

JOSHUA BASIN WATER DISTRICT
Minutes of the
SPECIAL MEETING OF THE BOARD OF DIRECTORS

January 8, 2014

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

Victoria Fuller	Present
Bob Johnson	Present
Mickey Luckman	Present
Mike Reynolds	Absent
Gary Wilson	Present

STAFF PRESENT: Susan Greer, Acting General Manager
Marie Salsberry, HR Manager/Administrative Specialist
Keith Faul, GIS Coordinator

CONSULTANTS PRESENT: Gil Granito, District Counsel, Redwine & Sherrill
Kathleen Radnich, Public Outreach Consultant

GUESTS 6

4. APPROVAL OF AGENDA

President Fuller stated that Vice President Reynolds was not present because a family member was in an accident; she asked that the family be kept in thoughts and prayers.

MSC Luckman/Johnson 4/0 (1 Absent) to approve the agenda for the January 8, 2014 Special Meeting of the Board of Directors.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Absent
Wilson	Aye

5. PUBLIC COMMENT

Michael McCourt of Joshua Tree asked several questions and stated he was aware that the Board might not provide answers at this meeting. He asked why special meetings are not held in conjunction with regular meetings, whether directors receive compensation for attending committee meetings, why is the attorney present at the meetings. He commented opposing rate increases.

6. DISCUSS CHARGING BASIC FEE FOR PULLED AND INACTIVE METERS

Acting General Manager Susan Greer reported on the proposal to bill inactive and pulled meters, noting that there are approximately one thousand pulled and inactive meters representing approximately 20% of the total meter count. Owners of these meters have previously bought into the system and have entitlement to water service, but do not contribute for ongoing water system maintenance.

District Counsel Gil Granito stated he had reviewed historical information gathered by staff on this subject, which has been discussed several times in the past. He reported on a case where the court of appeals allowed a basic fee to be charged for inactive meters; it was recognized that owners of these meters had a vested

right to the service and with that right comes an obligation. The Board could initiate charges for those who voluntarily turn off service, or don't initiate it but have a right to do so at any time; they are customers and the Board has the legal authority to impose a fee.

Director Wilson commented that he has a pulled meter and he is opposed to this proposed charge. He stated that when he had the meter pulled he received a letter from the District saying he would not be charged a monthly fee until he had the meter reinstalled. Director Luckman commented that since the District needs to maintain the necessary infrastructure to serve these meters, she is in favor of charging the basic fee.

President Fuller commented that Director Wilson brought up important issues and she is in favor of taking a long-term look at the issue with an ad hoc committee.

Robert Manlin commented opposing a basic charge for pulled and inactive meters, and suggested an increase in standby fees.

Michael McCourt of Joshua Tree commented opposing a basic fee charge for inactive or pulled meters. He asked what revenue is anticipated for the District if this charge is instituted and what would be the cost to the District if owners of all of these meters wanted to have them installed. He suggested that the District look for ways to cut costs, and wondered why it was necessary for the attorney to be present at the meetings. He asked if Directors are compensated for committee meetings.

Ken Pitcher, Joshua tree property owner, asked whether it is ethically or morally right to do this. He asked whether the District is prepared to repay all of the owners of pulled and inactive meters if they should decide to request refunds for the meters.

Director Johnson stated he appreciates the public comments and will take them to heart.

Director Luckman stated she appreciates the comments as well; and stated that most of the directors do not take compensation for committee meetings.

President Fuller stated that ratepayers who take water service and pay a monthly fee may be unduly burdened due to the many pulled and inactive meters that do not currently pay a monthly fee but are also entitled to service; however this subject needs more consideration. She stated that special meetings are held to focus on one topic, or to address topics that are time-sensitive. She noted that compensation for directors is reported in the District's monthly financial reports. She noted that the District's rates are among the lowest in the Morongo Basin but the water system is aging and will need repairs. She stated that it is less expensive to pay an attorney ahead of time than to pay for a lawsuit later. As a grant recipient the District is required to do education and communicate conservation messages to the ratepayers.

AGM Greer commented that raising standby fees would require a vote of the public. The basic fee for pulled and inactive meters if instituted would raise revenue in the amount of \$900,000 to \$1.35 million over five years. The District needs pipeline replacement and will need to purchase supplemental water.

District Counsel Granito commented that the proposal to charge basic fee for pulled and inactive meters was suggested by an independent rate consultant.

Director Wilson commented that attorney costs are from \$8,000 to \$11,000 per month.

7. CLOSED SESSION

The Board went into Closed Session at 7:48 pm, to discuss public employee appointment for the position of General Manager, pursuant to Government Code Section 54957(b)(1). The meeting resumed in open session at 8:50 pm.

8. PUBLIC REPORT ON TONIGHT'S CLOSED SESSION

District Counsel Granito reported that at approximately 7:48 pm the Board went into Closed Session as reflected in item 7 of the January 8th meeting agenda for discussion related to appointment of a general manager and that all Directors and District Counsel participated in the discussion and there was no reportable action.

9. DISTRICT GENERAL COUNSEL REPORT

None.

10. DIRECTORS COMMENTS/REPORTS

None.

11. ADJOURNMENT 8:53 PM

MSC Johnson/Luckman 4/0 (1 Absent) to adjourn the January 8, 2014 Special Meeting of the Board of Directors.

Fuller	Aye
Johnson	Aye
Luckman	Aye
Reynolds	Absent
Wilson	Aye

Respectfully submitted:



Susan Greer, Acting General Manager