

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 May 20, 2015.*

**CALL TO ORDER:**

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

**ROLL CALL:**

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

General public present: (- 5 -)

**CONSENT CALENDAR:**

MINUTES – April 15, 2015

FINANCIAL REPORTS

OPERATING STATEMENT FOR THE TENTH MONTH ENDING APRIL, 2015

DISTRICT WARRANTS FOR APRIL –

CHECK #12912 - #12955	= \$	75,631.81 OPERATING
PAYROLL	= \$	46,103.70 PAYROLL
FEDERAL/STATE PR TAXES	= \$	16,043.32 TAXES
LAIF TRANSFERS	= \$	-0- LAIF TRANSFERS
TRANSFERS/CHARGES	= \$	85.00

OPERATIONS REPORT FOR THE TENTH MONTH ENDING APRIL 30, 2015. No mainline leaks were reported in April. Foster Lake was still dry at the end of April. IWD did not divert water during April and there was 1.98” precipitation. There has been 17.15” precipitation for the fiscal year to date. The static water levels at the Foster Lake Wells were 48.3’ below ground level which is a little higher than last month due to the rainfall, and the downtown wells are currently 16’. Production for April was 769,800 cubic feet. April unaccounted for water was 7.26% of production. FY unaccounted for average is 4.33%. A MOTION was made by Director Monroe and seconded by Vice-President Cook to approve the Consent Calendar, noting that the financial reports were not available. The Motion was approved and duly carried with a unanimous vote of all Directors present.

4. **PUBLIC HEARING** – Resolutions #704 & #705 - Each year we have a Public Hearing to receive public comments on the \$30 per acre assessment fee for water and sewer for vacant lots only. There are no proposed increases for this year. President Billman opened the meeting for public comments. Director Monroe asked how much income this generates. Hosny said \$28,000 for water and \$8,000 for sewer. Director Freitas asked why it has been the same for so many years. Tom said he wasn’t sure and we may need a study to prove it may need to be higher. Following public comment the Board President asked for a vote. Director Monroe made a MOTION to accept the assessment fees for water and sewer for 2015, which was seconded by Director Lattin and adopted with a unanimous vote.

5. **UNFINISHED BUSINESS** –

**WATER AND WASTEWATER** - Idyllwild has received intermittent storms this spring with both snow and rain, however we remain at Stage II. Projections are we may have an “El Nino” summer, but we are down substantial rainfall this year. The state has become actively involved in setting strict water district guidelines in this fourth year of state-wide drought. The Governor’s mandatory directive calls for a 25% reduction for cities and towns throughout the state.

IWD Board Minutes, 05/20/15, W.I.P., cont.

The Idyllwild community has generally been very responsive in reducing water consumption and the District has effectively managed its water resources during this extended drought period.

We are still awaiting approval from the state on activating our horizontal wells. The water from these wells must go through a very comprehensive testing and analysis, before we can bring the wells on-line. We are also in the process of repairing inoperative vertical wells in the vicinity of the horizontal wells to increase water production. Our Well #8 analysis shows its potential viability, and the current estimate for its rehabilitation is approximately \$12,000, which would include new linings, pump and motor. The estimate for rehabilitation of Well #11 is approximately \$15,000. We also want to move Well #16 into more regular pumping, if possible. Staff has submitted Federal grants for all these improvements.

Our USDA grants for improving our district infrastructure have made it past the first level of review by Federal officials. Staff has put together significant financial and capital improvement data, and a Preliminary Engineering Report (PER) detailing needs and improvements to make our grant submittals more competitive.

Staff requested approval of the State Water Resources Board grant and low-interest loan which will provide funding for the tertiary treatment and water recycling improvements for the wastewater treatment plant. The agreement with the State will allow us an ability to recoup costs expended to-date for preparing various special studies and preliminary design costs.

The California Environmental Protection Agency, Regional Water Quality Control Board undertook a detailed inspection of our wastewater treatment plant. The last full inspection they performed was in 1998. The inspector noted that we are presently running the system effectively, but made several recommendations that will improve our efficiency. They provided us with updated standards and waste discharge requirements. They have given us a tentative order, and we have an ability to comment on this draft before this is heard by the Regional Board on June 19<sup>th</sup>. Staff is reviewing the documents.

Two weeks ago, we had an annual inspection of the dam at Foster Lake. Even though the Lake has been empty for two years an annual inspection is still required. The State Department of Water Resources bills us approximately \$5,400 annually. The dam fees are based on fixed charges of \$563, plus \$155 per foot in height of the dam.

Construction began on May 11<sup>th</sup> on our replacement sewer effluent line. The Forest Service is aware of the project and will be monitoring the project's progression. Herb Bergstrom is the on-site project manager. The contractor is starting at the ponds and will be moving up the hill. The line is buried a minimum of 18" deep.

Our consultant, Wyatt Troxel, has provided us with protocols and procedures for operating the wastewater treatment plant. These are similar to recommendations he made to the District 13 years ago, which weren't full implemented. These procedures will allow us to decrease the amount of time we run the aeration blowers, which will represent a 25% savings in electrical cost for the sewer plant.

This month, Houston-Harris performed an evaluation of over 5,000 feet of sewer line. This included flushing and video-taping, particularly the usual trouble spots. We have identified a couple of areas of root intrusion that will need to be addressed, but in general, the sewer line is in good shape.

As the State develops clearer guidelines for water conservation, we will keep our customers informed with information on our website and in our newsletter, but we want to thank them for their continued conservation efforts. We appear to be ahead of most California communities in our attention to water conservation.

ENERGY CONSUMPTION UPDATE – Hot Purple Energy (HPE), our solar contractor has installed three new inverters for our solar array. These new inverters are much more efficient than our previous single inverter. Our solar power is now fully functioning and its performance is in excess of 80%, which is very good for the vintage of our solar panels. The performance of the solar array can be viewed on-line on our web-site. We are continuing to work with our contractor to make sure we are gaining from the correct S.C.E. tariff, and can use a higher percentage of the power from our energy production.

CONTINUING EDUCATION – Staff is attending classes in advanced water treatment to stay updated on our ongoing training. We also are attending seminars offered by the California Rural Water Association which provided valuable information on water efficiency, updated drought conditions, and guidance on new State guidelines.

OTHER PROJECTS AND MATTERS – Our Verizon Internet service was temporarily fixed, initially by switching the circuit at the main office, and followed up with a replacement of our modem. We are still experiencing some problems, but they are less severe. We are also looking at Time Warner as a potential service replacement.

The Rules and Regulations committee met to discuss the Stage II and Stage III criteria, and our tier rate structure. We will be compliant with recent court determinations and State guidelines. Additional meetings are planned to redraft District policies.

The District Auditors will be here the week of August 10<sup>th</sup>. We will be providing you with a draft of the Bickmore Actuarial Report to begin your review.

Two leaks on pipes damaged by a cable contractor were repaired this month. We will be billing the company for the repair and the loss of water.

**6. GRANT AND LOAN FOR RECYCLED WATER** - The District has been seeking funds for this capital project for an extended period. Recycled water is becoming an important factor in water management. During this time of extreme drought, having recycled water for irrigation will save our potable water. Presently all wastewater is discharged and not put to re-use. The tertiary treated water will be pumped along McKinney Lane and Idyllbrook Drive towards Idyllwild Pines Campground. Along this way, branches of the pipeline will be provided to the Idyllwild Arts Academy and the Royal Pines Trailer Park since they have expressed initial interest in buying the recycled water. At the campground, the water will be stored in a 50,000 gallon storage tank. The pipeline will then follow Pine Crest Avenue until it reaches Hwy. 243.

In review of this project, it appears that it could save significant potable water. During Stage 2, residents are not allowed to water native vegetation, which may have contributed to some of the native trees dying and being infested by Bark Beetles. This project could help reduce fire danger to the mountain.

The amount of this specific funding from the State Water Resources Control Board is \$2,045,217, broken down as follows: \$306,687 grant; \$1,022,609 principal forgiveness (provided we meet all obligations); and \$715,921 as a one-percent (1%) interest loan. Steve Kunkle had several questions about the recycled water and Tom said he'd be happy to meet with him tomorrow to discuss his questions, since some of it will entail detailed information. Director Monroe made a MOTION to approve the paperwork as provided which was seconded by Director Freitas. The Motion was approved with the following vote:

IWD Board Meeting, 05/20/15, Grant and Loan, cont.

**AYES:** Jim Billman, John Cook, Warren Monroe, Mike Freitas, Dean Lattin

**NAYS:**

**ABSENT:**

**ABSTAIN:**

**7. NEW BUSINESS – RESOLUTION #706 -**

This policy approves a sick leave policy pursuant to AB 1522 for part-time and temporary hourly rated employees of the Idyllwild Water District. The state of California has enacted the Healthy Workplaces, Healthy Families Act of 2014 (AB 1522). Beginning July 1, 2015, employers must provide paid sick leave for employees covered under AB 1522. Under the provisions of AB 1522, the District may establish the accrual method and the minimum usage increment for paid sick leave. Under the proposed method of implementing this benefit, part-time employees will be credited with 24 hours of sick leave after working 90 days with the Idyllwild Water District. Any unused sick leave will not carry over into a new fiscal year. Employees who have not worked in a 12 month period shall be considered a new employee for purposes of sick leave accrual and usage. On September 10, 2014, Governor Brown signed into law the Healthy Workplaces, Healthy Families Act of 2014 that provides three (3) days of paid sick leave for eligible employees beginning July 1, 2015. Effective January 1, 2015, employers were required to post information about AB 1522 but the paid sick leave provisions do not go into effect until July 1, 2015. AB 1522 sets forth the conditions and purposes for which paid sick leave is to be paid. AB 1522 allows the employer to choose between two accrual methods, and set a minimum usage increment for paid sick leave that does not exceed two (2) hours. Part-time and hourly rated employees are not covered by any collective bargaining agreement (CBA), benefits resolution or any other benefits policy. As such, these employees are subject to the provisions of AB 1522. All other employees of the Idyllwild Water District are covered under CBAs or a benefits resolution that meet or exceed the minimum requirements for AB 1522 paid sick leave and are, therefore, not subject to AB 1522. The financial impact of implementing AB 1522 is unknown at this time; however any additional costs would be limited to covering services performed by part-time staff during sick leave absences. Vice-President Cook made a MOTION to adopt Resolution #706, which was approved by Director Freitas and passed with a unanimous vote. Hosny will have this document placed into the employee manual.

**8. LETTER RE: SUPPLEMENTAL MEDICARE** - This item confirms that Kelly Clark will be retiring October 31<sup>st</sup> and at that time her husband will no longer receive Part B coverage. Also IWD agrees to transfer 21.5% of salary into a 457b plan, since she will be closing out her 401a plan on June 30, 2015. Director Monroe made a MOTION to accept the letter as written, which was seconded by Director Lattin and approved with a unanimous vote.

**CORRESPONDENCE:** None

**DIRECTOR'S COMMENTS:** None

**PUBLIC COMMENT:** Director Freitas has been investigating other District's use of recycled water, particularly in the San Diego area and will keep the Board informed of his findings. JP Crumrine asked when the construction will begin on the recycling plant. Tom said perhaps next spring.

**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 7:00 p.m.

**IDYLLWILD WATER DISTRICT**

**BY:**

\_\_\_\_\_  
**KELLY CLARK - BOARD SECRETARY**

**APPROVED:**

**IDYLLWILD WATER DISTRICT**

**BY:** \_\_\_\_\_

**JIM BILLMAN – PRESIDENT**