

MINUTES OF THE FIVE HUNDRED AND EIGHTIETH REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE RIO ALTO WATER DISTRICT HELD ON
WEDNESDAY, JUNE 20, 2018, AT 6:30 P.M., AT THE DISTRICT BOARD ROOM.

DIRECTORS PRESENT:

Dave Anders, President
Craig Weaver, Vice-President
Steve Gibbs, Director
Don Moitoza, Director

STAFF PRESENT:

Martha Slack, General Manager

ALSO PRESENT:

Rick Brubaker, Homeowner
Dan Herman, Halcyon Solar

ABSENT:

Louise Wilkinson, Director

1 The meeting was opened at 6:30 p.m., by President Anders who chaired the meeting.

2

3 Agenda Item #1 - Public Comment. In attendance was homeowner Rick Brubaker and Dan
4 Herman from Halcyon Solar. Neither guests had any comment.

5

6 Agenda Item #2 – Approval of Excused Absences. Director Moitoza made a motion, seconded
7 by Director Gibbs to approve Louise Wilkinson’s absence. The motion was carried 4-0, with one
8 absent (Wilkinson).

9

10 Agenda Item #3 – Review and Approval of Resolution 04-18, Authorizing the General Manager
11 to File for an ECAA Loan Application.: Vice- President Craig Weaver made a motion to discuss
12 and approve Resolution 04-18, seconded by Director Moitoza. The General Manager explained

1 that we needed to include this resolution in an application for low 1% interest financing for
2 Energy Efficiency & Renewable Energy Generation Projects from the California Energy
3 Commission. The General Manager assured the Directors that the application in no way
4 obligated the District to accept the loan. The District just wants to get in line for funds if and
5 when they become available. Dan Herman expressed the same clarification and went on further
6 to discuss his spread sheet that shows the potential savings to the District if we got accepted for
7 1% financing on a solar program. The fund currently has three million dollars in it and is
8 replenished annually by the loan payments. The motion carried 4-0, with one absent (Wilkinson).

9

10 Agenda Item#4 – Manager’s Report. The General Manager presented the Manager’s Report
11 Update through June 20, 2018. (See attached Addendum A to the Minutes).

12

13 Agenda Item #5 – Review and Approval of Resolution 02-18, Requesting County Elections to
14 Conduct the Election, and requesting Consolidation of the Election: Director Moitoza made the
15 motion, seconded by Vice-President Weaver to request Tehama County Elections to Conduct the
16 Election and requesting Consolidation of the Election. The motion carried 4-0, with one absent
17 (Wilkinson).

18

19 Agenda Item#6 – Approval of Resolution 03-18, approving the GASB Alternative Measurement
20 Method Service Contract with the California School Boards Association District Service
21 Contract Vice President Weaver made the motion, seconded by Director Moitoza to approve the
22 contract with the California School Boards Association District for the OPEB valuation. The
23 motion carried 4-0, with one absent (Wilkinson). The General Manager explained that this is the

1 same group we have contracted with since they have required valuations and we get a much
2 lower rate by piggybacking with the School District Association.

3

4 Agenda Item #7 – Approval of the Minutes from the Five Hundred and Seventy Ninth Regular

5 Meeting of the Board of Directors held on May 16, 2018. Vice President Weaver made the

6 motion, seconded by Director Gibbs to approve the minutes from the Five Hundred and Seventy

7 Ninth Regular Meeting of the Board of Directors held on May 16, 2018. President Anders

8 pointed out an error on page 3 line item 18 and asked the “water towers” be changed to “water

9 tanks.” The motion carried, with correction, 3-0 with one director abstaining (Moitoza) and one

10 director absent (Wilkinson).

11

12 Agenda Item#8 – Approval of the May Disbursement Reports: Vice-President Weaver made a

13 motion, seconded by Director Gibbs to approve the May disbursement reports. The motion

14 carried 4-0 with one absent (Wilkinson). President Anders reminded the General Manager to

15 check with ACWA/JPIA to see if they will continue coverage of the ISHI crew.

16

17 Agenda Item #9 – Review and Approval of the 2018/2019 Budget: President Anders made a

18 motion to adopt the draft budget with the only change being the cell tower revenue going strictly

19 to the water customers so that every single rate payer benefits equally from the cell tower

20 revenue. President Anders spoke with attorney Kelly Salt at the ACWA conference, and she said

21 that all entities must pay for themselves and she felt that because the tower is situated up at the

22 water tanks, she would allocate it to the water customers, but she agreed it is discretionary

23 revenue. President Anders went on to say that there is no longer an emergency in the Sewer

1 District and the Sewer District has got to start paying for itself and/or increasing its rates to
2 sustain. He went on to say that we know each entity has to support its own self by their rates and
3 we know this because we just had to go back to 1997 and reallocate the percentages of benefits
4 to time for the auditor. President Anders went on to say that if we do it any other way it would
5 be penalizing the 480 septic lots. You are penalizing somebody that put in their own septic
6 system. They would effectively be paying a higher proportion of the cost and if they do not
7 receive the benefit they would be paying a higher rate. Having not received a second, Director
8 Moitoza made a motion that we adopt the budget as is with the 50/50 split of the cell tower
9 revenue. Vice-President Weaver seconded Director Moitoza's motion and reflected on President
10 Anders' comment that the Sewer District has no emergency now, but he expressed a rationale for
11 splitting the revenue 50/50 would be for future emergencies for either entity. President Anders
12 said that this would only suppress the rates longer and that is wrong. President Anders said "he
13 gets it", it may be discretionary revenue, but it isn't fair. When it comes time to do rates, people
14 who do not have sewer would be paying higher rates. The only way to make sure that everybody
15 receives the same benefit, penny for penny, is to allocate it only to the water customers. It is a
16 matter of principal, period. Director Moitoza's motion passed 3-1 with one nay (Anders) and
17 one absent (Wilkinson). President Anders asked the board if they do not care if they are not
18 being fair. Director Moitoza responded that he is going with what our attorney told us, that the
19 funds are discretionary, and Director Moitoza feels it should be allocated to where we need it.
20 He wants to be totally transparent and that is why he made the motion for the 50/50 split. The
21 only way the Sewer District was not negative in revenue this year was because of the
22 connections received. It is only a matter of a few years before we have to go out for a rate
23 increase again in the sewer district and we raised our rates substantially in recent previous years.

1 Director Moitoza stated that only sewer customers carry the burden of paying for the wetlands,
2 but the septic customers have the benefit of using them. Should I place a sign on the wetlands
3 and say that the septic customers are not allowed to use it?

4

5 Agenda Item #10 – Communications:

6 Staff: The General Manager asked the Directors to check their calendars and get back to her
7 regarding the following changes to the board meeting schedule:

8	<u>From</u>	<u>To</u>
9	Wednesday, November 21, 2018	Wednesday, November 14, 2018
10	Wednesday, December 19, 2018	Wednesday, December 5, 2018

11 Directors: Vice-President asked the General Manager what the status was on the CPR First Aid
12 training. The General Manager advised the directors that she was still looking for a reasonably
13 priced class and asked how many directors and wives would be attending. Vice President
14 Weaver said he and his wife would both like to attend and Director Gibbs said to include himself
15 and his wife. Director Moitoza said he would check with his wife. Director Gibbs informed the
16 Directors that he may not be in attendance at the next meeting.

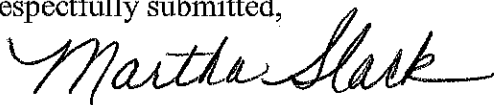
17

18 Having no further business to conduct, Director Moitoza made a motion, seconded by Director
19 Gibbs to adjourn the meeting at 9:00 p.m. The motion carried 4-0 with one absent (Wilkinson).

20

21 Respectfully submitted,

22



23 Martha Slack, General Manager

Addendum A
Manager's Report
June 20, 2018

Drought/Water Consumption/SGMA:

Season to date precipitation is 19.70 inches as compared to a normal season to date of 33.50 inches. The distance from the crest at Lake Shasta is now 24.26 feet with increased flows for agriculture and to keep the water temperatures down for fish. The Governor passed into law two permanent water conservation bills, SB606 and AB1668 which severely restrict water consumption. Simplified, the bills require Water Agencies to enforce mandatory indoor and outdoor water budgets or face \$10,000 per day fines. The bill states an indoor budget of 55 gallons per person per day effective in 2022. They have not determined the outdoor budgets or any way for the agencies to comply with the new law. The good news is that it only applies to Urban Water Suppliers currently. I have no doubt that eventually it will apply to Rio Alto, but the bill, as written, only states Urban suppliers which is defined as 3,000 connections or 3,000 acre feet of water distribution. I will keep all of you posted as I learn more. As of the last billing our cumulative reduction for 2018 as compared to 2013 was 21%. DWR released the new basin reprioritizations and Tehama County actually did fairly well. The Bowman sub-basin went from a medium to a very low priority basin. An interesting note is that Anderson went up to a high priority basin because of the water transfers that ACID Irrigation District engages in. The Water Commission has requested basin boundary adjustments which will go before the Board of Supervisors next week. The Commission is recommending a split of the Vina Basin at the Tehama County line and combining it with Los Molinos and Dye Creek. The Commission is also recommending combining Rosewood and Bowman now that they are both classified as very low priority. We have also recommended sending a letter of support to Glenn County for a separation of the Corning basin at the county line. This last adjustment will be the most controversial. Customers in Capay are fearful that GCID will deplete the basin with their ground water transfers. Antelope basin will be left by itself due to its high priority status.

Field Crew:

We received four connections for services in the month of May and have rumor that another four will be coming in June. This has kept the field crew very busy. Landscape maintenance has been performed at the lift stations and well sites. The new UTV has been outfitted with our 50 gallon weed sprayer and the outer berms of the wetlands trails have all been sprayed as well as the pathways to the monitoring wells. We have found this will save a lot of man hours and chemical costs. The field crew has gone on summer hours effective last week. Their new hours are 6:30 a.m. to 3:00 p.m. Dean remains on the old schedule so we have complete coverage during the normal hours. Dean can come into the office and work on paperwork when it gets too hot.

Miscellaneous:

The good news is that the water tax trailer bill was abandoned by the Governor on June 8, 2018. The annual Grant Update was completed and forwarded to Shasta County for submission to DWR as required by the terms of the grant.

Regulatory:

Attached are copies of the water and wastewater monitoring for May. Our status of Disadvantaged Community has saved us over \$4,000 on our Annual Water Fees and we should be receiving a refund within six weeks. The Consumer Confidence Report is complete and posted on our website. Post cards notices will be mailed next week providing the link for access to the report.

Elections:

The regular biennial election will take place on November 6, 2018. Nominations for offices in our district open on July 16, 2018 and close on August 10, 2018. Incumbent Directors Weaver and Gibbs need to file if they plan on running for election.



Rio Alto Water District

22099 River View Drive, Cottonwood, California 96022

Telephone 530-347-3835 • Fax 530-347-1007

DATE 6/20/18

BOARD MEETING ATTENDANCE

<u>NAME</u>	<u>ADDRESS</u>	<u>AFFILIATION</u>
Rick Brubaker	19000 Shoreline Dr	Homeowner
Dan Herman		Halcyon Solar

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