

WESTHAVEN COMMUNITY SERVICES DISTRICT

Regular Meeting Minutes

June 17, 2020

1. CALL TO ORDER

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

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

Absent: None

Staff: Rosenblatt & Levang

Guests: Michael Moon & Elaine Weinreb

2. PUBLIC COMMENT - None at this time.

3. AMEND / APPROVE ORDER OF AGENDA ITEMS

Hankin proposed the following amendments to the agenda items:

- Item 14.1 drop the word “approval” because it is not an approval item.
- Motion for board to add to the agenda a brief discussion regarding Bauder Ranch cannabis permit application. Seconded by Verick; approved.

Swisher added that the Bauder Ranch was not in the Westhaven CSD and was not using the districts water supply.

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

4. MOON RESOLUTION PRESENTATION

Swisher said he was privileged to have Michael Moon at his house for the Zoom presentation and honored to present Moon with a resolution acknowledging his contribution to the Westhaven CSD. Swisher read from the resolution of Moon’s many contributions in the 12 years he served on the board. Swisher added that Moon has contributed in many ways to the community and that the district and the community are lucky to have him. Board and staff thanked Moon for his service. Moon thanked everyone saying it was a pleasure serving on the board.

5. 2020-2021 BUDGET – No public comment

6. AMEND / APPROVE MINUTES

6.1.1 May 20, 2020 Regular meeting minutes

Correct/amend minutes as follows:

Top of page two change first word ~~Treasurer~~ to *Finance Officer*.

Page two, same section, change text of first motion to include policy change and read as follows: Motion to adopt item #6, “*When Capital Reserves funds are withdrawn to pay preliminary expenses for capital projects, all reimbursed funds shall be directly re-deposited into the Capital Reserves account*”, to the Capital Reserve Policy.

Page two, first paragraph under item 6.1 change “Humboldt Bay Water District staff had a good indicator and was able to detect the leak”, to “*good listening device and worked to help detect the leak*”.

Page three, item 7, change title of section from “~~motion adopting~~” to “*adopted*”

Page three, item 7.1, change “~~if~~” approved to “*is*” approved

Page three, title of item 8 correct ~~OHGOING~~ to *ONGOING*

Page three, item 9 title change ~~GROM~~ to *FROM*

Page 4, top of page change, “with ~~water~~ standards”. To “with *DBP* standards”.

Page 4, item 10, include full policy text in motion to read, motion 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"*.

Page 4, item 13, correct ~~OBARD~~ to *BOARD*

Hankin moved to approve the minutes as amended. Seconded by Verick; all approved.

7. FINANCIAL REPORTS, DISCUSSIONS AND APPROVALS

- 7.1 Directors' Report – monthly billing and collections – discussion
The Board packet contained the Directors report. Total May water sales were \$20,746.07 and total receivables were \$21,168.27.
There was a brief discussion regarding the large leak on 6th Avenue, southwest corner, in the right of way just outside Phipps property.
- 7.2 Water Consumption and Sales – discussion
Board packets contained Water Consumption and Billings-Commodity Charges Only report. May gallons billed 575,050 average gallon per day per meter readings 99, per person 45; average monthly charge per account \$41.28; total monthly charges \$8,586; monthly deviation from budget \$243; cumulative deviation \$11,169.
Discussion of the amounts in cumulative deviation, a formula error was detected and corrected. Rosenblatt said there is one pending leak adjustment that will show in next month's reports.
- 7.3 Income/Expense Report – discussion
Board packets contained an Income/Expense Report for May. Total income \$17,064, total expense \$16,564, with a net operating income of \$500.
The board commented that the recent format changes made the report more user friendly. Swisher identified an error in the title of the fifth column.
- 7.4 Finance Officer's Report – discussion
Cline introduced a new report which shows expenses to date for the new well project, which was forwarded via email to the board members. She suggested this report be included in the monthly reports; the Board agreed.

There was discussion regarding the new well capital expenses and whether or not to support these costs from the capital reserve account. Levang suggested waiting until she is able to report on the mains project and identify which expenses were paid from the capital reserves and reimbursed back into that account. There was discussion of the leak repair expenses and whether there should be a fund transfer from the operating reserve to cover those expenses. There was consensus to hold off on any transfers from reserve accounts to the checking account unless the checking account goes below twice the average monthly expenses.
- 7.5 Treasurer's Report and Recommendations – discussion
Board packets contained a copy of the May Treasurer's report. Account balances were as follows: Capital Reserves \$242,633.07; Operating Reserves \$51,709.63; DWR Reserve CD \$28,598.47; DWR Loan Savings \$6,633.79; Checking Account as of 6/11/2020 \$36,139.09
There was discussion of the report showing a contribution that still needs to be made into the Capital Reserve fund and whether the recent large fund transfer should show the contribution as paid. Levang will produce a report showing the actual mains project expenses paid from the capital account, the withdrawals and reimbursements before any further decisions are made about the annual contribution.
- 7.6 June Warrants – discussion / approval
Correct check number 6333 purpose to read a \$225 returned check for insufficient funds.
Verick moved to approve warrants #6303 through #6334 and one online federal payroll tax deposit and one online state payroll tax deposit, grand total \$194,764.61. Seconded by Cline; all approved

8. MANAGER'S REPORT

- 8.1 Water Loss – No system leaks. Discussion

Board packets contained a summary table of 13 month water loss history. May water loss is at 31.19%, average water loss in the last 13 months is 17.9%. There is an increase in the 13 month water loss history report due to the big May 16th-19th of water leak and a leaking valve.

- 8.2 Update on Prop 84 grant status:
The last final report has been submitted to County and is in final review.
- 8.3 District’s COVID 19 response: credit card payments and work from home.
A credit/debit card payment update was included in the board packet. As of May 31, 2020 there was a total of \$972.06 in payments and 4 % fee charges of \$38.88, with bank charges of \$25.04 (less than 3%). Rosenblatt wants to wait before making any adjustments to the fee structure in case we get additional charges from the bank. Levang reported that several customers declined using the payment method due to the 4% fee.
- 8.4 Replacement of flushing point at 62 Seadrift lane.
Rosenblatt updated the board that he has ordered the parts, he is setting up the logistics of the project, and identifying the total cost to bill to the customer.

9. ONGOING DISCUSSION OF SRF DBP PLANNING GRANT

- 9.1 Update on SHN activities required to secure permits for well drilling. **Discussion**
The board reviewed the update from Stein Coriel at SHN. Most items are on schedule. There was discussion of how long an organization has to respond to the permit plans. Hankin asked staff to find out the answer to that question. Verick volunteered to research the answer and email his findings.
- 9.2 Update Information on progress for Well site 3 with LACO for Bio and wetland study.
Rosenblatt reported that the spring study was executed and they had no unusual findings. Rosenblatt met with the planner last week and he gave the board an overview of the scope of work of this contract which includes Bio and Wetland studies for well site 3 at First Avenue and a Coastal Development Permit. This Coastal Development Permit will include drilling at well site 3 (based on well drilling success), the pipeline to Fourth Avenue where it will connect the existing well and new well sites 1 and 2 (based on well drilling success), then continue to the treatment plant. Rosenblatt spoke to the planner he is working with about this inclusive coastal permit. They told him it would be a minor amendment to the contract. The funders like that we are getting ahead of the curve.

10. TECHNICAL ASSISTANCE GRANT FROM DEPT OF FINANCIAL ASSISTANCE

- 10.1 Update on status and scope of technical assistance grant from DFA.
Rosenblatt reported that the work order has been approved and they are reviewing the scope of work. Rosenblatt is working with DDW, DFA and Pace engineering to revise the scope to be the best product for the districts needs in the long term. . The district is currently in a good position for funding because of the compliance order and having disadvantaged community status (DAC). Rosenblatt explained how the funding works based on DAC. He is hoping to get an agreement signed soon, but he said the financial climate at the State currently is unstable.

11 TRINIDAD INTERTIE

- 11.1 City of Trinidad inter-tie for fire protection and water system emergencies.
The Trinidad Rancheria has requested a pipeline from Humboldt Bay Municipal Water District. Rosenblatt led a discussion of the pros of having an intertie, but the cost would be very high. Rosenblatt said it is something for the board to be thinking about. Most urban community districts have interties, typically to address a catastrophic event. Rosenblatt said he has spoken with Trinidad’s City Manager regarding a potential intertie between WCSD and the City of Trinidad.

12. HBMWD EXTENSION FOR TRINIDAD RANCHERIA

12.1 Rancheria request to HBMWD to extend pipe to Rancheria for hotel (and other eventual purposes with Rancheria buildout). Hankin led discussion regarding the Trinidad Rancheria. They have requested the water line from HBMWD and eventually want to build an interchange on the freeway. Rosenblatt is sitting in on the meetings because it is a complex issue that affects the district and the community. It also gives Rosenblatt the opportunity to be in the discussion which may help us to meet our long term goals of increasing the water supply. The discussion was tabled for now. Hankin asked if there were any objections to Rosenblatt and himself talking with the Trinidad City Manager to discuss an intertie as having mutual benefits for both communities. There were no objections.

13. DISTRICT WEB PAGE UPDATE

13.1 Draft WCSD web page design and content. Hankin reported spending 1½ hours on the phone with Juan Cervantes and finally they may have found a way for Hankin to edit the webpage. It still is not working or online.

14. BAUDER RANCH CANNABIS PERMIT APPLICATION

Rosenblatt gave an overview of the Cannabis operation stating that they say they are not using the same water source as WCSD but that, in his opinion, they are hydrologically connected. Rosenblatt said there have been problems with this property in the past and he can't be sure how it may affect the district and the private water sources. Cline added that large pieces of property on Maple Creek Road are being leased and used for growing cannabis. The State is very strict and required these properties in Maple Creek to install a huge pond. Elaine Weinreb added that the whole neighborhood is upset and a letter from the district would be helpful.

Hankin moved that he work with Swisher and Rosenblatt to draft a letter of concern on behalf of WCSD and distribute to the board for review and approval at the next general meeting. Verick second; all approved.

15. EMERGENCY RESPONSE AFTER ACTION REVIEW

14.1 Emergency response lessons learned and improvement's needed. Discussion Rosenblatt reported that he is reviewing and editing the response plan and updating information. Cline and Hankin added the following comments:

- Call list she had included only partial names; we need better information
- Calling was very time consuming; identifying additional community members to split up the list would complete the task faster.
- We need a list of tenant names and contact numbers who are not listed as customers

Elaine Weinreb volunteered to be on a phone tree and Rosenblatt said he also knew of a volunteer that can be included.

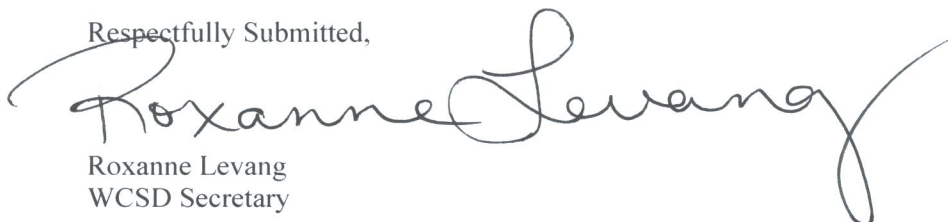
16. NEW ITEMS FROM MEMBERS OF THE BOARD FOR FUTURE MEETINGS

- Add under financial report New Well Expense report to the monthly agenda/board packet

17. ADJOURN

Hankin adjourned the meeting at 8:48 PM.

Respectfully Submitted,



Roxanne Levang
WCSD Secretary