

MINUTES OF THE REGULAR BOARD MEETING

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

AUGUST 12, 2019

The Regular Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Cortichiato at 6:00 p.m. in the Board of Directors Hearing Room, 500 West Ridgecrest Boulevard, Ridgecrest, California. **CALL TO ORDER**

The Pledge of Allegiance was led by Lauren Duffy. **PLEDGE**

**DIRECTORS PRESENT:** President Donald J. Cortichiato  
Vice-President Charles F. Cordell  
Director Ronald R. Kicinski  
Director Stan G. Rajtora  
Director David C.H. Saint-Amand **ROLL CALL**

**DIRECTORS ABSENT:** None.

**ALSO PRESENT:** Jim Worth, Attorney;  
Don Zdeba, General Manager;  
Renee Morquecho, Chief Engineer;  
Ty Staheli, Chief Financial Officer;  
Jason Lillion, Operations Manager;  
Lauren Duffy, Recording Secretary;

**AGENDA DECLARATION**

**AGENDA  
DECLARATION**

Recording Secretary, Lauren Duffy, reported that the agenda for tonight's Regular Board Meeting was posted on Thursday, August 8, 2019.

**CONFLICT OF INTEREST DECLARATION**

**CONFLICT OF  
INTEREST**

None.

**PUBLIC QUESTIONS AND COMMENTS**

**PUBLIC  
COMMENTS**

None.

**CONSENT CALENDAR**

**CONSENT  
CALENDAR**

**MOTION:** was made by Director Kicinski and seconded by Director Saint-Amand approving the Minutes of the July 8, 2019 Regular Board Meeting, July 30, 2019 Special Board Meeting Workshop, and to approve payment of Accounts Payable totaling \$1,644,649.93. Motion was carried, unanimously. (Ayes: Cordell, Cortichiato, Kicinski, Rajtora, Saint-Amand. Nays: None.)

**PLANT AND EQUIPMENT**

**P & E**

President Cortichiato opened the Public Hearing to discuss the Public Health Goals Report.

**PUBLIC HEARING**

The Board discussed the Public Health Goals Report and made no revisions.

With no Public Comments made, President Cortichiato closed the Public Hearing.

**MOTION:** was made by Director Rajtora and seconded by Director Saint-Amand to accept the Public Health Goals Report. Motion was carried, unanimously. (Ayes: Cordell, Cortichiato, Kicinski, Rajtora, Saint-Amand. Nays: None.)

**ADMINISTRATION/EXECUTIVE COMMITTEE**

**ADMIN/EXEC**

The Board of Directors discussed the Association California Water Agencies (ACWA) Memorandum calling for Committee Appointment Considerations for the 2020-2021 Term. The Board of Directors made no recommendations.

**ACWA NOMINATIONS**

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (IWVGA)**

**IWVGA**

Director Kicinski reported on the July 18, 2019, IWVGA Regular Board Meeting and actions taken:

- Pro-Forma, developed by Ty Staheli, outlining the IWVGA finances through development of the Groundwater Sustainability Plan (GSP) extending to June 2020.
- Approved Capitol Core Group (CCG) to process and submit the WaterSMART Grant application up to \$400,000.
- Approved Agreement and invoice with Wellntel to obtain groundwater level data for one year.
- Results of Model run #6.1 and #6.2

Additionally, the IWVGA is awaiting the second grant reimbursement, estimated to arrive this month.

Public making comment is Judie Decker, who mentioned the questions presented to the IWVGA Policy Advisory Committee (PAC) at their August 7<sup>th</sup>, Special Committee Meeting. She added the PAC is not being used as best as it can, instead being presented with technical questions.

**GENERAL MANAGER AND STAFF UPDATE**

**GENERAL MANAGER AND STAFF UPDATE**

Don Zdeba updated the safety record to 1,672 consecutive days without a recordable injury.

**SAFETY, PRODUCTION & NEW SERVICES**

Metered water production at the wells for the month of July was 250,812,000 gallons (769.7 acre-feet). The number the State Water Resources Control Board (SWRCB) is using for comparison is metered water through the distribution system, or consumption, and non-revenue

water which is water lost to leaks, flushing activities, blow-offs, etc. For the month of July, the number is 194,773,000 gallons (597.7 acre-feet). The conservation results for July were reported to the State Water Resources Control Board (SWRCB) on August 5<sup>th</sup>. Consumption was down 37.5% compared to July 2013. The 20% conservation target established by the Board of Directors took effect last June 1<sup>st</sup>. Since that time, the cumulative result is 22.5%.

For the month of July, the District's reported R-gpcd was 156. This is 19.9% lower than July 2018, 38.5% lower than June 2017, 34.6% lower than 2016, and 29.5% lower than 2015.

There were six new connections added during this first month of the new fiscal year resulting in \$30,408 in capital facility fees.

Don Zdeba reported on the following from the Community Collaborative meeting at City Hall:

PUBLIC  
OUTREACH

- How the Water District fared as a result of the July 4<sup>th</sup> and 5<sup>th</sup> seismic events.
- The status of Well 30, which is currently out of service due to pump issues.
- July conservation results.

The following update was given on item assigned at the July 31<sup>st</sup>, 2018 Special Board Workshop:

BOARD  
WORKSHOP  
UPDATES

Evaporative Cooler Study: Enlist 20 sample points to collect data usage on evaporative coolers in preparation for the upcoming SB606 and AB1668 which will go into effect in 2023.

Update: Hour meters and new usage meters have been installed on the water supply lines at the homes of five employees, four of which are collecting data. Data collected since June indicates an average of about 169 gallons per day. This is consistent with data available in reports published and available on the internet.

The following update was given on items assigned at the January 23<sup>rd</sup>, 2019 Special Board Workshop:

Update 1997 General Plan: Update the 1997 General Plan (Plan), which will include distribution line expansion for disadvantaged communities, water haulers, and shallow wells. Plan will identify the areas, pros and cons, prioritize the areas, cost of line expansion to each area, and funding sources. Jim Worth will define Disadvantaged Communities (DAC).

Update: A work order was issued on July 11<sup>th</sup> for Krieger & Stewart (K&S) to begin work on the District's 2020 General Plan. K&S has provided a revised budgetary figure of \$228,200, which includes a Board of Directors workshop, the use of the District's GIS system in preparation of new water system facilities maps and a GIS-based model. The budgetary figure is included in the FY2020 General Fund Budget.

The following update was given on items assigned at the July 30, 2019 Special Board Workshop:

Bulk Monthly Billing:

Ty Staheli reported on an estimation of time and costs associated with Customer Service staff manually billing Bulk Water users for monthly usage.

The Board directed Staff to poll the interest of all bulk water customers in converting to monthly billing versus pre-payment, as a change in the billing method would affect all bulk water customers.

BOARD  
WORKSHOP  
UPDATES  
(cont.)

Public making comment is Sophia Merk who reads a letter, for the record, provided by a fellow bulk water customer, Ryan Smith, expressing his struggles using the station while confined to a wheelchair. Mr. Smith further stated in his letter the constant system errors hindering customers from using the station.

Jason Lillion reported a new computer board for the station was installed earlier in the day and no issues have been reported.

Bulk Water Station flow rate increase: Jason Lillion reported that Staff tested the flow rate of the Bulk Station at 48 pounds-per-square inch (PSI) and 76 gallons per minute (gpm). Mr. Lillion estimated that a 700-gallon tank would take roughly around nine minutes to fill. He further stated that the need for a backflow device at the Bulk Station does affect the flow rate.

Representative at the Emergency Services Committee Meetings:

Staff confirmed dates of the Emergency Services Committee Meetings, which are held the 2<sup>nd</sup> Thursday of every month at the Kerr-Mcgee Center. Renee Morquecho and Jason Lillion have been added to the email distribution list and will receive reminders of upcoming meetings.

Finance Committee to discuss reserves and make recommendations:

Ty Staheli reported that staff is currently updating the reserves policy. The final draft policy will be presented to the Board for approval via resolution at the September Regular Board Meeting.

Obtain costs for Wellntel technology for Water Supply Improvement Project (WSIP) Wells:

Renee Morquecho commented that a quote was received from Wellntel late Thursday evening and thus unable to be included in the Board Packet. Further discussion involving the particular wells is needed with Wellntel, as well as approval from the well owners to install the monitors.

Mr. Zdeba provided a brief overview of the costs included in the quote provided by Wellntel. The costs for a one-year program, involving the WSIP monitor wells, totals \$6,830.00, with an annual cost of \$1,860 to continue the program. If a cellular base station is required for solar power, the total annual cost would be \$2,800 per well.

Staff will provide a recommendation on how to proceed at the September Board Meeting.

IWVGA Budget Administration costs and create Organization Chart:

Don Zdeba commented an Organization Chart has been created to use as a basis for staff costs and has been provided to Director Kicinski for follow up discussion. Another Pro-Forma is to be developed and presented to the IWVGA Board, which will include costs associated with hiring a GM, CFO/Benefits Coordinator, and an Administrative Assistant, who would take over the role as Clerk of the IWVGA Board. The Pro-forma will also include legal costs over the next couple of years.

Director Rajtora stressed the importance of hiring Staff for the IWVGA, specifically a General Manager and a financial employee. The Board echoes Director Rajtora's comments with respect to relieving Don Zdeba of the IWVGA General Manager role.

Staff is currently reviewing 90% plans and specifications for the project. Once the review is completed, staff will meet with Krieger & Stewart to finalize the bid package for well 35. WSIP

Best Drilling & Pump began work on Well 30 on July 22<sup>nd</sup>. No obvious damage was observed within the casing; however, virtually all equipment in the well, including the pump and motor, needs to be replaced. All equipment has been ordered and Best began cleaning the well on August 5<sup>th</sup>. Work is expected to be completed by the end of August. Well 30 and Earthquake Damages

The Board reviewed and discussed the report of preliminary cost estimates associated with infrastructure damages related to the recent seismic events. The Water District did not qualify for Federal Emergency Management Agency (FEMA) funding, due to the community not meeting the minimum threshold for public agency damage. However, Staff will attend a California Governor's Office of Emergency Services (Cal OES) meeting this month to discuss the process for applying for financial assistance through them.

Mr. Zdeba further commented that an ENGIE technician visited the solar sites and no damage was reported as a result of the earthquakes. SCADA

ATSI is currently in the process of ordering parts, as well as programming the system. The project is expected to be completed by late November.

Ty Staheli reported that the estimated year-to-date revenues as of July 31, 2019 are \$1,049,568 and expenses are \$760,565. Revenues exceeded expenses by \$289,003, which exceeds budget by \$840,811. The anticipated accrual of June water sales is expected to result in a decrease to the Net Revenue. FINANCIAL STATUS

Ty Staheli reviewed the report provided by ENGIE Services for July 2018 to July 2019 with the Board of Directors. The guaranteed savings during that time was \$531,296.75 and actual savings was \$554,561.71. SOLAR PRODUCTION

A little over 5,400 AMI registers have been installed to date. The iWater software that will be used to automate the register changes is being tested by staff. Five data collectors have been installed and at least ten more are expected to be installed. Neptune will be here on August 15<sup>th</sup> to conduct a field visit and look at potential sites for the additional collectors. AMI PROJECT

Ty Staheli reported on the following conservation items:

CONSERVATION

- State Water Resources Control Board (SWRCB) Water Waster Report - For 2019, there have been forty water waste reports received and forty contacts made. There have been five formal Second Notices and one Third Notices with penalties.
- Cash for Grass - One hundred-fifty-three (153) yards have been completed resulting in removal of 184,263.5 square feet of turf (\$183,528.50). There are 21 yards (51,423 square feet) in the process of being converted.

There are 11 yards (\$30,000) that are pre-approved and are awaiting notice for pre-inspection. There is one pending application. There are approximately \$103,049 Cash for Grass funds available from the revised \$382,000 budget. Approximately 31.7 acre-feet of water per year will be saved from yards that have been converted.

Jason Lillion reported that Plant 1 produced 32,515,000 gallons and ARSENIC Plant 2 produced 16,339,000 in July. The plants are on-line and running without issue.

Mr. Lillion reported that for the month of July, forty-four services OPERATIONS were repaired and twenty-nine were replaced. The NO-DES truck made 20 runs and filtered 191,940 gallons. Since inception, the NO-DES truck has filtered 5,395,945 gallons. Forty-eight valves were turned.

**BOARD COMMENTS/FUTURE AGENDA ITEMS**

**BOARD COMMENTS**

Board Members welcome the Water District's new Administrative Assistant and Recording Secretary for the Board, Lauren Duffy.

With no further Board or Public comments, President Cortichiato recessed the meeting and adjourned to Closed Session at 7:32 p.m.

**CLOSED SESSION**

**CLOSED SESSION**

The meeting was reconvened in Closed Session at 7:40p.m.

The meeting was recalled to Open Session at 8:19 p.m.

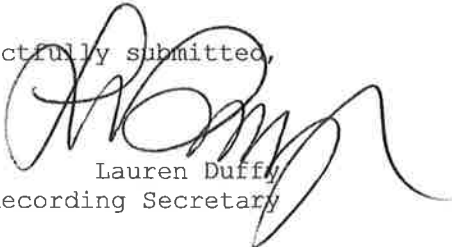
There was no further action taken that would require disclosure under the Brown Act.

**ADJOURNMENT**

**ADJOURNMENT**

With no further business to come before the Board, the meeting was adjourned at 8:20 p.m.

Respectfully submitted,

  
Lauren Duffy  
Recording Secretary

APPROVED: Sept. 9, 2018