

Indian Creek-Westridge Community Services District Board Meeting
May 13, 2025
Christian Science Church, West Line Street and Grandview Drive, Bishop, CA

The meeting was called to order at 6:00 p.m. by Board Chairperson Casey Dean. Present were Directors Randy Gillespie, Sarah Petersen, Robert “Muddy” Waters, Ted Williams; District Manager Terry Tye; District Operators Don Buser and Kim Derr; District resident Susan Gillespie.

Approval of Minutes: Minutes of the February 11, 2025 meeting were approved (moved Gillespie, seconded Waters) (1 abstention).

Operations and Maintenance Report: Mr. Derr reported the following. Berger Electric investigated Sensaphone problem. The source had to do with Frontier Communications, not Well 5. Frontier Communications representative fixed the problem. Someone from Manor Market asked Mr. Derr about a project they were doing involving a fire hydrant. Mr. Derr referred them to the Bishop fire chief, and Mr. Tye followed up with Manor Market’s owner. Mr. Derr and Mr. Buser sounded Well 4. Exercised valves with help from Owens Valley Conservation Camp. Mr. Buser, Mr. Derr and Mr. Tye met with representatives of Provost and Pritchard Consulting Group, representing the State of California, to discuss ICWCSD’s water system and the possibility of consolidating with Sierra Highlands Community Service District.

Mr. Tye referred to a letter he wrote to the Owens Valley Conservation Camp (copy included in the meeting packet), thanking them for the high-quality assistance they provide for the isolation valve exercises. They have been doing this for fourteen years. It significantly reduces the amount of time it takes to complete the project.

Finance Report—Quarterly, Annual Budget, State Controller Financial Transaction Report: Mr. Gillespie presented the report. The balance in the bank stands at \$785,150, including an O & M total of \$362,595 and Capital Funds of \$422,555. Mr. Tye explained that \$58,617 O & M expenses were higher than usual due to costs for testing, insurance renewal, and services provided by Corbin Swafford, a cross connection specialist and device inspector.

Mr. Tye and Mr. Gillespie reviewed the proposed 2025-2026 budget. Mr. Tye noted that it includes salary increases that were approved in 2024-2025, maintenance, and supplies. Funds are allocated in case valves need to be replaced, which is unlikely. The 2025-2026 budget was approved unanimously (moved Williams, seconded Petersen).

Mr. Tye turned to the 2022-2025 Capital Replacement budget. The actual amount in the Capital Replacement fund is \$8,000 lower than budgeted but still a good approximation.

Mr. Tye asked board members to think about the effects on the budget of the \$40,000 salary increases. In four or five years, the O & M fund will stand at around \$150,000, which is lower than he would like it to be. He

informed board members that they will need to consider eventual rate increases. Mr. Tye is confident that the community will probably support an increase of \$10-\$15 a month, especially because it would be considerably less than an increase to install meters.

Mr. Tye mentioned the Special Districts' Financial Transactions Report included in the agenda packet. The report is required by the state controller and was submitted on time.

Mr. Tye provided a delinquent report. The most recent report was exceptionally high due to one customer's large delinquent amount. Mr. Tye has worked with this customer in the past and obtained a signed agreement for a payment plan. Now the customer is unable to pay, so Mr. Tye placed a lien on the house. Most of the time customers pay after Mr. Tye talks to them. The current delinquent amount is \$800-\$1000.

Update on SB 552/SB 463: California Senator Alvarado-Gil and Mr. Tye sponsored SB 463. Mr. Tye explained how SB 463 evolved. The bill states that if state funding is unavailable and rate increases are turned down by customers, small water districts would be exempt from the metering requirement. The Senate Appropriations Committee sent the bill to the suspense file. Senator Alvarado-Gil and Mr. Tye are trying to remove the bill from the suspense file. On May 23 Mr. Tye will find out if their efforts succeeded.

Mr. Gillespie asked what will happen to the meter mandate if SB 463 stays in the suspense file. Mr. Tye stated that after ICWCSD customers turned down a rate increase for the metering mandate, he contacted the State Water Resources Control Board to ask for a letter explaining what the next step will be. The response was that they can't send a letter until SB 463 is settled. Mr. Williams commented about the importance of the ICWCSD October vote rejecting the rate increase for the metering mandate.

Owens Valley Groundwater Authority (OVGA) Update: Ms. Petersen reported the following. She is vice-chairperson of OVGA. The chairperson is Karen Kong. Mr. Tye noted that Ms. Petersen as vice-chair puts our district in a position of power to protect our customers from having to pay more money to the OVGA.

The Fish Slough Sub-Basin Sustainability Plan will be submitted to the Department of Water Resources.

An interested party requested a meeting in June to challenge Inyo County Water Department's work for OVGA due to a conflict of interest. County counsel determined it is not a conflict of interest.

Electronic Annual Report: Mr. Tye reported that he submitted the report before the deadline and it was approved.

Consumer Confidence Report: Mr. Tye explained that all water districts are required to prepare this annual report on the quality of their drinking water. It must be provided to all customers by July 1. The ICWCSD posts it on its website. Mr. Tye includes a letter with the July billing advising customers that the report is on the website and that they can request to have a copy mailed to them. The 2024 Consumer Confidence Report was approved unanimously (moved Williams, seconded Gillespie).

Cross Connection Control Plan Board Vote to Amend Ordinance 12-01-09: Mr. Tye said that a year ago the State required this plan to help keep water safe. ICWCSD hired Corbin Swafford. He and Mr. Tye have been working together on this. Mr. Swafford noted that some sections in the ordinance were not complete, so he developed an amendment.

Customers are financially responsible for any cross-connection problems on their property.

Mr. Swafford's fee is \$6,000, which is very reasonable. Mr. Dean agreed.

The amendment to ordinance 12-01-09, with a change on the last page from stating "Sierra Highlands Community Services District" to "Indian Creek Community Services District," was approved unanimously (moved Petersen, seconded Waters).

Mr. Tye will inform Mr. Swafford that the last page of the amendment has a change from stating "Sierra Highlands Community Services District" to "Indian Creek Community Services District."

Consolidation With Sierra Highlands—Concept Introduction and Discussion of Merits: Mr. Tye started the discussion with the following background. He does not take a stand on this topic. The State wants districts to consolidate. Provost and Pritchard Consulting Group, on commission from the State, hosted a meeting in Bishop to outline how consolidation takes place. The State pays for consolidations. The Sierra Highlands Community Service District approved a consolidation with the City of Bishop at a projected cost of \$24 million. Provost and Pritchard would facilitate the consolidation. Provost and Pritchard told the City of Bishop to put the consolidation on hold because Sierra Highlands CSD is now exploring the possibility of consolidating with ICWCSD instead. Sierra Highlands General Manager Fred Finkbeiner and Mr. Tye met with Provost and Pritchard to discuss consolidation. Mr. Tye asked ICWCSD board members if they want him to continue pursuing the possibility of consolidating with Sierra Highlands CSD.

Mr. Tye displayed a map as he detailed the work ICWCSD would expect from the State should consolidation occur. The work would address the two biggest design flaws in the system. It would be a massive, complicated endeavor at a projected cost of at least \$10 million. Provost and Pritchard did not protest when these concessions were presented. Provost and Pritchard's estimated year of completion is 2029. Mr. Tye informed Provost and Pritchard that if any part of the proposed work is rejected, ICWCSD will withdraw from the process.

Mr. Williams commented that there are many unknowns about water pressure.

Mr. Tye stated that Sierra Highlands has three wells and 217 hookups. In response to Ms. Petersen's question as to what would happen with the boards of directors, Mr. Tye said that ICWCSD would maintain control. Ms. Petersen commented that she has experience with consolidations and that she has a lot of technical questions. She believes this consolidation is worth exploring. She and Mr. Tye will work on a list of items to request from Provost and Pritchard in return for agreeing to consolidate. Mr. Tye will ask Provost and Pritchard to provide a presentation at the ICWCSD August meeting.

Ms. Gillespie asked how property damage from digging would be handled. Mr. Tye said the costs would be covered by the State.

Mr. Derr asked if chlorination would be required. Mr. Tye and Ms. Petersen explained that chlorination is only required if there are specific problems in the system.

Ms. Petersen noted that doubling the service area would increase the work load for tasks such as flushing, sampling and day-to-day operations.

Mr. Williams is not in favor of consolidation, and Mr. Gillespie is skeptical about it, but board members reached a consensus to continue exploring the possibility of consolidating with Sierra Highlands CSD. Mr. Williams asked Ms. Petersen to stay involved, and she agreed to do so.

Mr. Tye said he will make it clear to Provost and Pritchard that ICWCSD is seeking information without commitment to the consolidation.

The meeting was adjourned at 8:00 p.m.
Minutes submitted by Stephanie Sheltz