



DURHAM IRRIGATION DISTRICT

Meeting Minutes

Board of Directors:

Matt Doyle, Chair; Kevin Phillips, Treasurer; Derek Sohnrey

Tuesday, May 21, 2024 – rescheduled to May 28, 2024

5:30 PM

District Office

9418-C Midway

Durham CA 95938

1 CALL TO ORDER – 5:30 PM

Present: Directors Doyle, Phillips and Sohnrey.

Also present: District Counsel Amanda Uhrhammer, District Engineer Mark Adams, Water Operator Mike Butler; Public Outreach Nicole Johansson, and Administrative Assistant Jeannie Trizzino.

2 ROLL CALL / OPENING BUSINESS

2.1 AGENDA APPROVAL, ADDITIONS AND/OR DELETIONS

2.2 PUBLIC COMMENT

Mr. Pat Button commented that builders only build to make money. Proposition 218 states that fees can be used only to repair and replace, and cannot be used for new development. He notes that the CIP has a project to replace a pipeline with a larger diameter pipeline. Mr. Button contends that this action is not in service of current rate payers. He suggests the board and District Engineer consider re-lining the existing pipeline with epoxy instead of the more expensive replacement project. Additionally, he suggests that the County should be bearing the cost and that the fire department also bear the cost for fire hydrant replacement.

District customer Brad Pfaff asked the board to consider a bill reduction for his high usage charge upon conversion of his unmetered account to a metered account as part of the US Bureau of Reclamation grant-funded project. He has repaired the large leak that caused the high usage.

After board discussion, Director Phillips announced that while the board was sympathetic to Mr. Pfaff's concern, the District did not have a policy in place that allows it to issue refunds in this type of case. He directed staff to reverse penalty charges for the next six months to allow Mr. Pfaff time to pay down the amount owed. Mr. Pfaff verbally agreed to the compromise.

3 CORRESPONDENCE - NONE

4 PRESENTATIONS - NONE

5 REPORTS/ANNOUNCEMENTS FROM DIRECTORS

- 5.1 VINA GSA REPORT (Vina GSA Calendar here: <https://www.vinagsa.org/calendar>)
SUBJECT: Status report on Vina GSA.
FISCAL IMPACT: NONE
ACTION REQUESTED: Receive information, discuss and provide direction to staff.

Director Doyle commented that Vina GSA continued to seek candidates for its Stakeholder Advisory Committee (SHAC).

6 PUBLIC HEARING - NONE**7 INFORMATION/CONSENT CALENDAR**

- 7.1 Warrant Sheet from April 11, 2024 to May 22, 2024, including payments, deposits, and transaction adjustments.
SUBJECT: Approve payments, deposits, and transaction adjustments.
FISCAL IMPACT: See attachments.
ACTION REQUESTED: APPROVE
This action item was approved on the Consent Agenda.

- 7.2 Board of Directors Meeting Minutes of April 16, 2024.
SUBJECT: Meeting Minutes of April 16, 2024.
FISCAL IMPACT: NONE.
ACTION REQUESTED: APPROVE

A motion was made by Director Phillips and seconded by Director Sohnrey to remove Items 7.1.2 -District Financials and Item 7.1.3 – Accounts Receivable Aging for further discussion.

Aye: 3 – Doyle, Phillips, Sohnrey
Nay: 0
Absent: none

Director Sohnrey asked for information on the California Class investment account that appears in Item . Director Philips explained that the California Class account is in compliance with federal and state regulations governing high interest investment accounts for public utilities. The California Class bank account currently has a yield of approximately 5% per month, depending on market conditions.

Director Sohnrey asked for clarification on the District’s monthly Comcast bill. Staff explained that it is a commercial account that provides high speed internet and VOIP telephone service.

A motion was made by Director Phillips and seconded by Director Sohnrey to restore Items 7.1.2 -District Financials and Item 7.1.3 – Accounts Receivable Aging and continue to approve Consent Agenda items 7.1.1, 7.1.2 and 7.1.3 as originally presented.

Aye: 3 – Doyle, Phillips, Sohnrey

Nay: 0

Absent: none

8 DISTRICT ENGINEER REPORT (NON-ACTION ITEMS)

8.1 USBR Grant-Funded Meter Replacement and Lead Service Laterals Assessment Project

SUBJECT: USBR Project update

Director Sohnrey asked for clarification on the grant. District Engineer Mark Adams explained that the lead service lateral report is still in progress and is awaiting input from engineering information from a similar report from Red Bluff. The project is complete, and staff are communicating with the grant manager to find out when the District can take its draw.

8.2 CIP Update and CIP Project #29 – Well Assessment

SUBJECT: District Engineer to report on well assessment and its impact on the CIP phasing and cost.

District Engineer Mark Adams comments in response to community questions on whether pipelines in the District can be lined instead of being replaced and whether solar power is an option for the District. On the former, he comments that small diameter pipes cannot be successfully lined because the process of lining a pipe reduces its internal diameter, which creates other problems for effective service.

On the matter of installing solar to reduce utility costs for the District, the Holland location is the only parcel accessible to the District for such an installation, but the recommended CIP improvements will use up the available space at the Holland site.

Director Sohnrey asked if the District pipeline Project 20 in the previously proposed DUSD easement would tie into the District pipeline on Durham Dayton Highway. District Engineer Adams noted that the project description in the CIP document needed to be changed and that the intent of the proposed project was to eliminate a dead-end service line in that part of the District's service area. The entire distribution system functions much more efficiently if the water flows in a loop.

District Engineer Adams summarized the estimated for the District's three wells to be as follows:

Well 3 (in the alley behind Durham Dayton Hwy and Campbell Street)– replace in 5 years.

Well 4 (on Durham Dayton Hwy next to the Library) – replace in 10-15 years.

Well 5 (Holland Avenue) – replace in 10-15 years.

The District Engineer discussed Project 26 – 1.0-million-gallon water tank noting that the State of California requires that the District be able to supply potable water if its main well is off-line. The 1.0 MG capacity proposed in Project 26 allows the system to function better and does not require Well 3 to be replaced as the District will still be able to provide potable water if Well 5 is offline, though he still recommends leaving Well 3 as a Phase 1 CIP project. If the water tank project is approved for community project funding (aka ‘earmark’), the District will need to come up with matching funding estimated at \$700,000 by December 2024.

The District Engineer noted that the Phase 1 projects can be completed in three years.

8.3 Capacity Fees

SUBJECT: District Engineer to report on capacity fee updates.

FISCAL IMPACT: NONE

ACTION REQUESTED: Receive information, discuss and provide direction to staff.

The District Engineer expects to have a Cost of Analysis report for review by July or August 2024, and if necessary to meet the cost matching funding of Community Project Funding, the District could bring forth a Proposition 218 rate increase as early as November 2024.

9 DEVELOPMENT PROJECT REPORT (NON-ACTION ITEMS)

SUBJECT: Creekside Estates Development

FISCAL IMPACT: NONE

ACTION REQUESTED: Receive information, discuss and provide direction to staff.

District Counsel reports that she has not received any response from Creekside on water service agreement or the requested good faith deposit to partially reimburse the District for its time and expense on the project to date.

10 DISTRICT OUTREACH REPORT (NON-ACTION ITEMS)

SUBJECT: Report by Nicole Johansson on the following areas: community outreach, funding opportunities, legislative outreach, and management responsibilities, including mass notification system.

FISCAL IMPACT: NONE

ACTION REQUESTED: Receive information, discuss and provide direction to staff.

Outreach Consultant Nicole Johansson reports that the income survey is on hold until funding becomes available.

On the US Bureau of Reclamation current round of WaterSmart grant funding, District Engineer is concerned about meeting the required cost-share for these grants and pushing out the window for applying for WaterSmart grants to 2025.

Outreach Consultant investigated PGE grant opportunity and suggested projects that could be submitted for grant funding consideration, such as replacing all the meters with a new system of remote meter readings.

11 WATER OPERATOR REPORT (NON-ACTION ITEMS)

SUBJECT: Report by water operator on previous month's activities.

FISCAL IMPACT: NONE

ACTION REQUESTED: Receive information, discuss and provide direction to staff.

Water Operator Mike Butler reported that the flow testing last month went well. There was an emergency leak at the end of the month that he and his team were able to manage. Continuing to work through the open work orders.

He also reported that the unfortunate fire at Tozier Hardware had no impact on the District's distribution. He was able to check the SCADA monitoring apps and saw that District's water pressure remained stable even though a lot of water was being used for fire suppression.

On the matter of PFOA/PFAS, he noted that the District had participated in a study of the Neal Road Landfill post-Camp Fire water quality and the results from samples taken at the time were "non-detect," which is a good sign.

12 DISTRICT COUNSEL REPORT (NON-ACTION ITEMS)

SUBJECT: Verbal report by counsel on district-related activities.

13 REGULAR AGENDA**13.1 Consideration of District Bylaws**

SUBJECT: Consideration of District Bylaws. *Continued from April 2024 board meeting.*

FISCAL IMPACT: NONE

ACTION REQUESTED: Adopt District Bylaws.

District Counsel Uhrhammer recommended the District seat a 5-person board of directors. Director Phillips anticipates moving to a 5-person board in 2025.

13.2 Emergency Water Hauling

SUBJECT: The Butte County Department of Emergency Services has received funding to continue its emergency water hauling program for county residents who have failing or dry wells. The Department has asked the District for consent to continue water hauling for customers beyond the jurisdiction of the District under the Governor's Executive Order N-7-22. *Continued from April 2024 board meeting.*

FISCAL IMPACT: UNKNOWN

ACTION REQUESTED: Authorize consent to continue water hauling program beyond District jurisdiction.

District Counsel Uhrhammer reports that the county added terms to the contract that are currently under review.

13.3 Information Technology Update – email, hardware, software needs

SUBJECT: Update on current District IT needs and upgrades to include emails for individual directors and recoverability from cyber-attacks.

FISCAL IMPACT: \$4,500 / year (current budget - ~\$500 / year)

ACTION REQUESTED: APPROVE

A motion was made by Director Phillips and seconded by Director Doyle authorizing staff to engage in a contract for IT support not to exceed \$4,500 / year.

Aye: 3 – Doyle, Phillips, Sohnrey

Nay: 0

Absent: none

13.4 Vina GSA Alternate Director

SUBJECT: Select alternate director to attend Vina GSA Board monthly meetings.

FISCAL IMPACT: NONE

ACTION REQUESTED: Authorize a current director to serve as an alternate to Matt Doyle for the Vina GSA board meetings.

A motion was made by Director Sohnrey and seconded by Director Phillips authorizing Director Kevin Phillips to serve as the alternate to Director Doyle for Vina GSA board meetings.

Aye: 3 – Doyle, Phillips, Sohnrey

Nay: 0

Absent: none

13.5 November 2024 Board Elections

SUBJECT: Update on deadlines and guidance for the November 5, 2024 elections.

FISCAL IMPACT: NONE

13.6 Staff Vacation

SUBJECT: Administrative assistant planned vacation from June 19 – July 4 and impact on District operations and billing.

FISCAL IMPACT: UNKNOWN

13.7 Conversion to Metered Billing – USBR Grant-funded meter installations

SUBJECT: In July 2023, the District notified approximately 40 customers that their connection had been selected for meter installation. The meters were installed in November 2023, but the accounts were not billed at the metered rate until April 2024. The Board is asked to consider whether retroactive credits and charges should be applied to these accounts.

FISCAL IMPACT: UNKNOWN

ACTION REQUESTED: Provide guidance to staff.

District customer Mr. Steve Abshier asked the board to consider issuing a credit on his account for the difference between the metered rate and the flat rate upon conversion of his previously unmetered account to a metered account as part of the US Bureau of Reclamation grant-funded project.

District staff had previously informed him that customers would be given a credit for the difference between the metered rate and the flat rate if the metered billing were less than the flat rate billing. Director Doyle explained that the District was not in a financial position to issue those credits and could not issue such a credit to just one customer. Director Phillips apologized for the confusion.

14 CLOSED SESSION: Government Code §54957 Employee performance evaluation: Annual Review: Administrative Assistant Jeannie Trizzino

SUBJECT: Annual review of Administrative Assistant.

FISCAL IMPACT: 5% increase in annual payroll budget.

ACTION REQUESTED: Consider and approve the proposed 5% pay increase for administrative assistant.

15 DIRECTORS' COMMENTS

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

16 ADJOURNMENT

There being no further business, the meeting adjourned at 7:30 pm. The next Regular Board Meeting is scheduled for June 18, 2024.

APPROVED ON AUGUST 20, 2024 BY THE BOARD OF DIRECTORS.