

Manager's Report

3/9/2026

Administration

- | | |
|------------------------------|---|
| 1 <u>Joint Use Agreement</u> | Final draft provided to new Battalion Chief Dusty Gyves.
Being reviewed by County attorney. |
| 2 <u>Asset Management</u> | Drafting a PRV maintenance schedule
Staff is reviewing capital needs
Completed field inventory of assets
Completed field inventory of assets |

Committee Meetings

- | | |
|-------------------------------|--|
| <u>R&P Committee</u> | Future Meeting: Mar/Apr
Capital Improvement Plan |
| <u>Personnel Committee</u> | Future Meeting: Mar/Apr
Indoor Heat & Illness Policy
Employee Upgrade
Employee Requests |
| <u>Ordinance Committee</u> | Future Meeting: TBD |
| <u>Finance Committee</u> | Future Meeting:
Asset Manag Mar/Apr
Clear Creek CSD invoices
O&M and Capital Budgets |
| <u>Public Info. Committee</u> | Future Meeting: TBD |
| <u>Ad Hoc - WTP Contract</u> | April 13th |

Operations

1. Leaks

	Current	FYTD
<u>Mainline Leaks - Repaired</u>	0	3
<u>Service Leaks - Repaired</u>	0	8
<u>Service Lines - Replaced</u>	0	4
<u>Service Lines - Planned</u>		

2 New Meters - Installed

This past month:	0	Fiscal Year TOTAL:	1
sold to:		Annual Projection:	4
		WAC Total	0

3. Misc Activities

		To Date	Total
Dead End Flushing/FHs	11	158	of 175
Tank Maintenance Program	C1 Tank is down for rehab		
Cross Control Update	Reviewing Customer Service option & Website updates		
	James Leviness attended Backflow class; results pending		
Well on Richison Ranch	Received the well permit; advised customer of need for backflow		
Pump/Motor & Meter Testing	Completed the week of Feb 10th		
Vibration Testing	Testing completed; awaiting the results		
MT PS Pump 1	waiting for vibration testing;		
	will call Tetrad Solutions for alignment if needed		
Training	RCAC OPs Planning; JPIA Defensive Driving		
Vehicle Maintenance	503 transmission maintained		



Regular Board Meeting of the Board of Directors
Wednesday, March 18, 2026

7:00 PM

AGENDA

TO ADDRESS THE BOARD DURING OPEN TIME OR NOTICED PUBLIC HEARINGS: pursuant to the Brown Act (Government Code Section 54950 et seq.) action or Board discussion can not be taken on open time matters other than to receive the comments, and if deemed necessary, to refer the subject matter to the District Manager for follow-up and/or to schedule the matter on a subsequent Board agenda.

ITEM

FUNCTION

PRELIMINARY BUSINESS

- | | | |
|---|--|-------------|
| 1 | Call to Order | |
| 2 | Public Comment Period – Open Time – This time is set for members of the public to address the Board on matters not on the agenda. If your comments concern an item noted on the regular agenda, please address the Board after that item is open to public comments. By law, the Board of Directors cannot discuss or make decisions on matters that are not on the agenda. The Board will customarily refer these matters to the District Manager’s Office. Each speaker is allocated (5) minutes to speak for a maximum of 20 minutes on each subject. Speakers may not cede their time. Comments should be limited to matters within the jurisdiction of the District. After receiving recognition from the Board President, please state your name and comments. | |
| 3 | Approval of the minutes of:
February 18, 2026, Regular Board Meeting | Action |
| 4 | Authorize Payment of Bills for Current Expenses | Action |
| 5 | Status of the Budget Report | Information |

NEW BUSINESS

- | | | |
|---|--|--------|
| 1 | Consider a Violation Related to a Prohibited Act of System Tampering at 16370 Trail Drive | Action |
| 2 | Accept the PLC, Radio and Antenna Replacement Project and Authorize Issuance of a Notice of Completion | Action |
| 3 | Consider Resolution 2026-01 Adopting the Records Management Policy and Retention Schedule | Action |
| 4 | Consider a Development Agreement with Brandon Lale for a Waterline Extension in Clear Canyon Drive | Action |

OLD BUSINESS

- 1 Muletown Pump Station Generator Project Update Information
- 2 Carr Fire Recovery Project Update Information

GENERAL BUSINESS

- 1 Correspondence Information
- 2 Director's Report Information
- 3 Manager's Report Information
- 4 Committee Reports Information
- Ordinance – Mar 5th
- 5 Announcements

CLOSED SESSION

- 1 Conference with Real Property Negotiations (§ 54956.8)
Property: Supplemental Water
Agency Negotiation: Chris Muehlbacher
Negotiating Parties: David Coxey
Under Negotiation: Sale of water for 2026/2027 Water Year Action
- 2 Real Property Negotiations (§ 54956.8)
Property: Water Treatment Plant
Agency Negotiation: Chris Muehlbacher
Negotiating Parties: Dale Mancino
Under Negotiation: Terms for Water Treatment Plant

GENERAL BUSINESS – Continued

- 6 Adjournment

Next Scheduled Board Meeting
April 15th @ 7:00 P.M.

“This is an equal opportunity provider”

In compliance with the Americans with Disabilities Act, the Centerville Community Services District will make available to any member of the public who has a disability, a needed modification or accommodation, including an auxiliary aid or service, for that person to participate in the public meeting. A person needing assistance should contact the district office by telephone at (530) 246-0680, or in person or by mail at 8930 Placer Road, Redding, California 96001, or by e-mail at tteuscher@centervillecsd.com, at least two working days in advance. Accommodation may include, but are not limited to, interpreters, assistive listening devices, accessible seating, or documentation in an alternate format. If requested, this document and other agenda materials can be made available in an alternative format for persons with a disability who are covered by the Americans with Disabilities Act.

CENTERVILLE COMMUNITY SERVICES DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Oliver, Vice President Woodstrom, Director Richison and Director Hopson
Absent: Director Whitehead
Others Present: Barbara Hopson, Tina Teuscher and Chris Muehlbacher

PRELIMINARY BUSINESS:

1. Call to Order: President Oliver called the meeting to order at 7:00 pm.
2. Public Comment Period: President Oliver opened the public comment period. No comments were received. The public comment period was closed.
3. Approval of January 21, 2026, minutes: Director Hopson moved to approve the minutes. Director Richison seconded. The vote was unanimous. Motion carried.
4. Authorize Payment of Bills for Current Expenses: Vice President Woodstrom moved to pay the bills. Director Hopson seconded. Mr. Muehlbacher stated that the payment to Clear Creek CSD was for three months, their billing is now caught up. The Norfield payment is our annual subscription for USA North 811. The Peterson payment is for generator maintenance for the Zone A1 pump station. The Wagner Electric payment is for the telemetry replacement project less the 5% retention. The vote was unanimous. Motion carried.
5. Status of the Budget Report: Mr. Muehlbacher stated that the O&M revenue thru January was \$945,976 versus expenses of \$843,870. He mentioned that consumption is trending on budget as well as the LAIF interest. Regarding expenses everything is either on budget or under budget.

Capital Revenue through December is \$209,323 vs expenses of \$222,962. He stated that the taxes received and the Wagner Electric expense are reflected here.

Reserve Fund Status Sheet: The total reserve is \$1,686,697. Mr. Muehlbacher stated that the notable changes were the interest, taxes, WTP, RSF and consumption.

NEW BUSINESS

1. Consider including COLA in the O&M Budget FY 2026-27 for Budgeting Purposes: Mr. Muehlbacher stated that the Personnel Committee met and discussed the COLA for both the Board members and the non-exempt employees. It is their recommendation to approve the COLA for the exempt employees and for the Board to continue to receive the \$100 per meeting.

Vice President Woodstrom moved to approve the COLA for non-exempt employees only. Director Richison seconded. The vote was unanimous. Motion carried.

OLD BUSINESS

- 1 Muletown Pump Station Generator Project Update: No update at this time.
- 2 Carr Fire Recovery Project Update: No update at this time.
- 3 PLC, Radio and Antenna Replacement Project: Mr. Muehlbacher stated that PACE Engineering has completed their review of the O&M manuals for this project and sent comments back to Wagner and BAT Electric. It is anticipated that the final project acceptance will be presented at the March meeting.
4. Award Replacement of the Mini-Split Wall System for the Conference Room: Mr. Muehlbacher stated that bids were solicited for both the Mitsubishi and Daikin Mini Splits. The lowest bid for the Mitsubishi was from Phil Carpenter's AC and Heating for \$11,099.60. The Diakin lowest bid was from Timberline Heating & Air for \$8,903.00. Mr. Muehlbacher mentioned that Mitsubishi is rated #1 and has the superior warranty.

Director Hopson moved to award the bid to Phil Carpenter's AC and Heating for the Mitsubishi unit. Director Richison seconded. The vote was unanimous. Motion carried.

GENERAL BUSINESS:

- 1 Correspondence: None.
- 2 Director's Report: Director Richison stated that he heard at the Bureau Conference that the proposed Sites Reservoir is awaiting their permits and their water. This reservoir will hold 1.5 million acre-feet of water and is located west of Maxwell.
- 3 Manager's Report: Mr. Muehlbacher stated that Brandon Lale is inquiring about extending the development agreement.

He mentioned that he is coordinating a water sale to Bella Vista and will present it for consideration.

Regarding operations, Mr. Peters attended a leadership class and Mr. Leviness attended the backflow class. A new well was installed on Richison Ranch Road. They have been informed that a backflow device is required.

They are currently obtaining bids for the attic insulation at the pump stations. Director Hopson asked if there was any benefit to the insulation, since they already have ventilation fans. Mr. Muehlbacher will research it.

He mentioned that the HAA5 and TTHM testing had been completed.

- 4 Committee Reports: Ad Hoc Committee Mtg. Mr. Muehlbacher stated that progress is being made. The meetings are productive and everyone is working towards the same goal. President Oliver stated that he brought up the O&M true-up process, and they seemed to be receptive to his suggestions.

Personnel Committee: Vice President Woodstrom stated that they discussed the COLA as well as some other closed session items.

- 5 Announcements: The next Board Meeting will be held March 18, 2026.
- 6 Adjournment: The meeting adjourned at 7:35 pm.

CENTERVILLE COMMUNITY SERVICES DISTRICT
COMMITTEE MEETING NOTES

Committee Present: President Oliver and Director Richison

Absent: None

Others Present: Chris Muehlbacher

ORDINANCE COMMITTEE AGENDA

- 1 Open Session
No public comments.
- 2 Review of the Records Management Policy and Retention Schedule
The Committee reviewed and discussed the subject. The Committee concurred that the policy and retention schedule would be presented for Board adoption at the next meeting.
- 3 Adjournment

Centerville Community Services District Profit & Loss Budget Performance February 2026

	<u>Feb 26</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Jul '25 - Feb 26</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>
Ordinary Income/Expense						
Income						
41000 · WATER SALES						
41100 · Base Rate	48,771.25	48,415.00	356.25	389,174.75	387,340.00	1,834.75
41200 · Consumption Rate	19,511.40	28,000.00	-8,488.60	466,163.66	531,000.00	-64,836.34
41210 · Late Fees	1,162.84	700.00	462.84	13,639.48	12,800.00	839.48
41220 · Miscellaneous Charges	0.00	0.00	0.00	750.00	0.00	750.00
41400 · Pump Zone A (Base Rate)	1,608.75	1,700.00	-91.25	12,870.00	13,500.00	-630.00
41450 · Pump Zone A (Power Comp)	605.88	600.00	5.88	16,190.60	17,800.00	-1,609.40
41500 · Pump Zone A-1 (Base Rate)	455.00	470.00	-15.00	3,640.00	3,720.00	-80.00
41550 · Pump Zone A-1(Power Comp)	221.15	400.00	-178.85	4,604.28	5,700.00	-1,095.72
Total 41000 · WATER SALES	<u>72,336.27</u>	<u>80,285.00</u>	<u>-7,948.73</u>	<u>907,032.77</u>	<u>971,860.00</u>	<u>-64,827.23</u>
41600 · RESERVE FUNDS						
41605 · Consumption Surcharge	689.20	1,000.00	-310.80	16,390.08	18,500.00	-2,109.92
41700 · Water Treatment Plant Fee	1,415.54	2,000.00	-584.46	32,728.24	37,400.00	-4,671.76
41800 · Rate Stabilization Fee	2,117.12	3,000.00	-882.88	49,046.20	56,100.00	-7,053.80
56250 · Transfer Reserve Funds	-4,221.86	-6,000.00	1,778.14	-98,164.52	-112,000.00	13,835.48
Total 41600 · RESERVE FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
42000 · SERVICE INSTALLATION - METERS						
42100 · Connection Charges	0.00	0.00	0.00	545.00	400.00	145.00
Total 42000 · SERVICE INSTALLATION - METERS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>545.00</u>	<u>400.00</u>	<u>145.00</u>
43000 · INTEREST						
43001 · LAIF	0.00	0.00	0.00	45,074.40	39,000.00	6,074.40
43002 · Other Interest	0.75	4.00	-3.25	11.79	32.00	-20.21
Total 43000 · INTEREST	<u>0.75</u>	<u>4.00</u>	<u>-3.25</u>	<u>45,086.19</u>	<u>39,032.00</u>	<u>6,054.19</u>
44100 · General Property Tax-422						
44840 · Cent. Admin Fee TSWAD 2001-1	0.00	0.00	0.00	2,500.00	0.00	2,500.00
Total 44100 · General Property Tax-422	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,500.00</u>	<u>0.00</u>	<u>2,500.00</u>

Centerville Community Services District
Profit & Loss Budget Performance
 February 2026

	<u>Feb 26</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Jul '25 - Feb 26</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>
45000 · OTHER OPER. REVENUE						
45400 · Misc. Revenue	0.00	40.00	-40.00	722.44	320.00	402.44
45850 · Backflow Prevention Testing	256.50	300.00	-43.50	2,333.00	2,400.00	-67.00
45955 · Will Serve - Admin	0.00	0.00	0.00	50.00	0.00	50.00
Total 45000 · OTHER OPER. REVENUE	<u>256.50</u>	<u>340.00</u>	<u>-83.50</u>	<u>3,105.44</u>	<u>2,720.00</u>	<u>385.44</u>
49706 · Water Sales Bella Vista	0.00	0.00	0.00	60,300.00	60,300.00	0.00
Total Income	<u>72,593.52</u>	<u>80,629.00</u>	<u>-8,035.48</u>	<u>1,018,569.40</u>	<u>1,074,312.00</u>	<u>-55,742.60</u>
Gross Profit	<u>72,593.52</u>	<u>80,629.00</u>	<u>-8,035.48</u>	<u>1,018,569.40</u>	<u>1,074,312.00</u>	<u>-55,742.60</u>
Expense						
51000 · WATER COSTS						
51100 · Raw Water Charge	2,893.12	1,600.00	1,293.12	16,111.16	30,000.00	-13,888.84
51300 · Oper. & Maint. - Clear Creek	10,748.15	14,500.00	-3,751.85	88,685.75	104,800.00	-16,114.25
51305 · Administration - Clear Creek	1,425.36	2,000.00	-574.64	29,555.21	37,400.00	-7,844.79
51315 · Restoration Fee	2,889.42	1,700.00	1,189.42	16,001.70	29,900.00	-13,898.30
51317 · Water Right Fees	0.00	0.00	0.00	4,348.23	4,600.00	-251.77
51325 · WINN Act Lawsuit	107.85	170.00	-62.15	1,103.04	1,360.00	-256.96
Total 51000 · WATER COSTS	<u>18,063.90</u>	<u>19,970.00</u>	<u>-1,906.10</u>	<u>155,805.09</u>	<u>208,060.00</u>	<u>-52,254.91</u>
52000 · TRANSMISSION & DISTRIB.						
52100 · General Repair & Maint.	5,795.44	6,100.00	-304.56	44,526.48	48,800.00	-4,273.52
52130 · Zone A - Repair and Maintenance	1,399.72	0.00	1,399.72	1,399.72	1,600.00	-200.28
52140 · Zone A1 - Repair and Maintenance	1,162.27	0.00	1,162.27	1,162.27	1,600.00	-437.73
52200 · Operating Supplies & Expense	1,024.96	2,000.00	-975.04	12,326.32	16,000.00	-3,673.68
52400 · Utilities - General Plant	148.64	140.00	8.64	1,071.54	1,140.00	-68.46
52425 · Elect., Muletown Pump Station	209.59	300.00	-90.41	1,828.10	2,200.00	-371.90
52450 · Elect., Towerview Pump Station	185.10	250.00	-64.90	1,543.47	2,000.00	-456.53
52500 · Utilities Pump Zone A	1,580.53	1,500.00	80.53	26,932.18	29,000.00	-2,067.82
52600 · Utilities Pump Zone A-1	542.45	500.00	42.45	5,980.08	6,500.00	-519.92
52700 · Diggins Generator	0.00	0.00	0.00	70.00	0.00	70.00
52850 · Backflow Prevention Testing	0.00	0.00	0.00	3,805.00	3,600.00	205.00
Total 52000 · TRANSMISSION & DISTRIB.	<u>12,048.70</u>	<u>10,790.00</u>	<u>1,258.70</u>	<u>100,645.16</u>	<u>112,440.00</u>	<u>-11,794.84</u>

Centerville Community Services District

Profit & Loss Budget Performance

February 2026

	<u>Feb 26</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Jul '25 - Feb 26</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>
53000 · EQUIPMENT						
53100 · Equipment Repairs & Maint.	214.37	700.00	-485.63	4,027.89	5,600.00	-1,572.11
53200 · Gasoline	582.02	700.00	-117.98	4,873.70	5,600.00	-726.30
Total 53000 · EQUIPMENT	<u>796.39</u>	<u>1,400.00</u>	<u>-603.61</u>	<u>8,901.59</u>	<u>11,200.00</u>	<u>-2,298.41</u>
54000 · ADMINISTRATIVE						
54100 · Liability Insurance - District	0.00			33,367.68	40,000.00	-6,632.32
54150 · Utilities-District Office	1,206.30	1,000.00	206.30	7,458.82	8,000.00	-541.18
54200 · Telephone - District Office	522.07	750.00	-227.93	6,735.25	6,000.00	735.25
54250 · SWRCB Fees	0.00	14,000.00	-14,000.00	13,928.82	29,000.00	-15,071.18
54300 · Travel & Training	920.55	500.00	420.55	6,664.16	4,000.00	2,664.16
54325 · Employee Recognition	105.29	100.00	5.29	1,333.88	1,300.00	33.88
54375 · LAFCO	0.00	0.00	0.00	2,554.86	4,000.00	-1,445.14
54400 · Miscellaneous	0.00	50.00	-50.00	158.23	400.00	-241.77
54455 · Watershed Sanitary Survey	0.00	0.00	0.00	1,984.20	0.00	1,984.20
54500 · Engineering - District Engineer	350.00	800.00	-450.00	1,728.00	6,800.00	-5,072.00
54550 · Legal-Dist. Attorney	-310.00	800.00	-1,110.00	9,546.07	6,800.00	2,746.07
54600 · Accounting-Audit & Consult	5,375.00	0.00	5,375.00	20,775.00	17,000.00	3,775.00
54625 · Meals	91.02	60.00	31.02	785.03	560.00	225.03
54650 · Office Supplies	388.01	750.00	-361.99	4,618.43	6,000.00	-1,381.57
54680 · Merchant Fees	-19.09	100.00	-119.09	603.26	800.00	-196.74
54700 · Postage	178.80	800.00	-621.20	1,481.78	6,800.00	-5,318.22
54710 · Billing and Notices	1,358.09	0.00	1,358.09	7,950.39	0.00	7,950.39
54750 · Office Equipment (Small)	865.10	1,800.00	-934.90	13,097.86	14,400.00	-1,302.14
54800 · Office Building - R&M	13,158.39	750.00	12,408.39	17,759.18	6,000.00	11,759.18
54850 · Directors Compensation	700.00	450.00	250.00	3,950.00	3,600.00	350.00
54900 · Subscription & Licenses	79.88	3,200.00	-3,120.12	23,915.57	29,900.00	-5,984.43
Total 54000 · ADMINISTRATIVE	<u>24,969.41</u>	<u>25,910.00</u>	<u>-940.59</u>	<u>180,396.47</u>	<u>191,360.00</u>	<u>-10,963.53</u>

Centerville Community Services District Profit & Loss Budget Performance February 2026

	<u>Feb 26</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Jul '25 - Feb 26</u>	<u>YTD Budget</u>	<u>\$ Over Budget</u>
55000 · WAGES & BENEFITS						
55100 · Salaries	34,863.06	35,400.00	-536.94	299,534.69	300,900.00	-1,365.31
55110 · Salaries - Standby	450.00	500.00	-50.00	3,525.00	4,000.00	-475.00
55120 · Overtime	132.42	700.00	-567.58	5,215.49	5,600.00	-384.51
55200 · Salaries - Part Time Employees	1,894.86	1,700.00	194.86	13,369.57	14,200.00	-830.43
55300 · Pension - Retirement	2,859.87	3,700.00	-840.13	84,652.01	91,300.00	-6,647.99
55400 · Insurance - Emp. Health&Dental	21,909.96	10,000.00	11,909.96	80,708.76	80,000.00	708.76
55500 · Workman's Comp. Insurance	0.00	0.00	0.00	10,694.73	14,000.00	-3,305.27
55600 · F.I.C.A.	2,282.26	2,400.00	-117.74	19,682.19	19,200.00	482.19
55700 · Medicare Tax	533.76	600.00	-66.24	4,603.11	4,600.00	3.11
Total 55000 · WAGES & BENEFITS	<u>64,926.19</u>	<u>55,000.00</u>	<u>9,926.19</u>	<u>521,985.55</u>	<u>533,800.00</u>	<u>-11,814.45</u>
Total Expense	<u>120,804.59</u>	<u>113,070.00</u>	<u>7,734.59</u>	<u>967,733.86</u>	<u>1,056,860.00</u>	<u>-89,126.14</u>
Net Ordinary Income	<u>-48,211.07</u>	<u>-32,441.00</u>	<u>-15,770.07</u>	<u>50,835.54</u>	<u>17,452.00</u>	<u>33,383.54</u>
Net Income	<u><u>-48,211.07</u></u>	<u><u>-32,441.00</u></u>	<u><u>-15,770.07</u></u>	<u><u>50,835.54</u></u>	<u><u>17,452.00</u></u>	<u><u>33,383.54</u></u>

Centerville Community Services District Capital Profit & Loss Budget Performance February 2026

	Feb 26	Budget	Jul '25 - Feb 26	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
43000 · INTEREST					
43003 · Shasta Co 422 Interest	128.36	0.00	341.81	400.00	400.00
Total 43000 · INTEREST	128.36	0.00	341.81	400.00	400.00
44100 · General Property Tax-422					
44125 · Current Secured Taxes-0&M	-9.04	0.00	134,624.81	128,000.00	223,000.00
44127 · Current Unitary Taxes	0.00	0.00	6,193.21	5,000.00	10,000.00
44130 · Curr Sec Adv Teeter	0.00	0.00	4,758.09	4,000.00	4,000.00
44131 · Curr Supp Teeter	0.00	0.00	606.62	500.00	500.00
44135 · Supp Taxes Current	0.00	0.00	1,683.65	2,100.00	2,300.00
44140 · Curr Unsecured Taxes	0.00	0.00	12,369.41	12,100.00	12,100.00
44145 · Supp Taxes Prior	0.00	0.00	20.13	40.00	60.00
44150 · Prior Year Unsecured Taxes	0.00	0.00	111.76	110.00	150.00
44155 · Homeowner's Exemption - 422	0.00	0.00	1,218.26	1,500.00	2,100.00
Total 44100 · General Property Tax-422	-9.04	0.00	161,585.94	153,350.00	254,210.00
46000 · CAPITAL FUNDS					
46100 · Capacity Charge	0.00	0.00	22,147.00	45,000.00	88,588.00
Total 46000 · CAPITAL FUNDS	0.00	0.00	22,147.00	45,000.00	88,588.00
49000 · TAXES & ASSESSMENTS					
49350 · Sp./Asst Texas Springs 2001-1	0.00	0.00	24,765.52	23,000.00	34,000.00
Total 49000 · TAXES & ASSESSMENTS	0.00	0.00	24,765.52	23,000.00	34,000.00
49500 · OTHER CAPITAL REVENUE					
49505 · Other Interest	0.00	5.00	2.03	40.00	50.00
49550 · New Water Purchase Fee	0.00	0.00	600.00	600.00	600.00
Total 49500 · OTHER CAPITAL REVENUE	0.00	5.00	602.03	640.00	650.00
Total Income	119.32	5.00	209,442.30	222,390.00	377,848.00
Gross Profit	119.32	5.00	209,442.30	222,390.00	377,848.00
Expense					
51000 · WATER COSTS					
51255 · Clear Creek SWRCB Contract	0.00	0.00	13,266.81	4,400.00	4,400.00
Total 51000 · WATER COSTS	0.00	0.00	13,266.81	4,400.00	4,400.00
57000 · DISTRIBUTION SYSTEM IMPROVE.					
57090 · Tank Coating Program	0.00	0.00	80,365.91	130,000.00	180,000.00
Total 57000 · DISTRIBUTION SYSTEM IMPROVE.	0.00	0.00	80,365.91	130,000.00	180,000.00

**Centerville Community Services District
Capital Profit & Loss Budget Performance
February 2026**

	Feb 26	Budget	Jul '25 - Feb 26	YTD Budget	Annual Budget
57400 · PRINCIPAL EXPENSE					
57406 · Sp./Asst. Txn Sprng 2001-1 Prin.	0.00	0.00	9,700.00	9,000.00	9,000.00
Total 57400 · PRINCIPAL EXPENSE	0.00	0.00	9,700.00	9,000.00	9,000.00
57500 · INTEREST EXPENSE					
57506 · Sp./Asst. Txn Sprng 2001-1 Int.	0.00	0.00	5,368.50	9,800.00	9,800.00
Total 57500 · INTEREST EXPENSE	0.00	0.00	5,368.50	9,800.00	9,800.00
57800 · BOND ADMIN. FEE					
57806 · NBS Admin. Fee TSWAD 2002-1	0.00	0.00	2,528.16	2,500.00	5,000.00
57840 · Cent. Admin Fee TSWAD 2001-1	0.00	0.00	0.00	0.00	2,500.00
Total 57800 · BOND ADMIN. FEE	0.00	0.00	2,528.16	2,500.00	7,500.00
58000 · OTHER CAPITAL EXPENSES					
58070 · Muletown Pump - Generator	0.00	0.00	-7,288.54	0.00	52,000.00
58080 · Telemetry Replacement Program	0.00	0.00	113,189.39	216,000.00	216,000.00
Total 58000 · OTHER CAPITAL EXPENSES	0.00	0.00	105,900.85	216,000.00	268,000.00
Total Expense	0.00	0.00	217,130.23	371,700.00	478,700.00
Net Ordinary Income	119.32	5.00	-7,687.93	-149,310.00	-100,852.00
Net Income	<u>119.32</u>	<u>5.00</u>	<u>-7,687.93</u>	<u>-149,310.00</u>	<u>-100,852.00</u>

CENTERVILLE COMMUNITY SERVICES DISTRICT RESERVE FUND STATUS

February 28, 2026

DESCRIPTION	Balance as of 7-1-2025	Balance as of Last Month	Current Balance	Projected Balance As of 7-1-2026	Goal Range
DESIGNATED RESERVES:					
Operation & Maintenance	\$406,359.97	\$553,732.44	\$497,900.33	\$486,000.00	\$614k - \$920k (2)
Water Treatment Plant	\$249,846.89	\$287,700.82	\$291,056.94	\$303,000.00	\$250k - \$500k (3)
Carr Fire Funds	\$156,297.70	\$161,325.31	\$161,325.31	\$158,000.00	
Pump Sta. Rep. & Maint. (Zones A & A1)	\$16,024.24	\$16,539.69	\$16,539.69	\$22,000.00	
Capital Improvement Reserve	\$372,107.57	\$480,863.19	\$423,339.18	\$350,000.00	
Subtotal	\$1,200,636.37	\$1,500,161.45	\$1,390,161.45	\$1,319,000.00	
OBLIGATED RESERVES:					
Capacity Charge	\$119,370.25	\$156,111.56	\$156,111.56	\$209,000.00	
Subtotal	\$119,370.25	\$156,111.56	\$156,111.56	\$209,000.00	
RESTRICTED RESERVES;					
	<u>Maturity Date</u>				
Texas Springs Assessment	6/30/2041	\$44,793.92	\$30,424.07	\$30,424.30	\$33,000.00
Subtotal		\$44,793.92	\$30,424.07	\$30,424.30	\$33,000.00
Total Reserve Balance		\$1,364,800.54	\$1,686,697.08	\$1,576,697.31	\$1,561,000.00

1 O&M Goal Range	Goal Range is projected to achieve the Reserve Policy range within 3 - 7 years using the Rate Stabilization Fee.
2 WTP Goal Range	Goal Range is projected to achieve the Reserve Policy range within 1.5 - 5 years using the Water Treatment Plant Fee.

**MEMORANDUM**

DATE: March 4, 2026
TO: Board of Directors
FROM: Chris Muehlbacher
Subject: **New Business 1 – Consider a Violation Related to a Prohibited Act of System Tampering at 16370 Trail Drive**

Recommendation

ACTION – It is recommended that the Board make a determination that a Prohibited Act took place at 16370 Trail and authorize the District Manager to assess the first violation of \$250.

Item Explanation

Water service for 16370 Trail Drive was terminated on February 2, 2026 for non-payment and the water meter was removed.

On February 17, 2026, Operator Staff confirmed that a straight pipe and fittings were adapted to the District facilities so that an unauthorized water service was obtained by the resident without paying the full lawful charge. The account holder is Brittany Supachana. Notice of this violation was provided in writing at the house. A certified, return receipt mailing was also sent to the residence which was returned by USPS as “attempted – not known – unable to forward”. The resident was provided notice of this being presented to the Board as well as an opportunity to address the Board. To date, no response or acknowledgement has been received. No additional tampering has taken place. Also, a report has been made with the County Sheriff.

It is recommended that the Board make a determination that a Prohibited Act took place and to authorize the District Manager the ability to assess the first violation of \$250.

Attachment

- Policy Manual Chapter 3.1400 Prohibited Acts

to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

If the service is terminated, the Tenant may elect to establish service subject to the terms and conditions of service, meets the requirements of law and the District's Rules & Regulations. In order for the amount due on the delinquent account to be waived, the District requires that the Applicant verify that the delinquent account customer of record is, or was, the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreements, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

4. Non-Allowable Water Service Termination

- a. In addition to the Restrictions imposed by the Policy, the District has set forth the following restrictions on terminations of a Customer's water service for nonpayment of water service charges. No Customer's service shall be terminated:
 - i. On a Friday, weekend, District observed holiday (or the day prior), or at any time during which the District Office is not open to the public.

5. Service Restoration

- a. Unless otherwise provided for pursuant to the Policy for Discontinuation of Service for Nonpayment, Water Service that has been terminated for Nonpayment in accordance with this Policy will be restored upon payment of the entire amount due, which shall include all delinquent charges, service reconnection charges, security deposit and other penalties.

6. Annual Reporting

- a. The annual number of discontinuations of service for inability to pay shall be reported on the District's webpage in January of each year.

3.1400 **PROHIBITED ACTS**

- 1. Any person who obtains water services from the District without paying the full lawful charge therefore, or with intent to enable another person to do so, or with intent to deprive the District of any part of the full lawful charges for water services, provides, commits, authorizes, or solicits any of the following shall be liable to the District for the penalties set forth in this Section.
 - a. Diverts or causes water to be diverted by any means whatsoever.

- b. Prevents any water meter, or other device used in determining the charge for water services, from accurately performing its measuring function by tampering or by any other means.
 - c. Tamperers with any property or equipment owned by or used by the District to provide services.
 - d. Makes or causes to be made any connection with or reconnection with property or equipment owned or used by the District to provide water services without the authorization or consent of the District.
 - e. Uses or receives the direct benefit of all or a portion of water services with knowledge or reason to believe that the diversion tampering, or unauthorized connection existed at the time of that use, or that the use or receipt was otherwise without the authorization or consent of the District.
2. Determination of Violation: The Board of Directors of the District, after notice and opportunity to be heard, shall determine whether there has been a violation of the prohibitions of this Section. In that determination, if there are any of the following objects, circumstances, or conditions on the premises controlled by the Customer or by the person using or receiving the direct benefit of all or a portion of water services obtained in violation of this section, then the District may conclusively presume that the Customer or person did violate this section:
- a. Any instrument, apparatus, or device primarily designed to be used to obtain water services without paying the full lawful charge there for;
 - b. Any water meter that has been altered, tampered with, or bypassed so as to cause no measurement or inaccurate measurement of water delivered; or
 - c. The cutting or removal of a seal on any meter or other water measuring device.
3. Penalties: In the event any person is found liable to the District for violations set forth above in Section 3.1400.2., each and every person involved in such violation shall be liable to the District as follows:
- a. Fines for violations are payable upon demand to the party so assessed, and shall be payable in the following amounts:
 - i. First violation: cost of unauthorized water taken, plus a fine of up to \$250.00.
 - ii. Second violation: cost of unauthorized water taken, plus a fine of up to \$500.00.
 - iii. Third and subsequent violations: cost of unauthorized water taken, plus a fine of up to \$1,000.00.
 - b. In the event that a person violates the above cited restrictions, and as a part of such violation tampers with a fire hydrant there by increasing danger to life and property, such fire hydrant tampering will result in immediate assessment of a

fine of up to \$1,000.00, plus, in the District's discretion, criminal charges may be pressed with appropriate authorities pursuant to the provisions of the California Penal Code.

- c. Any repairs which are required to restore damaged facilities shall be paid for by the person or persons who tampered with the facilities, or the customer to whom the facilities currently serve water, or by any new or different customer requesting water service through the damaged facilities.
- d. The foregoing penalties shall be in addition to any such other penalty as is provided by law, including but not limited to California Penal Code Section 498, and any other criminal violations that may result from the unlawful taking of District water supplies.
- e. The fines set forth in this section may be submitted to the County as liens or special assessments should the Customer fail to pay.

3.1500 MISCELLANEOUS PROVISIONS

1. Meter Testing And Billing Adjustments For Inaccuracies

The District may test meters at any time, and shall field test a meter upon the request of a Customer who first deposits the current meter testing fee with the District. If the test indicates the meter is registering within five (5) percent of accuracy, the testing fee shall be retained by the District to cover its cost of testing. If the test indicates the meter is more than five (5) percent in error, the testing fee shall be refunded and the meter repaired or replaced at the District's discretion. If the meter error over 5-percent is in the Customer's favor, the District shall refund to the Customer the estimated overcharge for a period of three months immediately preceding the meter testing. If the error is in the District's favor, a supplemental bill may be rendered equal to the difference between the Customer's average bill for comparable service and his actual bills for the preceding three-month period.

3.1600 PROTECTION OF PUBLIC WATER SUPPLY

The District is required by laws of the State of California (California Administrative Code, Title 17, Chapter V, Sections 7583-7622 inclusive), and by the Shasta County Health Department to enforce regulations to safeguard its drinking water supply by preventing backflow into the water system. If the property served water by the District has a well or other auxiliary water supply, it must provide an approved backflow preventor on the property side of the District water service. The Customer is required to pay the monthly Backflow Prevention Charge. This assembly is tested by the District at least once each year for backflow leaks. If leakage is found, the backflow preventor is repaired and billed as appropriate. The California Department of Public Health sanitary engineering personnel, the Shasta County Health Department personnel, and the District's personnel may also inspect the assembly at various times each year.



MEMORANDUM

DATE: March 9, 2026

TO: Board of Directors

FROM: Chris Muehlbacher

Subject: **New Business 2 – Accept the PLC, Radio, and Antenna Replacement Project and Authorize Issuance of a Notice of Completion**

Recommendation

ACTION – It is recommended that the Board accept the project and authorize the District Manager to issue a Notice of Completion.

Item Explanation

The project has been completed, including the approved change orders, to the satisfaction of District Staff and PACE Engineering. It is recommended that the Board accept the project and authorize the District Manager to issue a Notice of Completion. Below is a summary of the project budget:

Tasks	Revised Budget	Actual Budget
Engineering Design (Telemetry)	10,500	10,500
Engineering Design (PLC)	48,000	48,000
Bidding & Construction Support	13,500	13,500
PLC & Telemetry System	135,000	135,000
Programming	72,000	72,000
Contingency	20,000	16,436*
Contingency – Remaining		3,564
Total	299,000	299,000

Upon filing the Notice of Completion, the contractor retention payment of \$7,003.05 can be made following the 30-day waiting period.

* Contingency used includes change orders 1 & 2 below as well as the purchase of spare radios in the amount of \$4772.37.

Change Order 1 - \$6,426

This change order is to supply and install two Optix Panels at the Muletown Pump Station and the C Pump Station. The existing panels are approaching the end of their remaining useful lives and are not directly compatible with the new PLCs. These panels are anticipated to be received the week of November 20th.



MEMORANDUM

DATE: March 9, 2026
TO: Board of Directors
FROM: Chris Muehlbacher
SUBJECT: New Business 3 – Consider Resolution 2026-01 Adopting the Records Management Policy and Retention Schedule

Recommendation

ACTION – The Ordinance Committee concurs with the recommendation that the Board adopt Resolution 2026-01 establishing the Records Management Policy and Retention Schedule.

Overview

The purpose of this **Records Management Policy and Retention Schedule** is to establish standards and procedures for the creation, retention or disposal of District records in accordance with California law and regulations applicable to the community services district. Furthermore, this policy establishes authority and assigns responsibility for implementing and maintaining the administrative framework through which the purposes are to be achieved.

Inherent with this policy is recognizing the District's responsibility and obligations to manage its documents as well as its ability to respond to Public Records Requests.

This policy will provide the authority and framework for managing the records while the retention schedule provides the actual timeline for various documents.

This has been reviewed by the Ordinance Committee as well as District Counsel.

Attachment(s)

- Records Management Policy & Retention Schedule
- Resolution 2026-01

RESOLUTION 2026-01

**A RESOLUTION OF THE CENTERVILLE COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS ADOPTING A RECORDS RETENTION POLICY**

WHEREAS, the Centerville Community Services District ("District") is a Community Services District formed pursuant to Government Code section 61000, et seq.; and

WHEREAS, Pursuant to Government Code Sections 60200-60204, the District's Board of Directors ("the Board") is authorized to destroy or dispose of any District record (with exceptions) by utilizing any of the procedures set forth therein; and

WHEREAS, the Board seeks to adopt a records retention policy outlining the timeframes for destruction of documents consistent with California law.

NOW, THEREFORE, BE IT RESOLVED that the District does hereby resolve, determine and order as follows:

1. It is the general policy of the District that all District records shall be retained, stored, or destroyed as authorized by the Board and allowed under California law.
2. Pursuant to California law, the record retention schedule attached hereto as **Exhibit "A"** and incorporated herein by this reference is hereby adopted in its entirety. In accordance therewith, after the records referenced therein have been retained for the time periods and according to the process set forth therein, such records are hereby authorized to be destroyed. The District is not required to photograph, reproduce, microfilm, or make a copy of any record that is destroyed or disposed of in accordance with the provisions of this policy.
3. Any record not expressly required by law to be filed and preserved in original form may be destroyed at any time after it is electronically stored in conformance with the requirements of California law.
4. This Resolution will be reviewed and revised as deemed necessary by the Board.
5. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of the Centerville Community Services District this 18th day of March, 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mark Oliver, Board President

ATTEST:

Tina Teuscher, Board Secretary

CENTERVILLE COMMUNITY SERVICES DISTRICT

RECORDS MANAGEMENT
POLICY AND RETENTION SCHEDULE

SECTIONS	PAGE
1.0 Purpose	1
2.0 Records Management Program.....	1
3.0 Records Retention Schedule.....	2

Appendix A – Annual Records Destruction List

Appendix B – Records Retention Schedule

1.0 PURPOSE

The purpose of this **Records Management Policy and Retention Schedule** is to establish standards and procedures for the creation, retention or disposal of Centerville Community Services District (the “District”) records in accordance with California law and regulations applicable to the community services district. Furthermore, this policy establishes authority and assigns responsibility for implementing and maintaining the administrative framework through which the purposes are to be achieved.

2.0 RECORDS MANAGEMENT PROGRAM

The District shall retain, store and dispose of its records in accordance with this policy, the provisions of Government Code sections 60200 through 60203 (disposal), California Water Code §21403 and the Local Government Records Management Guidelines as prepared by the Secretary of State.

The District recognizes its responsibility and obligation to foster efficient and cost-effective controls over the creation, utilization, organization, maintenance, preservation, retention and disposal of its records. The California Public Records Act (California Government Code Section 7920.000 et seq) provides for public access to governmental records, upon request, unless there is a legal basis not to disclose the records.

- A. A “**record**” is defined to include all writings, maps, exhibits, recordings, films, including both hard copy and digital copy, owned or used by the District.
- B. A “**Records Retention Schedule**” is a list of all records produced or maintained by the District and the actions taken with regards to those records. A schedule is the District’s legal authority to receive, create, retain, and dispose of official records. It assists the District by documenting which records require office or temporary storage, which records have historical or research value, and which records should be destroyed because they no longer have any administrative, fiscal, or legal value.
- C. The **Secretary to the Board** is responsible for the overall daily administrative duties in managing the program consisting of procedures of records management from their creation to their disposal. The Records Management Program requires that the records are managed in an efficient and economical manner to ensure records are readily available for inspection and duplication as required by the California Public Records Act. This policy and the Records Retention Schedule are reviewed annually and updated as needed,
- D. The **District Manager** is responsible for the overall program and policy implementation. The District Manager is authorized by the Board to interpret and implement this policy, authorize the transfer of records to record centers and to cause to be destroyed any, or all, such records, papers, and documents that meet the qualifications governing the retention and disposal of records specified herein. To facilitate the daily management of the program, standard operating procedures and guidelines shall be used to implement the daily functions until the records are disposed.

3.0 RECORDS RETENTION SCHEDULE

The attached Records Retention Schedule (Appendix B) complies with the records retention guidelines provided by the California Secretary of State and may be updated from time to time.

APPENDIX A

ANNUAL RECORDS DESTRUCTION LIST

DATE OF RECORD	DESCRIPTION OF RECORD	RECORDS RETENTION SCHEDULE REFERENCE	CONFIRMING STAFF INITIALS

I certify that such destruction meets the requirements of the Records Management Policy of the Centerville Community Services District and all applicable requirements of State and Federal law.

District Manager

Date

Secretary to the Board

Date of Destruction

The records identified in this list were destroyed under my supervision by the following method:

Shredding Deletion Other

APPENDIX B

RECORDS RETENTION SCHEDULE *

Legend:

LR = legally required retention period

PERMANENT (O) = Permanently retained in original form

PERMANENT (C) = Permanently retained, may be converted into some other copy storage medium (for example, a PDF copy)

TITLE	MINIMUM RETENTION PERIOD	NOTES/ COMMENTS
ADMINISTRATION		
Correspondence	3 years	
Policy and Procedures	5 years after cancellation	
Formation/accreditation	PERMANENT (O)	LR
Filings with Secretary of State	PERMANENT (C)	LR
Work Orders	3 years	
Public Records Request Forms	3 years	
BANKING		
Correspondence	Audit + 3 years	
Bank Reconciliations	Audit + 5 years	
Bank Securities (records)	PERMANENT (O)	
Bank Receipts	Audit + 4 years	
Checks – Cancelled (remote deposit capture)	60 days after deposit	
Checks – Voided	Audit + 1 year	
Deposit Slips	Audit + 4 years	
Signature Authorization	Audit + 4 years	
BOARD OF DIRECTORS		
Agendas	PERMANENT (C)	
Staff Reports	3 years	
Board Meeting Minutes	PERMANENT (C)	LR
Committee Agendas	3 years	
Committee Notes	PERMANENT (C)	LR
Ordinances	PERMANENT (O)	LR
Resolutions	PERMANENT (O)	LR
Ethics Code	Current + 3 years	LR
Ethics Training (Proof of Completion) -	5 years	LR
Board Meeting Recordings	30 days after minutes approved	

CAPITAL IMPROVEMENTS		
Capital Improvement Contracts	Contract terms + 7 years	LR
Accepted Bid Documents	5 years	
Unaccepted Construction Bids/Proposals	2 years	LR
Maps, Plans, Drawings, Exhibits, Photos	PERMANENT (C)	LR
Master Plans	Current + 2 years	
Studies & Reports	Current + 2 years	
Surety & Fidelity Bonds	Expiration + 5 years	
CONTRACTS		
Agreements and Contracts	7 years following end of contract	LR
Request for Proposal	Contract term + 5 years	
Request for Qualifications	Contract term + 5 years	
Response to Request for Proposal – accepted	Contract term + 5 years	LR
Response to Request for Proposal – unaccepted	2 years	
Response to Request for Qualifications – accepted	Contract term + 5 years	LR
Response to Request for Qualification- unaccepted	2 years	LR
ELECTION MATERIALS		
Ballot arguments (bond issues)	PERMANENT (O)	
Bond proposition results	PERMANENT (O)	
Proposition 218 materials	PERMANENT (O)	
Results, Board of Director office	PERMANENT (O)	
General election materials, other than above	3 years	
Special election materials, other than above	3 years	
FINANCIAL		
Accounts Payable – Invoices	Current + 7 years	
Annual Budget	Audit + 2 years	
Audit – Financial Statement	PERMANENT (C)	
Audit – Work Product	Audit + 4 years	
Audit - Correspondence	Audit + 2 years	
Bonds – Assessments	PERMANENT (C)	
Check Detail / Cash Disbursements	PERMANENT (C)	
Issuance of Indebtedness (Assessment Districts)	Audit + 4 years after repayment	
Payroll / Timecards	Payroll = Termination + 3 years	
Petty Cash Report	Current + 7 years	
Profit & Loss (O&M and Capital)	PERMANENT (C)	
Purchase Orders	Audit + 3 years	
Wage (timecard, etc.)	Audit + 6 years	
GRANTS		
Community Development Block	Termination + 4 years	GC 34090
Federal and State	Close-Out + 5 years	GC 34090

INSURANCE		
Memoranda of Coverage	Expiration + 5 years	
Insurance Policies	Expiration + 5 years	
Endorsements	Expiration + 5 years	
Certificates of Insurance	Expiration + 5 years	
LEGAL		
Attorney Correspondence	3 years	
Claims and claims records	2 years after close of claim	LR
Minor's claims	2 years from age 18	LR
Litigation	2 years after litigation concludes	LR
Opinions	7 years	LR
OPERATIONS & MAINTENANCE		
Consumer Confidence Reports	10 years	LR
Cross-Connection Control Documents		
Inventory	4 years	
Lab Results (64580, 64582 & 64583)	Current + 5 years	LR
Lead Service Line	Current + 12 years	
Maintenance and Inspection Logs	4 years	
Records of Flushing Mains & Blow-Offs	3 years	LR
Records of Tank Inspections & Cleanings	3 years (minimum)	LR
Sanitary Survey	Current + 12 years	
Violations, Drinking Water	Current + 3 years	
PERSONNEL / HUMAN RESOURCES		
Personnel Files	Termination + 7 years	LR
Compensation for Directors & Employees	7 years after date of payment	
Reimbursements for Directors & Employees	7 years after date of payment	
Job Descriptions	Current + 2 years	LR
Timesheets	Current + 4 years	
Pension	Employment + 6 years	
Job Applications and Resumes	Job Closing/Completion + 3 years	
Position advertisement	1 year	
Employment test results	1 year	
OSHA logs and records	5 years	
Safety and training records	Employment + 4 years	
SDS (formerly MSDS)	30 years	
Drug & alcohol test records	5 years	
DE 34-New Employee Report	4 years	
DMV - Motor Vehicle Pulls	7 years	
I-9-employment eligibility	3 years after hire or 1 year after	
PERSONAL PROPERTY		
Computer Licenses and Documentation	Until expiration	
Vehicle Ownership	Life of Vehicle	



MEMORANDUM

Date: March 9, 2026

To: Board of Directors

From: Chris Muehlbacher

Subject: **New Business 4 – Consider a Development Agreement with Brandon Lale for a Waterline Extension in Clear Canyon Drive**

Recommendation

ACTION – It is recommended that the Board of Directors approve a Development Agreement with Brandon Lale for a Mainline Extension in Clear Canyon Drive and authorize the District Manager to execute the agreement.

Item Explanation

In April 2021, the Board authorized a development agreement for a waterline extension in Clear Canyon Drive which has now expired. Brandon Lale has requested a new agreement. The proposed Development Agreement gives the developer until July 2028 for the waterline extension. It also includes a new assignment section which indicates that this agreement resides with the property for this period. Mr. Lale has indicated a desire to sell this property.

Attachments:

- Development Agreement

**DEVELOPMENT AGREEMENT
BETWEEN
CENTERVILLE COMMUNITY SERVICES DISTRICT &
BRANDON LALE**

THIS AGREEMENT is made and entered into to be effective as of the ____ day of March 2026, by and between the CENTERVILLE COMMUNITY SERVICES DISTRICT (hereinafter the “District”), and Brandon Lale (hereinafter collectively “Developer”).

RECITALS:

- A. Developer is the legal owner of real property located in the County of Shasta (the “County”), State of California. The legal description of the real property (the “Property”) is attached hereto as **Exhibit “A”**.
- B. The Property is presently within the boundaries of the District.
- C. Developer Brandon Lale owns Assessor’s Parcel Number 041-580-010 (“Property”). This property has a pre-paid Capacity Charge with the District for one single-family residence.
- D. Developer has requested that the District supply water for irrigation of landscaped areas, domestic use, and fire protection to the Property all of which are subject to the most current version of the District’s Water Shortage Contingency Plan.
- E. The District, subject to the terms and conditions of the Agreement, agrees to provide water to the Property as set forth herein.

NOW, THEREFORE, for and in consideration of the agreement hereinafter provided, and to ensure performance by each party of its contractual obligations as herein provided, the parties agree as follows:

1. **Agreement to Provide Water:** The Developer intends to develop and construct on the Properties single-family residences. To develop this property, in addition to the necessity of obtaining all regulatory approvals, Developer requires a source of water for the Subdivision for domestic use and fire protection. The District, in

consideration of the terms and conditions of this Agreement and subject to the fulfillment of all such terms and conditions, agrees to provide domestic and fire protection water to the property. The District's agreement to provide water shall, always be contingent upon:

- a. Availability of water to the District from its contractual entitlements and owned water, and further during drought conditions subject to the provisions outlined in the District's Water Shortage Contingency Plan adopted by Resolution 2023-08 on June 21, 2023, or as further amended. Copies are attached hereto as **Exhibit "B"**.
- b. No individual single family residential lot being less than three (3) acres in size.

2. **Property In District:** The Property is presently within the boundaries of the District.

3. **Off-Site Improvements:** To meet water system demands and fire flow requirements for the Properties an extension to the District's existing water distribution system will be required. If the timing of construction does not meet the Developer's needs for lot connection, the Developer may wish to construct needed improvements and enter into a Reimbursement Agreement with the District. The schedule of delivery of the Off-Site Improvements shall be such as to meet the water demands of the Property.

4. **On-Site Improvements:** Developer therefore agrees as follows with respect to these on-site improvement conditions (the "Water System Improvements"):

- (a) **Water System Improvements:** Developer will be required, at their sole cost and expense, to construct in accordance with improvement plans submitted to and approved by the District and as is applicable by the California Department of Forestry and Fire Protection and the Shasta County Fire Department ("CAL FIRE/SCFD") all Water Systems Improvements. On-site fire hydrants and fire suppression improvements (collectively the "fire suppression facilities") attendant thereto including, but not necessarily

limited to water lines, detector checks and back flow devices. As part of the on-site fire suppression facilities, Developer shall provide fire hydrants in locations as specified by the District and in accordance with Fire Safety Standards of CAL FIRE/SCFD. All on-site fire suppression facilities in addition to the fire hydrants, which improvements may include, but shall not be limited to water lines, detector checks and back flow devices, shall be installed and accepted in writing as completed by CAL FIRE/SCFD and the District prior to any foundation inspection by the Shasta County Building Division.

- (b) **Maintenance of On-Site Fire Suppression Improvements:** Upon completion of the fire suppression facilities and the approval of such improvements by CAL FIRE/SCFD and the District, the District agrees to become the responsible party for the maintenance of valves, fire hydrants and pipes which are a part of the suppression facilities. Backflow devices shall be subject to the District's Cross-Control Connection and Backflow Plan as adopted by Resolution 2025-05, a copy of which is attached hereto as **Exhibit "C"**, of such fire suppression facilities.

5. **Additional Requirements of Developer For Improvement Work:** With respect to the Developer's obligations to provide the Water System Improvements, the Developer shall:

- (a) Obtain, at Developer's expense and with any needed cooperation of the District, all necessary permits or licenses for the construction of such improvements, and give any necessary notices and pay all fees required by law; and
- (b) Maintain proper facilities and provide safe access for inspection by the District to all parts of the work. Inspection shall be provided during normal working hours; and

- (c) Obtain as may be required from the Regional Water Quality Control Board, a Construction General Permit and comply with all other requirements and regulations of the Regional Water Quality Control Board; and
 - (d) Perform, or cause to be performed, all work and furnish all materials necessary to comply with any reasonable changes required by the District which, in the District's opinion, are necessary or required to complete the work in conformity with District standards or which may be the result of changed conditions.
 - (e) Perform, or cause to be performed, all work necessary for the construction of the Water System Improvements in accordance with all applicable laws and regulations, including compliance with all CAL-OSHA standards and District policies.
 - (f) Provide, prior to acceptance of the improvements, as-built plans and certifications as required by the District.
 - (g) Developer will do and perform, or cause to be done and performed at Developer's own expense, in a good and workmanlike manner, all construction and furnish all required materials for the above work. Such work, shall be done in conformity with plans and specifications prepared by the Developer in conformity with District's standards, with the plans and specifications to be reviewed and approved by the District's engineers prior to commencement of construction.
6. **Grant of Rights of Entry and Easement:** Developer agrees to grant to the District, pursuant to written documents in form and substance acceptable to the District, all necessary rights of entry and easements as may be required by the District for the purposes of construction, inspection, maintenance, repair and replacement of District water delivery system improvements to be completed by Developer, and which pursuant to Section 10, will be transferred to the District. At the request of the District, Developer will execute and deliver easement deeds or rights of entry as reasonably requested by the District. All such easement deeds

and rights of entry shall be conveyed to the District by Developer prior to the Districts' acceptance of the Water System Improvements to be completed by Developer. Developer agrees that the District shall have no obligation, should easements or rights of entry be required on real property owned by third parties in order to complete Developer's improvement work, to pay for or obtain any such easements or rights.

7. **NOT USED**

8. **Surety Bond:** To assure completion of the Water System Improvements including fire suppression facilities and to assure payment to all persons performing labor and/or furnishing material in connection with the Water System Improvements, Developer, prior to commencement of the Water System Improvements, shall:

- (a) File, or cause to be filed, with the District, a Surety Bond in the amount of one hundred fifty percent (150%) of the cost of the Water System Improvements as reasonably determined by the District Engineer. The Surety Bond shall be issued by a company authorized to provide surety bonds in the State of California and shall be on form satisfactory to District counsel, guaranteeing that Developer will perform all of its obligations in the construction of the Water System Improvements and will pay for all work and material furnished with respect to that work.
- (b) In lieu of filing the Surety Bond specified in subsection (a) above, the Developer may with the consent of the District:
 - (i) Make a deposit in the amount required for the Maintenance Bond, with the District, of money or negotiable bonds of the kind approved by provisions of law for securing deposits of public money in banks; or
 - (ii) File with the District a Letter of Credit approved by District counsel in the amount required for the Maintenance Bond.
- (c) The Surety Bond, Maintenance Bond, cash deposit or Letter of Credit shall be released only after completion of the Water System Improvements, acceptance of the work by the District and termination of the lien free period

and claims for material or labor with respect to the Water System Improvements.

- (d) In the event the Surety Bond is waived, the Developer agrees to provide a Surety Bond should the final map be filed prior to completion of the waterline improvements.

9. Transfer of Title to Improvements: Upon completion and acceptance by the District of the Water System Improvements, Developer shall transfer and vest absolutely in the District the public improvements constituting the Water System Improvements.

10. Warranty of Repair or Reconstruction of Defective Work: If, within a period of one (1) year after final acceptance by the District of the Water System Improvements constructed by the Developer or caused to be constructed by the Developer under this Agreement, any improvement or part thereof furnished and/or installed or constructed, or caused to be installed or constructed by the Developer, fails by reason of Developer's failure to comply with the plans or specifications approved for the Water System Improvements or due to defects in materials or workmanship, Developer shall, without delay and without cost to the District, repair or replace or reconstruct any defective or otherwise unsatisfactory part or parts of the work of improvement. Should the Developer fail to act promptly in accordance with this requirement, or should the exigencies of the particular failure require repairs or replacement to be made before the Developer can be notified, the District may, at its option, make the necessary repairs or replacements or perform the necessary work, and Developer shall pay to the District the actual cost of such repairs plus fifteen percent (15%) for administration and overhead costs.

The Developer shall also maintain erosion control measures on any new cut or fill, slopes or other disturbed areas during the one (1) year guarantee period following the date of acceptance by the District and shall repair any fill, slope, instability (slip out) or erosion damage.

To insure Developer's warranty of repair and reconstruction contained in this section, the Developer shall provide to the District a "Maintenance Bond" in form and amount satisfactory to the District, such Bond to remain in effect for a period of one (1) year after acceptance by the District of the Water System Improvements.

11. Developer's Insurance: Developer shall not commence any work of improvement under this Agreement until Developer shall have obtained, or cause its contractor or contractors to obtain, all insurance required by this section. Developer shall not allow any contractor or subcontractor to commence work until all similar insurance required of the contractor or subcontractor shall have been obtained. All requirements herein provided shall appear either in the body of insurance policies or as endorsements.

(a) **Worker's Compensation Insurance:** Developer and all of Developer's contractors or subcontractors shall maintain, during the term of this Agreement, worker's compensation insurance for all employees employed by any of them with respect to the Water System Improvements.

(b) **Comprehensive General and Automobile Insurance:** Developer shall maintain, during the term of this Agreement and until acceptance by the District of the Water System Improvements, and cause its contractors or subcontractors to also maintain, such insurance as shall insure the District, its elective Board, agents, consultants and employees, as well as the Developer and any contractor or subcontractor performing work covered by this Agreement from claims for damages for personal injury, including death, as well as from claims for property damage which may arise on the Property or on any public streets or easements or private property upon which work required by this Agreement is being performed. The amount of such insurance shall be not less than One Million Dollars (\$1,000,000.00) bodily injury, with Five Hundred Thousand Dollars (\$500,000.00) property

damage, or Two Million Dollar (\$2,000,000.00) combined single limit coverage.

(c) **Evidence of Insurance:** Developer shall furnish to the District, prior to commencement of any work of improvement, satisfactory evidence of the existence of all insurance required, together with evidence that each such insurance carrier is required to give the District at least thirty (30) days prior notice of the cancellation or reduction in coverage of any policy during the effective period of this Agreement. The address of the District must be shown on the Certificate, i.e., Centerville Community Services District, 8930 Placer Road, Redding, California 96001. The following endorsements are required as part of such insurance:

(i) **Additional Named Insured Endorsement:** All insurance afforded by this policy shall also apply to the Centerville Community Services District, its elected Board, officers, agents, consultants, and employees as additional named insured insofar as work performed by the insured on the Water System Improvements.

(ii) **Primary Insurance Endorsement:** Such insurance as is afforded by the endorsement for the additional insured shall apply as primary insurance. Any other insurance maintained by the Centerville Community Services District shall be excess only and not contributing with the insurance afforded by this endorsement.

(iii) **Severability of Interest Clause:** The term “insured” is used severally and not collectively, but the inclusion herein of more than one insured shall not operate to increase the limit of the company’s liability.

12. Hold Harmless and Indemnity Agreement: Developer hereby agrees to, and shall, hold the District, its elective Board, agents, consultants and employees harmless from and indemnify them against any liability for damage or claims for damage for personal injury, including death, as well as from claims for property

damage which may arise from Developer's or Developer's contractors, subcontractors, agents, or employees' operations under this Agreement, whether such operations be by the Developer or any of the Developer's contractors, subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for, the Developer or any of the Developer's contractors or subcontractors. Developer agrees to, and shall, defend the District, its elected Board, agents, consultants and employees from any suits or actions at law or in equity for damages caused or alleged to have been caused by reason of any activity with respect to the obligations of the Developer under this Agreement. These hold harmless and indemnity provisions shall be in effect and not altered because of:

- (a) Acceptance by the District of any of the insurance policies described in Section 9 hereof; or
- (b) By reason of the District having prepared, supplied or approved of plans and/or specifications for the work of improvement.

13. Time For Commencement and Performance of Work: At least seven (7) calendar days prior to the commencement of the Water System Improvements, Developer shall notify the District Manager of the date fixed by the Developer for commencement thereof so that the District can provide inspection services.

In the event the Developer has not begun to perform or cause to be performed the Water System Improvements on or before the earliest to occur of July 1, 2028 or that date upon which the Developer's regulatory approval through the County of Shasta expires, then this Agreement shall terminate and neither party shall have any further obligation hereunder.

14. Payment by Developer of District's Fees, Rates and Charges: The District, pursuant to the Policy Manual as adopted by Ordinance No. 2022-02, as amended, has established certain fees, rates and charges. A copy of the Policy Manual, as

amended, is attached hereto as **Exhibit “D”**. Developer agrees to be responsible for and to pay all fees, rates and costs imposed on the Developer by the District through its Ordinances, in the amounts and at the times required by District Ordinances then in effect.

15. Default Provisions: In the event of a default or breach of this Agreement or any of its terms or conditions by the District or the Developer, the party alleging such default or breach shall give the breaching party written notice thereof (the “Notice of Default”), which shall be delivered either personally or by certified mail, return receipt requested. The Notice of Default shall specify in detail the nature of the alleged default, and where appropriate, the manner in which said default may be satisfactorily cured. Within thirty (30) days of receipt of the Notice of Default for all non-monetary defaults and within fifteen (15) days of receipt of Notice of Default for monetary defaults, the defaulting party shall cure or commence to cure and diligently proceed to completion the curing of any such default. During any period that the party charged is diligently proceeding to cure, such defaulting party shall not be considered in default for the purposes of termination or institution of legal proceedings.

Failure or delay in giving a Notice of Default shall not constitute a waiver of any default. Any failure or delay by a party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or provide such party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies. All remedies permitted by law shall be cumulative and alternative and invocation of any right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

The parties further agree that damages may not be an adequate remedy for the parties if one or more of the parties fails to carry out its obligations under this Agreement and because it may not be possible to place a value or amount of damages which would properly compensate any party in case of any other party's failure to carry out its obligations, the parties agree that specific performance or injunctive relief may be a preferred remedy as opposed to a suit for damages. In the event of an action for specific performance or injunctive relief, the parties agree that no bond shall be required upon imposition by a court of competent jurisdiction of any temporary restraining order or preliminary injunction.

16. Miscellaneous Provisions:

- (a) **Agency:** No agency, neither Developer nor any of Developer's agents or contractors are or shall be considered to be agents of the District in connection with the performance of the Developer's obligations under this Agreement.
- (b) **Notices:** All notices, demands and correspondence required or provided for under this Agreement shall be in writing and shall be delivered in person or dispatched by certified mail, return receipt requested.

Notices required to be given to the District shall be addressed as follows:

Centerville Community Services District
Attn: District Manager
8930 Placer Road
Redding, California 96001
Telephone: (530) 246-0680

Notices required to be given to the Developer shall be addressed as follows:

Brandon Lale
2125 Tradition Way
Redding, CA 96001
Telephone: (530)

- (c) **Integration Agreement:** This Agreement constitutes the entire understanding and agreement of the parties with respect to the matters

encompassed herein. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements or discussions between the parties with respect to all or any part of the subject matter hereof. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements which are not expressly contained herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

- (d) **Incorporation by Reference:** All of the exhibits to this Agreement are specifically incorporated into this Agreement.
- (e) **California Law:** This Agreement is entered into and is to be performed in the County of Shasta, State of California, and shall be governed and construed in accordance with the laws of the State of California.
- (f) **Third Party Rights:** This Agreement is not intended, nor shall it be construed, to create any third-party beneficiary rights in any person who is not a party to this Agreement.
- (g) **Assignment:** The rights and obligations set forth under this Agreement shall automatically transfer to any subsequent owners of the Property. Any other assignments may not occur unless both the District and the Developer agree in writing.
- (h) **Attorneys' Fees:** If the District or Developer brings an action or proceeding by reason of any default or breach or otherwise arising out of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its costs and expenses of suit, including reasonable attorneys' fees. Attorneys' fees under this section shall include attorneys' fees on any appeal.
- (i) **Inurement:** Each of the provisions, terms, covenants, conditions, rights, powers, agreements and obligations contained in this Agreement shall be

binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, assigns, devisees, administrators, representatives, and all other persons or entities who may acquire an interest in the Property or any portion thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the day and year first above written.

**CENTERVILLE COMMUNITY
SERVICES DISTRICT**

By: _____
Christopher Muehlbacher
District Manager

ATTESTATION:

TINA TEUSCHER
Secretary, Board of Directors

DEVELOPER

By: _____
Brandon Lale

Exhibit “A”

Legal Description (Map)

Parcel Number: 041-580-010

Exhibit “B”

Centerville CSD’s Water Shortage Contingency Plan

Exhibit “C”

Cross-Connection Control and Backflow Policy, as amended

Exhibit “D”

Policy Manual – As Amended

CENTERVILLE



COMMUNITY SERVICES DISTRICT

MEMORANDUM

Date: March 9, 2026
To: Board of Directors
From: Chris Muehlbacher
Subject: **Old Business 1 – Muletown Pump Station Generator Project Update**

Recommendation

INFORMATION – No update is available. FEMA has until March to respond to the CalOES request.

Discussion

Scope Of Work & Budget Increase

As a result of operational issues identified during the design process, it was determined that it was necessary to request a change to the approved scope of work which also required a budget increase. This request was made by the City of Redding on February 11, 2025. This request also included a local share commitment of \$51k from Centerville. In total, it was requested to increase the budget by \$287k which would increase the approved budget of \$419k upwards to \$706k. To date, no response has been provided.

Time Extension

On June 17, 2024, the City of Redding requested a time extension for this project. CalOES approved a time extension on June 23, 2025, which extended the project performance period until January 9, 2026. As that date is rapidly approaching, CalOES has requested a further time extension from FEMA for the entire DR4382 grant program. On December 3rd, Centerville was advised by CalOES that FEMA has 90 days to respond to this request.

At this time, this project is at risk of being closed out on January 6th absent of an extension being made for the entire grant program.

A meeting is scheduled with CalOES, City of Redding and Centerville to further discuss this project, any updates for the time extension, and all available options. An update will be provided at the Board meeting.

CENTURYVILLE



COMMUNITY SERVICES DISTRICT

MEMORANDUM

Date: March 9, 2026
To: Board of Directors
From: Chris Muehlbacher
Subject: **Old Business 2 – Carr Fire Recovery Project Update**

Recommendation

INFORMATION – No update is available. CalOES has not provided any further update.

Discussion

Background:

On November 24, 2025, the final project closeout for the Direct Administrative Costs (DAC – Project Worksheet PW-98) was completed by CalOES. The closeout process began on December 21, 2022 with the District's submittal of the P-4 form which summarized all the projects. Review of this item began in April 2025.

On April 9, 2025, CalOES provided a letter acknowledging that six of the PWs were closed-out (23, 25, 27, 32, 44 and 58) totaling \$328,215 and that the additional PWs remain to be closed out. In June 2025, a Final Inspection Report was provided by CalOES for these projects.

On November 21, 2025, CalOES provided the Federal Final Inspection Report: Application Closeout for the remaining PW-98 (DAC) noting that "upon closeout of PW 98, the District DR 4382 application will be closed in its entirety once all FEMA determinations are received, PW obligations are accounted for, and any subsequent appeal rights are exhausted".

On December 2, 2025, CalOES confirmed that there is nothing more for the District to do at this time unless reached out by a Specialist. They advised that a letter will be sent to confirm this after the Closeout transmits the disaster application to Finance (this is a Cost-share disaster application and is currently pending assignment to a Closeout Specialist). No timeline has been provided as of this writing.

Fiscal Impact

In summary, FEMA awarded a total of seven (7) projects totaling \$347k for the benefit of this District because of Carr Fire impacts. At present, there remains approximately \$156k in reserve which was not used in completing the approved projects and continues to compound interest. It appears that an additional \$16k will become available as part of the close-out process.

Attachment(s) – None