

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE TWENTYNINE PALMS WATER DISTRICT  
72401 HATCH ROAD, TWENTYNINE PALMS, CA 92277**

**MAY 28, 2014 / 6:00 P.M.**

Call to Order and Roll Call

President Moore called the meeting to order at 6:00 p.m., 72401 Hatch Road, Twentynine Palms, California. Those responding to roll call were Directors Bo Bourikas, Chancey Chambers, Suzi Horn, Sam Moore, and Roger Shinaver. Also present were General Manager Tamara Alaniz, Operations Manager Ray Kolisz, Financial Consultant Cindy Byerrum, and District Secretary Cindy Fowlkes.

Pledge of Allegiance

Director Moore led the pledge.

Additions/Deletions to the Agenda

None

Public Comments

None

1. Consider Ordinance 95 to Adopt 2014 Groundwater Management Plan Update  
There have been no comments against the plan's adoption. Staff recommends the Board approve Ordinance 95 and direct staff to publish the ordinance, correcting the typographical error of the published hearing date of September 21, 2014 to September 21, 2013, and implement the actions within the plan.

Director Chambers moved to approve Ordinance 95 adopting the 2014 Groundwater Management Plan Update and direct staff to publish the Ordinance with corrections to the published hearing date as noted, seconded by Director Shinaver and approved by the following roll call vote.

Ayes:	Directors Bourikas, Chambers, Horn, Moore, and Shinaver
Noes:	None
Abstain:	None
Absent:	None

2. Budget Workshop

Ms. Byerrum handed out a revised draft budget for fiscal 2014/2015 to the Board. Included in the draft budget is an explanation of significant line item accounts. The following are some of the line items pointed out by Ms. Byerrum during discussion of the draft.

- Operating revenues reflect 0% growth and remains the same as last year at \$2,028,200.

- There is an 8% increase in electrical costs reflected in the budget as projected by Southern California Edison.
- There are additional costs for expenses related to Chromium 6 regulations, approximately \$500,000 for the projected 10 ppb standard.
- The OPEB, Other Post Employee Benefits, is an unfunded liability that will continue to grow each year for retiree costs.
- A Rate Study has been added in the budget that would comprise a long range financial plan. The study would include a fee structure that would address operating costs and possible periodic minimal rate increases as opposed to a large rate hike.
- There is a 1.5% increase in PERS benefits. Actuarial studies are expected to result in a change in employer contribution rates.
- Completion of all the current CIP projects would result in a \$1.1 million depletion of reserves from the \$5.5 million currently held. \$325,000 in projects could be carried over to the next fiscal year.

Director Chambers commented that he would like the Well Rehabilitation Program and GIS capital improvement projects (CIP) carried over to the next fiscal year.

3. Consent Calendar

- Minutes of the Regular Meeting held on April 23, 2014
- Audit List

Director Chambers moved to approve the Consent Calendar, seconded by Director Horn and approved unanimously by Directors Bourikas, Chambers, Horn, Moore, and Shinaver.

4. Items Removed from the Consent Calendar for Discussion or Separate Action  
None

5. Management Reports

5.1 Operations

Mr. Kolisz reported that the District responded to 41 Underground Service Alerts, repaired 4 blown meters, 2 service line leaks, and had 0 water main leaks. 37 fire hydrants have been repainted and coated properly for flow designation. Preliminary designs have been received from Kennedy/Jenks for pond 3. Over all, the department is down 11% in production. The old emergency generator has been removed from the Treatment Plant with the replacement expected to arrive in June.

5.2 Finance

Ms. Cindy Byerrum reported that our net revenue for year to date is higher than anticipated.

5.3 General Manager

Ms. Alaniz attended the ACWA Spring Conference. Groundwater Management Plans were highlighted at the conference as well as costs and reliance on imported water supplies. The Board was informed that the accounting upgrade has resulted in a new check template. The Board agreed to continue signing payable checks.

6. Future Agenda Items and Staff Tasks/Directors' Comments and Reports

Director Moore commented on the CADIZ project and asked for clarification on the possibility of water depletion from Twentynine Palms aquifers.

Director Horn attended the ACWA Conference and joined a class on the Brown Act which clarified the use of roll calls and the reporting of dissenting voices.

Director Chambers was also in attendance at the ACWA Conference where water basin management was discussed with the possibility of it being forced onto neighboring water authorities.

7. Adjournment

On motion by Director Chambers seconded by Director Horn and approved by the Board, the meeting was adjourned at 7:12 p.m.



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Kerron E. Moore, President  
Board of Directors

Attest:



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Tamara Alaniz, Board Secretary  
Twentynine Palms Water District

APPROVED JUN 25 2014