

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

1. **Call to order** - 10:05 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,  
Cindy & Sal Culcasi, Rory Enke

2. **Approval of Agenda** -

**John Rea moves to approve the agenda, Spencer Lipp seconds motion passed  
unanimously**

3, **Presidents report**-Chris Feddersohn begins his report by notifying the Directors that the annual 700 forms ( conflict of interest) are due to be completed and turned in. Chris also informs the Directors the they need to take the AB1234 Course on ethics. Chris states to be compliant with the state he would like the Directors to complete the training by the March 27, 2021 meeting.

Chris states that TCCWD has to have two operators employed . One Chief Operator ( Ryan Gomez) and a certified shift operator. Chris states that TCCWD has ads running to fill that position of shift operator, Chris states the second position is a part time position, Chris stated that while installing a meter TCCWD received a call from Kashia/Pomo tribe and they would like to be notified of any digging done in the subdivision. Chris met with Noah Brown regarding a huge eucalyptus tree ( taller than a redwood) at the weir that has a split in it . This tree is right over our pump house Chris is concerned if it falls it would wipe out our pump house and we would not be able to pump water, Chris met with Noah and it would take about 3 days. Removal of the tree would be more work so they agreed to cut it back to a stump and therefore covert it to a bush. The cost would be about \$12.000.00 but Chris was able to negotiate it to \$10.000.00. Christ states that this needs to be done quickly is there is an electrical line that goes to the conduit at the weir, and during the last storm one of the branches on the dead tree fell and broke our conduit that goes into our electrical box to the pump house. Chris has contacted an electrician to fix this and is trying to time it whereas PG&E can come at the same time and turn off the power.

Chris Feddersohn states we may not need to vote to have the work done but would like even director to weigh in on items at the air

Kris Kilgore speaks up and thanks Chris for working with Ryan on this and agrees to go ahead and states she doesn't believe that we need to vote on something Ryan Gomez can usually handle.

Chris Feddersohn replies that due to the amount of money (\$10,000.00) he wants to be transparent by letting the board know what the plan is.

Spencer Lipp speaks up and ask about the level of insurance the tree cutter would have, Chris Feddersohn replied that he believes it is \$1,000,000.00 but will have Noah Brown call his insurance agency,

John Rea speaks and agrees to the work. John spoke to Noah Brown as well. John Rea informed Noah to contact Fish & Game as well.

Chris said the most exciting thing this month is that the Source Capacity Study that David Long of Brelji & Race has been working on. Chris states it is really well done with recommendations for the District and the tools so that we know how and when to fill up the reservoir and when we are starting to get into trouble. Chris states there will be a conservation plan in place as well , such as a 10% conservation plan and a 20% conservation plan in which the community can help out by conserving water.

Chris also states he has spoken to the Project Manager at the Timber Cove Resort and she has reached out to the owners and partners regarding conservation of water should the District request the community to conserve water. Chris further explains that the Timber Cove Resort can do their laundry offsite rather than on-site, asking customers to conserve water with showering, or installing low flow shower heads. Chris says that the Timber Cove Resort is looking into drilling more wells for additional water sources.

Spencer Lipp speaks up and states that the Timber Cove Resort may to want to mess with shower heads or ask customers to take shorter showers but that doesn't mean that there isn't water savings activity that can be met, such as aerators in the rooms, low flushing toilets. Spencer says he would be more than happy to talk with them as an engineer who works with resource conservation and water energy,

Chris says that the Timber Cove Resort remolded two years ago and he does not know about the toilets or aerators, however, the hot tubs and bath tubs were removed from the rooms and the customers have showers only,

John Rea agrees with Chris in the knowledge of the remodel down by the Timber Cove Resort.

4. **Operator Report**-Ryan states we got the new TU-5300 on and working on the filter trains and everything was approved by Misha at the State. Ryan says we also got the TU-5200 . Ryan says we have been pumping for a month and we are at 21 feet at the reservoir. Ryan says full is 25 ft, Ryan says we went from 16ft to 21ft in a month, Ryan will be monitoring water usage. Ryan says we are doing great and still pulling water. Ryan had

Leete come out and service the generator. Ryan was able to install two meters one on Pacific View and one on Timber Cove Road. Ryan says Weeks came out to see about the raw water pump at Tank 1 to see about getting it back to auto control without an operator having to turn it on and off manually, so when the water gets there from the weir it turns on automatically and will fluctuate with the amount of water going through it. Ryan says they were not able to do that and that they were only able to have it automated if the pumps were running at 100% and that doesn't work for us as we are not pumping 100% of the time. Ryan states that he is hoping that Week's report will show the different calibrations.

Chris thanks Ryan for all his hard work.

**5. Treasurer's Report**-John reviews the bank balances with a combined total of \$1,093,042.00 cash assets, John states that is really good considering what we spent on the infrastructure improvement. John states that the accounts receivable have increased due to the procedures in place now, John further explains that some customers were not paying their bills but we have been collecting on some due to those procedures in place and that is what is increasing our bank balances. John explains that there was one pre-lien notice sent to a regular offender of non-payment of monthly bills. John explains that the 2019 has been submitted to the auditors. John is waiting on the expense selections they select from the submissions of documents. John says that could be 2-3 weeks since it is tax time. John reviewed the budget vs. actual

John Gray asks to review the rate reduction plan and Chris asked that John hold off while we move to old business, item 6.1 so that the customer who is waiting can be heard.

Chris comes back to the rate reduction discussion. Chris states that both Spencer Lipp and John Gray worked on the analysis of reducing the rate,

John Gray speaks first and states that last month Chris proposed a rate reduction of \$.03 cents per gallon (current rate is \$.09 a gallon) on residential units only. John took the first 6 months of the current fiscal year to determine how it would impact our income. John went account by account, the first period. TCCWD sold 2.2 million gallons of water. Many water users were below 1000 gallons threshold, therefore it would have no savings or impact on their monthly bills nor would the Resort as they are commercial use. John went to each customer account and reduced the rate by \$.03 per gallon which for the 6 months and it would be a reduction of income in the amount of \$30,280.00 and approximately \$60,000.00 annually. John states that we have made approximately \$85,000.00 year to date and we can project about \$170,000.00 for the fiscal year. John states if we sell the same amount of water and maintain the current expense levels we could expect about \$110,000.00 in income if we implemented this new rate reduction. John states to please keep in mind that there are costs that will not continue next year such as the \$35,000.00 spent on the back audits, John states the plan is viable. John based this analysis off what was asked of him to do by Chris Feddersohn, with a rate of \$.06 a gallon after 1000 gallons of water used.

Chris thanked John and stated reducing our income by \$60,000.00 is a lot of money. Chris reiterates that the District will be meeting the depreciation and not spending thousands on audits next year. Chris states he will speak more about it after Spencer Lipp weighs in. with hi some of the things he came up with.

Spencer says he took a similar approach as John did Gray did starting with the meter reads, he came up with a different analysis than John. Spencer wasn't sure why but it could be the conversion from acre feet to gallons. Spencer came up with a decrease in revenue to the District if about \$31,000.00 per year . Spencer states it's a prudent activity to come up with what kind of revenue reduction the District can have and still remain financially solvent and the quotes for any infrastructure projects upcoming. Spencer says that would determine what types of rate reductions the District could have, Spencer says what it comes down to in the beginning determining what type of revenue reduction the District could handle in maintaining the financial solvency we have been seeing as well as future projects and infrastructure upgrades.

Chris thanked Spencer. Chris states what he is hoping for all the true full-time residents ( some of which he's heard from who may want a garden but don't want to pay \$.09 cents a gallon ) that we give those who use more than 1000 gallons a month a rate reduction so they can grow a garden, flush toilets, do laundry and washing off their decks . Chris says there is a big difference for those who live here full-time rather than those who are here part time . Chris states the following usage breakdown

- **131 people don't use water at all**
- **15 who use up to 99 gallons of water per month (average bill \$9.00.)**
- **39 people who use between 100 and 499 gallons of water per (average bill is \$45.00 a month**
- **25 people who use 599-999 gallons of water a month (average bill \$90.00or less )**
- **60 people who use more than 1000 gallons of water a month (their bills would go down 1/3 from \$0.09 a gallon down to \$0.06 a gallon)**

Chris stats those 60 people are who the District makes a profit off of and he feels that the District has gauged those customers as those 60 people are a profit in water sales. Chris says if we figure out the cost of water using the formula ( how much time do the employees spend making water , how much electricity it takes to make water, how many chemicals we use to make water then the cost is about four and a half cents to five cents per gallon. Chris says the District would still make a profit of one to one and a half cents per gallon. Chris says taking the four and a half cents it costs to make water and charging nine cents a gallon is extreme . Chris says although the District may lose \$30,000.00-\$60,000.00 it doesn't interfere with our depreciation and the fact that the District will save \$30,000.00 from our audits next year. Chris says that if the source capacity study comes back and the District is able to provide "a will service letter" to the Timber Cove Country Inn for their new 13 unit project that the District may end up with a large income increase in water sales. Chris also states that if the Timber Cove County Inn joins the water district we could collect the base

rate from them that equals \$10,140.00 per year, Chris states that as a commercial business the Timber Cove Country Inn would pay \$0.9 a gallon for water ( or whatever the commercial rate will be ) and with 13 units that would be about \$30,000.00 in water sales annually. Chris also explains that this project could bring in 13 water charges for approximately \$110,000.00 . Chris says that giving the Timber Cove Country Inn the “ will serve letter’ will bring in more than enough revenue to cover the reduction in income by the rate reduction.

Kris Kilgore speaks and says that there are 64 customers who use 100-199 gallons of water per month. Kris states that 100 customers use less than 999 gallons a month in water and they are the true water user and apologizes in saying there is no other way to look at it. Kris says she wants to find a way to reduce rates and appreciate the analysis done by Spencer Lipp and John Gray but we need to look at reducing the expenses first. Kris states that she has some ideas of her own and ask that the rate reduction not be voted on today. Kris asks if someone has a commercial enterprise and is making several hundred dollars a week or two to three thousand dollars a month on their property they should be paying \$.09 a gallon as they are a commercial enterprise.

John Gray replies stating that there are two expenses that won't be here next year which is \$30,000.00 for the audits and \$30,000.00 for the Source Capacity Study,

Chris states that he would like to go ahead and schedule a Special Meeting on the reduction of the water rate that way the public can weigh in as the directors are doing. Chris says that way the discussion and or a vote can be had to leave the rates as they are or to reduce the rates. Chris suggests that he Special Meeting be next month on March 27, 2021 at 12pm following the regular meeting.

NOTE: John Gray as treasurer has completed and supplied the County of Sonoma the 14/15 , 15/16, 16/17 and when voted on the 17/18 audit.

[The full treasurers report can be found on our website at timbercovecountywaterdistrict.org](http://timbercovecountywaterdistrict.org)

## 6. Old Business-

**6.1 Leak Proposal agreement**-Chris Feddersohn asked Rory Enke if he had a chance to review the leak forgiveness agreement that was proposed, stating he would be saving approximately \$12,000.00 on the leak. Rory stated that he did review and agree to the terms, Rory thanks everyone and stated that he hopes to put down at least half of what is owed and will try pay if off quickly.

**6.2 Money Edward Jones Money**-John Gray states we are not required to move the Districts money out of Edward Jones. Edward Jones was a bit nervous that they were reporting the District to the Government as not being Public Funds based off the original application being filled out incorrectly John says the application has been corrected. John Rea speaks up and states that problem has been corrected and resolved, Chris asked if the funds were moved out of EJ would Edward Jones still consider holding our employees

retirement benefits package. John Gray said it would not have any impact on the retirement benefits. John is waiting on the paperwork for the retirement plan. Chris says that we have been as transparent as possible.

**Chris Feddersohn motions to leave the Districts money with Edward Jones-John Rea seconds-passed unanimously**

**7. New Business Items-**

**7.1 Office project-**Chris Feddersohn isn't sure why it has taken 7 years to try and get the office done. He would like to get Melany Collett a heater so she isn't cold and a restroom. Chris met with the contractor and the architect at the ADMIN office.. Chris says there are some holes in the project such as the undercarriage of the office is still on wheels. - Ron Case has offered to take over as the Office Project Manager at no cost to the District . Spencer asked if there is a time frame on when this can be done, Ron stated he will try and find out and this project as soon as possible as this borderlines on criminal not having a decent facility for the manager.

**Chris Feddersohn motions to make Ron Case the Office Project Manager- John Rea seconds-passed unanimously**

**7.2 Additional water sources-**Chris states that he sent maps to the Directors from the Source Capacity Study done in 2014 . Chris says to take a look at the watershed and very little of it is in our subdivision. Chris states that the watershed we do have needs to be protected. Chris states that we may be serving a little over 100 people water but may get to the point where we are serving over 200 people water and would like to look into additional water sources by drilling wells. Chris would like to start looking for more water by hiring a hydrologist . Chris has spoken to a hydrologist by a recommendation by CRWA - His name is Matt O'Connor - of OEI located out of Healdsburg. Chris says that Matts can give us a report of water sources for around \$2500.00.

**Chris Feddersohn moves to hire Matt O'Connor as a Hydrologist-Kris Kilgore seconds the motions-passed unanimously**

Kris Kilgore states that the District hired a Hydrologist about 7 years ago and she is willing to send in his report to Melany to distribute to the directors. Kris agrees to the new report being done as a second opinion, Kris also states that David Long has information on water sources in Timber Cove .

**7.3 Lien delinquent accounts (Ruoff/Pine/TC Road)-**Chris states there is a customer on the roads mentioned that have not paid their bills in several months and owes the district over \$3,000.00 . Chris would like move forward with filing liens if their payment(s) have not been received by March 17, 2021. Chris explains that this customer was notified and had the opportunity to come to this meeting and speak.

**Chris Feddersohn motions to file liens agars the customer should the payments not be made by March 17, 2021- John Rea seconds-Spencer-yay-Kris Kilgore nay- motion passed**

Spencer Lipp asked how long the account has been delinquent - Melany Collett stated that it's been 10 months since the payments have been made and the customer was informed and also had the opportunity to speak at the meeting. John Rea spoke and stated that this customer has been delinquent in the past and several times over years.

Kris Kilgore speaks and says she thinks she knows who this is and that they know this person has worked out deals in the past with the District and asked if that was correct? Chris Feddersohn state that is not true and last time this happened the customer paid their balance 24 hours before the disconnection of water service was to take place. Kris Kilgore states that this mention of addresses could be humiliating experience for the customer. Chris stated that the customer could have requested an executive session. Melany Collett spoke and said that the customer was given the opportunity in writing to request to appear before the board prior to the meeting . Melany states the customer did not reply or ask to speak to the board.

**8. Payment of bills-**Although left off the Agenda the board agrees to add them to the agenda-

**Chris Feddersohn motions to pay the bills-John Rea seconds-passed unanimously**

**9, Approval of Minutes from January 23, 2021 meeting-**Melany Collett states that Spencer Lipp contacted her with some corrections on a couple items on the minutes that she was doing incorrectly. , Melany stated that she needs to correct past minutes as she spelled "nay" as "neigh" and if someone voted "nay" the motion did not pass unanimously . Melany stated that she will correct last minutes.

**Chris Feddersohn motions to approve the minutes with corrections to follow-Spencer Lipp seconds-passed unanimously**

**10. Public comment** -John Rea says we have accomplished a lot at that this board is moving ahead quite nicely.

**11, Setting of Agenda, Time and Place for the next meeting** - March 27, 2021 at 10 am  
via teleconference and the Special Meeting at 12 pm after the regular meeting

**12. Adjournment of the meeting - Chris motions to adjourn the meeting-Kris Kilgore seconds  
- passed unanimously**

Meeting adjourned

Attest  \_\_\_\_\_

Date 4/24/21

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