

IRISH BEACH WATER DISTRICT BOARD OF DIRECTORS  
REGULAR MEETING MINUTES  
July 13, 2019

1. **CALL TO ORDER AND ROLL CALL:** President Drolet called the Regular Meeting to order at 10:05 A.M. on Saturday, July 13, 2019, in the Rex Dunning Firehouse, 15401 Forest View Road. Roll call of directors in attendance were: President Drolet, Director Reidenbach, Director Ellison, and Director Terry. Employees in attendance were: General Manager Acker, Clerk/Accountant Murray, and Clerk/Secretary Sackman. Attending by telephone was District's Legal Counsel Emrick.
2. **APPROVAL OF MINUTES:** Director Ellison made a motion to approve the Meeting Minutes dated May 11, 2019, as submitted. The motion was seconded by Director Terry. Roll call to vote: President Drolet, aye; Director Reidenbach, aye; Director Ellison, aye; and Director Terry, aye. Motion carried.
3. **COMMUNICATIONS AND CORRESPONDENCE:** General Manager Acker stated that the communication he received would be presented during his report under 5.B.
4. **PUBLIC INPUT:** None.
5. **REPORTS:**

**A. TREASURER'S REPORT:**

Clerk/Accountant Murray reported the following:

Cash Balance: \$65,007  
Operations Reserve: \$0.00  
Emergency Response Augmentation: \$41,325  
System Wide Capital Improvement: \$0.00  
>40 Year Equipment Replacement Fund: \$170,970  
Alternate Water Development Fund: \$416,644  
Total Assets both Restricted and Unrestricted: \$688,370

Accounts Receivable of \$33,244, which does not have the payroll expenses that were paid after July 1st. Accounts Receivable does have the billings for May and June as receivables. The > 40 Year is \$170,970, plus \$25,000 for the electronic meter replacements, to be paid back by the operating account. Clerk/Accountant Murray presented the list of checks issued, pointing out that check #11692 to Iflow for \$15,675.25 was for the purchase of additional electronic meters and equipment associated with the new meters. Clerk/Accountant Murray asked for a motion to accept the Treasurer's Report and approve the list of checks issued.

After review of the Treasurer's Report and the list of checks issued from May 1 through July 7, 2019, Director Reidenbach made a motion to accept the Cash Statement Report of July 2019, and the Checks Issued Report for the period of May 1, 2019 through July 7, 2019. Motion seconded by President Drolet. Roll call to vote: President Drolet, aye; Director Terry, aye; Director Ellison, aye; and Director Reidenbach, aye. Motion carried.

Clerk/Accountant Murray presented to the Board a printout of this year's Budget vs. Actual Report as follows: The District's fiscal calendar year is at 79%; however, collection for availability and water charges are at 54%. On the expense side of the Budget to Actual Report: Source of Supply is under budget at 36%; Water Treatment is under budget at 40%; Transmission and Distribution is over budget at 108%, due to the meter replacement project, which will be moved to a special project account. Customer Accounts are at 137%; and Administration and General Reports are at 78% of budget, which is close to 79% of the fiscal calendar year. In summary, the fiscal calendar is at 79%, Revenue is at 54%, and Expense is at 84%.

**B. WATER/STORAGE FACILITIES/CONVEYANCE LOSS:** General Manager Acker reported the following: Monthly bacteria testing has been all clear. A series of 3-year chemical testing for Unit 9 Well has been completed. The Consumer Confidence Report was also completed and will be included with the next billing statements. The electronic meter project is going well, with only approximately 50 more to be installed. The new electronic meters register more accurate water usage, and a leak in the system can now be more readily detected. A problem with air getting into the system on Forest View Road was corrected. A communication with a property owner was discussed with the Board and Counsel Emrick regarding installing a water system for the two parcels on the west side of Highway One. A letter with information regarding water works standards will address this issue and Counsel Emrick will review the letter before mailing it to the property owner.

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

June 18, 2019: "Customer Service"

Attendees: General Manager Acker, Treatment Plant Operator Rogers, Treatment Plant Operator Trainee Dickson, and Maintenance Employee DeVaul.

**D. LEGAL COUNSEL:** Counsel Emrick stated that Bid's appellate brief for IRISH BEACH WATER DISTRICT vs. Moores has been posted on the IRISH BEACH WATER DISTRICT website, www.Irish Beach Water District.org.. The Moores' opposition is expected to be filed within the next couple of weeks, and it will also be posted on the IRISH BEACH WATER DISTRICT website.

**E. DIRECTORS:** Clerk/Accountant Murray discussed with the Board the voter packet for the upcoming election of directors to the Board. She then presented to the Board for discussion and approval of the following: Resolution 2019-02, titled: A RESOLUTION OF THE IRISH BEACH WATER DISTRICT BOARD OF DIRECTORS ADOPTED PURSUANT TO CALIFORNIA ELECTIONS CODE SECTION 4000 ET SEQUITER AND IN PARTICULAR SECTIONS 4108 AND 4104 CONCERNING THE CONDUCT OF THE 2019 ELECTION OF DISTRICT DIRECTORS BY ALL-MAILED BALLOT ELECTION. After the Board's discussion, Resolution 2019-02 was amended to change the wording in the fourth paragraph to read: "...of the appropriate election year" and Item 3 to read: "The Board of Directors directs Clerk/Accountant Judy Murray to prepare the mail ballots and conduct the 2019 District election, including retaining staff and volunteers as necessary." Director Terry moved to approve Resolution 2019-02 regarding the special election as amended. The motion was seconded by Director Reidenbach. Roll call to vote: President Drolet, aye; Director Terry, aye; Director Ellison, aye; and Director Reidenbach, aye. Motion carried.

## 6. OLD BUSINESS:

**A. DISCUSSION AND OR ACTION: FINANCING OPTIONS FOR FUTURE CAPITAL PROJECTS, WATER SOURCE DEVELOPMENT, AND UPDATE ON PROCURING AN ENGINEER'S ASSESSMENT FOR MASTER PLAN DEVELOPMENT. (EMRICK/ACKER).** Counsel Emrick discussed with the Board his actions regarding restoring the water connection fees that IRISH BEACH WATER DISTRICT had prior to the initiation of Prop. 218 assessments. Counsel Emrick proposed to coordinate with Clerk/Accountant Murray and General Manager Acker to gather information for the engineering firms to recalculate connection fees, and to have the firms submit their final proposals to the District. Counsel Emrick will bring more information to the September Board Meeting.

## 7. NEW BUSINESS:

**A. REVIEW AND DISCUSSION: PROPOSED 2019-2020 DISTRICT BUDGET. PRESENTATION TO THE BOARD. CALL FOR BUDGET COMMITTEE TO REVIEW AND COMMENT FOR FINAL APPROVAL IN THE SEPTEMBER 2019 BOARD MEETING. (MURRAY/ACKER).**

Clerk/Accountant Murray presented the proposed budget for 2019-2020 for review and discussion, and reported the following: The fiscal year ends September 2019 and the new fiscal year begins October 2019. The first page of the budget report shows an increase of \$0.01 for water usage charge. The availability charge

will increase to an additional \$5.73, which brings it to \$78.87 per month. This increase was approved at the public rate hearing held during the January 12, 2019, IRISH BEACH WATER DISTRICT Board Meeting.

Clerk/Accountant Murray and General Manager Acker discussed with the Board future greater than 40 capital projects, including: finalizing the electronic meter replacements, a software update for the computer monitoring system, the Alta Mesa Road paving project, Tank 2 roof replacement, and pipe replacements. Clerk Accountant Murray continued to discuss with the Board the total operating reserve for the operating budget. Also discussed was the labor distribution expense at 38% of the total budget, a comparison of 2018-2019 to the 2019-2020 budgets, and a plan to determine repayment of the loan taken from the greater than 40.

Clerk/Accountant Murray requested that the Budget Committee meet for further discussion of the proposed budget, and requested an IRISH BEACH WATER DISTRICT director be added to the Budget Committee. Director Terry volunteered to be appointed to the Budget Committee. Director Reidenbach made the motion to move the approval of the budget for 2019-2020 to the September Board Meeting, and add Director Terry to the Budget Committee. Motion seconded by Director Ellison. Roll call to vote: President Drolet, aye; Director Terry, aye; Director Ellison, aye; and Director Reidenbach, aye. Motion carried

**ADJOURNMENT:** President Drolet moved to adjourn the Public Session of the Board Meeting at 12:15 A.M. Director Ellison seconded the motion, and the Executive Session convened at 12:21 P.M.

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

**CONVENED EXECUTIVE 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.
- 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).

**RETURNED TO OPEN SESSION AND REPORT:**

President Drolet closed the executive session and reconvened the open (public) session of the IRISH BEACH WATER DISTRICT at 12:35 P.M. A.M. and stated that there were no reportable actions to report regarding existing litigation. Director Terry moved to adjourn the Board Meeting. Director Reidenbach seconded the motion. Roll call to vote: President Drolet, aye; Director Reidenbach, aye; Director Ellison, aye; and Director Terry, aye. Motion carried. Meeting adjourned at 12:37 A.M. The next board meeting will be scheduled for Saturday, September 14, 2019.

**Respectfully submitted:**

**Attest:**

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**Leon Drolet, President**

\_\_\_\_\_  
**Anny Reidenbach, Secretary of the Board**

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Prepared by: Connie Sackman, Clerk/Secretary**