

**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 August 16, 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, Geoffrey Caine, Steve Kunkle and Peter Szabadi. Interim General Manager Jack Hoagland, Chief Financial Officer Hosny Shouman and Board Secretary Erica Gonzales were also present.

General public present: (6)

PUBLIC COMMENT:

STEVE THOMPSON – Concerned about the varying Water Base Rates for varying sized water meters. Has a 1" Water Meter and does not feel he should pay more than a customer with a 5/8" Water Meter. Wanted to know what it will take to have the rate structure changed.

ITEM #1- CONSENT CALENDAR:

MINUTES – July 10, 2017
 July 19, 2017

FINANCIAL REPORTS JULY 2017

A.	Income statement for the First month ending July 2017	
B.	District warrants for July 2017.	
	Check # 14227 - 14264	= \$ 250,221.03
	Gross Payroll	= \$ 50,285.47
	Federal/State PR taxes	= \$ 17,105.32
	LAIF Transfers	= \$ 0.00
	Transfers/charges	= \$ 138.55

OPERATIONS REPORT AND GRAPHS FOR THE TENTH MONTH ENDING JUNE, 2017.

No mainline leaks were reported in July and there was 1 unmetered leak. Foster Lake's level was at 16 feet 7 inches at the end of July. There was 0.02" of precipitation in July and there has been 0.02" of precipitation for the fiscal year to date. The static water levels at the Foster Lake Wells were 1' below ground level, and the downtown well #23 is currently pumping at 217' and the downtown well #24 is static at 18' below ground level respectively. Production for July was 1,453,331 cubic feet. July's unaccounted for water was 8.58% of water production. Fiscal year to date unaccounted for water average is 8.58% of water production.

COMMENT:

PRESIDENT SCHELLY – On Water and Sewer Operating expenses, Medical insurance was very high.

HOSNY SHOUMAN – This is for two months, July and August, because of fiscal year end. Had to hold July payment so there was no overlap.

DIRECTOR SZABADI – Why is the actual revenue so much lower than budgeted?

HOSNY SHOUMAN – We went to "No Stage" therefore the rates in higher tiers were lower.

JACK HOAGLAND – New rate structure will not be reflected until August billing because effective July 1, 2017 so not billed until beginning of August.

DIRECTOR KUNKLE – Would like a print out and summary of charges for Tyler Technologies and California Computer Options.

HOSNY SHOUMAN – Wanted to point out the Non-Operating Revenue. The income has nothing to do with operations, from Capacity Fees on new water meters.

DIRECTOR KUNKLE – Handed out template that he would like used for Operations Report. He would like more information included in the Operations Report.

DIRECTOR SZABADI – Inquired about terms and levels of wells and Foster Lake.

DIRECTOR CAINE – Inquired about where the Water Loss is coming from.

DIRECTOR KUNKLE – Inquired about the flows for the WWTP.

JACK HOAGLAND – Probably a typo.

Corrected Average Daily Flow for the WWTP in July is 114,555 gpd and the correct Average Weekend Flow in July is 118,507 gpd.

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

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

Consent Calendar was approved.

ITEM 2 – Consider Filling a Vacancy on the Board of Directors

Recommendation

Appoint a qualified candidate to fill the current vacancy on the Board of Directors.

Background

As a result of the resignation of Victor Sirkin, the Idyllwild Water District Board of Directors has a vacancy.

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

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

The Board, at its July 16, 2017 Regular Meeting, chose to appoint a qualified candidate as the most expeditious and fiscally prudent option.

The appointed board member will be required to stand for election at the next regularly scheduled election in August 2019 if they desire to continue on the Board.

Two residents have submitted letters of interest for the vacant position:

Catherine Dearing

Susan Nash

Each interested resident will have a 3-minute opportunity to address the Board of Directors at the meeting prior to the Board decision process.

COMMENT:

CATHERINE DEARING – Very interested in repairing and maintaining infrastructure. Disappointed in non-action from previous management.

SUE NASH – Wants to make sure that Idyllwild Water District Board is compliant with the law and would work hard to make sure Idyllwild Water District Board stays compliant with the law.

DIRECTOR CAINE – Asked various questions to the candidates about past experience and how they feel they would work with people of differing opinions.

A MOTION was made by Director Szabadi to appoint Catherine Dearing to fill the current Board vacancy and Director Caine seconded. The vote was as follows:

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

Motion approved.

Catherine Dearing was sworn in by Board Secretary Erica Gonzales.

ITEM 3 – Elect a Vice President of the Board of Directors

Recommendation

Staff recommends the Board of Directors elect a Vice President.

Background

Because of the resignation of Victor Sirkin, the Idyllwild Water District Board of Directors has a vacancy at the position of Vice President.

The Board of Directors will select one of its members to serve as the Vice President of the Board.

DISCUSSION:

None.

A MOTION was made by Director Caine to elect Director Szabadi to Vice President of the Board and Director Kunkle seconded. The vote was as follows:

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

Motion approved.

ITEM 4 – Consider an Amendment to the Employment Agreement of the Interim General Manager

Recommendation

Staff recommends the Board of Directors approve an amendment to the Employment Agreement with the Interim General Manager.

Background

The Board of Directors of the Idyllwild Water District entered an agreement with the Interim General Manager in December 2016 for 120 hours a month of work. As a number of projects have moved forward and the staff has become more stable, the Interim General Manager recommends that the time commitment be reduced to 90 hours per month with a reduction in the compensation to \$7,000 per month (from \$8,800) and personal time off to 10 hours per month (15 days per year) from 13.3 hours per month (20 days per year).

This action coupled with beginning exploration of succession options will start the transition process and save the District money.

DISCUSSION:

VICE PRESIDENT SZABADI – Wanted to confirm that there would be no extra compensation if more than the 90 hours per month were worked.

DIRECTOR KUNKLE – Wanted to clarify that the Amendment has already been implemented. Wanted to know if there could be any negotiation. Would like the search to begin for permanent General Manager.

A MOTION was made by Director Szabadi to approve the Amendment to the Employment Agreement with the Interim General Manager and Director Dearing seconded. The vote was as follows:

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

President Schelly created a Personnel Committee to begin work on the search for a Permanent General Manager. Director Kunkle, President Schelly and Jack Hoagland comprise the Personnel Committee.

ITEM 5 – Field Operations Supervisor

Recommendation: That the Idyllwild Water District Board of Directors consider approval of the attached Job Description and a Salary Range of \$33.70/hr. to \$46.71/hr.

Background: The District has been unable to recruit a Chief Sewer Operator for several years and has contracted with the Specialized Utility Services Program of California Rural Water Association to fulfill the requirements of the State/Regional Water Quality Control Board. The current fee is over \$12,000 per month for the service.

Staff used a recruiting service (Project Partners) to assist the District in identifying potential candidates and although successful, the Board of Directors failed to approve this item at the July 10, 2017 Special Meeting and the candidate is no longer available. In order to streamline the District organizational structure a position has been resurrected from past District operations to oversee all field operations to be called Field Operations Supervisor. A job description is attached.

The salary range is internally consistent within Idyllwild Water District (equivalent to an annual range of \$70,096 to \$97,162).

Consistent with State Regulations the salary range requires approval at a regular meeting.

By establishing this position and salary range, the District will be in a position to make an immediate offer upon identification of a viable candidate.

DISCUSSION:

VICE PRESIDENT SZABADI – Clarified that there would be a cost savings from the contractors SUSP, Inc. Would like to add a financial incentive in the form of moving expenses over a period of time.

JACK HOAGLAND – A financial incentive would be a great recruiting tool but should not be put into the Job Description.

DIRECTOR KUNKLE – Believes this Job Description is a good starting point. Thinks there is too much emphasis on Waste Water. We should wait until we have a permanent General Manager to continue this process.

DIRECTOR CAINE – Having the new GM have a hand in hiring new employees is a good idea except for the time constraints. Also should make sure that they have the skills to perform more work in house.

MARGE MUIR – Should look on the mountain for employees and look at the talent and resources locally for staffing needs.

President Schelly referred this item to the Personnel Committee.

ITEM 6 – Wastewater Rules & Regulations- Recreational Vehicles’ Use of the Sewer System

Recommendation

Staff recommends the Board of Directors discuss the issue and provide guidance to staff.

Background

The Policy Committee referred this issue to the full Board of Directors as it was grappling with RV use of the sewer. Several scenarios were considered and no consensus was reached regarding the extent of control that should be exerted on RV use of the sewer.

The Committee thought that the entire Board of Directors should express their views in an effort to reach a consensus.

DISCUSSION:

JACK HOAGLAND – Suggested adding language stating that non- permanent structures may not use Sewer system.

MARGE MUIR – The trailer parks would be considered non- permanent because you can move the structures, not on permanent foundations.

JACK HOAGLAND – We can leave the language out since it has not been a problem in the past. This was the last issue before bringing the final draft of the Waste Water Rules and Regulations to the Board.

ITEM 7 – Consider the Issue of Majority of a Minimum Quorum

Recommendation

Staff recommends the Board of Directors Discuss the issue as requested by Director Caine.

Background

The Board of Directors of the Idyllwild Water District has discussed this issue at prior meetings. Material provided by the District's General Counsel is attached for the Board's reference.

Director Caine requested that the issue be revisited.

DISCUSSION:

DIRECTOR CAINE – Would like to ask Legal Counsel if the Board could vote to make two a majority in the event of two vacancies on the Board because of historical events.

VICE PRESIDENT SZABADI – From experience, lawyers tend to be conservative, so their opinion would be to make sure that Idyllwild Water District would not be subject to legal action. Has no objection to asking Legal Counsel.

DIRECTOR'S COMMENTS:

None

GENERAL MANAGER’S COMMENTS:

JACK HOAGLAND – Water Rights have all been transferred to Aleshire & Wynder, hoping to have something back from State Water Resources Control Board by the end of this year. Certificate of Transparency has been delayed due to Board resignations. New Sewer pumps scheduled for delivery in mid- September. Have installed 6 new water meters. Received new Operating Permit Amendment for Tollgate Tank and Operating Permit for Oakwood Well. Completed paper work to remove “recycling” from Waste Discharge Requirements with the SWRCB and have almost completed paperwork to submit a request for a quote from CalPERS.

VICE PRESIDENT SZABADI – If Waste Water Requirements reduced, do we have people that can run the WWTP now?

JACK HOAGLAND – Not at this time, would still need a Grade III but it would reduce testing requirements and save on laboratory costs.

DIRECTOR KUNKLE – Would like a report on capacity of Oakwood Well.

JACK HOAGLAND – In order to accommodate Directors’ schedule, would like to request the next Regular Board Meeting be cancelled and schedule a Special Meeting on September 27, 2017 for monthly items. Would also like to cancel Regular Board Meeting on October 18 and schedule a Special Meeting for October 25, 2017 for monthly items.


ADJOURNMENT:

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

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

The Regular Meeting was ADJOURNED at 8:03 pm.

IDYLLWILD WATER DISTRICT

BY: 
DR. CHARLES SCHELLY-
BOARD PRESIDENT

IDYLLWILD WATER DISTRICT

BY: 
ERICA GONZALES
BOARD SECRETARY