

**MINUTES OF REGULAR MEETING OF BOARD OF DIRECTORS
OF DURHAM IRRIGATION DISTRICT – AUGUST 13, 2019; 5:30 PM**

Chair Matt Doyle called the meeting to order at 5:30 p.m. He noted that in addition to himself, directors Raymond Cooper and Kevin Phillips were present, as were NorthStar employees Kristen McKillop, Kamie Loeser, and Andrew Huneycutt and District counsel Jeff Carter. Also present were District residents Pat Button and Steve Abshier.

Doyle noted that the first order of business was the consent agenda. Cooper noted two corrections in the minutes, the first being that in the discussion regarding the property having two houses located on it with one meter serving both, for which the owner had requested the District to install a second meter so that each dwelling would have its own meter. Cooper said that District Engineer Adams clearly had stated that District policy permitted only one meter per lot, and that therefor the owner could install a flow device for the second unit or alternatively pay to have it separately metered. Cooper further noted that his appointment as the District's director to the Board of Directors of the Vina GSA was conditioned upon his stepping down from chair of the District's Board to vice chair and Doyle replacing him as Chair. He also noted that at the meeting, he, as Chair, had established two standing committees, an administrative and an operations committee, and had appointed Doyle as the member of the administration committee and he as the member of the operations committee.

With those amendments to the minutes, on motion made by Cooper and seconded by Phillips, the consent agenda was approved, with Phillips abstaining due to his not having attended the last meeting of the Board.

Doyle next called on members of the public wishing to address the Board on items not listed on the agenda. Pat Button indicated that he still had not yet been provided rate studies justifying the recent increase in District water rates and connection fees. Carter apologized and indicated that he would get them out to him immediately. He also inquired whether the District had liability insurance and whether the District was a member of a California Special Districts Association. Doyle confirmed that the District has liability insurance and was a member of CSDA. Button then displayed a copy of the CSDA Proposition 218 booklet,

stating that it provided that residents renting homes on properties and not just District landowners had the right to vote on rate increases. Carter indicated that the CSDA represents many different types of special districts, but that Durham Irrigation District, as a California irrigation district, was governed by the California Water Code which gives the right to vote on rate increases only to the owners of the parcels, due to the fact that the parcels are subject to tax assessments if their water bills are not paid. Director Phillips indicated that had the District had received any protests by tenants who were not the owners of the premises at which they lived, it would have considered them, but since it did not, it could not do so.

Doyle then opened the matter of water service to the Abshier property. Steve Abshier noted that he had appeared at an earlier meeting to request installation of a meter on his property and left that meeting with the understanding that a meter would be installed. He had assumed that a meter would be installed, at which time he would be billed for it. He noted that in subsequently discussing the same with Manager McKillop, she said that the installation would not be scheduled until he had paid the bill therefor. Abshier said because of this miscommunication, he had gone four to five months without having the benefits of a meter to assure that he was paying only for water actually used for his property. After discussion, it was agreed that he would submit a bill for the installation fee of the meter immediately, and the District would arrange its installation. It was further agreed that after seeing actual water usage at the property, the Board would consider a possible adjustment in his prior flat rate based on actual usage following installation of the meter.

McKillop then gave her management update. She noted that she is still looking for an auditor. Carter indicated that the existing auditor no longer would be performing audits and that he was attempting to contact the Fechter firm in Sacramento to inquire about its willingness to perform audits. Phillips indicated that it uses the Fechter firm, a result of its having issued a request for proposals and interviewing those who had responded. He indicated he would provide Carter with a copy of the RFP used by Paradise Irrigation District.

McKillop next discussed installation of a meter serving Country Commons (Gorill Lane) and after discussion, it was decided to continue the discussion on this matter to the next board meeting.

McKillop then noted that NorthStar was in the seventh month of its one year contract with the District and that it was time for both NorthStar and the District to consider its renewal. She indicated that she would provide NorthStar billings to the District through August for Board consideration at its September meeting, such being broken down into task areas including engineering, administration, operations, etc. The Board stated that in due diligence, it should begin considering the scope of the contract with NorthStar as well as other alternatives for obtaining management. The board asked the administrative committee to begin looking into this.

Drew Huneycutt then gave an update on operations, noting that the plant was running smoothly.

Carter gave his report on legal matters, indicating that the Vina GSA would be having its first board of directors meeting on August 15 at 10:00 a.m. at the Chico City Council Chambers. Cooper reminded the Board that he would be unable to attend and that therefor Doyle would be attending as alternate member to the Board. Carter indicated that the plan order of business at the meeting would include the approval of the bylaws of the GSA, which DID had already authorized, and the appointment of stakeholder members for both agricultural and domestic groundwater users. He presented the list of persons who had applied for such positions and after discussion and consideration of their applications, it was agreed that Doyle would seek appointment of Greg Sohnray as the primary ag groundwater user director and Rory Crowley as alternate director and Steve Kampfen as primary domestic groundwater user and Kelly Lotti as alternate.

Cater then gave an update on development projects, noting that to his knowledge developers had not yet been billed for engineering and legal fees incurred by the District in connection with their projects. The Board directed that the bills immediately be completed and sent to the developers. It was also directed that this be placed on the agenda at the next month's meeting for follow up.

Finally, Carter noted that the matter involving Country Commons had already been discussed during the operations report.

Special District Rick Management Authority election ballot was circulated and the District's four nominees thereto agreed upon.

Doyle next inquired as to whether financial statements could show both current year-to-date and prior year-to-date for comparison sake. Carter indicated he would request Sheryl to do so.

There being no further business to come before the meeting, Chair Doyle adjourned the meeting. (Immediately following adjournment, Steve Abshier re-appeared at the meeting, advising that he has just learned there is only one water line serving his and the adjoining parcels, the latter of which is metered. Huneycutt advised he would investigate and report at the next Board meeting.)

**Board of Directors of
Durham Irrigation District**

By: _____
Matt Doyle, Chair

ATTEST:

Raymond Cooper, Secretary