

JOSHUA BASIN WATER DISTRICT
Minutes of the
REGULAR MEETING OF THE BOARD OF DIRECTORS

December 17, 2014

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. ADMINISTER OATH OF OFFICE Directors Unger, Johnson and Fuller sworn into office. This was a ceremonial action; all three had officially been Sworn in on December 8, 2014.

4. DETERMINATION OF QUORUM:

Victoria Fuller	Present
Bob Johnson	Present
Mickey Luckman	Present
Mike Reynolds	Present
Rebecca Unger	Present

STAFF PRESENT: Curt Sauer, General Manager
Anne Roman, Accountant

CONSULTANTS PRESENT: Paul Kaymark, Auditor
Gil Granito, District Counsel
Kathleen Radnich, Public Outreach Consultant

GUESTS 7

5. APPROVAL OF AGENDA

General Manager Sauer requested Item 13, First Quarter Financial Report be tabled until January 7, 2015 meeting
MSC Luckman/Luckman 5/0 to approve the agenda for the December 17, 2014 meeting with Item 13 tabled.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

6. RESOLUTION HONORING JBWD DIRECTOR GARY WILSON

President Fuller read the resolution.

MSC Reynolds/Unger 5/0 to pass Resolution #14-946 honoring Director Wilson's service.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

7. PUBLIC COMMENTS:

None

8. 13/14 AUDIT REPORT PRESENTATION FROM CHARLES Z. FEDAK & COMPANY, CPA'S

Mr. Paul Kaymark of Charles Z. Fedak & Company presented 13/14 audited Financial Statement.
MSC Luckman/Reynolds 5/0 to accept and file the report.

9. CONSENT CALENDAR

MSC Luckman/Reynolds, 5/0 to approve Draft Minutes of the November 19, 2014 Regular Meeting of the Board of Director and Check Audit Report for September 2014.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

10. REPLACEMENT OF 10 RASCALS TO PLC'S

General Manager Sauer provided an updated staff report, recommending replacement of 20 Rascals with PLC's. New information about PLC's allowed for the purchase of 20 this year at a reduced price, saving the district \$36,000.

MSC Reynolds/Luckman 5/0 to authorize the General Manager to replace 20 Rascals with PLC's at a cost of \$76,000.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

11. INSTALLATION OF PRESSURE RELIEF VALVES AT WELLS 10, 14, 15 AT A COST \$21,000.

MSC Luckman/Reynolds 5/0 to authorize staff to purchase PRV's, piping and other associated materials necessary for installation of these valves at wells 10, 14, 15 at a cost of approximately \$21,000.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

12. UNITED GEOLOGICAL SURVEY (USGS) STUDY CONTINUATION AT A COST OF \$42,600

MSC Reynolds/Luckman 5/0 to approve \$42,600 extension to the Joint Funding Agreement with USGS.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

Frank Coate, Joshua Tree and Richard Fountain, Joshua Tree gave comments.

13. FIRST QUARTER FINANCIAL REPORT

Tabled until January 7, 2015 Board of Directors Meeting.

14. STANDING COMMITTEES

- A. PUBLIC INFORMATION COMMITTEE: Kathleen Radnich gave report. The schedule for the Regular Public Information Committee starting in January is being moved to the first Wednesday of the month at 9:30 am.

B. FINANCE COMMITTEE: Director Johnson and Fuller both mentioned they had gone into much detail with the Auditor when the audit was reported to the Finance Committee. They were pleased with the financials and complimented staff on the work done throughout the year to keep fiscal activity in order.

15. PUBLIC COMMENT

None.

16. DISTRICT COUNSEL REPORT

General Counsel Granito mentioned sustainable Groundwater Management Act and his opinion the District was in good position to implement the act.

17. GENERAL MANAGEMENT REPORT

General Manager Sauer gave report:

On December 5 the District received the President's Special Recognition Award from ACWA – JPIA, in recognition of having a loss ratio of 20% or less in Liability, Property or Workers Compensation claims. This award was for the period of October 2010 to September 2013.

On December 11 staff and Mike Metts met with representatives of Altamira. We reviewed the concerns the district has about facilities, ownership and operation of the wastewater treatment plant, storage capacities in the F zone and other items. Those concerns were highlighted in a November 21 letter to Altamira, which I provided to each of you. If you need another copy please let me know.

The meeting was productive. Both parties agreed to work on the potential issues so that the developer was aware of our requirements. Susan has sent the developer information needed for them to submit a deposit which will cover District costs for initial review of their existing plans. We also pointed out to them that the Board needs to approve a will serve letter, as the 2011 will serve is expired. I would expect at some point in the first quarter of the year this will be an item on the agenda.

I attended last week's MAC meeting to hear about the NextEra solar project proposed for the airport. I contacted the project proponent and we have a January 15 meeting scheduled to discuss their project's water needs over the next 20 years, as well as inform them of our rules and regulations for water delivery.

MWA has been advised by DWR that the current water allocation for water year 15 is 10 percent. Should the recent weather patterns continue, this may increase.

Last week MWA approved allocations for their customers. JBWD is eligible to receive 538 acres feet between January 1 and December 30, 2015. We received 312 AF this fall, leaving funding in 2014/15 for an additional 188 AF until June 30. Susan and I will be studying the cash flow / budget and may consider requesting the Board move funding from 15/16 to this year in order to receive the entire 538 AF.

Planning for rehabilitation of well 14 and hydro profiling for Chrome 6 study is progressing, assisted by Dudek. This will be a topic for approval at the January board meetings.

The MWA toilet rebate program, in which we emphasized Commercial Industrial and Institutional customers, is nearing completion for the year. District received \$7800 in grant monies and 38 toilets have been replaced with an annual savings of 265 Units (CCF). That is .6 AF per year. All costs for this program were covered in the grant monies.

Following is a summary of work performed by distribution December 1 to 16. Excuse the formatting I pulled this out of a PDF file converted to word. Hey, at least I was able to figure out that much!

1. Leaks:
 - a. Service Lines. 6
 - b. Mainlines. 0
2. Customer Service Tasks:
 - a. Completed 118 service orders comprised of lock offs, opening services, re-reads, door tags and various other tasks to provide back up to the Field Service Technician.
 - b. After hour responses, 2 customer assist calls, 1 assist Fire department (house fire Sunny Sands/Center), 2 Service line leaks.
 - c. Conservation, replaced 20 toilets as part of the commercial/institutional toilet rebate program.
3. Maintenance Programs:
 - a. Service line replacements 6
 - b. Air Vac replacements 3
 - c. Fire hydrant Maintenance/Repair 26
 - d. Valves located, cleaned and exercised 37

Safety: Distribution department held a 3hour "safety stand down", during which time they completed the required "defensive driving" safety course and developed a "hot tap" safety procedure.

18. FUTURE DIRECTOR MEETINGS AND TRAINING OPPORTUNITIES

Technical Advisory Committee Meeting, Thursday, December 18th at 10:00 am at Mojave Water Agency

19. INDIVIDUAL DIRECTOR REPORTS ON MEETINGS ATTENDED

Director Unger attended Ethics Training at MWA.

Director Johnson attended newly elected officers Orientation at MWA and Finance Committee meeting.

Director Luckman attended Ethics Training at MWA, ACWA-JPIA Conference in San Diego.

Director Reynolds attended the ACWA JPIA Conference in San Diego, Special District's Meeting in Yucaipa.

Director Fuller attended the Ethics Training at MWA. We all are required to do the Ethics Training every two years and you can also take it online. Alto attended the Finance Committee Meeting

20. DIRECTORS COMMENTS/REPORTS

Director Reynolds requested that HR advise him of when his Ethics and Sexual Harassment Training needed to be renewed.

Director Unger thanked the people who voted for her.

Director Fuller thanked everyone for attending Board Meeting today.

21. FUTURE AGENDA ITEMS

Director Unger would like a Will Serve letter policy review. Also, would like a discussion on the Groundwater Management Act.

Director Johnson is looking forward to see what we are doing with the Capital Improvement program and projects in next year.

Director Fuller said that the 1st Quarter Financial Report will be on the January 7, 2015 agenda.

22. CLOSED SESSION

Board went into Closed Session pursuant to Government Code Section 54957.6 to consult with the Board's designated representatives (Ad Hoc GM Negotiation Committee – Directors Fuller and Johnson) with regard to negotiations pertaining to a proposed salary increase to the District's General Manager.

23. REPORT ON CLOSED SESSION

General Counsel reported that at approximately 8:20 PM the Board went into Closed Session for the purpose reflected as Item 22 of tonight's agenda. During the Closed Session the Board consulted with the Board's designated representatives (Ad Hoc GM Negotiation Committee - Directors Fuller and Johnson) with regard to negotiations pertaining to a proposed salary increase to the District's General Manager. No further reportable action was taken. Board reconvened session at 8:57 PM.

24. ADJUSTMENT TO BASE SALARY OF GENERAL MANAGER

At this time, given General Manager Sauer's evaluation, and a review of JBWD salary structure, the Ad Hoc salary Committee recommendation is that an increase to GM Sauer's salary of 5 percent retroactive to August 24 (6 month review) be adopted. That would bring the salary to \$134,400 and on the first pay period after February 24, 2015 his salary would be increased 6 percent. This brings the General Manager's salary to \$142,464, the minimum of the range for the General Manager.

The salary increase was amended by board discussion to be 6 percent (\$135,680) retroactive to August 24, 2014 and 5 percent (\$142,464) the first pay period after February 24, 2015.

MSC Director Luckman/Reynolds (5/0) to adopt the salary increases of 6 percent (\$135,680) retroactive to August 24, 2014 and 5 percent (\$142,464) the first pay period after February 24, 2015 and to authorize the Board President and Board Vice President to execute an amendment to the contract to memorialize the salary increase.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

25. ELECTION OF BOARD OFFICERS – PRESIDENT AND VICE PRESIDENT

MSC Luckman/Johnson (5/0) nominated Director Fuller for another term.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

Director Unger nominated Director Johnson for Vice President. Director Johnson declined nomination.

MSC Fuller/Unger (5/0) nominated Director Luckman for Vice President.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

26. ADJOURNMENT – 9:07 PM

MSC Luckman/Fuller (5/0) to adjourn the Regular Meeting of the Board of Directors of December 17, 2014.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Aye
Unger	Aye

Respectfully submitted:



Curt Sauer, General Manager and Board Secretary