

**MINUTES OF A SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF  
WALNUT VALLEY WATER DISTRICT**

**February 22, 2018  
At the Offices of the District**

**DIRECTORS PRESENT:**

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

**STAFF PRESENT:**

Mike Holmes, General Manager  
Erik Hitchman, Assistant General Manager/Chief Engineer  
Brian Teuber, Director of Finance  
Sandy Olson, Director of Administrative Services  
Donna DiLaura, Executive Secretary  
Jim Ciampa, Legal Counsel

**DIRECTORS ABSENT:**

None

The meeting was called to order at 4:01 p.m. with President Ebenkamp presiding.

Guests and others in attendance: Mr. Sanjay Gaur, representing Raftelis Financial Consultants, Inc.

**Item 3: Public Comment**

- ◆ No comments were offered. (Item 3)

**Item 4: ACWA Seeking Contributions for a “No Drinking Water Tax Campaign”**

- ◆ The Board was asked to consider ACWA’s request to contribute \$10,000 to fund efforts to oppose a proposed tax on drinking water. Following a brief discussion on the matter, and a failed motion to approve, this item was deferred for reconsideration at the March Board meeting with staff to gather additional information. (Item 4)

**Item 5: Presentation: Rate Setting Principles**

- ◆ The Board received a PowerPoint presentation from Mr. Sanjay Gaur, Vice President of Raftelis Financial Consultants, Inc. that reviewed the rate setting process, rate structure alternatives and the District’s rate setting principles approved in November 2013. Mr. Gaur and Mr. Teuber then reviewed the Board’s rankings of each pricing objective, and discussed the pros and cons of different rate setting methodologies. (Item 5)

**Item 6: Consider Adoption of the Policy Objectives for Guiding Rate Design**

- ◆ The Board was asked to consider adoption of the Policy Objectives for Guiding Rate Design as presented. (Item 6)

**Motion No: 18-02-1202: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (5-0), to adopt the Policy Objectives for Guiding Rate Design as presented. (Item 6)***

**President Ebenkamp indicated Motion No. 18-02-1202 was approved by a (5-0) vote**

**Item 7: Public Comment on Closed Session Matters**

- ◆ No comments were offered. (Item 7)

**Item 8: Adjourn to Closed Session – 4:55 p.m.**

- A. The Board met in closed session in accordance with Government Code [§54956.9(d)(4)] to discuss anticipated litigation matters with Legal Counsel – One Potential Case. (Item 8-A)
- B. The Board met in closed session in accordance with Government Code [§54957.6] to conduct Labor Negotiations with District Designated Representatives and Prospective General Manager.

**Item 9: Closed Session****Item 10: Reconvene in Open Session – 5:34 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. The Board was briefed on the facts and circumstances of the matter and no reportable action under the Brown Act was taken. (Item 8-A)
- B. The Board met in closed session in accordance with Government Code [§54957.6] to conduct Labor Negotiations with District Designated Representatives and Prospective General Manager. Legal Counsel reported the District’s Designated Representatives were given direction concerning the proposed terms of the Prospective General Manager’s employment and were to negotiate those terms with the Prospective General Manager.

**Adjournment at 5:35 p.m.**

**Motion No: 18-02-1203: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu and unanimously carried (5-0), to adjourn the meeting.***

**President Ebenkamp indicated Motion No. 18-02-1203 was approved by a (5-0) vote**