

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

The Board of Directors of the Idyllwild Water District met in regular session on February 19, 2014.

CALL TO ORDER:

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

ROLL CALL:

Directors present: President Jim Billman, Vice-President John Cook, Dean Lattin, Warren Monroe and Mike Freitas. Also present was Finance Officer, Hosny Shouman, Board Secretary Kelly Clark and General Manager, Terry Lyons.

General public present: (- 2 -)

CONSENT CALENDAR:

MINUTES –

January 15, 2014 Regular Meeting, January 15, 2014 Closed Session (Govt. Code Section 54956.9), January 23, 2014 Closed Session (Govt. Code Section 54957), January 23, 2014 Closed Session (Govt. Code Section 54956.9), January 30, 2014 Closed Session (Govt. Code Section 54957), February 3, 2014 Closed Session (Govt. Code Section 54957), January 15th Regular Meeting
Director Cook asked that a dollar sign be added to item 6-last sentence. Director Monroe asked that names be added to the Committee members on item 9.

FINANCIAL REPORTS – Director Cook asked Hosny if he could show the base charges for all tiers along with the total cubic feet of sales on the Water Fund Condensed Income Statement.

OPERATING STATEMENT FOR THE SEVENTH MONTH ENDING JANUARY, 2014.

DISTRICT WARRANTS FOR JANUARY –

CHECK #9400 - #9463	= \$	132,019.24	OPERATING
PAYROLL	= \$	37,633.72	PAYROLL
FEDERAL/STATE PR TAXES	= \$	19,254.48	
LAIF TRANSFERS	= \$	-0-	
TRANSFERS/CHARGES	= \$	275.00	

OPERATIONS REPORT AND GRAPHS FOR THE SEVENTH MONTH ENDING JANUARY 31, 2014. No main line leaks were reported in January. Foster Lake was still dry at the end of January. IWD did not divert water during January. There was no precipitation and no flow at the Tahquitz Bridge during January. Director Monroe said Strawberry Creek is running 30 cfm by his house. The static water levels at the Foster Lake Wells were 34' below ground level and the downtown wells are currently 19'. Production is 138 gpm. January unaccounted for water was 8.71% of production and the yearly average is 6.58%. There is an IWD leak on Deerfoot and with the one that was repaired this month on Maranatha, the loss should decrease. We could purchase 5 meters, one for each zone, at a cost of \$7,000 each, which could isolate the loss into zones. Director Cook asked what the percentage of loss equals money-wise. Terry said about \$6,100 this

month, or about 12 gpm. A MOTION was made by Director Cook and seconded by Director Freitas to approve the Consent Calendar. The Motion was approved and duly carried with a unanimous vote of all Directors present.

4. **NEW GENERAL MANAGER** – As directed by the Board, Terry offered the position of IWD General Manager to Tom Lynch. His recommendation is that the Board hire Mr. Lynch. Director Billman asked if he was comfortable with the working conditions, and Mr. Lynch said yes. IWD Board Meeting, 2/19/14, W.I.P. cont.

He said he was looking forward to moving to Idyllwild and accepting this position. He described his experience and qualifications. Director Monroe made a MOTION to accept Mr. Lynch as the new General Manager, which was seconded by Vice-President Cook and passed with a unanimous vote. The Board welcomed Mr. Lynch to the District.

5. **UNFINISHED BUSINESS** –

WORK IN PROGRESS – WATER – We ordered a new filter unit for the Oakwood Well Water Treatment Plant. Jing Chao with CDPH requested we install a UFS 61 approved filter unit for this facility. The new unit will arrive next week. We will now be able to complete the installation for the Oakwood Well Water Treatment System. The Well will be test operated within a few weeks. The addition of this purchased well will increase our water supply by another 35gpm. Adding this to our current operating wells will provide a total of 680gpm.

WASTEWATER – Steve had an SCE repairman at the ponds replacing the electric meter. He completed taking the fourth quarterly water samples for the monitoring wells at the ponds. As requested by USFS, Terry provided them five years of monitoring testing results last month. We lease the property around the ponds from them. Steve had John Mathys install a wireless router and program to be able to access his District office computer from the WWTP computer. The crew performed a repair to a manhole ring on Alderwood. They replaced the cork gasket for the Unit #2 blower filter can. The total wastewater flow for the plant for 2013 was 30,618,974 gallons. This amount of flow is now wasted, but can be recaptured with the recycled water project.

WILDWOOD PRESSURE ZONE TELEMETRY SYSTEM – We received a new modem and radio unit from DTS to replace the existing unit that was damaged by lightning. We installed a back-up transducer, as it was damaged too. The wildwood telemetry system is back in operation. We will order a back-up telemetry unit and a back-up transducer unit. This will allow us to easily change out a damaged unit and have it up-and-running with little down time. The telemetry modem with a programmed radio unit costs us about \$800. A replacement transducer costs about \$150.00 - \$200.00 each.

MARANATHA DRIVE 10" WATER PROJECT – We needed to do a repair that required replacing a broken 10" gate valve and installing a 10-foot section of pipe. This repair took two days to complete. We hired M-Rae Engineering for \$6,600 and purchased the repair material for about \$4,000. This repair has been completed. This was the first time Terry was aware of that we needed to replace a gate valve in our system. The water leak was due to using an old section of 6" pipe for a leak repair many years ago. Director Monroe asked if there was "hot soil" in that area, Terry said it could be and could be attacking the pipes.

OTHER PROJECTS & MATTERS - The Ludy case has been finalized.

6. **INCOME SURVEY** - Terry received a call from Michelle MacLellan with the California Rural Water Association. She has received an approval letter from Bridget Chase with the Division of

Financial Assistance to prepare the final report for the income survey. Terry said he jumped the gun on sending the surveys out before notifying the State, but everything is in order now. We have received confirmation from Michelle that Idyllwild is a Disadvantaged Community (DAC). The DAC status allows us to receive more grant funds than loan funds from the State Water Quality Regional Board. We should receive a written offer for what State funds will be available for our proposed Recycled Water Tertiary Treatment project (R/W). The District's cost for doing the income survey can be included in the R/W project costs. We will review their offer and decide if the District wants to accept it. If so, we will apply for these funds to construct the R/W project. The interest rate was 1.99% and is currently under review for something between 0% - 1% interest. Vice-President Cook said Governor Brown announced there will be \$877,000,000 in grant monies. Director Monroe asked if and when we get recycled water to the Lake, what is the retention time? Terry said six months.

7. NEW BUSINESS – PERSONNEL MANUAL AMENDMENTS - A new law requires us to provide medical insurance coverage to new employees within 30 days. The Personnel Committee met on February 14th to review this item. President Billman made a MOTION to amend Resolution #676 Employee Manual (Section 2.18-Insurance Programs-Medical, Dental and Vision to delete “after successful completion of their introductory period” and to add “medical benefits for new hires to be effective on the first of the month following 30 days, effective January 1, 2014”. Page three, Introductory Employees, will be changed to reflect 31st day of employment. The Motion was seconded by Vice-President Cook and passed with a unanimous vote. Another item, involving spousal retirement medical insurance for Kelly Clark's husband was discussed. The Board agreed to pay Part B of Medicare since David Clark has offered to take Medicare insurance instead of IWD spousal insurance. This will save the District almost \$300 per month. Director Monroe made a MOTION to accept our legal counsel's letter regarding the Part B, which was seconded by Vice-President Cook. A formal amendment to the Personnel Manual will be brought to the Board next month for action.

8. SALARY ADJUSTMENTS – Terry was reviewing the January, 2014 salary schedule and noticed two employees who should be considered for a salary adjustment. The Office Clerk's hourly rate is at step 2 @ \$14.06. We pay our temporary field help \$15.00 an hour for weed abatement. Our Office Clerk has excelled in many areas and she doesn't just answer the telephone. She has completed a class in Excel and a class for improving our delinquent accounts and collection methods. She has the ability to handle the District's monthly billing, allowing Kelly some time off. Terry said he could go on and on about how she has improved the over-all office procedures. Terry requested the board consider a 5% salary increase for her. This would move her up to step 4 @ \$14.77 an hour. The other position is the Chief Financial Officer. He is a salaried employee @ step 1 - \$72,457.00. Terry noticed the field hourly positions that are on-call take home more than our C.F.O. He has made many improvements in our District service operation by providing a new program allowing customers the ability to pay on line. Hosny has reduced some of our costs while providing better efficiency. He has created new revenue resources and investments for the district. He is overseeing the 401a and the 457b employee's retirement plans. He has been attending night classes to improve his knowledge for managing the District finances. He completed a semester water class to expand his knowledge about water distribution and treatment. This has given him a better understanding of the field water operations. Terry is requesting the board consider a 5% salary increase for him. This would move him up to step 3 @ \$76,221 annually. The District has encouraged employees to improve their education that relates to our operations. Vice-President Cook made a MOTION to approve the salary adjustments recommended by Terry, which was seconded by Director Freitas and approved with a unanimous vote.

CORRESPONDENCE: Retirement letter from Terry Lyons.

DIRECTOR'S COMMENTS: Vice-President Cook said Terry's retirement is bittersweet. The District hates to see him go, but Terry will enjoy his retirement in the high desert. The Board said thanks for an excellent job. Terry said he has had a good crew and the job has been fun in a beautiful environment with great people.

PUBLIC COMMENT: Tom Lynch offered his thanks to the Board and said Terry did a great job, and it seems to be a great team here and he is looking forward to working at IWD. Steve Kunkle said the Board does a good job.

ADJOURNMENT: Vice-President Cook made a MOTION to adjourn the regular meeting which was seconded by Director Lattin. With a unanimous vote of all Directors present, the regular meeting was adjourned at 7:15 p.m.

IDYLLWILD WATER DISTRICT

BY:

KELLY CLARK - BOARD SECRETARY

APPROVED:

IDYLLWILD WATER DISTRICT

BY:

JIM BILLMAN - PRESIDENT

