

WESTHAVEN COMMUNITY SERVICES DISTRICT
Regular Meeting Minutes
February 10, 2021

1. CALL TO ORDER

Board President Verick called the meeting to order at 6:30 PM. In attendance were:

Board Members: Hankin, Verick, Cline, Swisher & Phipps

Absent: None

Staff: Rosenblatt & Levang

Guests: Elaine Weinreb

2. PUBLIC COMMENT

None at this time

3. AMEND / APPROVE ORDER OF AGENDA ITEMS

Verick explained why he added item 14, Discussion of Philosophical, Political and Meta issue aspects of the District's Existence and Operation, to the agenda. He said that discussions of business items tend to swerve off to more philosophical discussions. He wants to keep to the mundane, more concrete agenda items during the meeting and reserve the more philosophical discussions to the end of the meeting for a higher level of abstraction.

Verick moved to approve the order of agenda items. Second by Hankin; all approved

4. PUBLIC HEARING ORDINANCE 2020.1 HORSES AND MOTORCYES ON DISTRICT PROPERTY-SECOND READING

4.1 ORDINANCE 2020.1-Brief discussion. There was no public present.

Verick moved to change the numbering of Ordinance 2020.1 to Ordinance 2021.1.

Seconded by Cline; all approved.

Swisher moved to approve Ordinance 2021.1. Seconded by Verick; Approved, 4 Ayes, 1 Noe (Phipps)

5. AMEND / APPROVE MINUTES

5.1 January 20, 2021 Regular meeting minutes - Discussion/Approval

Amend minutes as follows:

- Page 1 and page 4, Item 11, in the item title correct the spelling of Lucy Kostrzewa last name.
- Page 1, last 2 words it reads, ~~Verick moved~~, change to *Verick moved*
- Page 2 first sentence add "*meeting*" after "at the regular March *meeting* with suggestions".
- Page 2, Item 6.2 have title read Credit card payments "*for December*". Delete ~~December~~ at the beginning of sentence "Levang was unable to report".
- Page 2, second to last sentence change from, He plans to install a hydrant at the ~~end of the line on Westhaven Drive~~, to He plans to install a hydrant at the *north end of Westhaven Drive*.
- Page 3, at top, first full sentence change ~~districts~~ to *utilities*.
- Page 4, item 14, second bullet, add that future agenda item is for the March meeting agenda.

Verick moved to approve the January 20, 2021 regular meeting minutes as amended. Seconded by Cline; all approved.

Minutes 2/10/2021

Approved 3/17/2021

6. FINANCIAL REPORTS, DISCUSSIONS AND APPROVALS

6.1 Directors' Report – monthly billing and collections – discussion

The Board packet contained Directors report. Total January, 2021 water sales were \$20,088.10 and total receivables were \$21,913.51. No discussion.

6.2 Water Consumption and Sales – Discussion

Board packets contained Water Consumption and Billings-Commodity Charges Only report. January, 2021 gallons billed 677,930; average gallon per day per meter readings 118, per person 54; average monthly charge per account \$35.91; total monthly charges \$7,361; monthly deviation from budget -\$982; cumulative deviation \$11,238. No discussion.

6.3 Income/Expense Report – Discussion

Board packets contained an Income/Expense Report for January, 2021. Total income \$16,451, total expense \$28,715 with a net operating income of -\$12,264. The board questioned why we are over budget under Transmission and Distribution. Rosenblatt explained we have had a number of significant leaks, plus his hand injury limited what he could personally do. He pointed out that the budget for maintenance, structure and improvements is only \$850 annually. He said he is being aggressive in making repairs because he is fixing for the long term rather than the most economical repair as possible. He is trying to resolve a couple ongoing issues while looking towards the future. Hankin suggested looking at past budgets to see if that amount has been consistently over budget.

6.3.1 Updated well Report. No discussion

6.4 Finance Officer's Recommendations – No recommendation.

6.5 Treasurer's Report and Recommendations – discussion

Board packets contained a copy of the January, 2021 Treasurer's report. Account balances were as follows: Capital Reserves \$242,425.45; Operating Reserves \$52,090.73; DWR Reserve CD \$28,742.12; DWR Loan Savings \$8,485.07; Checking Account as of 2/3/2021 \$24,642.29. The board questioned why the checking account balance was lower than usual. Levang said \$14,000 was transferred to the Capital Reserves and the board meeting is earlier in the month than usual so monthly deposits have not yet been made. The board requested \$14,000 deposited into the Capital Reserves be reflected on the report. At the bottom of the report under "***" total annual budget should read total *operating* budget.

6.6 November Warrants – discussion / approval

Cline questioned the check for backflow testing that was performed in August. Levang said we just received the invoice for the August testing. The amount charged was questioned, the cost per customer for backflow testing remains the same as it always has been, but we have added one additional backflow customer.

Hankin moved to approve warrants #6571 through #6600, totaling \$22,068.09. Seconded by Verick; all approved.

7. MANAGER'S REPORT

7.1 Water Loss – 1 system leak, 1 customer service line leak. Discussion

Board packets contained a summary table of 13 month water loss history. January, 2021 water loss is at 28.3%, average water loss in the last 13 months is 20.3%. Rosenblatt said we are having significant leaks, about one every two weeks. He had nothing more to report.

- 7.2 District's COVID 19 response: credit card payments. The use of the credit/debit card payments remains consistent. Rosenblatt said three customers have requested their bills be automatically paid each month.
- 7.3 Minimum Wage Law Exempt Employee pay increase budget oversight/shortfall. Rosenblatt wants the board to be aware that as of January 1st minimum wage increased to \$13 per hour. In order for the District to be in compliance with CA Labor Laws Rosenblatt's wage increased \$2 per hour. This increase had not been accounted for in the Operating budget.

8. ONGOING DISCUSSION OF SRF DBP PLANNING GRANT

- 8.1 Update on SHN Activities required to secure permits for well drilling. Nothing new to report.
- 8.2 Update on Progress for Well site 3 with LACO for CDP#2. The permit is in agency review. Rosenblatt said that he spoke with CDFW and they said they will not have any agency comments. Rosenblatt will be getting in touch with the County Planning Department to follow up on where they are in the process.
- 8.3 Subcommittee (Rosenblatt, Swisher, Hankin) report on feasibility of drilling ASAP. Rosenblatt reported he is trying to get a free moment to start on site preparation. He has put calls out to follow up with the drillers. Rosenblatt said, that because of high demand for well drilling, it is challenging to find a well driller who is motivated to bid on drilling wells for WCSD.

Hankin asked what the status was on the planning grant. Rosenblatt thanked Hankin for his work revising the scope of work for the planning grant. Rosenblatt said he will speak to Malley Vue, with the State Division of Financial Assistance, about uploading environmental documents for well site 3. Rosenblatt is getting ready with the revised scope of work and he is working on the revised budget. Tom Warnock, with Pace Engineers, and Rosenblatt will bring this to the finish line. Rosenblatt said the planning grant is high on his priorities.

9. TECHNICAL ASSISTANCE GRANT FROM DEPT OF FINANCIAL ASSISTANCE

- 9.1 Update on progress of technical assistance grant from DFA
Rosenblatt report that Tom Warnock, PACE Engineering, was here during the rain event, January 31 through February 3rd, working on the pilot study. Rosenblatt used a series of slides and graphs to explain the implications of the five day study conducted during a high rainfall event, which was to a certain extent a stress test of the treatment methods that are the subject of the pilot study. The presentation made it clear that ground water blending is a great tool to have in our tool box during winter conditions, but that use of groundwater blending alone is unlikely to reduce disinfection byproduct levels enough reliably to keep them below maximum contaminant levels for trihalomethanes and haloacetic acids. Discussion ensued. Rosenblatt said that the current amount of ground water the District can produce is not adequate alone in the winter to dilute the high levels of Total Organic Carbon ("TOC") and Dissolved Organic Carbon ("DOC") in the District's surface water so as to produce finished water with acceptable levels of disinfection byproducts. If we are lucky and we can get 4 to 5 gallons of water per minute (GMP) from each of the 3 new wells and that might be enough for most winter conditions. In the summer we will need more water than the 4 to 5 GPM. We cannot rely on using only ground, or only surface, water; our approach must be multiple faceted. Rosenblatt clarified a point he had made earlier that could have been taken to mean that water with very high TOC and DOC levels is easier to treat. Rosenblatt emphasized that water with high levels of TOC and DOC is still more difficult to treat, but that treatment under these conditions often removes a higher percentage of the TOC and DOC in the water, which still leaves, in absolute terms, more TOC and DOC in the water, than low-level TOC/DOC water treated using the same methods. Rosenblatt suggested calling a special meeting at the end of the month with Tom Warnock to answer their questions.

10. TRINIDAD RANCHERIA REQUEST FOR WATER FROM HUMBOLDT BAY MUNICIPAL WATER DISTRICT (HBMWD).

10.1 Letter from the Board of Directors of the Humboldt Bay Municipal Water District regarding the participation of the Westhaven CSD in a feasibility analysis. Hankin gave a brief report, he said he will be listening into the HBMWD board meeting tomorrow at 10:30 a.m.. They will be discussing the community response letters. The HBMWD Manager is adamant that if we don't buy in now to their feasibility study we will never be able to get water from HBMWD. Hankin doubts they would put in such small water lines to the Trinidad Casino that they would not be able to tap into them in the future. Swisher attended the meeting on February 9, 2021 and gave a brief overview. Swisher said they will not know the size of water lines needed until after the feasibility study. Hankin said if it is true that WCSD would lose the option of getting HBMW in the future we may need to rethink our position. Verick suggested calling their bluff. Hankin encourages all the board members to follow this issue. Cline asked how to listen into tomorrows HBMWD meeting, Hankin volunteered to email the information to all the board members after this meeting.

11. REPORT ON TRINIDAD CITY COUNCIL MEETING. HANKIN

11.1 Report on the January 26th Trinidad City Council Meeting. Discussion:
 Hankin, along with many people, were unable to participate in the January 26th council meeting due to power outages. Because of the power outages Trinidad City Council held a second meeting last night, February 9th, to discuss the HBMWD proposal and get community comment. Swisher and Elaine Weinreb were able to listen in on both meetings. Weinreb said there was a lot more public comment at last night's meeting. The council took a second vote on whether or not to support the feasibility study. Both nights the council voted not to participate. Further discussion ensued regarding Trinidad's service area and additional comments from last night's Trinidad City Council meeting.

12. LAFCO MUNICIPAL SERVICE REVIEW

12.1 LAFCO Municipal Service Review-nothing to report.

13. REVIEW OF DRAFT BI-ANNUAL AUDIT

13.1 Review of the Bi-annual draft audit for fiscal year 2018-2019 and 2019-2020.
 Discussion/Approval. There was discussion of the written independent auditor's report and whether or not to have the timber at the water plant appraised. The value of the timber is always changing and having it appraised is costly. There was discussion of whether or not it is infrastructure since the large trees facilitate fog drip, which contributes precipitation during some of the drier months of the dry season, which helps recharge groundwater and facilitates streamflow in Two Creeks.

Verick moved to approve the audit. Seconded by Hankin; all approved

14. DISCUSSION OF PHILOSOPHICAL, POLITICAL AND META ISSUE ASPECTS OF THE DISTRICT'S EXISTANCE AND OPERATION

Discussion and suggestions for future discussion topics ensued. The group questioned if we want to hook up more people to the water system. They discussed ideas for the District's forest, and questioned what powers a CSD has. Another potential issue for future discussion was what does the District owe the community, just water, or other aspects? Swisher said there is concise and consistent list of what a CSD can do in the state code. The State code was provided to the board when they received their new board member binders and the information is also easily available on the Internet. The board asked Swisher to bring the state code to the next meeting.

15. ITEMS FROM MEMBERS OF THE BOARD FOR FUTURE MEETINGS

- Review Water Allotment Ordinance and Policies-discussion and proposed revisions. Swisher/Hankin
- Review recommended Capital Assets Policy
- Resolution 2021-2 Authorizing Investment Of Monies In The Local Agency Investment Fund
- Resolution 2021-3 Identifying WCSD Personnel Authorized To Sign Claim Forms For The Issuance Of Checks Upon WCSD's Accounts In The Humboldt County Treasury

16. ADJOURN

Verick adjourned the meeting at 8:30 PM.

Respectfully Submitted,

Roxanne Levang
WCSD Secretary