



Volcano Community Services District | MINUTES

June 1, 2023 | 7:07 pm | Armory Hall, Volcano CA

Meeting called by N. Bailey, President

Acting Secretary: R. Korematsu

Directors Present:

N. Bailey, C. Corral, R. Korematsu, M. Sorenson
J. Norcross

CONSENT AGENDA

May 2023 Regular Minutes and May 2023 Expenditures were on the consent agenda. Checks were issued in the amount of \$7455.58 and deposits in the amount of \$13,251.15.

MOTION: J. Norcross made a motion to accept the May 2023 Regular minutes and May 2023 Expenditures. C. Corral seconded the motion.

AYES: Unanimous.

Consent Agenda APPROVED.

STAFF REPORTS

1. *Billing Secretary – I. Dana*

Nothing new to report.

2. *Treasurer – N. Bailey*

See expenditures above.

3. *Secretary – R. Korematsu*

Correspondence received from the County regarding removal of Chinese Trees of Heaven near the water tanks.

4. *Hall/Park Manger Report—N. Bailey*

Nothing new to report.

5. *Meter Reader's Report – R.Zehender*

Some estimates were corrected and bills will be sent. R. Zehender will follow up on the email from Jim Miller and also discuss his findings with N. Bailey.

DISTRICT ENGINEER (DE) REPORT – Joel Mottishaw & Nick Lawson

1. EAR submitted by M Gottstein & N. Lawson. Annual EAR is done. (Remove from agenda)
2. Monthly Cleveland Tunnel flow (treated & untreated including diverted via black pipeline)
Email from D Ketron stated he went into the tunnel. Flow was 16 gpm to plant, weir overflow was estimated at 40 gpm, black pipe is 2 gpm.
3. Lead and Copper testing July-September. Procedures and letters to customers. M. Gottstein has made the forms and DE will deliver to the customers. The window is June 1 through September 30th for completion of the lead and copper testing. The DE has the bottle sets already in his possession.

4. Meter #60 Status repair/replace. The DE said the meter appears to be an easy repair and project will be done by July 6th.
5. Review of completed testing requirements for current quarter per Water Quality Mentoring Plan. Engineers to report on completion and Q2 requirements. Nitrates and Nitrites and perchlorate sampling may have already been done, DE will check his records.
6. Build weir outside Cleveland Tunnel. Consult with D. Ketron. Mr. Ketron has a great idea that is cheaper and less labor intensive, running a 2" pipe with a dam in the tunnel, then the pipe captures the flow over the weir and flow out of the 2" pipe. Mr. Ketron will shoot the grades and the DE will get prices on schedule 80 and schedule 40 pipe for the Board.
MOTION: N. Bailey made a motion for the DE to work with Mr. Ketron and authorized the DE to spend up to \$1000 on the construction of the Cleveland Tunnel weir. C. Corral seconded the motion.
DISCUSSION: None.
AYES: Unanimous.
MOTION APPROVED.
7. Develop capital improvement plan so District can prioritize projects. M. Gottstein will send DE an example of a capital improvement plan. M. Sorenson has been discussing with the DE, still in progress. A list will be created for the Board to review/prioritize.
8. Watershed survey due October 1, 2023. Who conducts? The DE went to a water conference and California Rural Water Association will do the watershed survey for a cost. M. Gottstein will look in the archives to see if we have any records. The DE will check with George Barnes for the last watershed survey.
9. Safer Clearinghouse: M. Gottstein, N. Lawson and R. Zender. This is the monthly usage data by category type. I. Dana and R. Zehender worked with M. Gottstein to create a system that is used by the DEs for reporting purposes.
10. Shut off water to customers who received notices and did not respond to make payment arrangements. The customers sent letters have until June 9th to contact the District with a payment plan or to pay their bills.
11. Meters 42 & 59 high monthly usage. Leaks on customer side of the meter. DE recommends giving them some time to fix the leaks. Meter #59 owner has been contacted verbally by J. Norcross. N. Bailey will be sending letters to the affected properties.

REGULAR AGENDA

1. CCR revised due July 1, 2023. N. Bailey will follow up. The CCR was emailed, but a revised report will be coming out.
2. Water Shut Off Notices sent May 9, 2023. Informational. We have a customer who wants to set up a contract with the customer to pay more than their regular water bill.
MOTION: R. Korematsu made a motion to that the VCSD will set up a payment plan for customers who need to catch up on their water bills for a period of no longer than 9 months, working with the customers on an individual basis. J. Norcross seconded the motion.
DISCUSSION: The specific wording of the motion was discussed.

AYES: Unanimous.

MOTION APPROVED.

3. Aqua Tech: Plan is to install bands around Redwood Tank June 6, 2023. Informational. The work will commence on June 6, 2023.
4. Audit update 2 final documents sent May 30. 2023-N. Bailey. Thanks was extended to C. Corral for all the hard work she did working on the audit.
5. Sharon Owens: Letter sent to home address returned as undeliverable. No indication that the letter sent to the school was received. Email of letter sent was confirmed. Due date to provide the materials/documents requested- May 31, 2023. **ACTION.** An email was received with a receipt that she had sent a 35-pound box, which should be coming soon. M. Sorenson will pick up the box.
6. Thanks to Janie and Michael Sorenson for getting the rate increase letters out, and M. Gottstein for all her help.
7. Notice to customers with suspected water leaks must repair per a 2021 Ordinance. **ACTION.** This has been covered previously earlier in the discussion.
8. Michael Adams letter of agreement for financial services status-M. Gottstein. **ACTION.** MOTION: N. Bailey made a motion to accept the letter of agreement and C. Corral seconded the motion.

AYES: Unanimous.

DISCUSSION: J. Norcross requested the hourly cost amount, and the email detailing this information was read aloud.

MOTION APPROVED.

9. Status of Secretary position-R. Korematsu. Advertise in papers? R. Korematsu will be willing to continue for another year in the Secretary position at the current workload.
10. Notice of proposed water rate increases posted and sent. Informational. Two letters will be prepared for the July 1st meeting.

Hearing for those who wish to address the board (limited to 3 minutes per person)

Linda Lancaster representing the Alberta Hale Land Trust: As far as the moratorium on any new houses being added, is this still in effect? The Board assured her that the moratorium is in effect and no new homes have been added.

Meeting was adjourned at 8:42 pm.

NEXT REGULAR MEETING: July 6, 2023 AT 7:00 PM

Submitted by:


Rebecca Korematsu, Secretary (A)



Volcano Community Services District
P.O. Box 72
Volcano, California 95689

BOARD OF DIRECTORS

NANCY BAILEY, Chair (209) 296-4899
CYNTHIA CORRAL (408) 646-7997
REBECCA KOREMATSU (209)296-1995
JANE NORCROSS (209) 296-4959
MIKE SORENSEN (209)296-7664

AGENDA
GENERAL MEETING
Thursday June 1, 2023
Armory Hall, Volcano
7:00 P.M.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability related modification or accommodation to participate in this meeting, then please contact Nancy Bailey at 209/296-4899. Requests must be made as early as possible and at least one-full business day before the start of the meeting. Floor discussion at board discretion will be limited to 5 minutes per subject per individual.

CONSENT AGENDA: Items on the consent agenda are considered routine and may be enacted by one motion. Any item may be removed for discussion and made part of the regular agenda under Agenda items at the request of a Board member.

1. Minutes of the previous regular meeting.
2. May Expenditures and Income.

MEETING CALLED TO ORDER: Minutes of regular meetings are recorded on the Secretary's computer.. Any person may address the Board at this time upon any subject within the jurisdiction of the Volcano Community Services District. Any matter that requires an action will be referred to Staff for a report and action at a subsequent Board Meeting.

STAFF REPORTS:

Water Billing-I.Dana
Treasurer-N. Bailey
Secretary- R. Korematsu
Hall/Park Manager Report – N. Bailey
Meter Reading Report & St. George Report-R. Zender

DISTRICT ENGINEERS REPORT-Joel Mottishaw & Nick Lawson

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2. Monthly Cleveland Tunnel flow treated and untreated including diverted via black pipe. Email from D Ketron..
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7. Develop capital improvement plan so District can prioritize projects.
8. Watershed survey due October 1, 2023. Who conducts?
9. Safer Clearinghouse : M. Gottstein, N. Lawson and R. Zender.
10. Shut off water to customers who received notices and did not respond to make payment arrangements.
11. Meters 42 & 59 high monthly usage. Cause?

AGENDA

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6. Thanks.
7. Notice to customers with suspected water leaks must repair. 2021 Ordinance. **ACTION.**
8. Michael Adams letter of agreement for financial services status-M. Gottstein. **ACTION.**
9. Status of Secretary position-R. Korematsu. Advertise in papers?
10. Notice of proposed water rate increases posted and sent. Informational.

Follow up from previous meeting (s)

Hearing from those who wish to address the Board (limited to 3 minutes per person)

To: VCSD Board of Directors Cynthia Corral, Rebecca Korematsu, Jane Norcross, Michael Sorensen
 From: Nancy Bailey
 Subject: Bills paid May 1, 2023-May 31, 2023 and Income

| | | | |
|------|------------------------|-----------------------------------|---------|
| 6806 | | VOID | |
| 6807 | Aqua Tech | Redwood Tank Deposit | 5605.00 |
| 6808 | PG&E | Street Lights | 321.44 |
| 6809 | ACES | April-June | 366.96 |
| 6810 | | VOID | |
| 6811 | County of Amador | Property Tax Administration Costs | 486.17 |
| 6812 | Lowe's | Statement | 100.27 |
| 6813 | Jane Norcross | Stamps & Envelopes | 70.00 |
| 6814 | Volcano Communications | April & May | 218.32 |
| 6815 | Up Country Pool Center | Supplies | 226.02 |
| 6816 | PG&E | Pump House & Restrooms | 131.40 |
| | Total | | 7455.58 |

| | |
|-----------|--|
| Deposits: | 9236.88 (100.00 Hall, 7962.39 Warrant) |
| | 1017.41 |
| | 2088.04 (59.89 Warrant) |
| | 948.82 |
| Total | 13251.15 |

Checking Balance May 26, 2023 10936.18

Balance with April Statement

| | |
|---------------------------|----------|
| El Dorado Savings Bank CD | 26952.71 |
| El Dorado Savings Bank CD | 12630.95 |
| Bank of Stockton CD | 5731.51 |
| Bank of Stockton CD | 6679.55 |
| Total | 51994.72 |

| | For FY2023/2024 Planning | | | |
|--|--------------------------|-------------------------------------|------------------------|--|
| | FY2022/2023 Budgeted | 9 months | Annualized | |
| | | Actuals: June 2022-Feb 2023 | Amounts (estimated) | |
| STREET LIGHTS & TRASH | | | | |
| Income: Auditor Warrants (see above) | 4,450 | 3,719 | 5,122 | are required to cover service cost increases |
| Expenses (w/out non-allocated) | | | | |
| Street Lighting Electricity | 3,150 | 2,628 | 3,654 | |
| Trash Collection | 1,300 | 1,092 | 1,468 | |
| | 4,450 | 3,719 | 5,122 | |
| Net Income (Loss) after Warrants alloc. | - | - | - | |
| Total Service Income (after Warrants alloc) | 66,000 | 42,418 | 61,215 | |
| Total Service Expense | 51,855 | 40,864 | 52,389 | |
| (not including non-allocated expenses) | | | | \$10,609 9 mos |
| Net Service Income (Loss) | 14,145 | 1,555 | 8,826 | \$18,466 12 mos |
| NON-ALLOCATED INCOME | | | | |
| Auditor Warrants (not allocated to services) | \$9,375 | \$5,399 | \$10,869 | |
| Interest | \$100 | - | - | interest on CDs unknown |
| Other income | | | | |
| Non-Allocated Income | 9,475 | \$5,399 | \$10,869 | |
| NON-ALLOCATED EXPENSES | | | | |
| Accounting Services (external) | 20,000 | 6,645 | 13,850 | Balance due for Auditor Fees |
| Attorney Fees | - | - | 400 | |
| Bank Fees | - | - | - | |
| Insurance | 8,400 | 13,340 | 15,000 | now incl engineers liability policy |
| County Admin Fee | 480 | - | 500 | |
| Legal Notices | - | - | 100 | |
| Website | 621 | 630 | 700 | |
| Office Supplies/postage | 550 | 521 | 700 | |
| Secretary/Treasurer (incl. bookkeeping) | 6,720 | 108 | 5,300 | see "methods" worksheet |
| Uncategorized | 50 | - | - | reflects new contracts for these services |
| | 36,821 | 21,244 | 36,550 | |
| Non-Allocated Net Income (Loss) | (27,346) | (15,846) | (25,681) | |
| Total Income | 75,475 | 47,817 | 72,084 | |
| Total Expense | 88,676 | 62,108 | 88,939 | |
| Other Contingencies | 1,500 | - | 1,500 | |
| Net income (loss) before Deprec | (14,701) | (14,291) | (18,355) | greater net income loss than forecasted |
| Depreciation/Amortization | 14,642 | | 20,892 | incl. depr for tank rebuild--see account notes |
| Total Net Income (Loss) | (29,343) | | (39,247) | |
| | | Difference from Budgeted | (9,904) | greater total net income loss (incl depreciation) than forecasted |

NOTES: 64 connections (not incl. VCSD properties) +6 double meters = 70 fixed charges

Res 2022-01: Current planned 3rd-step base rate increase July 1, 2023 = \$2.50

70x12x\$2.50 = \$2,100 in increased annual revenues

70x12x\$3.50 = \$2,940 in increased annual revenues

70x12x\$4.50 = \$3,780 in increased annual revenues

To produce \$5,000 more income = approx \$6 increase in base rate over today's \$60.20 is needed

Summary: Each \$1 increase in base rate will produce \$840 additional annual revenues

Budget versus Hand-Entered Actuals (see account notes and methods worksheets)_April 25_2023 UPDATED

| | | For FY2023/2024 Planning | | |
|--|---|--------------------------|-----------------|--------------------|
| | | FY2022/2023 | 9 months | Annualized |
| | | Budgeted | Actuals: June | Amounts |
| | | | 2022-Feb 2023 | (estimated) |
| WATER SERVICE | | | | |
| Income | | \$58,400 | \$36,508 | \$52,668 |
| Expenses | | | | |
| | Meter Reader/Billing | 4,380 | - | - |
| | WS Electricity/wells Elec | 2,200 | 498 | 600 |
| | Continuing Education | - | - | - |
| | Health Permits | 500 | - | - |
| | Membership/Subscriptions | 675 | 566 | 600 |
| | Telephone for plant | 610 | 209 | 300 |
| | Maintenance/Repair, Lab tests | 7,000 | 11,603 | 12,907 |
| | Operator and Labor | 28,900 | 22,076 | 29,435 |
| | | \$44,265 | \$34,953 | \$43,842 |
| Net Income (loss) | | \$14,135 | \$1,555 | \$8,826 |
| Assumes all 70 paying connections remain current with fixed charges. Assumes fixed charge of \$62.70 as 3rd step increase. For comparison, a \$70 fixed charge (assuming paid current) would produce \$58,800 in income. Volumetric charges would be additional. | | | | |
| ARMORY HALL | | | | |
| Income | | | | |
| | Rental Fees | \$ 500.00 | \$700 | 950.00 |
| | Auditor Warrants=Prop Taxes Distributed to District and allocated to cover non-water service expenses | \$ 1,900.00 | \$1,078 | 2,050.55 |
| | | \$ 2,400.00 | \$1,778 | \$ 3,000.55 |
| Expenses (w/out non-allocated) | | | | |
| | Cleaning & Supplies | 100.00 | - | - |
| | Refunds | - | - | - |
| | Hall Manager Fee | 300.00 | - | - |
| | Repairs | 500.00 | - | 500.00 |
| | Electricity | 600.00 | \$577 | 900.00 |
| | Phone | 500.00 | \$209 | 279.21 |
| | Propane | 400.00 | \$991 | 1,321.33 |
| | | \$ 2,400.00 | \$1,778 | \$ 3,000.55 |
| Net Income (Loss) after Warrants Alloc. | | \$ - | \$ - | \$ - |
| Much lower net income than projected | | | | |
| PARK | | | | |
| Income | | | | |
| | donations | - | - | - |
| | Auditor Warrants (see above) | 275.00 | - | - |
| | | \$ 275.00 | - | - |
| Expenses (wout non-allocated) | | | | |
| | Electricity | 225.00 | - | - |
| | Maintenance & Repair | 50.00 | - | - |
| | | \$ 275.00 | - | - |
| Net Income (Loss) after Warrants Alloc. | | \$ - | - | - |
| ? No electricity? is there another acct for the park? | | | | |
| RESTROOMS | | | | |
| Income | | | | |
| | donations | 475 | - | - |
| | Auditor Warrants (see above) | - | 414 | 425 |
| | | 475 | 414 | 425 |
| Expenses (w/out non-allocated) | | | | |
| | Electricity | 165 | 19 | 25 |
| | Janitorial | - | - | - |
| | Maintenance & Repair | 300 | 395 | 400 |
| | Supplies | - | - | - |
| | Restroom Expenses w/out non-allocated | 465 | 414 | 425 |
| Net Income (Loss) after Warrants Alloc. | | 10 | - | - |
| electricity seems off? need to recheck billings for this account? | | | | |