



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

**REGULAR BOARD MEETING
MINUTES**

Meeting Location:
Cabazon Water District Office
14618 Broadway Street
Cabazon, California 92230

Meeting Date:
February 21, 2017 – 6:00 PM

CALL TO ORDER

PLEDGE OF ALLEGIANCE

REMEMBRANCE OF OUR SERVICE MEN AND WOMEN

ROLL CALL

Director Teresa Bui - Present
Director Maxine Israel - Present
Director Sarah Wargo - Present
Director Alan Davis - Present
Director Robert Lynk - Present

Calvin Louie, General Manager - Present
Elizabeth Lemus, Board Secretary - Present
Cindy Byerrum, Financial Consultant - Absent
Steve Anderson, Best Best & Krieger Law Firm – Present
Greg Henry, NBS (Water Rate Study Firm) - Present

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.

1. Approval of:

- a. Finance and Audit Committee Meeting Minutes and warrants approved by the committee of January 17, 2017
- b. Regular Board Meeting Minutes and warrants of January 17, 2017
- c. Special Meeting Minutes and warrants of January 31, 2017

Motion to approve consent calendar item(s) Finance and Audit Committee Meeting Minutes and warrants approved by the committee of January 17, 2017 (b.) Regular Board Meeting Minutes and warrants of January 17, 2017 (c.) Special Meeting Minutes and warrants of January 31, 2017 made by Director Bui and 2nd by Director Israel.

**Director Bui - Aye
Director Israel - Aye
Director Wargo - Aye
Director Davis - 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)**
- 2. Update: Manager's Operations Report
(by General Manager Louie)**

OLD BUSINESS

- 1. Discussion: Sustainable Ground Water Update
(by General Manager Louie & Steve Anderson)**
- 2. Discussion/Action: Customer Concern: Tim Bailiff, Bailiff Ranch: Petition to the Board to remove select parcels from the District's annual fixed water Standby Assessments each fiscal year.**

- Parcels in question:**
- 519-200-006-5
 - 519-200-008-7

Motion to table Mr. Bailiff's agenda item (to petition the Board to remove select parcels from the District's annual fixed water Standby Assessments each fiscal year) until the March Regular Board meeting (to provide Mr. Bailiff the opportunity to appear before the Board) made by Director Bui and 2nd by Director Wargo.

Director Bui - Aye
Director Israel - Nay
Director Wargo - Aye
Director Davis - Nay
Director Lynk - Nay

Motion failed.

Motion to deny Mr. Tim Bailiff's petition to the Board to remove select parcels from the District's annual fixed water Standby Assessments each fiscal year made by Director Israel and 2nd by Director Davis.

Director Bui - Nay
Director Israel - Aye
Director Wargo - Nay
Director Davis - Aye
Director Lynk - Aye

3. Discussion/Action: Board Direction regarding Water Rate Study, selection of Proposed Water Rate Structure for implementation, and related items.

After *considerable* contemplation and deliberation regarding the proposed water rate structures, it was determined that a *unanimous* consensus of the Board was not possible. The Board appeared to waiver between selecting a 65%/35% fixed/variable structure and a 70%/30% fixed/variable structure. The entire Board expressed their concerns of wanting to be fair and fiscally responsible in their decision, but there was some debate on which option best encompassed this desire.

Motion to select Option C (as presented as a 70% fixed / 30% variable) rate structure for discussion and approval during the next Board Meeting following the Prop 218 requirements made by majority consensus of the Board (no second was made, but Chairman Lynk asked each Director for their decision):

Director Bui - Aye - Option C (70%/30% fixed/variable rate structure)
Director Israel - Aye - Option C (70%/30% fixed/variable rate structure)
Director Wargo - Nay - Option B (65%/35% fixed/variable rate structure)
Director Davis - Aye - Option C (70%/30% fixed/variable rate structure)
Director Lynk - Aye - Option C (70%/30% fixed/variable rate structure)

It was the majority consensus of the Board to move forward with Option C, the 70%/30% fixed/variable rate structure.

NEW BUSINESS

1. Discussion/Action: **Customer Concern: Ms. Devida Parnell regarding Homer Shep's account, 2-2051S. Petition to the Board to either partially or fully waive the current account balance.**

Before this item was discussed, Director Davis and Director Wargo asked to reclude themselves from participating, in order to prevent a possible conflict of interest. Both stated that they had somehow known the late Mr. Homer Sheperd (a.k.a. Shep), and they proceeded to leave the room.

Ms. Parnell explained to the Board that her husband, Mr. Homer Shep, had passed away, and that someone had tampered with the meter and had stolen water. She was not against paying water bills, but was not able to pay for such a large bill, which was mainly caused by water theft. Furthermore, Ms. Parnell explained that she needed water service restored for a home inspection, so that she could sell the house.

Motion to remove the \$70 broken meter lock incident fee and \$564.72 unlawful water usage (both applied to the account on 10/18/2016) made by Director Lynk and 2nd by Director Bui*.

Director Bui - Aye
Director Israel - Aye
Director Wargo - Absent
Director Davis - Absent
Director Lynk - Aye

***Note: It was clarified that the remaining account balance would be \$224.83 after the two fees had been removed, and that Ms. Parnell would be responsible for this amount, in addition to supplying in the required paperwork to transfer the account into her name. The Board offered her the option of a payment plan, if needed. Ms. Parnell did not express any objections to these stipulations.**

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 Israel and Director Bui – requested an agenda item be added regarding contacting the County of Riverside to determine whether they would consider absorbing the cost of supplying bottled drinking water (i.e. Sparkletts water services) due to the high copper concentration in the District's office facility drinking fountains.

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)

MISCELLANEOUS

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

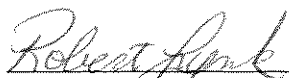
- a. Finance & Audit Workshop – Tuesday – March 21, 2017, 5:00 pm
- b. Regular Board Meeting – Tuesday – March 21, 2017, 6:00 pm
- c. Personnel Committee – None
- d. San Gorgonio Pass Regional Water Alliance – Alliance Meeting - Wednesday – February 22, 2017 - 5:00 PM to 7:00 PM

ADJOURNMENT

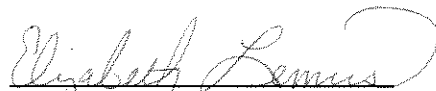
Motion to adjourn at 22:18 hr. made by Director Lynk*

*Note: No 2nd or roll call vote was made, but there were no vocal objections by either Board, staff, or public to adjourn the meeting.

Meeting adjourned at 22:18 hr. on Tuesday, February 21, 2017



Robert Lynk, Board Chair
Board of Directors
Cabazon Water District



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.

Proposed Rates – Alternative C (70%F / 30%V)

Water Rate Schedule	Current Rates	Proposed Rates - Rate Alternative C				
		FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Fixed Service Charge						
Monthly Fixed Service Charges:						
5/8 inch	\$44.16	\$51.15	\$58.82	\$61.77	\$64.85	\$68.10
3/4 inch	\$59.47	\$73.79	\$84.86	\$89.10	\$93.56	\$98.24
1 inch	\$88.26	\$119.07	\$136.93	\$143.78	\$150.97	\$158.51
1.5 inch	\$188.97	\$232.27	\$267.11	\$280.46	\$294.48	\$309.21
2 inch	\$286.61	\$368.10	\$423.32	\$444.48	\$466.71	\$490.04
3 inch	\$384.25	\$730.33	\$839.88	\$881.88	\$925.97	\$972.27
4 inch	\$536.82	\$1,137.84	\$1,308.52	\$1,373.94	\$1,442.64	\$1,514.77
6 inch	\$718.63	\$2,269.81	\$2,610.28	\$2,740.80	\$2,877.84	\$3,021.73
10 inch	\$1,458.60	\$1,677.39	\$1,929.00	\$2,025.45	\$2,126.72	\$2,233.06
Monthly Fire Service Charges:						
4 inch	\$60.00	\$46.23	\$53.16	\$55.82	\$58.61	\$61.54
6 inch	\$90.00	\$98.11	\$112.83	\$118.47	\$124.40	\$130.62
Commodity Charges						
Rate per hcf of Water Consumed:						
Uniform Rate (Non-SFR Customers)	N/A	\$2.23	\$2.56	\$2.69	\$2.82	\$2.96
Contract Rate	\$2.50	\$2.88	\$3.31	\$3.47	\$3.65	\$3.83
Tiered Rate (SFR Customers):						
Current Break						
Proposed Break						
Tier 1 5 hcf	\$0.00	\$1.15	\$1.32	\$1.39	\$1.46	\$1.53
Tier 2 25 hcf	\$2.21	\$2.51	\$2.89	\$3.04	\$3.19	\$3.35
Tier 3 50 hcf	\$4.36	\$3.84	\$4.42	\$4.64	\$4.87	\$5.12
Tier 4 50+ hcf	\$5.05	N/A	N/A	N/A	N/A	N/A