



A STATE OF
CALIFORNIA
PUBLIC
AGENCY

QUAIL VALLEY WATER DISTRICT

BOARD OF DIRECTORS

Jim Boatman
Matt Daggett
Rita Leonard
Enrique Lopez
Richard Sims

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF QUAIL VALLEY WATER DISTRICT

Held on Saturday, July 29th, 2017 at 8:30 AM
at 24750 Sand Canyon Road, Tehachapi, CA.

1. Roll Call.

Meeting called to order at 8:30 A.M. There were present, representing a quorum:

*Director Boatman
Director Daggett;
Director Leonard;
Director Lopez;
Director Sims.*

*Also present:
Secretary Cantrell;
General Manager Hardenbrook.*

2. Adoption of Agenda.

Director Sims moved, seconded by Director Boatman, to adopt Agenda. Motion approved by unanimous consent.

3. Public comments for NON-agenda items.

None.

4. Consent Calendar:

4.1. Approve minutes from Regular Meeting of 6/24/17.

Director Leonard moved, seconded by Director Boatman, to approve consent calendar. Motion approved by unanimous consent.

5. Presentations:

5.1. Update on Prop 84 Pipeline project. (General Manager Hardenbrook)

General Manager Hardenbrook provided Board with a progress update on the pipeline phase of the Prop 84 project, including information regarding delay in payment for claims 16 and 17 due to year-end accounting at WaterBoards and construction activities are on hold waiting for approval of change order for PRV vaults with traffic rated lids. General Manager Hardenbrook further informed Board that request for bids for well phase has been advertised and that bid opening is scheduled for 8/25/17. In addition, Board was informed of cease and desist letter received from counsel for Pinion Hills Water



QUAIL VALLEY WATER DISTRICT

A STATE OF
CALIFORNIA
PUBLIC
AGENCY

BOARD OF DIRECTORS

Jim Boatman
Matt Daggett
Rita Leonard
Enrique Lopez
Richard Sims

Company regarding use of construction water from Hackamore well and a complaint by Joan Tyer to WaterBoards regarding blow-off on Country Canyon being in roadway.

5.2. Update on Umtali Road project.

General Manager Hardenbrook provided Board with an update on the Umtali Road paving project and the impact on the water system. At the request of County Roads, QVWD staff pot-holed 15 locations along Umtali to provide County with accurate depth and location measurements. General Manger Hardenbrook informed Board that a meeting is scheduled with County Roads, QVWD and Supervisor Scrivner to discuss relocating water facilities.

5.3. Information on Tanganda well Nitrate MCL exceedance.

General Manager Hardenbrook informed Board of that follow-up testing confirmed exceedance of the Nitrate standard at the Tanganda well. General Manager Hardenbrook advised Board that the Tanganda well remains out of service, the Pretoria well is being used to supply the Tanganda reservoir.

6. Action Items:

6.1. Discussion of monthly financial statements and consideration and possible action to approve payments for May. (General Manager Hardenbrook)

General Manager Hardenbrook lead an overview of financial reports and payments made in June. General Manager Hardenbrook advised Board that cash flow is at a critical point and that additional funds will be needed to cover payroll and other obligations in August. Director Leonard moved, seconded by Director Daggett, to approve payments for June. Motion approved by unanimous consent.

6.2. Consideration and possible action on expiration of right-of-redemption period on property sold to District for unpaid fees. (General Manager Hardenbrook)

No action taken.

6.3. Consideration and possible action on Umtali Road water main relocation project. (General Manager Hardenbrook)

No action taken.

6.4. Consideration and possible action to perform a rate study in compliance with Article XIII D of the California Constitution. (General Manager Hardenbrook)

General Manager Hardenbrook explained that QVWD's current rate study provides for a 10% rate increase each year for the next 3 years but that additional revenue will be required due to the unreimbursed expenses incurred with the Prop 84 project and now with the additional expenses likely to be incurred with the Umtali Road project. General Manager Hardenbrook explained that additional rate increases will be required and that the addition of a stand-by fee for properties able to which water is immediately available should be considered. General Manager Hardenbrook recommended that QVWD should request opinion of counsel and request cost estimate from REVE Environmental to



QUAIL VALLEY WATER DISTRICT

A STATE OF
CALIFORNIA
PUBLIC
AGENCY

BOARD OF DIRECTORS

Jim Boatman
Matt Daggett
Rita Leonard
Enrique Lopez
Richard Sims

perform a new rate study looking at additional revenue sources. Board members requested that General Manager Hardenbrook investigate further and provide additional information when available.

- 6.5. Consideration and possible action extending construction period for well on Parcel 51 of Map 32.
(General Manager Hardenbrook)
Property owner has requested additional time to construct a new well on Parcel 51 of Map 32. Staff recommends approving request through September 2017. Director Lopez moved, seconded by Director Sims, to extend construction period for well to be located on Parcel 51 of Map 32 through the end of September 2017. Motion approved by unanimous consent.

7. Reports of Officers, Board Members and Standing Committees.
None
8. Report of General Manager.
General Manager Hardenbrook presented a written report and provided a brief overview.
9. Board Members' Requests for Future Agenda Items.
None.

There being no further business before the Board the meeting was adjourned at 10:35 by unanimous consent.

I attest this is a true and complete copy of the minutes of a regular meeting of the Board as read and approved by the Board of Directors of the Quail Valley Water District.

Richard Cantrell, Secretary