

JOSHUA BASIN WATER DISTRICT
Minutes of the
SPECIAL MEETING OF THE BOARD OF DIRECTORS
December 12, 2012

1. CALL TO ORDER: 7:00 PM
2. PLEDGE OF ALLEGIANCE
3. ADMINISTER OATH OF OFFICE
General Manager Joe Guzzetta administered the Oath of Office to Directors Victoria Fuller, Mickey Luckman, Frank Coate and Mike Reynolds.
4. DETERMINATION OF QUORUM:

Frank Coate	Present
Victoria Fuller	Present
Mickey Luckman	Present
Mike Reynolds	Present
Gary Wilson	Present

STAFF PRESENT: Joe Guzzetta, General Manager
Susan Greer, Assistant General Manager/Controller
Marie Salsberry, HR Manager/Administrative Specialist
Anne Roman, Accountant

CONSULTANTS PRESENT: Gil Granito, District Counsel
Paul Kaymark, District Auditor

GUESTS 8
5. RESOLUTION HONORING JBWD DIRECTOR BILL LONG
President Reynolds read Resolution 12-896; A Resolution of the Board of Directors of the Joshua Basin Water District Expressing Their Appreciation for William C. "Bill" Long.
President Reynolds called for a recess at 7:09 pm and the meeting resumed at 7:20 pm.
6. APPROVAL OF AGENDA
MSC Luckman/Fuller 5/0 to approve the agenda for the December 12, 2012 Special Meeting of the Board of Directors.
7. PUBLIC COMMENT
None.
8. CONSENT CALENDAR
MSC Luckman/Coate 5/0 to approve cancellation of the December 19th, 2012 Regular Board Meeting and to Adopt Resolution 12-897 Opening a New Bank Account and Authorizing Signers at US Bank.
9. FISCAL YEAR 11/12 AUDIT REPORT PRESENTATION FROM CHARLES Z. FEDAK & COMPANY, CPAs
Assistant General Manager/Controller Susan Greer introduced Paul Kaymark from Charles Z Fedak & Company Certified Public Accountants. Mr. Kaymark explained the audit process.

Steven Whitman of Joshua Tree asked whether the auditor had a process for auditing preparation and signing of checks to protect against fraud or embezzlement. Mr. Kaymark explained that sample selection is used to test the validity of controls that the agency has in place.

Richard Fountain of Joshua Tree asked whether the District is fully funding depreciation. AGM/Controller Greer stated that total depreciation is about \$1.2 million and about \$200,000 of that amount is not funded at this time.

Luckman/Fuller 5/0 to approve staff recommendation to accept and file the Fiscal Year 11/12 Audit report.

10. APPROVAL OF CONSTRUCTION SUPPORT CONTRACTS FOR GROUND WATER RECHARGE PIPELINE PROJECT

GM Guzzetta reported on proposals received for construction management and inspection, geotechnical consulting, and construction staking.

MSC Coate/Luckman 4/1 to approve staff recommendation to authorize the following contracts and costs for the ground water recharge project: 1) Dudek in the amount of \$125,000 for construction management and inspection; 2) Leighton Engineering in the amount of \$68,000 for geotechnical consulting; 3) MSA in the amount of \$30,000 for construction staking; and 4) a 10% contingency in the amount of \$22,500.

Coate	Aye
Fuller	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

11. CONSIDER EARLY PAYOFF OF ID#2 GENERAL OBLIGATION BONDS

AGM/Controller Greer reported that the payoff date for the 1974 Improvement District #2 bonds is scheduled for March 1, 2015 but the District can save about \$19,000 by paying the bonds early.

Steven Whitman of Joshua Tree commented in favor of early payoff of the bonds.

MSC Coate/Luckman 5/0 to approve staff recommendation to authorize early payoff of ID #2 Bonds and withdrawal of \$225,000 from the LAIF Opportunity Fund, resulting in interest savings of approximately \$19,400.

12. COMMITTEE REPORTS

A. PUBLIC INFORMATION COMMITTEE: Vice President Luckman reported the Public Information Committee will meet Friday December 14 at 10 am. President Reynolds appointed Director Fuller to replace former Director Long on the Public Information Committee.

B. AD HOC ENGINEERING AND RECHARGE COMMITTEE: The Committee did not meet.

13. PUBLIC COMMENT

None.

14. GENERAL MANAGER REPORT

GM Guzzetta reported that construction for the recharge pipeline will begin in early January. GM Guzzetta is working with Fish and Game on permitting issues and will continue to investigate the necessity of obtaining a Fish and Game permit for the recharge project.

GM Guzzetta reported that the Hi-Desert Medical Center Wastewater Treatment Plant project construction is continuing ahead of schedule.

District employee Jason Sanchez passed away about a week and a half ago; a local memorial service will be

held this Sunday at 1 pm.

15. DIRECTORS COMMENTS/REPORTS

Director Coate reported attending the Association of California Water Agencies Fall Conference where he saw many good presentations including some on insurance benefits. He commented that he appreciates having served on the JBWD Board with Bill Long.

Director Fuller reported attending the Association of California Water Agencies Fall Conference presentations on drought planning, use of GIS and many other subjects. She stated she is glad to be here.

Vice President Luckman attended the Association of California Water Agencies Fall Conference including the Joint Powers Insurance Association section on Monday and Tuesday.

President Reynolds reported attending the Association of California Water Agencies Fall Conference on Thursday where he attended a presentation given by FBI on how they deal with potential terrorist threats to public water systems, and a seminar on advantages of drinking tap water versus bottled water. He expressed his thanks to Bill Long and welcomed Director Victoria Fuller. President Reynolds dedicated the December 12th Special Board meeting to employee Jason Sanchez.

16. DISTRICT GENERAL COUNSEL REPORT

District Counsel Gil Granito reported on a new section of water code effective January 1, 2013 that states every human being has a right to safe clean affordable water.

17. FUTURE AGENDA ITEMS

None requested.

18. ELECTION OF BOARD PRESIDENT AND VICE PRESIDENT

Director Wilson nominated Director Coate for President. Vice President Reynolds nominated Director Luckman for President and Director Coate for Vice President. There was no second to Director Wilson's motion. President Reynolds re-stated his nominations and Director Fuller seconded the nominations.

Roll call Vote:

Coate	Aye
Fuller	Aye
Luckman	Aye
Reynolds	Aye
Wilson	No

19. ADJOURNMENT 8:24 PM

The meeting was adjourned by resolution in memory of Jason Sanchez.

Respectfully submitted:



Joe Guzzetta, General Manager

The next regular meeting of the Board of Directors is scheduled for December 19, 2012 at 7:00 pm.