

CENTERVILLE COMMUNITY SERVICES DISTRICT  
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Oliver, Vice President Whitehead, Director Richison, Director Hopson and Director Woodstrom  
Absent: None  
Others Present: Mr. and Mrs. Ankeny, Mr. and Mrs. Skiles, Dalen Philp, Randall Harr, Collin Bogener, Tina Teuscher and Chris Muehlbacher

**PRELIMINARY BUSINESS:**

- I Call to Order: President Oliver called the meeting to order at 7:00 pm.
- II Public Comment Period: President Oliver opened the public comment period. No comments were received. The public comment period was closed.
- III Authorize Payment of Bills for Current Expenses: Director Woodstrom moved to pay the bills. Director Hopson seconded. Mr. Muehlbacher stated that the payment to ACWA JPIA is for the District's general liability insurance. The Campora payment is for the propane for the Diggins generator. The Eddie Axner payment is for the repair on Placer Rd. He mentioned that PAR Electric will be reimbursing the District for that repair. The Pacific Supply and Power by Tim payments are both related to the Diggins generator installation. The vote was unanimous. Motion carried.
- IV Status of the Budget Report: Mr. Muehlbacher stated that the O&M revenues were \$464,749 verses expenses of \$475,714. He stated that October's revenue is consistent with consumption. He mentioned that both A and A1's revenue and utility expenses are trending higher than projected. Regarding expenses, he stated that Clear Creek CSD did not submit an invoice this month. General Repairs and Maintenance is also trending higher this month.

Mr. Muehlbacher stated that the Capital revenue was \$10,523 verses expenses of \$108,801. He mentioned that taxes received are reflected as well as the Diggings standby generator expenses. Once the security fencing is up the project will be complete.

Reserve Fund Status Sheet: The total reserve is \$1,119,761.39. Mr. Muehlbacher mentioned that there was approximately \$3,500 in interest received this month. He stated that both the WTP fees and Consumption Surcharge received in October has been moved to the reserves.

**CONSENT AGENDA:**

- I Approval of the minutes of: October 19<sup>th</sup> – Regular Meeting; Director Woodstrom moved to approve the consent agenda items. Vice President Whitehead seconded. The vote was unanimous. Motion carried.

## **NEW BUSINESS:**

- I Consider Approving a Request to Serve Two Single-Family Residences Using a Single Meter for APN 208-380-031: Mr. Muehlbacher stated that Mr. and Mrs. Skiles own an existing 5,495 sq. ft. single family residence at 15600 Sol Semete with an existing 4,293 accessory shop. In September 2021, they submitted plans for a building permit to convert the existing shop into a second 4 bedroom single family residence with an attached garage. It is their request to serve both residences with the existing single meter.

He stated that the District's Drought Contingency Plan (DCP) states that a new service under Stage III conditions would be limited to 1,300 cubic-feet of water per month for internal household purposes only. During the current severe drought conditions, this new demand created by the conversion of an existing shop into a new 4,293 square foot home cannot be measured and thus cannot be confirmed that it remains compliant with the DCP. He also mentioned that the District's Ordinance requires that each water customer have a separate water meter and the addition of a large single family residence increases the demand upon system capacity which includes the water treatment, transmission, storage and distribution facilities. Based on that information, it is staff's recommendation to deny the request.

Mr. Muehlbacher introduced the Skiles and their attorney Mr. Harr.

Mr. Harr stated that he brought a handout for the Board that he would like entered into the minutes. See attached.

Mr. Skiles explained that he purchased the property for his family. The intent was to turn the shop into a home for his daughter and her family. He stated that he was never trying to hide anything from the District. He submitted the plans to the county, turned in the Water Sewer Clearance form to the District and was told there were no additional fees. He stated that at that time, if the District would have said that two meters were required, they would have included the cost into the remodel loan. However, that did not happen. He mentioned that now loans are at 6-7% interest and he would have to take out an additional loan to cover the costs of the new meter and installation or dip into his savings. He did not know that there were any issues until he received a letter from Mr. Bogener months later stating that another meter was required.

He stated that after receiving the letter from Mr. Bogener he had a contractor come out to give him a quote to install a new water line from the road to the new home. He stated that the contractor's bid was expensive. He went through the costs of the project to date and what it would cost should the District require them to install a separate meter. He asked the Board to waive the Capacity Charge and possibly allow a submeter to be used so he would not have to install new lines to the converted home.

Mr. Harr stated that he and Collin have had several conversations regarding this situation and he too would like to come to an agreement. He stated that he was looking for an exemption. He explained that had they built onto the original home and made it a 10,000 square foot home, there would be no requirements and the same amount of water would be used.

Vice President Whitehead stated that the District has construction standards and ordinances that must be followed. He stated that if the Board were to falter from those, that would set a precedent for future developments. He also mentioned that the Capacity Charge is used for additional capacity of the District's distribution and treatment systems.

Director Woodstrom stated that the Capacity Charges collected through the years have been used to increase the size of pipe along Placer Road, install pump stations and increase fire flows.

Director Hopson mentioned that a second water meter would be beneficial for the Skiles in the drought, because they would each receive their own water allocation. He also stated that when the committee met with Mr. Skiles, they discussed possibly installing a submeter. He stated that Mrs. Teuscher had confirmed with CUSI that the software will handle a submeter.

Vice President Whitehead stated that he was okay with the Capacity Charge being paid over time. He would also require a legal document stating that if the property is ever sold, a second service line would be required at that time.

Director Woodstrom moved to allow a submeter at the new residence; that the Capacity Charge be paid over a two-year period with no interest and that a legal document be drawn stating that if the property were to be sold, a separate water service and line to the home from the road would be required at that time. Director Hopson seconded. The vote was Yes – 4, No – 1. Motion carried.

II Public Hearing for the Board to Consider Ordinance No. 2022-02 Amending Ordinance No. 8 and Ordinance No. 96-1 to Create a Single Uniform Ordinance for District Operations: Mr. Bogener stated that he and Chris had completed the new District Policy which incorporated Ordinance 96-1 and Ordinance 8 with a few exceptions. He mentioned that the Discontinuation of Service for non-payment had been changed to both residential and non-residential having 60 days before receiving a termination letter.

Chapter 7 – Rates, Charges and Fees added information specific to ADU and JADU's. and Chapter 7.0200 – New Service Fees and Charges created a new Reconnection Fee for those terminated services of six months or more where a customer would be required to pay this new fee upon request for service in the future.

President Oliver opened the public comment period. No comments were received. The public comment period was closed.

Director Hopson moved to approve Ordinance 2022-02 an ordinance of the Centerville Community Services District amending Ordinance 8 and Ordinance 96-1 to create a single uniform ordinance for District operations. He also directed the District Secretary to read the title only of the Ordinance. Director Richison seconded. Mrs. Teuscher read the title of the Ordinance. The vote was unanimous. Motion carried.

III Review and Adopt Resolution No. 2022-23 Approving the Release of the Assessment Lien for Water Assessment District No. 1995-1: Mr. Muehlbacher stated that Assessment District 1995-1 was paid off in 2022, as part of the close-out process,

Resolution 2022-23 authorizes the District Manager to execute and record the Notice of Release of assessment lien thereby eliminating that amount from the tax roll.

Vice President Whitehead moved to adopt Resolution 2022-23 approving the release of the assessment lien for water Assessment District 1995-1. Director Richison seconded. The vote was unanimous. Motion carried.

- IV Review and Approve Shasta County American Rescue Plan Act Water Infrastructure Grant Program Application: Mr. Muehlbacher stated that the American Rescue Plan (ARP) was passed in 2021 to help the county recover from the Covid 19 pandemic. Shasta County has been allocated \$34.9 million to invest locally. Funds will be distributed among applying Districts. \$142,000 is allocated for Centerville CSD. He mentioned that the Resource and Planning Committee discussed using the grant for an AMI system. The deadline is December 8<sup>th</sup> for the grant application.

Director Woodstrom moved to approve Mr. Muehlbacher submitting the application for the ARP Grant. Vice President Whitehead seconded. The vote was unanimous. Motion carried.

- V Schedule a Special Board Meeting for December 14<sup>th</sup> and Cancel the Regular Board Meeting on December 21<sup>st</sup>: Director Hopson moved to move the meeting from December 21<sup>st</sup> to December 14<sup>th</sup>. Director Richison seconded. The vote was unanimous. Motion carried.

#### **OLD BUSINESS:**

- I Review and Discuss Water Allocation and Water Supply: Mr. Muehlbacher stated that October ended with consumption of 127 acre-feet. He mentioned that November is trending at 63 acre-feet for the month. He stated that the weather outlook is showing a possibility of more rain in the new year.
- II Meeting Room Conversion Project Update: Mr. Muehlbacher stated that the project is almost complete. The lights were installed today. The HVAC, tile and doors remain to be installed. Thus far, the change orders total approximately \$4,000. He mentioned that the ceiling needed to be screwed down and retextured which was a change order of approximately \$3,500.
- III Muletown Pump Station Generator Project Update: Mr. Muehlbacher stated that he has been working with the consultant. Because we are a subcontractor for the City of Redding, the request for the increase of budget needs to come from the City.
- IV Accept the Diggins Repeater Emergency Generator Project: Mr. Muehlbacher stated that the project is nearly complete, the only thing left to do is install the fence. He stated that Power by Tim was paid this evening. Director Hopson moved to approve the project. Director Woodstrom seconded. The vote was unanimous. Motion carried.
- V Carr Fire Recovery Project Status Update: Mr. Muehlbacher stated that he is still working with the consultant. There is nothing new to report at this time.

#### **GENERAL BUSINESS:**

- I Correspondence: None
- II President's Report: None
- III Manager's Report: Mr. Muehlbacher stated that field operations have been quiet, providing a focus on maintenance. There have been no line replacements this month. He mentioned that there was a WAC meter installed on Silver King. There are now only 18 WAC customers remaining in the District.
- IV Committee Reports: None.
- V Announcements: The next Board Meeting is December 14<sup>th</sup>.
- VI Adjournment: 8:40 pm.