**KEELER COMMUNITY SERVICE DISTRICT**

**BOARD MEETING**

**(DRAFT) Minutes**

**July 20, 2021**

**Meeting Location: Zoom Meeting**

**Board members present:** Noah Bricker, Sheri Cosgrove, Jim Macey

**Public present:** Robert Spry, Tammy Hursell, Alice Robertson, Bruce Spry

1. **Meeting called to Order** 5:31 pm by chairperson Noah Bricker
2. **Old Business**
* Sheri Cosgrove made a Motion to Approve minutes from June 15, 2021, regular board meeting, seconded by Noah Bricker. All in favor.
* Sheri Cosgrove made a Motion to Approve minutes from July 6, 2021, special board meeting, seconded by Noah Bricker. All in favor.
* Customers’ report – Karen Riggs reported that 71 customers were billed; notices for arsenic and manganese MCL 2nd Quarter Notice were included. Mailing was delayed and three bills remain to be distributed. Karen asked if customers could be allowed to get their bills by email. Sheri requested it to be considered at the next board meeting.
* Financial report: Karen stated that balance at hand is $67,431.85 as of July 7. She was not familiar with interpreting the county financials and needed more guidance for a complete report in the future. A Motion to Approve the Financial Report without the expenditures and income was made by Noah Bricker, seconded by Sheri Cosgrove. All in favor.
* Approve transfer of petty cash from secretary/treasurer Leigh Mclendon to secretary/treasurer Karen Riggs. The balance was $300 at the time of the transfer. A Motion to Approve the petty cash transfer was made by Noah Bricker, seconded by Jim Macey. All in favor. Petty cash is currently at $241.65 with $58.40 having been spent on postage.
1. **New Business**
* **Update KCSD Bylaws**

Sherry Cosgrove created a worksheet of items needing change. **Article 4** Meetings: change from 6 to 5:30 pm. Approved.

**Article 6**: “Service discontinued at customers request.” Sheri Cosgrove explained that previously the customer could have the water turned off and they would not be charged. This is not the case anymore. Everybody pays every month. Jim Macey pointed out that “a ratepayer’s status could change,” and after discussion, it was suggested that phrase be added. Noah Bricker said when a ratepayer changes their tier, it should be in written form, with email being acceptable. The rates as he remembered them: $12 for a non-developed lot with a water service; $21 for a developed lot with a homestead on it or for irrigation; and $35 for a home living in actively $35.

**Article 7** Secretary bookkeeper changed from $300 to $400 to be congruent with current and recent contracts. All in favor.

**Signature Page**: there are four spots for signatures for when Mike Gibson was still on the board. Sheri will adjust to reflect 3 signatures.

**Rate Chart:** The residential rate has changed from $25 to $35 monthly. Tiers for $21 and $12 to be added. On “Intermittent or occasional use,” Noah said it would be hard to manage, so if somebody is in town for a day or three, their $21 monthly fee will cover that. “Obviously if we find somebody living in town 10 days out of the month, that’s another discussion. Sheri will strike “intermittent use.” Rate for truck water sales was $20 for 4,000 gallons previously.

Current rate is $50 for 4,000 gallons. Noah said it has been brought up multiple times that it must have a backflow check valve. Jim said in lieu of backflow check valve, there could be an air gap. Noah suggested amending the rate chart to say a backflow check valve or an air gap required. Bruce Spry said how about a meter supplied by the water user. Noah said if we’re selling water it’s up to us to meter how much is going out. Discussion centered on how much water a 4,000 gallon truck tank holds, with Bruce noting that it will hold more than 4,000 gallons. Noah agreed with measuring, but that was not the topic at hand.

**POU System** After discussion it was decided to keep the POU (Point of Use filtering system) Bylaws as part of the KCSD Bylaws because the state wants them to continue to be in use and to be monitored with testing. Sheri said in the event that we move forward with different POU equipment, the POU bylaws will be in place.

**Sheri will make those changes and bring them back to the board.**

Bruce Spry said there one more part: to go to the county register recorder’s office to get it recorded, but to make it legal, he said, you have to enclose notarized signatures of each board member.

Jim said Michelle Hartshorn had a version different to Bruce’s and we should look into it. Noah requested that Karen send an email to the recorder’s office to find out what is required what it would take to put the bylaws legally into place.

* Discussion/Approval of 2021-22 KCSD Budget

Karen said that what the KCSD Board of Directors budgeted last year in comparison to actual expenditures and income came out pretty close. Last year, revenue was expected to be $25,470 and $30,293 was actually brought in. Expenditures were also lower than budgeted. The general rule is to budget revenue low and expenditures high. Historically, the KCSD boards have kept expenses low. Over the last five years, the actuals have run pretty close to what was budgeted.

The big budget question this year is the cost of bottled water. Karen said it was her understanding the county said we needed to supply bottled water but can charge for it. Noah clarified saying that his email exchanges with Kathe Barton that bottled water was not required, but he said it was something that should be done under moral rules and ethics. However the purchase has turned out to be more than challenging, Noah said. Karen added that we ask people who are able to provide their own water to do so. We should budget it, but preserve it for people in need. After discussion, Karen was asked to investigate further the legal requirements and what category it would fall under in the budget.

If we are providing that much, we will end up going into the red, Noah said, which is obviously not where we want to go. He added that hopefully bottled water is a short-term solution and an additional charge for bottled is not something he is in favor of. If anything, to cover some of the cost, it may take a rate increase. Sheri said if it becomes an outrageous expense, we just have to raise the rates. That way everybody pays.

Noah said a working system needed to be in place: to get water when we actually need it, delivered, etc. etc. Alice asked if we have over $64,000, why are we not buying water, when the state has already said we will be reimbursed? Noah explained that he tried to buy water, had submitted a warrant to the county, but the warrant was not been fulfilled within 42 days, so Crystal Geyser cancelled the order. Noah said the cost is approximately $1,800-$1,900 for 8 pallets of water, .67 per gallon to the best of his recollection. A 10-day lead time, from the time it is ordered, is necessary.

Other than bottled water, the categories should remain the same. The budget needs to be finalized by Aug. 27.

* **Update on grant for bottled water:** Jim said the state has been moving very slow. It’s been a long time. “I’ll start ringing their bells for the lack of response, when I get home,” he said.
* **Discussion of outside sale of water:** Mike Gibson wanted this on the agenda. He said it was something that the community wanted to talk about. Mike’s not on the board anymore, but he thought it was important. Noah reiterated that every sale needs a contract in place, needs to be metered and has to have a black flow device or air gap needs in place. Alice said prior or current board members can’t make deals outside of a board meeting. General agreement.
* **Receive Completion of “Feasibility Study, Water System Improvements to Mitigate Arsenic and Manganese in Drinking Water, Inyo-Mono Integrated Regional Management Program 2021.”** Sheri said the Feasibility Study has just come out. It is the work of Carole Puryear. She has been working like mad on this and there is a grant involved, Sheri said. We need to address this at the next meeting and start looking at the options. Post the Feasibility Study publically. Alice said she would post it at the Post Office.
1. **Correspondence**: A letter from the Auditor’s Office describing the auditing process needs a board signature and to be returned to Inyo County. Communication from Omid, stating that the EARS report has to be submitted, even though it is past due, and money for Covid relief may be available once that is complete. Karen said he also intimated that the administrator will be in place by November. Alice said her sources assured her the administrator will be in place within two months. Karen also said we could submit a waiver for the citation fine, issued by Inyo County.
2. **Directors’ Reports:** None. Jim had to leave the meeting**.**
3. **Adjourned 6:36 pm**
4. **Public Comment**

*Not on the record*