

**Regular Meeting of the Alleghany County Water District Board of Directors  
Tuesday August 9, 2022 Meeting was held at the firehouse in Alleghany 105 Plaza court  
with a dial-in option for remote attendance.**

**1. Call to Order & Establish a Quorum** The meeting was called to order by President Mehrmann at 6:03 pm. Directors present: Tobyn Mehrmann, Nancy Finney, Robbin DeWeese and Coral Spencer. CWO Bruce Coons and AWO Edward Snyder; GM Rae Bell, and Secretary Amber Mehrmann was present and took minutes. Public present: Vicky Tenney

**2. Consent Calendar:**

Motion was made to approve the calendar by Nancy Finney and Coral Spencer 2<sup>nd</sup>. **Ayes: Tobyn Mehrmann, Nancy Finney, Robbin DeWeese and Coral Spencer Nays: 0 Absent: 0 Abstain: 0**

**3. Information/Discussion Items**

a) **Correspondence:** included in GM report.

b) **SRF Projects Update:** Information written in packet.

c) **Board/Staff Reports: CWO and GM Report:**

CWO and AWO report: Edward reported that the total finished water produced in July was 380,660 gallons and the average raw water flow Gallons per Minute were 52 gallons.

~The tanks have cycled through once.

~ The large tank has been leaking since Saturday, August 6, 2022, it is seeping from the bottom.

~ Edward took three samples for bacteria and all came back absent.

G.M.: Rae Bell's report is in writing. Rae did state that there was a correction to a date in her report. It was August 31 not September 1<sup>st</sup> for the leak detection assistance.

d) **Historical Church/Library Report:** There aren't any Zip Books at this time.

e) **Park Report:** Nothing to report.

**4. Unfinished Business**

a) **Customer Accounts/Billings/Disconnects:** There are four accounts overdue.

b) **There is still a position vacant on the board.**

**c) Ordinances:**

~ Adoption of Policy #102

Coral Spencer asked if the 'reserve fund' was pertaining to the contingency fund.

Rae stated that the Water District has two reserve funds; a contingency fund and a maintenance account. She also stated that the policy is fully explained in the packet.

Rae also stated that there is always room to change or improve this policy as time goes on.

Nancy Finney made a motion to adopt Policy #102 as presented and Robbin DeWeese 2<sup>nd</sup>.

**Ayes: Tobyn Mehrmann, Nancy Finney, Robbin DeWeese and Coral Spencer Nays: 0  
Absent: 0 Abstain: 0**

**d) Addition to policy #100**

This addition would put something in place to stop bank fees from occurring on the bank accounts the Water District holds. Nancy Finney made a motion to approve the language as provided on the GM report and Robbin DeWeese 2<sup>nd</sup>

**Ayes: Tobyn Mehrmann, Nancy Finney, and Robbin DeWeese Nays: Coral Spencer Absent: 0 Abstain: 0 Motion Carries.**

**e) Job Descriptions:** There is nothing new to report.

**5. New Business** None

**6. Public Response Time:** None

**7. Next meeting Date, Items for next Agenda and Adjournment**

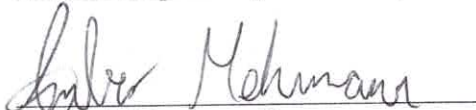
Next meeting will take place September 13, 2022 at 6:00 P.M. at Station 2

There is still a Board Vacancy open to anyone who is registered to vote.

The final Budget adoption will be on the next agenda.

There being no further business before the Board, the meeting was adjourned at: 7:40 P.M.

Minutes respectfully submitted,



Amber Mehrmann, Secretary



# NOTICE

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

**Date: Tuesday August 9, 2022 Time: 6:00 pm**

**Location: Fire Station 1, 105 Plaza Court, Alleghany and by conference call.** Dial-in number (US): (978) 990-5144 Access code: 6919768#

**All meeting documents available online: [alleghanywater.org](http://alleghanywater.org)**

**Send an email to: [alleghanywater@gmail.com](mailto:alleghanywater@gmail.com) for meeting notices.**

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 in the box at the Post Office at the time of agenda posting or on the district's website: [alleghanywater.org](http://alleghanywater.org)

1. Call to Order & Establish a Quorum
2. Consent Calendar
  - a) Approve agenda
  - b) Reading and approval of the minutes for the regular meeting dated July 12, 2022 and the special meeting held on July 26, 2022.
  - c) Ratification of Treasury Report and bill payments for July 2022.
3. Information/Discussion Items:
  - a) Correspondence – see GM report
  - b) SRF Projects Update –
  - c) Board/Staff Reports – Chief Water Operator (CWO) & General Manager (GM)
  - d) Historical Church/Library report – Status of heater purchase -
  - e) Park report
4. Unfinished Business (Discussion & Possible Action Items):
  - a) Customer Accounts/Billings/Disconnects: Four accounts are currently overdue but no notices were issued last month due to extenuating circumstances. Notices will be issued this month.
  - b) Ordinances, Policies & Procedures and Bylaws: Adopt revisions to Policy #102 Reserve Funds as corrected on May 10<sup>th</sup> and discussed on July 12<sup>th</sup>. Consider addition to Policy #100 (see GM report)
  - c) Status of vacancy on the board
  - d) Job Descriptions (we paid the attorney to review them but have not followed through with considering the recommendations)
5. New Business (Discussion & Possible Action Items):
  - a) none

**6. 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. Per the district's bylaws: complaints about board members or district staff are to be submitted in writing (not to be aired at meetings).

Next regular meeting date September 13, 2022.

7. Adjournment.

# Alleghany County Water District

Treasurer's Report

July 2022

MAIN ACCOUNT

Beginning Balance \$ 16,309.05

## Deposits

Date	From:	For:	Amount
7/11	Customers	Water	\$ 2,156.00
7/11	Customers	Water	\$ 468.00
7/11	Customers	Water	\$ 40.00
<b>Deposits Total</b>			<b>\$ 2,664.00</b>

## Expenditures

Ck #	Date	To:	For:	Amount
5722	7/5	Bruce Coons	WDO June Bill - Gross \$376.80	\$ 311.56
5723	7/5	Edda Snyder	Bookkeeper June Bill - Gross \$315	\$ 290.91
			Salary	\$175
			Helping Put Big Tank in Service	\$140
5724	7/5	Edward Snyder	WDA June Bill - Gross \$638	\$ 589.20
1137	7/8	Edda Snyder	Reimburse for Chlorine	\$ 38.99
5725	7/8	AT&T		\$ 41.62
5726	7/8	Cranmer Engineering	Water Tests	\$ 250.00
1138	7/13	Brown's Gas	Propane pumphouse	\$ 224.32
EFT	7/26	EDD	State Payroll Taxes	\$ 94.12
EFT	7/26	PG&E	Pumphouse	\$ 145.03
EFT	7/26	PG&E	Tank Site	\$ 13.10
5727	7/26	United States Treasury	Federal Payroll Taxes	\$ 327.28
5728	7/26	Bruce Coons	WDO July Bill - Gross \$393.60	\$ 330.64
5729	7/26	AT&T		\$ 44.85
5730	7/26	Cranmer Engineering	Water Tests	\$ 258.00
<b>Expenditures Total</b>			<b>\$ 2,959.62</b>	

RESERVE FUND WATER OPERATION		
Contingency Fund	\$	14,500.00
Equip. Maint. Fund	\$	1,000.00
<b>TOTAL</b>	<b>\$</b>	<b>15,500.00</b>

Ending Main Account Balance	\$ 16,013.43
Less Reserve Fund	\$ (15,500.00)
Plus Undeposited Funds	\$ 2,230.25
Available Funds	\$ 2,743.68

NON-ENTERPRISE ACCOUNT (Historical Church & Park)

Beginning Balance \$ 10,044.48

## Deposits

Date	From:	For:	Amount
<b>Deposits Total</b>			<b>\$ -</b>

## Expenditures

Ck #	Date	To:	For:	Amount
EFT	7/27	PG&E	Historical Church	\$ 10.04
<b>Expenditures Total</b>			<b>\$ 10.04</b>	

Report Prepared by Edda Snyder

Verified against Bank Statement

Ending Non-enterprise Account Balance \$ 10,034.44

x \_\_\_\_\_  
Print

Historical Church Balance	\$ 7,912.41
Park Balance	\$ 2,122.03
Balance	\$ 10,034.44

**Ram Spring Improvement Project ~SWRCB State Revolving Fund (SRF) Project**  
**Report for ACWD BOD Meeting Date: 8/9/2022 Prepared by GM Rae Bell**

This project is related to the planning project approved for funding by the State Water Resources Control Board Division of Finance (SWRCB,DFA) in 2015 and completed in 2020. The planning documents (plans and estimates) are approximately 90% complete. The remaining planning work will be the first phase of this project after the application process is completed.

**PROPOSED PROJECT BUDGET: \$745,000.**

There are four application packets that must be completed to apply for funding: General, Financial, Technical and Environmental.

- The General application packet with all attachments was submitted on 4/25/2020
- The Financial application packet with all attachments was submitted on 5/5/2020 with revisions done in February 2022.
- The Technical Packet is almost done. The remaining item for the technical packet is a draft contract for engineering services. This is pending engineer selection as noted below under “Request for Proposals”.
- The Completed Environmental packet was submitted in 10/13/2021. Environmental permitting work is ongoing. This is being covered by a Technical Assistance (TA) Request between SWRCB & RCAC (Rural Community Assistance Corp). The permit fees have been paid by the SWRCB as part of the TA request.

Request for Proposals (RFP) for Engineering Services

On July 26<sup>th</sup> a special ACWD board meeting was held to adopt Policy 601 for hiring professional consultants. An Engineering selection committee was also appointed. The selection committee members are: Rae Bell, Robbin DeWeese, Nancy Finney and Edward Snyder. Gary Chan, our SWRCB,DFA Project Manager is participating as is Matt Crowley CRWA rep.

The draft RFP was emailed to the committee members on August 2<sup>nd</sup>. On August 4<sup>th</sup> a remote committee meeting was held to work out the dates for the RFP. The meeting was called on short notice, so Nancy and Robbin weren’t able to attend. We kept the agenda to nailing down the dates. The committee needs to meet at least one more time before the RFP submittal deadline to work out the scoring system and interview questions to be used.

The RFP is being published in the Mountain Messenger and emailed to a list of engineering firms obtained from 3 different sources (CRWA, RCAC and Sierra County) plus Altec Engineering. The full RFP will be available on the district’s website beginning 8/11/2022 at <https://www.alleghanywater.org/acwd-projects>

**RFP Timeline:**

<b>Milestone</b>	<b>Deadline</b>
RFP Issued	August 11, 2022
Deadline for Clarifications/Inquiries	August 24, 2022
Deadline for Proposal Submittal	September 8, 2022
ACWD selection committee review of Proposals (tentative)	September 15, 2022
Notice of selection for interview or declination of proposal (tentative)	September 19, 2022
Interviews to be conducted (tentative)	Week of September 26th
Award of Contract (tentative)	October 11, 2022
Issue Notice to Proceed (tentative)	November 1, 2022

**Disclaimer** “Funding for these projects has been provided in full or in part through an agreement with the State Water Resources Control Board. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.”

# ACWD General Manager (GM) Report August 2022

Prepared by Rae Bell Arbogast

## Correspondence

Incoming: Election nomination papers from Sierra County, Notice from the State Dept of Fish & Wildlife that they got the Streambed Alteration notification that is part of the environmental applications for the Ram Spring Project. Notice from the Army Corps of Engineers that they also received an environmental application and notifying us that the cultural resource item was missing. (This was completed by a rep. from the SWRCB probably five years ago. I had to track down the person who did it, and she quickly provided a copy which was submitted to the Army Corp of engineers.)

Outgoing: Library lease extension and conflict of interest code verification mailed to county, environmental docs for Ram Spring project submitted electronically as noted above.

## GM REPORT

- **WATER TANK PROBLEM** – As of this writing (8/5) the tank inspection report has not been issued. The analysis of the sealant is holding things up. For some reason it took over a week for the contractor to locate that information, but we finally got it to CRWA today.
- **Leak Detection Assistance** -The California Water Resources Control Board is providing free leak detection assistance to small water districts. ACWD is signed up. A leak detection technician will be here on September 1<sup>st</sup> for about 4 hours. The offer is for two sections of pipe up to 1,000 feet long each. Edward and Bruce will select which sections to have tested. The assistance is scheduled for August 31<sup>st</sup>. This will be an opportunity for Edward to learn more about leak detection. He will be working with the CRWA rep.

## **Notes on specific agenda items**

**Agenda item 4. b) Policy 102 Changes:** A clean copy with the additional change to Procedure 102.4 that was agreed on at last month's meeting is in the meeting packets.

Last month, when I explained that the proposed changes prioritize operating funds over reserve funds, I failed to mention that the proposed changes also protect the reserve funds by putting those monies into a savings account. Currently reserve funds are kept in the checking account that is used to pay all bills.

If bills are being paid and the amount of the bills exceeds our available funds there is nothing in place, other than the bookkeeper's memory and conscience to prevent dipping into the reserve funds.

Last year we DID have to dip into the reserve funds during the month of April, but I notified the board in March that I thought we would have to do that. This was to cover the annual insurance bill, BUT I was pretty sure that we would be “whole” again by the end of April and we were, so no board action was needed.

I also failed to point out last month that operating funds MUST take precedence over reserve funds. Keeping the operation going is the board’s job.

The reserve fund savings account mentioned at the end of the draft Policy 102 could not be opened until after the September regular board meeting at the soonest. A board resolution will have to be adopted to do it.

As of July 31<sup>st</sup> total operating funds = \$2,743.68 (see treasury report) This doesn’t give us much wiggle room. Hopefully with the new rates in place, a bit of a buffer can be built up to facilitate the opening of the new savings account without having to pull any money from the contingency fund. Dragging our feet might help.

**Policy 100 Proposed addition:** To ensure that the adoption of the changes to Policy #102 do not result in monthly minimum bank balance fees. I suggest that the procedure below be added to Policy 100 FINANCES. Hopefully we won’t need it, but it will be there just in case.

#### Procedure 100.8 Checking Account Minimum Balance

If the main checking account balance is expected to fall below \$2,500 due to the payment of operating expenses, an item shall be placed on the next regular board meeting agenda to authorize a transfer from the reserve account to the checking account.

If the timing is not right, and the bookkeeper must pay a bill that will cause the checking account balance to fall below \$2,500 before the next board meeting, the bookkeeper is authorized to transfer sufficient funds from the reserve fund savings account, to keep the checking balance above \$2,500.

If possible, the bookkeeper shall return the funds to the reserve account before the end of the calendar month. If the bookkeeper is not able to restore the reserve fund prior to month’s end, or anticipates not being able to do so in the following month, an item shall be placed on the next regular board meeting agenda to ratify the transfer from the reserve fund savings account to the checking account to cover operating expenses.

Once a transfer is ratified by the board, it is no longer the bookkeeper’s duty to try to return the funds from the checking account to the reserve fund savings account.

## Allegheny County Water District (ACWD) Policies & Procedures

### Policy # 102 Reserve Funds

#### Definitions:

Contingency Fund: Often referred to as a “rainy day” fund. This fund is used to cover unexpected expenses or income (budget) shortfalls.

General Fund: These are unencumbered funds, also referred to as “operating funds” and are maintained in the district’s checking account.

Enterprise Fund: The main “enterprise” of the district is water service. All monies (income, expenses and capital expenditures) related to the water operation are tracked in the “Enterprise” section of the chart of accounts and budget worksheets.

Non-enterprise Fund: Funds that are not directly tied to the provision of water services. Currently the Historical Church, Park and Library are tracked under this category on both the chart of accounts and budget worksheets.

Operating Funds These are unencumbered funds, also referred to as the “General Fund” and are maintained in the district’s checking account.

Equipment repair and maintenance Fund: This fund is used specifically for repairs and maintenance of existing equipment.

Equipment replacement Fund: This fund (to be developed later) is specifically for the replacement of existing equipment or the purchase of new equipment. (Capital expenditures).

Historical Church Fund: This “non-enterprise” fund is used to track income and expenses related to the historical church building.

Library Fund: This “non-enterprise” fund is used to track income and expenses related to the operation of the Library NOT tied directly to the rental and maintenance of the historical church building.

Park Fund: This “non-enterprise” fund is used to track income and expenses related to the operation of the Arthur Joe Hauck memorial park.

Note: All funds not defined as “non-enterprise” above are main enterprise funds.

#### **Policy:**

The purpose of Reserve Funds is to ensure financial stability while enabling long-term planning. Reserve funds are also used as a tool to allocate specific revenue sources to their intended purpose.

ACWD Policy #102 DRAFT presented May 10, 2022, July 12, 2022 and August 9, 2022  
(June meeting cancelled due to the lack of a quorum).



**Procedure 102.1: Tracking & Reporting** Reserve funds shall be tracked on a spreadsheet incorporated with the final budget worksheets prepared annually. Reserve fund balances shall be incorporated into the monthly treasurer's report.

**Procedure 102.2: Enterprise reserve funds ~ additions and withdrawals**

*Additions.* During the final budget process for each fiscal year, the general manager or designee shall prepare a summary of the previous year's cash-flow results.

Based on the cash flow summary, district staff shall make a recommendation regarding how much money should be moved into reserve funds per district policy. The board shall decide by motion the amount (if any) to be moved to reserve funds for the previous fiscal year.

**Withdrawals** from reserve funds require board approval unless there is an emergency that must be addressed immediately.

**In the event of an emergency**, the Chief water operator or designee is authorized to make emergency expenditures. The person authorizing the expenditure shall provide the General Manager or Bookkeeper with the expected cost. Emergency withdrawals NOT approved by the board in advance shall be brought before the board for ratification at the next board meeting.

**Contingency Fund Procedure 102.3:**

It is the Policy of ACWD to set aside contingency funds in an amount equal to approximately 3 to 6 months of average cash-based operating expenses for the purpose of covering unexpected expenses or loss of revenue.

Additions and withdrawals shall be carried out as outlined in Procedure 102.2

**Procedure 102.4: Operating Fund**

Per the Recommendation made by the California Rural Water Association as part of the financial analysis completed in October of 2021. The district shall strive to maintain Operating Funds in the amount of \$2,500 to \$3,500 in the main checking account.

These funds shall be accumulated based on actual financial results and shall be prioritized over transfers to the other reserve funds.

**Procedure 102.5: Equipment Repair and Maintenance Fund**

The district shall strive to maintain funds in this account sufficient to cover routine water storage tank inspections as recommended in the Operations and Maintenance Manual for the 150,000 gallon water tank plus funds to cover unexpected repairs and maintenance.

### **Procedure 102.6: Historical Church Fund**

This purpose of this non-enterprise fund is to separate the financial results of operating and administering the Historical Church from other operations of the district. Accumulated funds shall be used for the purpose of making improvements to or maintaining the historical church building located at 100 Hope Lane in Alleghany and owned by ACWD.

*Additions* Rental Income for the building along with any other fundraising proceeds or donations specifically for the historical church shall be deposited into this fund.

*Withdrawals* from this fund may be incorporated into the annual budget or authorized by a motion of the board of directors.

### **Procedure 102.7: Library Fund**

The purpose of this non-enterprise fund is to separate money intended for the Library from other district funds.

*Additions* All fundraising proceeds, grants or donations specifically for the Library shall be deposited into this fund. Retroactive to July 1, 2021.

*Withdrawals* from this fund may be incorporated into the annual budget or authorized by a motion of the board of directors. The librarian shall be responsible for making recommendations regarding the use of this fund.

### **Procedure 102.8: Park Fund**

The purpose of this non-enterprise fund is to separate the financial results of operating and administering the Arthur Joe Hauck Memorial Park from other operations of the district. Accumulated funds shall be used for the purpose of making improvements to or maintaining the Arthur Joe Hauck Memorial Park, owned by Sierra County and leased by ACWD.

*Additions* Rental Income for the Park along with any other fundraising proceeds, grants or donations specifically for the park shall be deposited into this fund.

*Withdrawals* from this fund may be incorporated into the annual budget or authorized by a motion of the board of directors.

### **Procedure 102.9: Bank Accounts**

Funds shall be deposited into three bank accounts as follows:

- The main checking account shall be used for “Operating Funds”.
- The “non-enterprise” checking account shall be used for all non-enterprise fund balances.
- A savings account shall be established for all Enterprise Reserve Funds after adoption of this policy.

**ACWD Special Meeting**  
**July 26, 2022**  
**Done over phone conference**

**1) Members Present:** Nancy Finney, Robbin DeWeese, Coral Spencer and Tobyn Mehrmann. G.M. Rae Bell CWO Bruce Coons AWO Edward Snyder and Secretary Amber Mehrmann was present and took the minutes

**2) a) Adopt Policy #601**

Nancy Finney makes a motion to adopt the policy and Coral Spencer 2nds Ayes: Tobyn Mehrmann, Nancy Finney, Robbin DeWeese and Coral Spencer Nays: 0 Absent: 0 Abstain: 0

**b)** An Engineer Selection committee needs to be chosen and appointed. The members that volunteered are Rae Bell, Edward Snyder, Robbin DeWeese and Nancy Finney.

~Nancy Finney also mention that it may be good to have someone on the committee or someone the committee could go to for expertise on selecting the proper engineer. She mentioned that Burns Tenney would be, perhaps, a great person to have advice from on such matters as he has worked with engineers before. The board agreed and Vicky Tenney said she would ask him if he would be interested.

~The members of the committee would be able to meet remotely and also correspond by email.

Coral made the motion to appoint the volunteers to the selection committee and Nancy Finney 2<sup>nd</sup> Ayes: Tobyn Mehrmann, Nancy Finney, Robbin DeWeese and Coral Spencer Nays: 0 Absent: 0 Abstain: 0

**3) Update on the water tank-** There is not any updates on the tank.

~ Bruce Coons will be out for a month recovering from surgery. Edward Snyder will be filling his position in caring for the tanks and water system.

Meeting is adjourned a 7:21 P.M.