

**CALAVERAS PUBLIC UTILITY DISTRICT**

**January 15, 2019**

**Regular Meeting**

**7:00 P.M.**

MEMBERS PRESENT: John Lavaroni  
J.W. Dell’Orto  
Clifford Overmier  
Alan (Bill) Claudino  
Richard Blood

MEMBERS ABSENT: None

STAFF PRESENT: Donna Leatherman, District Manager  
Kate Jesus, Administrative Account Assistant  
Bret Beaudreau, Water System Superintendent

OTHERS PRESENT: None

1. ROLL CALL AND PLEDGE OF ALLEGIANCE: The regular meeting was called to order by Director Overmier at 7:00pm. Director Lavaroni, Overmier, Dell’Orto, Blood and Claudino 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 December 11, 2018
  - b. Directors Report for December 2018
  - c. Monthly Maintenance Report for December 2018

A motion was made by Director Dell’Orto, seconded by Director Claudino to approve the Consent Calendar as mailed. Motion carried 5-0.

4. FINANCIAL BUSINESS:
- a. Approval of Claim Summary #723: Director Blood inquired about several payment; the Manager clarified. A motion was made by Director Lavaroni, seconded by Director Dell’Orto to approve the Claim Summary #723 in the amount of \$253,436.38 as presented. Motion carried 5-0.
  - b. Approval of Financial Statement June 30, 2018: Director Overmier requested this item be tabled for further review and acceptance at the February Board meeting.
  - c. Review: Updates to Fees and Charges as of January 1, 2019: The Board reviewed the updated Charges and Fee schedule for January 1, 2019.

\* It was requested to move agenda item #9 for discussion.

5. REVIEW/APPROVE: DEBT MANAGEMENT POLICY: The Board was presented with a draft of the Debt Management Policy to be reviewed and presented for final acceptance at the February Board meeting. The District does not have a Debt Management Policy in place. The policy would allow guidance for the District Board and Staff and be used as a tool for future debt. It is also a requirement for the State Water Resources Control Board (SWRCB) State Revolving Fund (SRF) application process.

6. RESOLUTION 2019-1: RESOLUTION DECLARING SURPLUS PROPERTY: The Board reviewed the resolution including ‘Exhibit A’ showing a detailed list of surplus items. Director Blood inquired about the process. The Manager clarified it would be done by a sealed bid process according to District policy. A motion was made by Director Lavaroni, seconded by Director Claudino to approve

Resolution 2019-1: Resolution Declaring Surplus Property. Directors Lavaroni, Dell'Orto, Overmier, Blood and Claudino voted yes. Motion carried 5-0.

7. DISCUSSION: PROPOSED RATE INCREASE NEXT STEPS:

a. Ad Hoc Committee Report (Directors Overmier & Blood): Director Overmier reported on the progress of the committee report and a draft rate study. An outline for the last Ad Hoc meeting was presented for review and discussion. The next Ad Hoc meeting will be on January 29, 2019 where Director Blood and Director Overmier will present a draft of the committee report for review. Final discussion on updated rates and next steps and public outreach meetings will be discussed.

8. STATE WATER RESOURCES CONTROL BOARD (SWRCB) DRINKING WATER STATE REVOLVING FUND (SRF) APPLICATION/FINANCIAL PACKAGE REQUIREMENTS:

a. Resolution 2019-2: Pledged Revenues and Fund(s): The Manager reviewed the purpose of the resolution with the Board. There was discussion regarding the SRF loan application process. Director Blood expressed concern regarding the project being funded by a loan and the possibility of revising the resolution to include a larger scope of Water Treatment Plant projects. A motion was made by Director Lavaroni, seconded by Director Claudino to approve Resolution 2019-2: Pledged Revenues and Fund(s) as presented. Directors Lavaroni, Dell'Orto, Overmier and Claudino voted yes. Director Blood abstained. Motion carried 4-1. The Manager will look into revising project.

b. Resolution 2019-3: Reimbursement Resolution: The Manager reviewed the purpose of the resolution with the Board. The Board discussed the principal amount of the Project Funds related to the SCADA project resolution. Director Blood again was concerned with the District cost toward the project and emphasized to seek a revised project scope to allocate funds to other Water Treatment Plant improvements, including tank rehabilitation and recycled backwash projects that should be prioritized. A motion was made by Director Lavaroni, seconded by Director Dell'Orto to approve Resolution 2019-3: Reimbursement Resolution as presented. Directors Lavaroni, Dell'Orto, Overmier and Claudino voted yes. Director Blood abstained. Motion carried 4-1.

The Manager will continue to work with the District Engineer on the application package and update the Board at the next regular Board meeting.

9. SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) PROJECT REPORT: A memorandum from the District Engineer was presented to the Board for review which explained the immediate need for the consideration to move forward with the Phase 1 of the SCADA project. Bret Beaudreau presented the Board with a project outline for review and gave a detailed description of the project. The Board discussed the urgency of the project and the District's options. Director Blood expressed his opinion regarding the presentation of the memo and concerns with the project funding. Directors were reminded that the funding for the project was to apply for a grant through the State Revolving Fund (SRF). District Staff feels that urgency is required as the SRF application process is time consuming and Phase 1 can put the District and Staff in a more reliable condition. As recommended, funds from the current fiscal year 2018/19 capital improvement budget should be considered. A motion was made by Director Lavaroni, seconded by Director Claudino to accept the implementation of the SCADA system project Phase 1 as recommended in the memo from Weber, Ghio, and Associated using current reserves. Directors Lavaroni, Dell'Orto, Overmier and Claudino voted yes. Director Blood voted no. Motion carried 4-1.

10. MONTHLY WATER USAGE REPORT:

a. Water and Rainfall Report: The water usage and rainfall figures for the month of December 2018 were presented for review and discussion. Rainfall for December was recorded as 3.92 inches and a total of 12.22 inches for the season.

11. MANAGERS COMMENTS:

a. Monthly Report: The Manager reviewed the current projects being worked on by staff. The Board discussed the water treated figures in comparison with the water sold figures.

12. DIRECTORS COMMENTS:

a. Individual Comments: None.

b. Annual Committee/Organization Appointments: The Manager reviewed the Board of Directors Handbook regarding the annual Organizational Meeting. After discussion, the Board appointments were established by Directors to the following Committees:

- Engineering Committee – Director Blood and Director Overmier
- Finance & Budget Committee – Director Overmier and Director Claudino
- Water Operations Committee – Director Blood and Director Dell’Orto
- Personnel Committee – Director Lavaroni and Director Claudino

Committee assignment schedules will follow.

c. Annual Form 700 and Required Training (Due April 2, 2019): The Secretary informed the Board of the Annual Form 700 deadline. Board also reviewed the options for the required AB 1234 and AB 1825 training and was provided details. Follow-up information would be emailed to the Board.

d. Other Training Opportunities: Upcoming training opportunities from ACWA/JPIA and CSDA were presented to the Board.

13. CLOSED SESSION

a. Conference with Legal Counsel – Anticipated Litigation Government Code § 54956.9(d)(3)  
Negotiating Parties: Donna Leatherman and Chris Williams

None.

14. ADJOURNMENT (Next meeting February 12, 2019): As there was no further business to come before the Board, the meeting was adjourned at 9:20 p.m.

Respectfully submitted,

Kate Jesus, Administrative Account Assistant

UTILITY  
DISTRICT