

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

June 28, 2023 / 4:00 P.M.

Call to Order and Roll Call

Vice President Bob Coghill called the Board meeting to order at 4:00 p.m. Those responding to roll call were, Michael Arthur, Bob Coghill, and Randy Leazer. Directors Carol Giannini and Suzi Horn were absent. Also present were General Manager Matt Shragge, Maintenance Superintendent Mike Minatrea, Treatment/Production Superintendent Robert Shelton, Financial Consultant Cindy Byerrum, and District Secretary Cindy Fowlkes.

Pledge of Allegiance

Samantha Russell led the pledge.

Additions/Deletions to the Agenda

None

Public Comments

None

1. Public Hearing on Proposed Continuation of Water Availability Assessment

1.1 Board to Hear Public Testimony at This Time

Director Arthur moved to open the Public Hearing at 4:02 p.m., seconded by Director Leazer, and unanimously approved.

There being no public comment, Director Leazer moved to close the public hearing at 4:02 p.m., seconded by Director Arthur, and unanimously approved.

2. Consider Resolution 23-07 Continuing the Current Existing Level of Water Availability Assessments for Fiscal Year 2023-2024

Director Leazer made a motion to adopt Resolution 23-07 continuing the current existing level of Water Availability Assessments for fiscal year 2023/2024, seconded by Director Arthur, and approved by the following roll call vote:

Ayes: Directors Arthur, Coghill, and Leazer

Noes: None

Abstain: None

Absent: Directors Giannini and Horn

3. Consideration to Approve Resolution 23-08 Adopting the Fiscal Year 2023-2024 Annual Budget and Compensation Plan

Cindy Byerrum spoke to the changes in the final budget from the draft previously presented: money to fund capital is \$72,000 less than previously projected; interest revenue for 4th quarter was added in the amount of \$40,000; there was also an increase in lab fees. This budget does not include a 7% COLA, but the increase is not projected to make a significant difference in the upcoming rate study in 2024.

Director Arthur made a motion to adopt Resolution 23-08 fiscal year 2023-2024 Annual Budget and Compensation Plan, seconded by Director Leazer, and approved by the following roll call vote:

Ayes: Directors Arthur, Coghill, and Leazer

Noes: None
Abstain: None
Absent: Directors Giannini and Horn

4. Consideration to Accept Proposal from Nobel Systems for GIS Services

Director Leazer made a motion to accept the three year proposal from Nobel Systems for GIS Services in the amount of \$49,600 for the first year and \$43,000 for the next two years, seconded by Director Arthur, and approved by the following roll call vote:

Ayes: Directors Arthur, Coghill, and Leazer
Noes: None
Abstain: None
Absent: Directors Giannini and Horn

5. 2023/2024 Fiscal Year Employee COLA Compensation Discussion and Action

The current MOU, was adopted in 2020 with cost of living adjustment (COLA) ranging from 0% to 3%. The adoption was prior to the unforeseen and unprecedented challenges on the economy that COVID presented, higher inflation. Another factor management is taking into consideration is employee retention and competitive pay. The District has lost numerous employees due to salary base, with employees leaving for neighboring water districts or private companies within the water industry.

Directors Arthur and Coghill would like to see language in the next negotiated MOU to include verbiage regarding unforeseen circumstance that may affect subsequent COLA ranges.

Director Leazer would like the Side Letter Agreement with AFSCME to reflect that this COLA increase is for the 2023/2024 fiscal year and should not set precedence for future years.

Director Arthur made a motion to use January's CPI report for a 7% COLA adjustment for fiscal year 2023/2024, seconded by Director Leazer, and approved by the following roll call vote:

Ayes: Directors Arthur, Coghill, and Leazer
Noes: None
Abstain: None
Absent: Directors Giannini and Horn

6. Consent Calendar

- Minutes of a Regular Meeting held on May 24, 2023
- Audit List

Director Arthur, moved to approve the Minutes and Audit List, seconded by Director Leazer, and approved unanimously by all those present. Directors Giannini and Horn were absent.

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

8. Management Reports

8.1 Maintenance

Mike Minatrea reported that the District responded to 143 Underground Service Alerts, had 0 water main leaks, 0 water meter leaks, 1 service line leak, 2 fire hydrant repairs/maintenance, installed 0 new services, replaced 4 customer gate valves, performed 2 leak audits, painted 0 fire hydrants, performed 11 customer pressure checks, replaced 3 water meter, Tested and exercised emergency generators and sounded wells for May. 0 water waste inquiries were received. 0 AMI/AMR meters

were replaced. There was a total of 723 work orders that were processed during the month.

8.2 Water Quality

Robert Shelton reported water production was down 18.82% as compared to the same month in 2013. 50 routine and 10 special water samples were taken. All special samples tested negative for Colilert and 1 routine sample tested positive at sample station 20. A second sample was taken and it came back negative. All current wells meet the 2.0 mg/L standard fluoride variance set by the State Water Resource Control Board. All samples tested were below the variance.

8.3 Finance

Cindy Byerrum went over the cash and investments report. Capital funds for primary and secondary infrastructure had an upsurge due to an increase in fees. The Board was commended for their decision to invest in a CLASS account, which is currently earning 5.2%.

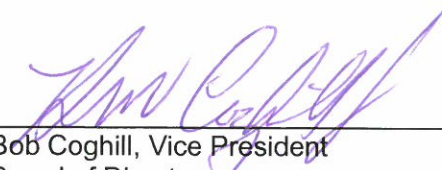
8.4 General Manager

Matt attended the General Manager Leadership Conference in Tahoe this week. The shade structures are approximately 95% complete. The District will be looking into adding a side shade structure. Matt attended the Pelican Club leadership meeting this month. He also attended the Basin Wide Foundation luncheon regarding tourism in the Morongo Basin. Matt welcomed four new employees to the District: Jayna Olsen, Norman, Rainey, Daniel Bass and Tyler Russell. Two of the employees will be working on the lead and copper service line inventory. Matt thanked staff for their work in his absence. Matt also attended the Citizens Wastewater Advisory Committee meetings as well as City Council meetings this month.

9. Future Agenda Items and Staff Tasks/Directors' Comments and Reports
None

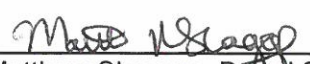
10. Adjournment

On motion by Director Arthur, seconded by Director Leazer, and approved by the Board, the meeting was adjourned at: 4:38 p.m.



Bob Coghill, Vice President
Board of Directors

Attest:



Matthew Shragge, Board Secretary
Twentynine Palms Water District