



COTTONWOOD WATER DISTRICT

Mailing Address:
P.O. Box 2130
Cottonwood, CA 96022

Emergency Contact:
(530) 941 - 4274
(530) 941 - 2641

Office Location:
3282 Chestnut St.
Cottonwood CA, 96022

Administrative Contact:
Phone: (530) 347 - 3472
Fax: (530) 347 - 0189

Web: <http://cottonwoodwaterdistrict.org>

Email: cottonwoodwaterdistrict@gmail.com

MINUTES

REGULAR BOARD MEETING

Date: August 10, 2022
Time: 4:00 PM
Location: District Office

Board Members

Lewis Presley	Chairperson	Present
Ron Spurgeon	Vice Chair	Present
Art Parham	Board Member	Present
Nick Shidlovsky	Board Member	Present
Vince Dunn	Board Member	Absent

District Staff

John Hollmer	General Manager	Present
Candice Krames	District Secretary	Present

AGENDA ITEM(S):

1. Call to Order

- a. The Cottonwood Water District Board of Director's meeting was called to order at 4:02pm by Lewis Presley, Chairman.

2. Comment Period

- a. Persons wishing to address the Board on a matter, which is not listed on the agenda, Pursuant to Government Code Section 54950. (Time Limit may be utilized at the discretion of the Board). Members of the public may address the *Closed Session* matters at the time the closed session is announced.

1. No Public comment

3. Consent Agenda Items

- a. Approve minutes of the Regular Board Meeting June 8, 2022.
 - 1. A motion to approve the minutes of the Regular Board meeting on June 8th, 2022 was made by Shidlovsky and seconded by Parham. Motion passed.
- b. Approve minutes of the Regular Board Meeting July 13, 2022.
 - 1. A motion to approve the minutes of the Regular Board meeting on July 13th, 2022 was made by Parham and seconded by Shidlovsky. Motion passed.
- c. Approve Payment of June 2022 bills.
 - 1. A motion was made to approve payment of the June 2022 bills by Spurgeon and seconded by Parham. Motion passed.
- d. Approve Payment of July 2022 bills.
 - 1. A motion was made to approve payment of the July 2022 bills by Shidlovsky and seconded by Parham. Motion passed.

4. Regular Agenda Items

- a. Review and Approve 2023 Budget.
 - 1. John Hollmer, General Manager presented the 22-23FY Budget and Summary Statement of Revenues and Expenses. Reference to the Summary Statement, the actual Net Operating Income for 21-22 FY was \$1,105.00. John felt this was a good amount in consideration of the expenses paid out this year. The Auditor will confirm those figures later on. Water sales are right on budget. Other revenues were higher than expected due to more connection fees collected (capacity fees). John said 7 Capacity charges were collected which will help the District greatly. The budgeted amount for 22-23FY water sales is \$875,000.00 (\$861,000.00 was a figure taken from the Rate Study that Laurie with PACE Engineering presented). For the Actuals 21-22FY you can see the operating income was negative \$83,583.00 but because of the capacity fees collected, the District made a profit of \$1,105.00. Changes to see in 22-23FY is the rate increase will bring more revenue, we will have more operating expenses with a new employee but John budgeted the expected operating income to be \$31,250.00. If the District can collect one capacity fee in 22-23FY, that will make the net income projected to be \$46,250.00.

Board members asked questions about changes in insurance general amounts from the actual vs budgeted. Candice printed a report to answer questions. John highlighted some line items such as office supplies and T&D Emergency Repairs. The \$35,585.00 was not on the original budget because this line item was created after to help separate T&D General expenses and emergency repairs. This amount was accumulated from emergency repairs for under the Crowley Creek bridge, valves replaced on Brush, valves across from Chevron and end of Brush by the Dental office. Site Works was the on-call contractor for these repairs. The Department of Health annual fees are high, but unfortunately there is no way around that.

A motion to approve the Budget for 22-23FY as presented was made by Spurgeon and seconded by Parham. 4 yes votes, motion passed.

b. Discuss switching General Managers credit card from Tri Counties to another provider to avoid further disruptions

1. Our current District credit card is through Tri-Counties bank. They offer no local help and the online portal is not user friendly. Both John and Candice have spent many hours on the phone trying to access the online portal but it continues to locked them out every time and need a phone call to fix it again. A request to change the District credit card to a local bank or larger creditor so the process of paying and managing it will be easier. Candice clarified she is more than happy banking with Tri Counties bank because they are local and close but to just change credit card companies would be helpful. Options given by board members to sign up with is Golden 1, Sierra Central bank, Chase bank or Costco credit card (since we have a Costco card).

A motion was made to find a new credit card company and switch and close the Tri Counties credit bankcard and up the spending limit to \$5,000.00 from \$3,000.00 for the one District credit card by Parham and seconded by Shidlovsky. 4 yes votes, motion passed.

c. General Manager update

1. The board address a letter that was dropped off by Wayne Norcross (Kerry Cline) in regards to their new home build on Concerto Way. Brief details about the situation are when they attended our June meeting, they had paid for a capacity fee, meter fee and put a deposit down for the new home build on Concerto Way. But once the meter was installed, the fire flow test would not pass. They came to us to request options to help this pass so they can finish the inspection process. John presented options such as the homeowners buying a holding tank to put on their property or install a new 1" line with the expenses paid by the homeowner. John had another suggestion that since the neighbor's box and line is nearby, to connect to their line underground and that was the agreement. John said this would come with costs to the homeowners. This solution did work out to their benefit, they passed the fire flow test. Wayne and Kerry were given an invoice for the repair work at cost not including labor. The letter was Wayne complaining about paying for the cost of the cement meter box.

Lewis did read the letter aloud to the other board members. Wayne discussed how he felt it wasn't fair to charge him twice for a meter box since he just paid the capacity fee, meter fee and deposit and few months ago. John stated the original meter boxes had to be destroyed in order to do the connection with the neighbor's underground line. Otherwise, we would have had to damage the neighbor's property. This is why the District billed them for a new box because we indeed purchased new ones. Wayne endorsed a check to cover the material costs of \$565.25. This was less the cost of \$145.86 for the new meter box. The board does not feel this is worth litigation and accepts his payment.

Today J&J Pumps pulled out Well #4 and pumped out all the old oil that has been leaking for years. A new pump & motor is being installed for better productivity. Increasing pumping capacity shall be beneficial to the PG& E costs. The plan is to rebuild this motor and stored it as a backup. The Charter School project has begun by Eddie Axner Construction. On Willow Street a 6" line was discovered instead of a 4" line. So, the project didn't have to go to Hickory Street after all but the line on Second Street was replaced. Both lines are already teed in but now is the final steps with a few residences who will lose water for a few hours. Once completed, they will abandon the old line.

Follow up with Louis Gomes, our employee who requested his CT hours disburse amongst the 3 employees to be given back. John went ahead and implemented a plan with a calendar at the shop organizing who is on call on which days of the month. The option to swap days is offered to each employee on call. Louis is not ok with it but it is what works fairly for all. The board discussed potential salary increases since none have been given since 2018. The Board would like to review and discuss upcoming salary increases for each employee. The employee reviews are coming in December. Board members asked John to review the budget to discuss in November's meeting what would be reasonable percentages to consider for each employee.

The bathroom remodel for the office has begun. The flooring has been replaced in the bathroom, kitchen area and the entryway. New cabinets are installed in the kitchen area and should be complete soon.

5. Closed Session

No Closed Session requested.

DISCUSSION: An open discussion came up about the passing of our Board member, Vince Dunn, and how things are to progress with the election coming up in November. Art Parham, board member called the Shasta County Elections office and they stated we can find someone to become an interim Board member and finish out Vince's term. If we get that person on the ballot, then it prevents us from having to pay the fees to have the open seat go in the newspaper for elections. The County is responsible for filling this position. If we know of someone, please pass the word around. If we find someone to finish out Vince's term, this will hold up until January.

This would put their names automatically on the ballot, if no one runs against them, we save the District a lot of costs.

ADJOURN: With there being no further business, The Cottonwood Water Board of Director's meeting was adjourned by Lewis Presley at 5:17pm.

In compliance with the Americans with Disabilities Act, the Cottonwood Water District will make available to any member of the public who has a Disability a needed modification or accommodation, including an auxiliary aide, or service, in order for that person to participate in the public meeting.
A person needing assistance should contact the District office by telephone @ (530) 347-3472 or by mail @ PO Box 2130, Cottonwood, CA 96022
At least two business days in advance. Accommodations may include assistance, seating, or alternate format. If requested, this document and other agenda materials can be made available in an alternative format for person with a disability who is covered by the Americans with Disabilities Act.