

**Timber Cove County Water District
Board of Directors
General Meeting Minutes
April 24, 2021**

1. **Call to order** - 10:06 am

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

Guests-Diane Feddersohn, Anne Vernon, John Gray, Ryan Gomez, Melany Collett, Ron Case, Carolyn Abst, Bob Leitchner, Renee Fernandez-Lipp

2. **Approval of Agenda** - Chris Feddersohn moves to approve agenda- John Rea seconds-
passed unanimously

3, **President's report-** Chris Feddersohn stresses that this is the most important month as it's the last month to fill the resevoir and is hoping tomorrow's rain will put us over the top. Chris states allthough there is a drought in CA and Sonoma County we are in a better position than most. Chris says the tree cutting in the weir is complete and by cleaning up a lot of trees surrounding the weir it has been made a safe place. Noah Brown has done an outstanding job says Chris. Chris informs us that the new operations truck was taken into Santa Rosa and the bed liner and tool box was installed, Chris said that David Horovitz came to the Admin office and with the radios and equipment, which is a network that works within the Timber Cove Community and the operators can not only call each other but call into the office. The range is approx from the TCFD to the Fort Ross Store and the bar and grill north of TC. Chris said he will install the cable and antennas in the office himself since he has done his personal one. Chris said it should all be up and running in the next couple weeks which will provide great communications for the water department. Chris said he is excited for Spencer Lipp's presentation today regarding potential solar panels for the resevoir. Chris says we have been experienceing a lot of rust in the valvles located at the water plant, Ryan and Jeff have been taking many of the butterfly valves out and some of the elbows and pipes which may not have been taken out since the 90's and cleaning them. Chris says we may get to a point where we will have to replace some of the pipes from the resevoir to the treatment plant. Chris said one of the most exciting things that happened this week was a meeting with XIO which deals with SCADA (SCADA is a water system, control device) which allows you to have controllers in the tanks that would operate our pumps and field monitoring. Chris said this system will allow our operators to check things from their cell phones and monitor remotely. Chris said the biggest problem was the cell service. The rep came out with equipment and met with Chris, Ryan, Jeff and John Rea. There was no cell service at the weir, however, at Tank 1 there was cell service and that is the most important place since Tank 1 has two pumps and being able to monitor those especially at night remotely would be great. Chris said Ryan sent the proposal for SCADA prior to the meeting. The cost is approximately a \$30,000.00 investment to bring the plant into the 21st century. Chris said this topic will possibly put this on the agenda next month.

4. **Operator Report-** Ryan said the SCADA is exciting as he is looking more into the monitoring aspect of operations and with this system, we can monitor the chemical feed pumps and exact levels of our tanks. Ryan states it will have remote access. Ryan said it will also help with tracking our water demand, during the day and the night aside from meters. Ryan said our reservoir is at 23.7ft which is great, and we are currently pumping 15,000-20,000 ga per day. Which is great because that is about what we are producing. Ryan said the SCADA information will go to a cloud and back down into the computer which helps with reporting and 100 other things. Ryan said the filter trains are having issues due to the valves starting to give out and not closing tight. While he and Jeff went in to start replacing the valves, they noticed that the pipes we have are starting to fall victim to tuberculation. Ryan said this is a problem and is looking into replacing the pipes. Ryan said they will start with power washing the area, but we may want to start considering replacing them.

Jeff Hughes spoke and talked about a project he's excited about. Jeff has been entering our whole system and all the information we have at the plant and maps into an online database and cloud based, which will then map out our whole district. It will include all our valves, ARVs, all the lines (color coded by size) which will allow the operators to take a tablet out into the field and have all the historical data and records at their fingertips. Also, Jeff says as they make changes, exercise valves and flush hydrants that information can be put in there too. Jeff said this system works offline without cellphones which will allow for changes to be made out in the field and once back into the office with connectivity it will be updated with those changes. Jeff says he looks forward to the day he can show how this works once all the data is inputted. Jeff says this is an affordable option and believes it runs about \$20.00 a month. Jeff states this is a huge asset for operators.

Chris Feddersohn thanked Jeff for his hard work and mentions again how technology and upgrades such as this brings the water district into the modern age. Chris also commented how well he sees Jeff and Ryan working together and how lucky the water district is to have both Jeff and Ryan working here.

5. **Treasurer's Report-** John Gray commends both Ryan and Jeff for their jobs well done. John Gray starts with some computer difficulty, so he started to read off the bank balances from his hard copies rather than slides. John located the email sent out to obtain the treasurers power point presentation and continued to review the bank balances. John stated that he wanted to have the 2019 audit completed before this meeting, however, it was not. John called the senior partner and hopes to have it shortly and will provide it for the next meeting. John has not started the 2020 audit yet but is prepared for it with some of the items ready to go, John states he does not want it confused with the 2019 audit. John reviewed the history of the bank balances.

2014-Cash on hand \$863,794.00

2015-Cash on hand \$875,000.00-doubled the price of water per gallon from .3 to .07 and raised the base rate

2016-Down but stable

2017-Cash on hand \$838,584.00 price per gallon increased to .09 a gallon and added \$10.00

Fire abatement fee-cashed dropped significantly despite the rate increase and added surcharge.

2018-Cash on hand \$850,705

2019-\$910,980 and removed the \$10.00 fire abatement fee-increased significantly due to expense control and not paying a GM which was a significant cost to the district

2020-\$1,012,065.00

2021-\$1,082,085.00

John said contrary to misleading information circulating it would be impossible to increase cash reserves if expenses were increasing while the revenue stream decreased. John said he expects a 5% increase in employee cost due to a retirement plan, however, John says we had such a high turnover in employees in the past and by having a retirement plan and paying prevailing wages we will likely reduce that turnover and expense.

5.1-Retirement Plan Update-The retirement plan has been put on hold unfortunately per John. Felipe at Edward Jones has declined to run TCCWD's retirement plan due to TCCWD being a municipality and will be looking into other options.

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

6. New Business Items-

6.1 –Community Resiliency Project (thru PGE) - Spencer Lipp started by saying at this point this is an idea and information gathering to determine if it's feasible or not and if it will work. Project goal is to provide energy resiliency to the Timber Cove Community

- a. Install floating photovoltaics (“photovoltaics”) (solar panels) on the TCCWD reservoir
- b. Install energy storage batteries
- c. Island the community with a MicroGrid such that power is provided by the solar and batteries during power outages

Chris Feddersohn said he would like to continue to the application phase of this project and will be adding this topic to the agenda on an ongoing basis for any new information that may arise. A full report of this proposed project is on the website at timbercovecountywaterdistrict.org under the April board packet

6.2- Backflow installation letter- Chris Feddersohn explained that R & H Sons performed a cross connection survey on 98 properties including the Timber Cove Resort last year to determine if any of these properties were any problems with potential backflow of water going back into the meter and back into the water distribution system. 22 properties were identified as either needing a back flow assembly device or illuminate what is causing that property to need a back flow assembly. For example, Chris stated there were 4 properties that needed to remove a hose bib that was on the wrong side of the back flow assembly. Chris explained that this is important to maintain the safety of our distribution system and Melany Collett drafted a letter to the 22 property owners. This letter was presented to the board. Chris explains that this letter was run by the district's attorney. Chris further explains that the district is required to give the

property owner 30 days, however, he felt that was not enough time and would like the board to agree to 60 days. Chris explains that TCCWD has the right to terminate water service should a property owner not comply, the termination of water service was put on hold by the Presidents' executive order signed due to COVID but that does not apply to this requirement due to the potential threat of contamination to a drinking water system. The board agreed to the additional 30 days making the requirement to comply 60 days.

6.3- Road Work Letter- Chris Feddersohn explains that there is some talk about road work on Amanita Court by Tom Giacinto which concerns Chris as there is AC (asbestos concrete) pipes located on Amanita Court as well as many boxes and meters. Chris wants to make sure whoever is contracted for the work has a million-dollar liability policy in place naming Timber Cove County Water District *prior* to the work beginning. Chris would also like the pipes tested *prior* to the commencement of any work and *after* the completion of any work. Chris would like the operators to inspect the area after the work is done to ensure no damage has been done to the pipes, boxes and meters during the construction. Chris would like this letter to be sent off now. Kris Kilgore asked if this letter was in the packet, Chris Feddersohn replied no and that the letter has not been written. Kris Kilgore asked to have this topic on the next agenda as it is too dangerous legally. Chris Feddersohn replied that the letter would be done by the district's council.

6.4- Timber Cove Country Inn- will serve letter- The board discussed the options of providing the will serve letter and agreed to provide a will serve letter once the requirements, expectations and contingencies by the District are put in writing. Chris Feddersohn will be consulting with the District's council to provide this will serve letter. Chris Feddersohn also explained he will be consulting with the attorney regarding "commercial" accounts, not only for The Timber Cove Country Inn but for The Timber Cove Resort as well. Chris further explains that these are commercial businesses but treated as residential.

Chris Feddersohn moves to approve the "will serve letter" with contingencies -Kris Kilgore's seconds-motion passed unanimously

6.5- Fair Political Practice Commission- Chris Feddersohn states that he received a letter from the FPPC that was a complaint against him filed by Kris Kilgore. Chris proceeds to read the first paragraph of the letter "Chris Feddersohn, Timber Cove County Water District board of director President has proposed and strongly pushing a change in water rates that will give him significant savings in the cost of water for his vacation holiday rental property in Timber Cove" (a copy of this letter is online a timbecovecountywaterdistrict.org under the April board packet). Chris Feddersohn said that the water rates will not be lowered at this time because the complaint is "pending" and must be resolved prior to proceeding with reducing rates. Chris asked for the public and employees to weigh in on this. John Gray speaks up and says the letter was written prior to another meeting taking place that would drop the prices for everyone across the board. John Gray's was concerned that specific data was used in that complaint from 2016 is data the district does not have in their records. John Gray further stated that while doing the 2016 audit he asked for any records to be turned into the office, yet those records were used to write a complaint against Chris Feddersohn. Kris Kilgore replied the information was directly from the District's records of customers water usage in 2016. Kris Kilgore stated she sent John Gray a

spreadsheet from the operator's meter reading records from 2014-2016. John Gray replied asking Kris where she got that information and that he remembered specifically that Chris Feddersohn asked all directors to turn in any records they have back to the district. Melany Collett commented that she has a different perspective being in the office as she speaks to the community, contractors, sellers and buyers. Melany states that she has worked really hard to restore the trust back into the community. Melany says the most frequently asked question or comments is regarding water rates. Melany continued to say that Kris Kilgore filing the complaint was premature as the next month's meeting further discussion continued regarding the reduction of rates and that Spencer Lipp and John Gray presented analysis that did not support tier pricing as discussed in February. Melany stated that the most important part of the District is serving clean drinking water to the customers not drama or singling out people or going backwards. Bob Litchner spoke and said the conflict-of-interest claim filed by Kris Kilgore is misleading and untruthful as the text of the complaint contrasted with the actual and factual events at the meeting. Bob further explains (as a corporate lawyer for many years) that he has drafted and reviewed conflict-of-interest disputes in public agency contracts a number of times and that you don't need to be a lawyer to see that statements made by Kris Kilgore (sworn under oath) have been distorted into false claims. Bob Litchner explains in the complaint filed by Kris Kilgore she swore under oath that Chris Feddersohn presented rates at the TCCWD board meeting in February that would be more favorable to high volume customers such as himself and Kris Kilgore constituted that was a conflict of interest, however, at that same meeting Chris Feddersohn stated that he was a high volume customer and did not conceal that fact at the meeting, quite the contrary, Chris used his own account to demonstrate how this would work. Bob explains that Kris Kilgore omitted any reference of Chris Feddersohn honest disclosure. Bob says he was against what was discussed at that meeting and would have spoken out if it had gone any further but sees no conflict in a discussion. Bob explains that Chris Feddersohn did not push for any formal approval or any other action on that proposal at the meeting but quite the opposite, Bob goes on to say at that very meeting Chris appointed an impartial and independent committee with Spencer Lipp, Director and John Gray, Treasurer and requested them to review the financial conditions and rate reduction option and report those conclusions to the board. Bob said that Kris Kilgore's complaint does not include any of this critical information. Bob said the information presented at the March meeting by Spencer Lipp and John Gray did not support the proposal by Chris Feddersohn in the prior months meeting in fact their report suggested treating every residential customer the same. Bob also states that it is troubling that Kris Kilgore used data from 2016, the year records are missing vs any other year. Bob Litchner suggests the way that Kris Kilgore could remedy this complaint is to contact the FPPC in writing and inform them that she has now received additional information that was not in her initial complaint and that her concern for possible conflict of interest has now been fully resolved and wishes to withdraw her complaint. Bob says that would be the honorable thing to do. Bob stated that if Kris Kilgore is unwilling to do that and move forward in good faith, he believes indisputable evidence that she lacks the necessary qualifications to serve as a director of an essential community agency.

Kris Kilgore responded that she filed that complaint before the board took the approach to reduce rates across the board to 0.7 and she contacted the FPPC and asked if she should withdrawal her complaint. Kris said they replied no and still interested in pursuing the complaint, and that the complaint was being investigated by the top person in the commission. Kris Kilgore states that

she sent a transcript of the meeting where Chris Feddersohn detailed what he wanted to do to reduce rates. Kris stated she offered to send a recording of the meeting as well.

Chris Feddersohn said Thank you and is looking forward to resolution.

Diane Feddersohn asked if her utility information/account information was public information and asked if the board or any other party was allowed to access it or release it. Melany Collett replied that her personal account information is not public record. Melany also assured Diane that her information was not released by Melany Collett or Ryan Gomez. Diane wanted to know how her information was released. Kris Kilgore replied she had the information from a project she was working on when the rates were raised from 0.05 ga. to 0.09 ga.

Sal Culcasi stated that there is an election coming up and hopes that when people go to vote they realize that they are not getting relief from the rates due to Kris Kilgore. Sal Culcasi also says that if Kris Kilgore has the information from 2016 and was asked to return any documents, she should be held liable for paying the district back for the forensic audit and that the members should not pay for her incompetence.

Carolyn Abst speaks and says although she is friends with Chris Feddersohn, she is tickled that the discussion of waters rates has been brought up by him. Carolyn states that she has been asking for this for years and was happy to hear there was a public forum which everybody wants so they can talk about it and weigh in. Carolyn says she is so dismayed regarding the crazy stoppage of it all.

Kris Kilgore says she is in favor of reducing water rates.

7. Approval of Minutes from February 27, 2021, meeting and March 27, 2021, board meetings-

Chris moves to approve the minutes from February 27, 2021, and March 27, 2021- John Rea seconds- passed unanimously

NOTE: Spencer Lipp asks for a correction to be made on the March minutes- there is a note on the minutes where some community members lost power. Kris Kilgore was one of them and unable to join the call to adjourn the meeting

8. Approval of Bills-

Chris moves to approve the bills- John Rea seconds- passed unanimously

9. Public comment- Kris Kilgore reads a statement- attached hereto

Sal Culcasi wants the community to know that a neighbor turned him into the Coastal Commission for cutting diseased trees and he received a violation and was told that he may need a permit. Sal also wants to warn others they may need a permit too. Sal also states that he has received conflicting information regarding permits. Sal's states his neighbor trespassed and used