

CENTERVILLE COMMUNITY SERVICES DISTRICT  
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Woodstrom, Vice President Oliver, Director Whitehead and Director Hopson  
Absent: Director Richison  
Others Present: Roger Ankeny, Gene Campbell, Cindy Johnson, Rob and Elizabeth Province, Keith Myers, Matt Tasch, Collin Bogener, Paul Reuter, Tina Teuscher and Chris Muehlbacher

**PRELIMINARY BUSINESS:**

I Call to Order: President Woodstrom called the meeting to order at 7:15 pm.

II Public Comment Period: President Woodstrom opened the public comment period. Roger Ankeny stated that he had sent a request to Mr. Muehlbacher asking to have certain items added to the agenda for the public hearing. He stated that he received an email from Mr. Muehlbacher stating that he denied his request and that he was perturbed. He would like his questions on the agenda for next month. He stated that he had questions regarding wages and benefits. President Woodstrom asked that Mr. Ankeny contact Mr. Muehlbacher regarding all questions about the budget.

Gene Campbell asked if there was going to be an in-person public meeting for the next public hearing. Director Woodstrom stated that customers may either come to the meeting in person at the District Office, or they can attend by Zoom.

Cindy Johnson stated that she was concerned about the Tank Coating Project. She stated that she heard that there were problems with the contract and was wondering what the Board had done prior to awarding the project. President Woodstrom stated that he believed that after she heard the staff report presented by the District Manager under Old Business, all of her questions and concerns would be answered.

No other comments were received, the public comment period was closed.

III Approval of the Minutes: Director Hopson moved to adopt the minutes from the Regular Board Meeting held June 9, 2021. Vice President Oliver seconded. President Woodstrom called for a roll call vote: Director Whitehead – yes; Director Hopson – yes, Vice President Oliver – yes and President Woodstrom – yes. Director Richison – absent. Motion carried.

Vice President Oliver moved to adopt the minutes from the Special Board Meeting held July 7, 2021. Director Hopson seconded. President Woodstrom called for a roll call vote: Director Whitehead – yes; Director Hopson – yes, Vice President Oliver – yes and President Woodstrom – yes. Director Richison – absent. Motion carried.

IV Authorize Payment of Bills for Current Expenses: Vice President Oliver moved to pay the bills. Director Hopson seconded. Mr. Muehlbacher stated that the payment to ACWA JPIA is for the property insurance. The payment to Bullert Industrial is for repairs at the A Pump Station. Both the Centerville CSD Redemption and Texas Springs Water Project payments are pass-through tax dollars. The Merchant Bank of Commerce payment is for the DWR payment, this is usually paid in June but the invoice was received late. The NBS payments are quarterly admin fee payments for both assessment districts. The USA North payment is for the annual USA underground alert membership.

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

V Status of the Budget Report: Mr. Muehlbacher stated that the O&M revenues were \$1,470,535 verses expenses of \$1,289,402. He stated that consumption revenue has trended higher all year, due to increased usage. The Zone A1 revenue came in under what was projected. Regarding expenses both Zones A and A1 had expenses this year that far exceeded the revenues received. He mentioned that this is the reason for the proposed surcharge increase for both zones.

Regarding wages and benefits, the year finished under budget by approximately \$40,000 due to two employees taking unpaid leaves of absence.

Mr. Muehlbacher stated that the Capital revenue was \$439,164 verses expenses of \$214,274. He mentioned that that the capacity fee revenue represents the sale of four new meters. Miscellaneous revenue reflects money received from the sale of the dump truck, trailer, service truck and the grant money for the generator. Regarding expenses, the DWR semi-annual payment is not reflected on this monthly report because we received the bill late and it is just being paid this evening.

Reserve Fund Status Sheet: There is a total reserve of \$1,258,673.88. The O&M Reserve increased by \$13,055.53 resulting from the transfer from the Pump Station Reserve to cover the expenses for the Zone A and A1 Pump Stations. The Texas Springs Assessment decreased by \$6,634.41 due to the DWR payment.

### **NEW BUSINESS:**

None

### **OLD BUSINESS:**

I Review and Authorize Agreements for Tank Coating Program: President Woodstrom asked if the public had any comments regarding the Tank Coating Program. Mr. Ankeny asked what the total project cost was. Mrs. Johnson stated that she had heard that the contract was incomplete and that the Board had not done their due diligence to seek bids and vet vendors. President Woodstrom stated that once the staff report has been read, all of the questions or concerns should be addressed.

Mr. Muehlbacher stated that at the June meeting the Board awarded the project to Superior Tank Solutions subject to finalizing the agreement. He stated that the total cost of the project is \$1,717,400 over a 10-year period. The first year will cost \$235,650 and will consist of the Zone A tank being recoated. The entire 10-year project will be fully funded from the Capital Improvement Reserves. No rate increase is necessary.

Mr. Muehlbacher stated that this project started in 2015, when the District had the tanks inspected and began evaluating the requirements for removing them from service and coating the tanks. In September of 2020 the Board authorized the District Manager to solicit a Request for Qualifications and Proposals. Four responses were received. The District Manager, Resource and Planning Committee and Paul Reuter then interviewed three vendors. After vetting each of the vendors it was their recommendation that the Board award the project to Superior Tank Solutions subject to finalizing the agreement.

At the July 7<sup>th</sup> meeting, the Board provided comments regarding the agreement.

Director Hopson moved to approve the Superior Tank Solutions agreement with the addition of page numbers to Exhibit A and a minor edit to the document. Director Whitehead seconded. President Woodstrom called for a roll call vote: Director Whitehead – yes; Director Hopson – yes, Vice President Oliver – yes and President Woodstrom – yes. Director Richison – absent. Motion carried.

- II Review and Discuss Water Allocation and Water Supply For Water Year 2021-22: Mr. Muehlbacher stated that with the Board authorizing the purchase of the additional 400 acre-feet from McConnell, we are in a strong position with our water supply. He recommends staying in Stage O of the Drought Contingency Plan at this time. Director Hopson mentioned that they are calling for a LaNina year which means low rain fall. Mr. Muehlbacher stated that he is watching the trends closely.

**GENERAL BUSINESS:**

- I Correspondence: Included in the packets was an email from a customer on Plateau Circle thanking Operator Dan Peters and the crew for the repair they did at his home. The packets also included the letter from Berkadia stating that the loan matures on June 1, 2022.
- II President's Report: None.
- III Manager's Report: Mr. Muehlbacher stated that the Board Packets will now be placed on the website before the Board Meeting. The Muletown Pump Station swamp cooler received a temporary repair. He mentioned that he ordered a generator for the Zone A1 Tank Site using the grant from ACWA JPIA which should be onsite in August. The Zone A Pump #2 had a interlock relay that was replaced by Bullert.
- IV Committee Reports: None.
- V Announcements: The next scheduled Special Board Meeting will be July 29<sup>th</sup>, and the next Regular Board Meeting will be held August 18, 2021.

**CLOSED SESSION:**

- I Conference with Legal Counsel – Existing Litigation (§54956.9) Name of Case: Roger Ankeny v. Centerville Community Services District, Case No. 21CL0031: President Woodstrom stated that the Board went into Closed Session at 8:32 pm. No reportable action was taken.

**GENERAL BUSINESS CONTINUED:**

- VI Adjournment: The meeting adjourned at 8:49 pm.