

CENTERVILLE COMMUNITY SERVICES DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Richison, Vice President Woodstrom, Director Oliver and Director Whitehead
Absent: None
Others Present: Larry Hopson, Colin Bogener, Paul Reuter, Keith Myers, Tina Teuscher and Chris Muehlbacher

PRELIMINARY BUSINESS:

I Call to Order: President Richison called the meeting to order at 7:00 pm.

II Public Comment Period: President Richison opened the public comment period.

III Approval of the Minutes Vice President Woodstrom moved to adopt the minutes from the Regular Board Meeting held November 18, 2020. Director Oliver seconded. President Richison called for a roll call vote: Director Oliver – yes; Director Whitehead – yes; Vice President Woodstrom – yes and President Richison – yes. The vote was unanimous. Motion carried.

IV Authorize Payment of Bills for Current Expenses: Director Whitehead moved to pay the bills. Vice President Woodstrom seconded. Mr. Muehlbacher stated that the payment to the Bureau of Land Management is the annual lease payment. The Merchants Bank of Commerce Fiscal Agent payment is for the semi-annual principal and interest payment for the DWR 1995-1 loan. The O2 Staffing payment is for the temp workers for the Zone C tank project. The Peterson payment is for the annual maintenance on the backhoe.

President Richison called for a roll call vote: Director Oliver – yes; Director Whitehead – yes; Vice President Woodstrom – yes and President Richison – yes. The vote was unanimous. Motion carried.

V Status of the Budget Report: Mr. Muehlbacher stated that the O&M revenues were \$777,013 verses expenses of \$534,739. He mentioned that the District is currently purchasing water from Clear Creek CSD and will continue to do so for the remainder of the Water Year. Vice President Woodstrom stated that last month Director Oliver asked about the late fees. He asked if Mr. Muehlbacher had a chance to look at those fees and see if it is a handful of customers who are affected by the virus that are incurring the bulk of these charges. The Board would like Mr. Muehlbacher to look at this further and share the information with the appropriate committee.

Mr. Muehlbacher stated that the Capital revenue was \$58,746 verses expenses of \$ 52,384. He stated that the notable changes are related to the AC pipe study.

Reserve Fund Status Sheet: There is a total reserve of \$1,148,206. He stated that the O&M Reserve increased by approximately \$41,000. The Carr Fire Fund decreased due to the Zone B pipeline easement expenses.

NEW BUSINESS:

- I Board of Director's Annual Re-organization Session for the 2021 Calendar Year: Director Whitehead moved to elect Vice President Woodstrom as the President and Director Oliver as Vice President. President Richison seconded. Roll Call vote: President Richison called for a roll call vote: Director Oliver – yes; Director Whitehead – yes; Vice President Woodstrom – yes and President Richison – yes. The vote was unanimous. Motion carried.

Both the Committee Selection and appointment to the Centerville Education Foundation were tabled until next month.

- II Review and Discussion of a Purchasing Policy: Mr. Muehlbacher stated that he is currently working with the Finance Committee and the District's Attorney to create a Purchasing Policy. He stated that Mr. Bogener, the District's Attorney, was present to answer any questions regarding the policy.

Mr. Bogener stated that the current Public Contract Code states that any public works contract over \$5,000 must be competitively bid, and the contract must go to the lowest bidder. However, AB2249 provides that any public project under \$60,000 can be done by force account, negotiated contract or purchase order. This means that the District could have its own employees do the work or could hire independent contractors to do the work as long as the District was the supervising force.

He stated that any project under \$200,000 can be informally bid, which simplifies the bidding process.

Projects over \$200,000 must abide by formal bidding procedures, which means an engineer must put together the plans and specifications and notice the project in the newspaper.

He also mentioned that if a project is over \$60,000 and after receiving bids for the project, the Board decides that it would be best to use the force account, they can with a 4/5 vote.

Mr. Bogener stated that if the Board wanted to adopt the Policy, they would need to adopt a Resolution formally adopting the CUPCCA (CA Uniform Public Construction Cost Act), adopt an Ordinance setting forth the informal bidding procedures and compile a list of contractors.

Director Whitehead asked what additional risks the District would be put under. Mr. Bogener stated none. He explained that the Board could always go through the bidding process, this just provides another simplified option.

Vice President Woodstrom stated that everyone should take a few more weeks to review the information provided. The Board agreed to table this until next month.

III Review and Approve Tank Coating Approach: President Richison stated that the Resource and Planning Committee could not make a decision for recommendation, so it is being presented to the Board for direction. He stated that his recommendation is to go with PACE Engineering's suggested 10-year approach because it will save the District a lot of money.

Director Whitehead stated that he was not comfortable with entering into a 10-year agreement. He would rather the District fix the tank that was damaged in the Carr Fire and then continue to consider entering into a maintenance agreement for the remaining tanks.

Mr. Reuter stated that although he does not have a lot of experience with maintenance programs, he believes it is the right direction for the District.

The Board directed the District Manager to bring this back to the Resource and Planning Committee to review further and specifically respond to the following:

1. Respondents need to propose upon the same "scope of work" and using the same timing with similar specifications.
2. Respondents need to demonstrate the financial capacity whereby the District is protected.

OLD BUSINESS:

I Update on the Carr Fire Recovery Projects: Mr. Muehlbacher stated that the Zone B pipeline easement clearing finished on time and under budget. The Zone A tank coating repair received another extension until the end of 2021 and will unlikely be extended any further.

II Authorization to Solicit Bids for the Middletown Park PRV Project: Mr. Muehlbacher stated that PACE Engineering completed the design and specifications for the PRV improvement. This project is identified in the District's Water Master Plan.

Director Whitehead moved to authorize the Manager to solicit bids for the Middletown Park PRV Project. Vice President Woodstrom seconded. President Richison called for a roll call vote: Director Oliver – yes; Director Whitehead – yes; Vice President Woodstrom – yes and President Richison – yes. The vote was unanimous. Motion carried.

III Update for the AC Pipe Condition Assessment Study: Mr. Muehlbacher stated that this item will be presented at the January meeting and that the reports should be completed in the near future.

GENERAL BUSINESS:

I Correspondence: Mr. Muehlbacher stated that the only correspondence included was the letter from District Counsel to Mr. Ankeny's public records request.

II President's Report: President Richison stated that it had been an interesting year. He thanked everyone for their patience as he navigated the introduction of Zoom Meetings.

- III Manager's Report: Mr. Muehlbacher stated that the EDD grant workers have been working out very well. He stated that he submitted for another ACWA JPIA grant for an additional generator. He also mentioned that the field staff operators replaced four service lines.
- IV Committee Reports: Vice President Woodstrom stated that the Finance Committee reviewed the Purchase Policy and asked that everyone give Mr. Muehlbacher comments regarding what was shared in the Board packet.
- V Announcements: Next scheduled board meeting is January 20, 2021.
- VI Adjournment: Meeting adjourned at 8:22 pm.