

October 18, 2023

CENTERVILLE COMMUNITY SERVICES DISTRICT
REGULAR BOARD OF DIRECTORS MEETING

Directors Present: President Whitehead, Vice President Richison, Director Hopson and
Director Woodstrom
Absent: Director Oliver
Others Present: Steve Wilson, Tina Teuscher and Chris Muehlbacher

PRELIMINARY BUSINESS:

1. Call to Order: President Whitehead called the meeting to order at 7:00 pm.
2. Public Comment Period: President Whitehead opened the public comment period. No comments were received. The public comment period was closed.
3. Approval of the September 20, 2023 minutes: Director Woodstrom moved to approve the minutes. Director Hopson seconded. The vote was unanimous. Motion carried as amended.
4. Authorize Payment of Bills for Current Expenses: Vice President Richison moved to pay the bills. Director Woodstrom seconded. Mr. Muehlbacher stated that the payment to ACWA was for this year's annual membership. The payment to Alisa Scholberg was for audit preparation. The CSDA payment is for our annual membership dues. The payment to Computer Logistics is for Mrs. Teuscher's and Mr. Muehlbacher's new computers. The NBS payment is for the Texas Springs Assessment quarterly admin fees, and the payment to USA North is for the 811 membership and last year's tickets. The vote was unanimous. Motion carried.
5. Status of the Budget Report: Mr. Muehlbacher stated that the O&M revenues were \$416,491 versus expenses of \$340,656. He stated some of the larger expenses were not reflected on this Profit and Loss because they came in after the Board packets went out.

Mr. Muehlbacher stated that the Capital revenue was \$35,036 verses expenses of \$110,089. He mentioned that Capacity Charges had increased due to a meter being sold for a new home in Centerville Oaks.

Reserve Fund Status Sheet: The total reserve is \$1,122,906. He mentioned that the O&M Reserves increased due to the 1995-1 Assessment funds being moved into the reserve as well as capital expense monies coming from the Capital Improvement Reserve.

NEW BUSINESS

1. Consider Authorizing a Funding Agreement between the District and Shasta County related to the American Rescue Plan Act Funds: Mr. Muehlbacher stated that American Rescue Plan Act was passed in 2021 and Shasta County was allocated \$34.9 million to invest locally. The Board of Supervisors allocated \$2 million to support local water

infrastructure, and the District's available allocation is \$142,111. He stated that the Resource and Planning Committee met several times to discuss and review the project categories included in the Environmental Protection Agency's Clean Water State Revolving Fund and the Drinking Water State Revolving Fund and found that the AMI Metering Project was best suited for Centerville due to the benefits for water conservation. The Board later approved that staff submit the application for the grant with the County.

The District was awarded the grant and now it is the recommendation of the Resource and Planning Committee to authorize the Funding Agreement between the District and Shasta County.

Director Woodstrom stated that he did not have enough information to agree that the District should use the funds for an AMI project. He believes there may be another project that is more pressing and needed.

The Board agreed to table this discussion until the Capital Improvement Workshop to be held Monday, October 23, 2023.

2. Consider Authorizing a Change Order to the Tank Coating Program Agreement: Mr. Muehlbacher stated that at present the District is in its third year of a ten-year professional services agreement with Superior Tank solutions. Last year, Tank C2 received a complete washout and inspection. Based on that inspection, it was recommended that the District advance the rehab of Tank C2 in lieu of the scheduled Tank A1. He mentioned that the C2 Tank is one of the older tanks in the District.

He stated that the proposed change order would switch the order of the tank rehabs as well as advance the year six rehab into year four. In order to maintain a three-year washout cycle it will also be necessary to complete an additional three washouts for three tanks. The total cost of the change order is \$19,000.

Director Hopson moved to authorize a change order to the Tank Coating Program Agreement. Vice President Richison seconded. Motion carried.

3. Approve Shop Building Improvements Project Design Approach: Mr. Muehlbacher stated that Mr. Steve Wilson was here from PACE Engineering to address questions and provide a better understanding of the project. He mentioned that there were two options, the first is the demolish the mezzanine structure and replace it with shelves or to retrofit the mezzanine for use.

Mr. Muehlbacher stated that there are also items that have never been dealt with because they were always deferred until such time as the District moved forward to complete the project. Once a permit is pulled to either demo the mezzanine or retrofit the space, these other items will need to be addressed.

Mr. Steve Wilson stated that when the shop was constructed it was never finalized because they were deferring the project until they had either the funds to move forward or decide what they wanted to do.

Director Woodstrom stated that from his recollection, if they were going to move forward with the operators moving into that space, then they would need the occupancy permit. But with the shop just being a shop with no bathroom or occupancy it would not need parking, sidewalk or landscaping.

Mr. Wilson stated that with field operators using the shop as a place to work in, it is being occupied by staff, regardless if they have a desk or bathroom there or not, they are still occupying the space.

Director Woodstrom stated that he believes that someone needs to go to the County and negotiate with them the terms of this permit. He does not believe we will need a walking path from the office to the shop or the landscaping.

Director Hopson suggested that Director Woodstrom go to the County and see if he can ask them to remove those items from the requirements. Director Woodstrom stated that he would not mind going to the County with Chris and Steve to discuss the requirements and see if they can be removed.

Director Woodstrom moved to request bids to demolish the mezzanine and defer the other items until they could talk to the county. Vice President Richison seconded. Motion carried.

OLD BUSINESS

1. Muletown Pump Station Generator Project Update: Mr. Muehlbacher stated that there is a preliminary design meeting scheduled with Mead and Hunt tomorrow morning.
2. Carr Fire Recovery Project Update: Mr. Muehlbacher stated that there are currently no updates regarding the close-out process. CalOES has everything, he is simply waiting for them to finish their review.

GENERAL BUSINESS

1. Correspondence: None.
2. Director's Report: None.
3. Manager's Report: Mr. Muehlbacher stated that he submitted another ACWA JPIA Grant for a Cement Cutter. The grant would cover all costs associated with the new tool.

He mentioned that the auditor has been on site this week.

He stated that he received Clear Creek's new O&M Adjustment reports for 2019 and 2020. The amounts went down significantly. He will be reviewing the documents soon.

He stated that there was a telemetry replacement project walk through and only one bidder attended which was Wagner Electric.

There is a fire hydrant out of service on Campo Calle. They are awaiting parts. Once received the hydrant will be back in service.

4. Committee Reports: None.
5. Announcements: The scheduled Workshop is Monday, October 23, 2023 and the next Regular Board meeting is November 15, 2023.
6. Adjournment: Meeting adjourned at 8:12 pm.