



Cabazon Water District
14-618 Broadway Street • P.O. Box 297
Cabazon, California 92230

REGULAR BOARD MEETING

MINUTES

Meeting Location:
Cabazon Water District Office
14-618 Broadway Street
Cabazon, California 92230

Meeting Date:
July 19, 2016 – 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
Linda S. Halley, Financial Consultant - Absent
Steve Anderson, Best Best & Krieger Law Firm – Present
Joseph Ortiz, Best Best & Krieger Law 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 June 21, 2016
- b. Regular Board Meeting Minutes and warrants of June 21, 2016

2. Warrants – None

3. Awards of Contracts – None

Motion to approve consent calendar item(s) a.) Finance and Audit Committee Meeting Minutes and warrants approved by the committee of June 21, 2016 and b.) Regular Board Meeting Minutes and warrants of June 21, 2016 made by Director Bui and 2nd by Director Israel.

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

UPDATES

- 1. Update: San Gorgonio Pass Regional Water Alliance Update
(by Director Israel)
- 2. Update: Manager's Operations Report
(by General Manager Louie)

Due to the necessity of a Special Board Meeting before August 15th, to discuss and approve/deny the Fiscal Year (FY) 2016/2017 Standby Charges, the Board decided to hold a Special Meeting at 15:30 hr. on Tuesday, August 2, 2016, to discuss: 1) Special Meeting Business (e.g. Standby Charges), 2) A Water Rate Study Workshop, and 3) FAC Check review and signing.

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 listed on the agenda under Closed Session; 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))

CLOSED SESSION

- (1) CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: (former Hadley property at 50100 Main Street)
Agency Negotiator: Calvin Louie
Negotiating Parties: Cabazon Water District, Lucent Real Estate, Inc., and Hadley's Trust
Under Negotiation: Price and Terms of Payment

- (2) CONFERENCE WITH LEGAL COUNSEL – General Manager's Annual Performance Review
- (3) CONFERENCE WITH LEGAL COUNSEL – Litigation Jack Pryor vs. Cabazon Water District and General Manager

OPEN SESSION

Report to the public of action taken by the Board, if any.

Nothing to report.

NEW BUSINESS

1. Discussion/Action: Thornton Development – Duane Burk representing Thornton Development requesting Board to approve transfer water connection fees from the Riza parcel to their Almond parcel. (see Staff report)

It was explained that Thornton Development had paid for meter/water connection fees for an undeveloped property they owned on Riza Ave., and they requested to "transfer" that meter/water service to another undeveloped parcel they owned on Almond St.

District General Manager, Calvin Louie, provided a staff report which gave more details on the matter.

Motion to approve the meter/water connection transfer from the 51945 Riza Ave. parcel (APN# 528-072-007) to the 14503 Almond St. parcel (526-201-042) made by Director Israel and 2nd by Director Wargo.

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

2. Discussion/Action: Cabazon Neighborhood Association (CNA) requesting funding and volunteers for the Annual "Trunk or Trick" held at the Cabazon Community Park in October 2016. (by Diane Morris, President of CNA and Shannon Smith, President of Kids Cure, Beaumont, CA)

Motion to approve \$350 for the Cabazon Neighborhood Association (CNA) for the annual "Trunk or Treat" held at the Cabazon Community Park in October 2016, made by Director Bui and 2nd by Director Davis

Director Bui - Aye
Director Israel – Absent – Director Israel excused herself from this item, to prevent a possible conflict of interest.
Director Wargo - Absent – Director Wargo excused herself from this item, to prevent a possible conflict of

interest.

Director Davis - Aye
Director Lynk - Aye

OLD BUSINESS

1. Discussion/Action: Jack Pryor – DPI – Request Refund on Deposit for Water & Waste Water - Carmen Meadows Residential Development (by Jack Pryor)

Due to Mr. Pryor's absence from the meeting, the Board decided to table this item.

Motion to table this item until the next regular board meeting made by Director Bui and 2nd by Director Wargo.

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

3. Discussion: Sustainable Ground Water Update
(by General Manager Louie & Steve Anderson)

District Board Chair Lynk, appointed Director Davis and Director Wargo as a Groundwater Sustainability Agency (SGA) Sustainability Groundwater Management Act (SGMA) ad hoc committee members to serve a term no longer than six (6) months to assist in preparation of the Memorandum of Understanding (MOU) of the GSA. This ad hoc committee will be reviewed by the Cabazon Water District Board after six months, to evaluate whether or not this ad hoc committee should become a permanent committee.

4. Discussion: Update on FY 2016-2017 Budget (by General Manager Louie)

Due to the new hires, a water rate study, a proposed side letter to the Union MOU, etc., this item will be discussed during September or so.

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.

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. Special Board Meeting, Water Rate Study, and Finance and Audit Workshop – Tuesday August 2, 2016, 3:30 pm
- b. Finance & Audit Workshop – Tuesday – August 23, 2016, 3:45 pm
- c. Regular Board Meeting – Tuesday – August 23, 2016, 6:00 pm
- d. Personnel Committee – None
- e. San Geronio Pass Regional Water Alliance – Alliance Meeting - Wednesday – July 27, 2016 - 5:00 PM to 7:00 PM

ADJOURNMENT

Motion to adjourn at 21:36 hr. made by Director Lynk and 2nd by Director Israel

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



MEMORANDUM

DATE: July 19, 2016
TO: Board of Directors
FROM: Calvin Louie - GM
SUBJ: Staff Report - Transfer of Water Service
cc:

Last week on Thursday, July 7, 2016, Ellie Lemus and I met with Duane Burk, who was representing Kathi Thornton from Thornton Development (the "Developer").

The Developer is desirous in developing APN # 526-201-042 - 14503 Almond Street (Almond parcel), Cabazon, located on the southwest corner of Almond Street and Carmen Avenue,

This is the first residential development the District has had since 2007. There are no District policies and ordinances that have been established to meet the current private fire sprinkler system requirements for new residential developments.

However, Burk, who represents the Developer has suggested the transfer of the potable water service connection from APN# 528-072-007 – 51945 Riza Avenue, (Riza parcel) to the Almond parcel, also owned by the Developer, and both parcels are within the service area of the District.

His reasons for this proposal are as follows:

1. The Developer will be over budget if they provide funding for not only the Basic Facility Charges and current private fire protection requirements that did not exist when they purchased the property from Steve Strand.
2. Both the Almond parcel and Riza parcel already have a service lateral, valves, and meter box configuration.
3. The Developer has paid for the Basic Facility and Distribution System Charges at the Riza parcel for a 5/8" water meter.
4. If the Board was to allow this to occur, the District would benefit by acquiring water sales revenue and the Developer will not be over their construction budget. The Riza parcel is undeveloped and that water service connection remains dormant from generating water sales revenue.

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

Bus. (951) 849-4442

Fax (951) 849-2519

District staff has formulated the following opinions:

1. A physical inspection of both parcels have confirmed the lateral, valves, and meter box configuration exists on both parcels.
2. The Staff was unable to find in the Cabazon Water District (the District) Rules & Regulations of Water Services any ordinances preventing the transfer of a water service account from one parcel to another as long as either parcel had no history of water consumption. This has been confirmed by the water billing department.
(see Attachment 1)
3. In the District's Charges and Fees for Water Service, Table 3, Service Connection Charges, it specifically states the following charges:

Meter Size (Inches)	Basic Facility Charges (\$)	Distribution System Charges (\$)	Service Connection Charges (\$)	Total Charges (\$)
5/8 x 3/4	3,650	3,200	1,170	8,020
3/4	5,450	3,200	1,180	9,830

Should the Board decide to grant the Developer's request to transfer their water account, then the following stipulations should be imposed on the Developer.

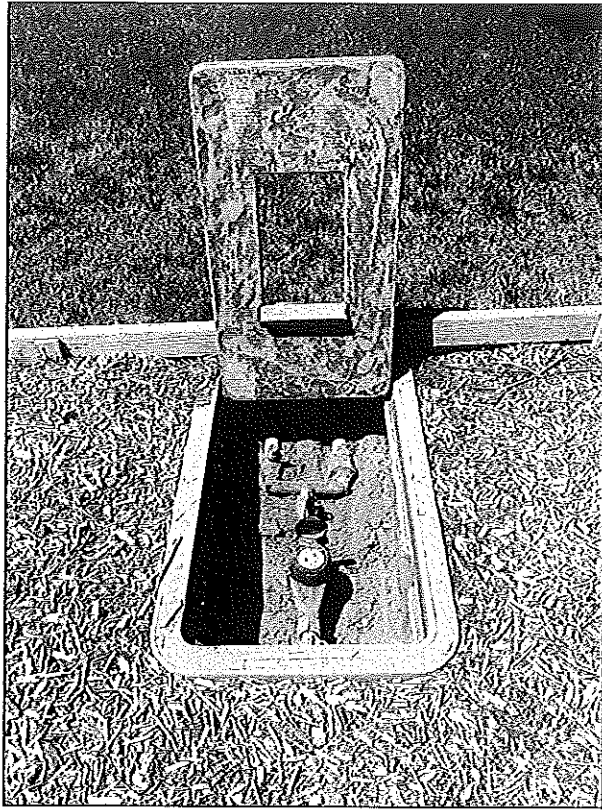
- a. Developer to pay the District the difference of \$1,810 for an upgrade to a 3/4" from the 5/8" water meter paid for by the Developer on their Riza parcel.
- b. Developer to pay the District any additional cost to comply with the new private fire sprinkler requirements as determined by the District staff.
- c. Developer to pay the district any additional fees or cost incurred by the District in relation to the Developer's project known as the Almond parcel as determine by the District Staff.
- d. Developer shall pay the District the entire Basic, Distribution, and Connection Charges when they develop the Riza parcel or disclose such to any potential buyer that this parcel has no water service.
- e. This recommendation is based on a past case where a property owner had two adjoining parcels on Rafael Street. Both parcels had existing water service connections, but only one parcel had the Basic, Distribution, and Connection Charges paid. The Board was going to consider the same if the property owner's potential buyer was only going to purchase one of the parcels that did not have water services paid for. That case turned out the potential buyer ended up purchasing both parcels.

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

Bus. (951) 849-4442

Fax (951) 849-2519

Private Fire Sprinkler Configurations



City of Banning

Existing Water Connection on Almond parcel with no water meter installed.

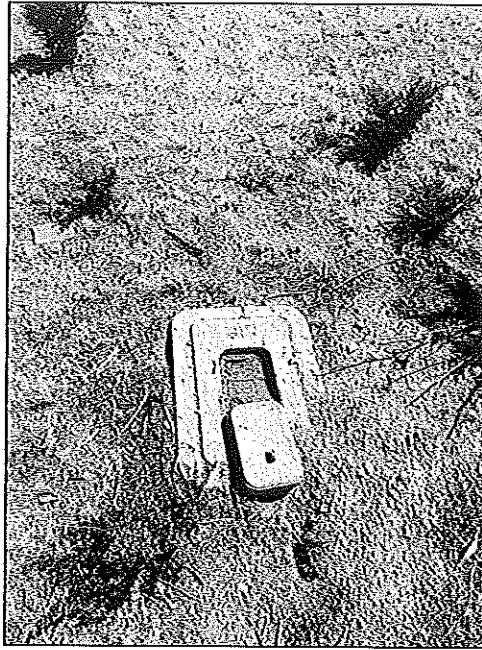


Cabazon Water District
14618 Broadway Street
P.O. Box 297
Cabazon, California 92230

Bus. (951) 849-4442

Fax (951) 849-2519

Existing Water Connection on Almond parcel with no water meter installed.



2 1/2" blow off relocation or raise.



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

Bus. (951) 849-4442

Fax (951) 849-2519