

**MINUTES OF A RESCHEDULED MEETING OF THE BOARD OF DIRECTORS
OF THE TWENTYNINE PALMS WATER DISTRICT
72401 HATCH ROAD, TWENTYNINE PALMS, CA 92277**

DECEMBER 16, 2009

Call to Order and Roll Call

President Cisneros called the meeting to order at 6:00 p.m., 72401 Hatch Road, Twentynine Palms, California. Those responding to roll call were Directors Chancey Chambers, Philip Cisneros, Chris Gallagher, Sam Moore and Roger Shinaver. Also present were General Manager Mike Wright, Operations Manager Ray Kolisz, Financial Consultant Wayne Jones and District Secretary Paula Rogers.

Pledge of Allegiance

Director Shinaver led the pledge.

Additions/Deletions to the Agenda

None

Public Comments

None

1. Election of Officers

Director Moore nominated Director Cisneros to serve as President, seconded by Director Gallagher and approved by the following roll call vote:

Ayes: Directors Chambers, Cisneros, Gallagher, Moore and Shinaver
Noes: None

Director Cisneros nominated Director Moore to serve as Vice-President, seconded by Director Gallagher and approved by the following roll call vote:

Ayes: Directors Chambers, Cisneros, Gallagher, Moore and Shinaver
Noes: None

2. Review Bid Results and Approve Selection of Contractor for Wastewater Disposal Project

Mr. Wright stated there were four bids submitted for the Wastewater Disposal Project and Staff's recommendation is to award the contract to Sukut Construction, Inc. as the lowest responsible bidder. Following discussion, Director Moore motioned to approve the selection of Sukut Construction, Inc. as contractor for the Wastewater Disposal Project, seconded by Director Chambers and approved by the following roll call vote:

Ayes: Directors Chambers, Cisneros, Gallagher, Moore and Shinaver
Noes: None

3. Customer Request to Waive Delinquent Fees – Account #91302006 and #72309702

Mr. Wright stated that Mr. Ahmed said he mailed his payments prior to the due date and does not know why it took so long for them to reach the District. Mr. Ahmed is requesting waiver of delinquent fees in the amount of \$124.83 and \$17.82. Director Cisneros stated it is the customer's burden to pay their bill by the due date and the Board cannot legally waive the delinquent fees, but can offer amortization. Director Cisneros requested a consensus of the Board for agreement to allow Mr. Ahmed to amortize his delinquent charges. The Board denied Mr. Ahmed's request to waive or amortize delinquent charges with the following roll call vote:

Ayes: None

Noes: Directors Chambers, Cisneros, Gallagher, Moore and Shinaver

4. Consent Calendar

- Minutes of the Rescheduled Meeting held on November 18, 2009
- Audit List

Director Moore moved to adopt the Consent Calendar, seconded by Director Shinaver and approved unanimously.

5. Items Removed from the Consent Calendar for Discussion or Separate Action
None

6. Management Reports

6.1 Operations

Mr. Kolisz reported the District responded to 9 Underground Service Alerts and installed 8 new services during the month of November. Mr. Kolisz further reported the District did not have any water main leaks in November. Mr. Kolisz also stated that production is down by 5.8%, but is tracking just little under for the fiscal year. Mr. Kolisz responded to questions from Director Moore regarding relocation of the fire hydrant in front of Stater Brothers shopping center. Mr. Kolisz stated that O&M crew is in the process of relocating the fire hydrant behind a wall.

6.2 Finance

Mr. Jones stated water sales are tracking and the District is right on budget. Mr. Jones further stated interest rates continue to remain very low. Director Cisneros questioned Mr. Jones regarding the long term impact of low interest rates. Mr. Jones explained that low interest rates do not impact the District since it does not prepare the budget based on interest revenue.

7. Closed Session – CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Pursuant to Section 54956.8 of the California Government Code

Property: APN #612-151-10
Agency Negotiator: Mike Wright
Negotiating Party: Han Family Corporation
Under Negotiation: Price and Terms of Payment

Director Cisneros stated that prior to entering closed session, the Board would open the Fire Department Business meeting in order to conduct both the Water Business Closed Session item and the Fire Department Business Closed Session item. President Cisneros called the Fire Department Business meeting to order at 6:16 p.m., 72401 Hatch Road, Twentynine Palms, California. Those responding to roll call were Directors Chancey Chambers, Philip Cisneros, Chris Gallagher, Sam Moore and Roger Shinaver. Also present were Fire Chief Jim Thompson, Financial Consultant Wayne Jones and District Secretary Paula Rogers.

Director Moore moved to enter closed session at 6:17 p.m., seconded by Director Gallagher and unanimously approved.

The Board returned to open session at 6:54 p.m. Director Cisneros announced no action was taken during closed session that is required to be reported under the Brown Act.

8. Closed Session

a. CONFERENCE WITH LABOR NEGOTIATORS – Pursuant to Section 54957.6 of the California Government Code

Agency Designated Representatives: Legal Counsel Joseph Sanchez
and Jeff Ferre

Unrepresented Employee: General Manager

Director Moore moved to enter closed session at 6:17 p.m., seconded by Director Gallagher and unanimously approved.

The Board returned to open session at 6:54 p.m. Director Cisneros announced no action was taken during closed session that is required to be reported under the Brown Act.

9. Consideration and Possible Action to Approve General Manager Employment Agreement

Following discussion, the Board approved the General Manager's Employment Agreement by the following roll call vote:

Ayes: Directors Cisneros, Gallagher, Moore and Shinaver

Noes: Director Chambers

10. Future Agenda Items and Staff Tasks/Directors' Comments and Reports

Director Gallagher stated he would like to see the District improve the area in front of the District with a demonstration garden. Mr. Kolisz stated he has had discussions with Andrea Compton from Joshua Tree National Park and Paul Smith from the 29 Palms Inn regarding this issue. Director Moore welcomed the new Board members. Director Cisneros stated he would like discussion of the District's General Plan at the next meeting. Director Cisneros further stated he will report on his attendance at the Fall ACWA Conference during the January meeting. Director Shinaver addressed the issue of old vehicles located in the rear of the District and Mr. Kolisz stated the District has been preparing inventory and will have to auction the vehicles. Director Cisneros requested a timeline be prepared for removing these vehicles.

11. Adjournment

On motion by Director Gallagher, seconded by Director Moore and approved by the Board, the meeting was adjourned at 6:58 p.m.

Philip C. Cisneros, President
Board of Directors

Attest:

Mike Wright, Board Secretary
Twentynine Palms Water District