

CM 3/20/20

CENTERVILLE COMMUNITY SERVICES DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Richison, Vice President Woodstrom, Director Oliver,
Director Willis and Director Whitehead
Absent: None
Others Present: Tina Teuscher and Chris Muehlbacher

PRELIMINARY BUSINESS:

- I Call to Order: President Richison called the meeting to order at 7:00 pm.
- II Public Comment Period – Open Time: President Richison opened the public comment period. No comments were received. The public comment period was closed.
- III Approval of the Minutes: Director Willis moved to adopt the minutes from the Regular Board Meeting held January 15, 2019. Director Oliver seconded. Director Willis stated that she would like the minutes to show on Page 4 under the Manager’s Report that the District is continuing to pursue the claim for the damage on Potosi Road. The vote was unanimous. Motion carried as amended.
- IV Authorize Payment of Bills for Current Expenses: Director Woodstrom moved to pay the bills. Director Willis seconded. Mr. Muehlbacher stated that the payment to Centerville CSD Redemption were taxes collected for the 1995-1 Assessment. He also mentioned that the \$3,976.00 was the 1995-1 payoff for the Schmitt Lot Line Adjustment last month. The payment to J&J Pump is for the repair of Pump #1 at the Zone C Pump Station. The payment to PDMS is for the vibration analysis set up and training. The Peterson payment is for the Zone A emergency generator maintenance. The Timberline Heating and Air payment is for a repair to the District’s heating unit. He also mentioned that the final payment to North Valley Builders for the Office Conversion Project was also included in the payments. The vote was unanimous. Motion carried.
- V Status of the Budget Report: Mr. Muehlbacher stated that the O&M revenues were \$739,562 verses expenses of \$760,658. He stated that consumption is trending a little lower than anticipated. This current budget reflects the LAIF interest.

The Capital Budget’s revenue is \$462,910 versus expenses of \$363,172. Mr. Muehlbacher stated that the tax revenue is reflecting taxes collected in January. He also mentioned that the Office Conversion Project is complete and the final payment tonight will be reflected next month.

The Reserve Fund Status sheet shows a total reserve of \$977,320. Mr. Muehlbacher stated that this includes Carr Fire funds in the amount of \$271,879. The notable change this month was the Water Rights Reserve merging with the O&M reserve. Mr. Muehlbacher stated that FEMA has now paid for all projects.

NEW BUSINESS:

- I Shasta County Fire Update: This item was tabled until April's Board Meeting.
- II Approval of Financial Statements for Fiscal Year Ending June 30, 2019: Mrs. Kayla Horton went over the Board Report. She stated that anyone who had debt had to adopt GASB 88. She went over the estimates in the financials. She mentioned that the auditors did not identify any material adjustments.

There were only a couple of suggestions they had regarding internal controls. The first is related to deposits. They suggest that someone go over the deposit to make sure it matches what is in CBSW and that the cash is correct. The deposit sheet should be signed by either Chris, Teddi or Jerry.

The second item relates to adjustments. To verify that all adjustments are being done correctly, they suggest that the Manager initial all Edit sheets regarding adjustments. This is to ensure that the person making the adjustment is not adjusting off a payment and pocketing it.

The last suggestion was to change the District's payroll procedures. They suggested moving the pay period a week allowing for the pay period to end prior to processing payroll. They also mentioned going to every other week paydays, might also be an option. They would simply like to see the pay period closed before payment is made.

Vice President Woodstrom moved to accept and adopt the Audit Report. Director Whitehead seconded. Motion carried.

- III Review and Adopt Ordinance 2020-01 Amending the New Water Purchase Fee: Mr. Muehlbacher stated that this was a house keeping item related to the new Reserve Policy. The New Water Purchase Fee will now be deposited into the O&M Reserves. Vice President Woodstrom moved to adopt Ordinance 2020-01 as presented. Director Oliver seconded. President Richison called for a roll call vote: Director Whitehead – yes; Director Willis – yes; Director Oliver – yes; Vice President Woodstrom – yes and President Richison – yes. Motion carried.

OLD BUSINESS:

- I Acceptance of the Office Conversion Project – CIP 14409: Mr. Muehlbacher stated that the project was complete. He mentioned that the furniture still needs to be put in and the items need to be placed on the walls; however, the project is complete and has been signed off by the County Inspector. Director Oliver moved to accept the project as complete. Director Woodstrom seconded. Motion carried.
- II Review and Discussion of Employee Cost of Living Adjustment Procedure: Vice President Woodstrom stated that the Finance Committee would confirm what the COLA will be and then it is up to the Personnel Committee to decide whether or not to make recommendation to the Board to implement the COLA.

Director Whitehead stated that the reason this is on the agenda is because for the last few years it has not been brought to the Board for approval of implementation. Vice President Woodstrom stated that the Finance Committee

can plan for a COLA in the budget; however, if the COLA is not implemented that is completely fine. Not everything that is budgeted for happens.

The Board agreed that the Finance Committee would set the COLA and the Personnel Committee would or would not make the recommendation to implement it.

- III Update on the Carr Fire Recovery Projects: Mr. Muehlbacher stated that earlier while working with FEMA they stated that we could use whatever means to complete the projects. However, as he was looking into hiring inmates to do some of the brush clearing or using a grant for free labor through EDD, it has been brought to his attention that we cannot use those resources or we must give the money back. Mr. Muehlbacher stated that he will look into hiring part time help to complete some of the projects. He will be putting bid docs together for some of the other projects.
- IV Update on Income Survey: Mr. Muehlbacher stated that RCAC received 241 responses out of the 1220 sent. The median income is coming in at \$94,000. At this point the District would not be eligible to receive the funding.

GENERAL BUSINESS:

- I Correspondence: Mr. Muehlbacher mentioned that he received a notice from LAFCO asking for nominations to sit on their Commission. He stated that if anyone was interested; they would need to be nominated at the next Board Meeting.
- II President's Report: None
- III Manager's Report: Mr. Muehlbacher went through the attached Manager's Report. He stated that he is currently finalizing the District's Construction Standards.

Field staff installed 43 new IPERLS and that project is now 81% complete.

Mr. Muehlbacher stated that although PGE has denied the claim on Potosi Road, Centerville staff is continuing to pursue this with both PGE and their contractor.

Field staff has completed a total of four AC pipe samples. They are currently preparing to extract the next sample here on Placer Road east of the District.

Mr. Muehlbacher stated that Mr. Odom resigned and has taken a job with CalTrans. We are currently looking to hire a Water Service Worker I.

- IV Committee Report: The Ordinance Committee met to discuss the new state law regarding lock offs. Mr. Muehlbacher stated that the State is requiring that we give individuals 60 days before we can deliver a shut off notice. There are also new requirements for notifying customers that they will soon be locked off. The Committee will continue to meet until the Ordinance is ready to go before the Board for approval. By law it must be implemented by April 1, 2020.
- V Announcements: The next Regular Board Meeting will be held March 18, 2020.
- VI Adjournment: The meeting adjourned at 8:28 pm.