

MINUTES OF THE REGULAR BOARD MEETING

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

JULY 12, 2021

The Regular Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Griffin 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 Smith. **PLEDGE**

DIRECTORS PRESENT: President Charles D. Griffin
Director Mallory J. Boyd
Director Charles F. Cordell
Director Stan G. Rajtora **ROLL CALL**

DIRECTORS ABSENT: Vice President David C.H. Saint-Amand

STAFF PRESENT: Don Zdeba, General Manager;
Jim Worth, Attorney;
Renée Morquecho, Chief Engineer;
Ty Staheli, Chief Financial Officer;
Jason Lillion, Operations Manager;
Lauren Smith, Recording Secretary

AGENDA DECLARATION
Recording Secretary, Lauren Smith, reported that the agenda for tonight's Regular Board Meeting was posted on Thursday, July 8, 2021. **AGENDA DECLARATION**

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

PUBLIC QUESTIONS AND COMMENTS
Mike Neel commented on the City of Ridgecrest's lack of watering restrictions. **PUBLIC COMMENTS**

Renee Westa-Lusk asked if there would be an update given on the status of the Basin Adjudication. Mr. Worth responded with a brief synopsis.

CONSENT CALENDAR
MOTION: was made by Director Rajtora and seconded by Director Boyd approving the Minutes of the June 10, 2021, Special Board Meeting, the Minutes of the June 14, 2021, Regular Board meeting, and payment of Accounts Payable totaling \$1,196,543.52. Motion was carried, unanimously by the following roll call vote: **CONSENT CALENDAR**

President Griffin: Aye
Director Boyd: Aye
Director Cordell: Aye
Director Rajtora: Aye
Vice President Saint-Amand: Absent

FINANCE COMMITTEE

FINANCE:
FUTURE RATE
STUDY
OBJECTIVES

Director Rajtora commented the Finance Committee recommend staff work with Mark Hildebrand who conducted the 2018 Cost of Service Study to consider the impact of SGMA and other costs, including costs associated with Senate Bill (SB) 606 and Assembly Bill (AB) 1668, on the District and bring a recommendation to the Finance Committee for a schedule to possibly initiate a new Cost of Service Study.

Jim Worth has spoken with Mr. Hildebrand, who has indicated he is familiar with the financial impacts SGMA has presented to water agencies and can share his experience to assist the Board in determining the necessity of adjusting the timing for the next Cost of Service Study.

The Board heard public comment from Mike Neel.

MOTION: was made by Director Boyd and seconded by Director Rajtora authorizing staff to work with Mr. Hildebrand to consider the impact of costs on the District and bring a recommendation to the Finance Committee. Motion was carried by the following roll call vote:

President Griffin:	Aye
Director Boyd:	Aye
Director Cordell:	Aye
Director Rajtora:	Aye
Vice President Saint-Amand:	Absent

ADMINISTRATION EXECUTIVE COMMITTEE

ADMIN/EXEC:
WORKPLACE
VISITOR
POLICY

The Board reviewed the draft District Workplace Visitor Policy.

MOTION: was made by Director Rajtora and seconded by Director Cordell approving the proposed Personnel Manual changes with the addition of a District Workplace Visitor Policy. Motion was carried, unanimously by the following roll call vote:

President Griffin:	Aye
Director Boyd:	Aye
Director Cordell:	Aye
Director Rajtora:	Nay
Vice President Saint-Amand:	Absent

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (IWVGA)

IWVGA

Director Rajtora attended the June IWVGA Regular Board meeting and already reported on actions taken at last month's Board meeting. He instead commented on two areas he is concerned about:

- > IWVGA Finances
- > Public Outreach

Mr. Rajtora commented the Board needs to be aware of what exactly is being charged to the Replenishment Fee. He intends to bring the topic up for discussion at the July 14th IWVGA Board meeting.

He further commented that he hopes the two upcoming projects, the Shallow Well Mitigation and Recycled Water Treatment, will regenerate public outreach, as well as the Policy Advisory Committee (PAC) and Technical Advisory Committee (TAC).

The Board heard public comment from Mike Neel.

GENERAL MANAGER AND STAFF UPDATE

Don Zdeba updated the safety record to 72 consecutive days without a recordable injury.

Metered water production at the wells for the month of June was 246,547,700 gallons (756.6 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 June, the number is 183,777,300 gallons (564.0 acre-feet). The conservation results for June were reported to the SWRCB on July 7th. Consumption was down 27.9% compared to June 2013. The 20% conservation target established by the Board of Directors took effect June 2016. Since that time, the cumulative result remains at 22.6%.

Comparing the June conservation results in recent years, 2020 was 30.9%, 2019 was 37.6%, 2018 was 21.4%, and 2017 was 21.9%. The residential gallons for capita per day (R-gpcd) for the month of June was 151.7. A reminder, this includes both indoor and outdoor usage.

There were nine new connections added during the month of June. There have been 126 new connections during the fiscal year which ended on June 30th. The new connections have contributed \$782,133 in Capital Facility Fees. At the same time last year there were 77 new connections that contributed \$344,642 in Capital Facility Fees.

Mr. Zdeba was unable to participate in this month's web-based Community Collaborative Meeting on July 6th due to a scheduling conflict. A new General Manager's column was provided for publication in both the Daily Independent and The News Review. The column was entitled "It's Complicated" and intended to provide an overview of the current situation with the Groundwater Authority's efforts to comply with the Sustainable Groundwater Management Act's (SGMA) objective to achieve sustainability of the basin's water resources.

The following updates were given on items assigned at the January 27, 2021, Special Board Workshop:

- Finance Committee to discuss a policy for issuing Will-Serve letters for new connections

UPDATE: Jim Worth participated in the July 6th Finance Committee meeting and as reported earlier, shared his conversation with Mark Hildebrand, the consultant who conducted the current Cost of Service Study. With Board direction earlier tonight, staff will be working with Mr. Hildebrand to consider the impact of additional costs being incurred by the District and how those costs may influence the necessity to conduct a new study earlier than presently scheduled.

The Board Workshop is scheduled for Thursday, August 5th; 9:00 a.m. The current draft agenda is in the Board packet. The Board was reminded to send additional agenda requests to Lauren Smith and Don Zdeba no later than July 28th.

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

**PUBLIC
OUTREACH**

**BOARD
WORKSHOP
UPDATES**

**MID-YEAR
BOARD
WORKSHOP**

Jim Worth commented counsel is requesting an item to be added to the Board Workshop agenda regarding flow restrictors.

Renée Morquecho reported the generator startup occurred on July 1st with Cummins and Krieger & Stewart (K&S) on site. Staff training by Cummins will be scheduled soon. The door has been rekeyed, however is not functioning properly, and will be looked at and fixed. Water sample results have been sent to the State. The State has indicated that a permit will be issued this week to use the well. K&S expects the last punch list items to be finished in the next few weeks and send this project to the Board for acceptance next month. WELL 35 UPDATES

ENGIE visited the site today and did their commissioning of the system, verifying all the system settings and operation, and replaced a bad solar panel. ENGIE is also collecting final paperwork to submit to Southern California Edison (SCE) as part of the interconnection agreement.

Ms. Morquecho reported on the status of the C-Zone booster building roof replacement and seismic upgrades. Wasson Roofing has completed their work except for some punch list items. Staff has started preparing the paperwork for CalOES reimbursement. POST-EARTHQUAKE REPAIRS

The Gateway booster station 90% plans have been reviewed by staff and comments were sent to K&S. Staff expects to receive the specifications for the project this week.

Staff reviewed 50% plans for the C-zone and D-zone tanks replacements. The 50% plans for the new College tank have been received.

Ty Staheli reported that the estimated year-to-date revenues as of June 30, 2021, are \$14,826,399 and expenses are \$13,810,368. Revenues exceeded expenditures by \$1,016,030, which exceeds budget by \$48,467.95. FINANCIAL STATUS

Mr. Staheli reviewed the report provided by ENGIE Services for July 2020 through June 2021 with the Board of Directors. The actual savings was \$476,277.36. For June, the actual savings was \$48,522.20 and the guaranteed savings \$50,492.96. SOLAR PRODUCTION

Mr. Staheli reported on the following conservation items: CONSERVATION

- State Water Resources Control Board (SWRCB) Water Waster Report - So far in 2021, there has been 66 water waste reports received with 66 contacts made. There have been four formal Second Notices and zero penalties issued.

Jason Lillion reported the Site Acceptance Test for Plant 2 has been completed except for a few minor punch list items, and one programming change that will be addressed at the completion of the project. Installation for Plant 1 is scheduled to commence on July 26th. SCADA

For the month of June, Plant 1 produced 985,000 gallons and Plant 2 produced 23,950,000 gallons. ARSENIC TREATMENT

Mr. Lillion reported for the month of June, nine services were repaired and 38 were replaced. The NO-DES truck made 11 runs in June, filtering 55,620 gallons. Since inception, the NO-DES truck has OPERATIONS

filtered 8,092,805 gallons. 109 valves were exercised, totaling 405 year-to-date (YTD).

BOARD COMMENTS/FUTURE AGENDA ITEMS

President Griffin asked for an item to be added to the Board Workshop agenda to discuss the testing of meters.

**BOARD
COMMENTS**

With no further Board or Public comments, President Griffin recessed the meeting and adjourned to Closed Session at 6:51 p.m.

CLOSED SESSION

The meeting was reconvened in Closed Session at 7:00 p.m.

**CLOSED
SESSION**

Closed Session was adjourned at 7:35 p.m.

The meeting was reconvened to Open Session at 7:37 p.m.

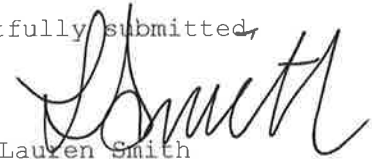
No action was taken which would require disclosure under the Brown Act.

ADJOURNMENT

With no further business to come before the Board, the meeting was adjourned at 7:38 p.m.

ADJOURNMENT

Respectfully submitted,



Lauren Smith
Recording Secretary

APPROVED: August 9, 2021