

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 October 16, 2013.

CALL TO ORDER:

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

ROLL CALL:

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

General public present: (- 2 -)

CONSENT CALENDAR:

MINUTES – September 18th Regular Meeting; October 7th Special Meeting and Closed Session

FINANCIAL REPORTS –

OPERATING STATEMENT FOR THE THIRD MONTH ENDING SEPTEMBER, 2013.

DISTRICT WARRANTS FOR SEPTEMBER –

CHECK #9174 - #9234	= \$ 219,678.37	OPERATING
PAYROLL	= \$ 35,163.77	PAYROLL
FEDERAL/STATE PR TAXES	= \$ 15,763.27	TAXES
LAIF TRANSFERS	= \$ -0-	LAIF TRANSFERS
TRANSFERS/CHARGES	= \$ -0-	OTHER

OPERATIONS REPORT AND GRAPHS FOR THE THIRD MONTH ENDING SEPTEMBER 31, 2013.

No main line leaks were reported in September. Foster Lake was dry at the end of September. IWD did not divert water during September. There was 3.06” precipitation and no flow at the Tahquitz Bridge during September. The static water levels at the Foster Lake Wells were 23’ below ground level and the downtown wells are currently 22’. Production is 175 gpm. September unaccounted for water was 6.53% of production and the yearly average is 5.28%. The loss will be refigured considering the rainbird usage for the Golden Rod tank. A MOTION was made by Director Billman 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. **PUBLIC HEARING FOR BOARD COMPENSATION – ORDINANCE #63** - The Board members have been discussing increasing their compensation for board and committee meetings. The Water Code Section 20201 permits the adoption of an ordinance to provide compensation to Directors not to exceed \$100 per day for each day’s attendance at board or committee meetings or for each day’s service rendered as a board member by request of the board. Section 20202 limits payment of compensation to no more than 10 days per calendar month. The District has noticed the public hearing for two successive weeks in the newspaper. Section 20204 provides that the ordinance, when adopted, does not become effective until 60 days after it is adopted. The existing \$50.00 board compensation per meeting has been in place since the mid 1970’s. President Monroe opened the Hearing to the public and Steve Moulton said he was not happy since his water bill had just been increased by 12%. He said his bill at Thomas Mountain Village is much lower. He asked the reason the board was requesting the increase. Director Billman said our legal counsel, who is the attorney for many southland districts, said IWD’s compensation was extremely low compared to other districts off the hill. Mr. Moulton asked what the other local districts are compensated. President Monroe said that the IFPD board is not compensated and the other two local water districts get \$50 per meeting. However, the IWD Board responsibilities are greater. We also have a sewer district, solar plant and a much larger customer base. Director Billman said our infrastructure is four times larger. The staff is guided by the board and it is a big responsibility. President Monroe concurred, saying the board responsibility is difficult. He said if a director is still employed it is a big commitment.

This board attends Special District Conferences lasting three days, which includes courses in governance. He doesn't believe the other district's attend these. President Monroe said if IWD had taken the percentage allowed since 1973 the compensation would be over \$300. Director Billman thanked Mr. Moulton for his comments, concern and for attending the meeting. President Monroe asked for Board comment. Director Lattin said it is a community service and the compensation locks in the responsibility. Otherwise when things got tough the directors could walk away. The board members are accountable for their actions. Mr. Moulton asked if there is insurance in case a director is sued. Hosny Shouman said yes, we have a blanket liability insurance policy with JPIA. Director Freitas made a MOTION to adopt Ordinance #63, increasing Director's salaries to \$100 per meeting. The Motion was seconded by Director Billman and approved with a three to one vote, with President Monroe dissenting.

4. UNFINISHED BUSINESS - WORK IN PROGRESS –

WATER – The water crew repaired a water service leak under Tollgate near the intersection of Tollgate & Idyllmont Drive. Ed has been working with Greg Browning to involve them in repairs to our telemetry system. During the recent rainstorms we had two lightning strikes at our water sites. The Foster Lake Water Treatment Plant has been repaired. The South Ridge booster facility is awaiting delivery of a part. Greg upgraded the FV2 well transfer switch equipment to handle the larger pump unit. Our crew is working with Inland Backhoe to finalize the completion for the Tollgate 8" pipeline project.

WASTEWATER – Steve is replacing tires for several trucks and the tractor. Steve was on vacation and Nick managed the plant operation. Nick performed the day to day routine preventative maintenance. He used the tractor to clean out several of the pond beds. There were some minor repairs for the sewer ponds sprinkler systems. Steve worked with Houston Harris on a repair inside a manhole behind the Village Market.

GOLDEN ROD TANK PROJECT – The painters completed the final exterior roof coating. We are using a large tank fan to circulate the inside air and will have 3 weeks for the interior coating to properly cure. Ed has our crew installing the connection from our water main up to the tank. The last section of the tie-in for the earthquake flex-connector will require welding. Premier Tank will work with us to perform the welding next week to complete this tie-in. We will schedule the final interior tank wash down and disinfection phase with Joe Colon. Afterwards we will open the 6" water line to slowly fill the tank. As a precaution, we will complete the tank filling using only the Well. This method will take some time for a complete fill. Finally we need a good water sample from the lab to put the tank back into the system.

IAF WATER METER PROJECT – We received the custom built 5'x 6' concrete meter vault. We have made arrangements to work with the vault company to set the new vault in place. This week we are installing a longer spool for the new 6" fire hydrant to accommodate the vault. We will send an invoice IAF to cover all of our improvement costs for this meter project.

CRWA INCOME CENSUS STUDY – We received a draft letter from the Specialized Utility Services Program (SUSP) with the California Rural Water Association. Staff is preparing letters to our customers explaining reasons for having an Income Census Survey. The survey will help determine if we qualify as a disadvantaged community to receive state grant funds instead of the current loan funds to construct a proposed IWD Tertiary Water Treatment Plant for recycled water use. If needed, depending on the lack of responses after the mailings, it may be necessary for SUSP to do a door-to-door survey. Terry explained that this survey may help us obtain a 50/50 loan grant for the recycled water project. Without that, the District can't afford the project.

OAKWOOD WELL PROJECT – We are installing a new water line from the water main to the well treatment system. We hope to have this 30 gpm well in operation by the end of this year.

OTHER PROJECT & MATTERS – The District has placed ads in the ACWA and the Jobs Available for the General Manager position, since Terry is leaving March 1st.

Foster Lake only has about 2" of water at this time. Terry would like to take this opportunity to have a contractor dredge the silt out of the Lake. Mr. Moulton asked if we have a use for the silt. Terry said we will be using it. He also asked, since Pine Cove has wells at the Lake, if they will help with the cost. Terry said they don't acknowledge that they get a benefit from the Lake.

Terry said a new SCADA system will be added to the Tollgate project.

6. **TOLLGATE PIPELINE & TANK PROJECTS** - The installation of an 8" pipeline is complete, including the two new fire hydrants which was a condition of the tank site lease as requested by the County of Riverside Park District. Terry said we need to allow the pipeline thrust blocks to cure before we can fill the water line. Joel Constance, the grading contractor, has completed the grading and constructed the tank foundation ring. The steel material is scheduled to be delivered on October 7th. The tank welding is scheduled to begin on October 8th. Constructing the tank will require 6 weeks to complete. Depending on the weather and having vehicle access to the tank site we may need to seal the tank during the winter months. The tank painting schedule would need to be delayed until spring. If we don't foresee any snow issues, our other option is to use heaters inside the tank to maintain proper paint drying temperatures. Joe Colon will provide us the additional costs to use heaters. He has agreed to remove all tank rust resulting from the winter waiting period at no cost.

7. **NEW BUSINESS - DISTRICT 2012/2013 AUDIT** - Our Chief Financial Officer, Hosny Shouman presented this year's audit report prepared by Rogers, Anderson, Malody & Scott. President Monroe asked Hosny questions regarding the audit. He thought parts of it had confusing language. Hosny explained those areas. Hosny also explained that our long term debt with NY Mellon Bank will be paid off in December. Next month a representative from RAMS will answer any questions regarding the audit. President Monroe asked if Hosny could do a quarterly report showing current assets and liabilities. Hosny explained our investment policy to Mr. Moulton.

8. **CDPH ANNUAL INSPECTION** - Each year the CA Dept. of Health Services performs a water system inspection. This inspection takes most of the day inspecting our water facilities, wells, boosters and tank sites. Jing Chao has been our CDPH contact. Every site is inspected for any problems that would require corrections. She is interested in collecting new data on any improved wells, new tanks or installation of pipeline projects. We have not had any water system inspection receiving major discrepancies.

9. **RESOLUTION #676-IWD EMPLOYEE MANUAL** - Attached is a final employee manual for consideration following meetings between the board members and employees. Joe Aklufi, District Counsel, has provided Resolution #676 for the final manual from the October 7th board meeting. A copy has been provided to the employees. Staff recommended adopting the October 16, 2013 Employee Manual General Provisions. Director Billman made a MOTION to adopt the IWD employee manual, Resolution #676 with the October 7th changes incorporated. The Motion was seconded by Director Lattin and approved with a unanimous vote of all Directors present. President Monroe thanked the Personnel Committee for all their hard work.

10. **RESOLUTION #677 - EMPLOYEE BENEFITS** - Several benefit items were discussed during meetings between the board members and employees. Joe Aklufi, District Counsel, provided Resolution #677 for the following items: 1. Health Care Benefits, Allstate Rider, and retirement information; 2. Retiree Health Benefit Plan (RHBP) - tables for existing employees and for new employees hired after January 1, 2014; 3. Money purchase plan - short summary of the plan. Staff recommended approving Resolution #677. Director Billman made a MOTION to adopt Resolution #677, employee benefits. The Motion was seconded by Director Lattin and approved with a unanimous vote.

11. **RESOLUTION #678 - PERFORMANCE EVALUATION FORM** - Joe Aklufi, District Counsel, provided the attached Resolution #678 for the Performance Evaluation Form. The revised form is attached. If there are no other changes or objections for this form, staff would recommend adopting the Idyllwild Water District's Performance Development and Feedback Form. Director Billman made a MOTION to adopt Resolution #678, Performance Evaluation Form and noted that the date needed to be changed to October 16th, which was noted. The Motion was seconded by Director Lattin and approved with a unanimous vote.

CORRESPONDENCE: Letters from CDPH regarding our Mitigated Negative Declaration and new water permits and a letter from State Water Resources Control Board regarding a change to classification III for the WWTP.

DIRECTOR'S COMMENTS: None

PUBLIC COMMENT: Mr. Moulton asked if staff lunch times could be staggered so the office did not close for a half-hour at lunch time. Staff will discuss it.

IWD Board Meeting, 10/16/13, cont.

ADJOURNMENT: Director Billman 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 7:52 p.m.

IDYLLWILD WATER DISTRICT

BY: _____
KELLY CLARK - BOARD SECRETARY

APPROVED:
IDYLLWILD WATER DISTRICT

BY: _____
W. WARREN MONROE - PRESIDENT