

CALAVERAS PUBLIC UTILITY DISTRICT

September 10, 2019

Regular Meeting

7:00 P.M.

MEMBERS PRESENT: J.W. Dell'Orto
Clifford Overmier
Richard Blood
John Lavaroni

MEMBERS ABSENT: None

STAFF PRESENT: Donna Leatherman, District Manager
Kate Jesus, Administrative Account Assistant
Tyla Daries, Weber, Ghio & Associates

OTHERS PRESENT: Tammy and Charlie Hebrard

1. ROLL CALL AND PLEDGE OF ALLEGIANCE: The regular meeting was called to order by Chairperson Dell'Orto at 7:06pm. Director Dell'Orto, Overmier, Blood, and Lavaroni were present.
2. PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject): None
3. APPROVAL OF CONSENT CALENDAR:
 - a. Minutes for Regular Meeting of August 20, 2019: Director Blood suggested that the Board meetings be recorded for better accuracy. He stated that the minutes were missing many material facts and requested that they be amended as follows:
 - Item #3: The request for the availability of the water loss report.
 - Item #4: It was mentioned during an Ad Hoc Committee meeting that the special legal services of Mandell Municipal Counseling were not needed at the public hearing.
 - Item #7: Clarification on the mention of cost of living adjustments (COLA) in the comments on the expense page of the preliminary budget. The request of a detailed description of each capital improvement project prior to funds being spent. A line item showing the details of the Cafeteria Plan be added to the budget.
 - Item #8: Director Overmier inquired about the amount of chemicals used to treat the water.

Tammy Hebrard also requested that item #7 be amended to include the following:

- Recommendation to the Board to consider the Ad Hoc Committee's recommendation of the proposed rates from the March 19, 2019 Special Meeting.
- The public's concerns with the current accounting procedures of the District.

A motion was made by Director Overmier, seconded by Director Lavaroni to approve the minutes of August 20, 2019 with amendments. The Manager and Board discussed the need for review and updates to the District policies and Director Blood suggested the designated Board Committees begin this process. The Manager expressed concerns with the lack of support from the Board and also that the established committees require guidelines and goals which need to be set prior to the meetings. Tammy Hebrard suggested using other small District's policies as templates. The Manager noted the suggestion. Motion carried 4-0.

b. Directors Report for August 2019: A motion was made by Director Lavaroni, seconded by Director Overmier to approve the Directors Report for August 2019 as presented. Motion carried 4-0.

c. Monthly Maintenance Report for August 2019: A motion was made by Director Overmier, seconded by Director Lavaroni to approve the monthly Maintenance Report for August 2019 as presented. Motion carried 4-0.

4. FINANCIAL BUSINESS:

a. Approval of Claim Summary #731: Director Lavaroni and Blood discussed the Cafeteria Plan and the Manager clarified the details. Director Blood suggested a line item showing the Cafeteria Plan be added to the budget. The Manager stated she would discuss the addition of new budget line items and present modifications to the budget to the Board. A motion was made by Director Lavaroni, seconded by Director Overmier to approve the Claim Summary #731 in the amount of \$125,065.96 as presented. Tammy Hebrard expressed concerns with the cost of each project being made available on a monthly basis for transparency purposes. She also stated that the complete Board packet should be made available to the public as stated in the Board of Directors Handbook. Motion carried 4-0.

5. RESOLUTION 2019-10: BUDGET FOR FISCAL YEAR 2019/20: The Board reviewed the Preliminary Budget at the August 20, 2019 meeting and discussed several budget items. The Manager stated that employee cost of living adjustments (COLA) were not included in the 2019/20 budget as discussed prior. Director Blood suggested that the items mentioned in the approval of the Preliminary Budget be included in Resolution 2019-10. Director Overmier made a motion to approve Resolution 2019-10: Budget for Fiscal Year 2019/20 with an amendment to include “the Board of Directors will review and update all District policies on a monthly basis”. The Board discussed the process of updating the District’s policies. Director Blood requested an amendment to Resolution 2019-10 stating “a detailed description of all capital improvement projects will be presented to the Board for approval prior to any funds being spent.” Director Lavaroni, Blood and Dell’Orto discussed the detail needed for the projects. Director Overmier rescinded his motion and made a motion to approve Resolution 2019-10: Budget for Fiscal Year 2019/20 with the following amendments: “the Board of Directors will review and update all District policies on a monthly basis” and “ a detailed description of all capital improvement projects will be presented to the Board for approval prior to any funds being spent”, seconded by Director Lavaroni. A roll call vote was taken. Directors Dell’Orto, Overmier, Blood and Lavaroni voted yes. Motion carried 4-0.

6. ACCEPT: SPECIALIZED UTILITY SERVICES PROGRAM (SUSP) MEDIAN HOUSEHOLD INCOME (MHI) SURVEY: The District Manager contacted SUSP for clarification regarding confidentiality concerns in the report. SUSP replied and assured the District that the privacy of the results is uncompromised and would provide a redacted version of Exhibit E. However, he stated that the final MHI Report complies with State MHI guidelines which contain required information for applications for grants and/or funding. The Manager recommends accepting the original August 2, 2019 report as presented at the August 20, 2019 meeting. Tammy Hebrard expressed her concerns from the public with the income and address information included in the report. A motion was made by Director Lavaroni, seconded by Director Blood to accept the Specialized Utility Services Program (SUSP) Median Household Income (MHI) Survey. Motion carried 4-0.

7. ASSOCIATION OF CALIFORNIA WATER (ACWA) REGION 3 BOARD BALLOT: The Board was presented with a ballot from ACWA Region 3 for the 2020/21 term which are due by September 30, 2019. Director Lavaroni recommended concurring with the Region 3 Nominating Committee as shown on the ballot; the Board agreed. The Manager would submit the ballot on behalf of the District.

8. MOUNTAIN COUNTIES WATER RESOURCES ASSOCIATION (MRWRA) WATER SYMPOSIUM (11/8/19) AND RECEPTION AT THE MURPHYS HISTORIC HOTEL (11/14/19): The

Manager presented two announcements for upcoming events hosted by MCWRA were included in the Board packet for review. Directors can contact the Board Secretary if interested in attending.

9. CALAVERAS PUBLIC POWER AGENCY (CPPA) ENERGY EFFICIENT AUDIT AND GRANT APPLICATION FOR WAREHOUSE IMPROEMENTS: The District requested CPPA to conduct an energy efficient audit for the warehouse/shop for possible upgrades which showed 5 areas of recommendation. The District submitted a grant application for 3 of the 5 recommendations including insulation, windows and lighting upgrades. The application will be presented for approval at the October 16, 2019 CPPA meeting. The Manager will provide more information at the next Board meeting. Chairperson Dell'Orto inquired as to why the District only chose 3 of the 5 recommendations; the Manager stated these were not energy or cost effective at this time.

10. MONTHLY WATER USAGE REPORT:

a. Monthly Report: The water usage for the month of August 2019 was presented for review and discussion.

b. Water Treatment Portable Meter Data Report: A memorandum including a change order prepared by the Weber, Ghio and Associates was presented to the Board. The memo presents findings on water audit investigations at the Treatment Plant and recommends approving change order 7827-01 in the amount of \$17,779.14 which includes the meter replacement with a new ultra sonic flow meter and integration with the current SCADA project. Director Blood inquired about the cost difference between the two quotes mentioned in the memo; the Manager stated that the quote from TSI was selected as the vendor familiarity with the District's system. Director Blood requested more detailed information regarding the meter; Director Lavaroni clarified by reading the details listed on the change order. Tammy Hebrard again stated that the complete Board packet should be made available to the public as stated in the Board of Directors Handbook. Director Blood inquired on when the complete data regarding the water loss will be available for review. The Manager stated that recent discrepancies were discovered and a memo from the District Engineer would be presented to the Board when complete. Director Lavaroni recommended authorizing the Manager to proceed with change order #7827-01. Chairperson Dell'Orto inquired about the availability of the memo and change order to the Board and if it was prior to the 72-hour requirement; the Secretary stated it was emailed to the Board on September 6, 2019 around 4:30pm which doesn't meet the requirement. Chairperson Dell'Orto called for a Special Meeting on Thursday, September 12, 2019 at 9:00am at the District office to discuss and take possible action on the authorization to approve change order #7827-01.

11. MANAGERS COMMENTS:

a. Monthly Report: A report of ongoing projects was provided to the Board for review and discussion. The Manager also reported on possible grant funding for leak detection program, meter upgrades and water tank maintenance. The District has submitted comments to LAFCO on the Municipal Services Review (MSR) and the Manager will attend the September 16, 2019 meeting. The District is currently working with FEMA for the 2019 Storm Damage recovery. The Manager reminded the Board of her attendance to the Annual CSDA Conference from September 25-27, 2019. An invitation to the annual BBQ hosted by Weber, Ghio & Associates on Friday, September 13, 2019 was given to the Board.

12. DIRECTORS COMMENTS:

- a. LAFCO – Meeting Report 9/16/19 – Director Lavaroni: Director Lavaroni will attend.
- b. CAMRA – Meeting Report 8/21/19 – The Manager stated that the future of CAMRA would be discussed.
- c. UMRWA – Meeting Reminder 10/4/19 – Director Blood: Director Blood will attend. The Manager reminded Director Blood that the meeting would start at 10am and the Annual Pardee BBQ would be at 1:00pm.

Chairperson Dell'Orto expressed concerns regarding the recording of future meetings. The Manager will follow up to ensure that proper procedures are followed prior to initiation of the recordings. She also recommends a policy amendment to ensure the recording guidelines are followed.

13. CLOSED SESSION:

a. Notice of Board Vacancy: At 9:15pm the Board convened to a closed session. The Board reconvened at 9:23pm. Chairperson Dell'Orto reported that the Manager had received a letter of resignation from Director Claudino effective September 10, 2019. The Manager reviewed the timeline for filling the Board vacancy. The notice of vacancy will be posted starting September 11, 2019 on the District website, Calaveras Enterprise and the marquee board at the office. Applications will be accepted until October 31, 2019 at 4:00pm. The Board will review applications for appointment at a Special Board meeting on November 5, 2019. Tammy Hebrard suggested posting the Director's terms on the website; the Manager would look into website updates.

14. ADJOURNMENT (Next Regular Meeting October 8, 2019): As there was no further business to come before the Board, the meeting was adjourned at 9.30 p.m.

Respectfully submitted,

Kate Jesus, Administrative Account Assistant

