

WESTHAVEN COMMUNITY SERVICES DISTRICT
Regular Meeting Minutes
April 17, 2019

1. CALL TO ORDER

President Hankin called the meeting to order at 6:32 PM. In attendance were:

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

Absent:

Staff: Rosenblatt and Levang

Guests: Mike Morton

2. PUBLIC COMMENT

M. Morton requested information regarding what was going on with CAL-FIRE at the water plant. Rosenblatt explained that as part of a state mandate CAL-FIRE was clearing 30 to 100 feet of brush around buildings and the roadside. Rosenblatt explained that this is a state standard and through a CAL-FIRE Fuel's Reduction Program there was no cost to the district.

3. AMEND / APPROVE ORDER OF AGENDA ITEMS

Hankin proposed switching items 6.2.1.2 and 6.2.1.3

Hankin moved to approve the order of agenda items as amended. Seconded by Verick; all approved.

4. AMEND / APPROVE MINUTES

March 20, 2019. Regular meeting minutes.

Verick moved to approve the minutes as written. Seconded by Cline; all approved.

5. FINANCIAL REPORTS, DISCUSSIONS AND APPROVALS

5.1 Directors' Report – monthly billing and collections

The Board packet contained Directors report. Total March water sales were \$18,152.58 and total receivables were \$14,886.40

Hankin had a question clarifying the amount of prepayments. No further discussion.

5.2 Water Consumption and Sales – discussion

Board packets contained Water Consumption and Billings-Commodity Charges Only report.

March gallons billed 465,990; average gallon per day per meter readings 82, per person 37; average monthly charge per account \$33.44; total monthly charges \$6,588; monthly deviation from budget -\$1,211; cumulative deviation \$5,079.

Board commented that we are not as far ahead as last year but not in the negative either. There were comments on the low water sale numbers, particularly December 2018.

5.3 Income/Expense Report – discussion

Board packets contained an Income/Expense Report for March. Total income \$14,898, total expense \$11,495, with a net operating income of \$3,403.

There were a couple questions regarding report notes. No further discussion.

5.4 Finance Officer's Recommendations – No recommendations.

5.5 Treasurer's Report and Recommendations – discussion

Board packets contained a copy of the March Treasurer's report. Account balances were as follows: Capital Reserves \$66,172.25; Operating Reserves \$50,205.87; DWR Reserve CD \$28,491; DWR Loan Savings \$22,236.39; Checking Account as of 4/12/2019 \$116,233.57.

No discussion. Hankin requested the explanatory notes at the bottom of the report be printed with the report each month.

5.6 January Warrants – discussion / approval

The board requested the secretary eliminate the warrants report from the board packet and only distribute warrants at the board meeting.

Verick moved to approve warrants #5410 through #5429, grand total \$7,864.90. Seconded by Cline; all approved.

5.7 Draft 2019-2020 Operating Budget

Rosenblatt gave an overview of the proposed 2019-2020 budget. There was discussion of next year pro-rating expensive projects, such as the sand filter, into the operating reserve budget. The annual Newsletter is due to be mailed by May 3rd. Rate increases will need to be announced to give Customers time to respond by the June board meeting. There was discussion of base rates and commodity rates. There will be a \$.14 increase in the monthly base rate, a \$.71 increase in the monthly commodity rate making the average month bill \$91.36, a \$2.06 increase from last year.

Verick moved to approve the 2019-2020 Operating Budget. Seconded by Hankin; all approved.

5.8 Copy of email from grant administrator Denise Monday summarizing Prop 84 grant balances. Rosenblatt gave an overview of the April 11, 2019 email from Denise Monday, the Grant Manager with the County of Humboldt. Per Monday's email the new tank, Project 11 and the tank roof, Project 25 collectively are \$8,693.96 over the funded amount. Project 10, the water mains replacement grant, total receivables are \$82,512.44, \$27,719.09 is the retention amount. After paying outstanding invoices to LACO, totaling \$7,376.95 and the overage on Projects 11 & 25 there will be a total reimbursement amount of \$66,441.53

6. MANAGER'S REPORT

6.1 Water Loss – update

Board packets contained a summary table of 24 month water loss history. March water loss is at 17.7%, average water loss in the last 13 months is 20%.

There were no major leaks. There was a leak on 7th Avenue.

6.2 Projects Updates

6.2.1 DBP Project/Well project update

6.2.1.1 Discussion of the SHN planning grant contract proposed scope of work and estimated costs. Distributed April 16, 2019 email from Stein Coriell, SHN. Hankin started the conversation by saying he missed the last meeting and was not comfortable signing the amended contract with so little backup information. He requested a summary from SHN to justify the additional expenses. After discussion it was agreed that the additional studies, although we may not like it, need to be done. Phipps requested detailed invoices from SHN showing a breakdown of what work has been done. Verick asks what needed to be done in order to drill the wells.

The group discussed the SHN project scope document that was in the packet. Hankin's concern is that what the engineers are proposing exceeds the actual grant funding amount and the document lacks a detailed budget.

6.2.1.2 Report on conference call with Scott Gilbreath and Barry Sutter, District Engineer from the Department of Drinking Water about the compliance order. Hankin, Verick and Rosenblatt had a conference call with Scott Gilbreath and Barry Sutter. They were helpful, reasonable and practical. They were surprised that SHN wrote the project scope without speaking to them. It was stated that the grant application would need to address alternatives that are a lot more expensive. Gilbreath and Sutter already know the history

but said it still needed to be addressed in the grant application. Hankin request that the SHN proposal be simple and focused on drilling new wells and the cost to put in water lines and to connect to existing water lines. Rosenblatt stated that the planning grant is for 100% of the cost. The construction grant has a 20% match. The project will cost \$300,000 or more.

6.3 NO COST Defensible Space and Road Clearance at the Water Plant update – Rosenblatt already gave an update under Public Comment. Rosenblatt said they are done and the project has enhanced survivability.

7. BOARD POLICIES

7.1 Develop policy concerning whether the Board should take action on complex decisions for which detailed information is presented at a meeting rather than provided in board packets. Hankin opened the discussion of developing a policy to ensure the board receives backup materials for review prior to the board meeting. The board requested when staff is unable to provide supplementary information in the board packets that the agenda item be postponed to the following meeting. In the event the agenda item is time sensitive and can't wait until the next month a board member can call a special meeting with at least a 72 hour notice to inform the public. If the supplementary information is available to be emailed no less than 2 days before the meeting a time sensitive item can remain on the agenda. The Directors stressed that ideally the supplementary information should be provided in the board packets which are distributed no later than the Friday before a Wednesday board meeting.

7.2 Should the Board form a sub-committee to review proposed WCSD contracts with engineering firms and report to the Board?

Hankin proposed developing a two member subcommittee to thoroughly review contracts. After discussion Verick and Hankin volunteered to serve on an ad hoc basis. Hankin will draft a policy to be reviewed at the next meeting.

8. LEAK ADJUSTMENT POLICY REVIEW

8.1 Leak Adjustment Policy review: Leaks over 2 billing cycles currently only eligible for adjustment for greater loss month. Proposed revision in agenda package. Hankin amended the current leak adjustment Resolution. A discussion ensued of how much percentage should be reimbursed when a customer has a leak. Phipps questioned whether the customer should be charged at all for water loss from a leak. There was discussion on how the leak adjustment calculations are made.

Verick moved to adopt the amended Leak Adjust Policy, Resolution 2019-2.

Cline addressed typos at the bottom of 1st page to be corrected.

Cline seconded; 4 ayes Hankin, Verick, Cline; 1 noe Phipps.

9. WATERPLANT NAMING

9.1 Water Plant naming and signage: Verick update. Postponed

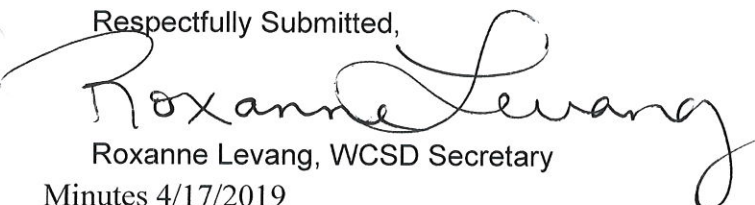
10. NEW ITEMS FROM MEMBERS OF THE BOARD

Discussion of annual community meeting to inform community and help community to be more invested.

ADJOURN REGULAR MEETING AT 8:23 PM.

11. CLOSED SESSION 6 MONTH EVALUATION OF GENERAL MANAGER

Respectfully Submitted,



Roxanne Levang, WCSD Secretary

Minutes 4/17/2019