

MINUTES
SPECIAL MEETING
BOARD OF DIRECTORS
PARADISE IRRIGATION DISTRICT
MARCH 30, 2021

The special meeting of the Board of Directors of the Paradise Irrigation District was called to order at 9:00 a.m. by President Shelby Boston.

OPENING

BOARD MEMBERS PRESENT: Directors Alan Hinman, Marc Sulik, Brian Shaw, and President Shelby Boston

ROLL CALL

BOARD MEMBERS ABSENT: Vice President Dan Hansen

STAFF PRESENT: Interim District Manager Tom Lando, Assistant District Manager Mickey Rich, Finance & Accounting Manager Ross Gilb, and Secretary Georgeanna Borrayo

ALSO PRESENT: Participating remotely via Zoom: PID Legal Counsel Representative Dustin Cooper and members of the public

No public comments have been received pertaining to matters not scheduled on the agenda.

PUBLIC
PARTICIPATION
(Item 2)

Staff reported at the March 17, 2021 Board of Directors meeting, the board approved a change to Chapter 7.7.3 - Discontinued Service. Interim District Manager Tom Lando emphasized this amendment has not been implemented. The board hears the community's concerns about potential costly fees to reconnect their water service and is dedicated to presenting options that will cover the costs of the District but not create an obstacle to receiving water.

RECONSIDER
REVISION TO
POLICY &
PROCEDURES,
CHAPTER 7.7.3
DISCONTINUED
SERVICE

Assistant District Manager Mickey Rich provided background information regarding the Disconnect Policy, reporting that pre-fire, the Policy stated a disconnected property does not receive maintenance and would pay for the cost to reconnect later based on actual cost, but retains paid capacity. Directly after the 2018 Camp Fire, the Board voted to temporarily amend the disconnect policy to include a maximum cost to reconnect of \$500 based on labor, equipment, and material cost to reconnect which would expire December 31, 2020. The Board extended the policy through March 31, 2021.

REFERRED TO AD
HOC COMMITTEE
FOR FURTHER
REVIEW
(Item 3.a.)

The Board approved a change to the policy on March 17, 2021, which has not gone into effect. The new policy language indicates a disconnected property does not retain capacity and is subject to the same policies, procedures, and costs as a new connect. The policy contains a "safety net" for three years from date of original disconnect that would allow a property owner to resume water service by paying the deferred ready-to-serve rate. This range would be \$21.49 for 1 month to a maximum of \$773.64 if a customer were disconnected for the entire 36-month period, plus interest, and an engineering review confirming there were no additional upgrades required to service the property.

Current PID customers by account type include approximately 25% actively using water, and 25% that are disconnected and do not pay a bill. The remaining 50% of customers

CONTINUED –
RECONSIDER
REVISION TO
POLICY &
PROCEDURES,
CHAPTER 7.7.3
DISCONTINUED
SERVICE

REFERRED TO AD
HOC COMMITTEE
FOR FURTHER
REVIEW

pay a ready-to-serve rate. Essentially, you have two classes of customers that are receiving the same service; they both have access to water but are not using the water. The way the current policy is set up, the rate payers are potentially subsidizing the non-rate payers.

Staff further commented on why the District is looking at a new disconnect policy, indicating factors include:

- Ensuring a fair cost of service for like levels of service.

- Relieving the rate payers from paying for maintenance for a parcel that does not want service.

- System Capacity Planning: Pre-fire, a 2" main that had system capacity to serve a certain number of residential customers may need more system capacity today, due to new State flow requirements.

PID staff discussed a recommendation that would eliminate the three-year safety net feature from the recent policy and would allow disconnected customers to retain what they have already paid into their capacity and only pay the difference in their purchased capacity fee, plus the actual costs to reconnect.

Following information presented by staff, Board members heard comments from members of the public regarding their concerns relating to the Discontinuance Policy and fairness to customers who have been supporting the District and paying the monthly standby fee. Feedback to improve future communications before implementing a new policy or providing future information on the water system recovery progress was also suggested.

Resident Cliff Jacobson suggested the possibility of an alternative. In the event a property owner chooses to discontinue service or cannot afford to pay the sealed rate at this time, perhaps the sealed meter rate could continue to accrue until it is equal to the fee that would be charged for a new connection. Once that amount is reached, the current property owner would not incur additional fees until the parcel was developed.

Following public comments and board discussion, President Boston recommended the Board extend the existing policy for an additional 90 days to allow ample time to provide messaging to customers. Providing a visual that shows the different paths for customers would be beneficial as well.

It was moved by Director Sulik and seconded by Director Shaw to extend the existing policy for 90 days and refer back to the Ad Hoc Customer Recovery Support Committee for additional review and consideration of the alternatives.

AYES: Directors Hinman, Sulik, Shaw, and Boston

NOES: None

ABSENT: Director Hansen

Motion passes 4-0

CLOSED SESSION
DISCUSSION
(Items 4.a. - 4.e.)

President Boston announced the Board will adjourn to closed session to discuss agenda items 4.a. through 4.e. As there were no comments, the Board adjourned to closed session at 10:00 a.m. to discuss the following:

4.a. REAL PROPERTY NEGOTIATIONS (California Government Code section 54956.8).

4.a. Continued:

Property subject to negotiations: PG&E Miocene Canal
District Negotiators: Minasian Law Firm and Tom Lando, Interim District Manager
Other Party: Pacific Gas & Electric Company
Under Negotiation: District negotiator will be given direction regarding price and terms relating to potential interest in real estate negotiations for the purchase of real property or interests in real property.

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

- 4.b. CONFERENCE WITH LABOR NEGOTIATORS: Conference with PID Labor Negotiator Emily LaMoe regarding Unrepresented Position, Interim District Manager (California Government Code section 54957.6).

Closed Session Announcement: Direction has been given to Labor Negotiator.

- 4.c. CONFERENCE WITH LABOR NEGOTIATORS: Conference with PID Labor Negotiator Representative Tom Lando regarding Unrepresented Position, Temporary Assistant District Manager (California Government Code section 54957.6).

Closed Session Announcement: Direction has been given to Labor Negotiator.

- 4.d. CONFERENCE WITH LABOR NEGOTIATORS: Conference with PID Labor Negotiator Representative Tom Lando regarding Unrepresented Position, Finance & Accounting Manager (California Government Code section 54957.6).

Closed Session Announcement: Direction has been given to Labor Negotiator.

- 4.e. CONFERENCE WITH LABOR NEGOTIATORS (Government Code section 54957.6):
PID Labor Negotiator Representative: Tom Lando, Interim District Manager
Employee Organization: Management Unit represented by Teamsters Local 137

Closed Session Announcement: Direction has been given to Labor Negotiator.

President Boston reconvened the special meeting at 10:45 a.m. and provided closed session announcement information regarding agenda items 4.a. through 4.e. as listed in italicized print under each closed session item above.

Interim District Manager Tom Lando reported that with Finance & Accounting Manager Ross Gilb's resignation effective April 7, 2021, it would be beneficial to consider a contract with Ross to provide finance and accounting assistance in the transition of a new staff member.

It was moved by Director Hinman and seconded by Director Shaw to authorize a contract with Ross Gilb to provide financial consulting services in an amount to be decided through negotiations with Interim District Manager Tom Lando for a maximum 10 hours per week and for a maximum of 90 days and authorize the Interim District Manager to execute an agreement for this contact assignment.

CONTINUED
CLOSED SESSION
DISCUSSION
(Items 4.a. - 4.e.)

RETURN TO OPEN
SESSION:
CLOSED SESSION
ANNOUNCEMENT

FINANCIAL
CONSULTING
SERVICES
(Item 5.b.)

CONTINUED –
FINANCIAL
CONSULTING
SERVICES
(Item 5.b.)
GENERAL FUND &
PAYROLL CHECK
SIGNERS
UPDATE TO
CHAPTER 13.3 OF
POLICY &
PROCEDURES

AYES: Directors Hinman, Sulik, Shaw, and Boston
NOES: None
ABSENT: Director Hansen
Motion passes 4-0

Finance & Accounting Manager Ross Gilb reported with recent changes in staffing, the District has experienced the need for greater flexibility in the individuals authorized to sign general fund and payroll checks. The recommended addition of the Assistant District Manager to the list of authorized individuals to sign general fund and payroll checks would meet this need while still allowing proper internal controls over cash expenditures.

It was moved by Director Hinman and seconded by Director Shaw to approve the proposed update to Chapter 13.3 Accounting and Finance, of the Paradise Irrigation District Policy & Procedures Manual.

AYES: Directors Hinman, Sulik, Shaw, and Boston
NOES: None
ABSENT: Director Hansen
Motion passes 4-0

PROPOSED
ORGANIZATIONAL
RESTRUCTURE –
MANAGEMENT
UNIT (Item 5.d.)

Interim District Manager Tom Lando indicated the proposed Side Agreement between PID and the PID Management Unit represented by Teamsters Local 137 would authorize the reorganization of the PID Management Unit, which would restructure the Assistant Engineer position to include supervisory responsibility of Water Treatment Plant (WTP) staff, so that Bill Taylor can move back into his former position as WTP Operations Supervisor. Other adjustments would include adding an Administrative Assistant position, removing the position of Information Systems Manager and hiring a IT consulting firm, removing a portion of the Office & Customer Service Manager work and hiring a consulting HR firm, and proposed title changes: Office & Customer Service Manager to Office Manager, and District Secretary to Executive Assistant.

Proposed agreements for the Executive Officer positions of District Manager & Assistant District Manager will be presented on the agenda for the regularly scheduled Board of Directors meeting on April 21, 2021 for review and consideration.

It was moved by Director Shaw and seconded by Director Sulik to authorize approval of the proposed Side Agreement between PID and the Management Unit represented by Teamsters Local 137 for reorganization of the PID Management Unit and authorize the Interim District Manager to execute the agreement on behalf of the District.

AYES: Directors Hinman, Sulik, Shaw, and Boston
NOES: None
ABSENT: Director Hansen
Motion passes 4-0

ADJOURNMENT

There being no further business, it was moved by President Boston to adjourn the meeting. The special meeting of the PID Board of Directors was adjourned at 10:51 p.m.


Georgeanna Borraro, Secretary


Shelby Boston, President