

MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT REGULAR MEETING OF THE BOARD OF DIRECTORS

June 21, 2017

3:00 P.M.

21415 Reeves Street, Tehachapi, CA 93561

Item 1. Call to Order and Roll Call

Directors Present: Hall, Pack, Prel, Worden and Zanutto

Staff in Attendance: Lori Bunn, Troy DePriest, LaMinda Madenwald and Tom Neisler

Item 2. Flag Salute

Pledge of Allegiance, led by Director Hall.

Item 3. Approval of Agenda

The agenda was approved on motion made by Director Hall and seconded by President Zanutto.

Ayes: Hall, Pack, Prel, Worden and Zanutto; Noes: None; Abstain: None; Absent: None.

Item 4. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body

No comments were made.

Item 5. Consent Calendar - Consent items are considered routine and are intended to be acted upon as a single item, without discussion. During this portion of the meeting, the Consent Calendar will be read aloud. Prior to approval, the President will give the Board the opportunity to remove any item from the Consent Calendar to be discussed and voted on individually. The President will also give staff and the public the opportunity to request any item be discussed individually, in which case the President will determine whether the item will be removed from the Consent Calendar. The remaining calendar will be acted upon. Any removed items will then be heard and acted upon individually.

a. Approve Minutes of the Regular Meeting of May 17, 2017

b. Approve Financial Report and Payment of Bills

President Zanutto asked if there were any items the Board, members, public or staff would like to pull for discussion.

Director Worden asked to have Item b pulled.

President Zanutto stated that if there were no objections, Item a would be adopted. There being no objections, Item a was adopted.

Item b

Director Worden had questions regarding Check #3035 for the Snyder Well Project reimbursement. Mr. Neisler explained this was for the project cost overrun.

Director Worden asked for information on Check #3067. Mr. Neisler explained that this was for reimbursement for rental of the vans used for the pump plant tour.

Director Worden asked about the expenses incurred for remodel of the Business Manager's office. Mr. Neisler explained the purpose for the expense.

After discussion, Director Worden made a motion to approve Item b. The motion was seconded by Director Prel and carried on the following vote: Ayes: Hall, Pack, Prel, Worden and Zanutto; Noes: None; Abstain: None; Absent: None.

Item 6. Manager's Report

Mr. Neisler introduced Troy DePriest, the District's new Operations Manager. He also reported that the District's Secretary/Receptionist recently resigned and a replacement will start on July 3, 2017. Mr. Neisler then reported on the following matters:

Imported Water Operations - For the month of May, the imported water system averaged 20.7 cubic feet per second. All of the District's wells are operating. The reservoir level on Friday, June 6 was 1,556 acre feet. Most of the recharge operations have been discontinued.

Recycled Water Project - Mr. Neisler reviewed the recycled water project operations for Valley Sod and Horse Thief Golf Course.

California Water Fix - Status report and discussion.

Agreements for Water Exchanges/Transfers - Mr. Neisler reported that he has been meeting with representatives of other agencies regarding water exchanges, etc. to avoid the possibility of leaving too much water in San Luis Reservoir.

Board Room Remodel - Troy DePriest will be working on the Board Room Remodel Project. Mr. Neisler reported on the status of the project.

Plant 1 - Mr. Neisler reported on the suction pressure problems at Pump Plant 1 and the actions taken to address the problem.

Pump Plant Tour - The annual Pump Plant Tour took place on May 18. It was attended by 35 people. The tour was a success. The District received positive feedback, and emails and notes of thanks from attendees.

Natural Gas Orders - A portion of the natural gas for 2020 was purchased at \$2.66 per mmbtu.

Meetings Attended by General Manager - Stallion Springs CSD is in the midst of a Prop. 218 protest election for a rate increase. Mr. Neisler attended the meetings and addressed some of the concerns since a portion of the rate increase was due to the District's groundwater banking requirements.

Director Worden asked about the rotating screen operation. Mr. Neisler said the new rotating screen is more efficient and described how it works.

Director Worden asked Mr. DePriest's about his background. Mr. DePriest reviewed his qualifications and experience.

Director Hall asked about extending the reservoir chart levels out further. Mr. Neisler said he would revise the data set.

Item 7. Authorize Schultz Enterprises, Inc. to Proceed with Design of Electrical System Extension on TCCWD Property

Mr. Neisler reviewed the details of this project, which were provided in the staff report. He explained that this action would not approve the project, it would authorize Schultz Enterprises to proceed to work with SCE on the design and there would be no cost to the District.

Discussion took place on possible future development of the campground facility and when it was complete, Director Hall made a motion that the Board authorize the subject SCE extension project to proceed. The motion was seconded by Director Worden and carried on the following vote: Ayes: Hall, Pack, Prel, Worden and Zanutto; Noes: None; Abstain: None; Absent: None.

Item 8. Approve Fiscal Year 2017-18 Cost-of-Living Adjustment for All Employees, Update the Authorized Positions List and General Manager's Contract

Mr. Neisler explained that this request is for the approval of a 2.4% Cost-of-Living Adjustment for all employees, effective the first pay period in July 2017; updates the District's Authorized Positions list by removing a vacant position; updates the District's Pay Schedule with the 2.4% COLA; breaks down the General Manager's contract to an hourly basis in order to meet the CalPERS requirements; and amends the General Manager's contract to say the General Manager is eligible for the 2.4% COLA. Mr. Neisler reviewed the information provided in the staff report and the changes that were requested. He said the 2.4% increase would increase the budget by approximately \$45,000 per year.

After discussion, Director Hall made a motion that the Board approve the pay schedule as presented, effective July 10, 2017, update the Authorized Positions List as presented and amend the General Manager's contract as presented. The motion was seconded by President Zanutto and roll call was taken on the vote:

Ayes: Hall, Prel and Zanutto
Noes: Pack
Abstain: Worden
Absent: None

Item 9. Adopt Resolution 6-17, Approving Fiscal Year 2017-18 Preliminary Budget, Appropriations Limit, Investment Policy and Reserves Policy

Ms. Madenwald presented the preliminary budget and reviewed each section with the Board.

Mr. Neisler reviewed the details of the Capital Expenditures Budget.

The Budget Committee, consisting of President Zanutto and Director Prel, met on June 13 and reviewed the proposed preliminary budget. The committee recommends that the Board approve the preliminary budget.

Discussion took place. Director Hall asked about including additional recharge facilities in Cummings Basin in the budget. Mr. Neisler said it was not included in the budget this year. President Zanutto suggested that the 19-acre recharge area could be expanded to provide additional recharge area.

Mr. Neisler commended Ms. Madenwald for her efforts in completing the preliminary budget.

Director Hall made a motion to adopt Resolution 6-17. The motion was seconded by Director Worden and roll call was taken on the vote:

Ayes: Hall, Pack, Prel, Worden and Zanutto
Noes: None
Abstain: None
Absent: None

Item 10. Discuss Strategic Planning Workshop

Mr. Neisler reported that the questionnaire for the Strategic Planning Workshop was sent out with the water bills in June, as directed. He suggested the Strategic Planning Workshop be planned after the August regular Board meeting.

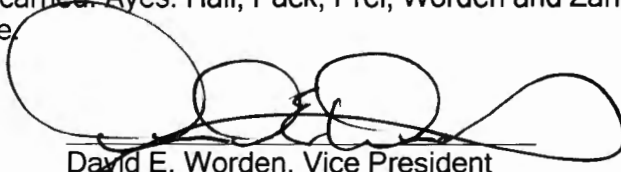
President Zanutto said he would not be present for the July and August Board meetings.

Discussion took place and Mr. Neisler responded to questions from Director Worden.

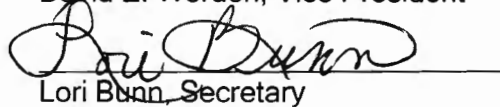
No action was required. This item will be brought back to the Board at the regular meeting in July.

Item 11. Adjournment

The meeting was adjourned at 5:04 p.m. on a motion made by Director Hall, seconded by Director Worden and unanimously carried. Ayes: Hall, Pack, Prel, Worden and Zanutto; Noes: None; Abstain: None; Absent: None.



David E. Worden, Vice President



Lori Bunn, Secretary