



**Durham Irrigation District Board of Directors
Board Meeting
September 21, 2021 - 5:30 PM
MINUTES**

Board of Directors:

Matt Doyle, Chair – in attendance/remote
Raymond Cooper, Director – in attendance/remote
Kevin Phillips, Director – in attendance/remote

PRESENT
PRESENT

PRESENT

District Staff:

Jeff Carter, District Counsel – in attendance/remote
Mark Adams, District Engineer – in attendance/remote
Mike Butler, Water Operator – in attendance/remote
Jeannie Trizzino, Admin. Assistant – in attendance/remote

PRESENT
ABSENT
PRESENT
PRESENT

This meeting was recorded. The audio and video recordings are available on the District website: www.didwater.org

1. CALL TO ORDER

- 1.1. Roll Call/Establishment of Quorum: The meeting was called to order at 5:31PM by Chair Doyle. Roll Call was taken as noted “in attendance” above. The Board, staff, and attendees participated via Zoom. This meeting was recorded.
- 1.2. Introduction of Guests
No guests in attendance.

2. PUBLIC COMMENT - public members wishing to address the Board on items not listed on the Agenda.

No public comment.

Note: Mr. McCabe (see Item 6.1) briefly logged in to the public meeting well after discussion Item 6.1 was concluded, but logged out.

3. PRESENTATIONS *(All Items Informational/Possible Action)*

None.

4. CONSENT AGENDA

- 4.1. Minutes for the Regular Meeting held on August 17, 2021.
- 4.2. Monthly Financial Report for August 2021, including the Balance Sheet, Profit & Loss Statement, and the General Ledger.

- 4.3. Approval of the Warrant Sheet from August 13, 2021 to September 17, 2021 including payments, deposits, and transaction adjustments.

Action Requested: That the Board of Directors approve the Consent Agenda.

Discussion: Board discussed removing Item 4.1 – Minutes from Consent Agenda for discussion under Item 5.1 on Regular Agenda.

Public Comment: No public comment.

Action Taken: On a motion made by Director Phillips, seconded by Director Cooper, the Board of Directors approved the Consent Agenda as modified.

The vote was as follows: Ayes carried.

Roll call vote:

Ayes: Phillips, Doyle, Cooper

Noes:

Abstained:

Absent:

5. REGULAR AGENDA

- 5.1. Minutes for the Regular Meeting held on August 17, 2021.

Action Requested: That the Board of Directors table approval of the Minutes from the August 17, 2021 meeting to the October meeting to allow for adequate review.

Discussion: No specific discussion.

Public Comment: No public comment.

Action Taken: On a motion made by Director Phillips, seconded by Director Cooper, the Board of Directors approved tabling August 2021 minutes to October 2021 board meeting.

The vote was as follows: Ayes carried.

Roll call vote:

Ayes: Phillips, Doyle, Cooper

Noes:

Abstained:

Absent:

6. CORRESPONDENCE (All Items Informational/Possible Action/Direction)

- 6.1 Informational Purposes: Copy of Letter from James McCabe to Vina GSA, September 5, 2021, RE: Tuscan Water District to the Vina GSA Board of Directors.

Discussion: Staff summarized letter for directors, in which Mr. McCabe, a resident of Durham, but not a District customer, requested that the Vina GSA take a position on the Tuscan Water District (TWD). Counsel clarified that though the District is a member agency of the Vina GSA, the Vina GSA Board discussed TWD and decided that they were not providing comments on the proposed District. Director Cooper commented that Mr. McCabe was invited to attend the meeting.

Public Comment: No public comment.

7. GENERAL BUSINESS

- 7.1 Review and possibly revise District practices pertaining to existing parcels within District boundaries and new service connections, associated connection fee, service lateral construction costs, meter fee, and backflow device installation requirements.

Informational Purposes: There are a number of parcels within the District Sphere of Influence that are not connected to the District's water system. These include vacant parcels, but also homes that are served by their own private well, and other combinations of events.

Board Discussion: Directors discussed existing practices and requirements for connection and associated connection fees. The discussion included whether existing vacant parcels within the District boundaries that obtain a building permit are required to pay the full connection fee or solely the meter fee in comparison to a new development project, such as a parcel split, that is required to pay the full connection fee. With regard to existing parcels within the District's boundaries, a question was raised regarding the responsibility of construction costs for the lateral from the mainline to the parcel/meter box. Director Cooper requested more clarification regarding what the existing connection fee covers, and further commented that some parcels have only paid a meter fee and not a connection fee. Director Phillips suggests that the District needs to develop a fair and adequate policy so that when these routine matters occur staff can move forward with adding new connections in varied circumstances without Board involvement.

Public Comment: No public comment.

Direction Given: District Counsel to research the matter and develop a draft policy for Board consideration at its October meeting.

8. WATER OPERATIONS BUSINESS

- 8.1. Ongoing/New Business (*All Items Informational/Possible Action/Direction*)

- a. Review of Daily Log for August 2021 (Operator Mike Butler)

Informational Purposes: Water Operator Mike Butler provided a review/summary of daily log for the month, commenting that he limited his focus to urgent and necessary maintenance and repair due to poor air quality. Reported that the annual disinfection testing report for adverse/toxic byproducts or levels of disinfectants (i.e., chlorine) came back negative, which indicates satisfactory regulatory compliance.

Board Discussion: No specific discussion.

Public Comment: No public comment.

- b. *Update:* Pressure Tank Replacement Terms & Conditions and Preliminary Cost Estimate.

Informational Purposes: This is an ongoing business item. District Counsel and District Engineer are to review vendor terms and conditions; preliminary cost estimate from vendor is expired and will need to be revised and reissued.

Board Discussion: Board discussed concern over adjacent structural elements associated with the pressure tank, such as concern over the structural status of the tank's concrete

footing, which is likely the same age as the pressure tank itself. Staff clarified that shipping costs are included in the cost estimate, but not broken out as a line item thereto.

Public Comment: No public comment.

Direction Given: District Counsel and District Engineer to review vendor terms and conditions; preliminary cost estimate from vendor is expired and will need to be revised and reissued.

- c. Update: Bid Package for the Brown/Faber Alley Main Line Replacement Project.

Informational Purposes: Staff reported that package is in progress with materials/feedback requested from District Engineer and District Counsel.

Board Discussion: No specific discussion.

Direction Given: Staff to coordinate with District Counsel and District Engineer to assemble bid package.

9. ATTORNEY REPORT

- 9.1 Resolution Ordering Election – Initiative to Roll Back Rates to 2018. On August 20, 2020 the County Clerk Recorder provided the District with the “Certificate to Initiative Petition Signature Verification” for the Proposed Initiative Measure to Repeal the Water Rate Increases Adopted by the Board of Directors on January 1, 2019. Per Election Code 9310 the District must either (1) change said ordinance mentioned in the petition or (2) issue an order of election or call for a special election for the measure to be voted on.

Informational Purposes: District Counsel provided draft of Resolution 2021-01 – To Submit Proposed Initiative Measure to Voters Pursuant to Elections Code Section 9310.

District Counsel also provided overview of impacts of alternatives (1) and (2) under the Election Code, advising that the District follow alternative (2) and put the matter to the citizens on either the March or November 2022 ballot. Although the District has substantive issues regarding the legality of the Proposed Initiative, the County Clerk Recorder responded that their only role was to validate the signatures on the petition, not the substance of the petition itself. Counsel will take the position, on behalf of the District, that the Recorder’s Office bear the costs of putting this item on the ballot. Counsel noted that significant additional costs will be borne by the District in contracting with a public relations firm to appropriately manage communications to the voters.

Board Discussion: Director Phillips commented that if the Recorder’s Office does not bear the costs of putting the matter on the ballot that the District initiate a Prop 218 process to add the cost of the election to the rate payer bills.

Public Comment: No public comment.

Action Taken: On a motion made by Director Phillips, seconded by Director Cooper, the Board of Directors approved Resolution 2021-01 - To Submit Proposed Initiative Measure to Voters Pursuant to Elections Code Section 9310.

The vote was as follows: Ayes carried.

Roll call vote:

Ayes: Phillips, Doyle, Cooper

Noes:

Abstained:

Absent:

10. MANAGER REPORT (All Items Informational/Possible Action/Direction)

- 10.1 Update: Report on the comment deadline and discussion of next steps, including written response to the Butte County LAFCo Request for Comments (June 30, 2021) on the Tuscan Water District Application.

Informational Purposes: Staff reports that District responded in 2020 with a letter indicating conceptual support of Tuscan Water District Application.

Board Discussion: Board discussed that no additional comment or amplification on the District's position with respect to the Tuscan Water District was needed at this time. District Counsel suggests that finalization and adoption of the Vina GSA Groundwater Sustainability Program, now in its public comment phase, will limit the impact other agencies, such as the Tuscan Water District, might have on the District. District Counsel also suggested that a Memorandum of Understanding between the District and the Tuscan Water District, if it is formed, would be a useful tool to clarify the cooperative relationship between the two entities.

Public Comment: No public comment.

Direction Given: No direction given; no change from the District's 2020 position letter.

- 10.2 Informational: Draft Electronic Annual Reporting System (EARS) Report. State Water Resources Control Board (State Water Board) Survey to collect necessary data to allow the State Water Board to (1) determine the extent of Residential and Commercial drinking water arrearages and COVID-19 related water system revenue loss and establish eligibility; (2) collect the necessary paperwork to process direct payments to water systems for Residential and Commercial drinking water arrearages and COVID-19 related water system debt.

Informational Purposes: Staff clarified that the deadline for submittal of the EARS report was September 10, 2021, so no report was submitted. There is still a need to address accounts receivable matters, which have not been addressed in the last year, given the economic impact of Covid-19 on the local economy.

Board Discussion: No board discussion.

Public Comment: No public comment.

Direction Given: Board will need to review account receivables and property liens in 2022.

- 10.3 Informational: DWR Investigation of GW Quality Impacts from a Catastrophic Wildfire Event in Paradise, CA. June 2021.

Informational Purposes: Staff summarized the no impact findings to the District's groundwater, based on an extensive research study prepared by the Department of Water Resources on the Camp Fire.

Board Discussion: No specific discussion.

Public Comment: No public comment.

- 10.4 Informational: Governor signs Assembly Bill 361 to amend California's Open Meeting Laws to Better Facilitate Virtual Meetings During Declared Emergencies.

Informational Purposes: Staff and Counsel reported on AB 361, which enables local public agencies to continue to use teleconferencing during times of declared emergency, but with certain provisions. When the emergency is declared over, proposes that agencies return to in-person meetings as soon as possible.

Board Discussion: General discussion that virtual meetings have worked well for the District and that public comments have been more than manageable given their scope and size to date. Further discussion and agreement that a larger meeting space than the current District office would be necessary upon returning to in-person meetings.

Public Comment: No public comment.

Direction Given: District Counsel to report on legal requirements to continue to allow virtual attendance for in-person meetings (i.e., hybrid virtual-in person meetings).

- 10.5 Possible Action/Direction: Termination of Contract for General Manager Services as of October 9, 2021 and discussion of replacement therefor.

Informational Purposes: General Manager Loeser has taken a position with the County and has given notice to District that her last day will be October 9, 2021. She will work intensively with staff administrative assistant to pass on institutional knowledge and create a path forward for existing issues.

Board Discussion: Board discussed need to create an accurate job description and to create a human resources/search committee focused on finding a consultant or employee to serve as General Manager.

Public Comment: No public comment.

Direction Given: Board accepts General Manager's resignation. Director Phillips will chair HR Committee and will assist with transition.

11. **VINA GSA** (All Items Informational/Possible Action/Direction)

- 11.1 Review Joint Powers Agreement and role and responsibilities of the District as a Member Agency.

Informational Purposes: District Counsel summarized prior commitments and options the District has as a member agency of the Vina GSA. He raised the question of equitable split of Vina GSA fees, which are currently divided equally among the three member agencies (Durham Irrigation District, the City of Chico, and Butte County). Other ways of more equally dividing the costs would be based on population size or acreage, or some other method yet to be developed.

Board Discussion: Director Doyle asked whether costs of all GSAs statewide would ultimately be passed on to ratepayers of member entities, if not covered by grants.



Director Phillips noted that the District is in a pivotal position amongst two very large agencies, and the District member appointed to be on the Vina GSA Board may in future be asked to vote on a matter of impact to the entire County.

Public Comment: No public comment.

11.2 Vina GSA Report (Manager Loeser, Director Cooper)

- a. Vina GSA Draft Groundwater Sustainability Plan (GSP) released for public review and comment, September 10 through October 19, 2021.
- b. Vina GSA GSP Workshop, Monday, October 4, 2021 at 6:00 p.m. at the Chico Masonic Center.
- c. Vina GSA SHAC Meetings:
 - October 19, 2021 (9:00 a.m.-12:00 p.m.)
 - November 4, 2021 (at 1:30 p.m.)
- d. Vina GSA Board Meetings:
 - Vina GSA/RCRD GSA Board Meetings:
 - November 15, 2021 (meeting changed from 11/10/21)
 - December 15, 2021 (meeting changed from 12/8/21) to adopt GSP

Informational Purposes: Items 11.2.a-11.2.d were informational items.

Board Discussion: No specific discussion.

Public Comment: No public comment.

12. **DIRECTORS' COMMENTS:** Opportunity for Board comments on items not listed on the Agenda.

13. **CLOSED SESSION**

Pursuant to Government Code section 54956.9, Conference with Legal Counsel – Anticipated Litigation: One case, the facts and circumstances of which might result in litigation against the District but which the District believes are not yet known to a potential plaintiff or plaintiffs, which facts and circumstances need not be disclosed.

At 7:17

OPEN SESSION

Report on Closed Session. Nothing to report.

14. **ADJOURNMENT** – Adjourn at 7:20 to the next Regular Board Meeting, October 19, 2021.