



Timber Cove County Water District

Board Meeting Minutes- February 2025

1. Call to order: 10:30am-

Board- John Gray, Spencer Lipp and John Rea.

Guests- Joey Ball, Melany Collett, Yvonne Gray and Scott Heffner.

Guest via Zoom- Anne Vernon, Steve Van Saun, Larry Nelson and Pamela Durney

2. Approval of Agenda-

John Gray moved to approve the agenda, Spencer Lipp seconds; motion passed unanimously.

3. Approval of minutes from February 2025

John Gray moved to approve the agenda, John Rea seconds; motion passed unanimously.

Note : Spencer Lipp requested a correction on what he said in public comment at the February meeting from “our system in not intended to fight forest fires” to “our system is not adequate to fight forest fires” Melany agreed to the correction as she stated it was hard to hear during public comment what was said. Also, there is a correction of guests in attendance to add Scott Heffner’s name.

4. President’s Report- John Gray began by welcoming Pam Durney as the District’s new treasurer. John stated that Pam brings with her a background in accounting that will be beneficial to the district as our Treasurer. John stated that Pam has completed her first board report and will cover it in the meeting. John reported that he and Melany had a kickoff meeting with MNS engineering in regard to the Hazard mitigation plan that will be covered on the agenda. John also stated that there had been a meeting with Coastland engineering regarding a preliminary engineering report required for the District to get the necessary financing for our infrastructure projects. John stated this is a requirement from the USDA on any loan(s). John stated that it will discuss it in detail today.

John stated a representative from Coastland is scheduled to call in to answer questions on their proposal and that the board will need to vote on their proposal today.

John stated that he will present a regulation that the district has in regard to private wells. John reported that the District does not object to wells , however there are certain requirements that must be adhered to in the event of anyone considering doing so. John stated he will present that regulation today. John stated that our treasurer will be able to demonstrate our fiscal health in today's presentation.

5. Operator's report- Joey Ball read the operator's report. A full copy of the report can be found on our website at

<https://timbercovecountywaterdistrict.specialdistrict.org/files/a9788dbad/January+2025+Operators+Report+Presented+Feburary+2025.pdf>

6. Treasurer's report- Melany Collett read the treasurer's report. John Gray did add during the report that he would like the board to consider a set dollar amount for the monthly payment on the secured credit line with Redwood Credit Union. John explained that due to the payment being tied to the draw amount we can't set up auto pay on the loan payment. With a fixed amount monthly for the payment we can have auto pay as well as paydown the loan.

A full copy can be found on our website at

<https://timbercovecountywaterdistrict.specialdistrict.org/files/995291b45/TCCWD+Financial+report+for+January+31+2025+Presented+02.22.25+%281%29.pdf>

7. New Business

7.1- PER Preliminary engineering report prepared by Coastland- *note John went to 7.2 first and came back to 7.1*

John Gray explained that the PER (preliminary engineering report) is for financing with USDA to complete the many priorities within the distribution system previously identified as Pacific View, Amanita and Koftinow. John explained that in order to get the financing we would need to present a PER to USDA. John stated it is a necessity for the financing, however, we may be rolling the dice. John read the bid amount from Coastland engineering, and it read not to exceed \$18,070.00. John stated Steve Van Saun from Coastland was in attendance and can answers questions and confirm that \$18,070.00 is the maximum amount for the report. John further explained the report is to specify the three priorities mentioned above (Pacific View, Amanita and Koftinow) . John stated when we met with Coastland it was mentioned bringing in other projects such as the plant, however that would take a lot longer if added to the report and we need to have the report done by May 2025. Melany spoke and stated that our entire application has to be completed by May 11, 2025, as that is the date USDA's "checkbook" opens. Melany stated she spoke to Michael (USDA community program specialist) due to the current

state of our federal administration and asked if the District should continue with our application. Melany stated that she understood Michael couldn't give a definitive answer as to if the USDA would be funded, however, he stated that we should absolutely continue the process of the applying. John Gray stated and asked Steve Van Saun to confirm that the district would need a PER whether they were funded by USDA or conventional financing. John stated if the district was to apply for conventional financing it would not be this year as the district ran in the red for years due to the lowering of the water rates and deficit spending . John stated although that has stopped, and we made a little bit of money last year and this year will be much better (once the audit is complete) and next year because the rates were fixed. John stated that with conventional financing they look and the past years vs projected income. Spencer Lipp stated that we don't know the federal administration is going to do but because this is a loan and not free money (and that they will make money off our loan) this program doesn't seem to fit in terms of what they are to do as far as shrinking the federal government. John Gray agreed, and Melany replied that due to it being a loan for rural America Michael at USDA said as long as we have a completed package he will fund the loan when his checkbook opens.

John Gray opened up for questions for Steve Van Saun from Coastland via Zoom. John Rea asked if this was to build the engineering plan and John Gray replied it is to engineer what we need to do. John Rea asked if it was for build purposes and designating all the parts Steve replied it's not a full design rather a preliminary design but more detailed than what Coastland had prepared for the District previously in the distribution evaluation. Steve stated in was a more in-depth review and wasn't sure of John Rea's question. John Rea replied is this plan enough to getting estimates or would there yet be another report required to get the estimate. Steve stated you could get an estimate from local contractors, but it would not be a complete public document package with technical specifications and full design. John Rea replied then another report would be required. John Gray said to keep in mind that we already have an estimated on Pacific View, granted it's expired and would need to be updated. Spencer stated this is not a design build. John Gray said this PER is a requirement by USDA. John Gray confirmed with Steve that he had been in direct contact with USDA, and he replied yes and part of this effort all of the costs associated with this project would be captured in more detail with respect to engineering, construction oversight , design schedule and construction schedule that will paint the whole picture of the entire project. John asked Steve Van Saun about a report he had done for Sweet Water Springs, although they went conventional financing it was for a grant with USDA. Spencer asked for the timeline for the report for delivery. Steve stated about 3-4 weeks. Spencer asked what a potential delay in the timeline could be. Steve replied it could be debt repayment / financial analysis but believed Melany had that sorted out and John Gray confirmed we did. Steve stated everything from his perspective is straight forward. Steve said the only wrinkle is if USDA comes back with any questions or information needed after submitting the PER to USDA. Spencer confirmed with Steve that what he was hearing was that Steve had all the information he needs from the district from previous work with the District. Steve said yes and that his first order of business will be comparing the information previously supplied by the district against the USDA

requirements and providing a list to the District staff if there is anything additional needed. John Gray stated the study they did, the study MNS did , the reserve analysis and the prop 218 study there is a lot of information there already.

John Gray moved to approve Coastland Engineering to prepare a Preliminary Engineering report for financing, John Rea seconds motion passed with three yeas by – John Gray, John Rea and Spencer Lipp

7.2 -Introduction of new treasurer-John Gray introduced Pam Durney as our new treasurer. Pam zoomed in as she was ill . John Gray welcomes her to the district and reported that Pam comes with a wealth of experience. John stated Pam has an accounting and bookkeeping. John stated that Pam picked up learning the treasurer reports quickly. We welcome Pam to the district.

7.3 Wells within the district – John Gray began by stating that the district does not oppose customers having wells, however there are regulations that need to be followed. John stated the District needs to confirm that the wells would not contaminate the distribution system. John stated Joey had covered the cross connection survey earlier in his report (which can be found online)

<https://timbercovecountywaterdistrict.specialdistrict.org/files/a9788dbad/January+2025+Operators+Report+Presented+Feburary+2025.pdf>

John Rea asked when the regulation was formed as he believed this regulation was before the district was formed and asked if it was still legal. John Rea asked if legal had been consulted. John Gray replied that this was passed through legal, and this regulation was approved in our standing rules & regulations again most recently as May 19, 2022, and were voted on. John Gray stated again he did not opposed wells he just wanted the rules to be followed for the safety of the district and does not cross contaminate the distribution system. John Gray wants to make sure that all wells are covered in the cross-connection survey and John proceeded to read regulation- click the link below to read a copy

<https://timbercovecountywaterdistrict.specialdistrict.org/files/dbf5ad869/reg+22.pdf>

John Rea stated that the district needs need to send this information out to the customers with a request for information. Melany replied this will be done when R&H Sons conducts the cross-contamination survey. Melany explained we had sent these questionnaires out previously asking customers if they had a well, pond, hot tubs etc. anything with the potential of contaminating our distribution system. Melany stated this regulation 22 is on the website and a link to this meeting was sent out to customers prior to the meeting. Scott Heffner asked why this discussion was being held now and did an event happen that lead him to bring this up. John Gray replied that he was made aware of a well being installed recently . Scott Heffner asked how many wells were in the district and Melany stated we weren't sure now however, the cross-connection survey should help with that

number. Scott Heffner also asked what happens retroactively to the people who had wells prior to the code being updated. John Gray said there are wells not connected to our system we don't care, Melany stated anything connected to our system has the possibility to cross contamination and that is the key (connection to our distribution system) anything connected to our system must follow the codes i.e., backflow device and inspections. Spencer asked if this regulation is something the board needs to look at to updated it if it's outdated. John Gray said the attorney reviewed the regulation. John Gray and John Rea both confirmed the rules & regs are approved and updated In May of 2022 and John added director accountability and transparency was added then.

8. Old Business-

8.1 Update on Lyons Court- John Gray is waiting to hear back from Shane at Modular build regarding the grading as there was some confusion on a retaining wall not needed. John Gray and John Rea met with Shane and Alex for an onsite inspection of the property. John Rea asked if there would be any additional costs to which Melany replied that we are awaiting a bid for the electrical plan. John explained that costs is to hook it all up to PGE.

8.2 Update on LHMP- Melany stated that she and John had a meeting they are awaiting the detailed plan for the timeline. Melany stated that the timeline to complete the LHMP would be 12 months or less .

8.3 Update on financing through USDA – was discussed above under 7.1

9. Public comment- Spencer wanted to get this information out to the customers that his insurance company Farmers Insurance is requiring a water leak detector with automatic shut off for all residences affecting all new policies and renewing policies. Spencer stated State Farm offers this service for \$745.00 . Spencer said it got him thinking there was a time the water district offered backflow installations at cost lower than typical plumbing. Spencer said this could be another service the district could provide to customers (not require customers) Spencer stated State Farm requires the installation be by a licensed contractor and doesn't know of the district had that license. Melany stated the district had sent the previous operator to school to get back flow certified so he could do the backflows, John Rea corrected Melany in that the operator could do the inspections not installations. Discussion ensued

10. Approval of the bills-

Spencer moved to approve the bills, John Rea seconds- motion passed unanimously

11. Setting the Agenda, Time & Place for March 22, 2025

John Gray moved to approve to set the agenda, time, and place at the Fort Ross Conservancy at 10:30 am, Spencer Lipp seconds- motion passed

12. Adjournment

John Gray moved to adjourn the meeting John Rea seconds- motion passed unanimously

Attest: _____ Date _____

The secretary of TCCWD does hereby certify that the above minutes were approved by the board on the above date

DRAFT