

Timber Cove County Water District
Board of Directors
General Meeting Minutes
March 27, 2021

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1. **Call to order** - 10:01 am

Board members : Chris Feddersohn, John Rea, Kris Kilgore and Spencer Lipp
Tim Winterer

Guests-Diane Feddersohn, Anne Vernon, John Gray, Ryan Gomez, Melany Collett, Ron Case

2. **Approval of Agenda** - Chris moves to approve the agenda - Kris Kilgore seconds-passed unanimously

- 3, **Presidents report**-Chris Feddersohn explains that he was contacted by Grace O'Malley a week ago last Wednesday after 8pm stating there was water on the road and a leak on Pacific View. Chris was able to reach out to Ryan who had Jeff Hughes come in and shut the water off on Pacific View. Ryan and Jeff went the site on Pacific View and it turned out to be an old underground vault. Chris explains that thankfully no digging was needed and Ryan was able to repair the leak in house. Chris explains that when there's a leak the District is required to take two water samples of the area repaired 24 hours apart and Melany Collett drove the first sample to the lab on Thursday to expedite the process. Chris states the samples came back clean, however, the water was off for a total of three days. Chris and John Rea met with the operators the following week to discuss new procedures on how and when to notify customers of leaks and water shut offs as well as ways the District may be able to operate without customers being without water while waiting on the water samples.

Chris stated the electrical repair was completed at the weir.

Chris reads the approval letter from the State regarding the Conversation Action IPlan . Chris is really excite that the District is now armed with the tools necessary to sustain water in the reservoir so we don't have to go through what we did in 2014 with the reservoir running dry, Chris states David Long will review the plan after the operators report.

Chris introduces our new water operator Jeff Hughes by saying that Jeff came to the Timber Cove area about 3 years ago and many may know his as he worked at the Fort Ross Store. Jeff had worked here seasonally when Tanner Hiers had been our Chief operator. Jeff speaks and thanks the board for the opportunity . Jeff states that he enjoys a challenge and is looking forward to this opportunity and working with this community for a long time. Chris says that Jeff is getting ready for his D2 test that way he can work on our distribution system and get to know the valves and pipes.

4. **Operator Report-Ryan** starts off by saying that he is currently pumping water to the reservoir and we are at 22.11 feet and climbing. Ryan says he's been able to pull about 3.6 million gallons. We went form 16.5 to where we are at now . Ryan says our pumps are automated now and he is able to leave them on at night now which prevents a lot of problems. Ryan says the break that caused the leak on Pacific View was not far into the ground which was great because no digging was required . Ryan was able to depressurize it and take it apart and put a new coupling on it . Ryan stated the water samples came back free of any coliform bacteria. Ryan is looking into the AWWA handbooks to see if there are ways to repair a leak without waiting days on sample results. Ryan says Jeff is a lot of help and he is excited to have him here. Ryan says he received the results back from the lab regarding iron and aluminum which indicated we don't; have any in our tanks. Ryan is still monitoring the TTHMs on Lee and our distribution system and the aerator seems to be working great.

John Gray asked Ryan how long the pump was down at the weir and how much water would have been pumped during that time. Ryan said about 360,000.00 gallons would have been pumped during that time. John said he was curious because PG&E took too long to come back out to turn the power back on during the repair at the weir because they have the district labeled as a commercial account, however ,we service a lot of residences. John says PG&E should have some responsibly to keep the district running due to servicing residential homes. John said he will look into it. Chris said PG&E did put a sticker on our box at the weir stating the power was off but there wasn't a phone number on how to request it to be turned back on , it was a weekend , so Chris called the general number for PG&E and got the runaround because of the District's status of being a commercial account and they don't service commercial accounts on the weekends.

Kris Kilgore spoke and stated that she has worked with the water district for many years now and heard of PG&E delaying like this before and thinks it's the right thing to have John Gray revisit this issue with PG&E by way of a letter. Kris Kilgore stated she would be happy to draft a letter to PG&E.

Chris Feddersohn moves onto the conservation action plan that David Long of Brelji & Race prepared. Chris stated that David has given us really good tools in this report such as the importance of filling the reservoir and keeping an eye on the reservoir for any potential shortage before it gets to the point of having to buy water like we had to in 2014.

David Long explains the history of why this prepared, in 2016 he and the District went on again off again with the Drinking Water Division of the Water Resources Control Board to clear a compliance order that was given to the District because of our shortage in 2014 and a source capacity study prepared by Brelji & Race that proved the District had a reliable source for water and for one reason or another the State did not accept that source capacity study because the State believed that the District's only source of water was the water that was that was being pumped from the creek and it did not include the water that was being stored in the reservoir. David states that he was eventually able to turn them around and have the State believe that in fact the diversion pumping source and the reservoir functioned together as one to provide water to our community. David said although the State agreed to that they wanted a conservation plan prepared to put measures in place and to have the District track the water that was available in the reservoir, and if for any reason the District came dangerously close to or the reliability was compromised the State wanted a way for the District to be able to react to it. David prepared the plan and the State liked it. David explains this is really paying attention to our source for three periods in the year and those periods are called the following;

1. ***Reservoir emptying period-May to November of each year***
2. ***Reservoir sustaining period-December to January***
3. ***Reservoir filling period-February to April each year***

To review a copy of the Conservation Action Plan please visit our website at <http://www.timbercovecountywaterdistrict.org/> and click on the tab WATER QUALITY

Chris moves to adopt the Conservation Action Plan effective April 1, 2021-Kris Kilgore seconds , passed unanimously

5. **Treasurer's Report**-John Gray reviews the bank balances and the power point presentation. John explains usual costs thus far which includes the audits as they have cost the District \$32,108.00 and there will be more costs coming in , but that is expected when you have to get years of back audits done and out of the hole,. John stated another cost was continuing education for the operators but he explains that it what is needed to keep our employees as you need to invest in them with competitive wages John says while the cost for employees may have gone up the District has had a high turnover but now with a stable workforce and long term employment the District has a professional group of people . John also explains the cost of the source capacity study was an unusual cost.

John Rea asked John Gray what his salary has been as treasurer to complete the audits. John Gray replies that it is not what has been spread around the community . John Gray replies to John Rea that he doesn't object to being asked the question because what payments get issued to him is a matter of public record. John says he believes it has been about \$16,000.00 in the last year not the rumored \$21,000.00. John states his salary is not the same now as when he was hired initially. John explains he had to put in a lot hours in getting the delinquent audits done John

says he's getting a lot of rocks thrown at him over his salary. John said the board voted him in as treasurer in January 2020 . John hadn't accepted the position on the spot as he knew what could potentially come down the road and wanted to make sure he was protected. John said no rocks were thrown at the previous manager and the manager before that who hadn't gotten single audit done. John says once the District is up to date and through the current audit he doesn't see a need for him to remain in board.

John Rea asked John Gray if he would be willing to help the District find a replacement treasurer. John said he would not leave the District high and dry and will make sure the person who takes over knows what to do.

John Gray says he objects to personal information about him being disseminated to the public. John states that although payments made to him are public record his hourly rate is not . John believes that this information was disseminated to the community by someone on the board and it was published on social media. John is concerned as he does not know if other personal information was released to the public.

Kris Kilgore speaks and states she does not know his rate but wants to know why it can't be released to the public, John Gray says payments made to him are public Information but not his personal information such as hourly rate and he highly objects to this information being released. John reiterates that he was requested to come on board to help manage this process . John says that information was in fact disseminated and it was information no one knew except board members and Kris Kilgore speaks and says it was not her and hoped John didn't think it was her. John replied that it was Kris' personal friend who published this information on social media and he will leave it at that. John says he was hired to do a job and he has produced results therefore should nt have rocks throw his way for doing just that. John says he was hired to do this job after initially saying no a few times and should be compensated for it as it was previously a volunteer position and that what got the District in trouble to begin with, no accountability .

Chris Feddersohn apologized to John Gray for his personal information being leaked out and that he has done a stellar job.

John Gray confirmed that Edward Jones is ok with he Districts funds remaining at Edwards Jones as the initial application was corrected and all parties have been transparent

The full treasurers report can be found on our website at <http://www.timbercovecountywaterdistrict.org/>

6. **Old Business Items-**

6.1 – Office project-Ron Case said that there wasn't much to update but he did learn that no matter what was done the current plans would not work because the office site only perks for a half bath and that the current administration at the county did not approve it, however there'a new administration coming in and Ron will see if they will approve it. If not Ron says it will be

time to move not plan B which he will be discussing at a later date Chris Feddersohn says he has looked into a Plan B which is lot that does perk. Chris has spoken with the owner to possibly purchase it own behalf of the District. Chris said that property may possibly perk for a 3 bedroom which could work for an office and possibly the plant as well. Ron thought that sounded like a good idea. Ron said if the current property the Administration office is located at doesn't work for an office it may work for a well or reservoir .

7. New Business Items-

7.1 Approval of bills-Chris Feddersohn moves to approve payment of the bills-John Rea seconds-passed unanimously

7.2 - Discussion of Board of Director's Ethics Training-Kris stated she (as a requirement for all the directors) took the online course for Ethics Training and found it to be very comforting because it give the directors or any public servant practical guidelines about being fair and legal. Kris reads the following for the ethics training course AB1234 —“ Although you may have a strong sense of personal ethics the role and responsibility of the public servant may require a different ethical consideration , when you are a public servant it isn't just about your sense of personal ethics it is also about the publics perception of your ethics”. Kris states there are many other sections and mentions another which Kris states is more subtle. Kris reads “ What is means to be a public servant’, “Make decisions based on the merits of the issue,” “what it means to be respectful in public service,” “Treat fellow officials, staff and the public with courtesy even if you disagree with them” Kris comments that the meetings have evolved in this direction and she appreciates it. Kris continues reading from the training “ focus on the merits in discussion , not personality traits or other issues that might distract you ” “search for value in diverse opinion and build consensus “ Kris stated she has tried to offer diverse opinions on many occasions and provide information and her information has been oppressed.

Kris Kilgore states her final comment is about “conflict of interest , personal financial gain, ” Kris continues to read “The type of interest to worry about she continues is sources of income, “ a public official may not be able to put dependency and allegiance aside if they have some source of income from a business, commercial enterprise in Timber Cove that is impacted financially by the cost of water, “that public official may not be able to put that dependency and allegiances aside if a decision involves a source of income to a public official , the public official must step aside from the decision making process” Kris continues “this includes source of income for profit business which you own a 10% interest in “. Kris says that she finds it comforting and that there are ways to be sure that every director is ethical and there's training. Kris hopes that every director took this training.

Spencer Lipp commented he took the training and found it helpful and that there was some really good points.

Chris Feddersohn reminds everyone that the next meeting which is the Public Hearing at 12 pm is important for public comment and that it is the same call in number as this meeting.

8, Approval of Minutes from February 27, 2021 meeting-February minutes were deferred to the April 24, 2021 meeting

9. Public comment - Spencer Lipp commented that the Public Hearing agenda says 11:30 am and Chris acknowledged that he moved it to 12pm after the general meeting and an updated agenda was sent out and posted on the website.

Ron Case commented that he has been coming to meetings for a long time and every time he has asked how the audits were coming along and each time he asked it was blamed on assistants or office staff and they never moved ahead until John Gray came aboard. Ron said that we are really lucky John was able to do it with all the data missing. Ron says after years and years of excuses it is a relief to have them done and commends John for a great job.

John Gray said that there is some misinformation that is circulating that is dangerous which is that the trails are fire safe routes, John says (as a survivor of the Tubbs fire) if you were to take a trail as an escape route it would be a death sentence as you would be overcome by smoke. John said the notion that they are an escape route is dangerous and does not want to see people get hurt. John says the safest route is right down the middle of the road unless of course it's blocked then you must do what you need to do to survive. John has spoken to the fire department and they would be securing the perimeters and saving homes first. John wants to caution people that that is dangerous and irresponsible to put it out there.

John Rea commends John Gay for his professionalism in resolving the issue with the audits and also commends Chris for his part in bringing professionalism to the District and making it a real business and appreciates the direction he has taken the district.

Melany Collett comments and said after sending out the board packets this week she received a call from the head of Creative tech at EL Dorado praising the District for discussing the reduction of water rates, she said we are the envy of the utility districts from SoCal to NorCal and that we ought to be proud of ourselves. Melany also stated that she was told that we run the District as though it has 1000 or more hook-ups and that we are being recognized out in the industry.

Kris Kilgore speaks and says she has asked in past meetings to set up a committee with admin and the operators and John Gray and any other directors to look at ways to reduce expenses. Kris says that this is not criticism rather proactive and positive and strongly suggest this committee be formed. Kris reiterates she is not criticizing John Gray's salary but that he does get paid.

Chris Feddersohn thanks Kris and says that may be something we can do down the road.

Anne Vernon seeks and says she has been in Timber Cove over 21 years and John Rea has been on the board maybe 8-10 years and she has watched the evolution of the water board and says it is so much better now. Anne sad she used to hear from the operators how frustrated they were being the only employee and really not having a life. Anne says as a business owner she does look at the District's bills and finds them to be very reasonable. Anne says that of course you don't want to get lazy or start spending money because there a million plus in the bank but does not see those types of behavior from this board and believes everybody has a mission to make this community successful. Anne says to Chris Feddersohn is the best president that the District has ever had.

Bob Leitchner commented that it is his understanding (under State or County guidelines) that the District cannot have a board member serve as treasurer. Bob says he would be astonished if the District could hire an outside person do a competent job , in a modest amount of time for a modest rate and come close to the benefit of the cost ratio they got from John Gray. Bob says the bottom line in the fact that John Gray is getting paid is not a special benefit to John and that is essentially required under State law to have an independent treasurer and it is unlikely he would work for free.

Kris Kilgore asked for someone to cite the law that states a treasurer cannot be a board member and provide it to her by the next meeting or email it to everyone on the board, Chris Feddersohn states it is in our Rules and Regulations that were voted in while she was on the board and anything adopted has the code next to it .

Melany Collett states that she has heard in the last several meetings about admin costs being up and she says that it is true because they at now being coded correctly in the system. Prior to John coming on board the District was nearly \$390,000 or half a million off because things were not being coded correctly. Melany explains that nearly everything in the district from screwdrivers to gas to workmen's comp to payroll taxes to payroll and paint is coded to admin because it's not a capital improvement, Melany says in the last year or more John Gray has spent many hours to get that dollar figure balanced and coded correctly, Melany says that takes so much rime. Melany says that she can attest by the contact she has with John that people don't understand the amount of work that has gone into the audits. Melany says getting those back audits done in that short amount of time is unprecedented .

Chris Feddersohn says that is correct and that so many things were coded incorrectly in the past and that you can n fairly judge what we are doing now.

John Gray says to look at the audited numbers now, that the old P&Ls were not accurate as they were off \$560,000.00 and what we should focus on is our actual cash on hand and hw much it has grown over the last two years . John says for example the prior General Manager Steve Christianson was paid nearly \$200, 000.00 in direct payments over the course of a year and a couple months and it was coded as capital improvements and wasn't counted as an expense. John says of course expenses will be high if you code things to expenses when they are supposed to be

so trying to compare those to things that were not coded correctly doesn't make sense . John says it's about having the proper audited numbers so we have a basis to go forward .John says in all fairness we won't have a complete accounting until the 2020 audit is completed.

Richard Mofford suggested that we format the bills differently so that people understand that the water is measured in cubic feet and it can be confusing as he learned thru Melany during the billing process it's converted to gallons, Melany let Richard know that we are getting a software update and hopefully that can be resolved to show differently on the statements.

DUE TO AN ELECTRICAL OUTAGE IN TIMBER COVE many were disconnected. Melany asked if any directors were on the call to adjourn the meeting, Spencer Lipp and Tim were on the call still and Chris Feddersohn was able to join back on the call. *Kris Kilgore was unable to rejoin.*

10, Setting of Agenda, Time and Place for the next meeting April 24, 2021 at 10 am via teleconference and the Special Meeting at 12 pm after the regular meeting

11. Adjournment of the meeting - Chris motions to adjourn the meeting-Tim Winterer seconds-passed unanimously .

Meeting adjoined

Attest

The secretary of TCCWD does hereby Certify that the above mines were approved by the

Date

April 24, 2021

