

**December 15, 2020 Regular Board Meeting Minutes**



**Cabazon Water District**  
14618 Broadway Street • P.O. Box 297  
Cabazon, California 92230

**REGULAR BOARD MEETING**

**MINUTES**

**Meeting Location:**

**Teleconference:**

Dial-in #: 978-990-5321

Access Code: 117188

Email: [info@cabazonwater.org](mailto:info@cabazonwater.org)

**Meeting Date:**

Tuesday, December 15, 2020 – 6:00 PM

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**REMEMBRANCE OF OUR SERVICE MEN AND WOMEN**

**ROLL CALL**

- Director Martin Sanderson - Present
- Director Diana Morris - Present
- Director Sarah Wargo - Present
- Director Maxine Israel - Present
- Director Robert Lynk - Present

- Calvin Louie, General Manager - Present
- Elizabeth Lemus, Board Secretary - Present
- Cindy Byerrum, Financial Consultant - Present
- Steve Anderson, Best Best & Krieger Law Firm – Present (in closed session only)

**Note: This meeting was recorded by the District -**

**CONSENT CALENDAR**

All matters in this category are considered to be consistent with the Board/District goals, District Policies and Regulations adopted and/or approved by the Board of Directors, and will be enacted in one motion. There will be no separate discussion of these items. If discussion is required, items may be removed from the consent calendar and will be considered separately.

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1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and Warrants approved by the committee on November 17, 2020
- b. Regular Board Meeting Minutes and Warrants of November 17, 2020

Motion to approve following consent calendar item(s) (a.) Finance and Audit Committee Meeting Minutes/Warrants of November 17, 2020, and (b.) Regular Board Meeting Minutes/ Warrants of November 17, 2020, made by Director Sanderson and 2<sup>nd</sup> by Director Wargo.

Director Sanderson - Aye  
 Director Morris - Aye  
 Director Wargo - Aye  
 Director Israel - Aye  
 Director Lynk - Aye

- 2. Warrants – None
- 3. Awards of Contracts – None

UPDATES

- 1. Update: **San Gorgonio Pass Regional Water Alliance Update (by Director Israel / Director Morris)**

Nothing to report.

\*Went directly to Closed Session next\*

- 2. Update: **Manager's Operations Report (by GM Louie)**
  - Edison PSPS (Power Shutoff) Events: nothing changed; still on lookout for these events in order to prepare.
  - Engie Solar Power: not feasible for the District at this time.
  - COVID-19: No new changes/nothing new to report.
  - Public Education Video – SCADA Alert Response: nothing new to report; having trouble getting vendor to upload video (nonresponsive).
  - Dolores Property for Theerachtrat: GM and Field Crew Lead to determine location/cost of each fire hydrant installation, and to confer with property owner in regards to paying their share for the installation. Working with legal in preparation of a cost share agreement.
  - Majestic Properties (Maxine and Date): new property owner has not applied for water services/contacted the District as of yet.
  - 50100 Main St. Property: Field crew to begin scrapping old materials in preparation for the move to the new District yard.
  - Chick-Fil-A project on Seminole (Old Hadley's building): Waiting on input from Engineers (both District's engineers and Chick-Fil-A's). Still in the planning stage at this time.
  - California Water Meter Tax – may be brought up again in 2021.
  - BB&K Joe Ortiz Moving On: The District's labor attorney has accepted another position, and will be replaced by Elizabeth Han.
  - Cabazon Post Office: District crew transported large boulders to post office property per their request to block cars from parking in their planter beds.

- San Gorgonio Pass Water Agency: Their board decided to NOT pursue reducing their 7-member board to five members.
- Cabazon Office Dinosaur: the Dinosaurs eyes were recently stolen.
- Teleconferencing Capabilities: Google Meets was brought up, but their platform is at a paid basis. Management to look into other options for teleconference/board meeting calls.

**CLOSED SESSION @ 18:16 hr.**

(1) CONFERENCE WITH LEGAL COUNSEL – Potential Litigation (1 case).

**OPEN SESSION @ 18:27 hr.**

Nothing to report; no action taken.

**NEW BUSINESS**

1. Discussion/Action: **Report of the Audited Financial Statements for Fiscal Year 2019-2020, as Presented by Fedak and Brown, LLP. (by Fedak & Brown – Byerrum)**

- Audit went well; positive results – no material weaknesses found. Chris Brown gave the audited financial statements overview and answered any questions that were brought up.
- No motion was made, but the Board thanked Fedak & Brown for the presentation and moved on with the meeting. There were no objections to the presentation made by either Board or Public. It was the consensus of the Board that the audit presentation was approved.

**OLD BUSINESS**

1. Discussion/Action: **NBS Water Rate Study Review and Discussion (by NBS)**

- Overview: The Board previously selected a 30% fixed (meter charge) / 70% variable (water usage charges) plan which was up for formal adoption during the November regular board meeting. Due to a failure of votes and a complaint from two Cabazon residents, it did not pass. This December meeting was to determine what direction the Board wanted to head with the water rates.
- Approximately nine Cabazon residents called in during this meeting and expressed their preference on the rate options. Four residents in particular expressed that they would specifically like the 30/70 rate structure, while other residents noted that any of the proposed structures would benefit them.
- The customer that complained previously explained that she would like the rates to be more equitable, and when asked which rate plan specifically she would prefer she answered either the 50/50 or 40/60 plans would be more reasonable.
- All customer concerns and questions were listened to and addressed where applicable. The board did its best in trying to make this as transparent and understandable to the public as possible. Everyone appeared satisfied with

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the discussion (no objections were raised, and everyone was able to express their opinions and ask questions/have questions answered).

- The board also discussed the pros and cons of each rate structure considered (30/70, 40/60, and 50/50). It was agreed by all that they would like to lower the water rates for customers as responsibly and practically as possible, while maintaining their responsibility of keeping the District in good financial health (which is their obligation to govern).

**Motion to approve a 50% fixed / 50% variable rate structure to be presented to the public and formally approved during the February 16, 2021 Board Meeting (as per Prop 218 notice requirements) made by Director Lynk and 2<sup>nd</sup> by Director Sanderson.**

**Substitute motion to approve a 40% fixed / 60% variable rate to be presented to the public and formally approved during the February 16, 2021 Board Meeting (as per Prop 218 notice requirements) made by Director Morris, 2<sup>nd</sup> by Director Israel.**

- Director Sanderson - Aye
- Director Morris - Aye
- Director Wargo - Aye
- Director Israel - Aye
- Director Lynk - Aye

**NEW BUSINESS**

**2. Discussion/Action: Reimbursement to Board Directors for taking COVID Test related to District business. (by Director Wargo)**

- While attending to District business, one of the Directors and her children (who were with her) were potentially exposed to COVID-19. This Director had to pay to have her and her children tested out of pocket. This discussion was whether the District should reimburse her for her out-of-pocket expenses, since she was potentially exposed while performing District duties.

**Motion to approve the COVID-19 reimbursement made by Director Morris and 2<sup>nd</sup> by Director Israel.**

- Director Sanderson - Aye
- Director Morris - Aye
- Director Wargo - Abstain
- Director Israel - Aye
- Director Lynk - Aye

**3. Discussion/Action: Transfer of funds from the District's General Account to the District's LAIF (Savings) Account. (by AGM Lemus)**

- It was requested that \$80,000 be moved from the Districts General Account to the District's LAIF (Savings) Account, so that it may incur interest in the District's benefit.

**Motion to approve the transfer of \$80,000 from the District's General Acct. to the District's LAIF Account made by Director Wargo and 2<sup>nd</sup> by Director Morris.**

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Director Sanderson - Aye  
Director Morris - Aye  
Director Wargo - Aye  
Director Israel - Aye  
Director Lynk - Aye

**4. Discussion/Action: Non-business Hour Water Emergency Response Fee Review (by GM Louie)**

- This item was only discussed; no action taken. Essentially, the GM wanted to know in what circumstances the District could charge a customer an after-hours call-out fee if the customer did not request a call-out, but there was a potential liability to the District if there was a leak detected/running water.
- The Board asked the General Manager to confer with legal and then to report back to the board if further discussion/action was required.
- The GM requested that an Ad Hoc committee be formed to discuss this issue in the near future. Director Israel and Director Wargo volunteered to be part of this ad hoc committee.

\*No motion made at this time.

\*Note: The GM gave his Manager's Report at this time.

**PUBLIC COMMENTS**

Any person may address the Board of Directors at this time on any matter within the subject matter jurisdiction of the Cabazon Water District that is not listed on the agenda; however, any matter that requires action will be referred to staff for investigation and reported at a subsequent Board of Directors meeting. The Board of Directors is prohibited by law from discussing or taking immediate action on items during this public comment period. To comment on specific agenda items, please advise the Board secretary prior to the meeting. Each public comment will be limited to three (3) minutes. Individuals may not give their time away to another spokesperson. After two (2) minutes, the speaker will be notified that he/she has one (1) minute remaining. AB 1234 ORAL REPORTS (Gov. Code Sec. 53232.3(d))

**GENERAL MANAGER/BOARD COMMENTS**

**1. Future Agenda Items**

The Board Chair or the majority of the Board may direct staff to investigate and report back to an individual(s) and the Board on matters suggested or direct the General Manager/Board Secretary to place the matter on a future Board meeting.

- Suggested agenda items from the Public.
- Suggested agenda items from Management.
- Suggested agenda items from Board Members.

- Director Wargo mentioned she would like the District to look into paying for Google Meets, Zoom Services, or something similar for future Board Meetings (to have the capabilities to screen share, etc. during a meeting).

2. Management Comments

Staff members may speak on items of information not requiring comment or discussion to the Board and public. Topics which may be included on a future meeting agenda may be presented but cannot be discussed. (3 minutes)

3. Board Member Comments

Board members may speak on items of information not requiring comment or discussion to the Board and public. (3 minutes)

- Director Morris is to speak with GM Louie regarding an Easter Egg donation for the Spring Celebration next year.

MISCELLANEOUS

1. Future Board Items/Next Board Meeting Date(s)

- a. Finance & Audit Workshop – Tuesday – January 19, 2021, 5:00 pm
- b. Regular Board Meeting – Tuesday – January 19, 2021, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance – Alliance Meeting – Wednesday – Dec. 16, 2020


ADJOURNMENT

Motion to adjourn at 20:24 hr. made by Director Morris and 2<sup>nd</sup> by Director Israel.

- Director Sanderson - Aye
- Director Morris - Aye
- Director Wargo - Aye
- Director Israel - Aye
- Director Lynk - Aye

Meeting adjourned at 20:24 hr. on Tuesday, December 15, 2020

  
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 Robert Lynk, Board Chair  
 Board of Directors  
 Cabazon Water District

  
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 Elizabeth Lemus, Secretary  
 Board of Directors  
 Cabazon Water District

ADA Compliance Issues

*In compliance with the Americans with Disabilities Act & Government Code Section 54954.2, if special assistance is needed to participate in a Board meeting, please contact the Clerk of the Board at (951) 849-4442. Notification of at least 48 hours prior to meeting time will assist staff in assuring that reasonable arrangements can be made to provide access.*