

BEVERLY BEACH WATER DISTRICT MINUTES

APRIL 19, 2017

IN ATTENDANCE: Board President Jack Barbay, Board Members Gene Hogan, Tim Gross, Leon Nelson, and Kendra Holloway; Water Operator Ted LePine.

Gene Hogan passed out copies of the minutes from the meeting on March 15, 2017. Tim Gross passed out copies of the Draft Revision of the "Bylaws, Policies, Rates and Regulations" for the Beverly Beach Water District that he has been working on. Kendra Holloway passed out edit sheets pertaining to those revisions done by Tim. Jack handed out the following financial documents:

- (1) "BBWD Profit and Loss Report- July 2016 through March 2017"
- (2) "BBWD Income and Expense Report- July through February 2016 (Restated Budget)"
- (3) "BBWD Income and Expense Report- July 2015 through May 2016"
- (4) "BBWD Transaction Detail By Account-July 1, 2016 through March 15, 2017"

The meeting was called to order at 7:06 p.m. by President Jack Barbay.

WATER OPERATOR'S REPORT:

Ted said that everything is running fine; the tank is full, and the creek is producing pretty good water. For the leaks that were located, the owners have been contacted that they need to repair them, as they are on their property. They are mostly the frontline homes nearest the ocean. We are currently using about 1 ½ feet of water per day from the tank. It is heavier on the weekends.

The invoice for rental of the mud pump and diaphragm from Highland Water was for \$115.00. Such a pump, if new, would cost \$6,000. He stated this is not the equivalent of a trash pump.

Ted said that the guy we hired from ALD (American Leak Detection) was good. He said there was a miraculous change in water usage after the leaks were found and repaired. All the leaks were on individual services.

Ted said he still needs to put the seal kits in. Jack said he could help this coming weekend if he is not called into work. They decided on 10:00 a.m. on Sunday.

The system is still running on PAC. Ted said he switched to alum briefly when it was warm, but for now we are back on PAC. He was running the plant about every 4-5 hours and having to do a back flush, but now he is back to every 12 hours. He said he is getting excellent production from each run, and holding it a lot longer.

Ted said that the tree that is hanging over the dam in the creek is still in the same position, even after all the recent winds. It has not gotten worse since winter.

Jack asked what the phone number was at the plant. Ted said it is 265-2083. Jack said we need to get calls to the number forwarded to our answering service. The valid number for customer calls to be forwarded is 265-8083. This number, plus 265-1919, should both be on the web page.

*****Ted left the meeting at 7:19 p.m. as all water discussion was complete.*****

PAST MEETING MINUTES:

The minutes from the meeting on March 15, 2017 were read by those present. Gene made a motion that the minutes from the March 15, 2017 meeting be accepted, and the motion was seconded by Tim. In Favor: Jack, Gene, Tim, Leon, and Kendra. Opposed: None. The motion carried unanimously.

FINANCIALS:

Lurlyn Patrick, our accountant, is predicting a shortfall of \$22,614 for the end of the 2017 budget. Jack stated that maintenance and repair costs have been up, but hopefully the worst is over. Tim said we may need to raise the rates again.

Tim asked how soon Ted can test for Level 1; he thought it should be soon, and then we could cut out our necessity to utilize Darrel Lockwood's services. Jack said we need a Level 2 Distribution Operator and a Filtration Certification.

Gene asked why the water bills don't have the due date listed on them. Tim thought they did.

Tim was confused why if the Profit and Loss sheet was showing that we were \$10,000 in the black now, why do we show a projected loss of \$22,614 in June 2017?

Wages are \$20,000 more just for April-June 2017 according to Lurlyn's projected final 2017 estimates.

Tim said he will talk to Lurlyn and have it adjusted, and copy the results to Jack. It would be nice if we can be in the black.

The "Chemical and Testing" figures are off too. More has been spent to date than estimated. The "Accounting" figures are off as well. The "Utilities" category is also showing more expenditures to date than estimated.

The board spent considerable time analyzing the budget documents handed out by Jack, and was finding a lot of conflicting figures. Kendra stated that she would like to see the full July 2016 to June 2017 figures. Eventually the board decided to postpone further discussion of financials until such time as the figures could be corrected.

MOWING AGREEMENT:

Tim brought up the fact that his sons were mowing the yard around the district office building last year for \$60/month. He mentioned that sometimes the mowing payment schedule did not conform very well to when it actually got mowed. He recommended an easier schedule of just paying \$20/mow. Kendra made a motion that we change the agreement for mowing at the district office to be for payment of \$20/mow. This was seconded by Gene. In Favor: Jack, Gene, Tim, Leon, Kendra. Opposed: None. The motion passed un-opposed.

FINANCIALS (CONTINUED):

Jack said that the board would have to hit the budget hard next month, and he recommended looking at Lurlyn's report online for individual entries per month.

BYLAWS REVISION AND EDITS:

The board proceeded to go over the proposed revisions to the bylaws prepared by Tim, and the subsequent edits recommended by Kendra. Discussion ensued about disconnects and re-connects.

It was determined that the board needs to record when SDC charges are paid by customers, perhaps in a logbook or on a spreadsheet. Information such as the date paid, who paid, fees charged, connection date, disconnection date, etc. should be recorded so that determination can be made if new SDC charges are applicable after a lapse of a certain amount of time. The information would be in the possession of the accountant, Lurlyn.

All kinds of discussion followed with regard to various definitions and potential circumstances, and how the revised bylaws would clarify all potential scenarios.

Leon asked how much it would cost for the district to switch to the use of meters. Tim estimated a cost of \$1000/service connection.

Tim asked for board members to make suggestions to his proposed changes, and he said he would e-mail members the updated product for our re-suggestions before next meeting.

WEBSITE:

Leon asked if we had looked at the website. He also asked if we wanted the meeting minutes put on the website. The board responded "Yes."

ACCOUNTANT'S REVIEW:

Tim handed out copies of the "Independent Accountant's Review Report" from Signe Grimstad's

office. This was a review of the audit we had done. The filing fee charge was \$150 and Grimstad's fee was \$2100. Both bills were submitted to Lurlyn for payment. In addition, there needs to be a signature on the "engagement letter" for the coming year's budget.

ATTORNEY'S HELP WITH POND ISSUE:

Gene explained that he had e-mailed Dennis Bartoldus, our attorney, as requested by the board. He distributed a copy of the e-mail sent explaining our difficulties dealing with ODOT over the issue of the pond at the intersection of Beverly Drive and 121st Street. Jack asked what we paid \$399 to Mr. Bartoldus for, and Gene explained that he was working on how to handle our issue with ODOT. There was a question as to whether we actually paid it yet. Gene said he had not gotten an answer yet from Dennis Bartoldus as to how to proceed.

SERVICES FROM LURLYN:

The board discussed whether pre-approval of bill payment seemed reasonable before Lurlyn pays them. It was determined that probably only bills exceeding \$1000 needed to be pre-approved. Reports that the board would like to have in the future from Lurlyn were "Monthly Expenses", "Year-to-Date Expenses", "Budget Report Monthly", "Budget Report Annual", and a "Check Register."

A motion was made by Jack to adjourn the meeting, which was seconded by Tim. In Favor: Jack, Gene, Tim, Leon, and Kendra. Opposed: None. The motion carried unanimously, and the meeting was adjourned at 9:12 p.m.

Signed and respectfully submitted _____
Gene Hogan, Sec. Beverly Beach Water District- April 20, 2017