

**DRAFT NOT APPROVED FOR DISTRIBUTION****MINUTES OF THE LAKE MADRONE WATER DISTRICT  
BOARD OF DIRECTORS' REGULAR MEETING  
HELD ON FEBRUARY 24, 2024**

**PRESENT:** The regular meeting of the Board of Directors of the Lake Madrone Water District was called to order by Chairman Jess Vickery at 9:30 a.m. at the Beers cabin, 18 Forest Inn Drive, Berry Creek, California 95916. Other Directors present were Roger Williams, Michael Camodeca, Holly Mason and Tim Beers. Shane McCabe, District's Water System Manager/Maintenance Technician and Vicki Hoggins, Recording Secretary/Administrative Assistant were also present. Many Community Members were also present including: Richard Starch, Ryan Beach, Mike Nelson, John Raymond, Dennis Nay, Kathy Nay, Ann Nielsen, Rick Kester and Nancy Kester.

**APPROVAL OF AGENDA:** It was moved by Director Beers, seconded by Director Mason, and passed unanimously, to add an item to the Agenda "Approval of Minutes of special meeting of January 28, 2024." The Agenda was otherwise approved as presented.

**APPROVAL OF MINUTES:** The minutes of the regular meeting of January 27, 2024, were presented for approval. It was moved by Director Beers, seconded by Director Williams, and passed unanimously, to approve the minutes of the regular meeting on January 27, 2024, as corrected.

**FINANCIAL REPORT:** Director Williams presented the Financial Report. It was moved by Director Williams, seconded by Director Beers, and passed unanimously, to approve the payment of Warrants 10997 through 11014 and electronic fund transfers as presented in the amount of \$44,569.18. The District received a check from the County in the amount of \$282.50. Routine and ordinary bills are on the unpaid bills report in the amount of \$23,917.64, which includes the District's annual USDA Loan payment in the amount of \$20,428.00. It was moved by Director Williams, seconded by Director Beers, and passed unanimously, to pay the \$23,917.64. It was noted by Director Williams that bills in the amount of \$61,531.77 that were approved at last month's meeting had not yet been paid.

**SPECIFIC AGENDA ITEMS: (each item not to exceed 15 minutes)**

**A. Response to North Complex (Bear) Fire.**

(1) Status of Disaster Relief:

(a) Status of FEMA Appeals: Chairman Vickery reported that the arbitration hearing was held about three weeks ago and that he, Shane, the District's expert, Andrew Whelton, and Amanda Aguiar all testified on the District's behalf. The hearing lasted all day. A ruling on the hearing has not yet been received. The District's second appeal on the emergency work for sediment removal after the fire is way past the deadline of when FEMA is supposed to respond. If the arbitration is successful and if nothing has been heard on the second appeal on sediment removal, the District will probably submit the sediment removal project to arbitration.

(2) Status of Water System:

(a) Status of Water Grid Design RFP and Project. This remains on hold pending arbitration.

(b) Water Delivery to Temporary Water Systems. Shane McCabe delivered 25 deliveries of water for a total of 25,000 gallons in January.

(3) Erosion Control (General). The same two properties are problem areas for erosion control, 15 and 21 Cedar Path. Once again, Shane and others spent a whole day shoveling the road and drains of sediment from these properties. After discussion, it was decided to bill the landowners for all work done by the District and volunteers to remove sediment on the road and in the drains from these properties going back to October 28, 2023, the date the last Will Serve Letter was issued.

**B. Department of Water Rights IRWM Grant.** The District has been approved for an \$800,000 grant to provide for additional connections to new homes on Toyon Trail. The project includes putting in a new well and running service lines to both sides of the street. Storage is not included because the projected costs were more than the grant amount and DWR will not approve the additional funding. DWR wants budgeted figures for the work to be done in the current fiscal year, as well as the amount for the work to be done in the following fiscal year. Any costs associated with the project need to be indicated so that Leah can account for costs attributable to it.

**C. FEMA Funding for 2022-23 Storm Damage.** There are two projects. One Project (No. 710640) is for the emergency work Wes North and Shane did from December 27, 2022 through January 31, 2023. FEMA has approved \$10,434.67 for that work. The District has been told that the State Controller's Office is in the process of issuing a check to the District for that amount and that it should be issued by the end of March.

The Lake Sediment and Tree Removal Project (No. 711955) is still under review by FEMA and is now in the process of having an ESA (Environmental Species Act) consultation prepared. Brooks Taylor, the Senior Environmental Scientist with CDFW (California Department of Fish & Wildlife) is reviewing the District Lake or Streambed Alteration Agreement and has until March 7, 2024 to send the District a draft Agreement or determine that one is not needed. The District has already paid \$6,236.00 for the 1602 Permit. Gallaway Enterprises has completed a Biological Resources Assessment of the sediment removal project which cost the District \$4,909.00.

The four sealed bids for the sediment removal from the lake were opened at the January 28, 2024 special Board meeting and the three Board members present voted to preliminarily award the contract to HPC Industrial (Clean Harbors), contingent upon FEMA funding, clarification of the kind of dredge (specs) and final Board approval. It was moved by Director Mason, seconded by Director Beers, and passed unanimously, to award the sediment removal project contract to HPC Industrial, pending FEMA approval.

Directors Beers and Mason had a second conference call with USACE (U.S. Army Corps of Engineers) and the RWQCB (Regional Water Quality Control Board). Participating in the call were Lynn Coster (RWQCB), Maya Bickner (USACE) and Robert Lyons (HPC). Director Mason sent out a "Lake Madrone Hydraulic Dredge, Sediment Removal Plan" prior to the call which was prepared by Robert Lyons and Directors Beers and Mason. It was hoped that this detailed description of how the sediment is to be removed from the lake would help the process along.

However, very little progress was made. The agencies are concerned that water will move from the Pit Area into the lake and that Galen Creek is a wetlands area. USACE and RWQCB have been invited twice to a site visit, but have not attended. The agencies say that the District needs to fill out a form to get a site visit and that it will take six to nine months for it to take place. The agencies say that they won't go to a site visit until they see exactly how the project will be done and want 3D pictures of the Site Area (Pit). They are now requiring the District to do an Aquatic Resource Delineation Report on the Pit Area which Gallaway Enterprises estimates would cost \$5,376.00 and take four weeks. They also are "strongly suggesting" a Cultural Resource Assessment which is estimated by Gallaway Enterprises to cost \$4,368.00 and take approximately seven weeks. Chairman Vickery said he knows that an Archeological Assessment was done for the District and that he read it at Chico State. At the last conference call meeting, the RWQCB wanted a Waste Discharge Permit (application fee \$2,985.00) for which an annual fee is charged (\$3,265.00 for 5,000 cubic yards) and fees are also charged by the State for how much sediment is removed (\$32,650.00 for 5,000 cubic yards). These costs would be reimbursable by FEMA. Now the agencies are talking about requiring a Nationwide Permit which would cost \$86,000 for a one time sediment removal event. The Board noted that of the bid price to HPC, LMWD would only have to pay 6.25%, which would be \$170,000. However, the District would have to advance the remaining costs until FEMA would reimburse the District. This would require the District to get funding to bridge the gap between when the contractor must be paid until FEMA reimburses. The Board feels that the EPA is still influencing other agencies and that they are telling the agencies that the District is out of compliance when that is not true. After discussion, it was decided to wait on ordering an Aquatic Resource Delineation Report and Cultural Resource Assessment until after CDFW makes a decision on the 1602 Permit. In the meantime, Director Mason will prepare and submit the form for a site visit by the agencies.

Directors Beers and Mason completed the Department of Fish & Wildlife (DFW) 1602 Permit Application. It is being reviewed by Brooks Taylor, the Senior Environmental Scientist for CDFW who has until March 7, 2024 to either issue a draft Lake or Streambed Alteration Agreement or determine that one is not needed. The cost for a five-year permit is \$6,236.00. CDFW will be the Lead Agency on the Project. Gallaway Enterprises completed the Biological Resource Assessment at a cost of \$4,909. Directors Beers and Mason have had extensive conversations with USACE, the RWQCB and Cal OES in an attempt to get clarification on what permits, if any, will be needed to do the 2024 Lake Sediment Removal Project. Director Beers is currently filling out an application for a new 401 Waste Discharge Permit. The application fee is \$2,985.00 and there are annual fees depending on how much sediment is removed. Fifty thousand cubic yards would be \$32,650.00.

**D. Donation of 40 Acre Parcel to District.** Director Beers has a copy of the deed to the District for the western 20 acres of the property to be donated. This parcel includes the creek from the lake to Gamble Road. The survey for the other 20 acres (the high side) is not yet complete. This item can be removed from the Agenda for now.

**E. Department of Drinking Water Request for Service Area Boundaries:** Directors Mason and Camodeca have submitted a map of the District's Service Area Boundaries (LAFCo Map) to take care of this item. This item can be removed from the Agenda.

**F. Forms 700 for 2024:** These are due by April 1, 2024. This item can be removed from the Agenda.

**G. February 4, 2024 Storm Recovery:** On the evening of February 5, 2024, Director Beers received an email from Briana Haberman, the Deputy Administrative Officer for Butte County Emergency Management stating that Butte County had proclaimed a local emergency as a result of the February 4, 2024 storms. The District was requested to fill out a Local Emergency Proclamation and Initial Damage Estimate and return them no later than February 9, 2024, which Director Beers completed and submitted. The District had a total of 19 trees fall on District property and a mainline water break in the Upper Meadow which completely drained the water system. The District's estimated cost for damage repair is \$88,000.

**H. Annual Audits:** Director Williams sent an email to Zach Pehling terminating his services and his firm because the District became aware that they are not licensed in California. Director Williams has obtained a quote from another firm, Singleton, Almond Professional Corporation, CPAs in Susanville for \$13,000 to do the Districts audits and annual transaction reports to the California State Controller's Office through June 30, 2023 and \$23,500 to do those audits and reports through June 30, 2024. It was moved by Director Williams, seconded by Director Beers, and passed unanimously, to accept the bids by Singleton, Almond as described above for a total of \$23,500 to bring the District current to June 30, 2024. Director Williams will handle signing the contract and making the necessary arrangements. This item can be removed from the Agenda.

#### **GENERAL AGENDA ITEMS:**

**A. Letters & Communications:** Director Camodeca noted the communications received by the Board since the last meeting have been posted to the District's website and physical copies will be retained pursuant to the District's document retention policy. Noted items are as follows:

(1) A National Firewise USA Program Certificate of Recognition was received which landowners can use to obtain a reduction in their fire insurance and which certificate will be posted on the District's website; and

(2) Butte County list of parcels to be offered at public auction of tax-defaulted properties.

**B. Maintenance Report and Materials Needed by District:** Shane McCabe presented the Maintenance Report covering the period from January 28 through February 24, 2024. There was a massive wind storm on February 4, 2024, with winds gusting above 65 miles per hour. January water production was 150,092 gallons, all from Star Well. That is an average of 4,842 gallons per day. Line loss is 4,035 gallons per day after subtracting the 25,000 gallons of delivered water to temporary water tanks. A 6-inch mainline ruptured during the storm in the Upper Meadow and completely depressurized the water system. Testing had to be done before water could be delivered again. A 1.5 inch line was installed to the Dahl cabin. If it is restricted to 3/4 inches for potable water, there will be no additional charge. If not, there will be an additional charge. Shane is keeping track of what is being installed and how it will operate to appropriately charge the Dahls. The lake level was 1970.62 on November 1 and 1970.62 on November 30, for no change. The lake level was 1970.62 on January 1 and 1971.12 on January 31, for an increase of .5 feet. January rainfall was 16.5 inches. February rainfall to date is 9.55 inches. January 1, 2024 through

January 31, was 16.5 inches and July 1, 2023 through January 31, 2024 was 29.5 inches. A total of 19 trees fell during the February 4, 2024 storm, 9 of them in the lake. One large Ponderosa Pine remains in the lake. It was moved by Director Beers, seconded by Director Mason, and passed unanimously, to have Wes North remove the Ponderosa Pine in the lake down by the dam for a cost of \$500.00. There is a large dead tree that is on a “paper street” (a street that exists on the subdivision map, but for which there is no actual street existing). The tree is between the Vickerys and the Alford. Chairman Vickery is concerned that people will try in the future to have trees on “paper roads” removed at the District’s expense. Therefore, as the closest property owner to the tree, he is going to pay the \$1,500 to have it removed. Shane thanked Dennis Nay for covering for him.

**C. Permits, Administrative Orders and Grants Research:**

Permits: Already covered.

Administrative Orders: Nothing to report.

Grants Research: The next HMPC meeting will occur on March 13, 2024 at 1:00 p.m. Director Beers will attend. Participation in the County’s LHMP would enable the District to be eligible for additional grants.

**D. Community Reports:**

1. Fire Protection: On February 9, 2024, the Butte County Fire Safe Council conducted the Berry Creek Forest Health and Wildfire Safety Tour. Approximately a dozen agencies in Butte County had representatives attending. They stayed at Lake Madrone for about 30 minutes. Calli-Jane West, Jim Houtman and Director Beers talked to the group about the Butte County Fire Safe Council’s chipper program, and the various shaded fuel breaks that have been created around Lake Madrone. Director Beers emphasized that Lake Madrone still need to create shaded fuel breaks on the southeast end of the lake. He also stated that everyone should show the Firewise USA Certificate to the insurance company to get a discount on their fire insurance. Vicki Hoggins has asked Todd Owczarzak to place the Certificate on the District’s website.

2. Website/Newsletter: Kathy Nay reported that the July 4<sup>th</sup> events will take place on July 6<sup>th</sup>. May 26, 2024 will be the annual Work Day, with lunch provided by the cookout crew. July 6, 2024 will be the 4<sup>th</sup> of July breakfast and kiddie activities and a dance from 8:00 p.m. to 11:00 p.m. She is seeing if Nancy Kester wants to do the puppet event on July 4<sup>th</sup>. There will be a dance on August 31 for Labor Day.

3. No Bear Garbage Club: There was a balance at the beginning of January of \$10,540.50, with receipts of \$875.00 and expenses of \$246.38, for a total at the end of the period of \$11,161.12.

**PUBLIC PARTICIPATION:** Richard Starch has a couple of guys cleaning his property who work for Cal Fire and who are off work for the winter. He will post their names and contact information on the kiosks. He has cleared about ten acres. Ann Nielsen wondered if the Fire Safe Council or anyone else had plans to clear brush and trees at the top of Toyon Trail.

**TOPICS FOR NEXT MEETING, PLACE, DATE AND TIME:** The next meeting of the Board of Directors of the Lake Madrone Water District will be a regular meeting to be held on March 23, 2024, at 9:30 a.m. at the Williams cabin at 110 Old Mill Road, Berry Creek, California 95916. Topics will include: (1) Responses to North Complex (Bear) Fire; (2) FEMA Funding 2022-23 Storm Damage; (3) DWR - IRWM Grant. Vicki Hoggins will not be able to attend that meeting and Leah Janowski will take the minutes that day.

**ADJOURN:** There being no further business to come before the Board, it was moved by Director Williams, seconded by Director Mason and passed unanimously, to adjourn the meeting at 11:39 a.m.

Respectfully submitted,

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**VICKI L. HOGGINS, Recording Secretary**

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**TIMOTHY J. BEERS, District Secretary**