



DURHAM IRRIGATION DISTRICT

Meeting Minutes

Board of Directors:

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

Tuesday, August 20, 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.

Absent: NONE

Also present: 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. Patrick Button commented that the cost of housing continues to rise because of unfunded government mandates such as those for solar panels. He notes that the District CIP calls for an expansion of pipeline diameter is illegal, as is the proposed storage tank project. Mr. Button states that he has been in touch with approximately 120 customers, some of whom are individuals with limited income who are concerned about their ability to pay their water bill.

3 CORRESPONDENCE

3.1 Letter from Customer – billing concern

SUBJECT: Customer requests Board to consider billing adjustment due to extenuating circumstances.

FISCAL IMPACT: UNKNOWN

ACTION REQUESTED: APPROVE

The board noted that there is no adopted policy in place to offer customers a discount on their billed water usage. They directed staff to extend the payment period for customer by reversing the penalty on unpaid amount for six months.

PUBLIC COMMENT

Mr. Patrick Button commented that the Board has had a book of policies and procedures to address a number of concerns.

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.

Chair Doyle reports that Vina GSA is still recruiting for Stakeholder Advisory Committee (SHAC) representatives and that the SHAC meeting has been rescheduled to November 2024 as a result.

6 PUBLIC HEARINGS - NONE

7 INFORMATION/CONSENT CALENDAR

- 7.1 Warrant Sheet from July 13, 2024 to August 15, 2024, including payments, deposits, and transaction adjustments.
SUBJECT: Approve payments, deposits, and transaction adjustments.
FISCAL IMPACT: See attachments.
ACTION REQUESTED: APPROVE
- 7.2 Board of Directors Meeting Minutes for (a) May 28, 2024, (b) June 18, 2024, and (c) July 16, 2024.
SUBJECT: Approve draft minutes.
FISCAL IMPACT: NONE.
ACTION REQUESTED: APPROVE

A motion was made by Director Phillips and seconded by Director Sohnrey to approve the entire Consent Agenda.

Aye: 3 – Doyle, Phillips, Sohnrey

Nay: 0

Absent: 0

8 DISTRICT ENGINEER REPORT

- 8.1 Brown-Faber Pipeline Replacement
SUBJECT: Segments of the Brown-Faber Pipeline are in poor condition and need to be replaced as emergency repair work.
FISCAL IMPACT: District Engineer to provide estimate during board meeting.
ACTION REQUESTED (a): Authorize NorthStar to prepare a bid package for the proposed work on the Brown-Faber Pipeline.
ACTION REQUESTED (b): Authorize NorthStar to solicit three bids for the pipeline.

District Engineer reports that there is a ~160' section of the Brown Faber pipeline that is in particularly poor condition and that a rough estimate to replace is \$75K. The Brown Faber Pipeline is already in the District's CIP Phase 1 at an estimated cost of \$260K. If the District chose to replace this section of poor-condition pipeline, the replacement section would be installed parallel to the existing pipeline and this section of old pipeline would be abandoned.

The process of starting CIP – Phase 1 would be in 18-24 months because the District must take several steps before work can begin, notably adjusting District rates and obtaining funding. The District Engineer asks the Board to consider commencing work in advance of the CIP.

Director Phillips comments that he supports performing the section replacement now, in advance of the CIP.

Director Doyle comments that the repair, although permanent, is still a partial repair and does not address the issues of updating and improving the entire system. He suggests holding off until the District's funding situation is settled.

Director Phillips comments that the District cannot know whether the pipeline will continue to function adequately until the CIP funding is in place.

Water Operator Mike Butler comments that the leaks on the Brown Faber line that he and his crew have had to repair have all been on the west portion of the line, and reminds the board that the Brown Faber line is a dead-end line. The suggested replacement repair would connect the west end of the line to the rest of the system and eliminate the dead end.

Director Sohnrey asks for clarification on the impact that spending District reserves on this project would have on the CIP.

Director Phillips responds that it would have an impact – either the money would be spent now or taken out as part of a low-interest loan later.

District Engineer Adams suggests obtaining three bids and then deciding.

Water Operator Mike Butler notes that the Brown Faber pipeline is old spiral-welded steel that was coated with tar to deter rust and corrosion. The tar is now eroded, making the pipeline susceptible to observable corrosion.

Director Sohnrey suggests obtaining concurrent bids for both section and full pipeline replacement.

Director Phillips notes that the \$75K cost for section replacement could be recouped if the District can implement an efficient Prop 218 rate increase process.

Water Operator Butler notes that the current pipeline is 4" diameter, but the replacement pipeline would be 6" diameter, noting that replacement parts for the repairs to the existing 4" diameter pipeline are special orders because they are not stocked locally.

**A motion was made by Director Sohnrey and seconded by Director Phillips to:
(a) Authorizing NorthStar to prepare a bid package for the proposed work on the Brown-Faber Pipeline.**

(b) Authorizing NorthStar to solicit three bids for the pipeline.

(c) Directing District Counsel to notify District customers who paved over their service lines with concrete that said concrete will be removed as part of the project and the owner will bear the cost of repair and replacement of said concrete.

Aye: 3 – Doyle, Phillips, Sohnrey

Nay: 0

Absent:0

8.2 CIP Update

SUBJECT: District Engineer to report on FINAL CIP adopted at the June 2024 board meeting.

FISCAL IMPACT: NONE

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

District Engineer Adams advises that if the storage tank project is removed from CIP Phase 1, the CIP Phase 1 cost is reduced considerably. The storage tank project would have required \$30-\$60K in CEQA/NEPA compliance (e.g., environmental assessment, environmental impact report preparation), whereas the remaining CIP projects are all deferred maintenance. He suggests moving the storage tank project to Phase 3 of the CIP for board review and approval at the September board meeting.

8.3 Capacity Fees

SUBJECT: District Engineer to report on financing schedule and plan for the Capacity Fee/Prop 218 Process.

FISCAL IMPACT: NONE

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

District Engineer Adams reported on his discussions with CIP and funding consultant Jacques DeBra (Luhdorff & Scalmanini) on his recommended approach to increasing District rates, addressing operations and maintenance (O&M), small projects that can be completed sooner and not including the CIP projects rate increase. Adams noted that DeBra's approach is focusing on the [EPA's WIFIA](#) low-interest loan program.

Director Doyle comments that a loan is needed when repair costs exceed revenue.

Director Phillips notes that no fee increases can be instituted without going through the Prop 218 process, and that it is possible to include an annual cost of living increase in the Prop 218. District Engineer Adams noted that Thermalito Water and Sewer District approved a four-year rate increase and elected not to implement the Year 4 increase.

Director Phillips asked District Engineer to prepare a summary table of interest rates offered by different funding/loan programs, noting that California SRF fund is unsettled now due to the California budget crisis. Phillips would like the District to clearly understand the loan costs and how quickly each funding program works. The process for the District is to approve CIP, then proceed with Prop 218 rate increase, then prepare and submit funding application.

- 8.4 USBR Grant-Funded Meter Replacement and Lead Service Laterals Assessment Project
SUBJECT: USBR Grant reimbursement update.
FISCAL IMPACT: NONE
ACTION REQUESTED: Receive information, discuss and provide direction to staff.

District Engineer reported that a meeting with USBR, federal grant manager, District Engineer, and district staff was scheduled for the first week in September to discuss issues arising with the grant timeline.

9 DISTRICT OUTREACH REPORT (NON-ACTION ITEMS)

SUBJECT: Report by Nicole Johansson on the following areas: (a) community outreach, (b) funding opportunities, (c) legislative outreach, and (d) management responsibilities, including mass notification system.
FISCAL IMPACT: NONE
ACTION REQUESTED: Receive information, discuss and provide direction to staff.

Nicole Johansson gave a verbal report of her meetings with the Vina GSA management committee. She noted that her effort and time are being reserved for the upcoming Prop 218 outreach and education effort.

10 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 Butler reported that the emergency repair on the Brown Faber pipeline at the end of July cost approximately \$3K.

Water Operator also discussed the need for him and his staff to obtain training with hazardous materials and leak response because of regulatory requirements relating to the diesel fuel storage tank at the Holland site. (The diesel fuel is for the backup generator there.) The Directors recommended a few companies in the area who might be able to provide this training.

Director Phillips asked staff to arrange for onsite risk evaluation by the District's insurance company, the Special District Risk Management Authority.

11 DISTRICT COUNSEL REPORT (NON-ACTION ITEMS)

SUBJECT: Verbal report by counsel on district-related activities. *See also the regular agenda.*

District Counsel did not attend the board meeting.

12 REGULAR AGENDA

- 12.1 Consideration of District Bylaws
SUBJECT: Consideration of District Bylaws.
FISCAL IMPACT: NONE
ACTION REQUESTED: Adopt District Bylaws.

Tabled to September board meeting.

- 12.2 Emergency Notification System
SUBJECT: Review vendor proposals from Regroup and CivicPlus.
FISCAL IMPACT: Not to exceed \$5,000 per year.
ACTION REQUESTED: Discuss and approve contract for emergency notification system for district.

A motion was made by Director Phillips and seconded by Director Sohnrey to award mass notification service contract to Regroup.

Aye: 3 – Doyle, Phillips, Sohnrey
Nay: 0
Absent:0

- 12.3 DID in-kind support of Vina GSA
SUBJECT: Status report on District support of Vina GSA work. District staff and consultant provide in-kind support to Vina GSA in the form of technical assistance at board meetings and attendance at scheduled management committee meetings. The District has not requested reimbursement of these costs in the past.
FISCAL IMPACT: 2023 contribution was approximately 23 staff hours for administrative support (~\$1,000).
ACTION REQUESTED: Receive information, discuss and provide direction to staff.

Director Phillips notes that it is time to discontinue District in-kind services to Vina GSA since Vina GSA now has its own funding and staff. Currently the District provides limited technical support at Vina GSA board meetings and sends Nicole Johansson to Vina GSA management committee meetings.

13 DIRECTORS' COMMENTS

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

Director Sohnrey thanks everyone for attending the meeting.

Director Phillips notes that the directors look forward to six months of heavy board effort to ensure funding for a safe and reliable water system.

14 ADJOURNMENT

There being no further business, the meeting adjourned at 7:17 pm. The next Regular Board Meeting is scheduled for September 17, 2024.