

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

July 24, 2024 / 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, Carol Giannini, and Amy Woods. Randy Leazer was 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

Gary Sturdivan led the pledge.

Additions/Deletions to the Agenda

None

Public Comments

None

1. Approval of the Twentynine Palms Water District Local Hazard Mitigation Plan (LHMP)
Gary Sturdivan with Sturdivan Emergency Management, SEMC, provided the Board with a presentation of the District's LHMP. The plan is required to be updated every 5 years. This year's plan updates includes several FEMA required changes. The plan identifies natural hazards within the agency's boundaries and mitigation to reduce those hazards. The plan has been submitted to Cal OES for review. Having an approved plan allows the District to apply for various grants.

Director Arthur moved to approve the Twentynine Palms Water District Local Hazard Mitigation Plan, seconded by Director Giannini, and approved by the following roll call vote.

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

2. Approve Directors to Attend CSDA Annual Conference & Exhibitor Showcase (September 9, 2024 – September 12, 2024) and Provide Daily Meeting Stipend
Director Woods made a motion to approve Directors to attend the CSDA Annual Conference & Exhibitor Showcase in September and Provide Daily Meeting Stipend, seconded by Director Arthur, and approved by the following roll call vote:

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

3. Approving Amendment to General Manager Employment Agreement
The Board revised the employment agreement to include the following amendments: The term was extended to April 5, 2028; salary will be \$190,163.63 per year retroactive to April 5, 2024; COLA shall have a minimum of 0% and a maximum of 4.0%; and Employee shall be eligible to participate in a District established 457(b) Retirement Plan with a District contribution of up to 3% of the employee's salary, as long as employee matches the contribution.

Director Woods made a motion to approve the Second Amendment to the General Manager Employment Agreement, seconded by Director Arthur, and approved by the following roll call vote:

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

4. Emergency Rehabilitation of Well 14
Staff recommends accepting the proposal from Legend Pump and Well Service in the amount of \$77,176.00 for emergency repairs, refurbish, and re-installation of Well 14.

After discussion, Director Woods made a motion to accept the proposal from Legend Pump and Well Service in the amount of \$77,176.00, seconded by Director Arthur, and approved by the following roll call vote:

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

5. Discussion of the Cooperative USGS Study between the Twentynine Palms Water District and the City of Twentynine Palms

Staff is looking for approval from the Board to allocate an additional \$100,000 over the next few years towards the shared geological survey study (USGS Study) between the District and City. The District currently has allocated \$100,000 in fiscal year 2024/2025 budget. The study will provide the District with valuable information including a hydrogeological understanding of the area, as well as nitrate levels, effects of naturally occurring arsenic and fluoride on water quality, monitoring of groundwater levels, and the development of alluvial thickness and depth to basement models.

The Board was in consensus to allocate an additional \$100,000 towards the shared USGS Study with the City.

6. Discussion of Health Insurance for the Board of Directors

Cindy Byerrum presented the Board with costs associated with the District providing health benefits for the Board of Directors. The highest cost plan, HMO Plus One, would cost the District approximately \$125,000 a year. The lowest cost plan, PPO employee only plan, would cost the District approximately \$52,000. These costs are based on current pricing and may be subject to an increase in 2025.

Staff was instructed to bring back the item in the future with alternative scenarios, including the impact on the District, and insurance options available from ACWA/JPIA.

7. Consent Calendar

- Minutes of a Regular Meeting held on June 26, 2024
- Audit List

Director Arthur moved to approve the Minutes and Audit List, seconded by Director Giannini, and approved unanimously.

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

9. Management Reports

9.1 Maintenance

Mike reported that the District responded to 55 Underground Service Alerts, had 0 water main leaks, 4 water meter leak, 0 service line leaks, 0 fire hydrant repairs/maintenance, installed 3 new services, replaced 4 customer gate valves, performed 5 leak audits, painted 0 fire hydrants, performed 7 customer pressure checks, replaced 0 water meters, Tested and exercised emergency generators and sounded wells for June. 1 water waste inquiry was received. 1 AMI/AMR meters were replaced. There was a total of 535 work orders that were processed during the month. There was an increase (161,000 gallons) in consumption from the pay meter station for the month of June.

9.2 Water Quality

Robert reported water production was down 22.50% as compared to the same month in 2013. 40 routine and 19 special water samples were taken. All special samples tested negative for Colilert. 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.

9.3 Finance

Cindy reported the District is ahead of what was budgeted due to interest revenue from CLASS, (anticipated \$92,000 received \$400,000). The Feds are talking of lowering interest rates 2 more times this year and 4 more times the following year. Tower revenue is discretionary money that is kept in a separate fund. Those funds can be allocated for any District business.

9.4 General Manager

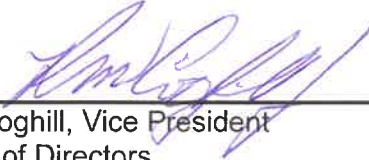
Matt reported that plan check is in the process for a 3' meter (\$73,000 in fees) for the Project Phoenix hotel. District staff installed 600' of pvc for about \$20,000 versus \$80,000 to have a contractor do it. The District received the preliminary design for the redundant reservoir. The Consumer Confidence Report was completed and delivered. The District conducted workplace violence training. On Sunday, July 14th, the District was hit with major flooding from a monsoon resulting erosion and a blown out pipe, along with a fire hydrant being hit. A 2" service had to be shut down as well due to the storm. Matt thanked the City Manager and City employees, District Superintendents, District staff, and emergency service employees who went above and beyond for the community during the storm.

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

Director Woods would like to see ways the District can partner with the school District and other local agencies.

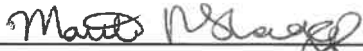
11. Adjournment

On motion by Director Giannini, seconded by Director Woods, and approved by the Board, the meeting was adjourned at: 5:21 p.m.



Bob Coghill, Vice President
Board of Directors

Attest:



Matthew Shragge, Board Secretary
Twentynine Palms Water District