a motion was made by Director Speer, seconded by Director Blood, to adjourn the meeting. A roll call vote was taken. Directors Dell'Orto, Speer and Blood voted to adjourn the meeting at 11: 40. Motion carried 3-0.

Respectfully Submitted,



Carissa Bear, Board Secretary