

IRISH BEACH WATER DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
September 9, 2017

1. **CALL TO ORDER AND ROLL CALL:** President Harley called the Regular Meeting to order at 10:02 A.M. on Saturday, September 9, 2017, in the Rex Dunning Firehouse, 15401 Forest View Road. Roll call of directors in attendance were: President Harley, Director Drolet, Director McCormick, and Director Ellison. Also present were Judy Murray, Accountant/Clerk; Charles Acker, District General Manager; Connie Sackman, Clerk/Secretary, and District's Legal Counsel, Matthew Emrick. Absent were Director Reidenbach and Dewey Rogers, Treatment Plant Operator.
2. **APPROVAL OF MINUTES:** Director McCormick made a motion to approve the meeting minutes of July 8, 2017. Director Drolet seconded the motion. Roll call vote: President Harley, aye; Director Drolet, aye; Director McCormick, aye, and Director Ellison, aye. Motion carried.
3. **COMMUNICATIONS AND CORRESPONDENCE:** No new communications or correspondence.
4. **PUBLIC INPUT:** None.
5. **REPORTS:**
 - A. **TREASURER'S REPORT:** Accountant/Clerk Murray presented her Cash Statement and Checks Issued Reports as follows:

Cash Balances: \$64,708
Operations Reserve: \$16,895
< 40 Year Reserve: \$12,219
System Wide Capital Improvement: \$27,167
>40 Year Equipment Reserve: \$192,595
Alternate Water Development Fund: \$302,124

Cash Statement Report: Shows the last period compared to this period. The total unrestricted cash amount is \$93,822. The total restricted cash amount is \$521,866, which includes the System Wide Capital Improvement Reserve of \$25,167. This reserve will be spent by the General Manager to finish approved projects in process. Also presented was the list of checks issued. A check for \$6,132 was issued for appellate litigation fees. The sequence of checks issued changed due to ordering new checks. Discussed checks issued for employee salaries, operating expenses, and a check to SDRMA for workers compensation payment. Accountant/Clerk Murray called for a motion to accept the Cash Statements Report and approve the Checks Issued Report. President Harley moved to accept the Treasurer's Report and approve the Checks Issued Report. Motion seconded by Director McCormick. Roll call: Director Drolet, aye; President Harley, aye; Director McCormick, aye; and Director Ellison, aye. Motion carried.
 - B. **WATER/STORAGE FACILITIES/CONVEYANCE LOSS:** General Manager Acker reported the following for July, August, and September 2017:

July: Installed logger and processed well data, performed backwashes and monthly reports, processed meter re-read and report, attended Board meeting, installed combination gate locks, reactivated water service for Gazebo Park, performed system checks, processed water samples, shut off water service at a vacant property for sale.

August: Performed system checks, reviewed necessity of maintaining gate locks that have been vandalized twice. Replaced valve at Tank 4, attended safety meeting, mowed Tank 4 area, dropped off C12 bottles, processed chlorine delivery, processed water samples, met with Gordon Moores regarding water hookup for acreage parcel, set up Tank 5 connection, and reviewed Gordon Moores' acreage parcel water connection application.

September: Performed computer maintenance, removed the lower diversion pump, performed checks on water treatment, attended Board meeting, and discussed with the board the requirement for bacteria samples to be processed once every two weeks, beginning October 2017.

- C. **SAFETY COMMITTEE:** District General Manager Acker reported the attendance and completion of written tests by employees at the following Safety Committee Meeting.

August 4 2017: "Ergonomics: Break the RMI Habit" and "Harassment"

Attendees: General Manager Charlie Acker, Treatment Plant Operator Dewey Rogers, and Maintenance Employee Paul DeVaul.

- D. **LEGAL COUNSEL:** Attorney Matthew Emrick updated the Board on the status of the judgement. The new directors will be given a presentation of The Brown Act, which dictates the format of board meetings and minutes taken.

- E. **DIRECTORS:** Director Drolet discussed the following: The state Fire Prevention Fund (SRAFPPF) and Tree Mortality (TM) Grant Program are only being awarded to urban areas this year. Surveys of the Irish Beach Community have been taken. More information will be provided at the next board meeting.

6. **OLD BUSINESS:**

- A. **DISCUSSION AND OR ACTION: DRAFT BUDGET APPROVAL FOR FISCAL YEAR 2017-2018, AND FINANCING OPTIONS FOR FUTURE CAPITAL PROJECTS AND WATER SOURCE DEVELOPMENT. (MURRAY/EMRICK).**

Discussed the estimate used for the water usage rates for the budget years of 2015, 2016, and 2017. After discussion, Director McCormick made a motion to increase the water usage rate from the current \$0.51 to \$0.58 per 100 gallons beginning for the fiscal year 2017-2018. The availability charge remains at \$132.98 for two months/\$66.49 for one month. The motion was seconded by Director Ellison. Roll call: Director Drolet, aye; President Harley, aye; Director McCormick, aye; and Director Ellison, aye. Motion carried.

Resolution 2017-1 was signed for the water usage rate of \$0.58 per 100 gallons.

The Board discussed procuring an engineer's assessment in order to develop a master plan for IBWD. An engineer's assessment and master plan would provide the legal basis for water usage rates, assessments and connection fees, and deciding budgets for future capital projects. President Harley moved to direct General Manager Acker and Counsel Emrick to conduct research for an engineering company to do the assessment. The motion was seconded by Director Drolet. Roll call: Director Drolet, aye; President Harley, aye; Director McCormick, aye; and Director Ellison, aye. Motion carried.

B. DISCUSSION AND OR ACTION: FINANCIAL STATEMENT AUDIT FOR YEAR ENDING SEPTEMBER 30, 2015. (MURRAY)

Accountant/Clerk Murray and the board discussed the audit of fiscal year ending September 30, 2015. President Harley made a motion to accept and file the financial statement for September 30, 2015. The motion was seconded by Director Drolet. Roll call: Director Drolet, aye; President Harley, aye; Director McCormick, aye; and Director Ellison, aye. Motion carried.

C. DISCUSSION AND OR ACTION: UPDATE ON ROAD MAINTENANCE ISSUES AND CORRESPONDENCE REGARDING ROAD MAINTENANCE. (EMRICK/ACKER).

Counsel Emrick and General Manager Acker discussed the following with the Board: A letter was mailed to Mr. William Moores' attorney explaining that Mr. Moores sent a letter to IBWD contending that IBWD had allegedly breached the maintenance agreement with him due to not repairing or replacing the gate locks. IBWD's reply letter stated that before the gate locks can be replaced a solution needs to be found concerning the vandalism of the gates and locks, which has occurred. Mr. Moores has claimed he has control and authority over the roads in the acreage parcels but cannot or has not been able to control vandalism. IBWD does not have the authority to control vandalism in this area. IBWD's reply letter further stated that the maintenance agreement for road maintenance has not been adhered to by Mr. Moores and is therefore no longer operable. No reply has been received from Mr. Moores concerning this correspondence.

7. NEW BUSINESS:

A. HEARING AND DISCUSSION: WATER SERVICE CONNECTION TO SERVE GORDON MOORES' ACREAGE PARCEL AND DISCUSSION AND CONSIDERATION OF BUY-IN FEE RESOLUTION 2009-2. (EMRICK/ACKER).

After Counsel Emrick and General Manager Acker discussed the water service connection with the Board, a decision was made as follows: A motion was made by President Harley to direct General Manager Acker to construct a temporary water connection and meter until November 30, 2017, subject to the encroachment permit conditions that would be developed by an ad hoc committee. There would be a connection fee of \$150, an encroachment fee of \$200, and a water usage charge at the current rate, until it becomes a permanent connection as part of the resolution at the surplus rate of \$2.50 per 100 gallons for Gordon Moores' acreage parcel #131-110-37. Motion seconded by Director Drolet. Roll call: Director Drolet, aye; President Harley, aye; Director McCormick, aye; and Director Ellison, aye. Motion carried.

Counsel Emrick will compose and present a resolution at the November Board meeting on how to regulate water usage for agricultural situations.

B. DISCUSSION AND OR ACTION: BIDS FOR FIREHOUSE ROOF REPLACEMENT. (ACKER/HARLEY).

Discussed the two bids submitted for the firehouse roof replacement. A motion was made by Director McCormick to accept the lower bid from Jacobson Construction, which includes roof replacement for the firehouse and two additional IBWD buildings. The acceptance of this bid is subject to including replacement of the firehouse's skylights flashing. Motion seconded by President Harley. Roll call: Director Drolet, aye; President Harley, aye; Director McCormick, aye; and Director Ellison, aye. Motion carried.

C. DISCUSSION AND OR ACTION: CONNECTION OF TANK 2 WELL. (ACKER/HARLEY).

After the discussion between the Board and General Manager Acker, the Board directed General Manager Acker to obtain a proposal from Robertson Construction for digging the trench, and proceed with the Tank 2 improvement project using the system wide budget.

ADJOURNMENT: President Harley moved to adjourn the public session of the meeting. Director Drolet seconded the motion. Roll call to vote: Director McCormick, aye; President Harley, aye; Director Drolet, aye; and Director Ellison, aye. Motion carried. Meeting adjourned at 1:00 P.M. The next Board Meeting will be scheduled for Saturday, November 11, 2017.

CONVENED EXECUTIVE SESSION:

8. EXECUTIVE (CLOSED) SESSION: No reportable action was taken.

- 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.
- B. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED/POTENTIAL LITIGATION: SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (D) OF SECTION 54956.9: (1 POTENTIAL CASE).

Respectfully submitted,

Attest:

Don Harley, President

Jan McCormick, Secretary of the Board

Prepared by Connie Sackman, Clerk/Secretary