

JOSHUA BASIN WATER DISTRICT
Minutes of the
REGULAR MEETING OF THE BOARD OF DIRECTORS
January 4, 2012

1. CALL TO ORDER: 7:00 PM

2. PLEDGE OF ALLEGIANCE

3. DETERMINATION OF QUORUM:

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| Frank Coate | Present |
| Bill Long | Present |
| Mickey Luckman | Present |
| Mike Reynolds | Present |
| Gary Wilson | Present |

STAFF PRESENT:

Joe Guzzetta, General Manager
Susan Greer, Assistant General Manager/Controller
Keith Faul, GIS Coordinator
Marie Salsberry, Executive Secretary

CONSULTANTS PRESENT:

Gil Granito, District Counsel
Kathleen Radnich, Public Outreach Consultant

GUESTS 11

4. APPROVAL OF AGENDA

MSC Long/Luckman 5/0 to approve the agenda for the January 4, 2012 Regular Meeting of the Board of Directors.

5. PUBLIC COMMENT

Al Marquez of Joshua Tree commented that the November financial report was not on the Consent Calendar. General Manager Joe Guzzetta stated it will probably be on the agenda for the next board meeting.

6. 10/11 AUDIT REPORT PRESENTATION FROM MESSNER & HADLEY

GM Guzzetta and Assistant General Manager/Controller Susan Greer introduced Paul Messner of Messner and Hadley who explained the audit process and the resulting report. Discussion ensued.

Al Marquez of Joshua Tree asked if "cash on hand" had dropped; Mr. Messner stated that the District made the last payment on a 1974 bond.

Director Wilson asked when the District can start the process of advertising for a new auditor and was advised by staff this process can begin soon. AGM/Controller Greer thanked her staff Ben Ruffner, Shirley Bolha Patricia Freeman and Anne Roman for their hard work resulting in a good audit report. GM Guzzetta thanked Susan Greer and staff and noted that the District's field crew has improved input processes that have resulted in better record keeping.

MSC Coate/Long 5/0 to accept and file the audited financial report presented by Paul Messner for the fiscal year ending June 30, 2011.

7. APPOINTMENT OF BOARD REPRESENTATIVES TO MOJAVE WATER AGENCY TECHNICAL ADVISORY COMMITTEE, MORONGO BASIN PIPELINE COMMISSION AND ASSOCIATION OF SAN BERNARDINO COUNTY SPECIAL DISTRICTS

President Mike Reynolds made the following appointments:

MWA Technical Advisory Committee: Vice President Luckman

Morongo Basin Pipeline Commission: Director Long
ASBCSD: President Reynolds

MSC Long/Luckman 5/0 to receive the appointments made by the Board President.

Al Marquez of Joshua Tree commented opposing having a Board representative receive compensation for attending MWA TAC meetings. Vice President Luckman and Director Coate commented on the benefits of attending MWA TAC meetings.

8. CONSIDER APPROVAL OF RESOLUTION 12-880 AUTHORIZING SIGNERS WITH US BANK

Staff presented the report.

MSC Luckman/Long 5/0 to approve staff recommendation to approve resolution 12-880 authorizing signers with US Bank.

9. CITIZENS ADVISORY COMMITTEE (CAC) RECOMMENDATION TO THE BOARD REGARDING PUBLIC USE OF THE DEMONSTRATION GARDENS

GM Guzzetta reported. Discussion ensued and the Board took the following action:

MSC Long/Luckman 5/0 to approve to approve the recommendation of the Citizen Advisory Committee to limit the use of events in the Demonstration Garden to those sponsored or co-sponsored by the Joshua Basin Water District and/or by another government agency, and determine a maximum capacity of 75.

10. COMMITTEE REPORTS

A. **Public Information Committee:** Public Outreach consultant Kathleen Radnich reported that the Public Information Committee will meet on Monday January 9th and will focus on strategic planning for public outreach.

B. **Ad Hoc General Manager Performance Facilitated Review Process:** Legal Counsel Granito stated that the consultant requested appointment of a District contact which could be an individual or a committee. President Reynolds noted that an ad hoc committee is in place

MSC Reynolds/Luckman 4/1 to designate the ad hoc committee of President Reynolds and Director Long to serve as point of contact between Rauch Communications, the Board and the General Manager for the General Manager evaluation process.

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| Coate | Aye |
| Long | Aye |
| Luckman | Aye |
| Reynolds | Aye |
| Wilson | No |

11. PUBLIC COMMENT

Al Marquez of Joshua Tree commented wanting a written response to a complaint he made alleging a violation of the Brown Act.

GM Guzzetta stated that he sent a response to Mr. Marquez. Legal Counsel Granito stated that there was no violation of the Brown act; in fact, the District's Administration Code had a higher standard than the Brown Act and the District has since brought the Administration Code in compliance with the Brown Act.

12. GENERAL MANAGER REPORT

GM Guzzetta reported that the Recharge project is progressing and some preparation work should be done on the project site before February 15th. A Board committee for this phase of work was suggested. President Reynolds appointed Frank Coate and Mickey Luckman to the Ad Hoc Committee for the purpose of the Recharge activity at this time.

Director Wilson stated that he had asked for some clarification on when work on the agreement between Hi-Desert Medical Center and Joshua Basin Water District had been brought to the Board; he commented that it wasn't brought to the Board until September 7th.

13. DISTRICT COUNSEL REPORT

Mr. Granito stated there would be a Closed Session and that he had not open session report at this time.

14. DIRECTORS COMMENTS/REPORTS

A. Open Space Committee Status Report: Vice President Luckman:

Vice President Luckman stated she would not report on the Open Space Committee. She requested that \$200,000 in the hospital contract be discussed at a future meeting, and whether or not it will be replenished. GM Guzzetta stated this item will be coming back to the board. Vice President Luckman commented that she had a water leak and was mostly without running water for a week; she learned that ten gallons of water is not sufficient for an emergency.

Director Coate commented that the Demand list and draft minutes of prior minutes were not discussed at the Agenda Committee meeting. He requested a list of all outstanding contracts. President Reynolds wished everyone a happy new year and commented he is looking forward to a productive year. He asked for future Board meeting agendas to include an item for "Future Agenda Items".

15. CLOSED SESSION

- A. Closed Session to confer with Legal Counsel on existing litigation pursuant to subdivision (a) of Government Code Section 54956.9. (Re Joshua Basin Water District v. Robert Ellis, San Bernardino Superior Court - Joshua Tree District, Case No. CIVMS 900168).
- B. Closed Session to confer with Legal Counsel on existing litigation pursuant to subdivision (a) of Government Code Section 54956.9. (Re Joshua Basin Water District v. Ironhead LLC a California Limited Liability Company, Praxedes Beard and Does 1 – 10 inclusive, San Bernardino Superior Court - Joshua Tree District, Case No. CIVMS 1100087).

A five minute recess was called. The Board went to Closed Session at 8:00 pm. The meeting resumed in open session at 8:32 pm.

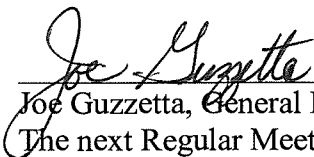
16. REPORT ON CLOSED SESSION

Mr. Granito reported that during the closed session discussion was led by the District's General Counsel on items 15A and 15B. The Board of Directors received a status report on these items from General Counsel; no further reportable action occurred during the closed session.

17. ADJOURNMENT 8:35 PM

MSC Luckman/Long 5/0 to adjourn the January 4, 2012 Regular Meeting of the Joshua Basin Water District Board of Directors.

Respectfully submitted;



 Joe Guzzetta, General Manager

The next Regular Meeting of the Board of Directors is scheduled for Wednesday January 18 at 7:00 pm.