

**Minutes of the Regular meeting of the Alleghany County Water District Board of Directors
Tuesday, May 10, 2016 Alleghany Firehouse, 105 Plaza Court Alleghany**

SCANNED

Call to Order: 6:03 pm

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

Consent Calendar:

- A. Approval of the Agenda
- B. Reading and approval of the minutes for the meeting dated April 12th, 2016
- C. Approval of Treasury Report and Claims for April 30th, 2016 as well as the revised March 31st report correcting a double booking of a deposit that was made in Quickbooks.

Motion made to approve the Consent Calendar by O.B, Madeleine second. Ayes: Arbogast, DeWeese, Tenney, Mehrmann, Hamb. Naves: 0. Absent: 0 Abstain: 0 Vacant: 0. Motion Passed

Public Response Time:

After some input and discussion the Board directed the President to enforce the 5 minute public response time-limit as established in the district's by-laws.

There was no public response on items not on the agenda.

Information/Discussion Items:

Planning Project update: Report attached to these minutes as included in the agenda packets.

Correspondence:

Incoming:

- 4/15/16 Letter from State Water Resources Control board about electronic filing instructions that go into effect June 1st
- Letter from Attorney General about class action suit re: equipment with cathode ray tubes, as part of the settlement, govt. entities such as ACWD will be able to apply for grants for the purchase of tablets, tvs, and computer monitors.
- 5/10/16 Draft bid packet for well drillers from Altec Engineering
- 5/10/16 Hydrogeology report and NPDES permit application from Affinity Engineering

Outgoing:

- 4/15/16 mailed Kari Tenney copy of email showing that the 16 to 1 Mine 2014 annual report was sent to the FPPC
- 4/15/16 Bookkeeper mailed 2 5 day notices, both paid
- 4/18/16 mailed form 700's to Clerk Recorder
- 4/25/16 updated roster to Clerk Recorder
- 4/30/16 water production and power usage info. Sent to Sierra Business Council per request for a project they are working on
- Statement of facts for new directors sent to Secretary of State and County Clerk Recorder.
- Copy of bylaws to Sierra County Clerk Recorder.

Back & Forth emails:

5/3/16 initiated CSDA list-serve inquiry re: compliance with Governor Brown's water use reduction mandate and drought contingency plans. Compiled several sample policies/ordinances

Water Test Results: do not have yet.

President's Report: Report attached to these minutes as included in the agenda packets. Ongoing conflict of interest item included. She reported that the USDA inspection had been rescheduled to Friday May 25th at their request.

Water Treatment Operator Report: Bruce wants to have the board tour the operation and the properties the board owns. May 22nd was chosen as the best day for the board to do the tour. The public will be able to come. 10 a.m. was chosen as the time. Bruce wants to buy a backup compressor. Bruce is going to be doing tests soon. A tree came down by the tank. A little cleanup has been done.

Library Report: Nothing to report.

Park Report: The water is on. Bruce entertained the idea of diverting excess water to the park. Burns had a question about the ownership of the old "Rohrig Park" next to the firehouse, if the Water District was in charge of it or not. Answer: Pliocene Ridge CSD owns the firehouse and Rae Bell was pretty sure it was just one parcel. She would have to look at a parcel map to confirm. Burns said that he would bring his question up to the Pliocene Ridge CSD Board.

Unfinished Business:

A. Customer accounts/billings/disconnects: there are 3 accounts over 30 days.

B. Revised Ordinance #33 as read at the April 12th meeting motion to approve was made and a discussion was had. Becky asked if the new rate was \$40 for up to ,8000 gallons. The answer was yes.

Motion made by Madeline, Robbin second. Ayes: Arbogast, DeWeese, Tenney, Mehrmann, Hamb. Naves: 0 Absent: 0 Abstain: 0 Vacant: 0

C. Rae suggested a committee be formed to tackle the ongoing much needed policies and procedures list and the preliminary budget preparation under "new business". O.B and Tobyn both volunteered and Rae felt that she should be involved as well. Since this would create a quorum and a "committee" can't have more than two board members on it; it has to be handled as a special meeting per the Brown Act. A special meeting was scheduled for May 24th for the purpose of reviewing the preliminary budget and working on the Policies & Procedures.

D. After some discussion about the need for a Vice President, Tobyn volunteered for the position.

O.B made the motion to appoint Tobyn Mehrmann as Vice President, Madeleine 2nd. Ayes: Arbogast, DeWeese, Tenney, Mehrmann, Hamb. Naves: 0 Absent: 0 Abstain: 0 Vacant: 0. Motion passed

E. The status of board member terms was deferred to the Sierra County Clerk Recorder. Tobyn has been attached to Larry Vieira's term and O.B was given Sherrie Allen's term.

New Business:

- A. Preliminary Budget was discussed under item "C" above.
- B. Calif. Special District's Association ballot to revise their bylaws regarding electronic ballots. ACWD has a voting membership.

Motion to vote "Yes" on CSDA bylaws change allowing electronic ballots made by O.B., Toby second. Ayes: Arbogast, DeWeese, Tenney, Mehrmann, and Hamb. Naves: 0 Absent: 0 Abstain: 0 Vacant: 0 Motion passed

- C. The Water mandate policy issue was tabled to the May 24th special meeting. Burns had a question about the water mandate of the state still being in effect. Rae answered that according to Stephen Rookledge, it is still in effect. However there is no curtailment order.
- D. AB2613 reduction of audit requirements for smaller districts. Motion to send letter of support for AB2613 was made by **Toby, Robbin seconds. Ayes: Arbogast, DeWesse, Tenney, Mehrmann, and Hamb. Naves: 0 Absent: 0 Abstain: 0 Vacant: 0 Motion passed.**

Next Regular meeting: Tuesday, June 14th 6:00 p.m.

Special meeting: Tuesday, May 24th 6:00 p.m.

Items for next regular agenda: Board to consider amending By-laws changing 5 minute public response time limit to 3 minutes.

There being no further business before the Board, the meeting was adjourned at: 7:10 p.m.

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

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, Rae Bell Arbogast certify that the following document was posted on behalf of Alleghany County Water District, Sierra County California:

Agenda and meeting packet Regular Meeting, Meeting Date 5/10/16

In the following location(s):

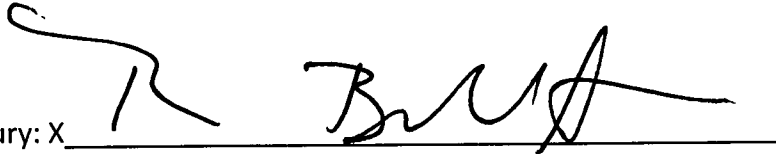
Alleghany Post Office Bulletin Board on 5/7/16. (packets put in box for the public)

On the door of the Alleghany Firehouse (meeting location) 5/7/16

3. Casey's Place
Emailed to email list as well.

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

Signed under penalty of perjury: X



Rae Bell Arbogast

NOTICE

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

Date: May 10, 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
- b) Reading and approval of the minutes for the meeting dated April 12, 2016
- c) Approval of Treasury Report and Claims for April 30 2016 as well as March 31st correction.

3. Public Response Time – Request for board direction on time limit. The public may be heard on an item 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 on any item not appearing on the agenda. The Board cannot take action on any unscheduled items unless it is declared by a vote of at least two-third (2/3) of the Board that there is an urgent need to take immediate action, and the need for action came to the attention of the District after the agenda was posted.

4. Information/Discussion Items

- a) Planning Project Update
- b) Correspondence – any board changes to letter to Becky?
- c) Water Test Results
- d) President's Report – (conflict of interest item incorporated here)
- e) Water Treatment Operator Report
- f) Library Report
- g) Park Report
- h) Board member or special committee reports

5. Unfinished Business (Discussion & Possible Action Items):

- a) Customer Accounts/Billings/Disconnects
- b) Ordinances: Adoption of ordinance #33, with 3rd revised rate proposal and also including: changes to reconnect fees and disconnection for non-payment as first read on April 12th.
- c) Policies and Procedures (P&P): List of needed P&P's for general information and input. Form a committee?
- d) Appointment of Vice President - this was continued in February until such time as the vacancies were filled.
- e) Status of board member terms: deferred to Sierra County Clerk-Recorder: since Larry put "effective Jan 26th" on the written note, his is first. Also, they were notified of Larry's resignation prior to Sherrie's (that is who told us that it had to be in writing).

6. New Business (Discussion & Possible Action Items):

- a) Preliminary Budget – need to form a budget committee. Prelim. has to be adopted by June 30th.
- b) Calif. Special District's Assoc. ballot to revise their bylaws (ACWD is a voting member)
- c) Governor's water reduction mandate: it is still in place according to our State Inspector.
- d) Letter of support for AB 2613 (proposed lower audit requirements for districts with budgets under \$150,000)

7. Next meeting date, Items for next agenda & Adjournment

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.

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

Call to Order: 6:05 pm

Quorum Established: Present were directors Rae Bell, O.B, Tobyn, and Robbin. Madeleine was absent and excused. Secretary Leslie Baker was present and took the minutes. ACWD Staff: Water Treatment Operator Bruce Coons, Water Distribution Assistant Eddy Snyder, and Bookkeeper Edda Snyder. Also present: David Arbogast, Ernest & Nancy Finney, Becky Wilkerson, Oregon Burns Tenney IV, Kari Tenney and Garry Maurath, hydrogeologist representing Affinity Engineering.

Consent Calendar:

- A. Approval of the Agenda
- B. Reading and approval of the minutes for the meeting dated March 8th, 2016
- C. Reading and approval of the minutes for the meeting dated March 22nd, 2016
- D. Approval of Treasury Report and Claims for March 2016

Motion made to approve the Consent Calendar by Robbin, Tobyn second: Ayes: Arbogast, DeWeese, Tenney, Mehrmann. Nays: 0. Absent: Hamb Abstain: 0 Vacant: 0. Motion Passed

Meeting Etiquette Comment & Public Response Time:

President Rae Bell discussed proper meeting etiquette and how the conduct of the Board should set an example to everyone. She personally apologized to those who may have felt that they had been ridiculed. She also requested that the community reciprocate with proper meeting etiquette.

Information/Discussion Items:

Planning Project update:

Garry Maurath, a hydrogeologist from Affinity Engineering, made a presentation about the local hydrogeology, and answered questions from the Board and the public. He stated that the two locations for the test wells would be at the water tank and at the Cumberland Spring.

He explained the specific geology of Alleghany and why those sites were chosen. One of his slides showed a geological map of Alleghany. He showed a slide that was a basic layout of what the well might look like. He answered a question about the extent of the potential sources of ground water. He said that it would be better to keep the well away from the town, although the well will be pretty deep so there will probably not be a big issue with potential contamination. A question was asked about how big the well pump would need to be and he stated that it would be slightly bigger than a domestic well pump. A question was fielded to Mr. Maurath about our system's water pipes and their condition. He said that in his discussions with engineers he found that the asbestos pipes have a decent chance of lasting 100 years from when they were installed in the 1970's.

Rae's Project Update:

3/15/16: FINALLY got our first disbursement for the planning grant. ACWD mailed the request for disbursement on January 12th and it took multiple follow-ups to verify where it was.

3/21/16: Rae got an email from Don Burke, one of the environment consultants saying he had to withdraw due to being too busy.

Rae also explained that Pete Stamas said that it would be better to wait until we had the test wells done so that we have a better idea of what we are doing before we request proposals from environmental firms.

3/21/16: Got contract for Services for Hydrogeology and Geotech from Affinity Engineering to sign. Hard copy is in the mail.

3/31/16: The last week of March a request was sent to Pete Stamas to extend all of the April 1st deadlines in the funding agreement. He extended them to June 1st.

Correspondence:

Incoming:

- 4/7/16 Letter from Sierra County Clerk-recorder requesting updated Board member roster.
- 4/7/16 Notice from USDA that they are coming to do an inspection and audit on May 12th.
- 3/15/16 Bookkeeper mailed out three 5-day notices (all got paid)

Outgoing:

- 3/10/16 Mailed completed form 700s to Clerk Recorder
- 3/10/16 Mailed copy of original version of Policy #1 to Vickie Tenney

Back & Forth emails:

CSDA list serve re: new board member requirements.

Pete Stamas re: Median Household Income Survey & planning grant deadlines/requirements

Stephen Rooklidge re: water tests

Garry Maurath and Kip Laybarger re Planning grant

Nick Clair re: Prop 218 and proposed rate proposal

Emailed meeting packets on 4/7 and sent agenda revision on 4/8.

CSDA list serve about draft letter from entire board: how to distribute for input without violating the Brown act.

Water Test Results: Treated water was absent, while the raw sample had 3.1 ppm coliform and there was no e-coli.

President's Report:

3/17/16 James Briggs with the Dept. of water resources came to Alleghany and picked up the leak detection equipment that had been on loan since October. We talked a little and he said that 20% unaccounted for water is pretty typical, so at 25%, ACWD isn't that bad.

3/21/16 Talked to ACWD attorney Marsha Burke about Public Hearing procedures. She said that she would not bill us for it.

3/22/16 Attended a free one-hour webinar put on by the Environmental Finance Network (a national group) titled: Ask the expert: Advice for setting water rates. This was geared towards small water systems. It was very informative. They have many recorded webinars available on their website and it is a good resource.

Water Treatment Operator Report:

Bruce wants to replace our compressors with a new brand because the old brand has diminished in quality. He said that the new compressors would cost about \$300 ea, compared to \$845 plus shipping for the old brand. These new compressors are 30% quieter and we can buy 2 for the price of 1. One of these new compressors has been online for about 2 weeks.

Library Report: Robbin DeWeese has changed the date and hours of operation of the Library. The new days are the 1st Saturday and the 3rd Wednesday. The hours are 1 p.m. until 3:30

Park Report: Rae planted some iris under the plaque on Easter Sunday. Bruce raised the new U.S flag at the park. Leslie fixed the Joe Hauck Memorial Park sign that had been damaged by the weather.

Unfinished Business:

- A. Customer accounts/billings/disconnects: there are 2 accounts over 30 days.
- B. First reading of the revised Ordinance #33, there was some discussion however no changes were suggested.
- C. The status of the conflict of interest opinion request made to FPPC: an official request was made to FPPC on 3/25. Got notice on 3/29 that it was being forwarded to their legal dept. Rae received a follow up question re: her relationship to the mine, which she clarified. The info is now being forwarded to the Attorney General's office and the Sierra County District Attorney. Rae is also sending a copy of the Original Sixteen to One Mine Inc. 2014 Annual Report to the FPPC per a request from Kari Tenney.

New Business:

- A. Discussion was held to decide whether or not the Board would request a new Median Household Income Survey from the Rural Communities Assistance Corporation. A motion was made to request a survey by Robbin, Tobyn second, ayes unanimous.
- B. New Directors terms: It was noted that a mistake was made on the vacancy posting. One term ends in 2016 while the other ends in 2018. After some discussion about which board vacancy would go to whom a motion was made to verify with the county clerk which vacancy was first and then to match the first application to that vacancy. Motion made by Tobyn, O.B. second. **Ayes: Arbogast, DeWeese, Tenney, Mehrmann. Nays: 0. Absent: Hamb Abstain: 0 Vacant: 0. Motion Passed.**

Next Regular meeting: Tuesday, May 10th, 2016 at 6:00 p.m; Board Roles and Responsibilities Training May 3rd

Items for next regular agenda: Finalize draft of the answer to Rebecca Wilkerson's letter to the Board.

There being no further business before the Board, the meeting was adjourned at: 7:10 p.m.

Minutes respectfully submitted by Leslie D. Baker III _____

March 2016

Alleghany County Water District

MAIN ACCOUNT	Beginning Balance	\$	6,421.00
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Deposits

Date	From:	For:	Amount
3/17/16	Customers	Water Sales	\$ 496.60
3/22/16	Transfer from Library Acc.	Donna Hauck appreciation	\$ 100.00
3/30/16	Customers	Water Sales + Grant	\$ 17,406.10
		Water Sales	\$ 496.60
		Grant Income	\$ 16,909.50
3/30	Customers	Water Sales	\$ 992.81
3/30	Transfer from Library Acc.	Bookshelves	\$ 74.18
3/31/16	Customers	Water Sales	\$ 472.00
3/31/16	Bruce Coons - Ck# 1025	Lost - Replacement #1028 - VOIDED	\$ 46.00
	Deposits Total		\$ 19,587.69

Expenditures

Ck #	Date	To:	For:	Amount
5019	3/1/16	Bruce Coons	February Bill	\$ 333.95
			WTO Contract	\$ 250.00
			Mileage	\$ 83.95
5020	3/1/16	Ed Snyder	February Bill - WDA	\$ 198.00
5021	3/5/16	AT&T	Phone	\$ 16.90
5022	3/5/16	Edda Snyder	February Bill - Bookkeeper	\$ 100.00
5023	3/5/16	House of Print and Copy	Return envelopes	\$ 83.80
5024	3/5/16	Jensen Fasteners	Rebuild kit for compressor	\$ 677.79
5025	3/5/16	Leslie Baker	February Bill - Secretary	\$ 60.00
5026	3/18/16	Altec Engineering	Planning Project Engineering (back to March 2015)	\$ 15,679.50
5027	3/18/16	B & C	Heater for library (to be reimbursed by Non-Enterprise Acc.)	\$ 59.46
5028	3/18/16	Grainger	Pumphouse maintenance	\$ 25.36
5029	3/18/19	HACH	Chemicles	\$ 182.75
5030	3/18/16	Marsha	Legal Fees - Grant + Prop 218 Notice	\$ 1,430.00
5031	3/18/16	Mountain Messenger	Notice Publication RE: Violations	\$ 71.25
EFT	3/22/16	Credit Card	Bookshelf reimbursed	\$ 74.18
EFT	3/24/16	PG&E	Cumberland	\$ 20.37
EFT	3/25/16	PG&E	Pumphouse	\$ 283.07
5032	3/31/16	Bruce Coons	March Bill	\$ 379.95
			WTO Contract	\$ 250.00
			Mileage	\$ 129.95
1028	3/31/16	Bruce Coons	Replacement for #1025	\$ 46.00
		Expenditures Total		\$ 19,722.33

Ending Main Account Balance \$ 6,286.36

Non-Enterprise	Beginning Balance	\$	11,611.82
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Deposits

Date	From:	For:	Amount
3/30/16	Donations	Park Income	\$ 118.00
		Sierra County Growers Assoc.	\$ 111.00
		Donation Jar (Casey's)	\$ 7.00
	Deposits Total		\$ 118.00

Expenditures

Ck #	Date	To:	For:	Amount
EFT	3/22/16	Main Account	Transfer - Donna Hauck appreciation	\$ 100.00
EFT	3/24/16	PG&E		\$ 10.97
EFT	3/30/16	Main Account	Transfer - bookshelf for library	\$ 74.18
	Expenditures Total			\$ 185.15

Ending Non-Enterprise Account Balance \$ 11,544.67

Allegheny County Water District				
MAIN ACCOUNT			Beginning Balance	\$ 6,421.00
Deposits				
Date	From:	For:	Amount	
3/17/16	Customers	Water Sales deposit for \$496.60 was part of \$17,406.10 deposit		
3/22/16	Transfer from Library Acc.	Donna Hauck appreciation	\$	100.00
3/17/16	Customers	Water Sales + Grant	\$	17,406.10
		Water Sales	\$ 496.60	
		Grant Income	\$ 16,909.50	
3/30	Customers	Water Sales	\$	992.81
3/30	Transfer from Library Acc.	Bookshelves	\$	74.18
3/31/16	Customers	Water Sales	\$	472.00
3/31/16	Bruce Coons - Ck# 1025	Lost - Replacement #1028 - VOIDED	\$	46.00
Deposits Total			\$	19,091.09
Expenditures				
Ck #	Date	To:	For:	Amount
5019	3/1/16	Bruce Coons	February Bill	\$ 333.95
			WTO Contract	\$ 250.00
			Mileage	\$ 83.95
5020	3/1/16	Ed Snyder	February Bill - WDA	\$ 198.00
5021	3/5/16	AT&T	Phone	\$ 16.90
5022	3/5/16	Edda Snyder	February Bill - Bookkeeper	\$ 100.00
5023	3/5/16	House of Print and Copy	Return envelopes	\$ 83.80
5024	3/5/16	Jensen Fasteners	Rebuild kit for compressor	\$ 677.79
5025	3/5/16	Leslie Baker	February Bill - Secretary	\$ 60.00
5026	3/18/16	Altec Engineering	Planning Project Engineering (back to March 2015)	\$ 15,679.50
5027	3/18/16	B & C	Heater for library (to be reimbursed by Non-Enterprise Acc.)	\$ 59.46
5028	3/18/16	Grainger	Pumphouse maintainence	\$ 25.36
5029	3/18/19	HACH	Chemicles	\$ 182.75
5030	3/18/16	Marsha	Legal Fees - Grant + Prop 218 Notice	\$ 1,430.00
5031	3/18/16	Mountain Messenger	Notice Publication RE: Violations	\$ 71.25
EFT	3/22/16	Credit Card	Bookshelf reimbursed	\$ 74.18
EFT	3/24/16	PG&E	Cumberland	\$ 20.37
EFT	3/25/16	PG&E	Pumphouse	\$ 283.07
5032	3/31/16	Bruce Coons	March Bill	\$ 379.95
			WTO Contract	\$ 250.00
			Mileage	\$ 129.95
1028	3/31/16	Bruce Coons	Replacement for #1025	\$ 46.00
Expenditures Total			\$	19,722.33
Ending Main Account Balance			\$	5,789.76
Non-Enterprise			Beginning Balance	\$ 11,611.82
Deposits				
Date	From:	For:	Amount	
3/30/16	Donations	Park Income	\$	118.00
		Sierra County Growers Assoc.	\$ 111.00	
		Donation Jar (Casey's)	\$ 7.00	
Deposits Total			\$	118.00
Expenditures				
Ck #	Date	To:	For:	Amount
EFT	3/22/16	Main Account	Transfer - Donna Hauck appreciation	\$ 100.00
EFT	3/24/16	PG&E		\$ 10.97
EFT	3/30/16	Main Account	Transfer - bookshelf for library	\$ 74.18
Expenditures Total			\$	185.15
Ending Non-Enterprise Account Balance			\$	11,544.67

April 2016

Allegheny County Water District

MAIN ACCOUNT Beginning Balance \$ 5,789.76

Deposits

Date	From:	For:	Amount
4/22/16	#20 bounced check	See below	\$ 80.00
4/22/16	Customers	Water Sales	\$ 865.60
4/30/2016	Customers	Water Sales	\$ 854.60

Deposits Total \$ 1,800.20

Expenditures

Ck #	Date	To:	For:	Amount
EFT	4/4/16	Tri-Counties Bank	acc #20 bounced check + bank fee	\$ 89.96
1029	4/14/16	Postmaster	stamps	\$ 47.00
5033	4/14/16	AT&T		\$ 16.34
5034	4/14/16	Ed Snyder	March Bill - WDA	\$ 114.00
5035	4/14/16	Edda Snyder	March Bill - Bookkeeper	\$ 100.00
5036	4/14/16	Leslie Baker	March Bill - Secretary	\$ 90.00
EFT	4/25/16	PG&E	Cumberland	\$ 147.78
EFT	4/25/16	PG&E	Pumphouse	\$ 205.01
1030	1030	Bruce Coons	March Bill	\$ 385.13
			WTO Contract	\$ 293.13
			Mileage	\$ 92.00
5037	4/30/16	AT&T		\$ 16.47
5038	4/30/16	B&C	Pumphouse Maintenance	\$ 28.13
5039	4/30/16	Cranmer Engineering	Water Tests	\$ 118.00
5040	4/30/16	Edda Snyder	April Bill - Bookkeeper	\$ 100.00
5041	4/30/16	Williams Stationary	Custom Stamp + Ink Pad	\$ 32.06
		reimbursed 5/4/16	Ink Stamp for Library	\$ 23.50
			Ink Pad	\$ 6.15

Expenditures Total \$ 1,489.88

Ending Main Account Balance \$ 6,100.08

Non-enterprise account Beginning Balance \$ 11,544.67

Deposits

Date	From:	For:	Amount

Deposits Total \$ -

Expenditures

Ck #	Date	To:	For:	Amount
EFT	4/22/16	PG&E		\$ 12.77

Expenditures Total \$ 12.77

Ending non-enterprise Account Balance \$ 11,531.90

ACWD Non-Enterprise Checking Account

LIBRARY START	Income	Expenses	Balance	PARK START	Income	Expenses	Balance	TOTAL
	\$ 9,092.48				\$ 2,366.73			\$ 11,459.21
Date				Date			Balance	
July	\$ 68.50	\$ 909.66	\$ 8,251.32	July	\$ 73.00		\$ 2,439.73	\$ 10,691.05
August	\$ 1,500.00	\$ 133.64	\$ 9,617.68	August		\$ 153.60	\$ 2,286.13	\$ 11,903.81
September		\$ 158.18	\$ 9,459.50	September			\$ 2,286.13	\$ 11,745.63
October	\$ 630.00		\$ 10,089.50	October		\$ 17.26	\$ 2,268.87	\$ 12,358.37
November	\$ 852.00	\$ 1,568.09	\$ 9,373.41	November			\$ 2,268.87	\$ 11,642.28
December		\$ 11.07	\$ 9,362.34	December			\$ 2,268.87	\$ 11,631.21
January		\$ 9.86	\$ 9,352.48	January			\$ 2,268.87	\$ 11,621.35
February		\$ 9.53	\$ 9,342.95	February			\$ 2,268.87	\$ 11,611.82
March		\$ 185.15	\$ 9,157.80	March	\$ 118.00		\$ 2,386.87	\$ 11,544.67
April		\$ 12.77	\$ 9,145.03	April			\$ 2,386.87	
May			\$ 9,145.03	May			\$ 2,386.87	
June			\$ 9,145.03	June			\$ 2,386.87	
LIBRARY BALANCE			\$ 9,145.03	PARK BALANCE			\$ 2,386.87	\$ 11,531.90
							Actual Checking balance	\$ 11,531.90

Planning Project update for May 10, 2016 regular meeting

Per the funding agreement we have to have a very large sign made. I verified with Pete Stamas that it is required and that the cost can be reimbursed from the grant, he said "yes" to both.

Affinity engineering submitted their March invoice near the beginning of April, but Altec hadn't invoiced us since January for work performed through Dec. 31st. I requested an invoice from Altec including a few follow-up emails but did not get an invoice from them until May 2nd. I asked Garry with Affinity if he was going to have a bill for April and he said "yes". Since his March bill is the only thing being held up by a delay I asked him if it would be OK to wait for Affinity's April bill before we submit the disbursement request and he said "yes" to that too.

5/4/16 Got message from Garry the hydrogeologist requesting a phone conference to discuss changes in his firm and an update on the status of his reports. He is leaving the firm but does not think it will negatively impact our project.

5/5/16 Got copy of Hydrogeology Report from Affinity (Garry) and an email from Kip telling me that he had mailed the 2 bid packets to me on the 4th. I asked Kip if he also sent a copy to the State and he said "no" he wanted me to look it over first. I asked if he knew the process for submitting it to the state for approval and he said "no" but he could check. I told him that I would take care of it, since it probably as simple as emailing it to Pete Stamas. (hopefully and I don't Altec billing the project for that)

5/5/16 conference call summary as emailed to Altec Engineering immediately after the call:

The call was very short. Their office manager had some questions about submitting the invoice which I answered as best I could.

Garry is revising his report to show 500 foot depth on the test wells (it says 450) for consistency with the bid packet but he said in reality the actual depth is determined while the drilling is taking place based on the geology. But the drillers do need a target depth in order to submit their bid. (I'm sure you know all this)

We should have the geotech report by the middle of next week.

He wanted to know the status of the RFP for the drilling and I told him that you mailed it to me yesterday because it is 80 pages. He was surprised it is so big and stated his opinion that drillers will balk at that because we are targeting smaller drillers. I told him that once we have reviewed the RFP (I told him that I'd send him a copy too) I will find out the details regarding submitting it to the state for their blessing.

Garry is getting the NPDES permit application for me that will be needed for the pump test. He said a rep. from ACWD has to sign that and he does not think it will be a big deal.

He said that their civil engineer Christine Rice will be taking over the project with his departure tomorrow and will be our contact. He also said that he will provide his contact info. and he is more than happy to answer any questions that we may have.

He had one last question about the design of the pipeline from the Cumberland to the tank. I told him that I thought your firm would handle that, but he seemed to think that was part of what his firm would do. I told him that I would check with you and he said that Christine would follow up with me on that.

This reminds me that the owner of the land between the tank and the Cumberland would like to see a drawing or written summary of what would be done regarding the pipeline before giving his blessing. I think Gary was going to provide that, but now I'm not sure. Do you remember if I asked you?

END of conference call summary.

Well testing topic

Garry sent me the following on May 4th.

“Also, when we have the driller perform the pump test on the initial well we should also collect a water sample from your well for comparison purposes. This is standard procedure in a situation such as this and I would ask the same of any other private well owner in a similar situation. The advantage of having the drilling collect the water sample when they do the pump test for the “test” well is that the pump will already be clean from pumping the test well and hence it will not introduce any contaminants into your well. If you already had a dedicated pump installed in your well that would be a different issue. The cost for doing this is already in the existing budget at the line item for Task 1.2. Something to consider.

It could be inferred that I would personally benefit from having my well tested. This does not have to be decided immediately and should be agendaized for the June meeting where I would not be present during the conversation. I will defer to the board on this and abstain from the decision. One or some of the other board members should talk to Garry about this directly, although he is leaving the firm so it might need to be Christine. Kip or Stephen Rooklidge should also be able to provide the reasons for this.

Presidents report 5 10 2016

4/13/16 Contacted Stephen Rooklidge to request the income survey. A couple of days later he verified that it had been submitted, although the process has changed so we need to follow-up in a few weeks if we don't hear back.

Also, Pete Stamas provided us with the income levels for 2016 (2015 current stats) Statewide Median Household Income (MHI) \$61,489 Disadvantaged (80%) < \$49,191, Severely Disadvantaged (60%) < \$36,893. This is \$267 lower than the info. provided for the April meeting which was based on the 2014 stats (\$37,160 for severely disadvantaged).

4/19/16 submitted 2015 Compensation report to the State Controller's office (due by 4/30)

4/20/16 Rescheduled USDA Inspection and Audit from May 12th to May 26th due to schedule conflict.

4/30/16 Submitted 2015 annual report through the States Electronic Reporting Program (EAR) It was late. It was due on April 1st but I had put April 30th on the ACWD calendar. The report took 4 hours to complete and I had already compiled our usage and production data through July. This report used to be a one-page report when it was under the Dept. of Health. Now it is a 15 page report. They added and changed questions from last year. I created an instruction sheet on how to gather the data for the report and added it to the bookkeeping manual. Reporting notes and calculations for 2015 are filed with the hard copy in the district's files.

Conflict of interest item

4/13/16 emailed copy of 16 to 1 Mine 2014 annual report to FPPC with note to please look at the "opportunities section".

5/5/16 requested status update via email. 5/6/16 got an email back asking if I was still on the water board! (evidently the attorney looked at Sherrie Allens Form 700 for leaving office and concluded that I had resigned)

I did talk to Angela Wendele with CRWA about this briefly after the workshop on May 3rd and she agreed with Kari that I should have abstained from the July 10th decision to narrow the scope of the project. She said that even the "appearance of a conflict" should be avoided.

In my own defense I would have to say that I can hardly get up in the morning without "appearing to have a conflict of interest" because of my involvement with so many entities. I was completely blindsided by the accusation as it never even occurred to me that there was any kind of conflict. My intent on pushing the project forward created "tunnel vision" and this is where the board can help each other in the future to look out for this type of situation.

The bottom line from the side of the community is that if we end up with a well or well(s) in addition to the Ram Spring there will be more water available to the town. Whereas, if we just rehab the spring the amount of water available to the town will remain the same.

I am curious to see what the FPPC says.

Re item 6d on agenda



Special District Audit Legislation Passes First Committee

With the support of a number individual special districts, Assembly Bill 2613 (Achadjian), CSDA's sponsored legislation to lower the costs of audits for small districts, unanimously passed the Assembly Local Government Committee last week. Many small special districts have been requesting the option for a less costly means of compliance with the annual audit required by the state. Some districts have reported audit costs as high as 30 percent of their annual budget. To help alleviate some of those costs, CSDA sponsored Assembly Bill 2613, which was introduced in the State Legislature by Assembly Member Katcho Achadjian. AB 2613 will allow a special district with annual revenues below \$150,000 to have a financial compilation performed in lieu of an annual audit, if requested by unanimous consent of their governing board and their county board of supervisors.

There are three types of financial statements provided by auditors and accountants, an audit, a financial review, and a compilation. A financial compilation is the least costly review, requiring the lowest number of billable hours to complete, thus lowering the overall expense of the audit requirements on the districts approved to use them. When approving the bill last week, the Assembly Local Government Committee amended the bill to add some additional safeguards to the alternative form of compliance. These amendments placed a 10-year sunset on the bill and will not allow a district to have more than five consecutive annual compilations performed without having a full annual audit performed. These amendments not only make the bill more likely to pass the Legislature, but will increase the likelihood that county boards of supervisors will unanimously approve the requests from districts to have a compilation performed.

AB 2613 will be heard next on the Assembly Floor and, if passed, it will then head to the Senate. If you have any questions or would like to share your support for AB 2613 (Achadjian), please contact CSDA Legislative Representative [Dillon Gibbons](#).

View this week's [Legislative Hot Sheet](#), to learn more about significant bills on CSDA's watch.

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Nbt on agenda just in FYI for the board



Districts Appeal Major State Mandate Decision

The recent Sacramento Superior Court decision in *Paradise Irrigation v. Commission on State Mandates* means that the monetary costs for many of the Legislature's preferred programs must be paid by your district's rate payers in the form of increased rates. The political costs of paying for these programs will fall largely on the special districts, which are required to raise rates, rather than the legislators who mandate the programs. This decision also held that most enterprise districts are entirely barred from the mandate reimbursement process. The special district petitioners in the case have now filed an appeal of the decision, and CSDA plans to continue participation on behalf of all special districts.

Government Code Section 17556(d) prohibits the Commission on State Mandates (Commission) from providing reimbursements for state mandates to the extent that a local government has "sufficient fee authority" to cover the costs of the mandates. The special districts involved in the case (petitioners) and CSDA argued that if a special district has to submit a fee increase to the Proposition 218 majority protest process then the district does not have unilateral "authority" to raise fees. The "authority" rests with the voters and landowners, not the district. The Superior Court rejected this argument, instead holding that districts are only deprived of their authority to raise fees after an actual majority protest has prevented a fee increase. The court held that a local government could only request reimbursement for state mandated costs after it had attempted to raise its fees and failed due to a majority protest.

This holding means that special district constituents will bear the costs of state mandated programs through fee increases, and the special districts themselves will bear the political costs of proposing a rate increase. The Legislature is thus free to burden local governments with new programs and requirements so long as they provide some fee authority that the local government could use to pass the costs of the Legislature's preferred policies onto the local constituents. When the special districts propose higher rates, as required, to cover the costs of the Legislature's new program, many constituents may not understand that it is the Legislature that is responsible for the proposed rate increase instead of the local government that is proposing to raise its rates. This means that a large portion of the "political cost" of new programs would fall on the local government entity implementing the new program, rather than the Legislators who created it. Additionally, the local government would have an incentive for residents to block the proposed rate increase through a majority protest because only then could it require the state to pay for the program it created.

In its ruling, the court relied on a 1991 California Supreme Court case in holding that special districts which do not collect revenue subject to the appropriations limit (primarily property tax revenue) are entirely barred from receiving mandate reimbursements. However, the court did spend a significant portion of its opinion criticizing the earlier case it was bound to follow. Ideally, should the case eventually reach the California Supreme Court, it will pay close attention to the trial court's commentary when deciding whether to uphold its prior decision. As the decision stands now, the Legislature would be free to impose new programs or requirements on enterprise districts without those districts being able to seek reimbursement from the Commission. If these districts are prevented from raising fees by a majority protest, existing services would have to be cut in order to cover the costs of the new mandated programs.

CSDA will keep its membership updated as it continues to engage on this case. To read CSDA's amicus brief to the Superior Court, or the court's decision, visit the [CSDA Legal Tracking page](#). You may also wish to read an [opinion editorial](#) by CSDA Chief Executive Officer Neil McCormick, published earlier this year in the Modesto Bee.

ACWD List of needed Policies and Procedures (P&P's)

- ~~Banking and check writing~~
- ~~Procedure/authorization for WTO to hire outside help (have in place)~~ Need to update.
- Procedure/authorization for WTO to make discretionary and emergency expenditures.
- Hiring Policies and Procedures (currently we post an opening for a minimum of 30 days on the bulletin board at the post office but we do not have anything in writing on this.)
- Record Retention (use Secretary of State guidelines)
- ~~Vacancies (this might go in by laws, is regulated by code)~~
- Reimbursement policy (include mileage at IRS designated rate)
- Public Record Request Policy A draft was presented to board on 9/8/15 but have not followed-through with adoption, (found possible problem with how it is written).
- ~~Conflict of Interest Policy (have)~~
- Code of Ethics/values/Norms or Board Conduct (CSDA recommendation)
- Financial Reserves Policy (we don't have any financial reserves at this time) CSDA recommendation. CRWA recommends 3 to six-months of operating expenses be held in reserve.
- ~~Budget timeline and public hearing requirement (per State, preliminary budget must be adopted by June 30th for following fiscal year and final budget must be adopted by Oct 1st)~~
- Election process (the bylaws say we shall write a policy for this) should include new board members appointed to fill vacancies as well (what needs to be done when)
- Ordinance adoption process. What I know so far: Ordinances should only be adopted at regular meetings unless it is an emergency ordinance. They must be read once then a vote can be taken at the next regular meeting. The code that regulates water districts says it only has to be published in a newspaper if one is published WITHIN the district boundaries, so this lets us off the hook for having to publish in the paper, we do however have to post it in 3 public places within 15 days of adoption but I don't know how long it has to stay posted.
- Payment Plans (ordinance #33 says we will do a policy for this)
- Leak debt adjustment (forgiveness) historically the board has been willing to write-off 50% of debt caused by a leak as long as the customer comes to a board meeting and makes the request in person. However, there is no written policy for this.
- Bounced Check Policy
- Tenant defaults on bill > Owner responsibility (I verified that for water utilities this is legal via Nick Clair the legal analyst for CSDA. A lien can be placed on the property if unable to collect.)
- Reimbursement Policy (bylaws say we will establish this)