

CALIFORNIA PINES COMMUNITY SERVICES DISTRICT

County Road 71 #376/ HC4 Box 43002
Alturas, CA 96101
Ph: 530-233-2766 Fax: 530-233-2704
cpcsd.specialdistrict.org



OUR MISSION

- Provide a full range of municipal services,
- Reasonable costs, applied consistently to all customers,
- Maintain a healthy infrastructure,
- Operate with environmental integrity,
- Promote the economic development of our community.

REGULAR MEETING AGENDA

November 20, 2019
4:30 P.M.

ASSISTANCE FOR THE DISABLED:

If you are disabled and need accommodation to participate in the meeting, please call 530-233-2766 to make necessary arrangements.

CALL TO ORDER:

1. Roll Call
2. Pledge of Allegiance
3. Announcements, introductions, recognitions

PUBLIC COMMENT: Any member of the public may address the Board now on any matter within the jurisdiction of the Board. The Board requests that members of the public limit their comments to a maximum of three minutes. (This should not relate to any item on the agenda. If a member of the public desires to provide comments to the Board on an agenda item, they should do so at the time the item is considered. **NOTHING UNDER THIS SECTION MAY BE ACTED UPON IN THIS MEETING.**)

CONSENT CALENDAR: (All matters under the Consent Calendar are routine and will be approved by one motion, unless a board member requests separate action on a specific item.)

- Consider adoption of the November 20, 2019 agenda.
- Consider approval of minutes from the October 30, 2019 Regular Meeting.
- Consider approval of the Financial Reports-October 2019 (*Treasurers Report*)
 - Profit and Loss. Budget vs Actual YTD
 - Balance Sheet YTD
 - Bank Registers-October 2019

GENERAL MANAGERS REPORT:

Items contained within this report may or may not required action by the Board of Directors.

OLD BUSINESS:

Rates Study and Proposed Rates Increase
Resolution
Public Notice Hearing
CSD Office Open to the Public Operating Hours
Board Secretary Training Conference

NEW BUSINESS:

Christmas Party
Vacation/Sick Policy Revisions
Wages/Salary Policy Revisions

DIRECTORS REPORT: In accordance with Government Code 54954.2(a), Directors may make brief announcements of brief reports on their own activities. They may ask questions for clarification, make a referral to staff or act to have staff place a matter of business on a future agenda.

CERTIFICATE OF POSTING

I, **Jodi Adams** - Secretary to the Board of Directors, certify that on **November 16, 2019** I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of the California Pines Services District, said time being at least 72 hours in advance of the meeting of the Board of Directors. (Government Code Section 54954.2)

Jodi Adams

Secretary to the Board

The next regular meeting of the Board of Directors will be December 18, 2019 at 4:30 p.m.

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CALIFORNIA PINES COMMUNITY SERVICES DISTRICT
HC 4 BOX 43002 / County Road 71 Building 376
ALTURAS, CALIFORNIA 96101
PHONE: 530-233-2766 FAX: 530-233-270
General Manager: Ron Sherer 530-i640-1040
Employer Identification # 94-2195606
cpcsd.specialdistrict.org

MEETING MINUTES
October 30, 2019

CALLED MEETING TO ORDER AT BY CHAIRMAN TO THE BOARD OF DIRECTORS – Buck Rodgers
at 4:00 P.M.
FOLLOWED BY ROLL CALL AND THE PLEDGE OF ALLEGIENCE.

DIRECTORS PRESENT	STAFF PRESENT	PUBLIC PRESENT
Chairman – Buck Rodgers		
Vice Chairman – Todd Ehlinger	Board Secretary-Jodi Adams	
Director-Mark Bishop	General Manager-Ron Sherer	
Director-Terri Bishop	Assist General Manager-Ryan Sherer	
Treasurer-Sue Ehlinger		

ANNOUNCEMENTS, INTRODUCTIONS, RECOGNITIONS:

PUBLIC COMMENT:

No Comments.

OLD BUSINESS:

Rates Study/Proposed Rates Increase

The Board met with Bridgette Harris with RCAC to continue discussion regarding the proposed CSD rates increase. Ms. Harris went over the firm's recommendations for increases for Drinking Water, Wastewater and Trash Service Rates. The Board discussed trash pick-up schedules for the Hills unit. The Board discussed Prop. 218 Hearing requirements, timeframes and notifications as well as conducting an informational meeting for the public in which Ms. Harris would be present to explain the increases and their necessity. The motion to accept the following rate increase recommendations as provided by RCAC was made by Mark Bishop, seconded by Todd Ehlinger.

RATE ADJUSTMENT #1 – WATER SERVICE

Water rates will adjust over a five-year period to bring current rates and rate structure into compliance with Prop 218.

Rates	Current	2020	2021	2022	2023	2024
Base	\$ 32.25	\$ 33.25	\$ 34.08	\$ 34.93	\$ 35.81	\$ 36.70
Usage (per 100 cf) up to 1000	\$ -	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66
Usage (per 100 cf) over 1000	\$ 0.40	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66

RATE ADJUSTMENT #2 – WASTEWATER SERVICE

Wastewater rates will adjust over a five-year period to balance the budget for the wastewater enterprise.

Rates	Current	2020	2021	2022	2023	2024
Base	\$ 38.00	\$ 39.00	\$ 39.98	\$ 40.97	\$ 42.00	\$ 43.05
Usage (per 100 cf)	\$ -	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66

RATE ADJUSTMENT #3 – TRASH SERVICE

Customer Class	Current	2020	2021	2022	2023	2024
Standard	\$ 13.50	\$ 21.00	\$ 22.16	\$ 23.37	\$ 24.66	\$ 26.02
Higher Elevations*	\$ 13.50	\$ 27.09	\$ 28.58	\$ 30.15	\$ 31.81	\$ 33.56

*Customers at higher elevations currently receive trash service every other week in the winter, due to increased costs in staffing, gas consumption, and wear and tear on vehicles. In the new rate structure these additional costs will be added to allow weekly service to these customers.

CONSENT CALENDAR: (All matters under the Consent Calendar are routine and will be approved by one motion, unless a board member requests separate action on a specific item.)

- **Consider adoption of the October 30, 2019 agenda**
- **Consider approval of minutes from the September 18, 2019 Regular meeting**
- **Consider approval of the Financial Reports-September 2019 (Treasurer’s Report)**
 - **Profit & Loss, Budget vs Actual YTD**

- **Balance Sheet YTD**
- **Bank Registers-September 2019**

Treasurer Ehlinger advised that she had scheduled a meeting with the Book Keeping service to discuss the reports provided.

Motion: The motion to approval all items on the consent calendar as presented was made by Todd Ehlinger, seconded by Mark Bishop. Motion approved unanimous.

GENERAL MANAGER REPORT:

GM Sherer reported that staff had been busy repair leaks, and performing routine maintenance items. Fire Department staff has been reduced to 2/3 staffing.

NEW BUSINESS:

CSD Open to the Public Office Hours: The Board discussed modifying the hours that the CSD office is open to the public. No decision on hours was reached; input from office staff to be received at the November meeting for final Board approval.

Hills Unit Trash Schedule: The Board discussed continuing the 2x month winter trash collection schedule for those residing in the Hills unit. The Board informally agreed that with a rates increase that weekly service should be provided.

Email Discounts: Assistant GM Sherer advised that the CSD would not be offering discounts to those residents that requested email statements. He reported that these discounts were not in compliance with state law and effective immediately all residents would be receiving utility bills via USPS.

Board Secretary Training Conference: Board Secretary Adams advised that she would be attending a CSDA conference in Monterey on November 13-14 and would report back to the Board at their November meeting.

DIRECTORS REPORT

None

MEETING ADJOURNED: A motion was made by Mark Bishop and seconded by Todd Ehlinger to adjourn the meeting at 5:00 p.m. Motion carried unanimous.

The next regular meeting of the Board of Directors is **November 20, 2019 at 4:30 p.m.**

I, **Jodi Adams**, Secretary to the Board of Directors of the California Pines Community Services District, hereby certify, to the best of my knowledge, that this is a true excerpt of the minutes to the **October 30, 2019 Regular Meeting of the Board of said District.**

Jodi Adams

Secretary to the Board

Date:

California Pines CSD
Profit & Loss Budget vs. Actual
October 2019

	Oct 19	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
EF			
4620 · Sewer Income	4,370.00	4,425.00	-55.00
4620.1 · Trash Income	2,173.50	2,547.08	-373.58
4620.2 · Water Income	3,595.87	4,032.50	-436.63
4870 · Discounts and Fees	0.00	45.82	-45.82
4870.4 · Misc. Enterprise Income	-66.00	22.91	-88.91
Total EF	10,073.37	11,073.31	-999.94
GENERAL FUND	-498.00	0.00	-498.00
GOV F			
4870.2 · Pest Control Income	417.00	465.00	-48.00
4890.1 · Fire Assignment Income	900.00	0.00	900.00
Total GOV F	1,317.00	465.00	852.00
Total Income	10,979.12	11,538.31	-559.19
Gross Profit	10,979.12	11,538.31	-559.19
Expense			
BENEFITS			
5020 · Retirement	4,904.89	6,416.64	-1,511.75
Total BENEFITS	4,904.89	6,416.64	-1,511.75
CAPITAL OUTLAY			
5370 · Capital Expense - Equipment	0.00	75,000.00	-75,000.00
Total CAPITAL OUTLAY	0.00	75,000.00	-75,000.00
PR			
5010 · Directors Stipend	500.00	500.00	0.00
5010.1 · Gross Wages	30,323.96	40,410.53	-10,086.57
5010.2 · Health Stipend	2,640.00	3,637.48	-997.48
5010.3 · sick pay	1,916.13	625.00	1,291.13
5010.4 · Holiday pay	1,315.20	2,020.81	-705.61
5010.5 · vacation	666.20	1,241.63	-575.43
5010.6 · Contracted Fire Pay	-109,713.96	125,000.00	-234,713.96
5010.7 · Employer PR taxes	1,007.43	2,528.49	-1,521.06
Total PR	-71,345.04	175,963.94	-247,308.98
SS			
5040 · Agriculture	0.00	8.11	-8.11
5050 · Uniforms	555.56	57.90	497.66
5060 · Communications	982.54	1,483.28	-500.74
5080 · Meals	0.00	1,337.48	-1,337.48
5090 · Lake Station Expense	0.00	125.00	-125.00
5090.1 · Dump Fees	882.00	691.66	190.34
5120 · R&M Equipment	993.73	3,333.31	-2,339.58
5130 · R&M - Facilities	0.00	2,083.31	-2,083.31
5140 · Medical Equipment	0.00	50.00	-50.00
5150 · Dues and Subscriptions	0.00	420.80	-420.80
5170 · Office Supplies	0.00	166.63	-166.63
5170.1 · Postage and Delivery	0.00	100.14	-100.14
5170.2 · Fees	-2.00	24.98	-26.98
5180 · Professional Services	1,000.00	833.30	166.70
5180.1 · Water Test Expense	3,200.00	40.00	3,160.00
5180.4 · Physical & Drug Test Expense	0.00	26.64	-26.64
5180.6 · Permits & licencing	127.00	0.00	127.00
5190 · Publications and Legal Notices	150.00	13.14	136.86
5200 · Lease Expense	360.10	175.00	185.10
5220 · District Expense	150.00	291.63	-141.63
5231.1 · Safety Expense	0.00	1,333.29	-1,333.29
5250 · Training & Travel	0.00	41.66	-41.66

California Pines CSD
Profit & Loss Budget vs. Actual
October 2019

	Oct 19	Budget	\$ Over Budget
5250.1 · Fuel	1,146.46	3,956.65	-2,810.19
5260 · Utilities	1,295.29	1,499.97	-204.68
5370.1 · Accounting Expense	0.00	261.44	-261.44
5370.2 · Computer expense	0.00	25.00	-25.00
Total SS	10,840.68	18,380.32	-7,539.64
5160.3 · Miscellaneous Expense	16.50	0.00	16.50
5160.4 · Collections (LM)	0.00	250.00	-250.00
Total Expense	-55,582.97	276,010.90	-331,593.87
Net Ordinary Income	66,562.09	-264,472.59	331,034.68
Net Income	66,562.09	-264,472.59	331,034.68

California Pines CSD
Balance Sheet
 As of October 31, 2019

	Oct 31, 19
ASSETS	
Current Assets	
Checking/Savings	
1010.1 · Reserve Savings Account	75,458.25
1010.2 · Plumas 1638 - Airport Acct	23,875.66
1010.3 · Plumas Bank operating	141,524.72
1010.4 · Cash Drawer	186.75
Total Checking/Savings	241,045.38
Accounts Receivable	
1090 · AR Clearing Account	136,721.91
1100 · Doubtful Accounts	-106,637.00
Total Accounts Receivable	30,084.91
Other Current Assets	
12000 · *Undeposited Funds	1,045.50
Total Other Current Assets	1,045.50
Total Current Assets	272,175.79
Fixed Assets	
FIXED ASSET	
Accumulated Depreciation	-1,515,450.88
1200 · Land	80,494.17
1210 · Buildings	445,258.53
1210.1 · Infrastructure	263,962.00
1220 · Firetruck Engines	721,967.49
1220.1 · Transportation vehicles	135,951.12
1220.2 · Furniture and Equipment	265,943.50
Total FIXED ASSET	398,125.93
Total Fixed Assets	398,125.93
TOTAL ASSETS	670,301.72
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable	1,000.00
Total Accounts Payable	1,000.00
Other Current Liabilities	
CURRENT LIABILITIES	
2030 · COMP ABSENCES PAYABLE	
2030.2 · Vacation	7,125.30
Total 2030 · COMP ABSENCES PAYABLE	7,125.30
2155.2 · CalPERS Contributions	3,119.05
2155.3 · Payroll Liabilities	-36,736.93
Total CURRENT LIABILITIES	-26,492.58
Total Other Current Liabilities	-26,492.58
Total Current Liabilities	-25,492.58

California Pines CSD

Balance Sheet

As of October 31, 2019

	Oct 31, 19
Long Term Liabilities	
LONG TERM LIABILITIES	
2190 · Deposit Liabilities	1,607.75
2190.1 · Due to Other Governments	17,477.47
2190.2 · Interest -IRS Liabilities	-2,579.20
2190.3 · Penalties - IRS Liabilities	-1,581.58
Total LONG TERM LIABILITIES	14,924.44
Total Long Term Liabilities	14,924.44
Total Liabilities	-10,568.14
Equity	
3050 · Reserve-CP	59.84
32000 · Retained Earnings	858,378.64
Net Income	-177,568.62
Total Equity	680,869.86
TOTAL LIABILITIES & EQUITY	670,301.72

California Pines CSD
Balance Sheet
As of November 16, 2019

	Nov 16, 19
ASSETS	
Current Assets	
Checking/Savings	
1010.1 · Reserve Savings Account	458.25
1010.2 · Plumas 1638 - Airport Acct	23,875.66
1010.3 · Plumas Bank operating	88,576.07
1010.4 · Cash Drawer	186.75
Total Checking/Savings	113,096.73
Accounts Receivable	
1090 · AR Clearing Account	141,271.41
1100 · Doubtful Accounts	-106,637.00
Total Accounts Receivable	34,634.41
Other Current Assets	
12000 · *Undeposited Funds	1,344.00
Total Other Current Assets	1,344.00
Total Current Assets	149,075.14
Fixed Assets	
FIXED ASSET	
Accumulated Depreciation	-1,515,450.88
1200 · Land	80,494.17
1210 · Buildings	445,258.53
1210.1 · Infrastructure	263,962.00
1220 · Firetruck Engines	721,967.49
1220.1 · Transportation vehicles	135,951.12
1220.2 · Furniture and Equipment	265,943.50
Total FIXED ASSET	398,125.93
Total Fixed Assets	398,125.93
TOTAL ASSETS	547,201.07
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · Accounts Payable	854.86
Total Accounts Payable	854.86
Other Current Liabilities	
CURRENT LIABILITIES	
2030 · COMP ABSENCES PAYABLE	
2030.2 · Vacation	7,125.30
Total 2030 · COMP ABSENCES PAYABLE	7,125.30
2155.2 · CalPERS Contributions	4,146.00
2155.3 · Payroll Liabilities	-34,865.77
Total CURRENT LIABILITIES	-23,594.47
Total Other Current Liabilities	-23,594.47
Total Current Liabilities	-22,739.61

California Pines CSD

Balance Sheet

As of November 16, 2019

	Nov 16, 19
Long Term Liabilities	
LONG TERM LIABILITIES	
2190 · Deposit Liabilities	1,607.75
2190.1 · Due to Other Governments	17,477.47
2190.2 · Interest -IRS Liabilities	-2,579.20
2190.3 · Penalties - IRS Liabilities	-1,581.58
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Total LONG TERM LIABILITIES	14,924.44
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Total Long Term Liabilities	14,924.44
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Total Liabilities	-7,815.17
Equity	
3050 · Reserve-CP	59.84
32000 · Retained Earnings	858,378.64
Net Income	-303,422.24
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Total Equity	555,016.24
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TOTAL LIABILITIES & EQUITY	547,201.07
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California Pines CSD
Profit & Loss by Class

July 1 through November 15, 2019

	Airport (EA)	H2O-Wa... (EA)	Sewer (EA)	Trash (EA)	Total EA	Contracted Fire (FIRE FUND)	Lake Station (FIRE FUND)	Mowing (FIRE F...)	Total FIRE FUND (GA)	General ... (GA)	Roads a... (GA)	Vector/P... (GA)	Total GA	TOTAL
Ordinary Income/Expense														
Income														
EF	0.00	15,216.44	22,002.00	11,536.00	48,754.44	0.00	0.00	492.00	492.00	0.00	0.00	0.00	492.00	49,246.44
GENERAL FUND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43,130.37	0.00	0.00	43,130.37	43,130.37
GOV F	0.00	0.00	0.00	0.00	0.00	3,080.00	-2,923.01	0.00	156.99	0.00	2,253.00	0.00	2,409.99	2,409.99
Total Income	0.00	15,216.44	22,002.00	11,536.00	48,754.44	3,080.00	-2,923.01	492.00	648.99	43,130.37	0.00	2,253.00	46,032.36	94,786.60
Gross Profit	0.00	15,216.44	22,002.00	11,536.00	48,754.44	3,080.00	-2,923.01	492.00	648.99	43,130.37	0.00	2,253.00	46,032.36	94,786.60
Expense	194.88	14,583.48	16,910.32	10,330.51	41,999.19	-110,202.06	52,725.09	7,859.68	-49,617.29	1,620.71	4,496.74	2,350.40	-41,149.44	849.75
Net Ordinary Income	-194.88	652.96	5,091.68	1,205.49	6,755.25	113,282.06	-55,648.10	-7,367.68	50,266.28	41,509.66	-4,496.74	-97.40	87,181.80	93,937.05
Other Income/Expense	0.00	0.00	-88.81	0.00	-88.81	0.00	0.00	-21.54	-21.54	0.00	0.00	0.00	-21.54	-90.35
Net Income	-194.88	652.96	5,022.87	1,205.49	6,666.44	113,282.06	-55,648.10	-7,389.22	50,244.74	41,509.66	-4,496.74	-97.40	87,160.26	93,846.70

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California Pines CSD
P&L Contracted Fire
October 1 through November 1, 2019

	<u>Oct 1 - Nov 1, 19</u>
Ordinary Income/Expense	
Income	
GOV F	
4890.1 · Fire Assignment Income	900.00
Total GOV F	<u>900.00</u>
Total Income	<u>900.00</u>
Gross Profit	<u>900.00</u>
Expense	
PR	
5010.6 · Contracted Fire Pay	-114,573.21
Total PR	<u>-114,573.21</u>
SS	
5250.1 · Fuel	1,146.46
Total SS	<u>1,146.46</u>
Total Expense	<u>-113,426.75</u>
Net Ordinary Income	<u>114,326.75</u>
Net Income	<u><u>114,326.75</u></u>

Rate Increase Hearing/Informational Meeting-Dates

Pursuant to the recommendation from Bridgette Harris of RCAC, the Board of Directors should formally adopt a resolution at the November 20th Meeting which outlines specifically the following:

The rates to be implemented (as discussed at our meeting on October 30th) which would be as follows:

RATE ADJUSTMENT #1 – WATER SERVICE

Water rates will adjust over a five-year period to bring current rates and rate structure into compliance with Prop 218.

Rates	Current	2020	2021	2022	2023	2024
Base	\$ 32.25	\$ 33.25	\$ 34.08	\$ 34.93	\$ 35.81	\$ 36.70
Usage (per 100 cf) up to 1000	\$ -	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66
Usage (per 100 cf) over 1000	\$ 0.40	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66

RATE ADJUSTMENT #2 – WASTEWATER SERVICE

Wastewater rates will adjust over a five-year period to balance the budget for the wastewater enterprise.

Rates	Current	2020	2021	2022	2023	2024
Base	\$ 38.00	\$ 39.00	\$ 39.98	\$ 40.97	\$ 42.00	\$ 43.05
Usage (per 100 cf)	\$ -	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66

RATE ADJUSTMENT #3 – TRASH SERVICE

Customer Class	Current	2020	2021	2022	2023	2024
Standard	\$ 13.50	\$ 21.00	\$ 22.16	\$ 23.37	\$ 24.66	\$ 26.02
Higher Elevations*	\$ 13.50	\$ 27.09	\$ 28.58	\$ 30.15	\$ 31.81	\$ 33.56

The Board should also formally approve the Prop. 218 Hearing notice that was prepared by RCAC. **Note: there are several dates in the notice that MUST BE DETERMINED PRIOR TO FORMAL APPROVAL OF THE NOTICE.** These dates need to be determined at this meeting.

Those dates are:

Mailing Date-there are approximately 15,000 notices that need to be mailed out (this may be slightly less as we are awaiting clarification from RCAC regarding mailing a separate notice to EACH lot owner or if the SAME individual/entity owns multiple parcels that they only receive ONE notice which includes EACH parcel owned. For our purposes in determining a mailing date, we should assume that there will be 15,000 notices mailed.

The Hearing Date needs to be determined. This date MUST BE at least 45 days after the date of mailing.

The date of the educational/town hall meeting. Originally, we had said November 23rd; however, because we did not receive the draft notice from RCAC until mid-last week, this date should be pushed out as the notices have not been mailed.

RECOMMENDATION FOR BOARD CONSIDERATION:

It is my recommendation to the Board that the following dates be selected (subject to Board availability):

Notice Mailing Date: December 2, 2019.

Informational Meeting Date: December 14, 2019; 10 a.m. and 5 p.m.

Public Hearing Date: January 22, 2020-4:30 pm.

Effective Dates (If the adjustments pass) February 1, 2020; January 1, 2021, 2022, 2023 and 2024.

**CALIFORNIA PINES COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2019-10**

**A Resolution Adopting Prop 218 Hearing on Proposed Drinking Water, Wastewater and
Trash Service Rates**

WHEREAS, California Constitution Article XIII Section D (aka Proposition 218) requires that the District notify property owners of proposed changes to property-related fees such as water services.

WHEREAS, the Board of Directors has received assistance, advice and recommendations from RCAC Community & Environment Services to complete a budget review and analysis study. These services were funded by two grants from the State of California and one from the US Department of Agriculture. The analysis examined the cost to provide water, wastewater and trash services with the objective of striking a better balance between fixed and variable revenues while continuing to promote a fair and equitable rate structure for all utility customers. Over a five-year period, the proposed rates increase along with loans and grants will result in the District achieving a balanced budget that covers both the necessary operating expenses but also the required reserves.

WHEREAS, the Board of Directors will conduct a public hearing on the proposed rate adjustments for Drinking Water, Wastewater Service and Trash services for the **California Pines CSD on January 22, 2020 at 4:30 p.m.**,

WHEREAS, the Board of Directors has reviewed the Notice of Public Hearing prepared by RCAC and does approve the Notice as prepared, and,

WHEREAS, the District Board of Directors attests that this notice will be mailed to all parcel owners within the District no later than December 2, 2019; and,

WHEREAS, the Board has agreed to conduct a special informational meeting regarding the proposed rate increase on December 14, 2019 at 10:00 a.m. and 5:00 p.m. at the CPCSD Offices located at County Road 71, Building 376, Alturas, CA; and,

WHEREAS, the District Board of Directors has agreed that the deadline to receive written protests regarding the proposed rates increase must be received either by mail or in person prior to the start of the public hearing January 22, 2020; and,

WHEREAS, the District Board of Directors has voted at a duly notice Regular Board of Directors meeting held on November 20, 2019 that the following proposed rates adjustments and effective dates are the absolute minimum that can be justified as being prudent and necessary:

RATE ADJUSTMENT #1 – WATER SERVICE

Water rates will adjust over a five-year period to bring current rates and rate structure into compliance with Prop 218.

Rates	Current	2020	2021	2022	2023	2024
Base	\$ 32.25	\$ 33.25	\$ 34.08	\$ 34.93	\$ 35.81	\$ 36.70
Usage (per 100 cf) up to 1000	\$ -	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66

Usage (per 100 cf) over 1000	\$ 0.40	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66
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The above charges would go in effect beginning with the bill due on February 1, 2020. Thereafter, rates will adjust on the bill due on January 1, 2021, 2022, 2023, and 2024.

RATE ADJUSTMENT #2 – WASTEWATER SERVICE

Wastewater rates will adjust over a five-year period to balance the budget for the wastewater enterprise.

Rates	Current	2020	2021	2022	2023	2024
Base	\$ 38.00	\$ 39.00	\$ 39.98	\$ 40.97	\$ 42.00	\$ 43.05
Usage (per 100 cf)	\$ -	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66

The above charges would go in effect beginning with the bill due on February 1, 2020. Thereafter, rates will adjust on the bill due on January 1, 2021, 2022, 2023, and 2024.

RATE ADJUSTMENT #3 – TRASH SERVICE

Customer Class	Current	2020	2021	2022	2023	2024
Standard	\$ 13.50	\$ 21.00	\$ 22.16	\$ 23.37	\$ 24.66	\$ 26.02
Higher Elevations*	\$ 13.50	\$ 27.09	\$ 28.58	\$ 30.15	\$ 31.81	\$ 33.56

*Customers at higher elevations currently receive trash service every other week in the winter, due to increased costs in staffing, gas consumption, and wear and tear on vehicles. In the new rate structure these additional costs will be added to allow weekly service to these customers.

The above charges would go in effect beginning with the bill due on February 1, 2020. Thereafter, rates will adjust on the bill due on January 1, 2021, 2022, 2023, and 2024.

NOW THEREFORE, IT IS HEREBY RESOLVED that the **California Pines CSD Board of Directors** approves the Notice of Public Hearing and all Information contained.

The foregoing resolution was passed and adopted by the Board of Directors of the California Pines Community Services District at a meeting of the said Board held on the November 20, 2019 by the following vote:

AYES: _____
 NOES: _____
 ABSENT: _____

 Chairman of the Board of Directors

ATTEST:

 Jodi Adams, Secretary to the Board



Contact California Pines CSD
Telephone (530)233-2766
Address County Rd 71 #376
Email calpinescsd@frontiernet.net
Website Cpcsd.specialdistrict.org

FOR IMMEDIATE RELEASE
October 10, 2019

NOTICE OF PUBLIC HEARING

Hearing on Proposed Drinking Water, Wastewater and Trash Service Rates
California Pines Community Services District

NOTICE IS HEREBY GIVEN that the California Pines Community Service District has scheduled a public hearing to be held on _____ 4:00 PM. at the District Office, County Road 71 #376, Alturas, CA for consideration of the proposed drinking water, wastewater and trash service rates.

The purpose of the public hearing is for the CPCSD Board of Directors to consider all comments about the rate adjustments to be imposed on parcels within the District.

If you have any questions, please contact California Pines CSD at (530)233-2766 or email at calpinescsd@frontiernet.net.

**NOTICE OF PUBLIC HEARING
ON PROPOSED DRINKING WATER, WASTEWATER, AND TRASH SERVICE RATES
FOR THE CALIFORNIA PINES COMMUNITY SERVICE DISTRICT**

Public Hearing, _____, at 6 PM at the CSD Offices, County Road 71, Building 376, Alturas

WHY ARE YOU RECEIVING THIS NOTICE?

This notice is being furnished to you by California Pines Community Service District (CPCSD) pursuant to the California Constitution Article XIII Section D (also known as "Proposition 218"). Under terms of Proposition 218, the District is required to notify property owners of proposed changes to property-related fees such as water services. This letter serves as notice that the CPCSD will hold a public hearing to consider changes to three separate increases to water, wastewater, and trash service.

WHAT DO WATER RATES FUND?

The CPCSD provides water, wastewater, and trash pick-up services to about 150 customers. These services must be financially self-sufficient.

Monthly rates paid by users of the system are the primary sources of revenue. All revenue generated from your utility bill is used to maintain and operate the water system. These revenues must meet all costs, such as electricity, chemicals, maintenance, licensing, fees, repairs, staff salaries, and build up reserves for emergency repairs and future replacement of the system when it is time to be replaced. The CPCSD is committed to the responsible financial management of our water and wastewater systems, as well as our trash service.

WHY ARE RATE CHANGES REQUIRED?

A complete budget review and analysis was done by an independent consultant. This rate study was funded by two grants from the State of California, and one from the US Department of Agriculture. This analysis examined the cost to provide water, wastewater, and trash services with the objective of striking a better balance between fixed and variable revenues while continuing to promote a fair and equitable rate structure for all utility customers. Rates need to be adequate to recover the expenses while ensuring that costs are equitably allocated so that rates are fair and in proportion to the services received by each user.

The CPCSD also recently completed an analysis of the capital replacement requirements. All the capital assets of the CPCSD were reviewed and an estimated replacement timeframe and cost were assigned. These replacements will be funded with loans, grants, and the proposed rate adjustments.

RATE ADJUSTMENT #1 – WATER SERVICE

Water rates will adjust over a five-year period to bring current rates and rate structure into compliance with Prop 218.

Rates	Current	2020	2021	2022	2023	2024
Base	\$ 32.25	\$ 33.25	\$ 34.08	\$ 34.93	\$ 35.81	\$ 36.70
Usage (per 100 cf) up to 1000	\$ -	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66
Usage (per 100 cf) over 1000	\$ 0.40	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66

The above charges would go in effect beginning with the bill due on February 1, 2020. Thereafter, rates will adjust on the bill due on January 1, 2021, 2022, 2023, and 2024.

Over a five-year period, the CPCSD will have a balanced budget that covers the expenses and the required reserves. **These rates are the absolute minimum that can be justified as being prudent and necessary.**

RATE ADJUSTMENT #2 – WASTEWATER SERVICE

Wastewater rates will adjust over a five-year period to balance the budget for the wastewater enterprise.

Rates	Current	2020	2021	2022	2023	2024
Base	\$ 38.00	\$ 39.00	\$ 39.98	\$ 40.97	\$ 42.00	\$ 43.05
Usage (per 100 cf)	\$ -	\$ 0.60	\$ 0.62	\$ 0.63	\$ 0.65	\$ 0.66

**NOTICE OF PUBLIC HEARING
ON PROPOSED DRINKING WATER, WASTEWATER, AND TRASH SERVICE RATES
FOR THE CALIFORNIA PINES COMMUNITY SERVICE DISTRICT**

The above charges would go in effect beginning with the bill due on February 1, 2020. Thereafter, rates will adjust on the bill due on January 1, 2021, 2022, 2023, and 2024.

Over a five-year period, the CPCSD will have a balanced budget that covers the expenses and the required reserves. Wastewater rates will be calculated based on water consumption as an equitable measure of determining sewer use. **These rates are the absolute minimum that can be justified as being prudent and necessary.**

RATE ADJUSTMENT #3 – TRASH SERVICE

Customer Class	Current	2020	2021	2022	2023	2024
Standard	\$ 13.50	\$ 21.00	\$ 22.16	\$ 23.37	\$ 24.66	\$ 26.02
Higher Elevations*	\$ 13.50	\$ 27.09	\$ 28.58	\$ 30.15	\$ 31.81	\$ 33.56

*Customers at higher elevations currently receive trash service every other week in the winter, due to increased costs in staffing, gas consumption, and wear and tear on vehicles. In the new rate structure these additional costs will be added to allow weekly service to these customers.

The above charges would go in effect beginning with the bill due on February 1, 2020. Thereafter, rates will adjust on the bill due on January 1, 2021, 2022, 2023, and 2024.

Over a five-year period, the CPCSD will have a balanced budget that covers the expenses and the required reserves. **These rates are the absolute minimum that can be justified as being prudent and necessary.**

HOW ARE RATES CALCULATED?

The proposed rate structure for water and sewer fees have two components: (1) a fixed monthly **base** charge; and (2) a variable (water consumption-based) **usage** rate. The first component is a fixed amount calculated to recover CPCSD's fixed costs of operating and maintaining the water and wastewater systems. It is based on the potential volume of water a customer could draw, as determined by the size of their water meter and any special equipment required for their service. The variable component of the rate structure is based on water consumption. **The variable usage rate will be charged from the first gallon of water used.**

For the trash service, the actual cost of providing the service was considered. After a cost analysis two classes remained necessary due to increased costs of trash service to residence at higher elevations.

MEETING & PROTEST

The purpose of the public hearing is for the CPCSD Board of Directors to consider all comments about the rate adjustments to be imposed on parcels within the District. As the record owner or renter of a parcel identified to be subject to the imposition of the proposed rate adjustments, you may submit a **written** protest against the proposed rate adjustments. Provided, however, **if the identified parcel has more than one record owner or renter, only one written protest will be counted.** Each protest must (1) be in writing, (2) state that you are against the proposed rates, and which rate you are protesting (water, sewer or trash) (3) provide the parcel APN or CCWD account #, and (4) include the **original signature of the record owner or renter submitting the protest.** Protests submitted by e-mail, fax, or other electronic means will **not** be accepted.

These are three separate rate adjustments, and therefore you must specify what rate adjustment you are protesting.

Written protests must be submitted by mail to CPCSD at 376 County Road 71, Alturas CA 96101, or in person at the public hearing on _____, so long as they are received prior to the start of the public hearing. CCWD staff will **not** accept protest letters as they all must be mailed to the address above or delivered in person at the _____ public hearing before 6 PM. Please identify on the front of the

**NOTICE OF PUBLIC HEARING
ON PROPOSED DRINKING WATER, WASTEWATER, AND TRASH SERVICE RATES
FOR THE CALIFORNIA PINES COMMUNITY SERVICE DISTRICT**

envelope of any protest, whether mailed or submitted in person, that the enclosed letter is for the Proposed Adjustments of the Water Rates.

During the [REDACTED] public hearing the written protests will be tallied by an impartial person. At the conclusion of the public hearing on [REDACTED], the CCWD Board of Directors will consider adopting the proposed rate changes. Oral comments at the public hearing will not qualify as formal protests unless accompanied by a written protest and delivered as stated above. If, at the beginning of the January 17, 2020 public hearing, written protests against the rate adjustments are not presented, as outlined above, by a **majority of the owners or renters of the identified parcels** upon which the new rates are proposed to be imposed, the CPCSD Board of Directors will be authorized to impose the rate adjustments as presented here.

To help residence understand how rates were calculated and what the impact will be, we will host two public educational meetings with the independent third party who conducted the rate studies. **These meetings will be held at 10:00 AM and 5:00 PM on [REDACTED] in the California Pines CSD Offices at County Road 71, Building 376, Alturas.** There will be no deliberations or decisions at these meetings.

The CPCSD staff encourages questions regarding this proposal, and appointments will be accepted to determine future monthly utility bills for concerned customers (**these individual calculations cannot be done at the public hearing**). Questions or comments can be directed to either **Ron Sherer, General Manager** or **Ryan Sherer, Assistant General Manager**.

Reminder:

Public Hearing, [REDACTED], at 6 PM at the CSD Offices, County Road 71, Building 376, Alturas

Thank you,

California Pines Community Service District

Board Secretary Conference

I attended the Board Secretary/Clerk Conference in Monterey, CA hosted by CSDA on November 13 & 14th.

This conference was very educational and informative for me. It covered such things as staying in compliance with CSD laws, the roles and responsibilities of the Board clerk, on-line ADA compliance and transparency requirements, Public Records Act requests and Board/District liabilities.

I appreciate the opportunity to enhance my knowledge and be of better service to the Board and District.

Respectfully,

Jodi Adams