

Herlong Public Utility District



Regular Board Meeting May 9, 2023

THIS MEETING IS HELD PURSUANT TO EXECUTIVE ORDER N-29-20
ISSUED BY GOVERNOR GAVIN NEWSOM ON
MARCH 17, 2020
PUBLIC PARTICIPATION

If you wish to make a general public comment or to comment on a specific agenda item, the following methods are available:

READ INTO THE RECORD AT THE MEETING: Submit your comment via email or drop box prior to the start of the meeting, provided that the reading shall not exceed three (3) minutes. Please state in your email that you would like this "read into the record". In those cases where the meeting author requests that the email be read aloud as though it were being delivered orally at the meeting, the email will be read aloud by the Board Clerk up to a maximum of three minutes. Comments received after the meeting has begun, will be placed into the record, and distributed appropriately. sandy@herlongpud.com

CALL TO ORDER: Director Everett called the meeting to order at 5:30 PM.

FLAG SALUTE: Director Everett led the pledge of allegiance.

ROLL CALL: Director Everett, Director Harris, Director Swistowicz, Director Flores, and Director Johnson were present.

PUBLIC COMMENT: Board Supervisor Jason Ingram shared upcoming county events. There will be a Career Opportunities Workshop in Susanville on June 1st. The HPUD General Manager and Operations Lead plan on attending. Also scheduled, is a District Five Townhall June 6th. Representatives from local emergency response, utility districts and community resource programs will be in attendance. Flyers will be posted on HPUD's bulletin board and at the Post Office.

APPROVAL OF AGENDA: Director Swistowicz made a motion to approve the agenda. Director Harris seconded. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None.

FIRE DEPARTMENT: GM reviewed calls and schedule, noting HVFD responded to all. A 3-day pumps operation training will be held at the College on May 12th-14th; all volunteers are signed up for. On the weekend of May 20th/21st volunteers will also attend a CPR and First Aid class for Volunteer Fire Fighters at the College. Director Flores asked if all equipment is now operational. GM let him know following purchase of equipment and upcoming training, the new brush truck will be up and running.

MINUTES: Nothing was added. Director Johnson made a motion to approve. Director Harris seconded. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None.

FINANCIALS: GM advised checks to Rapid Construction (in the amount of \$713,627 sewer, \$339,430.90 water) and Shaw Engineering (\$40,000) needed approval. Director Flores asked if this would be a monthly occurrence and what totals to date were. GM advised given structure of loan with the State and agreement with contractors, that yes, the Board would be presented with check requests each month for duration of project. Approximately 3 million has been spent to date. Director Flores made a motion to approve the checks. Director Swistowicz seconded then asked if financials had been approved. As they had not, GM explained that an outside CPA had

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looked over the 2022 Financial Statement and given HPUD high marks. Director Flores inquired who would make the year-end presentation. GM informed the Board the auditors would do so once their review was complete. Director Johnson made a motion to approve 2022 and First Quarter 2023 Financials. Director Flores seconded. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None.

CORRESPONDENCE: Director Flores asked if the Board would need to go into closed session to discuss the Workers Compensation documentation. GM advised it was information only being handled by the insurance company, no action was required by HPUD, they are still in the discovery phase.

WPV PROJECT: Engineer Paul Winkelman shared that the project is 45% complete. The crew expects to wrap up sewer mid-May. They had been behind due to inclement weather but have caught up and will soon begin water. Currently, the plan is to complete paving by the end of summer. He is made aware of all complaints. Paul Sorenson is addressing those with Rapid. The inverted speedbumps will be attended to as they worsen. Driveway aprons will be replaced as needed. OSHA was on scene the week of May 1st. They noted the shoring and told the construction crew to observe the heat index. There were no major concerns or fines. He also mentioned that there is the possibility of line breaks as they move back through the neighborhood, it is the nature of the project and why the pipes are being replaced. No one in the Mountain View or Hillcrest areas are hooked up to HPUD lines at this point. Rapid made the decision to route out the front of houses instead of the back. This is optimal and will save money. They are now coordinating with contract plumbers which has led to changes in scheduling.

Director Flores asked who chose the placement of the fire hydrant near his property. Paul Winkelman informed Director Flores that had been decided by former GM Pat Williams and Chief White. The Construction Crew followed the plan from engineering drawings from 2017. Mr. Winkelman also let the Board know relocation would cost the District \$10,000. Director Flores said he would discuss with neighbors and asked if funds were available at conclusion of the project, pending approval from the fire chief, that the hydrant be moved to a place that did not take away from his parking.

Director Swistowicz wanted to know what had come from the telephone pole Rapid had backed into and broken, and who was responsible for those costs. Paul informed the group he was not sure but expected Frontier would send a bill to Rapid.

POLICY 2330: Director Everett first suggested that Section 2330.7.1 COLA; the effective date, be moved from May to January. The entirety of the Board agreed and approved the amendment. The Board decided upon two rounds of discussion and voting. 1) Vote on approval of incentive pay. 2) Vote on percentage rate of incentive pay.

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The GM outlined employee accomplishments and let the Board know raises and incentive pay had been budgeted for, and approved, last year. She also let the board know that this policy had been put into effect in 2012 and staff had received a 5% incentive pay for all proceeding years.

Director Johnson said the GM's bullet points did not even begin to cover all that staff had done. She called attention to the special recognition the District had received because of the GM's accomplishments; that it was yet another reason why the Board should approve incentive pay.

The GM and Financial Manager had to explain that these monies had been earmarked for COLA's and incentive pay. Those funds would remain in the payroll budget even if the board decided upon an amount lower than what was set aside for 2023. They also broke down how the incentive pay was a onetime pay out not affecting benefits, the COLA would be a small increase reflected in each paycheck.

Each member shared their opinion on the agenda item. There was a lively debate, after which Director Swistowicz called for a vote. Director Everett asked for a motion. Director Johnson made a motion to approve a 2022 incentive pay. Director Everett seconded. Aye votes: Everett, Harris, Johnson. Nay votes: Swistowicz and Flores. Absent: None. Motioned passed.

The Board then discussed the rate of Incentive pay. After much back-and-forth Director Flores made a motion to approve a rate of 3%. Director Harris seconded. Aye Votes: Harris, Flores. Nay votes: Everett, Swistowicz, Johnson. Absent: None. Motion failed.

Director Swistowicz made a motion for a rate of 2.5%. Director Flores seconded. Aye Votes: Swistowicz, Flores. Nay votes: Everett, Harris, Johnson. Absent: None. Motion failed.

Director Everett made a motion for a rate of 4%. Director Johnson seconded. Aye Votes: Everett, Johnson. Nay votes: Swistowicz, Harris, Flores. Absent: None. Motion failed.

Director Swistowicz made a motion for a rate of 3%. Director Harris seconded. Aye Votes: Swistowicz, Harris, Flores. Nay votes: Everett, Johnson. Absent: None. Motion passed.

The Board then took up talks regarding a Cost-of-Living increase. Inflation, local and federal COLA amounts were discussed. Director Everett asked that someone throw out a figure. Director Swistowicz, Director Harris, and Director Flores said they would approve 4.75. Director Everett and Director Johnson said 5%. Director Swistowicz made a motion to approve a COLA of 4.7%. Director Flores seconded. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None.

GM REPORT: GM advised auditors will be here the week of May 22nd. She shared information regarding fire taxes and the associated revenue. The Board was informed about the newly signed federal wastewater contract that would bring in an additional \$9,000 monthly. She wrapped up by going over project reimbursements. The state is expected to issue payments by June 1st, 2023.

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15th ANNIVERSARY: The anniversary event is scheduled for Friday, June 7th from 11 AM to 2 PM. There will be hot dogs, chips and drinks. Flyers will be going out soon. Law enforcement,

DIRECTOR'S UPDATES:

Director Everett: No comment.

Director Harris: No comment.

Director Swistowicz: Asked how many times a year fire taxes go out. GM advised the bills are sent early December, with a follow up statement mailed in April.

Director Swistowicz asked why a deputy was present. Officer Becker informed the group that HPUD's conference is used as a Lassen County Sheriff substation.

Director Flores: Requested that a breakdown of the last six months of district bills be included in the June packet. GM told him that is already included in the financial statement. There are line items for every cost/GL item. Director Flores wanted something easier to understand. GM let board know the office will provide, time permitting.


Director Johnson: No comment.

ADJOURNMENT: Director Everett asked for a motion to adjourn. Director Swistowicz made a motion to adjourn the meeting at 7:10 PM. Director Harris seconded the motion. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None.



John Everett, President

ATTEST TO:



Tammy Jacob, District Clerk