

**Durham Irrigation District
Board of Directors
Meeting Agenda**

September 10, 2019 - 5:30 PM
District Office - 9418-C Midway, Durham, California 95938

Board of Directors:

Matt Doyle, Chair
Raymond Cooper
Kevin Phillips

District Staff:

Kamie Loeser, Contract General Manager
Mark Adams, Contract District Engineer
Jeff Carter, District Counsel
Drew Huneycutt, Contract Water Operator

**COPIES OF THIS AGENDA AVAILABLE FROM:
Durham Irrigation District Office**

**Posted: September 5, 2019
Prior to: 5:00 pm**

AGENDA ITEMS:

1. CALL TO ORDER

- 1.1 Roll Call/Establishment of Quorum
- 1.2 Introduction of Guests

2. ADJUSTMENTS AND APPROVAL OF AGENDA

- 3. PUBLIC COMMENT - public members wishing to address the Board on items not listed on the Agenda.** The Durham Irrigation District Board of Directors may take official action only on items included in the posted agenda for a specific scheduled meeting. Items addressed during the Public Comment section are generally matters not included on the agenda and therefore, the Board will not take action at this scheduled meeting. However, such items may be put on the agenda for a future meeting. The public shall have the opportunity to address items that are on the posted agenda. Speakers shall be limited to three minutes each.

4. CONSENT AGENDA

All items listed under the Consent Agenda are considered to be routine and will be enacted by one motion unless an item is removed. Resolutions will be read by title only. There will be no separate discussion of these items unless members of the Board, or persons in the audience, request specific items to be removed from the Consent Agenda to the Regular Agenda for separate discussion, prior to the time the Board votes on the motion to adopt the Consent Agenda. If any item(s) are removed from the Consent Agenda, the item(s) will be considered immediately following action on the Consent Agenda.

- 4.1 Request for Approval of Minutes for Regular Meeting held on August 13, 2019
 - 4.2 Request for Approval of Payment for Warrants from August 13, 2019 through September 10, 2019.
- 5. ITEMS REMOVED FROM CONSENT AGENDA**
- 6. GENERAL ADMINISTRATION BUSINESS** *(All items Information/Possible Action)*
- 6.1 Approval of Financial Statements
 - 6.2 Trimester Budget Review (YTD and 3rd Trimester Budget); Action Requested: Approval of 3rd budget
 - 6.3 Update on Water Billing
 - 6.4 Late Accounts
 - 6.5 Review/Discussion of Night Drop box opening/closing
- 7. WATER OPERATIONS BUSINESS** *(All items Information/Possible Action)*
- 7.1 Unfinished Business
 - a. Update - Meter Reading
 - b. Security, Safety, Weed Control and Fencing Needs - Sampling Station - moving fence and Well Station No. 2
 - c. Filter at Station 5
 - 7.2 Work Order Updates
 - a. Brown Street, Service Connection/Water Main Repair
 - b. Landowner Moe Cortez, Country Commons - Installation of Meter
 - c. Splitting service for Abshier and Demsey Parcels - 2336 Favor and 9329 Midway, respectively
 - d. McMichael Parcel, 9314 Goodspeed, Acct. No 268 - water leak on residents' side/responsibility
 - e. Meter Replacement on Marsh Street - meter gauge not working, under warranty
 - f. Jack Angel Parcel - Line and Easement Abandonment (unfinished)
- 8. ATTORNEY REPORT** *(All items Information/Possible Action)*
- 8.1 Development Projects' Billing
 - 8.2 New/Pending Legislation
- 9. VINA GSA** *(All items Information/Possible Action)*
- 9.1 Vina GSA Management Committing Meeting Report
 - a. Website/Communications Plan
 - 9.2 Vina GSA Board of Directors Meeting Report (Board of Director's Special Assignments)
- 10. MANAGER REPORT**
- 10.1 Unfinished Business
 - a. SOI/MSR Update
 - b. Annexation Update
 - c. USDA Grant Status
 - 10.2 Emergency Repair and Mutual Aid Agreements/Contracts

11. BOARD OF DIRECTOR'S REPORTS/SPECIAL ASSIGNMENTS

12. DIRECTOR COMMENTS

Opportunity for Board comments on items not listed on the agenda.

11. ADJOURNMENT

Next meeting of the Board is scheduled for October 8, 2019 at 5:30 p.m. at the District Office.

- ◆ *The Board of Directors is committed to making its meetings accessible to all citizens. Any persons requiring a special accommodation to participate, is requested to contact the District Office at 530-343-1594 at least 24 hours in advance of the meeting. Office Hours Thursday 8:30 a.m.-12:00 p.m.*
- ◆ *The Board of Directors or its President pursuant to Government Code section 54954.3 reserves the right to impose reasonable rules governing public participation on agenda and non-agenda items, including limiting the total amount of time allocated to public testimony on particular issues and for each individual speaker.*

**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

Durham Irrigation District
Balance Sheet
As of August 31, 2019

	<u>Aug 31, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
ASSETS	
Current Assets	
Cash	90,163.59
Development Fees	9,687.00
Savings	14,375.01
Cash on Hand	100.00
Total Current Assets	<u>114,325.60</u>
Total ASSETS	<u>114,325.60</u>
Total Checking/Savings	<u>114,325.60</u>
Total Current Assets	114,325.60
Fixed Assets	
CAPITAL ASSETS	
Depreciable Assets	
Equipment	43,002.14
Mains	623,540.00
Pumps	172,575.00
Structures	16,084.00
Wells	127,486.00
Less Accum. Dep'n	<u>-434,456.00</u>
Total Depreciable Assets	<u>548,231.14</u>
Total CAPITAL ASSETS	548,231.14
Non-Depreciable Assets	
Land	<u>20,331.00</u>
Total Non-Depreciable Assets	<u>20,331.00</u>
Total Fixed Assets	<u>568,562.14</u>
TOTAL ASSETS	<u><u>682,887.74</u></u>
LIABILITIES & EQUITY	
Equity	
NET POSITION	
Net Investment in Capital Asset	<u>566,549.00</u>
Total NET POSITION	566,549.00
Unrestricted Net Assets	144,606.59
Net Income	<u>-28,267.85</u>
Total Equity	<u>682,887.74</u>
TOTAL LIABILITIES & EQUITY	<u><u>682,887.74</u></u>

Durham Irrigation District
General Ledger
As of August 31, 2019

Date	Num	Source Name	Memo	Paid Amount	Balance
ASSETS					125,074.15
Current Assets					125,074.15
Cash					100,912.38
08/01/2019		Deposit	reimb. from S...	625.00	101,537.38
08/01/2019	8832	Kevin Phillips	for May	-100.00	101,437.38
08/01/2019	8893	Basic Laboratory		-67.20	101,370.18
08/01/2019	8902	Carter Law Office		-3,667.50	97,702.68
08/01/2019	8904	Sequoyeh Software ...		-100.00	97,602.68
08/01/2019	8905	Streamline		-75.00	97,527.68
08/01/2019		Deposit	Deposit	5,431.85	102,959.53
08/01/2019		Deposit	Deposit	176.91	103,136.44
08/01/2019	8895	Culligan		-491.99	102,644.45
08/01/2019	8892	Raymond Cooper		-100.00	102,544.45
08/05/2019		Postalia		-150.00	102,394.45
08/08/2019		Deposit	Deposit	4,931.66	107,326.11
08/09/2019		Deposit	Deposit	267.68	107,593.79
08/09/2019		Deposit	Deposit	189.12	107,782.91
08/12/2019		Deposit	Deposit	79.86	107,862.77
08/13/2019		Deposit	Deposit	13,987.52	121,850.29
08/13/2019		Deposit	Deposit	260.16	122,110.45
08/13/2019	8922	Kevin Phillips	for May	-100.00	122,010.45
08/13/2019	8923	Matt Doyle	director	-100.00	121,910.45
08/13/2019	8924	Raymond Cooper		-100.00	121,810.45
08/13/2019	8917	Basic Laboratory		-305.40	121,505.05
08/13/2019	8910	Culligan		-1,062.03	120,443.02
08/13/2019	8919	Underground Servic...		-150.00	120,293.02
08/13/2019	8908	AT & T		-202.06	120,090.96
08/13/2019	8911	Camp & McLaughlin		-450.00	119,640.96
08/13/2019	8907	PG & E		-5,612.37	114,028.59
08/13/2019	8909	Recology Butte Colu...		-105.56	113,923.03
08/13/2019	8918	Sheryl Bosman		-437.25	113,485.78
08/13/2019	8887	North Star Engineeri...		-24,489.53	88,996.25
08/13/2019	8913	Sequoyeh Software ...		-100.00	88,896.25
08/13/2019	8915	Dragon Graphics		-201.63	88,694.62
08/13/2019	8916	Butte County Water ...		-1,000.00	87,694.62
08/13/2019	8912	Ferguson Enterprise...		-1,204.90	86,489.72
08/13/2019	8920	Streamline	website	-75.00	86,414.72
08/13/2019	8921	Butte County Office ...		-292.05	86,122.67
08/15/2019	8914	Carter Law Office		-1,215.00	84,907.67
08/15/2019		Deposit	Deposit	2,126.51	87,034.18
08/15/2019		Dep. Adj.		-329.42	86,704.76
08/20/2019		Deposit	Deposit	34.15	86,738.91
08/22/2019		Deposit	Deposit	4,916.60	91,655.51
08/22/2019		Deposit	Deposit	931.12	92,586.63
08/22/2019		Deposit	Deposit	200.00	92,786.63
08/22/2019		Deposit	Deposit	138.26	92,924.89
08/23/2019		Deposit	Deposit	37.55	92,962.44
08/23/2019	8925	SDRMA		-4,560.85	88,401.59
08/27/2019		Deposit	Deposit	146.00	88,547.59
08/28/2019		Deposit	Deposit	57.94	88,605.53
08/29/2019		Deposit	Deposit	1,529.17	90,134.70
08/29/2019		Deposit	Deposit	645.59	90,780.29
08/29/2019		Deposit	Deposit	27.55	90,807.84
08/29/2019		Wages		-461.75	90,346.09
08/30/2019		Payroll Taxes		-79.50	90,266.59
08/30/2019		Paychex		-103.00	90,163.59
Total Cash				-10,748.79	90,163.59
Development Fees					9,687.00
Total Development Fees					9,687.00
Savings					14,374.77
08/30/2019		Deposit	Deposit	0.24	14,375.01
Total Savings				0.24	14,375.01

Durham Irrigation District
General Ledger
As of August 31, 2019

Date	Num	Source Name	Memo	Paid Amount	Balance
					100.00
					100.00
				-10,748.55	114,325.60
				-10,748.55	114,325.60
					548,231.14
					548,231.14
					43,002.14
					43,002.14
					623,540.00
					623,540.00
					172,575.00
					172,575.00
					16,084.00
					16,084.00
					127,486.00
					127,486.00
					-434,456.00
					-434,456.00
					548,231.14
					548,231.14
					20,331.00
					20,331.00
					20,331.00
					20,331.00
					-23,047.76
					-23,047.76
					-566,549.00
					-566,549.00
					-566,549.00
					-566,549.00
					-144,606.59
					-144,606.59
					-153,379.01
					-19,617.00
					-19,617.00
					-1,950.00
					-1,950.00

Durham Irrigation District
General Ledger
As of August 31, 2019

<u>Date</u>	<u>Num</u>	<u>Source Name</u>	<u>Memo</u>	<u>Paid Amount</u>	<u>Balance</u>
Water Sales					-131,812.01
08/01/2019		Deposit	Deposit	-5,431.85	-137,243.86
08/01/2019		Deposit	Deposit	-176.91	-137,420.77
08/08/2019		Deposit	Deposit	-4,931.66	-142,352.43
08/09/2019		Deposit	Deposit	-267.68	-142,620.11
08/09/2019		Deposit	Deposit	-189.12	-142,809.23
08/12/2019		Deposit	Deposit	-79.86	-142,889.09
08/13/2019		Deposit	Deposit	-13,987.52	-156,876.61
08/13/2019		Deposit	Deposit	-260.16	-157,136.77
08/15/2019		Deposit	Deposit	-2,126.51	-159,263.28
08/15/2019		Dep. Adj.		329.42	-158,933.86
08/20/2019		Deposit	Deposit	-34.15	-158,968.01
08/22/2019		Deposit	Deposit	-4,916.60	-163,884.61
08/22/2019		Deposit	Deposit	-931.12	-164,815.73
08/22/2019		Deposit	Deposit	-200.00	-165,015.73
08/22/2019		Deposit	Deposit	-138.26	-165,153.99
08/23/2019		Deposit	Deposit	-37.55	-165,191.54
08/27/2019		Deposit	Deposit	-146.00	-165,337.54
08/28/2019		Deposit	Deposit	-57.94	-165,395.48
08/29/2019		Deposit	Deposit	-1,529.17	-166,924.65
08/29/2019		Deposit	Deposit	-645.59	-167,570.24
08/29/2019		Deposit	Deposit	-27.55	-167,597.79
Total Water Sales				-35,785.78	-167,597.79
Total OPERATING REVENUES				-35,785.78	-189,164.79
OPERATING EXPENSES					193,947.73
Administration					193,740.83
Bank Service Charges					40.00
Total Bank Service Charges					40.00
Board Stipends					1,800.00
08/01/2019	8832	Kevin Phillips	for May	100.00	1,900.00
08/01/2019	8892	Raymond Cooper		100.00	2,000.00
08/13/2019	8922	Kevin Phillips	for May	100.00	2,100.00
08/13/2019	8923	Matt Doyle	director	100.00	2,200.00
08/13/2019	8924	Raymond Cooper		100.00	2,300.00
Total Board Stipends				500.00	2,300.00
Contract Services					143,296.31
Accounting Fees					11,249.00
08/13/2019	8918	Sheryl Bosman		437.25	11,686.25
Total Accounting Fees				437.25	11,686.25
Engineering					82,429.58
08/01/2019		Deposit	reimb. from S...	-625.00	81,804.58
08/13/2019	8887	North Star Engineeri...		24,489.53	106,294.11
Total Engineering				23,864.53	106,294.11
Legal Fees					25,310.40
08/01/2019	8902	Carter Law Office		787.50	26,097.90
08/01/2019	8902	Carter Law Office		2,880.00	28,977.90
08/15/2019	8914	Carter Law Office		270.00	29,247.90
08/15/2019	8914	Carter Law Office		90.00	29,337.90
08/15/2019	8914	Carter Law Office		855.00	30,192.90
Total Legal Fees				4,882.50	30,192.90
Payroll Service Fees					647.00
08/30/2019		Paychex		103.00	750.00
Total Payroll Service Fees				103.00	750.00
Pest Control Service					780.00
Total Pest Control Service					780.00

Durham Irrigation District
General Ledger
As of August 31, 2019

<u>Date</u>	<u>Num</u>	<u>Source Name</u>	<u>Memo</u>	<u>Paid Amount</u>	<u>Balance</u>
Software Fees					720.00
08/01/2019	8904	Sequoyeh Software ...		100.00	820.00
08/13/2019	8913	Sequoyeh Software ...		100.00	920.00
Total Software Fees				200.00	920.00
System Maintenance & Repair					16,161.53
08/01/2019	8895	Culligan		491.99	16,653.52
08/13/2019	8910	Culligan		1,062.03	17,715.55
08/13/2019	8919	Underground Servic...		150.00	17,865.55
08/13/2019	8912	Ferguson Enterprise...		1,204.90	19,070.45
Total System Maintenance & Repair				2,908.92	19,070.45
System Operations					1,500.00
Total System Operations					1,500.00
Water Testing					3,838.80
08/01/2019	8893	Basic Laboratory		67.20	3,906.00
08/13/2019	8917	Basic Laboratory		305.40	4,211.40
Total Water Testing				372.60	4,211.40
Weed Management					660.00
Total Weed Management					660.00
Total Contract Services				32,768.80	176,065.11
Contributions					0.00
08/13/2019	8916	Butte County Water ...		1,000.00	1,000.00
Total Contributions				1,000.00	1,000.00
Dues & Memberships					25.00
Total Dues & Memberships					25.00
Insurance					5,400.85
Liability					4,560.85
08/23/2019	8925	SDRMA		4,560.85	9,121.70
Total Liability				4,560.85	9,121.70
Workers Compensation					840.00
Total Workers Compensation					840.00
Total Insurance				4,560.85	9,961.70
Office Expense					1,468.51
08/01/2019	8905	Steamline		75.00	1,543.51
08/05/2019		Postalia		150.00	1,693.51
08/13/2019	8915	Dragon Graphics		201.63	1,895.14
08/13/2019	8920	Streamline	website	75.00	1,970.14
Total Office Expense				501.63	1,970.14
Payroll Tax Expense					-823.07
08/29/2019		Wages		-38.25	-861.32
08/30/2019		Payroll Taxes		79.50	-781.82
Total Payroll Tax Expense				41.25	-781.82
Penalties					60.75
Total Penalties					60.75
Permits & Fees					8,695.01
08/13/2019	8921	Butte County Office ...		292.05	8,987.06
Total Permits & Fees				292.05	8,987.06

Durham Irrigation District
General Ledger
As of August 31, 2019

<u>Date</u>	<u>Num</u>	<u>Source Name</u>	<u>Memo</u>	<u>Paid Amount</u>	<u>Balance</u>
Rent					2,700.00
08/13/2019	8911	Camp & McLaughlin		450.00	3,150.00
Total Rent				450.00	3,150.00
Supplies					88.73
Total Supplies					88.73
Telephone Expense					1,432.99
08/13/2019	8908	AT & T		202.06	1,635.05
Total Telephone Expense				202.06	1,635.05
Utilities					23,633.30
08/13/2019	8907	PG & E		5,612.37	29,245.67
08/13/2019	8909	Recology Butte Colu...		105.56	29,351.23
Total Utilities				5,717.93	29,351.23
Wages					5,922.45
08/29/2019		Wages		500.00	6,422.45
Total Wages				500.00	6,422.45
Total Administration				46,534.57	240,275.40
Repairs & Maintenance					206.90
Total Repairs & Maintenance					206.90
Total OPERATING EXPENSES				46,534.57	240,482.30
NON-OPERATING REVENUE					-1.66
Interest Income					-1.66
08/30/2019		Deposit	Deposit	-0.24	-1.90
Total Interest Income				-0.24	-1.90
Total NON-OPERATING REVENUE				-0.24	-1.90
TOTAL				0.00	0.00

Durham Irrigation District
Profit & Loss
January through August 2019

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	TOTAL
	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Jan - Aug 19
Ordinary Income/Expense									
Income									
OPERATING REVENUES									
Development Fees	0.00	10,000.00	0.00	0.00	0.00	0.00	9,617.00	0.00	19,617.00
Meter Installations	0.00	0.00	0.00	0.00	650.00	1,300.00	0.00	0.00	1,950.00
Water Sales	4,661.90	16,389.83	19,631.72	21,842.47	22,501.72	24,635.50	22,148.87	35,785.78	167,597.79
Total OPERATING REVENUES	4,661.90	26,389.83	19,631.72	21,842.47	23,151.72	25,935.50	31,765.87	35,785.78	189,164.79
Total Income	4,661.90	26,389.83	19,631.72	21,842.47	23,151.72	25,935.50	31,765.87	35,785.78	189,164.79
Expense									
OPERATING EXPENSES									
Administration									
Bank Service Charges	0.00	10.00	0.00	0.00	0.00	20.00	10.00	0.00	40.00
Board Stipends	200.00	400.00	300.00	200.00	200.00	200.00	300.00	500.00	2,300.00
Contract Services									
Accounting Fees	0.00	0.00	5,650.00	3,605.50	568.50	718.50	706.50	437.25	11,686.25
Engineering	0.00	0.00	571.73	0.00	46,882.12	0.00	24,847.35	23,864.53	96,165.73
Legal Fees	0.00	5,400.00	5,867.40	4,998.00	3,667.50	2,407.50	0.00	4,882.50	27,222.90
Payroll Service Fees	0.00	0.00	0.00	223.00	206.00	103.00	115.00	103.00	750.00
Pest Control Service	0.00	0.00	780.00	0.00	0.00	0.00	0.00	0.00	780.00
Software Fees	0.00	100.00	220.00	100.00	100.00	100.00	0.00	200.00	820.00
System Maintenance & Repair	0.00	3,000.00	5,330.27	4,171.06	467.92	337.02	0.00	2,908.92	16,215.19
System Operations	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00
Water Testing	3,059.00	206.40	67.20	67.20	252.80	122.20	0.00	372.60	4,147.40
Weed Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Contract Services	3,059.00	10,206.40	18,486.60	13,164.76	52,144.84	3,788.22	25,668.85	32,768.80	159,287.47
Contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00	1,000.00
Dues & Memberships	0.00	0.00	25.00	0.00	0.00	0.00	0.00	0.00	25.00
Insurance									
Liability	0.00	0.00	0.00	0.00	0.00	4,560.85	0.00	4,560.85	9,121.70
Workers Compensation	0.00	0.00	0.00	435.27	0.00	0.00	0.00	0.00	435.27
Total Insurance	0.00	0.00	0.00	435.27	0.00	4,560.85	0.00	4,560.85	9,556.97
Office Expense	229.63	0.00	0.00	400.00	225.00	390.45	223.43	501.63	1,970.14
Payroll Tax Expense	98.01	-20.34	-751.06	-556.90	99.97	41.25	266.00	41.25	-781.82
Penalties	60.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.75
Permits & Fees	100.00	50.00	5,289.76	423.25	0.00	0.00	0.00	292.05	6,155.06
Rent	450.00	0.00	900.00	0.00	0.00	900.00	450.00	450.00	3,150.00
Supplies	0.00	0.00	6.41	43.49	4.28	9.64	24.91	0.00	88.73
Telephone Expense	0.00	205.86	213.33	203.33	367.19	66.89	177.13	202.06	1,435.79
Utilities	0.00	2,764.60	2,904.58	3,141.64	3,175.69	4,066.03	4,746.63	5,717.93	26,517.10
Wages	1,402.00	500.00	2,020.45	0.00	1,000.00	500.00	500.00	500.00	6,422.45
Total Administration	5,599.39	14,116.52	29,395.07	17,454.84	57,216.97	14,543.33	32,366.95	46,534.57	217,227.64
Repairs & Maintenance	0.00	0.00	206.90	0.00	0.00	0.00	0.00	0.00	206.90
Total OPERATING EXPENSES	5,599.39	14,116.52	29,601.97	17,454.84	57,216.97	14,543.33	32,366.95	46,534.57	217,434.54
Total Expense	5,599.39	14,116.52	29,601.97	17,454.84	57,216.97	14,543.33	32,366.95	46,534.57	217,434.54
Net Ordinary Income	-937.49	12,273.31	-9,970.25	4,387.63	-34,065.25	11,392.17	-601.08	-10,748.79	-28,269.75
Other Income/Expense									
Other Income									
NON-OPERATING REVENUE									
Interest Income	0.00	0.24	0.46	0.24	0.24	0.24	0.24	0.24	1.90
Total NON-OPERATING REVENUE	0.00	0.24	0.46	0.24	0.24	0.24	0.24	0.24	1.90
Total Other Income	0.00	0.24	0.46	0.24	0.24	0.24	0.24	0.24	1.90
Net Other Income	0.00	0.24	0.46	0.24	0.24	0.24	0.24	0.24	1.90
Net Ordinary Income	-937.49	12,273.55	-9,969.79	4,387.87	-34,065.01	11,392.41	-600.84	-10,748.55	-28,267.85

Durham Irrigation District
Profit & Loss by Development Project
 January 2018 through August 2019

	Birchard	Black Diamond	Country Commons	Creekside Estates	Midway Estates	TOTAL
Ordinary Income/Expense						
Income						
OPERATING REVENUES						
Development Fees	0.00	19,617.00	0.00	0.00	0.00	19,617.00
Total OPERATING REVENUES	0.00	19,617.00	0.00	0.00	0.00	19,617.00
Total Income	0.00	19,617.00	0.00	0.00	0.00	19,617.00
Expense						
OPERATING EXPENSES						
Administration						
Contract Services						
Engineering	1,478.88	9,148.75	0.00	3,283.75	0.00	13,911.38
Legal Fees	3,001.20	6,491.25	900.00	4,455.00	1,710.00	16,557.45
Total Contract Services	4,480.08	15,640.00	900.00	7,738.75	1,710.00	30,468.83
Total Administration	4,480.08	15,640.00	900.00	7,738.75	1,710.00	30,468.83
Total OPERATING EXPENSES	4,480.08	15,640.00	900.00	7,738.75	1,710.00	30,468.83
Total Expense	4,480.08	15,640.00	900.00	7,738.75	1,710.00	30,468.83
Net Ordinary Income	-4,480.08	3,977.00	-900.00	-7,738.75	-1,710.00	-10,851.83
Net Income	-4,480.08	3,977.00	-900.00	-7,738.75	-1,710.00	-10,851.83

Staff Report
Agenda Item 10

STAFF REPORT

DATE: September 10, 2019
TO: Board of Directors
FROM: Kamie Loeser, Contract General Manager
SUBJECT: Staff Report

10. MANAGER REPORT

10.1 Unfinished Business

10.1a Sphere of Influence/Municipal Service Review Update

The SOI/MSR for DID was approved by LAFCo on June 6th, 2019. There were questions about the discrepancies in acreage that was calculated and the LAFCo GIS analyst prepared some revised calculations. We will obtain the final mapping for our files to ensure that all future DID documents reflect accurate acreages and calculations. Copies of the LAFCo Agenda and Minutes are provided for reference.

10.1b Annexation Update

This is in reference to the Black Diamond Annexation Application with LAFCo. At present the process has been delayed as there are payment of SOI/MSR fees necessary to process the application. The Annexation Application included the payment of a \$5000 deposit and State Board of Equalization (SBE) fees but did not include the MSR/SOI fees of \$500/acre. Typically, the developer/project proponent would pay for the fees prior to the subdivision of the parcels and annexation. There is a concern that the properties are now under separate and individual ownership. As we move forward with determining Development Projects Billings (Agenda Item 8.1), DID staff will be working with NorthStar as well as LAFCo staff to resolve the amount of fees that would be required to finalize the annexation process.

10.1c USBR Grant Status/Coordination

I have initiated the ASAP.gov (Automated Standard Application for Payments) enrollment with the Bureau of Reclamation for the grant that we received. We must now identify who will be fulfilling the roles for grant management. The deadline is **Friday, September 13, 2019**. Depending on who we select (below) we will each receive an email from ASAP.gov with a UserID to complete the the process.

There are five roles to be identified:

1. Point of Contact - Names Organization Officials:
2. Head of Organization - Approves Officials:
3. Authorizing Official - Defines Recipient Profile:
4. Authorizing Official - Defines Recipient Organization Users:
5. Financial Official - Defines Banking Information:

10.2 Emergency Repair and Mutual Aid Agreements/Contracts

Staff is working with Counsel to draft and obtain agreements with R&R Horn and a Mutual Aid Agreement with TWSD.

By _____
Kamie Loeser, Contract General Manager

BUTTE LOCAL AGENCY FORMATION COMMISSION
1453 DOWNER STREET, SUITE C, OROVILLE, CALIFORNIA 95965
TELEPHONE (530) 538-7784 FAX (530) 538-2847

REGULAR MEETING NOTICE OF THE COMMISSION

Location: **Butte County Board of Supervisors Chambers,
25 County Center Drive, Oroville, California**
Date/Time: **Thursday, June 6, 2019 - 9:00 a.m.**

AGENDA

ALL ITEMS ARE OPEN FOR PUBLIC COMMENT

1. CALL TO ORDER

1.1 Roll Call

2. CONSENT AGENDA

2.1 Approval of the Minutes of May 2, 2019.

3. NOTICED PUBLIC HEARINGS –

3.1 Amendment to Current Staff Charge-out Rates, Including Continuation of the Application of the Annual Cost Escalator Based Upon the Employment Cost Index (ECI).

The Commission will consider a revision to its current individual staff hourly charge out rates that will create a new, single flat hourly rate for all billable projects and the continuation of an annual cost escalator based upon the Employment Cost Index. **ACTION REQUESTED:** Adopt Resolution No. 19 2018/19 approving amendment to current staff charge-out rates and to continue the application of the annual cost escalator based upon the Employment Cost Index.

3.2 18-04 – Public Review Draft Municipal Service Review and Sphere of Influence Plan Update for the Durham Irrigation District

The Commission will consider adoption of an updated Municipal Service Review and Sphere of Influence Plan for the Durham Irrigation District which evaluates the water services provided by the District and evaluates the District's Sphere of Influence. **ACTION REQUESTED:** Adopt Resolution No. 16 2018/19 approving the Municipal Service Review and Sphere of Influence Plan for the Durham Irrigation District.

4. REGULAR AGENDA

4.1 Items Removed from the Consent Agenda (If any)

4.2 Letter Agreement to Amend the Sewer Service and Annexation Agreement with the City of Chico.

The Commission will consider the adoption of a letter agreement to amend the 2015 Sewer Service and Annexation Agreement with the City of Chico that will allow the City to extend sewer services to all existing residentially zoned parcels, both developed and undeveloped, within the unincorporated Chapman and Mulberry island neighborhoods without limitation prior to the annexation of said parcels to the City on July 1, 2020. **ACTION REQUESTED:** Approve letter agreement and authorize the LAFCO Chair to sign.

5. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA (If any)

6. REPORTS AND COMMUNICATION

6.1 Executive Officer's Report

6.2 Correspondence (None)

7. ADMINISTRATION. The Commission will discuss and provide direction to the Executive Officer on administrative matters relating to the operation of the Commission.

8. ADJOURNMENT Adjourn to **Thursday, August 1, 2019** in the Board of Supervisors Chambers.

TO THOSE WHO PARTICIPATE IN LAFCO PROCEEDINGS: California Government Code Section 84308 requires you to disclose campaign contributions to LAFCO Commissioners if they amount to \$250 or more and were made within the last twelve months. Please announce your applicable campaign contributions when you speak.

** Any disabled person needing special accommodation to participate in the Commission proceeding is requested to contact LAFCo staff at (530) 538-7784 prior to meeting and arrangements will be made to accommodate you.*

** Any person may address the Commission during the "Public Comment." Please see the rules regarding public comments below.*

** Copies of Agenda documents relative to an Agenda item may be obtained from the Clerk of the Commission at a cost of \$.10 per page.*

RULES APPLYING TO PUBLIC COMMENTS

1. *Members of the public wishing to address the Commission upon any subject within the jurisdiction of Butte LAFCO may do so upon receiving recognition from the Chair at the appropriate time.*
2. *Comment on items not on the agenda should be made at the time indicated for "Public Comment" on the agenda. The Commission may not act on any matter so raised and will have to put off action until a meeting at which the matter can be put on the agenda.*
3. *Comment on specific agenda items may be made during the discussion of that agenda item, upon recognition by the Chair.*
4. *After receiving recognition, please stand and state your name and address before making your presentation, so that the Clerk may take down this information.*
5. *All documents to be presented to the Commission will be given to the Clerk of the Commission (original and eleven copies) prior to Call of Order of meeting. Such documents will be distributed to the Commission and made available for public inspection.*

This agenda was mailed to those requesting notice and posted 72 hours in advance of the meeting at the following locations: Butte County Administration Building & LAFCo front entrance.



BUTTE LOCAL AGENCY FORMATION COMMISSION Minutes of June 6, 2019

(A complete voice recording of the Commission's meetings can be obtained from www.buttelafco.org)

1. CALL TO ORDER

Vice Chair Connelly called the meeting to order at 9:00 a.m., June 6, 2019, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

1.1 Roll Call

Commissioners Present: Greg Bolin (City)
Jack Kiely (Special District)
Bill Connelly (Vice Chair - County)
Al McGreehan (Special District-Alt)
Nathan Wilkinson (City)
Steve Lambert (County)
Greg Steel (Public-Alt)

Commissioners Absent: Carl Leverenz (Chair - Public)

Alternate Commissioners Absent: Bruce Johnson (City) and Debra Lucero (County)

Vacant Seat: Regular Commissioner Special District

Others Present: Stephen Lucas, LAFCO Executive Officer
Stephen Betts, LAFCO Deputy Executive Officer
Jill Broderson, LAFCO Management Analyst
Joy Stover, LAFCO Commission Clerk
Marsha Burch, LAFCO Legal Counsel Representative
* * * * *

2. CONSENT AGENDA

2.1 Approval of the Minutes of May 2, 2019

Vice Chair Connelly asked if there was anyone on the Commission or anyone from the public that would like to remove anything from the consent agenda. None stated.

Commissioner Wilkinson made a motion to accept the Consent Agenda. The motion was seconded by Commissioner Kiely.

The motion was carried by unanimous vote:

AYES: Bolin, Kiely, Steel, McGreehan, Wilkinson, Lambert & Vice Chair Connelly
NOES: None
ABSENT: None
ABSTAINS: None

3. NOTICED PUBLIC HEARINGS

3.1 Amendment to Current Staff Charge-out Rates, including Continuation of the Application of the Annual Cost Escalator Based Upon the Employment Cost Index (ECI).

Jill Broderson, LAFCo Management Analyst, stated she does not have anything to add to the staff report and will be happy to answer any questions of the Commission.

Commissioner McGreehan asked if the public notice for this project stated what the extent of the proposed increase was.

Jill Broderson read a copy of the published notice and stated the public notice was published in the Chico Enterprise Record, posted at the Butte LAFCo office and at the Board of Supervisors. The notice was also placed on the Butte LAFCO website.

Commissioner Kiely asked if LAFCo staff has received any comments regarding this item.

Jill Broderson stated LAFCo staff has received no comment.

Vice Chair Connelly opened this item to the public for comments. No responses received. The public portion of the hearing was closed.

Commissioner McGreehan made a motion to adopt Resolution No. 19 2018/19 approving the amendment to current staff charge-out rates and to continue the application of the annual cost escalator based upon the employment cost Index. The motion was seconded by Commissioner Wilkinson.

The motion was carried by the following unanimous vote:

AYES: Bolin, Kiely, Steel, McGreehan, Wilkinson, Lambert & Vice Chair Connelly
NOES: None
ABSENT: None
ABSTAINS: None

3.2 18-04 – Public Review Draft Municipal Service Review and Sphere of Influence Plan Update for the Durham Irrigation District

Steve Betts provided a PowerPoint presentation and stated what is proposed is an expansion of the District's Sphere of Influence boundaries. The Municipal Service Review (MSR) determined the District is well managed and provides adequate levels of domestic water services to the residents of the district. The District recently retained the services of NorthStar Engineering to manage the District's day to day operations. The District recently increased their service fees which will provide adequate funding for future capital improvements.

A copy of the PowerPoint presentation is available upon request.

Steve Betts stated staff is recommending the Commission approve the Municipal Service Review approving Option 1 as stated in the staff report.

Commissioner McGreehan stated the environmental document that was submitted by the District shows the numbers vary from the parcels/acreage listed on the staff report.

Steve Betts stated when staff reviewed the documents submitted by the District; we felt the numbers were not accurate. Butte LAFCo GIS analyst drew a new GIS layer to include the proposed areas to be added to the District's sphere and we believe the parcel and acreage count is accurate at this time. There were new parcels created recently as the area being added to the sphere was recently subdivided.

Commissioner Steel asked if the 3.9 million dollar capital need is for the current sphere or the proposed sphere.

Kristen McKillop, acting as contract General Manager for DID, stated the approved and adopted Capital Improvement Plan is for the existing sphere.

Commissioner Steel stated his concern is that the existing District residents will have to pay the capital cost for people that are being added.

Kristen McKillop stated the District is working diligently with their contract to ensure a process is very open and transparent to ensure all new development is being paid for by all new development. The existing infrastructure dates back to the late 1920's so there are some significant upgrades that need to take place. Whether there is any expansion in the District or not, the improvements still need to be made.

Commissioner Steel stated so the District is working on a plan so that the new development is not subsidized by existing development.

Kristen McKillop stated that is correct and the District is very sensitive to that. This issue has come up multiple times in this process as well as the rate setting that was conducted.

Commissioner Kiely asked if the District is looking at increasing rates or proposing a bond or what is the financing plan.

Kristen McKillop stated the current rate increase that went into effect in January covers a gradual increase over a 4 year period of time. The plan is to hold tight for the first year and see what the financing looks like at the end of the first year. The District is very aware that they are not going to be able to finance all of the capital improvement needs. The District just received one of their first federally funded grants to help assist with some metering solutions to help the District come into compliance with the state regulations to install meters. The District has an outline in their Capital Improvement Plan of how they want to go about funding infrastructure improvements but at some point in time they realize they may have to look at seeking outside funding.

Vice Chair Connelly opened this item to the public for comments. No responses received. The public comment period was closed.

Commissioner Lambert made a motion to adopt Resolution No. 16 2018/19 approving the Municipal Service Review and Sphere of Influence Plan for the Durham Irrigation District. The motion was seconded by Commissioner Wilkinson.

The motion was carried by the following unanimous vote:

AYES: Bolin, Kiely, Steel, McGreehan, Wilkinson. Lambert & Vice Chair Connelly

NOES: None
ABSENT: None
ABSTAINS: None

4. REGULAR AGENDA

4.1 Items Removed from the Consent Agenda – None

4.2 Letter Agreement to Amend the Sewer Service and Annexation Agreement with the City of Chico.

Steve Lucas read the proposed amendment to the Sewer Service Annexation Agreement with the City of Chico.

Vice Chair Connelly opened this up to public comment. No comments received. Public comment closed.

Commissioner Steel moved to approve the letter agreement and authorize the LAFCO Chair to sign. The motion was seconded by Commissioner McGreehan.

The motion was carried by the following roll call vote:

AYES: Bolin, Kiely, Steel, McGreehan, Wilkinson & Vice Chair Connelly
NOES: None
ABSENT: None
ABSTAINS: None

5. Public Comment on Items not on the Agenda

Vice Chair Connelly opened this item up for public comments and stated we can take public comments but we cannot take action on any item not on the agenda. No comments received. Public comment was closed.

6. Reports and Communications

6.1 Executive Officer's Report.

Steve Lucas summarized the Executive Officer's Report and provided an update to the Special District seat election process. As of today, nineteen (19) ballots have been returned, short of the 21 ballots required to obtain a quorum of votes.

An update to the Camp Fire burn scar area was provided. Steve Lucas stated Butte Strong awarded the Butte County Mosquito and Vector Control District \$310,000 in an effort to combat the increased mosquito threat in the burn scar area. Additionally staff has been assisting the Paradise Recreation and Park District in determining if additional impact fees should apply to building permits in the burn scar area when there is a square footage increase.

Steve Lucas provided an update to the CALAFCO funding issue currently affecting the association.

Vice Chair Connelly stated the goal was to keep all 58 counties in CALAFCO. A compromise was reached in order to ensure some of the larger counties stay within CALAFCO.


6.2 Correspondence - None

7. ADMINISTRATION

8. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:30 a.m. to the next LAFCO meeting scheduled for August 1, 2019. It was decided that due to a conflict with the Independence Day Holiday on July 4, 2019, the July LAFCo meeting will be cancelled.

LOCAL AGENCY FORMATION COMMISSION



By: Stephen Lucas, Executive Officer

Minutes prepared by Joy Stover, Commission Clerk