

CENTERVILLE COMMUNITY SERVICES DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Oliver, Director Woodstrom, Director Richison and Director Hopson
Absent: Vice President Whitehead
Others Present: 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. Ms. April Carroll stated that she lives on Rocklin Way. They are currently experiencing problems with their bridge and culvert. She stated that the District's water main is under their bridge. She asked if she could be shown where the shut off valve was for the water main and shown how to turn it off. She is concerned about something happening with the Bridge and breaking the water main. She does not want to be responsible for the loss of water. President Oliver asked her to speak to the District Manager. Mr. Muehlbacher stated that they would need to contact the District Office and have the on-call operator come out and turn off the water main if something were to happen.
- Mrs. Ankeny asked if the main broke would they be charged for the water. Mr. Muehlbacher stated no. They are only charged when it goes through their meter.
- Mr. Ankeny stated that he went through the Board packet on the website. He is wondering why those who already have a high-water allocation, would be granted a variance to use more water and he and others are required to continue to conserve.
- No other 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 Richison seconded. Mr. Muehlbacher stated that all of the bills this evening are routine. He mentioned that the Fire Company has agreed to pay for half of the new ice machine. The vote was unanimous. Motion carried.
- IV Status of the Budget Report: Mr. Muehlbacher stated that the O&M revenues were \$1,236,182.86 verses expenses of \$1,169,397.89. Revenues are trending on budget. He stated that the Clear Creak invoice is not reflected on this O&M, so when that invoice is added, it will trend closer to 100% of budget.
- Mr. Muehlbacher stated that the Capital revenue was \$295,962.43 and expenses were \$417,488.86. He mentioned that taxes were received last month. The final Berkadia payment is reflected here.
- Reserve Fund Status Sheet: The total reserve is \$1,118,939.81. Mr. Muehlbacher stated that taxes were transferred in and the pending transfers were made.

CONSENT AGENDA:

- I Approval of the minutes of: May 18, 2022 Regular Board Meeting;
- II Continue local emergency pursuant to AB 361 due to COVID-19 directly impacting members to meet in person: Director Richison moved to approve the consent agenda items. Director Woodstrom seconded. President Oliver called for a roll call vote: Director Hopson – yes, Director Woodstrom – yes, Director Richison – yes, Vice President Whitehead – absent and President Oliver – yes. Motion carried.

NEW BUSINESS:

- I Review and Approve Resolution 2022-09 Ordering Board of Directors Election, Consolidation of Elections, and Specifications of the Election Order: Director Woodstrom moved to approve Resolution 2022-09 ordering the Board of Directors election. Director Hopson seconded. Mr. Muehlbacher stated that there were three seats up for election.

President Oliver called for a roll call vote: Director Hopson – yes, Director Woodstrom – yes, Director Richison – yes, Vice President Whitehead – absent and President Oliver – yes. Motion carried.

- II Review and Approve a Professional Services Agreement with Horton, McNulty & Saeteurn for Annual Audit Services: Mr. Muehlbacher stated that the request for proposal was sent to nine different auditors. The District only received one response. Director Woodstrom moved to approve Horton, McNulty and Saeteurn’s Professional Services Agreement for annual audit services. Director Hopson seconded.

President Oliver called for a roll call vote: Director Hopson – yes, Director Woodstrom – yes, Director Richison – yes, Vice President Whitehead – absent and President Oliver – yes. Motion carried.

- III Review and Adoption of Resolution 2022-11 – Establishing the Tax Appropriation Limitation for Fiscal Year 2022-23: Mr. Muehlbacher stated that this is an annual State requirement. The State Department of Finance creates the calculation factors. First they create the Price Factor which is a cost of living factor per capita personal income in the area. Then there is the Annual Percent Change in Population Minus Exclusions. The District uses the Unincorporated figure. These figures are used to calculate the limit.

Director Richison moved to adopt Resolution 2022-11 Establishing the Tax Appropriation Limits for Fiscal Year 2022-23. Director Hopson seconded.

President Oliver called for a roll call vote: Director Hopson – yes, Director Woodstrom – yes, Director Richison – yes, Vice President Whitehead – absent and President Oliver – yes. Motion carried.

OLD BUSINESS:

I Tank Maintenance Program Update: Mr. Muehlbacher stated that the remaining tasks for the first year of the Tank Maintenance Program are the visual inspections for Tank A and C2. The contractor will schedule these in the near future while working on other neighboring projects.

II Review and Discuss Water Allocation and Water Supply: Mr. Muehlbacher stated that the District is actually doing very well. If the trend continues we should end June with an additional 18 AF for the year. President Oliver asked if he had heard anything from the City of Redding. Mr. Muehlbacher stated that he had sent off the signed contract. He is very hopeful that the contract will be signed by the City of Redding before month's end.

III Review and Approve Landscape Maintenance District Water Allocation Schedules: Mr. Muehlbacher stated that the Resource and Planning Committee recommends that the Board approve the Landscape Maintenance District's water allocations for the City of Redding.

Director Woodstrom moved to approve the Landscape Maintenance District Water Allocation Schedules. Director Richison seconded. The vote was unanimous. Motion carried.

IV Review and Approve Water Allocation Variance Requests: Mr. Muehlbacher stated that the Resource and Planning Committee recommends that the Board approve the subject water allocation variances. He stated that there are 228 customers that use less than the minimum of 21,000 cubic feet a year. Based on their historical usage, this is an additional 60 acre-feet of water that the District can use. The net difference of what was allocated to the variance requests and what the new calculated allocations are is a total of 3.3 acre-feet. He recommends that the Board approve the variances.

Director Richison asked why the 60 extra acre-feet were not divided up and given to all customers. Director Hopson stated that some of these individuals asking for a variance lost their homes in the Carr fire, they had no usage in 2019, so they are asking that their allocation be based on a year where they actually used water. There are others who bought a house where one person lived and now there is a large family living there.

Director Woodstrom stated that if the District is successful buying water from the City of Redding, everyone's allocation will increase, because the District will likely go into Stage II of the Drought Plan.

Director Woodstrom moved to approve the water allocation requests. Director Richison seconded. The vote was unanimous. Motion carried.

V Meeting Room Conversion Project Update: Mr. Muehlbacher stated that there has been a lot of interest from surrounding contractors. Bids will be opened on Monday June 24th.

- VI Muletown Pump Station Generator Project: Mr. Muehlbacher stated that CalOES is recommending that we request a noncompetitive procurement authorization. He stated that he will be submitting that this week. Director Hopson asked if the District received the approval for only getting one bid. Mr. Muehlbacher stated that we were still in the process.
- VII Diggins Repeater Emergency Generator Project: Mr. Muehlbacher stated that staff continues to pursue quotes for the permit and installation of the generator.
- VIII Update on Carr Fire Recovery Project Status: Mr. Muehlbacher stated that we finally got a CalOES Close out Specialist to help with the Disaster close out. He stated that once the process is complete the remaining reserves will officially become the Districts.

GENERAL BUSINESS:

- I Correspondence: None
- II President’s Report: None
- III Manager’s Report: Mr. Muehlbacher stated that he has been working with Collin to finalize the District’s Ordinance.

Regarding field maintenance and repairs, he stated that there was a service line leak on Drexel that was repaired. The 16” meter for the Muletown Turnout was ordered.

As of last Friday, the Smart Center grant workers are done. He mentioned that the program was successful, and they accomplished a great deal at District sites.

He stated that the Resource and Planning Committee received a variance request for a property who is adding a second residence. After meeting with Collin and the Resource and Planning Department it is their recommendation that the Board require the property owner to install a second meter.

Director Woodstrom asked if there was a policy regarding second dwellings. Mr. Bogener stated that the District is following State law; when an ADU is being placed on a property the law is different. He mentioned that with an ADU it is ok to use one meter, but in this instance when it is a second dwelling a meter can be required. Director Woodstrom asked if Mr. Bogener and Mr. Muehlbacher were going to draft a new District Policy regarding second dwellings. Mr. Bogener stated yes.

- IV Committee Reports: Director Hopson stated that the Resource and Planning Committee met and discussed conforming our Drought Contingency Plan to the State’s template. Their plan has six stages. They also discussed stopping the smart meter technology pilot program.
- V Announcements - None

CLOSED SESSION:

I Annual review of District Manager's Performance (§54957): President Oliver stated that the Board went into closed session at 8:11 and came out at 8:50 pm. No reportable action was taken.

GENERAL BUSINESS CONTINUED:

VI Adjournment: 8:50 pm.