

# MINUTES OF PONDEROSA BASIN MUTUAL WATER COMPANY MONTHLY BOARD OF DIRECTORS' MEETING

February 21<sup>st</sup>, 2018

Meeting was called to order by Gilbert Bustos, President (by teleconference) 6:00 pm

**BOARD MEMBERS PRESENT:** Larry Jones, Troy Newlon and Teleconference  
Attendee: Gilbert Bustos, President BofD

**STAFF PRESENT:** Aleardo (Tuffy) Donati, Water Operations Supervisor; Art  
Leuchner, Water Operator; Alana Leuchner, Office Assistant

**GUESTS PRESENT:** 7

## MINUTES

Minutes were passed out and read by Board Members. Larry Jones moved to accept minutes of January 10<sup>th</sup>, 2018 and January 27<sup>th</sup>, 2018. Troy Newlon: 2<sup>nd</sup> Vote taken: 3 votes yes-**MSC**

## WATER OPERATOR'S REPORT

Tuffy Donati, Water Operations Manager began with an explanation to Mr. Skinner as to reason for not allowing videotaping of Board of Directors' meetings. Tuffy stated that the company had received numerous complaints on the Facebook page which is not the official website of Ponderosa Basin Mutual Water Co; and we cannot publish the Board of Directors' Board minutes until they are approved, so live taping then placed on a blog site is not feasible. He further stated that PBMWC has recently completed the task of getting an official website up and running and that the minutes that are approved will be published on PBMWC's new website which is [www.PonderosaBasinWater.com](http://www.PonderosaBasinWater.com). Tuffy related that the Water Company would once again return to monthly billing; all this will be detailed in the next billing along with any rate increases, if any. To be brought up for discussion later in the meeting. Tuffy mentioned that the new website will have pertinent information, i.e. Board Minutes; Member/Shareholders' Meeting Minutes; rate increases, watering days, etc. Tuffy communicated that the Board's decision had nothing to do with Mr. Skinner, but rather that on Facebook people can make incorrect or misleading statements, but that is not the official stance of PBMWC and we are not affiliated with it and the name selected at that social media site is very confusing for some. Tuffy stated that we do want to be involved and transparent.

Water samples this month are all good. Finally received our report back from the state. Everything fine. Received our operating permit; however there are several things to be taken care of by April 30, 2018. Need install meters for Wells #8, #9, & #10.

Watering Enforcement Plan—State needs to see that we are implementing that into our system. The state is mandating an enforcement of our watering days and watering hours. We now have a procedure for fines and charges that will be implemented who water on the wrong days and on the wrong time. There will be watering now for 4 (four) days a week for all addresses, thereby eliminating odd and even days for watering – in effect on April 1, 2018 -- which has already been approved by the Board.

Cross-Connection Survey—Tuffy related that we have had vendors (licensed cross-connection specialists) from Madera Co. and Merced Co. We were quoted \$15,000.00 up \$20,000.00 for the survey. We can't have the funds for that. What the survey consists of is someone going door to door, meeting everybody at every house

talking to them to see if they have a pool, Jacuzzi, fish pond, or a well on their property; and in the end document that and compile a report, submit it to the state; and the state makes the decision on how to proceed. Spoke to Ron Grissom from Merced and he said that we could do the fact gathering (in house) and that he would do the report and submit it to the state. Ballpark figure (average 10 minutes a house) x 316 connections with water. Backflow problems is that we have two commercial properties: the Fire House and Ponderosa Basin Chapel-not considered residential. Possibility they will have to purchase costly back-flow prevention devices.

Tuffy opened meeting to questions from the floor, there being none, the meeting progressed to the Financial Report.

### **FINANCIAL REPORT**

General checking account:	\$ 7,861.75	
Asset replacement acct:	31,062.52	
Operation Reserve	20,000.00	
Solar	32,447.14	(this acct to top out at \$48,150.00)

### **NEW BUSINESS:**

Discussion for position of alternate on the Board—we need somebody to help fill that position on the Board.

We need to vote on a couple of items that were brought up at the January, 2016 Board Meeting. There were three meetings that we didn't have agendas for—two of which there was no action taken; however there was one vote during the January, 2016, meeting; so in order to be compliant we open that back on to the floor to take a vote during the next Board Meeting. Tabled.

### **CROSS-CONNECTION PLAN**

Salary for fact gathering approximately: Tuffy \$955.00; Art \$858.00; Ron Grissom would charge \$300.00 to compile and submit report. Roughly \$2,100.00. Gil stated that he would like to see our own employees do the leg work. Larry Jones made a motion that our own employees do the leg work for the survey and have the professional report be compiled by the cross-connection specialist in Merced; Gil Bustos: 2<sup>nd</sup> Call for a vote. **MSC** Gil stated that you could use state approved questionnaires off the internet. Ron Grissom can supply the survey questionnaire according to Tuffy.

### **NEW BOARD MEMBERS**

Gil stated that at our Budgetary Meeting that Sandra Green stepped up and said she would help out with her knowledge and Gil nominated Sandra Green as a new Board Member; Troy 2<sup>nd</sup> **MSC** Sandra to have voting rights at commencement of our next meeting. Gil stated that the other person who has agreed to serve once again on the Board-Steve Jones. Larry Jones nominated Steve Jones as a Board Member; 2<sup>nd</sup> by Troy Newlon. **MSC** Howard Skinner said he might be interested in the alternate Board position; however he wanted to discuss it with his wife. Gil reported that the two Board Members just elected were replacing the two new Board Members who had been voted in, in June, 2018. The Board Members up for vote this year will be Gilbert Bustos, Larry Jones, and Troy Newlon.

**TABLED ITEM: REAPPROVAL OF JANUARY, 2016, PAYROLL ITEM**

**Informationally:** There were 3 board meetings that we were unable to find an agenda; fortunately two of those meetings had no action items; however, the January 7<sup>th</sup>, 2016 meeting had one action item, under NEW BUSINESS, Item #3; which stated: "Gil noticed that all the employee's payroll records have been reconciled over the preceding years with the exception of Tuffy Donati; Gil informed the Board that Tuffy's hours were reconciled and that he was underpaid by \$585.00 from the period of May, 2013 through December, 2014" Bob asked for a motion to pay Tuffy the outstanding amount – Steve Jones made motion, Larry Jones 2<sup>nd</sup> **MSC** unanimous.

(In speaking to the State they said the way to rectify this mistake, is to simply place it on another agenda and reapprove the expense. Gil asked for a motion to reaffirm the action item to pay Tuffy the \$585.00 which he was underpaid from May, 2013 to Dec 2014; Troy made the motion; 2<sup>nd</sup> Larry Jones **MSC**

**MONTHLY RATE INCREASE**

In the January 27, 2018, Budgetary Member/Shareholder's Meeting everyone in attendance received a copy of the proposed budget for 2018 as well as actual expenses during 2017. Due to the increases in PG &E the Water Company will not be able to sustain the cost at the current rate of \$80.00. Gil made a motion that beginning the month of April, 2018 that the rates be raised to \$90.00 per month. Troy asked if we shouldn't wait until the other Board Members who have just been elected could vote on this item at the March meeting. Discussion ensued about people being unable to pay their water bills. A suggestion made to wait until the June Annual Member/Shareholders' Meeting. More discussion about the Solar assessment. Tuffy said the Solar site has changed. Larry made a motion that we wait until June before raising rates; Troy 2<sup>nd</sup>; Board elected to table any action. Gil suggested putting in a mailer of the upcoming rate increase that will be voted on in the June, 2018, Annual meeting.

**DISCUSSION OPENED TO FLOOR.**

Question regarding automatic bank billing; discussion about bank service charges and late payments. Troy mentioned the influx of new renters. Discussion of not forgiving liens. We are set up on a fixed fees not usage fees. Discussion of survey mailed out – awaiting results – in order to get a grant. Discussion on improvement to infrastructure.

Per Gil, prior to 2015 we had never had a budget. First grant will be for water meters according to Troy Newlon. Discussion about catastrophic disasters/emergencies. Discussion turned to By-laws as to whether they had been lost. During the June, 2015 meeting, a new set of By-laws was passed; however, it was not recorded properly. This was not discovered until Bob Bartholomew, prior president of the Board had passed away. The By-laws will have to be reapproved at the June, 2018, Member/Shareholders' meeting. However, the By-laws were never lost.

There being no further questions, comments, or business Troy Newlon made a motion to adjourn; Larry Jones 2<sup>nd</sup>. **MSC** Meeting duration: 1 hour 7 minutes 7:10 PM

Transcribed by,

Bobbie L Hensley  
Office Manager