



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, June 23, 2021, 9:00 a.m.
Teleconference

1. Call to Order; Attendance Report

President Emanuels called the meeting to order on Teleconference at 9:13 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, Ann Elliott, Woody Elliott, Bridger Mitchell, Ike Allen, Leslie Mikkelsen, Camille Ptak, Eric Moeller

2. Public Expression

No member of the public asked to address the Board.

3. Approval of Minutes

- Regular Meeting of May 26, 2021

M/S Johnson/Press to approve the minutes of the Regular Meeting of May 26, 2021, as submitted.

AYES 3, NOES 0, ABSTAIN 1 (Donohue)

- Special Meeting of June 3, 2021

M/S Donohue/Johnson to approve the minutes of the Special Meeting of June 3, 2021, as submitted.

AYES 4, NOES 0

4. Management Report

Financial Reports: Administrator Redding presented the financial reports for May 2021. President Emanuels noted that the 11-month financials are close to budget and acknowledged the revised budget action item later in the meeting.

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

Tenney Tank Project Update: Superintendent Fox reported that the project is well underway but noted that due to the State Water Resources Control Board's sourcing requirements for materials for the project, receipt of parts for some components have been delayed, but the contractor has been able to stay on schedule by working on other aspects of the project while awaiting parts. Director Johnson asked if the first tank's construction was still scheduled for mid-July, Superintendent Fox confirmed that this is the case.

MWPA Update: Chief Fox reported that the MWPA has now hired an environmental consultant. Chief Fox presented a map of the District highlighting all non-County maintained roads, which will be the focus for the District's evacuation route clearing efforts. Director Donohue reported that there is increased focus in the County on evacuation routes and noted that she spoke with Supervisor Rodoni who agreed that

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

there is a need for a regional focus on evacuation routes. Chief Fox also noted that MWPA has invested in participating in Zone Haven, a GIS Software intended specifically for notifying the public about evacuation routes during incidents. He said that he is actively participating in evaluating the platform to ensure its accuracy. Chief Fox also reported meeting with a Marin County Fire Battalion Chief and Marin County Sheriff Supervising Sergeant for West Marin about evacuation issues.

Added Agenda Item – Fund Accounting Software: Request by Administrator Redding to have an item added to the agenda.

M/S Press/Donohue to add Agenda Item Fund Accounting Software to the Agenda. AYES 4, NOES 0

Administrator Redding presented proposals from vendors for replacing the current use of QuickBooks bookkeeping software with a more appropriate fund accounting software that better meets the needs of the District. Administrator Redding requested feedback on the presented proposals and suggestions for specific criteria. Directors Johnson and Donohue made suggestions about requesting details of technical support and the data conversion process. President Emanuels and Director Donohue suggested acquiring the added information, narrowing the providers, and bringing back a proposal for approval at the Board's next meeting.

5. Water System Report, May 2021

Senior Water Operator Ken Fox submitted the Water System report for May showing previous year comparisons. There has been a dramatic reduction in streamflows from the previous year. Although an increase in morning fog has helped somewhat, water availability in the watershed is very low. Superintendent Jim Fox noted that based on the June meter readings, customers with high usage are being contacted directly by staff to encourage them to increase their conservation effort. Director Donohue asked about availability of water that could be purchased and delivered to our system. Superintendent Fox responded that all water systems are facing the same drought conditions and that water haulers are not accepting new clients so delivery of water by truck does not seem to be a possibility at this time.

6. Fire Department Reports, April and May 2021

Chief Fox reported that there have been very few emergency dispatches over the past two months. He reported that Marin County Fire is conducting live fire training events and some of our volunteers are scheduled to participate in these trainings.

7. Resolution 257-2021: Public Hearing on Adoption of Appropriations Limit for FY 2021/22

President Emanuels noted that renewal of the District's appropriations limit override must be placed on the ballot every 4 years; the next time will be in 2023. Customer Services Manager Holland noted that the 2020 data provided by the State Department of Finance shows that the County's unincorporated-area population has decreased slightly while the cost of living has increased significantly, by 5.73%. This increase is reflected in the calculated appropriations limit being set for next Fiscal Year 2021/2022.

President Emanuels opened the public hearing. No one responded to the invitation to address the Board about the appropriations limit. President Emanuels closed the public hearing.

M/S Johnson/Press to approve and adopt Resolution 257-2021 setting the Appropriations Limit for Fiscal Year 2021-2022. AYES: 4, NOES 0

8. Ordinance 100-2021: Mandatory Water Rationing

Discussion: Customer Services Manager Holland noted that minor changes to Ordinance 100-2021 since it was last presented to the Board are shown in strikeouts and underlining, but that there have been no substantive changes to the draft presented at the May 26 meeting that were not discussed previously with the Board. Director Donohue asked about the definition of "base year." Holland said that the "base year" is the most recent "normal" year – that is, a year in which there were no water shortage restrictions in effect and, presumably, customers were using water according to their normal usage patterns and habits. Director Donohue asked how commercial accounts and short-term rentals would be handled under the five rationing tracks. Holland explained that the five tracks are applicable to residential users only;

rationing allocations for commercial accounts would always be based on a declared percentage of the customer's usage in each billing period during the declared base year. Residential customers using their property for short-term rentals would be handled in the same manner as any other residential customer.

M/S Donohue/Johnson to adopt Ordinance 100-2021 as submitted. AYES 4, NOES 0

9. Ordinance 101-2021: Replacing Water System Regulation 117 (Water Shortage Emergency (Water Conservation Program))

Discussion: President Emanuels noted the addition at the Board's request of the deferred landscaping exception to the moratorium on new service connections during a Water Shortage Emergency; this is the only change to Regulation 117 since it was last reviewed by the Board. This exception would require an applicant for a new service connection to sign an agreement to defer landscaping installation until the Water Shortage Emergency has ended. Director Donohue expressed concern about adding new service connections during a drought. Director Johnson asked about the number of buildable lots remaining in the District. Holland answered that there are more than 50 undeveloped lots that are theoretically developable, but whether they are all buildable is open to debate. He noted that the system was designed after the Flood of 1982 for a maximum of 525 service connections, so the system is still eight connections short of design capacity. Since IPUD acquired the system in 1980, it has grown from 447 customer connections to today's 517 connections, which represents an average growth of less than two new connections per year. Director Johnson noted that a 2% growth rate seems low risk for the District.

Kathy Hartzell asked if the District could require new service connections to install on-demand water heaters, water conserving fixtures, and low-usage water appliances. Customer Services Manager Holland noted that while those were all good ideas, it does not appear to be within the District's authority to impose building code requirements, which is a County function.

President Emanuels noted that the District's ordinances do not go into effect until 30 days after their adoption by the Board, which delay provides the public with the opportunity to initiate a referendum. He asked that staff prepare for the next Board meeting a resolution activating the deferred landscaping exception, as provided for in Regulation 117 as adopted by the adoption of Ordinance 101-2021.

M/S Press/Johnson to adopt Ordinance 101-2021 as submitted. AYES 3, NOES 1

10. Ordinance 102-2021: Withdrawing Ordinance 82-1 (Prohibition of Water Wastage, Prohibition of Nonessential Water Usage, Mandatory Rationing of Water Usage) and Ordinance 78-2009 (Mandatory Water Rationing)

Discussion: Director Donohue asked about this ordinance's purpose. President Emanuels and Customer Services Manager Holland described it a housekeeping ordinance that removes older, obsolete and outdated, versions of the subjects covered in Ordinances 100-2021 and 101-2021 which were presented for adoption today.

M/S Press/Johnson to adopt Ordinance 102-2021 as submitted. AYES 4, NOES 0

11. Decision on Proceeding with Development of a Program to Sponsor Installation of Usage Monitoring and Leak Detection Devices at Customer Services

Customer Services Manager Holland described the broad application of Flume smart water usage monitoring and leak detection devices which staff is proposing to offer to our customers in a program in which the District would share the cost. President Emanuels asked if the customer would own the device. Holland said that staff is leaning towards having the District retain ownership. A Flume device acquired by a homeowner under the District's program will work only if installed within the District and at the property for which it was issued. Staff noted that the devices are easy to install. However, Flume will not work on a handful of our older water meters, so those meters will have to be replaced if those customers are interested in participating in the Flume program.

Initial purchase from Flume is proposed at 150 devices but more could be ordered if demand for the devices warrants. Flume will provide the units to the District at a discount from the normal price of \$199 (plus tax and shipping). Flume will provide IPUD with a dashboard on which the District will be able to

monitor the usage of the participating customers. Flume has agreed to waive its normal \$5,000 utility program setup fee and its \$2,500 setup fee for the dashboard. Use of the dashboard will be free for six months; thereafter, there will be a monthly fee of 99¢ per customer. Kathy Hartzell commented that she has Flume devices installed at her properties in Inverness and Larkspur, and their use had raised her awareness of her water usage, prompting her to replace her washing machine. She also offered to add a water conservation message to the Inverness Foundation/Association's upcoming election emailer.

Each of the Directors expressed support for the program. President Emanuels directed staff to proceed with developing the program and implementing it as soon as possible and to publicize it so as to encourage participation.

12. Decision on Rationing Track to Be Used in the Imminent Event of Water Rationing

Customer Services Manager Holland described that Ordinance 100-2021 defines five rationing tracks that the Board can consider using in the event rationing becomes necessary, and he requested that the Board express its preference for the track to be used this year so that staff can adequately prepare in case it becomes necessary to implement rationing quickly during the coming months. President Emanuels asked which rationing track staff recommends. Holland responded that staff regards Track 5 as being the most equitable. Director Press asked how staff will manage the IT requirements of implementing a rationing protocol based in part on the number of people in residence at each service. Holland responded that staff is assuming that by means of the Flume program, it becomes reasonable to require customers to monitor their own usage, so that the District would continue to read the meters only bimonthly. Director Press asked about an appeal process for violations. Holland confirmed that there will be two stages of appeals, one for minor violations that can be handled by the District's Administrator and one for major violations and appeals of administrative decisions that would be handled by the Board of Directors. An occupancy survey will need to be sent out to determine the rationing allotment for each residential service. Full-time occupancy is defined as being in residence overnight for at least 30 consecutive days or for 30 days within a 60-day period. A property being used for short-term rentals would be allotted the basic per-household allotment but no per-person allocation. Based on the Board's consensus, President Emanuels directed staff to assume that Track 5 is most likely to be used as the rationing protocol in the near term.

13. Acceptance of Extra-Help Work Agreements with Annuitants: Agreements with Wade B. Holland and Kaaren S. Gann for extra-help employment during FY 2021/22

President Emanuels and Directors Donohue, Press, and Johnson all expressed their appreciation for the continued service of both retired annuitants Holland and Gann.

M/S Donohue/Johnson to accept and approve the Extra Help Work Agreement with Wade B. Holland for Fiscal Year 2021/2022. AYES 4, NOES 0

M/S Donohue/Johnson to accept and approve the Extra Help Work Agreement with Kaaren S. Gann for Fiscal Year 2021/2022. AYES 4, NOES 0

14. Employee Pay Rates for FY 2021/22

Administrator Redding explained that the proposed pay rates reflect a 2% reduction from the 5.28% annual change in the San Francisco Bay Area Consumer Price Index for All Urban Consumers (CPI-U).

M/S Donohue/Johnson to approve an increase of 3.3% in employee pay rates for FY 2021/22. AYES 4, NOES 0

15. Approve CalPERS CERBT Fund OPEB Reimbursement for Fiscal Year 2020-2021.

M/S Press/Johnson to approve the CalPERS CERBT Fund Reimbursement request as proposed. AYES 4, NOES 0

16. Adopt and Approve Amended Fiscal Year 2020/21 Budget

Administrator Redding presented a revised budget for the current fiscal year that addresses some unforeseen changes in both revenues and expenditures.

M/S Donohue/Press to approve the revised budget for the Fiscal Year 2020/21 as proposed. AYES 4, NOES 0

17. Adopt and Approve Fiscal Year 2021/22 Budget

Administrator Redding presented a draft operating budget for Fiscal Year 2021/22. Director Johnson noted that staff costs are projected to be less than for the current year. Administrator Redding said that the projected personnel costs are based on the current staffing and do not include potential future hires for the Fire Chief and Water Superintendent positions to replace Jim Fox. President Emanuels and Director Donohue expressed a reluctance to approve the budget at this time and asked to meet with Administrator Redding to discuss a budget that includes assumptions for total staffing costs.

M/S Donohue/Johnson to defer consideration of the 2021/22 operating budget and to extend the budget for the current fiscal year for 60 days. AYES 4, NOES 0

18. Approve Expenditures and Credit Card Charges: May 2021

President Emanuels asked about several expenditures made to a temporary employee. Administrator Redding explained that an anomaly in the journal entries erroneously assigned a series of separate expenditure lines to the payee named on the first line in the series; the books will be corrected to show the correct payees.

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

19. Committee Meetings/Reports

Closed Session – Public Employee Appointment (Fire Chief Position) pursuant to Gov. Code Section 54957.

Director Emanuels adjourned the meeting to a closed session at 11:11 a.m.

The Board reconvened from the closed session ended at 11:32 a.m. Director Emanuels reported that no actions were taken in the closed session and that there will continue to be developments in recruiting for the Fire Chief position.

Director Press departed the meeting at 11:33 a.m.

20. Announcements, Next Meeting, Adjournment

President Emanuels adjourned the meeting at 11:34 a.m. The next Board meeting is scheduled for July 28, 2021.

These minutes were approved by the Board of Directors at the regular meeting on July 28, 2021.

Attest: /s/

Date: 7/28/2021

Shelley Redding, Clerk of the Board