

CALAVERAS PUBLIC UTILITY DISTRICT

October 17, 2023

Regular Meeting

9:00 am

DIRECTORS PRESENT: Richard Blood
Brady McCartney
J.W. Dell'Orto
Jack Tressler

MEMBERS ABSENT: Steve McDermed

STAFF PRESENT: Travis Small, General Manager
Adam Brown, District Legal Counsel
Carissa Bear, Clerk of the Board
Mathew Roberts, Water System Superintendent

OTHERS PRESENT: Bill Brown

1. CALL THE MEETING TO ORDER: The regular meeting was called to order by President Blood at 9:06 A.M.
2. ROLL CALL OF DIRECTORS: Directors Blood, McCartney, Dell'Orto, and Tressler were present. Director McDermed was absent.
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject): None.
5. CONSENT ITEMS
 - a. September 19, 2023 Regular Board Minutes
 - b. Claim Summary

Director Dell'Orto inquired about the dump truck repair on the claim summary. Travis Small, General Manager, informed him that it was for a turbo repair. President Blood asked if the District will be recovering the expenses paid to Peterson-Brustad. Mr. Small stated that part of the work done by Peterson-Brustad will be recovered from the planning grant. Director McCartney complimented the new cabinets in the Board room. President Blood asked for clarification on what HMGP stood for on the WGA invoice. Mr. Small clarified that it stood for Hazard Mitigation Grant Program, which is the underground power lines project that the District is partnering with Calaveras County. A motion was made by Director Dell'Orto, seconded by Director Tressler, to approve consent items a-b. A roll call vote was taken. Directors Dell'Orto, Tressler, McCartney, and Blood voted yes; none opposed. Motion carried 4-0.

6. FISCAL YEAR 2023/2024 BUDGET UPDATE

Mr. Small provided a first quarter budget review. The first debt payment of the year, for the Clearwell loan, went out this last month. He reported that the loan covenant ratio is 3.83 at this

time. Director Dell'Orto asked Mr. Small if he believed that the ratio would continue to go up with the water usage going down. Mr. Small believes that once the grant income is received it will continue to improve. Mr. Small reported that the District is doing pretty well overall. A great foundation moving forward. President Blood asked about the equipment capital. Mr. Small replied that it is money set aside for the purchase of a 10-wheeler dump truck. President Blood asked where in the budget overview will he find the current backhoe payments. Mr. Small informed him that it is notated on the last page for Nonoperational – Debt Expenditures. Mr. Small and Director Tressler had a conversation going over the options for getting a new dump truck, with Director Tressler recommending the purchase of a smaller dump truck. Mr. Small assured him that the District will look into all of the options before purchasing.

7. RESOLUTION 2023-15 UPDATE POLICY 4130 – DIRECTOR COMPENSATION, BENEFITS AND REIMBURSEMENT OF EXPENSES

This agenda item was postponed during the last Board meeting due to the Board wanting all Board Members present when voting, as this item will affect all Board Members. A temporary advisory committee meeting was held with Directors Blood and McCartney as well as staff. As a whole, the committee recommended providing dental and vision for all Board Members with the understanding that Board compensation and benefits will be reviewed regularly. At the last meeting Directors Blood and McCartney reversed their initial position favoring the policy, stating that they received criticism from the public. Due to not having a full Board at this meeting again, the Directors recommended bringing it back at a future meeting. Director Tressler expressed his frustration with the Board for deferring its decision. He stated that there needs to be more incentive for Board members to serve. Without any incentive it makes it difficult to fill any vacancies. Mr. Small agreed that when a vacancy occurs that the District isn't appealing to the public with the compensation currently being offered, but he does understand the reluctance of the Board especially with the political environment that a neighboring water district is experiencing. Director Blood believes that as a Board they should be listening to what the public has to say. President Blood asked if anyone was comfortable putting this to a vote at this meeting. Director McCartney would feel more comfortable coming back to this topic in a few months. Director Tressler expressed the financial impact he is facing by missing work to attend these meetings. Without benefits he will need to reconsider if being on the Board is worth it. Director Dell'Orto would feel more comfortable if it could be per Board member and not all or nothing. President Blood tabled the item for now.

8. CROWN CASTLE CELL TOWER LEASE AGREEMENT

Mr. Small brought this agenda item back with the recommendation to approve the amendment to the contract. In the current contract the District cannot prohibit access to their tower. Mr. Brown was provided the entire contract after the last meeting, which he was able to review. The original contract is from 1995 and has a 15% increase each year. The contract will be up for renegotiation in 2025. Mr. Brown recommended that the Board approve the contract amendment and direct staff to discuss with Crown Castle the future of the next contract. Mr. Brown understands the Board's intentions to want to make more profit but that time will come with the 2025 contract. Director Tressler expressed his frustration that this was not brought up at the last meeting. Mr. Brown informed him that he did not have the entire contract at the last meeting, which is why he is recommending approval of the amendment to the contract. President Blood expressed his concerns that the District has no idea what Crown Castle profits from their customers and feels

that the District getting close to nothing compared to what Crown Castle is profiting. Mr. Brown stated that the contract negotiation conversations will start now that we are reaching the end of this contact. The District should approve in order to show good faith. ***Motion and vote***?

9. CONSIDERATION TO MOVE NOVEMBER REGULAR BOARD MEETING

A motion was made by Director Dell'Orto, seconded by Director Tressler, to approve rescheduling of the regularly scheduled November Board meeting from Tuesday, November 21, 2023 to Tuesday, November 14, 2023 at 9am. A roll call vote was taken. Directors Dell'Orto, Tressler, McCartney, and Blood voted yes; none opposed. Motion carried 4-0.

10. REPORTS

a. Legal Counsel's Report

Mr. Brown reported to the Board that two weeks ago he had scheduled a meeting with Travis and the Amador Water Agency's (AWA) general counsel to see what they are doing with their water rights with their downstream users. Mr. Brown would like to schedule a closed session meeting to see what the District would like to do moving forward..

b. Water System Superintendent's Report

Mathew Roberts, Water System Superintendent, reported that the District used 20% less production than August but sold about the same. The Board and staff discussed the logistics behind what could cause more water being sold than being produced. Jeff Davis reservoir is six feet below spill. Annual maintenance on the backup generator at the Water Treatment Plant has been completed. The South Fork Pump Station is one inch over spill. The pumps are currently off at the South Fork Pump Station. The crew repaired a two-inch steel main line leak in San Andreas and repaired three service line leaks in Mokelumne Hill. There was a new one-inch customer service installed in Mokelumne Hill. Mr. Small informed the Board that the crew will be doing a valve replacement which will cause an outage in the upper area of the District. Once the District has a date for the outage, the District will inform the customers and post it on social media. The Board and staff discussed the process. Mr. Roberts showed a slideshow of photos all taken in the month of September.

c. District Engineer Report

Nothing to report for the Engineer report. No active projects at this time.

d. General Manager's Report

Mr. Small has requested a meeting with Senator Gill's office regarding the State Revolving Fund grant application. The process is proceeding very slowly at this moment. The Water Master Plan draft should be available later this week. There were difficulties with the software program they were using which prevented them from being able to print. The District has billed Calaveras County Water District for the diversion amounts for the fiscal year of 2022/23. Ms. Bear reminded the Board that she needs their W-4 and I-9 forms to set them up in QuickBooks. Mr. Small reminded the Board that he will be on vacation starting Monday, October 23, 2023 and returning Monday, November 6, 2023.

d. Director's Comments:

President Blood attended the UMRWA meeting this month. At the meeting they discussed a 20,000-acre restoration project. They won't have capital to pay the contractor, so they are looking into getting a bridge loan. Mr. Small expressed his concerns about the District having any liability with a bridge loan. Director Dell'Orto ran into a customer who complained that the District is closed every other Friday and that he was denied permission to use the bathroom. Mr.

Small will put up a sign that restrooms are not for the public. President Blood attended the EBMUD barbeque with Mr. Small and Mr. Roberts.

8. ADJOURNMENT

There being no further business to come before the Board, President Blood adjourned the meeting at 10:43 am.

Respectfully Submitted,



Carissa Bear, Secretary/Clerk of the Board

