

# MURPHYS SANITARY DISTRICT

*"To provide the highest level of collection, treatment, and disposal of wastewater at the lowest cost possible to the user of the Murphys Sanitary District."*

**Regular Board Meeting**  
Thursday January 11, 2024  
10:00 a.m.



**MSD District Office**  
15 Ernest Street, Suite A  
Murphys, CA 95247

## AGENDA

*Board meetings are open to the public and the following alternative is available for those who wish to participate in the meeting virtually:*

### Microsoft Teams meeting

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 287 039 428 067

Passcode: Ki7mEA

[Download Teams](#) | [Join on the web](#)

**Or call in (audio only)**

[+1 872-242-9031,,943596853#](#) United States, Chicago

Phone Conference ID: 943 596 853#

## CALL MEETING TO ORDER\ PLEDGE OF ALLEGIANCE

### 1. Roll Call

### 2. Agenda Changes

3. **Public Comment** (*Limit 5 minutes per person*) on items not appearing on agenda. At this time, members of the public may address the Board on any non-agendized item. The public is encouraged to work through staff to place items on the agenda for Board consideration. No action can be taken on matters not listed on the agenda.

4. **Consent Agenda** - *The following items are expected to be routine non-controversial. Items will be acted upon by the Board at one time without discussion. Any Board member, staff member, or interested party may request that any item be removed for later discussion.*

a) Financial Reports: December 2023

b) Minutes: December 14, 2023 Special Board Meeting

### 5. New Business

*The Board may consider the items below and take action at this meeting. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.*

## BOARD OF DIRECTORS

Paige McMath-Jue, President      Steve Gonzalez, Vice President

Marty Mollera, Secretary      Bruce Miller, Treasurer      Joseph Fontana, Director at Large/Parliamentarian

<https://www.murphysd.org>

- a) Guest Speaker, Lindsey Mattos-Grant Fund/Writing Assistance
- b) Director Request to Rescind Motion of HEC Proposal -Discussion/Action

#### 6. Unfinished Business

*Items tabled or carried forward from a previous meeting to be considered on this agenda. Public comment is allowed on each individual agenda item listed below, and such comment will be considered in advance of each Board action.*

#### 7. Committee Reports

*Informational reports on committee meetings. Committees may recommend a future item be placed on the next meeting agenda for Board action.*

- a) Investment Advisory Committee Report
- b) Climate Action & Sustainability Report

#### 8. Staff Reports

*Brief reports of information on matters of general interest. No action will be taken by the Board during Staff Reports.*

- a) Administration
- b) Operation

#### 9. Future Agenda Items/Director Comments

*Board members and/or staff can comment on district business or request a future item be placed on the next meeting agenda. No action will be taken by the Board.*

#### 10. Next Regular Meeting: February 8, 2024, 10:00 a.m.

#### 11. Adjournment

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the **Murphys Sanitary District at 209-728-3094**. Notification in advance of the meeting will enable MSD to make reasonable arrangements to ensure accessibility to this meeting. Any documents that are made available to the Board before or at the meeting, not privileged or otherwise protected from disclosure, and related to agenda items, will be made available at MSD for review by the public.

#### BOARD OF DIRECTORS

Paige McMath-Jue, President      Steve Gonzalez, Vice President  
Marty Mellera, Secretary      Bruce Miller, Treasurer      Joseph Fontana, Director at Large/Parliamentarian  
<https://www.murphysd.org>

**Murphys Sanitary Distict  
Fund Balance Summary**

**December 31, 2023**

	<b>Rates</b>	
El Dorado Savings Bank	.02%	48,450.02
Cash Drawer		200.00
 <b>District Investments</b>		
CA Class Discretionary	5.55%	600,010.09
CA Class Equip R&R	5.55%	346,467.14
LAIF	3.59%	57,045.65
UBS T-Bill #1 06/13/2024	5.20%	200,000.00
UBS T-Bill #2 01/11/2024	5.35%	200,000.00
UBS T-Bill #3 03/21/2024	5.42%	200,000.00
UBS T-Bill #4 02/15/2024	5.40%	200,000.00
UBS CD 06/21/2024	5.36%	44,000.00
UBS CD 05/30/2024	5.25%	224,000.00
UBS CD 11/15/2024	5.80%	<u>200,000.00</u>
Total Investments		2,271,522.88
 <b>Balance Ending December 31, 2023</b>		
		2,320,172.90

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## Murphys Sanitary District

# Expense Disbursement Report

### December 2023

Date	Num	Name	Memo	Amount
<b>Dec 23</b>				
12/18/2023	ACH	CalPERS	Retirement Contributions	-2,768.81
12/18/2023	ACH	EDD	Payroll Tax Liabilities	-614.00
12/18/2023	ACH	EFTPS Federal Tax...	Payroll Tax Liabilities	-3,015.42
12/28/2023	ACH	CalPERS	Retirement Contributions	-2,826.47
12/28/2023	ACH	EDD	Payroll Tax Liabilities	-693.46
12/28/2023	ACH	EFTPS Federal Tax...	Payroll Tax Liabilities	-3,489.48
12/31/2023	ACH	coPOWER	Dental & Vision Insurance	-430.07
12/31/2023	ACH	CalPERS Health In...	Medical Insurance-Fillmore, On...	-9,390.88
12/06/2023	ACH	CalPERS Health In...	Service Fee-Termination	-9.81
12/08/2023	ACH	Vanco Services	Service Fee for Vanco Payments	-121.25
12/14/2023	ACH	Vanco Services	To record returned payment- S...	-60.50
12/28/2023	ACH	El Dorado Savings ...	Payroll Tax Liabilities	-91.34
12/04/2023	10853	AT&T Internet - Six ...	Internet - Six Mile	-63.49
12/04/2023	10854	Bruce Whittle Electric	Air conditioning Unit	-14,000.00
12/04/2023	10855	Calaveras County E...	Environmental Health/Hazmat ...	-272.00
12/04/2023	10856	Cisco Fire Sprinkler...	Annual Fire Extinguisher Certifi...	-150.00
12/04/2023	10857	Landscaper Alfredo ...	Yard maintenance Office Buildi...	-200.00
12/04/2023	10858	Alpha	Research & Monitoring	-641.00
12/04/2023	10859	Mountain Oasis Wa...	Drinking Water	-63.15
12/07/2023	10860	Mother Lode Answe...	Answering Service	-296.00
12/11/2023	10861	Aramark	Uniform Service	-193.09
12/11/2023	10862	Calaveras Lumber	Materials/Supplies	-130.77
12/14/2023	10863	Fillmore, Kristina V	Payroll 12/14/2023	-2,195.76
12/14/2023	10864	Hemstad, Eric N	Payroll 12/14/2023	-1,885.99
12/14/2023	10865	Milliken, Amy R	Payroll 12/14/2023	-1,088.15
12/14/2023	10866	Murphy, Daniel W.	Payroll 12/14/2023	-3,028.66
12/14/2023	10867	Onstad, Joseph C	Payroll 12/14/2023	-2,400.66
12/14/2023	10868	Schroeder, Teri L	Payroll 12/14/2023	-525.30
12/18/2023	10869	SWRCB Fees	Annual Permit Fees - 07/01/23-...	-3,746.00
12/18/2023	10870	SWRCB Fees	Annual Permit Fees - Six Mile ...	-26,785.00
12/18/2023	10871	AT&T Murphys Gra...	Murphys Grade- Alarm Access	-135.56
12/18/2023	10872	Bruce Miller	Regular Board Meeting - Dec 2...	-100.00
12/18/2023	10873	Calaveras Power A...	WWTP - Electric	-6,795.20
12/18/2023	10874	Joseph Fontana	Regular Board Meeting - Dec 2...	-100.00
12/18/2023	10875	PGE-Emerald Cree...	Emerald Creek - Electric	-189.99
12/18/2023	10876	PGE-Office	Office - Electric	-217.66
12/18/2023	10877	Steve Gonzales	Regular Board Meeting - Dec 2...	-100.00
12/18/2023	10878	The Red Store	Misc Supplies - Washers; Scre...	-72.85
12/18/2023	10879	SDRMA	Health Insurance Benefits	-10,367.04
12/19/2023	10880	US Bank	Business Card	-3,218.51
12/20/2023	10881	AALR & R Attorney...	General Counsel	-1,209.60
12/20/2023	10882	Northstar Chemical	Chemicals	-2,924.76
12/20/2023	10883	Signa Mechanical	Pump	-9,277.57
12/20/2023	10884	UPUD	735 Six Mile - Water Acct#006...	-217.24
12/20/2023	10885	UPUD	735 Six Mile Rd - M Water 006...	-77.43
12/20/2023	10886	UPUD	15 Ernest Street - Water Acct#...	-75.80
12/20/2023	10887	UPUD	26 Emerald Ct - Water Acct#00...	-75.24
12/28/2023	10888	Fillmore, Kristina V	Payroll 12/28/2023	-2,160.96
12/28/2023	10889	Hemstad, Eric N	Payroll 12/28/2023	-1,779.87
12/28/2023	10890	Milliken, Amy R	Payroll 12/28/2023	-924.26
12/28/2023	10891	Murphy, Daniel W.	Payroll 12/28/2023	-3,028.67
12/28/2023	10892	Onstad, Joseph C	Payroll 12/28/2023	-2,300.16
12/28/2023	10893	Schroeder, Teri L	Payroll 12/28/2023	-411.05
12/28/2023	10894	Black Water Consul...	ITS-IRWM Application	-2,904.00
12/28/2023	10895	Carbon Copy	Copy Machine - Six Mile	-9.99
12/28/2023	10896	Comcast- Emerald ...	Emerald Creek - Alarm Access	-107.44
12/28/2023	10897	Comcast Business	Office - Phone/Internet	-193.21
12/28/2023	10898	Black Water Consul...	WWTP Upgrade II Application	-3,169.00
12/28/2023	10899	Carbon Copy	Copy Machine - Office	-23.48

Dec 23

VOIDED Checks:

## Murphys Sanitary District Budget vs. Actual- YTD Performance July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>Monthly Billing</b>				
4100 · Srv Chrgs - Residential	334,636.10	644,400.00	-309,763.90	51.9%
4102 · Srv Chrgs - Apartments	28,140.00	59,760.00	-31,620.00	47.1%
4104 · Srv Chrgs - Lodges/Churches	4,275.90	8,552.00	-4,276.10	50.0%
4106 · Srv Chrgs - School	2,136.00	4,272.00	-2,136.00	50.0%
4108 · Srv Chrgs - Commercial	89,220.30	177,970.00	-88,749.70	50.1%
<b>Total Monthly Billing</b>	458,408.30	894,954.00	-436,545.70	51.2%
<b>Misc Income</b>				
4999 · Rental Income	4,400.00	7,800.00	-3,400.00	56.4%
4110 · Pln Chk & Inspection Fees	0.00	300.00	-300.00	0.0%
4111 · Late Fees	1,167.10	2,000.00	-832.90	58.4%
4120 · Taxes	7,729.11	135,000.00	-127,270.89	5.7%
4130 · Other Services	904.00	1,500.00	-596.00	60.3%
4140 · General Reserve Interest	60,749.49	100,000.00	-39,250.51	60.7%
4150 · Vacant lot Billing	0.00	1,700.00	-1,700.00	0.0%
4160 · Refunds - Rebates	390.48	500.00	-109.52	78.1%
<b>Total Misc Income</b>	75,340.18	248,800.00	-173,459.82	30.3%
<b>Total Income</b>	533,748.48	1,143,754.00	-610,005.52	46.7%
<b>Gross Profit</b>	533,748.48	1,143,754.00	-610,005.52	46.7%
<b>Expense</b>				
<b>Wages</b>				
5001.00 · Wages - Operations	109,854.20	227,497.00	-117,642.80	48.3%
5001.50 · Wages - Office	59,297.58	123,042.00	-63,744.42	48.2%
5002.00 · Overtime - Operations	1,398.42	3,000.00	-1,601.58	46.6%
5002.50 · Overtime - Office	0.00	0.00	0.00	0.0%
5005.00 · On-Call Comp - Operations	5,700.00	10,500.00	-4,800.00	54.3%
<b>Total Wages</b>	181,910.26	364,039.00	-182,128.74	50.0%
<b>Employee Benefits</b>				
5010.00 · Health Insurance - Operations	64,204.63	120,000.00	-55,795.37	53.5%
5010.50 · Health Insurance Administration	23,098.92	42,000.00	-18,901.08	55.0%
5015.00 · Accrued Vac - Operations	0.00	2,562.00	-2,562.00	0.0%
5015.50 · Accrued Vac - Administration	0.00	0.00	0.00	0.0%
5020 · Pension Expense				
5020.10 · Contra Pension Expense	0.00	0.00	0.00	0.0%
5020.00 · calPERS Retirement - Operations	10,282.81	19,715.00	-9,432.19	52.2%
5020.50 · calPERS Retirement - Admin	4,238.38	8,330.00	-4,091.62	50.9%
<b>Total 5020 · Pension Expense</b>	14,521.19	28,045.00	-13,523.81	51.8%
<b>Total Employee Benefits</b>	101,824.74	192,607.00	-90,782.26	52.9%
<b>PR Taxes</b>				
5030.50 · FICA-Medicare	15,398.78	38,500.00	-23,101.22	40.0%
<b>Total PR Taxes</b>	15,398.78	38,500.00	-23,101.22	40.0%
<b>WORKERS' COMPENSATION</b>				
5040.00 · Workers' Comp – Operations	9,382.18	16,000.00	-6,617.82	58.6%
5040.50 · Workers' Comp. – Administration	620.00	723.00	-103.00	85.8%
<b>Total WORKERS' COMPENSATION</b>	10,002.18	16,723.00	-6,720.82	59.8%

**Murphys Sanitary District**  
**Budget vs. Actual- YTD Performance**  
 July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
<b>OPERATIONS - Maint &amp; Repairs</b>				
6001.10 · R&M - Collection	1,778.04	3,000.00	-1,221.96	59.3%
6001.20 · R&M - Treatment	144.41	3,000.00	-2,855.59	4.8%
6002.40 · R&M - Truck	649.66	4,000.00	-3,350.34	16.2%
6003.40 · R&M - Tractor	0.00	500.00	-500.00	0.0%
6004.40 · R&M - Trailer-Trash Pumps	0.00	500.00	-500.00	0.0%
6005.40 · R&M - Hydro Equipment	1,382.39	1,500.00	-117.61	92.2%
6006.40 · R&M - Sml Tools & Equipment	410.60	1,000.00	-589.40	41.1%
<b>Total OPERATIONS - Maint &amp; Repairs</b>	<b>4,365.10</b>	<b>13,500.00</b>	<b>-9,134.90</b>	<b>32.3%</b>
<b>OPERATIONS - Supplies</b>				
6016.00 Software Updates	0.00	2,000.00	-2,000.00	0.0%
7011.00 · Office Supplies	1,195.86	2,000.00	-804.14	59.8%
6010.00 · Equipment Rental	0.00	350.00	-350.00	0.0%
6011.00 · Gas-Oil-Fuel	2,193.57	8,500.00	-6,306.43	25.8%
6012.10 · Supplies - Collection	498.60	1,500.00	-1,001.40	33.2%
6012.20 · Supplies - Treatment	21,290.44	37,000.00	-15,709.56	57.5%
6013.00 · Safety Supplies	369.91	1,000.00	-630.09	37.0%
6015.00 · Uniforms	1,441.42	4,000.00	-2,558.58	36.0%
<b>Total OPERATIONS - Supplies</b>	<b>26,989.80</b>	<b>56,350.00</b>	<b>-29,360.20</b>	<b>47.9%</b>
<b>OPERATIONS - Utilities</b>				
6021.10 · Electric - Water Collection	11,933.29	30,000.00	-18,066.71	39.8%
6021.20 · Elec. - Water - Garbage WWTP	32,662.76	45,000.00	-12,337.24	72.6%
6022.00 · Telephone - Internet	1,115.62	4,500.00	-3,384.38	24.8%
<b>Total OPERATIONS - Utilities</b>	<b>45,711.67</b>	<b>79,500.00</b>	<b>-33,788.33</b>	<b>57.5%</b>
<b>OPERATIONS - Other</b>				
6031.20 · Education Operations	1,148.00	3,000.00	-1,852.00	38.3%
6032.20 · Research - Monitoring	12,356.55	24,000.00	-11,643.45	51.5%
6033.00 · Answering Service	1,776.00	3,550.00	-1,774.00	50.0%
6034.00 · Security-Alarm Service	2,447.96	3,700.00	-1,252.04	66.2%
<b>Total OPERATIONS - Other</b>	<b>17,728.51</b>	<b>34,250.00</b>	<b>-16,521.49</b>	<b>51.8%</b>
<b>ADMINISTRATIVE - Rents - Leases</b>				
7050.10 · Rents & Leases - Collection	720.00	0.00	720.00	100.0%
ADMINISTRATIVE - Rents - Leases - Other	0.00	720.00	-720.00	0.0%
<b>Total ADMINISTRATIVE - Rents - Leases</b>	<b>720.00</b>	<b>720.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>ADMINISTRATIVE - Supplies</b>				
7017.00 Operating Expenses	249.48	1,500.00	-1,250.52	16.6%
7011.50 · Office Supplies	2,088.75	4,000.00	-1,911.25	52.2%
7012.50 · Postage	857.84	1,500.00	-642.16	57.2%
7013.50 · Printing	0.00	300.00	-300.00	0.0%
7014.00 · Publications	0.00	300.00	-300.00	0.0%
7015.50 · Office Equipment - Software	3,075.38	3,000.00	75.38	102.5%
7016.50 · Website-email Expenses	145.00	500.00	-355.00	29.0%
<b>Total ADMINISTRATIVE - Supplies</b>	<b>6,416.45</b>	<b>11,100.00</b>	<b>-4,683.55</b>	<b>57.8%</b>
<b>ADMINISTRATIVE - Utilities</b>				
7021.50 · Electric - Water Office	1,407.99	4,500.00	-3,092.01	31.3%
7022.50 · Telephone-Internet Access	2,009.47	4,200.00	-2,190.53	47.8%
<b>Total ADMINISTRATIVE - Utilities</b>	<b>3,417.46</b>	<b>8,700.00</b>	<b>-5,282.54</b>	<b>39.3%</b>
<b>ADMINISTRATIVE - Other</b>				
7030.50 · Bank Charges - Vanco Fees	945.09	1,440.00	-494.91	65.6%
7031.50 · County Lien Costs -Mileage	105.06	500.00	-394.94	21.0%
7034.50 · Education	1,363.89	4,500.00	-3,136.11	30.3%
7035.50 · Memberships	9,590.61	10,000.00	-409.39	95.9%
7036.50 · Grant Expenses	0.00	2,500.00	-2,500.00	0.0%
7099.50 · 15 Ernest St Building RM	1,560.28	3,000.00	-1,439.72	52.0%
<b>Total ADMINISTRATIVE - Other</b>	<b>13,564.93</b>	<b>21,940.00</b>	<b>-8,375.07</b>	<b>61.8%</b>

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**Murphys Sanitary District**  
**Budget vs. Actual- YTD Performance**  
 July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
<b>ADMINISTRATIVE - Insurance</b>				
7040.50 · Property/Liability/Auto	36,662.64	35,000.00	1,662.64	104.8%
<b>Total ADMINISTRATIVE - Insurance</b>	36,662.64	35,000.00	1,662.64	104.8%
<b>ADMINISTRATIVE – Professional</b>				
7054.50 Software Updates	0.00	1,500.00	-1,500.00	0.0%
7053.50 Website/IT Maintenance	190.00	1,200.00	-1,010.00	15.8%
7054.50 · Office Cleaning	0.00	0.00	0.00	0.0%
7053.50 · Accounting Services	9,500.00	10,000.00	-500.00	95.0%
7051.50 · Professional-Legal Services	3,444.00	6,000.00	-2,556.00	57.4%
7052.50 · Board Expenses	6,015.88	11,000.00	-4,984.12	54.7%
<b>Total ADMINISTRATIVE – Professional</b>	19,149.88	29,700.00	-10,550.12	64.5%
<b>ADMINISTRATIVE - License-Permit</b>				
7070.00 · State Permits-Reporting	30,803.00	41,000.00	-10,197.00	75.1%
7071.00 · Plan Check Permits -	0.00	300.00	-300.00	0.0%
<b>Total ADMINISTRATIVE - License-Permit</b>	30,803.00	41,300.00	-10,497.00	74.6%
<b>ADMINISTRATIVE - Advertising</b>				
7080.50 · Advertising	0.00	500.00	-500.00	0.0%
7081.50 · Customer Outreach	0.00	750.00	-750.00	0.0%
<b>Total ADMINISTRATIVE - Advertising</b>	0.00	1,250.00	-1,250.00	0.0%
<b>ADMINISTRATIVE – Engineering</b>				
8500.50 · Engineering-General	652.50	5,000.00	-4,347.50	13.1%
<b>Total ADMINISTRATIVE – Engineering</b>	652.50	5,000.00	-4,347.50	13.1%
<b>ADMINISTRATIVE - Debt Service</b>				
9030.00 · WWTP Upgrade SRF Loan	0.00	0.00	0.00	0.0%
<b>Total ADMINISTRATIVE - Debt Service</b>	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	515,317.90	950,179.00	-434,861.10	54.2%
<b>Net Ordinary Income</b>	18,430.58	193,575.00	-175,144.42	9.5%
<b>Net Income</b>	18,430.58	193,575.00	-175,144.42	9.5%

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## Murphys Sanitary District Budget vs. Actual - Reserve Performance July 2023 through June 2024

	Jul '23 - Jun 24	Budget	\$ Over Budget	% of Budget
Other Income/Expense				
Other Income				
<b>CAPITAL INCOME</b>				
Grant Funds-Plant Upgrade II	0.00	0.00	0.00	0.0%
Grant Funds-Collection System	0.00	0.00	0.00	0.0%
Cash from Operating Account	0.00	193,586.00	-193,586.00	0.0%
Connection Fees Collected	0.00	0.00	0.00	0.0%
<b>Total CAPITAL INCOME</b>	<u>0.00</u>	<u>193,586.00</u>	<u>-193,586.00</u>	<u>0.0%</u>
<b>Total Other Income</b>	0.00	193,586.00	-193,586.00	0.0%
Other Expense				
<b>CAPITAL REPAIR &amp; MAINTENANCE</b>				
9016.10 · CollectionSystem Replacement	17,560.50	0.00	17,560.50	100.0%
9999.00 · 15 Ernest St Improvements	159.38	8,000.00	-7,840.62	2.0%
9007.00 · Capital Equipment	91,219.73	132,000.00	-40,780.27	69.1%
9022.00 · CIP - WWTP Upgrade Part II	26,741.00	350,000.00	-323,259.00	7.6%
<b>Total CAPITAL REPAIR &amp; MAINTENANCE</b>	<u>144,820.61</u>	<u>490,000.00</u>	<u>-345,179.39</u>	<u>29.6%</u>
<b>Total Other Expense</b>	144,820.61	490,000.00	-345,179.39	29.6%
<b>Net Other Income</b>	<u>-144,820.61</u>	<u>-296,414.00</u>	<u>151,593.39</u>	<u>48.9%</u>
<b>Net Income</b>	<u><u>-144,820.61</u></u>	<u><u>-296,414.00</u></u>	<u><u>151,593.39</u></u>	<u><u>48.9%</u></u>



## Murphys Sanitary District



MINUTES – Regular Board Meeting  
Thursday, December 14, 2023  
15 Ernest St Ste. A  
Murphys, Ca 95247

CALL MEETING TO ORDER – 10:00 a.m.

PLEDGE OF ALLEGIANCE

### 1. Roll Call

**Directors Present**

***Director Fontana, Director Miller, Director Mollera, Director Gonzales & President McMath-Jue***

**Staff Present**

***K. Fillmore, Admin. Manager; D. Murphy, Operations Manager & A. Milliken, Accounting Clerk (Via Remote)***

**Others Present**

***Caroline Peterson & Caroline Gonzales***

### 2. Agenda Changes

***Motion: Director B. Miller motions to reschedule Line Item 6a, Approval of Hansford Economic Consulting Proposal: No Second, no action***

### 3. Public Comment – None

### 4. Consent Agenda

a) Financial Reports: November 2023

b) Minutes: November 17, 2023, Special Board Meeting

***Motion: Directors J. Fontana & S. Gonzales motion to accept the Consent Agenda as presented; Financial Report November 2023 & Minutes 11/17/2023, Special Board Meeting: Approved 5-0***

### BOARD OF DIRECTORS

Paige McMath-Jue, President     Steve Gonzalez, Vice President  
Marty Mollera, Secretary     Bruce Miller, Treasurer     Joseph Fontana, Director at Large/Parliamentarian  
<https://www.murphysd.org>

**5. New Business**

- a) **Adoption of Res. 2023-06 opt into California Uniform Public Construction Cost Accounting Act -*Brief Discussion***

***Motion: President P. McMath-Jue & Director J. Fontana motion to Adopt Resolution 2023-06 opting into the California Uniform Public Construction Cost Accounting Act: Approved 4-0-1 Abstain, Director B. Miller***

- b) **Approval of Purchasing and Procurement Policy**

***Motion: President P. McMath-Jue & Director S. Gonzales motion to approve the Purchasing & Procurement Policy: 4-0-1 Nay, Director B. Miller***

- c) **Board Member Bylaw Update – *Information & Discussion Only***

- d) **Appointment of Board Positions – *Director B. Miller steps down from Treasurer to Board Secretary; Director J. Fontana steps down from Secretary to Board Treasurer***

- e) **Special Meeting Schedule for Policy Review – *Discussion, schedule “Special” Meetings accordingly for thorough review of new policies.***

**6. Unfinished Business**

- a) **Approval of Hansford Economic Consulting Proposal – *Timeline, Handout Included***

***Motion: President P. McMath-Jue & Director J. Fontana motion to approve the Hansford Economic Consulting Proposal as presented: Approved 4-0-1 Nay, Director B. Miller***

**7. Committee Reports**

**Investment Advisory Committee Report – *Nothing to report***

- b) **Climate Action & Sustainability Report – *Nothing to report***

**BOARD OF DIRECTORS**

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Marty Mellera, Secretary     Bruce Miller, Treasurer     Joseph Fontana, Director at Large/Parliamentarian  
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**8. Staff Reports**

- a) *Administration – Information only, handout included w/board packet – Brief Discussion*
- b) *Operation – Information only, handout included w/board packet – Brief Discussion*

**9. Future Agenda Items/Director Comments – *Upon request, Director M. Mellerera will no longer accept a stipend for Regular Board Meetings.***

**10. Next Regular Meeting: January 11, 2024, 10:00 a.m.**

**11. Adjournment: 11:30 a..m.**

Respectfully;

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Amy R Milliken, Clerk of the Board

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Director Marty Mellerera, Secretary

**BOARD OF DIRECTORS**

Paige McMath-Jue, President     Steve Gonzalez, Vice President  
Marty Mellerera, Secretary     Bruce Miller, Treasurer     Joseph Fontana, Director at Large/Parliamentarian  
<https://www.murphyssd.org>



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## STAFF REPORT

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**DATE:** January 11, 2024  
**TO:** Members of the Board  
**FROM:** District Management  
**SUBJECT:** Hansford Economic Consulting (HEC) Proposal Task A and Task B

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### **Summary:**

At the December 14, 2023, regular board meeting Hansford Economic Consulting's proposal to conduct a Financial Analysis and Wastewater Rate Study Task A & Task B was approved by a 4-1 vote by the board.

### **Recommendations & Follow up:**

Management continues to support both Task A and B of the Wastewater Rate Study.

Hansford Economic Consulting reviewed the 2015 and 2016 timeline handout from the December meeting. According to their review, these rate studies only examined financial projections and total revenue needs. They do not provide any cost-of-service analysis, which is a requirement of Proposition 218 and the 10 year requirement for school districts.

October 30, 2023

Ms. Kristina Fillmore, Administration Manager  
Murphy's Sanitary District

*Letter sent via email*

Subject: **Wastewater Rates Study; HEC #230423**

Dear Kristina:

Thank you for the opportunity to submit a proposal to potentially update the Murphy's Sanitary District (hereafter 'District' or 'MSD') wastewater rates. HEC and its Principal, Catherine Hansford, bring more than 20 years of experience in municipal finance with specialization in the water industry. With a proven track record of completed projects and references listed herein, HEC offers the necessary skill set for successful, straightforward execution of the Study. HEC has provided professional services to many small cities and special districts in California. We work with staff, engineers, bond counsel, planners, public outreach, and legal professionals routinely to determine the best solutions to unique circumstances. The majority of HEC's clients are small communities. Our qualifications are provided in **Exhibit A**.

## **Proposed Scope of Services**

### **Task A: Financial Analysis and Proposition 218 Explanation**

#### **Task A.1: Project Management**

This subtask includes time for Catherine Hansford to manage, track, and report on Task A progress every month. It entails review of work status/progress, invoicing/determination of remaining budget, and coordination with District staff.

#### **Task A.2: Financial Discovery**

HEC will provide a list of data needs to the District and will collect other information and data pertinent to the rate study. Once the data has been collected, HEC will thoroughly review the financial health of the District, examining revenue and cost information for all operations, maintenance, administration, general expenses, short and long-term liabilities, as well as capital and reserve expenditures. The financial review will establish the historical and current financial health of the District under the current rate and taxes structures, generally describe components of annual revenues, and characterize expenses.

Looking forward, HEC will estimate the District's revenue requirement. The revenue requirement is the amount that must be raised by customers each year to maintain revenue sufficiency. HEC will summarize the wastewater capital improvement plan (CIP) as provided by the District and will present

a financing strategy to ensure the facilities are completed in a timely fashion, while minimizing the impact to rate-payers. Assumptions in the financial model include rate of growth and number of customers by customer category, which will be discussed with staff and vetted by the District Board of Directors (Board). Future operation and maintenance expenses may be projected using known cost changes, historical annual percentage increases, or some other index, such as a consumer price index. Expense item categories, such as utility costs and labor costs, services and supplies costs, permits and lab costs, will be projected independently.

The projected revenue requirement may also include other non-operating cost considerations, such as an operating reserve, rate stabilization fund, short-lived asset reserve, or additional funds to meet debt service coverage requirements. Non-operating revenues, such as interest revenue, late charges, and other miscellaneous revenue sources, will be included as credits in the analysis so that the revenue requirement is not over-estimated. A cash flow will be presented to ensure sufficiency of funding for the next five years, demonstrating adequate debt service coverage and reserve levels are met.

### **Task A.3: Proposition 218 and Financial Best Practices Explanation**

HEC will explain the legal requirements of Proposition 218 for changes to rate levels and rate structure, as well as the timeline to make changes. Financial best practices, including funding of reserves and pay-as-you-go versus debt financing will be discussed. In addition, HEC will explain other financing instruments such as low-cost loans from the State and Federal governments, and other fee mechanisms to recover District costs (connection fees, regulatory fees, special taxes, and assessments, for example).

***Task A Deliverables:** memorandum and accompanying PowerPoint that describe (a) the District's historical and current financial health, and (b) projects the revenue requirement for at least 5 years. Best financial practices and financing strategies to meet future financial obligations will be presented.*

***Task A Meetings:** Virtual meetings with staff and one public (Board) meeting explaining findings of Task A. It is assumed that the Board meeting participation will also be virtual.*

### **Task B: Wastewater Rate Analysis**

#### **Task B.1: Project Management**

This subtask includes time for Catherine Hansford to manage, track, and report on Task B progress every month. It entails review of work status/progress, invoicing/determination of remaining budget, and coordination with District staff.

#### **Task B.2: Cost of Service Calculations and Rate Design**

Once the projected revenue requirement is established, it is allocated to customers based on customer characteristics (number of units, number of accounts, strength of wastewater for example).

The current rate structure will be assessed for alignment with current District goals and objectives and current legal interpretations of Proposition 218. Alternative rate structures may be discussed with the Board; HEC will model up to two alternative rate structures.

The cost-of-service analysis leads to the calculation of user rates for wastewater so that the system is adequately funded for existing and projected future costs and that the rates are based on the best estimate of system use by each customer. HEC will provide guidance and advice to District staff to ensure the proposed rate structure complies with Proposition 218 and all related laws, and that rates are implemented within the District's desired timeframe.

### **Task B.3: Wastewater Cost-of-Service Report**

HEC will prepare a report that includes the methodology used, detailed calculations of rates, findings, and recommendations. The report will demonstrate cost of service and proportionality requirements such that the District shows compliance with Proposition 218. Following edits and changes to the draft report, HEC will prepare a final report before the public hearing.

The report will include a comparison of wastewater bills with other regional wastewater providers.

### **Task B.4: Wastewater Rates Implementation**

HEC will assist the District with implementing proposed rates. Technical assistance includes helping District staff, particularly with staff reports, changes to ordinances, and providing help to staff responsible for implementing rate changes with technical questions.

HEC will work with District staff to draft the public hearing notice. The notice will specify the basis of the fee, the reason for the fee, the customer's right to protest the fee, and the date/time/location of the public hearing. Since wastewater fees are property-related fees, not assessments, they do not require a ballot. Only property owners of record must receive notification of property-related fee increases; however, tenants or property owners may protest the fee. Only one protest per property can be counted.

This proposal assumes that HEC mails the public hearing notices and counts protests upon conclusion of the public hearing.

***Task B Deliverables:** Cost-of-service report, materials for public meetings, public hearing notice preparation and distribution.*

***Task B Meetings:** Up to three (3) in-person public meetings are included in Task B. Meetings include two (2) meetings with the Board, and one public workshop. All other meetings will be virtual.*

## **Estimated Budget and Schedule**

The proposed not-to-exceed budget of \$34,930 for the scope of services described above is based on HEC's 2023/24 hourly billing rates as follows: Principal \$205 per hour, Associate \$145 per hour, and clerical/administrative work \$95 per hour. These rates will be held through 2024 and are subject to change January 1, 2025. If any non-staff costs are incurred that are specific to work performed for the District (direct costs), these will be billed at cost. Direct costs could include mileage reimbursement and other travel-related costs, printing, videoconference hosting fees, meals when traveling for meetings, and mail and postage costs.

The Board could proceed with authorizing the full scope of services and budget, or only authorize Task A. HEC is amenable to a contract with all tasks included but only having budget released for Task A, with future release of Task B budget, if authorized by the Board, upon conclusion of Task A.

The estimated budget includes these assumptions:

Three in-person meetings with travel to Murphy's.

- Proposition 218 public notice creation (content and design) is included in the budget but the cost of third-party printing and mailing of the notices is excluded.

The estimated cost is separated between Task A and Task B as shown in **Table 1**; however, HEC retains the right to move budget between subtasks within a task as needed. HEC charges for services on a cost not-to-exceed basis; therefore, you will only be billed for the work completed up to the authorized budget amount. If additional work is requested that is beyond the original scope of services, or if work efforts are greater than anticipated in development of the budget, HEC will request authorization for additional budget.

**Table 1**  
**Estimated Budget**

Task/Item Description <i>Hourly Billing Rates</i>	HEC			Total Estimated Cost
	Hansford \$205	Rollins \$145	Clerical \$95	
<b>Task A</b>				
1 Project Management	4	0	8	\$1,580
2 Financial Discovery	14	0	0	\$2,870
3 Proposition 218 Explanation	10	0	0	\$2,050
<b>Total Task A</b>	<b>28</b>	<b>0</b>	<b>8</b>	<b>\$6,500</b>
<b>Task B</b>				
1 Project Management	5	0	10	\$1,980
2 Cost-of-Service & Rate Design	36	0	0	\$7,380
3 Cost-of-Service Report	20	6	8	\$5,730
4 Wastewater Rates Implementation	32	28	18	\$12,330
<b>Task B Subtotal</b>	<b>93</b>	<b>34</b>	<b>36</b>	<b>\$27,420</b>
Task B Direct Costs (3 trips)				\$1,010
<b>Total Task B</b>				<b>\$28,430</b>
<b>Total Cost Estimate</b>				<b>\$34,930</b>

HEC reserves the right to move budget between subtasks.



HEC can begin work on this project February 1, 2024. Rate studies typically take 6 to 8 months to complete. Table 2 shows two potential timelines to implement new rates – a ‘comfortable schedule’ and an ‘accelerated schedule’. The earliest new rates could be implemented is September 1, 2024; depending on how the process goes, rates could certainly be in place by January 1, 2025.

**Table 1**  
**Estimated Schedule**

	<b>Comfortable Schedule</b>	<b>Accelerated Schedule</b>
Project Start	2/1/2024	2/1/2024
Financial Discovery & 218 Explanation Memo	3/28/2024	2/22/2024
<b>Task A Virtual Presentation to the Board</b>	<b>4/11/2024</b>	<b>3/7/2024</b>
Rate Study Findings (to staff)	6/20/2024	4/18/2024
<b>Task B: Draft Report to the Board</b>	<b>7/11/2024</b>	<b>5/9/2024</b>
Draft Final Report Presentation to Board	8/8/2024	N/A
<b>Approval to Send Out Rate Change Notices</b>	<b>9/12/2024</b>	<b>6/6/2024</b>
Last Day to Mail Out Notices (45 day period begins)	9/28/2024	6/22/2024
Public Workshop	mid Oct	early July
Final Rate Study Due to Staff	11/2/2024	7/27/2024
<b>Public Hearing (and Rate Adoption)</b>	<b>11/14/2024</b>	<b>8/8/2024</b>
<i>Billing Effective</i>	<i>Jan-25</i>	<i>Sep-24</i>

We look forward to having the opportunity to discuss our proposal further. You can reach Catherine at (530) 412-3676 or [catherine@hansfordecon.com](mailto:catherine@hansfordecon.com) with any questions about this proposal.

Sincerely,



Catherine R. Hansford, Principal  
 HANSFORD ECONOMIC CONSULTING LLC



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## ADMINISTRATION REPORT

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**DATE:** January 11, 2024  
**TO:** Members of the Board  
**FROM:** Kristina Fillmore, Administration Manager  
**SUBJECT:** Administration Report

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### Collections System Improvement Project

Project application was submitted to the Tuolumne Stanislaus Integrated Regional Water Management Authority (T-Stan IRWMA) this month. Waiting for confirmation from T-Stan IRWMA for presentation date.

### WWTP Upgrade II Improvement Project

Project is in progress. Waiting on the environmental application and tax questionnaire.

### Church Street Improvement Project

Blackwater to put a project bid package together that includes specifications and plans.

### Trespass Enforcement Authorization Form

Application submitted online on 12/06/23 for district properties.

### Board Member Updates

All board members who elect to receive a stipend will need to complete a W4 for the 2024 calendar year as previously mentioned in email.

**Reminder: Required ethics and sexual harassment certificates need to be updated every two years. You will be notified by staff when training is due.**

### Upcoming Office Closures

Martin Luther Kings Jr Day, January 15, 2024

### HEC Proposal/Contract

Draft contract is being reviewed and negotiated by HEC and legal counsel.

### Upcoming Investment/Finance Meeting Date(s)

The committee is scheduled to meet in January 2024. The proposed meeting dates are January 18<sup>th</sup> or 22<sup>nd</sup>, 10am.



## Murphys Sanitary District STAFF REPORT

**DATE:** January 11<sup>th</sup> 2024  
**TO:** Honorable Members of the Board  
**FROM:** Dan Murphy, Chief Plant Operator  
**SUBJECT:** December 2023 Operational Staff Report

### OPERATIONAL MONTHLY TOTALS AND SUMMARY

Water storage levels in Pond# 4	Gained an inch of freeboard for December. Starting January 2024 at an elevation of 2260'2"- a foot and a quarter lower than the beginning of January 2023
PG&E Kilo Use	557 kWhrs at WWTP 75 kWhrs at IPS
Rain Fall at WWTF	A total of 2.9" recorded over six days of rain. December of 2022 we had recorded 18.2"
CL2 Usage	838 gallons of liquid chlorine used for 9 days of Effluent pumping to KHS and 4 days of spray field application
Plant influent gallons	3,788,800 gallons 2.6 million gallons less than the Influent recorded for December 2022
Effluent gallons	4,342,650 gallons Effluent total 4,028,850 gallons treated and discharged to KHS 313,800 gallons treated and discharged to LAA spray fields
Ironstone Influent	179,900 gallons AVG
Hydro flushing lineal footage	>1,000 feet of Collection system hydro flushed and video inspected mainly in preparation for holiday impact
Sewer Overflow Count	1 recorded and reported SSO on the 15 <sup>th</sup> . Spill occurred out of manhole #42 located on Main street. Approximately 700 gallons were recovered and corralled back into manhole, the pavement was flushed and disinfected. Clog determined to be a soft obstruction, paper products were recovered during hydro flushing to clear line.

Spray Field Gallons Applied	313,800 gallons total Over 4 metered days of discharge
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- DSOD to conduct our annual dam and dykes inspection on January 16<sup>th</sup>. All spillways, dam venting, slide gate and grounds have been well maintained throughout the year with special attention given to rodent/ground squirrel abatement on the dams. Inspection is anticipated to be without any deficiencies or concerns.
- Condor's Fourth quarter ground water monitoring report has been finalized and received. This will be included along with a complete totalization and trending of 2023 in MSD's annual report due to the Central Valley Waterboard by end of January.
- Paperless FOG program will begin in January with the same quarterly grease trap inspection schedule. Inspection forms, findings, notes and suggestions will be emailed to commercial customers.

