

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

June 26, 2019 6:00 p.m.

CALL TO ORDER: President Schelly called the meeting to order at 6:00 p.m.

ROLL CALL: *Directors present: President Schelly, Vice President Szabadi, Director Kunkle and, Director Hunt. General Manager Mike Creighton, Chief Financial Officer Hosny Shouman and Board Secretary Jeannine Olsen were also present.*

Les Gin was absent.

PUBLIC COMMENTS: JP Crumrine brought to the attention of the board the corrections that need to be made on Resolution #764 approving the budget.

ITEM # 1 BUDGET: THE BOARD WILL CONSIDER APPROVAL OF THE 2019/2020 F/Y BUDGET.

DIRECTORS COMENTS: Several directors were firm that the funding for the new well exploration also includes possible costs for rehabilitation of existing wells. Director Kunkle continued to question the need for skid steer equipment. He recommended that other possible equipment be included in the item, and his colleagues concurred. Kunkle feels we have enough equipment to start to do water lines. If the crew gets efficient and needs it, then we will get it. This year we don't need it.

Director Kunkle attended the meeting, but excused himself from voting because he benefits from the district's programs for retirees.

The overall budget, water and sewer programs, totals \$2.25 million, a \$225,000 increase from last year's budget. The water operations will cost \$1.65 million, an increase of \$150,000 over last year's budget. About half the increase will pay the salaries and benefits for staff and retiree benefits. Laboratory services, consulting and other governmental fees are the other larger increases. The sewer programs will increase \$72,000, approximately a 13%, from \$525,000 to \$597,000. About two-thirds of that increase is for salary and benefits. There will be other increases in electricity, laboratory services and line cleaning. Revenue for both programs (water and sewer) is also expected to increase. Before property taxes--which will increase minimally — the water operating costs will exceed sales by nearly \$240,000. However, the sewer program revenues will exceed costs by \$81,000. The property taxes will produce a net positive income of about \$130,000 for the water activities and the sewer program will have a net balance of nearly \$220,000. These results do flip after the capital improvement programs are funded. Both exceed the net balances and the district said it will use reserves, which currently total about \$1 million, to fund the capital projects. The water projects will total about \$500,000. The projects will include rehabilitation of several existing wells, both vertical and horizontal. The district may also drill for new water sources and plans to replace several hundred feet of pipeline next year.

GM COMMENTS: Michael Creighton's requested to purchase sludge dewatering equipment for the waste treatment plant. This will help with some of the equipment and staff work. The estimated cost, however, went from \$10,000 in the draft capital budget in April to \$300,000 for the final approved budget. Creighton said that staff had misunderstood the equipment that would be needed when they prepared the draft budget.

A MOTION was made by Director Szabadi approve the 2019/2020 Budget with all changes and amendments discussed and Director Hunt seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Dr. Schelly Peter Szabadi David Hunt		Steve Kunkle	Les Gin

ADJOURNMENT: The Board will adjourn to closed session.

ITEM # 1 CLOSED SESSION: THE BOARD WILL MEET IN CLOSED SESSION PURSUANT PUBLIC EMPLOYEE PERFORMANCE EVALUATION OF THE GENERAL MANAGER GOVT. CODE SECTION 54957(B).

DIRECTORS COMMENTS: Board President Dr. Schelly reported that no action was taken during the closed session.

Idyllwild Water District

By: 

Dr. Charles Schelly, Board President

Idyllwild Water District

By: 

Jeannine Olsen, Board Secretary

ADJOURNMENT:

To the next Board meeting is a Regular Meeting scheduled for July 17, 2019 at 6:00 p.m., to be held at the Idyllwild Water District Boardroom, 25945 Hwy. 243 Idyllwild, CA
