

MINUTES OF THE SPECIAL BOARD MEETING

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

AUGUST 13, 2020

The meeting recording is available at: <http://www.iwvwd.com/2020-board-meetings/>

The Special Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Cordell at 10:00 a.m. in Council Chambers; Ridgecrest City Hall, 100 West California Avenue, Ridgecrest, California. **CALL TO ORDER**

The Pledge of Allegiance was led by David Saint-Amand. **PLEDGE**

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

DIRECTORS ABSENT: None.

STAFF ATTENDING

VIA TELECONFERENCE: Jim Worth, Attorney;

STAFF ATTENDING: Don Zdeba, General Manager;
Renee Morquecho, Chief Engineer;
Ty Staheli, Chief Financial Officer;
Jason Lillion, Operations Manager;
Lauren Duffy, Recording Secretary;

AGENDA DECLARATION

Recording Secretary, Lauren Duffy, reported that the agenda for today's Special Board Meeting was posted on Wednesday, August 12, 2020. **AGENDA DECLARATION**

CONFLICT OF INTEREST DECLARATION

None. **CONFLICT OF INTEREST**

PUBLIC QUESTIONS AND COMMENTS

Mike Neel asked for a future agenda item to discuss the cost associated with opting out of the AMI project and having staff manually read a customer's meter. Mr. Zdeba responded that a survey was conducted in 2014 or 2015 of services close and far from the District and an average for administration cost was established. The District is unable to charge different fees for individual customers based on their location. The breakdown of costs associated with the opt-out will be presented at the next Finance Committee Meeting in September. **PUBLIC COMMENTS**

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY

IWVGA

Director Kicinski commented on the upcoming Public Hearing for the Replenishment Fee on August 21st at 10:00 a.m. At the July Special Board Meeting Workshop, staff was directed to draft a letter in response to the Replenishment Fee on behalf of the IWVWD Board. The draft letter was reviewed by the Board and legal and a final signed copy will be distributed to the IWVGA Board and staff.

The letter requested the IWVGA delay a vote on the Fee until the public can participate in person. The letter further asked that questions and requests for clarification from the IWVGA Board and the public regarding the Fee be addressed.

The District does initially support the acquisition of imported water as a component of achieving sustainability in the IWV aquifer to provide a continuous reliable source of water.

Director Rajtora commented on possible discussions of reports on a fallowing fee, which may turn out to be quite expensive. Director Rajtora added his concerns that it seems the GA is trying to co-mingle fallowing funds between the Replenishment fund and fallowing program.

Director Kicinski responded that the fallowing program would allow the purchase of water that may or may not be pumped from the transient pool. Jim Worth added by staying in the transient pool there is a block of water which is allowed to be pumped by those in the pool. They may also have the opportunity to offer it to the IWVGA at a negotiated price for purchase.

Director Rajtora commented the Replenishment Fee is supposed to be used to purchase a lifetime entitlement to buy water. He added that if all the funds from the fee is used toward fallowing, there won't be any money remaining to buy an entitlement.

The Board heard public comment from Mike Neel.

GENERAL MANAGER AND STAFF UPDATE

Don Zdeba updated the safety record to 59 consecutive days without a recordable injury.

Metered water production at the wells for the month of July was 258,402,800 gallons (793.0 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 216,284,000 gallons (663.8 acre-feet). The conservation results for July were reported to the SWRCB on August 5th. Consumption was down 30.6% compared to July 2013. This is the fourth consecutive month exceeding 30%. The 20% conservation target established by the Board of Directors took effect June 2016. Since that time, the cumulative result is 23.1%.

For the month of July, the District's reported R-gpcd was 177.2, which is:

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

12.0% higher than	July 2019
4.7% lower than	July 2018
22.0% lower than	July 2017
18.5% lower than	July 2016
13.7% lower than	July 2015

There were fourteen new connections added during the month of July, the first of the new fiscal year, resulting in \$70,952 in Capital Facility Fees.

Don Zdeba commented that due to the COVID-19 pandemic and required social distancing, the past three Community Collaborative meetings have been conducted using the web. However, he was unable to participate due to conflicting meetings and conference calls, he hopes to be able to participate in future meetings. PUBLIC OUTREACH

The following updates were given on items assigned at the July 23, 2020 Special Board Workshop: BOARD WORKSHOP UPDATES

- Take a closer look at the IWVGA fees and provide a breakdown
UPDATE: Mr. Zdeba commented that Supervisor Gleason has also requested GA staff identify all anticipated fees, the estimated amount of those fees, and when they are anticipated to be in place. Mr. Zdeba had a conference call with Steve Johnson, the IWVGA's Water Resources Manager, and Alan Christensen, of Kern County, on August 4th to discuss the approach to putting this together. Mr. Johnson provided some initial thoughts which staff is responding to.
- Holding future Water District Board Meetings in Council Chambers
UPDATE: Mr. Zdeba reached out to the City with this request from the Board. At this time there is not staffing available to accommodate the Water District Board meetings as their IT staff is stretched thin with all the virtual meetings/committees they are currently handling. However, when the City receives the new software/upgrades to the Chamber's booth, they would be willing to revisit this request and perhaps even train a member of the District's staff.
- Focus on groundwater replenishment from the City's new recycled water treatment facility
UPDATE: Chuck Krieger, Dave Scriven, of Krieger & Stewart (K&S), and Mr. Zdeba had a follow-up call after the Board workshop. They are currently working on refining project costs and plan to schedule a conference call with Tim Parker to discuss new available updated hydrological information that may assist in evaluating the potential of areas for a recharge project. A call is scheduled for Friday, August 14th, to collaborate and work out the details of what a recharge project would look like. They are targeting having a project available to discuss with the City of Ridgecrest within the next thirty days.
- Re-engage with LADWP
UPDATE: Chuck Krieger's secretary, Ana, has reached out to David Pettijohn's assistant regarding scheduling a meeting. LADWP is currently only holding telephone or video conference calls at this time. The call has been scheduled for Wednesday, August 19th. Mr. Pettijohn has indicated he would include

- Delon Kwan, Assistant Director of Water Resources, on the call.
- Mr. Worth to research legal options regarding Will-Serve letters and implementing fees
UPDATE: Mr. Worth commented that due to the current workload with the IWVGA, he has not been able to work on this item.
 - Revising the allocation table with suggestions from the Board
UPDATE: Mr. Worth did not have an update at this time.
 - Draft letter regarding the IWVGA Replenishment Fee on behalf of the Board
UPDATE: The draft letter has been provided and approved by the Board and legal. The final was signed by President Cordell and will be distributed to IWVGA staff and Board.
 - Legal issues regarding the de-minimis users
UPDATE: Mr. Worth reported that this matter has been addressed and the response was distributed to the Board of Directors.

Photos of the progress of the pumping plant for Well 35 were displayed. Pacific Hydrotech continues working on the pumping plant for Well 35. The building has been erected and the roof poured. The framing of the moveable part of the building has been completed and the frame coated and painted.

WELL 35
UPDATES

All completed work has been submitted to California Office of Emergency Services (CalOES) and approved for reimbursement. The District received reimbursement for all items except Well 10. The remaining repairs are the Gateway boosters (pipeline and booster building) and the C-zone booster roof/seismic upgrades. The C-zone booster building is in the final approval of design/specifications.

POST-EARTHQUAKE REPAIRS

Ty Staheli reported that the estimated year-to-date revenues as of July 31, 2020 are \$1,210,941 and expenses are \$728,419. Revenues exceeded expenditures by \$482,522, which exceeds budget by \$1,029,038. The net revenue will decrease as revenue for services provided in June is accrued to the previous fiscal year. Staff was directed to add discussion to the September Finance Committee meeting agenda of adding write-offs, as a result of Newsom's Executive Order N-28-20, to the tax rolls.

FINANCIAL STATUS

Ty Staheli reviewed the report provided by ENGIE Services for July 2019 to July 2020 with the Board of Directors. The guaranteed savings during that time was \$544,499.06 and actual savings was \$520,393.62. The total savings since July 2018 is \$4,128,345.31

SOLAR PRODUCTION

Ty Staheli reported on the following conservation items:

CONSERVATION

- State Water Resources Control Board (SWRCB) Water Waster Report - For 2020, there have been twenty-nine water waste reports received with twenty-nine contacts made. There have been four formal Second Notices and two penalties issued.

ATSI has completed programming. The Factory Acceptance Test (FAT) was held on Monday, August 10th and Tuesday, August 11th. Staff reviewed the screens and sent ATSI the corrections, which should be fixed by the end of the week. Next week staff will have a Virtual Private Network (VPN) set up so operators may use the system virtually. Once completed, on-site installations will be scheduled.

SCADA

For the month of July, Plant 1 produced 11,116,000 gallons, and Plant 2 produced 12,360,000 gallons. Staff expects delivery of the last two stainless steel pumps by the end of the week or early next week.

ARSENIC
TREATMENT
FACILITIES

Mr. Lillion reported for the month of July, thirty-five services were repaired and twenty-seven were replaced. The NO-DES truck did not make any runs in July due to limited staff. Since inception, the NO-DES truck has filtered 6,613,865 gallons. Twenty-eight valves were exercised.

OPERATIONS

BOARD COMMENTS/FUTURE AGENDA ITEMS

**BOARD
COMMENTS**

Director Rajtora commented the Replenishment Fee is the most important thing on the horizon at this time. He is concerned the Fee will be a long-term disaster for the District and residents of Ridgecrest. He further requested the Board be more aware of the happenings within the IWVGA.

Vice President Saint-Amand thanked Director Kicinski and Don Zdeba for all of their work with the IWVGA. He commented a fee of the magnitude currently proposed for the Replenishment Fee is not absolutely necessary to address the chief issue the IWVGA is worried about. He agreed there needs to be supplemental water brought into the valley, but at the most reasonable price possible.

Director Kicinski thanked the staff for all of their hard work during these times and trying to accommodate all the issues presented. He also thanked the City of Ridgecrest for letting the Board use their facilities to host their meeting, as well as Garry Heimsoth for his time and help.

President Cordell thanked the staff for all of their continued hard work and hopes that staff can soon return to focusing on their District positions.

ADJOURNMENT

ADJOURNMENT

With no further business to come before the Board, the meeting was adjourned at 11:01 a.m.

Respectfully submitted,


Lauren Duffy
Recording Secretary

APPROVED: September 14, 2020