WATER QUALITY IMPROVEMENT JPA Regular Board of Directors Meeting Wednesday, June 19, 2024 at 5:00 PM

MINUTES

The regular meeting of the Board of Directors was called to order at 5:04 PM in the City Council Chambers of the City-County Building with 1st Chair Barry Malm presiding.

CALL TO ORDER

1. Roll Call of Members Agencies:

B&B Water District	1 st Chair, Barry Malm	Present
City of Dos Palos	2 nd Chair, Marcus Porter	Present
Eastside Water Association	Joe Lopez	Present
Midway Community Service District	Dora Campos	Present
North Dos Palos Water District	Allen Clark	Present
South Dos Palos Water District	Laverne Davis	Present

Others Present: Richard Martorello (Water Quality JPA Bookkeeper), Gabriel Delgado (Legal Counsel), Garth Pecchenino (JPA Engineer), and Members of the Public.

2. Additions/Deletions to the Agenda:

Deletion of item 7A Board to Consider Authorizing Self-Help Enterprises to Complete and Submit Grant Application to USDA

3. Approval of Minutes:

The Board reviewed the minutes of the March 20, 2024 regular meeting. A motion to accept the minutes as presented with no changes by Director Porter seconded by Director Campos. The Board unanimously approved the regular meeting minutes as presented. The vote on the motion was as follows:

Ayes:Campos, Clark, Davis, Lopez, Malm, PorterNays:NoneAbsent:NoneAbstentions:None

4. Approval of Warrants:

The JPA's bookkeeper Richard Martorello presented the members of the Board with an updated warrant list representing January 2024 through March 2024. Mr. Martorello explained that the presented format of the warrant report was to align past paid quarter warrants with the quarterly report presentation as well as present pending warrants to the Board.

Mr. Martorello presented the warrants from Jan. 2024 (19 items; \$41,761.13), Feb. 2024 (12 items; \$11,846.02), and Mar (13 items; \$13,519.71). No warrant list was available for the months of April through June at the time of the meeting. The report is included in the meeting packet.

On a motion from Director Porter with a second by Director Campos, the Board unanimously approved payment of the warrants. The vote on the motion was as follows:

Ayes:Campos, Clark, Davis, Lopez, Malm, PorterNays:NoneAbsent:NoneAbstentions:None

Mr. Martorello identified and presented to the Board a list of warrants to be denied payment as the City of Dos Palos Finance Department incorrectly expense coded the vendor billings to the JPA. Check numbers 23570 and 23681 for Lozano Smith Attorneys at Law represented billings for the City of Dos Palos. Check number 23744 for USDA, Service Center Rural Development, represented a billing for the Wastewater Disposal JPA.

On a motion from Director Porter with a second by Director Campos, the Board unanimously approved **nonpayment** (denial to pay) of the identified warrants. The vote on the motion was as follows:

Ayes:Campos, Clark, Davis, Lopez, Malm, PorterNays:NoneAbsent:NoneAbstentions:None

5. Changes in Capacity:

No changes in capacity.

6. Public Forum

No public forum comment.

7. Old Business:

A. Deleted from the agenda. Item not intended for this organization.

B. Board to Consider Resolution Authorizing Execution of License Agreement with Panoche Water District

This item was initially presented in December 2023 to the Board. JPA Engineer Garth Pecchinino is waiting for plans of construction and water demand.

The agreement is a renewal and expansion of the original 1999 agreement stated Gabriel Delgado, JPA Legal Counsel. The Panoche Water District is planning to review the provisions of the 15 year term agreement. The JPA has an option to terminate and an O&M reimbursement of cost in the agreement.

Panoche's request for expansion is based on the need for service growth and will be responsible for the water processing. This activity may help offset some of the JPA's O&M costs as potential revenue. It was also advised Panoche would reimburse the JPA for the legal and engineering

On a motion from Director Clark with a second by Director Lopez, the Board unanimously approved the adoption of the presented resolution for the Execution of License Agreement with Panoche Water District. The vote on the motion was as follows:

Ayes:Campos, Clark, Davis, Lopez, Malm, PorterNays:NoneAbsent:NoneAbstentions:None

C. Board to Consider Resolution Authorizing Execution of Administrative Services Agreement

This item was initially presented in March 2024 to the Board. Legal Counsel Delgado reported the Administrative Services Agreement has been updated to reflect the administrative services performed for the JPA are by an independent contractor (non-JPA employee) with a revised annual rate for services at \$2,000.

On a motion from Director Clark with a second by Director Lopez, the Board, on a favorable 4-2 vote, approved the adoption of the presented resolution for the Execution of Administrative Service Agreement. The vote on the motion was as follows:

Ayes:Campos, Clark, Lopez, MalmNays:Davis, PorterAbsent:NoneAbstentions:None

D. Board to Consider Vendor for Website

This item was initially presented in March 2024 to the Board. It was asked if it was possible to review a potential vendor or vendors to assist in the creation of a JPA website during the March 2024 meeting. Streamline.com was suggested as a potential vendor as the company offers a web platform for special districts.

A Streamline.com vendor quote identified a reduced startup data migration of \$250 (normally \$500) as the JPA's website is new with no Internet history. A monthly

maintenance of fee of \$200, or \$2,400 annually, will be the JPA's expense for the new website.

Streamline.com will provide a special district website template and staff training to implement the new JPA website before September. The JPA's website and ongoing updating will be maintained by the JPA Administrative staff including conversion of JPA documents and required special district website compliance.

On a motion from Director Porter with a second by Director Campos, the Board unanimously approved the adoption of Streamline.com in the creation of the Water Quality JPA website. The vote on the motion was as follows:

Ayes:Campos, Clark, Davis, Lopez, Malm, PorterNays:NoneAbsent:NoneAbstentions:None

E. Update on Construction of Water Treatment Facility

JPA Engineer Pecchinino reported the water was turned off on June 17 to allow the cutting in of the new valve/tee installation with only minor issues of discoloration. It was learned a 10-inch pipeline was only 18-inches deep versus what should have been 3-feet to 4-feet deep below the surface. The new water plant will connect to this installed tee.

The basin foundation is scheduled to be poured on June 26. A week of water at 9-feet to test for leaks will occur next. Water will eventually be at a 15-feet level inside the basin.

F. Update Regarding Amended JPA and O & M Agreement

Legal Counsel Delgado reported to the Board no update at this time and working with the City's attorney regarding numbers. Hopefully, an update will be available at the next meeting.

8. New Business:

A. Board to Consider Accepting JPA Financial Report 2023/2024 Q3

Mr. Martorello, the JPA's Bookkeeper, presented the 2023/2024 quarterly financial report to the Board for the period ending January 1, 2024 to March 31, 2023.

On a motion from Director Campos with a second by Director Clark, the Board unanimously accepted the financial report. The vote on the motion was as follows:

Ayes:Campos, Clark, Davis, Lopez, Malm, PorterNays:NoneAbsent:NoneAbstentions:None

B. Board to Consider Adopting Preliminary Budget for FY 2024/25

Mr. Martorello continued by presenting the Fiscal Year 2024/2025 budget to the Board by explaining all present and upcoming expenses in detail. Mr. Martorello also presented to the Board the clarified net income could move up and down due to residents moving in and out of the Dos Palos area as revenues are based on utility service billing units processed by the City of Dos Palos Finance Department. In turn, the revenues for the JPA will follow in a similar manner. Notable exceptions to JPA expenses included

- Accounting Services increased \$2,750: Reporting of SCO Special District Financial Transaction Report (FTR), SCO General Compensation Report and service rate increase (last rate increase was 2007).
- Legal increased \$5,000: Additional legal services to support JPA contract negotiation regarding Operations & Maintenance (O&M Agreement) with the City of Dos Palos to reflect current practices.
- Secretarial Services increased \$800: JPA Administrative services reflect service rate increase (last rate increase was 2007).
- State Water System Fees increased \$4,000: In anticipation of an 8-10% increase in the fees related to water systems.

On a motion from Director Campos with a second by Director Lopez, the Board unanimously accepted the financial report. The vote on the motion was as follows:

Ayes:Campos, Clark, Davis, Lopez, Malm, PorterNays:NoneAbsent:NoneAbstentions:None

C. Board to Discuss and Appoint NEW JPA Secretary

A brief discussion was had regarding what duties were to be performed by the new JPA secretary. The services performed for the JPA are listed below.

- Communicate with JPA Board of Directors in connection with meetings and all other JPA matters.
- Prepare all materials for JPA Board of Directors meetings in compliance with the Brown Act.
- Maintain JPA records, including all agendas, meeting materials, resolutions, reports, Form 700s. etc.
- Compile all documents to support JPA audits.
- Represent the JPA at other public meetings, as requested by the JPA Board of Directors, and report to the Board of Directors at a public meeting.

Based on historical knowledge, tenure with the JPA, and past recording secretarial service and support, it was by consensus of the Board, to appoint Mr. Martorello for the position.

On a motion from Director Clark with a second by Director Lopez, the Board, on a favorable 4-2 vote, approved the appointment of Richard Martorello for the position of Water Quality JPA's Administrative Secretary. The vote on the motion was as follows:

Ayes:Campos, Clark, Lopez, MalmNays:Davis, PorterAbsent:NoneAbstentions:None

9. Staff Reports:

A. Flange Repair

JPA Engineer Pecchinino reported there was a need for a flange repair. The repair can be done with shutting down the pipeline. Additional information regarding the flange repair will be presented at the next meeting.

10. Reports Pursuant to Government Code Section 54954.2(A)(2):

No items to report at this time.

11. Adjournment:

The meeting was adjourned at 7:01 p.m.

Regularly scheduled Board of Directors meetings through the end of 2024 are

- Wednesday, Sept. 18, 2024 at 5:00 PM
- Wednesday, Dec. 11, 2024 at 5:00 PM

Respectfully submitted, Richard Martorello Recording Secretary