

1. CALL TO ORDER

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

1.1 Flag Salute

Director Taggart led the flag salute

1.2 Roll Call

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

2. PERSONS DESIRING TO ADDRESS THE BOARD

None

3. CONSENT AGENDA

3.1 Minutes of the Regular Board Meeting held on October 24, 2017

3.2 Financial Statements – October 2017

3.3 Water Warrants – Check Number 16207-16250 Total \$337,433.93

Water LAIF Deposit - \$57,317.84

Health Reimb Arrangement – Check Number 2677 Total \$74.36

Sewer Warrants – Check Number 7044-7050 Total \$23,323.41

Sewer LAIF Deposit - \$17,682.16

3.4 Summary of District Operation and Solar Power Generation – October 2017

It was moved by Director Pulley, and seconded by Director Reynolds to approve consent agenda item 3.1 - 3.4. Motion carried.

4. ITEMS REMOVED FROM CONSENT AGENDA

None

5. GENERAL ADMINISTRATION BUSINESS

5.1 Financial Statement – Auditor’s Report for FYE 6/30/17

Craig Fechter from Fechter & Company presented to the Board the Financial Statements for FYE 6/30/17. He mentioned that the audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. He mentioned that they conduct the audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and the State Controller’s. In reviewing with the Board, he pointed out that on Page 10 of the Financial Statement is the Statement of Net Position which essentially is a snapshot of the

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District's overall financial position of all assets and liabilities at the end of the fiscal year. Total Assets were \$20,358,443; Liabilities were \$4,595,670 with a Total Net Position of \$16,280,795. The Net Pension Liability figure of \$1,002,395 is provided by CalPERS. Page 11 is the Statement of Revenues, Expenses, and Changes in Net Position which shows the revenues and expenses for the year. This report shows you as well the results of the operation. Total Revenues for the year were \$3,345,411 and Total Operating Expenses of \$2,401,168. He mentioned that there is a schedule of Long-Term debt which is covered on Pages 27 and 28 showing payments and description of the notes for the past two fiscal years. He concluded by reviewing over several pages of the financial statement with the Board pointing out the comparison of prior year vs current year. Motion made by Director Taggart; seconded by Director Reynolds and unanimously carried to accept the audited financials for FYE 6/30/17.

5.2 Security Alarm Company

Manager Boucher informed the Board that the District is currently with Defcon*1 Security. Last week, the District was contacted by Eagle Security to schedule an appointment for repairing the beams located at the Treatment Plant. Staff contacted Defcon*1 and was informed that they had sold the business to Eagle Security.

Staff contacted and scheduled a walkthrough with Bill Blankenship from Maximum Security Systems who is familiar with the equipment that is currently being used. Manager Boucher reported that Mr. Blankenship is willing to take over the monitoring of both locations at the same rate as Defcon*1. Mr. Blankenship has requested that should the District request his services, he will come in the last week of November to adjust all beams and to make sure all equipment is in working order. There will be no charge for this service. Consensus of the Board is to terminate Defcon*1 and to have the monitoring switched over to Maximum Security Systems as of December 1, 2017.

6. WATER BUSINESS

6.1 Capra Environmental Services, Corp.

Manager Boucher provided a packet from Capra Environmental Services to cover 15 acres of fire control grazing up in the Concow area at a contract rate of \$500 per acre for a total of \$7,500. Also provided is the before and after pictures of where the goats have provided services as well as references. Manager Boucher mentioned that he contacted one of the references and they were very pleased with the services that were provided. Motion made by Director Reynolds;

seconded by Director Thompson and unanimously carried to approve the contract from Capra Environmental Services.

7. ATTORNEY REPORT

None

8. SEWER BUSINESS

8.1 SC-OR Report

Commissioner Taggart reviewed over the draft minutes of the October 25, 2017 Regular Meeting of the Sewerage Commission – Oroville Region.

8.2 Master Planning and Financial Assistance Study

Manager Boucher reported that included in the Board packet is the Master Planning and Financial Assistance Study presented by CH2M Hill. The purpose of the report is to update the 2009 Master Plan and to provide planning framework in preparation for future regional growth and changing discharge regulations. SC-OR's existing infrastructure is approaching hydraulic and treatment capacity. Modifications will be needed to accommodate additional growth that will contribute to the wastewater collection system and wastewater treatment plant. Based on this study, it was discussed to change the Regional Facility Charge to \$2,320.00 which is roughly a \$4,000 decrease and to increase the Monthly user Charge from \$5.63 to \$8.21 per EDU/month. President Taggart mentioned that this item will be discussed further at the next SC-OR meeting.

9. MANAGER'S REPORT

Christmas Holiday: The office will be closed on December 25th and December 26th for Christmas.

Annual Christmas Lunch: Staff will be holding its annual Christmas potluck lunch on Wednesday, December 20th at 12:00 pm. Service awards for the employees will be handed out at that time.

Winter Party: Staff is checking to see if the annual Winter Party can be booked at the Steakhouse to be held on January 26th. Once confirmation is guaranteed, we will inform the Board.

10. HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS

None

11. BOARD COMMENTS

None

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12. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 3:37 pm.

Secretary of the Board

President of the Board