

CENTERVILLE COMMUNITY SERVICES DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Hopson, Vice President Oliver, Director Woodstrom, Director Whitehead and Director Richison

Absent: None

Others Present: Tina Teuscher and Chris Muehlbacher

PRELIMINARY BUSINESS:

1. Call to Order: President Hopson called the meeting to order at 7:01 pm.
2. Public Comment Period: President Hopson opened the public comment period. No comments were received. The public comment period was closed.
3. Approval of March 19 2025, minutes: Vice President Oliver moved to approve the minutes. Director Woodstrom seconded. The vote was unanimous. Motion carried.
4. Authorize Payment of Bills for Current Expenses: Director Richison moved to pay the bills. Director Whitehead seconded. Mr. Muehlbacher stated that the payment to Airgas is for a calibration unit for the air sampling tool used for confined spaces. The Foothill Fire Protection payment is for the annual fire extinguisher inspections. The vote was unanimous. Motion carried.
5. Status of the Budget Report: Mr. Muehlbacher stated that the O&M revenue thru March was \$1,067,254 versus expenses of \$1,059,602. He mentioned that March's consumption continues to trend lower than what was budgeted. Clear Creek CSD expenses are trending lower than budget. He mentioned that the A1 Tank Generator expense will be moved to the A1 Repair and Maintenance account.

The Capital revenue was \$170,043 versus expenses of \$156,121. He mentioned that March received no revenue. Regarding expenses, the Tank Coating Program shows expenses regarding the A1 project and the NBS Admin Fees are reflected under the Texas Springs Admin Fees.

Reserve Fund Status Sheet: The total reserve is \$1,306,540. Mr. Muehlbacher stated that the CIR Reserve increased due to the payment from the City of Redding for the Muletown generator project. The O&M Reserve decreased due to O&M expenses.

NEW BUSINESS

1. Public Hearing to Consider Adoption of Resolution No. 2025-01 Amending the Plant Capacity Charge: President Hopson opened the public hearing. No public was present. Public hearing closed. Director Woodstrom moved to adopt Resolution No. 2025-01 amending the Plant Capacity Charge. Director Whitehead seconded. President Hopson called for a roll call vote: Director Richison – yes; Director Whitehead – yes; Director Woodstrom – yes; Vice President Oliver – yes and President Hopson – yes. Motion carried.

- 2 Consider a COLA for Fiscal Year 2025-26: Mr. Muehlbacher stated that the proposed COLA is consistent with the COLA policy. He mentioned that this increase was considered in the budget process and the Finance Committee recommends the Board's approval for budgeting purposes. President Hopson stated that he has an issue with automatic raises. Director Woodstrom suggested that the Personnel Committee review a salary survey sometime in the next five to six months.

Director Richison moved to approve the COLA. Director Woodstrom seconded. The vote was unanimous. Motion carried.

- 3 Review and Adoption of the Preliminary O&M Budget for Fiscal Year 2025-26: Mr. Muehlbacher stated that this year consumption is anticipated to finish 6% higher than budget and Clear Creek's O&M expense is \$13k lower than budgeted.

Mr. Muehlbacher stated that the proposed budget assumes a 3% increase to consumption; as well as increases to the following expenses: liability insurance, SWRCB fees, salaries, pension and Worker's Comp Insurance.

He stated that the Finance Committee recommends a \$ 0.50 increase to the Base Rates and a \$2.00 increase to both A and A1 Base Rate Surcharges.

Director Woodstrom stated that the Finance Committee spent a lot of time on this. Vice President Oliver stated that he would like to propose a \$1.00 increase to the Base Rates to be consistent with the CPI.

Director Woodstrom moved to adopt the budget as presented. Director Whitehead seconded. All Directors voted yes except Vice President Oliver who voted no. Motion carried.

- 4 Authorize Providing Notice Pursuant to Proposition 218 for Rate Increases and Set Public Hearing for June 18, 2025 for Board to Consider Rate Increases for Water Rates, Pump Surcharge Fees, and Water Availability Charge and Consider Any Protests Submitted: Director Richison moved to approve the notice and set the public hearing for June 18, 2025. Vice President Oliver seconded. The vote was unanimous. Motion carried.

OLD BUSINESS:

- 1 Muletown Pump Station Generator Project Update: Mr. Muehlbacher stated that CalOES had changes to the Benefit Cost Analysis. To be a viable project it has to exceed a score of 1. This project has a score of 5, meaning that the benefit of the project is five times more than the cost of the project. He stated that he used their assumptions and their calculations instead of historical data. The project has cleared CalOES and is now going to FEMA for review and approval.
- 2 Carr Fire Recovery Project Update: Mr. Muehlbacher stated that he received a letter from CalOES stating that FEMA has completed its review. We should receive a close out packet in the mail soon.
- 3 PLC, Radio and Antenna Replacement Project Update: Mr. Muehlbacher stated that the equipment should arrive later this month. Once it is here, they will start the project.

GENERAL BUSINESS:

1 Correspondence: None.

2 Director's Report: None

3 Manager's Report: Mr. Muehlbacher stated that the Ad Hoc Committee met on April 10th with Clear Creek. He mentioned that the EAR Report was submitted on March 31st. He also stated that himself, Tina and Dan attended Cultivating a Culture of Authentic Collaboration training.

He mentioned that PACE Engineering was working on the fire flows; however, field efforts are on hold until the A1 Tank improvements are complete.

Field staff replaced three service lines this month.

4 Committee Reports: Vice President Oliver stated that the Ad Hoc Committee met last week. He stated that he met two Clear Creek Board Members and their manager. They were very knowledgeable and had put a lot of effort into the project. He stated that he felt that they were really apologetic for their past board. He believes they will be easy to work with. Director Woodstrom stated that they agreed to meet quarterly.

5 Announcements: The next Board Meeting will be May 21, 2025.

6 Adjournment: The meeting adjourned at 7:58 pm.