

**1. CALL TO ORDER**

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

**1.1 Flag Salute**

Vice President Taggart led the flag salute

**1.2 Roll Call**

Present were Vice President Taggart, Directors Pulley and Latulippe. Also present were Recording Secretary Padilla, Attorney Carter, Manager Boucher and Engineer Heindell. President Hatley and Director Reynolds were absent.

**2. PERSONS DESIRING TO ADDRESS THE BOARD**

Steve Stewart was in attendance to speak on Agenda Item 5.1.

**3. CONSENT AGENDA**

**3.1** Minutes of the Regular Board Meeting held on April 16, 2019

**3.2** Financial Statements – April 2019

**3.3** Water Warrants – Check Number 17231-17299 Total \$306,095.46

Water LAIF Deposit - \$261,559.81

Sewer Warrants – Check Number 7143-7151 Total \$86,898.70

Sewer LAIF Deposit - \$43,440.19

Health Reimb Arrangement – Check Number 2742 Total \$12.07

**3.4** Summary of District Operation and Solar Power Generation – April 2019

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

**4. ITEMS REMOVED FROM CONSENT AGENDA**

None

**5. PUBLIC HEARING - Vice President Taggart opened the Public Hearing at 2:02 pm.**

**5.1 Proposed Sewer Rate Increase**

Ken Shuey from Provost & Pritchard gave a power point presentation on the proposed sewer rate increase. He mentioned that SC-OR provides wastewater to the greater Oroville region and is responsible for the WWTP, 2 lift stations and approximately 5 miles of piping. The member entities which consist of the City of Oroville, TWSD and LOAPUD are responsible for the collection system. He mentioned that dry weather flows and peak wet weather flows have a significant impact on the WWTP. Two factors of why the WWTP upgrade and operations is important is that 1) Rising operations costs have exceeded the revenue generated

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by the operations portion of the monthly EDU charge; 2) SC-OR will submit a Report of Waste Discharge for the wastewater treatment plant's National Pollution Discharge Elimination System permit renewal issued by the Regional Water Quality Control Board. The RWQCB staff has indicated that new discharge requirements for the WWTP will be more restrictive, requiring significant improvements to the existing WWTP.

He mentioned that the total project cost will be \$44,552,000 and is scheduled to run from April 2021 to July 2023 with the first loan payment due in July 2024. The following assumptions have been made in calculating the proposed monthly EDU charges:

- Rate increases will be gradual from year to year with no large single year increases.
- Budgeted operations expenses for FY 19/20 are estimated at \$2,248,053.
- Revenue sources include EDU charges, interest income and septage fees.
- Budgeted capital expenses for FY 19/20 are estimated at \$6,208,000. Includes constructing the proposed influent pump station and all expenditures are assumed to come from existing reserve accounts.
- Excess revenues generated in one year will be carried over to the following year.

He concluded by stating that there are other funding options that they are checking into such as CalOES/FEMA Grant for the Influent Pump Station, USDA Grant and Loan for the WWTP Upgrade Project and the Clean Water State Revolving Fund Grant and Loan for the WWTP Upgrade Project.

Vice President Taggart then opened item 5.1 up for questions from the audience.

Steve Stewart commented that this was a very good presentation which explained the need for a sewer increase.

**Vice President Taggart closed the Public Hearing at 2:19 pm.**

**5.2 Konkow Maidu Cultural Preservation Association**

Kate Hedges reported that the destruction from the Camp Fire is extensive. She mentioned that the wind-blown fire burned hot and scorched the ground reducing mature scotch broom to fire-hardened spikes in some places. The Archaeological Conservancy and CSU Chico group did a post-fire site visit. They found that the line of sign is no longer obscured by brush and were impressed by the number and

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quality of the artifacts that are not exposed. Upon further review, they found that the entire roundhouse feature is located on Thermalito property. She mentioned that should funding from the Sierra Nevada Conservancy come through and they take title to the property, they would be interested in negotiating with TWSD to allow access to the roundhouse feather.

Attorney Carter reminded Ms. Hedges that before entering onto the TWSD property, both he and Manager Boucher will need the signed waivers from those entering onto the property. He also mentioned that she will need to supply the District with a current Certificate of Liability Insurance naming TWSD as the Certificate Holder.

**5.3 Review of Fiscal Year 2019/20 Draft Budget**

Office Manager Padilla submitted for Board review a draft Budget for FY 2019/20 estimating:

Water Budget:

Operating Revenues - \$2,469,800

Fund Expenditures - \$1,577,515

Capital Outlay - \$1,591,000

Sewer Budget:

Operating Revenues - \$1,315,261

Fund Expenditures - \$1,053,868

Capital Outlay - \$143,722

She mentioned that D.R. Horton who is currently working on the Olive Grove Subdivision may start building homes at the Vista Del Oro subdivision next year which would mean more water and sewer connections. Staff plans on increasing the draft water and sewer budget revenues to capture not only the connection fees but also the water sales. She mentioned that the District plans on replacing the 2.5 MG Tank as well as upgrading Well #2. Staff is still waiting on a quote to upgrade Well #2. She mentioned that the Sewer Line Replacement will be the cost to prepare each section of the Ruddy Creek Project. Once all changes have been made, the budget will be brought back to the June Board meeting for approval. No action was taken.

**5.4 Election of a Special District Regular “Non-Enterprise” Member**

Manager Boucher reported that Tom Lando from the Chico Area Recreation District resigned from his seat on LAFCO due to a conflict of interest. His seat

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on LAFCO was vacated mid-term with a remaining term to expire in May 2021. LAFCO is conducting an election for one Special District Regular “Non-Enterprise” Member. The two nominees running for the Special District Regular “Non-Enterprise” Member position are Tom Lando – Chico Area Recreation & Park District and Al McGreehan – Paradise Area Recreation & Park District. Consensus of the Board is to vote for Tom Lando – Chico Area Recreation & Park District.

**5.5 Employee Appreciation Day**

Manager Boucher is requesting to close the office on Friday, August 9<sup>th</sup> at 10:00 am for Employee Appreciation Day. He mentioned that staff will look into locations of where to hold the function and will submit it at the July Board meeting. Consensus of the Board is to close down the office at 10:00 am on August 9, 2019 for Employee Appreciation Day.

**5.6 Request for Public Assistance**

Engineer Heindell reported that after the fires last year, staff was sent up to Concow to remove debris and sediment from the lake as well as replacement of the Flow Control Boards. He mentioned that the District is requesting for public assistance and is filing a claim form with the California Governor’s Office of Emergency Services He mentioned that part of the packet is the Designation of Applicant’s Agent Resolution for Non-State Agencies which would need to be approved by the Board. Consensus of the Board is for staff to move forward with filing of the Request for Public Assistance form and the Designation of Applicant’s Agent Resolution for Non-State Agencies form.

**5.7 District Manager’s Vehicle**

Manager Boucher reported that on May 15<sup>th</sup> around 4:15pm, he was driving northbound on Table Mtn. Blvd. in the left hand turn lane at approximately 5 mph and was slowing to stop at the intersection of Grand Avenue. He noticed a car heading straight at him coming in the southbound lane on Table Mtn Blvd. at approximately 30 mph. He mentioned that he swerved to the right to get out of the way and was hit by the oncoming car. Manager Boucher and the driver of the other vehicle were not injured but the passenger of the other vehicle was taken to the hospital for minor lacerations and complaint of pain to her left hand. Staff filed a claim with the Districts insurance company. ACWA/JPIA sent out their appraiser who reported back to them that the District’s 2013 Ford F150 has been deemed a total loss. ACWA/JPIA will be sending a check to the District in the amount of \$19,131 for the loss. Manager Boucher reported in checking with Chris Goodhue from Oroville Ford, the District can purchase a 2019 Ford F150

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Supercrew for around \$43,000.00. Motion made by Director Taggart; seconded by Director Pulley and unanimously carried to approve purchase of a 2019 Ford F150 Supercrew not to exceed \$50,000. Funds to purchase vehicle will be withdrawn from the LAIF Depreciation account.

**6. WATER BUSINESS**

**6.1 Update to the Wyandotte Creek GSA**

Engineer Heindell reported that the Wyandotte Creek GSA will hold their first meeting at the Oroville City Council Chambers at 2:00 pm on May 28, 2019. He mentioned that at this meeting, the Board will nominate the Chair/Vice Chair of the GSA Board and will review over policies and bylaws.

**6.2 Linkside Drainage Easement**

Engineer Heindell reported that D.R. Horton, owners of the previously named Linkside Subdivision have requested that Thermalito Water & Sewer District allow a drainage easement to be placed over the existing sewer line easement at the end of Cully Court. D.R. Horton has agreed to raise the manhole rim elevation to a foot higher than the flowline of the proposed drainage flowline as well as provide documentation holding the District harmless and free of all liabilities associated with the drainage easement. Motion made by Director Pulley; seconded by Director Latulippe and unanimously carried to approve the easement as long as all conditions are completed.

**7. ATTORNEY REPORT**

None

**8. SEWER BUSINESS**

**8.1 SC-OR Report**

Commissioner Taggart reviewed over the draft minutes of the April 24, 2019 Regular Meeting of the Sewerage Commission – Oroville Region.

**8.2 Appointment of Interim Member of Sewerage Commission-Oroville Region Standing Committee**

Manager Boucher reported that Director Reynolds is currently in rehab at Country Crest as he fell and injured his back. Due to his current health issues he will be unable to attend the SC-OR meetings and at this time, is temporarily resigning from his seat on the SC-OR Board. Manager Boucher reported that the Admin Committee met and it was decided that Director Hatley will be the Interim Member to fill the vacant seat on the SC-OR Board. Motion made by Director Pulley; seconded by Director Taggart and unanimously carried to appoint Director Hatley as the Interim Member to fill the vacant seat on the SC-OR Board.

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- 9. MANAGER’S REPORT**  
None
- 10. HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS**  
None
- 11. BOARD COMMENTS**  
Happy Birthday to Directors Taggart and Hatley.
- 12. RECESS AND RECONVENE AT 7:00 P.M.**  
There being no further business to come before the Board, the meeting was recessed at 3:20 pm and will reconvene at 7:00 pm.

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Secretary of the Board

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President of the Board