

CENTERVILLE COMMUNITY SERVICES DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

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

Absent: President Oliver

Others Present: Tina Teuscher and Chris Muehlbacher

PRELIMINARY BUSINESS:

1. Call to Order: President Richison called the meeting to order at 7:00 pm.
2. Public Comment Period: President Richison opened the public comment period. No comments were received. The public comment period was closed.
3. Approval of the March 20, 2024 minutes: Director Whitehead moved to approve the minutes. Vice President Hopson seconded. The vote was unanimous. Motion carried.
4. Authorize Payment of Bills for Current Expenses: Vice President Hopson moved to pay the bills. Director Woodstrom seconded. Mr. Muehlbacher stated that the payment to Butler Engineering is for the engineering of the path of travel to the shop building. The Mead and Hunt payment is for the Muletown Pump Station generator. The NBS payment is the quarterly admin fees for the Texas Springs Assessment. The vote was unanimous. Motion carried.
5. Status of the Budget Report: Mr. Muehlbacher stated that a new report was added to the Board packet called O&M Performance. He stated that this report shows both the month and the yearly totals. The Board liked the new report but asked that the dollar difference be shown instead of the percentage.

Mr. Muehlbacher stated that the O&M revenue year to date was \$910,628 versus expenses of \$943,773. Consumption remains at 98% of budget.

Mr. Muehlbacher stated that the Capital revenue was \$198,801 versus expenses of \$31,528.46. He stated that the report reflects the Texas Springs Admin payment to both NBS and Centerville CSD. The Skiles Deferred capacity charge is also reflected. He mentioned that there is a new line item for the shop building.

Reserve Fund Status Sheet: The total reserve is \$ 1,211,341.89. He stated that the CIR reserve increased due to taxes and the O&M reserve decreased due to moving the WTP fees, and both the Consumption Surcharge and Taxes to CIR.

NEW BUSINESS

1. Approval of Financial Statements for Fiscal Year Ending June 30, 2023: Ms. Kalah Horton presented the Financial Statements to the Board via Zoom. The audit was clean and there were no recommendations from the auditor.

Director Woodstrom moved to accept the Financial Statements for Fiscal Year Ending June 30, 2023. Director Whitehead seconded. Motion carried.

2 Consider Authorizing the Purchase of a Vac Trailer Rolling Stock Asset: Mr. Muehlbacher stated that staff received bids and the low bid was \$73,000. He explained that the District has spent well over \$36k on renting a Vac Trailer since 2018. Not only will staff be able to respond to leaks faster, the District will save money on overtime, rental fees and fuel. Vice President Hopson moved to purchase the Vac Trailer. Director Woodstrom seconded. The vote was unanimous. Motion carried.

3 Public Hearing to Consider Adoption of Resolution No. 2024-01 Amending the Plant Capacity Charge: President Richison opened the public hearing. No comments were received. The public comment period was closed. Mr. Muehlbacher stated that the capacity charge is calculated by PACE Engineering and is consistent with the District's Water Master Plan.

Vice President Hopson moved to adopt Resolution 2024-01 amending the Plant Capacity Charge. Director Woodstrom seconded. President Richison called for a roll call vote. Director Whitehead – yes; Director Woodstrom – yes; Vice President Hopson – yes; and President Richison – yes. Director Oliver – absent. Motion carried.

4 Review and Adoption of the Preliminary O&M Budget for Fiscal Year 2024-25: Mr. Muehlbacher stated that the 2024/25 budget has a gross loss of \$58k. He went through the increases for the year which included property and workman's comp insurance, the SWRCB fees, and CalPERS. He also mentioned that the budget includes a 4.22% salary increase for all employees and a prepayment amount for the unfunded liability has been added for both the Classic and Pepra members. Repair and maintenance costs will be less with the purchase of the new vac trailer.

Mr. Muehlbacher stated that it is the recommendation of the Finance Committee to increase the base rate by \$2 and the consumption rate by .05 cents. Zone A customers are also proposed a surcharge increase of \$2.50 and consumption surcharge increase of \$.03.

Director Woodstrom moved to adopt the preliminary 2024/25 O&M Budget. Director Whitehead seconded. Motion carried.

5 Authorize Providing Notice Pursuant to Proposition 218 for Rate Increases and Set Public Hearing for June 19, 2024 for Board to Consider Rate Increases for Water Rates, Pump Surcharge Fees, and Water Availability Charge and Consider Any Protests Submitted: Vice President Hopson moved to set the public hearing for June 19, 2024. Director Woodstrom seconded. The vote was unanimous. Motion carried.

OLD BUSINESS:

1 Muletown Pump Station Generator Project Update: Mr. Muehlbacher stated that they met with the design engineer, and the project is currently on schedule. They anticipate 90% design late May.

2 Carr Fire Recovery Project Update: Mr. Muehlbacher stated that he got a new representative assigned to the remaining project. He is hoping to have closure soon.

CLOSED SESSION

1. Conference with Real Property Negotiations (§ 54956.8): Sale of water for 2024/2025 Water Year: President Richison stated that the Board went into closed session at 8:00 pm and returned at 8:08 pm. The Board directed the Manager to sell the exchange water per the contract.

GENERAL BUSINESS

1. Correspondence: Included in the packets was the letter from ACWA JPIA regarding the Award of the ACWA Grant for the Walk Behind Cement cutter.
2. Director's Report: None
3. Manager's Report: Mr. Muehlbacher stated that the new CalFire Battalion Chief Mr. Dusty Gyves stopped by the office to introduce himself and stated that he would like to get the use agreement completed.

Mr. Muehlbacher stated that field staff operators completed 28 out of 90 air valves. Tank C2 is now complete. It was recoated and is now back in service.

4. Committee Reports: None
5. Announcements: The next regular Board Meeting will be held May 15, 2024.
6. Adjournment: Meeting adjourned at 8:09 pm.