

MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
PARADISE IRRIGATION DISTRICT
SEPTEMBER 21, 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 the Pledge of Allegiance to the Flag of the United States of America.

OPENING

BOARD MEMBERS PRESENT: Directors Bob Matthews, Alan Hinman, Chris Rehmann, Vice President Marc Sulik and President Shelby Boston
(Director Rehmann participating remotely via the Zoom meeting platform)

ROLL CALL

BOARD MEMBERS ABSENT: None

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

ALSO PRESENT: Consultant Sami Kader with Water Works Engineers and Nicole Maddox with APTIM

It was moved by Director Sulik and seconded by Director Hinman to adopt Resolution No. 2022-19; 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.
2022-19 ADOPTED
RE-AUTHORIZING
REMOTE
MEETINGS
CONSISTENT WITH
AB 361
(Item 2)

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston

NOES: None

ABSENT: None

Motion passes 5-0

No public comments were received.

PUBLIC
PARTICIPATION
(Item 3)

President Boston announced the Board will adjourn to closed session to discuss agenda item 4.a. as follows:

CLOSED SESSION
(Item 4.a.)

CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Government Code § 54956.7
Property: Forks of Butte Hydroelectric Project
PID Negotiators: Tom Lando, District Manager, Mickey Rich, Assistant District Manager, PID General Counsel, Minasian, Meith, Soares, Sexton & Cooper, LLP
Other Negotiators: Hypower and its agent Bodington & Company
Under Negotiation: Price and Terms of Sale of 14.5 megawatt Forks of Butte Hydroelectric Project.

As there were no public comments, the Board adjourned to closed session at 6:33 p.m.

CLOSED SESSION
ANNOUNCEMENT

President Boston reconvened the regular meeting at 6:43 p.m. and announced direction has been given to PID negotiators.

CONSENT
CALENDAR
APPROVED
(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 – Regular Meeting of August 17, 2022
- 6.c. Approval of Minutes – Special Meeting of September 6, 2022
- 6.d. Approval to Purchase – Zinc Orthophosphate for Water Treatment Plant

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

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston
NOES: None
ABSENT: None

Motion passes 5-0

ACCEPTANCE OF
TREASURER'S
REPORT FOR
PERIOD ENDING
AUG. 31, 2022
(Item 7.a.)

Board members reviewed a written Treasurer's Report prepared by Finance & Accounting Manager Brett Goodlin for the period ending August 31, 2022, highlighting the district's cash position, debt service analysis, operational overview, and recovery funding. Director Matthews requested including a source of funds statement in the Treasurer's Report that would show a financial overview of grant funding received such as projected reimbursement schedule, cash flow, etc.

It was moved by Director Hinman and seconded by Director Sulik to accept the Treasurer's Report as presented for the period ending August 31, 2022.

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston
NOES: None
ABSENT: None

Motion passes 5-0

EXPENSE
APPROVAL
REPORT FOR THE
MONTH OF
AUGUST 2022
APPROVED (Item
7.b.)

Board members reviewed accounts payable expense reports for the month of August 2022. It was moved by Director Sulik and seconded by Director Hinman to approve payments by check in the amount of \$2,183,132.98 representing check numbers 57713 through 57759 and electronic payments of \$690,954.11 by EFT for the month of August 2022 totaling \$2,874,087.09, excluding voided check numbers 57724-57727 and 57758, and authorization of a similar amount allowing or adjusting for extraordinary budget or Board approved items during the month of September 2022.

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston
NOES: None
ABSENT: None

Motion passes 5-0

PID STAFF &
CONSULTANT
REPORT UPDATES
(Item 8.a. – 8.h.)

Board members reviewed written Staff and Consultant Report updates provided in the agenda packet. Assistant District Manager Mickey Rich reported the first bills were issued to 370 accounts for water consumption usage this month. A few issues were encountered, noting the meter period ended September 1; however, the reads provided ended September 20. A correction notification letter will be sent to all 370 accounts billed.

Board members inquired about a staff report relating to the damaged water main on Skyway that occurred while construction crews were working on the Town of Paradise Skyway Road Rehabilitation Project between Neal and Black Olive Roads. Manager

Tom Lando indicated Finance & Accounting Manager Brett Goodlin has begun coordinating costs incurred resulting from the emergency incident. Staff will provide a full briefing at the next Board of Directors meeting.

CONTINUED – PID
STAFF &
CONSULTANT
REPORT UPDATES

Sami Kader with Water Works Engineers highlighted information presented in a written Water Supply Recovery Program Update. In August, RCI installed 236 meters and 210 district-maintained backflow preventers, totaling 2,594 meters and 1,867 district-maintained backflows. RCI is planning to add another crew as we approach the next few months. The Reservoir B Replacement Project was awarded to Myers and Sons Construction and notice to proceed was issued on September 1, 2022. The site has been cleared and excavation and grading has begun. Citing supply chain challenges, the tank vendor is unable to meet the project schedule. The new tank arrival date pushes the project finish date to February 2024.

Consultant Nicole Maddox with APTIM Environmental & Infrastructure summarized information detailed in a written Post-Fire Disaster Public Recovery Update regarding each project awarded by FEMA under Public Assistance.

Community Relations Committee: Director Marc Sulik reported discussion at the September 13th committee meeting included a community relations activity update and communication outreach and messaging, and water use charges. Staff will also be looking at options to potentially install a digital sign at the PID office on Clark Road. The next committee meeting is scheduled on November 8, 2022, at 8:00 a.m.

COMMITTEE
REPORTS
(Item 9)

Unfinished Business continued from the August 17, 2022 Board of Directors meeting:

UNFINISHED
BUSINESS:

Staff reported this is an action the Board takes annually to allocate and establish the District's appropriation limit of the property taxes that are received each fiscal year.

It was moved by Director Hinman and seconded by Director Matthews to adopt Resolution No. 2022-15 establishing the annual appropriations limit of the District at \$3,204,394.00 for fiscal year 2022-2023 pursuant to Article XIIIB of the California Constitution.

RESOLUTION NO.
2022-15 ADOPTED
ESTABLISHING
ANNUAL
APPROPRIATIONS
LIMIT OF THE
DISTRICT
(Item 10.a.)

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston

NOES: None

ABSENT: None

Motion passes 5-0

Assistant District Manager Mickey Rich reported the District's current water conservation measures are detailed in the table shown in the agenda packet. Additional efforts recommended for implementation are summarized as follows:

ADDITIONAL
WATER
CONSERVATION
MEASURES
(Item 10.b.)

- PID field crews to start adding the physical lock to 'sealed' meters. After approximately one hundred accounts have been audited/sealed, staff can assess the effectiveness of this practice. This will provide the District with data as to how many users who are on the sealed rate have turned on their backside and are using unauthorized water.
- PID to escalate priority of meter installation in cases of observed or confirmed reports of water use outside of the PID restrictions.
- For all meters where PID is receiving hourly usage data, customers with 24-hour use indicative of a leak OR water use outside of restrictions, will receive a written notification requesting corrections. Subsequent warnings will be subject to the District's fees and penalties for water use.

CONTINUED –
ADDITIONAL
WATER
CONSERVATION
MEASURES

It was moved by Director Hinman and seconded by Director Sulik to authorize the additional water conservation measures effective September 21, 2022.

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston
NOES: None
ABSENT: None

Motion passes 5-0

CONTRACT
AUTHORIZATION
RE: SALARY
SURVEY &
COMPENSATION
STUDY
(Item 10.c.)

On June 23, 2022, the District issued a Request for Proposal (RFP) for professional services to provide a market analysis of the District's total compensation package including salary and benefits, with a due date of July 28, 2022. The District received one response to this request. Per Board recommendation, the RFP was reissued, and no additional responses were received. Staff reached out to CPS HR Consulting, a firm that specializes in public sector and partners with the California Special Districts Association. A proposal from CPS HR Consulting is included in the agenda packet for Board consideration.

It was moved by Director Hinman and seconded by Director Matthews to authorize a contract with CPS HR Consulting and authorize the District Manager to execute an agreement for this contract assignment for a total not-to-exceed cost of \$65,000.00.

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston
NOES: None
ABSENT: None

Motion passes 5-0

NEW BUSINESS:

MUNICIPAL
SERVICES REVIEW
& SPHERE OF
INFLUENCE
UPDATE

(Item 11.a.1 & 11.a.2
Continued to
October 19 Board
Meeting)

Staff indicated the purpose of this item is to begin the process of working with the Butte Local Agency Formation Commission (LAFCo) to perform a Municipal Services Review (MSR) and update to the District's Sphere of Influence (SOI). The last MSR for the District was completed in 2006. The process involves contracting with a consultant to perform the review and authorizing a Letter Agreement with LAFCo for the Paradise Irrigation District Municipal Service Review update and Sphere of Influence Update.

Board members were interested in obtaining additional information from Butte LAFCo regarding the requirements to perform both updates prior to further consideration. It was moved by Director Hinman and seconded by Director Matthews to continue agenda items 11.a.1 and 11.a.2 to the October 19 Board of Directors meeting to obtain additional information.

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston
NOES: None
ABSENT: None

Motion passes 5-0

PIPELINE
REPLACEMENT ON
NEWLAND ROAD &
NEW LUPINE
SUBDIVISION
CONCEPT REVIEW
(Item 11.b.)

District Engineer Blaine Allen reported on the proposed Lupine Court subdivision and upgrade of the Newland Road water main, noting the Newland Road pipeline is currently constructed of approximately 300 feet of 2" HDPE pipe and 600 feet of 4" steel pipe. These sections are to be abandoned and replaced with an 8-inch C-900 pipe with all service laterals, fire hydrants and district facilities tied into the new pipeline. The new pipeline for Lupine Court and pipeline upgrade down Newland Road will be paid for by the contractor.

It was moved by Director Hinman and seconded by Director Matthews to authorize approval of concept review for the Newland Road and Lupine Court subdivision pipeline

upgrade and installation and authorize District employees to work with Legal Counsel to establish required pipeline conveyance documentation.

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston

NOES: None

ABSENT: None

Motion passes 5-0

Assistant District Manager Mickey Rich indicated PID Staff explored several software solutions to assist in the management and reporting of the District's backflows. Syncta by Watts was the standout in user-friendly software, organization, and cost.

It was moved by Director Matthews and seconded by Director Hinman to authorize the purchase of Syncta backflow management software by Watts and authorize the District Manager to execute the software subscription agreement with a one-time implementation cost of \$7,650.00 and an annual cost of approximately \$9,500.00.

BACKFLOW
MAINTENANCE
SOFTWARE
PROPOSAL
APPROVED
(Item 11.c.)

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston

NOES: None

ABSENT: None

Motion passes 5-0

Staff reported the **Interim** Water Service installations included a hose spigot. As RCI completes the **permanent** PID-owned backflow and meter installation, the newly installed device does not include a hose spigot. The District has increased notifications to customers about permanent backflow devices and meters and has seen a decline in the number of complaints. Board members concurred that permanent backflow devices will not be reconnected to any temporary plumbing, and it is important to be very diligent in notifying the customer in advance that the newly installed device will not include a spigot.

RCI ADJUSTMENT
FOR HOSE
SPIGOTS
(Item 11.d.)

President Boston reviewed current Board of Director committee assignments following the July 25, 2022 appointment of Chris Rehmann to the Division 1 director vacancy succeeding Brian Shaw. The following amendments were made:

COMMITTEES OF
THE DISTRICT -
UPDATE
(Item 11.e.)

Community Relations Committee: Director Rehmann assigned to committee. Director Sulik will continue as committee chairperson.

Ad Hoc Strategic Planning Committee: Director Rehmann will join Director Matthews on the ad hoc committee. Director Rehmann assigned role of committee chairperson.

District Manager Tom Lando reported the Assistant District Manager and Finance & Accounting Manager positions are contract positions with the Board responsible for the annual evaluation and determining the amount of merit pay received. A 5% merit increase in salary is recommended for consideration based on employee performance.

AMENDMENT TO
EMPLOYMENT
AGREEMENT WITH
ASSISTANT
DISTRICT
MANAGER
(Item 11.f.)

It was moved by Director Matthews and seconded by Director Hinman to authorize approval of the Amendment to Employment Agreement with Mickey Rich under paragraph 5 - Salary. Effective September 1, 2022, District agrees to pay Employee \$105,000 in salary per year for her services, payable in installments at the same time as other employees of the District are paid and subject to customary withholdings.

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston

NOES: None

ABSENT: None

Motion passes 5-0

AMENDMENT TO
EMPLOYMENT
AGREEMENT WITH
FINANCE &
ACCOUNTING
MANAGER
(Item 11.g.)

It was moved by Director Matthews and seconded by Director Hinman to authorize approval of the Amendment to Employment Agreement with Brett Goodlin under paragraph 4 – Salary. Effective September 21, 2022, District agrees to pay Employee \$84,000 per year for his services, payable in installments at the same time as other employees of the District are paid and subject to customer withholdings.

AYES: Directors Matthews, Sulik, Hinman, Rehmann, and Boston

NOES: None

ABSENT: None

Motion passes 5-0

DIRECTORS'
COMMENTS
(Item 12)

Director Matthews: Commented he spoke to a person who serves on the Paradise Little League Board of Directors regarding water charges and was happy to learn the amount charged per Hundred Cubic Feet (HCF) of water is billed at a reduced rate for eligible Recreation/Irrigation water service accounts.

Director Sulik: Thanked PID employees for their response and work to repair the damaged water main on Skyway.

Director Hinman: Noted all five PID director seats are running unopposed for the November 8, 2022 General Election and he is happy to continue to serve on the Board of Directors.

Director Rehmann: Indicated he is happy to be part of the PID organization and expressed appreciation to employees for their efforts to repair the water leak on Skyway.

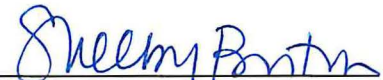
Director Boston: Echoed all director comments.

ADJOURNMENT OF
MEETING

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 8:12 p.m.



Georgeanna Borraro, Secretary



Shelby Boston, President