

**BELLA VISTA WATER DISTRICT****BOARD OF DIRECTORS****February 25, 2019**

A regular meeting of the Board of Directors of Bella Vista Water District was called to order by the President of the Board at 5:32 p.m., at the District office.

Board Members Present:

President	-	Ted Bambino
Vice-President	-	Leimone Waite
Director	-	Bob Nash
Director	-	Frank Schabarum
Director	-	Jim Smith

Board Members Absent:Officers and Staff Present:

General Manager/Secretary-Treasurer	-	David Coxey
District Engineer	-	Wayne Ohlin
Office Manager	-	Connie M. Wade

**1. Pledge of Allegiance****2. Public Comment**

David Ledger and Brad Seiser

**3. Consent Calendar:**

- 3-1 Approval of Minutes of January 28, 2019, Regular Meeting
- 3-2 Financial Reports for Month Ending January 2019

**RECOMMENDATION: Approval and Adoption of all items on the Consent Calendar.**

**M/S:** [Smith/Schabarum] Director Nash had a question regarding the minutes and the new financials. Director Schabarum had a question about PG&E. The Board approved and accepted the consent calendar items as presented.

**AYE:** Bambino, Nash, Schabarum, Smith and Waite; **NAY:** None; **ABSENT:** None

**Old Business:**

None

**New Business:**

**4. Water supply Update / Initial Central Valley Project Water Supply Allocation**

David Coxey, General Manager summarized the allocation and discussed the precipitation to date and yet CVP contractors have still not been allocated a full allocation. David stated he believes the District will receive a revised allocation next month of 100%. David discussed the South-of-Delta allocations and how that indirectly impacts the District and other North-of-Delta Contractors financially through cost allocation and rate setting.

**Discussion Only**

**5. Central Valley Project Water Rates for 2019**

David summarized the 2019 CVP rate schedules. David explained the annual results of operations analysis in arrears and the issue of operations and maintenance deficits. Construction capital costs are to be fully repaid by 2030. A question arose regarding an adjustment on Schedule B-1 that will need to be researched.

**Discussion Only**

**6. Adopt Annual Adjustments for 2019 Water Rates, Charges and Fees for Service**

District Engineer, Wayne Ohlin introduced the item and how the costs are passed through pursuant to the adopted Rate Study. Wayne presented the various steps for annual rate adjustment considerations and the staff proposal to pass through wholesale costs and to adjust the non-wholesale rate component on the consumer price index (CPI-U) plus 2%. David explained that wholesale water rates had increased over 10% for both Agricultural and Municipal water types. Furthermore, District expenses such as chlorine had increased over 30% during the past year. Discussion ensued. The Board advised staff to perform a time study and reconsider the fees for the Water Service Availability Request and Will Serves at a later date.

**M/S:** [Schabarum /Smith] Adopt annual rate adjustment of CPI-U + 2% for water rates, bi-monthly base rates, bimonthly fire service rates and revisions to Appendix A – Schedule of Rates and Charges effective May 1, 2019 and directing staff to provide customer notification pursuant to Government Code (Section 53755 et seq.).

**AYE:** Bambino, Nash, Schabarum, Smith and Waite; **NAY:** None; **ABSENT:** None

**7. Approve Supply Augmentation Agreement with the City of Redding**

David explained the relative supply reliability position of the City of Redding and the District. David further explained the difference in shortage provisions for Settlement and non-Settlement Central Valley Project Contractors and summarized the U.S. Bureau of Reclamation's recently adopted M&I Shortage Policy and the potential for new development to impact existing custom-

ers. The proposed agreement developed in cooperation with the City serves as an optional mitigation measure to address this potential impact and allows new development to pay a deposit and allow the District to purchase a small quantity of treated water from the City in shortage years. A Detailed discussion ensued regarding the process and tracking of program participant.

Public Comment: David Ledger, Shasta Environmental and Alliance introduced himself and discussed their purpose. He explained that he is not a customer of the District but wanted to explain his concerns. Brad Seiser handed out a copy of a letter that Wayne Ohlin had authored in December, 2017. Mike Dormer from Sharrah, Dunlap, Sawyer wanted to compliment staff on working cooperatively with the City to address this issue.

**M/S:** [Waite/Nash] The Board approved a Water Supply Augmentation Agreement with the City of Redding and Authorized the President to Sign the Agreement

**AYE:** Bambino, Nash, Schabarum, Smith and Waite; **NAY:** None; **ABSENT:** None

### **8. Authorize Development Water Supply Augmentation Agreement**

David explained that this item is directly related to the preceding item and the proposed agreement as between the District and developer or builder has been developed to allow new developments within the City and served by the District. The proposed agreement provides for voluntary participate in the program as one option to mitigate supply impacts during shortage years as a result of Reclamation's M&I Shortage Policy adoption and implementation. Wayne emphasized this proposed agreement provides a tool for developers but is not mandatory that this be utilized.

**M/S:** [Schabarum / Nash] The Board authorized the Agreement, in conceptual form, pending legal review and clarification edits and authorizes the General Manager to execute agreements and administer the program as described.

**AYE:** Bambino, Nash, Schabarum, Smith and Waite; **NAY:** None; **ABSENT:** None

### **9. Adopt Revised Will Serve Policy**

Wayne explained the proposed changes to the Policy to make it consist with the preceding two agenda items.

**M/S:** [Nash/Smith] The Board authorized approval of the recommended revisions to the Will Serve Policy with the amendment to clarify that this applies to properties developing four or more lots.

**AYE:** Bambino, Nash, Schabarum, Smith and Waite; **NAY:** None; **ABSENT:** None

### **10. Travel Request - ACWA/JPIA 2019 Spring Conference an Exhibition**

David explained the conference and request for overnight travel.

**M/S:** [Waite/Nash] The Board authorized Director Smith, the District's JPIA Representative, the General Manager and any interested Directors to attend the conference.

**AYE:** Bambino, Nash, Schabarum, Smith and Waite; **NAY:** None; **ABSENT:** None

## **11. Report on the Results of the Annual Crop Census**

Office Manager, Connie M. Wade reviewed the reporting requirements and the results of the crop census.

Discussion Only

## **12. Annual Landowner Voting Review**

Wayne reviewed how the process and how the calculation is determined and that we remain a Landowner voting District.

Discussion Only

## **Reports and Communications**

### **13. Engineer's Report**

#### **a. Water Production and Deliveries Update**

Wayne reviewed water deliveries and where we are projected to be at end of the water year at approximately 10,070 AF, which is within 200 AF of last year's usage.

#### **b. Project Updates**

Wayne updated the Board on meter sales. The Drought Contingency Grant has kicked off and we are still developing potential participants and development of the Drought Task Force. Wayne presented drone flyover photos of the Solar Project constructed and flown by CalCom.

### **14. Manager's Report**

David reported that Chris Nicoletti has been offered employment as the District's mechanic and will be joining the District on Monday, March 4, 2019. Chris comes to us from the City of Paradise where he worked as the City's fleet manager and mechanic. Kevin Weston will be retiring after 24-years of service. Operationally, the District has switched to groundwater for at least the next couple of weeks and will avoid very high turbidity in Sacramento River. Treatment Operators will be performing filter inspections and other maintenance while the plant is offline. David reported the District remained operational despite the 'Snowmageddon' event that resulted in widespread power outages from the recent snow and storm thanks to employees that responded with special recognition for the Treatment Superintendent, the Treatment Operators, a couple of Distribution Operators and Kevin Weston. The District initially lost power to all PG&E facilities including the Wintu Pumping Plant along with all but one REU facilities. Through extraordinary efforts by employees, some driving personal 4wd vehicles, the District's only portable generator was utilized and moved to different pump stations to refill storage tanks, around the clock. As of Thursday evening, power was restored to many of the facilities. As of (Saturday) power had been restored to all facilities except for the Old Oregon Trail Pump Station and Tank sites, and crews

are utilizing the District's only portable generator. The District has some very loyal and hard-working employees that were able to adapt, persevere, and overcome extraordinary circumstances! PG&E also deserves praise for their mobilization and restoration efforts.

David reported the Governor's proposed budget includes a water tax and that SB 669 (Caballero) introduced by Anna Caballero, 12th State Senate district, would create a Safe Drinking Water Trust and provide a preferred alternative to a water tax. There has been a change to the makeup of the State Water Board. Chairwoman Felica Marcus was not reappointed and Joaquin Esquivel has been appointed Chair. Phase 2 proceedings on the Water Quality Control Plan will resume on March 1st. The District is awaiting a confirmed date to commence contract conversion pursuant to the WIIN Act.

#### **15. Board Members' Comments and Reports**

None

**Meeting Adjourned at 8:15 p.m.**

