

Timber Cove Cove County Water District Board of Directors Regular Meeting Minutes

Saturday May 13, 2017 1:03-3:37 PM

Place: Fort Ross School – Multipurpose Room
30600 Seaview Road, Cazadero CA, 95421

DIRECTORS PRESENT: Lorrie Uribe (LU), John Rea (JR), John Howland (JH), Tom Giacinto (TG) & Margaret Grahame (MG)

STAFF PRESENT: Steve Christianson (SC), Kendra Stillman (KS)

GUESTS: Katie Seymour, Chris Feddersohn (CF) , Ron Case, Warren Doyle, Benjamin Harty.

1. **Call to Order:** 1:03pm
2. **Approval of Agenda:** (LU) Proposes a reorganization of the agenda to move item 11.3: Discussion and action: Purchase of lot: 22102 Timber Cove Road, to directly after item 4 Oath of Office.

Action: (JH) Moves to approve agenda with reorganization, (TG) seconds. Vote: all ayes, motion passes.

3. **President's Report:** (LU) TCCWD has hired new personnel, General Manager, Steve Christianson & Ben Harty to replace Larry Nelson as Water Operator. TCCWD may purchase a new lot located 22101 Timber Cove Road.
4. **Oath of Office-** (LU) Reads and (MG) repeats the Oath of Office.

11.3 Discussion and action: Purchase of lot: 22102 Timber Cove Road.

(LU) Reads from Statement of a potential property settlement between TCCWD and Tim McKusick, see attached and below.

Final Property Settlement Terms as of March 31st, 2017:

\$89,700.00	Total price for property at 22102 Timber Cove Road
\$23,700.00	TCCWD down payment (All Water Charges Due a/o 03-31-17)
\$20,000.00	TCCWD hold-back until proof of acceptable sewer perc for a one-bedroom house equivalent.
\$46,000.00	Cash payment to Tim McKusick upon close of escrow

Additional proposed deed restrictions that were a final matter of discussion have been cancelled by Mr. McKusick as of 04-12-17, removing said deed restrictions from any further consideration of either party.

Discussion: General discussion about the merits of purchasing of lot and additional appraisals to assess value of the lot. (CF) Volunteers to investigate comparable property sales to establish

fair market value for the lot. (RC) Questions whether sewer perk is a standard septic perk.

Action: (JH) Motions to purchase lot per Final Property Settlement Terms as of March 31, 2017, allowing for one week for (CF) to provide comparable property sales of lot, and for changing the term for "\$20,000.00 TCCWD hold-back until proof of acceptable sewer perc for a one-bedroom house equivalent" to "\$20,000 TCCWD hold-back until proof of acceptable standard sewer perk for a one bedroom house equivalent". (TG) seconds.

Vote: Ayes: (LU), (JH), (TG), (MG). Abstain: (JR). Motion passes.

(out of order)

10.3 Fire Abatement: (TG) Almost all lot owners have complied with the Fire Abatement program, those that haven't TCCWD is in the process of acquiring bids from contractors to clean up lots. General discussion about policy and practices of Fire Abatement Program, overall cost and future administration by the TCHOA.

5. **Announcements:** (JR) The Timber Cove Fire Department is hosting a Mothers Day Brunch.

6. **Introduction of new General Manager- Steve Christianson.** (SC) Introduces himself and speaks of his experience with water districts.

7. **Correspondence:** (KS) lists correspondence:

-letters from the State Water Resource Control Board informing TCCWD of elevated test results for Alum and Iron and water testing for trihalomethanes & haloacetic acids may be reduced to once a year.

-several letters from customers objecting to the TCCWD Fire Abatement Program.

-e-mail from customer asking for a rate reduction for low income families.

-e-mail from customer asking about meeting minutes.

Tom Giacinto leaves meeting at 2:10 p.m.

8. **Approval of Minutes- December 17, 2016, February 11, 2017, February 25, 2017 & March 11, 2017.** (JH) Moves to approve minutes, (JR) seconds. Vote, ayes: (LU), (JR), (JH), (MG). Absent: (TG). Motion passes.

9. **Committee Reports**

9.1 Treasurer's Report: (JH) Cost of water is for March was 32 cents per gallon, 20 cents per gallon for April. The high cost for gallon was due to low amount of water sold and high cost of system repairs.

9.2 Payment of Bills: (JH) Moves to pay bills, (MG) seconds. Vote, ayes: (LU), (JR), (JH), (MG), absent: (TG). Motion passes

9.3 General Manager's Report

a. Operation's Report: (SC) Notices from SWRCB for high alum and iron in water may be the result of a bad test or aging infrastructure. TCCWD is challenged with

an aging infrastructure which is costly to replace, and the need to improve its water storage capacity. Challenges also include lack of adequate funding due to limited customer base, and is looking into reduce the cost of water by having labor subsidized by the county.

10. Old Business

10.1 Project Manager Report

A. All other project reports: (LU) Projects are put on hold until audits are complete.

10.2 Website – Project Update (JH) TCCWD is investing in AMI meters. Installing AMI meters would allow customers to monitor their water usage via TCCWD's website. TCCWD has a bid of \$10,000 to install 10 meters as a preliminary test to see how well they are able to function in Timber Cove in respect to internet connectivity. General discussion regarding the merits and logistical difficulties of installing AMI meters .

out of order: (JH) Motions to accept bid to install AMI meters, (JR) seconds. Vote. Ayes: (LU), (JR), (JH), (MG). Absent (TG). Motion passes.

10.3 Fire Abatement- Previously discussed.

10.4 Lyon's Court Office Bathroom. (JG) TCCWD is still in the process of acquiring a permit & is waiting on drawings from architect to submit to apply with the coastal commission for a permit.

11. New Business

11.1 Advisory committee for Fire Abatement. (LU) TCCWD will coordinate with the TCHOA to create an advisory committee for Fire Abatement. General discussion about including the TCHOA in sharing cost of the Fire Abatement program & including community as members of the committee.

11.2 Discussion of proposed Ordinance 2017-01- \$10 Fire Abatement Fee and \$.09 variable rate cap. See Attached. (JR) The two rate increases should be separated into two different ordinances to allow for changes to be made to one of them without affecting the other. (JH) Moves to separate the rate increases into different ordinances, (LU) seconds. Vote, ayes: (LU), (JR), (JH) & (MG), absent: (TG). Motion passes.

11.4 Purchase of new internet service. (JH) TCCWD may purchase new satellite system to work with existing DSL line, to allow for AMI meters to integrate with billing system. The new internet connectivity would cost \$500 per month.

11.5 Underground electrical cable to Weir- not discussed

11.6 Underground cable from Lyons Court Office to Water Plant (LU) This is a proposed project, costs will be investigated.

11.7 Purchase of computer system- not discussed

11.8 Independent Contractor Review- Larry Nelson- discussed during executive session.

11.9 Base rate charges for merged lots: Question proposed to the board about a reduction in base rate charges for customers with merged lots. Board responds with regret but is unable to grant request.

11.10 Discussion and action: acceptance of Piazza's bid to install AMI meters. Previously discussed.

11.12 Discussion and action: Resolution 2017-01-Resolution ordering an election to be held and requesting consolidation with the November 7, 2017 General District Election. See attached. (JH) moves to accept resolution, (LU) Seconds. Vote, ayes: (LU), (JR), (JH) (MG), absent: (TG)

11.13 Other

Public Comment

12. Setting of Agenda, Time & Place for Next Meeting: (LU) June 10, 2017 at 1pm at the Fort Ross School, Cazadero, CA 95421

13. Adjournment: 3:37pm (JH) Moves to adjourn, (LU) seconds. Vote: ayes: (LU), (JR), (JH), (MG), absent (TG). Motion passes.

Minutes Approved June 10, 2017

Secretary _____

Attachment for item **11.3 Discussion and action: Purchase of lot: 22102 Timber Cove Road.**

Statement of a potential property settlement between TCCWD and Tim McKusick

...statement of a potential property settlement between TCCWD and Tim McKusick which will satisfy the payment in full of all water charges due to TCCWD from Tim & Molly McKusick as of March 31st, 2017. All Charges due are expressed in this agreement as the downpayment made by TCCWD. This final agreement was confirmed by Tim McKusick in his email to Lorrie Uribe and John Howland dated, March 31st at 8:45am. All base-rate and water usage charges due after this date/time will be paid by the McKusicks, in the amount(s) as recorded in the TCCWD accounts payable history, and will be paid in compliance with current TCCWD Regulations/Resolutions and the regular monthly billing cycle schedule.

Final Property Settlement Terms as of March 31st, 2017:

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 - \$46,000.00 Cash payment to Tim McKusick upon close of escrow
- Additional proposed deed restrictions that were a final matter of discussion have been cancelled by Mr. McKusick as of 04-12-17, removing said deed restrictions from any further consideration of either party.

Attached document for item: 11.2 Discussion of proposed Ordinance 2017-01- \$10 Fire Abatement Fee and \$.09 variable rate cap.

ORDINANCE NO.2017-01:

Variable Water Rate and Fire Abatement Fee

AN ORDINANCE

ESTABLISHING A VARIABLE RATE, INCLUDING A FIRE ABATEMENT FEE FOR WATER SERVICE OF THE TIMBER
COVE COUNTY WATER DISTRICT

EFFECTIVE AS OF JUNE , 2017

BE IT ORDAINED by the Board of Directors of Timber Cove County Water District (“District”), Sonoma County, California, as follows:

WHEREAS the District is mandated by statute to take whatever measures are necessary to remain financially solvent; and

WHEREAS the District has determined that a rate increase and fire abatement fee are necessary in order to remain solvent.

The District hereby adopts the following water rates and fire abatement fees:

A variable water rate comprised of a base rate of \$65.00 per month and a variable rate of no more than \$0.09 per gallon for water used. The base rate shall be collected from each and every residential and commercial unit. The variable rate shall be collected from each and every residential and commercial unit with water usage.

A fire abatement fee of \$10.00 per month. The fire abatement fee shall be collected from each and every parcel within the District.

The variable rate will be calculated rate based on the previous years’ average operating cost to produce, treat and deliver water to its customers as measured by meters, with a cap of \$0.09 per gallon, a \$0.02 per gallon increase from the previous rate of \$0.07 per gallon.

The \$65.00 base rate shall be deposited into the Sinking Fund in order to pay for necessary capital improvements and replacement of plant and equipment, the fire abatement fee shall be used to fund the Fire Abatement Program, and the variable rate shall be used to pay for the operating costs of the District.

RESOLUTION NO.2017-01

DATED MAY 13, 2017

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TIMBER COVE COUNTY WATER DISTRICT, COUNTY OF SONOMA
STATE OF CALIFORNIA, ORDERING AN ELECTION TO
BE HELD AND REQUESTING CONSOLIDATION
WITH THE NOVEMBER 7, 2017
GENERAL DISTRICT ELECTION

WHEREAS, an election will be held on November 7, 2017, in the TIMBER COVE COUNTY WATER DISTRICT for the purpose of electing District Directors to fill positions that will expire in 2017;

BE IT RESOLVED THAT, the District Directors of said district hereby request consolidation with any election that may be held on the same day, in the same territory or in territory that is in part the same.

THE FOREGOING RESOLUTION was introduced by Director _____, who moved its adoption, seconded by Director _____ and then adopted on roll call by the following vote:

Director _____ Aye _____ No _____ Abstain _____

Director _____ Aye _____ No _____ Abstain _____

Director _____ Aye _____ No _____ Abstain _____

Director _____ Aye _____ No _____ Abstain _____

Director _____ Aye _____ No _____ Abstain _____ AYES _____

NOES _____ ABSTAIN _____ ABSENT _____

WHEREUPON, the Chairperson declared the foregoing resolution adopted and SO ORDERED

ATTEST:

_____ Secretary BY: _____ Chairman