

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

December 19, 2018 - 6:00 P.M.

CALL TO ORDER: President Schelly called the meeting to order at 6:00 p.m.

ROLL CALL: ROLL CALL: Directors present: President Schelly, Vice President Szabadi and Director Gin. Chief Financial Officer Hosny Shouman and Board Secretary Jeannine Olsen were also present.

Steve Kunkle and Dave Hunt were not present.

PUBLIC COMMENTS: Sue Nash and Tom Paulek submitted for the record a written summary of their concerns.

See Attachment.

1. CONSENT CALENDAR:

A. MINUTES – ___ November 21, 2018 _____

B. FINANCIAL REPORTS November 2018

1. Income statement for the Fifth month ending November 2018
2. District warrants for October 2018.

Check # 14784 – 14839	= \$ 183,094.15
Gross Payroll	= \$ 56,873.19
Federal/State PR taxes	= \$ 17,838.54
LAIF Transfers	= \$ 0.00
Transfers/charges	= \$ 0.00

C. OPERATIONS REPORT FOR THE FOURTH MONTH – November 2018

D. GENERAL MANAGER'S REPORT: Lily Creeks gauging stations basic structure is complete reading accessories and approach slab soon with District Staff. GAC vessel is in production, delivery will be the middle to late January 2019. Slab floor is poured, walls are almost complete, and Crane Pre-Jobs have no problems. We are still in the permitting process with DDW. Auger Monster is in production. Delivery should be early January. The District infrastructure is complete. The installer is scheduled for January 7, 2019. Sewer flows are at historical levels or lower. The plant is meeting its discharge requirements.

Vice President Szabadi made a MOTION to approve the consent calendar and Director Gin seconded. The vote was as follows:

AYES

NAYS

ABSTAIN

ABSENT

Dr. Schelly
Peter Szabadi
Les Gin

Steve Kunkle
David Hunt

2. **IDYLLWILD COMMUNITY CENTER** – The Board of Directors will consider authorizing two agreements with the ICC related to the infrastructure on the Project.

PUBLIC COMMENT: Paulek’s concern was that there was not any CEQA review and he officially objects to the agreements. Nash added that this would be an impact and make a change to our environment.

ICC President Janice Lyle told the board, “We’ve worked with three general managers ... we went to the current GM and Jack reviewed and suggested a more efficient way to connect with IWD that benefits the whole community. We accepted Jack’s recommendation and ICC installed. the pipes at our expense.”

Hoagland negotiated two new contracts with the ICC board. One assured that ICC was responsible for water pipes. The second related to a new issue. ICC discovered that construction of the new amphitheater on the property was above an IWD sewer line across its property. Apparently, IWD had secured an easement for the sewer line years before ICC acquired the land and the amphitheater foundation now encroached on the district’s easement.

A second agreement was developed in which ICC admitted the mistake and agreed to pay any future costs associated with potential damage to the pipeline.

In his written report to the board, Hoagland said, “... staff believe that the separation of the structure from the actual pipe zone of least 4 vertical feet and the complete consolidation of the original installation trench from 50 years ago will most likely not result in an adverse impact to the sewer mainline nor to the amphitheater structure ...” He recommended adopting the indemnification agreement. running from its property line to any facilities on the parcel.

DIRECTORS COMMENTS: President Schelly added that part of the Water Districts responsibility is to the community as a whole and as a Water District even in the bylaws, the original writings of why you form a Water District, is to serve the community. The board needs to support what we have before us because it places the majority of the responsibility on the Community Center and puts IWD a very small supporter of the project.

We have no liability, we didn’t build the [water] pipeline,” Director Peter Szabadi told the audience. “The [sewer] error is on their part. We had no input; they take full responsibility.”

Vice President Szabadi made a MOTION to Approve Contract A INSTALLATION MAINTENANCE AGREEMENT With ICC and Director Gin seconded. The vote was as follows:

AYES

NAYS

ABSTAIN

ABSENT

Dr. Schelly
Peter Szabadi
Les Gin

Steve Kunkle
David Hunt

Vice President Szabadi made a MOTION to Approve Contract B INDEMNIFICATION AND LICENCE AREEMENT With ICC and Director Gin seconded. The vote was as follows:

AYES

NAYS

ABSTAIN

ABSENT

Dr. Schelly
Peter Szabadi
Les Gin

Steve Kunkle
Dave Hunt

- 3. **GENERAL MANAGER AUTHORITY** – The Board of Directors will consider adoption of Resolution No. 756 defining the General Manager’s range of authority.

PUBLIC COMMENTS: Public member questioned if this restricts or expands the GM’s authority?

DIRECTORS COMMENTS: Vice President Szabadi explains that this clarifies and enlarges the authority somewhat and restricts it somewhat depending on the bids IWD receives. Also this clarifies that if the GM has any questions he has to come to the board.

The board also revised its policies regarding the authority of future general managers. They will have authority to approve operational, services or capital contracts that are less than \$15,000. Supply contracts will be capped at \$7,500. For amounts greater than these limits, the board must grant approval. All contracts in excess of \$15,000 should have competitive bidding. If this is not possible, the general manager is expected to explain the situation to the board before signing the contract .

Vice President Szabadi made a MOTION to approve Resolution No.756 and Director Gin seconded. The vote was as follows:

AYES

NAYS

ABSTAIN

ABSENT

Dr. Schelly
Peter Szabadi
Les Gin

Steve Kunkle
David Hunt

- 4. **AGENDA ITEMS**– The Board of Directors will consider adoption of Resolution 757 modifying the District meeting agenda development process within the Brown Act Compliance Policy.

The board did not take action on a proposal for setting future agenda. The revised policy (proposal) would require directors to offer suggestions to the general manager at least 14 days prior to the meeting. Szabadi expressed disagreement and no other director moved for its adoption.

DIES FOR A LACK OF MOTION

- 5. **CHANGE ORDER FOR THE LILY CREEK FLOW MEASURING STRUCTURE** – The Board will consider a request by the Contractor for a change order on the Lily Creek Flow Measuring Structure.

PUBLIC COMMENT: Gary Wood, owner of GNW Construction of Idyllwild. This firm had the contract to install the Lily Creek flow monitoring structure. The contract was for \$27,000. However, Wood claimed the actual costs were about \$2,200 greater and attributable to inability to use IWD staff as promised.

DIRECTORS COMMENTS: Szabadi requested that item be tabled and for Wood to provide greater detail of the added costs. Hoagland, in his written report, recommended denial of the cost change.

Vice President Szabadi made a MOTION to table Item #5 and Director Gin seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Dr. Schelly Peter Szabadi Les Gin			Steve Kunkle David Hunt

ITEM WAS TABLED

6. **AMENDMENT TO THE EMPLOYMENT CONTRACT WITH FRITZ WUTTKE** – The Board will consider authorizing an Amendment to the Employment Contract with Fritz Wuttke for Part-time Waste Water Treatment Plant Chief Plant Operator.

Vice President Szabadi made a MOTION to approve the Amendment to Fritz Wuttke’s Contract and Director Gin seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Dr. Schelly Peter Szabadi Les Gin			Steve Kunkle David Hunt

7. **JOB DESCRIPTION AND SALARY RANGE FOR CHIEF OPERATING OFFICER** – The Board of Directors will consider a job description and salary range for the position of Chief Operating Officer

PUBLIC COMMENT: Nash questioned the structure of the District and that IWD should reconsider hiring a firm to help IWD find a GM and COO.

DIRECTORS COMMENTS: Vice President Szabadi agreed that if the Board doesn’t find sufficient candidates then we might consider that as the next step.

Vice President Szabadi made a MOTION to approve the Description for the COO and the Potential Range of Salary and Director Gin seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Dr. Schelly Peter Szabadi Les Gin			Steve Kunkle David Hunt

DIRECTORS COMMENTS: Vice President Szabadi concluded that we realize some of the problems the public had as well as the Board had with the General Manager. The Board has identified these problems and is trying to hire someone who is going to fulfill our concerns as well as public concerns. It's a difficult process, we are trying our best. Before The Board makes the decision the candidate will be presented at a public meeting and subject to a vote by this Board.

President Schelly read a letter from the San Jacinto Water Shed Watchdogs.

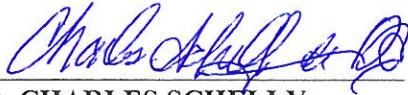
Attachment

Director Gin made a MOTION to Adjourn the Meeting and Vice President Szabadi seconded. The vote was as follows:

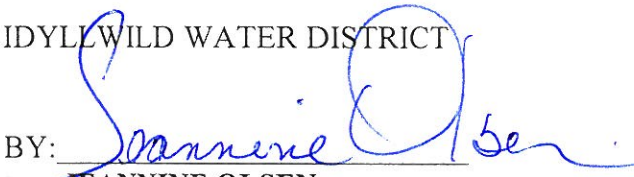
AYES	NAYS	ABSTAIN	ABSENT
Dr. Schelly			Steve Kunkle
Peter Szabadi			David Hunt
Les Gin			

Adjournment: President Schelly adjourned the meeting at 7:24 p.m.

IDYLLWILD WATER DISTRICT

BY : 
DR. CHARLES SCHELLY-
BOARD PRESIDENT

IDYLLWILD WATER DISTRICT

BY: 
JEANNINE OLSEN
BOARD SECRETARY