

GARDEN FARMS COMMUNITY WATER DISTRICT
17005 Walnut Avenue, Atascadero, CA 93422
(805) 438-3751

MINUTES OF THE MONTHLY MEETING

Board of Directors

Monday, June 14, 2017 at 7:00 PM
Garden Farms Bible Chapel Meeting Hall
17025 Walnut Avenue, Atascadero, CA 93422

Board Members Present: Chair Charron Sparks, Cory Pereira, Jay Jamison and John Billings

Board Members Absent: John Pinson

Employees Present: Marcia Joyce, General Manager

Members of the Public Present: None

Regular Meeting Called to Order

- Chair Charron Sparks called the regular meeting of the Garden Farms Community Water District to order at approximately 7:12 PM.

Public Comment

- No public comment.

Consideration of May 10, 2017 Minutes

- *A motion was made to approve the minutes as written. Jay Jamison/Cory Pereira/All in favor.*

Communications

- Marcia asked Tracey to remove Paul Torba from the double occupancy billing list because his rental unit is no longer occupied but Tracey feels that a customer should not be removed from the list once it has been determined that they have a double occupancy residence. If a rental unit has a full kitchen then the property is considered to be a double occupancy residence. The board agreed that these properties should remain on the list whether or not they are rented. Marcia will contact Paul and inform him that he will be put back on the list. The board requested that the district secretary amend the procedure manual to include the county definition of a double occupancy residence and add that once determined to be double occupancy it will remain on the list even if the unit is not rented.
- Marcia informed the board that Charles Schaal is requesting a leak policy credit. He qualifies for a credit in the amount of \$36.66.
- *A motion was made to give Charles Schaal a leak policy credit in the amount of \$36.66. Jay Jamison/Cory Pereira/All in favor.*

Financial Report and Consideration of Recent Expenses

- John Billings asked Charron if the Pacific Western CD had been rolled over and she informed him that it had been rolled for twelve months. Marcia will ask Tracey to make the correction on the financial report.
- SDRMA billed the district \$2,568.73 for property liability insurance and \$866.73 for workers compensation insurance. Charron informed the board that there were no unusual charges on the bills.
- ***A motion was made to pay SDRMA \$2,568.73 for property liability insurance. John Billings/Jay Jamison/All in favor.***
- ***A motion was made to pay SDRMA \$866.73 for workers compensation insurance. Jay Jamison/John Billings/All in favor.***

General Manager's Report/System Maintenance

- The discoloration and streaks on the tank was caused by moldy condensation which flows down the sides of the tank because the seal under the top lip is broken and needs recaulking. Dan Migliazzo referred Marcia to Dan Smith who specializes in tank repair. He will inspect the tank and give the district a bid for repainting and repairing it.
- Assistant maintenance technician Dave Scholl has requested the district keep a monthly maintenance log for the eye wash stations and fire extinguishers. The board agreed and requested that Marcia ask Dave to begin maintaining the logs.
- The district mailbox was damaged by P.C.S. which is the company replacing the gas lines. They have offered to repair it the mailbox and Marcia will follow up with them.
- Marcia shut down the district website and no further charges are being incurred.
- The tree which is on the fence line between well three and Jay Jamison's property needs to be cut down. Jay offered to cut it down and treat the area with an herbicide to deter future growth.
- A new meter was installed at Paul Torba's residence. Marcia asked the board if it is considered new because the property previously had a meter. They reminded her that this matter had been discussed at the February 8, 2017 meeting and it was decided that it would be billed as a new meter.
- Charron feels that Dan plans to slowly phase out of his position as head maintenance technician. Nick Johnson has offered to be available for on call work and could eventually replace Dan. The board feels that Nick's pay should be raised to \$30.00 per hour to match what Dave Scholl is being paid. The pay raise will be put on next month's agenda as a personnel discussion and done through a motion in a closed session. Dan will help with the next system flushing and Marcia will go along and take notes. She will also ask Dan how long he plans to stay on a retainer and report back to the board.
- Well Three is still having issues with the time clock because some settings needed to be adjusted. Marcia made the adjustments and will check to see if it is now operating properly but because of the issue with the time clock the back wash is still set to run manually not automatically.

Old Business

- **Well Log Report.** Some readings are off because Dave did not take them while the pump was pumping so Marcia taught him the correct way to take the readings. Static levels are good.
- **Groundwater Sustainability Act of 2014.** The district signed and submitted a GSA agreement and is now part of the Groundwater Sustainability Agency.
- **Water Rate Study.** Charron put together a report with several rate increase scenarios. It showed that operating revenues are \$46,000 and operating expenses are \$89,000 which leaves a deficit of \$42,000. The deficit includes \$19,000 of depreciation. Depreciation represents the amount of money which should be put into a fund to replace assets and is not an actual cash expense. The goal is to get back at least \$23,000 to cover the cash part of the deficit. The district also receives taxes and assessments which help to cover the deficit. Charron stated that the best way to raise revenue would be to go heavier on the base rate and lighter on the over base rate. Before raising rates, the district must review the financial analysis and rate design, finalize the rate design, prepare a prop 218 notice to all property owners explaining the rate increase, and send them a mailer which allows them 45 days before the hearing to protest the rate increase. Then, the hearing is held and an ordinance is passed. Charron will put a study together doubling the base rate and lowering it to 2,000 cubic feet. She will also start preparing a mailer for district customers.

New Business

- **Resolution.** The board had previously discussed a resolution to move the district into a biannual audit. Charron and Tracey both feel that this would not be in the best interest of the district because Ken Filipponi would still have to do a semi review every year and fill out paper work and the year that he would have to do a full audit, it would be more expensive. Tracey recommends continuing with an annual audit because it would be less complicated and Ken has informed her that the cost would only be about \$400.00 more than last year's audit.
- **Newsletter.** Charron recommended that the district pass on the annual newsletter and asked that Marcia mail customers the CCR's.
- ***A motion was made to pass on the newsletter and do the CCR's. John Billings/Cory Pereira/All in favor.***

Action Item Review

- Charron will do a study with a base amount of 2,000 cubic feet, a base rate of \$100.00 every other month and an over base rate of \$21.00 every other month.
- Charron will draft a letter about the rate increase.
- Marcia will talk to Paul Torba about his rental unit and billing for his new meter.
- Marcia will ask the district secretary to update the procedure manual regarding double occupancy residences.

- Marcia will ask Tracey to update the information about the Pacific Western CD.
- Marcia will talk to Dan about going off the retainer.
- Marcia will send Charron information about the total number of meters.

Adjournment

A motion was made to adjourn the regular meeting at 8:46 PM. John Billings/Jay Jamison/All in favor

Submitted by,

Mary Anne Stephens
District Secretary

Approved: