**Westport County Water District (“District” or “WCWD”)**

**Board of Directors**

**Minutes of Regular Meeting –Thursday, August 10, 2023**

The regular meeting of the Westport County Water District (“WCWD”) Board of Directors convened at 7:02 pm via Zoom videoconference. Notice and the Agenda were previously properly issued, a Board quorum was present, and it was confirmed that each Director was able to hear and be heard by the other Directors.

1. **Roll Call at Inception (7:02 pm):**

Present Board Members: Chairman Lee Tepper, and Directors Mr. Gary Weiss and Ms. Carla Thomas.

Absent Director: Mr. Ryan Grossman.

Present Staff: Operations Manager and Chief Plant Operator Mr. John Morrill and Administrator Ms. Kayla Cooper.

Present Members of the Public: Ms. Dorine Real.

1. **Consent Agenda (7:02 pm)**
2. **Draft Board Meeting Minutes (7:03 pm):** The draft minutes of the Regular Board Meeting of July 18, 2023 were provided in advance of the meeting. Director Weiss stated that Mr. John Morrill had made suggested edits shortly before this meeting, and that there was not sufficient time for Mr. Weiss to make and circulate the changes. Accordingly, the Board decided to table the consideration of the draft minutes until the next regular meeting after Mr. Morrill’s comments had been incorporated and circulated.
3. **Correspondence (7:03 pm):**

Ms. Cooper reported that the “whale house” had been sold recently, and that the new owner informed her that she no longer intended to use the house as an Airbnb rental. Accordingly, Ms. Cooper stated that, as of July 17, 2023, she had converted this customer’s rates from commercial to residential.

Mr. Morrill reported that he had received a phone call from a realtor that a piece of property in Westport would soon be listed for sale and inquired as to the cost of initiating water and sewer service. Mr. Morrill stated that he told the realtor that the rate structure would soon change, per WCWD Board action, and that the new rate would be approximately $25,000.

1. **Public Comment (7:09 pm):** There was no public comment.
2. **Staff Reports**
3. **Administrator’s Report (7:09 pm):**

Ms. Kayla Cooper led the discussion of the WCWD financial report for July 2023. In advance of the meeting, Ms. Cooper had circulated expense summaries for July 2023 and July 2022, as well as an account receivable summary. She reported that the WCWD’s main bank checking account currently holds $43,417.01, and that there was $12,958.56 in water capital and $13,041.49 in sewer capital.

Mr. Morrill inquired as to the relatively high AT&T charges (approximately $200 rather than $70). Ms. Cooper agreed to follow up. Director Weiss inquired as to the entry entitled “eftps,” and Ms. Cooper stated that this refers to monthly payroll taxes.

Ms. Cooper reported that she had recently learned, contrary to what she had been told previously by QuickBooks personnel, that QuickBooks was not abandoning its desktop program for payroll and expense reporting. Moreover, she had learned that QuickBooks would charge only a modestly increased fee ($522) for the renewal of the desktop program. Accordingly, she reported that she had canceled her prior order of the online program and that the WCWD would soon be receiving a refund. She added that the desktop version, like the online version, will allow for credit card and electronic payments and automatic deposits. Director Thomas agreed that the desktop version of the program has many advantages to the online version, based upon her experience in working for a non-profit organization in Weott. Director

Weiss inquired as to whether Ms. Cooper had canceled her training sessions for the online version of the program and Ms. Cooper replied that she had done so.

1. **Operator’s Report (7:20 pm):**

Mr. John Morrill led a discussion of the WCWD Operator Report dated August 10, 2023. (The Report was distributed to all attendees in advance of the meeting.) Some of the more important discussion points were the following:

1. Staffing: Mr. Morrill stated that Mr. Beck Regalia should now be designated in the WCWD agendas and on the WCWD website as “Water Treatment Plant Shift Operator.” to reflect his recently-earned additional certification. Mr. Morrill stated that Mr. Regalia should also be designated as “Distribution Operator” to reflect his recently earned additional certification. [The Board members then discussed certain personnel matters that have been omitted from these minutes.]
2. Maintenance: Mr. Morrill reported that one of the district’s chlorine pumps had failed. He had replaced the pump with the backup the district had purchased earlier. But this means that the district needs to purchase a new backup. Mr. Morrill reported that he had priced various options, including a Winger pump for $1633 and a USA Bluebook pump for $1922. He then sought a revised quote from USA Bluebook, who had responded by quoting a lower price of $1499. Mr. Morrill stated that he will tentatively hold off on the purchase as he is awaiting potential changes in the pump requirements issued by the State Water Resources Control Board (“RCAC”) District Engineer.

Mr. Morrill also reported that both water pumps at Wages Creek were operating too slowly, at about 30 gallons per minute. He and the team disassembled, cleaned and repaired them but at least one of them will have to be replaced at some point soon. Both pumps have operated for about 5,000 hours. He said that he had received a quote from a distributor in Sacramento for $4,159 provided that he picks up the pump in Sacramento rather than having it delivered.

Mr. Morrill reported that the team operated the wastewater spray fields in July. He reminded attendees of his previous report that ground water had infiltrated into the sewer lines and wet well due to the heavy rains this past winter. He suggested that we consider upgrades to the wet well and sewer lines as the district maps out its capital improvement projects for GHD, because it will cost at least $20,000 to institute these upgrades. Ms. Real agreed, adding that the district has endured the infiltration problem several times over the years.

1. Drought: Morrill reported that Westport received no rain in July, leaving the yearly total to 46.4 inches, and that the creek flow remains well above minimum flow rates.
2. **Old Business**
3. **Capital Contributions to be Required of New Customers for Initiation of Water and Sewer Service (7:36 pm):**

The Board again discussed the continued use of Ordinance 02-1 on Interim Capital Contributions, passed by the WCWD in 2002 and expressly delineating the charges to new customers initiating water and sewer service between 2001 and 2010, as a means of determining charges to new customers for initiation of water and sewer service in the years after 2010. That ordinance states that water and sewer rates will be raised at the rate of 5% per year. Mr. Morrill had extrapolated the rates published in that ordinance out to the year 2030, raising rates by 5% each year. Mr. Morrill stated again that he believes his extrapolation is reasonable and appropriate, given the language of Ordinance 02-1, and that the Board should move formally to adopt this rule going forward. By way of example, implementation of the 5% annual raise each year following the last published rate in Ordinance 02-1, per Mr. Morrill’s extrapolation, means that the charges for initiation of water and sewer service in 2023 is $25,273.14, comprised of: $2,925.26 for water service, $13,541.47 for sewer service, and $8,806.41 for a sewer connection.

Accordingly, Chairman Tepper moved that the Board formally adopt a 5% per year raise in the capital contribution charges for new customers’ initiation of water and sewer service as part of Ordinance 02-1 on an ongoing basis going forward. Director Weiss seconded the motion and the Board unanimously voted in favor of the motion.

Ms. Cooper stated that she will quote a potential new customer in 2023 the rate of $25,273.14 for initiation of water and sewer service and that she will apply the 5% per year increase in each succeeding year for such requests. Ms. Real stated her belief that the District could issue a “will serve” letter for potential new customers. Director Weiss stated, and Director Thomas agreed, that the issue of initiating water and sewer service is not ripe until a property owner receives a building permit.

1. **Scheduling Special Board Meeting to Prepare 5-Year Budget (7:54 pm):**

The Board and staff greed to schedule a special meeting to continue preparation of a 5-year budget for August 16, 2023.

1. **Status of RFQ to Undertake Several WCWD Capital Improvement Projects and Communications with GHD re Same (7:59 pm):**

Mr. Morrill reported that the income survey conducted by the Rural Community Assistance Corp (“RCAC”) has been accepted by the State and that Westport had qualified as a “disadvantaged community,” because the median income of those surveyed fell under the $60,000 level and less than 50% of the homes were second homes. Mr. Morrill gave notice of Westport’s “DAC” status to GHD on August 7, 2023. This development is very significant in the WCWD’s quest to receive grants to fund the capital development projects it intends to pursue with GHD.

Mr. Morrill stressed the confidentiality of the income survey conducted by the RCAC and reiterated that no one, including WCWD directors, should see it.

1. **WCWD Website Updates (8:07 pm):**

Ms. Cooper reported that she had posted the WCWD Billing and Collection Policy (enacted July 18, 2023) (“the Policy”) on the website. Director Weiss requested that Ms. Cooper also add Mr. Beck Regalia to the website and describe his status as Water Treatment Plant Shift Operator and Distribution Operator. Ms. Cooper said she would do so.

1. **Drafting of Article for Westport Wave re WCWD (8:10 pm):**

Ms. Real suggested that the article should thank people for completing the survey and explain the positive consequences of the WCWD’s receipt of “DAC” status. Director Thomas stated that she was extremely busy and might not have time to complete the article before the Wave submission deadline. Ms. Real offered to help Director Thomas prepare the article.

1. **New Business**
2. **Status of Implementing, Publishing and Noticing WCWD Billing and Collection Policy Enacted July 18, 2023 and Set to Go Into Effect September 1, 2023 (8:13 pm):**

Ms. Cooper reported that she had not only posted the Policy on the website but had also enclosed a hard copy version with the monthly bills. She stated that she had not yet received any comments on the Policy. Director Thomas reported that she Mr. Homer Whitehouse had commended her and the Board for enacting the Policy, while emphasizing that the Board must then take action pursuant to the Policy with those WCWD customers that were delinquent in paying their bills.

Ms. Cooper reported that although she had submitted an application on behalf of the WCWD for status as a payee under the Low-Income Household Water Assistance Program (“LIHWAP”), that application was still pending.

The Board then discussed the process to be followed with respect to delinquent customers. Director Thomas suggested that the process begin in all cases with a conversation between the directors and the delinquent customer. Director Thomas stated that such conversations be confidential. Director Weiss agreed and suggested that meetings with each delinquent customer be attended by all directors as well as Mr. Morrill and Ms. Cooper. Chairman Tepper agreed that it will be helpful to include both Ms. Cooper and Mir. Morrill. Director Thomas suggested that while initial meetings with each customer should be attended by Ms. Cooper and Mr. Morrill, negotiations with each customer should be conducted by the directors only.

Director Thomas suggested that discussion regarding the specific procedure to be followed with each delinquent customer be added as an agenda item for the next regular WCWD Board meeting. Director Weiss agreed to do so.

Director Thomas asked if online payments will be accepted by the WCWD. Ms. Cooper responded that these will be available by the end of August. Ms. Real suggested that PayPal likewise be available.

1. **Brown Act: Continued Digital/Virtual Zoom Meeting Authorization (8:01 pm):** Director Weiss moved that meetings continue to be held via zoom. Chairman Tepper seconded the motion and the Board unanimously authorized continuing to hold its regular meetings via zoom.
2. **Adjournment (8:42 pm):**

Upon motion made (Director Weiss) and seconded (Director Grossman), the Regular Board Meeting of the WCWD was unanimously adjourned at 8:31 pm.

Respectfully submitted,

Gary Weiss

Temporary Secretary for the July 18, 2023 WCWD Board Meeting