



## MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS

IDYLLWILD WATER DISTRICT  
25945 Highway 243  
Idyllwild, CA 92549

March 15, 2023 – 6:00 P.M.

### AGENDA

#### CALL TO ORDER

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

#### ROLL CALL

President Schelly, Vice President Szabadi, and Directors Olson, Kunkle, and Schneider were present. General Manager Havener, General Counsel Guiboa, and Chief Financial Officer Shouman were present.

#### PUBLIC COMMENTS

None

#### 1. CONSENT CALENDAR

##### A. MINUTES

Regular Board Meeting: February 15, 2023  
Special Board Meeting: March 8, 2023

##### B. FINANCIAL REPORTS

1. Income statement for the eighth month ending February 28, 2023
2. District warrants for February 2023

Check #17587 – 17623	= \$	124,413.90
Gross Payroll	= \$	68,450.00
Federal/State PR taxes	= \$	5,435.00
LAIF Transfers	= \$	0.00
Transfers/charges	= \$	0.00

##### C. OPERATIONS REPORT

#### DIRECTOR COMMENTS

None

#### PUBLIC COMMENTS

None



**A MOTION** was made by Vice President Szabadi to approve Consent Calendar.  
Director Olson seconded.

The vote was as follows:

<u><b>AYES</b></u>	<u><b>NAYS</b></u>	<u><b>ABSTAIN</b></u>	<u><b>ABSENT</b></u>
<b>Director Schneider</b>			
<b>Director Olson</b>			
<b>Director Kunkle</b>			
<b>Vice President Szabadi</b>			
<b>President Schelly</b>			

**Motion approved.**

## **INFORMATION**

### **2. GENERAL MANAGER REPORT**

General Manager Havener presented his report and addressed questions.

## **DIRECTORS COMMENTS**

Director Olson inquired about water usage.

## **PUBLIC COMMENTS**

None

## **DISCUSSION ITEMS**

### **3. RATES STUDY UPDATE**

Michael DeGroot, Bartle Wells Associates, explained the rates model and how the rates were calculated.

## **DIRECTORS COMMENTS**

### **Water Rates**

Director Olson requested the use of actual revenues and expenses for the rates modeling.

Director Kunkle requested using 8% and 10% annual escalators, 59% and 65% for fixed base rates, and \$750,000 annually for Capital Improvement Projects (CIP).

Vice President Szabadi shared concern covering projected annual deficits that reduces reserve funds in the first years of the five-year rate projections.



President Schelly reviewed how the existing five-year rate structure used reserves to fund CIP.

### **Sewer Rates**

Director Olson requested the use of actual revenues and expenses for the rates modeling and moving CIP of \$1,400,000 from Fiscal Year (FY) 2022-23 to FY 2024-25.

### **PUBLIC COMMENTS**

Dave Hunt shared concerns regarding the projected rates.

#### **4. EMPLOYEE MANUAL, CHAPTER 3**

President Schelly requested this item be on the agenda for review and discussion.

### **DIRECTORS COMMENTS**

President Schelly inquired about Chapter Sections 3.2.1 Discipline – General, 3.2.3 Corrective and Disciplinary Action, 3.2.4.4 Disciplinary Procedures For Employees Hired Before January 1, 2019 – The Hearing, 3.4.3 Expectations – Customer Relations.

### **PUBLIC COMMENTS**

Steve Molten inquired about phone calls being answered during and after work hours.

#### **5. WATER CONSERVATION POLICY UPDATE**

General Manager provided an overview of the items to be considered and use in a water conservation policy.

### **DIRECTORS COMMENTS**

Director Olson inquired about Ordinance No. 66.

Vice President Szabadi stated that the water policy will eventually replace Ordinance No. 66.

### **PUBLIC COMMENTS**

Mitch inquired how the district performs static readings.

Steve Molten inquired about current stage levels.

#### **6. REMOTE MEETING UPDATE RE AB 2449**

General Counsel Guiboa gave an overview of AB 2449.

### **DIRECTORS COMMENTS**

President Schelly requested AB 2449 be an Action Item on the April agenda.



**ACTION ITEMS**

**7. WATER EDUCATION SCHOLARSHIP**

President Schelly provided an update regarding a partnership with the school to create a Water Education Scholarship.

**DIRECTORS COMMENTS**

None

**PUBLIC COMMENTS**

None

**A MOTION** was made by President Schelly to create a Water Education Scholarship totaling \$1,500 annually. Vice President Szabadi seconded.

The vote was as follows:

**AYES**

Director Schneider  
Director Olson  
Director Kunkle  
Vice President Szabadi  
President Schelly

**NAYS**

**ABSTAIN**

**ABSENT**

Motion approved.

**8. RESOLUTION NO. 790 WATER STAND-BY ASSESSMENTS FOR FY 2023 - 2024**

Board of Directors will set a date of May 17, 2023, for a Public Hearing for water stand-by assessment fees for Fiscal Year 2023 – 2024 for undeveloped parcels within the Idyllwild Water District (water service area).

**DIRECTORS COMMENTS**

None

**PUBLIC COMMENTS**

None

**A MOTION** was made by Director Olson to set a date of May 17, 2023, for a Public Hearing for water stand-by assessment fees for Fiscal Year 2023 – 2024 for



undeveloped parcels within the Idyllwild Water District (water service area). Vice President Szabadi seconded.

The vote was as follows:

**AYES**

Director Gin  
Director Kunkle  
Director Olson  
Vice President Szabadi  
President Schelly

**NAYS**

**ABSTAIN**

**ABSENT**

**9. RESOLUTION NO. 791 SEWER STAND-BY ASSESSMENTS FOR FY 2023 - 2024**

Board of Directors will set a date of May 17, 2023, for a Public Hearing for sewer stand-by assessment fees for Fiscal Year 2023 – 2024 for undeveloped parcels within the Idyllwild Water District Improvement District No. 1 (sewer service area).

**DIRECTORS COMMENTS**

None

**PUBLIC COMMENTS**

None

**A MOTION** was made by Vice President Szabadi to set a date of May 17, 2023, for a Public Hearing for sewer stand-by assessment fees for Fiscal Year 2023 – 2024 for undeveloped parcels within the Idyllwild Water District Improvement District No. 1 (sewer service area). Director Olson seconded.

The rollcall vote was as follows:

**AYES**

Director Gin  
Director Kunkle  
Director Olson  
Vice President Szabadi  
President Schelly

**NAYS**

**ABSTAIN**

**ABSENT**



**Motion approved.**

**10. VILLAGE VIEW DRIVE WATERLINE EASEMENT**

Board of Directors will consider a request by Robert Prier to abandon an existing District 15 feet waterline easement.

**PRESENTATION**

Lee Arnsen requested the District to provide a Quitclaim Deed for a 7.5-foot waterline easement across a parcel at the end of Village View Drive.

**STAFF COMMENTS**

General Manager Havener informed the Board the reason the waterline easement exists, and read comments provided by Riverside County Road Department pertaining to the easement. General Manager Havener suggested Mr. Arnsen contact the County Road Department for clarity and then discuss with District staff for a solution.

**DIRECTORS COMMENTS**

President Schelly tabled the item to permit Mr. Arnsen to pursue a solution with staff.

**PUBLIC COMMENTS**

None

**11. PURCHASE OF A MANUFACTURED BUILDING**

Board of Directors will consider approving the purchase of a manufactured building to be located at Foster Lake as administration offices for General Manager Havener and Chief Financial Officer Shouman.

**STAFF COMMENTS**

General Manager Havener provided an overview of the situation and lack of office for the General Manager and Chief Financial Officer due to the extensive mold in the lower administration building. General Manager Havener recommended a manufactured building to be placed at Foster Lake to provide offices for staff at a cost of approximately \$200,000.00.

**DIRECTORS COMMENTS**

Director Schneider stated that this is the most cost-effective option available. Director Kunkle suggested boarding-up the lower administration building and get approval from ACWA JPIA to house the Chief Financial Officer in the mold infested building.

Director Olson inquired about the quality and expected life expectancy of the manufactured building.



Vice President Szabadi stated that the manufactured building is the best option. President Schelly provided multiple reasons against the manufactured building.

**PUBLIC COMMENTS**

Landowners located near the water treatment plant shared concerns of additional traffic, noise, and unwanted appearance of a manufactured building on District property. Steve Molten suggested the use of shipping containers transformed into small portable offices.

Becky Clark stated that there are apartments for rent that may work as temporary offices.

**A MOTION** was made by Director Olson to consider approving the purchase of a manufactured building to be located at Foster Lake as administration offices for General Manager Havener and Chief Financial Officer Shouman. Vice President Szabadi seconded.

The vote was as follows:

**AYES**

**Director Schneider  
Vice President Szabadi**

**NAYS**

**Director Kunkle  
Director Olson  
President Schelly**

**ABSTAIN**

**ABSENT**

**Motion failed.**

**DIRECTOR REQUEST**

Director Kunkle request President Schelly form an Ad Hoc Committee to further investigate a solution to administration offices for General Manager Havener and Chief Financial Officer Shouman.

President Schelly formed an Ad Hoc Committee consisting of Directors Kunkle and Olson to further investigate.

**CLOSED SESSION**

Board entered Closed Session at 9:02 p.m.

**12. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOV'T CODE SECTION 54956.8**

Property Description: Assessor's Parcel Number (APN) 906-040-021

Agency: Idyllwild Water District

District Negotiator: Leo Havener, General Manager

Negotiating Parties: Malek Alqudi



Under Negotiation: Price and Terms

**13. CONFERENCE WITH REAL PROPERTY NEGOTIATOR – GOV'T CODE SECTION 54956.8**

Property Description: Assessor's Parcel Number (APN) 557-120-002

Agency: Idyllwild Water District

District Negotiator: Leo Havener, General Manager

Negotiating Parties: Idyllwild Arts School

Under Negotiation: Price and Terms

**14. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Public Employee Performance Evaluation § 54957 Title: General Manager

The Board resumed Open Session at 9:25 p.m.

**REPORT FROM CLOSED SESSION**

No reportable action.

**DIRECTORS COMMENTS**

None

**ADJOURNMENT**

Board adjourned at 9:25 p.m.

The next Board meeting is a Special Meeting scheduled for Wednesday, March 29, 2023, at 6:00 p.m., to be held at the Idyllwild Water District Boardroom, 25945 Hwy. 243, Idyllwild, CA 92549.

IDYLLWILD WATER DISTRICT

IDYLLWILD WATER DISTRICT

BY: *Leo Havener*

BY: *Charles Schelly*

Leo Havener  
BOARD SECRETARY

Dr. Charles Schelly  
BOARD PRESIDENT