



Inverness Public Utility District

Fire Department ~ Water System

50 Inverness Way No., P.O. Box 469, Inverness CA 94937 ~ (415) 669-1414

Board of Directors

Minutes, Regular Meeting

Wednesday, July 28, 2021, 9:00 a.m.

Teleconference

1. Call to Order; Attendance Report

President Emanuels called the meeting to order on Teleconference at 9:10 a.m.

Directors Present: Kenneth J. Emanuels, Kathryn Donohue, Brent Johnson, David Press

Directors Absent: Dakota Whitney

Staff Present: Shelley Redding, Clerk and Administrator; Jim Fox, Chief of Operations; Wade Holland, Customer Services Manager

Public Present: Nicole Bartolini, Joshua Garcia, Skip Shapiro, Jerry Meral

2. Public Expression

No member of the public asked to address the Board.

3. Approval of Minutes: Regular Meeting of June 23, 2021

Director Donohue requested a correction to the vote on Item #9 (Ordinance 101-2021: Replacing Water System Regulation 117) to record that she voted No. *M/S Donohue/Press to approve the minutes of the Regular Meeting of June 23, 2021, as corrected.* **AYES 4, NOES 0**

4. Management Report

Financial Reports: Administrator Redding presented the financial reports for June 2021, noting that staff is still in process of closing out the fiscal year in preparation for the audit and would present final reports for June 2021 in August. President Emanuels noted that the budget to actual report shows personnel costs over budget by \$100,000 and water revenue below budget. Staff explained that these were due to increased staffing costs because the Chief of Operations has delayed his retirement and remained on full-time status and of additional staffing needs; water customer revenue is down because of drought conservation.

Capital Projects Accounting, June 2021: Administrator Redding presented the current capital projects report.

Tenney Tank Project Update: Superintendent Fox reported that the project has been delayed due to supply chain issues and noted that changes to the engineering for the tank pads had to be performed because of recent changes in the AWWA Standards. He also noted that the drought will impact our ability to fill each new tank for approval for use so we may need to get creative on sourcing water for that purpose. Director Johnson asked if the tank project will be completed during the dry season, and Superintendent Fox responded that he couldn't speculate on that at this time.

MWPA Update: Director Donohue stated that there is nothing new to report from the MWPA Board but noted that outreach has increased in local publications, on the FIRESafe Marin website, and on social media to get the word out about programs and activities. Chief Fox reported that the MWPA will start Defensible Space Inspections during the coming week. He also reported discussions with MWPA about

BOARD OF DIRECTORS: **KENNETH J. EMANUELS**, PRESIDENT • **DAKOTA WHITNEY**, VICE PRESIDENT
KATHRYN DONOHUE, TREASURER • **BRENT JOHNSON** • **DAVID PRESS**



SHELLEY REDDING, ADMINISTRATOR • **JAMES K. FOX**, CHIEF OF OPERATIONS

clearing of evacuation routes and identifying CEQA requirements. He also reported a discussion with State Park employees about clearing evacuation routes and the efforts that MWPA is taking with the environmental consultant to facilitate clearing of access to Mt. Vision Road. Director Press also noted that for areas adjacent to the Seashore, National Park Service staff may be able to bring in equipment.

State of the Water Shortage Emergency: Customer Services Manager Holland noted the documents in the packet that show current year data compared to previous years for production vs. streamflow. It was noted that streams are starting to dry up. He said that surveys will be sent out to customers in August in preparation for the possibility for rationing. He said that staff is recommending that a public hearing be scheduled during the August Board meeting on putting water rationing in effect. President Emanuels asked what would trigger rationing. Holland responded that it would be based on prolonged inability to keep the tank storage system adequately filled or if there is a major event, such as a serious treatment system breakdown or a major leak. Staff anticipates first implementing Stage 2 with severe restrictions on outdoor watering. Discussion followed about staff process for monitoring usage, pinpointing issues, and responding to repairs, advice, and encouragement of conservation. President Emanuels asked about penalties. Director Donohue asked about outreach and communication, and about maintaining a safe reserve for fire protection. Staff responded that penalties are included in the regulations governing rationing and discussed the plans for continued communication with customers and how fire response would be managed.

Parcel Tax Committee: Administrator Redding and Jerry Meral reported that they had met and discussed the funding needs of the Water System and the Fire Department. After the meeting, Mr. Meral revised his initial draft of a proposed tax measure to allow more flexibility to the District. Mr. Meral noted that there is a general interest in the community to have the District increase its service resources. He recommends that the District consider moving forward to put a parcel tax measure on the ballot. President Emanuels noted that it may be more urgent to look at a rate increase for the Water System since it is currently operating at a deficit. Mr. Meral urged the Board to not underestimate the concern of the community. President Emanuels asked if Board members would be available to meet and discuss the parcel tax. Director Johnson and Director Donohue both agreed to meet with Mr. Meral and Administrator Redding.

5. Water System Report, June 2021

Senior Water Operator Ken Fox submitted the Water System report for June showing previous year comparisons. Superintendent Jim Fox also noted that because of the drought, fire hydrants are not being flushed this year but that staff is exercising the hydrant valves to be sure they are in good operational order. An increase in morning fog is helping somewhat, but as noted earlier, water availability in the watershed is very low. He reported that participation in the new Flume program is going well, and the devices will help customers to become aware of their individual usage patterns. However, some customers are finding that they cannot use the devices because they do not have Wi-Fi. Director Emanuels asked if there are any other water sources available. Superintendent Fox commented on the unsuccessful 1983 effort to locate ground water (wells) and explained that the agreement governing purchase of water from North Marin Water District via the intertie applies only to emergencies, of which shortage due to drought conditions is explicitly excluded. The District's strategy historically has been to focus on customer conservation.

6. Fire Department Report, June 2021

Chief Fox reported on a recent vegetation fire in Seahaven, possibly caused by downed power lines. PG&E was unable to respond for 45 minutes because they no longer maintain staffing at the Olema substation. However, they do now have enhanced capability to shut off power remotely, which is what they did in this case. Chief Fox also reported that several volunteers attended a live-fire training exercise and more such trainings will become available. Chief Fox also noted the launch of an app called Zonehaven, which provides real-time management of and information on emergency evacuations.

7. Resolution 258-2021: Enabling the Deferred Landscaping Exception

President Emanuels introduced the item and asked the Staff and Board for comments. Director Press asked for clarifications on the Resolution. Staff noted that the revised Regulation 117 was adopted at the previous Board Meeting and Resolution 258-2021 enacts the deferred landscaping exception that is provided for in Regulation 117 by which a new service connection can be installed during a water shortage emergency if the applicant agrees to not use System-provided water for landscaping while the water shortage emergency is in effect. Director Emanuels clarified that the exception can be removed by the Board at a future meeting. Director Donohue noted her concern that passing this resolution will set a precedent. Director Emanuels noted his support of the resolution and feels that the applicants Josh Garcia and Nicole Bartolini are far along in the permit process.

M/S Press/Johnson to approve and adopt Resolution 258-2021 enabling the Deferred Landscaping Exception in Regulation 117. AYES 4, NOES 0

8. Approve Flume Capital Project for \$21,000

Administrator Redding and Customer Services Manager Holland introduced the Flume Program Capital Project proposal, outlined the enrollment process and the partnership with both Flume and our customers. The allocated amount represents the District's subsidy to the program's participants; the expenditures will be amortized over five years.

M/S Johnson/Donohue to approve the Flume Capital Project in the amount of \$21,0000 as submitted. AYES 4, NOES 0

Staff member Holland left the meeting at 10:01 am

9. Approved Integrated Accounting Software Capital Project for \$28,235

Administrator Redding presented a report on the search for an integrated accounting software program that can address the needs of the District now and in the future by providing modules for Fund Accounting, Payroll, and Utility Billing. Administrator Redding recommended that the software that appears to best fit the District's needs is Black Mountain Software. She reported that the modules will be installed in phases to allow for data transfer, training, and implementation.

M/S Donohue/Johnson to approve the Integrated Accounting Software Capital Project by Black Mountain Software in the amount of \$28,235 as submitted. AYES 4, NOES 0

10. Adopt and Approve Fiscal Year 2021/2022 Operating Budget

Administrator Redding presented the proposed Operating Budget for the fiscal year 2021/2022. President Emanuels noted that the budget indicates that an increase in water rates is needed for the Water System. Director Donohue suggested a proposal on a water rates increase be prepared for the next Board meeting and that it include provision for automatic annual cost-of-living adjustments.

M/S Donohue/Press to approve the 2021/2022 Operating Budget as presented. AYES 4, NOES 0

11. Actuarial Services Agreement

Administrator Redding presented two service agreements for actuarial services for both the GASB 68 (retirement obligations) and the GASB 75 (OPEB obligations) reporting requirements associated with the annual audit. Administrator Redding noted that this service is provided at a discount through the District's membership in the California Special Districts Association.

M/S Johnson/Press to approve the engagement of Actuarial Retirement Services, Inc., to provide GASB actuarial services. AYES 4, NOES 0

12. Approve Expenditures and Credit Card Charges: June 2021

President Emanuels asked about a credit card expenditure on J Fox's Cal Card to June Curtis. Administrator Redding surmised that it is an error for Fire Department equipment purchased from L.N. Curtis and would be corrected.

*M/S Donohue/Press to approve the June 2021 expenditures as presented and the June Cal Card statements for S. Redding and for J. Fox as corrected. **AYES 4, NOES 0***

13. Committee Meetings/Reports

Administrator Redding noted that notwithstanding significant recruitment efforts for a new Fire Chief, the need to fill the position has been suspended because Chief Fox has decided to delay his retirement date until after the Tenney Tank project has been complete. She also stated that staff would like to meet with the Personnel Committee to discuss options.

14. Announcements, Next Meeting, Adjournment

President Emanuels adjourned the meeting at 10:32 a.m. The next Board meeting is scheduled for August 25, 2021.

These minutes were approved by the Board of Directors at the regular meeting on August 25, 2021.

Attest: /s/

Date: 8/25/2021

Shelley Redding, Clerk of the Board