

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

**February 18, 2014
At the Offices of the District**

DIRECTORS PRESENT:

Barbara A. Carrera, President
Theodore L. Ebenkamp
Scarlett P. Kwong
Allen L. Wu (arrived at 5:41 p.m.)

DIRECTORS ABSENT:

Edwin Hilden

STAFF PRESENT:

Michael Holmes, General Manager
Erik Hitchman, Assistant General Manager/Chief Engineer
Sandra Olson, Director of Administrative Services
Brian Teuber, Director of Finance
Gabriela Sanchez, Executive Secretary
Carmen Fleming, Executive Assistant
Timothy Gosney, Legal Counsel

The meeting was called to order at 5:06 p.m. with President Carrera presiding.

Guests and others in attendance: Director David De Jesus and Director Joe Ruzicka of TVMWD; Mr. Tim Toledo, student of California Poly Pomona.

Item 3: Public Comment –President Carrera

- ◆ There were no requests.

Item 4: Additions to the Agenda –President Carrera

- ◆ There were no requests.

Item 5: Reorder of Agenda –President Carrera

- ◆ There were no requests.

Item 6: Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, including the minutes of the Regular Board meeting held January 21, 2014; minutes of the Special Board meeting held January 23, 2014; the Check Register; and the Operations Report.

Motion No. 14-02-590: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (3-0), to receive, approve, and file the Consent Calendar, including minutes of the Regular Board meeting held January 21, 2014, minutes of Special Board meeting held January 23, 2014, the Check Register, and the Operations Report. (Items 6-A -1, 2, 3)*

President Carrera indicated Motion No. 14-02-590 was approved by a 3-0 vote

Item 7: 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.

Motion No. 14-02-591: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong, and unanimously carried (3-0), to receive, approve, and file the Board member expense reports for meeting attendance during the month of January 2014. (Item 7)*

President Carrera indicated Motion No. 14-02-591 was approved by a 3-0 vote

Item 8: Treasurer's Report

- ◆ Mr. Teuber reviewed the District Statement of Revenues, Expenses, and Change in Net Assets as of January 31, 2014; the Statement of Net Assets as of January 31, 2014; and the Summary of Cash and Investments as of January 31, 2014. (Items 8-1, 2, 3)

Motion No. 14-02-592: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (3-0), to receive and file the District Statement of Revenues, Expenses, and Change in Net Assets as of January 31, 2014; the Statement of Net Assets as of January 31, 2014; and the Summary of Cash and Investments as of January 31, 2014. (Items 8-1, 2, 3)*

President Carrera indicated Motion No. 14-02-592 was approved by a 3-0 vote

Committee Chair Reports

Item 9: Engineering & Special Projects Committee – Director Kwong

- ◆ The Board was asked to authorize the General Manager to execute contracts for labor and materials for Water Distribution System for Tract No. 52324 (P.N. 09-3155). (Item 9-A)

Motion No. 14-02-593: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp and unanimously carried (3-0), to authorize the General Manager to execute contracts for labor and materials, as identified below, for the Water Distribution System for Tract No. 52324 (P.N. 09-3155): (Item 9-A)*

<u>Bid</u>	<u>Supplier</u>	<u>Price</u>	<u>Delivery</u>
Labor	Brkich Construction	\$94,966.00	N/A
Ductile Iron Pipe	Inland Water Works	\$7,127.51	7-10 days
Resilient Wedge Gate Valves	Ferguson Waterworks	\$2,534.25	STK-5 days
Saddles, Setters & Jumpers	Western Water Works	\$5,632.48	45-60 days
Service Materials	Inland Water Works	\$5,364.11	15-20 days
Ductile Iron Fittings & Misc. Matls.	Western Water Works	\$7,800.73	10-15 days

President Carrera indicated Motion No. 14-02-593 was approved by a 3-0 vote

- ◆ The Board was asked to consider award of contract to Advanced Industrial Services, Inc., in the amount of \$1,083,900, for the Armitos and Hillrise Reservoirs Coating project (P.N. 13-3322), to find that the project is exempt pursuant to Categorical Exemption Section 15301, and to direct staff to file a Notice of Exemption for the subject project with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 9-B)

Motion No. 14-02-594: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Kwong and unanimously carried (3-0), to approve the award of contract to Advanced Industrial Services, Inc., for the Armitos and Hillrise Reservoirs Coating project (P.N. 13-3322), in the amount of \$1,083,900; to find that the project is exempt pursuant to Categorical Exemption Section 15301; and to authorize staff to file a Notice of Exemption for P.N. 13-3322 with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 9-B)*

President Carrera indicated Motion No. 14-02-594 was approved by a 3-0 vote

- ◆ The Board was asked to authorize the General Manager to execute Change Order No. 1 for the Water Facilities Relocation for ACE-Nogales (S) Grade Separation (W.O. 03-2820). (Item 9-C)

Motion No. 14-02-595: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp, and unanimously carried (3-0), to authorize the General Manager to execute Change Order No. 1 for the Water Facilities Relocation for ACE-Nogales (S) Grade Separation (W.O. 03-2820). (Item 9-C)*

President Carrera indicated Motion No. 14-02-595 was approved by a 3-0 vote

Item 10: Personnel Committee – Director Ebenkamp

- ◆ The Board was asked consider supporting the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) Commitment to Excellence Program by signing an agreement between ACWA/JPIA and the District. (Item 10-A)

Motion No. 14-02-596: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong, and unanimously carried (3-0), to sign an agreement in support of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) ‘Commitment to Excellence Program.’ (Item 10-A)*

President Carrera indicated Motion No. 14-02-596 was approved by a 3-0 vote

- ◆ Ms. Olson provided a verbal update on the District’s upcoming Employee Recognition Event, noting the event will be held on Saturday, February 22, 2014, at the Park Inn Suites in Covina. (Item 10-B)

Item 11: Finance Committee

- ◆ President Carrera noted that review and consideration of Finance Committee matters will be conducted upon the arrival of Director Wu, Committee Chair.

Item 12: Public Information/Community Relations/Legislative Action Committee – Director Ebenkamp

- ◆ The Board received an update on the 2014 California Water Bond and was then asked to consider expressing opposition to SB 848 (Wolk), *Safe Drinking Water, Water Quality, and Water Supply Act of 2014*.

Motion No. 14-02-597: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong, and unanimously carried (3-0), to approve sending a letter expressing the District’s opposition to SB 848 (Wolk), *Safe Drinking Water, Water Quality, and Water Supply Act of 2014*, as currently written and directed staff to follow-up as needed. (Item 12-A)*

President Carrera indicated Motion No. 14-02-597 was approved by a 3-0 vote

Other Items

Item 13: TVMWD/MWD – Director Ebenkamp

- ◆ Director Ebenkamp spoke on TVMWD January 2014 Board meeting activities. Director David De Jesus then provided a summary of topics of discussion held during a recent meeting between Governor Edmund Brown and the Metropolitan Water District of Southern California.

(Director Wu arrived at 5:41 p.m.)

Item 11: Finance Committee – Director Wu

- ◆ The Board was advised that review of District investment activities will be scheduled for the March 2014 Board meeting. (Item 11-A)
- ◆ The Board was asked to receive, accept, and file the District's Investment Transactions Report for the month of January 2014. (Item 11-B)

Motion No. 14-02-598: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Wu, and unanimously carried (4-0), to receive, accept, and file the District's Investment Transactions Report for the month ending January 31, 2014. (Item 11-B)

President Carrera indicated Motion No. 14-02-598 was approved by a 4-0 vote

- ◆ Mr. Teuber reviewed the Revenue Bond Funds Held in Trust and detailed disbursement of bond proceeds monthly report. As this was an informational item only, no action was taken. (Item 11-C)
- ◆ The Board was asked to approve the transfer of \$193,287, the calculated savings from the COLA reduction for purposes of funding the spousal medical benefit as per the employee Terms and Conditions of Employment agreement, from the General account to the Other Post-Employment Benefits Reserve. (Item 11-D)

Motion No. 14-02-599: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp and unanimously carried (4-0), to approve the transfer of \$193,287 from the General account to the Other Post-Employment Benefits Reserve account for purposes of funding the spousal medical benefit. (Item 11-D)

President Carrera indicated Motion No. 14-02-599 was approved by a 4-0 vote

Item 14: The P-W-R Joint Water Line Commission – Director Kwong

- ◆ Director Kwong reviewed the January 2014 P-W-R Joint Water Line Commission water use report included in the Board packet and noted the next commission meeting will be held on February 20, 2014, at the Walnut Valley Water District.

Item 15: Puente Basin Water Agency – Director Carrera

- ◆ Mr. Holmes briefly updated the Board on the PBWA La Habra Heights County Water District regional water supply reliability program and indicated that further detail of PBWA projects will be provided at the February 20, 2014 WVWD Special Board meeting.

Item 16: General Manager Report

- ◆ The Board received a follow-up report on prior Board actions.
- ◆ The General Manager reviewed the District's activities calendars for February, March, and April 2014.
- ◆ Noted that the District received an ACWA/JPIA President's Special recognition Award for low loss ratio of liability, property, or workers' compensation programs.
- ◆ The Board was advised of a recent public records request.

Item 17: 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. Directors include reports of their participation in non-expense/per diem paid community events as a matter of information.)

- ◆ Director Kwong noted her attendance at District Board meetings and the SGV Regional Chamber 'State of the Chamber' event.
- ◆ In addition to the District Board and committee meetings, Director Ebenkamp noted his attendance at a Three Valleys MWD Board meeting, the SGV Regional Chamber 'State of the Chamber' event, and a Water Technology Conference held at the University of La Verne.
- ◆ In addition to the District Board and committee meetings, Director Wu advised of a meeting held with the General Manager to discuss customer hydrant matters. In addition, he noted his attendance at a Southern California Water Dialogue meeting, and a Water Technology Conference held at the University of La Verne.
- ◆ In addition to District Board and committee meetings, Director Carrera noted her attendance at the SGV Regional Chamber 'State of the Chamber' event.
- ◆ Although Director Hilden was not in attendance at the Board meeting, his expense report indicated his attendance at District Board and committee meetings, a TVMWD Board meeting, the SGV Regional Chamber 'State of the Chamber' event, and his participation in a Liebert Cassidy Whitmore ethics webinar.

Item 18: Legal Reports

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

Item 19: Items for Future Discussion

- ◆ Director request was made to review the existing charges for the reproduction of District public records.

Item 20: Board of Directors Business

- ◆ The Board was advised that Director Joseph Ruzicka of TVMWD was elected as the LAFCO Alternate Representative with term ending May 2014. (Item 20-A)
- ◆ The Board was asked if there was an interest in being nominated for the Local Agency Formation Commission (LAFCO) Special District representative or alternate positions. There being no interest on the part of any Board member to be nominated, no action was taken on this matter. (Item 20-B)
- ◆ The Board received an informational report on the District's continuous water conservation programs, incentives, and outreach efforts.
- ◆ The Board was asked to consider approval of WVWD Resolution No. 02-14-607, a resolution requesting the District's customers to voluntarily reduce their water usage by 20%. This request came in response to Governor Brown's call for an increased state-wide water conservation effort.

Motion No. 14-02-600: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Wu and unanimously carried (4-0), to adopt Resolution No. 02-14-607, a resolution 'Supporting a Voluntarily 20% Reduction in Water Usage by All Walnut Valley Water District Customers.'* (Item 20-D)

President Carrera indicated Motion No. 14-02-600 was approved by a 4-0 vote

- ◆ The Board was asked to review the General Manager's Fiscal Year 2013-14 Work Plan quarterly update; make recommendations and/or revisions; and receive, accept, and file the Work Plan update. (Item 21-E)

Motion No. 14-02-601: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (4-0), to receive and file the quarterly update of the General Manager's FY 2013-14 Work Plan.* (Item 21-E)

President Carrera indicated Motion No. 14-02-601 was approved by a 4-0 vote

Item 21: Public Comment on Closed Session

- ◆ There were no requests to comment on either open or closed session items at this time.

Item 22: Adjourn to Closed Session – 6:22p.m.**Item 23: Closed Session – 6:50 p.m.**

- The Board met in closed session in accordance with Government Code [§54956.8] to discuss real property negotiation matters pertaining to the acquisition and/or lease of water resources. The negotiating parties are Michael Holmes and Erik Hitchman.
- The Board also met in closed session in accordance with Government Code [§54956.9(b)(1)] to discuss one pending litigation case.

Item 24: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:54 p.m.

- The Board met in closed session in accordance with Government Code [§54956.8] to discuss real property negotiation matters pertaining to the acquisition and/or lease of water resources. The negotiating parties are Michael Holmes and Erik Hitchman. No action reportable under the Brown Act was taken on this item.
- The Board also met in closed session in accordance with Government Code [§54956.9(b)(1)] to discuss one pending litigation case. No action reportable under the Brown Act was taken on this item.

Adjournment at 6:53 p.m

Motion No. 14-02-602: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (4-0), to adjourn the meeting.*

President Carrera indicated Motion No. 14-02-602 was approved by a 4-0 vote