

**Durham Irrigation District Board of Directors
Board Meeting
October 18, 2022 - 5:30 PM
MINUTES**

Board of Directors:

District Staff:

Matt Doyle, Chair	PRESENT		
Raymond Cooper, Director	PRESENT		
Kevin Phillips, Director	PRESENT	Jeff Carter, District Counsel	PRESENT
		Mark Adams, District Engineer	ABSENT
		Mike Butler, Water Operator	PRESENT
		Jeannie Trizzino, Admin. Assistant	PRESENT

1 CALL TO ORDER

1.1 Meeting was called to order by Chair Doyle at 5:34 pm.

1.2 Introduction of Guests - NONE

2 PUBLIC COMMENT – NONE

3 PRESENTATIONS – NONE

4 CONSENT AGENDA

4.1 Monthly Financial Report for September 2022, including:

4.1.1 Balance Sheet

4.1.2 Profit & Loss Statement

4.1.3 Previous Year Comparison

4.1.4 General Ledger

4.1.5 Board Recap, Water Sales and AR Aging Report

4.2 Approval of the Warrant Sheet from September 20, 2022 to October 17, 2022, including payments, deposits, and transaction adjustments.

4.3 Approval of the minutes for the September 20, 2022 and April 19, 2022 Board Meetings.

Motion: *That the Board approve the consent agenda including the addition of Invoice 28993 for Carter Law Office in the amount of \$3,195.00.*

Board Discussion: *Chair Doyle brought to the attention of the directors that the District Profit and Loss report shows that 2022 versus 2021 profit showed a decline in profit margin, due to large expenditures in 2022 toward necessary repairs and upgrades to District infrastructure, i.e., the pressure tank replacement project.*

Public Comment: *None.*

Action Taken: *On a motion made by Phillips and seconded by Cooper, the Board approved the motion.*

Vote results *Ayes carried.*

Ayes: *Cooper, Doyle, Phillips*

Noes:

Abstained:

Absent:

5 REGULAR AGENDA

5.1 Items Removed from Consent Agenda – NONE

6 CORRESPONDENCE – NONE

7 WATER OPERATIONS BUSINESS

7.1 Ongoing/New Business

7.1.1 Replace fence behind Library site

Board Discussion:

Director Phillips obtained an estimate for fence replacement and noted that the fence touched the boundaries of three property owners – Phillips, District, and Butte County. Director Cooper suggests that the District may want to situate a chain link fence solely on District property and bear the cost itself, rather than be subject to subsequent owners and negotiation of future shared costs. A District-maintained fence also results in a more secure District facility. Water Operator directed to replace shared fence behind the Library site with a chain link fence situated solely on District property.

7.2 Review of Water Operator Log for September 2022 (Operator Mike Butler)

Discussion:

Review of September repairs; update that the customer removed the illegal cross-connection at 9383 Midway restored water service. Update that the Holland site filling station connection was equipped with a theft-proof backflow device. Water Operator will coordinate with staff to have signage installed to deter illegal connection/water theft at the filling station and give contact information for water tenders. Update on installation of ultrasonic meters that he will be installing on future connections. Water operator asked for guidance on what types of technical repair projects his company can perform. After discussion, the Board and Counsel advised that projects falling under repair and maintenance, such as service line installations and meter replacements, can be performed by his firm and could be billed at the rate schedule attached to the Water Operator contract. For projects requiring additional equipment, the Directors suggested that Water Operator look up equipment + operator specified in state or federal handbooks (e.g., FEMA Guide) when billing the District for use of his additional equipment in these jobs.

7.3 Monthly Work Order Status Report through October 15, 2022

8 GENERAL BUSINESS

8.1 District Activities and Status Report from District Engineer.

Discussion:

District Engineer submitted a written report via email that was not included in the Agenda Packet. The Board and staff reviewed the report was instructed to add it to the packet.

8.1.1 Status Updates and Activities Not Requiring Board Action

8.1.1.1 Project Update: Bid Package for the Brown/Faber Alley Main Line Replacement Project.

Discussion:

Water Operator updated plans for Brown-Faber Pipeline replacement and estimating costs for temporary potable water bypasses to reduce or eliminate customer shutoffs while at the same time maintaining adequate flow and pressure for twenty connections.

Director Phillips suggests that the Water Operator include customer-side shut-off valves in his estimates for the service line work.

8.1.1.2 Capital Improvement Plan – Projects, Cost Estimates, and CIP Planning to review identified projects, timeline for implementation, and financial opportunities and constraints.

8.1.1.3 Annual Audit 2020. Review status of audit activities.

Discussion: *Staff reports audit is still in progress.*

8.1.2 Project Update: USBR Grant and Lead Service Laterals Replacement Projects and Timeline.

Discussion: *District Engineer reports (via email) that costs for well monitoring are higher than projected.*

8.1.3 Easement Agreement between DID and DUSD for connections along east side of Durham Dayton Highway.

Discussion: *District Engineer reports (via email) that easement description and map were forwarded to District Counsel to complete the agreement. District Counsel confirmed receipt.*

8.2 Development Projects. Review status of development projects' activities.

8.2.1 No development project updates.

Discussion: *Staff reports parcel owner contacted District regarding parcel split at 9206 Holland Avenue. Staff directed Owner to the District's Will Serve Policy on the District's website.*

8.3 Annual Audit RFP status

Action Requested: *That the Proposal for Independent Audit Services for Years Ended 2021-, 2022, 2023 from Horton, McNulty & Saeturn (HMS) dated September 23, 2022 be accepted and auditing contract be awarded to HMS.*

Board Discussion: *Director Phillips comments that the firm represents several other regional water districts and will do a thorough job.*

Public Comment: *None.*

Action Taken: *On a motion made by Phillips to accept the HMS proposal dated September 23, 2022 and seconded by Doyle, the Board approved the motion. Director Doyle is authorized to finalize the agreement with HMS.*

Vote results *Ayes carried.*

Ayes: *Cooper, Doyle, Phillips*

Noes:

Abstained:

Absent:

8.4 Memorandum to Board

8.4.1 Regarding Acct 684 – 2469 Tracy Ranch Road.

Discussion: *Director Phillips begins discussion of whether the District has the authority to implement a well-drilling policy within the District, given that the District is not have land use authority, which is a county-level power. Phillips additionally asks whether there are CCRs associated with the parcel in question. District Counsel comments that Butte County Environmental Health (BCEH) advised the owner to contact the District. Director Phillips suggests tabling this matter pending clarification from BCEH. Director Phillips and*

District Counsel will meet with BCEH to discuss. Matter tabled to November board meeting. Staff directed to notify property owner that the District is seeking clarification on jurisdiction on the matter.

8.5 Options for general management of the District, including, but not limited to, potential General Manager replacement and advertisement.

8.6 Update on Accounts Receivable Status.

8.7 Drought Planning for Small Water Suppliers and Rural Communities required under SB 552.

Discussion: *Staff given direction on CalWARN mutual aid application.*

8.8 Policy and Procedure Manual Updates.

Discussion: *District Counsel and Director Phillips continue to work on the policy. No drafts sent to Directors; District Counsel to prepare draft policies for Items 8.8.1, 8.8.2 and 8.8.4, noting that Item 8.8.4 will be folded into Item 8.8.2.*

Director Phillips preparing draft policy for Item 8.8.3 and 8.8.5. Item 8.8.5 will be changed to a procurement policy in alignment with federal accounting standards.

8.8.1 Introduction

8.8.2 Water Service

8.8.3 Sealed Meters

8.8.4 Homeowner incursion of District easement, specifically owner responsibility for damage caused to pipeline caused by trees

8.8.5 Accounting Policy, specifically relating to federal grant management requirements

ATTORNEY REPORT

8.9 Updates from Legal Counsel not discussed under other Agenda Items

Discussion: *No updates.*

8.10 Updates on 2022 Ballot Measure

Discussion: *Legal Counsel requested Item 8.10 be moved to Item 11 to be discussed in closed session.*

8.11 Updates on Vina GSA Fee allocation

Discussion: *Legal Counsel reports that FY 2022-2023 Vina GSA proposed contributions were revised. The contribution from the City of Chico and Butte County will be \$8K each; DID's contribution will be \$4K.*

9 VINA GSA

(All Items Informational/Possible Action/Direction)

See Vina GSA Calendar online here: <https://www.vinagsa.org/calendar>

9.1 Vina GSA SHAC Meetings

Discussion: *Director Cooper reports that he attended four Vina GSA workshops reviewing the proposed project list for inclusion in the Vina GSA SGMA grant application. He reports that out of the lengthy list, there were two projects that might apply to the District:
(1) an assessment to consider sphere of influence expansions for some water purveyors and (2) well surveys.*

- 9.1 Vina GSA Board Meetings
- 9.2 Vina GSA/RCRD GSA Board Meetings

10 DIRECTORS' COMMENTS:

Opportunity for Board comments on items not listed on the Agenda.

11 CLOSED SESSION

At 6:59 pm the Board adjourned to Closed Session.

- 11.1 Conference with counsel on litigation in the matter of *AquAlliance, et al. v. Vina GSA, et al.*
- 11.2 Consideration of Employment Agreement – Jeannie Trizzino. Pursuant to Government Code Section [54957\(b\)\(1\)](#)
Title: Administrative Assistant
- 11.3 Conference with counsel on 2022 Ballot Measure (re: Item 8.10 above)

12 OPEN SESSION

At 7:08 pm the Board returned to Open Session and summarized the Closed Session as follows:

Direction given by legal counsel. The Board will meet again in Special Session upon coordination by staff and Chair Doyle.

13 ADJOURNMENT

Following the Closed Session Report, the meeting was adjourned at 7:10 pm.