



**MINUTES  
REGULAR BOARD MEETING**

**DECLARATION OF A QUORUM**

President James Bissell called the meeting to order at 9:20 A.M. Directors present were Treasurer John Boyle, Secretary Ken Brown. Absent with notice were Vice President Stefaniya Becking and Director Gunnar Thordarson. Staff present included General Manager Jeff Gouveia and Office Manager Judi Silber, Legal Counsel Dan Schroeder, District Engineer Gary Ghio and Engineer Matt Ospital.

*Public comments on agenda items will be limited to 3 minutes or otherwise at the discretion of the Board Chair.*

**PUBLIC FORM**

Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction provided the matter is not on the agenda or pending before the Board.

**BOARD BUSINESS**

**1. Mandatory 2-Year Ethics Training (AB 1234) - District Legal Counsel Dan Schroeder**

Legal Counsel Dan Schroeder facilitated the AB1234 Ethics Training.

**2. Capacity Charges (Buy-In Fee) - District Engineer Gary Ghio - Discussion and Possible Action Item**

General Manager Gouveia asked District Engineer Ghio to revise the capacity charge (Buy-In-Fee). There were too many unknown factors such as what was the District's potential ability to discharge into Bloods Creek. There was limited flow data and the District had never verified the adequacy of the discharge system. Surface discharges from January through June of 2017 into Bloods Creek provided good tabular data to have the District Engineer update the District's water balance. Engineer Ghio noted there were too many unknowns before 2016 to recommend a change to the District's capacity.

The previous NPDES limited the District's capacity to 245 additional EDUs. The major limitation of that permit was that the polishing pond be two-thirds full prior to discharge. This requirement was removed in the current NPDES permit, resulting in an increase of the District's capacity to 1,196 EDUs assuming no infiltration and influx associated with said EDUs. Engineer Ghio indicated he now had confidence with all the new data to recommend updating the District's capacity.

GM Gouveia and District Engineer Ghio agreed that the District's depreciation schedule provided the most accurate and defensible historical record of actual costs of District assets. In the District Engineer's January 9, 2018 memorandum, the District's depreciation schedule was utilized to inform the recommendation for revising the capacity charge. The schedule was updated to reflect all items currently owned by the District. District Engineer recommended establishing a revised capacity charge in 2018 supported by the depreciation schedule which will be both defensible and based on true costs, not estimates.

GM Gouveia recommended that the board accept the District Engineer's January 9, 2018 memorandum and thereby accept the approach to establish the cost basis by utilizing the depreciation schedule. Engineer Ghio calculated the new Buy-In Fee to be \$7,370. Engineer Ghio recommended that once the District's future projects total \$250K or more, the District should consider revising the Buy-In-Fee again.

Secretary Brown asked if an increased buy in fee might depress new construction and if regularly surface discharging would create environmental or growth issues. Secretary Brown suggested that the Board re-evaluate the Buy-In-Fee with every 5 years NPDES permit cycle. Engineer Ghio suggested that the District revise the Buy-In-Fee when the District does a large project and tie the increase to the rate of inflation.

Secretary Brown inquired about the next potential major project. Engineer Ghio responded that it may be the treatment lagoon. Treasurer Boyle suggested that the Board set in place a process to review the Buy-In-Fee on a regular cycle or specified number of years. Engineer Ghio suggested that the District should tie any potential increase to the 5 year NPDES permit cycle.

District Engineer Gary Ghio announced to the Board that he has sold his business to his associate Matt Ospital and will be partially retiring, working only a few days a week, and eventually phasing out of the business.

**ACTION: GM to coordinate with Legal Counsel to determine legal notice and hearing requirements to adopt the buy in fee.**

Motion/Boyle Second/Brown to accept the Engineer's Report and review the item next meeting pending response back from Legal Counsel Schroeder on the legal requirements necessary.

AYES: Bissell, Boyle, Brown

NOES:

ABSENT: Becking, Thordarson

MOTION CARRIED

### **3. Retirement Plan Management Services - Discussion and Possible Action Item**

GM presented the retirement plans and costs of three public sector retirement fund management firms (PARS, ICMA-RC and NF). In his research, GM discovered that public sector agencies are not permitted to use 401(k) plans and that 401(a) plans are more common. However, it was further determined that 401(a) plans alone may be too restrictive and that when combined with a 403(b) plans provide employees with more flexibility. District Auditor Robert Johnson, CPA, gave GM some District referrals to compare benefits for matching and grant percentages for the District to contribute into the employees' retirement accounts.

Following discussion, GM Gouveia recommended ICMA-RC for the District's plan manager based on short and long term costs to both the District and employees.

Motion/Bissell Second Boyle to approve a ICMA-RC as the Disitrc't's retirement plan management provider.

AYES: Bissell, Boyle, Brown

NOES:

ABSENT: Becking, Thordarson

MOTION CARRIED

### **4. Operations Report - General Manager**

See attachment.

### **5. Financial Report - General Manager**

5.1 P&L and Balance Sheet Reports - Discussion and Possible Action Item

Motion/ Boyle Second/Brown to accept the P&L and Balance Sheet Reports as presented.

AYES: Bissell, Boyle, Brown

NOES:

ABSENT: Becking, Thordarson

MOTION CARRIED

5.2 Accounts Payable Report - Discussion and Possible Action Item

Motion/Boyle Second/Bissell to accept the Accounts Payable Reports as presented.

AYES: Bissell, Boyle, Brown

NOES:

ABSENT: Becking, Thordarson

MOTION CARRIED

5.3 A/R & Aging Report - Discussion

The Accounts Receivable balance on January 19, 2018 was \$121,768.38 versus the total on January 19, 2017 which was \$128,545.49.

**6. The Board will consider adoption of the October 23, 2017 Board Meeting Minutes**

Motion/Boyle Second/Bissell to accept the October 23, 2017 Board Meeting Minutes as presented.

AYES: Bissell, Boyle, Brown

NOES:

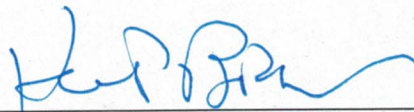
ABSENT: Becking, Thordarson

MOTION CARRIED

**7. Board Member Reports**

The next board meeting was set for Monday, April 9<sup>th</sup> at 9:00 A.M.

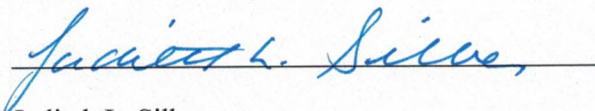
President Bissell adjourned the meeting at 3:02 P.M.



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Ken Brown, Secretary BVWD Board of Directors  
Alpine County, California

ATTEST:



Judieth L. Silber  
Office Manager  
Bear Valley Water District