

MINUTES

REGULAR MEETING BOARD OF DIRECTORS PARADISE IRRIGATION DISTRICT MARCH 20, 2019

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

OPENING

BOARD MEMBERS PRESENT: Directors Dan Hansen, President Marc Sulik, Vice-President Bob Prevot, and Bill Kellogg

ROLL CALL

BOARD MEMBERS ABSENT: Division 3 Director seat vacant following a letter of resignation submitted from Anne Rice effective February 20, 2019.

STAFF PRESENT: District Manager Kevin Phillips, Information Systems Manager Mickey Rich, Finance & Accounting Manager Ross Gilb, and Board Secretary Georgeanna Borrayo

ALSO PRESENT: Attorney Dustin Cooper 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: Regular Meeting of February 20, 2019
Special Meeting of February 27, 2019

It was moved by Director Prevot and seconded by Director Hansen to approve the Consent Calendar as presented.

AYES: Directors Hansen, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: Division 3 Director seat vacant

Motion passes 4-0

Public member Marty Dunlap commented on the Camp Fire Wildland Urban Interface Timber and Biomass Removal Project – Hazardous Fuels Reductions pilot project on the PID lands by the Butte County Fire Safe Council. Ms. Dunlap stated the evaluation of each tree under consideration for removal by trained arborists will mitigate further loss and destruction of our region and urged the Board to pursue this project with a conservative mindset as stewards of the PID land. Reference documents included information from the USFS for conifers, "Marking Guidelines for Fire-Injured Trees in California," May 2011 (Report # RO-11-01) and UC Davis Ag Extension for oaks, "Burned Oaks: Which Ones Will Survive?" (Publication 8445, January 2011).

PUBLIC
PARTICIPATION
(Item 3)

Ward Habriel commented on the following: 1) Welcomed PID Finance & Accounting Manager, Ross Gilb, 2) His participation as the new vice chair of the Butte County Fire Safe Council, and his representation on behalf of Paradise in the California Garden Club and Flower & Garden Show in Sacramento; 3) Donation opportunities to purchase daffodils from the Paradise Garden Club; and 4) Suggestion to request volunteer assistance to repair the fence in the back corner of the PID Demonstration Garden.

CONTINUED –
PUBLIC
PARTICIPATION

Jim Noble discussed continuing to raise an agricultural crop in the future and growing apples that the public deems safe. Community members interested in raising a garden may have similar concerns and suggested including this topic in discussions and perhaps in informational updates/communications.

FACILITIES STATUS
REPORT UPDATE
(Item 4)

Staff reported on progress toward developing a System Recovery Plan with FEMA and Cal OES to chart the best course of action to recover the water system. Items are reimbursable under certain categories as outlined in a procurement policy, which must be followed in order to be eligible to receive funding. Under FEMA requirements, damage must be shown. By testing every mainline, areas of damage can be determined and documented. Once these areas are isolated, crews will clean or replace portions of the piping system until water meets drinking water standards. The Draft Recovery Plan outlines a proposal to utilize water tanks as the infrastructure is tested in PID distribution zones A to G. PID will be hosting a community meeting on March 26 at 6:00 p.m. at the Paradise Alliance Church, 6491 Clark Road in Paradise to share more information and address questions. *Information item only; no Board action taken.*

STAFF REPORT
UPDATES
(Item 5)

Manager Phillips reported crews are working to identify leaks. The rainy weather and runoff, as well as all the surrounding debris from the fire, have made it more difficult to locate where leaks are surfacing. Crews have also been removing meters. When ready to begin meter replacement, a Request for Proposal will be issued to seek bids for this project. In reference to Community Relations, Public Information Officer Mickey Rich indicated thousands of people are viewing the District's website and the District is active on Facebook. Additionally, a water fact sheet has been developed and Manager Phillips has been speaking with various media agencies. Staff has received a lot of support from Cal OES and they will be helping with the community meeting on March 26. *Information item only; no Board action taken.*

TREASURER'S
REPORT ACCEPTED
FOR PERIOD
ENDING 02/28/2019

Manager Phillips introduced Ross Gilb who recently joined the District as Finance & Accounting Manager. Ross has been accompanying Manager Phillips in discussions with Cal OES and FEMA, and meeting with staff regarding day-to-day operations for accounts payable, utility billing, payroll, and banking.

For the period ending February 28, 2019, the District has received insurance proceeds in the amount of \$1,350,000. Additional funding of approximately \$350,000 has been received from FEMA and CalOES. Through February 28, 2019, the District has incurred debt service payments of \$548,251. The District's total outstanding debt is \$6,241,545. Manager Phillips further reported the State Revolving Fund has forgiven the District's loan for the Reservoir B Replacement Project. He is currently working with IBank regarding loan forgiveness and is also in contact with Branch Banking & Trust Co. (BB&T) regarding the \$3,361,900 Loan Agreement and potential to defer the installment of principal and interest becoming due on April 1, 2019. The outstanding debt with Capital One is also being reviewed.

It was moved by Director Prevot and seconded by Director Hansen to accept the Treasurer's Report for the period ending February 28, 2019.

AYES: Directors Hansen, Prevot, Kellogg, and Sulik

NOES: None

ABSENT: Division 3 Director seat vacant

Motion passes 4-0

APPROVAL OF
FEBRUARY 2019
CHECKS

Board members reviewed accounts payable reports for the month of February 2019. It was moved by Director Prevot and seconded by Director Hansen to approve General Fund check numbers 52789 through 52870 for the month of February 2019 totaling

\$548,632.65, and authorization of a similar amount allowing or adjusting for extraordinary budget or Board approved items during the month of March.

AYES: Directors Hansen, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: Division 3 Director seat vacant

Motion passes 4-0

Attorney Dustin Cooper discussed support for backfill funding for Paradise Irrigation District (PID). Funding for PID's infrastructure damage and fire-related water quality issues are being addressed through FEMA/OES and insurance proceeds. However, there is no current funding source to sustain PID's operational expenses given the overwhelming property losses suffered by PID's customers. Attorney Cooper added he has been working with state legislators for a one-time appropriation of \$21.6 million dollars to keep PID operating over the next three years while Paradise recovers and rebuilds from the November 2018 Camp Fire. The next stage is to seek support from the community, county, city, neighboring areas, and other water districts. Ways to show support include signing an online petition at Change.org, or by completing a template letter of support available to download on the District's website at www.pidwater.com, or at the PID office.

Manager Phillips reported the District needs to inspect its steel storage tanks for damage due to the Camp Fire, which will be covered by insurance proceeds. The District solicited two highly qualified firms for proposals.

It was moved by Director Kellogg and seconded by Director Hansen to approve and authorize the District Manager to execute an agreement with Harper & Associates Engineering, Inc. for inspection services for tanks A, C, D, & E at a cost not to exceed \$16,200.00.

AYES: Directors Hansen, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: Division 3 Director seat vacant

Motion passes 4-0

Manager Phillips indicated the Distribution System Operator Job Description was previously approved and was unfilled. Proposed updates to the Job Description are relating to certification and timeframe for obtaining certification. A position is not being added. This position will be filled within PID and the position that is vacated will not be backfilled.

Requirements of Position: 1) Must possess CA Water Distribution Operator certification – Change from Grade 2 to Grade 1 or higher; 2) Must obtain CA Water Distribution Operator certification – Change from Grade 3 to Grade 2 within 18 months of employment in position; and 3) Update minimum of one year experience to two years experience as a Utility Worker 1.

It was moved by Director Prevot and seconded by Director Hansen to approve amendments to the Distribution System Operator Job Description as presented.

AYES: Directors Hansen, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: Division 3 Director seat vacant

Motion passes 4-0

CONTINUED –
APPROVAL OF
CHECKS FOR THE
MONTH OF
FEBRUARY 2019
(Item 7)

LEGAL REPORT
(Item 8)

NEW BUSINESS:

ENGINEERING
SERVICES FOR
INSPECTION OF
WATER STORAGE
TANKS A,C,D,&E
AWARDED TO
HARPER & ASSOC.
(Item 9.a.)

AMENDMENT TO
DISTRIBUTION
SYSTEM
OPERATOR JOB
DESCRIPTION
APPROVED
(Item 9.b.)

UPDATE –
DIRECTOR
VACANCY, DIV. 3
(Item 9.c.)

At the regular meeting of the Board of Directors on February 20, 2019, direction was given to staff to post the director vacancy in Division 3 following a letter of resignation from Director Anne Rice effective on this date. Persons interested in being considered for appointment to fill the vacancy were requested to submit a letter of interest to the Board of Directors by 4:00 p.m. on March 14, 2019. As of March 14, no letters of interest have been received from candidates meeting the residency requirement.

Time allows to continue seeking qualified candidates and consider letters of interest at the April 17, 2019 Board of Directors meeting. The deadline to submit a letter of interest has been extended to 4:00 p.m., April 11, 2019. *Information item only. No Board action taken.*

DIRECTORS'
COMMENTS
(Item 10)

Director Prevot: Thanked PID staff for their continued efforts and great work.

Director Hansen: Commented this is a challenging process and it is important for everyone to have patience. PID has an amazing staff and they're going above and beyond.

Director Sulik: Stated he appreciates the customers and staff; adding it is going to be a long road and we are going to get there by working together.

Director Kellogg: Thanked Manager Phillips for the information provided this evening.

CLOSED SESSION
(Item 11.a. & 11.b.)

President Sulik announced closed session discussion pertaining to agenda items 11.a. and 11.b. Following an opportunity for comments, the Board adjourned to closed session at 8:26 p.m. to discuss the following:

11.a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One potential case.

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

11.b. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Paragraph (1) of subdivision (d) of Government Code Section 54956.9): Bay-Delta proceedings, including the California WaterFix, the associated environmental document and change petition pending before the State Water Resources Control Board, and the planned update to the Bay-Delta Water Quality Control Plan.

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


CLOSED SESSION
ANNOUNCEMENT

President Sulik reconvened the regular meeting at 9:15 p.m. and provided closed session announcement information regarding agenda items 11.a. and 11.b. as listed above in italicized print.

ADJOURNMENT

It was moved by President Sulik to adjourn the meeting. The regular meeting was adjourned at 9:17 p.m.


Georgeanna Borrayo, Secretary


Marc Sulik, President