

1. CALL TO ORDER

The meeting was called to order by President Wristen at 2:00 pm

1.1 Flag Salute

Attorney Carter led the flag salute.

1.2 Roll Call

Present were President Wristen, Vice President Taggart, Director Hatley and Director Latulippe. Also present were Attorney Carter, Office Manager Padilla, and Manager Boucher. Engineer Heindell was absent.

2. PERSONS DESIRING TO ADDRESS THE BOARD

Mark Clark was in the audience to speak on Agenda Item 5.1

3. CONSENT AGENDA

3.1 Minutes of the Regular Board Meeting held on August 16, 2022

3.2 Financial Statements – June, July and August 2022

3.3 Water Warrants – Check Number 19675-19756 Total \$373,188.58
Water LAIF Deposit - \$7,000.00

Sewer Warrants – Check Number 7366-7369 Total \$30,962.20

Sewer LAIF Deposit - \$20,000.00

Secretary Revolving Account – Check Number 2666 Total \$240.00

Health Reimb Account – Check Number 2910-2913 Total \$745.56

3.4 Superintendent’s Monthly Report of Maintenance and Operations and Solar Power Generation for August 2022

It was moved by Director Taggart, seconded by Director Hatley to approve Consent Agenda Items 3.1 - 3.4. Motion carried.

4. ITEMS REMOVED FROM CONSENT AGENDA

None

5. GENERAL ADMINISTRATION BUSINESS

5.1 Appointment to Fill Vacancy in Directorship for Division 5

Manager Boucher informed the Board that a letter has been sent to Butte County Elections Office informing them of the vacancy in office for Division 5. He mentioned that the Notice of Vacancy in Office of Director has been posted on the Districts website as well as five locations throughout the District. He stated that as of today, the District has received one letter from Mark Clark stating his interest in filling the vacant Board of Director position.

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Mark Clark approached the Board and mentioned that he is interested in filling the position of Director for Division 5. He stated that has been a resident of Thermalito for over 30 years and has watched the community grow. Motion made by Director Hatley; seconded by Director Taggart and unanimously carried to appoint Mark Clark to fill the vacancy in Directorship for Division 5.

5.2 Resolution 06-22 – Recognizing Former Board Member Ernest Reynolds for his Service on Behalf of the Residents of the District

Manager Boucher informed the Board that Mr. Reynolds would not be present today to accept the Resolution as he is having difficulty walking. Manager Boucher stated that he will make an attempt to take the Resolution over to Mr. Reynolds on Friday.

5.3 Thermalito Water & Sewer District Rate Study Proposal

Manager Boucher mentioned to the Board that a Request for Proposal has been sent out regarding a comprehensive water and sewer rate study. He mentioned that the District has received a proposal from Bartle Wells Associates in the amount of \$48,950 plus direct expenses estimated not to exceed \$1,000. Bartle Wells Associates has completed over 1,000 utility rate and fee studies and is knowledgeable about the legal requirements governing rates and impact fees including Proposition 218. Manager Boucher mentioned that for now, the District will be focusing on the water rates and the water and sewer connection fees. He mentioned that for sewer rates, if the District is going to have to do something for multi-family units, the sewer rates will then need to be adjusted to coincide with SC-OR. He mentioned that we may receive another rate study from Jacobs Engineering and would like authorization to move forward once it is received. Motion made by Director Taggart; seconded by Director Hatley and unanimously carried to approve the Rate Study in an amount not to exceed \$50,000.

5.4 Modification to FY22/23 Budget

Office Manager Padilla reported that due to the importance of the District needing a rate study, it has been determine that the FY 22/23 water and sewer budget will need to be modified as follows:

Capital Expenditures – Water Budget

Reallocate \$15,000 from Pipeline Improvement (10-1777-00) - Water Pipeline Replacement to Account 10-700-3100

Reallocate \$10,000 from Source of Supply (10-1800-00) – Streambed Alteration Project to Account 10-700-3100

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Capital Expenditures – Sewer Budget

Reallocate \$30,000 from Collection Facilities (20-1720-00) – Sewer Pipeline Replacement Survey to Account 20-700-3100

Office Manager Padilla reported that due to the importance of the District needing a new F150 truck to replace the meter reader jeep, it has been determine that the FY 22/23 water and sewer budget will need to be modified as follows:

Capital Expenditures – Water Budget

Reallocate \$26,000 from Machinery & Equipment (10-1730-00) – Trailer to Automotive Equipment - F150 4X2 Truck (10-1760-00)

Capital Expenditures – Sewer Budget

Reallocate \$26,000 from Automotive/Sewer Equipment (20-1760-00) to Automotive/Sewer Equipment (20-1760-00) F150 4X2 Truck

Office Manager Padilla mentioned that since this is a modification to the budget, the Net Budgeted Cash Flows for Water remains the same at negative \$2,613,105 and the Net Budgeted Cash Flows for Sewer remains the same at \$59,794. Motion made by Director Hatley; seconded by Director Latulippe and unanimously carried to modify the Water and Sewer Budget for FY22/2023.

5.5 MOU between Paradise Recreation and Park District and Thermalito Water and Sewer District

Manager Boucher reported that Dan Efseaff, District Manager of Paradise Recreation and Park District has drafted an MOU Agreement between the PRPD and TWSD. It is an agreement between the two Districts to explore and to consider possible opportunities up near the Lake. PRPD will be taking the lead in exploring what opportunities there are and before the expiration of the term of the MOU, PRPD will compile the information required for and develop a written report discussing the potential development of recreational resources and activities at the Lake. There is no commitment and either District may terminate the MOU without cause with a written 30-day notice. Motion made by Director Taggart; seconded by Director Latulippe and unanimously carried to approve the 2022 MOU between the PRPD and TWSD. Should there be changes to the MOU, those changes will be brought back to the Board for approval.

6. WATER BUSINESS

6.1 Solar System at the Treatment Plant

Manager Boucher reported that a few months back, one of the inverters at the Treatment Plant went out on the solar array and just last week, another inverter had gone out. He mentioned that there are three panels that are broken but that they are still producing. In reviewing the PG&E bill, the true-up cost for the year came to \$74,937.75 as compared to last year which was around \$39,000.00. Treatment Plant Operator McInturf has been in contact with Solar Works to see what kind of cost it would be to replace the inverters. Solar Works estimated that to replace all of the inverters would be around \$100,000. Manager Boucher mentioned that the inverters are warrantied for 10 years and that this is year 10. He stated that he has been in touch with the company who would replace the inverters but has not yet made contact. He mentioned that he wants to get the inverters replaced as soon as possible but that he will probably wait until after the plant upgrade to see what the demand is for solar to see if we would need to add another row of solar. Manager Boucher mentioned that since it is a large cost to replace these items, he would like to reduce the amount that is placed in the LAIF Reserves by \$2,500.00 and to allocate the \$2,500.00 monthly to the LAIF Solar Account. Motion made by Director Hatley; seconded by Director Taggart to deposit \$2,500.00 monthly from the warrant account to the LAIF Solar Account 10-1260-00 starting in October 2022.

6.2 Amend Policy 3.130 – Construction Meter Deposit and Construction Water Rates

Manager Boucher informed the Board that he would like to amend Policy 3.130 to reflect the true cost to replace the meter, hose and spanner wrench. Currently, the District requires a \$1,000 deposit when checking out the equipment. Equipment cost has gone up and in receiving a price quote from Ferguson, the true cost to replace the items comes to \$1,838.47. President Wristen asked if the cost could be rounded up to \$1,850.00 so that a customer would not need to bring in such an unusual amount. Attorney Carter agreed. Motion made by Director Hatley; seconded by Director Taggart and unanimously carried to amend Policy 3.130 – Construction Meter Deposit and Construction Water Rates to reflect the new deposit amount of \$1,850.00 required for checking out a construction meter, hose and wrench.

7. **ATTORNEY REPORT**

Attorney Carter handed out a resume from Marsha Burch, Attorney at Law. It was agreed to have Attorney Burch attend the next Board meeting to meet with the Board.

8. **SEWER BUSINESS**

8.1 **SC-OR Report**

Commissioner Wristen reviewed over the August 2022 Regular Meeting of the Sewerage Commission – Oroville Region.

9. **WYANDOTTE CREEK GSA**

None

10. **MANAGER REPORT**

Employee Appreciation Day: Employee Appreciation Day is on Friday, September 23rd from 12:00pm to 3:00pm. The event will be held at Bowlero Chico located at 2397 Esplanade.

TWSD Backyard Celebration: The 100-year backyard celebration is quickly approaching. The event date is November 4th from 2:00pm to 6:00pm. It was decided to have BBQ hotdogs and chips.

AB1234 and AB1825 Training: Training will be held on December 13th at 10:00am for the AB1234 and AB1825.

Employee Health Insurance: Staff will be looking into other options for medical insurance to keep the cost down. Findings will be brought to the October Board meeting.

Distribution Operator Certification: Congratulations to two TWSD employees in passing their Distribution Operator Certification test. Parker Paul passed his Grade D2 test on August 29th and Joel Hutcheson passed his Grade D3 test on September 9th. Employee Kyle Kroeger is scheduled to take his D2 examination in Sacramento on Friday, September 23rd.

11. **HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS**

None

12. **BOARD COMMENTS**

None


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13. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 4:10 pm.


Secretary of the Board


President of the Board