

# AGENDA

## Resort Improvement District No. 1 and Shelter Cove Sewer and Other Facilities Maintenance District No. 1 REGULAR BOARD MEETING

**Location:** Shelter Cove Fire Station Meeting Hall  
9126 Shelter Cove Road, Shelter Cove, California  
**Date:** October 17, 2019  
**Time:** 9:00 a.m.  
**Posted:** October 10, 2019

*We welcome you to this meeting. Members of the Public may be heard on any business item on this Agenda before or during the Board's consideration of the item. The public may also directly address the Board on any item of interest to the public that is not on the Agenda during the public comment time; however, the Board generally cannot take action on an item not on the Agenda. The meeting room is wheelchair accessible. Accommodations and access to District board meetings for people with other handicaps must be requested of District staff at 707-986-7447 five (5) working days in advance of the meeting.*

*A person addressing the Board will be limited to five (5) minutes (Board Policy 5030) unless the Chairperson of the Board grants a longer period of time. While not required, we would appreciate it if you would identify yourself with your name and address when addressing the Board.*

### I. CALL TO ORDER

### II. ROLL CALL

- Susan Fox, President
- Michael Schad, Vice President
- Nanette Corley, Director
- David Sommer, Director
- Jack Hargrave, Director

### III. PLEDGE OF ALLEGIANCE

### IV. PUBLIC COMMENT

*Any member of the public may directly address the Board of Directors on a matter of public interest not on the Agenda but which is within the jurisdiction of the Board; however, the Board generally cannot take action on an item not on the Agenda. A person addressing the Board will be limited to five (5) minutes (Board Policy 5030) unless the chairperson of the Board grants a longer period of time.*

## V. CONSENT CALENDAR

*All matters listed under the Consent Calendar are to be considered routine and without opposition. The Consent Calendar may be enacted by one motion. There will be no separate discussion of these items unless a Board member or the General Manager/designee requests that a specific item(s) be removed from the Consent Calendar for separate action. Any items so removed will be considered after the motion to approve the Consent Calendar. If a member of the public wants further discussion on any of these items, we would appreciate it if you make your request prior to the meeting.*

1. Approve the Minutes of the September 19, 2019 Regular Meeting.
2. Approve Bills for Month of September 2019: Reports regarding payment of monthly operating bills for the District which are approved expenditures in the current budget.

## VI. CORRESPONDENCE / DISCUSSION ITEMS

*Items in this category may be discussed, and/or reports presented, but no action may be taken.*

1. Sheriff's Office Report.
2. Redwoods Rural Health Center Shelter Cove Services Update.
3. Fire Department Third Quarter Report.
4. SDRMA President's Special Acknowledgement Award.

## VII. BOARD MEMBER/STAFF REPORTS

*The indicated individuals will report to the Board about various matters involving District departments. There will be no Board discussion except to ask questions or refer matters to staff. No action will be taken unless listed on subsequent agenda.*

1. Directors' Reports/Comments.
2. Operational Status Report Re: Golf Course, Airport, Recreation, Water, Sewer, Electrical, Fire Department.

## VIII. UNFINISHED BUSINESS

## IX. ACTION ITEMS

*All Agenda Action Items for discussion and possible action by the Board of Directors.*

1. Clubhouse Rental Request.  
Abalone Hall Fee Waiver and Permission to Serve Beer and Wine at two SCARF Art Workshops to be Held on November 3rd and 9th, 2019.

2. Consider Modifications to Fire Chief Job Description Policy 2390 – First Reading.
3. Consider Letter of Support for Maintenance of Briceland-Thorn Road in Whittimore Grove Humboldt Redwoods State Park.
4. Consider Adjusting Electrical, Water and Sewer Monthly Utility Fees and the Future Timeline for Fee Changes.

**X. OVERLOOKED ISSUES**

*No actions can be taken.*

**XI. ADJOURNMENT OF MEETING**

*This notice is posted in compliance with Government Code § 54954.2. The next Regular Meeting of the Resort Improvement District No.1 Board of Directors will be held on Thursday, November 21st, 2019, in the Fire Hall Meeting Room at 9:00 AM.*







**RESORT IMPROVEMENT DISTRICT NO. 1  
AND  
SHELTER COVE SEWER AND OTHER  
FACILITIES MAINTENANCE DISTRICT NO. 1**

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Meeting Date: October 17, 2019 Agenda Item No.: IX. 4

Agenda Item Title: Consider Adjusting Electrical, Water and Sewer Monthly Utility Fees and the Future Timeline for Fee Changes.

Presented by: Justin Robbins, General Manager

Type of Item:    Action                    Discussion            Information  
Action Required:  No Action            Voice Vote            Roll Call Vote

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**BACKGROUND:**

Changes to the monthly utility rate structure are needed due to all three utility departments operating at a deficit. The standard operating procedure for dealing with such deficits over the years has been to cover the shortfall with an allocation of property tax revenues but the ongoing reduction of property taxes and assessments due to the home value re-evaluations and lot mergers has limited the amount that can be used to supplement the utility departments.

At last month's meeting the Board made preliminary adjustments to the monthly water and sewer rates. The Board wishes to clarify that the proposed preliminary water monthly utility rate is proposed to increase by 3% every year beginning on July 1<sup>st</sup>, 2020 until 2024 for a total of five years.

Proposed electric and sewer monthly utility rate increases will also increase in 2020 to 2024. See attached proposed monthly utility rate sheet.

**FINANCIAL IMPACT:**

The proposed increases to the electric, water and sewer utility rate structure will be phased in gradually over a five-year period. Over past years the electric enterprise has not been traditionally supplemented by property tax assessments, but presently there is an annual subsidy of \$7,000. All subsidies are open to change by the board.

**RECOMMENDATION:**

Motion to increase the monthly water and electric rates by 3% every year effective July 1, 2020 through 2024.

Motion to authorize staff to notify the public of the proposed monthly electric, water and sewer utility rate adjustments in the District Newsletter and include a proposed schedule for changing the monthly utility rates as outlined by the Board and per legal requirements.

## Utility Rate Schedules (Proposed)

Category of Service	Present Rates	Proposed 7/1/20		7/1/2021	7/1/2022	7/1/2023	7/1/2024	
<b>ELECTRICITY IG SERVICES PROPOSED</b>			<b>Change:</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	
<b>Residential Existing</b>		<b>Residential Proposed</b>						
Service Charge (\$/Mo)	\$14.86	Service Charge (\$/Mo)	\$25.98	3.0%	\$26.76	\$27.56	\$28.39	\$29.24
Capital Facility Charge (\$/Mo)	\$10.36							
Tier 1: 1 - 1,000 kWh (\$/kWh)	\$0.2266	Tier 1: 1 - 750 kWh (\$/kWh)	\$0.2334	Tiers and Rates	\$0.2404	\$0.2476	\$0.2550	\$0.2627
Tier 2: 1,001 - 2,000 kWh (\$/kWh)	\$0.2781	Tier 2: 751 - 1,250 kWh (\$/kWh)	\$0.2864		\$0.2950	\$0.3038	\$0.3130	\$0.3223
Tier 3: Over 2,000 kWh (\$/kWh)	\$1.2978	Tier 3: Over 1,250 kWh (\$/kWh)	\$0.5356		\$0.5517	\$0.5682	\$0.5853	\$0.6028
<b>Commercial Existing</b>		<b>Commercial Proposed</b>						
Energy Cost (\$/kWh)	\$0.3193	Energy Cost (\$/Mo)	\$0.3289	3.0%	\$0.3388	\$0.3489	\$0.3594	\$0.3702
Capital Facility Charge (\$/Mo)	\$10.36	Service Charge (\$/Mo)	\$10.67	3.0%	\$10.99	\$11.32	\$11.66	\$12.01
10 kVA Transformer (\$/Mo)	\$14.24	10 kVA Transformer (\$/Mo)	\$14.67	3.0%	\$15.11	\$15.56	\$16.03	\$16.51
15 kVA Transformer (\$/Mo)	\$21.38	15 kVA Transformer (\$/Mo)	\$22.02	3.0%	\$22.68	\$23.36	\$24.06	\$24.78
25 kVA Transformer (\$/Mo)	\$35.57	25 kVA Transformer (\$/Mo)	\$36.64	3.0%	\$37.74	\$38.87	\$40.04	\$41.24
37 kVA Transformer (\$/Mo)	\$52.20	37 kVA Transformer (\$/Mo)	\$53.77	3.0%	\$55.38	\$57.04	\$58.75	\$60.51
50 kVA Transformer (\$/Mo)	\$71.25	50 kVA Transformer (\$/Mo)	\$73.39	3.0%	\$75.59	\$77.86	\$80.20	\$82.61
75 kVA Transformer (\$/Mo)	\$106.87	75 kVA Transformer (\$/Mo)	\$110.08	3.0%	\$113.38	\$116.78	\$120.28	\$123.89
100 kVA Transformer (\$/Mo)	\$142.47	100 kVA Transformer (\$/Mo)	\$146.74	3.0%	\$151.14	\$155.67	\$160.34	\$165.15
150 kVA Transformer (\$/Mo)	\$213.72	150 kVA Transformer (\$/Mo)	\$220.13	3.0%	\$226.73	\$233.53	\$240.54	\$247.76
225 kVA Transformer (\$/Mo)	\$320.62	225 kVA Transformer (\$/Mo)	\$330.24	3.0%	\$340.15	\$350.35	\$360.86	\$371.69
<b>WATER RID PRELIMINARY PROPOSAL 09-19-19</b>			<b>Change:</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>3.0%</b>	
<b>Residential Existing</b>		<b>Residential Proposed</b>						
Service Charge (\$/Mo)	\$21.64	Service Charge (\$/Mo)	\$33.00	Tiers and Rates	\$33.99	\$35.01	\$36.06	\$37.14
Up to 500 cf (\$/Mo)	\$11.31	Up to 500 cf (\$/Mo)			\$6.65	\$6.85	\$7.06	\$7.27
Tier 1: 501 - 2,000 cf (\$/ccf)	\$6.46	Tier 1: 501 - 1,500 cf (\$/ccf)	\$6.46		\$9.97	\$10.27	\$10.58	\$10.90
Tier 2: Over 2,000 cf (\$/ccf)	\$9.68	Tier 2: Over 1,500 cf (\$/ccf)	\$9.68					
<b>Commercial Existing</b>		<b>Commercial Proposed</b>						
Service Charge (\$/Mo)	\$21.64	Service Charge (\$/Mo)	\$33.00	Tiers and Rates	\$33.99	\$35.01	\$35.01	\$35.01
Up to 500 cf (\$/Mo)	\$11.31	Up to 500 cf (\$/ccf)			\$6.65	\$6.85	\$7.06	\$7.27
Tier 1: 501 - 2,000 cf (\$/ccf)	\$6.46	Over 500 cf (\$/ccf)	\$6.46					
Tier 2: Over 2,000 cf (\$/ccf)	\$9.68							
<b>SEWER RID PRELIMINARY PROPOSAL 09-19-19</b>			<b>Change:</b>	<b>10.0%</b>	<b>10.0%</b>	<b>10.0%</b>	<b>10.0%</b>	
<b>Residential Existing</b>		<b>Residential Proposed</b>						
Single-Family (per home)	\$42.01	Single-Family (per home)	\$46.21	10.0%	\$50.83	\$55.91	\$61.50	\$67.65
Multi-Family (per unit)	\$42.01	Multi-Family (per unit)	\$46.21	10.0%	\$50.83	\$55.91	\$61.50	\$67.65
Residential Unit Equivalent (RUE)	\$18.75	RUE	\$20.63	10.0%	\$22.69	\$24.96	\$27.46	\$30.21
<b>Commercial Existing</b>		<b>Commercial Proposed</b>						
Commercial "A" and "B"	\$42.01	All Commercial	\$46.21	10.0%	\$50.83	\$55.91	\$61.50	\$67.65
Residential Unit Equivalent (RUE)	\$18.75	RUE	\$20.63	10.0%	\$22.69	\$24.96	\$27.46	\$30.21

Red cells still to be modified by board action