

**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 May 24, 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 Vic Sirkin, 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: (-7-)

PUBLIC COMMENT:

TOM PAULEK- Concerned about the Website being down, about the Minutes not reflecting the Board's or Public's statements, concerned about recording meetings and archiving those recordings.

FIRE CHIEF PATRICK REITZ – Would like to clarify for the public that minutes are not a transcript.

TOM PAULEK – Expressed ongoing concern with transparency, Brown Act is from mid-20th Century and we are now in the 21st Century, there are many ways the meetings can be recorded and posted so that anyone can see and/or hear what went on at the meeting.

MARGE MUIR – Wondered why this meeting a “Special Meeting” when it is just rescheduled Regular Meeting.

SUE NASH – Inquired about written report from Idyllwild Water District Counsel about issues regarding the Idyllwild Brewpub.

ITEM #1- CONSENT CALENDAR:

MINUTES – April 12, 2017
April 19, 2017
May 03, 2017

FINANCIAL REPORTS APRIL 2017

A. Income statement for the Ninth month ending March 2017		
B. District warrants for March 2017.		
Check #	14059 - 14119	= \$ 518,445.00
Gross Payroll		= \$ 46,647.88
Federal/State PR taxes		= \$ 14,921.82
LAIF Transfers		= \$ 600,000.00
Transfers/charges		= \$ 107.00

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

No mainline leaks were reported in April. Foster Lake's level was full at 18 feet at the end of April. There was 0.10" of precipitation in April and there has been 27.76" of precipitation for the fiscal year to date. The static water levels at the Foster Lake Wells were 0' below ground level, and the downtown well #23 is currently static at 9' and the downtown well #24 is static at 15' below ground level respectively. Production for April was 991,784 cubic feet. April's unaccounted for water was 7.09% of water production. Fiscal year to date unaccounted for water average is 4.36% of water production.

COMMENT:

PRESIDENT SCHELLY – Inquired about a check issued to Browning in the amount of \$2,900.00 for sewer plant.

JACK HOAGLAND – It was the repair of some electrical components due to aging.

PRESIDENT SCHELLY – Inquired about the check to cancel the Recycled Water Project.

HOSNY SHOUMAN – The check has been sent back and has already been cashed.

PRESIDENT SCHELLY – Last months the bill from Aleshire & Wynder was significant and this month it was higher. Should we expect this trend to continue or will we be getting some relief?

JACK HOAGLAND – This month and next month will be high due to their review of our Rules and Regulations for Water and Sewer and we also have a Water Rights Issue as well, after that we should be able to see a decline in the bills from Aleshire & Wynder.

DIRECTOR CAINE – Why is there a variance between the budgeted and actual State County Water System Fees?

HOSNY SHOUMAN – The State increased their rates by 2%.

VICE PRESIDENT SIRKIN – Inquired if Idyllwild Water District has the capacity to archive the recordings of the meetings online?

JACK HOAGLAND – We are working on upgrading the computer system and capacity, we have not gotten to the website yet, but have been listening to comments and concerns from the public and the Board and have been taking them into consideration for what we want on the website in the spirit of transparency. Staff will likely be bringing a records retention policy in front of the Board in the future date.

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

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

Consent Calendar approved.

President Schelly moved Item #6 forward.

ITEM 6 – IFPD to Address Board

Recommendation: That the Idyllwild Water District Board of Directors hear from a representative from the IFPD about the meter requirements in their jurisdiction.

Background: There has been much confusion among residents of Idyllwild about size requirements for water meters on new buildings. Idyllwild Water District wishes to clarify the requirements before allowing the purchase of new water meters.

Fire Chief Patrick summarized how the water meter requirements for a structure are determined. Residential sprinkler systems are required. This law was adopted by the County and the State. When filing for a permit, the requirement for sprinklers is then issued. The reports must be engineered, stamped, sealed and sent to IFPD. IFPD then

researches the fire flow in the area and then will match that to the structure. This is what determines the size of the required meter. There is no 1” meter requirement.

ITEM 2 – Consider Formation of an Ad Hoc Compliance Sub-committee –

Recommendation: That the Idyllwild Water District Board of Directors consider formation of an ad hoc sub-committee to review compliance issues that may affect the Idyllwild Water District.

Background: From time to time issues come to the attention of the Board of Directors that Idyllwild Water District may not have complied fully with various requirements established by regulatory agencies (external compliance concerns) or the District itself (internal compliance concerns).

The proposed Compliance ad hoc Sub-committee would review these issues as they arise and make recommendations to the full Board of Directors for action.

Action by the Board of Directors to form such an ad hoc Sub-committee would direct the President to form the sub-committee and to appoint two directors to serve on the sub-committee.

PRESIDENT SCHELLY - Would like to appoint 2 members of the Board to form an Ad Hoc Committee for compliance for when things come up, they can make sure that we are in compliance for projects and other such things. Staff does most of the work but the Board should be involved.

Director Szabadi and Director Kunkle volunteered for the Ad Hoc Compliance Sub Committee.

DISCUSSION:

KRISTIN KIRSCHBAUM – What kind of Compliance issues?

JACK HOAGLAND – Just what the staff report states, External Compliance concerns relating to other regulatory Boards and internal Compliance concerns relating to District itself. Those kind of issues would be referred to this subcommittee.

TOM PAULEK – Express displeasure with this proposal. External Compliance would be something like a Waste Discharge permit from Regional Quality Control. Internal Compliance Concerns, does this Board comply with the law. Have been raising that issue. These are things that you should be doing already. Sees the formation of this committee as a way to delay the issues raised.

DIRECTOR SZABADI – The intention of this forming this Committee is to address these issues faster and more efficiently as they arise.

ITEM 3 – Promote the use of Rain Collection Barrels for Conservation:

Recommendation: That the Idyllwild Water District Board of Directors consider directing the staff to develop a program to make rain collection barrels available to District customers at minimal cost.

Background: The generally dry conditions of the Idyllwild Water District coupled with the finite water resources limit the options for residents for significant outdoor irrigation. It has been suggested that one way that residents could enhance their property and quality of life would be through the use of locally grown garden produce. As a method to encourage such efforts and yet adhere to the strict conservation ethics developed during the last five-years of severe drought, the use of rain collection barrels has been proposed.

Approval of this item would direct the staff to bring back the details of a program in which the District would acquire rain barrels and distribute them at cost to ratepayers.

DISCUSSION:

JACK HOAGLAND – Would like a little more direction from the Board. Would Idyllwild Water District acquire a certain amount of rain barrels and offer at a discounted price, order as customers' request?

PRESIDENT SCHELLY – Was thinking we can order in bulk a certain amount and sell them at the District's cost.

SUE NASH – Idyllwild Water District will be researching what the public's needs are before ordering?

MARGE MUIR – Make sure to account for shipping and handling in the cost.

JACK HOAGLAND – 55 gal is typical size. There are conservation programs out there that do sell in bulk. Will get more information and bring back to the Board.

DIRECTOR CAINE – Would like to collect on a larger scale, especially after looking at the handout from Jack.

SUE NASH – Would like the handout included in the Minutes.

PRESIDENT SCHELLY – Purpose is not to save money, it is to collect rain water for conservation.

President Schelly directed staff to research more.

DIRECTORS DISCUSSION:

ITEM 4 – Bidding Assistance for the 2017 Pipeline Project:

Recommendation: That the Idyllwild Water District Board of Directors approve an agreement with Webb and Associates for Bidding Assistance for the 2017 pipeline project in the amount of \$5,984 and authorize the Interim General Manager to execute the Budget Amendment Request No. 1.

Background: Preparation of the plans and specifications for the 2017 Water Pipeline replacement project is complete. Webb and Associates is the Engineer of record and Staff recommends that the firm be engaged to assist with the bidding process. The attached letter proposal for the additional assistance is for the Board of Directors Consideration.

The District will recoup some of the costs when bidders buy the plan sets.

Attachment: Webb Associates BAR No. 1

DISCUSSION:

JACK HOAGLAND – At last meeting was asked why the proposal was \$14,000 higher than the proposal from December. The difference is that new proposal included 280 hours of inspection work and the previous proposal only included 200 hours.

DIRECTOR SZABADI – Originally the project was budgeted at \$450,000 but it is my understanding that it has been expanded to a larger project.

JACK HOAGLAND – The project remains the same. Originally Idyllwild Water District received a conceptual bid from Tom Lovejoy where he estimated the cost at \$450,000. Our current engineer's projected cost is \$695,000. The increased costs are driven by the requirements from the County for the grant we have secured.

DIRECTOR SZABADI – Is it essentially costing us more money because we have a grant?

JACK HOAGLAND – A lot of the extra cost is going to be for reporting that we have to do. Would say that a lot of the grant is going to pay for the fact that we have a grant.

VICE PRESIDENT SIRKIN – By having to comply with the grant we have more expenses and therefore we aren't getting a benefit from the grant.

DIRECTOR KUNKLE – Had concerns about the cost of the project, and the construction blue prints. Would like to go through what exactly is being bid on page by page and take out things that we do not need to do or alter things to fit Idyllwild Water District standards instead others' standards. Would like the construction services to be done by Idyllwild Water District staff. If this cannot be done Idyllwild Water District should give back grant and do the project at a later date.

DIRECTOR CAINE – After hearing from Vic and Steve, would reconsider the grant.

DIRECTOR SZABADI – There has been no maintenance done on the water system for a number of years. If we forfeit the grant and do this project at a later date, we would not be able to start it until next year at the earliest. In the past, Idyllwild Water District has had staff qualified and able to do the construction in house but currently that is not the case. The project has to be approved by the Board in the end. This matter is just to approve putting out bid packets in order to collect bids.

JACK HOAGLAND – We would get bids, research the lowest bidder, make recommendation to County, and they would approve and then we would award the contract.

DIRECTOR SZABADI – Has a problem with postponing everything until next year and giving back another grant.

PRESIDENT SCHELLY – Has concerns because we have already sent back two grants, this is not a project we will regret doing. Very concerned about sending back another grant on a project that needs to be done and is so far along when we have the finances for it. In future, we have the luxury of making longer term plans and starting from the beginning. We are on a path and we should finish. It will be difficult to apply to grants in future after rejecting three grants. Encourage Board to approve this and in

future we can look into projects in more detail.

DIRECTOR SZABADI – If errors were found in the bid package, they should be brought to Webb’s attention and corrected.

JACK HOAGLAND – The bid package that Director Kunkle was a preliminary and had not been review by the County. Have not gotten the finalized package from the County yet.

VICE PRESIDENT SIRKIN – The county realizes that Idyllwild Water District has gone through some change and would understand that we would want to do this project more cost efficiently. Giving up this grant should not be embarrassing.

DIRECTOR KUNKLE – Would like to bid package to be tailor to the District’s wants and needs.

MARGE MUIR – How many feet and what type of plastic is proposed?

JACK HOAGLAND – 3000 ft. and the plastic is called c905, it’s a thick plastic with an expected lifetime of 100-150 years as opposed to the 60-80 year expectancy from steel pipe.

DIRECTOR SZABADI – Would really appreciate comments from Jack because he is more experienced in this area.

JACK HOAGLAND – Mr. Kunkle makes some fine points. Some of his issues can be address fairly simply, some of these ideas would have been great three months ago but we are ready to go on this project. It is a Board decision and if the Board does not want to do it then we won’t. Thinks there will be fallout with the County for cancelling the grant. There will fallout from Webb, they have expended a lot of money on this project, there was a lot more reporting with the County than expected and they did not charge us for that. \$72,000 has been invested to date and if we cancel this and decided to do it next year, we will be re-spending that money.

VICE PRESIDENT SIRKIN – If Steve’s alterations are included in the bid package before going out, do they have to be reviewed by the County again?

JACK HOAGLAND – Minor modifications can be made but the County would have to review and approve if we significantly changed the bid package.

DIRECTOR CAINE – Are there any other items that should be a higher priority?

JACK HOAGLAND – That is for the Board to decide. This was listed as the number one priority and have worked very hard to get it done. There is a lot of infrastructure that needs to be fixed and you have to start somewhere and this is as good a place as any. People up here deserve the same standard as people in the flat lands.

VICE PRESIDENT SIRKIN – Feel like that is a question that would need to ask rate payers. Do they want to pay for a sophisticated system they may not need or would they like to save money for future projects?

SUE NASH – Would take whatever grant money we can get right now because who knows what will be available in the future and yes, does expect the same standard as places not on the hill.

Director Szabadi made a MOTION to approve the amendment from Webb Associates for bidding assistance for the pipeline project and Director Caine seconded.

The vote to approve this item was as follows:

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

The Motion was approved.

ITEM 5 – Resolution 735 in support of the ACWA Board Policy:

Recommendation: That the Idyllwild Water District Board of Directors consider adopting Resolution 735 in support of the ACWA Statement on Bay- Delta Flow Requirements.

Background: In order to demonstrate broad support for their Policy Statement on Bay-Delta Flow Requirements, ACWA has requested that its member agencies formally endorse it by adopting a resolution of support.

Attached: Resolution 735
ACWA Policy Statement on Bay- Delta Flow Requirements

DISCUSSION: None

Director Caine made a MOTION to approve Resolution 735 in support of ACWA policy and was seconded by Director Szabadi. The vote was as follows:

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

The MOTION passed.

President Schelly recommended to table Item 7 and 8 given the hour and the closed session.

DIRECTOR'S COMMENT:

DIRECTOR CAINE – Frustrated with the process and Brown Act. Would like to meet more often without a strict Agenda.

VICE PRESIDENT SIRKIN – Agrees.

PRESIDENT SCHELLY – Would support a workshop as long as we are using it to plan and create a vision of where we want to go, what we want the District to become.

A workshop was scheduled for Monday, June 05, 2015 at 9:00 a.m.

GENERAL MANAGER'S COMMENTS:

HOSNY SHOUMAN – Idyllwild Arts would like their funds back that was initially used for the Toll Gate Tank.

VICE PRESIDENT SIRKIN – Would like this item to be on the next Agenda.

JACK HOAGLAND – Met with a couple of guys from the Community Center and discussed their plans and hopefully will lower costs for them and simplify their plans. Would eliminate the 2" water meter initially. Suggested that they build a pipeline loop, give it to Idyllwild Water District with an easement and it would be public lines and then take your services off the loop.

ADJOURN TO CLOSED SESSION AT 8:17 PM: Performance Review, Interim General Manager

RECONVENE INTO OPEN SESSION: The Board reconvened in open session at 9:02 pm.

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

ADJOURNMENT: President Schelly adjourned the meeting at 9:03 pm.

IDYLLWILD WATER DISTRICT

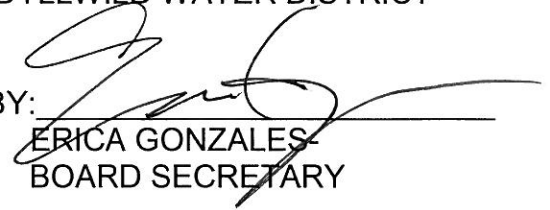
BY:



DR. CHARLES SCHELLY-
BOARD PRESIDENT

IDYLLWILD WATER DISTRICT

BY:



ERICA GONZALES-
BOARD SECRETARY