

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

**March 16, 2015  
At the Offices of the District**

**DIRECTORS PRESENT:**

Theodore L. Ebenkamp, President  
Barbara A. Carrera  
Edwin Hilden  
Scarlett Kwong  
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  
Jim Ciampa, Legal Counsel

**DIRECTORS ABSENT:**

None

The meeting was called to order at 5:00 p.m. with President Ebenkamp presiding.

Guests and others in attendance: Three Valleys Municipal Water District Directors Joe Ruzicka and David De Jesus, and Mr. James Linthicum; Mr. Bruce Chittea.

**Item 3: Public Comment –President Ebenkamp**

- ◆ The Board took a moment to congratulate TVMWD Director Joe Ruzicka on his ninth consecutive completion of the Los Angeles Marathon.

**Item 4: Additions to the Agenda –President Ebenkamp**

- ◆ There were no requests.

**Item 5: Reorder of Agenda –President Ebenkamp**

- ◆ 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 February 17, 2015, the minutes of the Special Board meeting held February 19, 2015, the minutes of the Special Board meeting held February 25, 2015, the Check Register, and a WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100. (Items 6-1, 2, 3, 4, 5)

**Motion No. 15-03-745:** *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Kwong and unanimously carried (5-0), to receive, approve, and file the Consent Calendar, including minutes of the Regular Board meeting held February 17, 2015, minutes of the Special Board meeting held February 19, 2015, minutes of the Special Board meeting held February 25, 2015, the Check Register, and the WVWD Monthly Employee Expense Reimbursements Report. (Items 6-1, 2, 3, 4, 5)*

**President Ebenkamp indicated Motion No. 15-03-745 was approved by a (5-0) 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. 15-03-746:** *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Carrera, and unanimously carried (5-0), to receive, approve, and file the Board member expense reports for meeting attendance during the month of February 2015. (Item 7)*

**President Ebenkamp indicated Motion No. 15-03-746 was approved by a (5-0) vote**

**Item 8: Treasurer's Report**

- ◆ Mr. Teuber reviewed the District Statement of Revenues, Expenses, and Change in Net Assets for the eight-month period ending February 28, 2015, the Statement of Net Assets as of February 28, 2015, and the Summary of Cash and Investments as of February 28, 2015. (Items 8-1, 2, 3)

**Motion No. 15-03-747:** *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu and unanimously carried (5-0), to receive and file the District Statement of Revenues, Expenses, and Change in Net Assets for the eight-month period ending February 28, 2015; the Statement of Net Assets as of February 28, 2015; and the Summary of Cash and Investments as of February 28, 2015. (Items 8-1, 2, 3)*

**President Ebenkamp indicated Motion No. 15-03-747 was approved by a (5-0) vote**

## Committee Chair Reports

### Item 9: Engineering & Special Projects Committee – Director Kwong

- ◆ The Board was asked to accept the work as installed for the Walnut Leaf Pump Station Reconfiguration project (P.N. 12-3266), and to authorize the filing of a Notice of Completion with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 9-A)

***Motion No. 15-03-748: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Carrera and unanimously carried (5-0), to accept the work as installed for the Walnut Leaf Pump Station Reconfiguration Project (P.N. 12-3266) and to authorize the filing of a Notice of Completion with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 9-A)***

**President Ebenkamp indicated Motion No. 15-03-748 was approved by a (5-0) vote**

- ◆ The Board was asked to authorize the General Manager to execute a sole source contract with ARCADIS U.S., Inc. for the update of the SACDA System and the upgrade of the SCADA Backbone Network at a cost of \$716,000 (P.N. 14-3351 & 14-3352).

***Motion No. 15-03-749: Upon consideration thereof, it was moved by Director Wu seconded by Director Carrera and unanimously carried (5-0), to authorize the General Manager to execute a sole source contract with ARCADIS U.S. for the update of the SCADA System and the upgrade of the SCADA Backbone Network at a cost of \$716,000 (P.N. 14-3351 & 14-3352).***

**President Ebenkamp indicated Motion No. 15-03-749 was approved by a (5-0) vote**

### Item 10: Personnel Committee – Director Hilden

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

### Item 11: Finance Committee – Director Wu

- ◆ The Board was then asked to receive, approve, and file the District's Consolidated Investment Transactions Report for February 2015 included in the Board packet. (Item 11-A)

***Motion No. 15-03-750: Upon consideration thereof, it was moved by Director Wu, seconded by Director Carrera and unanimously carried (5-0), to receive, approve, and file the District's Consolidated Investment Transactions Report for the period of February 1, 2015 through February 28, 2015. (Item 11-A)***

**President Ebenkamp indicated Motion No. 15-03-750 was approved by a (5-0) 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, Board action was not taken on this item. (Item 11-B)

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

- ◆ The Board was asked to approve a District "oppose" position for SB 143 (Stone): Diamond Valley Reservoir: Recreational Use. (Item 12-A)

***Motion No. 15-03-751: Upon consideration thereof, it was moved by Director Wu, seconded by Director Kwong and unanimously carried (5-0), to approve a District 'oppose' position for SB 143 (Stone): Diamond Valley Reservoir: Recreational Use. (Item 12-A)***

**President Ebenkamp indicated Motion No. 15-03-751 was approved by a (5-0) vote**

## Other Items

### Item 13: TVMWD/MWD – Director Hilden

- ◆ Director Hilden took a moment to review TVMWD's February 18, 2015, Board meeting activities. (Item 13)

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

- ◆ Director Kwong reviewed the February 2015 P-W-R Joint Water Line Commission water use report included in the Board packet.
- ◆ The Board received an update on matters discussed at the February 19, 2015, P-W-R Joint Water Line Commission meeting.

### Item 15: Puente Basin Water Agency – Director Ebenkamp

- ◆ The Board received an update on matters discussed at the March 5, 2015 PBWA Commission meeting. (Item 15-A)

### Item 16: General Manager's Report

- ◆ The Board received a follow-up report on prior Board actions. (Item 16-A)

- ◆ The General Manager reviewed the District's activities calendars for the months of March, April, and May. (Item 16-B)
- ◆ The Board received a report on statewide and local water supply conditions. (Item 16-C)
- ◆ A report was given on Terminal Storage 15 control valve repair and replacement. (Item 16-D)
- ◆ The Board was advised of upcoming Board workshops' discussion items. (Item 16-E)

#### **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 Carrera noted she attended District Board and committee meetings.
- ◆ In addition to the District Board and committee meetings previously reported, Director Wu noted his participation in a WaterReuse webinar: Federal Water Policy and Legislative Outlook for 2015 and completion of an online Public Service Ethics Education training. In addition, he attended the WVUSD CAPA annual event and CIE-USA annual conference.
- ◆ Director Hilden reported his attendance at District's Board and committee meetings, and the TVMWD Board meetings previously reported. In addition, he attended a TVMWD Leadership Breakfast and the DBCAA Lunar New Year celebration.
- ◆ In addition to District committee and Board meetings reported, Director Kwong noted that she attended the SCCAEP Annual Meeting, a P-W-R Joint Water Line commission meeting, the DBCAA Lunar New Year celebration, the DB Evergreen Lunar New Year celebration, and the Asian American Engineer of the Year Award ceremony.
- ◆ In addition to the District Board and committee meetings, and the TVMWD meetings previously reported, Director Ebenkamp indicated he attended the WVWD 'Employee of the Year' lunch and TVMWD Leadership Breakfast.

#### **Item 18: Legal Reports**

- ◆ Mr. Ciampa briefly discussed the State Water Resources Control Board notice of proposed emergency rulemaking concerning extended and possibly expanded water use restrictions. Further review will be conducted at the Thursday, March 19, 2015, WVWD Board workshop.

#### **Item 19: Items for Future Discussion**

- ◆ Director Wu mentioned his concern regarding the State of California's failure to adequately backfill core samples and requested that the Engineering Committee review the District's backfill standards. Director Wu also mentioned that staff should seek regional cooperation in grant funding.

#### **Item 20: Board of Directors Business**

- ◆ The Board was asked to consider adoption of a Water Awareness Month Proclamation to designate May as Water Awareness Month. (Item 20-A)

***Motion No: 15-03-752: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Carrera and unanimously carried (5-0), to adopt a proclamation declaring May as "Water Awareness" Month. (Item 20-A)***

**President Ebenkamp indicated Motion No. 15-03-752 was approved by a (5-0) vote**

- ◆ The Board conducted an annual review of the Puente Basin Watermaster's Tentative 2015-16 Operating Budget and noted the \$13,394.25 proposed allocation to the District as its share of the funding for the 2015-16 Watermaster budget. (Item 20-B)

***Motion No: 15-03-753: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Carrera and unanimously carried (5-0), to approve the Puente Basin Watermaster's Tentative 2015-16 Operating Budget. (Item 20-B)***

**President Ebenkamp indicated Motion No. 15-03-753 was approved by a (5-0) vote**

- ◆ The Board discussed the upcoming ACWA/JPIA Executive Committee election. No action was taken on this matter. (Item 20-C)

#### **Item 21: Public Comment on Closed Session**

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

#### **Item 22: Adjourn to Closed Session – 5:54 p.m.**

#### **Item 23: Closed Session – 6:17 p.m.**

- A. The Board met in closed session in accordance with Government Code [§54956.8] to discuss real property negotiation matters pertaining to the purchase price and payment terms relating to acquisition and/or lease of water resources in the Main San Gabriel Basin and Central Basin. The negotiating parties are Michael Holmes and Erik Hitchman, and
- B. The Board also met in closed session in accordance with Government Code [§54956.9(d)(2)] to discuss two potential litigation matters with Legal Counsel.

**Item 24: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:53 p.m.**

- A. The Board met in closed session in accordance with Government Code [§54956.8] to discuss real property negotiation matters pertaining to the purchase price and payment terms relating to acquisition and/or lease of water resources in the Main San Gabriel Basin and Central Basin. The negotiating parties are Michael Holmes and Erik Hitchman.

It was reported that the Board of Directors unanimously approved the District's participation in the purchase by Puente Basin Water Agency of 400 acre-feet of Central Basin Allowed Pumping Allocation (in addition to the 200 acre-feet previously approved at the February 25, 2015, WVWD Special Board Meeting, making a total purchase of 600 acre-feet) at cost of \$12,100 per acre-foot, for which the District is obligated to pay a one-half share of the total purchase price.

- B. The Board also met in closed session in accordance with Government Code [§54956.9(d)(2)] to discuss two potential litigation matters with Legal Counsel. The Board considered and unanimously rejected the claim of State Farm General Insurance Company in the amount of \$2,415.35 pertaining to alleged water damage that occurred at 20445 Thrust Drive in Walnut. Legal Counsel was directed by Board consensus to provide notice of rejection of that claim to the claimant. The Board discussed the second potential litigation matter and directed staff to proceed as directed. No further reportable action under the Brown Act was taken on those items.

**Adjournment at 6:55 p.m.**