

NOT YET APPROVED

Ponderosa Community Services District

RESPONSIBLY PROVIDING PURE MOUNTAIN WATER AND EFFECTIVE SNOW REMOVAL

Minutes of meeting

June 20, 2022

Present:

Directors: B. Benton, J. Gordon, W. Dolmovic

Staff: T. Griesbach, J. Robertson, K. Klemcke

(via zoom) attorney J. Landers

Absent staff: R. Cope

Guest: none

The meeting was called to order at 12:46 by Ms. Benton, followed by the flag salute.

President comments

Ms. Benton noted there are no guests present.

Comments from the Public – none

Minutes from May 12, 2022 regular meeting.

Having been reviewed, J. Gordon moved to accept the minutes as presented. The motion was seconded by B. Benton and carried unanimously.

Communications

- ✓ 5/24 State water board sent reminder of deadlines for specific items
- ✓ 5/25 State water board sent flyer for no cost leak detection survey for small water systems – fwd to GM
- ✓ 5/26 received direct charge packet from County
- ✓ 5/27 received notice of economic interest forms past due to county – emailed to board of supervisors' clerk explaining issues with board resignations and sent hard copy of Benton's form. They have all the others.
- ✓ 5/30 email from Benton with details for placing ads for bids, email from PR confirming ads submitted
- ✓ 5/31 email from PR confirming ads will run begin June 1 for 7 days.
- ✓ 5/31 invoice from Streamline for website, fwd to Julie to cancel
- ✓ 6/5 notice from SAM.gov, logged into site, still current, nothing to report
- ✓ 6/8 State water board reminder that lead/copper testing is due by 9/30/22
- ✓ Emails with Kirk to get information for annual CCR
- ✓ 6/10 State water board notice of new drought planning upgrade, and reporting requirements per SB552– fwd to GM
- ✓ 6/13 email inquiry from realtor Donald Weyhrauch about water service to lot 2 on Holby Rd. Client may be interested in purchasing and building. *Replied with information on water and snow removal rates and referred to PCSD website.*
- ✓ 6/14 received confirmation the EAR submitted, have not yet received approval
- ✓ 6/17 contacted webhost about issue with updating website, issue fixed on their end

Staff Reports

General Manager

Mr. Griesbach reported contacting engineers about Holby project: Roberts engineering cannot help, no response from 4 Creeks or Macedo.

GM spoke with R. Cope about exercising bleeder valves, installing meters on bleeders, and the annual reading of water meters.

GM is behind on annual employee reviews. However, he recommends the board consider a raise to all employee current pay rate. Social Security increase is 5.9%, inflation is 8.3%. The water rates will increase again this year which results in increased revenues. The treasurer reported that a 5% increase in salaries will increase the

budget by about \$2,000. It was moved by B. Benton to increase PCSD current staff monthly pay rates by 5%. The motion was seconded by W. Dolmovic. During the discussion the board determined that this increase will cover all regular PCSD employees, specifically: R. Cope, J. Landers, J. Robertson, and T. Griesbach. This increase will not apply to occasional labor pay rates. The motion carried with 3 aye votes, and none opposed

It was moved, by B. Benton, to increase the director stipend per meeting from \$30 to \$35. The second was by W. Dolmovic. During the discussion it was pointed out that these director fees have not increased for 18+ years. The motion carried with 3 aye votes, and none opposed.

Additionally, Mr. Griesbach suggested the board consider increasing the mileage reimbursement amount to stay in line with the updated IRS allowed mileage reimbursement. Effective July 1, 2022, the IRS increased the mileage reimbursement amount to 62.5 cents/mile. He further recommended that the board include language to always follow the IRS recommendation so that it would not have to be reviewed and acted on each year but could be reviewed if desired.

It was moved by J. Gordon that PCSD will follow the IRS mileage reimbursement allowance from this point forward, with review and action only if deemed necessary. The motion was seconded by B. Benton. There was no further discussion, the motion carried with 3 aye votes, and none opposed.

Secretary –

Update website

Completed EAR, uploaded CCR – need to mail to water users

Began working on documents for county to send with assessment file

Placed 2 ads for bids in Porterville Recorder. Ran June 1 for 7 days.

Communicate with attorney re: Peebles water issue, provide confidential communication to directors

Provided documents as requested to various staff/directors

Prepare documents for meeting

Provided cost of living information to GM

- SS COLA of 2022 is 5.9%
- CPI for Feb was 7.4%
- IRS mileage deduction was 58.5 cents/mile (Jan to Jun) now 62.5 cents/mile (Jul 1)

Notes from May meeting:

- Regarding notices from the State water board – Kirk is usually cc on all notices to PCSD since he is the certified water operator of record.
I usually follow up with Kirk even though I think he also receives the notices.
- EAR stands for Electronic Annual Report. I complete that report, not Kirk. This is the report that requires information on monthly water system usage, reasons for water outages, and how they were resolved. It also requires the CCR be uploaded. Consumer Confidence Report is always for the previous year.
- Phillip and Alex as needed basis is called *occasional labor*.
- Suggest board reorganization with new directors filling open responsibility positions. Discussion and possible action to reorganize.

Current positions:

President – Beth Benton

Vice President – none

Snow removal coordinator – none (BB acting)

Financial coordinator – none (BB acting)

PPOA Liaison – none

Forest Service Liaison – none

Additional Notes:

1. Coordinators are not supervisors, they are staff's direct connection to the board for needs, complaints, status updates, etc.
2. Liaisons do not need to be board members, they can be interested members of the public

The board must identify specific offices: President, Vice-President, Treasurer, General Manager. Ms. Benton is the current board president. It was moved by B. Benton that William Dolmovic hold the position of vice-president. The motion was seconded by J Gordon. There was no discussion. The motion carried with 2 aye votes and 1 abstention – result, majority rules.

Ms. Gordon agreed to be the financial coordinator beginning on July 1, 2022. It was so moved by W. Dolmovic, seconded by B. Benton and carried with 3 aye votes.

There is no provision that the PPOA or Forest Service liaison be board members, they can be interested members of the public. Accordingly, Ms. Benton will contact Leah Walton to see if she wishes to act as the Forest Service liaison.

Ms. Gordon volunteered to report on PPOA activity as she is their treasurer. She reported the PPOA sent a referendum to all PPOA members about cabin rentals (AirB&B, VRBO) and provided the results to the membership for informational purposes. Since PPOA is a 501c3 organization, they can have no political involvement and will have no further participation on this issue.

PPOA will sponsor a 4th of July event on the PCSD premises.

Water System Report

Water Manager – Cope, not present to report

Mr. Cope provided information: From 5/12/22 to 6/19/22 (38 days)

Lake pumped	129,320 gallons
Fawn pumped	193,200 gallons
Holby 2 pumped	241,355 gallons
Holby 1	234,324 gallons
Transferred to Summit	423,900 gallons
Total usage for system	374,299 gallons ~ 9,850 gal/day

Dustin Goings will read meters with Cope. There have been no breaks. Cope is looking for sites to put 10 meters in this year.

Contracted water operator – Klemcke

Monthly test is fine. There have been no testing issues. Provided the secretary with a state website to locate test results. Tests coming due this year are tri-annual testing/water quality.

Klemcke departed 1:30 pm.

- *This business item was referred to the attorney for review and advisement: **Carried forward from May***
Discussion item – billing of property owner(s) during water loss event
Review of current procedure – see Oct 2007 minutes, winter letter 2007

The attorney determined there is no current method in place to accurately account for the amount of water attributed to the Peebles incident. Therefore Ms. Peebles will only be billed for the actual time spent looking for the source of water loss as described in the 2007 winter letter. The treasurer will prepare the invoice.

Snow Removal Report

Snow removal Manager – nothing to report

Treasurer report

Annual resolutions to set water and snow removal rates and authorize transfers to USDA reserves.

- Resolution 2022-211-W establish water rates for fiscal year 2022-2023 as determined by Prop 218 hearing in 2018.

Benton moved to accept resolution 2022-211-W establishing the annual flat rate and tiered water rates for the 2022-2023 fiscal year as follows:

Annual Tiered and Flat Rate Service

Schedule 1

Effective July 1, 2022 for fiscal year 2022-2023

Flat rate for all unmetered properties:

\$1174.00

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Tiered rate for metered properties:

Base – usage to 75,000 gallons/year	\$1174.00
2 nd tier: usage 75,100 – 150,000 gallons/year	\$.30/100 gallons
3 rd tier: usage 150,100 – 250,000 gallons/year	\$.45/100 gallons
4 th tier: usage 250,100 – 1,000,000 gallons/year	\$.50/100 gallons

Applicability

Applicable to all flat and tiered rate water service without regard for property valuation

Second by Dolmovic, during discussion it was noted this is the final year of rate increases per the April 2018 public hearing. The motion carried with 3 aye votes, and none opposed.

- Resolution 2022-212-S establish snow removal rates will remain the same as fiscal year 2021-2022. Benton moved to accept resolution 2022-212-S establishing snow removal rates for the 2022-2023 fiscal year as follows:

Annual Flat Rate Snow Removal Service
Schedule 2
Effective July 1, 2022

Unimproved Residential	\$169.94 per parcel
Improved Residential	\$406.20 per parcel
Oversized Residential	\$784.62 per parcel
(where there were originally 2 or more APN combined into one on the County tax roll)	
Unimproved Commercial	\$219.34 per parcel
Improved Commercial	\$455.70 per parcel

This charge is levied without regard to property valuation.

Applicability

Applicable to all rates for snow removal service without regard for property valuation

Dolmovic seconded, there was no discussion. The motion carried with 3 aye votes, and none opposed.

- Resolution 2022-213-AF authorize annual transfers from 740 to 735 USDA reserves
Benton moved to accept resolution 2022-213-AF authorizing the treasurer to submit a request to the County of Tulare requesting a transfer of funds from 740/2020 in the amount of:
\$13,033.00 to the 735/USDA Short Term Assets Reserve
\$12,000.00 to the 735/USDA Capital Improvement Reserve
\$1869.00 to the 735/USDA Debt Reduction Reserve
\$14,855.50 to the 735 general fund

Dolmovic seconded, discussion followed. Ms. Gordon asked why these transfers were made, why were they required. The treasurer explained that the USDA loan terms required the PCSD to maintain the reserves as specified above and that the PCSD board had created the final transfer of funds from annual water revenues into 735 to provide a guaranteed annual revenue. The motion carried with 3 aye votes, and none opposed.

- 2022-2023 Fiscal year budget review and discussion

Proposed 2022-2023 740/2020 Water budget

Estimated cash balance	225,000
less reserves	
Future system cap improve	100,000
USDA short term asset	-13,033
USDA cap improve	-12,000
USDA debt reduce	-1,869

	PCSD mandated	-14,855	
	total reserves		-83,243
Estimated revenue			
	water service fees	171,404	
	other income	1,650	
	total income		173,054
Fund total			256,297
Expenses			
	total salaries	48,600	
	total serv/supp	100,050	
Appropriations			
	repay long term debt	18,690	
	fixed assets	56,500	
	contingencies	32,457	
Total appropriations			256,297
Proposed 2022-2023 735 Capital Reserve budget			
Resources			
	Estimated cash balance	41,380	
	transfer from 740	14,855	
Less reserves			
	USDA short term asset	-13,033	
	USDA cap improve	-12,000	
	USDA debt reduce	-1,869	
	total reserves		-29,333
Total est revenue		510	
Fund total			29,843
Appropriations			
	total fixed assets	22,005	
	contingency	7,838	
Total Appropriations			29,843
Proposed 2022-2023 740/2010 Snow Removal budget			
	Estimated cash balance	75,000	
	less total reserves	-35,000	
Estimated revenue			
	snow remove fees	85,877	

	other income	151	
	total income		86,028
Fund total			121,028
Expenses			
	total salaries	26,850	
	total serv/supp	68,900	
	total fixes assets	30,005	
	contingency	5,273	
Total Appropriations			131,028

The board is aware these figures do not balance currently. The final budget approval will be at the July regular meeting.

The treasurer reported there was an increase to the water/PCSD liability insurance policy. There is a separate policy for the snow removal equipment. The cost with the current underwriter increased by \$4,000. Ms. Landers has been in contact with our agent, there is a possibility of using a different underwriter, the PCSD would have to pay membership dues in order to get the policy. The dues are based on district revenues. After a discussion, the board directed the treasurer to use her discretion on which insurance policy to use for the water system. Benton moved to accept the treasurer's report, Gordon seconded, the motion carried unanimously.

Acting Financial Coordinator – Ms. Benton will remain acting coordinator until July 1, at which time Mrs. Gordon will assume the coordinator responsibilities.

Additional Reports

- PPOA/PCSD Liaison – see Mrs. Gordon's comments under the secretary report above.
- US Forest Service Liaison – no one to report at this time

Director Comments – none

Unfinished Business

Ongoing items: these items are carried forward until completed as weather allows. *No updates.*

- Gates or access barriers on Holby foot bridge, and access road to Holby well site
- Doors on PCSD building 'carport'

Status Update

Benton reported receiving bids from Bates Construction and Jordan-Slate for tear down/disposal of the horizontal tank at Holby.

The bids were reviewed. Mr. Dolmovic has questions. The cost of the bids were not similar and neither were the descriptions of work to be performed/materials. It was determined, to make a true comparison of bids, both contractors need to provide similar information on the scope of work and materials. Therefore, no action was taken to accept a bid at this time. The contractors are asked to email reworked bids to the treasurer.

Ms. Benton has been unable to secure a bid for crane work to place the new tank. There as a verbal quote given minutes before this meeting via phone for about \$2,000. The contractor was asked to provide the bid in writing.

The second payment for the new tank is due at the end of July. This does not need a resolution to pay out of 735.

Ms. Benton will continue to work on finding an engineer to do the final inspection of the Holby project. The state agency has a list of engineers and may be able to assign one to our project.

The treasurer will send a bill to Ms. Peebles for hours spent during the water loss event. The secretary will provide the mailing address.

The mini backhoe purchase was completed on May 13, 2022. This item will be removed from the agenda.

Adjourn at 3:10 pm

The next regular meeting will be July 14, 2022.

Minutes prepared by Jennifer Robertson/Board Secretary

DRAFT