



INVERNESS PUBLIC UTILITY DISTRICT

FIRE DEPARTMENT ✦ WATER SYSTEM

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Board of Directors

Minutes, Regular Meeting

Tuesday, July 16, 2024, 4:00 p.m.

Inverness Firehouse, 50 Inverness Way, Inverness CA

1. Call to Order; Attendance Report

President Donohue called the meeting to order at 4:01 p.m.

Directors Present: Kathryn Donohue, Kenneth J. Emanuels, Dakota Whitney

Directors Absent: Brent Johnson, David Press (arrived at 4:20 p.m.)

Staff Present: Shelley Redding, General Manager; Jim Fox, Chief of Operations; Ken Fox, Sr. Water Operator; David Briggs, Assistant Fire Chief, Jenna Nicolas, Grants and Programs Coordinator; Sarah Flamm, Business and Water System Analyst.

2. Public Expression: No one responded to the invitation to address the Board.

3. Approval of Minutes: Re-Convened Regular Meeting of May 30, 2024

M/S Whitney/Emanuel to approve the minutes of the Re-Convened Regular Meeting of May 30, 2024, as presented. AYES 3, NOES 0.

4. Management Report

- FY 2023-2024 Capital Projects Report: GM Redding presented the fiscal year 2023-2024 Capital Projects report, with a summary of items that have been completed and current capital projects that are ongoing. A current financial report was also presented for the Colby/Seahaven Tank Project activity through June 30, 2024. Director Emanuels asked about the capitalization of accounting software item; GM Redding explained that the entire undepreciated expenditure is being capitalized because use of that software was discontinued. She noted that the 5-year Capital Projects report will be updated and presented at the next meeting.
- 2023-2024 Audit Update: GM Redding reported that the audit activity started on June 17, 2024 and is on track for completion before October 1, 2024.
- Grants and Projects Update: GM Redding reported that staff are still waiting for a decision from FEMA on our application for the Assistance to Firefighters Grant (AFG); the decision is expected soon. GM Redding also reported that establishment of a coastal agencies' collaboration effort with Stinson Beach CWD, Muir Beach CSD, and Bolinas Community PUD is being revisited, aimed at identifying areas of mutual support. She also reported that a collaboration effort with the California Conservation Corps is being explored for future grants for mitigation efforts in the community.

5. Water System Reports: May and June 2024

Activity Report: Senior Water Operator Ken Fox presented the Water System Reports for May and June 2024. He noted that streamflow are still adequate for demand and that some significant leaks have been found and addressed recently. There were no questions.

BOARD OF DIRECTORS: **KATHRYN DONOHUE**, PRESIDENT • **KENNETH J. EMANUELS**, VICE PRESIDENT
DAVID PRESS, TREASURER • **BRENT JOHNSON** • **DAKOTA WHITNEY**



SHELLEY REDDING, GENERAL MANAGER • **JAMES K. FOX**, CHIEF OF OPERATIONS

Colby/Seahaven Tanks Replacement Project Update: Superintendent Jim Fox reported that we are still waiting for the final environmental reports and the CEQA documentation. Staff is preparing the second status report for submission to the state and receipt of the second reimbursement.

Director Press arrived at the meeting at 4:20 pm

6. Fire Department Reports: May and June 2024

Activity Report: Assistant Chief Briggs presented the monthly reports of the Fire Department's activities.

Marin Wildfire Prevention Authority (MWPA) Report: Monthly activity reports were presented to the Board. Director Donohue noted the detailed reports concerning the planned projects for the fiscal year 2024-2025 and there was a general discussion about equipment purchases for use when conducting mitigation work within the District. Asst. Chief Briggs provided a revision of the MWPA's Joint Powers Agreement, which will be submitted to the participating agencies for their approval within the next few months.

Marin Emergency Radio Authority (MERA) Update: Chief Fox reported that the MERA project is on track to begin the initial planned activity of moving to the new communication system next month. He also noted that he continues to work with Marin County Fire to ensure that the paging system for volunteer agencies will continue to function under the new dispatch system.

7. Approval of Expenditures and Credit Card Charges: May and June 2024

General Manager Redding presented the May and June 2024 expenditures and credit card ledgers for approval. *M/S Press/Whitney to approve the May and June 2024 expenditures and credit card purchases as presented. AYES 4, NOES 0.*

8. Accept and Approve Revised Employee Pay Rates for FY 2024-2025

GM Redding presented the 2024/25 pay rates that were revised pursuant to the Board's decision on a pay rate increase above the COLA for the General Manage based on a merit review approved at the previous meeting.

M/S Emanuels/Whitney to approve the revised employee pay rates as presented for fiscal year 2024-2025. AYES 4, NOES 0.

- 9. CERBT Reimbursement Request:** GM Redding presented the form requesting a reimbursement from the District's CERBT Trust Fund for retirees' health insurance expenditures during the previous fiscal year. Director Emanuels noted that the asset liability on the CERBT fund was 43% and noted the District tries to maintain a minimum 50% funding level. GM Redding noted the report reflects the fund assets at June 2022, and she predicts that interest earned during the previous two years will raise the asset balance to the minimum level. GM Redding noted that this item is being provided for informational purposes only, and that no Board action is required.

10. Resolution 285-2024: Public Hearing on and Adoption of the District's Appropriations Limit for FY 2024/25

Director Donohue opened the public hearing at 4:35 pm and asked if there were any questions from the Board concerning the Appropriations Limit; there were none. The public was asked if they had any questions and comments; there were none. The public hearing was closed at 4:36 pm.

M/S Whitney/Press to adopt Resolution 285-2024 setting the District's Appropriations Limit for FY 2024-2025. AYES 4, NOES 0.

11. Resolution 286-2024: Conflict of Interest Policy Update

GM Redding presented the Resolution that adds the Assistant Fire Chief to the District's Conflict of Interest Policy.

M/S Whitney/Press to approve Resolution 286-2024 that updates the District's Conflict of Interest Policy. AYES 4, NOES 0.

12. Resolution 287-2024: District Capitalization Policy Revision

GM Redding presented the Resolution to update the Capitalization policy increasing the expenditure threshold for capitalization from \$3,000 to \$5,000 for purchases other than those included in a Capitalization Project.

M/S Press/Whitney to authorize the Capitalization Policy Revision changing the expenditure threshold amount from \$3,000 to \$5,000. AYES 4, NOES 0.

13. Accept and Approve FY 2024-2025 Proposed Budget

GM Redding presented the proposed budget for FY 2024-2025 with the previous “final” amounts for comparison. She noted the summary budget document that shows a small overall deficit. She then described the three operating funds, Water, Fire and District, and the revenue streams for each fund. She drew attention to the significant expenditure increases for the Unfunded Accrued Liability, which is determined by CalPERS, and for Insurance. She also noted the increase in personnel costs due to the need to fund position duplication during a period of personnel transition and the strategy being used to allocate those costs among the funds. Without an increase in revenue, the Water System and the Fire Department are both projected to end the year with deficits. The Directors had general questions about water rates and the need for an increase in water rates. President Donohue asked staff to bring back alternate versions of the budget with varying “what if” scenarios related to increasing water rates. Director Press also asked for a review of expenditure categories that are shown in the proposed budget to be significantly less than the “final” 2023-2024 expenditures to ensure the proposals are as accurate as possible.

M/S Emanuels/Whitney to approve the proposed budget as presented and to schedule a revisit of the budget at the next Board meeting. AYES 4, NOES 0

14. Approval and Adoption of Overhead Rates for FY 2024-2025

GM Redding presented the proposed overhead rates for FY 2024-2025 and noted that they are developed based on the adopted budget. If the budget is changed such that it affects the overhead rates, a new rate sheet will be presented to the Board for approval.

M/S Whitney/Press to approve the FY 2024-2025 rates as presented. AYES 4, NOES 0

15. Ordinance 114-2024: General Manager Compensation for FY 2024-2025

The ordinance was presented based on the request from the Personnel Committee after the Annual Review was conducted at the previous Board Meeting to reflect an increased pay rate.

M/S Whitney/Emanuels to approve Ordinance 114-2024 providing for the compensation of the General Manager. AYES 4, NOES 0.

16. Committee Meetings/Reports

Personnel Committee: GM Redding noted that an in-person, on-site interview with a potential candidate for the Water System Supervisor position is scheduled for August 2, 2024.

17. Adjournment

The meeting was adjourned at 5:08 p.m. The next regular meeting of the Board is scheduled for August 20, 2024.

Attest: /s/

Date: 07/16/2024

Shelley Redding, Clerk of the Board