

IRISH BEACH WATER DISTRICT BOARD OF DIRECTORS  
REGULAR MEETING MINUTES  
November 10, 2018

1. **CALL TO ORDER AND ROLL CALL:** President Drolet called the Regular Meeting to order at 10:00 A.M. on Saturday, November 10, 2018, in the Rex Dunning Firehouse, 15401 Forest View Road. Roll call of directors in attendance were: President Drolet, Director McCormick, Director Reidenbach, and Director Ellison. Employees in attendance were: District General Manager Acker and Clerk/Accountant Murray. District's Legal Counsel Emrick attended by phone. Clerk/Secretary Sackman was absent from the meeting.
2. **APPROVAL OF MINUTES:** President Drolet made a motion to approve the meeting minutes of September 8, 2018, as submitted. The motion was seconded by Director McCormick. Roll call to vote: President Drolet, aye; Director McCormick, aye; Director Reidenbach, aye; and Director Ellison, aye. Motion carried.
3. **COMMUNICATIONS AND CORRESPONDENCE:**

Clerk/Accountant Murray presented a letter from a homeowner regarding water shut off without notice. Water was restored. Due to this communication, a notice will be included in the next customers' billing statements giving homeowners contact numbers for the Water District's staff and instructions to phone the District should customers encounter water usage problems.

A communication received from property owner Steve Whitaker, regarding zoning changes requested by property owner William Moores, was discussed. After discussion, Director Reidenbach agreed to represent the District by sending an email to the Planning Commission recommending denial of the requested zoning changes.

4. **PUBLIC INPUT:** Public input will be limited to five minutes for each person's input.

Regarding the Pomo Lake Status: IBIC President Wolfe presented a proposal to the IBWD Board and Counsel Emrick for discussion. After discussion, it was determined that the proposal would be further reviewed by the Irish Beach Water District Board and Counsel Emrick for discussion and action at the next Board Meeting.

The three communications/correspondence received concerned the Pomo Lake status, and will be addressed in these meeting minutes and posted to the Irish Beach Water District website.

5. **REPORTS:**

- A. **TREASURER'S REPORT:**

Clerk/Accountant Murray reported the following:

Cash Balance: \$42,089  
Operations Reserve: \$0.00  
Emergency Response Augmentation: \$35,029  
System Wide Capital Improvement: \$0.00  
>40 Year Equipment Replacement Fund: \$195,170  
Alternate Water Development Fund: \$416,644  
Total Assets both Restricted and Unrestricted: \$728,195

After review of the Cash Statement and the list of checks issued from September 8, 2018 through November 10, 2018, Director Reidenbach made a motion to accept the Cash Statement Report of November 2018, and the Checks Issued Report for the period of September 9, 2018 through November 10, 2018. Motion seconded by President Drolet. Roll call to vote: President Drolet, aye; Director McCormick, aye; Director Ellison, aye; and Director Reidenbach, aye. Motion carried.

A guest in the audience wanted a Budget to Actual Report. Accountant/Clerk Murray provided the guest with the report and announced that more information would be presented when the Budget was presented later in the agenda.

**B. WATER/STORAGE FACILITIES/CONVEYANCE LOSS:** General Manager Acker presented the Board with his Operations Report. There was discussion as he reviewed his staff's activities since the last meeting. Of special note was the annual three year inspection from the State, resulting in a positive review for the District.

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

October 2, 2018: "Fire Safety"

Attendees: General Manager Acker, Treatment Plant Operator Rogers, Maintenance Employee DeVaul, and Clerk/Accountant Murray.

**D. LEGAL COUNSEL:** Counsel Emrick reported that the date to file the briefs for the Moores' appeal has been moved to mid-January 2019. Pomo Lake status was discussed between members of the audience, board members, and District's Counsel Emrick. After extensive discussion, it was concluded that the date for the proposed combined IBIC and Irish Beach Water District meeting must be set as soon as possible. Director McCormick poled the Board on available dates and decided on the following possible dates of Sunday, November 18, 2018, Sunday, December 9, 2018, or Saturday, December 15, 2018. IBIC President Wolfe will poll his Board and choose a date that most of his Board can attend.

**E. DIRECTORS:** Director McCormick expressed the need for a more efficient method of posting to the website. Director Reidenbach agreed with that observation. Clerk/Accountant Murray stated she would email all of the Irish Beach Water District directors the updated protocols regarding posting to the website. President Drolet expressed concern regarding two water meters situated by the dam at Pomo Lake and Gazebo Park, which are not being read. General Manager Acker said he would instruct the staff water meter readers to read the meters so that usage could be tracked. Water from these meters is not being billed.

## 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 and General Manager Acker stated the proposals have been delayed, and will be scheduled for presentation at the next Board Meeting. Connection fees will need to be increased due to the Water District no longer receiving funds from Proposition 218 Assessments.

**B. DISCUSSION AND OR ACTION: UPDATE ON ROAD MAINTENANCE AGREEMENT AND CORRESPONDENCE REGARDING ROAD MAINTENANCE.(EMRICK/ACKER).** On hold as part of on-going litigation. Proposed bid for repairing a portion of asphalt has not been received. Repair work will be postponed until weather conditions are warmer for road repair. General Manager Acker stated he is in the process of updating road conditions with photos and observations.

- C. **DISCUSSION AND OR ACTION: CONNECTION OF TANK 2 WELL. (ACKER).** On hold until after the litigation proceedings have been concluded. No change in status.
- D. **DISCUSSION AND OR ACTION: ENVIRONMENTAL PROTECTION AGENCY (EPA) INCIDENT ACTION CHECKLIST, RESEARCH AND PLAN OF ACTION. (DROLET/ACKER/EMRICK).** Proposal delayed by Butte County wildfires.
- E. **DISCUSSION AND OR ACTION: CALFIRE GRANT PROGRAM FOR POTENTIAL BRUSH AND TREE REMOVAL, ETC. FOR FIRE PROTECTION PURPOSES AND COORDINATION WITH REDWOOD COAST FIRE PROTECTION DISTRICT. (DROLET/ACKER/EMRICK).** No change in status.

**7. NEW BUSINESS:**

- A. **DISCUSSION AND OR ACTION: ACCEPT AND FILE AUDIT FOR FISCAL YEAR ENDING SEPTEMBER 30, 2016. COPY OF AUDIT ON WEBSITE WWW.IBWD.ORG. COPIES AVAILABLE AT BOARD MEETING. (MURRAY)** Clerk/Accountant Murray reviewed the completed audit received from Rick Bowers, CPA for fiscal year ended September 30, 2016. Clerk/Accountant Murray pointed out that the Independent Auditor’s Opinion expressed in his report stated: “In my opinion, the financial statements referred to above present fairly, in all material respects the respective financial position and cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.” Clerk/Accountant Murray said this statement is what is called an unqualified opinion and that is what the State or any vendor or financing institution would be looking for in reviewing Irish Beach Water District’s financial status. Clerk/Accountant Murray also pointed out that the Statement of Changes in Net Position revealed a positive net change of \$11,459 before the receipt of the Proposition 218 Assessment of \$62,411, that Irish Beach Water District will no longer receive. Clerk/Accountant Murray also pointed out to the Board that she prepared the Management Discussion and Analysis and pulled together the three financial statements for Rick Bowers, CPA to audit. Motion was made by Director McCormick to accept and file the Audit for fiscal year ending September 30, 2016, received by Rick Bowers, CPA. Motion was seconded by Director Ellison. Roll call to vote: President Drolet, aye; Director McCormick, aye; Director Ellison, aye; and Director Reidenbach, aye. Motion carried. A motion was made by Director McCormick to accept the Engagement Letter from Rick Bowers, CPA to do the audit for fiscal year ending September 30, 2017, at the rate of \$5,600, with a report to be issued no later than June 30, 2019. The motion was seconded by Director Reidenbach. Roll call to vote: President Drolet, aye; Director McCormick, aye; Director Ellison, aye; and Director Reidenbach, aye. Motion carried.
- B. **DISCUSSION AND OR ACTION: APPROVE BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2019, AND SET DATE FOR PUBLIC HEARING REGARDING PROPOSED INCREASE TO AVILABILITY CHARGE. COPY OF DRAFT BUDGET ON WEBSITE IBWD.ORG. COPIES AVAILABLE AT BOARD MEETING. (MURRAY)** Clerk/Accountant Murray presented the Budget for the year 2018-2019. She reviewed several schedules and the detailed Budget Report with the Board. She explained the Budget calls for an increase in water usage rates for usage per 100 gallons from \$0.51 to \$0.57, a six cents increase. This increase is due to customers using less water. The budget also calls for an increase in the availability charge from \$66.49 per month per unit to \$78.87 per month per unit. This will result in additional revenue of \$30,000 for the new year, which will restore Irish Beach Water District’s operating reserve to \$10,000 and add \$5,000 to our Less than 40 year Equipment Reserve. The remaining \$15,000 is needed to increase the legal budget in 2018-2019. Director Reidenbach made a motion to add a public hearing to our scheduled January 12, 2019 regular meeting to allow the public to review the proposed increase per unit of \$12.38 per month to the availability charge and consider a majority protest. The motion was seconded by Director Ellison. Roll call to vote: President Drolet, aye; Director McCormick, aye; Director Ellison, aye; and Director Reidenbach, aye. Motion carried.

**ADJOURNMENT:**Director McCormick moved to adjourn the public session of the board meeting at 12:20 P.M. and the Executive Session convened at 12:24 P.M.

**8. EXCUTIVE (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 12:47 P.M. and stated that there were no reportable actions to report regarding existing litigation. President Drolet moved to adjourn the board meeting. Director McCormick seconded the motion. Roll call to vote: President Drolet, aye; Director McCormick, aye; Director Ellison, aye; and Director Reidenbach, aye. Motion carried. Meeting adjourned at 12:49 P.M. The next board meeting will be scheduled for Saturday, January 12, 2019.

**Respectfully submitted:**

**Attest:**

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**Leon Drolet, President**

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**Jan McCormick, Secretary of the Board**

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

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

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