

IRISH BEACH WATER DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
REX DUNNING FIREHOUSE, 15401 FOREST VIEW ROAD, MANCHESTER, CA 95459
Saturday, January 13, 2024 at 10:00 A.M. (ZOOM AND IN-PERSON)

CALL TO ORDER AND ROLL CALL: President Israel called the regular meeting of the Irish Beach Water District Board Meeting to order at 10:02am. Roll call of Directors in attendance: Director Ottoboni, Director Kimsey, Director Hohos, Director Hackett, and President Israel attended in person. Staff attending in person: General Manager Acker, and Staff Assistant Forbes. Staff attending via Zoom: District Counsel Emrick, and Accounting Manager Murray.

PUBLIC INPUT: None

OLD BUSINESS:

A. DISCUSSION AND OR ACTION: SMALL COMMUNITY DROUGHT RELIEF GRANT ADMINISTRATION & OVERSIGHT

Action: The Board accepted General Manager Acker's report that initial testing of the water from Well 2 revealed elevated mineral levels; however, the operations crew completed adjustments to the mini-treatment plant, which should resolve the issues. The District submitted post-treatment water samples in mid-December, and expects results soon. He indicated that National Storage Tank completed construction of Tank #5 the first week of December, and the operations crew finished plumbing and electrical connections between Well #5, Tank #5, and Tank #4 shortly thereafter. General Manager Acker noted that Tank 5 is now filled with water from Well #5. Finally, he explained that the District is soliciting quotes for engineering review and certification of the three grant projects in preparation for submission of the completion report to the State. Staff Assistant Forbes reported that the District is waiting for reimbursement of invoice #7 for approximately \$78,000 and will submit invoice #8 for grant related costs incurred October – December 2023 soon. Director Hackett explained that once the District obtains final engineering certification, we request release of the 10% retention withheld from previous invoices.

B. DISCUSSION AND OR ACTION: PRESENTATION OF POSSIBLE FISCAL YEAR 2023-24 ONE-TIME EXPENSES AND BOARD CONSIDERATION OF THE FISCAL YEAR 2023-24 BUDGET

Action: Director Ottoboni presented an overview of the potential one-time expenses associated with the 2009 Moores v. Irish Beach Water District litigation. He explained the impact of the 2017 trial court judgement on District finances, funding options to cover the costs, as well as the potential refunds to property owners. Director Ottoboni noted that while the financial implications may change slightly as he researches the issues, the overview presentation provides a reasonable estimate of the amount of money that the District will need to raise at the conclusion of litigation. After discussion among the Board and members of the public, Director Ottoboni indicated that he would continue to refine the estimate for one-time funding needs. He reported that litigation expenses will not be included in the FY 2023-2024 budget, which he will present for Board approval at the next meeting. Director Hackett noted that even after removing litigation expenses from the FY 2023-2024 operating budget, the District will face a shortfall of approximately \$28,000. To ensure that the District has sufficient reserve funds to cover the shortfall, she made a motion to direct staff to work with the Treasurer elect to open a new high-yield money market account for reserves and transfer \$67,000 to the new account. Withdrawals from this account to be coordinated with the Treasurer elect before effectuation. Director Hohos seconded the motion, and President Israel called for a vote. The motion passed unanimously.

NEW BUSINESS:

A. DISCUSSION AND OR ACTION: 2023 ELECTION OF OFFICERS TO THE BOARD OF DIRECTORS.

Action: President Israel opened the annual organizational discussion and asked for nominations to the positions of President, Vice President, Secretary and Treasurer to serve during the coming calendar year. Director Hackett

nominated Suzy Israel as Board President, Danielle Hohos as Vice President, Tom Ottoboni as Treasurer, and Mel Kimsey as Director at Large. President Israel nominated Heather Hackett as Secretary and made a motion to elect the slate of officers nominated effective with the close of this meeting. Director Ottoboni verified that the Board Treasurer would be provided support through consultant services, and then seconded the motion. President Israel called for a vote, and the motion passed unanimously.

B. DISCUSSION AND OR ACTION: CONSIDER RESOLUTION 2024-4 UPDATING SIGNATURES FOR REDWOOD CREDIT UNION BANK ACCOUNTS.

Action: The Board accepted Staff Assistant Fobes' report that Redwood Credit Union has updated the requirements for changing access to accounts. She explained that before she can modify the list of individuals with access to District accounts, she will need to present meeting minutes reflecting Board approval of the individuals who are authorized to sign on District accounts and asked the Board to consider Resolution 2024-4. Accounting Manager Murray recommended that Resolution 2024-4 be modified to remove the Accounting Manager and replace it with General Manager Acker. The Board agreed that General Manager Acker's proximity made him more likely to conduct financial transactions, so it made sense to amend the resolution. Director Hackett made a motion to approve resolution 2024-4 as amended to reflect that the Board of Directors of the Irish Beach Water District hereby orders that the following staff and Directors be authorized to sign on District bank accounts:

- General Manager, Charles Acker (controlling individual)
- Board Treasurer elect, Thomas Ottoboni (controlling individual)
- Staff Assistant, Khadine Forbes (authorized signer)
- Board President elect, Susan Israel (authorized signer)

President Israel seconded the motion and then called for a vote. The motion passed unanimously.

COMMUNICATIONS AND CORRESPONDENCE: None

CONSENT CALENDAR:

- A. TREASURER'S REPORT, CHECKS ISSUED.
- B. WATER STORAGE FACILITIES/CONVEYANCE LOSS REPORT.
- C. PROPOSITION 218 COMMITTEE REPORT.
- D. ORGANIZATIONAL STRUCTURE COMMITTEE REPORT.
- E. APPROVAL OF MINUTES: NOVEMBER 11, 2023 REGULAR MEETING AND DECEMBER 17, 2023 SPECIAL MEETING.

Action: President Israel made a motion to accept all items included in the Consent Calendar. Director Hackett seconded the motion. President Israel called for a vote, and the motion passed unanimously.

ADJOURNMENT: Motion was made by President Israel, with a second from Director Hackett to adjourn the regular meeting at 11:07am. President Israel called for a vote. The motion passed unanimously, and the meeting then convened into executive closed session.

EXECUTIVE (CLOSED) SESSION

- A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** SUBDIVISION (A) OF CALIFORNIA GOVERNMENT CODE §54956.9: WILLIAM H. MOORES ET AL. V. IRISH BEACHWATER DISTRICT, MENDOCINO SUPERIOR COURT NO. SC-UK-CV-G-090054665-000; FIRST DISTRICT COURT OF APPEAL NO. A151867.
- B. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED/ POTENTIAL LITIGATION:** SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPHS (2) OR (3) OF SUBDIVISION (D) OF SECTION 54956.9: (1 POTENTIAL CASE).

C. **PUBLIC EMPLOYMENT** (Govt. Code § 54957): OPERATOR LEVEL 1 AND OPERATOR LEVEL 2

Action: The executive (closed) session was adjourned at 12:10pm. President Israel reported that the District will amend the Operator Level 1 and Operator Level 2 job descriptions before filling the positions.

Respectfully submitted:

/s/ Danielle Hohos

Danielle Hohos, Vice President

Date: March 9, 2024

Attest as Presented:

/s/ Heather Hackett

Heather Hackett, Secretary of the Board

Date: March 9, 2024