

IRISH BEACH WATER DISTRICT BOARD OF DIRECTORS
SPECIAL MEETING MINUTES
15401 FOREST VIEW ROAD, MANCHESTER, CA 95459
February 20, 2021

- 5. CALL TO ORDER AND ROLL CALL.** President Terry called the Special Meeting to order at 10:09 A.M. on Saturday, February 20, 2021, using Zoom, a web-based video and audio-conferencing tool, to meet online. Roll call of directors in attendance were: President Terry, Director Ellison, Director Dyson, Director Whitaker, and Director Israel. Employees in attendance online were: General Manager Acker, Clerk/Accountant Murray, Treatment Plant Operator Dial, Clerk/Secretary Sackman, and Legal Counsel Emrick attended the meeting online with Zoom.
- 6. MEETING PURPOSE: (TERRY).**President Terry opened the Special Board Meeting stating that Plant Manager Dial would be hosting today's meeting, and that the purpose of the meeting was informational about a proposal to address the short and long term capital requirements of Bid's aging water system.
- 7. AD HOC SUBCOMMITTEE. (TERRY/ISRAEL/ACKER/MURRAY).** Director Israel stated that at the last Regular Board Meeting this AD Hoc Subcommittee was appointed to study and identify what needs to be done on a short term and long term basis for replacing, maintaining, and paying for the IRISH BEACH WATER DISTRICT water system. The Ad Hoc Subcommittee agreed that initiating the process for a Proposition 218 assessment was the best way to proceed for funding the capital projects to modernize and maintain the IRISH BEACH WATER DISTRICT water system.
- 8. VIDEO OVERVIEW OF THE IRISH BEACH WATER DISTRICT. (ACKER).**General Manager Acker presented a power point video presentation showing a Google Earth Map of the units consisting of the IRISH BEACH WATER DISTRICT. The presentation included the location of pipes; wells; tanks; the history of the infrastructure improvements and maintenance; and a list of capital improvements and costs associated with those improvements to modernize, improve, and maintain the IRISH BEACH WATER DISTRICT water system.
- 9. CAPITAL IMPROVEMENT/MODERNIZATION PROJECT PRIORITIES. (ACKER)** General Manager Acker presented a video and discussed the priorities by showing a list of capital improvements and costs associated with those improvements to modernize, improve, and maintain the IRISH BEACH WATER DISTRICT water system.
- 10. TREASURER'S REPORT. (MURRAY).** No treasurer's report was presented.
- 11. FORMER PROPOSITION 218 FUNDING SOURCE. (MURRAY/EMRICK).**Treasurer Murray stated that many years ago a Proposition 218 assessment was collected through the Irish Beach community home owners' property tax bills for approximately \$250 each per year, and lasted for 15 years.
- 12. FINANCE COMMITTEE (DYSON/ELLISON/MURRAY/ACKER).** Treasurer Murray reported the following: the Finance Committee consists of Director Dyson, Director Ellison, General Manager Acker, and Treasurer Murray. During the Finance Committee Meeting Treasurer Murray briefed the Committee on what was needed to begin the process of initiating a Proposition 218 Assessment process, and discussed the capital projects' priorities to be financed through a Proposition 218 Assessment.

Director Whitaker made a motion to have the IRISH BEACH WATER DISTRICT issue a Request for Proposal (RFP) to at least three engineering companies in order to initiate a Proposition 218 assessment. The motion was seconded by Director Israel. Roll call vote: President Terry, aye; Director Ellison, aye; Director Dyson, aye; Director Israel, aye; and Director Whitaker, aye. Motion carried.

13. PUBLIC INPUT (Q & A). During the meeting guests posed the following questions:

Question: Where does the funding come from to pay for engineering reports? Treasurer Murray answered: The funding would come from the current budget – out of operations.

Question: This proportioning benefit has me concerned. Hasn't it been demonstrated that the entire system is interconnected and all the components somehow serve all users? Legal Counsel Emrick answered: The engineers that work on the projects will make that determination.

Question: Please explain where the agenda item suggests that the Water District will take action at today's meeting? Counsel Emrick answered: For today, the purpose is to direct staff to write up the Request for Proposal (RFP), based upon today's presentation. The final RFP would be approved at the March Board Meeting.

Question: Will this assessment be levied on lots/parcels? Treasurer Murray answered: Yes, every parcel.

Question: If there are 400+ lots and about 100+ houses, what are the chances that people who own multiple empty lots and do not have connections would vote yes on an assessment? Treasurer Murray answered: In our experience they would want to vote yes in order to have a viable water system when they build and for property value.

Question: Instead of going this route, can the Board just levy an assessment on everybody, such as a bill of \$500 per year, to avoid depending on engineering studies and going through an election process – avoid putting it on the tax bill? Counsel Emrick answered: A levy can't just be assessed, needs to have engineering reports and go through the balloting process.

Question: How long will this assessment last – how many years? Counsel Emrick answered: Generally they can last a certain amount of time based upon how long the time is needed to collect the funds to construct the projects.

Question: Should the benefit to the lot be considered based on the existence of the user? Many bare lots may be users' free for years or decades even. The bare lots should have a low standby until built on and then assessed normally once built on? Counsel Emrick answered: It would be up to the engineer's report. In some ways it's done where you just let the bare lots not have assessment and instead a connection fee – depends on how the courts go about it and the engineer thinks it's most prudent for all concerned.

Question: Every two months don't you collect some kind of capital charges for capital improvements? Treasurer Murray answered: No, every two months your water bill has an availability charge, which is the cost of our budget to make the water available when you turn on the tap. There is no capital charge on your water bill. We could have a rate increase, but that would be an increase for 200+ property owners instead of 450 parcel owners.

Question: How is unanticipated improvement costs handled? Counsel Emrick answered: It should be anticipated in the assessment itself – the engineer builds in a contingency for those occurrences.

ADJOURNMENT: President Terry moved to adjourn the public session of the Special Meeting at 11:49 A.M. Director Ellison seconded the motion. The next regular Board Meeting is scheduled for Saturday, March 13, 2021. No Executive (closed) session to follow this special meeting.

Respectfully submitted:

Attest:

Kenneth Terry, President

Stephen Whitaker, Secretary of the Board

Date: _____

Date: _____

Prepared by: Connie Sackman, Clerk/Secretary