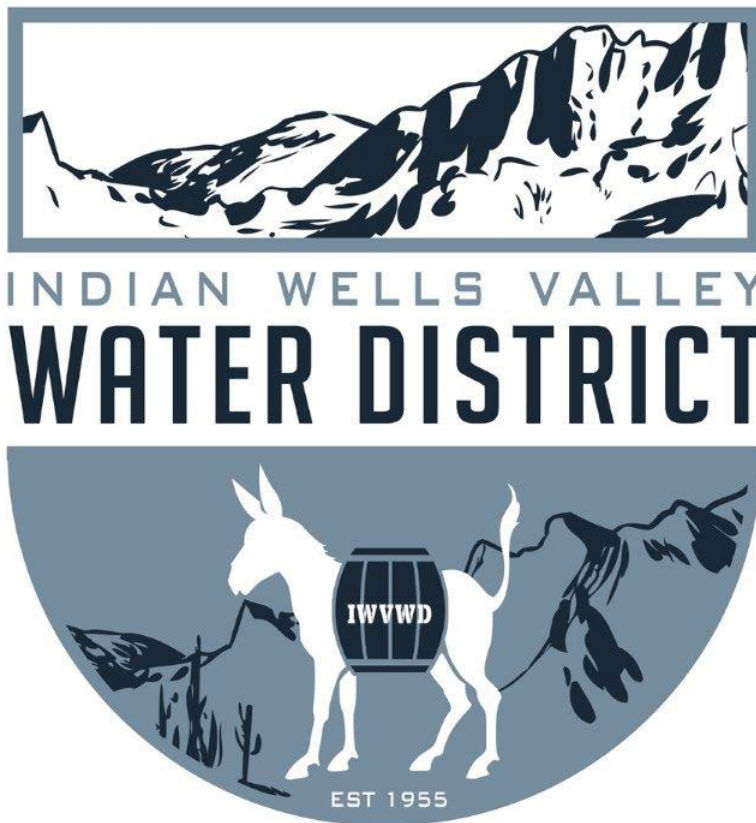


# INDIAN WELLS VALLEY WATER DISTRICT

Board of Directors Meeting



**September 12, 2022**



# INDIAN WELLS VALLEY WATER DISTRICT



## BOARD OF DIRECTORS

David C. H. Saint-Amand, President  
Mallory J. Boyd, Vice President  
Charles F. Cordell  
Charles D. Griffin  
Stanley G. Rajtora

Donald M. Zdeba  
*General Manager*  
Krieger & Stewart, Incorporated  
*Engineers*  
McMurtrey, Hartsock & Worth  
*Attorneys-at-Law*

## 2022 COMMITTEE ASSIGNMENTS

### ADMINISTRATION/EXECUTIVE COMMITTEE (BOYD/SAINT-AMAND)

Personnel, Legal Matters, General Plan, Community Relations, Board Meeting Agendas, Ordinances, Rules, Regulations, Policies, Procedures, Customer Service, Variances, Director’s Manual, etc.

### FINANCE COMMITTEE (BOYD/RAJTORA)

Rates, Cost-of-Service, Budget, Audits, Cost Allocation, Investments, Financial Services, Insurance, Loans/Grants, Water Sales & Service Policy Manual, Accounting, Assessment Districts, Billing, etc.

### PLANT & EQUIPMENT COMMITTEE (CORDELL/GRIFFIN)

Transmission/Distribution System, Vehicles & Equipment, Wells, Reservoirs, Real Property Management, Telemetry, etc.

### WATER MANAGEMENT (GRIFFIN/RAJTORA)

Groundwater Sustainability Act, Indian Wells Valley Groundwater Authority, Water Management, Water Policy, Water Quality, Conservation, Urban Water Management Plan, California Urban Water Conservation Council, Title 22 Compliance, Alternative sources for water supply including Blending, Importation, Reuse, etc.

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Committee Meetings are generally scheduled on a regular day and time.  
Committee Meetings are subject to change.

**Administration/Executive**  
**Finance**  
**Plant & Equipment**  
**Water Management**

Wednesday before the Board Meeting at 3:00 p.m.  
Tuesday before the Board Meeting at 2:30 p.m.  
Tuesday before the Board Meeting at 2:00 p.m.  
Last Thursday of the month at 2:00 p.m.

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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REGULAR BOARD MEETING

AGENDA

MONDAY, SEPTEMBER 12, 2022 - 6:00 P.M.

BOARD OF DIRECTORS' HEARING ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

➤ **Watch meetings on-line:**

All District meetings are streamed live on the District's YouTube channel at:

<https://www.youtube.com/channel/UCz6pnsZsIFy9yTFVmGH2Trg>

Recordings will be available for viewing after the meeting on the District's YouTube page.

➤ **Call in for public comments:**

To make a public comment, please call: (760) 375-7548.

Callers will be placed in a queue and answered in the order they were received. If a member of the public wishes to comment on multiple items, they will need to call in as each item is presented to the Board.

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*(In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Lauren Smith at (760) 384-5502. Requests must be made as early as possible and at least one full business day before the start of the meeting. Pursuant to Government Code section 54957.5, any materials relating to an open session item on this agenda, distributed to the Board of Directors after the distribution of the agenda packet, will be made available for public inspection at the time of distribution at the following location: Indian Wells Valley Water District, 500 W. Ridgecrest Blvd., Ridgecrest, CA).*

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Posting of Agenda Declaration
5. Conflict of Interest Declaration
6. Public Questions and Comments

*(This portion of the meeting is reserved for persons desiring to address the Board on any matter not on the agenda and over which the Board has jurisdiction. However, no action may be taken by the Board of Directors on any item not appearing on the agenda. Non-agenda speakers are asked to limit their presentation to five minutes. Public questions and comments on items listed on the agenda will be accepted at any time the item is brought forth for consideration by the Board. When you are recognized by the chairperson, please state your name and address for the record).*

7. Current Business/Committee Reports

A. Consent Calendar

**Description:** Approval of Board Meeting Minutes and Accounts Payable Disbursements.

1. Approval of Minutes:

- i. August 8, 2022, Regular Board Meeting
- ii. August 11, 2022, Special Board Meeting
- iii. August 18, 2022, Special Board Meeting
- iv. August 29, 2022, Special Board Meeting

2. Approval of Accounts Payable Disbursements

3. Resolution No. 22-12: AB 361 Finding

B. Award of Contract: Temporary Pavement Replacement

**Description:** Staff to present bids and recommendation for Temporary Pavement Replacement.

C. Administration/Executive Committee

1. Proposed Changes to the Standby Policy

**Description:** Board to review proposed changes to the Standby Policy included in the Personnel Manual.

**Committee Recommends the Following:** Board approve the revisions to the Standby Pay portion of the Personnel Manual as presented.

D. Board Vacancy

**Description:** Board to discuss and give consideration to the process of filling recent Board vacancy.

E. Indian Wells Valley Groundwater Authority

**Description:** Report and discussion regarding the August 10, 2022, meeting of the Indian Wells Valley Groundwater Authority (IWVGA). Including, Board discussion and consideration of issues of importance requiring action by the IWVGA. Next meeting is scheduled for September 14, 2022.

F. Comprehensive Adjudication

**Description:** Report and discussion regarding the status of the Comprehensive Adjudication.

G. General Manager and Staff Update (The Board will consider and may act on the following items):

1. Water Production, New Services, and Personnel Safety Record

**Description:** Water produced from all District wells, report of the new services installed in the District, and personnel safety record for the preceding month.

2. Public Outreach

**Description:** Public Outreach Report.

3. Booster Stations and Tanks Projects

**Description:** Update on these Capital Projects.

4. Financial Status  
**Description:** Report on the District's current financial status.
5. Solar Production  
**Description:** Update on solar production for the preceding month.
6. Conservation  
**Description:** Update on the Conservation Program and discussion on water conservation related items.
7. Arsenic Treatment Facilities  
**Description:** Update on maintenance issues and production.
8. Operations  
**Description:** Report on the District's operations.

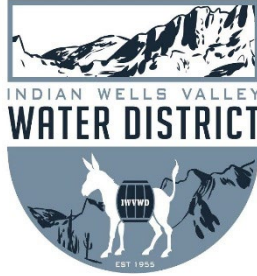
8. Board Comments/Future Agenda Items

9. Closed Session

- A. Potential Litigation  
Conference with Legal Counsel  
2 Matters  
(Pursuant to Government Code Section 54956.9(d)(2))
- B. Existing Litigation  
Conference with Legal Counsel  
*Mojave Pistachios, LLC v Indian Wells Valley Water District, et al.*  
Orange County Superior Court Case No. 30-2021-01187275-CU-OR-CJC  
(Pursuant to Government Code Section 54956.9(d)(1))
- C. Existing Litigation  
Conference with Legal Counsel  
*Mojave Pistachios, LLC v Indian Wells Valley Groundwater Authority, et al.*  
Orange County Superior Court Case No. 30-2021-01187589-CU-WM-CXC  
(Pursuant to Government Code Section 54956.9(d)(1))
- D. Existing Litigation  
Conference with Legal Counsel  
*Searles Valley Minerals Inc., v Indian Wells Valley Groundwater Authority, et al.*  
Orange County Superior Court Case No. 30-2021-01188089-CU-WM-CXC  
(Pursuant to Government Code Section 54956.9(d)(1))
- E. Real Property Negotiations  
Property Located in Inyo County, California (240± acres)  
APN: 033-110-12  
APN: 033-110-19  
District Negotiator: Don Zdeba  
Negotiating with: John Summers  
(Pursuant to Government Code Section 54956.8)

- F. Personnel Matter  
One Position: General Manager  
(To consider the employment of a Public Employee)  
(Pursuant to Government Code Section 54957)

- 10. Adjournment



# Committee Reports

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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WATER MANAGEMENT COMMITTEE  
MEETING MINUTES

THURSDAY, AUGUST 25, 2022 – 2:00 P.M.

BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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Attendees: Chuck Griffin, Stan Rajtora, Don Zdeba, Jason Lillion, Ty Staheli, and Renée Morquecho

**1. Call to Order**

The meeting was called to order at 2:00 p.m.

**2. Committee/Public Comments**

None.

**3. Indian Wells Valley Groundwater Authority**

Director Rajtora reported on the August 10, 2022, Indian Wells Valley Groundwater Authority (IWVGA) Regular Board meeting and actions taken:

- Stetson was authorized to prepare a water recycling Title 16 Feasibility Study for the Bureau of Reclamation which is basically reformatting the existing report that the Indian Wells Valley Water District's (IWVWD) has been involved in previously. There are a few things that need to be added including some contract work. Director Rajtora would like the Water District to continue to be involved in the recycling effort.
- The IWVGA board approved a letter of intent at the July 13<sup>th</sup> meeting to buy 750 acre-feet of Table A water for \$6.4 million with a \$2 million down payment. This was only an offer not a purchase. There are multiple things that have to be completed before the final purchase goes through; including an EPA report.
- The IWVGA's Finance advisor has recommended that the imported water bonding be through privately offered bonds, however there has been no further discussion of the bonds at the last 2 meetings. The finance Advisor, Wulff, Hansen & Co, was expecting to bring a firm financing offer to the IWVGA at the August meeting, however that did not happen.
- The IWVGA's transition to a new financial system is in progress, but there is no firm date as to when it will be completed.
- Still no validated method to measure change in groundwater storage, thus being unable to calculate recharge or overdraft. A new method is being worked on and when it is available it will be released directly to the Technical Advisory Committee (TAC)
- The TAC has added 2 new members; one representing the Bureau of Land Management (BLM) and one from the Navy.
- There is a Policy Advisory Committee (PAC) meeting scheduled for today, August 25<sup>th</sup>, at 5:00pm at Ridgcrest City Hall



**4. Brackish Water Study**

Don Zdeba reported that the Brackish Study Group's last meeting was January 27<sup>th</sup>. He reached out to Wade Major, the consultant with Aquilogic doing the initial data analysis and interpretation of data, for an update this morning. Wade advised Ramboll has been delayed in getting their analysis of the seismic data done because of European holiday schedules. Tim Parker is scheduled to present some results tomorrow, so hopefully that will be the catalyst for the final evaluation of the Northern Agricultural Area suitability of a pilot project. The completion date for the Feasibility Study is March 30, 2023.

**5. Alternate Water Sources**

**a. Exploration of sub-basins within the valley**

At the January 19th workshop, the Board approved up to \$200,000 to obtain and reprocess additional remote sensing/seismic data collected during the 1980's within the El Paso sub-basin area and update the Hydrological Conceptual Framework.

John Jansen, with Collier Geophysical, reports his interpretation of a total of 103 miles of seismic data is finished and the interpreted seismic sections and net sand estimates are in Ramboll's hands. The final report is almost finished and he will be having discussions with Ramboll on how to finish it up.

The total projected cost, including the cost to update the HCF, is approximately \$180,000, below the budgetary figure.

**6. Grant Funding for Sub-basin Exploration**

With completion of the seismic data reprocessing, once that information is incorporated into the Hydrological Conceptual Framework, we can identify and evaluate potential sites to drill exploratory wells in the El Paso area. DWR has indicated they intend to continue to fund the Technical Support Services program going forward. The program has already funded completion of one well for the Groundwater Authority. The Water District would be eligible to apply for funding from the program independently. It needs to be determined how best to proceed with submitting an application. Do we apply through the Groundwater Authority or independently as the Water District? It is important that we communicate with the Groundwater Authority, but it is reasonable that the District would submit the application as an independent agency.

**7. Future Agenda Items**

None.

**8. Adjournment**

Meeting was adjourned at 2:13 pm

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
SPECIAL MEETING

REPORT

TUESDAY, AUGUST 16, 2022 – 10:30 AM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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ATTENDEES: Mallory Boyd, Stan Rajtora, Don Zdeba, Ty Staheli, Jason Lillion, and Renee Morquecho

**1. Call to Order**

The Finance Committee Meeting was called to order at 10:30 am.

**2. Committee/Public Comments**

None.

**3. Rate Study**

Description: Committee to discuss rate study objectives to be incorporated in the District's next rate study.

Committee discussed objectives and goals of the Rate Study. These include; Tier Widths, Replenishment Fee Distribution, Capital Outlay, Pumping, Fixed vs Consumption Ratio, Residential vs Commercial, Landscape meters. Specifics are attached.

**4. Future Agenda Items**

None

**5. Adjournment**

The Committee adjourned at 12:06 pm.

## **TOP LEVEL STRATEGY**

**SALARIES TO REMAIN COMPETITIVE – INFLATION WILL BE MITIGATED**

**LARGE CAPITAL INVESTMENTS PAID FOR WITH INCREASED DEBT SERVICE**

**LIMIT INCREASE DEBT SERVICE TO 0.9, 1.0, OR 1.1 MIL PER YR**

**NEED SUFFICIENT DEBT SERVICE CAPACITY TO INSURE FLEXIBILITY**

**NEED BOARD'S PREFERENCE (POSSIBLE EARLY TRADE SCENARIO)**

**COMMIT TO MINIMUM OF ONE MAJOR CAPITAL IMPROVEMENT**

**OBJECTIVE: 1 OR MORE ADDITIONAL CAPITAL IMPROVEMENTS**

**PRIMARY UNKNOWNS: INTEREST RATE AND INFLATION RATE**

**DO WE GO FOR 2023 INTEREST RATES OR DEFER TO 2024 RATES?**

**WE NEED CAPITAL INVESTMENT PRIORITIES**

**NEED REFINED: PRE-LOAN COSTS, TOTAL COSTS, LOAN SCHEDULE**

## **TOP LEVEL STRATEGY *continued***

YEARLY CASH CAPITAL INVESTMENT TO BE CAPPED AT XXX MIL PER YEAR  
NEGOTIATED WITH STAFF (PRELIMINARY CIP DESIGN EFFORT EXCLUDED)

RESERVES TO BE USED TO COVER EMERGENCIES PRIMARILY  
AND UNKNOWNNS: SGMA, ADJUDICATION, NEW WATER SUPPLY

PUMPING LEVELS WILL ACCOUNT FOR NEW STATE LAWS AND SGMA (i.e.,  
REDUCED PUMPING)

INVESTIGATE RATE INCREASES DUE TO INFLATION AND CIP SEPARATELY  
WD BOARD WILL BE GIVEN MULTIPLE RATE STRUCTURE SCENARIOS

RISK ANALYSIS WILL BE PERFORMED BY MODELING IMPACT OF:  
HIGHER THAN EXPECTED INFLATION  
LOWER THAN ANTICIPATED WATER USAGE

# GENERAL PLAN PRIORITIES (FROM TABLE V-3A)

24" PIPELINE – SPRINGER AVE (MAHAN ST. TO COLLEGE HEIGHTS BLVD)	\$3,400,000	3,400,000
30" PIPELINE – BOWMAN ROAD (BRADY TO CHINA LAKE BLVD)	\$5,381,000	<u>5,381,000</u>
24" PIPELINE – GATEWAY BLVD (SPRINGER AVE TO GATEWAY RESERVOIRS)	<u>\$2,423,000</u>	<u>8,781,000</u>
<b>TOTAL</b>	<b>11,204,000</b>	

## ACTIONS

- 1) ASSIGN / HIRE A SRF LEAD  
GET INTEREST RATES AND PROJECTIONS
- 2) IDENTIFY CAPITAL INVESTMENT PRIORITIES  
NEED REFINED: PRE-LOAN COSTS, TOTAL COSTS, LOAN SCHEDULE
- 3) SEPARATE CAPITAL INVESTMENT  
CASH CAPITAL  
LONG TERM CAPITAL INVESTMENT
- 4) ESTIMATE INDOOR PLUS OUTDOOR STATE ALLOCATIONS  
BOTH R-GPCD, UNITS PER MONTH
- 5) ESTIMATE TOTAL WATER PUMPED
- 6) ESTABLISH REPLENISHMENT FEE DISTRIBUTION

## **DECISIONS:**

DEBT SERVICE INCREASE

ASSUMED INFLATION RATE

CAPITAL INVESTMENT PRIORITY

CASH CAPITAL BUDGET

TIER 1 WIDTH

TIER 2 WIDTH

TIER 3 WIDTH

OR DO WE ELIMINATE TIER 4?

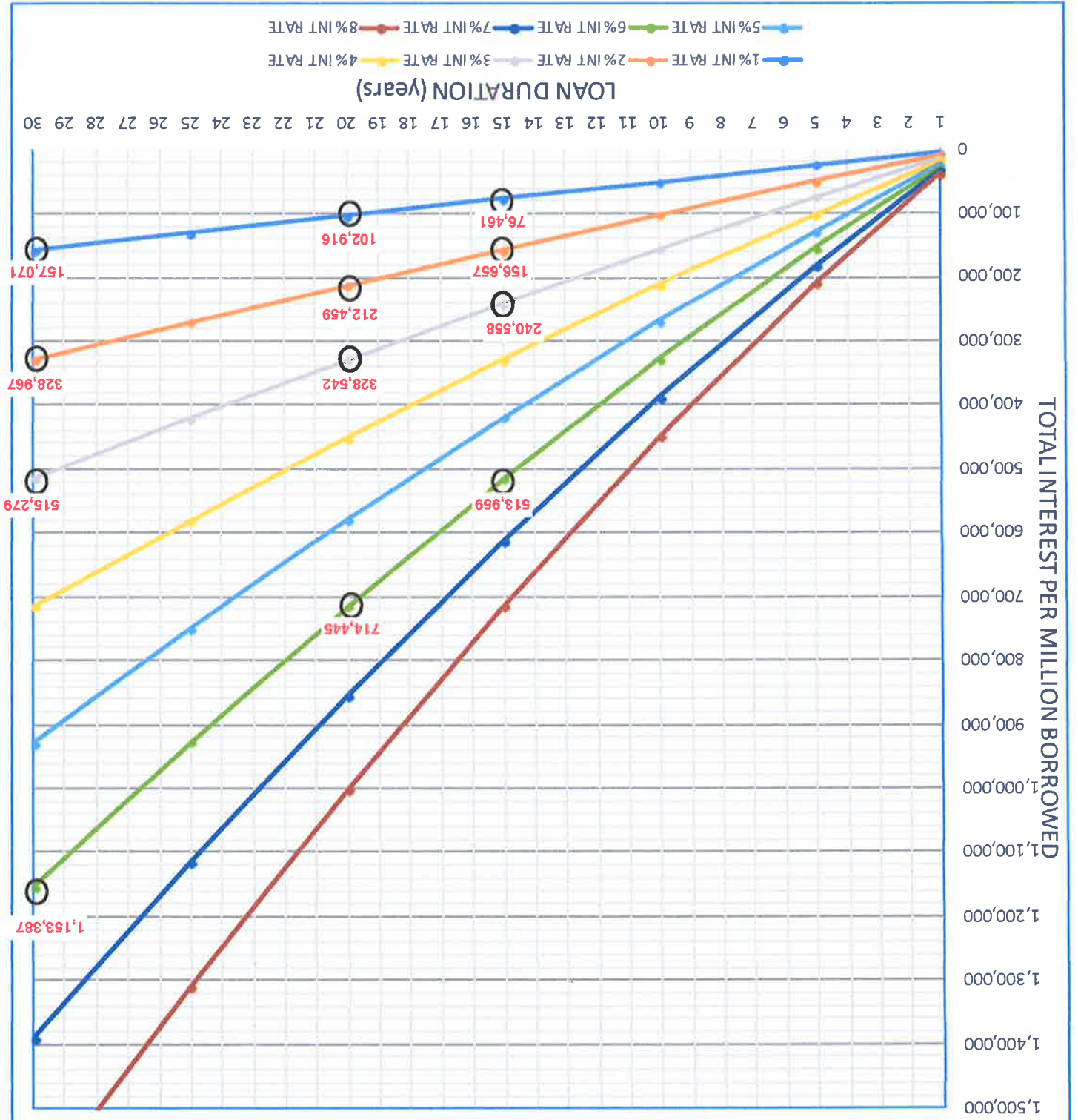
TOTAL PUMPING

FIXED REVENUE VERSUS COMMODITY REVENUE RATIO

WHAT BUDGET SENARIOS TO BE GIVEN TO FULL BOARD?

????????

INTEREST RATE COMPARISON  
FOR 1 MILLION \$ LOAN





## REPAYMENT OF A ONE MILLION DOLLAR LOAN

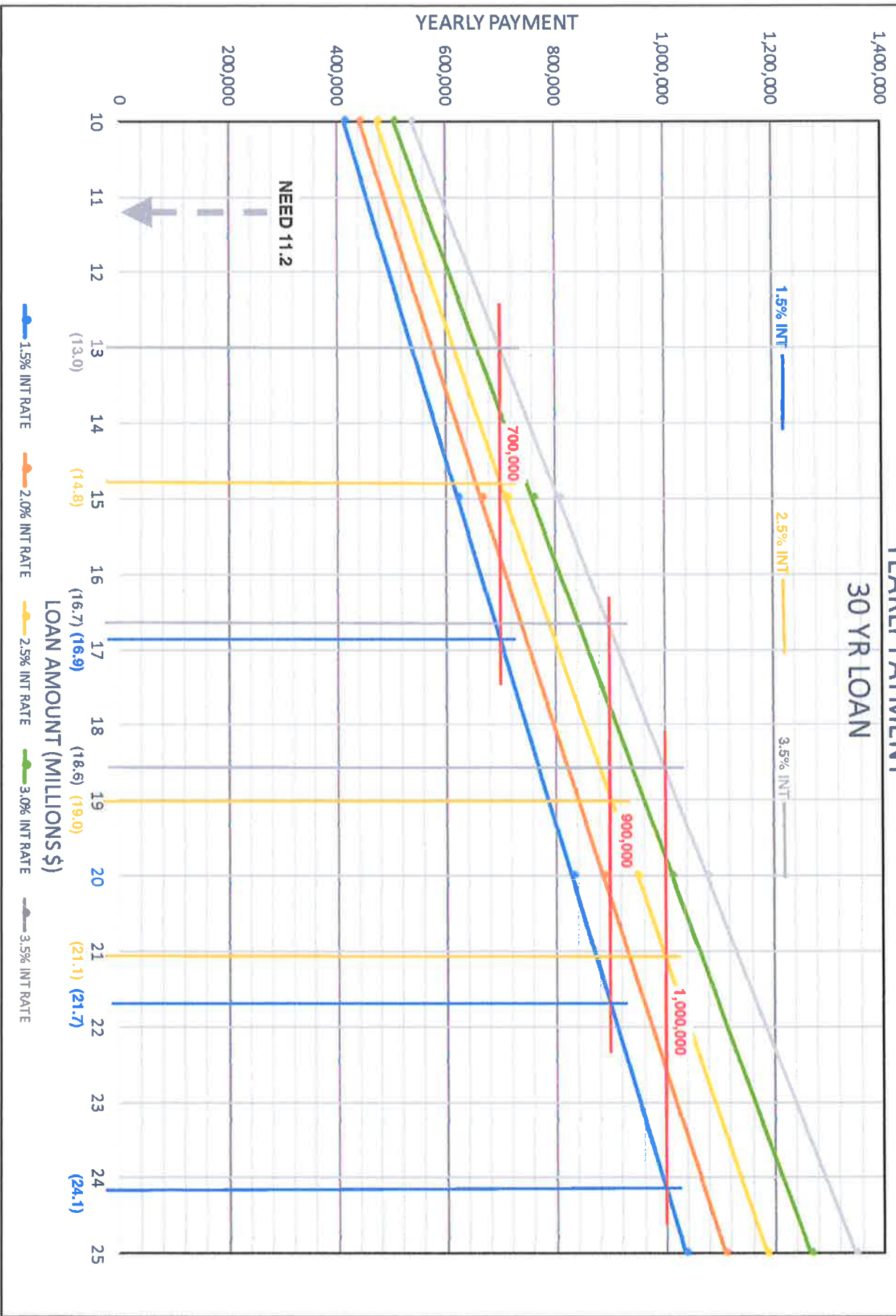
	PAYMENT SCENARIO COMPARING 30 YR LOAN TO A 15 YR LOAN			
	6% LOAN	3% LOAN	2% LOAN	1% LOAN
	TOTAL PYMNT PYMNT/YR	TOTAL PYMNT PYMNT/YR	TOTAL PYMNT PYMNT/YR	TOTAL PYMNT PYMNT/YR
TOTAL PAYMENT - 30 YR	2,153,387	1,515,279	1,328,967	1,157,071
	71,780	50,509	44,299	38,569
TOTAL PAYMENT - 15 YR	1,513,959	1,240,558	1,156,657	1,076,461
	100,931	82,704	77,110	71,764
ADDED COST	639,428	274,721	172,310	80,610
YRLY PYMNT REDUCTION	29,151	32,195	32,812	33,195

	PAYMENT SCENARIO COMPARING 20 YR LOAN TO A 15 YR LOAN			
	6% LOAN	3% LOAN	2% LOAN	1% LOAN
	TOTAL PYMNT PYMNT/YR	TOTAL PYMNT PYMNT/YR	TOTAL PYMNT PYMNT/YR	TOTAL PYMNT PYMNT/YR
TOTAL PAYMENT - 20 YR	1,714,445	1,328,542	1,212,459	1,102,916
	85,722	66,427	60,623	55,146
TOTAL PAYMENT - 15 YR	1,513,959	1,240,558	1,156,657	1,076,461
	100,931	82,704	77,110	71,764
ADDED COST	200,486	87,984	55,802	26,455
YRLY PYMNT REDUCTION	15,208	16,277	16,488	16,618

**CONCLUSION: 20 AND 30 YEAR LOW INTEREST LOANS SAVE DEBT SERVICE CAPACITY!!**

# YEARLY PAYMENT

## 30 YR LOAN



1.5% INT RATE    2.0% INT RATE    2.5% INT RATE    3.0% INT RATE    3.5% INT RATE

LOAN AMOUNT (MILLIONS \$)

10    11    12    13    14    15    16    17    18    19    20    21    22    23    24    25

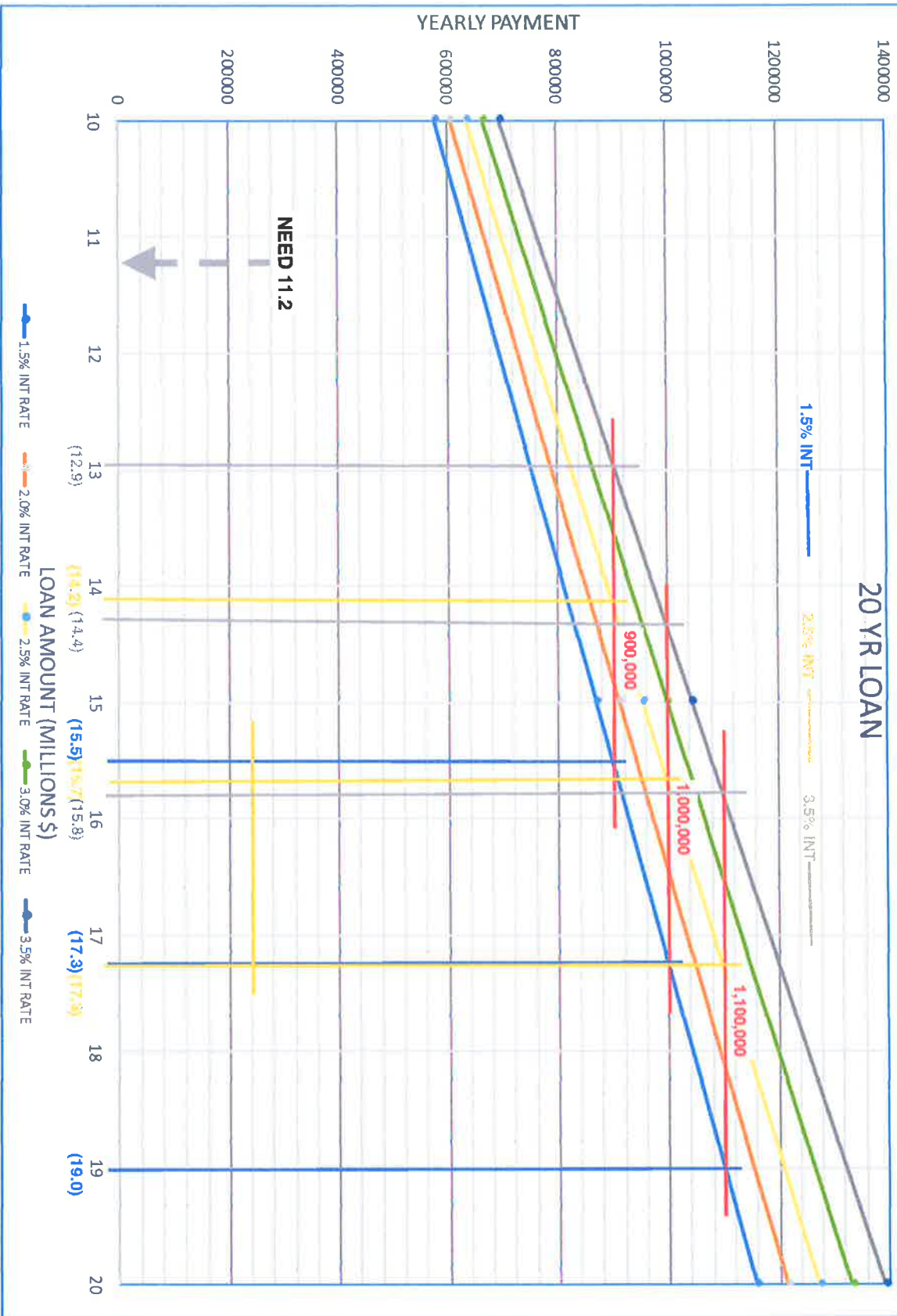
NEED 11.2

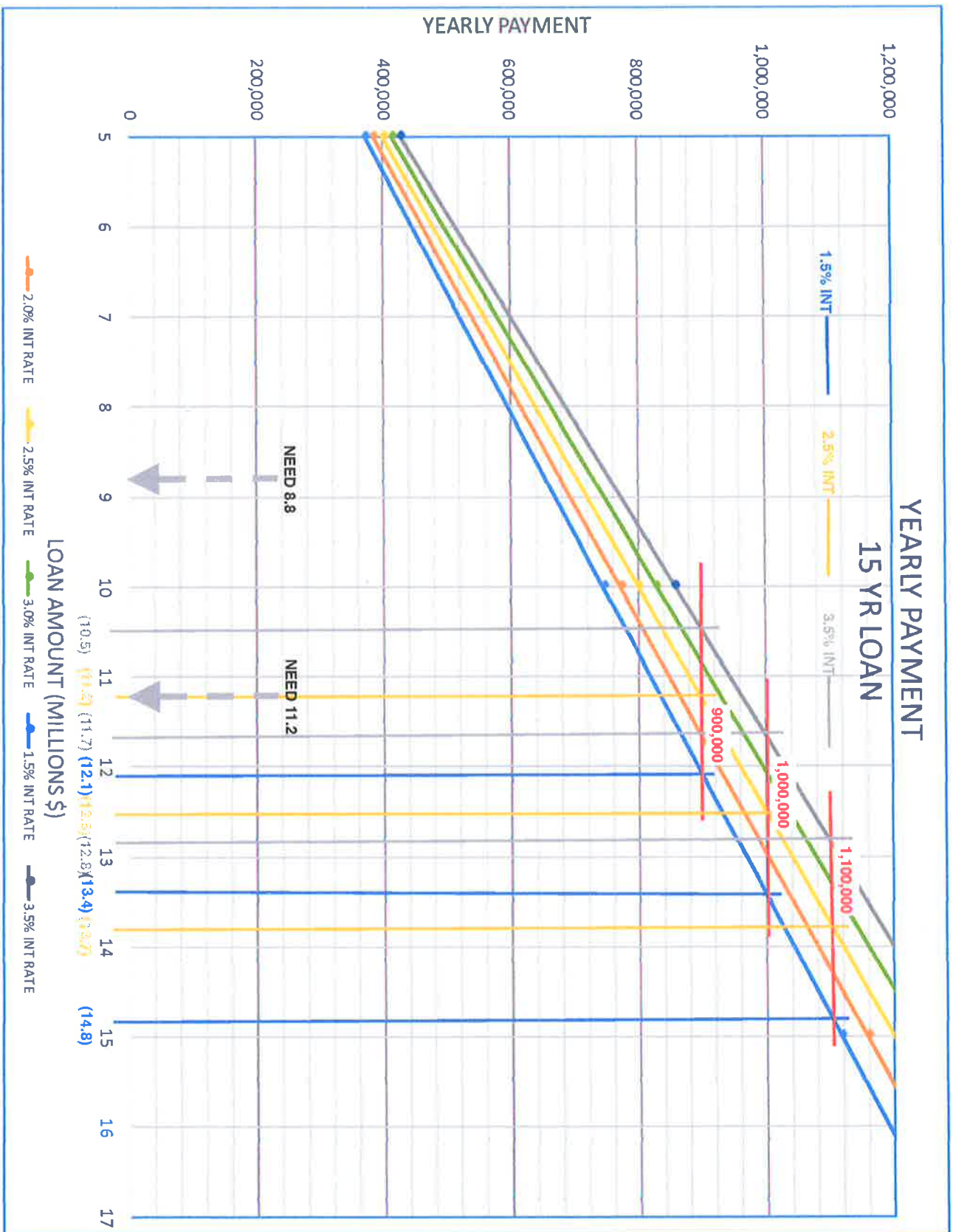
700,000

900,000

1,000,000

# YEARLY PAYMENT 20 YR LOAN





# SUMMARY

ASSUMED 11.2 MILLION \$ CIP

	15 years			20 years			30 years		
	900,000	1,000,000	1,100,000	900,000	1,000,000	1,100,000	700,000	1,000,000	1,100,000
interest									
1.5 per cent	2,	3,	3,	3+	3+	3++	3+	3++	3++
2 per cent	2,	3,	3,	3,	3+	3+	3+	3++	3++
2.5 per cent	2,	3,	3,	3,	3+	3+	3,	3++	3++
3 per cent	2,	2,	3,	3,	3,	3+	3,	3++	3++
3.5 per cent	2,	2,	3,	3,	3,	3,	3,	3++	3++

2,3,3+,3++ INDICATES THE NUMBER OF PROJECTS THAT COULD BE FUNDED

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
SPECIAL MEETING

REPORT

TUESDAY, AUGUST 23, 2022 – 10:30 AM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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ATTENDEES: Mallory Boyd, Stan Rajtora, Ty Staheli, Jason Lillion, and Renee Morquecho

**1. Call to Order**

The Finance Committee Meeting was called to order at 2:04 pm.

**2. Committee/Public Comments**

None.

**3. Rate Study**

Description: Committee to discuss rate study objectives to be incorporated in the District's next rate study.

Committee discussed objectives and goals of the Rate Study. These include; Tier Widths, Replenishment Fee Distribution, Capital Outlay, Pumping, Fixed vs Consumption Ratio, Residential vs Commercial, Landscape meters. Specifics are attached.

Staff will reach out to Mark Hildebrand of Hildebrand Consulting to check availability of attending the next Committee meeting via telephone for further discussion.

**4. Future Agenda Items**

None

**5. Adjournment**

The Committee adjourned at 3:25 pm.

## CAPITAL IMPROVEMENT PLAN PRIORITIES

1)	24" PIPELINE - SPRINGER AVE (MAHAN ST. TO COLLEGE HEIGHTS BLVD)	\$3,400,000	\$3,400,000
2)	24" PIPELINE - GATEWAY BLVD (SPRINGER AVE TO GATEWAY RESERVOIRS)	\$2,500,000	\$2,500,000
3)	RC HEIGHTS BOOSTER	\$2,500,000	<u>\$5,900,000</u>
4)	D ZONE: 0.10 MG D-ZONE RESEERVOIR	<u>\$1,000,000</u>	<u>\$8,400,000</u>
		<u>\$9,400,000</u>	

## CAPITAL IMPROVEMENT APPROACH:

CIP SPLIT INTO 2 PHASES

PHASE 1 FUNDS \$9.4 MILLION DOLLARS STARTING MID FY24

PHASE 2 FUNDS MORE THAN \$10.1 MILLION DOLLARS STARTING IN MID FY27

BUDGET PHASE 1 FOR WORSE CASE (BOND AT 4.3% INTEREST)

IMMEDIATE EFFORT TO LEARN SRF PROCESS - TRANSFER PHASE 1 TO SRF IF SUCCESSFUL

DELAY PHASE 1 SLIGHTLY IF NEEDED TO PROCEED WITH SRF

INCREASE SCOPE OF PHASE 1 TO INCLUDE PHASE 2 AS APPROPRIATE

### PHASE I - \$9.4 MILLION

	4.3% INTEREST RATE (BOND)		2.6% INTEREST RATE (SRF)	
	20 YR TERM	30 YR TERM	20 YR TERM	30 YR TERM
YRLY PYMNT	701,598	558,215	\$603,241	\$451,583
TTL PYMNT	14,031,960	16,746,450	12,064,820	13,547,490
INT PYMNT	4,631,960	7,346,450	2,664,820	4,147,490

PLAN FOR BONDING AT 4.3% MID FY 24. INCREASE DEBT SERVICE 600K, THAT SHOULD GIVE TIME TO STUDY FEASIBILITY TO SWITCH TO SRF.

BEST CASE - EXPEND \$451K OF DEBT SERVICE AUTHORIZATION

WORSE CASE - EXPEND ENTIRE \$600K OF DEBT SERVICE AUTHORIZATION

### PHASE 2 - LOAN DEPENDS ON INTEREST RATES

ASSUME NEW LOAN MID FY27

RAISE DEBT PAYMENT ADDITIONAL AMOUNT FOR TOTAL OF \$1.2 MIL

WORSE CASE - \$600K IS STILL AVAILABLE

EXAMPLE 1: BONDING AT 4.3% GIVES AT 30 YR A LOAN AMOUNT OF \$10.1 MIL

EXAMPLE 2: SRF AT 2.0% GIVES AT 30 YR A LOAN AMOUNT OF 13.5 MIL



## **TOP LEVEL STRATEGY**

SALARIES TO REMAIN COMPETITIVE – INFLATION WILL BE MITIGATED

LARGE CAPITAL INVESTMENTS PAID FOR WITH INCREASED DEBT SERVICE

LIMIT INCREASE DEBT SERVICE TO 1.2 MIL PER YR

NEED SUFFICIENT DEBT SERVICE CAPACITY TO INSURE FLEXIBILITY

PHASE 1 TO CONTAIN 4 MAJOR CAPITAL IMPROVEMENTS

PHASE 2 ADDS PROJECTS UP TO INCREASED DEBT SERVICE CEILING

PRIMARY UNKNOWNS: INTEREST RATE AND INFLATION RATE

NEED REFINED: PRE-LOAN COSTS, TOTAL COSTS, LOAN SCHEDULE

YEARLY CASH CAPITAL INVESTMENT TO BE CAPPED AT XXX MIL PER YEAR

NEGOTIATED WITH STAFF (PRELIMINARY CIP DESIGN EFFORT EXCLUDED)

RESERVES TO BE USED TO COVER EMERGENCIES PRIMARILY

AND UNKNOWNS: SGMA, ADJUDICATION, NEW WATER SUPPLY

## **TOP LEVEL STRATEGY continued**

ASSUMED YEARLY PUMPING LEVELS WILL ACCOUNT FOR NEW STATE LAWS AND SGMA (i.e., REDUCED PUMPING)

INVESTIGATE RATE INCREASES DUE TO INFLATION AND CIP SEPARATELY

WD BOARD WILL BE GIVEN MULTIPLE RATE STRUCTURE SCENARIOS

RISK ANALYSIS WILL BE PERFORMED BY MODELING IMPACT OF:

HIGHER THAN EXPECTED INFLATION

LOWER THAN ANTICIPATED WATER USAGE

## ACTIONS

- 1) ASSIGN / HIRE A SRF LEAD  
GET INTEREST RATES AND PROJECTIONS
- 2) IDENTIFY CAPITAL INVESTMENT TOP LEVEL DETAILS  
NEED REFINED: PRE-LOAN COSTS, TOTAL COSTS, LOAN SCHEDULE
- 3) SEPARATE CAPITAL INVESTMENT INTO:  
CASH CAPITAL  
LONG TERM CAPITAL INVESTMENT
- 4) ESTIMATE INDOOR PLUS OUTDOOR STATE ALLOCATIONS  
BOTH R-GPCD, UNITS PER MONTH
- 5) ESTIMATE TOTAL WATER PUMPED ANNUALLY
- 6) ESTABLISH REPLENISHMENT FEE DISTRIBUTION

## **DECISIONS:**

ASSUMED INFLATION RATE

CASH CAPITAL BUDGET

TIER 1 WIDTH

TIER 2 WIDTH

TIER 3 WIDTH

OR DO WE ELIMINATE TIER 4?

TOTAL ANNUAL PUMPING

FIXED REVENUE VERSUS COMMODITY REVENUE RATIO

WHAT BUDGET SENARIOS TO BE GIVEN TO FULL BOARD?

??????

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
SPECIAL MEETING

REPORT

THURSDAY, SEPTEMBER 1, 2022 – 2:00 PM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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ATTENDEES: Mallory Boyd, Stan Rajtora, Ty Staheli, Jason Lillion, Don Zdeba, and Renee Morquecho

**1. Call to Order**

The Finance Committee Meeting was called to order at 2:00 pm.

**2. Committee/Public Comments**

None.

**3. Rate Study**

Description: Committee to discuss rate study objectives to be incorporated in the District's next rate study.

Committee discussed objectives and goals of the Rate Study. These include; Tier Widths, Replenishment Fee Distribution, Capital Outlay, Pumping, Fixed vs Consumption Ratio, Residential vs Commercial, Landscape meters.

Mark Hildebrand of Hildebrand Consulting will attend the next Committee meeting via telephone for further discussion.

**4. Future Agenda Items**

None

**5. Adjournment**

The Committee adjourned at 3:02 pm.

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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PLANT AND EQUIPMENT COMMITTEE  
REGULAR MEETING

REPORT

TUESDAY, SEPTEMBER 6, 2022 – 2:00 PM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

---

Attendees: Chuck Griffin, Chuck Cordell, Ty Staheli, Jason Lillion, Renée Morquecho, and Don Zdeba.

**1. Call to Order**

The meeting was called to order at 2:00 pm.

**2. Committee/Public Comments**

None.

**3. Booster Station and Tanks Project: Update**

Canyon Springs Enterprises (CSE) has finished the installation of the pump cans and suction piping. They are now backfilling around both. They have been working on the installation of the communication towers at the arsenic plant 2 site and at the Gateway tank site. The Gateway Tank has been erected and the coating subcontractor is mobilizing today to begin their work tomorrow. CSE has also completed the berm around the C-zone tank. Paso Robles Tank will begin work erecting the C-zone tank in October.

**4. Arsenic Treatment Facilities: Update**

Plant No. 2 remains online. Tentatively, installation of the new underdrains at Plant No. 1 will be scheduled for November. Staff has decided to excavate/salvage the existing media due to the cost of purchasing new.

**5. Solar Production: Report**

The Committee reviewed the report provided by ENGIE Services for July 2022 through August 2022. For August, the actual savings was \$50,649.87 and the guaranteed savings was \$50,171.57. Since we just started a new fiscal year, the total savings this fiscal year is \$101,686.14. At the Well 35 site, actual savings for August was \$2,291.42 and the guaranteed savings was \$1,994.07. The total savings since the Well 35 site went online January of this year was \$17,049.56.

**6. Future Agenda Items**

None

**7. Adjournment**

The meeting was adjourned at 2:04 pm.

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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FINANCE COMMITTEE  
REGULAR MEETING

REPORT

TUESDAY, SEPTEMBER 6, 2022 – 2:30 PM  
BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

---

ATTENDEES: Mallory Boyd, Stan Rajtora, Don Zdeba, Ty Staheli, Jason Lillion, and Renee Morquecho

**1. Call to Order**

The Finance Committee Meeting was called to order at 2:30 pm.

**2. Committee/Public Comments**

None.

**3. Rate Study**

Description: Committee to discuss rate study objectives to be incorporated in the District's next rate study.

Committee discussed objectives and goals of the Rate Study with Mark Hildebrand of Hildebrand Consulting. These include; Tier Widths, Replenishment Fee Distribution, Capital Outlay, Pumping, Fixed vs Consumption Ratio, Residential vs Commercial, Landscape meters. Mark evaluated the requirements and goals and felt a December timeframe was a realistic target for presentation of final options to the Board.

Mark and Staff will prepare and coordinate data and information to present scenarios and examples at a future Finance Committee meeting.

**4. Fraud Risk Discussion**

Description: Discuss potential or actual fraud risks within the organization.

None to report.

**5. Second Quarter 2022 Investment Reports**

Description: Presentation to Committee of the quarterly investment earnings of the District's reserves in the Kern County Treasury and the State Treasury's Local Agency Investment Fund (LAIF).



**INDIAN WELLS VALLEY WATER DISTRICT  
 QUARTERLY INVESTMENT REPORT  
 QUARTER ENDING JUNE 2022**

<b>INVESTMENTS</b>	<b>UNRESTRICTED</b>	<b>RESTRICTED</b>	<b>TOTAL</b>
Cash in Bank	\$ 2,878,321	0	
Local Agency Investment Fund	1,376,842		
Kern County Treasurer	9,097,502	1,262,195	
BNY Mellon 2018 COP Project Fund		4,183,151	
Total Water District Investments	<u>\$ 13,352,664</u>	<u>\$ 5,445,347</u>	<u>\$ 18,798,011</u>

<b>RESERVES</b>	<b>DISTRICT DESIGNATED</b>	<b>RESTRICTED</b>	<b>TOTAL</b>
Capital Improvements & Replacements (Committed)	\$ 2,210,099		
Vehicle Replacement (Assigned)	350,000		
Computer Equipment Replacement (Assigned)	100,000		
Emergency Reserve (Committed)	3,148,058		
Alternate Water Supply/Future Source of Supply (Assigned)	1,680,276		
Miscellaneous Capital (Assigned for projects postponed)	1,291,153		
Customer Deposits & Credits (Nonspendable)	401,092		
Prepaid Connection Fees (Nonspendable)	408,889		
Post-Retirement Health Benefits - Kern County (Assigned)	317,916		
Emergency Reserve (Uncommitted)	3,445,182		
AD 87-1 Reserve Funds (Restricted to pay Prop 55 Loan)		510,838	
2018 COP Project Funds		4,183,151	
Capital Facility Fees		<u>751,357</u>	
Total Water District Reserves	<u>\$ 13,352,664</u>	<u>\$ 5,445,347</u>	<u>\$ 18,798,011</u>

**6. Financial Statements August 31, 2022 (preliminary)**

Description: Presentation to Committee financial reports and graphs depicting current revenue and expense trends compared to budget and previous fiscal year actuals.

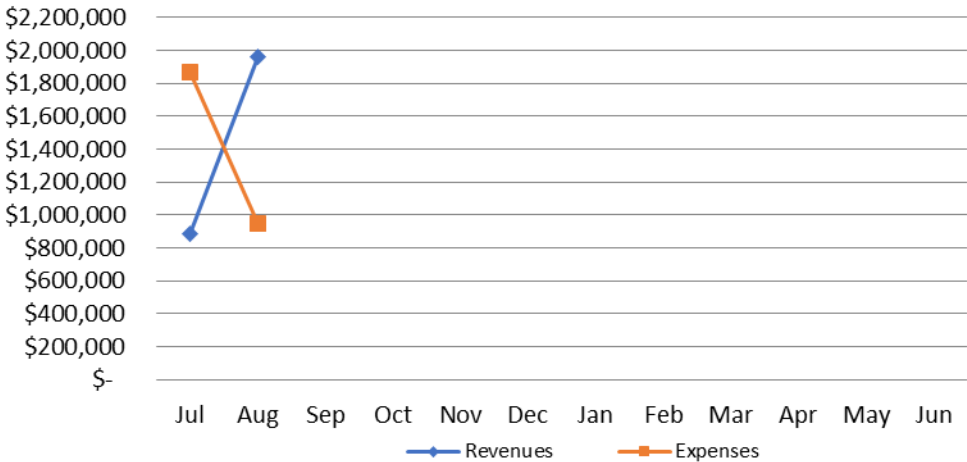
Estimated year-to-date revenues as of August 31, 2022, are \$2,853,943 and expenses are \$2,817,613, therefore revenues exceeded expenditures by \$36,330, which is better than budget by \$49,650.

Staff presented the following spreadsheet, which compares August year-to-date actual to budgeted revenues and expenses by category:

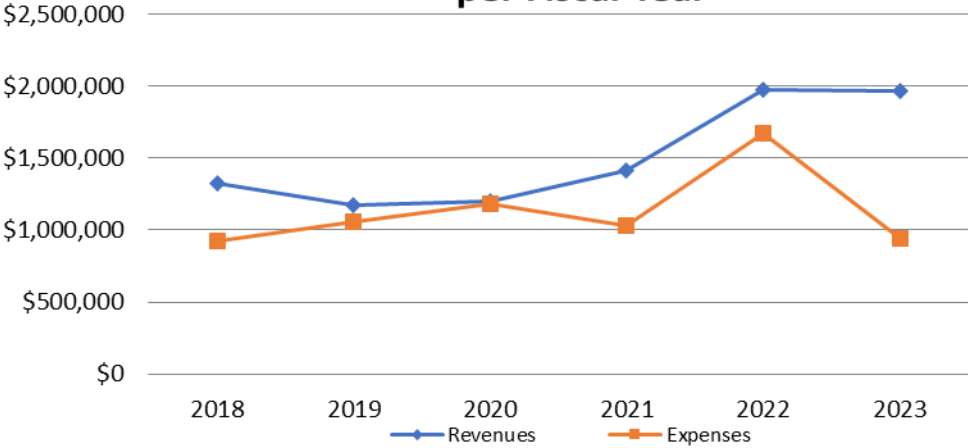
**Indian Wells Valley Water District**  
**Revenues vs. Expense**  
**Actuals & Budget through August 2022 (Preliminary)**

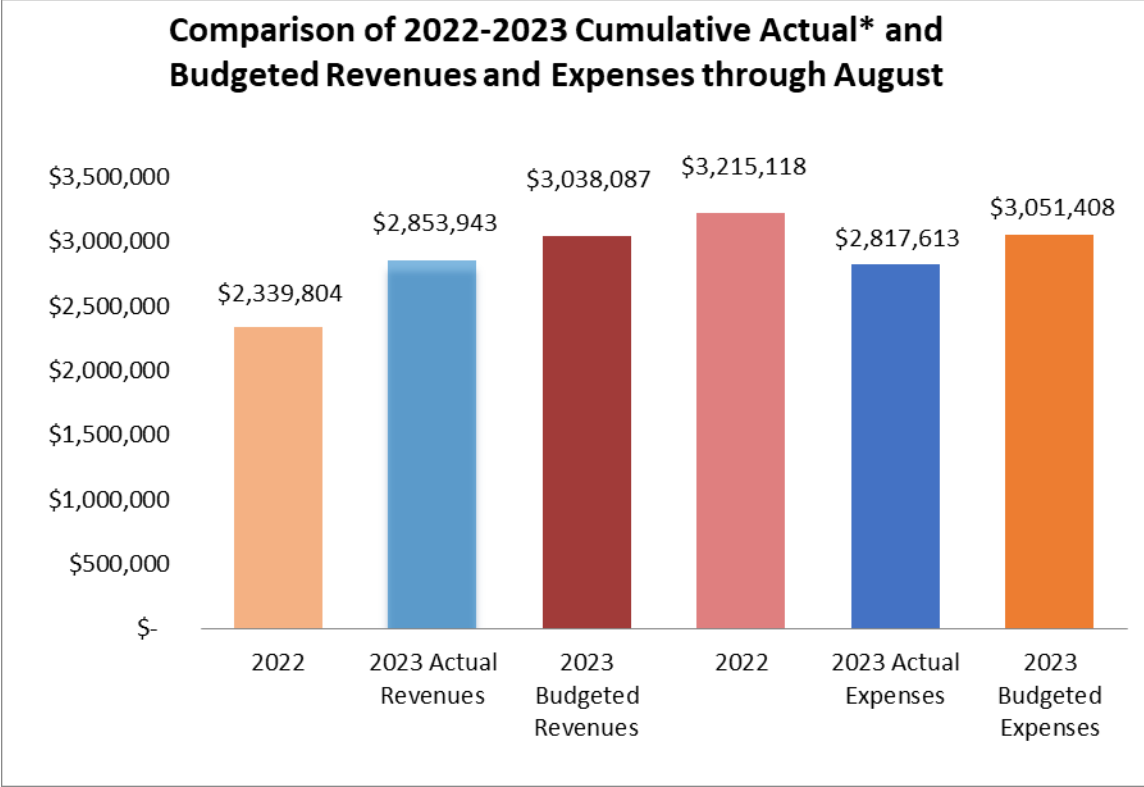
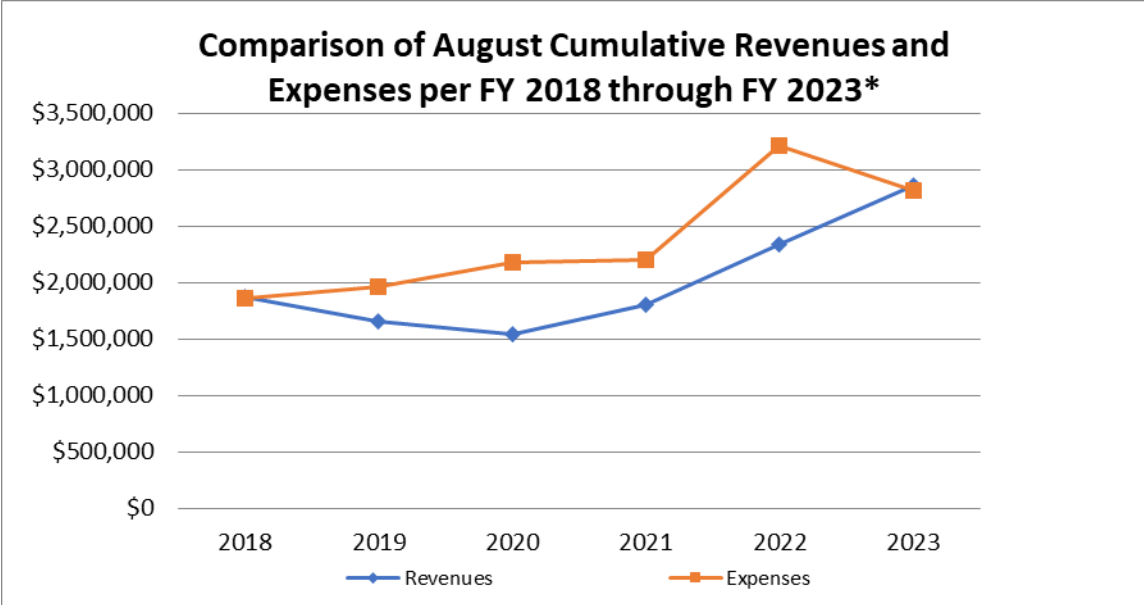
	Budget	Actuals	Δ
<b>Revenues</b>			
Total Water Sales	2,023,437	1,760,562	-262,875
GSA Fees	801,192	667,052	-134,140
Total Water Service Revenue	66,046	64,270	-1,775
Total Non-Operating Income	27,146	34,508	7,362
Capital Contributions	120,267	327,550	207,283
<b>Total Revenues</b>	<b>3,038,087</b>	<b>2,853,943</b>	<b>-184,144</b>
<b>Expenses</b>			
Water Supply	204,368	211,211	6,843
Arsenic Treatment Plants	42,661	39,051	-3,610
Transmission & Distribution	324,993	188,874	-136,119
Engineering	71,464	65,078	-6,386
Customer Service	83,298	60,168	-23,129
Field Services	87,585	64,837	-22,748
General & Administration	575,327	724,011	148,684
Legislative	19,791	17,264	-2,527
Depreciation	583,333	583,333	0
Non-Operating, Interest	234,019	206,133	-27,886
Non-Operating, Miscellaneous	43,647	126,030	82,384
GSA Fees	760,000	528,343	-231,657
Non-Operating, Conservation	5,865	0	-5,865
Non-Operating, Alternate Water	15,058	3,280	-11,778
<b>Total Expenses</b>	<b>3,051,408</b>	<b>2,817,613</b>	<b>-233,795</b>
<b>Net Revenue Increase (Decrease)</b>	<b>-13,321</b>	<b>36,330</b>	<b>49,650</b>
<b>Capital Expenditures</b>		<b>488,834</b>	
- COP Funded		378,513	
<b>Debt Service Principle</b>		<b>185,277</b>	

### Comparison of FY 2021-2022 Revenues and Expenses by Month



### Comparison of August Revenues and Expenses per Fiscal Year





\*Actual Revenues and Expenses are Estimated

**7. Urban Community Drought Relief Grant Program**

Description: Committee to discuss the release of the Department of Water Resources (DWR) draft update to the implementation guidance for the Urban Community Drought Relief Grant Program-Round 2

Staff has been active in looking at grant opportunities for the District. The Department of Water Resources has released guidelines for the Urban Community Drought Relief Program which included turf replacement as a allowable project. Unfortunately, the minimum program application is \$5 million with a 25% match. Staff believes the District would be incapable of implementing a \$6.25 million cash-for grass program as our past efforts resulted in \$260,000 in reimbursement and returning \$100,000 to the State.

**8. Accounts Payable Disbursements**

Description: Presentation to Committee of Accounts Payable Disbursements reports for Board approval.

The Committee recommended approval of accounts payable disbursements totaling \$1,412,365.65 as follows:

Checks through:	<u>8/10/22</u>	<u>8/23/22</u>
Prepaid	\$ 624,392.06	\$ 52,668.80
Current	<u>682,898.84</u>	<u>52,405.95</u>
Total	<u>\$ 1,307,290.90</u>	<u>\$ 105,074.75</u>

**9. Future Agenda Items**

None

**10. Adjournment**

The Committee adjourned at 3:43pm.

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

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ADMINISTRATION/EXECUTIVE COMMITTEE  
MEETING MINUTES

WEDNESDAY, SEPTEMBER 7, 2022 – 3:00 P.M.

BOARD ROOM  
500 W. RIDGECREST BLVD., RIDGECREST

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Attendees: Mallory Boyd, David Saint-Amand, Don Zdeba, Jason Lillion, Ty Staheli, and Renée Morquecho

**1. Call to Order**

The meeting was called to order at 3:01 p.m.

**2. Committee/Public Comments**

None.

**3. Proposed Changes to Standby Policy**

During recent transmission line breaks, many employees had to work through the night to complete tasks necessary to return the system to an operational state. To promote the level of safety the District has maintained; staff suggests an amendment be made to the current Standby Pay portion of the Personnel Manual.

The change would address incidences where an employee who works a total of 16 or more hours within a 24-hour period, which precedes a working day, would require the employee to go home at the sole discretion of their manager or designee. The employee would be compensated at their regular rate of pay for the workday which they were required to go home.

The Committee reviewed the proposed changes and recommended the Board approve the revisions to the Standby Pay portion of the Personnel Manual as presented.

**4. Discussion on Senate Bill (SB) 606 and Assembly Bill (AB) 1668**

The Water Use Efficiency Standards, which the state has been establishing for each agency will go into effect in 2023.

Don Zdeba commented the issue at hand now is SB 1157 (Hertzberg) – Indoor Residential Water Use. This bill was recently passed by the Senate and is now on Governor Newsom's desk for signature. It sets the indoor residential water use at 42 gallons per capita per day by 2035. The Association of California Water Agencies (ACWA) strongly opposes this bill and has made multiple attempts to let California state officials know the ramifications of setting such a strict statewide standard.

**5. Draft Agenda for the Regular Board Meeting of September 12, 2022**

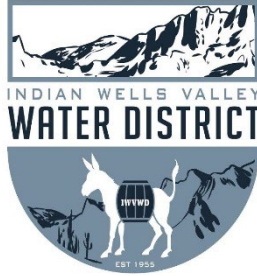
The Committee reviewed the agenda and made no changes.

**6. Future Agenda Items**

None.

**7. Adjournment**

The meeting was adjourned at 3:14 p.m.



# Approval of Minutes



MINUTES OF THE REGULAR BOARD MEETING

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

AUGUST 8, 2022

The Regular Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Saint-Amand 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 Jim Worth. **PLEDGE**

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

**DIRECTORS ABSENT:** None

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

**AGENDA DECLARATION** **AGENDA DECLARATION**  
Recording Secretary, Lauren Smith, reported that the agenda for tonight's Regular Board Meeting and Public Hearing was posted on Thursday, August 4, 2022.

**CONFLICT OF INTEREST DECLARATION** **CONFLICT OF INTEREST**  
President 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** **PUBLIC COMMENTS**  
The Board heard public comment from Mike Neel and Renee Westa-Lusk.

**PRESENTATION: TRANSPARENCY CERTIFICATE OF EXCELLENCE AND DISTRICT OF DISTINCTION** **PRESENTATION: CERTIFICATES SDLF**  
Cole Karr, California Special District Association (CSDA) Field Representative, virtually presented the Board of Directors with the Transparency Certificate of Excellence and District of Distinction Certificate.

**PUBLIC HEARING: PUBLIC HEALTH GOALS REPORT** **PUBLIC HEARING: PUBLIC HEALTH GOALS REPORT**  
President Saint-Amand opened the Public Hearing to discuss the Public Health Goals Report.

The Board discussed the Public Health Goals Report and made no revisions.

The Board heard public comment from Renee Westa-Lusk.

President Saint-Amand closed the Public Hearing.

MOTION: was made by Director Griffin and seconded by Vice President Boyd to accept the Public Health Goals Report. Motion was carried, unanimously, by the following roll call vote:

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

**CONSENT CALENDAR**

**CONSENT CALENDAR**

MOTION: was made by Vice President Boyd and seconded by Director Rajtora approving the Minutes of the July 11, 2022, Regular Board Meeting, Minutes of the July 14, 2022, Special Board Meeting, Minutes of the July 27, 2022, Special Board Meeting Workshop, payment of Accounts Payable totaling \$1,995,767.77, and Resolution No. 22-10: AB 361 Finding. Motion was carried, unanimously, by the following roll call vote:

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

**PLANT & EQUIPMENT COMMITTEE**

**P&E CM: DEDICATION OF FACILITIES: MOJAVE VIEW APTS**

Water facilities have been installed off North Norma Street to serve the Mojave View apartments. Construction has been completed except for the installation of valve cans. Disinfection and pressure testing were completed, and clear bacteriological sample results received. The last tie-in was done July 19<sup>th</sup> that essentially completed the construction. Staff recommended the Board accept the dedication of the new water facilities.

MOTION: was made by Director Griffin and seconded by Vice President Boyd accepting the dedication of the new water facilities for Mojave View apartments. Motion was carried, unanimously, by the following roll call vote:

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

**2022 COMMITTEE ASSIGNMENTS**

**2022 COMMITTEE ASSIGNMENTS**

Jim Worth provided an overview of the memorandum regarding the Committee assignments.

At the July 27, 2022, Board Workshop the issue of changing Committee

Assignments mid-year was discussed and compared to the formation of an Ad-Hoc Committee. Specifically, Director Rajtora requested to be placed on an Ad-Hoc Committee to work on the upcoming Rate Study or be placed on the Finance Committee which has jurisdiction over Rates, Cost-of-Service, etc.

The decision is at the discretion of the Board President. President Saint-Amant agreed with allowing Director Rajtora to replace Director Cordell on the Finance Committee and not creating an Ad-Hoc Committee at this time.

**INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (IWVGA)**

**IWVGA**

Director Rajtora commented on the July 13, 2022, and July 22, 2022, Board meetings of the IWVGA including:

- Next IWVGA Board Meeting is scheduled for August 10, 2022
- Board authorized award of contract for Imported Water Alignment Study to Provost & Pritchard Consulting Group in the amount of \$449,100.00
- Board authorized release of Request for Bids for Monitoring Wells Drilling Services
- Letter of intent to purchase water assets was approved
- Board authorized the Water Resources Manager, Stetson Engineers, to prepare a Water Recycling Feasibility Study for the United States Bureau of Reclamation Funding
- Annual Report release process has still not been discussed
- The need for planning and budgeting tools to be implemented
- Finance Advisor, Wulff, Hansen & Co., is recommending the Imported Water Bonding be privately bonded
- Still no validated method to measure change in groundwater storage, thus being unable to calculate recharge or overdraft

The Board heard public comment from Mike Neel, Judie Decker, and Renee Westa-Lusk.

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

**COMPREHENSIVE  
ADJUDICATION**

- All the Cases have been assigned to Judge Claster in the Orange County Complex division, except for the cases assigned through the judicial council
- Judge granted a stay of discovery in the adjudication matters for 180 days
- A Case Management Conference has been scheduled for December 2, 2022; 1:30 p.m.

Don Zdeba provided an update on actions taken since the DWR Facilitation Meeting held on May 17, 2022, and steps going forward. A second public meeting will be held where the consultants may provide feedback from the stakeholder assessments conducted. A date has not yet been determined.

The Board heard public comment from Mike Neel.

**GENERAL MANAGER AND STAFF UPDATE**

Don Zdeba updated the safety record to 474 consecutive days without a recordable injury.

Metered water production at the wells for the month of July was 211,499,100 gallons (649.1 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 202,440,000 gallons (621.3 acre-feet).

Beginning with the month of June there was a requirement from the State Board to submit a preliminary report with consumption, population, and R-gpcd by the third business day of the month. The preliminary report was submitted August 1<sup>st</sup>. The full report is still required by the 28<sup>th</sup> of the month. District's full report was submitted on August 4<sup>th</sup>.

The conservation results for July show consumption down 35.0% compared to July 2013. The 20% conservation target established by the Board of Directors took effect June 2016. Since that time, the cumulative result is 23.3%.

In response to Governor Newsom's request for a voluntary 15% reduction to address current drought conditions, SWRCB is also comparing current water consumption to the same month in 2020. Comparing July 2020 to July 2022, there is a 6.4% reduction in consumption.

Comparing the July conservation results in recent years, 2021 was 26.5% lower than the 2013 baseline year, 2020 was 30.6% lower, 2019 was 37.5% lower, and 2018 was 26.2% lower. The residential gallons for capita per day (R-gpcd) for the month of July was 160.6. This includes both indoor and outdoor usage.

There were no new connections added during the month of July, the first month of the new fiscal year, so no contributions were made to the Capital Facility Fees.

Mr. Zdeba reported he attended the August 2<sup>nd</sup> Community Collaborative meeting and shared information on agenda items from the July 27<sup>th</sup> Board Workshop. In particular, the District received the final report on the 10-year Financial Analysis and the District would be undertaking a new Cost of Service Analysis to determine a rate structure to support ongoing operations.

Mr. Zdeba was the guest speaker at the July 20<sup>th</sup> Rotary Club meeting during which he highlighted Executive Order N-7-22 and the resulting State Water Resources Control Board (SWRCB) Emergency Water Conservation Regulations, Board adoption of the 2020 Water General Plan, the 10-year Financial Analysis and upcoming Cost of Service Analysis, status of the Department of Water Resources Facilitation Services, and promoted the WaterSmart Customer Portal.

Staff continues to work with Providence Strategic Consulting to promote WaterSmart. Staff did see an increase in accounts late July, but that total number has dropped a bit as of last week. At present, 11.5% of the District's customers have WaterSmart accounts. There

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

**PUBLIC  
OUTREACH**

were 1,980 customer alerts issued in July and 12,139 in the past 12 months. This is about a third of the 35,884 leaks detected during this time, so two thirds of the leaks have occurred with unregistered accounts. Staff does review detected abnormal usage where customers are not registered with WaterSmart and reach out to those customers to encourage them to investigate the cause. This is the driver behind the outreach campaign staff has undertaken.

Staff has worked with Providence on messaging for one of the two billboards the District leases to promote registering with WaterSmart.

The following updates were given on items assigned at the January 27, 2022, Special Board Workshop: BOARD WORKSHOP UPDATES

- **Potential Strategic Planning Efforts** - Vice President Boyd previously recommended a set item on either Board or Finance Committee agendas exploring plausible future scenarios and how the District would financially handle those scenarios. After discussion, Vice President Boyd suggested to postpone this agenda item until after the election or calendar year, as the timeline does not allow for a properly vetted strategic planning effort prior to the Rate Study. Staff will continue to work with K&S to develop a prioritized list of projects which must be completed as well as developing a risk analysis of potential consequences if a project is deferred or removed from the list.

Canyon Springs Enterprises (CSE) has installed the pump cans for the Gateway/Salisbury booster station and completed concrete encasements. The next step will be installation of the suction piping. The Gateway Tank is almost complete and CSE has requested final inspection the week of August 15th. CSE has also begun work on the berm around the C-zone tank and will soon start earthwork at the College Tank site. BOOSTER STATIONS AND TANKS PROJECT

Ty Staheli reported that the estimated year-to-date revenues as of July 31, 2022, are \$1,315,014 and expenses are \$849,826. Revenues exceeded expenditures by \$465,189, which exceeds budget by \$810,587. FINANCIAL STATUS

Mr. Staheli reviewed the report provided by ENGIE Services for July 2020 through July 2022 with the Board. For July, the actual savings was \$51,036.27 and the guaranteed savings \$49,393.18. Since we just started a new fiscal year, the total savings thus far is \$51,036.27. At the Well 35 site, the actual savings for July was \$2,393.94 and guaranteed was \$2,005.18. The total savings since the Well 35 site went online January 2022 was \$14,758.14. SOLAR PRODUCTION

Mr. Staheli reported on the following conservation items: CONSERVATION  
State Water Resources Control Board (SWRCB) Water Waster Report - So far in 2022, there have been a total of 44 water waste reports received with 44 contacts made. There has been five formal Second Notices and zero penalties issued.

For the month of July, Plant 2 treated 16,267,000 gallons. The District remains in contact with Pureflow for the scheduling of the replacement of the underdrain system with the new stainless steel underdrains as well as installation of the media upon completion. Staff is currently targeting late October, early November. The District also plans to recoat the roofs of both plants with a Fibrated Elastomeric coating, to give the roofs a protective layer. ARSENIC TREATMENT

Mr. Lillion reported for the month of July, six services were repaired and 29 were replaced. The efficiency of the NO-DES truck has afforded the District the ability to lengthen the duration of time between flushes. This has allowed staff to clear July and August of any flushing, providing more manpower to respond to the increased number of leaks in the summer months. Since inception, the NO-DES truck has filtered 8,542,475 gallons. 93 valves were exercised, 543 year-to-date. OPERATIONS

**BOARD COMMENTS/FUTURE AGENDA ITEMS**

**BOARD  
COMMENTS**

Director Cordell commented on working along with the IWVGA and the District's representation on their Board.

President Saint-Amand thanked the staff for their reports this evening and for their efforts they have undertaken to help the District achieve both SDLF certifications.

With no further Board or Public comments, President Saint-Amand recessed the meeting and adjourned to Closed Session at 7:27 p.m.

**CLOSED SESSION**

**CLOSED  
SESSION**

The meeting was reconvened in Closed Session at 7:40 p.m.

Closed Session was adjourned at 8:51 p.m.

The meeting was reconvened to Open Session at 8:56 p.m.

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

**ADJOURNMENT**

**ADJOURNMENT**

With no further business to come before the Board, the meeting was adjourned at 8:56 p.m.

Respectfully submitted,

Lauren Smith  
Recording Secretary

**APPROVED:** \_\_\_\_\_

MINUTES OF THE SPECIAL BOARD MEETING

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

AUGUST 11, 2022

The Special Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Saint-Amand at 10:45 a.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 David C.H. Saint-Amand  
Director Charles F. Cordell  
Director Charles D. Griffin  
Director Stan G. Rajtora  
Vice President Mallory J. Boyd **ROLL CALL**

DIRECTORS ABSENT: None.

STAFF PRESENT: Lauren Smith, Recording Secretary

VIA TELECONFERENCE: Jim Worth, Attorney

**AGENDA DECLARATION**

Recording Secretary, Lauren Smith, reported that the agenda for today's Special Board Meeting was posted on Wednesday, August 10, 2022. **AGENDA DECLARATION**

**CONFLICT OF INTEREST DECLARATION**

President 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**

**BOARD COMMENTS/FUTURE AGENDA ITEMS**

None. **BOARD COMMENTS**

With no further Board or Public comments, President Saint-Amand recessed the meeting and adjourned to Closed Session at 10:47 a.m.

**CLOSED SESSION**

The meeting was reconvened in Closed Session at 10:50 a.m. **CLOSED SESSION**

Closed Session was adjourned at 12:50 p.m.

The meeting was reconvened to Open Session at 12:53 p.m.

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

**ADJOURNMENT**

**ADJOURNMENT**

With no further business to come before the Board, the meeting was adjourned at 12:53 p.m.

Respectfully submitted,

Lauren Smith  
Recording Secretary

**APPROVED:** \_\_\_\_\_



MINUTES OF THE SPECIAL BOARD MEETING

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

AUGUST 18, 2022

The Special Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Saint-Amand at 8:00 a.m. in the Board of Directors Hearing Room, 500 West Ridgecrest Boulevard, Ridgecrest, California. **CALL TO ORDER**

The Pledge of Allegiance was led by Ty Staheli. **PLEDGE**

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

**DIRECTORS ABSENT:** None.

**STAFF PRESENT:** Don Zdeba, General Manager  
Jason Lillion, Operations Manager  
Ty Staheli, Chief Financial Officer  
Reneé Morquecho, Chief Engineer  
Lauren Smith, Recording Secretary

**VIA TELECONFERENCE:** Jim Worth, Attorney

**AGENDA DECLARATION**

Recording Secretary, Lauren Smith, reported that the agenda for today's Special Board Meeting was posted on Tuesday, August 16, 2022. **AGENDA DECLARATION**

**CONFLICT OF INTEREST DECLARATION**

President 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**

None. **PUBLIC COMMENTS**

**FINANCE COMMITTEE**

Director Rajtora and Vice President Boyd provided a brief recap of the discussion held at the August 16, 2022, Special Finance Committee meeting. The Board also reviewed a prioritized list provided by Krieger & Stewart (K&S) and reviewed by staff. (See attachments). **FINANCE CM: RATE STUDY**

The Committee plans to hold another special meeting next week and asked the Board for their input on the list of prioritized Capital Improvement Projects. Further updates will be provided as necessary.

With no further Board or Public comments, President Saint-Amand recessed the meeting and adjourned to Closed Session at 8:36 a.m.

**CLOSED SESSION**

The meeting was reconvened in Closed Session at 8:45 a.m.

**CLOSED  
SESSION**

Closed Session was adjourned at 9:37 a.m.

The meeting was reconvened to Open Session at 9:41 a.m.

The Board met with staff, legal counsel, and consultants and authorized the consultants to begin negotiations with one of the applicants for the General Manager position.

**ADJOURNMENT**

With no further business to come before the Board, the meeting was adjourned at 9:42 a.m.

**ADJOURNMENT**

Respectfully submitted,

Lauren Smith  
Recording Secretary

**APPROVED:** \_\_\_\_\_

**INDIAN WELLS VALLEY WATER DISTRICT  
CAPITAL IMPROVEMENT PROJECT PRIORITIZATION**

- 1. B Zone: 24" Springer Avenue Transmission Pipeline (from Mahan St. to College Heights Blvd.)**
  - a. **Estimated Cost** (2021 dollars) = \$3,400,000
  - b. **Benefits of Project:**

Eliminates the overpressurization of Upjohn Ave. and Downs St. when filling the Gateway & Springer Reservoirs with 2 southwest well pumping plants.  
Allows the Gateway and Springer Reservoirs to float more closely with the Ridgecrest Heights Reservoir.
  - c. **Effects of postponing project:**

Continued high pressures at Upjohn Ave. and Downs St.  
Problems filling the Gateway, Springer and Kendall Reservoirs during high demand periods.
  
- 2. B Zone: 24" Gateway Boulevard Transmission Pipeline (from Springer Avenue to Gateway Reservoirs)**
  - a. **Estimated Cost** (2021 dollars) = \$2,500,000
  - b. **Benefits of Project:**

Allows for the operation of all southwest wells without overpressurizing Upjohn Ave. and Downs St.  
Allows the Gateway Reservoirs to float more closely with the Ridgecrest Heights and Springer Reservoirs.
  - c. **Effects of postponing project:**

Continued high pressures at Upjohn Ave. and Downs St.  
Problems filling or maintaining level in the Gateway Reservoirs during high demand periods.
  
- 3. Ridgecrest Heights Booster Replacement**
  - a. **Estimated Cost** (2021 dollars) \$2,500,000
  - b. **Benefits of Project:**

Provides west side support and redundancy to C-Zone during a catastrophic event
  - c. **Effects of postponing project:**

Limits the feed of all zones from C-E to the booster at Gateway
  
- 4. A and B Zones: Bowman Pressure Reducing Station (at the Bowman Reservoir Site)**
  - a. **Estimated Cost** (2021 dollars) = \$125,000
  - b. **Benefits of Project:**

Allows for the utilization of the Southwest Well Field for supplementing demand in the A Zone.  
Allows for the utilization of B-Zone supplemental storage for emergency storage in the A Zone.
  - c. **Effects of postponing project:**

Reduced available emergency storage in the A-Zone.  
Reduced available supply in the A-Zone.
  
- 5. A Zone: 30" Bowman Road Transmission Pipeline (from Brady Street to China Lake Boulevard)**
  - a. **Estimated Cost** (2021 dollars) = \$5,400,000
  - b. **Benefits of Project:**

Helps float the Kendall and Bowman Reservoirs by allowing the more flow to exit the Bowman Reservoirs.
  - c. **Effects of postponing project:**

May have issues with filling Kendall during high demand conditions.  
May have issues with turnover in the Bowman Reservoirs during low demand conditions.
  
- 6. D Zone: 0.10 MG D-Zone Reservoir**
  - a. **Estimated Cost** (2021 dollars) = \$1,000,000
  - b. **Benefits of Project:**

Provides redundancy in storage for tank maintenance and emergencies.
  - c. **Effects of postponing project:**

One storage tank limits ability to perform maintenance and exposes D-Zone to potential water issues from another seismic event.
  
- 7. A Zone: Well Replacement (Due in 2024)**
  - a. **Estimated Cost** (2021 dollars) = \$2,000,000
  - b. **Benefits of Project:**

Required to meet demands in the A Zone.
  - c. **Effects of postponing project:**

Project may be postponed if well is still operational or as long as the Southwest Well Field is producing enough water to make up for the

**INDIAN WELLS VALLEY WATER DISTRICT  
CAPITAL IMPROVEMENT PROJECT PRIORITIZATION**

**8. A Zone: Well Replacement (Due for replacement between 2026-2035)**

- a. Estimated Cost (2021 dollars) = \$2,000,000
- b. Benefits of Project:  
Required to meet demands in the A-Zone.
- c. Effects of postponing project:  
Project may be postponed if wells are still operational, or as long as the Southwest Well Field is producing enough water to make up for the loss.

**9. A and B Zones: (2 A Zone 1 B Zone Well Replacements (Due for replacement between 2036-2040)**

- a. Estimated Cost (2021 dollars) = \$5,300,000
- b. Benefits of Project:  
Required to meet demands in the A and B Zones.
- c. Effects of postponing project:  
Project may be postponed if wells are still operational.

**10. A Zone: Well Replacements (2 Due for replacement between 2041-2045)**

- a. Estimated Cost (2021 dollars) = \$3,500,000
- b. Benefits of Project:  
Required to meet demands in the A-Zone.
- c. Effects of postponing project:  
Project may be postponed if wells are still operational.

**11. A Zone: 24" Bowman Road Pipeline (from Brady Street to new A-4 Reservoir), 3MG A-4 Reservoir**

- a. Estimated Cost (2021 dollars) = \$12,000,000
- b. Benefits of Project:  
Construction of the A-4 reservoir will bring the available storage in the A-Zone to the District's Optimal Emergency Storage (24 hrs. of maximum day demand)
- c. Effects of postponing project:

Existing 19 hours of emergency storage in the A-Zone will be less than Optimal (24 hours) but more than the Minimum (12 hours). Since the minimum allowable emergency storage is exceeded, this project is considered optional.

## **TOP LEVEL STRATEGY**

**SALARIES TO REMAIN COMPETITIVE – INFLATION WILL BE MITIGATED**

**LARGE CAPITAL INVESTMENTS PAID FOR WITH INCREASED DEBT SERVICE**

**LIMIT INCREASE DEBT SERVICE TO 0.9, 1.0, OR 1.1 MIL PER YR**

**NEED SUFFICIENT DEBT SERVICE CAPACITY TO INSURE FLEXIBILITY**

**NEED BOARD'S PREFERENCE (POSSIBLE EARLY TRADE SCENARIO)**

**COMMIT TO MINIMUM OF ONE MAJOR CAPITAL IMPROVEMENT**

**OBJECTIVE: 1 OR MORE ADDITIONAL CAPITAL IMPROVEMENTS**

**PRIMARY UNKNOWN: INTEREST RATE AND INFLATION RATE**

**DO WE GO FOR 2023 INTEREST RATES OR DEFER TO 2024 RATES?**

**WE NEED CAPITAL INVESTMENT PRIORITIES**

**NEED REFINED: PRE-LOAN COSTS, TOTAL COSTS, LOAN SCHEDULE**

## **TOP LEVEL STRATEGY *continued***

YEARLY CASH CAPITAL INVESTMENT TO BE CAPPED AT XXX MIL PER YEAR  
NEGOTIATED WITH STAFF (PRELIMINARY CIP DESIGN EFFORT EXCLUDED)

RESERVES TO BE USED TO COVER EMERGENCIES PRIMARILY  
AND UNKNOWNNS: SGMA, ADJUDICATION, NEW WATER SUPPLY

PUMPING LEVELS WILL ACCOUNT FOR NEW STATE LAWS AND SGMA (i.e.,  
REDUCED PUMPING)

INVESTIGATE RATE INCREASES DUE TO INFLATION AND CIP SEPARATELY  
WD BOARD WILL BE GIVEN MULTIPLE RATE STRUCTURE SCENARIOS

RISK ANALYSIS WILL BE PERFORMED BY MODELING IMPACT OF:  
HIGHER THAN EXPECTED INFLATION  
LOWER THAN ANTICIPATED WATER USAGE

## CAPITAL IMPROVEMENT PLAN PRIORITIES

1)	24" PIPELINE - SPRINGER AVE (MAHAN ST. TO COLLEGE HEIGHTS BLVD)	\$3,400,000		
2)	24" PIPELINE - GATEWAY BLVD (SPRINGER AVE TO GATEWAY RESERVOIRS)	\$2,423,000	\$2,423,000	\$2,423,000
3)	RC HEIGHTS BOOSTER	\$2,500,000	\$2,500,000	\$2,500,000
4)	BOWMAN PRESSURE REDUCING STATION	\$125,000	\$125,000	\$5,823,000
5)	30" PIPELINE - BOWMAN ROAD (BRADY TO CHINA LAKE BLVD)	\$5,381,000	\$8,448,000	<u>\$8,323,000</u>
		<u>\$13,829,000</u>		

## ACTIONS

- 1) ASSIGN / HIRE A SRF LEAD  
GET INTEREST RATES AND PROJECTIONS
- 2) IDENTIFY CAPITAL INVESTMENT PRIORITIES  
NEED REFINED: PRE-LOAN COSTS, TOTAL COSTS, LOAN SCHEDULE
- 3) SEPARATE CAPITAL INVESTMENT  
CASH CAPITAL  
LONG TERM CAPITAL INVESTMENT
- 4) ESTIMATE INDOOR PLUS OUTDOOR STATE ALLOCATIONS  
BOTH R-GPCD, UNITS PER MONTH
- 5) ESTIMATE TOTAL WATER PUMPED
- 6) ESTABLISH REPLENISHMENT FEE DISTRIBUTION



## **DECISIONS:**

DEBT SERVICE INCREASE

ASSUMED INFLATION RATE

CAPITAL INVESTMENT PRIORITY

CASH CAPITAL BUDGET

TIER 1 WIDTH

TIER 2 WIDTH

TIER 3 WIDTH

OR DO WE ELIMINATE TIER 4?

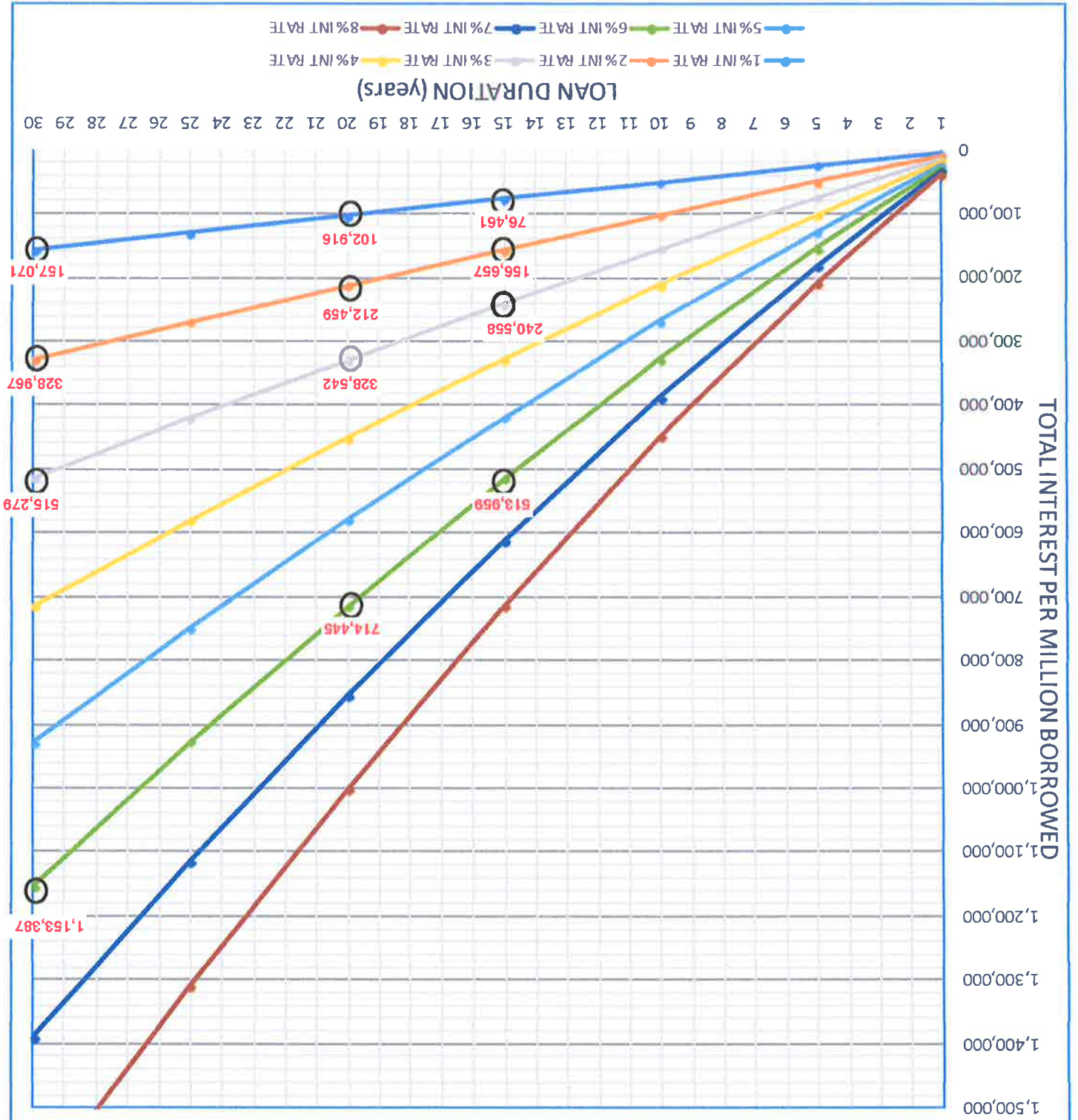
TOTAL PUMPING

FIXED REVENUE VERSUS COMMODITY REVENUE RATIO

WHAT BUDGET SENARIOS TO BE GIVEN TO FULL BOARD?

????????

### INTEREST RATE COMPARISON FOR 1 MILLION \$ LOAN

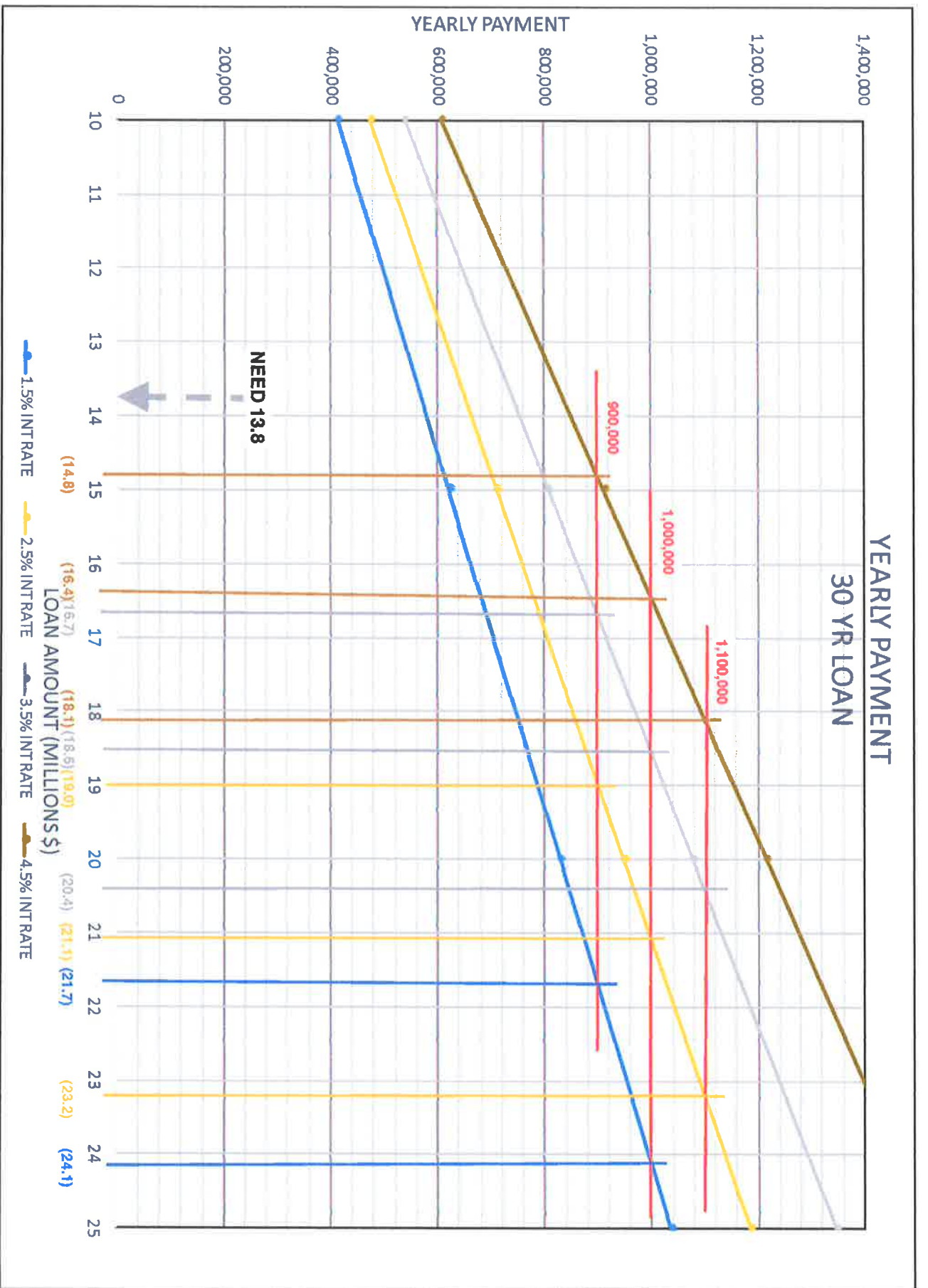


## REPAYMENT OF A ONE MILLION DOLLAR LOAN

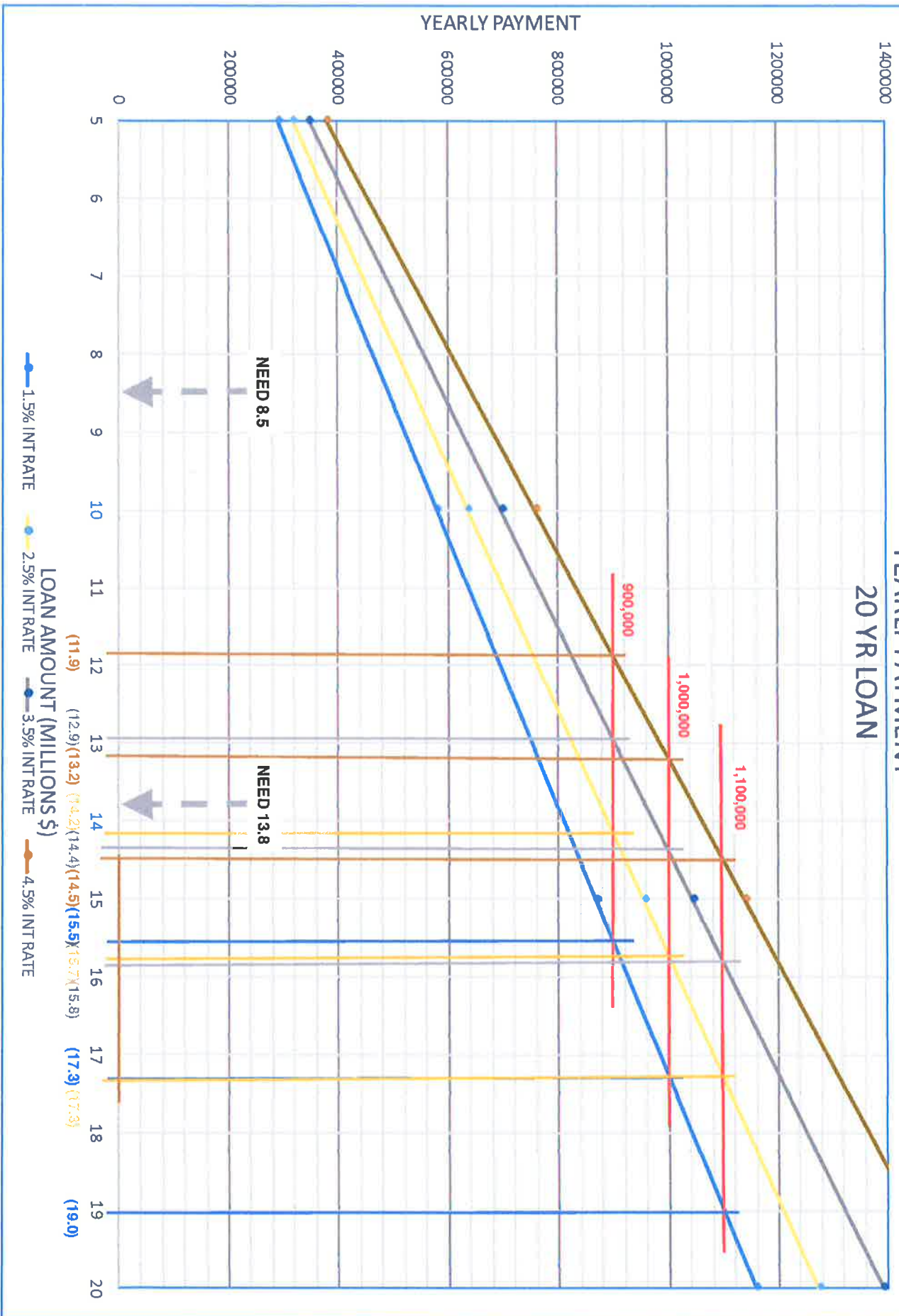
PAYMENT SCENARIO COMPARING 30 YR LOAN TO A 15 YR LOAN								
	6% LOAN	3% LOAN	2% LOAN	1% LOAN				
	TOTAL PYMNT	PYMNT/YR	TOTAL PYMNT	PYMNT/YR	TOTAL PYMNT			
	PYMNT/YR	TOTAL PYMNT	PYMNT/YR	TOTAL PYMNT	PYMNT/YR			
TOTAL PAYMENT - 30 YR	2,153,387	71,780	1,515,279	50,509	1,328,967	44,299	1,157,071	38,569
TOTAL PAYMENT - 15 YR	1,513,959	100,931	1,240,558	82,704	1,156,657	77,110	1,076,461	71,764
ADDED COST	639,428		274,721		172,310		80,610	
YRLY PYMNT REDUCTION		29,151		32,195		32,812		33,195

PAYMENT SCENARIO COMPARING 20 YR LOAN TO A 15 YR LOAN								
	6% LOAN	3% LOAN	2% LOAN	1% LOAN				
	TOTAL PYMNT	PYMNT/YR	TOTAL PYMNT	PYMNT/YR	TOTAL PYMNT			
	PYMNT/YR	TOTAL PYMNT	PYMNT/YR	TOTAL PYMNT	PYMNT/YR			
TOTAL PAYMENT - 20 YR	1,714,445	85,722	1,328,542	66,427	1,212,459	60,623	1,102,916	55,146
TOTAL PAYMENT - 15 YR	1,513,959	100,931	1,240,558	82,704	1,156,657	77,110	1,076,461	71,764
ADDED COST	200,486		87,984		55,802		26,455	
YRLY PYMNT REDUCTION		15,208		16,277		16,488		16,618

**CONCLUSION: 20 AND 30 YEAR LOW INTEREST LOANS SAVE DEBT SERVICE CAPACITY!!**



# YEARLY PAYMENT 20 YR LOAN



1.5% INT RATE

2.5% INT RATE

3.5% INT RATE

4.5% INT RATE

LOAN AMOUNT (MILLIONS \$)

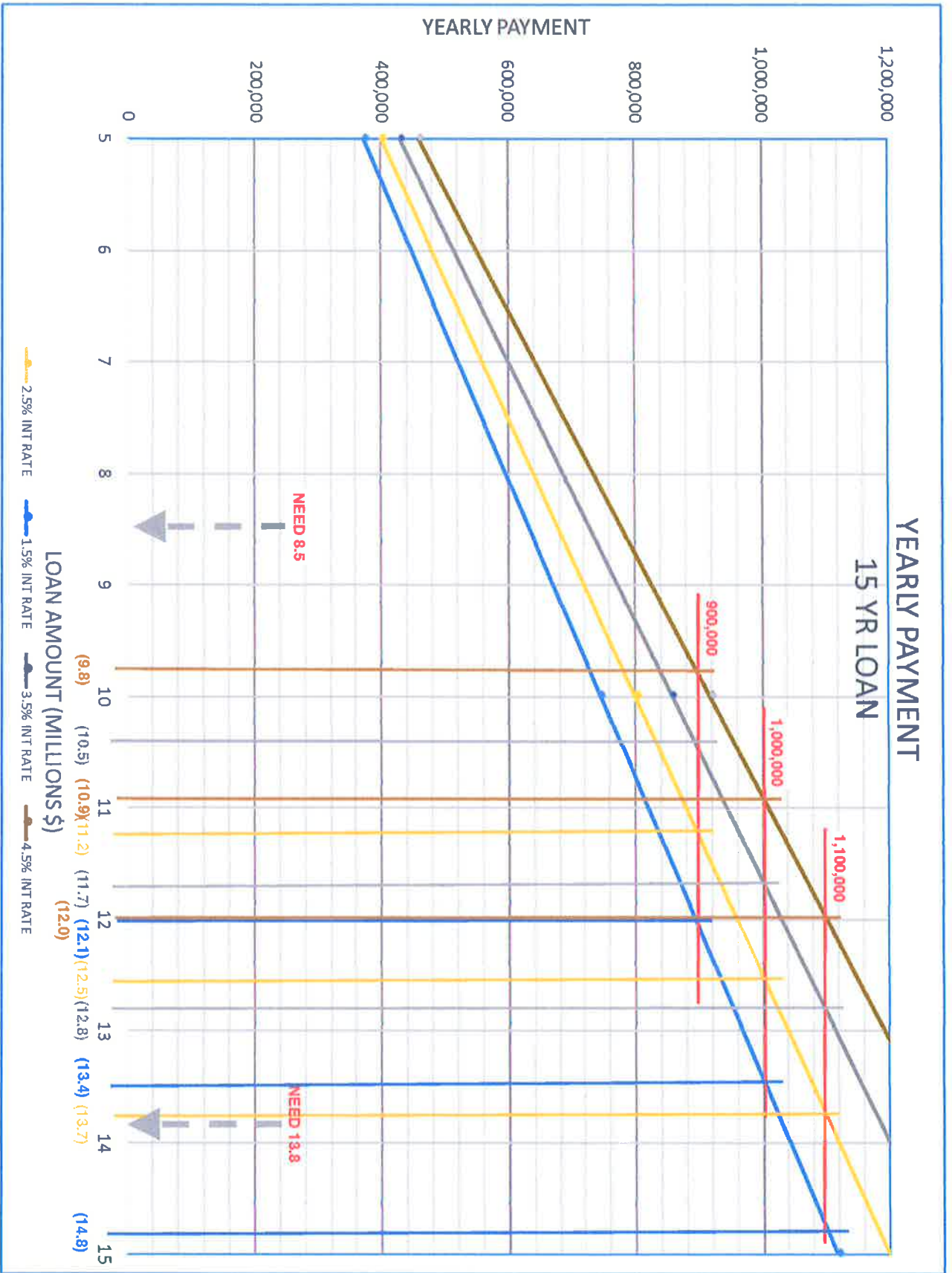
(11.9) (12.9) (13.2) (14.2) (14.4) (14.5) (15.5) (15.7) (15.8) (17.3) (17.3) (19.0)

NEED 8.5

NEED 13.8

YEARLY PAYMENT

20 YR LOAN



# SUMMARY

	15 YEAR LOAN			20 YEAR LOAN			30 YEAR LOAN		
	PAYMENT			PAYMENT			PAYMENT		
	900,000	1,000,000	1,100,000	900,000	1,000,000	1,100,000	900,000	1,000,000	1,100,000
interest	12.1M	13.4M	14.8M	15.5M	17.3M	19.0M	21.7M	24.1M	26.6M
1.5 per cent	4 PROJECTS	4 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS
2.5 per cent	11.2M,	12.5M	13.7M	14.2M	15.7M	17.3M	19.0M	21.1M	23.2M
	4 PROJECTS	4 PROJECTS	4 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS
3.5 per cent	10.5M	11.7M	12.8M	12.9M	14.4M	15.7M	16.7M	18.6M	20.4M
	4 PROJECTS	4 PROJECTS	4 PROJECTS	4 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS
4.5 per cent	9.8M	10.9M	12.0M	11.9M	13.2M	14.5M	14.8M	16.4M	18.1M
	4 PROJECTS	4 PROJECTS	4 PROJECTS	4 PROJECTS	4 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS	5 PROJECTS

THE STAFF SUGGESTED 5 PROJECTS REQUIRE A \$13.8 MILLION LOAN

ALL PROPOSED 5 PROJECTS CAN BE FUNDED WITH A 30 YEAR LOAN AT THE LOWEST SUGGESTED DEBT SERVICE INCREASE.

MINUTES OF THE SPECIAL BOARD MEETING

BOARD OF DIRECTORS  
INDIAN WELLS VALLEY WATER DISTRICT

AUGUST 29, 2022

The Special Meeting of the Board of Directors of the Indian Wells Valley Water District was called to order by President Saint-Amand at 8:09 a.m. in the Board of Directors Hearing Room, 500 West Ridgecrest Boulevard, Ridgecrest, California. **CALL TO ORDER**

The Pledge of Allegiance was led by Don Zdeba. **PLEDGE**

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

**DIRECTORS ABSENT:** Director Charles F. Cordell

**STAFF PRESENT:** Don Zdeba, General Manager  
Jason Lillion, Operations Manager  
Ty Staheli, Chief Financial Officer  
Lauren Smith, Recording Secretary

**VIA TELECONFERENCE:** Jim Worth, Attorney

**AGENDA DECLARATION** **AGENDA DECLARATION**  
Recording Secretary, Lauren Smith, reported that the agenda for today's Special Board Meeting was posted on Friday, August 26, 2022.

**CONFLICT OF INTEREST DECLARATION** **CONFLICT OF INTEREST**  
President 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** **PUBLIC COMMENTS**  
None.

With no further Board or Public comments, President Saint-Amand recessed the meeting and adjourned to Closed Session at 8:10 a.m.

**CLOSED SESSION** **CLOSED SESSION**  
The meeting was reconvened in Closed Session at 8:12 a.m.

Closed Session was adjourned at 8:52 a.m.

The meeting was reconvened to Open Session at 8:56 a.m.



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

**ADJOURNMENT**

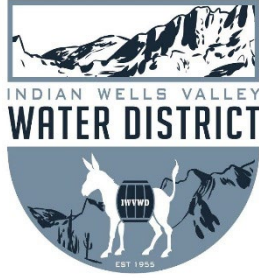
**ADJOURNMENT**

With no further business to come before the Board, the meeting was adjourned at 8:56 a.m.

Respectfully submitted,

Lauren Smith  
Recording Secretary

**APPROVED:** \_\_\_\_\_



**7.A.3.**

RESOLUTION NO. 22-12

RESOLUTION OF THE INDIAN WELLS VALLEY WATER DISTRICT, KERN AND SAN BERNARDINO COUNTIES, CALIFORNIA, AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE PERIOD OF SEPTEMBER 12, 2022 - OCTOBER 12, 2022, PURSUANT TO AB 361

---

**WHEREAS**, on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic, which Proclamation remains in effect; and

**WHEREAS**, on March 17, 2020, Governor Newsom issued Executive Order N-29-20, modifying the teleconferencing rules set forth in the California Open Meeting law, Government Code section 54950 et seq. (the "Brown Act"), subject to compliance with certain requirements; and

**WHEREAS**, on June 11, 2021, Governor Newsom issued Executive Order N-08-21, providing that the modifications would remain in place through September 30, 2021; and

**WHEREAS**, on September 16, 2021, Governor Newsom signed AB 361, providing that a legislative body subject to the Brown Act may continue to meet under modified teleconferencing rules if the meeting occurs during a proclaimed state of emergency and the legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; and

**WHEREAS** the rates of transmission of COVID-19 and variants in Kern County continue to pose imminent risks for health of attendees at indoor gatherings involving individuals from outside the same household; and

**WHEREAS**, to help protect against the spread of COVID-19 and variants, and to protect the health and safety of the public, the Indian Wells Valley Water District wishes to take the actions necessary to comply with the Brown Act, as amended and to continue to hold its meetings remotely via teleconference.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors of the Indian Wells Valley Water District hereby find that pursuant to the Governor's State of Emergency Declaration, issued on March 4, 2020, there is a proclaimed State of Emergency in the State of California; and

**BE IT FURTHER RESOLVED** that the Board of Directors of the Indian Wells Valley Water District finds that meeting in person in the next 30 days would pose imminent health and safety risks to attendees; and

**BE IT FURTHER RESOLVED** that the Board of Directors of the Indian Wells Valley Water District approves meeting via teleconference for all Regular, Special, and Committee Meetings of the Board for the 30 days following this resolution, in accordance with Government Code section 59453(e) and other applicable provisions of the Brown Act.

All the foregoing being on the motion of Director and seconded by Director, and authorized by the following vote, namely:

AYES:

NOES:           None.

ABSENT:       None.

ABSTAIN:      None.

**I HEREBY CERTIFY** that the foregoing resolution is the resolution of Indian Wells Valley Water District as duly passed and adopted by said Board of Directors at a legally convened meeting held on the 12<sup>th</sup> day of September 2022.

**WITNESS** my hand and the official seal of said Board of Directors this 12<sup>th</sup> day of September 2022.

**ADOPTED AND APPROVED** this 12<sup>th</sup> day of September 2022.

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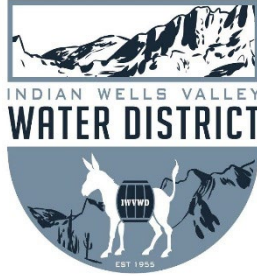
David C.H. Saint-Amand  
President, Board of Directors  
INDIAN WELLS VALLEY WATER DISTRICT

ATTEST:

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Donald M. Zdeba  
Secretary, Board of Directors  
INDIAN WELLS VALLEY WATER DISTRICT

(SEAL)



**7.B.**



## MEMORANDUM

**DATE:** September 12, 2022  
**TO:** BOARD OF DIRECTORS  
**FROM:** RENEE MORQUECHO  
**SUBJECT:** CONSTRUCTION OF TRENCH PAVEMENT REPLACEMENT  
RECOMMENDATION OF AWARD

---

On September 8, 2022, the District received one (1) bid for subject project. The bid amount is as follows:

<u>Contractor</u>	<u>Bid Amount</u>
Eric Onstott Construction	\$187,145.00

Onstott Construction was the low bidder. The bid was based on a total of 250 tons of asphalt. Staff followed the policy for formal bidding, in addition to sending the bid package directly to two other contractors on our bidder's list. No other bids were received.

Compared to the prices in the last pavement replacement contract (2019), costs have risen 27%. Labor and asphalt prices have risen dramatically over the last few years due to inflation and the cost of oil.

Since Eric Onstott Construction is an experienced, capable contractor with a current Class C-12 (earthwork and paving) Contractor's License (638567), which enables them to perform the work under California State Law, and is registered with the Department of Industrial Relations as a Public Works Contractor (1000023719), staff recommends awarding the contract to Onstott Construction for \$187,145.00.

**Bid Schedule**

The undersigned hereby proposes to furnish all labor, materials, equipment and methods necessary for constructing all Work specified, all in strict accordance with these Contract Documents and at the bid prices set forth hereafter. The undersigned also acknowledges that all bid prices include sales tax and all other applicable taxes and fees and that bids shall be valid for 120 days from bid date.

**BID SCHEDULE I  
CONSTRUCTION OF  
TRENCH PAVEMENT REPLACEMENT**

ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	AMOUNT
101	Mobilize/demobilize equipment and personnel.	N/A	L.S.	N/A	\$ <u>4125.-</u>
102	Remove existing temporary/permanent asphalt trench patch; grind existing pavement edges (thickness = 0.15', T (width) = 1.0') to accommodate specified "T" cap; furnish and install permanent asphalt concrete trench base paving per Standard Drawings, Special Requirements, Specifications, and permits.	120	TON	\$ <u>743</u>	\$ <u>89160</u>
103	Furnish and install permanent asphalt concrete cap to the specified cap dimensions; place 24" sand slurry seal along patch edges per Standard Drawings, Special Requirements, Specifications, and permits.	130	TON	\$ <u>722</u>	\$ <u>93860</u>

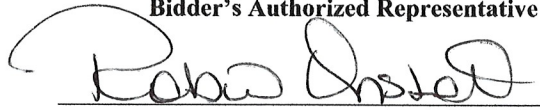
**BID SCHEDULE I  
CONSTRUCTION OF  
TRENCH PAVEMENT REPLACEMENT**

TOTAL BID AMOUNT (Sum of Bid Items 101 through 103):

One hundred Eighty Seven thousand One hundred Forty Five Dollars \$ 187,145  
(words) (figures)

Bidder hereby acknowledges that all bid prices include any amounts payable by Owner for taxes which may result from this proposal.

**Bidder's Authorized Representative**

  
Signature

Robin Onstott  
Name (Print)

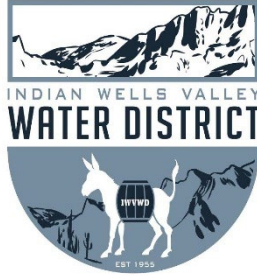
Owner  
Title (Print)

Onstott Construction  
Company Name (Print)

638567  
California State Contractor's License No.

1000023719  
California Public Works Registration No.





# 7.C.1.



## MEMORANDUM

**DATE:** SEPTEMBER 7, 2022  
**TO:** BOARD OF DIRECTORS  
**FROM:** JASON LILLION  
**SUBJECT:** AMENDMENT TO PERSONNEL MANUAL STANDBY PAY

---

During recent transmission line breaks many employees have worked through the night to complete the tasks necessary to return the system to an operational state. To promote the level of safety the District has maintained; staff advises the following to be added to the Standby Pay portion of the District's Personnel Manual.

“For the safety of our employees, if an employee, through any combination of regular, standby, or overtime, works a total of 16 or more hours within 24-hours on a day which precedes a working day, the employee will be required to go home following the 16-hour or more shift, or as determined at the sole discretion of their manager or designee. If required to go home following the shift, the employee would be compensated at their regular rate of pay for the workday they were required to go home.”

## STANDBY PAY

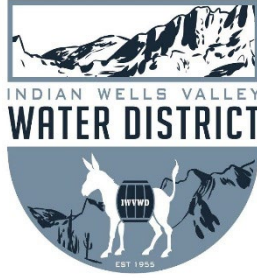
Standby service occurs when a District employee is assigned to be available by telephone or District communication equipment to respond to emergencies during unscheduled working hours. Lists of employees qualified to serve in a standby capacity will be compiled and maintained in the District's office. The General Manager or the Operations Manager shall assign standby duty and such assignments may be interchangeable only with prior written approval. No employee shall be assigned to standby service for more than seven days in a row.

An employee on standby service who is called out to respond to an emergency during unscheduled working hours shall be compensated for hours thus worked at the rate of one and one-half times his or her regular rate of pay, except holidays, during which the employee shall be compensated at the rate of two times his or her regular rate of pay. If called out, the standby employee shall be entitled to a guaranteed minimum compensation of two hours per call-out from the employee's residence. If during that two-hour call-out period, the standby employee receives another call, the employee will remain on duty until such time as all jobs are completed and shall only receive pay for the actual time worked, if over the two-hour minimum. This will apply even if during the two-hour call-out period the Standby Duty personnel has returned home and is called out once again if he leaves his or her home for the second call before this two-hour time expires.

For the safety of our employees, if an employee, through any combination of regular, standby, or overtime, works a total of 16 or more hours within 24-hours on a day which precedes a working day, the employee will be required to go home following the 16-hour or more shift, or as determined at the sole discretion of their manager or designee. If required to go home following the shift, the employee would be compensated at their regular rate of pay for the workday they were required to go home.

Each individual will be responsible for reporting their standby duty hours, noting actual work locations, stops made, and the duration of time worked at each location, including travel time. Calculation of standby pay shall begin at the time an employee leaves their home and ends when they return to their home. This "log" must be turned in (on a daily basis) to that employee's immediate department supervisor, who shall submit a copy of all standby duty logs with their department's payroll time sheets each pay period to the Operations Manager.

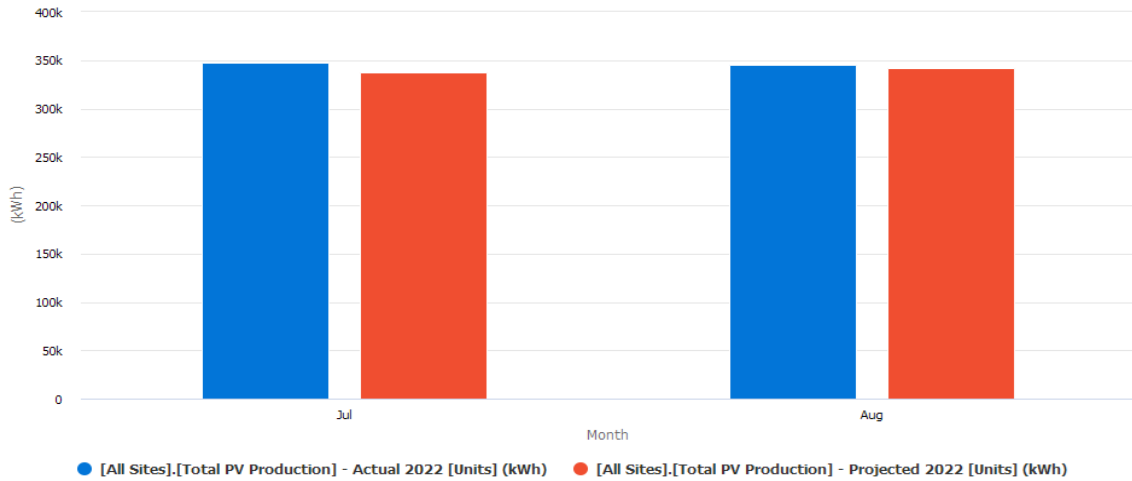
In addition to the compensation provided above, an employee who accumulates seven days of standby service will be granted one day vacation credit.



**7.G.5.**

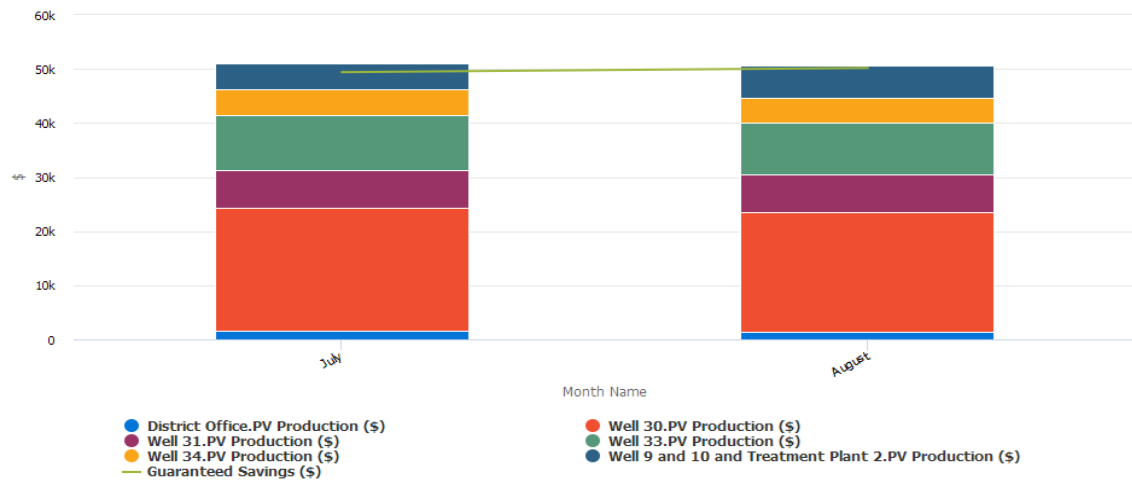
Monthly Photovoltaic Production and Energy Savings Report

Year to Date Actual Production Compared to Projected Production



Month	Total PV Production Actual (kWh)	Total PV Production Actual (Cumulative)	Total PV Production Projected (kWh)	Total PV Production Projected (Cumulative)	Gross Variance	Relative Variance (%)	Cumulative Gross Variance	Cumulative Relative Variance (%)
Jul	347,895.00	347,895.00	337,011.00	337,011.00	10,884.00	3.23	10,884.00	3.23
Aug	345,453.00	693,348.00	342,322.00	679,333.00	3,131.00	0.91	14,015.00	2.06

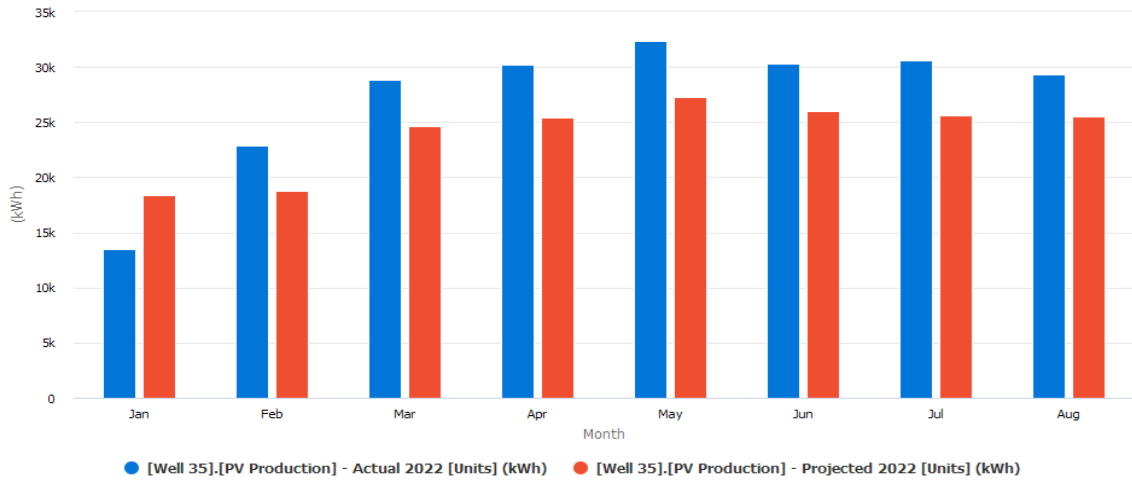
Performance Against Guarantee



From Timestamp	District Office (\$)	Well 30 (\$)	Well 31 (\$)	Well 33 (\$)	Well 34 (\$)	Wells 9A & 10 (\$)	Guaranteed Savings (\$)
7/1/2022 12:00:00 AM	\$1,525.46	\$22,793.83	\$7,057.20	\$10,064.88	\$4,720.96	\$4,873.94	\$49,393.18
8/1/2022 12:00:00 AM	\$1,354.46	\$22,244.20	\$6,864.58	\$9,652.70	\$4,494.66	\$6,039.27	\$50,171.57
	\$2,879.92	\$45,038.03	\$13,921.78	\$19,717.58	\$9,215.62	\$10,913.21	

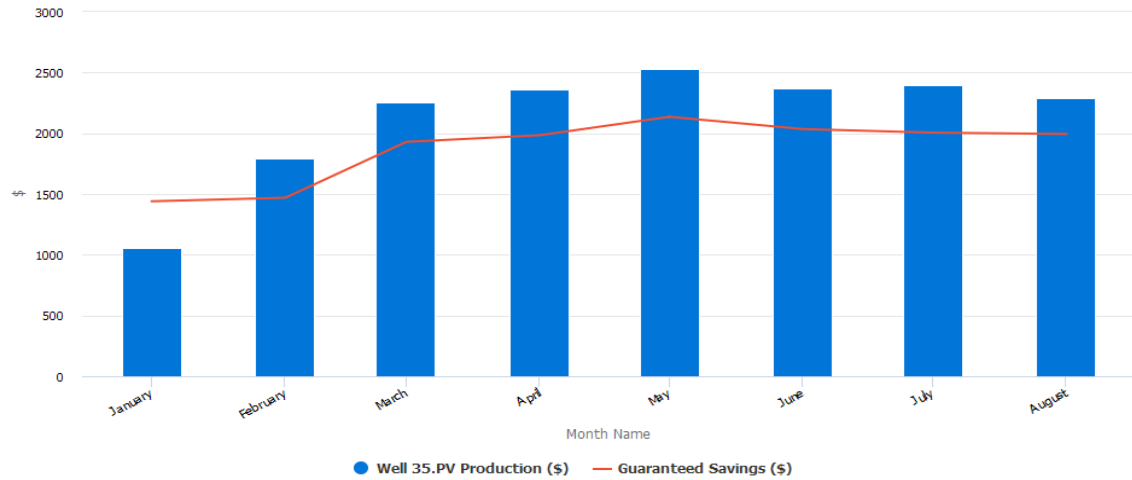
**Actual August** \$50,649.87  
**Guarantee** \$50,171.57  
**Actual Savings this Fiscal Year** \$101,686.14

## Year to Date Actual Production Compared to Projected Production

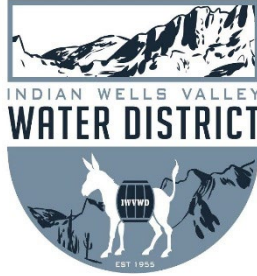


Month	Well 35 PV Production Actual (kWh)	Well 35 PV Production Actual Cumulative (kWh)	Well 35 PV Production (kWh) - Projected 2022	Well 35 Production Projected Cumulative	Gross Variance	Relative Variance (%)	Cumulative Gross Variance	Cumulative Relative Variance (%)
Jan	13,496.48	13,496.48	18,415.00	18,415.00	-4,918.52	-26.71	-4,918.52	-26.71
Feb	22,916.40	36,412.88	18,787.00	37,202.00	4,129.40	21.98	-789.12	-2.12
Mar	28,828.46	65,241.34	24,669.00	61,871.00	4,159.46	16.86	3,370.34	5.45
Apr	30,221.42	95,462.76	25,373.00	87,244.00	4,848.42	19.11	8,218.76	9.42
May	32,372.71	127,835.47	27,308.00	114,552.00	5,064.71	18.55	13,283.47	11.60
Jun	30,274.37	158,109.84	26,018.00	140,570.00	4,256.37	16.36	17,539.84	12.48
Jul	30,613.00	188,722.84	25,642.00	166,212.00	4,971.00	19.39	22,510.84	13.54
Aug	29,302.03	218,024.87	25,500.00	191,712.00	3,802.03	14.91	26,312.87	13.73

## Performance Against Guarantee



From Timestamp	Well 35 Production (\$)	Guaranteed Savings (\$)
1/1/2022 12:00:00 AM	\$1,055.42	\$1,440.03
2/1/2022 12:00:00 AM	\$1,792.06	\$1,469.12
3/1/2022 12:00:00 AM	\$2,254.39	\$1,929.09
4/1/2022 12:00:00 AM	\$2,363.32	\$1,984.14
5/1/2022 12:00:00 AM	\$2,531.55	\$2,135.46
6/1/2022 12:00:00 AM	\$2,367.46	\$2,034.58
7/1/2022 12:00:00 AM	\$2,393.94	\$2,005.18
8/1/2022 12:00:00 AM	<b>\$2,291.42</b>	<b>\$1,994.07</b>
	\$17,049.56	

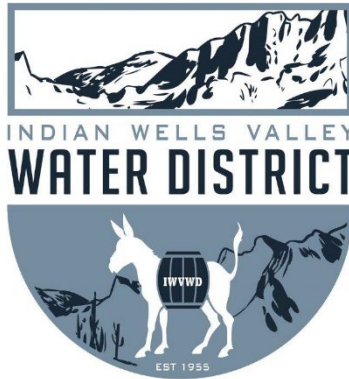


**7.G.6.**

### SWRCB Water Waster Report

	# of water waste reports received	# of contacts made (written or verbal)	# of formal warning actions	# of penalties issued
Jan-22	5	5	0	0
Feb-22	3	3	1	0
Mar-22	2	2	2	0
Apr-22	8	8	0	0
May-22	15	15	1	0
Jun-22	7	7	0	0
Jul-22	4	4	1	0
Aug-22	22	22	0	0
Sep-22				
Oct-22				
Nov-22				
Dec-22				
SUBTOTAL 2015	378	376	40	10
SUBTOTAL 2016	406	399	28	3
SUBTOTAL 2017	70	68	10	4
SUBTOTAL 2018	60	58	7	4
SUBTOTAL 2019	56	56	8	1
SUBTOTAL 2020	42	42	8	2
SUBTOTAL 2021	131	131	12	4
SUBTOTAL 2022	66	66	5	0
TOTAL	1209	1196	118	28
TOTAL PENALTIES BILLED				\$2,950
TOTAL PENALTIES COLLECTED				\$2,550





The Mission of the

## **Indian Wells Valley Water District**

is to deliver the highest quality water at the best possible price while continuing to serve as respectful stewards of the environment.

The Vision of the

## **Indian Wells Valley Water District**

is to provide for self-sustaining water resources now and for generations to come.

**Board of Directors**