

1. CALL TO ORDER

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

1.1 Flag Salute

Director Reynolds led the flag salute

1.2 Roll Call

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

2. PERSONS DESIRING TO ADDRESS THE BOARD

None

3. CONSENT AGENDA

3.1 Minutes of the Regular Board Meeting held on May 15, 2018

3.2 Financial Statements – May 2018

3.3 Water Warrants – Check Number 16599-16664 Total \$306,662.02

Water LAIF Deposit - \$57,453.93

Secretary Revolving Account – Check Number 2645 Total \$10.00

Health Reimb Arrangement – Check Number 2698 Total \$245.92

Sewer Warrants – Check Number 7086-7088 Total \$22,948.29

Sewer LAIF Deposit - \$17,546.07

3.4 Summary of District Operation and Solar Power Generation – May 2018

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

4. ITEMS REMOVED FROM CONSENT AGENDA

None

5. GENERAL ADMINISTRATION BUSINESS

5.1 Adopt Resolution No. 03-18 – Resolution Adopting the Final Thermalito Water and Sewer District Budget for Fiscal Year 2018-2019

The proposed 2018-2019 Water and Sewer Budget was reviewed by the Directors in the May Board meeting. After discussion, it was moved by Director Reynolds and seconded by Director Hatley to approve Resolution Number 03-18 Resolution Adopting the Final Thermalito Water and Sewer District Budget for Fiscal Year 2018-2019. Roll call was taken.

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5.2 Rescind Board Policy No. 2.200 – Standby Hours

Manager Boucher reminded the Board that Policy Number 2.200 which was adopted on August 15, 2017 for employees that are on standby, be entitled to a standby payment of one hour's pay regardless of whether he or she is required to report to work. He stated that Policy No. 2.200 needs to be rescinded as the standby hours, effective July 1, 2018 will be captured in the wages of those employees on-call. Motion made by Director Hatley; seconded by Director Pulley and unanimously carried to approve rescinding Board Policy No. 2.200 – Standby Hours.

5.3 Rescind Resolution 02-18 – Delta Dental Insurance – Out-of-Pocket Cost for Board Members

Manager Boucher informed the Board that back in February 2018, staff was informed by ACWA/JPIA that if the Board decides to cover the Director's under the dental plan, ACWA would require a Board Resolution and an application to be filled out. When the Board approved Resolution 02-18 at the May 15, 2018 Board meeting, the Resolution was sent to ACWA and the response back from ACWA was that the JPIA does not allow directors to have coverage on a self-pay basis. The District would need to agree to pay 100% of the employee only premium and at least 50% of the dependent premium. Plus all Directors would need to enroll all dependents in order to continue to receive on Non-Voluntary rates. Motion made by Director Hatley; seconded by Director Pulley and unanimously carried to approve rescinding Resolution 02-18 – Delta Dental Insurance – Out-of-Pocket Cost for Board Members.

5.4 Employee Appreciation Day

Manager Boucher is requesting to close the office at 10:00 am on either Friday, July 27th or August 10th for Employee Appreciation Day to be held at Millennium Kart Racing in Yuba City. He mentioned that this year, staff would like to compete against each other in go kart race, followed by a BBQ at the District office with all Board Members, Attorney, staff and spouses. Consensus of the Board is to close down the office at 10:00 am on July 27th, 2018 for Employee Appreciation Day at Millennium Kart Racing.

6. WATER BUSINESS

6.1 Yankee Hill Fire Safe Council

Manager Boucher reported that Brenda Rightmyer of the Yankee Hill Fire Safe Council has contacted him for a letter of support from the District on working together on a fuel reduction project that will provide fire safety for the community, generate healthy forest conditions and enhance the quality of the watershed. TWSD will also provide a match contribution on the maintenance work. Currently, TWSD is utilizing herds of goats to do vegetation management and is having great success so far. He mentioned that TWSD will continue to work with the Yankee Hill Fire Safe Council on the planning aspects of the fuel break and assist with providing logistical support in co-hosting the Maintenance and Hands-on Workshop.

6.2 Oroville Area Water Study

Engineer Heindell reported that a draft copy of the Oroville Region Water Service Study was presented to LAFCO two weeks ago. The City of Oroville made a request to LAFCO to facilitate this study. When the first RFP was sent out, there were no takers. The scope of work was then adjusted and LAFCO entered into a contract with NorthStar Engineering to do the study. The summary of the study was basically that Cal Water charges the most of any water provider around. He pointed out that on Page 7, the total cost per 10 ccf for TWSD is \$36.24 for both the cost to the customer and the actual cost. Cal Water is \$62.07 for both and SFWPA, the cost to the customer is \$19.20 but the actual cost is \$61.27. He mentioned that 69% of SFWPA water division is funded through hydro. On Page 8, he pointed out that 17.5% of Cal Water's budget could be brought out into earnings and taxes that they pay. TWSD does not pay taxes and does not make a profit so there is a 17.5% discrepancy. As it was stated in the study, this was purely a study that the City of Oroville requested to be done by LAFCO. LAFCO does not have the jurisdiction to try and consolidate water systems or impose anything on any of the three agencies involved in the study it was purely for the information. Once the final study is presented, it will be given to LAFCO and can then be submitted to the public. He mentioned that Mark Adams from NorthStar, mentioned in his presentation that he thought that both Cal Water and TWSD were very efficiently ran. He made a comment that the District has very little debt, has a strong financial standing and that the District has done a great job keeping rates up while continuing to do capital spending.

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7. ATTORNEY REPORT

Attorney Carter mentioned that he attended a conference on California Water Law and Policies. The topic this year was the California Water twin-tunnel project which if approved, will divert water from the Sacramento River, 35-miles north of the bay delta for distribution to Southern California cities and suburbs. He mentioned that the computer model shows that if 9,000 cfs which is intended diversion through the twin-tunnels is implemented, there will be increased salinization of the bay delta. He explained that the salt water will creep up into the delta where it has never been before and many aquatic resources will be affected by it. The City of Stockton has just finished completing a multi-million dollar water treatment plant as it takes surface water from the delta that will be rendered inoperable if there is greater salinization. Many are saying that it's no mistake that these environmental effects might hit hardest in disadvantage areas such as Stockton.

Attorney Carter mentioned that at the conference, a presentation was made by an Attorney who represented a number of groundwater planning agencies in San Bernardino County where groundwater is heavily impacted. Having listened to his presentation, Attorney Carter was happy to note that both TWSD and Butte County are ahead of the curve on the Sustainable Groundwater Management Planning. It may be that we have more groundwater than they do and are able to come to an agreement sooner and quicker. He mentioned that upon his return, he attended the groundwater pumpers advisory council (GPAC) meeting. GPAC represents all groundwater pumpers that are not within any groundwater sustainable agencies. He mentioned that Western Canal, Richvale Irrigation District, Biggs West Gridley Irrigation District and Reclamation District 2106 plan to put in by next Wednesday, a basin boundary modification application with the Department of Water Resources that would basically take the north boundary line of the Western Canal and Reclamation District 2106 and everything below that would become one separate basin. The East Butte Basin and the northern portion of the West Butte Basin would no longer exist and those two basins would merge with the Vina Basin. The reasoning is that all of those Districts have surface water rights and they are concerned that the Bay Delta water quality plan that is being devised right now is going to require them to leave more water in the river which means they will be pumping more ground water. The deadline for making a boundary modification is June 30th.

Attorney Carter mentioned that he and TWSD staff are having to deal with Caltrans regarding the improvements that were made on State Hwy 162 back in the late 90's.

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8. SEWER BUSINESS

8.1 SC-OR Report

Commissioner Hatley reviewed over the draft minutes of the May 23, 2018 Regular Meeting of the Sewerage Commission – Oroville Region.

8.2 Standing Committee - SC-OR Commissioners – Policy 4.150

President Pulley appointed the following SC-OR Committee for FY 2018/19:

COMMITTEE

SC-OR

SC-OR Voting Member

DIRECTORS

Taggart and Reynolds

Taggart

9. MANAGER'S REPORT

None

10. HEARING OF INDIVIDUALS ON NON-AGENDA ITEMS

None

11. BOARD COMMENTS

Board Members wished Director Latulippe a Happy Birthday

President Pulley announced that he will not be at the July Board Meeting

12. ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 3:10 pm.

Secretary of the Board

President of the Board