

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

**October 19, 2015
At the Offices of the District**

DIRECTORS PRESENT:

Theodore L. Ebenkamp, President
Barbara A. Carrera
Edwin Hilden
Allen Wu

DIRECTORS ABSENT:

Scarlett Kwong

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

The meeting was called to order at 5:03 p.m. with President Ebenkamp presiding.

Guests and others in attendance: Three Valleys Municipal Water District Directors David De Jesus and Joe Ruzicka.

Item 3: Public Comment –President Ebenkamp

- ◆ There were no requests.

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 September 21, 2015, the Special Board meetings held September 24, 2015 and October 6, 2015, the WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100, and the Puente Basin Watermaster Annual Report for FY 2014-15.

Motion No. 15-10-834: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu and unanimously carried (4-0), to receive, approve, and file the Consent Calendar including minutes of the regular Board meeting held September 21, 2015, the Special Board meetings held September 24, 2015 and October 6, 2015, a WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100, and the Puente Basin Water Master Annual Report for 2014-15. (Items 6-1, 2, 3, 4, 5, 6)*

President Ebenkamp indicated Motion No. 15-10-834 was approved by a (4-0) 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 for events occurring during September 2015. (Item 7)

Motion No. 15-10-835: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Carrera, and unanimously carried (4-0), to receive, approve, and file the Board member expense reports for meeting attendance during the month of September 2015. (Item 7)*

President Ebenkamp indicated Motion No. 15-10-835 was approved by a (4-0) vote

Item 8: Treasurer's Report

- ◆ Mr. Teuber reviewed the District Statement of Revenues, Expenses, and Change in Net Assets as of September 30, 2015; the District Statement of Net Assets as of September 30, 2015; and the Summary of Cash Investments as of September 30, 2015.

Motion No. 15-10-836: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (4-0), to receive and file the District Statement of Revenues, Expenses, and Change in Net Assets as of September 30, 2015; the Statement of Net Assets as of September 30, 2015; and the Summary of Cash and Investments as of September 30, 2015. (Items 8-1, 2, 3)*

President Ebenkamp indicated Motion No. 15-10-836 was approved by a (4-0) vote

Committee Chair Reports

Item 9: Engineering & Special Projects Committee – Director Ebenkamp

- ◆ The Board was asked to authorize the appropriation of \$59,966.87 from the Reserve for Replacement fund for the FY 2014/15 Iron Saddle Replacement Program (P.N. 15-3387). (Item 9-A)

Motion No. 15-10-837: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Wu, and unanimously carried (4-0), to authorize the appropriation of \$59,966.87 from the Reserve for Replacement fund for the FY 2014/15 Iron Saddle Replacement Program (P.N. 15-3387). (Item 9-A)*

President Ebenkamp indicated Motion No. 15-10-837 was approved by a (4-0) vote

Item 11: Personnel Committee – Director Hilden

- ◆ It was noted that the Personnel Committee and Legal Counsel conducted its annual review of the Identity Theft “Red Flag” program and made no recommendations for modifications of the document. The Board was then asked to receive and file the document as presented. (Item 11-A)

Motion No. 15-10-838: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu, and unanimously carried (4-0), to receive and file the District Identity Theft Prevention Program document. (Item 11-10)*

President Ebenkamp indicated Motion No. 15-10-838 was approved by a (4-0) vote

- ◆ The Board was asked to consider adoption of the proposed Electronic Tracking Technology policy. (Item 10-B)

Motion No. 15-10-839: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Carrera, and unanimously carried (4-0), to adopt the Electronic Tracking Technology Policy. (Item 10-B)*

President Ebenkamp indicated Motion No. 15-10-839 was approved by a (4-0) vote

Item 11: Finance Committee – Director Wu

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

Motion No. 15-10-840: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Carrera and unanimously carried (4-0), to receive, approve, and file the District’s Consolidated Investment Transactions Report for the period of September 1, 2015 through September 30, 2015. (Item 11-A)*

President Ebenkamp indicated Motion No. 15-10-840 was approved by a (4-0) vote

- ◆ Mr. Teuber reviewed the Revenue Bond Funds Held in Trust and detailed disbursement of bond proceeds reports for September 2015. 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 Ebenkamp

- ◆ The Board was asked to approve staff recommendation to terminate the contract with the Furman Group for government relations consulting services, and direct staff to possibly move forward at a later date when Congress renews the WRRDA legislation. (Item 12-A)

Motion No. 15-10-841: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Carrera, and unanimously carried (4-0), to terminate the Memorandum of Understanding with the Furman Group for government relations consulting services and to direct staff to move forward at a later date when Congress renews the WRRDA legislation. (Item 12-A)*

President Ebenkamp indicated Motion No. 15-10-841 was approved by a (4-0) vote

- ◆ The Board received regulatory updates on the proposed changes to the Drinking Water System Operating Fees and the SWRCB Environmental Laboratory Accreditation Program (ELAP). (Item 12-B)

Other Items

Item 13: TVMWD/MWD – Director Hilden

- ◆ It was noted that the next TVMWD Board meeting will be held on October 21, 2015. (Item 13)

Item 14: The P-W-R Joint Water Line Commission – Barbara Carrera

- ◆ Director Carrera reviewed the P-W-R Joint Water Line Commission water use report included in the Board packet. She then provided a report on matters discussed at the October 15, 2015 Commission meeting, including approval of the 2014-15 Final Audit included in the Board packet. (Item 14)

Item 15: Puente Basin Water Agency –Director Ebenkamp

- ◆ The Board received an update on matters discussed at the October 8, 2015 PBWA Commission meeting. (Item 15)

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 remainder of October, November, and December. (Item 16-B)
- ◆ The Board was reminded regarding the upcoming February 29-March 9, 2016, MWD Weymouth Treatment Plant Shutdown. (Item 16-C)

Item 17: Water Supply and Drought

- ◆ The Board received a report on the District's drought and water conservation outreach efforts. (Item 17-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 September 2015 was 30.8% lower than usage in September 2013. After review of these items, staff received direction to add residential GPCD to the report. (Item 17-B)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of September 22, 2015. (Item 17-C)
- ◆ The Board was provided with a CalOES drought update dated September 30, 2015. (Item 17-D)
- ◆ Mr. Holmes advised that he and Ms. Olson participated in an ACWA-hosted Water Agency Caucus via the web and provided highlights discussed on how this caucus proposes to address a series of concerns with the Governor's/SWRCB 25% water rationing limits established this past June. (Item 17-E)

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

- ◆ In addition to District committee and Board meeting previously reported on, Director Hilden indicated that during the month of September he attended an IMC lunch meeting and two meetings hosted by State Senator Bob Huff.
- ◆ In addition to District committee and Board meetings previously reported, Director Wu advised that he attended a Water Reuse Symposium and the Rowland Heights Chinese American Association annual dinner event.
- ◆ In addition to District committee and Board meetings previously reported, Director Carrera indicated she attended a meeting held with State Senator Bob Huff.
- ◆ In addition to the District committee and Board meetings, and PBWA Commission meeting previously reported, Director Ebenkamp attended a TVMWD Board meeting and workshop, a Regional Chamber Government Affairs Committee meeting, and the Rowland Heights Chinese Association annual dinner event.
- ◆ Although Director Kwong was not present to report on her meeting activities for the month of September, her expense report noted her attendance at District committee and Board meetings, a TVMWD Water Resources Update meeting, and her participation and completion of the AB 1234 ethics training as well.

Item 19: Legal Reports

- ◆ Mr. Ciampa informed the Board of a possible legislative or voter initiative that would put in place an alternative rate setting process for tiered water rates, low-income water user rate assistance and flood control and infrastructure improvements. He stated the current proposal would be located in Article X of the California Constitution and would be modeled after Proposition 218, but without Prop. 218's proportionality requirement. He reported that item will likely be the subject of new legislation in early 2016. He then noted a closed session would follow the regular business meeting.

Item 20: Items for Future Discussion

- ◆ Staff was asked to provide direction in the near future regarding the process for administering the Oath of Office for recently appointed Board members. In addition, a request was made for the Personnel Committee to review Board member compensation for consideration of an adjustment to the established 7-day limit on per diem compensation and to review the District's compensation amount.

Item 21: Board of Directors Business

- ◆ The Board received an update on the election of the new ACWA Region 8 Board for 2016-17, which included Mr. Holmes as a new Region 8 Board member. (Item 21-A)
- ◆ The Board was asked to approve organizational changes consisting of the creation of a General Services Superintendent position and the transfer of the current Field Superintendent to that position; adoption of the draft Interim Organizational Chart for Fiscal Year 2015-16 (included in the Board packet); and authorization to staff to proceed with recruitment of a new Administrative Services Manager. Staff noted that additional changes would be brought back next month. (Item 21-B)

Motion No. 15-10-842: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Carrera, and unanimously carried (4-0), to create a General Services Superintendent position and transfer the current Field Superintendent to that position; to adopt the Interim Organizational Chart for Fiscal Year 2015-16; and to authorize staff to proceed with recruitment for a new Administrative Services Manager. (Item 21-B)

- ◆ The Board was asked to make a determination with regard to submitting a nominee from its members for the Local Agency Formation Commission (LAFCO) Special District representative position. Although no action was taken in this regard, Board members have until the December Board meeting to express interest. (Item 21-C)
- ◆ The Board was asked to approve the immediate termination of the Communication Site Lease between the City of Walnut and the District at the Edmund M. Biederman Terminal Storage and Hydroelectric Facility. (Item 21-D)

Motion No. 15-10-843: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Carrera, and unanimously carried (4-0), to approve the immediate termination of the Communication Site Lease between the City of Walnut and the District at the Edmund M. Biederman Terminal Storage and Hydroelectric Facility. (Item 21-D)*

President Ebenkamp indicated Motion No. 15-10-843 was approved by a (4-0) vote

Item 22: Public Comment on Closed Session

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

Item 23: Adjourn to Closed Session – 6:16 p.m.

Item 24: Closed Session – 6:38 p.m.

- A. 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 25: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:44 p.m.

- A. The Board 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 6:45 p.m.

Motion No: 15-10-844: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (4-0), to adjourn the meeting.*

President Ebenkamp indicated Motion No. 15-10-844 was approved by a (4-0) vote