

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 November 20, 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, John Cook and Mike Freitas. Also present was Finance Officer, Hosny Shouman, Board Secretary Kelly Clark and General Manager, Terry Lyons.

General public present: (- 4 -)

President Monroe requested that item #6 be moved above the consent calendar.

CONSENT CALENDAR:

MINUTES – October 16, 2013 Regular meeting/October 29, 2013 Special Meeting . President Monroe requested that “However the responsibilities are greater,” on page one be changed to “However the responsibilities for the IWD Board are greater.” Director Billman made a MOTION to accept the Minutes, which was seconded by Director Freitas and duly carried with a unanimous vote.

FINANCIAL REPORTS – Director Monroe asked if the graphs would be done for next month’s meeting. Hosny said yes.

OPERATING STATEMENT FOR THE FOURTH MONTH ENDING OCTOBER, 2013.

DISTRICT WARRANTS FOR OCTOBER –

CHECK #9235 - #9294	= \$ 245,189.46	OPERATING
PAYROLL	= \$ 37,488.29	PAYROLL
FEDERAL/STATE PR TAXES	= \$ 17,808.82	TAXES
LAIF TRANSFERS	= \$ -0-	LAIF TRANSFERS
TRANSFERS/CHARGES	= \$ 244.63	

OPERATIONS REPORT AND GRAPHS FOR THE FOURTH MONTH ENDING OCTOBER 31, 2013. No main line leaks were reported in October. Foster Lake was dry at the end of October. IWD did not divert water during September. There was 1.52” precipitation and no flow at the Tahquitz Bridge during October. The static water levels at the Foster Lake Wells were 26’ below ground level and the downtown wells are currently 23’. This is the lowest Terry has seen these wells. FV1A Well has been artesianing for years, however is now 5’ below ground level. President Monroe said Stage 3 is looming on the horizon as he is hearing that we may have a dry winter. Production is 152 gpm. October unaccounted for water was 5.02% of production and the yearly average is 5.23%. A MOTION was made by Director Cook and seconded by Director Billman to approve the Consent Calendar. The Motion was approved and duly carried with a unanimous vote of all Directors present.

4. UNFINISHED BUSINESS - WORK IN PROGRESS –

WATER – The crew hooked up both the Golden Rod Well and the telemetry lines to the new tank. We began the pressure testing and chlorination process for the new Toll Gate 8” water line. This will take several days to complete. We have completed the silt removal project at Foster

Lake. 7,700 cubic feet was removed. Further discussion is needed to decide if we want to sell the dirt that was removed.

WASTEWATER - The 125kW generator at the Plant was operated under load for 4.5 hours. Steve and Nick each took one week vacations last month. They worked at the sewer ponds removing weeds and fixing the water sprinklers. We completed the third quarter monitoring well tests and samples and are reviewing five years of data. We received extra flows of 30 gpm to 70 gpm during the early month of heavy thunder storms.

GOLDEN ROD TANK PROJECT – The tank interior walls and ceiling were washed down, using a solution of water and chlorine. After completing this cleaning we began filling the new tank. The new 200,000 gallon water tank was put into our distribution system on Friday, November 15th.

FV1A WELL - Wicker Well Services pulled the well equipment. His estimated well repairs were \$6,900.00. He was approved to order the well equipment which was installed on November 6th. The pump will be hooked up and tested this week. The motor amperes reading of 29 was lower than the previous pump unit. This will reduce the power bills for operating this well 24/7.

OTHER PROJECTS & MATTERS – The Board and employees will be attending a Christmas luncheon at the Gastrognome Restaurant the second week in December. Each person attending will pay \$20 for the meal and a tip.

5. TOLLGATE PIPELINE & TANK PROJECTS - The tank welding schedule is about 70% completed. There have been delays with the delivery of steel. Ed, Premier Tank, picked up steel material and delivered it to the site. We lost several work days due to the rain and delivery of the steel. As soon as the welding is completed, we can tie the tank to the new 8" water main at the end of this week. Taylor Underground chlorinated and pressure tested the new 8" water line. Once we receive good water sample results we can use the new water line and the fire hydrant for maintaining fire protection during the tank project. Welding should be completed by December 13th, but the painting will be postponed until the end of May for warmer weather.

6. DISTRICT 2012/2013 AUDIT - Hosny Shouman, Chief Financial Officer, introduced Scott Manno, CPA, the Auditor from Rogers, Anderson, Malory & Scott who presented the audit report to the Board. Mr. Manno said IWD has a good cash position, and a positive net cash flow of \$414,000. Director Cook asked questions regarding post-employment benefits and the unfunded amount of \$2.577 million. Mr. Manno asserted that most Districts have unfunded obligations. Hosny said that new hires will not be offered retirement medical insurance. Director Cook asked Mr. Manno if Hosny got information to him in a timely manner. Mr. Manno said yes, the delays were their fault due to employees leaving their company. Director Cook made a MOTION to accept the 2012/2013 auditor's report, which was seconded by Director Billman and passed with a unanimous vote.

7. NEW BUSINESS – INCOME SURVEY – IWD staff provided Arrow Printing the first of several letters to introduce the Specialized Utility Services Programs (SUSP) letter to all of our customers. We are waiting to receive comments from our customers. SUSP has followed up with the survey to our customers. There will be a follow up letter if customers don't respond initially. If we don't have enough response letters SUSP will provide a notice to customers that they will be conducting a door to door survey. Once the amount of participation is achieved, SUSP will compile the results and information for submittal to the agencies. We are attempting to verify we are a disadvantaged community (DAC). The DAC status will allow us to apply for State grant funds to construct the proposed Tertiary Recycled Water Treatment plant. Without these grant funds, we would receive a low interest loan with a 20-year payment commitment.

8. BOARD PRESIDENT AND VICE PRESIDENT - The Board selects a President and Vice-President each calendar year. President Monroe asked for nominations from the floor. Following

discussion, Director Freitas nominated Jim Billman for President. Mike Freitas made a MOTION that Director Billman assume the Presidency on January 1st, which was seconded by Director Cook and passed with a unanimous vote. President Monroe asked for nominations from the floor for the Vice-President. When no nominations were forthcoming, President Monroe said he would be glad to assume the Vice-Presidency. There were still no nominations and this item will be added next month's agenda.

9. COMMITTEES AND COMMITTEE MEMBERS - The Board discussed the six standing and ad-hoc committees. Director Freitas and Director Billman will stay on the Personnel Committee for the next month, when it will be discontinued or perhaps become an ad-hoc committee. The rest of the committees will stay the same except Director Cook and Director Lattin will now be on the finance committee. The San Jacinto Mountain Area Water Agency (SJMAWA) will terminate its joint powers authority (JPA) by the end of this year. The three JPA members are IWD, FVWD and PCWD. Although the JPA has not met in over a year, the Board may want to discuss the future of this group. Terry said he is going to contact the other two General Manager's to see if there is still interest, or perhaps interest in starting another agency as a vehicle for grants.

10. RESOLUTION #679 - The Personnel Committee members and staff met on November 8th to review the proposed Resolution #679 Certification Pay Policy. Joe Aklufi reviewed and provided the existing policy for the committee members. This item was discussed by the Board, the employees and Joe Aklufi. Director Cook asked how many certificates the employees could receive. Terry said it would be possible to get 8 certifications in 15 years. He said Bill and Nick will get the next two certifications. Director Cook asked if IWD employees were more eager to get certs than the other districts. Terry said it is the nature of our operation since we have five treatment plants. Terry said employees will need more certifications when the recycled plant is active. Director Billman made a MOTION to adopt Resolution #679, which was seconded by Director Freitas and approved with a unanimous vote.

11. RESOLUTION #680 - The Money Purchase Pension Plan members, Warren Monroe and John Cook, along with Hosny, Terry and Gavin Gruenberg, VP for ING, met on November 13th to review and discuss a new Employee 457(b) Deferred Compensation Plan. This was to complete the board approved retirement plan for new employees hired after January 1, 2014. The plan is available to all existing and new employees. The District will contribute 10% and will match up to 5% for a total IWD contribution of 15% to a 457(b) Deferred Compensation Plan for new employees. Current employees may sign up for the 457(b) plan, but there will be no matching funds. Staff request board approval for Resolution #680 - 457(b) Deferred Compensation Plan. Director Cook said this is an excellent program. Director Cook made a MOTION to adopt Resolution #680, which was seconded by President Monroe and approved with a unanimous vote.

CORRESPONDENCE: None

DIRECTOR'S COMMENTS: President Monroe said he will be attending the JPIA conference on December 2nd and 3rd.

PUBLIC COMMENT: J.P. Crumrine said he has gotten a couple of inquiries regarding questions about privacy from people who have received the SUSP letter. Laura Sherman asked if the purpose of the survey was only for grants. Terry said yes, that the census conducted two years ago included Pine Cove and Fern Valley also. If Idyllwild is shown to be a disadvantaged community, we can receive grants for the recycled water plant.

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 8:15 p.m.

