

Merquin County Water District

Minutes of the Regular Meeting

Of the Board of Directors

Tuesday, January 9, 2024

The Meeting of the Board of Directors of the Merquin County Water District called to order in regular session at 19684 Second Ave., Stevinson, California 6:00 p.m.

Present were, President Adam Azevedo, Vice President Freddy Oliviera, Director Rick Jones, Director Danny Drumonde, Absent: Director Phil Dores

President called the meeting to order 6:00 p.m.

Motions added to agenda:

Motion approving Meeting Minutes of November 14, 2023

Motion approving List of Warrants for January 9, 2024

Motion approving Transfer of Funds 8A

Protest meeting began. Protest letters received by MCWD were 26 out of 571 protest letters sent to property owners. The protest letter received was verified for parcel number and registered owners' signatures.

MCWD NEW PER-ACRE-FOOT WATER RATES BEGINNING 2024 WATER SEASON

Water Season Year	Maximum \$/AF	
	0-2 AF/acre	2+ AF/acre
2024	\$44.95	\$66.13
2025	\$44.98	\$70.55
2026	\$52.14	\$81.65
2027	\$53.26	\$82.18
2028	\$56.89	\$84.82

These rates are subject to adjustments by MCWD Board.

While protests were being reviewed District Engineer Eric Swenson addressed the question from Dave Nervino from the December 12, 2023 meeting.

Historical cost of water for MCWD from SWD:

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
\$ 7.00	\$ 17.00	NA	\$ 17.00	\$ 15.00	\$ 13.00	\$ 13.00	\$ 13.00	\$ 17.00	\$ 20.00	\$ 17.00

CCID maximum Water Rates as of 2021:

Projected Non-Critical Year:

	2021	2022	2023	2024	2025
Tier 1	\$ 17.00	\$ 19.00	\$ 19.00	\$ 20.00	\$ 21.00
Tier 2	\$ 56.00	\$ 59.00	\$ 61.00	\$ 63.00	\$ 65.00
Tier 3	\$ 102.00	\$ 106.00	\$ 110.00	\$ 113.00	\$ 116.00

Projected Critical Year:

	2021	2022	2023	2024	2025
Tier 1	\$ 28.00	\$ 29.00	\$ 30.00	\$ 31.00	\$ 32.00
Tier 2	\$ 65.00	\$ 68.00	\$ 70.00	\$ 72.00	\$ 74.00
Tier 3	\$ 104.00	\$ 108.00	\$ 111.00	\$ 115.00	\$ 118.00

Tier 1 – Surface Water

Tier 2 – CCID Groundwater Well Water

Tier 3 – Private Well Water

The President reopened the public hearing.

The secretary reported the number of valid written protests received of the 571 notices mailed to property owners. The valid written protest received numbered 26 out of 571 mailed protest notices.

President Adam Azevedo opened the floor for public comments on the 218 protest vote, no public comments received.

President closed the public hearing.

President Adam Azevedo requested a Motion to adopt the Resolution 2024-1 declaring and confirming the results of the proposition 218 protest vote and approving the proposed new district water rates 2024-2028.

Moved by Director Danny Drumonde, seconded by Director Rick Jones.

Motion Carried Unanimously

David Farnsworth presented the Audit for the Fiscal Year 2022-2023. He reported his findings as good, there was no evidence of fraud or anything. He had no difficulties with management, and he did not find any abuse or wasteful spending.

David presented an overview of the audit process:

Statement of Net Position

Statement of Activities-Income Statement

Financial Metrics

Conclusion.

Motion approving David Farnworth Financial Audit

Moved By Director Rick Jones, seconded by Danny Drumonde approving the Financial Audit for 2022*2023.

Motion Carried Unanimously

Motion approving Meeting Minutes of Dec 12, 2023

Moved by Director Danny Drumonde, seconded by Director Rick Jones approving meeting Minutes of December 12, 2023

Motin Carried Unanimously

MOTION ADDING AND APPROVING MINUTES of November 14, 2023

Moved by Director Danny Drumonde, seconded by Director, Rick Jones approving Meeting Minutes November 14, 2023.

Motion Carried Unanimously

Motion approving List of Warrants December 12, 2023

Moved by Director Freddy Oliviera, seconded by Director Rick Jones approving list of Warrants Dec 12, 2023 - \$84,293.69. Director Rick Jones asked if there are any other contractors available to do some of the work. Dave Nervino responded Mark Vierra may be of interest. Director Rick Jones asked to have the contact information shared with Jimmy.

Motion Carried Unanimously

Motion approving List of Warrants January 9, 2023

Moved by Director Freddy Oliviera, seconded by Director Danny Drumonde approving List of warrants January 9, 2023 - \$31,539.95.

Motion Carried Unanimously

Motion approving Checking Account Expenditures December 12, 2023

None

Motion approving Checking Account Expenditures Jan 9, 2023

None

Motion approving Financial Report for November 2023

Moved by Director Rick Jones, seconded by Director Danny Drumonde approving Financial Report November 2023.

Motion Carried Unanimously

Motion Addition of and Approving Transfer of Funds from Special Assessment Account to General Interfund Account 8560

Moved by Director Rick Jones, seconded by Director Freddy Oliviera approving the transfer of funds from Special Assessment Account to General Interfund Account.

Motion Carried Unanimously

Motion approving changing MCWD Board meeting time.

Moved by Director Rick Jones, seconded by Director Freddy Oliviera addition of and approving the change MCWD Board meeting time The Seconded Tuesday Meeting time will remain the same 6:00 p.m., the Fourth Wednesday Meeting time will be at 2:00 p.m.

Motion Carried Unanimously

**Correspondence
None**

Civil Engineer Eric Swenson:

1. **Discussion/Action:** Modification of MCWD's *Irrigation Rules* under various Sections include *Article VII, Section 7-28*, adding a prohibition of Synthetic Fertilizer in Distribution Facilities. Direct staff to make recommended Ordinance changes to reflect operations and fee changes since 2006. Initiate Ordinance Process for Rules modification.

MCWD's Irrigation Rules were last updated in 2006 (about 17 years ago). The District Engineer requested that Crystal and Jimmy review this document and suggest changes. The District Engineer has already identified the following Sections needing updating:

- 2-5. Water System
- 2-9. Penalty for Violation
- 3-1. Creation
- 3-2. Water Facility, Inspection, Compensation
- 3-6. Bookkeeper
- 3-7. Bookkeeper – Duties
- 4-1. Notice to Customers
- 7-7. Tampering and Damage to District Facilities
- 7-26. Basic Water Allotment
- 7-28. Nuisances

The Board may wish to assign 2 Board members to serve as a subcommittee to help guide this revision effort. The Board requested the staff develop a list of proposed changes/revisions to the Irrigation Rules and return these to the Board on January 24th.

2. **Discussion/Action:** Well 10R Status Update. One proposal from Calwater has been received and one proposal received from Quality Water Drillers.

Motion to approve Rick Jones to be point person for decisions on Well 10R

Moved by Director Danny Drumonde, seconded by Director Freddy Oliviera to approve Rick Jones to be point person for decision on Well 10R.

Motion Carried Unanimously

3. **Discussion/Action:** Approval of *Revocable License Agreement* for the pipeline crossing of the Eastside Canal near DW 7. MCWD staff working with SWD staff have completed a Revocable 7 year License Agreement for this proposed pipeline crossing. A CEQA *Notice of Exemption* (NOE) was filed for this project by the District Engineer on December 18, 2023. Unless the NOE is deemed invalid, construction could start after January 22, 2024.

Motion Accepting the Revocable License Agreement

Moved by Director Danny Drumonde, seconded by Freddy Oliviera accepting the Revocable License Agreement between MCWD and SWD.

Motion Carried Unanimously

4. **Discussion/Action:** Authorization for the MCWD Board Chairperson to sign a letter to the MSGSA requesting that SWD and MCWD be allowed to withdraw from the MSGSA and form their own GSA. At the December 14, 2023 MSGSA Meeting Chairperson Lloyd Pareira requested that if MCWD/SWD wanted to withdraw from the MSGSA they should send a letter to that effect to the MSGSA's attorney, Jeanne Zolezzi. Attorney Valerie Kincaid is preparing a letter for MCWD/SWD.

Motion authorizing MCWD Board Chairperson to sign a letter to MSGSA requesting that SWD and MCWD be allowed to withdraw from the MSGSA and form their own GSA.

Moved by Director Rick Jones, seconded by Director Freddy Oliveria authorizing MCWD to sign a letter to MGSA that SWD and MCWD be allowed to withdraw from the MSGSA and form their own GSA.

Motion Carried Unanimously

5. **Discussion/Action:** Authorization for the MCWD Board Chairperson to sign a letter to the MSGSA appointing a representative from SWD to replace Eric Swenson, MCWD District Engineer, with Rex Barney on the MSGSA Board effective April 1, 2024. The District Engineer recommends that Rex Barney replace his function on the MSGSA Board, the Strategic Planning Ad Hoc Committee, and the Coordination Committee.

Motion authorizing MCWD Board Chair to sign a letter to the MSGSA Rex Barney to replace MCWD Eric Swenson.

Moved by Director Danny Drumonde, seconded by Director Rick Jones authorizing MCWD Board Chair to sign a letter to MSGSA appointing Rex Barney to replace Eric Swenson, MCWD District Engineer on the MSGSA Board from April 1, 2024 to April 2025.

Motion Carried Unanimously

MATTERS FOR THE GOOD OF THE DISTRICT

Francisco Valencia attended the meeting to dispute an interest charge and lien which had been placed on his property 055-030-023 for maintenance on the irrigation line. He stated he was not living on the property at the time the maintenance bill was mailed and did not receive the maintenance bill at the address where he was living at the time. He agreed to pay the maintenance portion of the bill and asked forgiveness of the interest portion of the bill.

Motion to forgive the interest portion of a maintenance bill for Francisco Valencia.

Moved by Director Danny Drumonde, seconded by Director Freddy Oliviera to forgive interest for a maintenance bill for Francisco Valencia.

Motion Carried Unanimously

OFFICE

Crystal reported QuickBooks desktop will expire the end of this year. The cost for a desktop version of QuickBooks will be \$640.00.

Maintenance

Well 16 panel box and meter box burnt out, Chipponeri Electrical made necessary repairs. Repairs on Stork pipeline. Burned brush piles on Gooseneck, Hotel and McDonald laterals. Began Spraying the opening ditches and the irrigation boxes.

MOTION TO ADJOURN TO CLOSED SESSION

Public Employment

California Government Code Section 54957

Titles: Lead Water Tender, Ditch Tender, Secretary and Office manager

Moved by Director Danny Drumonde, seconded by Director Freddy Oliviera to adjourn to closed session.

Motion Carried Unanimously

MOTION TO RETURN TO OPEN SESSION

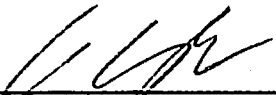
Moved by Director Rick Jones, seconded by Director Danny Drumonde to return to open session.

Motion Carried Unanimously

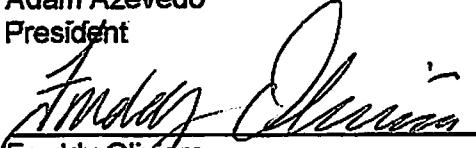
MOTION TO ADJOURN

Moved by Director Danny Drumonde, seconded by Director Rick Jones to Adjourn.

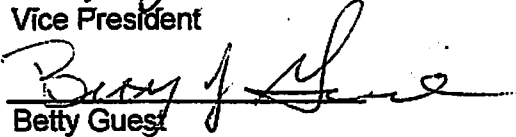
Motion Carried Unanimously



Adam Azevedo
President



Freddy Oliveira
Vice President



Betty Guest
Secretary