

Herlong Public Utility District



Special Board Meeting July 18th, 2023

THIS MEETING IS HELD PURSUANT TO EXECUTIVE ORDER N-29-20
ISSUED BY GOVERNOR GAVIN NEWSOM ON
MARCH 17, 2020
PUBLIC PARTICIPATION

If you wish to make a general public comment or to comment on a specific agenda item, the following methods are available:

READ INTO THE RECORD AT THE MEETING: Submit your comment via email or drop box prior to the start of the meeting, provided that the reading shall not exceed three (3) minutes. Please state in your email that you would like this "read into the record". In those cases where the meeting author requests that the email be read aloud as though it were being delivered orally at the meeting, the email will be read aloud by the Board Clerk up to a maximum of three minutes. Comments received after the meeting has begun, will be placed into the record, and distributed appropriately. sandy@herlongpud.com

CALL TO ORDER: Director Everett called the meeting to order at 5:30 PM.

FLAG SALUTE: Director Everett led the pledge of allegiance.

ROLL CALL: Director Everett, Director Harris, Director Swistowicz, Director Flores, and Director Johnson were present.

APPROVAL OF AGENDA: Director Swistowicz made a motion to approve the agenda. Director Harris seconded. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None

PUBLIC COMMENT: Patty Spoke up about sand in her lines from when the church t-Post went through, and she hope to find someone to check her valves. Director Flores spoke up and said he could help or find someone to help Patty.

2022 AUDIT: Zach Pehling from Pehling and Pehling, CPA went through the Audit report page by page and explain to the Board his findings. Mr. Pehling told the Board the audit had an unqualified opinion, which is the highest possible rating the District can get. HPUD has always had a clean audit. Also, with the help of increased staff, board members and Rick Wood, CPA review the audit report does not include the segregated duties, which most small special District always have on their remarks. This is an added improvement from past years. Director Swistowicz wanted to know only about Fire monies and grant monies. Mr. Pehling answered those questions, but Director Swistowicz still did not understand. Director Flores had a few questions. Both Directors wanted more time to review the audit. The audit was tabled by Director Swistowicz and requested for a special meeting/workshop next week. The entire Board agreed to table the motion.

FIRE DEPARTMENT: This was last month's report. Director Flores made a motion to receive and file the report, Director Johnson seconded the motion. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None

MINUTES: May 9th minutes were presented for approval. Director Flores questioned that items were left out for the incentive pay minutes, GM Raffelson said that they were summarized as best as possible and yet still a whole page on that discussion. Director Flores and Director Swistowicz asked to define HPUD employees. GM responded that it was her understanding that all employees were included in the incentive pay, including HPUD management. Director Everett, Harris and Johnson agreed with GM Raffelson. Director Swistowicz and Director Flores did not

Herlong Public Utility District



Special Board Meeting July 18th, 2023

recall that from the last meeting. Officer Becker came into the office, and it seemed to irritate Director Swistowicz. GM Raffelson explained that this is a public meeting, and anyone can attend, plus this building is open for South County Sheriff office 24 hours. Director Swistowicz took offence at it and wanted the officer to leave. Officer Becker moved to GM office to complete his work and hopefully deescalate the situation. GM Raffelson asked President Everett for a point of order. She explains this item is merely to accept the minutes or accept the minutes with changes, not to have a whole discussion on Incentive Pay and COLA from the May meeting. Director Johnson made a motion to approve the minutes as is; Director Harris seconded. Aye votes: Everett, Harris, and Johnson. Nay votes: Swistowicz and Flores. Absent: None.

FINANCIALS: April 2023 Financial Statements were presented in a Snapshot view as requested by the Board. Copy of all the checks written in April were also attached. Staff would like to Board to ratify the checks to Rapid for \$864,638 and Shaw for \$50,000 in June. Director Everett made a motion to ratify, and Director Flores seconded the motion. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None. Staff would ask the Board to approve the checks for July for the project; \$1,122,900 to Rapid Construction and \$60,000 to Shaw Engineering. Director Everett made the motion to approve both July Construction checks, Director Johnson seconded, Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None. Director Flores made the motion to receive and file the April Financial Statements, Director Harris seconded the motion. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None

CORRESPONDENCE: None

WPV PROJECT: Engineer Paul Winkelman shared that the all the water and sewer mains are complete. In the processes of connecting individuals to the new system, about halfway through. A few items need to be fixed on the sewer side. Rapping up the underground work and moving forward with the roads and streets. Would like to say things will get better but no it will get worse! We are now on the surface, so it will be difficult and put residents with bigger mess on the surface. Hillcrest and Mt. View connections are made. Everyone needs to let their neighbors and customers know that streets are going to be torn up, but hopefully by the end of September we will have new driveway aprons, curbs, and streets. Weekly construction meetings are still being held. Director Flores had questions on his house and does not feel Guess did the job that Shaw Engineering and HPUD ask them to do. Director Flores was concerned that his yard was dead too because they disconnected the sprinkler timer while working on his place. GM Raffelson let the Board know that the State amended agreements were signed. GM Raffelson explained to the Board how the State has been reimbursing the HPUD. GM Raffelson also informed the Board that HPUD has asked to increase both the bridge loans for this project. Director Flores asked what it was costing the District. GM Raffelson informed the Board that we are paying 7% interest or the current rate on the loan monies. The interest and loan fees will be reimbursed by the State now with the new Amendments to the agreement. Unfortunately, State is taking 60 to 120 days to reimburse the District, hence why we need to increase the bridge loan.

Herlong Public Utility District



Special Board Meeting July 18th, 2023

POSSIBLE ACTION ON WAIVING CONNECTION FEE FOR HILLCREST AND MT. VIEW THAT ARE NON-CUSTOMERS: GM Raffelson and Director Everett feels the District has a chance to bring on a few more customers if the District waives the \$5,125 connection fee. The homeowner will still have to pay to get their water line connected to HPUD meter box, but they can do that themselves or pay a plumber to complete the processes. GM Raffelson also feels that if HPUD offers a free connection the District should be a stipulation that they must connect within 90 days. Director Flores does not feel that owners that rent their places out should receive a free connection fee when they are making money off their properties. GM Raffelson again explained that the State will reimburse the District for the new customers on our system. Director Flores made a motion to have the new customers receive free connection with a stipulation that they must connect within 120 days, or the District will charge facility charges after the 120 days and put a lien if not paid. Director Johnson seconded. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None

POSSIBLE ACTION OF RELOCATING THE FIRE HYDRANT ON HILLCREST: Director Flores rescinded his request to relocate the fire hydrant on Hillcrest.

VOLUNTEER FIRE DEPARTMENT POLICY 8010 AND 8011: These Policies were reviewed twice in 2022 and changes were made at the request of this Board. The Board had a discussion on drug testing and how you get a drug test. Director Flores made a motion accept both Policies as stated. Director Everett seconded. Aye votes: Everett, Harris, Flores and Johnson. Nay votes: Swistowicz, Absent: None.

SDRMA ELECTION BALLOT: This is for the Board consideration; the ballot must be voted on in a public meeting. The Board asked GM Raffelson who she would recommend, Director Flores stated he knew none of these folks and doesn't feel comfortable voting for anyone. Director Swistowicz wanted to know how this benefits HPUD. The Board ballot and majority vote was for one person only, Sandy Seifert-Raffelson. Aye votes: Everett, Harris, Flores and Johnson. Nay votes: None. Abstain: Director Swistowicz

GM REPORT: GM Raffelson did a quick review of the BBQ, ISO rating, State inspection and Sierra Alliance.

DIRECTOR'S UPDATES:

Director Everett: GM Raffelson will get back to the Board for Special Meeting for Audit.

Director Harris: No comment.

Director Swistowicz: None

Director Flores: Asked about Nancy Leis case.

Director Johnson: No comment.

Herlong Public Utility District



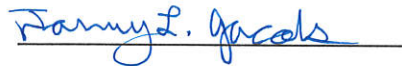
Special Board Meeting July 18th, 2023

ADJOURNMENT: Director Everett asked for a motion to adjourn. Director Swistowicz made a motion to adjourn the meeting at 7:37 PM. Director Harris seconded the motion. Aye votes: Everett, Harris, Swistowicz, Flores and Johnson. Nay votes: None. Absent: None.



John Everett, President

ATTEST TO:



Tammy Jacobs, District Clerk