

## MINUTES

### REGULAR MEETING BOARD OF DIRECTORS PARADISE IRRIGATION DISTRICT JUNE 12, 2018

The regular meeting of the Board of Directors of the Paradise Irrigation District was called to order at 6:30 p.m. by President Dan Wentland, followed by an Invocation and the Pledge of Allegiance to the Flag of the United States of America.

OPENING

BOARD MEMBERS PRESENT: Directors Marc Sulik, Anne Rice, Bill Kellogg, and President Dan Wentland

ROLL CALL

BOARD MEMBERS ABSENT: Division 5 Director Seat Vacant

STAFF PRESENT: Interim District Manager Kevin Phillips, Assistant Engineer Neil Essila, WTP Superintendent Jim Passanisi, and Secretary Georgeanna Borrayo

ALSO PRESENT: PID Legal Counsel Emily LaMoe and members of the public

Board members reviewed consent calendar items as follows:

APPROVAL OF  
CONSENT  
CALENDAR  
(Item 2.a. – 2.b.)

2.a. Approval of Meeting Agenda Order

2.b. Approval of Minutes:

1. Special Meeting of May 14, 2018
2. Special Meeting of May 15, 2018
3. Regular Meeting of May 16, 2018
4. Special Meeting of May 23, 2018

Director Kellogg discussed a possible amendment to page 5 of the May 16, 2018 Minutes to include public comment regarding item 10.e., A Resolution of the Board of Directors to Censure Director William Kellogg. It was moved by Director Rice and seconded by Director Sulik to approve the Consent Calendar as presented with no amendments.

AYES: Directors Sulik, Rice, and Wentland

NOES: Director Kellogg

ABSENT: Division 5 Director Seat Vacant

**Motion passes 3-1**

Ward Habriel commented on the following: 1) Complimented PID service following a call he placed after hours to report a water leak, and receiving a call back one hour later confirming PID crews had repaired the leak; 2) Signs from PID about the Demonstration Garden Grand Opening were displayed at each one of the gardens on the Paradise Garden Club tour on June 2<sup>nd</sup> and 3<sup>rd</sup>; 3) Legislation regarding long-term conservation (SB 606 and AB 1668), which were recently signed into law by Governor Brown; and 4) Transparency in reference to a lawsuit arising out of fee overcharges in connection with PID employee retirement plans. The public deserves an explanation with regard to how the District got to this point and if there is anything to prevent something similar from occurring in the future.

PUBLIC  
PARTICIPATION  
(Item 3)

Fred Hofer commented on plans for the PID Demonstration Garden, and communicating information to the public when further details are available regarding the

recent Long-Term Conservation Bills signed into law by Governor Brown (SB 606 and AB 1668).

RESERVOIR B  
REPLACEMENT  
PROJECT – DESIGN  
STATUS UPDATE  
PRESENTATION BY  
WATERWORKS  
ENGINEERS  
(Item 10.a.)

Sami Kader, Principal Engineer with Waterworks Engineers, provided a PowerPoint presentation of the 90% preliminary design and specifications for the Reservoir B Replacement Project and A zone pipeline and pump station, current project cost estimate, permitting update, and construction schedule and constraints. **No action taken; information item only.**

MAY 2018 STAFF &  
BILLING REPORTS  
ACCEPTED  
(Item 4.a. & 4.b.)

Board members reviewed written Staff and Billing Reports and received clarification from staff members. It was moved by Director Rice and seconded by President Wentland to accept the Staff and Billing Reports for the month of May 2018 as presented.

AYES: Directors Sulik, Rice, Kellogg, and Wentland  
NOES: None  
ABSENT: Division 5 Director Seat Vacant  
**Motion passes 4-0**

DISTRICT  
MANAGER'S  
REPORT  
(Item 5)

The Board reviewed a written report from Interim District Manager Phillips. Additional comments included:

North Lake Boat Launch Facility Project: The Division of Boating and Waterways has been notified of the Board's intent to request termination of the Grant Agreement for his project. A Resolution terminating the DBW Grant Agreement will be presented to the Board at the next meeting.

Spillway Investigation: Engineering Staff has been working with the District's consultant on inundation studies for its two dams and the preparation of updated inundation maps.

TREASURER'S  
MEMO ACCEPTED  
FOR PERIOD  
ENDING  
MAY 31, 2018  
(Item 6)

Board members reviewed a written Treasurer's memo for the period ending May 31, 2018. Manager Phillips further reported the Auditors will be on site July 2<sup>nd</sup> to conduct an audit of inventory, and the Budget for fiscal year 2018/2019 is in draft form and will soon be available for the Board to review.

It was moved by Director Rice and seconded by Director Sulik to accept the Treasurer's memo for the period ending May 31, 2018.

AYES: Directors Sulik, Rice, Kellogg, and Wentland  
NOES: None  
ABSENT: Division 5 Director Seat Vacant  
**Motion passes 4-0**

BOARD RECESS

President Wentland called for a Board recess at 8:03 p.m.

MEETING  
RECONVENED

President Wentland reconvened the regular meeting at 8:11 p.m.

APPROVAL OF MAY,  
2018 CHECKS  
(Item 7)

Following review of accounts payable reports for the month of May, 2018, it was moved by Director Rice and seconded by President Wentland to approve General Fund Check Numbers 51891 through 52005 for the month of May, 2018 totaling \$545,437.65, exclusive of voided check number 51908, and authorization of a similar

amount allowing or adjusting for extraordinary budget or Board approved items during the month of June.

CONTINUED –  
APPROVAL OF MAY,  
2018 CHECKS

AYES: Directors Sulik, Rice, Kellogg, and Wentland  
NOES: None  
ABSENT: Division 5 Director Seat Vacant

**Motion passes 4-0**

Public Records Act Request regarding Long-Term Urban Conservation Mandates:  
Attorney Emily LaMoe reported a hearing was held on June 1 regarding their motion to compel production of documents withheld by the State Water Resources Control Board (SWB). The Court found the SWB failed to do the requisite balancing test and has ordered the SWB to produce another privileged log and go through the balancing test for each of the documents that were withheld. The SWB is required complete this requirement by the end of June.

LEGAL REPORT

Unfinished business - None to report.

UNFINISHED  
BUSINESS

Staff reported the Magalia Reservoir Diversion structure includes specialized screens that were vandalized. Large boulders were found on top of the flat screens, which caused them to buckle. The concrete diversion structure is comprised of six screened segments, and two were damaged. Staff is requesting consideration to purchase four screens, which would provide two additional screens to have available for future replacement. The ACWA JPIA property insurance program includes coverage for the diversion structure screens. The deductible is \$2,500. Staff is also addressing fencing options to keep people from approaching the screens.

NEW BUSINESS:  
MAGALIA  
RESERVOIR  
BYPASS DIVERSION  
STRUCTURE –  
REPAIR & SPARE  
SCREEN  
PURCHASE  
(Item 10.b.)

It was moved by Director Rice and seconded by Director Kellogg to authorize the Interim District Manager to approve a purchase order in an amount not to exceed \$20,000 to purchase four screens, with two acceleration and toe plates from Hydroscreen Co., LLC.

AYES: Directors Sulik, Rice, Kellogg, and Wentland  
NOES: None  
ABSENT: Division 5 Director Seat Vacant

**Motion passes 4-0**

Assistant Engineer Neil Essila reported in 1967 Paradise Irrigation District acquired easements along Brill Road to install an 18-inch water main. There is a 20 foot easement on the subject property, and there is an adjoining 20-foot easement on the neighboring property to the west. A former owner of the property at 1323 Brill Road constructed a concrete pad and foundation that encroaches into the easement. Staff proposes to quitclaim a 5'x50' portion of the easement of the subject property, which will mean that there will still be a 35-foot wide corridor in this area for the pipeline.

RESOLUTION NO.  
2018-07 ADOPTED  
GRANTING  
QUITCLAIM OF  
EXISTING PIPELINE  
EASEMENT ON 1323  
BRILL ROAD  
(Item 10.c.)

It was moved by Director Sulik and seconded by Director Rice to adopt Resolution No. 2018-07 granting Quitclaim Deed to Michael Lockwood and Meera Chong for a 5'x50' portion of the existing pipeline easement on 1323 Brill Road, subject to the applicants payment of District costs for document preparation, review, and recording, and authorize the Board President to execute the document. Directors' votes were polled as follows by roll call:

AYES: Directors Sulik, Rice, Kellogg, and Wentland  
NOES: None  
ABSENT: Division 5 Director Seat Vacant

**Motion passes 4-0**

PUBLIC  
EMPLOYMENT –  
DISTRICT MANAGER  
CONDITIONAL  
OFFER OF  
EMPLOYMENT  
(Item 10.d.)

Attorney Emily LaMoe reported at a special meeting of the Board of Directors held on May 23, 2018, the Board designated her and Richard O'Donnell with Koff & Associates as District Labor Negotiators, and directed Mr. O'Donnell to begin negotiations with Ed Fortner, Jr. for the District Manager position at PID. For the Board's consideration, a draft Employment Agreement is provided, along with recommended terms of employment submitted by Richard O'Donnell on behalf of Ed Fortner.

Upon review and discussion of the Draft Employment Agreement and recommended terms, the Board agreed upon the following:

Paragraph 1 (a) – Duties: Effective Date of July 16, 2018

Paragraph 5 – Salary: (a) \$152,000 in salary per annum; and (b) After six months of employment, the Board will conduct an initial performance evaluation and consider a salary increase to \$157,000 per year.

Paragraph 6 – Automobile Expense: Employee shall provide his own automobile. District shall provide employee with \$500.00 as a monthly automobile allowance.

Paragraph 7 – Mobile Phone: Consistent with District policy, District shall reimburse Employee up to \$75.00 for the expenses of owning a mobile phone for District business.

Paragraph 8 – Supplemental Benefits: Employee shall be granted the same holidays, sick leave, retirement benefits and payment, health insurance, vision insurance, dental insurance, disability insurance, and life insurance as offered to other District employees. With regards to health benefits, the Employee may select between plans offered to District employees.

Paragraph 9 – Vacation Leave: Fifteen (15) vacation days and seven (7) days of Administrative Leave per year.

Paragraph 10 – Performance Evaluation: The initial evaluation of Employee will take place in January of 2019. Thereafter, the Board of Directors shall evaluate Employee's performance annually beginning in June of 2019.

Paragraph 11 – Relocation Reimbursement: The District will reimburse Employee for all reasonable expenses, not to exceed \$13,000 resulting from Employee's relocation to Paradise, California. Reimbursement will be based upon receipts of actual relocation expenses incurred by Employee within 90 days of the effective date of Agreement. The District will submit a Purchase Order directly to the moving company for the costs of moving household goods. If Employee terminates this Agreement within the first year of employment, Employee shall repay the District all relocation reimbursement received.

Paragraph 12 – Travel Expense Reimbursement: The District will reimburse Employee for all reasonable travel expenses, not to exceed \$3,000, resulting from Employee's personal travel to Paradise, California. Reimbursement will be based upon receipts of actual travel expenses incurred by Employee within 90 days of the effective date of Agreement. If Employee terminates the Agreement within the first year of employment, Employee shall repay the District all travel reimbursement received.

Following questions and comments, it was moved by President Wentland and seconded by Director Rice to direct Legal Counsel to transmit the Employment

Agreement to Ed Fortner, Jr. as a conditional offer of employment subject to a conviction background check.

AYES: Directors Sulik, Rice, Kellogg, and Wentland  
NOES: None  
ABSENT: Division 5 Director Seat Vacant

**Motion passes 4-0**

CONTINUED -  
PUBLIC  
EMPLOYMENT –  
DISTRICT MANAGER  
CONDITIONAL  
OFFER OF  
EMPLOYMENT

Community Relations Committee: Board members received a written summary of the May 17, 2018 committee meeting. Discussion included updates regarding the Community Relations Plan, outreach for Dedication Ceremony for the PID Demonstration Garden, customer survey comments, and presentation information for the Speakers' Bureau. The next committee meeting will be held on September 6, 2018 at 9:00 a.m.

COMMITTEE  
REPORTS  
(Item 11.a.1.)

Director Kellogg: Commented on the decommissioned concrete-circular water treatment process at the Treatment Plant site and potentially removing this in the future to install solar panels at that location.

DIRECTORS'  
COMMENTS  
(Item 12)

Director Sulik: Thanked the public for their attendance this evening, and commented on the vote regarding the resolution adopted at the May regular meeting to censure Director Kellogg. The Board took the behavior and actions of Director Kellogg very seriously and for the Board President to not join the majority in vote on the resolution shows a lack of leadership from the Board President and cronyism at its worst. Comments made by President Wentland to the Paradise Post made light of the censure resolution, which he feels is a disservice to the Board as a whole, and to the PID customers, and employees. It is completely understandable to him why one of the Board members resigned after the last meeting in disgust.

Attorney Emily LaMoe confirmed it is not necessary to meet on closed session agenda items 13.b. and 13.c. based on the Board's authorization to direct Legal Counsel to transmit the Employment Agreement to Ed Fortner, Jr. as a conditional offer of employment subject to a conviction background check (New Business item 10.d.).

CLOSED SESSION  
(13.a., d. & e.)

President Wentland announced the Board will adjourn to closed session to discuss closed session items 13.a., 13.d., and 13.e. The Board entered into closed session at 9:21 p.m. to discuss the following:

- 13.a. CONFERENCE WITH LABOR NEGOTIATORS (Government Code section 54957.6)  
Employee organizations: General Unit represented by I.B.E.W., Local 1245 and Management Unit  
PID designated representative: Emily LaMoe

*Closed Session Announcement: Direction has been given to the PID designated representative.*

- 13.d. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Paragraph (a) of subdivision (d) of Government Code section 54956.9): Neil Essila et al v. Paradise Irrigation District et al. Butte County Superior Court Case No. 17CV02546.

*Closed Session Announcement: Direction has been given to Legal Counsel.*

CLOSED SESSION  
CONTINUED

- 13.e. REAL PROPERTY NEGOTIATIONS (Government Code section 54956.8)  
Property Subject to Negotiations: PG&E's DeSabra Project & Miocene Canal  
District Negotiator: Minasian Law Firm and PID Staff  
Other Party: Pacific Gas & Electric Company

*Closed Session Announcement: Direction has been given to the District Negotiator.*

CLOSED SESSION  
ANNOUNCEMENT

President Wentland reconvened the regular meeting at 10:10 p.m. and provided a closed session report regarding agenda items 13.a., 13.d., and 13.e. as listed above on pages 5 and 6 in italicized print.

ADJOURNMENT

It was moved by President Wentland to adjourn the meeting. The regular meeting was adjourned at 10:12 p.m.

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Georgeanna Borrayo, Secretary

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Daniel Wentland, President