

WESTHAVEN COMMUNITY SERVICES DISTRICT
 Regular Meeting Minutes
 May 20, 2020

1. CALL TO ORDER

Board President Hankin called the meeting to order at 6:30 PM. In attendance via Zoom:
 Board Members: Hankin, Verick, Cline, Swisher & Phipps
 Absent: None
 Staff: Rosenblatt & Levang
 Guests: None

2. PUBLIC COMMENT

None at this time

3. AMEND / APPROVE ORDER OF AGENDA ITEMS

Verick moved to approve the order of agenda items. Seconded by Phipps; all approved.

4. AMEND / APPROVE MINUTES

- 4.1 April 15, 2020 Regular meeting minutes
- 4.2 April 29, 2020 Special meeting minutes

April 15, regular meeting:

Item 4 in the motion to approve minutes the board requested adding in "March" to clarify the minutes being approved.

Hankin moved to approve the April 15, 2020 Regular meeting minutes as corrected. Seconded by Phipps; all approved.

Hankin moved to approve April 29, 2020 Special meeting minutes as written. Seconded by Swisher; passed.

5. FINANCIAL REPORTS, DISCUSSIONS AND APPROVALS

5.1 Directors' Report – monthly billing and collections – discussion

The Board packet contained Directors report. Total April water sales were \$21,854.27 and total receivables were \$22,243.20. There was brief discussion regarding a customer leak and water usage being up presumable because of sunny weather.

5.2 Water Consumption and Sales – discussion

Board packets contained Water Consumption and Billings-Commodity Charges Only report. April gallons billed 541,940; average gallon per day per meter readings 94, per person 43; average monthly charge per account \$33.11; total monthly charges \$6,788; monthly deviation from budget -\$1,555; cumulative deviation \$11,663.

No discussion

5.3 Income/Expense Report – discussion

Board packets contained an Income/Expense Report for April. Total income \$18,238 total operating expense \$10,510, with a net operating income of \$3,867. No discussion.

5.4 Finance Officer's Recommendations – discussion

- 5.4.1 Capital reserve policies: re-deposit of reimbursed funds

Finance Officer Cline reported that she reviewed the Capital and Operating Reserves policies and reviewed the capital reserve activity. She reported the highest reserve balance was \$227,800.90 October 2014. Currently the balance is \$77,633. Cline recommended determining how much of the funds were taken out for the mains project and reimbursable. Cline suggest we deposit that amount back into the capital reserve account. The board requested Levang research and report back to the board what funds were specifically paid for the mains project and what was reimbursable. Discussion ensued with Verick reminding the board that 20% of the project was share of cost. Cline also reported revising the Capital Reserve Policy adding item #6 for the board to review, comment and approve.

After discussion there was a motion to adopt item #6, "*when Capital Reserves funds are withdrawn to pay preliminary expenses for capital projects, all reimbursed funds shall be directly re-deposited into the Capital Reserves account*", to the Capital Reserves Funds policy in the Financial Procedure Manual. First/Second/Passed Motion to adopt item #6

A second motion to move 80% of the current checking account balance to the Capital Reserve account. First/Second/Passed

5.5 Treasurer's Report and Recommendations – discussion

Board packets contained a copy of the April Treasurer's report. Account balances were as follows: Capital Reserves \$77,633.07; Operating Reserves \$51,709.63; DWR Reserve CD \$28,598.47; DWR Loan Savings \$2,233.16; Checking Account as of 5/14/2020 \$199,293.27.

5.6 April/May Warrants – discussion / approval

Revise purpose of check #8283 from notice of ~~exception~~ to *exemption*; and clarification of check #6284 for Ace Hardware purchase.

Hankin moved to approve warrants #6268 through #6302 and one online federal payroll tax deposit and one online state payroll tax deposit, grand total \$17,162.52. Seconded by Cline; all approved

6. MANAGER'S REPORT

6.1 Water Loss: Board packets contained a summary table of 13 month water loss history. April water loss is at 19.5%, average water loss in the last 13 months is 16.9%.

Rosenblatt reported on the leak that drained the storage tanks. The leak was found yesterday evening. Rosenblatt said the most prudent course of action was to hire GR Sundberg to do the repair. It took 3 men with equipment over 3 hours to complete the repair. Currently the tanks are half full and the district is waiting for notification from North Coast Labs before rescinding the boil water notice and request to conserve water. There was further discussion of the leak, where and how it was found. It was in an area that is high on the priority list to replace old water lines. The District spent \$9,300 on emergency water deliveries and \$4,856 for the leak repair. Humboldt Bay Water District staff had a good listening devise and was worked to detect the leak. Scott Gilbraith with the State had us issue the boil water notice. Rosenblatt thanked the staff and board members that helped with calling customers. Rosenblatt reported that there was a lot of community support from neighboring water districts. The board thanked Swisher, Rosenblatt and Butterworth for pulling through and working hard to identify and fix the leak.

The board asked to add to the next agenda a discussion regarding lessons learned and how to improve upon our response.

6.2 Update on Prop 84 grant status: The final report has been submitted to County and is in final review.

6.3 Districts COVID 19 response: credit card payments and work from home. Levang gave a brief report on credit/debit card payments. More usage is expected when customers realize we are offering this option. It is too soon to for an analysis of the cost, if any, to the district.

6.4 Replacement of flushing point at 62 Seadrift Lane: Rosenblatt reported a remodel at 62 Seadrift Lane where it has become necessary for the homeowners project for a fire hydrant to be installed. Rosenblatt explained to the board why this is necessary. The District does not have the funds to install a new hydrant. The homeowners want to proceed with their project and will reimburse the district the approximate \$10,000 cost of installing the hydrant. Discussion ensued.

Verick moved to approve the district installing a fire hydrant at 62 Seadrift Lane with the customer reimbursing the district the cost. Seconded by Hankin: all approved.

7. 2020-2021 BUDGET. Motion to reconsider budget motion adopted at the Special Meeting on April 29, 2020. Adopted motion was: *Adopt budget option #3 as of the 2020/2021 budget was the understanding that the board will negotiate with Rosenblatt regarding how much the District will pay towards his dependents health insurance (employee contribution rate between 20% and 60%), the difference will not be added to the customer water rate. The difference will be taken from the operating reserves and the District will make up the difference over 1-3 years.* Hankin to lead discussion. Discussion/approval – Hankin led the discussion to revisit the discussion and approval of the 2020/2021 budget. Hankin explained he felt the decision was rushed and he wants the board to reconsider their decision. Discussion ensued with Hankin giving an overview of a spreadsheet showing how the different insurance options would directly affect the customer water rates.

Hankin moved to approve the motion to reconsider last month motion of option #3 budget. Seconded by Verick; all approved.

7.1 If Motion 7.1 is approved:

7.1.B.1

Hankin moved to apply the FY 2019/2020 budget through July 2020. Seconded by Cline; all approved

7.1.B.2 Adopt revised budget motion calling for Manager's dependent health insurance to be a specified value between 30% (existing) and 60% (previous budget option #3) of total dependent insurance costs. Hankin said that he believed Rosenblatt deserves the increase in salary and not to be expected to pay a higher percentage towards his dependents health insurance. He said that in Rosenblatt's contract it said that if brought funds into the District he would get a raise, which is exactly what he has been working on. Discussion ensued.

Verick moved to accept the budget option with 70% employer/30% employee portion of dependent health insurance Seconded by Cline; all approved.

8. ONGOING DISCUSSION OF SRF DBP PLANNING GRANT

8.1 Update on SHN activities required to secure permits for well drilling. An update from Stein Coriell was included in board packet. Rosenblatt reported that applications have been submitted to the County. The County thinks August/September is a reasonable timeline to expect to be able to start drilling. Rosenblatt reported that progress is being made with permits and agency responses. There was brief discussion of the table and narrative received from S. Coriell.

8.2 Update information on progress for well site 3, with LACO for bio and wetland study. The biologist did an assessment of site 3 and did not see any issues. The planner is working on CDP application, it may be able to do an amended application rather than a whole new process. Rosenblatt wants to be sure that in amending the original application we do not hold up process on the first 2 sites.

9. TECHNICAL ASSISTANCE GRANT FROM DEPT OF FINANCIAL ASSISTANCE

9.1 Update on status and scope of Technical Assistance grant from DFA. Discussion Minutes May 20, 2019 amended and approved 6/17/2020

The grant was put out for bid of engineers. The bid proposal was accepted and PACE Engineering was selected. Rosenblatt is hoping for long term data and pilot projects. Rosenblatt reported that the District has had 5 quarters where we have been in compliance with DBP standards. The technical assistance grant is zero cost to the District and potentially can come up with alternative projects if the wells do not produce enough water.

10. IRA CONTRIBUTIONS: POLICY AND PROCEDURES MANUAL LANGUAGE

10.1 Proposed revision of policy and procedures manual regarding IRA contributions for District employee. Hankin gave an overview of the discussion at the April 29 special meeting and proposed the addition to the personnel policy, item 8.1.9 Retirement Contribution (in board packet)

Verick moved to approve Personnel Policies, Benefits item 8.1.9 *RETIREMENT CONTRIBUTION*. "All District employees will be granted an annual IRA contribution at the rate of 7%, calculated on the basis of calendar year earnings, and beginning from the initial date of appointment". Seconded by Cline; all approved.

11. DISTRICT WEB PAGE UPDATE

13.1 Draft WCSD web page design and content. Hankin reported on the webpage, he suggested not using any personal email information and put the draft website on the Internet. The annual cost is approximately \$300.

Verick moved to activate the existing website, making it operational and to pay the associated cost. Seconded by Hankin; all approved.

12. WCSD BOARD AND STAFF CONTACT INFORMATION

Contact information was distributed in board packet. Levang will also forward via email to the board. Verick suggested we get customer email and cell phone information and ask them if they would like to be contacted by email or text. It was requested that it is put in the Newsletter for customers to send us that information.

13. ITEMS FROM MEMBERS OF THE BOARD FOR FUTURE MEETINGS.

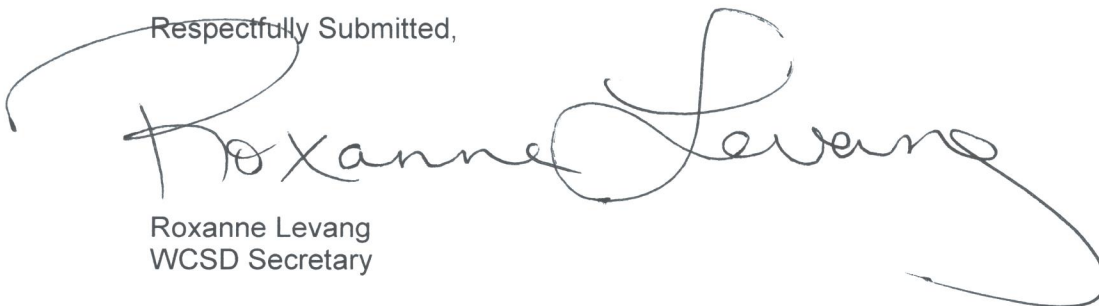
NEXT MEETING:

- The board asked to add to the next agenda a discussion regarding lessons learned and how to improve upon our response.
- Levang to research and report back to the board what funds from the Capital reserves account were specifically paid for the mains project and what was reimbursable.
- Resolution for Mike Moon.

14. ADJOURN

Hankin adjourned the meeting at 8:30 PM.

Respectfully Submitted,



Roxanne Levang
WCSD Secretary