

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 July 16, 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, Tom Lynch.

General public present: (- 2 -)

**CONSENT CALENDAR:**

MINUTES – June 11, 2014 – President Billman asked that extraneous sentence following Consumer Confidence Report on page 3 - “He is also constructing etc. be removed.

July 9, 2014 Workshop Meeting – President Billman asked that G.M. Terry Lyons be changed to Tom Lynch on the roll call.

**FINANCIAL REPORTS –**

**OPERATING STATEMENT FOR THE TWELFTH MONTH ENDING JUNE, 2014.**

**DISTRICT WARRANTS FOR JUNE–**

CHECK #9661 - #9712	= \$	161,378.80	OPERATING
PAYROLL	= \$	33,547.56	PAYROLL
FEDERAL/STATE PR TAXES	= \$	16,473.16	TAXES
LAIF TRANSFERS	= \$	-0-	LAIF TRANSFERS
TRANSFERS/CHARGES	= \$	89.00	

**OPERATIONS REPORT AND GRAPHS FOR THE TWELFTH MONTH ENDING JUNE 30, 2014.**

No main line leaks were reported in June. Foster Lake was still dry at the end of June. IWD did not divert water during June. There was no precipitation and no flow at the Tahquitz Bridge during June. The static water levels at the Foster Lake Wells were 44.5’ below ground level and the downtown wells are currently 18’. We are currently using Well #23 which cost \$1,200 to operate this month. Production for June was 1,088,033 cubic feet. June unaccounted for water was 5.95% of production and the yearly average is 6.90%. Staff circulated a map illustrating the locations of five leaks that were repaired in the last month. President Billman said the customers deserve a pat on the back for their conservation efforts. A MOTION was made by Vice-President Cook and seconded by Director Monroe to approve the Consent Calendar as modified. The Motion was approved and duly carried with a unanimous vote of all Directors present.

**4. UNFINISHED BUSINESS –**

**WORK IN PROGRESS –**

**WATER AND WASTEWATER ISSUES** – We remain in Stage II and well levels are holding or slightly diminished. As we move further into the summer months we remain concerned that we will see further drops in our wells. Foster Lake is dry, and the wells at the Lake remain critical. We continue to ask for continued cooperation from our customers to be frugal with their water consumption. On July 9<sup>th</sup> we held a work session to review the need for significant capital improvements at the sewer plant. A summary of the discussion is provided later in the agenda. A letter has been sent to all our customers alerting them of proposed changes to our water allotment structure, and this item will be discussed at a Public Hearing scheduled for August 20<sup>th</sup> at 6:00 pm as a part of our regular monthly meeting.

IWD Board Meeting, 7/16/14, W.I.P., cont.

The Fire Department has made us aware that they need to do testing at the end of this month. Staff is working to see if we can provide gray water or backwash water for the testing as a substitute in order to preserve our potable water commodity. The IFPD said they may also drop a pump into the Idyllwild Arts swimming pool and utilize that water.

SCE UPDATE – We have received an energy consumption/efficiency analysis from SCE measuring the electricity use at each of our active wells. This report has recommended that with some changes in operational procedures, we may be able to save on utility costs. Over the next several months, we will be testing changes in our operational procedures. This may entail modifying certain well equipment, and how we use it. We will experiment with off-peak pumping to take advantage of cost savings. It is a balancing act to get it right.

TOLLGATE TANK UPDATE – The pipe and valves have been installed. The chlorination process and sampling has begun. Our tank contractor finished the chlorination of the tank interior. The State Public Health Department is scheduled to inspect the tank on July 23<sup>rd</sup>. The tank will be filled slowly, at off-peak hours. If the Board would like, we can schedule a formal ribbon cutting event in mid-August. Vice-President Cook said that would be a good idea.

CONTINUING EDUCATION AND CERTIFICATIONS – Staff has been in touch with Mt. San Jacinto Community College to discuss a program of providing our district employees an opportunity to take evening classes to accomplish several goals, including preparing for State testing, advancing their certifications, meeting mandatory continuing education units, staying up-to-date with changes in requirements, and new technology. The college has agreed to provide this training at our location to meet both individual and collective needs. We have also invited nearby districts to attend, and we have received interest from Fern Valley Water District and other Districts off the hill. Michael Creighton would be the instructor. The college is working on the curriculum to meet the needs of all the students, and will be providing us with a cost per student. The cost for outside participants will be picked up by their respective districts.

OTHER PROJECTS AND MATTERS – In meeting with the Mt. San Jacinto Community College, Tom was made aware that the College helps sponsor internship programs for students enrolled in their water education program. The College has a couple of different programs for students developing a career in water and sewer management. Under one of the programs, the College helps financially support the internship cost. Tom has asked for a list of candidates and details about the full cost to sponsor an intern that he will review with staff to see if we can find a fit for the District. The Board directed Tom to investigate obtaining liability insurance for any intern we bring on board.

We received word that we were not successful with our Homeland Security grant application for proposed enhancements of a security camera system, upgrades for our SCADA system, and security fencing around both the Goldenrod and Tollgate tanks. Therefore, we may need to consider these improvements as future District capital costs. The District's application for water recycling is still being considered by the Water Resources Control Board. We have heard that funding for their program has been fully expended for this fiscal year. However, they are retaining our application for consideration during the next funding cycle, which begins in October.

Director Lattin successfully completed his ethics training on-line, and has filed his certificate. He said the course took him 3 hours and 45 minutes. He said tests pop up occasionally.

Our website has been refurbished and is now up and operating. Hosny showed a slideshow on the overhead projector of the website displaying the solar project energy viewer. Director Monroe asked how often we wash the solar panels. Tom said we need to do it on a regular schedule.

5. **NEW BUSINESS – CONFLICT OF INTEREST CODE** - In accordance with the Political Reform Act, Government Code Section 87306.5 (added by Chapter 1075 of the Statutes for 1990) local agencies within the jurisdiction of the County are required, each even-numbered year, to review their Conflict of Interest Codes to determine if they are accurate or require amendment.

IWD Board Meeting, 7/16/14, cont.

Local agencies (the IWD Board) are also required to submit a notice to their code reviewing body (The Riverside Board of Supervisors) specifying that they will amend their code or that no corrections are required at this time. This review is required to be submitted to the County Board of Supervisors by October 1st. In 2012 the Board corrected two items, deleting the Field Supervisor and changing the title of Auditor Controller to Chief Finance Officer. Designated positions at this time are the Board of Directors, the General Manager, the Chief Finance Officer, District Legal Counsel, District Engineer and consultants used during the year. Vice President Cook made a MOTION that no amendment is needed for the Conflict of Interest Code at this time, which was seconded by Director Monroe and approved with a unanimous vote.

6. RESOLUTIONS #691 & #692 - We need to set funds aside for deferred maintenance, uncompensated balance liability fund and retiree health benefits. Hosny prepared the Resolution #691 (water) for the above funds and presented this item to the board for consideration for approval. Resolution #692 (sewer/Improvement District #1) is for the deferred maintenance, uncompensated balance liability funds and retiree health benefits. The Board requested that the Finance Committee review the definition of deferred maintenance. Director Monroe made a MOTION to adopt Resolutions #691 and #692 with clarification of deferred maintenance references in the budget, which was seconded by Director Freitas and approved with a unanimous vote.

7. SET PUBLIC HEARING DATE – Vice-President Cook said IWD is in the red \$60,000 every year with funds coming out of reserves. If we didn't get tax assessment monies we would be short for operations. President Billman said the sewer rate should have been addressed much sooner. The Board complimented Steve Kunkle for doing what he can with what he has. Director Monroe said our rates have been too low much too long. Hosny said his sewer rate is \$39.99 per month in Highland. Tom said his rate in the city is \$57 per month. Director Monroe made a MOTION to direct the District Manager to have a letter sent to customers alerting them to a Public Hearing on September 17<sup>th</sup> regarding the sewer rate. Vice-President Cook said he will be on vacation on September 17<sup>th</sup> and the Public Hearing and regular meeting were rescheduled for September 10<sup>th</sup>. Vice President Cook seconded the Motion, which was approved with a unanimous vote. There will also be a notice in the local newspaper and notices placed in three public places.

8. CSDA BOARD ELECTIONS – Director Monroe asked Tom to do more research regarding the candidates and to make a decision on who IWD will vote for.

CORRESPONDENCE: None

DIRECTOR'S COMMENTS: Hosny said he and Director Lattin will be attending a CSDA seminar September 29<sup>th</sup> to October 2<sup>nd</sup>. He said the other Directors should contact him if they are interested in attending.

PUBLIC COMMENT: Director Freitas asked J.P. Crumrine his thoughts on the possible sewer rate increase. J.P. said he gets good service from IWD.

ADJOURNMENT: Vice-President Cook made a MOTION to adjourn the regular meeting which was seconded by Director Monroe. With a unanimous vote of all Directors present, the regular meeting was adjourned at 7:40 p.m.

IDYLLWILD WATER DISTRICT

BY:

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KELLY CLARK - BOARD SECRETARY

APPROVED:  
IDYLLWILD WATER DISTRICT

BY: \_\_\_\_\_  
JIM BILLMAN – PRESIDENT