

MINUTES

REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE NORTH YUBA WATER DISTRICT

Held at the District Office
8691 LaPorte Road, Brownsville

Tuesday, October 24, 2019

A. ROLL CALL

President Eric Hansard called the meeting to order at 8:00 AM at the District Office in Brownsville, CA. The Recording Secretary called the roll.

	<i>PRESENT</i>	<i>ABSENT</i>	<i>VISITORS</i>
<i>PRESIDENT</i>	Eric Hansard		Visitor's Including:
<i>VICE PRESIDENT</i>	Terry Brown		Donna Corson
<i>DIRECTORS</i>	Doug Neilson		Zack Cross
	Gary Hawthorne		
	Gretchen Flohr		
<i>GENERAL MANAGER</i>	Jeff Maupin		
<i>ATTORNEY</i>	Barbara Brenner		

B. PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by President Hansard.

ACTION ITEMS

C. PUBLIC INPUT:

President Hansard read the rules for public comment.

Members of the Public addressed the Board regarding:

- The filing of form 700. The forms are filed and has been amended.
- History on grants received. Complaints filed, were found unfounded.
- Expressed concern regarding the chastising of a Director.
- Explained the Yuba Water Agency meeting regarding grants.

D. CONSENT ITEMS:

1. **Approval of Payroll for the Month of September 2019 - \$32,543.46**
2. **Approval of Bills for the Month of September 2019 - \$75,603.27**
3. **Approval of Warrant #52-37237, fund #637. Payable to North Yuba Water District, in the amount of \$150,000.00 for bills and payroll. Warrant #52-37238, fund #640, payable to North Yuba Water District, in the amount of \$50,000.00 for fixed assets/structure \$30,000.00, services/supplies \$20,000.00.**

Public Comment:

- Would it be possible to name the fund instead of just a number for clearer understanding by the public?

Director Flohr discussed the Smart Marketing payment and requested a more detailed explanation of what services were provided. Suggestions were made to reach out to the office personal prior to the meeting for information.

Vice President Brown made a motion that the Board approve Consent Items 1, 2, and 3. Director Hawthorne seconded the motion. The motion passed with a majority vote. Director Flohr voted no, due to questions not being answered.

E. FINANCIAL MANAGER'S REPORT:

Financial Manager, Heidi Naether, reviewed Cash on Hand and Income Statements for the period ending September 30, 2019.

As of September 30, 2019, total cash in all accounts including reserves was \$5,015,926.80.

Total income for the fiscal year to date (July to September) was \$380,837.39. Total expenses were \$423,660.63 to date was \$141,501.04 (for July only new fiscal year.) Total expenses were \$108,971.86, leaving a net profit of \$32,529.18. There is an additional expense added for an air compressor and small purchase for the Forbestown Ditch.

Public Input:

- Has the Power Revenue check been received for the year? Suggested a special meeting be called to review current budget.
- The harassment of customers by an anonymous source

Director Hawthorne made a motion to accept the Financial Manager's Financial Report. President Hansard seconded. The motion passed with a majority vote. Director Flohr voted no due to unanswered questions.

The motion passed with a majority vote.

F. RESOLUTION 19-738 - OUT OF BOUNDARY SERVICE AGREEMENT BETWEEN NYWD AND AREO PINES HOMEOWNERS ASSOCIATION:

General Manager Maupin discussed the request that was received from Areo Pines Homeowners Association be granted a water meter for existing residents that need drinking water. A contract provided by the District's Attorney is attached for discussion and review. Director Flohr stated there are 1500 annexed potential irrigation customers that have not received water. She also suggested defining the wording regarding annexation, and including a termination date for noncompliance of the annexation. The District's Attorney clarified that the District controls the annexation process.

PUBLIC INPUT:

- Setting a precedence regarding the request for service.
- The cost of annexation and making sure Areo Pines is knowledgeable about the potential cost.
- A member of the Areo Pines Association stated, They're aware of the costs and want to move forward because they are going to run out of water.

President Hansard made a motion to approve Resolution 19-738. Vice President Brown seconded the motion. . The motion passed with a majority vote. Director Flohr voted No.

The Motion passed with a majority vote

- G. **RESOLUTION 19-739:** Authorization and Eligibility for DWR Round 1 IRWMP water management implementation grant for replacement of the Challenge Redwood Storage tank, and lining of the Forbestown and Rackerby Water storage tanks.

General Manager Maupin discussed Resolution 19-739 and the tanks that are in need of repair. Director Flohr asked that the typos in the Resolution be corrected. Director Hawthorne asked how old the problem was.

- Discussed a loan in the past that was initially for the repair.

President Hansard made a motion to accept the Resolution 19-739. Director Hawthorne seconded the motion. The motion passed with a unanimous vote.

H. SMART MARKETING CONTRACT: Board to review revised contract.

Discussion began regarding increasing the budget \$20,000. Director Flohr expressed concern regarding Smart Marketing and the possible conflict of Interest and the increase of \$20,000 to the budget.

PUBLIC INPUT:

- Expressed concern regarding conflict of interest.
- Supported Crystal of Smart Marketing.
- Conflict of interested comes from the leverage.
- Crystal is a winner.
- Very sad to have to hire a public relations firm.
- False accusations and then complaints about the cost to defend the Districts reputation.

Director Nielson made a motion to accept the contract, with the annual amount of \$40,000. Vice President Brown seconded the motion. The motion passed with a majority vote. Director Flohr voted no.

I. CONSTRUCTION SERVICES CONTRACT – MARIKAS CONSTRUCTION: Board to consider entering into a contract with Marikas Construction for roof replacement at the District Office.

General Manager Maupin discussed the repairs to the exterior and interior caused by dry rot and a leaky roof. Due to the struggle to find a local contractor, the District went with a contractor that was previously approved by the Board. The work that has been completed will be compromised if the roof repairs are not completed before the rain begins.

Vice President Brown made a motion to approve the service contract with Marikas Construction. Director Hawthorne seconded the motion. The motion passed with unanimous vote.

PUBLIC INPUT:

Question regarding the type of roof.

J. CONSTRUCTION SERVICES CONTRACT – BYERS LEAFGUARD: Board to consider entering into a contract with Byers Leafguard for gutter replacement at the District Office.

General Manager Maupin discussed the gutter replacement for the District Office. Questions asked included whether the company was local. After further discussion the contract was approved.

Director Hawthorne made a motion to approve the contract with Leafguard. Director Neilson seconded the motion. The motion passed with unanimous vote.

PUBLIC INPUT:

None.

DISCUSSION/REPORTS

K. GENERAL MANAGERS REPORT:

1. Operations Memorandum
2. Irrigation Update
3. Board to consider cancelling November and December regularly scheduled meetings due to holiday schedule.

General Manager Maupin updated the Board on irrigation water deliveries for the season and reported that the District was able to finish out the year utilizing the irrigation policy cutbacks procedures. Also discussed was the cancelation of the November and December meetings due the holidays. Director Flohr expressed concern regarding cancelling the meetings.

PUBLIC INPUT:

- * Three Severe leaks in Dobbins /Oregon House which could benefit from gunite.

Director Hawthorne made a motion to approve the cancelation of the November and December meeting. President Hansard seconded. The motion passed with majority vote with Director Flohr voting no.

L. DIRECTORS INPUT:

President Hansard read the rules for Director Input.

Director Flohr discussed the brochure by Crystal Martin and stated that it is being selectively sent to domestic customers only. Director Flohr also asked if her email could be updated. Director Flohr expressed concern regarding a statement on the brochure regarding negative detractors. Director Hawthorne asked the office staff if the mailing list was restricted to domestic customers. It is not. General Manager Maupin will check into possible problems with delivery. Director Hawthorne discussed the questions about the extra water. The water will benefit the customers in Dobbins and Oregon House who have been waiting for water.

PUBIC INPUT:

- Discussed the possibility of a large parcel being developed. The General Manager reported that their plans were unacceptable.

- Expressed concern about the anonymous emails being received.
- The group is not against individuals but wants transparency.
- Another harassment letter was received after the last meeting.

M. CLOSED SESSION: Conference with Legal Counsel – Initiation of Litigation pursuant to Gov. Code Section 54956.9 (C)

PUBLIC INPUT:

- Use social media to combat negative publicity
- Question on initiation of litigation. The District's Attorney explained potential litigation means potential and there is no name listed.
- Similar language on the South Feather Agenda

THE BOARD ENTERED CLOSED SESSION TO DISCUSS ITEM I AT 6:14 PM

BACK IN SESSION AT 6:33 PM

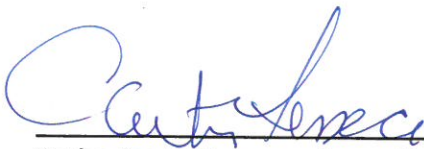
No reportable action taken.

N. ADJOURNMENT:

There being no further business to discuss, Vice President Brown made a motion that the Board adjourn. Director Neilson seconded the motion. The motion passed with a unanimous vote.

The meeting was adjourned at 6:35 PM

Respectfully Submitted,



Catherine L. Fonseca, Recording Secretary