

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

MINUTES OF THE MONTHLY MEETING

Board of Directors

Wednesday November 8, 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, John Billings and John Pinson

Employees Present: Marcia Joyce, General Manager, Mary Anne Stephens, District Secretary and Tracey Finnegan, Bookkeeper

Members of the Public Present: Ron Patterson, Connie Shellooe, Jack Shellooe, Jack Baker and Martin Anthony

Regular Meeting Called to Order

- Chair Charron Sparks called the regular meeting of the Garden Farms Community Water District to order at approximately 7:05 PM.

Public Comment

- Ron Patterson requested that all available agendas be posted on the website and asked about what the tally was for protests letters regarding the rate increase. Charron stated that the number of protest letters received was nine and that it did not negate the decision to raise rates. Marcia informed Ron that the agendas will be posted.

Water Rate Increase – Final Reading

- Charron made a final public reading of GFCWD Resolution Number 53. The board passed and adopted the resolution with all in favor. The rate increase will become effective on December 1, 2017.

Consideration of October 11, 2017 Minutes

- *A motion was made to approve the minutes as written. John Pinson/John Billings/All in favor. Abstain/Jay Jamison.*

Annual Financial Audit

- Kenneth Filippini presented the findings of the annual financial audit. He stated that the financial position of the district remains consistent which is an indication that it has been managed well. Liabilities are very small with primary assets being cash and equipment. Cash flows from operating activities remain negative. Charron stated that because cash flows are negative, lease income has been used to subsidize the district. She stated that this was the reason the board decided to raise rates. Kenneth advised the board that he will file an audit report with the state controller's office. Charron will email copies

of financial statement to the County of San Luis Obispo. Kenneth is concerned that funds at Pacific West Bank exceed a quarter of a million dollars and recommended moving some funds to insure that they are covered under FDIC. Tracey agreed to shop for the best rates. Kenneth is also advised the board that he feel that insurance coverage is not sufficient to cover replacement costs. Charron agreed to review the current policy.

Communications

- Johnny wanted to change the locks and open and close the building for board meetings because he was concerned that multiple sets of keys had been distributed to district employees. Marcia told him that this was unnecessary because the district has the same amount of keys that it has always had. The problem arose because a homeless person was residing in the building. Marcia told Johnny that the resident should be charged for water usage and questioned whether it is even legal for someone to live in the building. He agreed with Marcia and has not mentioned changing locks again.
- John Merritt has verified that AT&T wants a new lease in place before the current lease expires. The new lease will increase by 15% for a five year term which is 3% annually. AT&T originally offered 12% but has countered with 15%. Charron asked Marcia to review the current lease and model the new lease after the current lease because it has already been reviewed by the GFCWD attorney.
- Marcia informed that board that the district website has been updated.
- Someone has been dumping green waste near the “no dumping” signs. Marcia will ask Dave to place signs in the front parking lot.

Financial Report and Consideration of Recent Expenses

- With the audit complete, Tracey was able to complete financials through September. In October, she paid the annual subscription to Coastal Computers for the Quick Books payroll taxes module in the amount of \$335.00. Payroll taxes were paid and there were no unusual expenses. The CD at Pacific Western Bank expired in September 2017 but Tracey never received any notification that it was rolled over and asked Marcia to call the bank and follow up. The CD was for a one year term and Tracey recommended buying a \$150,000 CD.
- *A motion was made to move \$150,000 from the Pacific Western Bank account to a CD at the best interest rate available. John Pinson/John Billings/All in favor.*
- Crosno painted the tank at a cost of \$26,500 but a formal motion was needed to approve the payment.
- *A motion was made to pay Crosno \$26,500 to paint the tank. John Billings/Cory Pereira/All in favor.*

General Manager's Report/System Maintenance

- Marcia is not sure whether to purchase replacement meter registers in gallons or cubic feet. The current meters are in gallons and Tracey converts into cubic

feet. There is no cost difference so Marcia will consult with Dan as to why they are in gallons and not cubic feet.

- Dechance and Whitaker Construction Companies will be giving the district bids for replacing the main at the north end of Walnut Avenue.
- The Archie's have finally installed a back wash valve.
- Marcia authorized Dave to study the manuals at home and charge the district for his time.
- One drum pump stopped working. Dave can purchase a new pump from USA Bluebook at a cost of \$509.95.
- *A motion was made to authorize Dave to purchase a new drum pump at a cost of \$509.95. John Pinson/Jay Jamison/All in favor.*

Old Business

- **Well Log Report.** Nine truckloads of water were sold in October. Marcia stated that the only problem to report is that the back wash on well three is calculating in hours instead of gallons. John Pinson noted that all wells have higher static levels without any measurable rain. Marcia will ask Dave how he is checking the levels.

New Business

- Connie Shellooe asked for clarification about second dwellings and was told that if a unit has a living room, bedroom, kitchen and bathroom it is a multiple dwelling unit. She stated that she is being charged extra and other customers with multiple dwellings are not being charged extra. The board informed her that an attempt has been made to identify all customers with multiple units. Marcia stated that the Archie's may have a rental unit and the board recommended that she send them a letter and visit the unit.

Action item Review

- Charron will sign papers and email PDF files to the county.
- Marcia will compare old AT&T lease with new, proposed lease.
- Marcia will send a letter to the Archie's regarding multiple dwelling units.
- Marcia will check with the bank about the CD.
- Marcia will provide the insurance policy to Charron and she will check on insurance coverage.
- *A motion was made to adjourn the regular meeting at 8:46 PM. John Pinson/Jay Jamison/All in favor.*

Submitted by,

Mary Anne Stephens
District Secretary

Approved: