

HILMAR COUNTY WATER DISTRICT
BOARD OF DIRECTORS MEETING
February 1, 2022

Members present – Jim Jones, Frank Hilliard, David Anderson, David Alvares and Jim Gerdes.

Members absent – None.

Public in Attendance – None.

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Action Items

A motion to approve the Consent Items was made by Jim Gerdes and seconded by David Anderson. Motion passed 5-0.

A motion to approve Bills Payable: February 2022 was made by Jim Gerdes and seconded by Frank Hilliard. Motion passed 5-0.

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The meeting was called to order at 5:26 p.m. by President Jim Jones.

Consent Items – A motion was made and seconded to approve the Consent Items.

Public Forum – None.

District Manager’s Report –

Curtis Jorritsma reported our water loss for January was 7%. The total water billed for January was 13.312MG and the total pumped was 14.315MG. We continue to work to figure out the new reports from the billing system to report water used as accurately as possible. TSS and BOD were both below the standard of 40mg/L. TSS was 31.55mg/L and BOD was 39.5mg/L. The average flow at the plant was .356MG, the max flow was .382MG and the total flow was 11.059MG.

Curtis went over the different format of the income sheet, that is distributed on a monthly basis, with the Directors. Staff has added a section to reflect the amount billed to the customers for the previous year. Looking at the current sheet, the amount billed for January 2022 is lower than January 2021, we anticipated this based on the new rate structure.

Curtis provided follow up on the contract with Besst, Inc. for the well profiling services, that was approved at the last board meeting. We are scheduling a kick off meeting for next week.

Curtis informed the Board we have locked off the water connections at the 12 new home projects within the Villa Cordoba subdivision. The reason for this, was the plumbing to the meter boxes was done incorrectly and after various attempts to have the developer address the issue, it had not been corrected. During the prior phase, we had an issue with the fittings on the house side being galvanized and when Cody installed the meter he changed out the galvanized with brass fittings and we informed the developer what we had done. With the new phase, the plumbing is completely incorrect and we are

not able to install the meter. The plumbing company is not the same company as for the prior phase. There have been various communications via email and phone regarding this issue and it has not been corrected. As of January 21st, we gave a week notice to the developer to have the issue corrected and stated that if it was not corrected we would be locking the water connection to all 12 lots. As of January 31st, there was no communication and the issue was not corrected. Staff proceeded with locking off the water. We will restore the service once the plumbing issue has been resolved. Mr. Alvares inquired, if there's fines for tampering with water connections? Curtis replied, we do have policies in effect regarding procedures for customers tampering with water connections.

Curtis provided a Grant update. We should receive results for the SCADA Grants sometime in March. Mr. Spencer Supinger will follow up with his office as to when the District may have results of the funding for the Storage Tank and additional Transmission Main. Mr. Anderson asked, if these funds are from the new infrastructure funds? Curtis replied, no. We do have shovel ready plans ready to go if an opportunity becomes available from the new infrastructure funds. We are still proceeding with capital projects we have earmarked for the District.

Director Reports – Mr. Hilliard inquired if the issue with the generator at Well #7 has been resolved? Curtis replied, we have not pin pointed the issue, as we have not had another instance of the well going down. Mr. Hilliard asked if the generator is still under warranty and the answer was no. Mr. Alvares asked if the storage tank would help our water pressure, if the well were to be offline? Curtis stated, Scada will be a tool to check the system is working thus assisting staff in avoiding water disruption to our customers. Mr. Spencer Supinger stated the tank will have alerts if the water level is getting low etc. Mr. Jones inquired if we have received a quote to install the fence at the pond on Bloss. Curtis stated he did receive one quote that was over \$40,000.00. Staff was directed to get an additional quote from Denair Fencing.

Action Items –

- A) The bills that are due to be paid in February were presented. Curtis went over the amounts for Foster's Pump that's a little over \$9,000.00. This consisted of maintenance items at the WWTF and the Shoreen Station. The other item was for Applegate Teeples, this was for the Shoreen Station, the wet well was filled with solids and debris and they came and pumped it out. Mr. Gerdes inquired as to what was "Bug on a Rope" from Aquafix? Curtis informed the Board this is a product that helps breakdown fats and oil. It breaks it up enough that it keeps it out of the wet wells and keeps pushing it to the WWTF. We are seeing a benefit. There's been less amount of debris at the Echo Station. A motion was made and seconded to pay the bills presented.

Discussion Items –

- A) Curtis presented the six-month budget figures. The budget is reflecting we are slightly behind in our revenue, but we are anticipating, based on the updated rate structure, to end up on schedule. Expenditures are trending as expected. Wells Maintenance is reflecting \$26,000.00 over budget and this is due to the purchase of the material to replace all the rotating equipment for Well #7, if it goes down. The board made the decision to be pro-activate by purchasing the parts. We did transfer funds from the Water Replacement Fund in the amount of \$45,950.00. Note was made on the Wells Maintenance line that funds were transferred and that the

expense was not paid from the general fund. The same goes for the Engineering line item, for the grant writing services, in the amount of \$15,000.00, funds were transferred from Water Projects to pay for this service. Staff is exploring ways to show budget adjustments and transfer of funds in a more suitable format. Restricted Funds, there's not much development going on. We have expensed \$19,650.00 for the Safety Improvements. The total budgeted is \$333,085.00. We plan to construct the WWTF Safety Improvements in the Spring.

- B) The question, "may the Board increase their compensation above the \$100 per day, and if so, what is the proper procedure?" was asked at the last Board meeting again. Back in April 2019, Mr. Stuart Spencer, provided a legal memorandum regarding this question. And the answer was yes, the Board may increase the \$100 per day, by enacting an ordinance, but not by more than 5% each year, and only after a public hearing is held and publication in a newspaper. Curtis asked Mr. Stuart Spencer to verify the information provided in 2019 was still valid. Mr. Stuart Spencer stated there have been no changes to the Board Compensation Rules. Our last ordinance was updated in 2011. The draft should include an adjustment of 5% from the last adjustment. No back pay is to be provided. Mr. Gerdes stated for the adjustment to not be higher than the cost of living or to not exceed the percentage amount employees would receive as a raise for the year. The draft should also state, the raise to be based on the cost of living and to not exceed 5%. Mr. Hilliard stated he agrees with an increase, but is hesitant since the customer rate structure was recently changed. After further discussion, staff was directed to draft an ordinance to increase board compensation.

Closed Session

The Directors Convened to Closed Session at 6:24 p.m. to conference regarding the Existing Litigation (Government Code Section 54956.9(a)). Name of Case: Hilmar County Water District v. The Dow Chemical Company, et al.

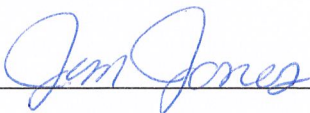
Directors returned to Open Session at 6:31 p.m. Staff was given direction by the Board.

There being no further business the meeting was adjourned at 6:31 p.m.

Respectfully Submitted,



Approved by:



Board Member



Date