

**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 December 20, 2017, in the Idyllwild Water District Board Room.

CALL TO ORDER:

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

ROLL CALL:

Directors present: President Charles Schelly, Vice President Peter Szabadi, Steve Kunkle and Catherine Dearing. General Manager Jack Hoagland, Chief Financial Officer Hosny Shouman and Board Secretary Erica Gonzales were also present.

Director Geoffrey Caine had an excused absence.

General public present: (5)

PUBLIC COMMENT:

JEFF SMITH – Concerned about hydrant pressures and sizes within the Idyllwild Water District.

MARGE MUIR – Would like to know if Idyllwild Water District is interested in the property with a well that is next to La Casita.

ITEM #1- CONSENT CALENDAR:

MINUTES – November 15, 2017 Regular Meeting Minutes
November 15, 2017 Special Meeting Minutes
December 06, 2017 Workshop Meeting Minutes

FINANCIAL REPORTS NOVEMBER 2017

A. Income statement for the Fifth month ending November 2017
B. District warrants for November 2017.

Check #	14441 - 14494	= \$	358,258.63
Gross Payroll		= \$	52,330.74
Federal/State PR taxes		= \$	16,993.55
LAIF Transfers		= \$	0.00
Transfers/charges		= \$	179.00

OPERATIONS REPORT AND GRAPHS FOR THE FIFTH MONTH ENDING NOVEMBER, 2017.

No mainline leaks were reported in November and there were no unmetered leaks. Foster Lake's level was at 8 feet at the end of November. There was 0.00" of precipitation in November and there has been 0.83" of precipitation for the fiscal year to date. The static water levels at the Foster Lake Wells were 8.6' below ground level, the downtown well #23 is currently static at 8' and the downtown well #24 is static at 18' below ground level respectively. Production for November was 847,860 cubic feet. November's unaccounted for water was 6.75% of water production. Fiscal year to date unaccounted for water average is 6.21% of water production.

COMMENT:

DIRECTOR KUNKLE – Inquired about various warrants and the Operations Report.

VICE PRESIDENT SZABADI – Inquired about various warrants.

A MOTION was made by Vice President Szabadi to approve the Consent Calendar and Director Dearing seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Peter Szabadi	-		Geoffrey Caine
Catherine Dearing			
Steve Kunkle			
Charles Schelly			

Consent Calendar was approved.

President Schelly moved Item 2 to the end of the Agenda.

ITEM 3 – REPLACEMENT TRUCK PURCHASE

Recommendation

That the Board of Directors authorize Staff to purchase a replacement truck for Unit #13 in an amount of less than \$35,000.

Background

Unit #13 is a 2008 Toyota Tundra with 113,547 miles. Unit #13 is having electrical and differential problems and is in for repair and is not in a condition to be operated safely. The repair estimate is \$8,475. The "Blue Book" value is \$9,000. Staff proposes to purchase a new Toyota Tacoma to replace Unit #13.

COMMENTS:

STEVE MOULTON – Wanted to know if staff looked in the used market.

A MOTION was made by Vice President Szabadi to approve the purchase of a new truck in the amount less than \$35,000 and Director Dearing seconded. The vote was as follows:

AYES

**Peter Szabadi
Catherine Dearing
Steve Kunkle
Charles Schelly**

NAYS

ABSTAIN

ABSENT

Geoffrey Caine

Motion approved.

ITEM 4 – CONSIDER A REVISED CONTRACT FOR THE GENERAL MANAGER

Recommendation

That the Board of Directors consider a revised contract with Jack Hoagland for a one-year term as General Manager.

Background

Mr. Hoagland has served as Interim General Manager for Idyllwild Water District for one year. The proposed revised employment agreement (attached) is for a period of one year (through December 31, 2018). Through the agreement Mr. Hoagland will serve as the General Manager as a permanent employee with normal office presence Mondays, Wednesdays and Thursdays and virtual availability the other days of the week. Since this is a salary position if additional office presence is required it is covered by the \$8,800 per month compensation. In addition to salary, Mr. Hoagland will also receive all employee benefits available to regular employees.

The agreement has been reviewed by District Counsel and is the product of negotiations between the Board of Directors and Mr. Hoagland.

DISCUSSION:

JP CRUMRINE – Asked if the Board will still actively search for a permanent General Manager.

A MOTION was made by Vice President Szabadi to a one year contract between Jack Hoagland and Idyllwild Water District and Director Dearing seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Peter Szabadi	Steve Kunkle		Geoffrey Caine
Catherine Dearing			
Charles Schelly			

Motion approved.

ITEM 5 – RESOLUTION #742 CHANGING THE IDYLLWILD WATER DISTRICT ELECTION DATE IN ACCORDANCE WITH SB415

Recommendation

That the Board of Directors consider a revised resolution #742 as shown in Option 2 attached, changing the Idyllwild Water District election date in accordance with SB 415.

Background

At the November 2017 Board of Directors meeting, the Board of Directors adopted Resolution 741B, changing the District election date to coincide with California's November General Election in 2022. Upon further review, the adopted resolution would have all Directors elected at the same time, while the District's enabling legislation (Water Code Section 30000, et al) requires staggered elections. To achieve compliance with both SB 415 and the enabling legislation staff proposes the attached options:

Option 1: After approval by the Board and approval by the County, any directors elected to a full term in August 2019 would serve shortened terms (serving until the 2022 election instead of 2023), and any directors elected to a full term in 2021 would serve in office until 2024. Thereafter, directors elected would serve four-year terms.

Option 2: Approval of such Plan and subsequent approval by the County will extend the term of office for the current Directors with terms expiring in December 2019 to December 2020, and will extend the term of office for the current Directors with terms expiring in December 2021 to December 2022. Directors elected to new terms in November 2020, November 2022, and in all future elections shall serve standard four-year terms

Option 2 has fewer elections and brings the District into compliance faster than Option 1, therefore Staff recommends Option 2.

DISCUSSION:

None.

A MOTION was made by Vice President Szabadi to adopt Option 2 of Resolution No. 742 and Director Dearing seconded. The vote was as follows:

AYES	NAYS	ABSTAIN	ABSENT
Peter Szabadi			Geoffrey Caine
Catherine Dearing			
Steve Kunkle			
Charles Schelly			

Motion approved.

ITEM 6 – DISTRICT TRANSPARENCY

Recommendation

That the Board of Directors consider and discuss the issue of transparency within the District and the remaining requirements to obtain a Certificate of Transparency.

Background

Transparency is government's obligation to share information with its citizens. Because Idyllwild Water District is a Public Agency and believes in openness, accountability and honesty, the Board of Directors has determined that Idyllwild Water District should obtain a Certificate of Transparency from the Special District Leadership Foundations. Many of the requirements have been addressed but a few items remain:

- Brown Act Policy;
- Public Records Act Request Policy; and
- Copies of Ethics and Sexual Harassment Training Certificates from ALL Board Members.

DISCUSSION:

DIRECTOR DEARING - Found the Sexual Harassment training very interesting and will be taking the Ethics Training in January.

PRESIDENT SCHELLY- Read aloud a letter from Tom Paulek and Sue Nash regarding

Transparency and their request to have the meetings recorded and posted onto the Idyllwild Water District website.

JEFF SMITH – Feels that the District has improved greatly in the matter of Public Records Requests and allowing the public to bring in a USB to receive large records.

DIRECTOR KUNKLE – Asked if Records Retention Policy needed to be revised for the recordings.

ITEM 7 – ACWA/JPIA RECOGNITION

Recommendation

That the Board of Directors acknowledge recognition from the Association of California Water Agencies/Joint Powers Insurance Authority (JPIA) for having Loss Ratios of 20% or less in all three of the Insurance programs.

Background

Idyllwild Water District is a member of the JPIA in the Liability, Property and Worker's Compensation programs. The Joint Powers Insurance Authority acts as an insurance vehicle for the District and the other members of the pooled programs.

The President's Special Award recognizes members that have a Loss Ratio of 20% or less (loss ratio = total losses / total premiums) while this is of benefit to the pool of members it is also of benefit to Idyllwild Water District as it lowers our experience modification fraction (E-mod) which results in lower annual premiums.

The success is a result of the dedication and attention to safety by the District's employees.

DISCUSSION:

None.

ITEM 8 – 10-YEAR WATER CIP – SECOND DRAFT

Recommendation

That the Board of Directors continue to discuss the water CIP and provide additional direction to staff.

Background

At the December 6, 2017 Workshop, the Board of Directors provided feedback and direction on the Water CIP. Based on that information staff have revised the Water pipeline CIP and present it here for additional discussion and consideration.

DISCUSSION:

VICE PRESIDENT SZABADI – Inquired about how the projects were selected and what amount was used to determine the cost of the projects.

DIRECTOR KUNKLE – If planning to do all Capital Improvement, will need to increase rates.

ITEM 2 – DISTRICT PRIORITIES

Recommendation

That the Board of Directors discuss the priorities for the District.

Background

The Board of Directors have discussed on several occasions over the last year establishing priorities for the District.

At this meeting the Directors will bring their individual five priorities and discuss how to combine the individual priorities into a consensus five priorities for the District.

DISCUSSION:

PRESIDENT SCHELLY – Read aloud a list of priorities and wanted all Directors to note their own lists to make sure that their priorities were included.

DIRECTOR KUNKLE – Priorities are more specific.

VICE PRESIDENT SZABADI – Would to make sure that the rate structure be a top priority, would like more specificity.

The Directors agreed that the attached list is the priorities of the Idyllwild Water District and can be changed or revised at any time.

DIRECTOR'S COMMENTS:

None.

GENERAL MANAGER'S COMMENTS:

JACK HOAGLAND – Lily Creek gauging station will have to wait until spring. We will miss January 1 deadline. Staff will be doing most of the labor, the materials is going to cost about \$35,000. Inundation study is underway. Staff built and equipment shelter to protect our vehicular assets. Sewer line cleaning and videoing is complete for the year, mainlines are in pretty good shape. Rain barrel sales are at 51%. Requested proposals from 3 firms for rate studies. Would like to have a special meeting January 3, 2018 for Rate Study proposals. There is nothing we can do about the past; we can only strive to be better in the future.

ADJOURNMENT:

A MOTION was made by Vice President Szabadi to ADJOURN and Director Dearing seconded. The vote was as follows:

AYES

**Peter Szabadi
Catherine Dearing
Steve Kunkle
Charles Schelly**

NAYS

ABSTAIN

ABSENT

Geoffrey Caine

Motion approved.

The Meeting was Adjourned at 8:03 pm.

IDYLLWILD WATER DISTRICT

BY: _____


**DR. CHARLES SCHELLY-
BOARD PRESIDENT**

IDYLLWILD WATER DISTRICT

BY: _____


**ERICA GONZALES-
BOARD SECRETARY**

December 18, 2017

Board of Directors
Idyllwild Water District
P.O. Box 397
Idyllwild, California 92549

Via: Email- Erica Gonzales admin@idyllwildwater.com



**Re: December 20, 2017 Idyllwild Water District (IWD) Board of Directors
Meeting Agenda Item # 6 - District Transparency.**

We will be out of town for the December 20, 2017 Board of Directors meeting and wanted to restate our concerns regarding a long standing lack of transparency in the IWD Boards conduct of the public business. We have previously requested that all IWD public meeting audio recordings be archived on the IWD website.

Since April 2017, I have been submitting a Public Record Act Request to obtain copy of the audio recording of IWD public meetings. The District requires that I provide a USB drive in the package for use in making the recording copy. The USB drive cost about \$15.00 and often requires a trip off the hill to get it. Thus far we have considered this cost and time to be a surcharge, if you will, on our water/sewer monthly bill in order to be informed as to how the IWD Board of Directors is conducting the public business. We think all the members of our community should be so informed and would benefit from the archived public meeting recordings.

Please take the time to consider our proposal and we thank you for your courtesy.

Regards

Tom Paulek / Susan Nash
53300 Meadow Drive
Idyllwild , California 92549

2018 Priorities

1. Provide reliable water and sewer service in a safe, cost effective and environmentally sound manner in accordance with community needs.
 - a. Establish agreements with FVWD & PCWD to manage hill water resources.
2. Be transparent in all our efforts to maintain and manage our limited resources
3. Have a perpetual four year plan in effect for replacement and upgrades of our systems that align with long term plans (10 year).
 - a. Wells- new, rehab, horizontal
 - b. Upgrade old pipe (smaller sections in house)
 - c. Drought contingency plan
 - d. Waste water treatment plant upgrade
4. Maintain well qualified personnel to accomplish the mission statement
 - a. Search for waste water/ water supervisor
 - b. Search for GM
5. Adhere to sound financial principles to keep cost increases to our customers at a minimum
 - a. Long range rate structure to ensure stability
 - b. Develop capital improvement projects within corresponding rate structure