

**CALAVERAS PUBLIC UTILITY DISTRICT**

**February 12, 2019**

**Regular Meeting**

**7:00 P.M.**

MEMBERS PRESENT: John Lavaroni  
J.W. Dell'Orto  
Clifford Overmier  
Alan (Bill) Claudino  
Richard Blood

MEMBERS ABSENT: None

STAFF PRESENT: Donna Leatherman, District Manager  
Kate Jesus, Administrative Account Assistant  
Matt Ospital, Weber, Ghio & Associates, District Engineer

OTHERS PRESENT: None

1. ROLL CALL AND PLEDGE OF ALLEGIANCE: The regular meeting was called to order by Director Overmier at 7:00pm. Director Lavaroni, Overmier, Dell'Orto, Blood and Claudino were present.

2. PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject): None

\* It was requested to move to agenda item #5 for discussion.

3. APPROVAL OF CONSENT CALENDAR:
- Minutes for Regular Meeting of January 15, 2019
  - Directors Report for January 2019
  - Monthly Maintenance Report for January 2019

A motion was made by Director Dell'Orto, seconded by Director Blood to approve the Consent Calendar as mailed. Motion carried 5-0.

4. FINANCIAL BUSINESS:

a. Approval of Claim Summary #724: The Directors inquired about several payments; the Manager clarified. It was also mentioned that the format was revised to include a description column. A motion was made by Director Dell'Orto, seconded by Director Lavaroni to approve the Claim Summary #724 in the amount of \$129,736.87 as presented. Motion carried 5-0.

b. 2<sup>nd</sup> Quarter Investment Report: The Board reviewed the Investment Report. Director Overmier inquired about the maturity dates of the CD's and the initial amount invested in UBS; the Manager would follow up with the information. Director Dell'Orto pointed out a discrepancy regarding the 9/30/18 starting balancing of the LAIF investment. A corrected report will be presented to the Board at the March meeting. A motion was made by Director Dell'Orto, seconded by Director Blood to table the 2<sup>nd</sup> Quarter Investment Report to the next regular Board meeting. Motion carried 5-0.

c. 2<sup>nd</sup> Quarter Budget Report: The Board reviewed the budget report. The Directors inquired about several line items; the Manager clarified. Director Blood inquired about the Capital Outlay budget and available funds. The Board reviewed the remaining capital improvement projects for FY 2018//19. The On-Site Chlorine Generation project was removed from the 2<sup>nd</sup> quarter report due to being expensed in fiscal year 2017/18. A motion was made by Director Lavaroni, seconded by Director Dell'Orto to approve the 2<sup>nd</sup> Quarter Budget Report as presented. Motion carried 5-0.

d. Approval of Financial Statement June 30, 2018: The Financial Statement of June 30, 2018 was tabled at the January meeting for review. A motion was made by Director Lavaroni, seconded by Director Claudino to approve the Financial Statement June 30, 2018 as presented. Motion carried 5-0.

5. UPDATE: ENGINEERING SERVICE AGREEMENT (WEBER, GHIO & ASSOCIATES): The Manager explained the modification to the Agreement and introduced Matt Ospital of Weber, Ghio & Associates to the Board. The Board inquired on the service agreement and the updated rate schedule. A motion was made by Director Lavaroni, seconded by Director Claudino to approve the Engineering Service Agreement with Weber, Ghio & Associates as presented. Motion carried 5-0.

6. SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) PROJECT REPORT:

a. Review Scope Outline: The Manager presented the Board with a Scope Summary for Phase I of the SCADA project prepared by Weber, Ghio & Associates. Director Overmier inquired on the cost of the project being within the scope; Mr. Ospital confirmed. Director Blood requested for more technical details; the Manager stated that these details were presented and accepted at the January meeting. A presentation by the selected vendor may be made to the Board upon request. Mr. Ospital stated that the Request for Proposal will be advertised in March.

7. UPDATE: STATE WATER RESOURCES CONTROL BOARD DIVISION OF DRINKING WATER (SWRCB-DDW) STATE REVOLVING FUND (SRF) APPLICATION/FINANCIAL PACKAGE: The Manager updated the Board on the status of the two applications pending at SWRCB. The construction application will remain on hold until the District determines the revised scope. Additionally, the District has a previous Planning Grant Application that may be revised to use for planning and implementation of the revised scope to include various Water Treatment Plant Improvement Projects. The Board discussed the disadvantaged community qualifications required for grant funding. Mr. Ospital stated that he was currently working with a representative from the State Water Board for more clarification and an income survey may be required to meet the qualifications. The Manager will continue to work with the District Engineer on the application packages and provide updates to the Board.

8. DISCUSSION: PROPOSED RATE INCREASE NEXT STEPS:

a. Ad Hoc Committee Report (Directors Overmier and Blood): Director Overmier provided a committee report. Outlines for the last two Ad Hoc meetings were presented for review and discussion. The Manager expressed concerns regarding the timeframe and information that is needed from the Committee to continue the process within the timeline. Director Blood discussed the capital improvement projects in relation to the Master Plan and the priority of the projects. Director Overmier and Blood would continue to work on the findings and have the information at the next Ad Hoc meeting on February 19, 2019. Discussion on updated rates and public outreach meetings will be discussed.

9. PRESENTATION: PANDO PUBLIC RELATIONS

a. Approve Contract Agreement: The Manager reviewed the proposal from Pando Public Relations which includes assistance with a newsletter and website related to future proposed rate adjustments and public outreach if approved by the Board. Director Lavaroni inquired about the cost; the Manager clarified. The Directors gave input on a draft newsletter. A motion was made by Director Lavaroni, seconded by Director Claudino to approve the contract agreement with Pando Public Relations not to exceed \$4,000.00. Motion carried 5-0.

10. REVIEW: RESERVE AND FUND BALANCE POLICY: The Manager reviewed the purpose of the policy and the need for annual review by the Board. The Board discussed the reserve levels based on current budget conditions. It was recommended to work within the current Reserve and Fund Balance Policy limits using the Rate Stabilization fund for the purpose stated in the policy, which may include the offset of future rate increases. The policy is to be reviewed annually for updates.

11. ACWA LEGISLATIVE SYMPOSIUM – MARCH 6, 2019: An invitation was included in the agenda packet for the ACWA Legislative Symposium on March 6, 2019. Those interested in attending please confirm with the office.
12. REVIEW/APPROVE: DRAFT PROPOSAL OF LEGAL SERVICES: The Manager stated that the District’s Legal Counsel, Christopher Williams, has announced his retirement. A letter from Mr. Williams was presented to the Board for review. A draft Request for Proposal for legal services is being prepared by staff and the Manager will have the Personnel Committee review once it is complete. Director Blood recommended Mr. Williams review the RFP also.
13. MONTHLY WATER USAGE REPORT:
  - a. Water and Rainfall Report: The water usage and rainfall figures for the month of January 2019 were presented for review and discussion. Rainfall for January was recorded as 9.79 inches and a total of 26.01 inches for the season.
14. MANAGERS COMMENTS:
  - a. Update: South Fork Pump Station Repair: The Manager updated the Board on the repair of the pump and motor at the South Fork Pump Station. Additional work requires the replacement of a check valve and was authorized at a cost not to exceed \$9,500.00. The project is anticipated to be complete by the end of February.
  - b. Monthly Report: None.
15. DIRECTORS COMMENTS:
  - a. LAFCO – Meeting Report 11/19/18 – Director Lavaroni: Director Lavaroni did not attend.
  - b. UMRWA – Meeting Report 1/25/19 – Director Blood: Director Blood reported on the UMRWA meeting where Proposition 1 grant funding was discussed.
  - c. Annual Form 700 and Required Training (Due April 2, 2019): The Board Secretary reminded the Board of the Annual Form 700 deadline and required training. Director Dell’Orto stated that he was approached by Gordon Long, Executive Director of Calaveras County Resource Conservation District, requesting a letter of support from the District for a Watershed Coordinator grant position for the Department of Conservation. The Board reviewed the letter and authorized the Manager to submit the letter of support.
16. CLOSED SESSION
  - a. Conference with Legal Counsel – Anticipated Litigation Government Code § 54956.9(d)(3)  
Negotiating Parties: Donna Leatherman and Chris Williams  
None.
17. ADJOURNMENT (Next meeting March 12, 2019): As there was no further business to come before the Board, the meeting was adjourned at 10:11 p.m.

Respectfully submitted,

Kate Jesus, Administrative Account Assistant