



MINUTES

CALAVERAS COUNTY WATER DISTRICT REGULAR BOARD MEETING

APRIL 13, 2022

Directors Present: Cindy Secada, President
Bertha Underhill, Director
Russ Thomas, Director
Jeff Davidson, Director

Directors Absent: Scott Ratterman, Vice-President

Staff Present: Michael Minkler, General Manager
Matt Weber Esq, General Counsel
Rebecca Hitchcock, Clerk to the Board
Jesse Hampton, Plant Operations Manager
Pat Burkhardt, Construction and Maintenance Manager
Jessica Self, External Affairs Manager
Charles Palmer, District Engineer
John Griffin, Senior Civil Engineer
Kate Jesus, Engineering Coordinator
Sam Singh, Engineering Technician
Kelly Richards, Customer Service Supervisor
Carol Bowen, Customer Service Representative

Others Present: Jeffrey Meyer, Hilltop Securities
Julio Morales, Urban Futures Inc.
Jeff Land, Oppenheimer

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

President Secada called the Regular Board Meeting to order at 1:00 p.m. and led the Pledge of Allegiance. Director Ratterman was absent.

2. PUBLIC COMMENT

There was no public comment.

3. CONSENT AGENDA

**MOTION: Directors Davidson/Thomas-Approved Consent Agenda Items:
3a, 3b, 3d, 3e, and 3f as presented**

- 3a Approval of Minutes for the Board Meeting of March 9, 2022
(Rebecca Hitchcock, Clerk to the Board)
- 3b Review Board of Directors Monthly Time Sheets for March 2022
(Rebecca Hitchcock, Clerk to the Board)
- Director Underhill pulled Item 3c from the Consent Agenda***
- 3c Ratify Claim Summary #601 Secretarial Fund in the Amount of \$4,433,132.62 for
March 2022
(Jeffrey Meyer, Hilltop Securities) **RES 2022-_____**
- 3d Re-Authorizing Remote Teleconference Meetings of the Board of Directors
of The Calaveras County Water District for the Period of April 13 through May 13,
2022, Pursuant to AB 361
(Rebecca Hitchcock, Clerk to the Board) **RES 2022-37**
- 3e Action regarding Calling the 2022 General District Election
(Rebecca Hitchcock, Clerk to the Board) **RES 2022-38**
- 3f Authorize a Waterline Easement from Safdari/Desario to CCWD 7260 O'Byrnes Ferry
Road, APN 064-029-036, APN 064-029-038
(Damon Wyckoff, Director of Operations) **RES 2022-39**

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

OFF CONSENT AGENDA

Director Underhill pulled Item 3c from the Consent Agenda

- 3c Ratify Claim Summary #601 Secretarial Fund in the Amount of \$4,433,132.62 for
March 2022
(Jeffrey Meyer, Hilltop Securities) **RES 2022-40**

**MOTION: Directors Davidson/Underhill-Approved Res 2022-40- Ratifying Claim
Summary #601 Secretarial Fund in the Amount of \$4,433,132.62 for
March 2022**

DISCUSSION: Director Underhill asked about a payment for Water Rights, the application fee for the dam enlargement, a payment to EUCI conference for Women in Engineering, a payment for I&I Sensors, the large payment to Mueller, and the payment for site work for the onsite warehouse building. Director Secada asked about payments to Calaveras County Department of Health, Downey Brand, Global Pay, Hilltop Securities, LCW, Mission Square, Springbrook, Wagner Bonsignore, Tyler Mueller Integration services, Western Hydrology, and a CTO Payout. Director Thomas asked about payments to CMMS, Peteiro Hills Bio-Solids, and the City of Angels. Staff responded to all the questions from the Board.

PUBLIC COMMENT: There was no public comment.

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

4. NEW BUSINESS

4a Discussion/Action Regarding Authorizing the General Manager to Proceed with Issuance of Tax-Exempt Bonds to Finance Various Water and Wastewater Capital Projects and Appoint a Financing Team; and Approve a Reimbursement Resolution

- Authorizing the General Manager to Proceed with Planning for the Issuance of Certain Obligations to Finance Water and Wastewater System Improvements and Appoint a Financing Team. **RES 2022-41**

MOTION: Directors Davidson/Underhill-Approved Res 2022-41- Authorizing the General Manager to Proceed with Planning for the Issuance of Certain Obligations to Finance Water and Wastewater System Improvements and Appoint a Financing Team

DISCUSSION: Mr. Meyer from Hilltop Securities presented both items included in the financing package. He recapped the Finance Committee meeting and Board meeting that previously approved moving forward with the Private Placement Financing. Julio Morales addressed the Board on the specifics of the bids received for two separate 20-year loans, \$19.8 million for the Water Fund and \$11.1 million for the Wastewater Fund.

- 2.94% Water Fund (Webster Bank) – the District can generate \$17,832,000 in bond proceeds based on the previously modeled \$1,200,000 in annual debt service payments, which will provide 1.25X in debt service coverage and approximately \$335,000 in annual unrestricted R&R revenues.
- 3.20% for Wastewater Fund (First Foundation Bank) – the District can generate \$11,155,000 in bond proceeds using the annual debt service model of \$772,000, which will provide 1.25X in debt service coverage and approximately \$193,000 in annual unrestricted R&R revenues.

There was discussion about the District's debt to income ratio and on the rising cost of construction and over the past several months. There is a risk to completing the planned projects within the budgets presented. The Board expressed concerns regarding the project list and the priority of the projects. The recommendation is to authorize the General Manager to proceed with the funding and appoint the Financing Team.

PUBLIC COMMENT: There was no public comment.

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

- Declaring Its Official Intent to Reimburse Itself with the Proceeds of a Tax-Exempt Financing for Certain Expenditures Undertaken or to be Undertaken by the District **RES 2022-42**

MOTION: Directors Davidson/Underhill-Approved Res 2022-42- Declaring Its Official Intent to Reimburse Itself with the Proceeds of a Tax-Exempt Financing for Certain Expenditures Undertaken or to be Undertaken by the District

DISCUSSION: Mr. Meyer stated the Board is also being asked to approve a separate Reimbursement Resolution that will allow the District to declare its intent to reimburse itself from proceeds of the proposed tax-exempt financing for projects funded entirely or in part by the loan. These project related expenditures, such as planning, design, and other pre-construction work, must be completed within the past 60 days and up to the date of loan closing.

PUBLIC COMMENT: There was no public comment.

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

4b Discussion and Demonstration of New AMI Meters
(Jessica Self, External Affairs Manager)

DISCUSSION: Jessica Self provided the Board with a demonstration of water meters and how they function with water running through them. This demonstration was to show the Board how to read the new meters that are being installed district wide.

PUBLIC COMMENT: There was no public comment.

5. **REPORTS**

5a Report on the March 2022 Operations and Engineering Departments
(Damon Wyckoff, Director of Operations)

DISCUSSION: Jesse Hampton and Pat Burkhardt presented the March 2022 Monthly Operations and Engineering reports. They reviewed items of interest and answered questions from the Board.

PUBLIC COMMENT: There was no public comment.

5b General Manager's Report
(Michael Minkler)

DISCUSSION: Mr. Minkler reported on the following activities: 1) the new meters and the benefits of the data they are providing; 2) the Legal Affairs Committee Meeting; 3) a site visit with Congressman McClintock on May 9th; 4) the all-employee meeting and chili cook off; 5) a site visit at Hunters with Ebbetts Pass Fire and with Summer Nicotero from UPUD; and 6) the Mokelumne Battery Project had a town hall meeting.

6. **BOARD REPORTS / INFORMATION / FUTURE AGENDA ITEMS**

Director Thomas had nothing to report.

Director Davidson had nothing to report.

Director Underhill had nothing to report.

Director Secada reported there will not be no IRWM meetings this month, and the District will hold a Town Hall meeting in District 2 in West Point on May 17, 2022 at 5:00 p.m.

7. **NEXT BOARD MEETINGS**

- Wednesday, April 27, 2022, 1:00 p.m., Regular Board Meeting
- Wednesday, May 11, 2022, 1:00 p.m., Regular Board Meeting

8. **CLOSED SESSION**

The meeting adjourned into Closed Session at approximately 2:47 p.m. Those present were Board Members: Cindy Secada, Russ Thomas, Bertha Underhill, and Jeff Davidson; staff members Michael Minkler, General Manager; and General Counsel, Matt Weber.

- 8a Conference with Legal Counsel-Anticipated Litigation
Significant Exposure to Potential Litigation-Government Code Section
54956.9(d)(2)-2 cases.
- 8b Public Employee Performance Evaluation-Government Code §54957
General Manager

9. **REPORTABLE ACTION FROM CLOSED SESSION**

The Board reconvened into Open Session at approximately 3:53 p.m. There was no reportable action.

11. **ADJOURNMENT**

With no further business, the meeting adjourned at 3:53 p.m.

Respectfully Submitted:



Michael Minkler
General Manager

ATTEST:



Rebecca Hitchcock
Clerk to the Board