

## 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 February 21, 2018, 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: (8)

**PUBLIC COMMENT:**

**SUE NASH** – Read aloud an email sent to all Board members regarding concern about a comment made by JP Crumrine and Vice President Szabadi's reaction to the comment. Asked for a public and published apology. The email is attached to these minutes.

**VICE PRESIDENT SZABADI** – Stated that he was sorry that Ms. Nash was upset because he laughed at a joke made by a member of the public.

**ITEM 1- CONSENT CALENDAR:**

**MINUTES** – January 17, 2018 Regular Meeting Minutes  
February 14, 2018 Special Meeting Minutes

**FINANCIAL REPORTS JANUARY 2018**

- A. Income statement for the Seventh month ending January 2018
- B. District warrants for January 2018.
- |                        |               |      |            |
|------------------------|---------------|------|------------|
| Check #                | 14558 - 14605 | = \$ | 149,700.44 |
| Gross Payroll          |               | = \$ | 64,247.06  |
| Federal/State PR taxes |               | = \$ | 22,602.62  |
| LAIF Transfers         |               | = \$ | 0.00       |

Transfers/charges = \$ 191.00

## **OPERATIONS REPORT AND GRAPHS FOR THE SIXTH MONTH ENDING JANUARY 2018.**

No mainline leaks were reported in January and there were no unmetered leaks. Foster Lake's level was at 4 feet at the end of January. There was 3.45" of precipitation in January and there has been 4.28" of precipitation for the fiscal year to date. The static water levels at the Foster Lake Wells were 13.3' below ground level, the downtown well #23 is currently static at 10' and the downtown well #24 is static at 18' below ground level respectively. Production for January was 794.856 cubic feet. January's unaccounted for water was 9.46% of water production. Fiscal year to date unaccounted for water average is 6.69% of water production.

### **COMMENTS:**

**DIRECTOR KUNKLE** - Asked for a summary of the February 14, 2018 Special Meeting that he was unable to attend.

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

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Peter Szabadi</b>			<b>Geoffrey Caine</b>
<b>Catherine Dearing</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Consent Calendar was approved.**

## **ITEM 2 – BOARD VACANCY**

Recommendation: That the Idyllwild Water District Board of Directors accept the resignation of Geoffrey Caine and determine to fill the vacancy on the Board of Directors by the appointment process and direct staff to take the required steps of advertisement of the vacancy.

Background: Geoffrey Caine resigned from the Idyllwild Water District Board of Directors effective March 1, 2018.

State law provides the District with several options for filling the vacancies:

- The remaining Board members may appoint a qualified applicant to the position;

- The Board can call a special election to fill the position; or
- The Board can default to the Board of Supervisors of Riverside County to appoint a qualified applicant to the position.

Considering that the Board of Directors might select the least costly and most timely option for filling the Board Vacancy, Staff will post notice of the vacancy and run an ad in the Town Crier advising of the vacancy. Both venues will solicit interested, qualified candidates to submit a letter of interest and any additional pertinent information to the President of the Board of Directors by March 14, 2018. The Board of Directors can then review the applicants and make a selection at the March 21, 2018 regular meeting.

#### **COMMENTS:**

**None.**

A MOTION was made by Vice President Szabadi to accept the resignation of Director Caine and to solicit for interested parties to appoint a new Director at the March 21, 2018 Regular Meeting and Director Dearing seconded. The vote was as follows:

<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
<b>Peter Szabadi</b>			<b>Geoffrey Caine</b>
<b>Catherine Dearing</b>			
<b>Steve Kunkle</b>			
<b>Charles Schelly</b>			

**Motion approved.**

#### **ITEM 3 – EMPLOYMENT CONTRACT WITH FRITZ WUTTKE**

Recommendation: That the Idyllwild Water District Board of Directors authorize an Employment Agreement (part-time) with Fritz Wuttke to be the District's Wastewater Treatment Plant Chief Plant Operator.

Background: The District has been unable to recruit a permanent full-time Chief Plant Operator (CPO) for the Wastewater Treatment Plant. For the last two and one-half years the position has been filled on a contract basis by the Specialized Utility Services Program (SUSP) of the California Rural Water Association (CRWA).

With the awarding of Grade 2 Operator Certificates to two District employees, the SUSP monthly fee will drop to \$7,500 from \$12,500 (beginning in February 2018). The SUSP program offers Idyllwild Water District once a week on-site visits and phone/text availability all of the time as well as preparation of the monthly reports to the Regional Water Quality Control Board.

Fritz Wuttke is a Grade 3 Certified Wastewater Treatment Operator currently responsible for operation of the Pine Springs Ranch wastewater facilities (Garner Valley) as the Director of Plant Services. He will provide the services that SUSP is providing including overall supervision of the WWTP, report preparation and submittal and generally perform the duties described in the job description (Exhibit "A" of the attached agreement).

The status of Mr. Wuttke would be that of a District salaried employee. Our negotiated monthly salary is \$3,000 and he has declined District benefits.

The success of the staff members in earning their Grade 2 certification has enable the District to reduce the SUSP contract by \$5,000 per month (\$60,000 per year). Engaging Mr. Wuttke will save another \$4,500 per month (\$54,000 per year) for a total savings going forward of \$114,000 per year.

The agreement has been reviewed by District Counsel and staff have reviewed the proposed changes with the Regional Water Quality Control Board regulators.

#### **DISCUSSION:**

**SUE NASH** - Concerned about how much time Mr. Wuttke will be spending at the WWTP.

**TOM PAULEK** – Inquired as to when District's current employees would be able to take on the Chief Plant Operator. Inquired as to whether or not this is in compliance with the Regional Board.

**DIRECTOR DEARING** – Asked if there were any way to create a contract with employees to guarantee the employee stays with the District after paying for their training and education.

**DIRECTOR KUNKLE** – Verified that Mr. Wuttke will also supervise the collection system.

A MOTION was made by Vice President Szabadi to authorize the General Manager to hire Mr. Fritz Wuttke under the attached terms 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 – 457b CONTRIBUTION PLAN THIRD PARTY ADMINISTRATOR**

**Recommendation:** That the Board of Directors authorize the General Manager to execute an agreement with Carlson Quinn Strategic Retirement Consultants to act as the Third Party Administrator (TPA) for the District's 457b Retirement Plan for an annual fee of \$2,500.

**Background:** The Board of Directors selected a 457b Contribution Retirement Plan for all employees hired after December 31, 2013. The Plan was initiated January 1, 2014. Employees become vested in stages by a percentage each year (see Table 1) with full vesting occurring after six years. The IRS Plan requirements include an annual statement sent to all employees and former employees that currently have vested monies in the plan stating the amount contributed and the amount vested.

Because of a high turnover rate of employees in recent years the annual statement preparation has become very complicated. Hiring a Third Party Administrator for this plan is in the best interest of the District to insure compliance with the extensive IRS rules governing the use of such plans.

Staff solicited proposals from several potential firms to provide TPA services, but due to the small size of the District and the relatively small amount of funds under management only Carlson Quinn Strategic Retirement Consultants submitted a proposal (attached for information).

The Consultant will prepare all annual statements for the Plan and will be responsible for all Plan administrative aspects, i.e., when employees enroll or withdraw from the Plan.

The 401A Plan for employees hired before December 31, 2013 has a Third Party Administrator.

#### **DISCUSSION:**

**TOM PAULEK** – Inquired as to how Idyllwild Water District's pension plan compares to the other Water Districts on the hill.

A MOTION was made by Vice President Szabadi to authorize the General Manager to execute an agreement with Carlson Quinn Strategic Retirement Consultants to act as Third Party Administrator for the District's 457b Retirement Plan for an annual fee of \$2,500.00 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 5 – RESOLUTION NO. 743**

Recommendation: That the Idyllwild Water District Board of Directors adopt Resolution No. 743 Establishing a Public Records Request policy.

Background: Although the Idyllwild Water District endeavors to comply with State requirements regarding requests for Public Records, in an effort to increase transparency, Staff recommends the attached resolution and policy.

**DISCUSSION:**

**TOM PAULEK** – Concerned about the Agenda and material being posted online and being accessible to the public. Also would like the description of the item on the Agenda containing more information.

**VICE PRESIDENT SZABADI** – Concerned about the rates schedule for the policy.

A MOTION was made by Vice President Szabadi to table the item until next Regular Meeting on March 21, 2018 and Director Kunkle seconded. The vote was as follows:

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

**NAYS**

**ABSTAIN**

**ABSENT**  
Geoffrey Caine

**Motion approved.**

**DIRECTOR'S COMMENTS:**

**PRESIDENT SCHELLY** – On the Public Records Policy, under Procedure A, would like that to be softened a bit.

**GENERAL MANAGER'S COMMENTS:**

**JACK HOAGLAND** – The District's current water production capacity is about 421 gpm. Highest demand in the past has been 285 gpm. Have had little precipitation and Foster Lake is very low but wells are doing fine and is very comfortable with water production. The Oakwood Well is not satisfactorily connected to the distribution system. Staff is developing a solution to solve the problem.

Legal Counsel Christine Carson arrived at 7:25 pm.

**ADJOURN TO CLOSED SESSION:**

President Schelly Adjourned to Closed Session at 7:30 pm.

- 1. Conference with Legal Counsel – Existing Litigation (Govt. Code § 54956.9) -**  
Name of Case: (*Jeff Smith v. Idyllwild Water District*, Case No./Complaint No. 33-05-03, Water Rights Adjudicatory Proceeding before State Water Resources Control Board re: Strawberry Creek Diversion in Riverside County).

**RECONVENE INTO OPEN SESSION:**

The Board reconvened into Open Session at 8:40pm.

**REPORT ON CLOSED SESSION:**

General Manager Jack Hoagland reported that there was no reportable action.

**ADJOURNMENT:** President Schelly Adjourned the meeting at 8:41 pm.

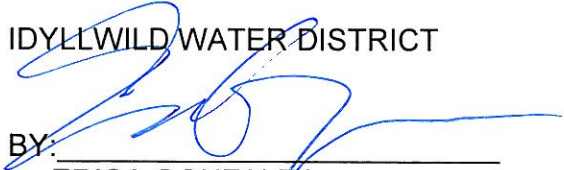
IDYLLWILD WATER DISTRICT

BY: \_\_\_\_\_

  
DR. CHARLES SCHELLY-  
BOARD PRESIDENT

IDYLLWILD WATER DISTRICT

BY: \_\_\_\_\_

  
ERICA GONZALES-  
BOARD SECRETARY

From: Susan Nash snashlaw@gmail.com  
Subject: Outrageous Conduct: February 14, 2018 Idyllwild Water District Board Meeting  
Date: February 21, 2018 at 2:16 PM

To: JP Crumrine jp@towncrier.com, Becky Clark becky@towncrier.com, Jack Clark jack@towncrier.com, Chip Shelly schelly@idyllwildwater.com, Steve Kunkle kunkle@idyllwildwater.com, Geoffry Caine caine@idyllwildwater.com, Peter Szabadi szabadi@idyllwildwater.com, Catherine Dearing dearing@idyllwildwater.com  
Cc: Tom Paulek atpaul70@gmail.com, Susan Nash snashlaw@gmail.com



Dear Idyllwild Water District Board members and Idyllwild Town Crier Publishers and Editors:

At the February 14, 2017, Idyllwild Water District Board meeting, after Marge Muir and Susan Nash discussed the issue of certain sewer fees being charged to customers, the following exchange took place:

Chip Shelley: *Any other public comments. Mr. Crumrine.*

JP Crumrine: *Now that we're we're on this 21st century, just beginning the #Me Too era, I don't think the district should charge a hookup fee.*

Peter Szabadi: *Loud laughter*

Chip Shelley: *Well said. Any other public comments. No, very well then.*

Susan Nash: *That was outrageous*

Chip Shelley: *We'll go into the item #1 presentation and discussion.*

Peter Szabadi: *Yes, but it was funny.*

Susan Nash: *And that was outrageous too, Mr. Szabadi.*

As we all know, the #MeToo movement gives a voice and resources to women and children who have been raped and sexually assaulted.

Rape and sexual assault are not laughing matters.

I am asking everyone who participated in making the #MeToo movement, a source of help for victims of rape and sexual assault, a laughing matter, publish an apology in the Town Crier.

These comments and the reactions to these comments, are degrading to all women and children who are sexually abused, should not be made at a public meeting.

Sincere apologies are in order.

Thank you for your prompt response.

Susan Nash

PLEASE NOTE NEW EMAIL!

Susan Nash

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