Timber Cove County Water District

Board Meeting Minutes- July 2024

1. **Call to order: 10:03am-**

Board- John Gray, Jay Kvapil, Spencer Lipp, Bob Leichtner and John Rea.

Guests- Joey Ball, Melany Collett, Yvonne Gray and Drew Ferrante.

Guest via Zoom- Alex Kramer

2. **Approval of Agenda- John Gray moved to approve the agenda, John Rea seconds; motion passed unanimously.**

3. **Approval of minutes;**

May 2024 -John Gray moves to approve the minutes
Spencer Lipp requests a correction to add Scott Heffner's name under guests and B Leichtner requested a typo of the word seconded be corrected. Jay Kvapil seconds subject to the two corrections. Motion passed unanimously

June 2024- John Rea moves to approve the minutes- Bob Leichtner- motion passed unanimously

4.President's Report-

John began by stating there have been several developments this month as we move forward in working towards improvements for our district. John stated that he and Jay will discuss new lower cost options for a functional office in this meeting.

John announced the Coastland study is completed as far as the distribution system is concerned along with cost analysis of infrastructure improvements.

John reported that had and Melany had the kickoff meeting Wednesday with Cal OES for th hazard mitigation grant. John thanked general manager Melany Collet for her work in securing these funds in order to develop the plan. John stated this plan is a necessary prerequisite for any FEMA assistance in Hazard mitigation, hardening of our system and repairs in the case of disaster.

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John stated he learned Friday as well that our efforts with the State are also required in order to obtain funding through USDA. John stated that he and Melany had a meeting with the representative from USDA on obtaining funding for our top priorities for the distribution as well funding of legal office building. Joh mentioned the meeting was very productive and looks promising in obtaining funding for our priorities.

John stated that in these meetings with the USDA and OES they learned that all of our efforts have paid off in the necessary steps needed by these agencies and it started with the strategic plan.

John also stated the reports completed for the reserve study which outlined our entire system and replacement costs, the engineering reports completed for our last grant request, the Coastland study for priorities on distribution upgrades and most importantly, our Prop 218 study and new rate schedule implementation have all been critical factors in working with officials to navigate through the processes.

John stated our compliance with audits factored in as well and have had a significant impact as the USDA will be pulling 3-5 years of audits as well as current P&L to show the impact of our new rates.

John mentioned the Dept of OES as well as the USDA commented that our efforts in securing the necessary studies aides our efforts towards our goals. John stated having a Hazard Mitigation plan in process turns out to be a major contributor to us obtaining low interest financing through the Feds.

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/2024-07-27-board-meeting

6. Treasurer's report- Melany Collett read the treasurer's report. A full copy can be found on our website at https://timbercovecountywaterdistrict.specialdistrict.org/files/18b3b7516/TCCWD+Financial+report+for+June+30%2C2024+Presented+7-27-24.pdf

7. New Business-

7.1- Agent Resolution for non-state agencies from CalOES- Bob Leichtner moved to approve the resolution, Jay Kvapil seconds- motion passed unanimously

7.2 Approval for finance applications for infrastructure improvements to include office building and top 3 identified priorities- the directors agreed to come back to this action item after the discussion of the Coastland study. Discussion ensued with the directors. John Gray explained that this item is not identifying the top three projects rather the authority to apply for financing through USDA to include the top three projects the

board collectively agrees upon. Melany reminded John that it would not just be applying with USDA because USDA stated in the meeting that we had that the District must applies and receive 3 denials from three financial institutes.

Revisited after 8.4- the board discussed the motion and agreed that we should apply for the list of infrastructure projects

Spencer Lipp moved to start the application process for the office building and the full list of infrastructure projects as identified in the Coastland report, John Rea seconds- motion passed unanimously

7.3 Employee COLA- cost of living adjustment and effective date- discussion amongst board members

Bob Leichtner motioned to approve a 3% cost of living increase for employees with an effective dated of July 1, 2024 – Jay Kvapil seconds- motion passed unanimously

8. Old Business-

8.1 Lyons Court update-office building- Jay explained Clayton homes are attractive and reasonably priced. Jay explained that with Clayton homes there would be a lot of changes such as each of their homes comes with a one bedroom because there is some federal consideration. Jay then stated there was discussion months ago about classroom builders Jay started with a company, modular mobile homes who steered him towards building one for the District with our specific requests. Jay stated the costs although cheaper than the Districts building an office from scratch the price came in higher than Clayton Homes. Jay stated his disappointment in the costs and they referred him to Alex who deals with the used classroom building. Jay stated Alex has 3 available and located in Livermore. Jay stated the size is 24x40. Jay stated the used classrooms do not have a restroom but they can add one as well as a ramp. John Gray spoke to Alex about approvals/building permit from the County and Alex said that would be required as these are already State certified. John Gray stated the only thing the County would be interested in is the foundation and the foundation plan may need to be altered. John Gray also mentioned he had asked Clayton Homes cost breakdowns and other items and he never heard back from them . Jay stated the classroom meets all standard regulations i.e. installation and window type.

8.2 Approval for down payment to secure Lyons Court building – this item has been deferred -John Gray would like to go look at the classrooms in Livermore and any director who would like to look can as well Bob suggested there a special meeting may need to be called should there be a requirement to move fast on the deposit.

8.3- Review of Draft form Coastland study- Discussion ensued with the directors. John Gray spoke to the costs of the infrastructure improvements that Coastland had estimated which he considered high, John relayed that when he spoke to Coastland they said they

arrived at those cost estimated based on statewide costs. John stated the district would be getting bids on the projects and they would determine actual costs. John told the directors speaking with USDA on possible financing was amazing as far as creativity with their financing working with the district . *For example if the district moved SCADA to the ADMIN building the building could become part of the distribution system as far as financing.* Bob asked if Joey would be ok with moving SCADA to the office. Melany stated we would not be moving SCADA but USDA would be ok with the SCADA at the plant and the security system at the office. John Gray did mention although the LEE Drive road issue is a HOA issue the district has interest in the repair as it is very close to our distribution line and Melany mentioned we may be able to discuss that with USDA. Spencer spoke and stated Coastland had numbered the infrastructure improvement projects (ie; 1-6) however did state that is their prioritization recommendations in the report. Spencer acknowledged the numbering may be implied, however, we asked for them to be prioritized. John Gray replied to Spencer stating he had asked Coastland the same question and was told the numbered list was their prioritization. Bob agreed with Spencer that it isn't a difficult request to ask Coastland to specify that the numbered list are their prioritized recommendations. Jay Kvapil agreed stating the directors are not experts. John Rea mentioned that the treatment plant may fall on that list as a priorities.
Spencer stated he did have questions surrounding the 4in and fire flow and perhaps it would be better spoken about when Coastland comes to a meeting.

8.4-Approve & Amend Coastland contract to include treatment plant- discussion ensued about using the remaining $3000.00 of the original contract towards Coastland evaluating the treatment plant in their report rather than using the remaining balance towards Coastland coming to a meeting to discuss the report with the board.

John Gray moved to approve the additional study for the evaluation of the treatment plant by Coastland, Bob Leichtner seconds, motion passed unanimously

9. Public comment-

10. Approval of the bills- Jay Kvapil moved to approve the bills, John Rea seconds- motion passed unanimously

11. John Gray moved to set the Agenda , time and place for 10:30 am at Fort Ross Conservancy on August 24, 2024 for the next board meeting, Bob Leichter seconds- motion passed unanimously

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

Attest: _____ Date 8/24/24

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

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