

## MINUTES

### WASHINGTON COUNTY WATER DISTRICT

Regular Meeting

April 11, 2019

6:00 P.M.

At The **SCHOOL**

Please Note: In compliance with the Federal "Americans with Disabilities Act", any person who requires special accommodations in order to attend or participate in the meeting, please contact 265-4323 - prior to the meeting.

**PRESENT:W. Helm, W. Ahrens, K. Kosloski, Amy Boyle, Chief Kurpies, Captain Cole, S. Rowland (secretary), L. Hillmann(admin. asst), C. Jackson, J. Grille**

**W. Helm opens meeting at 6:00PM**

#### **APPROVAL OF THE AGENDA**

**APPROVAL OF THE MINUTES FROM REGULAR MEETING –MARCH 14, 2019**

W. HELM MOVES TO APPROVE AGENDA AND MINUTES, W. AHRENS-2ND, ALL APPROVE

#### **Fire Department Meeting**

- I. A. Monthly Fire Chief's Report (Department Representative)

Captain Cole reads report:

April 11, 2019

Captains report:

Since my last report there has been 1 call.

1-Medical aid call transported by ground ambulance.

[1-From dispatch to responding 3 minutes, at scene in 5 minutes, 4 personnel were committed for 37 minutes.

At the Chiefs meeting on April 2<sup>nd</sup>, there was a update from Rob Cone, Senior Public Safety Specialist for PG&E's Community Wildfire Safety Program on steps that PG&E is taking for better community wildfire safety. One of which is by June they will have a minimum of 25 Type 6 wildland fire engines in their service territory to assist their line crews and be available to fire departments in the event that there is a threat to their infrastructure. New and enhanced vegetation management around their power lines, and community meetings to keep the public informed on their wildfire and safety preparedness.

Jeff Pettit the new OES manager will be working on updating their evacuation and community mapping plans and The Code Red alert system.

The Nevada County Board of Supervisors adopted the Vegetation Management Ordinance the last week of March, which establishes clearance requirements and fines for noncompliance on private property.

The next Western Nevada County Fire Agency meeting will be on Wednesday May 8, 2019 at the Rood center, on the 2<sup>nd</sup> floor in the Empire room, 9:30-11:00am, there will be 2 BOS on the ad hoc committee along with a Board Member from each fire agency and representatives from each of the fire departments.

Doug Cole  
 Captain, Washington Fire & Rescue:

**ROSTER:**

<b>Fire Department Roster</b>													
<b>2019</b>													
<b>NAME</b>	<b>Jan.</b>	<b>Feb.</b>	<b>M a r.</b>	<b>Apr.</b>	<b>May</b>	<b>Jun.</b>	<b>Jul.</b>	<b>Aug.</b>	<b>Sep.</b>	<b>Oct.</b>	<b>Nov.</b>	<b>Dec.</b>	<b>Jan.</b>
D. Cole	Y	Y	Y	Y									
K. Potter	Y	Y	Y	Y									
L. Kurpies	Y	Y	Y	Y									
R. Kozloski	Y	Y	Y	Y									
D. Wittler	Y	Y	Y	Y									
<b>Codes</b>													
Y=yes													
X= inactive or moved													
<b>Had not joined yet</b>													

Captain Cole explains PG&E plans for community safety:

Weather Stations, 600 live-feed cameras to be installed along power lines

K. Kosloski asks about the cameras-will they be connected to the internet? Doug explains that they will be connected to the power lines and will be connected to a central 'hub'.

**B. Firewise Coalition Re cap** (Rorie Lin Gotham) W. Helm reports: There is a new OES guy. We need to update our Emergency Plan. OES will have fire specialist assess evaluation for plan. Emergency plans discussed at length. He will attend next meeting.

Chief Kurpies says that she does not have anyone in mind to replace her, that's up to the Board. She suggests that the town hydrants be re-labeled according to road. W. Ahrens moves to have this done, W.Helm 2nd, ALL APPROVE

Liz wants to know who will be responsible? W. Helm says FD take care of it and keep the Board posted. Doug and Sara will update maps to reflect correct locations of hydrants.

Liz wants to know can someone weedeat around hydrants? W. Helm says it's in the FD hands.

K. Kosloski asks if property tax had been discussed to fund FD? Captain Cole explains ways to get property tax assessments-he will research

A. Boyle asks about \$5 charge that customers used to be charged on their water bill. It was explained to her that state law had changed and that charge was now illegal

Chief Kurpies says that FD sign is being replaced and that a Fire Advisory sign will be added. All work and materials are by donation.

### **C. Closure of the Fire District Meeting**

## **Water Agency Meeting**

**W. Helm moves to open meeting at 6:33, W. Ahrens 2nd, ALL APPROVE**

### **I. Monthly Reports**

**A. Finance Coordinator Report and Approval of Warrants (Directors)**

K. Kosloski reads Warrants:

W. Helm moves to approve, W. Ahrens 2nd, ALL APPROVE

**B. Director's Announcements (Directors)**

**NONE**

**C. System Operations Report: (S. Rowland)**

Another cracked ARV has been repaired

L. Hillmann and R. Johns have the supplies and will be repairing the exposed pipeline at 16550 Maybert Rd after a few days of drying out.

CCR has been submitted to county for approval

Diversion Reports for Henderson and Canyon Creek have been submitted

CT Report has been submitted

Turbidity meters have been calibrated

No update on OES-Sara will contact

**D. Meter Report (D. Askew)**

**NOT PRESENT**

### **II.**

III. **Old business: for information, discussion and possible motion.**

A. Workman Comp issues (S Rowland/C. Jackson)

## MEMORANDUM

April 11, 2019

To: WCWD Board Members From: Charity Jackson

Re: Work Comp Insurance and Billing/Collections Assistance

### Overview:

2/14/19 - At the WCWD board meeting I agreed to assist with gaining understanding of the current Worker's Compensation Insurance coverage and the state of the billing and collections systems.

3/6/19 - After unsuccessfully attempting to connect with Jessica by phone for her appraisal of the subjects of my assistance, I emailed her in detail of the items I needed help with.

3/12/19 - Jessica sent an email to Sara, Linda and me stating: "I will review all the emails sent and get back to you over the next 4 days ...". I never received any further emails pertaining to any of the items that I presented to her.

Sara has helped me tremendously, proving the only information I've received. Mostly about insurance policies and details needed in pursuit of quotes, etc. Based on Sara's information, it seems that collections is not an issue. Jessica never got back to me about billing issues, thus, I do not have anything to report about billing and collections.

### Summary of findings on Work Comp and other insurances:

Current Policies:

*Glatfelter* Policy GPPA-PF-6054449-06 Effective 5/1/18-5/1/19 Covers LIABILITY & PROPERTY for Water portions ONLY. Annual Premium - \$8,899

*VEIS* Policy VFIS-TR-2052810-11/000 Effective 4/4/18-4/4/19 Covers LIABILITY & PROPERTY for FIRE portions ONLY Annual Premium - \$3,756

*State Fund* Policy 9232297-18 Effective 5/30/18-5/30/19 Worker's Compensation for all Annual Premium - \$7,425 (Tom Dax of /B&C Insurance has quoted renewal at \$5,743)

Golden State Risk Management has quoted \$7,719 for ALL Lines of Coverage

- A 3-year commitment is required.
- GSRM provides training and risk reduction resources including onsite presentations.
- GSRM does not use a Third Party Administrator, handling all claims directly/"in-house"

Current policies carry a combined annual cost of \$20,080 (or \$18,398 if State Fund is renewed)  
GSRM would provide a savings of \$10-12K PER YEAR and would have the unquantifiable benefit of consolidating to one company.

**Other/Misc.**

All work comp premiums for Volunteer Fire Department volunteers are determined using a standard rate. There is no consideration of volume and/or type of calls or actual exposure.

CSFA (California State Firefighters Association) only provides resources for INDIVIDUAL Firefighters. Things like: health insurance, access to attorneys, firefighter and first responder training events, etc.

FDAC (Fire Districts Association of California) may still be a viable resource for insurance as well as other membership benefits.

**Notes:**

IMPORTANT - THIS IS NOT A BILL. SEND NO MONEY UNLESS STATEMENT IS ENCLOSED.

**STATE**

HOME OFFICE

**SAN FRANCISCO**

**POLICY DECLARATIONS**

COMPENSATION INSURANCE

**FUND**

**CALIFORNIA WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY POLICY THESE DECLARATIONS ARE A PART OF THE WORKERS' COMPENSATION POLICY INDICATED HEREON.**

**THIS INSURANCE IS EFFECTIVE FROM 12:01 A.M., PACIFIC STANDARD TIME**

**5-30-18 TO 5-30-19 AND SHALL AUTOMATICALLY RENEW EACH 5-30 UNTIL CANCELLED**

in **CONTINUOUS POLICY 9232297-18 Do not Hng pau,**  
**truu KngMo**

**WASHINGTON COUNTY WATER DISTRICT**

**\$743.00**

**DEPOSIT PREMIUM TICo to**

**PO BOX 34 WASHINGTON, CALIF 95986**

**MINIMUM PREMIUM PREMIUM ADJUSTMENT PERIOD**

\$ 840.00 MONTHLY

view Ruite

NNF

on Tom Dax TBC ins.

14-15569:6

NAME OF EMPLOYER

WASHINGTON COUNTY WATER DISTRICT

(A PUBLIC AGENCY)

TRADE NAMES

WASHINGTON COUNTY WATER DISTRICT

LOCATIONS

001

15406 WASHINGTON ROAD WASHINGTON

CA 95986

371854 +964 105 18574319

1.

WORKERS' COMPENSATION INSURANCE - PART ONE OF THIS POLICY APPLIES' To THE WORKERS' COMPENSATION LAWS OF THE STATE OF CALIFORNIA.

2. EMPLOYER'S LIABILITY INSURANCE - PART TWO OF THIS POLICY APPLIES TO LIABILITY UNDER THE LAWS OF THE STATE OF CALIFORNIA. THE LIMIT OF OUR LIABILITY INCLUDING DEFENSE COSTS UNDER PART TWO IS,

\$1,000,000

CODE No.

PRINCIPAL WORK AND RATES EFFECTIVE FROM 05-30-18 TO 05-30-19

PREMIUM BASIS

BASE RATE

INTERIM BILLING

RATE\*

7520-1

8.54

I

WATER COMPANIES-ALL EMPLOYEES-- INCLUDING CONSTRUCTION OR EXTENSION OF LINES

23000 6.37 X10% 2300 X

5 814.37

-196420 1092.07

7707-1

FIREFIGHTING OPERATIONS--VOLUNTEERS, SERVING WITH OR WITHOUT REMUNERATION  
W

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\*\* \*\*\*\*\*BUREAU NOTE INFORMATION\*\*\*\*\*

FEIN 941547018

ajatteltel

3460.35

FEIN 941547018 109207 year

12. per pronta 1-01-81-65 \$ per dir

"per volunteer

month

**TOTAL ESTIMATED ANNUAL PREMIUM**

**\$7,425**

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COUNTERSIGNED AND ISSUED AT SAN FRAN

PL

PNE

5, 2018

**POLICY L PAGE**

**1 OF**

**3**

sCIF FORM 10961A (REV.7-2014)

## **American Alternative Insurance Corporation**

*(a stock insurance company)* **Administrative Office:** 555 College Road East - Princeton, NJ  
08543-5241 (800) 305-4954 **Statutory Office:** 2711 Centerville Road, Suite 400. Wilmington, DE  
19805 **Administered by:** VFIS Insurance Services 183 Leader Heights Road - York, PA 17402  
(800) 233-1957 - [www.vfis.com](http://www.vfis.com)

# **\*VFIS.**

A Division of Glatfalter Insurance Group

# COMMON POLICY DECLARATIONS

Named Insured and Mailing Address:

Policy Number: VFIS-TR-2052810-11/000 WASHINGTON COUNTY  
WATER

Renewal of: VFIS-TR-2052810-10 DISTRICT PO BOX 34

Policy Period: From 04-04-2018 WASHINGTON CA 95986

To 04-04-2019 at 12:01 AM Standard Time at your mailing address  
shown above Type of Entity: EMERGENCY SERVICE ORGANIZATION Business  
Description: EMERGENCY SERVICE ORGANIZATION

A

This policy consists of the following coverage parts:

**Property Crime Portable Equipment Auto General Liability Management  
Liability Excess Liability**

Premium

354.00 241.00

116.00 1,440.00

388.00 467.00 750.00

A

A

**Taxes / Fees / Surcharges:**

Estimated Total Premium:

\$ \$

3, 756.00

The policy premium is payable on the dates and in the amounts shown below:



See Installment Schedule

TR1000 (11/06)

**04-02-2018**

Lorem  
IN  
UN

**American Alternative Insurance Corporation** *(a stock insurance company)* *Administrative Office:* 555 College Road East Princeton, NJ 08543-5241 - (800) 305-4954 *Statutory Office:* 2711 Centerville Road, Suite 400-Wilmington, DE 19805 *Administered by:* Glatfelter Insurance Services, Inc. 183 Leader Heights Road York, PA 17402 (800) 233-1957 [www.Glatfelter Public Practice.com](http://www.GlatfelterPublicPractice.com)

**Glatfelter**

**Public Practices**

A Division of Glatfelter Insurance Group

## **COMMON POLICY DECLARATIONS**

**Named Insured and Mailing Address:**

**WASHINGTON CO WATER DISTRICT PO BOX 34 WASHINGTON, CA 95986-0000**

Policy Number:

**Renewal of: GPPA-PF-6054449-07/000**

**GPPA-PF-6054449-06** Policy Period:

**From 05-01-2018 To 05-01-2019**

12:01 AM Standard Time at your mailing address shown above. Type of Entity:

DISTRICT **Business** Description: WATER UTILITY

This policy consists of the following coverage parts:

**Property Crime Inland Marine Auto General Liability Public Officials and  
Management Liability Educators Legal Liability Excess Liability**

**Premium \$4,117.00 Not Covered**

\$250.00

**\$734.00 \$1,698.00**

\$1,250.00 **Not Covered**

**\$850.00**

Taxes, Fees, Surcharges: **Estimated Total Premium:**

**\$.00 \$8,899.00**

SASSARROCESSORIES

**The policy premium is payable on the dates and in the amounts shown below:**

**See Installment Schedule**

**GCO100 (06-17)**

**04-27-2018**

**GOLDEN STATE**

RISK MANAGEMENT AUTHORITY

*Established in 1979*

**April 2, 2019**

Charity Jackson WASHINGTON COUNTY WATER DISTRICT PO Box 34 Washington,

Thank you for the opportunity to provide a quote for WASHINGTON COUNTY WATER DISTRICT's membership and participation in Golden State Risk Management Authority's programs. Golden State Risk Management Authority (GSRMA) is an excellent option for California fire districts.

Based on the information you have provided, below is the estimated annual contribution for WASHINGTON COUNTY WATER DISTRICT:

*Contribution*

Coverage General Liability (1) Workers Compensation (1) Property Auto Physical Damage Mobile Equipment Watercraft Pollution Crime Bond (Per FTE) (2)

Rate \$3.60 \$6.60 \$0.16 \$0.51 \$0.28 \$0.99 \$0.01 \$11.86

\$1,728 \$3,168 \$2,625

\$102

\$7

\$0

\$6

\$83 \$7,719

Total

GSRMA requires participation in all applicable programs, and a three-year membership commitment. This commitment is vital to rate stabilization in risk-sharing pools. GSRMA was formed in 1979, and has provided its members with competitive rates and extremely high limits of coverage. GSRMA currently has over 280 member agencies.

GSRMA is very strong financially and Accredited with Excellence from the California Association of Joint Power Authorities (CAJPA). The CAJPA accreditation is an extensive third-party examination of an insurance pool's structure, finances and operations. We are proud of this recognition.

GSRMA is diligent in its effort to provide member protection with no "gaps." Coverage such as Director's E&O, Employment Practices Liability, Pollution Liability, and Cyber Liability risks are covered! We look forward to an opportunity to serve your agency. Feel free to call with any questions.

*Innovative programs, personalized service*

C. Jackson wants to know why aren't these policies combined? Other entities don't have separate policies for Water and Fire. She found huge savings (\$0-\$12K/year) from Golden State and brought in an estimate, but we need to become members and switch soon as the existing policy will automatically renew. We will have to remain members for 3 years.

Chief Kurpies asks for 1 more firefighter to be added to new Workman's Comp. policy

W. Helm moves to add 1 more firefighter to roster and to switch policies to Golden State, W.

Ahrens 2nd, ALL APPROVE

**B.** Billing software (J. Price)(NOT PRESENT)

There is a 'bug' in the billing software and she is currently working on a fix with company that supplied the software. K. Kosloski wants to know can we get our money back? C. Jackson volunteered to assist Jessica. Jessica will be invited to attend next meeting.

**C.** Finalize and accept job descriptions for GM and Secretary (S. Roland)

## **Washington County Water District**

**JOB TITLE: General Manager**

**JOB TYPE: Part-time**

**LOCATION: Washington, California**

**SUPERVISOR: Reports directly to the board of directors**

**PAY STRUCTURE: hourly**

### **MAIN DUTIES/RESPONSIBILITIES:**

*Implement and apply District Policies and Procedures*

*Responsible for operation of production facilities.*

*Performs daily rounds, checks condition of facilities, collects and records production and process data.*

*Operates chlorination injection system.*

*Performs filtration rate adjustments.*

*Operates and maintains dam intake structures.*

*Orders all supplies associated with the filter plant.*

*Operates Distribution System:*

*Meter turn on and turn offs*

*Isolation of line sections for repair.*

*Responsible for all maintenance and repairs. May work alone or coordinate with contractors.*

*Responds to Customer calls:*

*Investigates and resolves water quality calls*

*Reports other matters to board for resolution*

*Responsible for compliance of water system:*

*All required water sampling*

*All required/associated reporting  
Interaction with regulatory agency  
Manage Secretarial duties to the District Board  
Board meetings  
Prepare and post agendas  
Prepare board packets  
Take minutes of meeting  
  
Support board chair during meetings  
Collect district mail and distribute or respond as necessary  
Perform district business as directed  
Answer phone calls and messages  
read and record monthly meter readings- more often as necessary  
Provide support to board members as requested  
other duties as assigned*

## **EXPERIENCE, SKILLS and LICENSING**

**EXPERIENCE:** *Minimum two (2) years' experience as a journeyman operator, preferably at a surface water treatment plant. Experience in distribution repairs and maintenance is desired.*

### **SKILLS:**

*Ability to identify problems and provide solutions  
Effective verbal communication  
Accuracy when recording numbers and observations.  
Ability to use e-mail, spreadsheets, camera, internet uploading.  
Ability to use hand tools associated with the industry.  
Strong sense of importance of providing consistently safe drinking water.*

### **REQUIRED LICENSING:**

*Must possess and maintain valid licensing of the following:*

*California Department of Public Health Distribution 2  
California Department of Public Health Treatment 2  
California class C driver's license.*

Ability to be available on weekends and after hours

### **PERFORMANCE GOALS:**

Consistency, dependability.

Calm temperament when dealing with customers, board members, and coworkers.  
Fairness when performing duties associated with customer involvement (shut offs, collections, general service).  
Desire to advance in certification.  
Willingness to increase knowledge and responsibility of drinking water operation.  
Take initiative to correct problems as identified.

## **JOB DESCRIPTION AND DUTIES**

### **SECRETARY**

1. *Implement and apply Policies and Procedures*
2. *Perform secretarial duties to the District Board*
  - a. *Board Meetings*
    - I. *Prepare and post Agendas*
    - ii. *Prepare Board packets*
    - iii. *Take minutes of meeting*
    - iv. *Read and record monthly meter readings-more often as necessary*
    - v. *Collect, record and distribute mail*
    - vi. *Other duties as assigned*
  - K. Kosloski moves to accept, W' Helm 2nd, ALL APPROVE
  - D. Grant update (W. Helm)  
CRWA has lost funding so they will not be assisting us to find funding until further notice
  - E. Rate concerns (W. Ahrens/Concerned Citizens Committee)  
Emailed bills last month were sent out in error. Please disregard.
  - J. Grille has issues with the permanent residents in the campgrounds not having their own meters and has submitted a proposal

## **NEW RATE STRUCTURE PROPOSAL, WITH AUTHORITIES, FOR CONSIDERATION BY THE WASHINGTON COUNTY WATER DISTRICT ("WCWD")**

### **STATEMENT OF FACTS:**

A. The water rate structure currently in use by the WCWD is not compliant with: California Water Code - WAT Section, 537.1; the California Civil Code (Sections 798.3 through 798.12); Proposition 218; and at least two recent California Appellate Court rulings (See: Memorandum of Points at Issue, with Authorities attached hereto).

B. The River Rest and the Pine Aire properties are Mobile Home Parks pursuant to California Civil Code, i.e. Section 798.3 and 798.4, and the mobile home sites therein "that are rented, or held out for rent, to accommodate mobile homes used for human habitation" are residential lots requiring metering as defined by California Water Code - WAT Section 537.1.

C. The River Rest and Pine Aire Mobile Home Parks have at least 65 sites that are currently occupied by mobile homes subject to ratification, up or down, by WCWD. Also, there may be additional sites that are held out for rent to mobile homes subject to ratification by WCWD.

D. Each of River Rest and Pine Aire Mobile Home Parks sites are subject to base rate - water availability charges ("base rate") and sub-metering for water consumption charges consistent with the WCWD rate structure (currently \$50 per month and \$.00325 per gallon respectively).

**PROPOSAL:**

The WCWD shall require: that each mobile home residential site within the River Rest and Pine Aire Mobile Home Parks "that are rented, or held out for rent", be defined as the equivalent to the approximately 109 residential customers currently served by water supplied by WCWD; that each mobile home site be sub-metered; that the base rate charge for each mobile home site be \$50 per month and; that the metered water rate be adjusted to reflect the remaining annual WCWD budget shortfall, after first deducting the new increased base rate revenues (1).

Respectively submitted April 7, 2019 by the WCWD customer committee.

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(1). The addition of possibly 65 new residential customers, each with a \$50 per month base rate charge, added to the \$50 per month base rate of the existing 109 residential customers would equal 174 total base rate customers: 174 total customers times \$50 per month equals \$8700 per month times 12 months equals \$104,400 per year. The current 2018 budget is \$110,319. Subtracting \$104,000 there from equals a shortfall of \$6319. \$6319 divided by 174 equals \$36.32 per customer per year or \$3.03 per month. Assuming each customer uses 5000 gallons per month, the water usage rate could thereby equal as little as \$.000606 per gallon, adjusted up or down annually.

W. Helm says that all parcels are owned by 1 person. J Grille says that doesn't matter. C. Jackson says that the law states that all residences must be metered. W. Helm says that law was 2017 and meters were installed before that. Individual meters must be installed by 2025. A. Boyle says that Crowley Estates charges residents \$50/mo for water. C. Jackson says that it's not equitable-people in the River Rest pay less. She also has issues with residences that do not have meters installed-that the Board failed when they couldn't locate the water line during meter installations.

A. Boyle has invited a county representative to attend the next meeting to address some of these issues

W. Helm proposes to apply \$50 monthly fee to all permanent tenants of River Rest and Pine Aire-no vote taken

**New Business: for information, discussion and possible motion**

A. Separation and assignment of duties for board members (W. Helm)

W. Helm-Grants, Insurance(Workman's Comp,Auto,Property,Liability)

D. Pettis-Fire Department

W. Ahrens-Mail, Emergency repairs, Petty Cash, Auto maintenance

A. Boyle-Late notices

K. Kosloski-Billing/Regulations, Forgiveness policies, Oversee Jessica

W. Helm moves to approve, W. Ahrens 2nd, ALL APPROVE

**B.** Billing issues for less than \$25 (W. Helm)

W. Helm moves to approve, W. Ahrens 2nd, ALL APPROVE

**C.** Website (K. Kosloski)

K. Kosloski says that all Special Districts 1)Must have a website in place by 1/2020 2)Must have an enterprise system in place 3)Must post Agenda

**D.** CSDA Trial membership (K. Kosloski)

K. Kosloski recommends that we take advantage of the 18 months of free membership in CSDA. They will help us establish a website

W. Ahrens moves to approve, W. Helm 2nd, ALL APPROVE

### **Correspondence**

A. Letter from James Grille

**JAMES S. GRILL**

**POB 129 (17011 MAYBERT RD.)**

**WASHINGTON, CA. 95986**

**TEL: 530 265-2829**

**EMAIL: jamesgrill76@att.net**

## **MEMORANDUM OF POINTS AT ISSUE, WITH AUTHORITIES, TO BE CONSIDERED REGARDING THE VALIDITY OF WASHINGTON COUNTY WATER DISTRICT WATER RATE ANALYSIS OF FEBRUARY 2018 PREPARED BY RCAC.**

### **I. BACKGROUND:**

The subject Water Rate Analysis ("Analysis") was commissioned to determine a water rates structure post installation of water meters on each of the then existing customers who were receiving treated water from the Washington County Water District ("WCWD").

The installation of water meters were **mistakenly understood** by WCWD to be required **only** on each property then currently served with water (see discussions in Article II below). Previous to the installation of the water meters, water was sold by WCWD to its customers on a flat rate basis in the amount of \$50 per month with no cap on the volume used therein. The Analysis proposed a hybrid flat rate/tiered monthly rate: \$50 flat rate for the first 5000 gallon usage per month; \$.00325 tiered rate per gallon over 5000 gallons per month. The intent of these rates was to cover WCWD's initial annual operating cost of \$110,319. These rates went into effect beginning with the months of November-December 2018.

Upon receipt of the billing statements for this bi-monthly period, many customers realized a significant increase in the water charges beyond the previous \$50 per month. This realization was cause for an investigation of the correctness of the Analysis. That investigation is the subject of this memorandum.



## II. POINTS AT ISSUE:

### A. Is the Analysis Compliant with Proposition 218:

No. While the Analysis stated that it was compliant with Proposition 218, in fact it was not. California Water Code, WAT Section 537.1 requires a metered measure of water **"..to each residential dwelling unit** as a condition of new water service".

Furthermore, in *Capistrano Tax Payers Assoc. v. City of San Juan Capistrano, 4th Appellate District, Division 3 Case No. G048969*, the court ruled that the water rates must be proportional to the cost of **each residential dwelling unit**.

To the contrary, the Analysis did not structure its water rates proportional to the cost of **all existing residential dwelling units within its service area** but rather to only those 111 residential units then currently served.

### B. Residential Units That Are Not Included in the Analysis:

The Analysis treated the River Rest Business ("River Rest") and the Pine Aire Business ("Pine Aire") water usage the same as its individual residential customers. This is wrong pursuant to Proposition 218, the California Civil Code and court rulings because River Rest and Pine Aire are not single residential units but are multi-residential Mobilehome Parks pursuant to the California Civil Code, Title 25, Division 1, Chapter 2.5 Sect. 798.4 DEFINITION OF MOBILE HOME PARK: "'Mobile Home park' is an area of land where two or more mobile homes sites are rented, or held out for rent, to accommodate mobile homes used for human habitation".

### C. Mobilehome Sites are Designated Residential Sites Under the California Civil Code:

Section 798.3 DEFINITION OF MOBILE HOME states (a)"'Mobilehome' is a structure designed for human habitation..."; (b) "'Mobilehome for purposes of this chapter.... also includes trailers and other recreational vehicles of all types defined in Section 18010 of the Health and Safety Code..".

Further, the Civil Code defines the occupants of the mobilehome as a "Homeowner, Resident, and Tenants". See: Section 798.9 "Homeowner is a person who has a tenancy in a mobilehome park under a rental agreement"; See also: Section 798.11 "Resident is a homeowner or other person who lawfully occupies a mobilehome"; See also: Section 798.12 "Tenancy is the right of a homeowner to the use of a site within a mobilehome park on which to locate, maintain, and occupy a mobilehome, site improvements, and accessory structures for human habitation, including the services and facilities of the park".

Under the Civil Code criteria therefore, each of the mobilehome sites within River Rest and Pine Aire Mobile Home Parks are homeowner resident sites. Additionally, each site must have individual potable water hookups pursuant to 25 California Code of Regulations Section 1274, Chapter 2 Mobilehome Parks and Installations, Article 5. Plumbing Requirements (a). "Each lot shall be provided with a potable water lot service outlet...; (c) "A separate water service shutoff valve shall be installed in each lot water service outlet at each lot".

Most importantly, each "potable water lot service outlet" must be individually metered at the users cost pursuant to California Water Code - WAT Chapter 8, Article 3.5 Metered Service. Section 525. (a) "Notwithstanding any other provision of law, every water purveyor who sells, leases, rents, furnishes, or delivers water service to any person shall require.... that a suitable water meter to measure the water service shall be installed on the water service facility in accordance with this chapter. The cost of installation of the meter shall be paid by the user of the water, and any water purveyor may impose and collect charges for those cost".

River Rest has 107 advertised mobilehome sites each with individual water outlets. Of these 107 sites, a total of 24 are legal lots with individual assessor parcel numbers further validating their inclusion as individual WCWD customers. Moreover, there are presently at least 33 sites there that are permanently occupied by mobilehomes, some with irrigated gardens.

Pine Aire does not have an advertised number of mobilehome sites. Nevertheless, by actual count there are more than 30 sites permanently occupied by mobilehomes at this writing all presumably with lawful individual potable water outlets. connection each. This means that they receive the same monthly billing as each other customer within the WCWD service area; a flat/tiered \$50 per month for the first 5000 gallons and \$.00325 respectively for each additional gallon beyond that usage.

River Rest and Pine Aire then sell WCWD treated water to each of their mobilehome sites as part of their monthly site rental fee. This effectively renders River Rest and Pine Aire sub-contractors of WCWD, presumably at a profit for both mobilehome parks. (1). This quasi relationship amounts to a discounted and/or reduced rate charge to River Rest and Pine Air thereby shifting their reduced rate savings onto the WCWD's other 109 customers (2).

Not surprisingly, this discounted, reduce charge, arrangement is in conflict with a ruling by the California 4th Appellate Court in *Morgan v. Imperial Irrigation District (Feb. 4, 2014)*, wherein the court stated that discounts and reduced charges are not allowed if the lower charge "shifts cost to other payers such that they pay more than their fair share".

D. The Existing Water Service Rates for River Rest and Pine Aire Are Effectively Discounts:

River Rest and Pine Aire water services under the Analysis constitute one metered

### III. CONCLUSION:

Pursuant to the California Code of Regulations, and Proposition 218, the Analysis must be revised to include individual metered water services rates for the mobilehome homeowner residential sites within River Rest and Pine Aire that are equal to the other WCWD customers. This revision is particularly applicable because both of these mobilehome parks are lawfully required to, and presently do, provide WCWD treated water individually to all of their mobile home sites. Failure to meter these mobilehome sites for their fair share of the district's water service operating cost would therefore be unlawful pursuant to these authorities.

Alternatively, on the positive side, the addition of possibly 200 mobilehome residential water customers at \$50 each per month will yield up to \$120,000 annually, thereby more than satisfying WCWD's annual operating cost with a resulting windfall for all WCWD customers (3).

Respectfully submitted April 1, 2019.

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James S. Grill - WCWD customer since 1968

All bold and [bracketed] emphasis added

(1). One Pine Aire mobilehome resident who was interviewed by the undersigned, stated that he pays the owner \$50 per month for water service. While this is unconfirmed, it bears further investigation by WCWD.

(2). The Analysis states that there are 111 water service customers within the service district. The Analysis does not state which service customers are residences and which are business i.e. the store, hotel. It only states that all services pay the same water rate. This also suggest another investigation by the WCWD into inequities in the rate structure; even if it means that the business rate should be less than a residential rate as with other municipalities.

(3) The \$50 per month for River Rest and Pine Aire mobilehome sites will not affect the owners thereof. As commercial entities, they like all other businesses will pass this cost onto their customers (unlike the WCWD's residential customers who cannot pass their cost onto others!).

#### IV. Close of the Water District Meeting

##### General Public Comment

C. Jackson said that she recently walked the waterline and that it needs to be walked and cleared. There is a footbridge that a tree has fallen on and there is exposed PVC. There are also 2 unmetered valves.

General Public Comment time (not related to existing agenda items) allowed on subjects relating to the water agency and/or Fire Department, total elapsed time **15 minutes, 3 minutes per individual speaker.**