

MINUTES OF THE REGULAR BOARD MEETING

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

October 15, 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 Sophia Merk. **PLEDGE**

DIRECTORS PRESENT: President Donald J. Cortichiato
Director Ronald R. Kicinski
Director Stan G. Rajtora
Director David C.H. Saint-Amand
Vice-President Charles F. Cordell **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 Friday, October 11, 2019.

CONFLICT OF INTEREST DECLARATION **CONFLICT OF INTEREST**
None.

PUBLIC QUESTIONS AND COMMENTS **PUBLIC COMMENTS**
Sophia Merk commented on the difficulties she has been experiencing with the Bulk Station, specifically the billing aspect. Ty Staheli, Chief Financial Officer, addressed her concerns and stated staff is aware of the issue and working on it.

CONSENT CALENDAR **CONSENT CALENDAR**
MOTION: was made by Director Kicinski and seconded by Director Cordell approving the Minutes of the September 9, 2019 Regular Board Meeting, and payment of Accounts Payable totaling \$1,120,522.74. Motion was carried, unanimously. (Ayes: Cordell, Cortichiato, Kicinski, Rajtora, Saint-Amand. Nays: None.)

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) PROXY DESIGNATION

ACWA PROXY

The Board of Directors briefly discussed the need to designate a voting representative on behalf of the District.

MOTION: was made by Director Kicinski and seconded by Director Rajtora to nominate and approve Don Cortichiato as the District's voting representative at the Fall ACWA Conference. Motion was carried, unanimously. (Ayes: Cordell, Cortichiato, Kicinski, Rajtora, Saint-Amand. Nays: None.)

AWARD OF CONTRACT: CONSTRUCTION OF TEMPORARY PAVEMENT REPLACEMENT

PAVEMENT REPLACEMENT

Renee Morquecho provided a brief overview of the memorandum regarding the trench pavement replacement. Only one bid was received for the project, from Onstott Construction in the amount of \$304,430.00.

MOTION: was made by Director Kicinski and seconded by Director Saint-Amand to approve the Award of Contract for pavement replacement to Eric Onstott Construction for the aforementioned amount. Motion was carried, unanimously. (Ayes: Cordell, Cortichiato, Kicinski, Rajtora, Saint-Amand. Nays: None.)

ACCEPTANCE OF WORK: REHABILITATION OF WELL 30

WELL 30

Ms. Morquecho reported that Best Drilling and Pump, Inc. has completed the work on well 30 and the Adjusted Contract Amount is as follows:

Original Work Order Amount:	\$30,071.00
Change Order No. 1:	\$79,206.00
Final Contract Amount:	\$103,600.00

As a result of the seismic events, the damage done to Well 30 was more severe than originally anticipated. Well 30 required all new equipment and repairs to the motor. This additional cost covers all needed parts.

MOTION: was made by Director Saint-Amand and seconded by Director Rajtora to approve the Acceptance of Work and Change Order in the amount of \$103,600.00. Motion was carried, unanimously. (Ayes: Cordell, Cortichiato, Kicinski, Rajtora, Saint-Amand. Nays: None.)

PLANT AND EQUIPMENT

**P&E
BULK STATION
UPGRADES**

Ms. Morquecho provided an update on the ADA compliance issue raised by a Bulk Water Customer at the September Board meeting. Staff contacted Cornerstone Engineering, who recommended that staff contact an ADA compliance certified consultant. As of today, three (3) proposals have been received, which staff will review and choose a consultant. Recommendations will be given on the current bulk station site, as well as an alternate site. A report is anticipated to be given at the November Board meeting.

ADMINISTRATION/EXECUTIVE COMMITTEE

Don Zdeba commented that staff has requested the District office be closed on Thursday, December 26th. The office will be closed on Christmas Day, Wednesday, December 25th and due to the 9/80 schedule, it will also be closed on Friday, December 27th. Per the Personnel Manual, Employees are allotted either a ½ day on Christmas Eve or New Year's Eve. By approving this request, it would replace the ½ day options for 2019. **ADMIN/EXEC DISTRICT HOLIDAY**

MOTION: was made by Vice-President Cordell and seconded by Director Rajtora to close the District office on Thursday, December 26th in lieu of the ½ day options for employees for Christmas Eve and New Year's Eve. Motion was carried, unanimously. (Ayes: Cordell, Cortichiato, Kicinski, Rajtora, Saint-Amand. Nays: None.)

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (IWVGA)

Director Kicinski reported on the September 19, 2019, IWVGA Regular Board Meeting and actions taken: **IWVGA**

- The updated Pro-Forma
- 2020 proposed Administration Budget and costs associated with developing an IWVGA staff, including five suggestions to address the deficit
- Pumping Fee variation
- Putting Capitol Core Group on a hiatus, stating they have currently provided more than needed for the development of the Groundwater Sustainability Plan (GSP) and due to the current cash flow issue

The Board had an extensive discussion covering the following:

- The necessity of the IWVGA establishing their own staff, including a General Manager
- The importance of relieving Don Zdeba of the large workload associated with the IWVGA, so that he may focus on being the IWVWD General Manager
- Cash flow issues
- Staff of IWVWD to continue their work on the Groundwater Authority's finances
- Possibility of requesting an extension of the deadline for submittal of the GSP
- The work done by Stetson Engineers, outside of the original scope, and the large amount of costs associated with it

GENERAL MANAGER AND STAFF UPDATE

Don Zdeba updated the safety record to 1,736 consecutive days without a recordable injury.

Metered water production at the wells for the month of September was 218,019,000 gallons (669.1 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 September, the number is 239,981,000 gallons (736.5 acre-feet). The conservation results for September were reported to the SWRCB on October 2nd. Consumption was down 16.1% compared to September 2013. The 20%

**GENERAL
MANAGER AND
STAFF UPDATE
SAFETY,
PRODUCTION &
NEW SERVICES**

conservation target established by the Board of Directors took effect last June 1st. Since that time, the cumulative result is 22.3%. For the month of September, the District's reported R-gpcd was 199. This is 7.5% lower than September 2018, 6.0% higher than September 2017, 12.1% lower than 2016, 2.0% lower than 2015, and 32.7% lower than 2014.

There were six new connections added during the month of September resulting in \$30,408 in capital facility fees. There have been fifteen new connections since the fiscal year began on July 1st, resulting in additional revenue of \$76,020.

Don Zdeba reported on the following from the Community Collaborative meeting at City Hall on October 1st:

PUBLIC
OUTREACH

- Dates of the next IWVGA Board meeting, as well as updates regarding the IWVGA including the passing of Ordinance No. 19-01: Mandatory Well Registration
- Draft Groundwater Sustainability Plan (GSP) draft sections 4 and 5, released by Stetson Engineers
- Budget and development of an administrative structure
- IWVWD will have a booth at the Sixth Annual Petroglyph Festival, November 2nd and 3rd

The following update was given on items assigned at the July 31st, 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 146 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 July 30, 2019 Special Board Workshop:

Wellntel technology for Water Supply Improvement Project (WSIP) Wells: Ms. Morquecho commented staff has contacted all private property owners, except one due to change of ownership. The District's well 36 could be used instead, if the new property owner does not wish to participate. Lee Knudtson, now a consultant with Wellntel, will be in the area within the next couple of weeks and will assist staff with assessing the suitability of the wells for Wellntel installation.

IWVGA Budget Administration costs:

The updated Pro-Forma, including an overview of the 2020 budget will be provided at the Thursday, October 17th IWVGA Regular Board meeting.

Ms. Morquecho commented the project is out to bid for the facilities at Well 35. There will be a mandatory pre-bid meeting next week for all contractors interested in the project. The bid opening is scheduled for November 21st. A recommendation for Award of Contract will come to the Board at the December meeting.

WSIP

The work on Well 30 has been completed and the well is online. Once staff receives final approval by the Board and payment of the last invoice, the project can be submitted to California Office of Emergency Services (CalOES) for reimbursement. POST-EARTHQUAKE REPAIRS

Staff received the reports, provided by Superior Tank Solutions, of the inspections conducted on the bolted steel tanks, as well as a rough estimate of rehabilitation cost. Ms. Morquecho commented that staff is hoping to make a case and receive funds to replace the bolted steel tanks. Worst case scenario, the District receives money for doing a factory rehab of the bolted steel tanks, put the tanks back into service, then budget for their replacement in the near future.

Rubicon Applied Divers inspected the welded steel tanks on September 10th and 11th, written reports stated no seismic damage was found.

The evaluation report completed by Soils Engineering, Inc. (SEI) was provided to a structural engineer at Cornerstone Engineering for review and possible recommendations of retro-fitting the C-zone booster building.

Staff is currently working on a plan to re-route piping in order to isolate the Gateway booster to stop the leak and build a new booster station. This site, along with the College tank, will be mapped using drone technology on Wednesday, October 16th. This will also provide needed preparation for siting additional tanks at each site in the future.

Well 10 is scheduled to be pulled in November in order to inspect possible damage as a result of the seismic events.

SCADA

Staff received the Program Control Narrative (PCN) from ATSI for the wells, boosters, and tanks, as well as an outline for the arsenic plants. An online meeting is scheduled with ATSI and staff next week to review the PCN. Installation of the parts and programming of the system is expected to be completed by late November.

FINANCIAL STATUS

Ty Staheli reported that the estimated year-to-date revenues as of September 30, 2019 are \$2,803,356 and expenses are \$3,117,185. Revenues exceeded expenses by \$313,829, which exceeds budget by \$6,205.

SOLAR PRODUCTION

Ty Staheli reviewed the report provided by ENGIE Services for July 2019 to September 2019 with the Board of Directors. The guaranteed savings during that time was \$135,202.65 and actual savings was \$135,352.63. The total savings since July 2018 is \$644,096.86

AMI PROJECT

7,000 AMI registers have been installed to date. The goal is to have all registers converted to AMI by the end of 2019. The ten additional collectors (currently 5 collectors are installed) have been ordered and are estimated to arrive in 6 weeks. Staff is working on an agreement with the City of Ridgecrest, as well as the Desert Empire Fairgrounds, for installation of some collectors on their facilities. Once all collectors are installed, the WaterSmart system will be introduced to customers.

Ty Staheli reported on the following conservation items:

CONSERVATION

- State Water Resources Control Board (SWRCB) Water Waste Report - For 2019, there have been forty-six water waste reports received and forty-six contacts made. There have been six formal Second Notices and one Third Notice(s) with penalties.
- Cash for Grass - One hundred-fifty-six (156) yards have been completed resulting in removal of 186,741.5 square feet of turf (\$186,741.50). There are twenty yards (48,182.0 square feet) in the process of being converted.
- There are twelve yards (\$32,000) 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 48.30 acre-feet of water per year will be saved from yards that have been converted.

Jason Lillion reported that Plant 1 produced 2,192,900 gallons and Plant 2 produced 2,098,400 in September. The plants are on-line and running without issue.

ARSENIC

Mr. Lillion reported that for the month of September, eighteen services were repaired and forty-three were replaced. The NO-DES truck made twenty-four runs and filtered 165,300 gallons. Since inception, the NO-DES truck has filtered 5,684,335 gallons. One hundred-sixty-eight (168) valves were turned.

OPERATIONS

BOARD COMMENTS/FUTURE AGENDA ITEMS

**BOARD
COMMENTS**

Vice-President Cordell commended staff on the beautiful work done at the Bulk Station.

Director Kicinski mentioned the letter provided by Special District Risk Management Authority (SDRMA) congratulating the District on zero Worker's Compensation claims in 2018-2019. He also thanked Don Zdeba for his efforts put forth in writing letters, on behalf of the District, opposing or in favor of upcoming Senate/Assembly Bills.

With no further Board or Public comments, President Cortichiato recessed the meeting and adjourned to Closed Session at 7:45 p.m.

CLOSED SESSION

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The meeting was reconvened in Closed Session at 7:54 p.m.

The meeting was recalled to Open Session.

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 8:51 p.m.

Respectfully submitted,



Lauren Duffy
Recording Secretary

APPROVED: Nov. 12, 19