

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

**January 18, 2018  
At the Offices of the District**

**DIRECTORS PRESENT:**

Theodore L. Ebenkamp  
Scarlett Kwong (arrived at 4:34 p.m.)  
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  
Jim Ciampa, Legal Counsel (via conference call 4:01 p.m. to 4:20 p.m.)

**DIRECTORS ABSENT:**

Edwin Hilden

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

Guests and others in attendance: No guests attended.

**Item 3: Public Comment**

- ◆ No comments were offered. (Item 3)

**Item 4: Public Comment on Closed Session Matter**

- ◆ There were no requests to comment on closed session items. (Item 4)

**Item 5: Adjourn to Closed Session (4:02 p.m.)****Item 6: Reconvene in Open Session/Report of Action Taken in Closed Session – 4:16 p.m.**

The Board met in closed session in accordance with Government Code §54957 to discuss one Public Employment item: The Board was briefed on the facts and circumstances of the matter and that, as a result of Mr. Holmes' notice to the Board of his impending retirement, the Board directed staff (Ms. Olson) to begin an internal recruitment process to fill the position of General Manager. (Item 5)

There was a five-minute recess to set-up for the next presentation.

**Item 7: Discussion on the District's Pricing Objectives (Presentation)**

Mr. Teuber (Director of Finance) led a presentation with an overview of the pricing objectives. He was assisted by Mr. Hitchman (Assistant General Manager). (Item 7)

Mr. Teuber:

- Reviewed the pricing objectives rankings;
- Discussed the finalized rankings from a separate survey prepared by each Board member;
- Sought Board direction for staff to incorporate Revised Rankings into the District's "Policy Objectives for Guiding Rate Design."

The Board, by consensus, directed staff to proceed with the next steps in the rate setting process and it is anticipated for the February 2018 Board Workshop that staff will continue the discussion by:

- Revising as needed the Policy for Guiding Rate Design to Incorporate Priority Pricing Objectives
- Evaluate Appropriateness of Current Rate Structure
- Does it meet the priorities of the Board?

**Adjournment at 4:50 p.m.**

**Motion No: 18-01-1187: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Lee and unanimously carried (4-0), to adjourn the meeting.***

**President Ebenkamp indicated Motion No. 18-01-1187 was approved by a (4-0) vote**