

Chester Public Utility District
PO Box 503
251 Chester Airport Rd.
Chester, Ca. 96020
530-258-2171

Minutes of Special Meeting: May 4, 2021 at 3:00pm. Located in the Chester Public Utility District conference room: 251 Chester Airport Road.

Directors Present: Steve Trotter, Joe Waterman, Steve Graffweg, Royce Raker & Steve Voboril.

Directors Absent: none

Conference Call: Unknown amount of Public called in.

Guests Present: none

Staff Present: 9 CPUD/CFD employees and volunteers.

1. **Call to Order:** Director Waterman called the meeting to order at 3:00pm.
 - a. Director Waterman led the Pledge of Allegiance.
Director Waterman made a personal disclosure: His wife retired from St. Andrews in 2020 and his children, last attended and graduated in 2011. He stated he believes he can remain impartial regarding any decisions or opinions on the topic of 198 Main St.
 - b. Agenda Approval: Director Voboril made motion to approve Agenda with no changes. Director Raker seconded. All ayes, agenda approved.
2. **Public Comment:** Chief Layne stated the Seneca Healthcare District is in no way in any type of contractual, promise or agreement with CPUD regarding 198 Main St. Discussions are regarding Chester Fire business only.
3. **Addressing the District Board and Board Meeting Civility:** Director Waterman stated he thought the board and staff needed a refresher on conduct and decorum at board meetings. He recited, from (Exhibit A) items #1,5,7a, and 7b. No action, information only.
4. **Closed Session:** at 3:08pm. Director recited verbatim the following:
 - a. Pending Litigation: (Gov. Code Section 54956.9d1) Conference with Legal Counsel- Existing Litigation
 1. Chadwick Walker v. Chester Public Utility District
 2. Anthony Balbiani v. Chester Public Utility District
 - b. Labor Negotiations (Gov. Code Section 54957.6)
 1. Safety Labor Negotiators Update
 - c. Personnel: (Gov. Code Section 54957)
 1. General Manager Employment Agreement

*Allan was asked into closed session at 4:25pm
Allan returned from closed alone at 4:35pm*
5. **Reconvene from Closed Session:** at 4:50pm.
6. **Report on Closed Session:** Director Waterman's report:
 - a. **Litigation:** The board received, in length, from the district's 2 attorneys, an update status and some timelines that are coming up. No action.
 - b. **Labor Negotiations:** The negotiator's updated the board that they will be entering into negotiations with the locals. No action.
 - c. **Personnel:** Discussion on employment agreement. This will be on the next regular meeting's agenda as well. No action.
7. **Resolution #407: Water Rate Increase by California CPI for 2021-2022 Fiscal Year:** GM Homme explained where he got the CPI rate from and it is 2.1%. He asked the board to approve

the increase. He explained that the water distribution system is over 70 years old and that the water fund has been in the red for far too long. We need to build reserves. Director Trotter also mentioned the state that the water tanks are in, and need maintenance now. Chief Layne explained that there aren't many grants available to water departments. Director Waterman stated that due to drought that the state may put folks on water use restrictions, lowering our revenue. Director Trotter made a motion to accept the increase to water rates in order to keep up with inflation. After more brief discussion, Director Graffweg seconded the motion. Aye votes: Waterman, Trotter and Graffweg. Abstain votes: Voboril and Raker. Motion passed. The Resolution will be at the June 15th, 2021 presented for adoption after the public hearing.

8. **198 Main St. Agreement:** Chief Layne stated that he, Captain Dean, GM Homme, Paramedic Turner and Firefighter EMT Ryan Johnson did a walkthrough of the property this morning for the purpose of measuring square footage, checking on the condition of the building and the building's surroundings to gage for future uses. Captain Dean gave a report, (Exhibit B) on what items within the ISO rating would be affected by not obtaining the building to act as the second fire department in town. Chief Layne reiterated that he cannot give any kind of costs or revenue figure options as long as the building was occupied by the current renter. GM Homme recited the rental history of the building over the last 10 years. He mentioned the previous backlash from the general public for renting the building at a less than net comparable square footage rate. He commended Chief Layne for researching ways in getting the fire department going back into a positive direction. He made clear that the District's intention is not to close down the school that currently rents the building. His recommendation to the board is to extend the lease to the end of the school year. After a more discussion, Director Raker made a motion to take back the building on June 30th, extending the lease another month. Director Voboril seconded the motion. Aye votes: Raker, Trotter, Voboril and Graffweg. Nay vote: Waterman. Motion passed.
9. **Letter to the CPA regarding the 1.4-million-dollar Journal Entry:** GM Homme stated that he was approached by the Finance Committee to write a letter to the CPA to move the monies from Fund 500 to Fund 300. He felt that this was done by auditor and previous management the first time, and he would prefer the board vote and direct him on this matter. Chief Layne asked that the transactions from the 500 account over the last few years be audited, as it is believed that the Fund 500 has been used as a contingency account for all Funds: Streetlights (Fund 100), Chlorine Room (Fund 300) just to name a few. Director Trotter agreed that the letter should come from the board. Director Voboril made a motion for Allan to craft the letter to the CPA to move the funds as directed by the board. Director Trotter seconded the motion. Aye votes: Waterman, Voboril, Graffweg and Trotter. Abstain: Raker.
10. **Sanitation Compliance Letter:** GM Homme explained that the fine is \$33,000.00 that we are looking at. Grant improvements do not count towards absolving the violations. Tools, such as the manhole covers that were suggested at the last meeting, do count as they would help cut down on the I&I. The other tool would be a sewer camera that fits on the jetter-machine. Information only.
11. **Comments:**
 - a. Directors – none
 - b. Staff – Firefighter Paramedic Matt Turner expressed his concerns with how the board voted and passed the last water rate increase. Director Voboril explained that the vote was at a Special meeting and the vote was 2 to 1 in favor and 2 absent board members. He believes the vote shouldn't have passed. Director Waterman stated that the board owns that and that Mr. Turner should seek, by whatever means he feels is needed, to try to obtain a refund.
12. **Adjournment:** Director Trotter made motion to adjourn the meeting at 5:54pm. Director Voboril seconded. All Ayes, meetings adjourned.

Clerk to the Board, Cheryl Johnson
Approval of Minutes 