

CALAVERAS PUBLIC UTILITY DISTRICT

July 16, 2024

Regular Meeting

5:00 pm

DIRECTORS PRESENT: Richard Blood
J.W. Dell'Orto
Brady McCartney
Kevin Sparks

MEMBERS ABSENT: Jack Tressler

STAFF PRESENT: Travis Small, General Manager
Mathew Roberts, Water System Superintendent
Adam Brown, District Legal Counsel
Carissa Bear, Clerk of the Board
Matt Ospital, District Engineer

OTHERS PRESENT: Al Shaghghi, AMS Associates Inc.
Jason Oderio, Mercury Ranch/St. Charles Hospitality
Julie Oderio, Mercury Ranch/St. Charles Hospitality
Carol Mielbye, RK Hospitality
Richard Mielbye, RK Hospitality
Hugh Logan, San Andreas Sanitary District

1. **CALL THE MEETING TO ORDER:** The regular meeting was called to order by Vice President Director Blood at 5:04 P.M.
2. **ROLL CALL OF DIRECTORS:** Directors Dell'Orto, McCartney, Sparks, and Blood were present. Directors Tressler was absent.
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject):**
Hugh Logan with San Andreas Sanitary District introduced himself. He explained that he was here in support for agenda item 6 but wanted to take the time to introduce himself as staff from the two agencies periodically work together.
5. **CONSENT ITEMS**
 - a. June 18, 2024, Regular Board Minutes
 - b. Claim Summary

Carissa Bear, Clerk of the Board, informed the Board of a typo on June 18, 2024, Regular Board Minutes. On the agenda it states a special meeting, but it was a regular scheduled meeting. Director Dell'Orto inquired about the difference in dam fees this year compared to last; Travis Small, General Manager, gave an estimate of roughly \$10,000. Mr. Small reported that another big-ticket item on the claim summary would be the pumping for Licken Fork Pump Station. A

motion was made by Director Dell'Orto, seconded by Director McCartney, to approve Consent Items a-b. A roll call vote was taken. Directors Dell'Orto, McCartney, Sparks, and Blood voted yes. Motion carried 4-0.

6. CALAVERAS PUBLIC UTILITY DISTRICT WATER SYSTEM AND PROVIDING WATER SERVICE FOR HOTEL PROJECT IN SAN ANDREAS.

Richard Mielbye (Rick), RK Hospitality, gave an overview of the plans for the hotel. He explained that a marketing survey was done to forecast the potential occupancy, rates, etc. The study came back better than they expected. Jason and Julie Oderio will be owners and Mariott will be the service company. He informed the Board that there will be a spot onsite for a restaurant to go in. The restaurant would be separate from Mariott. The hotel will have a pool and electric vehicle (EV) parking. Director Sparks expressed his interest in the hotel. He believes a nice hotel is needed in San Andreas for travelers such as traveling nurses. He likes the fact that it is walking distance to the main town. Al Shaghghi, AMS Associates Inc., went into the logistics of what is needed to move forward with the hotel. The concern at this time is the cost for the water lines to be installed and they are hoping to work something out with the District in order to keep the cost down. Mr. Small explained that there is connection and capacity charges that cannot be discounted. Adam Brown, District Legal Counsel, explained that although they cannot be discounted there could be a credit reimbursement with a percentage being refunded due to system upgrades. It would all depend on engineering, costs, etc. Mr. Brown would need to work with the District Engineer and the General Manager. Staff mentioned that Caltrans's upcoming project will involve moving some of the District's lines. They recommended looking into partnering up with Caltrans to keep expenses down. Mr. Small will put together an estimate of cost and what needs to be replaced for the hotel project and he will bring it back to the Engineering Committee then to the Board. Mr. Mielbye will work with the District on providing any information. Mr. Logan wanted to inform the Board that the San Andreas Sanitary District's Board has expressed their support for this project. Matt Ospital, District Engineer, believes that Calaveras County needs to take initiative in assisting in this project as they will be benefiting the most from the Transient Occupancy Tax (TOT). Director Dell'Orto is looking forward to hearing back from the Engineering committee. Director Blood will work with Mr. Small to get it scheduled. Mr. Small will provide an update at the next meeting.

7. WATER MASTER PLAN UPDATE 2024

Mr. Small informed the Board that the Water Master Plan Update 2024 has been added to the website as it was too large to put in the packet. This is the final draft. All staff recommendations have been updated and no more edits will be made. Mr. Small is bringing this final draft to the Board for more comments or for the possibility of adopting. Director Blood inquired about the District having the appropriate software to run the water model. Mr. Ospital explained that WGA has the software and is willing to manage it. He believes it is a great tool for the Capital Improvement Program (CIP) and beyond. Director Blood expressed his concern with the large list of pipeline replacements. Mr. Ospital reminded the Board that the list is a recommended replacement program, but the District can reevaluate as needed. Mr. Small added that the Finance Committee works off of the recommendation replacement program but fine tunes it to be within the District's means. Director Blood expressed his concerns about the filter to waste process during backwash. He wanted to confirm that the District had a plan or to make sure it was included in the Master Plan. Mr. Small assured the Board that it will get addressed in the

Engineer Committee. The backwash reclaim project will probably be lumped in with developing the CIP. Director Dell'Orto thanked staff and board on working together to get the Master Plan to where it is. Mathew Roberts, Water System Superintendent, stated a lot of staff time went into fine tuning the Master Plan. It was really important to staff that the final product was the best it could be, as well as a usable product for the District. A motion was made by Director Dell'Orto, seconded by Director Sparks, to accept the final draft of the Water Master Plan Update 2024. A roll call vote was taken. Directors Dell'Orto, McCartney, Sparks, and Blood voted yes. Motion carried 4-0.

8. BUDGET UPDATE 2023/2024

The Budget for fiscal year 2023/2024 is complete. Mr. Small is hoping to bring any budget amendments to the Board in September. The loan covenant ratio is 4.65. Total income is \$3.4 million. Mr. Small noted that the District still has two vacancies at this time but is content with the current staffing needs and does not foresee filling those vacancies. Director Dell'Orto expressed his pleasure in seeing that the District stayed under budget. While at the General Manager Summit, a budget software company approached Travis. He would like to have them provide a presentation to the board in the near future. The software would make preparing the budget easier.

9. EMPLOYEE RECOGNITION

Mr. Small gave recognition to Mathew Roberts who has been with the District for 10 years as of July 1st. He is responsible for the day- to-day operations of the District. He is excelling at following the District's mission. He is great at speaking honestly about the District's needs. He is a great asset to the District. Mr. Roberts thanked the District for the recognition, expressing how much recognition means to the staff.

10. CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT) DISBURSEMENT REQUEST

This is to collect reimbursement for last fiscal year's cost for retiree health. The District is well funded in the program at roughly 92% funded. The funds are at the point where the District should start taking disbursements from the program to offset the cost of retiree health. Director Blood asked for clarification as to whether this is brought back to the board annually. Mr. Small clarified that it would have to be brought back to the board every year as it is collecting funds for the prior fiscal year. The deadline to submit request for reimbursement is shortly after the end of fiscal year.

11. REPORTS

a. Legal Counsel's Report

No report this month.

b. Water System Superintendent's Report

Mathew Roberts, Water System Superintendent, went over the June Maintenance Report. He reported that the system is looking really good. Last Thursday, one of the pumps at South Fork Pump Station (S.F.P.S.) was pulled and taken to a facility to be assessed. The last time the District had this done, they used a mechanic at RF McDonald. The mechanic is no longer with RF McDonald, but the District was able to track him down and he is doing the assessment with

his new company. The District treated 36,202,427 gallons of water and sold 26,621,806 gallons of water. Work is being done on the second septic tank at the water treatment plant. When the first tank was being worked on, it was discovered that there was a second septic tank on site. Mr. Roberts reported that the S.F.P.S is offline (no pumping) for the summer. There were two leaks in San Andreas. One on Pope St. and the other on Beverlynn. There were two leaks in Mokelumne Hill, one on Center St. and the other on Prospect St. PRV maintenance was done at the fire house in Mokelumne Hill. The crew completed 227 USA tags.

- c. District Engineer Report
- d. General Manager's Report

Mr. Small reminded the board of the election filing period deadline of August 9, 2024. Mrs. Bear gave the Board an update on the teeter program.

- e. Directors' Comments:

Director Blood reported that he will be attending the Calaveras Public Power Authority (CPPA) and the Calaveras-Amador Mokelumne River Authority meetings tomorrow.

**The Board entered closed session at 7:03 pm.

12. CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957)

The Board conducted the General Manager's quarterly review. No action was taken.

**The Board Reconvened in open session at 7:32 pm.

13. ADJOURNMENT

There being no further business to come before the Board, Vice President, Director Blood adjourned the meeting at 7:32 pm.

Respectfully Submitted,



Carissa Bear, Secretary/Clerk of the Board