

MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
PARADISE IRRIGATION DISTRICT
JUNE 19, 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, Shelby Boston, President Marc Sulik, Vice-President Bob Prevot, and Bill Kellogg

ROLL CALL

BOARD MEMBERS ABSENT: None

STAFF PRESENT: District Manager Kevin Phillips, Finance & Accounting Manager Ross Gilb, Distribution Superintendent Jim Ladrini, Assistant Distribution Superintendent Pete Grout, and Board Secretary Georgeanna Borrayo

ALSO PRESENT: Attorney Emily LaMoe and members of the public

Board members reviewed consent calendar items as follows:

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

- 2.a. Approval of Meeting Agenda Order
- 2.b. Approval of Minutes:
 - 1. Special Meeting of May 3, 2019
 - 2. Regular Meeting of May 15, 2019
 - 3. Special Meeting of June 6, 2019
- 2.c. Acceptance of Invoice: American Technologies, Inc. – Fire & Smoke Damage Recovery Services for PID Commercial Building at 6360 Clark Road, Paradise

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

AYES: Directors Hansen, Boston, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: None

Motion passes 5-0

Dan Bronson stated he is not a resident of Paradise Irrigation District. He has attended public meetings throughout the Town of Paradise and has not heard public officials mention activated carbon filtration systems as a method for removal of benzene at a residential level. Mr. Bronson added activated charcoal systems are widely used and suggested this information be included in communications.

PUBLIC
PARTICIPATION
(Item 3)

Ward Habriel reported: 1) Attending the Garden Club Convention and recommending PID's website for current information regarding updates on recovering the water system and receiving positive feedback; and 2) Seeing commercials from plumbing companies, etc. that are not giving a guaranty of benzene removal through filtration systems offered.

Tom Kelly encouraged continued communications between town agencies and the public as many residents are living outside of Paradise in different areas and commented on the importance of identifying working hydrants in town.

PRESENTATION BY
WATER WORKS
ENGINEERS RE:
WATER SYSTEM
RECOVERY PLAN
UPDATE
(Item 4)

Consultant Sami Kader with Water Works Engineers provided a PID Water System Recovery Plan update, reporting that since the last community meeting on May 14, PID has doubled the amount of test results that are available, tripled the amount of testing that has been done, and has lifted the water quality advisory at certain service lateral locations.

The focus for sampling over the past month has been on standing structures and water mains. As of the meeting this evening, 280 standing structural laterals have been sampled and results analyzed on 160 of those samples (12.1% of the standing structures). 434 samples have been analyzed for burned structures (approximately 5% of the 9,100 burned structural laterals), and 634 total samples have been taken on water main locations, as well as 272 samples taken on hydrants, tanks, and blow offs. The amount of sampling has been tremendous. By the next community update meeting on July 15 we anticipate the number of locations sampled will be 1,700 to 1,800.

All data from lab results is going into a single data warehouse and used to populate the GIS data. The PID website will now show the following PID System Recovery Maps:

1. Service Lateral Sampling Map (Test results from water samples taken at the service lateral).
2. Mainline Sampling Map (Test results from samples taken from the main pipeline that delivers water to the neighborhood).
3. Water Advisory Lifted Map (PID service connections where the water quality advisory has been lifted).

Planned next steps will include gathering all data from the samples collected over the past two weeks and entering results into the database. In the next few weeks, the District anticipates sending out additional notification letters at locations where the water quality advisory has been lifted. On the sampling end, the Rancho California Water District is sending a mutual aid team for a period of one month, which will allow the District to start sampling standing structures that could not participate in the volunteer testing program in June. **Information item only; no Board action taken.**

PID STAFF &
FACILITY REPORT
UPDATE FOR MAY
2019
(Item 5)

From an operational standpoint, Distribution Superintendent Jim Ladrini reported one of the priorities is relating to customer requests for interim water supply and residential fire flow tests. Currently, the District has approximately 40 residential fire flow requests. Regarding fire hydrants, Superintendent Ladrini indicated most hydrants are pressurized and PID continues to coordinate information with the Town of Paradise and Cal Fire. As authorizations from Cal Fire are received for hydrant repairs and replacements, this work is scheduled and performed by PID.

For interim water supply services, the District has received over 300 requests to date. Six personnel from Alliance for Workforce Development have been instrumental in building the backflow assemblies. Installation of the backflow devices has begun with mutual aid support from other water agencies playing a key role in assisting with the interim water service connections. Superintendent Ladrini further offered clarification regarding the importance for PID to maintain control on the installation of the backflow assembly. Factors include owning the device, so when PID designs the standard for the permanent meter service connection, the District can use the backflow assemblies installed. Additionally, this is not a standard installation. Because there is no meter and no customer side valve, connection is required directly to the PID service lateral. By exercising control over the installation of the backflow assembly, the District can oversee the process to make sure protections are in place for the customer and PID's water system.

District Manager Phillips highlighted information presented in a written Manager's Report regarding various PID Projects: Water Rights, Process Water Recycle Project,

Reservoir B Design Project, Spillway Investigation, and Recovery Plan update. Manager Phillips further commented on support for backfill funding, indicating the final compromise was \$15 million for Camp Fire relief. PID is pushing for one year of revenue backfill in the amount of \$7.2 million to support the operations of the District as work continues to restore the water system. It will be necessary to go back to the State for the second year of backfill funding. **Information item only; no action taken.**

CONTINUED –
PID STAFF &
FACILITY REPORT
UPDATE FOR MAY
2019

Finance & Accounting Manager Ross Gilb reported the District's cash position was \$4,138,028 for the period ending May 31, 2019. The District has received deferral of principal payments of long-term debt with Capital One and BB&T and are discussing refinancing options with I-Bank (financing of the Magalia Reservoir Bypass Pipeline and 2007 Water Main Replacement Projects). Staff is working with I-Bank to refinance the loan for 30 years at a reduced interest rate of 1% with no debt service payment requirement for a period of five years. A Resolution to accept the new term sheets and application process to refinance the loan will be presented to the Board at a future meeting.

TREASURER'S
REPORT ACCEPTED
FOR PERIOD
ENDING 5/31/2019
(Item 6)

It was moved by Director Boston and seconded by Director Prevot to accept the Treasurer's Report for the period ending May 31, 2019 as presented.

AYES: Directors Hansen, Boston, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: None
Motion passes 5-0

President Sulik called for a Board recess at 8:22 p.m.

BOARD RECESS

President Sulik reconvened the regular meeting at 8:33 p.m.

MEETING
RECONVENED

Board members reviewed accounts payable expense reports for the month of May 2019. It was moved by Director Hansen and seconded by Director Prevot to approve General Fund Check Numbers 53088 through 53423 for the month of May 2019 totaling \$608,950.06, exclusive of voided check numbers 53301, 53302, and 53258, and authorization of a similar amount allowing or adjusting for extraordinary budget or Board approved items during the month of June.

APPROVAL OF
CHECKS FOR THE
MONTH OF
MAY 2019
(Item 7)

AYES: Directors Hansen, Boston, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: None
Motion passes 5-0

Attorney Emily LaMoe indicated Manager Phillips provided an update during his Manager's Report regarding the Legislative Budget Request for Camp Fire relief and discussions regarding a potential intertie project. She does not have further information to add to his report. An update will be provided in closed session for agenda item 12.a. **Information item only; no action taken.**

LEGAL REPORT
(Item 8)

Following the May 15, 2019 Board meeting, staff confirmed candidates nominated remain on the Butte Local Agency Formation Commission (Butte LAFCO) Election Ballot. If at the end of the election period (July 5, 2019), a nominee is ineligible due to a conflict of interest, the remaining nominee, or the nominee with the most votes will be deemed the Regular "Non-Enterprise" Member.

UNFINISHED
BUSINESS:
BUTTE LAFCO 2019
ELECTION BALLOT
(Item 9.a. continued
from May 15, 2019
Board Meeting)

It was moved by Director Boston and seconded by Director Prevot to nominate Tom Lando for the Special District Regular "Non-Enterprise Member position and authorize

CONTINUED –
BUTTE LAFCO
ELECTION BALLOT
(Item 9.a.)

certification and submittal of the 2019 Election Ballot to Butte LAFCO.

AYES: Directors Hansen, Boston, Prevot, and Sulik
NOES: Director Kellogg
ABSENT: None

Motion passes 4-1

NEW BUSINESS:

PARADISE LAKE
UPDATE RE:
EVALUATION OF
TRANSITION TO
PRPD &
REESTABLISHING
OPTION TO
PURCHASE ANNUAL
LAKE USE PASSES
(Item 10.a.)

Manager Phillips reported speaking with Paradise Recreation & Park District (PRPD) Manager, Dan Efseaff, regarding the process and timeline for the potential transition with PRPD to manage and oversee operations at Paradise Lake. A later transition date of January 1, 2020 was discussed, as well as utilizing Alliance for Workforce Development (AFWD) to clean and maintain the facilities prior to the transition period. As suggested, the District can also inquire with AFWD about the possibility of providing a more routine security presence at Paradise Lake.

Manager Phillips further discussed concerns expressed from community members about no longer being able to purchase annual lake use passes. If the Board desires, his recommendation would be to reestablish an option to purchase annual passes from PID and reduce the annual fees by one-half through December 31, 2019 (Reduce to \$20 for Boating with parking included; \$10 for parking only; and \$7.50 – parking for PID Customer).

It was moved by Director Kellogg and seconded by Director Boston to authorize the sale of annual passes and reduce the fees for annual lake use passes by one-half the amount through December 31, 2019.

AYES: Directors Hansen, Boston, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: None

Motion passes 5-0

FIRE HYDRANTS
(Item 10.b.)

Director Kellogg indicated he requested this item be included on the agenda for discussion. He has no further questions or comments based on fire hydrant information communicated under Agenda item 5 – PID Staff and Facility Report Updates.
Information item only; no action taken.

BENZENE LEVELS
(Item 10.c.)

Director Kellogg stated he requested this agenda item to discuss the California and Federal Maximum Contaminant Limit (MCL) for Benzene. The established MCL for Benzene by the State Water Resources Control Board, Division of Drinking Water is 1.0 parts per billion (ppb), compared to 5 ppb set by the U.S. Environmental Protection Agency (EPA). Director Kellogg further indicated no action is requested and suggested talking to the State Board to request an exception to reduce the MCL for Benzene. Additional Board recommendations included continuing the current path to meet state drinking water regulatory requirements. Public expectation is the water will be returned to the quality it was before the fire.

Information item only; no action taken.

ACWA REGION
ELECTIONS, PID
RESOLUTION NO.
2019-03 ADOPTED
PLACING IN
NOMINATION KEVIN
PHILLIPS
(Item 10.d.)

Manager Phillips reported the Region 2 Nominating Committee is seeking candidates to serve on the Region 2 Board for the 2020-2021 term. He is currently serving as a Board Member for ACWA Region 2 and is interested in continuing participation.

It was moved by Director Hansen and seconded by Director Kellogg to adopt Resolution No. 2019-03 placing in nomination Kevin Phillips as a member of the Association of California Water Agencies Region 2 Board Member. Directors' votes were polled as follows by roll call:

AYES: Directors Hansen, Boston, Prevot, Kellogg, and Sulik
NOES: None
ABSENT: None
Motion passes 5-0

CONTINUED –
ACWA REGION 2
ELECTIONS

PID/Town of Paradise Liaison Committee: Directors Sulik and Boston provided an update on the Liaison Committee Meeting with the Town of Paradise (TOP) held on May 29th at the Town Hall. Discussion was focused on updates between the PID and TOP regarding recovery efforts and continuing to partner and coordinate to the best of our abilities through the recovery process. There was no new business that resulted from the meeting.

COMMITTEE
REPORTS
(Item 11)

Director Kellogg: Commented on a false rumor he has heard relating to PID selling Paradise Lake to the Paradise Recreation and Park District.

DIRECTORS'
COMMENTS

Director Prevot: Indicated he is amazed by the advanced technology Water Works Engineering is using to compile all the water sampling testing data.

Director Hansen: Stated he receives various questions, including inquiries about timing for construction water. A quick call to Distribution Superintendent Jim Ladrini and an answer is available for the customer. Superintendent Ladrini does an excellent job keeping on top of customer communications.

Director Boston: Commented on the following: 1) It is incredible how responsive staff is to the public and to the Board of Directors. We are seven months into this disaster and Manager Phillips is on all the time and his work, as well as the efforts of all staff members, is really appreciated; and 2) Suggested preparing a letter of appreciation or Board Resolution to all agencies that have supported the District through the recovery process.

President Sulik announced closed session item 12.a. As there were no public comments, the Board adjourned to closed session at 9:20 p.m. regarding the following:

CLOSED SESSION
(Item 12.a.)

12.a. 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.

President Sulik reconvened the regular meeting at 9:49 p.m. and announced direction has been given to Legal Counsel regarding closed session item 12.a. listed above.

CLOSED SESSION
ANNOUNCEMENT

It was moved by President Sulik to adjourn the meeting. The regular meeting was adjourned at 9:50 p.m.

ADJOURNMENT


Georgeanna Borrayo, Secretary


Marc Sulik, President