

MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
PARADISE IRRIGATION DISTRICT
JANUARY 19, 2022

The regular meeting of the Board of Directors of the Paradise Irrigation District (PID) was called to order at 6:30 p.m. by President Shelby Boston, followed by a reflection and the Pledge of Allegiance to the Flag of the United States of America.

OPENING

BOARD MEMBERS PRESENT: Directors Alan Hinman, Brian Shaw, Vice President Marc Sulik and President Shelby Boston (Director Shaw participating remotely via Zoom meeting platform).

ROLL CALL

BOARD MEMBERS ABSENT: Division 5 Director Seat Vacant

STAFF PRESENT: District Manager Tom Lando, Assistant District Manager Mickey Rich, Finance & Accounting Manager / Treasurer Brett Goodlin, Assistant Engineer Blaine Allen, Administrative Assistant Sarah Fenton, and Secretary Georgeanna Borrayo

ALSO PRESENT: PID Legal Counsel – Dustin Cooper, Consultants Sami Kader, Colleen Boak, and Esmeralda Diego with Water Works Engineers, and members of the public.

It was moved by Director Hinman and seconded by Director Sulik to adopt Resolution No. 2022-02; a resolution of the Board of Directors of the Paradise Irrigation District re-authorizing remote meetings consistent with AB 361. Directors' votes were polled as follows by roll call:

RESOLUTION NO.
2022-02 ADOPTED
RE-AUTHORIZING
REMOTE
MEETINGS
CONSISTENT WITH
AB 361
(Item 2)

AYES: Directors Sulik, Hinman, Shaw, and Boston

NOES: None

ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

No public comments were received.

PUBLIC
PARTICIPATION

President Boston announced the Board will adjourn to closed session to discuss agenda item 4.a., 4.b. and 4.c. Following an opportunity for public comment, the Board adjourned to closed session at 6:34 p.m. regarding the following:

CLOSED SESSION
(Item 4.a., 4.b. & 4.c)

4.a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (California Government Code section 54956.9 (d)(1).) Pacific Gas & Electric Company Bankruptcy Proceedings, including PID claim against Fire Victim Trust. Bankruptcy Case No. 19-30088 (DM).

Closed Session Announcement: Direction has been provided to Legal Counsel.

CONTINUED –
CLOSED SESSION

- 4.b. REAL PROPERTY NEGOTIATIONS (California Government Code section 54956.8).
Property subject to negotiations: PG&E Miocene Canal
District Negotiator: Minasian Law Firm and PID Staff
Other Party: Pacific Gas & Electric Company
Under Negotiation: District negotiator will be given direction regarding potential interest in real estate negotiations relating to the purchase of real property or interests in real property.

Closed Session Announcement: Direction has been provided to PID Legal Counsel and Staff.

- 4.c. CONFERENCE WITH LABOR NEGOTIATORS (California Government Code section 54957.6):
PID Labor Negotiators: Tom Lando, District Manager, & Mickey Rich, Assistant District Manager
Employee Organizations: Management Unit represented by Teamsters Local 137 and General Unit represented by IBEW Local 1245.

Closed Session Announcement: Direction has been provided to PID Labor Negotiators.

CLOSED SESSION
ANNOUNCEMENT
(Item 5)

President Boston reconvened the regular meeting at 7:14 p.m. and provided closed session announcement information regarding agenda items 4.a., 4.b., and 4.c. as listed in italicized print under each closed session item above.

APPROVAL OF
CONSENT
CALENDAR
(Item 6.a. – 6.d.)

Board members reviewed consent calendar items as follows

- 6.a. Approval of Meeting Agenda Order
6.b. Approval of Minutes for Regular Meeting of December 15, 2021
6.c. Approval of Minutes for Special Meeting of January 6, 2022
6.d. Approval to Authorize up to \$15,000 Cost Share Expenditure for Electronic Sign Maintenance under existing agreement for maintenance / repair of sign in front of the Terry Ashe Recreation Center.

It was moved by Director Sulik and seconded by Director Hinman to approve the Consent Calendar as presented.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacany

Motion passes 4-0

PRESENTATION:
WATER RIGHTS
PROJECT – PID
PERMIT TO
LICENSE
(Item 7.)

Attorney Dustin Cooper provided a summary of PID water rights and status of pending petitions filed with the State Water Resources Control Board. In 2007 the district was required to seek an extension on Water Right Permit 271 (1916 priority of right). After consultation with State Water Board staff, PID made amendments to original 2007 Petitions to include a Request for License for Permit 271. Changes in place of use and beneficial use amounts were also made to the project.

At the February 16 Board of Directors meeting additional information will be provided for discussion to decide whether this is the time to reengage in this process and recirculate Notice of Preparation of EIR. Water Rights Consultant Paula Whelan with Wagner & Bonsignore and DeNovo Planning Group (environmental consultant), will provide a budget and project scope details for review at this meeting.

Informational item only; no Board action taken.

Board members reviewed a written Treasurer's Report presented by Finance & Accounting Manager Brett Goodlin for the period ending December 31, 2021, highlighting the district's cash position, debt service analysis, operational overview, and recovery funding.

ACCEPTANCE OF
TREASURER'S
REPORT FOR
PERIOD ENDING
DEC. 31, 2021
(Item 8.a.)

It was moved by Director Hinman and seconded by Director Shaw to accept the Treasurer's Report for the period ending December 31, 2021, as presented.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

Finance & Accounting Manager Brett Goodlin reported the District's Investment Policy requires an annual review of the policy and states the Board shall "amend it as appropriate or otherwise ratify its continuance." No changes are recommended for the Policy, and there are no known changes required by recent legislation.

STATEMENT OF
INVESTMENT
POLICY ANNUAL
REVIEW
(Item 8.b.)

It was moved by Director Sulik and seconded by Director Hinman to authorize approval to reaffirm continuance and delegation of investment functions as provided in PID Rules & Regulations Chapter 14, Investment Policy.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

Board members reviewed accounts payable expense reports for the month of December 2021. It was moved by Director Hinman and seconded by Director Sulik to approve General Fund check numbers 57234 through 57375 for the month of December 2021 totaling \$1,256,899.94, exclusive of voided check numbers 57290, 57357, and 57358, and authorization of a similar amount allowing or adjusting for extraordinary budget or Board approved items during the month of January 2022.

ACCOUNTS
PAYABLE
EXPENSE REPORT
FOR THE MONTH
OF DEC. 2021
APPROVED
(Item 8.c.)

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

District Manager Tom Lando commented on the following: 1) A draft report of the PID Option Study is not yet available. He would expect the Board to discuss this further in March or April but would also like to wait until more information is available on the district's settlement, which could change the approach to this study; and 2) The Capital Improvement Plan prepared by Water Works Engineers will be presented at the February meeting for Board adoption. This information will be used by Bartle Wells, the District's financial consultant, to complete the financial analysis for PID.

INFORMATIONAL
PID STAFF AND
CONSULTANT
REPORT UPDATES
(Item 9.a. – 9.h.)

Assistant District Manager Mickey Rich commented on the Strategic Plan Progress Report, noting an Ad Hoc Strategic Planning Committee meeting is scheduled on February 4 and anticipates the committee may have some updates to recommend following this meeting.

CONTINUED – PID
STAFF &
CONSULTANT
REPORT UPDATES

Water Works Engineers highlighted information presented in reports included in the Board Packet regarding the Water Supply Recovery Program and status of engineering support services to the Paradise Irrigation District.

COMMITTEE
REPORTS
(Item 10)

Community Relations Committee: Assistant District Manager Mickey Rich reported discussion at the January 11 meeting included an update regarding the customer service survey and communications to PID customers as new water meters are being installed throughout the community. The next committee meeting will be held on March 8, 2022 at 8:00 a.m.

UNFINISHED
BUSINESS

No unfinished business to report.

NEW BUSINESS:

FRIENDS OF
BUTTE CREEK –
REQUEST FOR
LETTER OF
SUPPORT
(Item 12.a.)

Allen Harthorn and Gayland Taylor addressed the Board on behalf of Friends of Butte Creek (FBC) and provided information regarding the Wildlife Conservation Board Stream Flow Enhancement Program, which looks at a critical section of Butte Creek where the California Department of Fish and Wildlife has identified significant fish passage issues for Spring Run Chinook Salmon. This project seeks to partner with water purveyors and other agencies to develop a plan to eliminate some of the fish passage issues and help improve groundwater sustainability.

There are various options for utilizing PID water rights by short-term agreements, leases, or exchanges that would preserve PID rights in the long-term. FBC is seeking consideration by the PID Board of Directors to provide a letter of support to participate in the planning project regarding opportunities to further identify water supply options for additional flow to Butte Creek for aquatic habitat.

Board members and staff discussed the scope of PID projects in progress regarding the Water Supply Recovery Program, along with the PID Options Study, and recommended not taking board action to provide a letter of support at this time.

MAGALIA DAM
100% DESIGN
PROJECT –
RECOMMEND-
ATION (Item 12.b.)

Colleen Boak with Water Works Engineers reported in July 2019, PID was notified by CalOES of a successful FEMA Hazard Mitigation Grant award for the analysis and design of a DSOD-approved hazard mitigation project for Magalia Dam. The project would be phased – split into two components: Phase 1 – Magalia Dam Engineering Study, and Phase 2 – Magalia Dam 100% Design.

Phase 2 of the project was advertised in November 2021 with proposals received on January 4, 2022. Only one proposal from Slate Geotechnical was received at that time. The proposal included a not-to-exceed cost between \$1,956,273 and \$2,065,378, depending on PID's selection of an environmental review process. The proposed project budget leaves PID with an amount between \$611,698 and \$721,603 unfunded by the original grant and cost share.

Staff has been working with APTIM and CalOES to determine what options there may be to augment the existing grant value and/or deadline in addition to examining the possibility of applying for a second grant to achieve the project's overall intent of developing a "shovel ready design." CalOES recently confirmed the possibility to augment both schedule and grant is very likely.

Following review of options outlined for consideration, it was moved by Director Hinman and seconded by Director Sulik to approve the award for professional services to Slate Geotechnical in the not-to-exceed amount of \$2,065,378, with an additional authorization

for 10% contingency funds totaling \$206,538 to be executed at the discretion of the District Manager, if necessary, for a total not-to-exceed project cost of \$2,271,916 and authorize the District Manager to execute the agreement with Slate Geotechnical subject to securing grant funds and legal review.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

Engineer Blaine Allen reported Caltrans is relocating a portion of Highway 191 (Clark Road) near Easy Street. PID has an 8" water main that crosses under the highway at the proposed construction location. PID requested an estimated cost for the contractors performing the work on Caltrans behalf to relocate the pipeline in conjunction with their construction. The estimated cost given was \$40,775. Staff recommends a 10% buffer be included on this cost as it is a rough estimate and not an official quote.

It was moved by Director Sulik and seconded by Director Shaw to authorize the Assistant Engineer to sign a letter accepting the liability for the cost of relocating the required piping at a maximum cost of \$45,000 dollars.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

President Boston accepted nominations for the office of Vice President to succeed Dan Hansen. The following nominations were received:

Director Shaw nominated Director Sulik
Director Sulik nominated Director Shaw who respectfully declined

President Boston called for a vote on the nomination of Director Sulik to serve as Vice President until the next election and appointment of officers in December 2022.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

Board members reviewed options and provided direction in reference to filling the Division 5 Director vacancy following the resignation of Dan Hansen effective January 5, 2022.

It was moved by Director Sulik and seconded by Director Hinman to authorize staff to distribute a press release after the Board meeting announcing the district is seeking candidates to serve as an appointed director for the Division 5 director seat and authorize setting a special meeting date on February 9, 2022, at 6:30 p.m. to meet with qualified candidates who have expressed interest in the Division 5 director vacancy.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

CONTINUED –
MAGALIA DAM
100% DESIGN
PROJECT
AWARDED TO
SLATE
GEOTECHNICAL

WATER UTILITY
RELOCATION –
CLARK ROAD
(HWY. 191) AT
EASY STREET
(Item 12.c.)

APPOINTMENT OF
VICE PRESIDENT –
VACANCY
SUCCEEDING
DAN HANSEN
(Item 12.d.)

DIRECTOR
VACANCY,
DIVISION 5 –
BOARD DIRECTION
GIVEN TO SEEK
CANDIDATES TO
FILL VACANCY BY
APPOINTMENT
(Item 12.e.)

Director Sulik commented on a written nomination procedure for filling vacancies on the Board of Directors that had been prepared by staff based on prior board input, but has not been formally adopted. He recommended finalizing those procedures. Board direction was given to place this item on the February 16 agenda for discussion and consideration.

RESOLUTION NO.
2022-03 ADOPTED
IN RECOGNITION
OF DAN HANSEN
(Item 12.f.)

It was moved by Director Shaw and seconded by Director Sulik to adopt Resolution No. 2022-03; A Resolution of Appreciation by the Board of Directors of the Paradise Irrigation District presented to Dan Hansen for his service as a member of the Board. Directors' votes were polled as follows by roll call:

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

LICENSED
REALTOR
SERVICES
(Item 12.g.)

Assistant District Manager Mickey Rich reported in November the District issued a Request for Proposal for licensed real estate services to perform the following:

- Analyze District properties and make a presentation to the PID Board of Directors regarding the value and salability of PID properties.
- Marketing real estate for sale.
- Represent and assist the district throughout transactions related to real estate sales.

It was moved by Director Hinman and seconded by Director Sulik to authorize the District Manager to enter into an agreement with Gregg Mowers for real estate services.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

IT SERVER
HARDWARE
REPLACEMENT
APPROVED
(Item 12.h.)

In a memo to the Board staff summarized the budgeted recommendation, which proposes the following IT project equipment upgrades essential for doing business and running PID servers:

- Replacement of Storage Area Network (This houses all District data)
- Replacement of 2 virtual machine hosts (Each host holds 4-5 servers)
- Installation of backup system for redundancy. System will be upgraded to include monitoring.

It was moved by Director Sulik and seconded by Director Hinman to authorize the Assistant District Manager to purchase IT server hardware equipment to be installed by VistaNet, Inc. for a cost not to exceed \$70,000.

AYES: Directors Sulik, Hinman, Shaw, and Boston
NOES: None
ABSENT: Division 5 Director Seat Vacant

Motion passes 4-0

DIRECTORS'
COMMENTS
(Item 13)

Director Sulik: Acknowledged Dan Hansen for his service to the District as a Board of Director and his dedication to the community.

Director Hinman: Commented PID will miss Dan immensely.

Director Shaw: Echoed comments about Dan Hansen, adding he has been a great mentor.

President Boston: Stated she is still reeling from the fact Dan Hansen will no longer be serving as a member of the PID board and expressed appreciation to Director Sulik for his willingness to serve as Vice President, and added it is an honor and pleasure to work with everyone on this board.

There being no further business, it was moved by President Boston to adjourn the meeting. The regular meeting of the PID Board of Directors was adjourned at 8:54 p.m.

ADJOURNMENT OF
MEETING


Georgeanna Borrayo, Secretary


Shelby Boston, President