

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 22, 2013.*

CALL TO ORDER:

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

ROLL CALL:

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

General public present: (- 5 -)

CONSENT CALENDAR:

MINUTES – April 17, 2013 Regular and Closed Session

FINANCIAL REPORTS – Terry said the contract is expiring for Ferrellgas and he will talk with the District Manager to obtain a new three year contract.

OPERATING STATEMENT FOR THE NINTH MONTH ENDING APRIL, 2013.

DISTRICT WARRANTS FOR APRIL –

CHECK #8893 - #8949	= \$ 105,207.93	OPERATING
PAYROLL	= \$ 38,654.52	PAYROLL
FEDERAL/STATE PR TAXES	= \$ 15,168.06	TAXES
LAIF TRANSFERS	= \$ -0-	LAIF TRANSFERS
TRANSFERS/CHARGES	= \$ 236.09	OTHER

OPERATIONS REPORT AND GRAPHS FOR THE NINTH MONTH ENDING APRIL 30, 2013. No main line leaks were reported in April. Foster Lake was 9' at the end of April. It is 8' today. Terry said it would probably be dry at the end of the summer. Director Cook asked if the Lake did go dry, if the sediment could be removed. Terry asked Keith Smith if he could remove the silt. Keith said he wouldn't do it before October or November. IWD diverted 72 gpm during April. In April there was .11" precipitation and 150 gpm flow at the Tahquitz Bridge. The static water levels at the Foster Lake Wells were 13' below ground level and the downtown wells are currently 19'. April unaccounted for water was 10.86% of production and the yearly average is 7.23%. A MOTION was made by Director Cook and seconded by Director Monroe to approve the Consent Calendar. The Motion was approved and duly carried with a unanimous vote of all Directors.

4. UNFINISHED BUSINESS - WORK IN PROGRESS –

WATER – We have been taking the annual well water samples. These samples are required annually or every three years. The crew removed the buried 6" steel drain line for the tank project. They dumped fill dirt on the access road to the tank site. We had a contractor remove a large dead tree on the aeration plant & fuel tank site. The two aeration manifold units required maintenance and were removed for cleaning and reinstalled. The crew installed a new residential water service this week.

WASTEWATER – Steve worked with Houston Harris for two days investigating some sewer mains. Houston Harris videoed several locations and were able to identify one location that had a tree root enter through a sewer main pipe joint. The root problem was removed and should not return. The plant clarifier had a problem which required a day's work to correct the damage to the 8' beam on the bent skimmer. We could not determine what may have caused this problem. Steve replaced the inflow grinder.

IWD Board Minutes, 05/22/13, WIP in progress, cont.

GOLDEN ROD TANK PROJECT – The 100,000 gallon water tank has been removed. The tank contractor put down some stakes to show where the new tank would be constructed. Ed agreed that we needed to remove more dirt to allow enough room for the 200,000 gallon tank on the site. Bill worked several days removing about 100 cubic yards of dirt. Premier tank was able to return and begin working on the new tank foundation pad. The steel tank ring material was delivered and pending contractor's engineer's approved drawing. We received notice from Joe Colon that in January 2013 there were changes for tank seismic requirements. The major change is the tank foundation will require a concrete ring foundation and the tank will need to be bolted to the foundation. Premier Tank will absorb the added cost. We are waiting to receive the Engineer's stamped tank specifications. The project should be completed by September.

TOLL GATE AGREEMENT PENDING – Terry received notice from the Riverside County Regional Park District Senior Planner that our agreement has been reviewed by their staff and by their attorney for review and comments. Terry forwarded the draft agreement to Joe Aklufi and forwarded his comments to the County of Riverside for any further changes. The Senior Planner, Marc Brewer, will be on vacation this week, so we should hear something next week.

WATER FACILITIES ELECTRICAL SCHEMATIC – Gregg Browning has submitted a second revised schematic for review and comments. Terry submitted the drawing to Ed for any additional items he wanted to see on these drawings. This schematic will be one of two drawings for the FVIA facility. This is the diversion booster pump and the other drawing will be for the FV1A well schematic. It has taken time for everyone to be in agreement on the first drawing that will be used as the format for the other water facilities. Having these single wire diagrams will help save us time and money for repairs, and gives us information should Gregg Browning retire.

OTHER PROJECT & MATTERS - Staff is considering a mail-out customer survey for the proposed recycled water project. We are awaiting information from California Water Quality Control Board regarding an offer to receive a \$973,000 loan & \$324,000 in grant funds to construct a Tertiary Recycle Water Treatment plant and a recycled water pipeline project. We will be asked by the State to consider signing an agreement for these funds. It's important we know beforehand that we have both the support and direction from our customers to proceed with a Recycle Water project. Based on this customer survey information, Board members will be in a position to consider a decision on accepting or not accepting these State funds. Director Cook asked when a final decision will need to be made for the State. Terry said probably November, since they have lost some of our permit information and it may have to be resubmitted. The purpose of the recycled water project was to help drought-proof our groundwater supplies by treating our existing discharge of 100,000 gallons per day to be used for irrigation water in the community. This project would reduce the consumption of drinking water currently used for irrigation. With the Lake going dry, we may have to go into Stage II by the end of summer. Terry said IFPD personnel said it is the driest year since 1971.

The Consumer Confidence Reports have been sent to IWD customers. These water quality reports are required to be sent to customers annually.

Terry thanked Director Billman and President Morphett for helping at the Earth Fair.

5. PUBLIC HEARING FOR RESOLUTIONS #666 & #667 - Each year we have a Public Hearing to receive public comments on the \$30 per acre water and sewer assessment fee for vacant lots only. There are no proposed increases for this year. President Morphett opened the meeting for public comment, and hearing none asked for a vote. Director Monroe made a MOTION to adopt Resolutions #666 & #667 setting the water and sewer assessment fees to \$30 for lots for 2013/2014. The Motion was seconded by Director Billman and approved with a unanimous vote.

6. PUBLIC HEARING FOR RESOLUTIONS #668 & #669 - IWD established a 5-year water & sewer 6% rate increase in 2011. The board requested the opportunity to revisit this automatic rate increase each year before implementing these rate increases. During the second year the board decided not to approve these increases because of the tough economy.

The board reviewed this year's rate increase and considered revisiting the rate increase that was not implemented.

Finance Officer Hosny Shouman presented the need to approve a 12% increase this year to recapture the lost rate increase. Hosny Shouman presented graphs and information regarding the

2014/2015 budget and increased costs and loss of revenue. The graphs reflected both a 6% and 12% rate increase. Hosny requested getting IWD back on track with the original 5 year rate increase program. There have been many operational expense increases and revenues have decreased. He said with two tanks needing to be purchased at \$600,000 and lost revenue from property taxes the additional increase is necessary. Hosny also showed how the District had cut expenses for payroll, medical, retirement, utilities and supplies this past year. President Morphett asked for Board and Public comment. Richard Nash, owner of the Idyllwild Laundry Service said he had come to question the rate increase, but after listening to the reasons for the increase he said he understood why it is necessary. Following public comment on the proposed rate increase President Morphett asked for a vote. Director Monroe made a MOTION to adopt Resolution #668 which was seconded by Director Billman and approved with a unanimous vote Director Freitas made a MOTION to adopt Resolution #669, seconded by Director Cook and approved with a unanimous vote.

7. IDYLLWILD ARTS WATER SERVICE LINES - Our crew exposed the existing water lines to verify what is necessary to install the new Pressure Relief & Pressure Sustaining Valve, the Post Indicator Valve and relocate the existing 3" water meter. We are working with Ed Huddleston, IAF Water Operations Manager, to isolate their water system so we can begin constructing the equipment. This improvement will provide protection for the upstream water system pressure to prevent any "robbing" of the upper water zone. IAF will be able to receive an increase of 500 gpm of water in addition to their existing 3" water meter supply of 500 gpm.

8. NEW BUSINESS-CUSTOMER WATER DAMAGE CLAIM – One of our sewer customers on Pine Dell had water damage when his sewer lateral backed up into his residence. A local plumber responded and indicated to the owner that he noticed roots in the District's sewer main line. The owner filed a claim against us and we forwarded it to our insurance carrier, whose adjuster contacted the owner. In the meantime, as discussed at last month's board meeting, we contacted Houston Harris to help us investigate the sewer main in the vicinity of the Pine Dell area. They performed a video of the entire sewer main beginning behind the Fairway Market to the end of Pine Dell. A tree root was found that penetrated a sewer main joint below the house that incurred the water damage. The tree root has been removed and Terry suggested to the owner that, since his sewer lateral is very flat, he should install a check valve to prevent any future damages. He installed the 4" check valve and Terry inspected the installation.

DIRECTOR'S COMMENTS: None

CORRESPONDENCE: None

PUBLIC COMMENT: Richard Nash who owns a home near our Golden Rod tank asked if IWD was going to repair the road to the tank. Terry said he has tried in the past to work with the homeowners in the area to repair the road, but they can't agree. Terry asked Keith Smith if he had a solution. Keith suggested that the neighbors get on the same page first, but spread dirt or gravel in the meantime.

ADJOURNMENT: Director Cook made a MOTION to adjourn the regular meeting which was seconded by Director Billman. With a unanimous vote of all Directors present, the regular meeting was adjourned at 7:17 p.m.

IDYLLWILD WATER DISTRICT

BY: \_\_\_\_\_  
KELLY CLARK - BOARD SECRETARY

APPROVED:  
IDYLLWILD WATER DISTRICT

BY: \_\_\_\_\_  
W. WARREN MONROE – PRESIDENT (President Morphett passed away 6/14 before signing)