

REGULAR MEETING OF THE BOARD OF DIRECTORS

IDYLLWILD WATER DISTRICT

February 21, 2018 - 6:00 P.M.

AGENDA

CALL TO ORDER:

ROLL CALL:

PUBLIC COMMENTS:

Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the District. Please note that for items not listed on the agenda, the Brown Act imposes limitations on what the Board may do at this time. The Board may not take action on the item at this meeting. As to matters on the Agenda, persons will be given an opportunity to address the Board when the matter is considered. If you wish to speak during public comment, please fill out a "Speaker Request Form" and give it to the Board Secretary. When the Board President calls your name, please immediately step to the podium and begin by giving your name and address for the record. Each speaker will be given four (4) minutes to address the Board.

1. CONSENT CALENDAR:

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

- A. MINUTES** – January 17, 2018 Regular Meeting Minutes
February 14, 2018 Special Meeting Minutes

B. FINANCIAL REPORTS JANUARY 2018

1. Income statement for the Seventh month ending January 2018
2. District warrants for January 2018.

Check #	14558 - 14605	= \$	149,700.44
Gross Payroll		= \$	64,247.06
Federal/State PR taxes		= \$	22,602.62
LAIF Transfers		= \$	0.00
Transfers/charges		= \$	191.00

C. OPERATIONS REPORT FOR THE SEVENTH MONTH – JANUARY 2018

2. **BOARD VACANCY** – The General Manager will make an announcement regarding a vacant seat and the Board will determine the method for filling the vacant seat.

3. **EMPLOYMENT CONTRACT WITH FRITZ WUTTKE** – The Board will consider authorizing an Employment Contract with Fritz Wuttke for Part- time Waste Water Treatment Plant Chief Plant Operator.
4. **457b CONTRIBUTION PLAN THIRD PARTY ADMINISTRATOR** – The Board will consider authorizing an Agreement with Carlson Quinn Strategic Retirement Consultants as Third Party Administrators for the Idyllwild Water District's 457b Retirement Contribution Plan.
5. **RESOLUTION NO. 743** – The Board will consider a Resolution to adopt a policy regarding Public Records requests.

DIRECTORS COMMENTS :

GENERAL MANAGER'S COMMENTS:

CLOSED SESSION:

1. **Conference with Legal Counsel – Existing Litigation (Govt. Code § 54956.9) -**
Name of Case: (*Jeff Smith v. Idyllwild Water District*, Case No./Complaint No. 33-05-03, Water Rights Adjudicatory Proceeding before State Water Resources Control Board re: Strawberry Creek Diversion in Riverside County)

ADJOURNMENT:

To the next Board meeting is a Regular Meeting scheduled for March 21, 2018 at 6:00 p.m., to be held at the Idyllwild Water District Boardroom, 25945 Hwy. 243, Idyllwild, CA.

Please remember during Public Comments:

- Comments should be limited to 4 minutes or less
- Comments should be directed to the Board as a whole and not directed to individual Board members.

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a District meeting or other services offered by this District, please contact the District office @ 951-659-2143 or email: admin@idyllwildwater.com. Upon request, the agenda and documents in the agenda packet can be made available in appropriate alternative formats to persons with a disability. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
IDYLLWILD WATER DISTRICT**

The Board of Directors of the Idyllwild Water District met in regular session on January 17, 2018, in the Idyllwild Water District Board Room.

CALL TO ORDER:

The meeting was called to order by President Schelly at 6:00 p.m.

ROLL CALL:

Directors present: President Charles Schelly, Vice President Peter Szabadi, Steve Kunkle and Catherine Dearing. General Manager Jack Hoagland, Chief Financial Officer Hosny Shouman and Board Secretary Erica Gonzales were also present.

Director Geoffrey Caine had an excused absence.

General public present: (4)

PUBLIC COMMENT:

SUE NASH – Expressed concern regarding Director Caine’s absence and how long Board would allow it to continue without asking for a resignation.

ITEM 1- ELECT OFFICERS OF THE BOARD OF DIRECTORS:

A MOTION was made by Director Szabadi to nominate Director Schelly for President of the Board for the 2018 calendar year and Director Dearing seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Peter Szabadi			Geoffrey Caine
Catherine Dearing			
Steve Kunkle			
Charles Schelly			

Motion approved, Director Schelly was elected President of the Board.

A MOTION was made by Director Dearing to nominate Director Szabadi for Vice President of the Board and Director Kunkle seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Catherine Dearing			Geoffrey Caine
Steve Kunkle			
Charles Schelly			
Peter Szabadi			

Motion approved. Director Peter Szabadi was elected Vice President of the Board.

ITEM 2- CONSENT CALENDAR:

MINUTES – December 20, 2017 Regular Meeting Minutes
January 03, 2018 Special Meeting Minutes

FINANCIAL REPORTS DECEMBER 2017

- A. Income statement for the Sixth month ending December 2017
- B. District warrants for December 2017.

Check #	14495 - 14557	= \$	584,929.67
Gross Payroll		= \$	51,015.85
Federal/State PR taxes		= \$	16,610.36
LAIF Transfers		= \$	0.00
Transfers/charges		= \$	215.15

OPERATIONS REPORT AND GRAPHS FOR THE SIXTH MONTH ENDING DECEMBER, 2017.

No mainline leaks were reported in December and there were no unmetered leaks. Foster Lake's level was at 5.25 feet at the end of December. There was 0.00" of precipitation in December and there has been 0.83" of precipitation for the fiscal year to date. The static water levels at the Foster Lake Wells were 13' below ground level, the downtown well #23 is currently pumping at 212' and the downtown well #24 is static at 19' below ground level respectively. Production for December was 907,844 cubic feet. December's unaccounted for water was 6.78% of water production. Fiscal year to date unaccounted for water average is 6.29% of water production.

COMMENTS:

TOM PAULEK – Commented on the minutes of December 20, 2017. Believe that the minutes are not reflecting the tone and what actually goes on at the meetings. Would like Board to reconsider recording and posting the meetings online so that public can have access.

DIRECTOR KUNKLE – Inquired about various warrants including the one of SUSP, Inc. Wanted to know if this amount will be reduced now that we have employees with the Grade II Wastewater certifications.

VICE PRESIDENT SZABADI – Offered to speak with Aleshire & Wynder if the legal fees continue to be high. He also inquired about balance sheet items and the Operations Report.

JP CRUMRINE – Asked for clarification on Warrant to SWRCB for permit for Recycled Wastewater.

A MOTION was made by Vice President Szabadi to approve the Consent Calendar and Director Dearing seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Peter Szabadi Catherine Dearing Steve Kunkle Charles Schelly			Geoffrey Caine

Consent Calendar was approved.

President Schelly moved Item 2 to the end of the Agenda.

ITEM 3 – LAND SURVEY FOR WATERLINE REPLACEMENT

Recommendation

Staff recommends the Board of Directors authorize the General Manager to execute an agreement with ERSC to perform a baseline survey for pipeline replacement on South Circle from Bicknell to Village Center Drive and on Village Center Drive from South Circle to North Circle for a fee of \$18,331.

Background

As has been discussed with the Board of Directors on several occasions, staff have identified an immediate need to replace about 2,600 feet of early 1950s 8-inch water pipeline on South Circle from the end of the 2017 Pipeline project (Bicknell) to Village Center Drive and on Village Center Drive from South Circle to North Circle (see attachment). The 2017 pipeline project replace portions of this old line, which was observed to have reached the end of its useful life. The line, at 8-inch in diameter, is part of the backbone distribution system of the District.

Early this month (see attachment) the County notified the District of plans to resurface the roadways in the downtown area of Idyllwild including the reaches that contain the aforementioned pipelines in need of replacement. I would be in the best public interest to have the pipelines replaced prior to the County resurfacing project.

In mid-December 2017, staff solicited a proposal from ERSC to do the base line survey for a pipeline project (2018 Pipeline Replacement Project) consisting of the aforementioned reaches. The attached proposal would complete this work in a timely manner for a fee of \$18,331. The Staff at ERSC have worked for the District for many years on multiple projects and are familiar with the unique aspects of Idyllwild Water District.

COMMENTS:

DIRECTOR KUNKLE – Not ready to go ahead with this. Would like to have a more detailed CIP and would like Board to be more educated on what needs to be priority.

VICE PRESIDENT SZABADI – Wanted clarification on reason for making this project priority.

A MOTION was made by Vice President Szabadi to authorize the General Manager to execute a contract with ERSC to perform a baseline survey for pipeline replacement on South Circle from Bicknell to Village Center Drive and on Village Center Drive from South Circle to North Circle for a fee of \$18,331 and Director Dearing seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Peter Szabadi	Steve Kunkle		Geoffrey Caine
Catherine Dearing			
Charles Schelly			

Motion approved.

ITEM 4 – CIP STRATEGIES

Recommendation

Staff recommends the Board of Directors continue its discussion of strategies for funding Capital Improvement Projects (CIP) in order to provide productive direction to NBS for the Revenue Strategy study

Background

The Board of Directors has had a workshop and board meeting at which it has discussed concepts for CIP enhancement of District infrastructure. Although specific projects can be identified as part of the budget development in the next couple of months it would be productive to offer NBS an annual dollar amount of an initial CIP expenditure to get the rate models started. Once the models are developed, the Board of Directors can evaluate the sensitivity of the rates to CIP expenditures prior to making specific decisions for the long-term commitment to a level of CIP expenditures. (Note that even after making a decision the Board of Directors can change direction at any time and the model will assist in evaluating the impact of those decisions.)

DISCUSSION:

TOM PAULEK – Concerned about the cost of the Capital Improvements needed in the District and how it will be justified to the rate payers.

VICE PRESIDENT SZABADI – Would like a more detailed CIP before agreeing on a Budget amount.

DIRECTOR DEARING – Also would like a more detailed CIP.

DIRECTOR KUNKLE – Would like to be more educated on the subject and what the priorities should be. Would like to be as cost effective as possible.

ITEM 5 – DISTRICT WATER RESOURCES

Recommendation

Staff recommends the Board of Directors consider and discuss the current status of Idyllwild Water District's water resources and provide direction to staff if appropriate.

Background

Director Kunkle requested this item appear on the agenda.

DISCUSSION:

DIRECTOR KUNKLE – Would like all sources repaired and/or ready to use. Thinks that this should be a priority over replacing pipeline. Would also like an accurate reading of total capacity.

JACK HOAGLAND – Have made progress and are making headway in repairs. Will continue to work on wells.

PRESIDENT SCHELLY – Would like to see an updated version of the report with increased confidence in the level of accuracy.

JP CRUMRINE – Inquired if Idyllwild Water District is nearing going to a “Stage” in the Drought Contingency plan.

DIRECTOR’S COMMENTS:

VICE PRESIDENT SZABADI – Would like the Water Shortage Contingency Plan on the next Agenda.

DIRECTOR KUNKLE – Would like to make sure that Idyllwild Water District decals are put on the new truck.

PRESIDENT SCHELLY – Inquired about anything else that the Directors can do toward the Certificate of Transparency.

GENERAL MANAGER’S COMMENTS:

JACK HOAGLAND – Would like to remind Board that Form 700s are due by April 1, 2018.

ADJOURN TO CLOSED SESSION:

President Schelly Adjourned to Closed Session at 8:00 pm.

- 1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code § 54956.8)** – APN: 563-26-012 North Circle Drive, Idyllwild, CA 92549 owned by William Seffel. The Board of Directors will give direction to the Idyllwild Water District designated negotiator, Jack Hoagland.

RECONVENE INTO OPEN SESSION:

The Board reconvened into Open Session at 8:20pm.

REPORT ON CLOSED SESSION:

General Manager Jack Hoagland reported that there was no reportable action.

ADJOURNMENT: President Schelly Adjourned the meeting at 8:22 pm.

BY: _____
DR. CHARLES SCHELLY-
BOARD PRESIDENT

BY: _____
ERICA GONZALES-
BOARD SECRETARY

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
IDYLLWILD WATER DISTRICT**

The Board of Directors of the Idyllwild Water District met in special session on February 14, 2018.

CALL TO ORDER:

The Special Meeting was called to order by President Charles Schelly at 6:00 p.m.

ROLL CALL:

Directors present: President Charles Schelly, Vice President Peter Szabadi, and Catherine Dearing. Also present were General Manager Jack Hoagland, Chief Financial Officer Hosny Shouman, Board Secretary Erica Gonzales and Kim Boehler from NBS Financial.

Directors Geoffrey Caine and Steve Kunkle had excused absences.

General public present: (- 6 -)

PUBLIC COMMENT:

MARGE MUIR – Would like the Sewer Capacity Fee to be reconsidered. Believe it is a misnomer and that customers have already paid a connection fee on their property taxes.

**ITEM 1 – PRESENTATION AND DISCUSSION WITH REVENUE AND COMPLIANCE
CONSULTANT NBS FINANCIAL**

Recommendation: That the Board of Directors review the presentation by NBS Financial and offer their opinions regarding priorities for the assumptions in developing the revenue models for the water and wastewater enterprises and the Water Shortage Contingency Plan (WSCP).

Background: The Board of Directors selected NBS Financial at the January 3, 2018 Special Meeting to assist the District in developing revenue strategies for the water and wastewater enterprises and the WSCP while remaining in compliance with various state requirements and regulations. The NBS team will be present to describe their work plan, review the utility rate development process and to receive input from the Board of Directors to assist in developing the underlying assumptions upon which the revenue programs will be based.

Kim Boehler gave a presentation on the basics of a Rate Study, what the rates will be based on, what criteria NBS will be using to determine user classes and how they will be determining costs. The slideshow is attached.

COMMENT:

VICE PRESIDENT SZABADI – Asked for clarification on using the rates and a tier structure for water conservation in a drought situation. Asked for clarification about the formula used to calculate the final rate and how easy it would be to change the amount of revenue based on what the Board would like to spend on CIP.

JP CRUMRINE – Asked how long NBS Financial would be available after setting the rates and if someone challenges the rates after they are implemented.

ADJOURNMENT:

A MOTION was made by Vice President Szabadi to adjourn the meeting and Director Dearing seconded. The vote was as follows:

AYES

**Peter Szabadi
Catherine Dearing
Charles Schelly**

NAYS

ABSTAIN

ABSENT

**Geoffrey Caine
Steve Kunkle**

Motion approved.

The meeting was ADJOURNED at 6:43 pm.

IDYLLWILD WATER DISTRICT

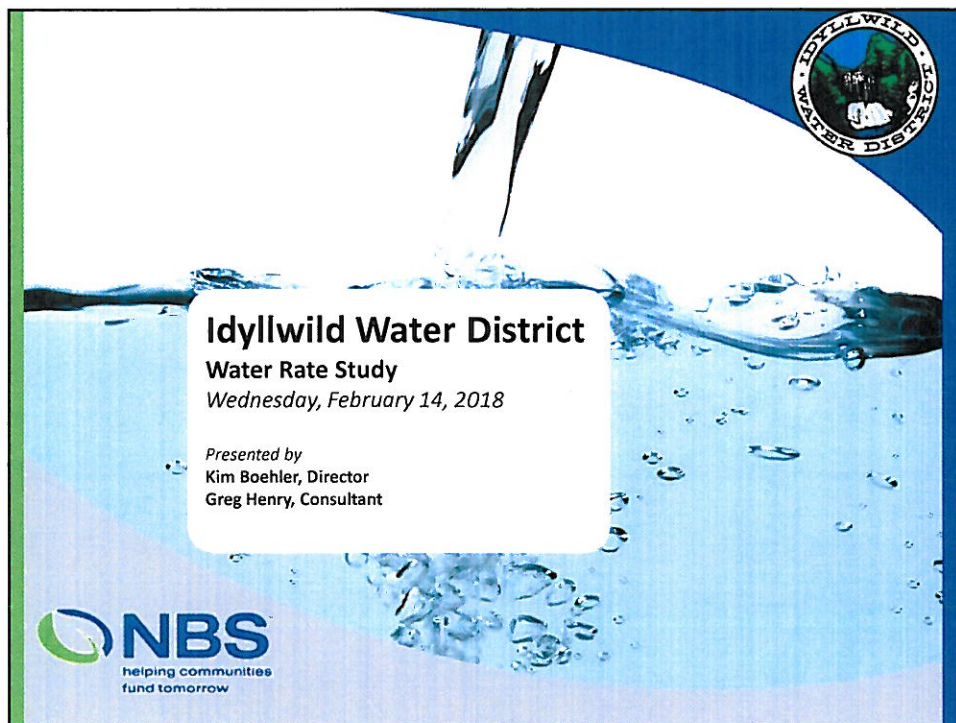
IDYLLWILD WATER DISTRICT

BY: _____

**DR. CHARLES SCHELLY-
BOARD PRESIDENT**

BY: _____

**ERICA GONZALES-
BOARD SECRETARY**



Major Factors Influencing Rate Update



Drought



Capital Projects



Customer Classes



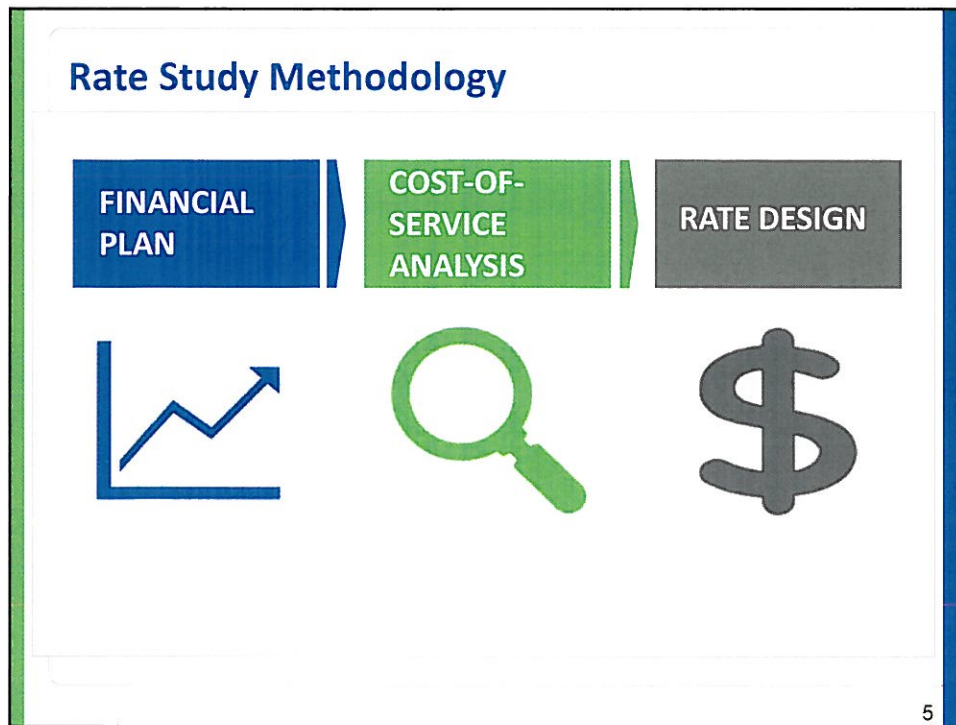
Legal Constraints

3

Overview of Proposition 218

- 1. "Right to Vote on New Taxes."**
(Constitutional Amendment passed in 1996)
- 2. Rates should reflect "Cost-of-Service"**
 - ✓ No subsidies between customer classes
 - ✓ Precision by parcel is not required
- 3. Rates are approved by a protest ballot Process**
- 4. District can adopt rate adjustments for next five years**

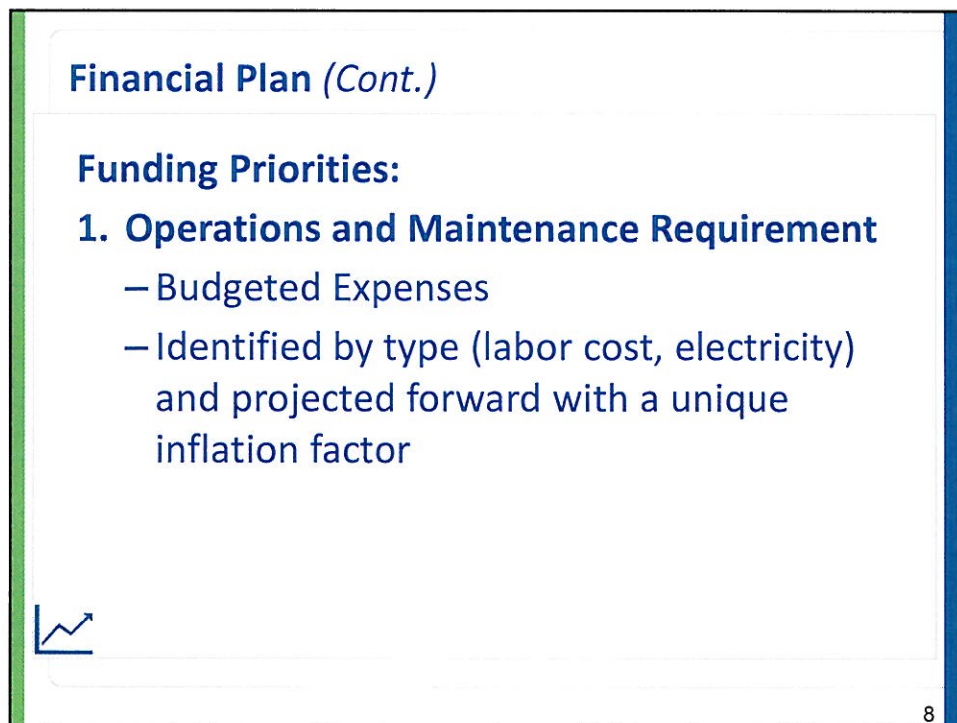
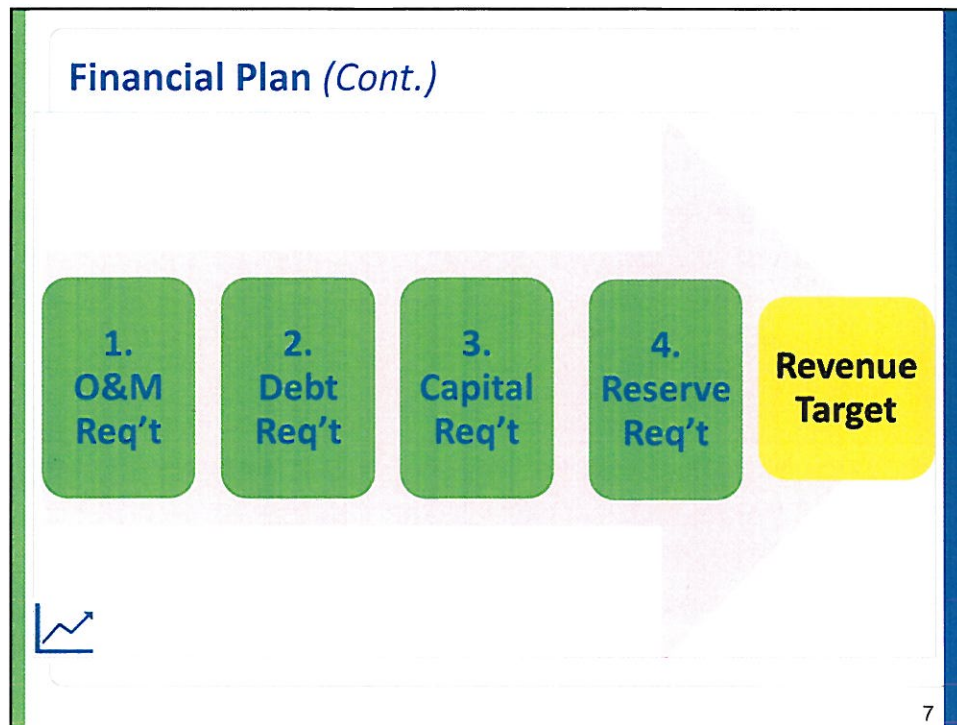
4



Financial Plan

How are Annual Rate Revenue Requirements Determined?

6



Financial Plan (Cont.)

2. Capital Improvement Program Requirements

- Evaluate District’s capital needs
- Determine funding sources:
 - Pay-As-You-Go / Cash reserves
 - Outside financing (i.e. loans or bonds)
 - Rate increases
- Capital improvement plan can be adjusted at the direction of the Board



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Financial Plan (Cont.)

3. Current Reserve Requirements:

Reserve Fund	Target
Working Capital	\$750,000
Emergency Reserves Fund	\$500,000
Capital Improvement & Replacement	\$2,000,000
Vehicle & Equipment Replacement	\$750,000
Vacation/Sick/Annual Leave Liability	\$100,000
OPEB	\$900,000



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Cost of Service Analysis

**How do we determine the
cost of serving individual
customers
(or customer classes)?**



11

Cost of Service Analysis *(Cont.)*

What are “Defensible” Water & Sewer Rates?

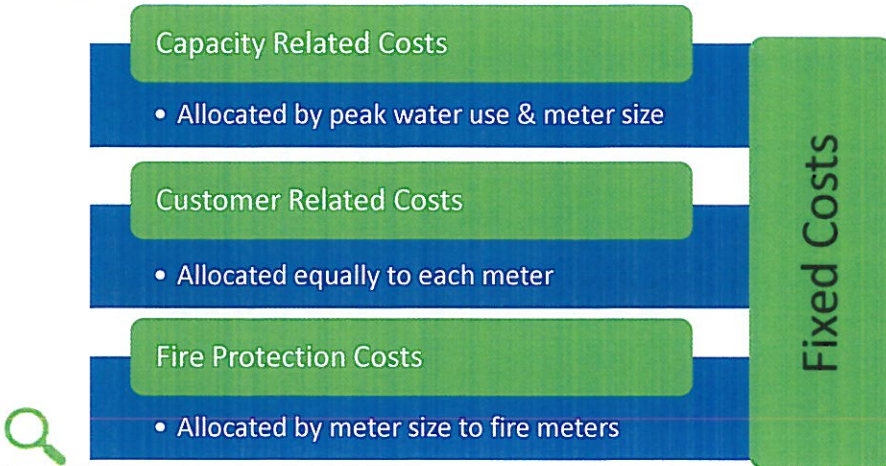
- Charges Cannot be More Than Actual Cost of Serving that Customer Class
- Cost-Based - Follow Industry Standards and CA Legal Requirements
- Non-Discriminatory - One Class is Not Subsidizing Another Class



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Cost of Service Analysis (Cont.)

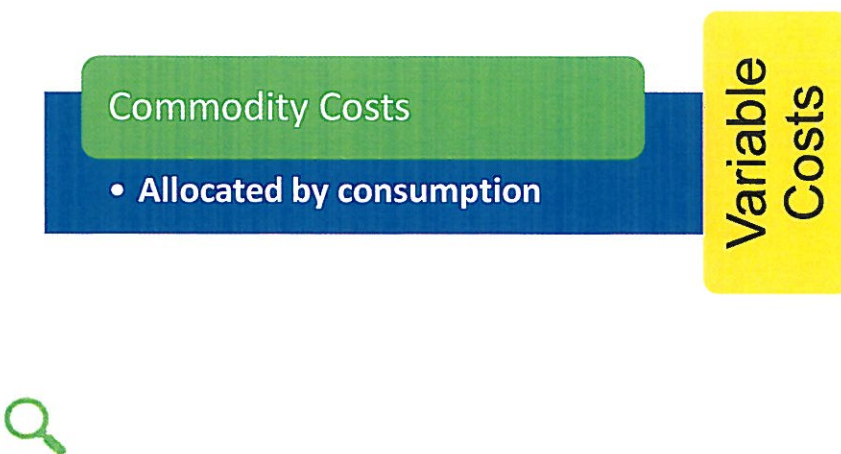
Allocating Costs to Customer Classes (Part 1):



13

Cost of Service Analysis (Cont.)

Allocating Costs to Customer Classes (Part 2):



14

Cost of Service Analysis (Cont.)

Revenue Requirements Allocated Each Customer Class:

Total Fixed Costs by Class

+ Total Variable Costs by Class

= Revenue Requirement by Class



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Rate Design Analysis

How should rate revenue be collected from customers & customer classes?

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Rate Design Analysis (Cont.)

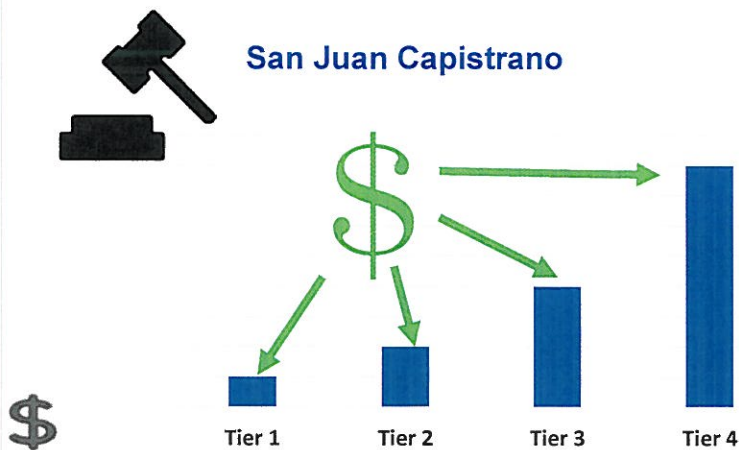
Fixed vs. Variable Charges



\$ Due to Drought/Conservation Impacts, Revenue Stability Now Plays a Bigger Role in Rate Design Than in the Past.

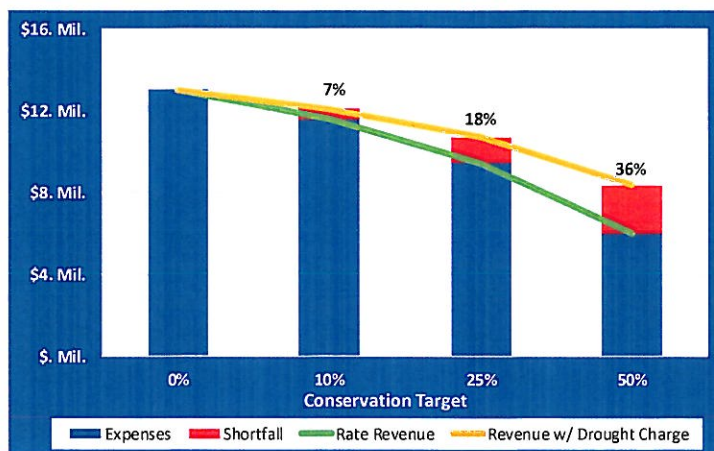
Rate Design Analysis (Cont.)

Volumetric & Tiered Rate Designs:



Rate Design Analysis (Cont.)

Evaluate Conservation Rates to Offset Decreased Water Sales:



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Questions and Answers



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**IDYLLWILD WATER DISTRICT
WATER FUND CONDENSED INCOME STATEMENT
FOR FISCAL MONTH ENDING JANUARY 31, 2018**

CONDENSED CATEGORY	FOR THE MONTH OF		JANUARY	2018
	ACTUAL	BUDGET	VARIANCE	%
OPERATING REVENUES:				
BASE-RESIDENTIAL/COMMERCIAL	51,705	51,367	338	0.66%
SALES-RESIDENTIAL/COMMERCIAL	36,878	55,000	-18,122	-32.95%
OTHER OPERATING REVENUE	592	1,500	-908	-60.52%
OTHER NON- OPERATING REVENUE*	2,050			
TOTAL OPERATING REVENUES	91,225	107,867	-18,692	-17.33%

OPERATING REVENUE BY CATEGORY	FOR THE MONTH OF		JANUARY	2018
	ACTUAL	BUDGET	F (U) VARIANCE	%
BASE RATE - RESIDENTIAL	44,359	44,021	338	0.77%
BASE RATE - COMMERCIAL	7,346	7,346	0	0.00%
SALES-RESIDENTIAL	18,102	25,000	-6,898	-27.59%
SALES-COMMERCIAL	18,776	30,000	-11,224	-37.41%
SALES-SEWER	0	0	0	0.00%
SALES-CONSTRUCTION/OTHER	567	0	567	0.00%
TRANSFER FEES	25	100	-75	-75.00%
TURN ON/OFF FEES	0	150	-150	-100.00%
LIEN & LIEN RELEASE FEES	0	0	0	0.00%
DELINQUENCY FEES	0	0	0	0.00%
WILL SERVE LETTER FEES	50	0	50	0.00%
OTHER MISCELLANEOUS	0	1,250	-1,250	0.00%
INSTALLATION FEES	2,000	0	2,000	0.00%
CAPACITY FEES	0	0	0	0.00%
TOTAL OPERATING REVENUES	91,225	107,867	-16,642	-15.43%

**IDYLLWILD WATER DISTRICT
 WATER FUND CONDENSED INCOME STATEMENT
 FOR FISCAL MONTH ENDING JANUARY 31, 2018**

FOR THE MONTH OF JANUARY 2018

CUBIC FEET OF SALES:	ACTUAL	BUDGET	VARIANCE	%
R1	472,850	585,000	-112,150	-19.17%
R2	14,550	46,000	-31,450	-68.37%
R3	60,240	82,000	-21,760	-26.54%
R4	42,930	75,000	-32,070	-42.76%
R5	13,260	22,000	-8,740	-39.73%
R6	81,120	155,000	-73,880	-47.66%
NC-WWTP	0	15,000		
TOTAL CUBIC FEET OF SALES	684,950	980,000	-280,050	-28.58%
 NUMBER OF CUSTOMER BILLS:				
R1	1,540	1,537	3	0.20%
R2	30	30	0	0.00%
R3	55	51	4	7.84%
R4	13	13	0	0.00%
R5	4	4	0	0.00%
R6	2	2	0	0.00%
NC-WWTP	1	1	0	0.00%
S	10	10	0	0.00%
TOTAL NUMBER OF CUSTOMER BILLS	1,655	1,648	7	0.42%

* s : Sewer Only Account

**IDYLLWILD WATER DISTRICT
WATER FUND CONDENSED INCOME STATEMENT
FOR FISCAL MONTH ENDING JANUARY 31, 2018**

FOR THE MONTH OF JANUARY 2018
F (U)
VARIANCE %

BY CATEGORY	ACTUAL	BUDGET	VARIANCE	%
WATER OPERATING EXPENSES:				
1- WAGES AND SALARIES EXPENSES	54,559	50,000	-4,559	-9.12%
2- RETIREMENT PLAN AND LIFE INSURANCE	3,539	8,000	4,461	55.76%
3 -MEDICAL INSURANCE	17,074	11,500	-5,574	-48.47%
4 -UNIFORM EXPENSES	315	438	123	28.08%
5 -WORKER'S COMP INSURANCE	0	500	500	100.00%
6 -RETIREMENT MEDICAL INSURANCE	1,840	2,000	160	8.01%
7 -BOARD REIMBURSEMENT	225	500	275	55.00%
8 -OFFICE SUPPLIES	1,503	600	-903	-150.51%
9 -OFFICE CLEANING SERVICE	210	280	70	25.00%
10 -POSTAGE AND MAILING FEE	248	900	652	72.42%
11 -TRAINING AND EDUCATION	921	604	-317	-52.46%
12 -TRAVELING , MILEAGE, MEALS REIMBURSMENT	104	629	525	83.44%
13 -DUES ,FEES , SUBSCRIPTIONS	328	771	442	57.39%
14 -COMPUTER SERVICES	3,340	1,000	-2,340	-233.96%
15 -LEGAL SERVICES	0	2,500	2,500	100.00%
16 -UTILITIES - ELECTRICITY	3,456	7,292	3,836	52.61%
17 -UTILITIES - GAS& FUEL	273	717	443	61.88%
18 -UTILITIES - PROPANE	0	325	325	100.00%
19 -UTILITIES - TELEPHONE INTERNET	985	761	-224	-29.47%
20 -UTILITIES - WASTE MANAGEMENT FEE	182	184	2	1.02%
32 -AUTO AND PROPERTY INSURANCE	0	1,712	1,712	100.00%
21 -STATE-COUNTY WATER SYSTEM FEES	8,198	1,583	-6,615	-417.77%
22 -GENERAL PLANT SERVICES	9,610	18,000	8,390	46.61%
23 - VEHICLES REPAIRS AND MAINTENANCE	246	1,500	1,254	83.60%
24 -WATER ENGINEERING AND CONSULTING	17,175	875	-16,300	-1862.86%
25 -LABORATORY SERVICES	1,597	1,042	-555	-53.31%
26 -WATER SECURITY SYSTEM	0	771	771	100.00%
27 -ADVERTISING AND PUBLISHING	0	542	542	100.00%
28 -PROPERTY TAX EXPENSES	0	233	233	100.00%
29- COMPENSATED TIME	0	1,833	1,833	100.00%
30 -BANK FEE CHARGE	191	200	9	4.28%
31 -WATER MAINTENCE AND SUPPLIES	0	1,042	1,042	100.00%
33 -ACCOUNTING AND AUDITING FEE	0	7,500	7,500	100.00%
TOTAL OPERATING EXPENSES:	126,119	126,333	214	0.17%
TOTAL INCOME AND (LOSS)	(34,894)	(18,466)		

**IDYLLWILD WATER DISTRICT
SEWER FUND CONDENSED INCOME STATEMENT
FOR FISCAL MONTH ENDING JANUARY 31 , 2018**

FOR THE MONTH OF JANUARY 2018

CONDENSED BY CATEGORY	ACTUAL	BUDGET	F (U) VARIANCE	%
OPERATING REVENUES:				
BASE-RESIDENTIAL/COMMERCIAL	53,053	53,053	0	0.00%
OTHER OPERATING	0	25	-25	-100.00%
TOTAL OPERATING REVENUES	53,053	53,078	-25	-0.05%
OPERATING EXPENSES:				
1- WAGES AND SALARIES	16,760	14,000	-2,760	-19.71%
2- RETIREMENT AND LIFE INSURANCE	1,180	2,000	820	41.02%
3- MEDICAL INSURANCE	5,691	5,000	-691	-13.83%
4- UNIFORM EXPENSE	62	300	238	79.26%
5-WORKER'S COMPENSATION INSURANCE	0	145	145	100.00%
6- RETIREMENT MEDICAL INSURANCE	613	917	303	33.10%
7- BOARD REIMBURSEMENT	75	200	125	62.50%
8- OFFICE SUPPLIES	196	400	204	51.11%
9- OFFICE CLEANING SERVICES	70	150	80	53.33%
10- POSTAGE AND MAIL FEE	0	100	100	100.00%
11- EDUCATION AND TRAINING	0	200	200	100.00%
12- TRAVELING, MILAGE, MEAL REIMBURSEMENT	0	292	292	100.00%
13- DUE AND SUBSCRIPTION FEE	704	542	-163	-30.05%
14- COMPUTER SERVICES	1,047	1,000	-47	-4.65%
15- LEGAL SERVICES	0	500	500	100.00%
16- UTILITIES - ELECTRICITY	141	4,000	3,859	96.48%
17- UTILITIES - GAS & FUEL	314	437	123	28.21%
18- UTILITIES - PROPANE	0	25	25	100.00%
19- UTILITIES - TELEPHONE&INTERNET	318	292	-27	-9.11%
20- UTILITIES - WASTE MANAGEMENT FEE	61	125	64	51.39%
21- VEHICLES REPAIRS AND MAINTENANCE	15	500	485	97.07%
22- SEWER ENGINEERING SERVICES	12,580	15,000	2,420	16.13%
22- SEWER MAINTENANCE AND SUPPLIES	0	200	200	100.00%
23- GENERAL PLANT SERVICES	2,603	500	-2,103	-420.64%
24- SEWER PERMIT AND LICENSE(State Fee)	0	500	500	100.00%
25- MINOR EQUIPMENT AND SUPPLIES	0	42	42	100.00%
26- SEWER LEASE	0	250	250	100.00%
27- ADVERTISING AND PUBLISHING	0	125	125	100.00%
28- LABORATORY SERVICES	532	500	-32	-6.46%
29- GENERAL AUTO AND LIABILITY INSURANCE	0	570	570	100.00%
30- SECURITY SYSTEM (ADT)	0	208	208	100.00%
31- ACCOUNTING & AUDITING FEE	0	2,000	2,000	100.00%
32- LINE CLEANING	0	0	0	0.00%
Total Expenses	42,961	51,018	8,057	15.79%
Total INCOME OR (LOSS)	10,092	2,060		

**IDYLLWILD WATER DISTRICT
SEWER FUND CONDENSED INCOME STATEMENT
FOR FISCAL MONTH ENDING JANUARY 31 , 2018**

FOR THE MONTH OF JANUARY 2018

SEWER FUND OPERATING REVENUES

	ACTUAL	BUDGET	F (U) VARIANCE	%
BASE RATE-COMMERCIAL	36,185	36,185	0	0.00%
BASE RATE- RESIDENTIAL	16,868	16,868	0	0.00%
TRANSFER FEE	0	25	-25	-100.00%
FACILITY CHARGE FROM IAF	0	0	0	0.00%
INSPECTION FEE	0	0	0	0.00%
OTHER MISCE	0	0	0	0.00%
TOTAL OPERATING REVENUE	53,053	53,078	-25	-0.05%

EQUIVALENT DWELLING UNITS (E.D.U'S)

RESIDENTIAL	456	456	0.0	0.00%
COMMERCIAL	937	937	0.0	0.00%
TOTAL E.D.U'S	1,393	1,393	0.0	0.00%

**IDYLLWILD WATER DISTRICT
DISTRICT WARRANTS AND OTHER DISBURSEMENTS
FOR THE MONTH ENDED JANUARY 31, 2018**

DATE	CHECK NUMBER	PAYEE	DESCRIPTION	AMOUNT
1/3/2018	14558	California Computer Options, Inc	Monthly IT Support	695.00
1/3/2018	14559	Central Communications	Monthly Charge for Answering Service	102.00
1/3/2018	14560	Chase Card Services	Training \$743.11,Supplies for Sewer \$566.35, Postage \$235	1,682.71
1/3/2018	14561	Filtronics	Repair for Water Treatment Plant	112.25
1/3/2018	14562	Four Seasons Cleaning Service	Monthly Office Cleaning Charge	280.00
1/3/2018	14563	Frontier	Phone and Internet for Foster Lake and WWTP	403.13
1/3/2018	14564	Genesis Construction	Fourth Payment for Pipeline	13,880.55
1/3/2018	14565	Gosch Toyota	Purchase Toyota Tacoma to replace Unit #13	28,878.48
1/3/2018	14566	Home Depot	Tools and Supplies for Water and Sewer	1,798.90
1/3/2018	14567	Idyllwild Water District	To be deposited at Hemet Bank for payroll	40,000.00
1/3/2018	14568	S&J Supply Co	Supplies for Water	258.60
1/3/2018	14569	SCE	Monthly Charge for Electricity	2975.09
1/3/2018	14570	SWRCB	State Water System Fees for 7/01/17-6/30/18	8,198.00
1/3/2018	14571	Digital Deployment	Monthly Charge for Website	200.00
1/3/2018	14572	Time Warner Cable/ Spectrum Business	Monthly Phone and Internet at Office	356.62
1/3/2018	14573	Verizon Wireless	Montly Charge for On Call and GM cell phone	156.51
1/3/2018	14574	Webb Associates	Construction Management	6,074.50
1/10/2018	14575	ACWA/JPIA	Worker's Comp Insurance Premium For 10/17-12/17	3,189.17
1/10/2018	14576	California Computer Options, Inc	New Computer for Jeannine, Set up Projector, Misc. IT help	3,491.14
1/10/2018	14577	Cody Nyberg	Fee For WWIII Exam	295.00
1/10/2018	14578	CR&R Inc	Monthly Charge for Trash Pickup	243.05
1/10/2018	14579	Forest Lumber	Supplies for Water and Sewer	5,115.04
1/10/2018	14580	Idyllwild Garage	Fix Emergency Brake on Unit #7	202.04
1/10/2018	14581	Ivan Jo	Fee For WWIII Exam	295.00
1/10/2018	14582	Jeannine Olsen	Reimburse Cash Drawer/ Supplies for Water and Sewer	73.12
1/10/2018	14583	Jon Christensen- Treasurer Tax Collector	2nd Installment of Property Tax Payments	348.01
1/10/2018	14584	Mission Linen & Uniform Service	Monthly charge for Uniforms and Laundry	248.93
1/10/2018	14585	NAPA Auto Parts	Parts for Fleet Vehicles	58.56
1/10/2018	14586	Bluetarp Financial	Truck Chest Box for New Unit #13	259.99
1/10/2018	14587	Tom Lovejoy	Reimbursement for Retiree Healthcare	2,453.00
1/10/2018	14588	Dig Alert	Monthly Charge and 1 New Ticket	24.85
1/10/2018	14589	Village Hardware	Supplies for Sewer	46.32
1/10/2018	14590	Al's Kubota Tractor	Chains	123.19
1/17/2018	14591	ACWA/JPIA	February Employee Medical Insurance	19,576.47
1/17/2018	14592	Babcock & Sons	Labs for Water and Sewer	2,129.25
1/17/2018	14593	Joseph Reyes	Boot Reimbursement	128.79
1/17/2018	14594	SCE	Monthly Electricity charge	621.62
1/17/2018	14595	Webb Associates	Construction Management	1,994.25
1/17/2018	14596	S&J Supply Co	Supplies for Water	1,919.03
1/17/2018	14597	Staples Credit Plan	Office Supplies	782.29
1/17/2018	14598	T-Mobile	Monthly Charge for Solar Panels	29.99
1/17/2018	14599	VOID		
1/24/2018	14600	Allstate Benefits	Monthly Life Insurance for employees	473.77
1/24/2018	14601	Engineering Resources of Southern California	Inundation Study at Foster Lake	17,175.00
1/24/2018	14602	Pacific Slope Tree Coop, Inc.	Remove Fallen Tree at Downtown Wells	1,400.00
1/24/2018	14603	SUSP, Inc.	Sewer Consulting Fee for December 2017	12,580.00
1/24/2018	14604	Time Warner Cable/ Spectrum Business	Monthly Phone and Internet at Office	356.62
1/24/2018	14605	VOID		
1/24/2018	14606	Idyllwild Water District	To be deposited at Hemet Bank for payroll	32,000.00
1/24/2018	14607	Jeannine Olsen	Reimburse Cash Drawer/ Office Supplies	737.59
			TOTAL DISTRICT WARRANTS	\$149,700.44
			OTHER DISBURSEMENTS:	
			Total Payroll	64,247.06
			NET PAYROLL CHECKS-DIRECT DEPOSIT	48,594.65
			FEDERAL PAYROLL TAXES-ELECTRONIC TRANSFERS	13,950.74
			STATE PAYROLL TAXES-ELECTRONIC TRANSFERS	8,651.88
			L.A.I.F. ELECTRONIC TRANSFERS	0.00
			BANK SERVICE CHARGES AND FEES	191.00
			TOTAL DISTRICT WARRANTS & OTHER DISBURSEMENTS	\$214,138.50

Operations Report for January 2018

Currently – No Stage

Production – January 794,856 c.f. , 137.6 avg. gpm

Foster Lake level – 4 ft.-

Water and Sewer installations -1 Water Meter and 1 Residential Sewer Hookup for 1 E.D.U.-

Leaks -0-

Mainline -0-/Unmetered -0/Metered -0

January Water Loss = 9.46%-- 6.69% Y.T.D.

Production

Drinking water storage- 3.39 MG

14 wells available/7 utilized/2 Full Time/5 Part Time

Wastewater Treatment Plant

January 2018-Average daily flow 89,907 gpd/Average weekend flow 100,145 gpd

January 2017-Average daily flow 126,532 gpd/Average weekend flow 140,946 gpd

Precipitation

January 2018 – 3.45” Y.T.D. – 4.28” January 2017 – 5.48” Y.T.D. 2017 – 10.06”

Diversion -0-

STATIC WELL LEVELS

	DECEMBER 2017	JANUARY 2018	JANUARY 2017	JANUARY 2016
Foster Lake (Average 3 wells)	13’ Static	13.3’ Static	26’ Static	41’ Static
Well # 26 (Nature Center)	46’ Static	43’ Static	282’ Pumping	290’ Pumping
Well # 27 (Nature Center)	43’ Static	41’ Static	103’ Static	111’ Static
Well #28 (Rockdale)	122’ Static	120’ Static	139’ Static	140’ Static
Downtown Wells* #23 & #24	212’ Pumping 19’ Static	10’ Static 18’ Static	8’ Static 16’ Static	13’ Static
FV1A	7’ Static	4’ Static	372’ Pumping	388’ Pumping
FV2	212’ Pumping	68’ Static	301’ Pumping	286’ Pumping

*Downtown Wells Static level is an average for 2016. January 2017 and 2018 both well levels are included

IDYLLWILD WATER DISTRICT
 MONTHLY WATER RE-CAP SUMMARY
 FOR THE MONTH OF: **January**

DATE: **02-02-18**

IN DISTRICT STORAGE SUPPLY	<u>195,959</u>	C.F.	
FOSTER LAKE STORAGE SUPPLY	<u>257,356</u>	C.F.	<u>453,315</u>
			TOTAL STORAGE SUPPLY
INCREASE	_____	C.F.	
DECREASE	_____	C.F.	
SUPPLIES TO SYSTEM	<u>794,856</u>	C.F.	
I.W.D. FLUSHING	<u>535</u>	C.F.	
FOSTER LAKE LEVEL	<u>4 Ft</u>	MAXIMUM OF 18'	

STATIC GROUND WATER LEVELS:

F.L. AREA	<u>13.3</u>	FEET	Static
F.V. AREA:			
F.V.1A	<u>4'</u>	FEET	Static
F.V.#2	<u>68</u>	FEET	Static
CREEK AREA	<u>23- 10'</u>	FEET	24- 18' Static
WELL #26	<u>43</u>	FEET	Static
WELL #27	<u>41</u>	FEET	Static

STORAGE SUPPLIES(MAXIMUM OF 3.702 MILLION GALLONS) 91 %

MAINLINE LEAK REPAIRS _____

STRAWBERRY CREEK DIVERSION	<u>0</u>	C.F.	<u>0</u>	A.F.
FERN VALLEY 1A WELL	_____	C.F.	_____	A.F.
STRATTON WELL #23 DRAW	<u>68,687</u>	C.F.	<u>1.58</u>	A.F.
OAKWOOD WELL DRAW(PRIVATE)	_____		<u>0</u>	A.F.
WELL #26 (COUNTY OF RIVERSIDE)	_____		<u>0</u>	A.F.
WELL #27 (COUNTY OF RIVERSIDE)	_____		<u>0</u>	A.F.

COMMENTS:

	LEVEL	VOLUME
SOUTHRIDGE TANKS (3,509 CF/FOOT)	<u>21.2</u>	<u>74,390 CF</u>
GOLDEN ROD TANK (891 CF/FOOT)	<u>21.9</u>	<u>19,512 CF</u>
WILDWOOD TANK (919 CF/FOOT)	<u>12.9</u>	<u>11,855 CF</u>
ROCKDALE TANK (2,718 CF/FOOT)	<u>23.3</u>	<u>63,329 CF</u>
FOSTER LAKE TANKS (11,698 CF/FOOT)	<u>22.0</u>	<u>257,356 CF</u>
SEWER PLANT USAGE		
DELANO TANK (1,337 CF/FOOT)	<u>20.1</u>	<u>26,873 CF</u>
HYDRANT SALES IN CUBIC FEET		

Idyllwild Water District Well Production Data

Month: January Year: 2018 Date: 2-2-18

	Well Name	#	Acre Feet	Cubic Feet	PT/FT	Status	GPM
1	Horizontal	1	0			OFF	10
2	Foster Lake	2	11.7	512,070	FT	ON	90.8
3	Foster Lake	4	0.64	28,194	PT	ON	11.9
4	Foster Lake	5				OUT OF SERVICE	No Water
5	Foster Lake	8				OUT OF SERVICE	
6	Foster Lake	9				OUT OF SERVICE	
7	Foster Lake	10			PT	OFF	10
8	Foster Lake	11				OUT OF SERVICE	
9	Foster Lake	12				OFF	
10	Foster Lake	13	1.55	67,890	PT	ON	50.2
11	Foster Lake	15				OFF	
12	Foster Lake	16				OFF	Not Hooked Up
13	Nature Ctr	26				OFF	25.6
14	Nature Ctr	27				OFF	No Water
15	Stratton	23	1.58	69,000	PT	ON	41.8
16	Curtis	24	0.05	2,150	PT	ON	44.9
17	Donahoo	25				OFF	
18	Golden Rod		.78	33,910	PT	ON	17.7
19	Fern Valley	1A			PT	ON	
20	Fern Valley	2	4.40	191,996	FT	ON	19.4
21	Rockdale	28				OFF	
22	Dutch Flats	1				OUT OF SERVICE	No Pump
23	Dutch Flats	2				OFF	
24	Dutch Flats	3				OUT OF SERVICE	

Total Cubic Feet: 905,210 CF

Cedar Glen 4" Meter	<u>497,800</u> CF	<u>11.4</u> AF	
			<u>794,856</u> CF
			Supplies to System
In District Production Wells 13-19	<u>297,056</u> CF	<u>6.8</u> AF	
			<u>18.2</u> AF
			Total AF
Production Days	<u>30</u>		
Minutes	<u>43,200</u>	<u>137.6</u> GPM	

MONTHLY RE-CAP

(General Manager copy)

MONTH JANUARY YEAR 2018 DATE 2-2-17 INIT JJ

Production days 30

Avg. GPM production 137.6

Total number of sources available 14

Total number of sources used 7 Full Time 2 Part Time 5

Sources used, Well No's. 2, 4, 13, 23, 24, FV2, Golden Rod

Total GPM available 250 (\pm) 15 GPM

Total supplies to system 794,856 CF 18.2 AF

Hydrant water sales _____ CF

Potable water in storage 3.39 MG (3.7 MG max) 91 %

Foster Lake level 4 Feet

Strawberry Creek diversion draw 0 AF

Fern Valley 1-A pumped to Lake _____ AF

Distribution system flushing including fire dept. use 535 CF

Static water levels:

Foster Lake area 13.3 ft St

Fern Valley Area: F.V.1A 4 ft St F.V. #2 68 ft St

Creek area 23- 10 ft St, 24- 18 ft St

Well #26 43 ft St

Well #27 41 ft St

Notes: Well #28- 120 ft Static

Memo

To: Board of Directors
From: General Manager
Date: February 21, 2018
Subject: ITEM #2 – Vacancy on the Board of Directors

Recommendation: That the Idyllwild Water District Board of Directors accept the resignation of Geoffrey Caine and determine to fill the vacancy on the Board of Directors by the appointment process and direct staff to take the required steps of advertisement of the vacancy.

Background: Geoffrey Caine resigned from the Idyllwild Water District Board of Directors effective March 1, 2018.

State law provides the District with several options for filling the vacancies:

- The remaining Board members may appoint a qualified applicant to the position;
- The Board can call a special election to fill the position; or
- The Board can default to the Board of Supervisors of Riverside County to appoint a qualified applicant to the position.

Considering that the Board of Directors might select the least costly and most timely option for filling the Board Vacancy, Staff will post notice of the vacancy and run an ad in the Town Crier advising of the vacancy. Both venues will solicit interested, qualified candidates to submit a letter of interest and any additional pertinent information to the President of the Board of Directors by March 14, 2018. The Board of Directors can

then review the applicants and make a selection at the March 21, 2018 regular meeting.

Memo

To: Board of Directors

From: General Manager

Date: February 21, 2018

Subject: ITEM #3 EMPLOYMENT CONTRACT WITH FRITZ WUTTKE – The Board will consider authorizing an Employment Contract with Fritz Wuttke for Part-time Waste Water Treatment Plant Chief Plant Operator.

Recommendation: That the Idyllwild Water District Board of Directors authorize an Employment Agreement (part-time) with Fritz Wuttke to be the District's Wastewater Treatment Plant Chief Plant Operator.

Background: The District has been unable to recruit a permanent full-time Chief Plant Operator (CPO) for the Wastewater Treatment Plant. For the last two and one-half years the position has been filled on a contract basis by the Specialized Utility Services Program (SUSP) of the California Rural Water Association (CRWA).

With the awarding of Grade 2 Operator Certificates to two District employees, the SUSP monthly fee will drop to \$7,500 from \$12,500 (beginning in February 2018). The SUSP program offers Idyllwild Water District once a week on-site visits and phone/text availability all of the time as well as preparation of the monthly reports to the Regional Water Quality Control Board.

Fritz Wuttke is a Grade 3 Certified Wastewater Treatment Operator currently responsible for operation of the Pine Springs Ranch wastewater facilities (Garner

Valley) as the Director of Plant Services. He will provide the services that SUSP is providing including overall supervision of the WWTP, report preparation and submittal and generally perform the duties described in the job description (Exhibit "A" of the attached agreement).

The status of Mr. Wuttke would be that of a District salaried employee. Our negotiated monthly salary is \$3,000 and he has declined District benefits.

The success of the staff members in earning their Grade 2 certification has enable the District to reduce the SUSP contract by \$5,000 per month (\$60,000 per year). Engaging Mr. Wuttke will save another \$4,500 per month (\$54,000 per year) for a total savings going forward of \$114,000 per year.

The agreement has been reviewed by District Counsel and staff have reviewed the proposed changes with the Regional Water Quality Control Board regulators.

EMPLOYMENT AGREEMENT

This Agreement, dated as of February __, 2018 is between Idyllwild Water District ("Employer" or "District") a government entity formed under Section 30000 of the California Water Code, and Fritz O Wuttke ("Employee") an individual. Employer and Employee agree to the following terms and conditions of employment.

1. Period of Employment. Employer shall employ Employee from the Effective Date of this Agreement for a period of one (1) year or until the employment is terminated in accordance with Section 4 of this Agreement, whichever is earlier. The Effective Date of this Agreement shall be March 16, 2018. The Employee expressly agrees that the subject employment relationship under this Agreement is part-time and "at will" and that the Employee serves at the pleasure of the District. Therefore, in the event of termination, there shall be no right of notice or hearing, except as expressly provided in this Agreement, The City may terminate Employee at any time in accordance with Section 4 for any reason or no reason. During the Period of Employment Employee shall work a mutually agreed schedule that insures that the duties and responsibilities of the position are fulfilled.

2. Position and Responsibilities.

(a) Position. Employee accepts employment with Employer as its Chief Wastewater Plant Operator and shall perform all duties and services appropriate to that position, as well as such other services consistent with the Chief Wastewater Plant Operator position as may be assigned by the District's Chief Wastewater Plant Operator. These duties include, but are not limited to, those set forth in the District's Chief Wastewater Plant Operator job description, a true and correct copy of which is attached as Exhibit "A" to this Agreement. The District may at any time during the term of this Agreement modify any provisions of the Chief Wastewater Plant Operator job description with notice to the Employee. Employee shall devote his best efforts and attention to the satisfactory performance of his duties within the Period of Employment described.

(i) Employee warrants that the information he provided to the District concerning his work experience and any certifications is correct. In the event it is incorrect, the District may terminate Employee's employment pursuant to Paragraph 4, herein.

(b) Other Activity. Employee (during his employment with Employer) shall not engage, directly or indirectly, in any other business, commercial, or professional activity (whether or not pursued for pecuniary advantage) that is or may generate financial or other conflict of interest, including time commitments, with his position as Chief Wastewater Plant Operator or the appearance thereof. If Employee is not certain whether or not a particular proposed outside activity is permitted under this Agreement, he shall ask the General Manager in writing for a determination thereon before engaging in the activity, and the General Manager shall within thirty (30) days make a determination thereon. Failure to act on the part of the General Manager within said thirty (30) day

period shall be deemed approval. It is acknowledged that Employee serves as Director of Plant Services for Pine Springs Ranch (owned and operated by the South Eastern California Conference of Seventh-Day Adventist) and it has been determined that this activity is permissible to continue while serving as Chief Wastewater Plant Operator as it does not create a conflict of interest. If Employee or the General Manager determine there is an actual, or appearance of a, conflict of interest at a later time, this issue will be resolved as set forth above.

3. Compensation and Benefits.

(a) Compensation. Employer shall pay Employee a salary of three thousand Dollars (\$3,000.00) per month, in accordance with Employer's regularly established policies for payroll distribution. As a salaried Employee, the Employee shall devote the required time and effort to completely and satisfactorily fulfill and carry out his duties and the Employee and the General Manager shall develop a mutually agreed work schedule to accomplish such end. The position is exempt from overtime under FLSA.

(b) Benefits. Employee shall not be entitled to receive the benefits.

4. Termination of Employment.

(a) By Employer Not for Cause. At any time, during the course of this Agreement, Employer may terminate Employee for any reason, with or without cause, by providing Employee a thirty (30) day written notice, except where immediate termination or shorter notice is warranted by law including but not limited to federal, state, county or local statute, regulation, ordinance or resolution, or warranted by other circumstances including but not limited to economic circumstances of the District, in which case shorter notice or immediate termination will apply. Such determination by the General Manager shall set the effective date of such termination. Employer may discipline, demote, or dismiss Employee as provided in this Section 4 notwithstanding anything to the contrary contained in or arising from any statements, policies, or practices of Employer relating to the employment, discipline, or termination of its employees. If the Employer terminates Provided that the Employee has served a term of at least three (3) months of employment under this Agreement, the Employee shall be paid one month of severance pay total, regardless of length of employment. The payment of such severance compensation shall be conditioned upon the Employee executing a general release agreement providing for the general and unconditional release of all known and unknown claims against the District, its General Manager and Employees with **a waiver of any and all rights under Section 1542 of the California Civil Code**, which states “*A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.*”

(b) By Employee Not for Cause. At any time, Employee may terminate his employment with Employer for any reason, with or without cause, by providing Employer thirty (30) days' advance written notice. Employer shall have the option, in its complete discretion, to make Employee's termination effective at any time prior to the end of such notice period, however such election by the General Manager shall not reduce the District obligation to pay the Employee's salary during the such 30-day period, except where paying such salary or benefits is not permitted by law. During such period the Employee shall, at the election of the General Manager, continue to perform his duties and aid and assist the General Manager in the process of transitioning the management of the District to a person or persons who shall perform the Employee's duties. Employee shall not be entitled to any sick-leave pay-out or benefits on termination; notice of termination of benefits required by Cal-Cobra will be provided to the extent applicable.

(c) By Employer for Cause. At any time, Employer may terminate this Agreement and the employment of the Employee by providing Employee written notice of the cause for such termination five (5) business days before termination. Employee shall be entitled to provide a response in writing or in person by the fifth day following such notice before the General Manager, or his designee. The decision of the General Manager or his designee shall be final. In the event Employee is terminated for a reason that besmirches his reputation in the public eye, he shall be entitled to a hearing, under *Lubey v. City and County of San Francisco* (1979) 98 Cal.App.3d 344, before the Board of Directors for the purpose of name-clearing only and not for reinstatement of employment; he may request such a hearing by delivering a request for appeal to the General Manager within ten (10) days of the final notice of termination; however, such appeal shall not extend the employment of the Employee and any obligations of the District under this Agreement. To the extent permitted by law, all benefits under this Agreement shall terminate upon termination for cause pursuant to this subsection, and the Employee shall not be entitled to any severance pay, sick-leave pay-out or benefits; notice of termination of benefits required by Cal-Cobra will be provided to the extent applicable.

For the purposes of this Agreement, termination shall be "for cause" if Employee: (i) refuses or fails to act in accordance with any specific, lawful, direction or order from the General Manager; (ii) gross negligence, (iii) is charged with a felony; (iv) is charged with any criminal act involving fraud, malfeasance, including but not limited to any act of misfeasance, described in Title 7 commencing with Section 92 of the Penal Code of the State of California; (v) poor performance or unprofessional conduct; (vi) conflicts of interest, (vii) poor attendance, (viii) violation of any federal, state, county or local statute, regulation, ordinance or resolution, (ix) violation of the District's drug and alcohol-free workplace policy; or (x) violation of any anti-discrimination, anti-harassment, or anti-retaliation policies of the District.

(d) Termination Obligations. Employee agrees that all property, including, without limitation, all equipment, tangible Proprietary Information (as defined below), documents, records, notes, contracts, and computer-generated materials furnished to or prepared by Employee incident to his employment belongs to Employer and shall be returned promptly to Employer upon termination of Employee's

employment. Employee's obligations under this subsection shall survive the termination of his employment and the expiration of this Agreement. The Employee agrees that he shall cooperate with the District after the termination his employment as may become necessary relative to any actions he had taken or supervised while he was employed by the District.

(e) Government Code Section 53243 and 53243.3. Under Government Code Section 53243.3, regardless of the term of the contract, if the contract is terminated, a cash settlement related to the termination that an Employee may receive, if any, from the local agency shall be fully reimbursed to the local agency if the Employee is convicted of a crime involving an abuse of his office or position. Under Government Code Section 53243, if Employee has been paid any salary pending an investigation, such salary shall be fully reimbursed if Employee is convicted of a crime involving an abuse of his or her office or position.

5. Evaluation. Employee will be evaluated on at least an annual basis by the General Manager. Failure of the General Manager to provide such evaluation shall not in any way limit the General Manager's ability to terminate this Agreement pursuant to Section 4.

6. Limited Indemnity. To the extent permitted by law, the District shall indemnify the employee against all necessary expenditures and losses incurred by the Employee in direct consequence of the lawful discharge of his duties, in accordance with Labor Code Section 2802. However, pursuant to Government Code Section 53243.1, any agreement by District to fund the legal criminal defense of Employee shall require that any funds provided for that purpose be fully reimbursed to the local agency if the Employee is convicted of a crime involving an abuse of his office or position. In addition, to the extent permitted by law, the District shall defend and indemnify Employee against any civil action, proceeding, or claim, performed in the course and scope of his employment for the District in accordance with Government Code 995, et seq.

7. Proprietary Information. "Proprietary Information" is all information and any idea pertaining in any manner to the business of Employer (or any Employer affiliate), its employees, clients, consultants, or business associates, which was produced by any employee of Employer in the course of his or her employment or otherwise produced or acquired by or on behalf of Employer. Proprietary Information shall include, without limitation, trade secrets, product ideas, inventions, processes, formulas, data, know-how, software and other computer programs, copyrightable material, marketing plans, strategies, sales, financial reports, forecasts, and customer lists. All Proprietary Information not generally known outside of Employer's organization, and all Proprietary Information so known only through improper means, shall be deemed "Confidential Information." During his employment by Employer, Employee shall use Proprietary Information, and shall disclose Confidential Information, only for the benefit of Employer and as is necessary to perform his job responsibilities under this Agreement. Following termination, Employee shall not use any Proprietary Information and shall not disclose any Confidential Information, except with the express written consent of

Employer. Employee's obligations under this Section shall survive the termination of his employment and the expiration of this Agreement. This paragraph shall not be construed to allow a violation of any law, including but not limited to the Public Records Act, and shall be read in harmony with its provisions and exceptions.

8. Notices. Any notice or other communication under this Agreement must be in writing and shall be effective upon delivery by hand or three (3) business days after deposit in the United States mail, postage prepaid, certified or registered, and addressed

to Employer at the address below, or to Employee at the last known address maintained in Employee's personnel file. Employee shall be obligated to notify Employer in writing of any change in his address. Notice of change of address shall be effective only when done in accordance with this Section.

Employer's Notice Address:

General Manager
Idyllwild Water District
P.O. Box 397
Idyllwild, CA 92549-0397

Employee's Notice Address:

Fritz O. Wuttke
P.O. Box 441
Mountain Center, CA 92561

9. Action by Employer. All actions required or permitted to be taken under this Agreement by Employer, including, without limitation, exercise of discretion, consents, waivers and amendments to this Agreement, shall be made and authorized only by the General Manager or by its representative specifically authorized in writing to fulfill these obligations under this Agreement.

10. Direction from General Manager. Employee shall take direction as to matters of District business only from the General Manager.

11. Integration. This Agreement and Attachments is intended to be the final, complete, and exclusive statement of the terms of Employee's employment by Employer. This Agreement supersedes all other prior and contemporaneous agreements and statements, whether written or oral, express or implied, pertaining in any manner to the employment of Employee, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of Employer, now or in the future, apply to Employee and are inconsistent with the terms of this Agreement, the provisions of this Agreement shall control.

12. Amendments. This Agreement may not be amended except in a written document signed by each of the parties. Failure to exercise any right under this Agreement shall not constitute a waiver of such right.

13. Assignment. Employee shall not assign any rights or obligations under this Agreement. Employer may, upon prior written notice to Employee, assign its rights and obligations hereunder.

14. Severability. If a court or arbitrator holds any provision of this Agreement to be invalid, unenforceable, or void, the remainder of this Agreement shall remain in full force and effect.

15. Attorneys' Fees. In any legal action, arbitration, or other proceeding brought to enforce or interpret the terms of this Agreement, the prevailing party shall not be entitled to recover reasonable attorneys' fees and costs.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of California.

17. Venue. The venue for any litigation to interpret or enforce this Agreement shall be in the Riverside Superior Court.

18. Interpretation. This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. By way of example and not in limitation, this Agreement shall not be construed in favor of the party receiving a benefit nor against the party responsible for any particular language in this Agreement. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement.

19. Partial Invalidity. In the event any provision of this Agreement is void or unenforceable for any reason, then the remaining provisions shall continue to be in full force and effect.

20. Employee Acknowledgment. Employee acknowledges that he has had the opportunity to consult legal counsel in regard to this Agreement, that he has read and understands this Agreement, that he is fully aware of its legal effect, and that he has entered into it freely and voluntarily and based on his own judgment and not on any representations or promises other than those contained in this Agreement.

21. Effective. This Agreement shall be effective only if it is approved the General Manager of this District, pursuant to direction from the Board of Directors of the District.

The parties have duly executed this Agreement as of the date first written above.

Fritz O. Wuttke _____

Idyllwild Water District _____
General Manager Idyllwild Water District

Exhibit "A"

IDYLLWILD WATER DISTRICT
JOB DESCRIPTION

POSITION: CHIEF WASTEWATER PLANT OPERATOR

Description. Under general supervision, directs the operation and maintenance of the District's wastewater treatment facilities and wastewater treatment department; insures the monitoring of influent and effluent flows; Directs and may perform sample collection and laboratory testing; checks operations and monitors equipment for proper functioning of treatment and disposal facilities; directs and assigns staff regarding the full range of wastewater treatment plant operations with minimal supervision; and does related work as required.

Examples of Duties. Monitors the operations of District wastewater treatment and disposal facilities for proper performance and safe functioning; reviews readings from meters, gages and recording charts; makes and/or directs necessary system adjustments to maintain proper operating conditions; makes visual inspections of plant operations to insure that operational adjustments are made as required; directs the operation of valves, pumps, blowers and controls to supply air and feed chemicals at the appropriate rates and dosages to achieve optimum plant performance; insures the collection of samples for laboratory tests and may perform analyses; directs general maintenance of plant grounds and disposal areas; supervises the maintenance of records and logs for updating required reports on plant operations; prepares monthly reports on plant operations; operates a vehicle to travel to disposal areas and other facilities for inspection and maintenance work; is available on-call for emergency supervision of the plant operations.

General Requirements. Requires a knowledge of methods, materials, procedures and equipment used in wastewater treatment and disposal operations; maintenance, repair and adjustment of wastewater treatment equipment; laws, codes, rules and regulations pertaining to wastewater treatment and disposal; sample collection and basic laboratory procedures; plant measurement and recording equipment; and proper work safety standards.

Requires an ability to supervise and review a variety of operations and maintenance assignments at a wastewater treatment plant; understand and direct the operation of automatic plant control systems; diagnose and correct a variety of operating problems; review plant measurements and interpret results to direct adjustments to plant operations; use proper safety precautions in working with plant equipment and chemicals; direct and review sample collection and basic laboratory tests; maintain and update plant records; read and interpret plant drawings and diagrams; and establish and maintain cooperative working relationships.

Typical Physical Activities. Operates District vehicles in traveling between shop, plant and disposal facilities; must be able to carry, push, pull, reach and lift equipment and parts weighing up to 50 lbs.; stoops, kneels, crouches, crawls and climbs during plant maintenance, construction and repair work; works in an environment with exposure to dust, dirt, chemicals and significant temperature changes between cold and heat; communicates orally with District personnel; uses a telephone; stands and walks for extended time periods; hearing and vision must be within normal ranges.

Qualifications. Graduation from high school and at least three years of responsible experience in the operation, maintenance and repair of wastewater treatment facilities; possession of a Grade III wastewater treatment operator certification issued by the State Water Quality Control Board.

Special Requirement. Possession of an appropriate California operator's license issued by the Department of Motor Vehicles. Possession and proof of a good driving record as evidenced by freedom from multiple or serious traffic violations. The driving record will not contribute to an increase in the District's automobile insurance rates.

Memo

To: Board of Directors

From: Chief Financial Officer
General Manager

Date: February 21, 2018

Subject: ITEM #4 – 457b CONTRIBUTION PLAN THIRD PARTY ADMINISTRATOR– The Board will discuss and may enter into an agreement with Carlson Quinn Strategic Retirement Consultants

Recommendation: That the Board of Directors authorize the General Manager to execute an agreement with Carlson Quinn Strategic Retirement Consultants to act as the Third Party Administrator (TPA) for the District's 457b Retirement Plan for an annual fee of \$2,500.

Background: The Board of Directors selected a 457b Contribution Retirement Plan for all employees hired after December 31, 2013. The Plan was initiated January 1, 2014. Employees become vested in stages by a percentage each year (see Table 1) with full vesting occurring after six years. The IRS Plan requirements include an annual statement sent to all employees and former employees that currently have vested monies in the plan stating the amount contributed and the amount vested.

Because of a high turnover rate of employees in recent years the annual statement preparation has become very complicated. Hiring a Third Party Administrator for this

plan is in the best interest of the District to insure compliance with the extensive IRS rules governing the use of such plans.

Staff solicited proposals from several potential firms to provide TPA services, but due to the small size of the District and the relatively small amount of funds under management only Carlson Quinn Strategic Retirement Consultants submitted a proposal (attached for information).

The Consultant will prepare all annual statements for the Plan and will be responsible for all Plan administrative aspects, i.e., when employees enroll or withdraw from the Plan.

The 401A Plan for employees hired before December 31, 2013 has a Third Party Administrator.

Attachment

Table 1
Vesting Schedule

<u>Years of Service</u>	<u>Vested Interest</u>
1	10%
2	20%
3	40%
4	60%
5	80%
6	100%

CONFIDENTIAL

February 14, 2018

Mr. Hosny Shouman
Chief Financial Officer
Idyllwild Water District
25945 State Highway 243
Idyllwild, CA 92549

Re: Idyllwild Water District 457(b) Plan - Fee Proposal to Provide Services

Dear Hosny:

Thank you for considering Carlson Quinn to be the consultant and third-party administrator for the Idyllwild Water District 457(b) Plan (“Plan”).

We propose to provide the following annual recurring services for fees of \$2,500:

- Reconcile Plan assets annually
- Compliance testing – verify that annual contributions do not violate IRS limits
- Process distributions of participants’ vested account balance
- Prepare annual account statement for each Plan participant, including disclosure of vesting percentage
- Routine consulting

Other services not listed above will generally be billed on a time and expense basis. We can provide a fee estimate at such time the work is requested. These services may include, but are not limited to, the following:

- Plan amendments
- Plan restatements
- Special consulting
- Special projects

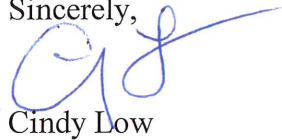
Fee Guarantee

Our relationship with our clients is very important to us. In keeping with our commitment to client satisfaction, we offer a *fee guarantee*. If for any reason you should feel that the services received are not commensurate with the fees charged, we will adjust our fees accordingly.

Mr. Hosny Shouman
February 14, 2018
Page 2

To engage our services under the terms above, please sign below and return the letter back to me.
Feel free to call me if you have any questions.

Sincerely,



Cindy Low

* * * * *

By my signature below, I agree to engage the services of Carlson Quinn under the terms stated in
this letter.

Representative from Idyllwild Water District

Print Name

Signature

Date

Memo

To: Board of Directors

From: General Manager

Date: February 21, 2018

Subject: ITEM #5 RESOLUTION NO. 743 – The Board will consider a resolution to adopt a policy regarding Public Record requests.

Recommendation: That the Idyllwild Water District Board of Directors adopt Resolution No. 743 Establishing a Public Records Request policy.

Background: Although the Idyllwild Water District endeavors to comply with State requirements regarding requests for Public Records, in an effort to increase transparency, Staff recommends the attached resolution and policy.

Attachment



PUBLIC RECORDS POLICY

POLICY

Public records of Idyllwild Water District (the "District") shall be open to inspection during regular office hours of the District to the extent required by law, and except as otherwise provided herein. "Public records" are all records of the District retained in the ordinary course of District business and in accordance with the District's Record Retention Schedule, as may be amended from time to time, and which is incorporated herein by reference, except as otherwise provided herein. "Public records" are all records of the District except those which are exempt from disclosure by the California Public Records Act (Gov. Code § 6250 *et seq.*).

DEFINITIONS

- A. The term "public records" includes any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by the District regardless of physical form or characteristics.
- B. The term "writing" means handwriting, typewriting, printing, photostating, photographing, photocopying, electronic mail, facsimile, and every other means of recording upon any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combination thereof and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punch cards, discs, drums, and other documents.

PROCEDURE

- A. Any person desiring to inspect any public record shall identify himself or herself and shall identify the specific records desired to be inspected. The District shall, in accordance with Government Code Section 6253.1, assist the member of the public make a focused and effective request that reasonably describes an identifiable record or records to the extent reasonable.
- B. Any person may obtain a copy of any identifiable public record unless exempt from public disclosure. Upon request, an exact copy shall be provided unless impracticable to do so.
- C. Within ten (10) calendar days after receipt of such request, District staff shall determine whether to comply with such request and shall immediately notify the person making the request of such determination and the reasons therefor. If the

District staff is uncertain whether the record is exempt from disclosure under the California Public Records Act or whether, given the facts of the particular case, the public interest served by not making the record public clearly outweighs the public interest served by disclosure of the record, District staff shall consult with legal counsel for the District during this initial 10-day period. In unusual circumstances, the General Manager of the District may, by written notice to the person making the request, extend the response time by a period not to exceed an additional fourteen (14) calendar days to comply with such request. Unusual circumstances mean the need to search for and collect requested records from field facilities or other locations separate from the office processing the request; or the need to search for, collect, and examine a voluminous amount of records to comply with the request; or the need for consultation with another agency having a substantial interest in the determination of the request; or the need to compile data, to write programming language or a computer program, or to construct a computer report to extract data.

- D. Upon any request for a copy of public records which reasonably describes an identifiable record or information produced therefrom and which is not otherwise exempt from disclosure, the District shall make the records promptly available to any person upon payment of fees covering the direct costs of duplication. A response to a written request for inspection or copies of public records that includes a determination that the request is denied, in whole or in part, shall be in writing.
- E. Should any request for public records contain exempt information including, but not limited to that listed under Government Code sections 6253.5 and 6254, any reasonable segregable portion of such record shall be provided to any person requesting such record after deletion of the portions which are exempt from disclosure by law.
- F. Inspection of public records shall be made only in a District office, and no document shall be removed therefrom. A representative of the District will be present during the inspection of any records.
- G. The public records policy of the District shall at all times be subject to the California Public Records Act as it may be amended from time to time, and if there is any conflict between that Act and this policy, the Act shall prevail.

Copies Requested Pursuant to the Political Reform Act of 1974

- A. Notwithstanding the other provisions of the District's Public Records Policy, public records requested pursuant to the Political Reform Act of 1974 (Gov. Code § 81000 *et seq.*), shall be open for public inspection and reproduction during regular business hours, and not later than the second business day following the day on which such document was received from a public officeholder or other person subject to the Political Reform Act.

- B. No conditions whatsoever shall be placed on those persons desiring to inspect or reproduce reports or statements filed pursuant to the Political Reform Act, nor shall any information or identification be required from such persons.
- C. Copies shall be provided at a cost of ten cents (\$0.10) per page, and the filing officer of the District may charge a retrieval fee not to exceed five dollars (\$5) per request for copies of reports and statements which are five (5) or more years old. A request for more than one (1) report or statement or report and statement at the same time will be considered as a single request.

Electronic Records

- A. Unless otherwise prohibited by law, the District shall make public records, which are in an electronic format and which are not otherwise exempt, available in an electronic format when requested by any person and, when applicable, shall comply with the following:
 - (1) The District shall make the information available in any electronic format in which it holds the information.
 - (2) The District shall provide a copy of an electronic record in the format requested if the requested format is one that has been used by the District to create copies for its own use or for the provision to other agencies.
- B. The cost of duplication shall be limited to the direct cost of producing a copy of a record in an electronic format, except that the requester shall bear the cost of producing a copy of the record, including the cost to construct a record, and the cost of programming and computer services necessary to produce a copy of the record at the current burdened cost rate of staff when either of the following applies:
 - (1) The District would be required to produce a copy of an electronic record and the record is one that is produced only at otherwise regularly scheduled intervals.
 - (2) The request would require data compilation, extraction, or programming to produce the record.
- C. The District shall not be required to reconstruct a record in an electronic format if the District no longer has the record available in an electronic format.

- D. If a request is for information in other than electronic format, and the information is also in electronic format, the District may inform the requester that the information is available in electronic format.
- E. This Section does not authorize the District to provide information only in electronic format.
- F. The District shall not release an electronic record in the electronic form in which the District holds that record if its release would jeopardize or compromise the security or integrity of the original record or of any proprietary software in which the District holds the record if its release would jeopardize or compromise the security or integrity of the original record or of any proprietary software in which it is maintained.
- G. Nothing in this Section shall be construed to permit public access to records held by the District to which access is otherwise restricted by statute.

District Copy Cost Schedule

- A. A request for a copy of an identifiable written public record or information produced therefrom, or a certified copy of such record, shall be accompanied by payment of a fee in the amount of ten cents (\$0.10) per page if the copy is no larger than 8-1/2" x 11". If the size of the copy of the record is in excess of 8-1/2" x 11", a request for such copy shall be accompanied by payment of a fee in the amount fixed by the General Manager, provided that the amount so fixed shall not be more than ten cents (\$0.10) times the number of 8-1/2" x 11" pages into which each copied sheet could be divided if so desired. The cost for records made available in an electronic format shall be determined under the Electronic Records section above.
- B. Requests for a mailed copy of the Board of Directors' monthly agenda will be directed to the District Secretary. Copies of the agenda will be provided upon compliance and payment of the fee in the amount of \$8.60 for each agenda requested (i.e., Board; Administration Committee; Engineering & Operations Committee; and Finance & Audit Committee) according to the Copy Cost Schedule, to cover the direct cost of duplication, postage and labor.
- C. To facilitate an equal and unbiased approach to disseminating information made available at Committee and Board meetings, a single notebook containing any and all data placed before the Board of Directors for consideration or action will be located at the rear of the Board Room for access by the public. Any person desiring a copy of any portion of said information may request the same from

District staff who will provide such copies in accordance with the District Copy Cost Schedule.

- D. To ensure the full coverage of actions taken during such public meetings of the District, one representative of each of the various news media, so requesting, will be provided with a copy of the data referred to in paragraph "C." above, free of charge.

**IDYLLWILD WATER DISTRICT
PUBLIC RECORDS POLICY
COPY COST SCHEDULE**

COPY OF 8-1/2" X 11", 8-1/2" X 14", AND 11" X 17"
\$ 0.10

COLOR COPY OF:

8-1/2" X 11" AND 8-1/2" X 14" \$ 1.60
11" X 17" \$ 2.80

ELECTRONIC RECORDS \$ 0.10 A COPY PLUS THE CURRENT
BURDENED COST OF STAFF IF EITHER
(B)(1) OR (B)(2), UNDER ELECTRONIC
RECORDS ABOVE, APPLIES

MAILING SERVICE FEES

POSTAGE PER OUNCE CURRENT FIRST CLASS RATE PER USPS
STAFF LABOR CURRENT BURDENED COST RATE OF STAFF

BOARD AND COMMITTEE MEETING AGENDA SERVICE CHARGE PER YEAR
(MAILED AGENDAS)

COVERS ESTIMATED COST OF PAPER, ENVELOPES, POSTAGE,
AND STAFF TIME **\$8.60** (FOR EACH BOARD OR COMMITTEE AGENDA)

BOARD PACKAGE

\$0.10 PER COPY COST VARIES AS NOTED ABOVE

RESOLUTION NO. 743

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE IDYLLWILD WATER DISTRICT ESTABLISHING A POLICY FOR RESPONDING TO PUBLIC RECORD REQUESTS

WHEREAS, local government agencies establish policies for the response to public requests for documents that are considered Public Records consistent with State law; and

WHEREAS, Idyllwild Water District has endeavored to comply with State law but has determined that adopting a policy will clarify the District's commitment to transparency.

NOW THEREFORE, be it resolved by the Board of Directors of the Idyllwild Water District that requests by the public for public records will be addressed as described in the attached policy, which is attached and hereby adopted and made a part hereof.

ADOPTED THIS 21ST DAY OF FEBRUARY, 2018

Dr. Charles Schelly- Board President

ATTEST:

I, Erica Gonzales, secretary of the Idyllwild Water District hereby certify that the foregoing resolution was duly and regularly introduced and adopted by the Board of Directors of said Idyllwild Water District at its meeting held on the 21st day of February, 2018. By the following vote, to wit:

AYES: NAYS: ABSTAIN: ABSENT:

In witness whereof I have hereunto set my hand and affixed the official seal of the Idyllwild Water District this 21st day of February, 2018.

Erica Gonzales- Board Secretary