

**LAKE HEMET MUNICIPAL WATER DISTRICT
BOARD OF DIRECTORS MEETING**

**May 16, 2024
3:00 p.m.**

**Lake Hemet Municipal Water District Board Room
26385 Fairview Avenue, Hemet, CA 92544**

www.lhmwd.org

I. Call to Order and Pledge of Allegiance

President Foutz called the meeting to order at 3:00 p.m.

II. Roll Call

PRESENT: Directors, Foutz, Elam, Marshall, Minor & Pastor

ABSENT:

OTHERS PRESENT: General Manager Gow, District Counsel Wojcik, Administrative Services Manager Beaver and District Secretary Billinger

III. Agenda Approval

Director Minor moved and Director Pastor seconded a motion to approve.

Motion carried by the following roll call vote:

AYES: Foutz, Elam, Marshall, Minor, Pastor

IV. Public Comment Period

None

REGULAR SESSION OF THE BOARD OF DIRECTORS

V. Response Items / Reports

1. General Manager Report – Mike Gow

a. Manager's Report

b. Construction & Engineering

GM Gow reviewed the written report in the agenda packet

The contractor at Lake Hemet has started work on the new Tot lot, it should be completed by the end of June.

2. Board Member Reports

None

VI. Board Action Items

3. Consent Agenda Items – Approval by Master Motion. Directors may separate items for discussion and voting.

a. Ratify April 2024 Expenditures

Director Marshall moved and Director Elam seconded a motion to approve.

Motion carried by the following roll call vote:

AYES: Foutz, Elam, Marshall, Minor, Pastor

4. **Minute Order** – Approve Minutes of the Board Meeting on February 15, 2024

Director Pastor moved and Director Elam seconded a motion to approve.

Motion carried by the following roll call vote:

AYES: Foutz, Elam, Pastor
ABSTAIN: Marshall, Minor

5. **Minute Order** – Approve Minutes of the Board Meeting on April 18, 2024

Approved with addition of call to order time of 3:00 p.m.

Director Marshall moved and Director Elam seconded a motion to approve.

Motion carried by the following roll call vote:

AYES: Elam, Marshall, Minor, Pastor
ABSTAIN: Foutz

6. **Minute Order** – Approve and Award of Contract to Tony Painting for the Lake Street Tanks (2), Cornell Tank, Little Lake and Bee Canyon Tank Exterior paint Project

Director Elam, asked why the big difference is costs between bidders? GM Gow stated, there is no known reason. Sometimes it depends on where the company is coming from, the amount of jobs they currently have, etc.

Director Pastor asked, what were your findings when their references were checked? Their contractors license is in good standing and current. They have completed work for other agencies in Orange County.

GM Gow, mentioned that within the bid, there are specifications on the type of paint, so they cannot use a less expensive paint.

Director Foutz, based on what we paid in the past, this company is the closest to the amount we originally estimated.

Director Minor moved and Director Marshall seconded a motion to approve.

Motion carried by the following roll call vote:

AYES: Foutz, Elam, Marshall, Minor, Pastor

7. **Resolution No. 814** - Declaring Intent for Annual Levy and Collection of Availability Charges in Fiscal Year 2024/2025; and Setting a Public Hearing Date and Time of July 18, 2024 at 3:00 p.m. to Hear and Consider Any/All Protests for Improvement District No. A (Garner Valley) for the Annual Levy and Collection of Water Availability Charges

Director Pastor moved and Director Elam seconded a motion to approve.
Motion carried by the following roll call vote:

AYES: Foutz, Elam, Marshall, Minor, Pastor

8. **Resolution No. 815** – Approve Setting Forth Regulations Regarding General District Election, November 5, 2024.

Director Minor moved and Director Marshall seconded a motion to approve.
Motion carried by the following roll call vote:

AYES: Foutz, Elam, Marshall, Minor, Pastor

VII. Discussion

9. Discuss Potential Water Trade Agreement Between Lake Hemet MWD and Bautista Creek Ranches, Inc.

Kenneth Kelly, Bautista Creek Ranches introduced himself to the board.

GM Gow presented PowerPoint.

Director Foutz asked how far is our pipeline and in the future, can we have the ability to use if needed? If so, would like that in the agreement for potable usage. GM Gow stated our pipeline is at Fairview.

Director Elam asked, how reliable is the well? Mr. Kelly responded, we have had it since 2009, and it has never failed on us. It's in the canyon basis.

Director Minor asked, will this go against our Watermaster allotment amount? GM Gow responded, no.

Direction was given to GM Gow to continue working with Bautista Creek Ranches, Inc. to come up with an agreement and bring to the board for approval.

10. Review of Draft Budget for Fiscal Year 2024-2025

- 23 million in revenue
- 4.3% COLA included, Riverside CPI
- No CPI increase to rates.

Director Marshall stated he is happy to see a very strong infrastructure.

Director Foutz, continue to be aggressive as you can to make sure we push banks for a higher interest rate. Keep an eye on the rates. Bank of Hemet's rate is 3.75% They need to match LAIF, no matter what. If rate doesn't get cut, contact them in a few months and request the additional amount.

Directed to add .50 a gallon additional for gasoline to draft budget. GM Gow will double check to see if we pay the road tax.

Directors Foutz and Marshall stated we have a strong conservative budget.

Recessed to closed session at 3:54 p.m.

VIII. Closed Session

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Gov. Code Section 54954.5(b)

Under Negotiation: Extension of Management Lease of Lake Hemet Campground

District Negotiator(s): General Manager Gow/Attorney Wojcik

Negotiating Party(ies): Director of Business Development, Jeff Brown, Vista Recreation
Lease, Price and Terms

No reportable action

**B. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Pursuant to Gov. Code Section 54957;
Continued Review of the General Manager; Michael A. Gow**

No reportable action

Director Marshall moved and Director Elam seconded a motion to adjourn.

Motion carried by the following roll call vote:

AYES: Foutz, Elam, Marshall, Minor, Pastor

IX. Adjourned at 4:11 p.m. to Thursday, June 20, 2024 at 3:00 p.m.



Kathleen Billinger, Assistant Secretary

President Foutz asked for a motion to approve the minutes for the Regular Board Meeting of February 15, 2024, a copy of the minutes was sent to each board member for review prior to the May 16, 2024 meeting. Motion to approve was made by Director Pastor with a second from Director Elam. It carried by the following roll-call vote:

AYES: Elam, Foutz, Pastor
ABSTAIN: Marshall, Minor

President Foutz asked for a motion to approve the minutes for the Regular Board Meeting of April 18, 2024, a copy of the minutes was sent to each board member for review prior to the May 16, 2024 meeting. Motion to approve was made by Director Marshall with a second from Director Elam. It carried by the following roll-call vote:

AYES: Elam, Marshall, Minor, Pastor
ABSTAIN: Foutz



Todd A. Foutz, President
Lake Hemet Municipal Water District