**Mendocino County Waterworks District II**

**Minutes of Regular Meeting**

**March 21, 2024, 2:30pm**

**Coast Life Support, Bill Platt Training Room**

**38901 Ocean Drive Gualala CA**

**and VIA ZOOM MEETING**

**Pursuant To Executive Order N-6-23 Issued by Governor Newsom**

**Meeting was called to order at 2:36**

**BOARD OF DIRECTORS ROLL CALL:**

Linda-Marie Koza - Present

Lisa Wieneke - Present

Donna Lemmon - Present

Alex McDonnell - Present

Jens Shelby - President (via Zoom)

**STAFF PRESENT:**

Chris Troyan, Acting General Manager (via Zoom)

Geraldine LiaBraaten, Acting Administrator/Bookkeeper

Susannah Cuesta, Acting Administrative Assistant

**DISTRICT CONSULTANTS PRESENT:**

Laura Ratcliffe, Hanson & Bridgett, Legal (via Zoom)

**PUBLIC PRESENT:**

None

**ADOPTION OF AGENDA** Wieneke moved to adopt, Lemmon seconded,Ayes 5, Noes 0.

**CONSENT AGENDA**

Minutes of Regular Board Meeting – 02-15-24

Wieneke moved to adopt, McDonnell seconded,Ayes 5, Noes 0.

**PUBLIC COMMENT:**

None

**REPORTS**

* General Manager report (Troyan) See Appendix 1. In addition:
  + Recommendation for salary review of Treatment Plant Operator referred to Budget Committee.
  + Followed through on a report of sewer smell, found nothing. Discussion of rumor that weekend rentals cause it. Koza reported the HOA tracks rentals, and there are only 10. More of the second home owners come on nice weekends, but no reason to think this puts a strain on the system.
  + Flow meters arrived, will be installed in coming weeks.
  + Port-a-Potty ordered for the plant.
  + Mosly working on the rate study, including 5-year budget for the District, looking at the most equitable way to calculate rates. Also will have to include reserves. Looking at all of the assets, what needs to be done, hoping to be able to include replacement of some of the Orangeburg pipe collection system. Will try to spread the needed increases over five years.
  + Grant Applications Status – John Pedri is working on three grant applications for District:
    - USDA Grant to reimburse District for the MH7 Emergency work looks very likely to be approved soon, $100K+
    - USDA Rural Development Grant for Planning - $30K, John Pedri thinks it can help plan for needed renovations, but not enough to look at regionalization
    - SWRCB up to $499K Grant for planning, farther down the road, higher priority of includes regionalization
* Financials report (LiaBraaten) See Appendix 2
* President’s Report (Koza)
  + Schedule for Rate Study & Prop 218 process:

Estimated:

April 4 – Budget Committee will meet to review initial study and consider the variables; followed by mailing to full board

April 11 – Board will vote on rate increase proposal

April 15 – Staff will mail rate proposal with ballots to District customers

April 18 and May 18 meetings are cancelled

May 31 – Public Hearing, final vote tabulation

* + LAFCo MSR/SOI Review was March 3 in Ukiah. Commissioners were familiar with the challenges faced by small districts. Their final report with recommendations is scheduled to be adopted at the same time as GCSD’s MSR/SOI report, at LAFCo’s May meeting.
* Attorney’s Report (Ratcliffe)
  + Reported on difficulty of getting answers from the County about our Conflict of Interest Code. Finally have it resolved.
  + Explained process for Board Members submitting their FPPC Form 700s by the deadline of April 2.
  + Will give new board member Alex McDonnell guidance on the required ethics and sexual harassment trainings.
  + Discussed legal budget for next FY 24-25. Will be considerably less than 23-24, because we’ve got most policies in place, will have completed the rate study and Prop 218, won’t be entering into 10 contracts (for MH7), Board will probably be able to meet less frequently
  + Policy Guidelines draft (adapted by Wieneke and Ratcliffe) circulated to all board members. Will be on agenda of April 11 meeting for adoption by the Board.

**ADDITIONAL ITEMS FOR DISCUSSION**

* Solar Power at WTP – It’s not clear there is enough room at the plant for a solar installation. Will put it on the list for planning when we have secured a planning grant. Weineke reported that there are grants available for solar.
* Treatment Pond Sludge update – There could be many reasons for occasional smells, not necessarily needing to be dredged. GM will keep a focus on this.

**ACTIONS TAKEN**

* 0 Authorize GM Troyan to enter into an Agreement with MC Engineering for USDA Rural Development Grant Application, not to exceed $5,500. Lemmon moved to adopt, Wieneke seconded,Ayes 5, Noes 0.
* Appoint Budget Committee: Approve Updated Schedule of Board Meetings - Lemmon, Koza, Troyan, LiaBraaten. Wieneke moved to appoint, Shelby seconded,Ayes 5, Noes 0.
* Approve revised schedule for Board meetings through CY ’24 (Appendix 3) - Wieneke moved to adopt, Lemmon seconded,Ayes 5, Noes.

**REQUEST FOR FUTURE AGENDA ITEMS - None**

**ADJOURNMENT at 3:41pm**

APPENDIX 1

**MCWW#2 General Manager Report**

**March 2024**

Since the last board meeting all the flow meters were delivered and the parts to install the meters has been ordered. Once the parts come in and if the weather stays favorable, we should be able to get the meters installed by the April board meeting. I also ordered the porta-potty for the WWTP and the bentonite chips to fill in the manhole we bypassed. Other than that most of my work this month has been on the rate study.

**Operations**

As far as operations go nothing major happen over the last month. We are still having to discharge more than usual due to the rain, but after this next storm I believe, we will start to go back to a normal discharge schedule.

Some of you may notice that the lab costs have gone up and that is attributed to the rain as well. The samples while discharging to the ocean consists of two BOD/TSS (Biochemical Oxygen Demand/ Total Suspended Solids), Coliform, and once a month an ammonia sample. The BOD/TSS test shows us how many microorganisms are in the wastewater by measure the oxygen demand, and the TSS test shows us how many solids are in the wastewater. These test are done on both the influent and effluent. The Coliform test gives a general indication of the sanitary conditions of the effluent before discharging. The ammonia test ensures are effluent does contain too much ammonia. If ammonia levels are too high, it can harm aquatic life and can cause algae blooms.

APPENDIX 2

MCWD2 Administrator’s Report for February 2024

Lots happening at MCWD2. Susannah Cuesta is getting close to having the knowledge to administer the finances. She has been studying accounting and I think she should be able to take over the basic bookkeeping in a couple of months or so. There is a lot to learn but she’s willing to spend the time. She has been listening to podcasts, reading her accounting textbook, and she asks questions that show she has the basics and is ready for the next step. She will be starting to do the entries when we have fully converted to QBO.

QB Online is proceeding apace. Taking longer than I had expected but we’ll be there soon. Have not transferred over the payroll so have to continue doing payroll in QB Desktop for just one (I hope!) more payroll.

Conversion is somewhat exacerbated by the partial cleanup of the QBDT files during the same period. Some of the bank accounts still need to be added to QBO.

The 218 process is going to be exciting and we’re all gearing up for it. Again, Susannah and I are working together with Chris on this to be sure we do all the steps properly and timely. This is going to require extra time on the part of everyone but I’m sure it will be worth it.

The financials (as I mentioned last month) look good because we took MH7 off the Profit and Loss and put it as an asset on the Balance Sheet. We’re still posting grant reimbursable expenses in the hopes that they will eventually be reimbursed when we get a grant. There were some new and large purchases in March which will show up in the reports at the next board meeting. I’m still tweaking the placement of general ledger accounts so they make better sense; it’s a bit of a slog but will help with setting up the 24-25 budget.

The transfer of funds to California CLASS made a big difference to interest income, which has nearly doubled. Lots to do still, but we can do it.

Geraldine LiaBraaten, Pro Tem Administrator

APPENDIX 3

MENDOCINO COUNTY WATERWORKS DISTRICT II

REVISED BOARD MEETING SCHEDULE

(AS OF 3/21/24)

|  |  |
| --- | --- |
| **Date/Type** | **Location** |
| **March 21** Thurs2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| **April 11** Thurs2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| ~~April 18~~ | Cancelled |
| ~~May 18~~ | Cancelled |
| **May 31** Friday 4:30pm | Elaine Jacob Center  38550 S Highway One, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| **June 20** Thurs 2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| **July 18** Thurs 2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| **Aug 15** Thurs 2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| **Sep 19** Thurs 2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| **Oct 17** Thurs 2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| **Nov 21** Thurs 2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |
| **Dec 19** Thurs 2:30pm | Coast Life Support  38901 Ocean Dr, Gualala  For agenda: [board@mcwd2.org](mailto:board@mcwd2.org) |