

HILMAR COUNTY WATER DISTRICT
BOARD OF DIRECTORS MEETING
July 2, 2024

Members Present – Frank Hilliard, David Anderson, Jim Gerdes, and Tony Salvador

Members Absent – Jim Jones.

Public in Attendance – Mrs. Karen Tate, Mr. Manuel Avila, and Mr. Frank Enes.

.....
Action Items

A motion to approve the Consent Items and moving discussion item 8b to discuss grant and real property development concept proposed by non-profit Hilmar New Community Pool Development Fund to before the District Managers Report was made by Tony Salvador and seconded by Jim Gerdes. Motion passed 4-0.

A motion to approve Bills Payable: July 2024 was made by Jim Gerdes and seconded by David Anderson. Motion passed 4-0.

A motion to approve the continuation of the emergency order the Board approved at the July 31, 2023, Board meeting, based on the conditions continue as per Resolution 565, was made by Jim Gerdes and seconded by Tony Salvador. Motion passed 4-0.

A motion to approve the Conditional Can and Will Serve Letter for Parcel 045-370-024-000 on American Avenue for Richard Ellington formerly Edward R. Ellington and Barbara J. Ellington, was made by Jim Gerdes and seconded by David Anderson. Motion passed 4-0.

A motion to approve the extension of the Conditional Can and Will Serve Letter for Poquito Lakes Project (Poquito Lakes – JKB Homes), was made by David Anderson and seconded by Tony Salvador. Motion passed 4-0.

A motion to approve the extension of the Conditional Can and Will Serve Letter for Mike Wadsworth-Wadsworth Properties Limited Partnership, was made by David Anderson and seconded by Jim Gerdes. Motion passed 4-0.

A motion to adopt Resolution 575: A Resolution Authorizing the District Manager to Sign and File a Financial Assistance Application for a Financing Agreement from the State Water Resources Control Board for the Planning, Design, and Construction of the Hilmar County Water District Public Safety and Contaminant Blending Project was made by Tony Salvador and seconded by Jim Gerdes. Motion passed 4-0.

A motion to adopt Resolution 576: A Resolution Adopting Budget for 2024/2025 Fiscal Year was made by Jim Gerdes and seconded by Tony Salvador. Motion passed 4-0.

Meeting – 07/02/24
.....

The meeting was called to order at 5:30 p.m. by Vice-President Frank Hilliard.

Consent Items – A motion was made and seconded to approve the Consent Items.

Curtis Jorritsma informed the board, the reason for moving Discussion Item 8b up to before the District Manager's Report was so Mrs. Karen Tate could present her presentation and be able to leave the meeting earlier.

Public Forum – Mr. Enes stated he is tired of buying bottled water. Mr. Curtis Jorritsma stated the Nitrate issue will be discussed in his Manager's report. Mr. Avila stated he is also tired of buying bottled water and asked why it is taking so long to come up with a resolution. Mr. Enes inquired as to when the tank will be built.

Discussion Item-

- A) Curtis presented Mrs. Karen Tate. Mrs. Tate stated she's representing the non-profit, New Hilmar Community Pool Group, who are looking at building a new pool for the Hilmar Community. The group is raising funds for the project and looking at grant opportunities and location for the project. To apply for grants, there needs to be a municipality and Hilmar does not have any other municipalities other than HCWD. The group would like to work with HCWD, at no cost to HCWD, and apply for grants based on the HCWD municipality status. The group would work through the details as to how this could possibly be a community project to bring a pool to the community to benefit the whole community. She just wanted to present the idea to the Board and the group looks forward to looking at all possible options. Mr. Stuart Spencer, legal counsel, stated the District will be bound to what we as a District can legally do. Mrs. Tate thanked the Board for their time.

District Manager's Report –

Curtis Jorritsma reported that the water loss for the month of June dropped to 12.26%. He stated it's not enough but it's getting better. He also reported the TSS average for June was 48mg/L and BOD was 53.5mg/L. The rise is driven by the heat. The results are lower compared to last year's results, ranging in the 70's to 80's. Total flow at the WWTF was 11.864 MG.

Curtis informed the Board he met with Nathan Bray, the public works Director with Merced County, who reached out to Curtis to take a drive around Hilmar and get a better understanding of the community.

Curtis reported we had a training session with all the staff on the workplace violence prevention policy that became effective on July 1st.

Curtis provided an update on the Nitrate exceedance. We continue to send notices with our monthly billing statements. He provided a chart of the results for June. The TID Yard and Well 6 continue to be consistent.

| Date | Well 6 | Well 7 | Nyman Blend | TID Yard |
|--------|--------|--------|-------------|----------|
| 6-Jun | 1.66 | 20.6 | | 7.62 |
| 11-Jun | 1.45 | 6.18 | | 7.15 |
| 13-Jun | 4.05 | 7.98 | | |
| 18-Jun | 1.21 | 23.9 | | 7.46 |
| 20-Jun | 1.53 | 21.6 | | 7.31 |
| 25-Jun | 1.58 | 6.28 | | 10 |

Curtis stated we are looking at redeveloping Well 7 after the summer months. This will be the second time we will have redeveloped Well 7. He stated that on May 30th when we tested the four sites within town they were all below the standard of 10ppm. All of our water is groundwater. A possible resolution to our issue is to construct another well and a tank to potentially blend the water. Treatment options are expensive options. We continue to work with the State to get direction and we have yet to see it. We are continuing to look at all possibilities. Mr. Enes inquired if other wells are having issues in the area, we are currently looking at building a new well. Curtis stated that agricultural wells are not as deep as a District well would be.

Mr. Frank Hilliard stated that the District has drilled at three different spots with unacceptable water quality.

Mr. Avila inquired about watering days. What is the State standard based on California no longer being in a drought. We are currently on a 3-day watering schedule. Mr. Stuart Spencer, legal counsel, stated we may need to revisit our policy and look at the State standard.

Director Reports – Mr. Frank Hilliard recommended the District explore using aeration in the summer time at the WWTF.

Curtis Jorritsma stated he forgot to provide a status on our current projects in his District Managers report. He provided status on the following:

- The 2023 Test Holes & Water Sampling – waiting on the drill permit from Merced County.
- Well 8 Construction – Survey work is underway.
- Corporation Yard and Land Acquisition – The owner received comments from Merced County regarding site construction and he is currently addressing the comments.

Public Hearing: Adoption of District Budget for the 2024/2025 Fiscal Year

The Public Hearing was called to order at 6:26 p.m.

The Public Hearing to adopt the proposed District Budget for the 2024/2025 Fiscal Year has been legally noticed in the Hilmar Times and posted at three sites in Hilmar. We received no written comments and there was no public attendance (Mr. Enes and Mr. Avila left before the public hearing). The Public Hearing was closed at 6:27 p.m.

Action Items –

- A) The bills that are due to be paid in July were presented. A motion was made and seconded to pay the bills presented.
- B) Curtis stated the Board approved Resolution 565 – Finding an Emergency and Authorizing Abbreviated Emergency Procedures for Construction of a New Well on July 31, 2023. As part of this process, the Board needs to analyze the situation and determine if the situation still constitutes an emergency. After a brief discussion, the Board determined the conditions warrant to continue with an emergency order. A motion was made and seconded to continue with the emergency order.
- C) The Conditional Can and Will Serve Letter for Parcel 045-370-024-000 on American Avenue for Richard Ellington formerly Edward R. Ellington and Barbara J. Ellington was presented to the Board. Ownership of the one-acre lot has been transferred to Richard Ellington. Richard Ellington is requesting the CC&W for one water and one sewer connection. Mr. & Mrs. Edward Ellington are no longer requesting a CC&W for an additional sewer connection at their residence. Staff recommended approval of the Conditional Can and Will Serve Letter. A motion was made and seconded to approve the Conditional Can and Will Serve Letter.
- D) The Conditional Can and Will Serve Letter for Poquito Lakes Project (Poquito Lakes – JKB Homes) was presented to the Board. Staff recommended approval of the extension of the Conditional Can and Will Serve Letter. A motion was made and seconded to extend the Conditional Can and Will Serve Letter.
- E) The Conditional Can and Will Serve Letter for Mike Wadsworth-Wadsworth Properties Limited Partnership was presented to the Board. Staff recommended approval of the extension of the Conditional Can and Will Serve Letter. A motion was made and seconded to extend the Conditional Can and Will Serve Letter.
- F) Resolution No. 575, a Resolution Authorizing the District Manager to Sign and File a Financial Assistance Application for a Financing Agreement from the State Water Resources Control Board for the Planning, Design, and Construction of the Hilmar County Water District Public Safety and Contaminant Blending Project, was presented to the Board. This resolution will provide the District Manager with signing authorization in applying for the SWRCB grant. A motion was made and seconded to adopt Resolution 575.
- G) Resolution No. 576, a Resolution Adopting Budget 2024-2025 Fiscal Year was presented to the Board. Curtis presented the final budget report. Revenues for 2023/2024 came in higher than planned and expenditures were less than planned. The biggest expenditures were wells maintenance, meters maintenance, and nitrate testing. Overall, it was a good year for the District. Some of the guidelines and assumptions used in the 2024/2025 Budget were:
 - Based on the 2021 Rate Study, water and sewer rates will be adjusted accordingly. The current rates for storm drainage will remain as is.
 - Based on the 2023 Median Household Income Survey, we will retain our “disadvantaged community” status.

- Based on current Master Plans and Capital Improvement Plans, fund the projects listed in the current Fiscal Year in an effort to maintain and address the needs and deficiencies of the District's three enterprise systems: water, sewer, and storm drainage.
- Continuing funding reserve accounts for economic uncertainty to mitigate emergency expenses and potential revenue shortfalls in accordance with Board direction and the District's 2021 Rate Study.
- Continue to maximize all funding sources (applying for grants and other one-time funds).
- Include adjustments to the salary and benefits of all District employees, which incorporates Cost of Living Adjustments (COLA), individual performance, and benefit changes into one regular rate of pay.
- Maintain the current staffing levels for the upcoming fiscal year.

A motion was made and seconded to adopt Resolution 576.

Mr. Hilliard inquired into possibly having a guideline for new possible positions of office and/or field operator based on new growth. Curtis stated that will be taken into consideration based on development. Curtis informed the Board he will be conducting employee reviews in the coming week. Mr. Anderson wanted to make sure that employees are being compensated based on their performances. Curtis stated that he does factor how long the employee has been with the district and how they are performing.

Discussion Items –

- A) Curtis reminded the Board that the election candidate filing period is July 15th to August 9th. Mr. Jones and Mr. Salvador are up for re-election this year.

Closed Session –

The Director's convened to Closed Session at 7:10 p.m. to discuss Real Property Negotiator Per Government Code Section 54956.8, APN: 045-200-033.

Directors returned to Open Session at 7:28 p.m.

The Board was provided with the current update.

There being no further business the meeting was adjourned at 7:29 p.m.

Respectfully Submitted,

Jina Burgs

Approved by:

Jim Jones

Board Member

8-6-24

Date