



MINUTES FOR SPECIAL MEETING OF THE BOARD OF DIRECTORS

IDYLLWILD WATER DISTRICT
25945 Highway 243
Idyllwild, CA 92549

June 12, 2024 – 6:00 P.M.

AGENDA

CALL TO ORDER

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

ROLL CALL

Director Olson, Director Kunkle, Director Davis, Director Szabadi and President Schelly were present. General Manager Sauer and Chief Financial Officer Shouman were also present.

PUBLIC COMMENTS

Dave Hunt thanked the board for looking for a General Manager. Steve Moulton mentioned that there was no General Counsel present and he asked if the firm had ever gone to court.

1. CONSENT CALENDAR

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

A. MINUTES

Special Board Meeting:	May 14, 2024
Regular Board Meeting:	May 15, 2024
Special Board Meeting:	June 5, 2024

B. FINANCIAL REPORTS

- a. Income statement for the eleventh month ending May 31, 2024
- b. District warrants for May 2024

Check #18290-18339	= \$260,857.09
Gross Payroll	= \$69,000
Federal/State PR taxes	= \$6,100
LAIF Transfers	= \$0
Transfers/charges	= \$357



C. OPERATIONS REPORT

DIRECTOR COMMENTS

Director Olson mentioned that there were a few errors in the minutes, and he had already talked to Ms. Wheeler about making the corrections. Director Kunkle asked a few questions on the financial report and Hosny provided clarification. Director Davis also had a few questions in the financial report, mainly about the cost of the cameras. President Schelly asked if the cameras had audio and was disappointed, they didn't. Vice President Szabadi asked how long the cameras were backup for and if there was an annual fee. Director Olson asked about capturing footage if needed. Director Kunkle asked many questions about the operations report, he also mentioned that he would like to discuss with staff adjustments he would like to be seen on the report. Director Davis had a question as well regarding the water loss and the well meters.

PUBLIC COMMENTS

Brian Wilson helped clarify to Director Kunkle what the loss number entailed. David Jermone asked for clarification on the loss numbers.

A motion was made by Director Szabadi to approve the Consent Calendar and Director Olson seconded.

The vote was as follows:

AYES

Director Davis

Director Olson

Director Kunkle

Vice President Szabadi

President Shelly

NAYS

ABSTAIN

ABSENT

Motion approved.

INFORMATION

2. GENERAL MANAGER REPORT

The General Manager will update the Board on accomplishments, challenges that have occurred, and key performance metrics.



DISCUSSION ITEMS

3. BOARD MEMBER AND MEETING DECORUM, POLICY #4

The Board of Directors will Discuss the existing Board Member and Meeting Decorum Policy #4.

DIRECTOR COMMENTS

Director Kunkle asked for this item to be tabled and defer it. Vice President Szabadi said there was a lot of inconsistency and would like to table it as well, until General Counsel can be present.

Item will be tabled until July 2024 regular board meeting.

A motion was made by Director Szabadi to table this discussion item and Director Kunkle seconded.

AYES

Director Davis

Director Olson

Director Kunkle

Vice President Szabadi

President Shelly

NAYS

ABSTAIN

ABSENT

Motion approved.

PUBLIC COMMENTS

None.

4. HCN BANK REPRESENTATIVE

The Board of Directors will discuss having a bank representative come to talk about investing.

DIRECTOR COMMENTS

President Schelly gave a brief background and recommended the Board have an HCN bank representative come to the next board meeting, he then directed staff to arrange this for the July 2024 regular board meeting.

PUBLIC COMMENTS

Steve Moulton mentioned that he thought HCN was the best bank.



5. INCREASING STIPEND FOR BOARD MEETINGS

The Board of Directors will consider increasing the stipend for attending the Board Meeting.

DIRECTOR COMMENTS

Director Olson said leave it as is. Director Kunkle asked to bring it back at another time, and he mentioned that he would like to see it separated on a different line item on the budget. Director Kunkle also mentioned that he didn't think it was right that we increase it to gain attraction for individuals to run. Director Davis said he was fine with \$50.00, and Vice President Szabadi agreed. President Schelly said he would like to go to \$75.00 if the other neighboring districts are at that amount as well. It would make it all a "level playing field". President Schelly said this will be an action item on the next agenda.

PUBLIC COMMENTS

Dave Hunt agrees with Director Kunkle if we are using the money to attract someone to run, he didn't think that is who we would want on board. Steve Moulton said that it sounds like everyone thinks it should stay at \$50.00

ACTION ITEMS

6. DONAHOO WELL EASEMENT

The Board of Directors will consider the purchase of the easement of the Donahoo Well for \$2,500.00.

DIRECTOR COMMENTS

Director Kunkle asked when it got surveyed, and did we get the correct location of where the lines are. Director Szabadi asked where the agreement was, Curt said we are looking for it. President Schelly shared his thoughts on the well reverting back to the property owner if the District doesn't use it and he was in favor for this agreement for the Well.

PUBLIC COMMENTS

None.

A motion was made by President Schelly to table this action item and Director Olson seconded.

AYES

NAYS

ABSTAIN

ABSENT



Director Davis
Director Olson
Director Kunkle
Vice President Szabadi
President Shelly

Motion approved.

7. CONSIDER APPROVING RESOLUTION NO. 798 BUDGET FOR FISCAL YEAR 2024-2025

The Board of Directors will review the FY 2024-2025 Budget and consider adoption of Resolution No. 798 approving FY 2024-2025.

DIRECTOR COMMENTS

Director Olson mentioned that the revenue edits look great for water. He also mentioned the current year projected and thanked Hosny for adjusting the general plant expense. Director Olson asked how much of the legal expenses were already budgeted in this current year. Director Olson asked for clarification on the payroll expenses. Director Olson asked about the cost of a potential new building at the shop. General Manager Sauer gave the estimate to board. President Schelly was in favor of getting a new metal building at the shop and asked what the projected life expectancy was on a metal building. Director Kunkle would like to remove the building from the budget. Director Olson wanted to add to the capital expenditures any predicted expenditures from sewer project to the budget. President Schelly mentioned adding \$300,000.00 Director Davis had a question about life insurance and he was in favor in getting a new building at the shop. He was also in favor of adding \$300,000.00 to add to the sewer budget. Director Szabadi asked about how much the district was over or under based on last year's budget. Director Kunkle would like to see a line item for the build up to the reserves for the sewer project. President Schelly voiced his opinions on adding the \$300,000.00 to the sewer capital improvements and adding \$150,000.00 for the building at the shop for the water improvements.

PUBLIC COMMENTS

David Jerone asked for clarification on what was adjusted, and Director Olson answered. Dave Hunt mentioned that demolition is very expensive. He also mentioned that that he wasn't in favor of the remodeling of the upstairs and mentioned that we could expect legal fees of \$200,000.00 from a recent decision that was made. Jessica Priefer helped clarify that just because the building is budgeted in the budget, doesn't mean they have to do it.



1. First Vote: Will be on the complete Budget, excluding the notes, which includes the employee benefits.

A MOTION was made by Director Olson to approve Resolution No. 798 approving FY 2024-2025 Budget as amended. Vice President Szabadi seconded.

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Director Davis Director Olson Director Kunkle Vice President Szabadi President Shelly	Director Kunkle		

Motion approved.

2. Second Vote: After Director Kunkle excused himself from the board meeting room, the other Board members will vote on the notes, which include the employee benefits.

A MOTION was made by Director Olson to approve Resolution No. 798 approving FY 2024-2025 Budget. Vice President Szabadi seconded.

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Director Davis Director Olson Vice President Szabadi President Shelly		Director Kunkle	

Motion approved.

DIRECTORS COMMENTS

President Schelly asked the General Manger interview committee to give an update. Director Szabadi and Director Davis shared their report and their recommendation. Director Szabadi did clarify that the Board must hire a General Manger in a regular scheduled board meeting.



The Board moved to Closed Session at 7:55 p.m.

Closed Session

1. **PUBLIC EMPLOYMENT- GOVT CODE SECTION 54957**
Title: General Manager.

The Board returned into open session at 8:22 p.m.

REPORT FROM CLOSED SESSION

Nothing to report.

DIRECTOR COMMENTS

None.

ADJOURNMENT

The Board adjourned at 8:24 p.m.

The next Board meeting is a Regular Meeting scheduled for Wednesday, June 19, 2024, at 6:00 p.m., to be held at the Idyllwild Water District Boardroom, 25945 Hwy. 243, Idyllwild, CA 92549.

Idyllwild Water District

BY: H. Shouman
Hosny Shouman
Acting Board Secretary

Idyllwild Water District

BY: Charles Schelly
Dr. Charles Schelly
Board President

