



RESOLUTION NO. 2018-21
RESOLUTION NO. PFA-03
ORDINANCE NO. 2018-01

MINUTES

**CALAVERAS COUNTY WATER DISTRICT
REGULAR BOARD MEETING**

MAY 23, 2018

Directors Present: Scott Ratterman, President
Russ Thomas, Vice President
Bertha Underhill, Director
Terry Strange, Director
Jeff Davidson, Director

Staff Present: Dave Eggerton, General Manager
Dave Cameron, General Counsel
Rebecca Hitchcock, Clerk to the Board
Patti Christensen, Accountant III
Jeffrey Meyer, Director of Administrative Services
Peter Martin, Manager of Water Resources
Stacey Lollar, Director of HR and Customer Service
Joel Metzger, Mgr. of External Affairs, Conservation, and Grants
Jesse Hampton, Interim Director of Operations
Tiffany Burke, Admin Tech II

Others Present:

Elaine St. John	Marjorie Ramirez
Bob Weston	Vickey Mills
Barbara Williams	Roger McConner
Jeanne Still	Gary Filipones
Bill Davis	Robert Vera
Earnest Davis	Roger Sable
Jon Faust	Anita Baker
Patricia DeMallo	Rich Baker
Beverly Wagner	Judy Peck
Faye Malone	Others

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

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President Ratterman called the Regular Board Meeting to order at approximately 1:00 p.m. and led the pledge of allegiance. Director Strange was absent.

2. PUBLIC COMMENT

President Ratterman stated that this portion of the meeting was for non-agendized items.

No public comment at this time.

Director Strange arrived at 1:06 p.m.

3. PUBLIC HEARING

PROPOSED WATER AND WASTEWATER RATE ADJUSTMENTS

President Ratterman explained that staff would present information on the rate study and after presentations there would be time for public comment. Additional time would be provided after the list of people on the sign-up sheet had spoken. Public comment is limited to three minutes per person.

- **Presentations**

Mr. Meyer provided a PowerPoint presentation on the proposed water and wastewater rate adjustments. He reviewed in depth the history of budget and specifics of the need for the rate increase and responded to questions from the Board of Directors. Mr. Koorn from HDR Engineering presented the rate analysis study and responded to questions from the Board of Directors. There was considerable discussion between the Board Members and staff regarding the history and the rate study presentation.

RECESS was called at 2:18 p.m. **SESSION RESUMED** at 2:28 p.m.

Public Hearing Opened at 2:28 p.m.

Bob Weston said the protest letters requiring 50% participation was an unreasonable policy. Director Davidson responded saying that Prop 218 is a state law not a CCWD Policy. Mr. Weston continued stating that the rates are already strangling those on a fixed income. He feels CCWD is among the highest rates in the state.

Jeanne Still agreed that companies need to have a balanced budget but disagrees with the way CCWD is going about balancing the budget. She feels the base rates should be lower and the usage rates higher so people have greater control over their own usage and bill.

Bill Davis stated he could not afford the rate increase. He does not understand the sewer rate, saying that the sewer for his area has only been pumped once in 16 years. He pays \$288 every two months when his son's water bill is only \$23-\$40 per month.

Marjorie Ramirez is in a unique situation in a condo community, which pays 10 times the base rate due to there being 10 units. She feels the base rate should be dropped so people do not have to pay for water they are not using. She pays more here than she does in her residence in Stockton. The condos are on a 2" line so they are charged for water they do not use.

Faye Malone asked if the Water District receives any tax revenue. Director Ratterman responded that CCWD does get revenue from property taxes. Ms. Malone also asked questions about Prop 218.

Robert Vera pointed out that the CCWD Mission Statement states that the team will maintain cost conscious, reliable service. He also reminded the Board that they are the voice of the people and people are counting on them. He feels expenditures need to be reviewed again cutting back on things like the lobbyist in Washington D.C. Mr. Vera also stated that businesses are not coming into the area because the cost of opening and running a business in this area is excessively high. He asked the Board members to oppose the rate adjustment.

Gary Caldwell thanked the Board for having the town hall meetings in the various regions as well as thanked Jeff Meyer for time taken to explain the rate reports. Mr. Caldwell mentioned that expenses need further review and too much focus is given to revenue and not expenses. He reported that CCWD wages and benefits in 2005 were \$4.35 Million and in 2017/2018, they were \$9.6 million. He also commented that the drought surcharge should not be used as long as the county has plenty of water no matter what the drought stage may be.

Judy Peck stated that she originally sent questions to the CCWD office regarding the rate increase and was surprised how adversarial it was. Ms. Peck said that most of her questions were ignored and still have not been answered. She stated that she feels the Board does not represent her.

Toni Rambo stated that many people called the CCWD office and received no responses, messages were not passed on, or they were given erroneous phone numbers that did not work. She mentioned that she was surprised that there is no CCWD service map posted; noting that the radius of the county is very odd shaped, and she cannot understand why CCWD wants to expand. Ms. Rambo feels CCWD is wasting money and spending grant money on wage increases instead of the projects that the grant is meant for.

Patricia DeMello stated that the systems are old and need updating from septic tanks and leach fields. The county needs to update to modern systems, and everyone needs to be on it.

Elaine St. John says she hears many complaints about the water and sewer rates when she drives clients around as a realtor. She stated that the county does not have the growth that it needs to help solve some of the problems. She recommends outsourcing due to wages and benefits. Ms. St. John also spoke about the WIIN Act for storage in New Melones and would like to volunteer her time to help with this effort.

Vicky Mills stated that the comments she is making are her own thoughts. Most of the sewer systems CCWD has are in disadvantaged communities. Grants received for those projects come with strings that CCWD has to comply with that could include increasing costs of materials. Ms. Mills stated that people who are interested in knowing more about the District's finances should be attending the Finance Committee meetings. Those are open to the public and people need to attend to learn more. Ms. Mills expressed that this rate increase will be more than she can afford on a fixed income, but the state laws will not allow CCWD to put an assistance program into place similar to the PG&E Care Program. She wanted to remind people this is not the same management team that brought the 2013 rate increase, and this team is doing their job to cut expenses as much as possible.

Robert Bower commented that the sewer fees have gone up 100%, and he would like that kind of return on his money.

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Beverly Wagner googled Calaveras County and found CCWD has the highest paid employees in the county. She feels CCWD does not need to pay Bay Area salaries to keep workers local.

Public Hearing Closed at 3:02 p.m.

RECESS was called at 3:02 p.m. **SESSION RESUMED** at 3:12 p.m.

At this time, Director Ratterman announced the tally of the protest letters provided by the Clerk to the Board. WATER CUSTOMERS: As of May 23rd at 12 p.m., there were 907 protest letters received and verified equaling 6.9% of the 13,080 water customers. An additional 27 letters were received after 12 p.m. but not verified, which totaled 934 and equaled 7.14%. WASTEWATER CUSTOMERS: As of May 23rd at 12 p.m., there were 492 protest letters received and verified equaling 10.1% of the 4,848 water customers. An additional 20 letters were received after 12 p.m. but not verified, which totaled 512 and equaled 10.6%. There were not enough protest letters received to stop the proceedings.

DISCUSSION: The Board of Directors each responded to questions presented from the public and made comments concerning the rate adjustments.

Director Strange left the meeting at 3:25 p.m.

Director Strange returned to the meeting at 3:38 p.m.

- Board of Directors Discussion / Action Regarding Adoption of Proposed Water and Wastewater Rates **ORD 2018-01**

MOTION: Directors Underhill / Thomas – Adopted Ordinance 2018-01 approving the District’s proposed Water and Wastewater Rate Plan.

AYES: Directors Underhill, Thomas, Strange, Ratterman, and Davidson
NOES: None
ABSTAIN: None
ABSENT: None

PUBLIC COMMENT: There was no public comment.

4. NEXT BOARD MEETINGS

- Wednesday, June 13, 2018, 1:00 p.m., Regular Board Meeting
- Tuesday, June 19, 2018, 1:00 p.m., Budget Workshop
- Wednesday, June 27, 2018, 1:00 p.m., Regular Board Meeting / Budget Adoption

5. ADJOURNMENT

With no further business, the meeting adjourned at approximately 3:56 p.m.

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By:



Dave Eggerton
General Manager

ATTEST:



Rebecca Hitchcock
Clerk to the Board