

**MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
WALNUT VALLEY WATER DISTRICT**

**December 15, 2009
At the Offices of the District**

DIRECTORS PRESENT:

Edwin M. Hilden, President
Barbara A. Carrera
Theodore L. Ebenkamp
Scarlett P. Kwong
Allen L. Wu

STAFF PRESENT:

Timothy J. Gosney, Legal Counsel
Michael Holmes, General Manager
Erik Hitchman, Assistant General Manager/Chief Engineer
Sandra Olson, Director of Administrative Services
Brian Teuber, Director of Finance
Jose Martinez, Conservation Resources Manager
Jo Ann Angelico, Assistant Secretary

The meeting was called to order at 5:30 p.m. with President Hilden presiding.

Guests and others in attendance: Diamond Bar City officials, various surrounding water agency representatives, as well as family members and friends of the two newly elected/appointed Board members as noted on the attached Guest Register.

Item 1: Flag Salute

- ◆ The flag salute was eloquently led by former Mayor of Temple City, Mr. Dan Arrighi

Item 3: Oath of Office

- ◆ Diamond Bar City Councilmember Ling Ling Chang administered the Oath of Office to Director Edwin M. Hilden and Director-Elect Barbara A. Carrera, which was followed by a brief reception that was attended by family members, friends, and colleagues.

Item 4: Communications to the Board – President Hilden

- ◆ President Hilden noted the District had received JPIA President's Special Recognition Award Certificates for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums" in both the Liability Program and the Property Program.
- ◆ Director Wu welcomed Director Carrera to the Board

Item 5: Additions to the Agenda – President Hilden

- ◆ There were no requests for additions to the agenda.

Item 6: Reorder of Agenda –President Hilden

- ◆ There were no requests for reorder of the agenda.

Item 7: Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, including the minutes of the Regular Board Meeting held November 16, 2009; the December 2009 check register; the Community Relations/Website Activities Report; the Operations Report; and the Engineering Project Status Report.

Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Wu and unanimously carried, to receive, approve, and file the Consent Calendar consisting of the minutes of the Regular Board Meeting held November 16, 2009; the December 2009 Check Register; the Community Relations/Website Activities Report; the Operations Report; and the Engineering Project Status Report. (Items 7-1, 2, 3, 4, & 5)

Item 8: Director Expense Reports

- ◆ The Board was asked to receive, approve, and file the Board member expense reports indicating per diem requests for meeting attendance and the individual reports of additional expenses incurred by the District on behalf of each Director.

Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried, to receive, approve, and file the Board member expense reports for meeting attendance. (Item 8)

Item 9: Treasurer's Report – Brian Teuber

- ◆ Mr. Teuber presented the District Statement of Revenue, Expenses, and Change in Net Assets and the District Statement of Net Assets as of November 30, 2009. Also provided for the Board's review and consideration was the Summary of Cash and Investments as of November 30, 2009.

Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried, to receive and file the Treasurer's Report, consisting of the District Statement of Revenue, Expenses, and Change in Net Assets as of November 30, 2009; the District Statement of Net Assets as of November 30, 2009; and the Summary of Cash and Investments as of November 30, 2009. (Item 9-1, 2, &3)

Committee Chair Reports

Item 10: Engineering & Special Projects Committee – Director Wu

- ◆ The Board was asked to authorize the General Manager to execute contracts for labor and materials for the Fire Protection Facilities Upgrade project, with the labor contract going to T.E. Roberts for \$34,140, the Ductile Iron Pipe contract to Western for \$5,340.72, the DI-Miscellaneous materials contract to Western for \$2,507.90, and the resilient wedge gate valves contract to DiAngelo for \$3,029.10.

Upon consideration thereof, it was moved by Director Wu, seconded by Director Ebenkamp and unanimously carried, to authorize the General Manager to execute contracts for the Fire Protection Facilities Upgrade project with T.E. Roberts in the amount of \$34,140 for labor, with Western in the amount of \$5,340.72 for Ductile Iron Pipe and \$2,507.90 for DI-Miscellaneous materials, and with DiAngelo in the amount of \$3,029.10 for resilient wedge gate valves—P.N. 09-3152. (Item 10-A)

- ◆ The Board was asked to authorize the General Manager to execute an agreement with Los Angeles Royal Vista Golf Courses, Inc. for the lease of 50 acre-feet of the District's Puente Basin Water Rights at a cost of \$250 per acre-foot.

Upon consideration thereof, it was moved by Director Wu, seconded by Director Ebenkamp and unanimously carried, to authorize the General Manager to execute an agreement with Los Angeles Royal Vista Golf Courses, Inc. for the lease of 50 acre-feet of the District's Puente Basin Water Rights at a cost of \$250 per acre-foot. (Item 10-B)

Item 11: Personnel Committee – President Hilden

- ◆ The Board was advised that there was no increase in the Los Angeles-Riverside-Orange County, California, Consumer Price Index, which results in no cost of living adjustment for District employees for the calendar year 2010.

Upon consideration thereof, it was moved by Director Hilden, seconded by Director Ebenkamp and unanimously carried, that, as there was no increase in the Los Angeles-Riverside-Orange County, California Consumer Price Index, in accordance with the District's Terms and Conditions of Employment there would be no cost of living increase to District employees for calendar year 2010. (Item 11)

Item 12: Finance Committee – Director Wu

- ◆ Mr. Teuber reviewed the District's monthly investment transactions report.

Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp and unanimously carried, to receive, approve, and file the monthly Investment Transactions Report for November 2009. (Item 12-A)

- ◆ The Board was asked to reject a claim in the amount of \$1,500 submitted by Mr. Hasson Sotoodeh for damages sustained to the rims and tires of his vehicle, which the claimant alleges were caused when his vehicle slid in water that was in the gutter at the entrance to Pantera Park in the city of Diamond Bar.

Upon consideration thereof, it was moved by Director Kwong, seconded by Director Wu and unanimously carried, to reject the \$1,500 claim submitted by Mr. Hasson Sotoodeh for damages to the rims and tires of his vehicle and forward it to the JPIA for further investigation and processing. (Item 12-B)

Item 13: Public Information/Community Relations/Legislative Action – Director Ebenkamp

- ◆ The Board was asked to authorize the renewal of the District's membership with the Regional Chamber of Commerce for the 2010 calendar year at \$450, which is a \$100 increase over the previous year.

Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Carrera and unanimously carried, to authorize the renewal of the District's membership with the Regional Chamber of Commerce for the 2010 calendar year at \$450. (Item 13)

Other Items

Item 14: TVMWD/MWD – President Hilden

- ◆ President Hilden referred to the Action Line Report of TVMWD's November 18, 2009, Board meeting activities, noting Mr. Joe Ruzicka's announcement that he will be seeking a seat for the Special District alternate position on LAFCO.
- ◆ President Hilden then invited Mr. Kirk Howie, TVMWD Assistant General Manager, to comment on TVMWD activities. Mr. Howie called attention to the November 18 activity report item indicating that it does not appear TVMWD will exceed its Tier 1 water supply allotment for calendar year 2009.

Item 15: The P-W-R Joint Water Line Commission – President Hilden

- ◆ President Hilden noted the production history, Miramar water utilization, and water use reports included in the Board packet.

Item 16: Puente Basin Water Agency – Director Ebenkamp

- ◆ Director Ebenkamp advised he had nothing new to report regarding Puente Basin Water Agency activities and asked the General Manager to update the Board on the status of the agreement to help facilitate efforts regarding water resource projects. The General Manager advised that there is nothing firm to report at this time; however, the parties are moving forward and, once finalized, they will start follow-up discussions with MWD.

Item 17: General Manager Report – Mike Holmes

- ◆ The Board was provided with information regarding the Calendar Year 2009 Purchased Water Estimate and an update on water supply allocation projections, along with a copy of the “Water Supply Allocation Plan Information and Water Delivery Update Through November 2009 and Local Supply Data Request” provided by MWD.

Item 18: Directors’ Oral Reports

(NOTE: Board meeting Minutes provide written reports of Board meeting activities and committee meeting reports are given during the course of regular Board meeting activities)

- ◆ In addition to the committee and Board meetings previously reported, Director Wu noted his attendance at the California Water Law Conference and the ACWA/JPIA Fall Conference Board meeting.
- ◆ In addition to the committee, District Board, and TVMWD Board meetings previously reported, Director Ebenkamp noted his attendance at the L.A. County Public Safety Appreciation Luncheon, his observance of the Pathfinder Reservoir Recoating Project, his presentation of a District tile to former Councilmember Wen Chang at his retirement event, and his attendance at the ACWA/JPIA Fall Conference meetings.
- ◆ In addition to the committee, District Board, and TVMWD Board meetings previously reported, Director Hilden noted his attendance at the L.A. Public Safety Appreciation Luncheon, the Diamond Bar Community Foundation Event, and the ACWA/JPIA Fall Conference meetings.
- ◆ In addition to previously reported committee meeting attendance, Director Kwong noted her attendance at the L.A. Public Safety Appreciation Luncheon.
- ◆ Director Carrera expressed appreciation for the support she has been given and said she is looking forward to working with the District Board and staff. She then reviewed her background and experience in the water industry.

Item 19: Legal Reports

- ◆ Mr. Gosney noted there would be a closed session following the regular meeting.

Item 20: Activities Calendar Review – Mike Holmes

- ◆ In reviewing the activities calendars for December, January, and February, the General Manager noted, in particular, the Special Board meeting scheduled for December 17 at 4:00 p.m. to discuss water rates.

Item 21: Items for Future Discussion

- ◆ There were no requests for discussion items to be presented at a future meeting.

Item 22: Board of Directors Business

- ◆ There was no interest in submitting a District nominee for the LAFCO Special District representative position. Mr. Howie indicated that TVMWD would be nominating its Director, Mr. Joe Ruzicka, and would then send out requests for support from agencies when casting their ballot vote. The Board expressed support for Mr. Ruzicka’s candidacy for the LAFCO Special District alternate position.

Upon consideration thereof, it was moved by Director Wu, seconded by Director Ebenkamp and unanimously carried, to support Mr. Joe Rusicka as a candidate for the LAFCO Special District alternate representative position. (Item 22-A)

- ◆ The Board was provided with a schedule of ACWA, AWWA, and TVMWD events as an information item. (Item 22-B)

Item 23: Annual Board Reorganization

- ◆ Officers were rotated in accordance with the “Board Reorganization Rotation Policy” as follows (Item 23-A):
Theodore L. Ebenkamp, President
Scarlett P. Kwong, First Vice President
Allen L. Wu, Second Vice President
Edwin M. Hilden, Assistant Treasurer
Barbara A. Carrera, Director
- ◆ It was determined that Board Appointments would remain the same.

It was moved by Director Ebenkamp, seconded by Director Wu and unanimously carried, that the Board appointment positions would remain as follows: Michael K. Holmes, District Secretary; Jo Ann Angelico, Assistant Secretary; Brian Teuber, Treasurer; Erik Hitchman, Second Assistant Treasurer. (Item 23-B)

- ◆ Standing Committee positions were selected on a “chain of command” basis in accordance with the “Standing Committee Selection Process,” with the first choice going to the president, second choice to the first vice president, third choice to the second vice president, and so on down the line, repeating in the same order, until all positions were filled as follows (Item 23-C):

	Chair	Member	Alternate
Engineering:	Director Kwong	Director Wu	Director Ebenkamp
Finance:	Director Wu	Director Hilden	Director Carrera
Personnel:	Director Ebenkamp	Director Hilden	Director Kwong
Public Info/Legislative:	Director Carrera	Director Ebenkamp	Director Kwong

- ◆ It was noted that ad hoc committee and commission/agency assignments will be made by President Ebenkamp at the January Board meeting. He requested the Directors to provide him with their assignment preferences before the end of the year, if possible, but no later than January 8.
- ◆ The Board preferred not to adopt a set schedule for monthly standing committee meetings; however, they agreed that said committee meetings would generally be held during the week preceding the Board meeting and conclude by noon on Wednesday of that week.

Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp and unanimously carried, that standing committee meetings be held during the week preceding the Board meeting and concluded by noon on Wednesday of that week. (Item 23-D)

- ◆ The Board was asked to approve the proposed 2010 Board meeting schedule.

Upon consideration thereof, the Board approved by consensus the proposed 2010 Board meeting schedule as presented. (Item 23-E)

Item 24: Adjourn to Closed Session – 7:18 P.M.

- ◆ The Board adjourned to closed session in accordance with Government Code §56956.9(b) to discuss one matter pertaining to potential litigation, and in accordance with Government Code §54957(a) to discuss a public employee discipline/dismissal/release matter.

Item 25: Closed Session – 7:35 P.M.

- ◆ The Board met in closed session in accordance with Government Code §56956.9(b) to discuss one matter pertaining to potential litigation, and in accordance with Government Code §54957(a) to discuss a public employee discipline/dismissal/release matter.

Item 26: Reconvene in Open Session/Report of Action Taken in Closed Session – 8:15 P.M.

- ◆ It was reported that the Board met in closed session pursuant to Government Code §56956.9(b) to discuss one matter pertaining to potential litigation, and in accordance with Government Code §54957(a) to discuss a public employee discipline/dismissal/release matter. The Board was briefed on the current circumstances in both matters. No action reportable under the Brown Act was taken.

Adjournment at 8:16 P.M.