

MINUTES
REGULAR MEETING
BOARD OF DIRECTORS
PARADISE IRRIGATION DISTRICT
JANUARY 18, 2023

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 Bob Matthews, Marc Sulik, Alan Hinman,
Chris Rehmann, and President Shelby Boston

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: Consultants Nicole Maddox with APTIM and Colleen Boak with
Water Works Engineers and members of the public

It was moved by Director Rehmann and seconded by Director Sulik to adopt Resolution No. 2023-01, a resolution of the Board of Directors of the Paradise Irrigation District reauthorizing remote meetings consistent with AB 361. Directors' votes were polled as follows by roll call:

RESOLUTION NO.
2023-01 ADOPTED
REAUTHORIZING
REMOTE
MEETINGS
(Item 2)

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

Motion passes 5-0

Ward Habriel commented on the positive snow and rainfall amounts received to date and the 2023 Paradise Garden Tour and Annual Plant Sale on June 3rd and 4th. The Garden Club is interested in adding a property to the tour that features water-wise gardening concepts.

PUBLIC COMMENT
(Item 3)

Staff reported at the December 21, 2022 Board of Directors meeting, direction was provided to amend Policy and Procedures, Chapter 2.7.B. regarding the term the President and Vice President may serve. The current policy indicates the President and Vice President shall not serve in their respective positions for more than two consecutive one-year terms.

PID POLICY &
PROCEDURES,
SECTION 2.7 –
OFFICER
ELECTION & TERM
OF OFFICE
(Item 4)

Following review and discussion, it was moved by Director Hinman and seconded by Director Rehmann to reflect, "The officers shall serve until the next Annual Meeting. The President and Vice President shall not serve in their respective positions for more than three consecutive one-year terms."

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

Motion passes 5-0

ELECTION &
APPOINTMENT OF
OFFICERS FOR
2023 CONTINUED
FROM DEC. 21,
2022 BOARD
MEETING
(Item 4)

OFFICE OF
PRESIDENT:
SHELBY BOSTON

President Boston turned the meeting over to District Manager Tom Lando to open Agenda item 5, Election and Appointment of Officers for 2023.

Office of President: District Manager Tom Lando accepted nominations for the office of President. Director Hinman nominated Shelby Boston to continue representing the District as President. As there were no further nominations, Manager Lando called for a vote on the nomination to elect Director Shelby Boston to serve as President for 2023.

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

Motion passes 5-0 to elect Shelby Boston to serve as President.

Manager Lando turned the meeting over to President Shelby Boston.

OFFICE OF
VICE PRESIDENT:
BOB MATTHEWS

Office of Vice President: President Boston opened nominations for the office of Vice President. Director Marc Sulik nominated Bob Matthews. Following close of nominations, President Boston called for a vote on the nomination to elect Director Bob Matthews to serve as Vice President for 2023.

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

Motion passes 5-0 to elect Bob Matthews to serve as Vice President.

APPOINTMENT OF
TREASURER:
BRETT GOODLIN

Appointment of Treasurer: Upon recommendation to appoint Brett Goodlin as Treasurer and continue to designate Mickey Rich as Assistant Treasurer, President Boston called for a vote as proposed.

ASSISTANT
TREASURER:
MICKEY RICH

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

Motion passes 5-0

APPOINTMENT OF
SECRETARY:
GEORGEANNA
BORRAYO

Appointment of Secretary: Following the recommendation to appoint Georgeanna Borrayo as Secretary, President Boston called for a vote as proposed.

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

Motion passes 5-0

APPROVAL OF
CONSENT
CALENDAR
(Item 6.a. - 6.c.)

Board members reviewed consent calendar items as follows:

- 6.a. Approval of Meeting Agenda Order
- 6.b. Approval of Minutes – Regular Meeting of December 21, 2022
- 6.c. Approval of Membership Application & Annual Dues for California Special District's Association

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

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

Motion passes 5-0

Board members reviewed a written Treasurer's Report prepared by Finance & Accounting Manager Brett Goodlin for the period ending December 31, 2022, highlighting the District's cash position, debt service analysis, and operational overview. Additional information noted an official communication from the PG&E Fire Victim Trust has been issued confirming an increase in the pro rata payment percentage from 45% to 60%, and a Finance Committee meeting is scheduled the following week for a Mid-Year Budget Review for Fiscal Year 2022-23.

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

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

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

NOES: None

ABSENT: None

Motion passes 5-0

Jim McCourt, CFA, with Meeder Public Funds provided an advisory update on the District's Investment Portfolio highlighting how the asset allocation is currently structured and projected investment income. Additional discussion included current economic projections and U.S. Treasury Yield Curves and factors driving inflation.

PID INVESTMENT
STRATEGY
UPDATE
(Item 7.b.)

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." The Policy also states the Board will confirm the delegation of the investment functions as provided in the policy.

STATEMENT OF
INVESTMENT
POLICY ANNUAL
REVIEW
(Item 7.c.)

It was moved by Director Hinman and seconded by Director Matthews to reaffirm continuance and delegation of investment functions as provided in PID Rules and Regulations Chapter 14 – Investment Policy.

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

NOES: None

ABSENT: None

Motion passes 5-0

Board members reviewed accounts payable expense reports for the month of December 2022. It was moved by Director Sulik and seconded by Director Hinman to approve payments by check in the amount of \$3,097,131.45 representing check numbers 57811 through 57822 and electronic payments of \$1,552,302.73 by EFT for the month of December 2022 for total payments of \$4,649,434.18, excluding voided check numbers 57815-57818, and authorization of a similar amount allowing or adjusting for extraordinary budget or Board approved items during the month of January 2023.

EXPENSE
APPROVAL
REPORT FOR THE
MONTH OF
DECEMBER 2022
APPROVED
(Item 7.d.)

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

NOES: None

ABSENT: None

Motion passes 5-0

Board members reviewed written Staff and Consultant Report updates provided in the agenda packet. Additional discussion included: 1) Reopening the Water Treatment Plant to the public; 2) Posting of current water levels for Magalia Reservoir and Paradise Lake; 3) Water Supply Recovery Program Update from Colleen Boak with Water Works Engineers; and 4) Post Fire Disaster Public Assistance & Recovery Management Services update from Nicole Maddox with Aptim Environmental & Infrastructure.

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

CAPACITY FEE –
PROPOSED
REVISION TO FEE
SCHEDULE (9.a.)

AD HOC
CUSTOMER
RECOVERY
SUPPORT
COMMITTEE
REPORT &
RECOMMEND-
ATIONS RE:
NON-
PARTICIPATING
PARCEL OWNERS
(DISCONNECTED
PARCELS)
(Item 9.b.)

Agenda item 9.a. proposing a change in capacity fee schedule was discussed under agenda item 9.b (see item numbers 3 and 7).

District Manager Tom Lando provided information regarding Non-Participating Parcel Owners with discontinued service, reporting prior to the 2018 Camp Fire there were approximately 10,500 service connections. After the fire, there were approximately 1,500 service connections. While most PID customers are either on the active, or ready-to-serve rate, a small number of customers disconnected and did not elect to have their water service maintained following the 2018 Camp Fire.

The following numbers indicate account types as of December 31, 2022:

- 4,861 active parcels
- 4,067 active but sealed (customers paying the ready-to-serve rate of \$21.49 per month but receiving no service – discontinued service)
- 1,700 inactive parcels (paying no fees to the District)
- 700 Undeveloped lots

The 4,067 parcels reflected above have been paying the ready-to-serve rate (discontinued service) of \$21.49 per month. These parcels are not currently using water but anticipate the need for water on their lot in the future. Currently, an inactive parcel simply pays \$30 to reconnect to the District. The 1,700 inactive parcels may reconnect whenever they choose at no additional cost and the property owners of the 700 undeveloped parcels may connect simply by paying the capacity fee.

Staff received prior direction from the Board of Directors to evaluate potential fees for non-participating parcel owners (disconnected accounts) with the PID Ad Hoc Customer Recovery Support Committee. The following issues have been evaluated at the committee level and are presented for possible action by the Board of Directors:

1. **Should the District charge Disconnected (1,700) Parcels?**

It was moved by Director Matthews and seconded by Director Rehmann to charge the disconnected parcels an assessment fee of \$21.49 monthly, and that this fee be linked to the active but sealed rate and any increases implemented now and in the future. **Motion passes unanimously 5-0**

2. **Should the District Charge the Undeveloped Parcels with no previous water service?**

It was moved by Director Rehmann and seconded by Director Hinman to not charge the 700 undeveloped parcels with no previous service.
Motion passes unanimously 5-0

3. **Should the District Charge Disconnected Parcels Impact (Capacity) Fees?**

It was moved by Director Matthews and seconded by Director Hinman to provide a credit for the existing capacity fee based on meter size and enact a new fee of \$11,627 for a ¾" meter and proportionate based on meter size, and phase in capacity fee over a 5-year period with a 20% increase each year.
Motion Passes unanimously 5-0

4. **Should the District Charge Disconnected Parcels for Meter, Backflow, and Service Lateral?**

Motion by Director Matthews, second by Director Rehmann to charge the disconnected parcels for meter, backflow, and service lateral at the cost of connecting the parcels.

AYES: Directors Matthews, Sulik, and Rehmann

NOES: Directors Boston and Hinman

ABSENT: None

Motion passes 3-2

5. **Should the District install service laterals to all disconnected parcels?**

Motion by Director Hinman, second by Director Sulik to install service laterals to disconnected parcels.

Motion passes unanimously 5-0

When, (if adopted), should fees be implemented?

It was moved by Director Hinman and seconded by Director Matthews to authorize that effective immediately, anyone ordering water service who is still in disconnect status will pay the fees for meter, backflow, and service laterals.

Motion passes unanimously 5-0

6. **Monthly Fee or Assessment Discussion:**

The Ad Hoc Customer Recovery Support Committee recommendation is next full billing cycle after adopted. President Boston recommended taking no action this evening until the District completes and adopts the assessment process. **Board members concurred to postpone action on this item.**

7. **When should the District initiate charges for Impact (Capacity) Fees?**

It was moved by Director Matthews and seconded by Director Sulik to authorize that any disconnected parcels wanting to go to the ready-to-serve rate or active rate will pay additional capacity fee charges effective May 1, 2023.

Motion passes unanimously 5-0

District Manager Tom Lando reported the Board has directed staff to initiate an assessment district process for those parcels which have disconnected from the District. For consideration, is a proposal to hire a consulting firm to review the study prepared by Bartle Wells Associates, recommend an appropriate assessment, and manage the required balloting. If desired, the consultant will also provide support with community outreach efforts. To date, one proposal has been submitted by SCI Consulting Group.

It was moved by Director Hinman and seconded by Director Matthews to allocate \$70,000 to hire a consulting firm to capture all costs to prepare the necessary documents to initiate and complete an assessment process for the disconnected parcels and authorize the District Manager to enter into a contract with consulting firm or others for this service.

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

NOES: None

ABSENT: None

Motion passes 5-0

CONTINUED –

AD HOC
CUSTOMER
RECOVERY
SUPPORT
COMMITTEE
REPORT &
RECOMMEND-
ATIONS RE:
NON-
PARTICIPATING
PARCEL OWNERS
(DISCONNECTED
PARCELS)
(Item 9.b.)

ASSESSMENT
DISTRICT
ENGINEERING
PROPOSAL
(Item 9.c.)

ZONE A PUMP
STATION &
TRANSMISSION
MAIN PROJECT
(Item 9.c.)

District Engineer Blaine Allen reported the District received funding approval under Grant 4344-619-073 Water Supply Hazard Mitigation for Paradise Irrigation District in the amount of \$6,259,315.00 with 75% being covered by FEMA at \$4,694,486.25, and the remaining 25% to be covered by the District at a cost of \$1,564,828.75. Staff is looking at additional funding options to help cover the District's local match for this project.

Staff has begun the process of starting the Zone A Pipeline and Pump Station Project and has put it out for bid on January 10, 2023. This project consists of installing a 16" pipeline from the water treatment plant to the Zone A tank where water will be pumped through a new pump station to be located at the treatment plant. The new pipeline will create a redundant water supply to the system and ensure water can still be supplied if anything were to happen to the current transmission line.

It was moved by Director Matthews and seconded by Director Hinman to authorize the District Manager to purchase supplies needed for the Zone A pipeline at a not to exceed price of \$930,000, and to authorize the District Manager to enter into a construction project contract not to exceed \$5,410,000.00 with an authorization of an additional 10% (\$634,000) contingency funding for a total approval of \$6,974,000.00.

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

Motion passes 5-0

RESOLUTION NO.
2023-02 ADOPTED
DECLARING
SURPLUS
PROPERTY
(Item 9.d.)

Board members reviewed a written memo from Distribution Superintendent Jeff Hill requesting to surplus two vehicles from PID's fleet.

It was moved by Director Matthews and seconded by Director Sulik to adopt Resolution No. 2023-02 declaring the 2010 Ford F-150 (Unit 26) and the 2006 Ford F-250 service truck (Unit 15M) as surplus property and no longer necessary for district purposes and authorize the District Manager to direct staff to dispose of surplus property in the most cost effective and practical manner.

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

Motion passes 5-0

APPOINTMENT OF
BOARD MEMBERS
TO COMMITTEES
OF THE DISTRICT
FOR 2023
(Item 9.e.)

President Boston confirmed the following committee assignments for 2023:

Standing Committees:

Administration & Personnel: Directors Bob Matthews & Shelby Boston (Chairperson)

Finance: Directors Chris Rehmann & Bob Matthews (Chairperson)

Community Relations: Directors Alan Hinman & Marc Sulik (Chairperson)

Town of Paradise / PID Liaison: Directors Shelby Boston & Bob Matthews

Ad Hoc Committees & Delegate Appointments:

Ad Hoc Negotiating Committee: Directors Alan Hinman & Shelby Boston (Chairperson)

Ad Hoc Demonstration Garden: Director Marc Sulik with public members

Ad Hoc Strategic Planning: Directors Bob Matthews and Chris Rehmann (Chairperson)

Ad Hoc Customer Recovery support Committee: Directors Marc Sulik & Chris Rehmann as Co-chairpersons

Ad Hoc District Manager Recruitment: Directors Shelby Boston & Marc Sulik (Chairperson)

ACWA Joint Powers Insurance Authority Director Representative: Director Alan Hinman
Alternate: Brett Goodlin, Finance & Accounting Manager

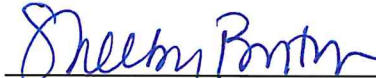
No Board of Director comments were made.

DIRECTORS'
COMMENTS

There being no further business, it was moved by President Boston to adjourn the regular meeting. The regular meeting of the PID Board of Directors was adjourned at 9:10 p.m.

ADJOURNMENT OF
MEETING


Georgeanna Borrayo, Secretary


Shelby Boston, President

