

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

**January 19, 2016
At the Offices of the District**

DIRECTORS PRESENT:

Scarlett Kwong, President
Theodore L. Ebenkamp
Edwin Hilden
Theresa Lee
Allen Wu

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
Jim Ciampa, Legal Counsel

DIRECTORS ABSENT:

None

The meeting was called to order at 5:14 p.m. with President Kwong presiding.

Guests and others in attendance: Three Valleys Municipal Water District Director Joe Ruzicka and Three Valleys Municipal Water District General Manager Mr. Rick Hansen, Mr. Tom Coleman and Ms. Rose Perea of Rowland Water District, Mr. Luigi Luciano, Ms. Lauren Pong, Ms. Jody Roberto, Dr. Chia Teng, Ms. Amy Kus, Ms. Theirna Lin, Ms. Carolyn An, Dr. Tony Torng, and Mrs. Liling Torng.

Item 2: Roll Call

- ◆ Following Board of Directors roll call, the Board adjourned at 5:27 p.m. for a brief reception honoring former Board of Director Barbara Carrera for her six years of service on the Walnut Valley Water District's Board of Directors.

Reconvene: 5:40 p.m.

Item 3: Public Comment –President Kwong

- ◆ There were no requests.

Item 4: Additions to the Agenda –Kwong

- ◆ There were no requests.

Item 5: Reorder of Agenda –President Kwong

- ◆ There were no requests.

Item 6: Oath of Office – Director Lee

- ◆ Ms. Theresa Lee subscribed her Oath of Office to Ms. Sanchez, Notary Public, Executive Secretary of the Walnut Valley Water District.
- ◆ Upon completion of administering the Oath of Office, Director Lee took a moment to introduce her guests that came to view her swearing-in.

Item 7: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, including the minutes of the regular Board meeting held December 14, 2015, and minutes of the Special Board meetings held January 5 and January 11, 2016, a Negotiated Tax Exchange Resolution Annexation of Petition No. 41-613 County Lighting Maintenance District 1687, the check register, and the WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100. (Items 7-1, 2, 3, 4, 5, 6)

Motion No. 16-01-874: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu and unanimously carried (5-0), to receive, approve, and file the Consent Calendar including the minutes of the regular Board meeting held December 14, 2015, and the Special Board meeting minutes of January 5 and January 11, 2016, a Negotiated Tax Exchange Resolution Annexation of Petition No. 41-613 County Lighting Maintenance District 1687, the check register, and the WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100. (Items 7-1, 2, 3, 4, 5, 6)*

President Kwong indicated Motion No. 16-01-874 was approved by a (5-0) vote

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 for events occurring during December 2015.
- ◆ Director Hilden rescinded the per diem request for his attendance at the December 7, 2015, WVWD Employee Barbecue event. (Item 8)

Motion No. 16-01-875: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu and unanimously carried (5-0), to receive, approve, and file the Board member expense reports for meeting attendance during the month of December 2015, noting that, at Director Hilden's request, the*

per diem request for his attendance at the December 7, 2015, WVWD Employee Barbecue event was removed. (Item 8)

President Kwong indicated Motion No. 16-01-875 was approved by a (5-0) vote

Item 9: Treasurer's Report

- ◆ Mr. Teuber reviewed the District Statement of Revenues, Expenses, and Change in Net Assets as of December 31, 2015; the District Statement of Net Assets as of December 31, 2015; and the Summary of Cash Investments as of December 31, 2015. (Items 9-1, 2, 3)

Motion No. 16-01-876: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Wu and unanimously carried (5-0), to receive and file the District Statement of Revenues, Expenses, and Change in Net Assets as of December 31, 2015; the Statement of Net Assets as of December 31, 2015; and the Summary of Cash and Investments as of December 31, 2015. (Items 9-1, 2, 3)*

President Kwong indicated Motion No. 16-01-876 was approved by a (5-0) vote

Committee Chair Reports

Item 10: Engineering & Special Projects Committee – Director Ebenkamp

- ◆ The Board was asked to authorize the General Manager to execute contracts for labor and materials for the Ridge Line Reservoir Water Main Extension project (P.N. 14-3365) per the following bid results, to authorize the appropriation of an additional \$57,000 from the Reserve for Replacement Fund, to find the project exempt pursuant to CEQA Guidelines Categorical Exemption Section 15282(k), and to authorize the filing of a Notice of Exemption for the subject project with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 10-A)

Bid	Supplier	Price	Delivery
Labor	Doty Bros. Equipment	\$ 103,944.00	N/A
Ductile Iron Fittings & Misc. Matls.	D'Angelo Co.	\$ 966.40	7-10 Days
Resilient Wedge Gate & Butterfly Valves	Ferguson Waterworks	\$ 8,685.71	3-30 Days
Steel M.L. & C. Pipe	Southland Pipe Corp.	\$ 21,175.79	60 Days
Service Materials	Western Waterworks	\$ 432.57	1-2 Days

Motion No. 16-01-877: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Wu and carried (5-0), to execute contracts for labor and materials for the Ridge Line Reservoir Water Main Extension project (P.N. 14-3365) per the following bid results, to authorize the appropriation of an additional \$57,000 from the Reserve for Replacement Fund, to find the project exempt pursuant to CEQA Guidelines Categorical Exemption Section 15282(k), and to authorize the filing of a Notice of Exemption for the subject project with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 10-A)*

Bid	Supplier	Price	Delivery
Labor	Doty Bros. Equipment	\$ 103,944.00	N/A
Ductile Iron Fittings & Misc. Matls.	D'Angelo Co.	\$ 966.40	7-10 Days
Resilient Wedge Gate & Butterfly Valves	Ferguson Waterworks	\$ 8,685.71	3-30 Days
Steel M.L. & C. Pipe	Southland Pipe Corp.	\$ 21,175.79	60 Days
Service Materials	Western Waterworks	\$ 432.57	1-2 Days

President Kwong indicated Motion No. 16-01-877 was approved by a (5-0) vote

- ◆ The Board was asked to authorize the General Manager to execute contracts for labor and materials for SR-60 and Lemon Avenue Interchange (P.N. 13-3310) per the following bid results and to authorize the appropriation of \$467,000 from the General Fund, for which Caltrans will reimburse the District. (Item 10-B)

<u>Bid</u>	<u>Supplier</u>	<u>Price</u>	<u>Delivery</u>
Labor	Doty Bros. Equipment Co.	\$367,367.00	N/A
Steel M.L. & C. Pipe & Misc. Matls.	Inland Water Works	\$19,106.50	2 Weeks

Motion No. 16-01-878: *Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden and carried (4-0), with Director Wu recusing himself from the approval due to his employment with Caltrans, to execute contracts for labor and materials for SR-60 and Lemon Avenue Interchange (P.N. 13-3310) per the bid results listed below and to authorize the appropriation of \$467,000 from the General Fund. (Item 10-B)*

<u>Bid</u>	<u>Supplier</u>	<u>Price</u>	<u>Delivery</u>
Labor	Doty Bros. Equipment Co.	\$367,367.00	N/A
Steel M.L. & C. Pipe & Misc. Matls.	Inland Water Works	\$19,106.50	2 Weeks

President Kwong indicated Motion No. 16-01-878 was approved by a (4-0) vote, with one abstention from Director Wu

Item 11: Personnel Committee – Director Hilden

- ◆ There were no Personnel Committee matters to come before the Board at this time.

Item 12: Finance Committee – Director Wu

- ◆ The Board was asked to approve the Unclaimed Funds Policy. (Item 12-A)

Motion No. 16-01-879: Upon consideration thereof, it was moved by Director Wu, seconded by Director Ebenkamp and unanimously carried (5-0), to approve the Unclaimed Funds Policy. (Item 12-A)

President Kwong indicated Motion No. 16-01-879 was approved by a (5-0) vote

- ◆ Mr. Teuber reviewed the Revenue Bond Funds Held in Trust and detailed disbursement of bond proceeds reports for December 2015. As this was an informational item only, Board action was not taken on this item. (Item 12-B)
- ◆ The Board received a Preliminary 2016-2017 Budget Meeting Schedule as a matter of information only. (Item 12-C)
- ◆ The Board was asked to approve the transfer of \$325,111, the calculated annual savings from the calendar year COLA reduction for the purpose of funding the spousal medical benefit, from the General Account to the Other Post-Employment Benefits Reserve. Request was also made to approve the transfer of these funds to the Other Post-Employment Benefits Trust. (Item 12-D)

Motion No. 16-01-880: Upon consideration thereof, it was moved by Director Wu, seconded by Director Ebenkamp and unanimously carried (5-0), to approve the transfer of \$325,111 from the General Account to the Other Post-Employment Benefits Reserve account for the purposes of funding the spousal medical benefit; and to authorize the transfer of \$325,111 from the Other Post-Employment Benefits Reserve account to the Other Post-Employment Benefits Trust. (Item 12-D)

President Kwong indicated Motion No. 16-01-880 was approved by a (5-0) vote

- ◆ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report for December 2015 included in the Board packet. (Item 12-E)

Motion No. 16-01-881: Upon consideration thereof, it was moved by Director Wu, seconded by Director Ebenkamp and unanimously carried (5-0), to receive, approve, and file the District's Consolidated Investment Transactions Report for the period of December 1, 2015 through December 31, 2015. (Item 12-E)

President Kwong indicated Motion No. 16-01-881 was approved by a (5-0) vote

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

- ◆ There were no Public Information matters to come before the Board at this time.

Other Items**Item 14: TVMWD/MWD – Director Hilden**

- ◆ The Board noted the next TVMWD Board meeting scheduled for January 20, 2016. (Item 14)

Item 15: The P-W-R Joint Water Line Commission – Director Kwong

- ◆ Director Kwong reviewed the P-W-R Joint Water Line Commission water use reports included in the Board packet. (Item 15)

Item 16: Puente Basin Water Agency –Director Ebenkamp

- ◆ The Board received an update on matters discussed at the January 6, 2016, PBWA Commission meeting. (Item 16)

Item 17: General Manager's Report

- ◆ The Board received a follow-up report on prior Board actions. (Item 17-A)
- ◆ The General Manager reviewed the District's activities calendars for January - March 2016. (Item 17-B)
- ◆ Staff made note of the upcoming February 29 - March 9, 2016, MWD Weymouth Treatment Plant Shutdown. (Item 17-C)
- ◆ The Board received a verbal update on Main San Gabriel Basin replenishment water. (Item 17-D)
- ◆ As a follow-up to the September 21, 2015 Board action to approve the transfer of surplus of District office equipment, the Board received correspondence from the Walnut Valley Unified School District acknowledging receipt of the ten used motion tablets, and the one used HP 800 plotter. (Item 17-E)

Item 18: Water Supply and Drought

- ◆ The Board received a report on the District's drought and water conservation outreach efforts. (Item 18-A)
- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, FY 2015-16 purchase water projections, conservation goal summary, 2014-15 climate summary, and 2015

monthly water consumption versus the 2013 baseline year. Staff made note that the District's water usage for December 2015 was 17.38% lower than usage in December 2013. (Item 18-B)

- ◆ The Board viewed reports on California's water supply and reservoir conditions as of January 7, 2016. (Item 18-C)

Item 19: 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.)

- ◆ In addition to the District Board and committee meetings previously reported, Director Hilden indicated he attended a Diamond Bar Republican Women's meeting where Senator Huff provided an update on State legislative matters of interest. He then made note that he attended a meeting, hosted by Congressman Royce, on matters pertaining to the California's economic status.
- ◆ In addition to District Board and committee meetings previously reported, Director Wu advised that he attended the ACWA/JPIA conference in Indian Wells.
- ◆ In addition to District the committee and Board meetings, the PBWA Commission meeting, and the TVMWD Board meeting previously reported, Director Ebenkamp attended the ACWA Conference in Indian Wells.
- ◆ Director Kwong indicated that she attended the District's Board meeting in addition to a Chinese Elected Officials board meeting. Her expense report also noted a mileage reimbursement request for travel to and from the Ontario Airport in October, with destination to Las Vegas for the AWWA CA/NV Conference.

Item 20: Legal Reports

- ◆ Mr. Ciampa updated the Board on the SWRCB's extension to the emergency water conservation regulations and indicated that some water suppliers will be granted more flexibility in meeting their conservation requirements.

Item 21: Items for Future Discussion

- ◆ Director Kwong requested that the proposal for water conservation educational outreach to the Asian-American and Pacific Islander community in the San Gabriel Valley be discussed by the Public Information/Legislative Action Committee at the next meeting.

Item 22: Board of Directors Business

- ◆ The Board received a staff report, ballot, and supplementary materials pertaining to LAFCO's Special District Representative position for the term ending May 2016. President Kwong was advised that the Special District voting requirements allow the Board President to cast the vote on behalf of the District and was further informed that she has until April 8, 2016, to cast the vote. (Item 22-A)

Item 23: Annual Board Reorganization

- ◆ 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 Board President, second choice to the First Vice President, third choice to the Second Vice Present, and so on down the line, repeating in the same order, until all positions were filled as follows:

Committee	Chair	Member	Alternate
Engineering	Director Wu	Director Ebenkamp	Director Lee
Finance	Director Wu	Director Lee	Director Kwong
Personnel	Director Kwong	Director Hilden	Director Ebenkamp
Public Info/Legislative	Director Kwong	Director Hilden	Director Wu

Item 24: Commission-Agency Member Appointments and Ad Hoc Committees

- ◆ President Kwong assigned the Commission/Agency and Ad Hoc Committee positions as follows, noting the Board's consensus to disband the Warrant Audit Committee and the Water Resources Ad Hoc Committee:

Joint Water Line Commissioner	Scarlett P. Kwong
Joint Water Line Commissioner - Alternate	Edwin Hilden
Puente Basin Water Agency Representative	Theodore Ebenkamp
Puente Basin Water Agency Representative	Allen Wu
Puente Basin Water Agency Representative - Alternate	Theresa Lee
T.V.M.W.D. Representative	Edwin Hilden
T.V.M.W.D. Representative - Alternate	Theodore Ebenkamp
J.P.I.A. Board Member	Allen Wu
J.P.I.A. Board Member - Alternate	Edwin Hilden
ACWA Voting Delegate	Edwin Hilden
ACWA Voting Delegate - Alternate	Theodore Ebenkamp
ACWA Region 8 Delegate	Allen Wu
ACWA Region 8 Delegate - Alternate	Theresa Lee
Regional Chamber Representative	Theodore Ebenkamp
Regional Chamber Representative - Alternate	Scarlett Kwong

Item 25: Adoption of Resolutions Appointing Representatives to the Puente Basin Water Agency and Pomona-Walnut-Rowland Joint Water Line Commission

- ◆ In accordance with the Puente Basin Water Agency Joint Powers Agreement and the Pomona-Walnut-Rowland Joint Water Line Commission Bylaws, the Board was asked to adopt resolutions appointing District representatives to these agencies. (Item 25)

Motion No: 16-01-882: Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (5-0) by the roll call vote noted below, to adopt Resolution No. 01-16-622 appointing Directors Theodore Ebenkamp and Allen Wu as representatives, and Director Theresa Lee as alternate representative to serve on the Commission of the Puente Basin Water Agency; and to adopt Resolution No. 01-16-623, appointing Director Scarlett Kwong as representative and Director Edwin Hilden as alternate representative to serve on the P-W-R Joint Water Line Commission. (Item 25)

Aye: Ebenkamp, Hilden, Kwong, Lee, Wu
No: None
Absent: None

President Kwong indicated Motion No. 16-01-882, approving Resolution Nos. 01-16-622 and 01-16-623, was approved by a (5-0) roll call vote

Item 26: 2016 Calendar

- ◆ The Board approved the 2016 WVWD Board meeting schedule noting that subsequent adjustments may be made by the Board and in accordance with the Brown Act. (Item 26)

Motion No. 16-01-883: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Hilden and unanimously carried (5-0), to approve the CY 2016 Board and workshop meeting schedule as presented. (Item 26)

President Kwong indicated Motion No. 16-01-883 was approved by a (5-0) vote

Item 27: Public Comment on Closed Session

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

Item 28: Adjourn to Closed Session – 7:09 p.m.

Item 29: Closed Session – 7:26 p.m.

- A. The Board met in closed session in accordance with Government Code [§54957] to discuss public employee discipline/dismissal/release with Legal Counsel.
- B. The Board met in closed session in accordance with Government Code [§54956.9(d)(4)] to discuss one anticipated litigation matter with Legal Counsel.

Item 30: Reconvene in Open Session/Report of Action Taken in Closed Session – 7:38 p.m.

- A. It was reported that the Board met in closed session in accordance with Government Code [§54957] to discuss public employee discipline/dismissal/release with Legal Counsel. No reportable action under the Brown Act was taken.
- B. The Board also met in closed session in accordance with Government Code [§54956.9(d)(4)] to discuss one anticipated litigation matter with Legal Counsel. No reportable action under the Brown Act was taken on this matter.

Adjournment at 7:39 p.m.