

**Minutes of the Regular meeting of the Alleghany County Water District Board of Directors
Tuesday, July 12th, 2016 Alleghany Firehouse, 105 Plaza Court Alleghany**

SCANNED

Call to Order: 6:02 pm

Quorum Established: Present were directors Rae Bell Arbogast, Robbin DeWeese, Oregon Burns (O.B.) Tenney V, Tobyn Mehrmann, and Madeleine Hamb. Secretary Baker was present and took the minutes. ACWD Staff: Water Treatment Operator Bruce Coons and Water Distribution Assistant Eddie Snyder. Also present: Ernest & Nancy Finney, Josh Gwaizda and Oregon (Burns) Tenney IV.

Consent Calendar:

- A. Approval of the Agenda
- B. Reading and approval of the minutes for the meeting dated 6/14/16 & special meeting 6/28/16
- C. Approval of Treasury Report and Claims for June 2016

Motion made to approve the Consent Calendar with one correction to the Agenda and one to the June 14th minutes by Robbin, Tobyn second. Ayes: Arbogast, DeWeese, Tenney, Mehrmann, Hamb. Naves: 0. Absent: 0 Abstain: 0 Vacant: 0. Motion Passed

Public Response Time:

Burns asked if the chain blocking the Bucket Club property was put in place by the Board. The answer was "no" it was put up by the person who just bought the parcel with the trailer on it. The board does have a key to the lock.

Information/Discussion Items:

Correspondence:

Incoming:

- Conflict of interest review certification request from County Clerk Recorder, Public Records request for employee information from CALPERS – reply back sent via email.
- 7/8/16 Letter from FPPC in response to March 25th inquiry file #A-16-060,
- Letter from Sierra County re: Solid Waste fees proposed increase for the Cumberland Parcel. Proposed annual fee \$23.38 from \$19.20 deadline to appeal is Aug. 16th
- 7/11/16 Solid Waste notice for the park. Annual increase to \$187.04 from \$111.80 (Rae double checked the lease agreement for the Park and it does state that ACWD is responsible for any tax assessments.)

Outgoing:

- Customer update sent with July 1st bills to all customers explaining drought mitigation measures in effect until further notice.

Water Test Results:

July Bacteria test results: Treated water absent, Raw water: absent

President's Report: Report attached to these minutes as included in the agenda packets. Ongoing conflict of interest item included.

Water Treatment Operator Report:

The sump pump needed to be replaced or refurbished, after looking at pricing options, Rae and Bruce decided to let All Electric in Auburn rebuild the pump at the cost of \$3,189, compared to retail price of \$5,000. Bruce got the pump in the sump but it will be a couple days before he can pump water into the tank.

Rae asked the board for emergency approval to borrow \$3,000 from the Historical Church account in order to save money by paying an insurance premium up front and also to avoid monthly minimum balance bank fees.

Motion made to loan \$3000 from the historical church account to the main enterprise account by Madeleine, Tobyn second. Ayes: Arbogast, DeWeese, Mehrmann, Hamb. Nays: 0. Absent: 0 Abstain: Tenney. Vacant: 0. Motion Passed

Library Report: Nothing to report.

Park Report: Rae sold plants at the gold show and got a \$100 donation. Rae also paid Dean to weed eat the park as it was overdue and the people who said they were going to do it for free did not. Robbin asked about the water supply at the park and Rae explained that Mike Miller was ok with using overflow water from the Ram spring to water the park if somebody wants to hook it up and take care of it.

Dick Davis, the person who sponsored the calendar project for the museum, wants to fund a mural to be put on a block wall in Alleghany. The only building with walls like that in Alleghany is the park bathroom. He wants to pay 2 artists from to paint the mural with a mining theme. Rae asked the board for any input on possible subjects and other details. Rae said that Mr. Davis is willing to pay for everything, including the mason work to smooth the wall in preparation for painting.

Board member or special committee reports:

OB inquired about the procedure for the upcoming election. Rae explained the deadline to apply is August 12th but if one of the incumbents does not apply by the deadline, the deadline is extended for the general public but not the incumbent. Once papers are put in they cannot be withdrawn. There will only be an election if more than 3 people apply for the three seats that are up. She confirmed that the district would have to pay for it if there is an election, she has not confirmed the actual cost with the recorder's office yet.

Planning project update: Planning project update as attached to these minutes.

Burns had a question regarding the board not considering the "bucket club" property as a place to put a well. Rae explained that the board went with the hydrogeologist's recommendation for the test well sites. She confirmed that as far as she knows it is too late to change the test well sites because the request for bids has already been published.

Unfinished Business:

- A. Customer accounts/billings/disconnects: Six five-day notices were mailed on June 15th and all paid. Currently there are 7 accounts over 30 days.
- B. The board considered an ordinance change due to a problem with the recent motion to change 5-day notices to 10-day notices, Rae to draft an ordinance to be read at the August regular meeting.
- C. Board consideration of water quality sampling of the Arbogast well was tabled indefinitely unless the new project hydrogeologist brings it up in the future.

NOTICE

OF REGULAR MEETING OF THE BOARD OF DIRECTORS OF ALLEGHANY COUNTY WATER DISTRICT

Date: July 12, 2016 Time: 6:00 pm

Location: Alleghany Firehouse 105 Plaza Ct. Alleghany

This agenda has been prepared and posted at least 72 hours prior to the regular meeting of the Board of Directors in accordance with the Ralph M. Brown Act. Agenda items are numbered for identification purposes only and will not necessarily be considered in the indicated order. Details and supporting materials concerning agenda items are available for public reference by calling 530-287-3204 or email: alleghanywater@gmail.com

1. Call to Order & Establish a Quorum
2. Consent Calendar
 - a) Approval of the agenda
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 - c) Approval of Treasury Report and Claims for June 2016.
3. Public Response Time –The public may be heard before or during the consideration of any agenda item to be considered by the board, subject to reasonable time limitations for each speaker. Members of the public may address matters under the jurisdiction of the Board of Directors, and not on the posted agenda, provided that no action shall be taken by the board unless the matter is deemed urgent by a 2/3 vote.
4. Information/Discussion Items
 - a) Correspondence
 - b) Water Test Results
 - c) President’s Report – (16 to 1 mine conflict of interest item incorporated here)
 - d) Water Treatment Operator Report
 - e) Library Report
 - f) Park Report
 - g) Board member or special committee reports
 - h) Planning Project Update
5. Unfinished Business (Discussion & Possible Action Items):
 - a) Customer Accounts/Billings/Disconnects
 - b) Ordinances: Consideration of an ordinance change due to a problem with the recent motion to change 5-day notices to 10-day notices. Explanation in packets. No new ordinance drafted discussion only.
 - c) Preliminary budget adoption as proposed by “Committee of the Whole” on 5/25/16.
 - d) Board to consider whether-or-not to approve water quality sampling of the Arbogast well as described in task 1H of the hydrogeology contract (President Rae Bell to leave during discussion and abstain from voting due to a conflict of interest) **SUGGEST REMOVE FROM AGENDA AND SEE IF NEW HYDROGEOLOGIST REQUESTS IT.**
6. New Business (Discussion & Possible Action Items):
 - a) By-laws: Replace Robert’s Rules of Order with Rosenberg’s Rules of Order.
 - b) Face Book Page, should the district have its own?
7. Next meeting date, Items for next agenda & Adjournment Public Meeting to Open Bid Packets Thursday July 28th time TBD. Next regular meeting August 9, 2016

Upon request, Agendas will be made available in alternative formats to accommodate persons with disabilities. Please make your request to District Secretary, P.O. Box 860, Alleghany CA 95910 specifying your disability and the format in which you would like to receive this Agenda and future Agendas as well.

New Business:

- A. By-laws: Board considered Replacing Robert's Rules of Order with Rosenberg's Rules of Order as parliamentary procedure for the Board. Tobyn requested more time to make a decision on the matter and the topic was tabled to the next meeting.
- B. The board had a discussion about its Facebook presence on the Alleghany Out-reach page. After the discussion a motion was made to stop posting the minute recordings Facebook.

Motion made to quit using Facebook for ACWD meeting recording posting by Robbin, O.B. second. Ayes: Arbogast, DeWeese, Tenney, Mehrmann, Hamb. Nays: 0. Absent: 0 Abstain: 0 Vacant: 0. Motion Passed

Next Regular meeting: Tuesday, August 9th 6:00 p.m.

Special meeting: Thursday, July 28th 6:00 p.m.

Items for next agenda: Board to consider if it wants to protest the solid waste fee increase.

There being no further business before the Board, the meeting was adjourned at: 6:40 p.m.

Minutes respectfully submitted by Leslie D. Baker III Leslie D. Baker 

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Alleghany County Water District

P.O. Box 860, Alleghany, CA 95910 ~ alleghanywater@gmail.com ~ Phone 530-287-3204

~ Established March 8, 1939 ~

CERTIFICATE OF POSTING

I, Leslie Baker certify that the following document was posted on behalf of Alleghany County Water District, Sierra County California:

Agenda Regular Meeting, Meeting Date 7/12/16

Entire packet put in box under bulletin board and also emailed to agenda list.

In the following location(s):

Alleghany Post Office Bulletin Board on 7/8/16.

On the door of the Alleghany Firehouse (meeting location) 7/8/16

A copy of which is attached hereto and by reference made a part herof.

Signed under penalty of perjury: X

Leslie D. Baker III

Leslie D. Baker III

Allegheny County Water District

MAIN ACCOUNT **Beginning Balance** \$ **4,925.76**

Deposits

Date	From:	For:	Amount
6/15/16	SWRCB	Grant reimburse	\$ 12,804.39
6/22/16	Customers	Water Sales	\$ 720.60
6/28/2016	Customers	Water Sales	\$ 1,164.00
6/30/2016	Customers	Water Sales	\$ 219.96
6/30/16	Customers	Water Sales	\$ 112.00

Deposits Total \$ **15,020.95**

Expenditures

Ck #	Date	To:	For:	Amount
EFT	6/3/16	Tri-Counties Credit Card	Compressor from Sears	\$ 305.22
EFT	6/6/16	PG&E	Pumphouse - May Bill (paid late)	\$ 253.57
5046	6/17/16	AT&T		\$ 16.31
5047	6/17/16	Cranmer Engineering	Water Tests	\$ 311.00
5048	6/17/16	Edda Snyder	May Bill - Bookkeeper	\$ 100.00
5049	6/17/16	Grainger	Fuses	\$ 134.77
5050	6/17/16	HACH	Chlorine	\$ 182.75
1034	6/20/16	Gus Tenney	Brush Clearing	\$ 125.00
1035	6/20/16	Bruce Coons		\$ 193.08
			Brush Clearing	\$ 125.00
			Mileage	\$ 68.08
EFT	6/24/16	PG&E	Pumphouse - June Bill	\$ 347.96
5051	6/27/16	Affinity	Planning Project Engineering	\$ 6,608.52
5052	6/27/16	Altec	Planning Project Engineering	\$ 5,841.00
1036	6/30/16	Bruce Coons	June Bill	\$ 342.58
			WTO Contract	\$ 250.00
			Mileage	\$ 92.00

Expenditures Total \$ **14,761.76**

Ending Main Account Balance \$ **5,184.95**

Non-enterprise account **Beginning Balance** \$ **11,448.94**

Deposits

Date	From:	For:	Amount

Deposits Total \$ **-**

Expenditures

Ck #	Date	To:	For:	Amount
EFT	6/6/16	PG&E	Library - May Bill (paid late)	\$ 9.85
EFT	6/23/16	PG&E	Library - June Bill	\$ 10.51

Expenditures Total \$ **20.36**

Ending non-enterprise Account Balance \$ **11,428.58**

ACWD Non-Enterprise Checking Account

Historical Church START	Income	Expenses	Balance	PARK START	Income	Expenses	Balance	TOTAL
Date				Date				
July	\$ 68.50	\$ 909.66	\$ 8,251.32	July	\$ 73.00		\$ 2,439.73	\$ 11,459.21
August	\$ 1,500.00	\$ 133.64	\$ 9,617.68	August		\$ 153.60	\$ 2,286.13	\$ 10,691.05
September		\$ 158.18	\$ 9,459.50	September			\$ 2,286.13	\$ 11,903.81
October	\$ 630.00		\$ 10,089.50	October		\$ 17.26	\$ 2,268.87	\$ 11,745.63
November	\$ 852.00	\$ 1,568.09	\$ 9,373.41	November			\$ 2,268.87	\$ 12,358.37
December		\$ 11.07	\$ 9,362.34	December			\$ 2,268.87	\$ 11,642.28
January		\$ 9.86	\$ 9,352.48	January			\$ 2,268.87	\$ 11,631.21
February		\$ 9.53	\$ 9,342.95	February			\$ 2,268.87	\$ 11,621.35
March		\$ 185.15	\$ 9,157.80	March	\$ 118.00		\$ 2,386.87	\$ 11,611.82
April		\$ 12.77	\$ 9,145.03	April			\$ 2,386.87	\$ 11,544.67
May		\$ 82.96	\$ 9,062.07	May			\$ 2,386.87	
June		\$ 20.36	\$ 9,041.71	June			\$ 2,386.87	
Hist. Church BALANCE			\$ 9,041.71	PARK BALANCE			\$ 2,386.87	\$ 11,428.58
							Actual Checking balance	\$ 11,428.58

July 2016 ACWD President's report

On June 29th the annual water right diversion report for calendar year 2015 was filed with the State online.

- A question came up at the last meeting about the membership fees paid out by ACWD and I did not have the exact fees at hand.
- To answer that question: currently we have two memberships that we pay annually: California Rural Water Association (CRWA) and California Special District's Association (CSDA).
- CRWA annual membership: \$183
- CSDA annual membership paid out last year: \$167.29 Here is why the weird amount : we joined in August 2015 with a 20% promotional discount that brought your dues to \$111 for the first year. Then in December 2015 we paid \$56.29 - a prorated amount that will keep our membership current through December 2016. It sounds like this fiscal year's bill will be approx:\$159 (they recalculate it ever year) but it will be billed in one amount, not two like when we signed up.

Both memberships provide benefits to the district far above their cost. For example our membership in CRWA is how we got the rate analysis done for free, (estimated cost \$5,000) and our watershed survey which is a state requirement also was done for free (typical cost \$5,000 to \$10,000) via a partnership between the State and CRWA. Also, our new insurance carrier is only for CRWA members and our premium is \$553 lower than last year and \$604 less than we would have paid to stay with our old carrier this year. There are other benefits as well.

Our CSDA membership includes one-hour of free legal advice plus unlimited access to their legal analyst for general legal questions. They offer a library of sample policies and procedures and the list-serve which connects us to other special districts state-wide. We utilize the list-serve and legal analyst frequently and did take advantage of the one-hour of free legal advice last year for our question about tiered water rates. They offer many educational benefits as well.

Below is the detail of the permits fees & dues account for last fiscal year exported from Quickbooks.

Check	08/01/2015	CSDA	Membership	111.00
Check	08/28/2015	SWRCB	Treatment Operator 2 license for Bruce	70.00
Check	08/28/2015	SWRCB	D1 renewal Bruce	65.00
Check	11/11/2015	Board of Equalization	Annual water rights fee	150.13
Bill	12/02/2015	CSDA	CSDA Membership	56.29
Bill	12/18/2015	SWRCB	Annual operating fee	330.00
Bill	01/27/2016	Calif. Rural Water Association	Membership	183.00
				965.42

Total 6450 - Permit
Fees/Dues

Conflict of Interest Update:

On July 8th the response from the Fair Political Practices Commission was finally received. It is 6 pages long. If anybody wants a copy let me know. My original questions submitted on March 25, 2016 were as follows:

1. Did I violate the conflict of interest code by participating in the decision to narrow the scope of the SRF planning project at the July 10th meeting?
2. Is it a violation for me to be the main person who is coordinating with the engineers for the SRF project as I am now?
3. When the Planning Project is completed and a recommendation has been made for the construction phase of the project, do I need to excuse myself from participation in the decision making?

In their response letter they rephrased all of my questions as follows:

#1: May you take part in a decision of the Alleghany County Water District (the "District") Board to reinstate a proposed water project plan (the "original plan") after an alternate plan (the "current plan") has been approved where both plans affect property owned by Original Sixteen to One Mine, Inc., (the "corporation") of which you are the Secretary and a shareholder?

The answer to their version of question #1 is "Yes. It is not reasonably foreseeable that the decision will materially affect your financial interest."

Question #2 : May you act as the primary coordinator with engineers working on the project?

Question #3: May you participate in decisions involving the construction phase of the project after the planning phase has been completed?

The answer to their version of #2 and #3 is: "Yes, You have not identified any governmental decisions that may come before the District's Board that would relate to the activities of a project coordinator or involve the construction phase of the project. You will need to determine as to each decision whether the decision will have a reasonably foreseeable material financial effect on your financial interest."

Planning Project Update:

The July 1st deadline was met for both the bid packets (Test Well Request for Proposals (RFP)with drilling specs) and the Site Surveys.

The invitation to bid was emailed to a list of drillers and the RFP was published on two State of Calif. contractor's exchanges on July 1st. A notice was also published in the Mountain Messenger on July 7th. A pre-bid meeting for interested well drillers is scheduled for July 14th at 11 am starting at the old school gym (Mine Office) and concluding with a visit to the drilling sites. In case anybody wants to know, the reason for having the pre-bid meeting in the Old School Gym is because the district's records are there and we have access to the internet, a printer and computers if needed.

Sealed bids will be opened at a public meeting on July 28th at the firehouse. Time TBD (it will be posted). The procedure for accepting the bids per Kip is this: Bid envelopes received must be stamped with the date received on them. At the public meeting the bids will be opened and listed. Kip (the project engineer) then takes the bids and after he has reviewed them along with the driller's qualifications he will make a hiring recommendation to ACWD. The State prefers selecting the lowest bidder but it is not a requirement. If the lowest bidder is not chosen an explanation as to why must be submitted to the State.

Our third billing invoice in the amount of \$20,843.31 was submitted on July 8th. Below is a summary of what has been billed and paid and the remaining budget:

Total Budget \$300,000 amount billed to date: \$50,972.66 amount disallowed by State: \$415.46 amount paid to date: \$29,713.89 Budget remaining \$249,442.80 (assuming 7/8/2016 invoice for \$20,843.31 is paid in full.)

Tasks completed to date: Geotechnical Study, Hydrogeological Study, Drilling Specification and Request for Proposals from Well Drillers, Site Surveys and Easements (the easement between the Cumberland and the Water Tank will only be surveyed if it is decided after the test well is drilled to bring that well into production.)

Notes re: shut off notices prepared for July 12, 2016 regular meeting

Billing Summary

- Bills mailed: Within the first week of the month (current billing month)
- Due date: Last day of the current billing month
- Delinquency date: First day of the following billing month
- Current Policy (not ordinance) is to send out 5-day notices on the 15th
- Shut-off date: Twentieth day of the following billing month

Example: Bill mailed on 7/1 is due by 7/31 it becomes delinquent on 8/1 and late charges are applied. If not paid, by 8/15 a five-day notice is mailed to the customer. If payment not received shut-off date 8/20. Customers are contacted by telephone at this point and if they say they are mailing the payment no action is taken. This is not written policy but is how we have been doing it. Probably we should add this last step to the customer service policy along with language saying that extenuating circumstances will be considered in all cases. (Or something like that).

Problem: Historically the district has always sent 5-day shut-off notices, however with many of our customers living out of town this does not allow enough time for mail delivery.

In order to address this problem at the special meeting on June 28th the board decided to change the mailing date of the notices to the 10th of the month and change the notice from a 5-day notice to a 10-day notice. This approach was taken to avoid having to adopt a new ordinance.

New problem: Some months the water bills don't go out until the 5th or 6th of the month. If a customer has forgotten to pay the previous month's bill and they live out of town they may not get their water bill until the 10th. In this case, the district would be mailing out a shut-off notice around the time that a person realizes they missed paying their bill. This will most likely result in a lot more shut-off notices crossing payments in the mail.

Solution: Change the shut-off date to the 25th day following the delinquency date and mail 10-day notices on the 15th of the month. (Unfortunately this means adopting a new ordinance)

Current pertinent ordinance sections:

Ordinance 3 article 9 section 904 as revised with Ordinance 33

Delinquency Date: Rates and charges which are not paid on or before the first day of the calendar month following the due date shall be delinquent. If charges are not paid on or before the first day of the calendar month after the due date, a penalty of ten percent (10%) will be added to said charges including any previous penalties. If charges and penalties are not paid within twenty-days after the delinquency date, the District may discontinue service. The district board shall establish policies & procedures pertaining to standard billing notes regarding late fees and subsequent shut-off notices in accordance with this and other applicable ordinances.

Ordinance 3 article 10 section 1001

Disconnection for Non-payment. Service may be discontinued for non-payment of bills on or before the twentieth day following the delinquency date specified in Section 904. At least five (5) days prior to such discontinuance, the customer will be sent a final notice informing him that discontinuance will be enforced if payment is not made within the time specified in said notices. The failure of the District to send or any such person to receive said notice shall not affect the District's power hereunder.