

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

AUGUST 23, 2017 / 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 Bob Coghill, Carol Giannini, Suzi Horn, Sam Moore, and Roger Shinaver. Also present were General 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. Discussion of Wastewater and Update from City Manager on Efforts for a Joint Facility
Jeff Johnson, of Twentynine Palms, spoke against a joint sewer facility between the City and MCAGCC.

Ed Vallerand, of Twentynine Palms, was concerned about the costs associated with a joint facility and believes the District should also attend the meeting in Washington.

Mayor John Cole, of Twentynine Palms, spoke in favor of a joint sewer facility and capitalizing on opportunity.

City Manager, Frank Luckino, provided the Board with an update on the City's collaboration with the MCAGCC for a joint wastewater facility. The 2003 and 2008 Winzler and Kelly Studies were briefly referenced to provide historical context, comparison of costs, and call attention to the outdated assumptions the studies were based on. The joint use facility would allow capacity for the City incrementally, promote development, and protect water quality. The City would like to capitalize on the relationship with Congressman Cook (retired Colonel) and the funding opportunities available. Mr. Luckino emphasized the importance of water for the sustainability of growth within the City. Recharging the groundwater with treated wastewater would help to ensure sustainability. The agreement between the City and MCAGCC will address the issue of reuse.

Director Horn pointed out that the District boundaries also lie outside the City's and include the Desert Heights area.

Director Giannini questioned the money needed for the start-up costs.

Director Coghill questioned whether the base leased the land from the county and if the county would be providing funding.

Mayor John Cole pointed out that 801 housing is considered military land.

Director Moore pointed out the military is underfunded and questioned the City's outlays for such a project.

2. Discussion and Possible Action on Forming a Legislative Committee

Mr. Adan Ortega with Ortega Strategies Group addressed the Board and the need to form a Legislative Committee. New legislature has, and is, being passed that will affect the District adversely financially.

Staff recommends appointing two Board of Directors to the Legislative Committee to monitor, review, and manage legislative priorities.

Director Moore moved to appoint Directors Giannini and Coghill to the Legislative Committee, seconded by Director Shinaver, and approved unanimously.

3. Review and Approve Legislative and Regulatory Policy Management Assistance Contract with Ortega Strategies Group

Staff recommends approving the contract for assistance in the formation of a legislative committee and collaboration on legislative and regulatory policy management. Ortega Strategies Group currently works with the District on the SMART Plan and hexavalent chromium regulation.

Director Horn made a motion to approve the contract for legislative and regulatory policy management assistance in the amount of \$2,500 per month plus expenses, seconded by Director Giannini, and approved by the following roll call vote:

Ayes: Directors Coghill, Giannini, Horn, Shinaver, and Moore
Noes: None
Abstain: None
Absent: None

4. Consider Approval of Resolution 17-12 Establishing a Length of Service Recognition Policy

Director Coghill made a motion to approve Resolution 17-12 establishing a length of service recognition policy, seconded by Director Giannini, and approved by the following roll call vote:

Ayes: Directors Coghill, Giannini, Horn, Shinaver and Moore
Noes: None
Abstain: None
Absent: None

5. Hexavalent Chromium Update

In 2014, the State Water Resources Control Board Division of Drinking Water changed the drinking water standard maximum contaminant level for hexavalent chromium from 50 parts per billion (ppb) to 10 ppb. The current U.S. Environmental Protection Agency's MCL for total chromium is 100 ppb. A court ruled against the State Water Resources Control Board, returning to the 50 ppb, citing the 10 ppb standard was not feasible and placed undue hardship on smaller water districts. The District's water supply does meet the standard for total chromium of 50 ppb and will work with the Division of Drinking Water to place two production wells back on-line.

6. Approve Directors to Attend CSDA's Annual Conference and Exhibitor Showcase (September 25-28, 2017) and to Provide Daily Meeting Stipend
Director Moore made a motion for Directors Coghill, Horn, and Giannini to attend CSDA's Annual Conference and Exhibitor Showcase and provide daily meeting stipend, seconded by Director Shinaver, and approved unanimously.

7. Consent Calendar
- Minutes of a Regular Meeting held on July 26, 2017
 - Audit List

Director Shinaver moved to approve the Consent Calendar, seconded by Director Coghill, and approved unanimously.

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

9. Management Reports

9.1 Operations

The District responded to 29 Underground Service Alerts, had 1 water main leak, 3 water meter leaks, 0 service line leaks, 2 fire hydrant repairs, performed 6 customer pressure checks, replaced 5 meters, replaced 3 customer gate valves, and installed 2 new services in the Lear area. Water production was down 5.6% as compared to the same month in 2013.

9.2 Finance

Ms. Byerrum reported that the statement of revenues and expenses indicate the District is expected to end the fiscal year on target. Some of the projects have been pushed back showing a surplus in funds. The audit will be done in late October.

9.3 General Manager

Mr. Kolisz reported that plans by Axens North America are in the final stages for the fluoride symposium that the District will host on October 4-5, 2017. The District is recognized as the leader in fluoride treatment with people from all over the world visiting the plant to see its innovative technologies.

10. Closed Session – Conference with Real Property Negotiations – Pursuant to Section 54956.8 of the California Government Code

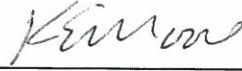
Property: APN #622-291-22
Agency Negotiator: Ray Kolisz, General Manager
Negotiating Party: Kristen Maley
Under Negotiation: Price and Terms of Payment

Director Shinaver moved to enter closed session at 7:22 p.m., seconded by Director Coghill, and unanimously approved. The Board returned to open session at 7:50 p.m. Director Moore announced there was nothing to report.

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

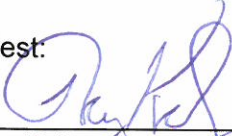
12. Adjournment

On motion by Director Shinaver, seconded by Director Horn, and approved by the Board, the meeting was adjourned at 7:50 p.m.



Kerron E. Moore, President
Board of Directors

Attest:



Ray Kolisz, Board Secretary
Twentynine Palms Water District