

**WESTHAVEN COMMUNITY SERVICES DISTRICT**

## Regular Meeting Minutes

July 17, 2019

**1. CALL TO ORDER**

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

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

Absent:

Staff: Rosenblatt, Butterworth and Levang

Guests:

**2. PUBLIC COMMENT**

None at this time

**3. AMEND / APPROVE ORDER OF AGENDA ITEMS**

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

**4. RESOLUTION 2019.3**

4.1 Presentation of Resolution thanking Tim Crowley for gift of property adjacent to well parcel Mr. Crowley was not at the meeting. Rosenblatt and Hankin will make a trip to Crowley's office to present him with the resolution.

**5. AMEND / APPROVE MINUTES**

June 19, 2019. Regular meeting minutes.

The board had the following corrections to the minutes:

- Item 10.3 correct net income from negative amount to a positive amount.
- Item 10.6 change sentence reading "two online federal payroll tax deposits and two online state payroll tax deposits" to read "two each online federal and state payroll tax deposits".
- Item 13, third bullet point, change Steam Trump to Stein Trump.

Hankin noted that he wanted to discuss Item 11.2.1.1 Well Project Update for the results of Verick's conversation regarding stream bed regulations.

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

**6. FINANCIAL REPORTS, DISCUSSIONS AND APPROVALS**

6.1 Directors' Report – monthly billing and collections – discussion

The Board packet contained Directors report. Total June water sales were \$21,942.56 and total receivables were \$21,416.31

Brief discussion of a large amount of water loss due to a vacation rental hose being repeatedly turned on by a vandal. There was another leak from the Ninth Avenue pressure relief valve being stuck open due to debris.

6.2 Water Consumption and Sales – discussion

Board packets contained Water Consumption and Billings-Commodity Charges Only report. June gallons billed 643,430; average gallon per day per meter readings 119, per person 54; average monthly charge per account \$48; total monthly charges \$9599; monthly deviation from budget \$1,800; cumulative deviation \$5,856.

Verick questioned why June 2018 and June 2019 both were on this report. There is a confusion because July is the first month of the fiscal year yet Swisher always started these reports with June. Swisher is out of town so was not able to be questioned why he did the reports this way. Hankin suggested we run the reports the fiscal year months July to June.

#### 6.3 Income/Expense Report – discussion

Board packets contained an Income/Expense Report for June. Total income \$17,927, total expense \$7,023, with a net operating income of \$10,905.

Cline pointed out that the budget was overspent in part because the actual cost of the audit was more than had been budgeted for.

#### 6.4 Finance Officer's Recommendations – None

#### 6.5 Treasurer's Report and Recommendations – discussion

Board packets contained a copy of the June Treasurer's report. Account balances were as follows: Capital Reserves \$76,695.29; Operating Reserves \$50,520.80; DWR Reserve CD \$28,526.91; DWR Loan Savings \$6,637.02; Checking Account as of 7/10/2019 \$141,091.36. It was pointed out that the cell formula that should read "\$10,000" for the WCSD Contribution to Capital Reserve needed to be corrected.

#### 6.6 June Warrants – discussion / approval

Verick moved to approve warrants #5482 through #6607 totaling \$20,458.41. Seconded by Cline; all approved.

#### 6.7 Umpqua Bank Merchant Program Credit/Debit Card payments

Discussed offering customers the ability to pay their bill with a debit or credit card. The board questioned if we can add the additional cost on to the customers. When the district gets the website they requested follow up on how we could accept payments through the website using Paypal. The board declined offering this service at this time because it is not cost effective.

#### 6.8 Update on summary of Prop 84 Grant Balances

There was discussion of the spreadsheet being confusing. Staff explained that we received an additional \$51,198.26 from the Mains grant on 6/29/2019. As of 7/11/19 there is an outstanding receivable balance of \$31,314.18 and an outstanding accounts payable balance of \$7,376.95. The district is overspent by \$8,631.13 on the New Tank and has a receivable balance in the amount of \$8287.30 for the Roof Replacement.

## 7. MANAGER'S REPORT

### 7.1 Water Loss – update

Board packets contained a summary table of 13 month water loss history. June water loss is at 35.2%, average water loss in the last 13 months is 20.7%.

Rosenblatt pointed out an error on the heading of the water loss chart, it needs to be changed from 3.05 gpm in May to 3.5 and change to 9 in June. There was discussion of the chart and how it reads water loss history. Rosenblatt discussed the water loss caused by a vandal turning a customer's hose on which caused the district to have trouble keeping the tank full. The problem has been resolved. There was a leak at 4<sup>th</sup> Avenue by the creek that was difficult to find because it was in a wet shaded area.

## 7.2 Projects Updates

### 7.2.1 DBP Project

Rosenblatt distributed a spreadsheet reporting the Trihalomethanes (TTHM) and Haloacetic Acids (HAA5) quarterly results. Rosenblatt gave an overview of the spreadsheet explaining it shows quarterly results over a 6 year period. Rosenblatt explained the maximum contaminant levels are HAA5 60 parts per billion based on 4 quarter running average and the TTHM 80 parts per billion. The group discussed sampling times & compliance.

7.2.1.1 Well Project Update – see 8.2 below

## 8. ONGOING DISCUSSION OF SHN PROPOSAL

8.1 Discussion of possible impacts at the new parcels to facilitate access of well drilling rigs and potential removal of trees and any ground disturbance. Discussion of community meeting for purpose of outreach for this work.

Hankin proposed to hold off on this discussion until Rosenblatt meets with Phish Drilling to have them give their assessment of the drilling site.

8.2 Discussion of SHN proposal for planning grant contract proposed scope of work and estimated costs and path forward.

Hankin pointed out on the SHN Project Understanding document, Paragraph 3, that the sentence reading "In Compliance Order, the SWRCB listed three alternative approaches that the District *must include*" is incorrect. The correction should be "*must consider*" in a corrective action plan". Verick gave an overview of their conversation with SHN. Hankin expressed that he was angry that they haven't spent any time researching options. He stated that the district is obligated to consider options and the current SHN proposal does not address the WCSD compliance obligations.

Rosenblatt reached out to Scott Gilbreath, State Water Board and Malley Vue, our contact with the State Revolving Fund (SRF). Because Westhaven is a disadvantaged community (DAC) our rates need to be 1.5% of average monthly income threshold, currently they are at 2%. Because WCSD is a DAC the construction part of a State grant is 100% funded. There is 5 million dollars available for the construction of a pipeline. Once the District receives the funding for the well the next steps are options 1, 2 & 3 in the SHN Project Understanding. Cline questioned doing a pipeline from the current well to the water tanks first and Rosenblatt explained we can't get funding for a pipeline until we complete the well project. Rosenblatt explained we don't just want to blend the well water and spring water but we hope to increase our capacity as well. Scott Gilbreath suggested Rosenblatt contact Phish Drilling, located in Hydesville, to assess our well site. Phish Drilling is knowledgeable with wild drilling and will be able to determine if they think our site is feasible. Rosenblatt is meeting with Phish Drilling next Wednesday. Malley Vue confirmed they do not need all the extra narrative SHN is putting in the grant application but they do need more detail in scope of work and budget. WCSD needs to request SHN to give us hourly break downs and timelines. Hankin is frustrated that we signed the SHN contract last September and they have made zero progress. Hankin wants a proposal just for the well. If the well doesn't work out we then discuss other options. Verick wrote out alternatives for SHN and they did not incorporate any of them into the Project Understanding. Another concern that has not been addressed by SHN is an assessment of the impact a WCSD well may have on existing wells. Hankin stated that we need to drill this fall with or without funding. Rosenblatt said the Scott Gilbreath and Barry Sutter realize our situation but the Sacramento people do not and they are questioning why we are not getting things done. Cline suggested imposing a deadline on SHN, Verick agreed and wants it to include a "real" budget. The group discussed scheduling a special meeting in two weeks, July 31, 2019. It was again stated that the only funding we need to request at this time is for drilling the well.

Verick moved to request that SHN have the grant application ready for submittal in two weeks (July 31, 2019). Seconded by Cline; all approved.

**9. WATER ALLOTMENTS ON UNBUILDABLE PARCELS**

9.1 Discussion of Districts position on what role the District might take in connection owners of unbuildable parcels with water allotments with those property owners who would like to have one. Rosenblatt gave an overview of Ordinance 2013-1 AN ORDINANCE ESTABLISHING PRIORITIES FOR PROVIDING WATER SERVICE ALLOTMENTS. There was discussion regarding people who have and are paying on water allotments located on unbuildable property and the potential of them selling these allotments. After a lot of discussion the consensus was #1 the district should not get involved and #2 discuss revising the WCSD Resolution 99-3 TRANSFER OF WATER SERVICE ENTITLEMENTS at the next regular board meeting.

Cline brought up the new State law regarding building second structures on a preexisting piece of property with the assumption the property owner can use 1 water allotment for both structures and how that will affect water capacity. The board requested data specifications of the State law for discussion at the next meeting.

**10. COMMUNITY MEETING**

10.1 Further discussion of proposal for a community outreach meeting to discuss District activities and operations with the customers and community.

Hankin suggest on future agendas to combine item 10 with Item 8.1 community meeting. There was consensus to wait on the community meeting until we have a better idea of what impact the well(s) will have.

**11. WATER PLANT NAMING**

11.1 Water Plant naming and signage: Postponed

**12. NEW ITEMS FROM MEMBERS OF THE BOARD**

- Information packets regarding Accessory Dwelling Units
- Information packets on ADU section of SB 1226 (Section 17958.12 to the California Health and Safety Code , and with application of appropriate building codes, may allow issuance of a building permit for the residential unit)
- WCSD Resolution 99-3 TRANSFER OF WATER SERVICE ENTITLEMENTS revisions

**12. ADJOURN**

Hankin adjourned the meeting at 9:00 PM.

Respectfully Submitted,



Roxanne Levang  
WCSD Secretary