

MINUTES OF THE REGULAR BOARD MEETING

BOARD OF DIRECTORS
INDIAN WELLS VALLEY WATER DISTRICT

MARCH 11, 2024

The Regular Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Kicinski 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 Ronald R. Kicinski
Vice President David C.H. Saint-Amand
Director Mallory J. Boyd
Director Charles D. Griffin
Director Stan G. Rajtora **ROLL CALL**

DIRECTORS ABSENT: None

STAFF PRESENT: George Croll, General Manager
Jim Worth, Attorney
Jason Lillion, Operations Manager
Renée Morquecho, Chief Engineer
Tyrell Staheli, Chief Financial Officer
Lauren Smith, Recording Secretary

AGENDA DECLARATION **AGENDA DECLARATION**
Recording Secretary, Lauren Smith, reported that the agenda for today's Regular Board Meeting was posted on Thursday, March 7, 2024.

CONFLICT OF INTEREST DECLARATION **CONFLICT OF INTEREST**
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.

PUBLIC QUESTIONS AND COMMENTS ON CLOSED SESSION **PUBLIC COMMENTS**
None.

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

CLOSED SESSION **CLOSED SESSION**
The meeting was reconvened in Closed Session at 4:35 p.m.

Closed Session was adjourned at 6:12 p.m.

The meeting was reconvened to Open Session at 6:18 p.m.

No action was taken that requires disclosure under the Brown Act.

Director Griffin left the meeting after Closed Session.

PUBLIC QUESTIONS AND COMMENTS

None.

**PUBLIC
COMMENTS**

2022-2023 AUDIT REPORT

**2022-2023
AUDIT REPORT**

A PowerPoint of the 2022-2023 Audit results was presented to the Board by Chris Brown of C.J. Brown & Company CPAs. Mr. Brown reported on the financial highlights of the District such as current assets, current liabilities, total net assets, total revenues, total expenses, capital contributions, and total expenses vs. total revenues.

The Board heard public comment from Mike Neel.

MOTION: was made by Vice President Saint-Amand and seconded by Director Rajtora to receive and file the 2022-2023 Audit Report. Motion was carried, by the following roll call vote:

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

**CONSENT
CALENDAR**

CONSENT CALENDAR

MOTION: was made by Vice President Saint-Amand and seconded by Director Rajtora approving the Minutes of the February 12, 2024, Regular Board Meeting, and February 28, 2024, Special Board Meeting, and Payment of Accounts Payable totaling \$1,012,189.97. Motion was carried, unanimously. (Ayes: Boyd, Kicinski, Rajtora, Saint-Amand. Nays: None. Absent: Griffin.)

PLANT & EQUIPMENT COMMITTEE

**P&E CM:
ACCEPTANCE OF
CONTRACT WORK**

Work performed by Canyon Springs Enterprises is complete and the new booster station was put into service February 1, 2024. There are a few minor punch list items to complete and the contractor is awaiting the arrival of some back ordered spare parts. The original contract amount was \$2,424,000.00. There were 14 change orders totaling \$33,474.34, which is 1.4% of the original contract amount. Since the Contract Work has been completed in accordance with the Contract Documents, staff and Krieger & Stewart recommend the District accept the Contract Work in the amount of \$2,457,476.34. Subsequent to Board acceptance, a Notice of Completion will be filed, and thereafter, following the lien period, the District will release retention monies.

MOTION: was made by Director Rajtora and seconded by Director Boyd accepting the Contract Work performed by Canyon Springs Enterprises in the amount of \$2,457,476.34 (Ayes: Boyd, Kicinski, Rajtora, Saint-Amand. Nays: None. Absent: Griffin.)

Sierra Sands Unified School District is building a new Richmond Elementary School off North Gateway Blvd. Construction of a 12-inch pipeline extension was required to service the new school. Colombo Construction is the contractor for this project and has completed

**DED. OF
FACILITIES**

installation of the pipeline extension and all appurtenances. The value of the water facilities is \$109,032.81.

MOTION: was made by Vice President Saint-Amand and seconded by Director Rajtora approving Resolution No. 24-02: Accepting the Dedication of Facilities for Richmond Elementary School, valued at \$109,032.81. Motion was carried, by the following roll call vote:

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

Staff and legal counsel have met the State Water Resources Control Board (SWRCB) regarding the consolidation agreements. The District also met with Indian Wells Valley Groundwater Authority (IWVGA) staff to discuss consolidations and is reviewing information provided by the IWVGA. The IWVGA will also be reviewing their grant funding agreement with the State to determine if it can assist the District with any consolidation funding shortfalls. DUNE III
CONSOLIDATION

The Board discussed the grant procedures and their concerns with grant funding possibly running out. The Board also discussed steps going forward and potential impact to the District.

Renée Morquecho explained the Dune III consolidation is being handled by the State. The State hired the consulting engineering firm, which will oversee the bidding process, along with other procedural aspects. The District would have final review to ensure installation was to its specifications. The District would not be providing payment for the consolidation; instead, the State would be handling the invoices.

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

MOTION: was made by Director Rajtora and seconded by President Kicinski authorize the General Manager to enter into the construction installment sale agreement, and any related documents to keep the consolidation process of Dune III moving forward. Motion was carried, by the following roll call vote:

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

ADMINISTRATION/EXECUTIVE COMMITTEE

The Board reviewed the sample Resolution provided by California Special Districts Association (CSDA) regarding Initiative 1935. This Initiative limits the ability for the State and local governments to impose taxes and/or fees for essential services and infrastructure. CSDA is concerned with the ambiguous language included in the proposed Initiative.

ADMIN/EXEC:
INITIATIVE
1935

Staff followed up with Mark Hildebrand, Rate Consultant, regarding the potential outcome for the District and this Initiative. Mr. Hildebrand commented he did not see a large impact on water and wastewater agencies.

The Initiative defines several different fees as "taxes". With the exception of certain exempt charges, one of which being charges subject to Article XIIIID of the Constitution (charges for water or wastewater services).

No action was taken.

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (IWVGA)

IWVGA

The Board discussed items on the March 13th agenda, including:

- Water Year 2023 Annual Report
- Consolidation Grant Presentation
- Shallow Well Mitigation Funding Request
- Change order for Provost & Pritchard Imported Pipeline Environmental Impact Study

Board authorized George Croll to obtain cost estimate for the imported water pipeline from Clean Energy Capital (CEC). The study should take about two-three months and cost roughly \$20,000. Information to be provided to the Board as available and necessary.

COMPREHENSIVE ADJUDICATION

**COMPREHENSIVE
ADJUDICATION**

The next Hearing is scheduled for March 22, 2024, 1:30 p.m. to address any outstanding issues and try to get a Phase 1 Trial set.

Important supporting documents regarding the adjudication can be found on the District's website.

GENERAL MANAGER AND STAFF UPDATE

**GENERAL
MANAGER AND
STAFF UPDATE**

George Croll reported the monthly water data for February. Water produced: 95,614,000 gallons, water consumed: 82,918,000 gallons (11% commercial, 4% other, 85% residential), and estimated loss 5,025,975 gallons (which is water lost to leaks, flushing activities, blow-offs, etc.)

Mr. Croll reported on conservation efforts: Comparing January 2024 to 2013, there has been a 30% reduction in water production, and comparing 2020 to 2023, there was a 16% reduction.

Mr. Croll will be a guest speaker at the Republican Club Meeting on March 15th. The District will have a booth at the Home & Leisure Show on March 16th-17th. An update was also provided on the District's social media outreach.

**PUBLIC
OUTREACH**

No update available at this time.

**STATE REG.
UPDATES**

The following updates were given on items assigned at the January 12, 2024, Special Board Workshop:

**BOARD
WORKSHOP
UPDATES**

➤ **Updated Costs and plans for Wastewater Project**

Follow up to be had with CEC and presented to the Board accordingly

➤ **Follow up with LADWP on capturing water overflow**

Ad-Hoc Committee and Mr. Croll to follow up with legal regarding previous procedures and avenues used to establish a line of communication with LADWP

➤ **Project Priority List based on FY 24 Funding**

Staff is working on the list, including costs, and will present to the Board at a future Board meeting

The District awarded this project to Nicholas Construction last month. NW TRANSM.
Krieger & Stewart is working with the contractor to get the contract PIPELINE
executed so it can be sent to District legal counsel for review. The
contract has been sent back twice for some minor omissions by the
contractor and a couple of missing insurance endorsements. We expect
the contract to be sent back to Kreiger & Stewart by the end of this
week.

The estimated year-to-date revenues as of February 29, 2024, are FINANCIAL
\$9,927,939 and expenses are \$11,226,228. Expenditures exceeded revenues STATUS
by \$1,298,289, which is over budget by \$240,875. To date, the District
has paid \$13,682,679 in GA Fees to the Groundwater Authority.

Mr. Staheli reported on the following conservation items: CONSERVATION
State Water Resources Control Board (SWRCB) Water Waster Report - there
have been two water waste reports received with two contacts made. There
have been zero formal Second Notices and zero penalties issued.

Plants are off for the season. The 50% invoices were paid to order the ARSENIC
media from Pureflow and Filtronics. Staff is now waiting a scheduled TREATMENT
delivery date to plan for installation before summer.

Mr. Lillion reported for the month of February, zero services were OPERATIONS
repaired and 33 were replaced. The NO-DES truck made no runs in
February. Since inception, the NO-DES truck has filtered 9,265,764
gallons. Zero valves were exercised.

BOARD COMMENTS/FUTURE AGENDA ITEMS

Vice President Saint-Amand and President Kicinski thanked staff for
their hard work and close attention to detail regarding ongoing
projects.

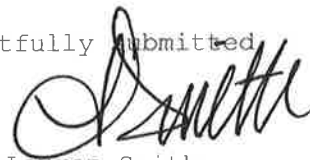
**BOARD
COMMENTS**

ADJOURNMENT

With no further business to come before the Board, the meeting was
adjourned at 8:29 p.m.

ADJOURNMENT

Respectfully submitted,



Lauren Smith

Recording Secretary

APPROVED: April 8, 2024