

## MINUTES

The meeting was called to order at 6:01 p.m.

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### 1. Roll Call

The meeting was called to order by the Board President James Kentosh at 6:00 pm at the District Office.

Present were: Board President James Kentosh, Board Vice-President Mike Krumpschmidt, Board Directors Larry Harrold, Diana Engle, and Mike Etchart. Staff Present: General Manager Mike Hollebrands and Board Secretary Stacey Gilbert. Attorney Lindsay Nielson was also present.

### 2. Approval of the minutes

Approval of the May 16<sup>th</sup>, 2017 Regular Meeting minutes:

Mr. Etchart made the motion to approve the May 16<sup>th</sup>, 2017 Regular Meeting minutes. Mr. Krumpschmidt seconded the motion.

Discussion: Mr. Krumpschmidt asked to omit the word “not” on page 3.

Harrold/Krumpschmidt  
All Ayes  
M/S/C

### 3. Public Comments

Elizabeth Anne Von Gunten was present.

### 4. General Manager's Report

- Production of wells – Levels are still good and should continue to be through the summer.
- Well #4 – This well is offline at this time. Well was pulled a week ago. This was a necessary repair due to the past leak it had and because the water pressure had pushed the whole well casing over and damaged the motor and pump. The well motor has been checked and there were some minor repairs made. The whole pump has to be replaced. The work is to begin 6/28/17. It was discussed on whether our insurance covers something like this or things like this in the future. The repairs

will cost about \$50,000. It was requested that we find out what our insurance covers when damage is done.

- **A/R computer replacement** – During our monthly maintenance by MiTech it was discovered that the A/R computer was very close to failing. We received a quote to replace and upgrade the computer. It has been upgraded to a new one.
- **Eagle Aerial** – The flyover has been pushed to July
- **Leak on Maricopa Hwy** – A leak was discovered and repaired for the time being, however, to fix it permanently, it will take getting a permit from the state to cross the highway. In the meantime, a new leak has surfaced in the same area.
- **CUP** – Our 2015 Conditional Use Permit has expired, and unfortunately, we were reported. This is being taken care of now.

## **5. Board Committee Reports**

- **No committees met this month**

## **6. Old Business**

- **District Lead Testing** – We received the results back from the resampling, and they are all non-detect.

## **7. Board of Directors Reports**

- **Mr. Krumpschmidt** – Stated he would be gone for the next two board meetings due to being on vacation. June 8<sup>th</sup> GSA meeting update – Mr. Krumpschmidt summarized the minutes and pointed out the following items:
  - There is an AD/HOC committee created in efforts to find outside funding
  - The GSA approved engaging the Eagle Aerial flyover and data
  - The Conflict of Interest was passed and now just needs the City's approval
  - There is an AD/HOC committee to put the stakeholder's engagement letter together
  - GSA will reconvene in September
- **Mr. Etchart** – Asked that now that Golden State Water District has been absorbed by Casitas Municipal Water District and will be hiring new people is there a chance we may lose our guys. Mr. Hollebrands stated that we could.
- **Mr. Harrold** had nothing
- **Ms. Engle** – Had a talk with Bryan Bondy about State Water and “in lieu” agreements. Mr. Kentosh is going to research these agreements a little more and report back.
- **Mr. Kentosh** – Attended the Drought meeting on 6/17/17 at CMWD. CMWD has pledged \$200,000 for studies in obtaining State water, but it

could take up to a year for any results. Mr. Kentosh felt optimistic that CMWD will obtain State water.

## **8. Financial Matters**

Approval of Payroll and Payables from May 16<sup>th</sup>, 2017 to June 15<sup>th</sup>, 2017 in the amount of:

Payables -	\$ 30,385.26
Payroll -	\$ 28,595.37
Total -	\$ 58,980.63

Mr. Etchart made the motion to pay the monthly expenses. Mr. Harrold seconded the motion.

Etchart/Harrold  
All Ayes  
M/S/C

## **9. Board Discussion and/or Action**

- a) Approval of the draft budget for the fiscal year 2017- 2018 – There is not much more to comment on. The only difference is that the rate structure went back to the pre-approved rates from last Prop 218 hearing which allows us calculate the revised allocations and to give the Drought committee more time to configure the new rate structure.

Mr. Etchart made the motion to approve the Budget for Fiscal Year 2017- 2018. Ms. Engle seconded the motion.

Etchart/Engle  
All Ayes  
M/S/C

- b) Discussion and Approval of revised payroll tiers for staff – Let the minutes reflect that Mr. Etchart left the meeting during this discussion. – Mr. Hollebrands presented new payroll tiers to the Board to update the pay scale and to be more aligned with the AWWA suggestions and industry standards. After much discussion, it was determined that more information was needed to approve the tiers at this time. Mr. Hollebrands stated that he was hoping to have this approved tonight due to possibly losing our Utility Workers to new endeavors. After much discussion regarding the Utility Workers, Mr. Krumpschmidt made the motion to offer an up to 10% raise to the Utility Workers effective immediately to their existing salaries as a counter offer in the event they are offered employment elsewhere, with the understanding that we may be reconfiguring the payroll tiers. Mr. Harrold seconded the motion.

Krumpschmidt/Harrold  
4 Ayes, 1 absent  
M/S/C

After the motion, Mr. Krumpschmidt stated that is important to let the rest of the staff know that the Board will be increasing salaries, but they need a little bit of time to reconfigure the payroll tiers. Mr. Kentosh assured that he and Mr. Hollebrands would look at these numbers and report back to the Board with an understandable payroll scale and actual job descriptions by the next board meeting.

- c) Approval of Bob's Fence Company proposal for tank farm fencing (total enclosure of property) – Mr. Nielson suggested that, due to a request by Ms. Moll's attorney, we table this item at this time. The Board agreed.

At this time the Board of Directors went into Closed Session at 8:26 PM

**10. Closed Session:** The Board of Directors may go into closed session to discuss personnel matters or litigation, pursuant to the attorney/client privilege, as authorized by Government Code Section 54957 & 54956.8, 54956.9 and 54957a.

- a) The Board went into closed session under the Real Property Negotiations Exception Government Code Sections (§54956.8), (§54956.9 (b)(3)(c) and (§54957.1) to discuss options regarding easements and property lines on parcels 010-0-102-290 and 010-0-102-090

Closed Session was closed at 9:00 PM

**11. Meeting Adjournment**

There being no further business to conduct at this time, Board President James Kentosh adjourned the meeting at 9:01 PM.

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President

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Secretary