RESOLUTION NO. 2018–08 RESOLUTION NO. PFA-03 ORDINANCE NO. 2018–01

MINUTES

CALAVERAS COUNTY WATER DISTRICT REGULAR BOARD MEETING

MARCH 14, 2018

Directors Present:

Scott Ratterman, President Russ Thomas, Vice President Bertha Underhill, Director Terry Strange, Director

Jeff Davidson, Director (arrived at 1:06 p.m.)

Staff Present:

Dave Eggerton, General Manager Mona Walker, Clerk to the Board

Jeffrey Meyer, Director of Administrative Services

Charles Palmer, District Engineer

Peter Martin, Manager of Water Resources
Jesse Hampton, Interim Director of Operations

Robert Creamer, Engineering Analyst

Others Present:

Shawn Koorn, HDR Engineering Inc.

Vickie Mills

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

President Ratterman called the Regular Board Meeting to order at approximately 1:05 p.m. and led the pledge of allegiance. Director Davidson was absent.

2. PUBLIC COMMENT

There was no public comment.

3. CONSENT AGENDA

MOTION:

Directors Thomas / Strange – Approved Consent Agenda Items:

3a, Minutes of Board Meetings of February 14, and

February 28, 2018; 3b, Review Board of Directors Monthly Time Sheets for February 2018; and 3d, Approve the Cancellation of the

Regular Board Meeting of April 11, 2018

3a Approval of Minutes for the Board Meetings of February 14, and February 28, 2018

3b Review Board of Directors Monthly Time Sheets for February, 2018

Director Underhill pulled Item 3c from the Consent Agenda

Approve to Ratify Claim Summary #552 Secretarial Fund in the Amount of \$2,558,429.46 for February, 2018

(Jeffrey Meyer, Director of Administrative Services)

RES 2018-

Approve the Cancellation of the Regular Board Meeting of April 11, 2018 (Dave Eggerton, General Manager)

AYES:

Directors Thomas, Strange, Underhill and Ratterman

NOES:

None None

ABSTAIN: ABSENT:

Director Davidson

Director Davidson arrived at 1:06 p.m.

OFF CONSENT AGENDA

Director Underhill pulled Item 3c from the Consent Agenda

Approve to Ratify Claim Summary #552 Secretarial Fund in the Amount of \$2,558,429.46 for February, 2018

(Jeffrey Meyer, Director of Administrative Services)

RES 2018-08

MOTION:

Directors Underhill / Thomas – Adopted Resolution No. 2018-08 Approved to Ratify Claim Summary #552 Secretarial Fund in the

Amount of \$2,558,429.46 for February, 2018

<u>DISCUSSION:</u> Director Underhill inquired about payments for postemployment health benefits, and fuel costs. Director Thomas inquired about the building rental for temporary relocation of the mechanics shop, Six Mile Village sewage bills, and debt service interest from the DaLee Cassidy Assessment District in Valley Springs. Director Strange asked questions related to the District's phone system upgrades, slurry line escrow, and USGS program. Mr. Meyer responded to questions from the Board Members.

PUBLIC COMMENT: There was no public comment.

AYES:

Directors Underhill, Thomas, Strange, Underhill, Davidson and Ratterman

NOES: ABSTAIN: ABSENT: None None

4. NEW BUSINESS

4a Discussion / Direction Regarding Cost of Service and Rate Design Analysis (Jeffrey Meyer, Director Financial Planning)

<u>DISCUSSION:</u> Mr. Koorn of HDR Engineering addressed the Board and reviewed a PowerPoint presentation outlining the direction from the Board at their February 28th meeting on the rate setting process including: cost of service analysis, proposed water revenue transition plan and sewer rates in a level rate adjustment and proposed agriculture and drought rates. Mr. Koorn explained the proposed drought rates and the adjustment for five different stages of drought rates. Drought rates would be an option to the Board to implement when there are State-mandated drought reductions in place. The proposed drought rates could help maintain CCWD operations during State-mandated water restrictions. Current agriculture (Ag) rates are \$9.70 per acre-foot (AF), and it is proposed to include a rate increase in the Prop. 218 process to increase the Ag rates over a five year period, raised to \$18 per AF by 2022-23.

Mr. Koorn indicated that the rate analysis shows that under the proposed level rate adjustment, the sewer fund will borrow from the water fund for three more years in the five (5) year rate plan and then the rates will level and the sewer fund will then repay the water fund. After some discussion, the Board directed staff to move forward with the level rate adjustments for the proposed water and sewer rates and overall revenue adjustments. The next steps are to initiate the Proposition 218 process at the March 28th meeting, set a public hearing (May 23, 2018), notify customers (mail Proposition 218 notices), and conduct public outreach and town hall meetings.

Director Davidson had a concern about the use of the word "drought" for the water shortage rates and wants to consider using another term. Directors Strange and Underhill voiced their opinion on the proposed water and sewer rates. The Board provided direction to staff that it concurred with the rates presented and a public hearing date of May 23, 2018.

<u>PUBLIC COMMENT:</u> Ms. Vickie Mills commented on the proposed sewer rates for disadvantaged communities.

RECESS was called at 2:25 p.m. **SESSION RESUMED** at 2:34 p.m.

Discussion / Action Regarding Adoption of Mitigated Negative Declaration of the Jenny Lind Water Plant Pretreatment Improvement Project, CCWD CIP #11092 (Sch No. 2018012034 / HMGP #4240-1-1R) (Charles Palmer, District Engineer) RES 2018-09

On a motion made by Director Strange, and seconded by Director Thomas, a Public Hearing was opened.

<u>DISCUSSION:</u> Mr. Palmer gave some background information on the Jenny Lind Water Treatment Plant Pretreatment Project and constructing a pretreatment processing system for improving water quality. As required by the California Environmental Quality Act (CEQA), an Initial Study with Intent to Adopt a Mitigated Negative Declaration was prepared for the pretreatment project. The Initial Study was published for public review and the District received public comment which Mr. Palmer summarized.

PUBLIC COMMENT: There was no public comment.

President Ratterman closed the Public Hearing.

Mr. Palmer responded to questions from the Board Members.

MOTION:

Directors Strange / Davidson - Approved Resolution No. 2018-09

Adopting the Mitigated Negative Declaration and Mitigation Monitoring

and Reporting Plan of the Jenny Lind Water Plant Pretreatment

Improvement Project, CCWD CIP #11092, and Directed Staff to Prepare

and File a Notice of Determination

AYES:

Directors Strange, Davidson, Underhill, Thomas and Ratterman

NOES: ABSTAIN:

ABSENT:

None None

4c Presentation / Discussion Regarding the FY 2018/19 Draft Capital Improvement

Project (CIP) Program

(Charles Palmer, District Engineer)

<u>DISCUSSION</u>: Mr. Palmer indicated that a report on the FY 2018/19 draft 10 Year Capital Improvement Program (CIP) assessment was provided at the March 6th Engineering Committee for review. In his PowerPoint presentation, Mr. Palmer provided a draft list of CIP water/wastewater facility projects, and estimated costs for project construction/improvements. Projects are identified and prioritized by such factors as regulatory requirements, reliability and redundancy, safety, and maintenance. He reviewed key projects and addressed critical needs to pursue. The Wastewater CIP program is estimated at \$34,080,000, and the Water CIP program at \$50,701,000 over 10 years. Mr. Palmer stated that staff will receive comment and input from the Board and will return March 28th with a refined five (5) Year CIP program for adoption by the Board. Mr. Palmer responded to questions from Board Members relating to automated water metering, water main pipe replacement, and potential sewer line construction in the Copperopolis area.

PUBLIC COMMENT: There was no public comment.

This item was for information only; no action was taken.

4d Discussion / Action regarding Calling General District Election

(Dave Eggerton, General Manager)

RES 2018-10

MOTION:

Directors Davidson / Underhill – Adopted Resolution No. 2018-10

Approving to Consolidate the District Election with the General District

Election on November 6, 2018

Mr. Eggerton reported that adoption of the resolution is a required action by the Board requesting the County Board of Supervisors to include the District's Board of Directors election with the General Election on November 6, 2018.

PUBLIC COMMENT: There was no public comment.

AYES:

Directors Davidson, Underhill, Strange, Thomas and Ratterman

NOES:

None

ABSTAIN:

None

ABSENT:

None

4e

Discussion / Action Regarding Purchase of Property (APN 067-015-003)

in Copperopolis for future Wastewater System Upgrades

(Charles Palmer, District Engr./Robert Creamer, Eng. Analyst)

RES 2018-11

MOTION:

Directors Davidson / Underhill – Adopted Resolution No. 2018-11

Authorizing the Purchase of 4715 Tewa Court, (APN 067-015-003) in Copperopolis, CA for a cost of \$43,900, Funds to come from Fund 135

Capital Renovation and Replacement Sewer Funds

<u>DISCUSSION:</u> Mr. Palmer informed the Board that the District is interested in purchasing the property to construct improvements to the existing lift station as part of the larger sewer main relocation and lift station improvement project under design. Mr. Creamer described the property purchase location site and provided detail on the lift station project. Staff answered questions from the Board Members.

PUBLIC COMMENT: There was no public comment.

AYES:

Directors Davidson, Underhill, Strange, Thomas and Ratterman

NOES:

None

ABSTAIN:

None

ABSENT:

None

5. OLD BUSINESS

Nothing to report.

6. GENERAL MANAGER REPORT

Mr. Eggerton reported on the following activities: 1) staff is working with other agencies on the AB 142 (Bigelow) Wild and Scenic Report with the Natural Resource Agency to ensure that the District's interests are protected and move through the Legislature; and 2) report on legislative meetings regarding the WIIN Act at his Washington, DC trip on Feb. 12-14; and 3) he and Directors Ratterman and Davidson will be in Washington, DC in April for scheduled legislative visits and to attend a National Water Resources Association conference.

7. BOARD REPORTS / INFORMATION / FUTURE AGENDA ITEMS

<u>Director Strange</u> announced he will be attending a community outreach meeting on March 20th at 10:30 a.m. in West Point with Mr. Eggerton and staff regarding rates and other issues. He asked about water storage levels in local reservoirs, and commented that the turbidity levels are currently very high in the Mokelumne River.

<u>Director Davidson</u> commented on a public misconception that CCWD is interested in having well owners meter well.

<u>Director Thomas</u> reported on his meeting attendance earlier in the day at the Eastside Groundwater Sustainability Agency JPA; and CCWD is tentatively planning to hold a town hall meeting on April 10th in the Copperopolis area on the proposed rate increase.

<u>Director Underhill</u> reported on her attendance at the Ebbetts Pass Property Owners Council meetings, and her continued discussions with constituents about the proposed rate increases.

<u>Director Ratterman</u> announced Assembly Member Bigelow will hold a meeting on March 14th in Angels Camp regarding AB 142 Wild and Scenic; there is a Mountain Counties Water Resources Association meeting being held in San Andreas from 3-4:00 p.m. on April 10th with discussion/details about the water bond.

8. NEXT BOARD MEETINGS

- Wednesday, March 28, 2018, 1:00 p.m., Regular Board Meeting
- Wednesday, April 25, 2018, 1:00 p.m., Regular Board Meeting

The Closed Session was cancelled.

9. CLOSED SESSION

9a Conference with Legal Counsel – Existing Litigation
Government Code § 54956.9(a)
La Contenta Investors, LTD vs. CCWD (Calaveras County Superior Court
#11CV37713)

10. ADJOURNMENT

With no further business, the meeting adjourned at approximately 3:55 p.m.

By:

Dave Eggerton

General Manager

ATTEST:

Mona Walker

Clerk to the Board