

Herlong Public Utility District



Regular Board Meeting February 26, 2019

CALL TO ORDER: Director Wheeler called the meeting to order at 5:30p.m.

PLEDGE OF ALLEGIANCE: Director Wheeler led the pledge of allegiance.

ROLL CALL: Director Wheeler, Director Maguire and Director Johnson were present. Director Flowers was absent.

APPROVAL OF AGENDA: Director Maguire made a motion to approve agenda as presented, Director Johnson seconded. The motion carried: Yea votes: Wheeler, Maguire and Johnson; Nay votes: none; Absent: Flowers; 1 Vacant.

PUBLIC COMMENT: None.

MINUTES: Director Maguire made a motion to approve the minutes from January 8, 2019 as presented, Director Johnson seconded. The motion carried: Yea votes: Wheeler, Maguire and Johnson; Nay votes: none; Absent: Flowers; 1 Vacant.

FINANCIAL REPORT: Director Maguire made a motion to accept and file the 2018 Preliminary Year-end Financial Statements as presented, Director Johnson seconded. The motion carried: Yea votes: Wheeler, Maguire and Johnson; Nay votes: none; Absent: Flowers; 1 Vacant.

OLD BUSINESS:

APPOINTMENT FOR DIRECTOR VACANCY: Discussion and possible action regarding the filling the vacancy left by an unfilled seat from the November General Election. No applications have been received by the time the Board packets were done. Mr. Lee Harris has submitted an application for consideration to fill the vacant seat. Director Johnson made a motion to appoint Mr. Harris, Director Wheeler seconded. The motion carried: Yea votes: Wheeler, Maguire and Johnson; Nay votes: none; Absent: Flowers; 1 Vacant.

OATH OF OFFICE: President Wheeler welcomed Mr. Harris to the Board of Directors.

POLICY 3160 SOCIAL MEDIA USE: This is the final presentation of this policy for approval. Director Johnson made a motion to accept Policy 3160 Social Media Use, Director Maguire seconded. The motion carried: Yea votes: Wheeler, Maguire, Johnson and Harris; Nay votes: none; Absent: Flowers.

NEW BUSINESS:

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POLICY 2190 HEALTH AND WELFARE BENEFITS: This is a new policy that brings us into compliance with current regulations. This policy defines eligibility for staff for the District's benefit programs. This is the first reading, so please review and make any revisions for approval next Board meeting.

SDRMA ELECTION: Mrs. Raffelson's SDRMA term expires on the SDRMA Board at the end of this year. If the Board desires for Mrs. Raffelson to run for another term, you would simply need to make a motion nominating Mrs. Sandy Seifert-Raffelson and staff would follow up at the next meeting with a resolution. Staff is recommending making a motion for Sandy to run for another four-year term. Director Maguire made a motion to nominate Sandy Seifert-Raffelson the SDRMA Board, Director Wheeler seconded. The motion carried: Yea votes: Wheeler, Maguire, Johnson and Harris; Nay votes: none; Absent: Flowers.

GM REPORT:

WEST PATTON SEWER AND WATER IMPROVEMENT PROJECT: Mr. Williams has been working with the State on their financial review of the District. One issue that came up last week was the lack of a contract with the FBOP. Mr. Williams tried to explain and give background on this issue. The finance division staff has stated they will not complete their review until we have a contract. Their feeling is we simply need to demand this of the BOP. Mr. Williams asked them to review our financials without the BOP in them. Mr. Williams has reach out to the USDA loan/grant staff to see if they have funds available and staff has been told the funds are there for the project if we decide to change funding sources. The issue with USDA vs the State is that HPUD qualifies for 100% grant from the state. USDA max grant is \$1 mil per project so we could receive \$2 million in grant from USDA leaving round \$2.5 mil in loan. We do qualify for the poverty rate for the loan which is currently at 1.75% on a 40-year note.

SEWER INSPECTION CONTRACT: HPUD is required to do camera inspection every 5 years and it is time to do a 5-year video of SIRCO. The approximately cost is \$11,000. Mr. Williams will bring this back to the next meeting for future discussion and for cost approval.

HVFD DISCUSSION: Mr. Williams has gathered some data regarding the fire department that directly corresponds to how it impacts the Community. The first data set is last year's run, 140 calls last year and 75% were medical. HVFD was the 2nd busiest volunteer department in the County. Of the 140 calls total, only 7 calls staff did not respond to. Mr. Williams has talked to a few homeowners about their fire insurance rates & our ISO rating. Those I spoke to stated they have had a 20-25% reduction in their insurance this past year. Than there are a few parcels that County fails to bill because their property taxes are less than \$10. HPUD has about 140 parcels that fall

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into this category and that is around \$8K in possible revenue that was never billed. Another issue staff has with the County writes checks three times a year. There is never any detail for what the check is for and staff spends a great deal of time looking up information and waiting for return calls from the County. Staff has talked to Caselle about adding accounts receivable module for around \$5,000. Staff could bill the fire tax ourselves and include the previously unbilled parcels. Mr. Williams has taken over the monthly training programs with Chief White providing technical side of firefighting. One last piece of information is LAFCo has begun a county wide fire service Municipal Service Review (MSR). Mr. Williams has spoken to John Benoit about this and he feels that his doing a county wide combined document will allow him to make the recommendation to LAFCo that there be one county wide volunteer department. How this goes over with the County and Commission is unknown. This will be an on-going discussion.

FBOP NON-PAYMENT DUE TO SHUT DOWN: Staff received both December and January payments from the government. This shut down is a case in point on why staff need to have operational reserves in place. As you know this is not going to be an issue for the rest of this year but will be an ongoing possibility with the current state of politics in Washington DC.

REBATE: We received our rebate check of \$1,574 from Umpqua Bank for the past year, as you can see this program has a nice benefit for the District.

REFUND REQUEST: Staff has received a request from Connie Jenkins who manages the rental property for the owner. Both she and the owner paid the same bill. Usually a customer will simply let the credit roll over to the next month's bill, but she would like a refund. Staff recommends we refund Mrs. Jenkins \$62.17. Director Johnson made a motion to refund, seconded by Director Harris. The motion carried: Yea votes: Wheeler, Maguire, Johnson and Harris; Nay votes: none; Absent: Flowers.

FORM 700 & TRAINING: The annual Form 700 filing is due April 2, 2019. You can find a fillable PDF on line. For the new Board members there is a very good training opportunity with CSDA by attending their Special District Leadership Academy. This year's academy will be in Napa on July 7th – 10th. Classes are all day Monday and Tuesday and half day on Wednesday. If you would like to attend, please let staff know and we will make the arrangements. We also have SDRMA Safety Day on March 26 in Sacramento, this is good one day program which we ear CIP points which go towards a discount on our insurance with SDRMA.

DIRECTORS UPDATES: Free Webinar on Ethics – March 15th – free - reported and encouraged by Director Wheeler.

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ADJOURNMENT: Director Johnson made a motion to adjourn the meeting at 7:13 pm, Director Harris seconded. The meeting was adjourned at 7:13pm.

Cindy Wheeler, President

ATTEST TO:

Sandy Raffelson, Financial Manager