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

**Board of Directors**

**Minutes of Regular Meeting – Thursday, September 15, 2022**

The regular meeting of the Westport County Water District Board of Directors convened at 7:03 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 (7:03 pm)**

Present Board Members: Mr. Lee Tepper, Mr. Ryan Grossman and Mr. Gary Weiss

Not able to attend: Mr. David Brothers

Present Staff: Operations Manager and Chief Plant Operator Mr. John Morrill. Not able to attend: Administrator Ms. Kayla Cooper

Present Members of the Public: Mr. Robert Finnell, Ms. Melinda McLaughlin, Ms. Dorine Real, and Ms. Carla Thomas (portion of the meeting).

1. **Consent Agenda (7:04 pm)**
2. **Draft Board Meeting Minutes (7:10 pm):** The draft minutes of the Regular Board meeting of August 18, 2022 and the Special Meeting of August 23, 2022 were provided in advance of the meeting and were before the Board for approval. Upon motion duly made (Chairman Tepper) and seconded (Director Weiss), the Board unanimously approved the August 18, 2022 and August 23, 2022 Minutes with instructions to have the applicable meeting secretary (Director Weiss) sign the minutes and place with the District records.
3. **Correspondence (7:12 pm):** There was no new correspondence to discuss.
4. **Public Comment (7:06 pm):**

Director Tepper provided an opportunity for general public comment. The attending members of the public were polled for possible comment.

Ms. Carla Thomas stated that she is willing and happy to participate in WCWD matters, whether as a Director or in any other capacity. She reported that Steve Cardullo told her that although he does not wish to serve as a Director, he is willing to attend meetings and provide historical background for contextual purposes.

Mr. Finnell observed that for the upcoming April 2023 audit, Directors would need to see the audit report from the prior year. Director Tepper replied that audits are biannual, not annual. Mr. Finnell inquired as to the audit process and schedule. After discussion and questions and answers, Ms. Real observed that it would be difficult to conduct a fulsome discussion of this topic in Ms. Cooper’s absence, and suggested that we put this topic on the agenda for the October meeting, when Ms. Cooper could attend and participate.

1. **Staff Reports**
2. **Administrator’s Report (7:13 pm)**

In Ms. Kayla Cooper’s absence, Director Grossman read from the Bookkeeper’s Report Ms. Cooper had distributed in advance of the meeting. (The Report is attached to these minutes.) The report states that there is $46,872.09 in the WCWD’s main account, $10,947.37 in water capital and $11,032.27 in sewer capital. The report also states that Mr. Zach Haley, CPA, cannot begin the audit process until April and would charge a $2,000 fee. Ms. McLaughlin reported that Mr. Haley also audits the Westport Cemetery’s books and lives in Grass Valley.

1. **Operator’s Report (7:15 pm)**

Mr. John Morrill led a discussion of the WCWD Operator Report dated September 15, 2022. (See attached Report for more detail.) Some of the more important discussion points were the following:

1. Mr. Morrill reported that Mr. David Wilson, the WCWD’s Water Plant Shift Operator, is trying to reschedule his Wastewater 1 certification test with the State.
2. Mr. Morrill reported that we have operated the spray fields in August, and that he had hired Doug Dennis to mow. Mr. Morrill said mowing was necessary this year because the fields were not mowed last year. Mr. Morrill reported that Mr. Dennis charges $85 per hour. Director Weiss inquired as to that hourly rate, which seemed high. Ms. McLaughlin observed that these particular fields are difficult to mow, and that it is difficult to find people who are willing to mow them. Mr. Morrill reported that Mr. Jeff Mathias had declined a request to mow the spray fields, that the WCWD had paid $2500 to mow the fields in 2016, and that the expected cost of Mr. Dennis (assuming 23-25 hours of work) was “right in the ballpark.” Upon motion by Chairman Tepper, and seconded (Director Grossman), the Board unanimously approved the retention of Mr. Dennis to mow the spray fields.
3. Mr. Morrill reported the discovery of a 60,000 gallon leak at the home leased by Ms. Cooper, 24590 Seaview. As this leak was caused by no fault of the customer, but rather a defective pressure regulator, it was repaired at the WCWD’s expense.
4. Tank Inspection and Cleaning: Mr. Morrill that Liquivision has gone out of business and cannot inspect or clean the tanks. Mr. Morrill stated that we are required to inspect and clean the tanks every 5 years, are up against a deadline and that the inspection is likely to reveal sediment in the tanks that must be addressed. In response, Mr. Morrill obtained bids from two other contractors, one local (who offered to perform the service for $3,752 for each tank) and another from Modesto, MIT Diving & Coating. The latter will charge $2,750 – for both tanks combined -- and will perform the service in one day by the end of September. The service will include the inspection of anodes. Mr. Morrill stated his belief that this was an appropriate price and a competent contractor and sought and obtained approval from the Board to hire this contractor.
5. Mr. Morrill reported that after a thorough cleaning, he had determined that both 2-year old tube pumps were again working fine and did not need to be replaced as previously thought.
6. **Old Business**
7. **Review of Revised Draft Policy and Process for Handling Delinquent Accounts, and Authorization of Late Charges, Property Liens and/or Discontinuance of Service (7:28 pm):**

The Board next returned to its discussion from the prior several WCWD Board meetings about resuming and revising its policy for handling delinquent accounts. As noted in the meetings of June 9, 2022, July 14, 2022 and August 18, 2022, the WCWD from its inception in 1977 has had a written policy as part of its Charter to issue financial penalties, file lawsuits, discontinue service and impose other penalties to customers who are late on their payments. The WCWD reiterated that policy in 1997 with its Resolution 97-8. Over the last several years, however, the WCWD has not consistently applied or enforced that policy and, as a result, has experienced a high volume of significantly delinquent accounts.

To address this, the Board tasked Director Weiss with preparing and circulating a revised draft Resolution Regarding Billing and Collection Policy, based upon the 1997 Resolution 97-8, as well as two revisions based upon comments and suggestions made at the WCWD Board meeting of July 14, 2022 and August 18, 2022. Director Weiss circulated the now twice-revised draft resolution in advance of the meeting, and again opened the floor for comments on the draft resolution.

Ms. Real would like the WCWD to check with a water rights attorney to confirm that a water shut-off in the case of delinquency is permissible. She stated her concern that, for tenants living in a residence in which the landlord is responsible for the water bill, this may not be permissible. Mr. Finnell pointed to the provision in the draft resolution addressing this, observed that it had essentially duplicated what is in Fort Bragg’s written policy, which presumably had been reviewed and approved by Fort Bragg legal counsel, and that therefore a shut-off provision in this situation could be legal and permissible. Chairman Tepper advised care in drafting and enforcing any shutoff provision, as he believes this is a mechanism that will impose hardship.

Ms. Real then raised the option of “choking” or restricting water flows as a consequence of delinquency, as opposed to a complete shut-off. Mr. Morrill stated he would accept and perform such a procedure, but noted that this entails more work for his team, as the meters would need to be dug up and adjusted. Ms. Thompson stated that she recalls the WCWD discussing this option in 2021 in response to the drought and a possible statewide rule that existed during the pandemic precluding water shut-offs. Director Weiss expressed interest in the “choking” option, but stated that Ms. Cooper’s presence at a meeting to discuss this option would be worthwhile.

Ms. Real expressed a belief that, in crafting a procedure for imposition of delinquency penalties, the WCWD should not mandate a hearing in every case, as this would be cumbersome and place too much pressure on the directors in fulfilling their responsibilities. Ms. McLaughlin noted that because it has been a while since the WCWD imposed penalties for delinquency, there would be both pressure and scrutiny. Mr. Finnell replied that notice is the key on all procedural matters – once the WCWD has hammered out the best resolution, it should be posted publicly for, e.g., 3 months, so that customers can prepare themselves for its imposition. He stated that the WCWD’s fiduciary obligation is to all of its customers rather than just to a small subset that does not pay its bills in a timely fashion.

Director Weiss and Ms. Thompson each stated that Westport culture must nevertheless be considered in rolling out the procedure. Ms. McLaughlin agreed, and stated that she planned to share the draft resolution with 2 former WCWD directors to get their feedback on it. Mr. Weiss reminded the group that he had based the draft on the WCWD’s prior rules and that this rollout should be less controversial because of that, but that the board should prepare for pushback nevertheless.

Mr. Morrill stated that he wants everyone to study the draft resolution more carefully and completely, and to return at our next meeting prepared to discuss it concretely. He also wants the Board to consider including a provision to address customers who wish to turn their water/sewer services on and off seasonally. Mr. Finnell said and suggested that the WCWD should not permit this to occur more than once per 12 months.

Chairman Tepper stated that the Board should prepare to discuss the draft resolution concretely at its next meeting. Director Grossman and Director Weiss agreed to do so.

1. **RFQ to Implement Various Needed Capital Improvement Projects (8:02 pm):**

At 8:02 pm, the Board renewed its discussion of its issuance of a Request for Qualifications (RFQ) to implement a series of capital improvement projects needed by the WCWD. Mr. Morrill began the discussion by reporting that he had recently received responses to the WCWD’s RFQ from 3 firms, GHD, MC Engineering and Benen. While MC Engineering’s response addresses costs and fees to be borne by the respective parties, the responses of GHD and Benen do not. Mr. Morrill pointed out that the WCWD’s RFQ did not specifically require such information. Ms. Thomas stated her understanding that it was not uncommon for an engineering firm to request some payment upfront from a municipal body, and that typically the firm would make the body whole upon receiving the grant. Director Weiss suggested that Mr. Morrill request the additional financial information from GHD and Benen. Mr. Morrill and the Board agreed that Mr. Morrill should request the additional information and then the Board will evaluate the 3 proposals at a subsequent meeting.

1. **New Budget Planning Process (8:18 pm):**

The WCWD Board tabled this discussion until Ms. Cooper could attend a meeting and report. Mr. Morrill stated that as part of its budget setting process, the WCWD needs to update its capital assessment increase rate, currently set at 5% per year (since about 10 years ago). Mr. Finnell observed that because the current inflation rate is about 8.3%, it may be reasonable for the WCWD’s rate to be increased.

1. **Tank Inspection and Cleaning:** This was discussed previously as item 4.B.4.
2. **New Business**
3. **Board Member 2022 Election Process (8:24):**

Ms. Thomas left the meeting, to enable the Board to discuss her candidacy in her absence. The Board, Mr. Morrill and members of the public then discussed Ms. Thomas’s candidacy. The Board also discussed the proper procedure and timing for replacement of resigning Director David Brothers. Ms. Real and Mr. Finnell stated their understanding that upon Mr. Brothers’s resignation, his replacement may be appointed by the Board and that the new Director could serve for the remainder of Mr. Brothers’s term. Director Grossman suggested that upon Ms. Cooper’s return to work from illness, she should weigh in on whether that is indeed the proper procedure in this case. Mr. Finnell added that each Director should continue to consider Ms. Thomas’s candidacy independently and come prepared at the next meeting to vote on it.

**B. Brown Act (8:46 pm): Continued Authorization to Conduct WCWD Board Meetings Via Zoom/Digital/Virtual Technologies.** Director Weiss pointed out that Mendocino County Health Officer Dr. Andy Coren’s March 9, 2022 Order directing the continued conduct of public meetings through zoom and other virtual technologies remained in effect. Upon motion duly made (Director Weiss) and seconded (Director Grossman), the Board unanimously approved the resolution to continue holding WCWD Board meetings virtually/digitally via Zoom or other similar technologies, pursuant to County Health Department advice and guidance. Ms. McLaughlin reiterated her prior request that Directors meet in person informally, not to discuss WCWD business but to develop strong working and personal relationships.

1. **Adjournment:**

Upon motion made (Director Weiss) and seconded (Chairman Tepper), the Regular Board Meeting of the WCWD was unanimously adjourned at 8:48 pm.

Respectfully submitted,

Gary Weiss

Temporary Secretary for the September 15, 2022 WCWD Board Meeting