

RAINS CREEK WATER DISTRICT  
Board of Directors Regular Meeting

**MINUTES**

**Board of Directors Meeting  
July 26, 2023  
In Person- Cloverdale Library  
Zoom Video Conferencing**

**BOARD MEMBERS PRESENT**

Alison Whipple – President  
Paula Jorgensen – Vice President  
Wanda Winkler - Director  
Randy Luginbill - Director  
Matthew Messenger - Director

**BOARD MEMBERS ABSENT:**

NONE

**OTHERS IN ATTENDANCE:**

Jamie Dunton, District Manager (RRU)  
Stephanie Voet, Russian River Utility (RRU)  
Brent Beazor, Brelje & Race Consulting Engineer

The meeting of the Board of Directors was called to order at 5:34 PM on Wednesday July 26, 2023, by Board President, Alison Whipple at the Cloverdale Library.

**PUBLIC COMMENTS/CORRESPONDENCE:**

1. LAFCO Fee Schedule for FY 2023-2024, reflecting the District's fees as \$81.40.

**ADMINISTRATION**

Agenda – Item 3A under New Business: The Water Rate Study presentation was moved to Item 2B under Administration. On motion by Paula Jorgensen and second by Wanda Winkler, the Agenda was approved as amended.

June 21, 2023, regular meeting minutes – on motion by Randy Luginbill and second by Paula Jorgensen, the minutes were unanimously approved.

Warrants No. 1 for \$7,093.86 - The board discussed certain vendor warrants and the goods/services provided. On motion by Randy Luginbill and second by Matthew Messenger, the warrants were unanimously approved.

2<sup>nd</sup> Quarter Payroll Forms 941 and DE 9C – Board was notified of the filling of these forms and payment of payroll taxes totaling \$81.40 from the payroll account.

XIO Price Increase – Mr. Dunton explained that after a detailed discussion with XIO, units within the SCADA system were classified as (i) necessary, (2) good to have and (3) not necessary. Those in group three were eliminated. As a result, the monthly charge will increase from \$241 to \$250.

**NEW BUSINESS:**

Mr. Beazor presented the rate study report. He noted that the District had not adjusted water rates since 2016. During this time, all the system operating costs had increased, that is, fixed and variable costs had increased to an extent current water sales revenues could not cover the costs. This is clearly reflected in the budget for FY 2023-2024. Mr. Beazor briefly explained the information he gathered and used in developing the proposed rates, which included operating costs, long-term capital improvement projects and scheduled repair and replacement projects. He developed two alternatives, each generating approximately \$117,000 in revenues.

- Alternative I – proposes a base rate increase which would cover 85% of the fixed costs, and a water use increase that would cover the rest of the fixed costs plus the variable costs. The result is a 35% increase in base rate and 50% increase in water usage rate.
- Alternative II – proposes a base rate increase which would cover 100% of the fixed costs, and a water use increase that could cover the variable costs. The result is a 57% increase in base rate and 5% increase in water use rates.

The board discussed these two proposals extensively addressing the different account types which impact the base rate charges and the different water use tiers. The board requested Mr. Beazor to generate usage ratios for the 3/4” account type versus all the other types including the multi units. With this information, the board will assess the need to adjust the account type rates prior to applying the proposed rate increases.

**OPERATIONS REPORT**

District Manager Mr. Dunton explained that the water system is running smoothly. However, he was working on identifying the potential leak.

Water leak credit to Ms. Leather – Ms. Voet of RRU reported that Ms. Leather had passed away and her son paid the outstanding balance in full. The board considered the need to adopt a policy around water leak forgiveness. This will be addressed at a future time.

Russian River Water Forum – Director Whipple and Director Luginbill updated the board regarding this forum which seeks to create discussions around PG&E’s decommissioning of the Potter Valley project which could impact several parties and agencies including the District.

There being no further business, the meeting adjourned at 7.25PM on motion by Wanda Winkler and second by Randy Luginbill. Next meeting will be in August 16, 2023.

**NEXT AGENDA**

1. Update on Water Rate Study – Brent Beazor
- 2.

Respectfully submitted,

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Vicky Mwangi

**APPROVED:**

Alison Whipple: \_\_\_\_\_

Paula Jorgensen: \_\_\_\_\_

Randy Luginbill: \_\_\_\_\_

Matthew Messenger: \_\_\_\_\_

Wanda Winkler: \_\_\_\_\_