

MEETING MINUTES



REGULAR MEETING OF THE BOARD OF DIRECTORS

March 20, 2024, 5:30 pm

AGENDA ITEMS

1. CALL TO ORDER

President Floen called the meeting to order at: 5:30 pm.

2. DETERMINATION OF A QUORUM & ATTENDANCE

Board Members Present: President Floen, Vice President Doolittle, Director Jarlsberg, Director Short, Director Fick

Consultant(s) Present: Public Outreach Consultant, Kathleen Radnich, Southwest Networks President, Matt Disher

Citizens Advisory Council Member(s) Present: David Carrillo

3. APPROVAL OF THE AGENDA

Director Short made a motion to approve the agenda, seconded by Director Jarlsberg, and approved by the following vote.

| | |
|-----------------------------------|--|
| 1 st / 2 nd | Short / Jarlsberg |
| Ayes: | Floen, Doolittle, Jarlsberg, Short, and Fick |
| Noes: | None |
| Abstain: | None |
| Absent: | None |

4. PUBLIC COMMENT

None

5. CONSENT CALENDAR

A. DRAFT MINUTES – 03.06.24

- Director Short made a motion to approve the draft minutes, seconded by Director Fick approved by the following vote.

| | |
|-----------------------------------|--|
| 1 st / 2 nd | Short/Fick |
| Ayes: | Floen, Doolittle, Jarlsberg, Short, and Fick |
| Noes: | None |
| Abstain: | None |
| Absent: | None |

6. ITEMS PULLED FROM CONSENT CALENDAR FOR DISCUSSION

Director Jarlsberg asked to pull the check register to discuss the E-2-1 pump replacement and water recharge purchase.

B. CHECK REGISTER – JANUARY 2024

Director Jarlsberg made a motion to approve the January 2024 check register, seconded by Vice President Doolittle approved by the following vote.

| | |
|-----------------------------------|--|
| 1 st / 2 nd | Jarlsberg/Doolittle |
| Ayes: | Floen, Doolittle, Jarlsberg, Short, and Fick |
| Noes: | None |
| Abstain: | None |
| Absent: | None |

A. ACTION CALENDAR

B. SOUTHWEST NETWORKS CONTRACT RENEWAL

PRESENTED BY: DIRECTOR OF ADMINISTRATION, DAVID SHOOK & GENERAL MANAGER, SARAH JOHNSON

RECOMMENDED ACTION: RECOMMEND THE BOARD OF DIRECTORS AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE SOUTHWEST NETWORKS – "GUARDIAN IT PEACE OF MIND" MASTER SERVICE AGREEMENT

Director of Administration, David Shook, presented his staff report analysis and overview of the Southwest Networks Contract Renewal for another three years, which includes significant upgrades. Shook mentioned that the Biden Administration has issued a warning to all 50 state governors about entities that are targeting drinking water and wastewater systems through cyber-attacks. Shook emphasized the need for enhanced cybersecurity measures. General Manager, Sarah Johnson, then introduced Matt Disher, the Owner and CEO of Southwest Networks. Disher provided in-depth information about the Southwest Networks contract, including their long-term working relationship with the district, the upgrades that will be implemented, and their focus on maintaining a high level of cyber security.

Director Short made a motion to authorize the General Manager to execute the Southwest Networks— "Guardian IT Peace of Mind" master service agreement with the addition of biannual penetration testing, seconded by Director Doolittle, and approved by the following vote.

| | |
|-----------------------------------|--|
| 1 st / 2 nd | Short/Doolittle |
| Ayes: | Floen, Doolittle, Jarlsberg, Short, and Fick |
| Noes: | None |
| Abstain: | None |
| Absent: | None |

B. 2nd FISCAL QUARTER ENDING 12/31/23 FINANCIAL REPORT

PRESENTED BY: ANNE ROMAN, DIRECTOR OF FINANCE

RECOMMENDED ACTION: RECEIVE REPORT, ASK QUESTIONS, AND APPROVE

Anne Roman, Director of Finance, presented the 2nd Fiscal Quarter Ending 12/31/23 Financial Report and explained the JBWD Financials at a glance information in detail. Roman reported on

revenues and expenses not incurred evenly throughout the year, Department Heads managing their budgets, operating and capital costs, and analysis continuing throughout the year. Roman concluded by mentioning that budget season is coming up and that there will be budget workshops in May.

Director Jarlsberg made a motion to approve the 2nd Fiscal Quarter Ending 12/31/23 Financial Report, seconded by Director Short, and approved by the following vote.

| | |
|-----------------------------------|--|
| 1 st / 2 nd | Jarlsberg /Short |
| Ayes: | Floen, Doolittle, Jarlsberg, Short, and Fick |
| Noes: | None |
| Abstain: | None |
| Absent: | None |

A. REPORTS AND COMMENTS

President Floen

- President Floen attended the Morongo Basin Pipeline Commission meeting on March 13, mentioning that his term as Chair ended and Bob Stadum was nominated as the new Chair.
- Floen shared that at the Morongo Basin Pipeline Commission meeting, they discussed strategies to mitigate the cost of electricity.
- Floen brought up the topics of the dollar's value and inflation and explained them using an analogy.
- Floen attended a board meeting of the Bighorn Desert View Water Agency and reported on the discussions held by the directors. Floen gained valuable insights and emphasized the significance of aligning with the district's vision, mission, and values and persevering toward them.
- Floen mentioned his concern about raising the Director's stipend and the public's perception. Floen clarified that the directors are not district employees but rather representatives of the community they volunteer to serve. Floen stated that it is against the function of a director to be on the Board solely for the purpose of earning a living as employees do.

Vice President Doolittle

- Vice President Doolittle recently completed a budget class and learned about terms such as non-spendable fund balance and contingency in reserve budgets. Doolittle inquired if the district employs these phrases on its financial statements.
- Doolittle inquired if the district uses a budget calendar.
- After learning about them in their budget class, Doolittle suggested video budget reviews to the Director of Finance, Anne Roman. Doolittle praised Roman for doing a great job with the financial presentations.
- Doolittle attended the MWA board meeting and learned about an increase in revenue, COLA, merit increases, and the MWA board approving a small raise for their Board of directors. Doolittle has expressed her desire to consider increasing the Director's stipend.
- Doolittle suggested a board appreciation event, just like the district does for employee appreciation events. Doolittle believes that the district is being too frugal and doesn't seem to appreciate the Board. Doolittle mentioned that in her four years on the board, she has not seen any expression of appreciation for the board.
- Doolittle attended a Hi-Desert Water District board meeting and shared that their board discussion on strategic goals lasted 20 minutes.
- Doolittle attended the ASBCSD Membership meeting and dinner with Director Fick in Chino on March 18. Doolittle learned at the meeting that interns produced their social media videos.

- Doolittle expressed concern that the district was too frugal with the Board, limiting director training events to only two directors. Doolittle disagrees with the idea of limiting training attendance to two directors.

Director Jarlsberg

- Director Jarlsberg expressed her gratitude to the other directors who attended the Finance and WRO Committees, which she was scheduled to attend.
- Jarlsberg inquired about the feasibility of allowing more than two directors to attend director training meetings and dinner events.
- Jarlsberg asked about volunteer recognition.

Director Short

- Director Short attended both the Finance and WRO Committees on March 13.
- Short mentioned that he understands the quorum issue that may arise when more than two directors attend training events. However, Short pointed out that it is important to pay attention to the event's topic. For instance, Short mentioned that the upcoming ASBCSD event will include a tour of a water district, which would be appropriate if more directors attended.

Director Fick

- Director Fick attended the ASBCSD Membership meeting and dinner with Vice President Doolittle in Chino on March 18, 2024.
- Fick mentioned that Mojave Water Agency is increasing its revenue serving as a wholesaler.
- Fick inquired about the number of meter purchases before the influx of short-term rentals.

General Manager Report

Johnson reported on the following:

- Johnson requested that our HR conduct a survey comparing board stipends with nearby and similar districts. The survey results show that the Hi-Desert Water District offers the highest stipend, followed by the Joshua Basin Water District, while some of the other districts provide insurance benefits.
- Johnson mentioned that the Twentynine Palms Water District (TPWD) contacted her regarding an 81-acre parcel they own within JBWD district boundaries. The parcel in question is situated at the southeast corner of our district and houses a reservoir belonging to the TPWD. TPWD pays a standby fee to our district; however, they have expressed interest in annexing that particular section of land. Johnson mentioned that staff is looking into possible solutions to address the concern.
- Johnson mentioned that we are interviewing for the new Compliance Coordinator position.
- Johnson mentioned that the staff has been busy with preparing budgets. Johnson also highlighted that while the district staff is cautious and frugal with financial resources, she respectfully disagrees that the district is too frugal. She stated the district staff is careful with all spending as we are entrusted with being prudent with the ratepayer's money.
- Johnson mentioned that she intends to bring the employee compensation plan in alignment with the coming budget season rather than waiting until late summer as it has been scheduled in previous years. She also mentioned that there would be an upcoming closed session for this purpose.
- The Finance & WRO Committees on April 10 will be cancelled due to a competing Urban Water Management Plan kick-off meeting. Executive Assistant, Lisa Thompson will send an updated calendar with the director rotations change since the Finance Committee is being cancelled in April.

- The regular board meeting on April 17 will be cancelled. On April 17, Johnson will be in Sacramento with CWSA at the State Water Resources Control Board meeting as they decide on the future of the Chromium 6 regulation.
- Johnson mentioned that she attends meetings frequently, but she highlighted specific ones she attended:
 - March 7 – Basin Wide Foundation Quarterly Luncheon
 - March 12 – Meeting with US Water Alliance
 - March 13 – Morongo Basin Pipeline Commission at Mojave Water Agency in Apple Valley.
 - March 18 – ID-M group meeting to discuss the pipeline contract.
- Johnson announced that based on feedback from prior budget seasons, this year, there will be a series of budget meeting workshops & presentations scheduled:
 - May 1 – Special Board Meeting, Operations Budget Workshop at 3:00 pm.
 - May 8 – WRO Committee, Capital Budget Presentation.
 - May 15 – Special Board Meeting, Capital Budget Workshop at 3:00 pm.
 - June 5 – Regular Board Meeting – Proposed budget adoption

B. ADJOURNMENT

On motion by Vice President Doolittle, seconded by Director Short and approved by the Board, the meeting was adjourned at: 7:57 pm.

Respectfully submitted,



Sarah Johnson, General Manager & Board Secretary






1. JOSHUA BASIN WATER DISTRICT MINUTES 2ND MEETING TEMPLATE 03.20.24

Final Audit Report

2024-04-04

| | |
|-----------------|---|
| Created: | 2024-04-04 |
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"1. JOSHUA BASIN WATER DISTRICT MINUTES 2ND MEETING TEMPLATE 03.20.24" History

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