

MINUTES OF THE REGULAR BOARD MEETING

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

JANUARY 9, 2023

The Regular Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Boyd at 4:30 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 Chuck Griffin. **PLEDGE**

DIRECTORS PRESENT: President Mallory J. Boyd
Vice President Ronald R. Kicinski
Director Charles D. Griffin
Director Stan G. Rajtora
Director David C.H. Saint-Amand **ROLL CALL**

DIRECTORS ABSENT: None.

STAFF PRESENT: Renée Morquecho, Acting General Manager
Jim Worth, Attorney
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, January 5, 2023. **AGENDA DECLARATION**

CONFLICT OF INTEREST DECLARATION

Director Saint-Amand stated his opinions shared during this meeting are his own and do not necessarily reflect the opinions of his employer, nor the Board. **CONFLICT OF INTEREST**

PUBLIC QUESTIONS AND COMMENTS ON CLOSED SESSION

None. **PUBLIC COMMENTS**

With no further Board or Public comments, President Boyd recessed the meeting and adjourned to Closed Session at 4:32 p.m.

CLOSED SESSION

The meeting was reconvened in Closed Session at 4:39 p.m. **CLOSED SESSION**

Closed Session was adjourned at 5:36 p.m.

The meeting was reconvened to Open Session at 6:00 p.m.

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

**PUBLIC
COMMENTS**

PUBLIC QUESTIONS AND COMMENTS

The Board heard public comment from Judie Decker and Mike Neel. Mr. Neel provided a handout to the Board (attached to minutes).

**CONSENT
CALENDAR**

CONSENT CALENDAR

MOTION: was made by Vice President Kicinski and seconded by Director Saint-Amand approving the Minutes of the December 12, 2022, Regular Board Meeting, Minutes of the December 21, 2022, Special Board Meeting, Payment of Accounts Payable totaling \$2,830,493.09, and Resolution No. 23-01: AB 361 Finding. Motion was carried, unanimously by the following roll call vote:

President Boyd:	Aye
Vice President Kicinski:	Aye
Director Griffin:	Aye
Director Rajtora:	Aye
Director Saint-Amand:	Aye

**AWARD OF
CONTRACT:
EMERG. NW
TRANSM.
PIPELINE
REPAIR**

AWARD OF CONTRACT

Since the recent leak in the 30-inch Transmission Pipeline along Inyokern Road, staff has been researching the quickest and best way to fix the 1,800 feet of pipeline that needs to be replaced. The decision was made to replace the 30-inch cement mortar lined and coated (CMLC) pipe with 30-inch HDPE. HDPE is more readily available, and the repair can be made quicker than CMLC. Staff also informed the Board that Farwest Corrosion Control will be on site next week to test the pipeline from Pony Street to the Bowman tanks.

The Board reviewed the quote and timeline provided by WEKA, Inc. Staff recommends the Board approve a not to exceed cost of \$800,000 for this project to allow for contingencies and inspection fees. The cost will come out of the Emergency Reserve fund.

MOTION: was made by Director Griffin and seconded by Director Saint-Amand awarding the contract to repair the NW 30-inch Transmission Pipeline to WEKA, Inc. and approve the Notice of Exemption. Motion was carried, unanimously. (Ayes: Boyd, Kicinski, Griffin, Rajtora, Saint-Amand. Nays: None. Absent: None.)

**STATUS OF
INTERIM GM**

STATUS OF INTERIM GENERAL MANAGER

Jim Worth provided an update on the status of the Interim General Manager. At the December 21, 2022, Special Board Meeting the Board approved Resolution No. 22-17: An Exemption to the CalPERS 180-Day Wait Period and to Approve an Employment Agreement with Donald Zdeba to serve as interim General Manager.

The contract and supporting documents have been submitted to CalPERS and Mr. Worth hopes to receive a response by the end of the week.

AWARD OF CONTRACT

The District received three bids for the demolition and construction of concrete structures. CLC Construction, Inc. was the low bidder.

**AWARD OF CONTRACT:
DEMO AND CONSTR. OF CONCRETE STRUCT.**

Staff recommends awarding the annual contract to CLC Construction, Inc.

MOTION: was made by Vice President Kicinski and seconded by Rajtora approving the award of annual contract for demolition and construction of concrete structures to CLC Construction, Inc. Motion was carried, unanimously. (Ayes: Boyd, Kicinski, Griffin, Rajtora, Saint-Amand. Nays: None. Absent: None.)

KRIEGER & STEWART ENGINEERING CONSULTANTS: 2023 FEE SCHEDULE

K&S 2023 FEE SCHEDULE

Renée Morquecho reviewed Krieger & Stewart (K&S) Engineering Consultants 2023 Fee Schedule with the Board. The Board last approved K&S rate of compensation in February 2022. The proposed rates are to be implemented immediately.

MOTION: was made by Vice President Kicinski and seconded by Director Griffin approving the K&S 2023 Fee Schedule as presented. Motion was carried, unanimously. (Ayes: Boyd, Kicinski, Griffin, Rajtora, Saint-Amand. Nays: None. Absent: None.)

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (IWVGA)

IWVGA

Director Rajtora commented on actions taken at the December 14, 2022, Board meeting and items on the upcoming January agenda of the IWVGA including:

- Next IWVGA Board Meeting is scheduled for January 11, 2023
- Imported Water Pipeline Alignment Study is still in progress
- Recycled Water Study is essentially completed, and the draft report is anticipated to be released this month
- 2022 Budget was amended and approved
- Request to increase auditors funding was approved. Audit report is expected to be released soon
- Two applications received for well impact funding
- New financial system has been implemented. An overview will be provided the IWVGA Board soon
- Draft Water year 2022 Annual Report was released for review and comment.

The Board heard public comments from Judie Decker and Mike Neel.

Director Griffin left the meeting at 6:45 p.m.

Jim Worth reported on recent actions regarding the Comprehensive Adjudication, including:

COMPREHENSIVE ADJUDICATION

- Hearing was held on December 9th regarding the mailers sent to parcel owners in the valley and how to proceed with the returned envelopes, roughly 4,000 parcels. The notice of the lawsuit has been republished and mailed out beginning January 1st. Providence Strategic Consulting will launch a digital campaign that targets roughly 55,000 people, and a message will be included on District customer's bills

- The next Case Management Conference is scheduled for March 17, 2023, at 1:30 p.m.
- Waiver of the initial appearance fee has been continued until February 28, 2023
- The Judge has continued the stay on discovery, as well as initial disclosures

The Board heard public comment from Judie Decker and Mike Neel.

MANAGER AND STAFF UPDATE

Renee Morquecho updated the safety record to 5 consecutive days without a recordable injury. Unfortunately, an employee had an injury last week, but it was not serious, and the employee will be returning to light duty tomorrow.

GENERAL
MANAGER AND
STAFF UPDATE
SAFETY,
PRODUCTION &
NEW SERVICES

Metered water production at the wells for the month of December was 341.6 acre-feet. Consumption was 335.0 acre-feet. The preliminary report to the State Water Resources Control Board (SWRCB) was submitted last week and consumption was down 12.3% compared to 2013, but up 2.3% compared to 2020. The residential usage was 88.8 gallons per capita per day. The number of new services was not available before the meeting. Staff will provide the number at the February Regular Board meeting.

Staff continues to work with Providence Strategic Consulting to keep the public updated on the Comprehensive Adjudication, as well as promote WaterSmart, and provide information about each part of the water bill and the current tiers. Some of this is in preparation for the Public Hearing on February 27th during which the Board will consider new rates, charges, and fees. The Required Proposition 218 Notice was mailed to all parcels within the District's boundary last week and are still arriving.

PUBLIC
OUTREACH

The Annual Board Workshop is scheduled for January 24, 2023, at 9:00 a.m. The Board was asked to submit items they wish to have on the agenda to President Boyd, Renée Morquecho, and Lauren Smith for review no later than January 17, 2023.

JANUARY 2023
ANNUAL BOARD
WORKSHOP

The new equipment for Well 31 has been ordered. Layne expects to mobilize the last week of January to begin installation.

WELL 31 REHAB

Last week concrete slabs were poured around the outside of the Booster Station. Piping across Jarvis Blvd. has been completed as well as installation of the electrical conduit and pressure testing. Canyon Springs Enterprise (CSE) has completed the retaining wall and installation of the new inlet/outlet piping. CSE has started working on grading and preparing for the ring wall. At the C-Zone tank, they have been coating and painting the interior.

BOOSTER
STATIONS AND
TANKS PROJECT

Ty Staheli reported that the estimated year-to-date revenues as of December 31, 2022, are \$8,223,576 and expenses are \$9,023,314. Expenditures exceeded revenues by \$799,738, which is less than budget by \$298,153. Notices for the Proposition 218 were mailed out last week.

FINANCIAL
STATUS

Mr. Staheli reviewed the report provided by ENCIE Services for July 2022 through December 2022 with the Board. For December, the actual savings was \$33,695.24 and the guaranteed savings \$33,926.004. The

SOLAR
PRODUCTION

total saving this fiscal year is \$276,901.53. At the Well 35 site, the actual savings for December was \$669.72 and guaranteed was \$1,310.00. The total savings since the Well 35 site went online January of this year is \$23,203.90. A technician from ENGIE visited the Well 35 site due to the reduced solar production. The reduction is caused by the angle of the sun during this time of the year, which casts shadows on the panels behind.

Mr. Staheli reported on the following conservation items:
State Water Resources Control Board (SWRCB) Water Waster Report - In 2022, there were a total of 106 water waste reports received with 106 contacts made. There were six formal Second Notices and zero penalties issued.

CONSERVATION

Item discussed and Contract awarded earlier in the meeting.

INYOKERN RD
TRANSM. MAIN

Plant 2 remains offline and in standby mode pending an emergency. Jason Lillion commented staff has concerns about damaging the support structure of the underdrain within the filter vessels at Plant 1. While staff is trying to do as much in-house as possible to save on capital expenditures, outside contractors may be required for installation of the new underdrain system. Staff will provide a recommendation to the Board at the next Regular Board meeting.

ARSENIC
TREATMENT

Mr. Lillion reported for the month of December, five services were repaired and 13 were replaced. The NO-DES truck made no runs in December. Since inception, the NO-DES truck has filtered 8,597,835 gallons. Zero valves were exercised, 757 for the calendar year.

OPERATIONS

BOARD COMMENTS/FUTURE AGENDA ITEMS

President Boyd and Vice President Kicinski wished the public, staff & their families a Happy New Year.

BOARD
COMMENTS

ADJOURNMENT

With no further business to come before the Board, the meeting was adjourned at 7:14 p.m.

ADJOURNMENT

Respectfully submitted,



Lauren Smith

Recording Secretary

APPROVED: February 13, 2023

Estimated GA Imported Water Cost Per Household

Hookups (Households)	12,500
Finance Rate	5%
Water Supply	\$ 48,388,000

Cumulative Inflation 25% since 2019

Pipeline Project		Pipeline Project	
AVEK Capital Cost	\$ 177,975,000	LADWP Cost	\$ 55,046,000
AVEK O&M cost	\$ 2,280,000	LADWP O&M	\$ 833,000
AVEK Annual Service	\$ 5,860,000	LADWP Annual	\$ 4,260,000
Grant Amount	\$ 125,000,000	Grant Amount	\$ 25,000,000

AVEK

LADWP

ONE TIME	Capital Costs	222,468,750			
	Table A Water Cost	48,388,000			55,046,000
	One Time Cost	270,856,750			48,388,000
	Less Grants	125,000,000			103,434,000
					25,000,000

FINANCED	Total One Time Cost Net Grants	145,856,750			78,434,000
	Finance Cost/Month	(405,158)			(217,872)

MONTHLY Financed Per Hookup \$ (32) \$ (17)

ANNUAL	Annual O&M Cost	2,280,000			833,000
	Annual Service cost	5,860,000			4,260,000
	Total Annual Cost	8,140,000			5,093,000

MONTHLY Annual Monthly O&M + Service Cost Per Hookup \$ (54) \$ (34)

TOTAL Total Monthly Per Hookup \$ (87) \$ (51)

(Financed and Annual Costs)