

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

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

PUBLIC INPUT: None

OLD BUSINESS:

- A. **DISCUSSION AND OR ACTION:** BUDGET COMMITTEE UPDATE REVIEW OF FISCAL YEAR 2023/2024 LINE- ITEM BUDGETED V. ACTUALS.

Action: Director Ottoboni reported that while expenses continue to outpace income, he anticipates that water use will increase in the later part of the summer resulting in increased monthly income. He noted that operations expenses are significantly lower than projected, while salaries continue to run around \$5,000 higher than budgeted in part due to grant administration functions. He noted that higher employee benefits are the result of a one-time payout of accrued benefits. Director Ottoboni indicated that he projects an overall surplus at the end of the year. The Board accepted the report detailing income and expenses to date in relation to the FY 2024 budget and thanked Director Ottoboni for his efforts to refine the District's funding needs.

- B. **DISCUSSION AND OR ACTION:** REPORT FROM THE BUDGET & FINANCE COMMITTEE – UPDATE ON THE DISTRICT'S FINANCIAL AUDIT FOR FISCAL YEAR ENDING 9/30/22.

Action: The Board accepted Special Assistant to the Board Murray's report that the auditor is close to finishing field work and will soon commence testing activity. The Board requested that the Committee contact the auditor to discuss the schedule for the FY 2022- 2023 financial statement audit.

- C. **DISCUSSION AND OR ACTION:** REPORT FROM THE PROP 218 COMMITTEE.

Action: The Board accepted the Committee's report on the status of the 2002 Capital Replacement Assessment as well as the 2024 Proposition 218 initiative. Director Ottoboni reported that the Committee is preparing to submit a request to the County for reinstatement of the 2002 Assessment and has reviewed parcel data from the County Assessor's office to identify the parcels subject to the proposed 2024 Assessment. Director Hackett reported that Hazen & Sawyer completed an inventory of the District's pipelines, the failure risk assessment, and delivered recommendations for replacement. She explained that SCI Consulting Group incorporated Hazen & Sawyer's recommendations and delivered a draft engineering report for District review on 6/28/24. Director Hackett noted that the Committee is reviewing the draft engineering report and will provide feedback to SCI by 7/14/24.

- D. **DISCUSSION AND OR ACTION:** SMALL COMMUNITY DROUGHT RELIEF GRANT ADMINISTRATION & OVERSIGHT.

Action: The Board accepted Water System Manager / Acting General Manager Acker's report that recent activity has focused on efforts to address Well 2 manganese levels. He explained that the application for a drinking water permit has been submitted and as soon as testing shows acceptable manganese levels, the State will process the application. Finally, General Manager Acker reported that an engineer from Brunsing Associates conducted a site visit to inspect the three grant projects for compliance with plans and specifications. The District is awaiting receipt of the certification report. Director Hackett reported that the District submitted invoice #9 for \$7,024.81 and is expecting reimbursement in late July or early August. She noted that the District has \$1,030.70 in remaining grant

funding and explained that once the District obtains final engineering certification, a project completion report and request release of the 10% retention withheld from previous invoices will be submitted to the state.

NEW BUSINESS:

- A. **DISCUSSION AND OR ACTION:** REPORT FROM THE BUDGET COMMITTEE – BOARD CONSIDERATION OF THE PROPOSED FISCAL YEAR 2024-25 BUDGET. (OTTOBONI)

Action: Director Ottoboni provided an overview of the draft fiscal year 2024 – 2025 budget. He noted that the budget has been updated to a monthly format to reflect income and expenses more accurately, and explained his recommendation to reduce the number of accounting codes by consolidating all Operations labor costs, PG&E costs, and several separate administrative supplies and services into single accounting codes. The Board approved Director Ottoboni's proposal to reduce the number of accounting codes to reduce staff time required for timekeeping and accounting, and to better align with the State Special District Uniform Accounting and Reporting procedures.

- B. **DISCUSSION AND OR ACTION:** REPORT FROM THE WATER SYSTEM MANAGER – DISTRICT RESPONSE TO TIMBER HARVEST PLAN 1-24-00075.

Action: The Board accepted Water System Manager / Acting General Manager Acker's report of his discussion with the State Water Resources Control Board, and with Russell Kobayashi, the professional forester managing Timber Harvest Plan 1-24-00075-MEN. He explained that he met with Mr. Kobayashi and toured District facilities to highlight concerns regarding the potential impact on District infrastructure, as well as the unpaved portion of Hillcrest Drive that the District recently spent tens of thousands of dollars to repair and upgrade. Manager Acker reported that Mr. Kobayashi plans to refrain from harvesting the timber on the hillside above the Irish Gulch upper diversion. He also explained that the California Department of Forestry will provide oversight and will serve as the enforcement entity in the event of damage resulting from timber harvest activities.

COMMUNICATIONS AND CORRESPONDENCE: None

CONSENT CALENDAR:

- A. TREASURER'S REPORT, CHECKS ISSUED.
- B. WATER STORAGE FACILITIES/CONVEYANCE LOSS REPORT.
- C. ORGANIZATIONAL STRUCTURE COMMITTEE REPORT
- D. APPROVAL OF MINUTES: MAY 11, 2024 REGULAR MEETING.

Action: Director Hackett made a motion to accept the Treasurer's report, Operations report, Organizational Structure Committee report, and meeting minutes included in the consent calendar. Director Ottoboni seconded the motion and Vice President Hohos called for a vote. Director Hackett – Aye, Director Kimsey – Aye, Director Ottoboni – Aye, Vice President Hohos - Aye. The motion passed with a quorum.

ADJOURNMENT: Motion was made by Vice President Hohos, with a second from Director Hackett to adjourn the regular meeting at 11:00am. Vice President Hohos called for a vote. The motion passed with a quorum, 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 BEACH WATER DISTRICT, MENDOCINO SUPERIOR COURT NO. SC-UK-CV-G-09-0054665-000; First District Court of Appeal No. A151867.

- B. **CONFERENCE WITH LEGAL COUNSEL** – EXISTING LITIGATION: SUBDIVISION (A) OF CALIFORNIA GOVERNMENT CODE §54956.9: WILLIAM H. MOORES ET AL. V. IRISH BEACH WATER DISTRICT, MENDOCINO SUPERIOR COURT NO. 23CV00273
- C. **PUBLIC EMPLOYMENT** (Govt. Code § 54957): OPERATOR LEVEL 1 AND SPECIAL ASSISTANT TO THE BOARD

Action: The executive (closed) session was adjourned at 12:00pm. Vice President Hohos reported that the Board accepted Water System Manager / Acting General Manager Acker’s report that he has appointed RJ Dial and Brant O’Dell to the positions of Treatment Operator Level 1, Erik Malm to the position of Distribution Operator Level 1, and Judy Murray to the Position of Special Assistant to the Board. She noted that Acting General Manager Acker will discuss changes to the Staff Assistant position with the Board at the September meeting.

Respectfully submitted:

Danielle Hohos
Danielle Hohos, Vice President
Date: September 14, 2024

Attest as Presented:

Heather Hackett
Heather Hackett, Secretary of the Board
Date: September 14, 2024