

CENTERVILLE COMMUNITY SERVICES DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Oliver, Vice President Whitehead, Director Richison, Director Hopson and Director Woodstrom
Absent: None
Others Present: Mr. and Mrs. Ankeny, Bruce and Kathy Anderson, 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. Mr. Ankeny asked about the unfunded liability with CalPERS. He also asked about the litigation with the District and if there is a dollar amount associated with it. 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 there are five recipients who received refunds for the Clear Creek Road Bond fee. Director Woodstrom asked if the refund should go to the current property owner or the owner at the time of payment. Mr. Muehlbacher will confirm with Collin Bogener to see who the refunds should go to. He mentioned that the payment to NBS is for the admin fees for the Texas Springs Assessment District. The payment to CSDA is for the annual membership. The payment to Norfeld is for the USA tickets. The Superior Tank payment is the second payment this year. The vote was unanimous. Motion carried.
- IV Status of the Budget Report: Mr. Muehlbacher stated that there were two separate O&M Profit and Loss statements. The first was for September only and the second was for the fiscal year through September. The O&M revenues were \$352,875 verses expenses of \$384,284. He stated that consumption continues to reflect high conservation. He mentioned that General Repair and Maintenance is higher than expected due to many repairs and several line replacements.

Mr. Muehlbacher stated that the Capital revenue was \$6.67 verses expenses of \$100,638. He mentioned that two payments have been made for the tank coating program which are reflected here.

Reserve Fund Status Sheet: The total reserve is \$1,117,375.51. Mr. Muehlbacher mentioned that the O&M Reserve increased by \$46,906 which included the \$30,000 from Berkadia as well as monies collected from the Drought Surcharge. The Water Treatment Plan Reserve increased by \$10,710 and the Texas Springs Assessment decreased by \$15,538 due to a DWR payment.

CONSENT AGENDA:

- I Approval of the minutes of: September 21st – Regular Meeting; Director Woodstrom moved to approve the consent agenda items. Director Hopson seconded. The vote was unanimous. Motion carried.
- II Continue local emergency pursuant to AB 361 due to COVID-19 directly impacting members to meet in person: Director Woodstrom made a motion to adopt Resolution 2022-22. Director Hopson seconded. After further discussion it was decided by the Board to eliminate the need for teleconferenced meetings. President Oliver called for a roll call vote: Director Hopson – no, Director Woodstrom – no, Vice President Whitehead – yes and President Oliver – no, Director Richison – no. Motion denied.

NEW BUSINESS:

None

OLD BUSINESS:

- I Review and Discuss Water Allocation and Water Supply: Mr. Muehlbacher stated that usage continues to reflect conservation. Based upon current trends, the District is estimated to use approximately 172 AF of the City of Redding's water. They are anticipating that La Nina will weaken; however, the outlook for increased precipitation is not good.
- II Meeting Room Conversion Project Update: Mr. Muehlbacher stated that construction began on October 3rd. The electrical rough-in is complete. The insulation and drywall should be completed by next week, then they will install the tile.
- III Muletown Pump Station Generator Project: Mr. Muehlbacher stated that CalOES has approved the request for noncompetitive procurement for the engineering design of the generator. It is now necessary to negotiate the consultant's profits as a separate item prior to moving forward with any award. He mentioned that it will also be necessary to submit an updated commitment letter for the cost-share. REU has agreed to a cost-share of up to \$125k. This would cover a project cost of \$500k.
- IV Diggins Repeater Emergency Generator Project: Mr. Muehlbacher stated that at present the generator and the electrical switch gear have been installed. Due to staffing challenges the contractor experienced a minor delay with installing the generator. It has also been confirmed that we will need a 250-gallon propane tank. This project should be completed by the end of October.
- V Update on Carr Fire Recovery Project Status: Mr. Muehlbacher stated that CalOES continues to review the approved scope of work for all projects. They requested additional information regarding the coating repair for Tank A. Once everything is reviewed, she will create a final report which will then be reviewed by another CalOES representative and then FEMA. It is estimated that these final reviews can take from a couple weeks to a couple months to complete.

GENERAL BUSINESS:

- I Correspondence: None.

II President's Report: None.

III Manager's Report: Mr. Muehlbacher stated that the Policy Manual will be presented to the Board in November for the 1st reading and notice in the newspaper. The second reading will be in December with the consent agenda. The policy will be adopted in January.

Mr. Muehlbacher mentioned that he will be scheduling a meeting with the Finance Committee to go over the CalPERS reports. He mentioned that the District is in an improved position regarding unfunded liability.

He stated that the field staff replaced a service line on Irish Creek. They also repaired a copper line on the pressure relief valve at the Texas Springs PRV. He also mentioned that Mr. Demsher received his T2 certification.

Mr. Muehlbacher stated that the MTPS Pump 1 has returned to service. He went out with the operators and completed the trouble shooting. It no longer is making noise.

IV Committee Reports: None

V Announcements: None

CLOSED SESSION:

Went into Closed Session at 7:46 pm and returned at 8:35 pm.

I Conference with Legal Counsel – Anticipated Litigation - Significant exposure to litigation pursuant to § 54956.9(b): No reportable action taken.

II Annual review of District Manager's Performance (§54957): Concluded performance evaluation and the Board unanimously voted to increase the District Manager's salary by 2%, retroactive to July 1, 2022.

GENERAL BUSINESS CONTINUED:

VI Adjournment: 8:36 pm.