

**PUENTE BASIN WATER AGENCY
BOARD OF COMMISSIONERS
MEETING AGENDA**

Rowland Water District
Board Room
3021 S. Fullerton Road
Rowland Heights, California 91748

Friday, July 6, 2012 – 7:00 A.M.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review during regular business hours at the District office, located at 271 S. Brea Canyon Road, Walnut, California.

- I. WELCOME and INTRODUCTIONS Chairman Lima
- II. ROLL CALL: Chairman Lima _____ Vice-Chair Carrera _____
Commissioner Lewis _____ Commissioner Ebenkamp _____
- III. PUBLIC COMMENT
The Chair may impose reasonable limitations on public comments to assure an orderly and timely meeting.
- IV. APPROVAL OF MINUTES OF JUNE 21, 2012
A. Discussion B. Action Taken
- V. UPDATES Mr. Deck and
Mr. Holmes
A. Pomona Basin Regional Groundwater Project
B. Central Basin
C. La Habra Heights Project
D. CAL Domestic Project
E. Covina Irrigating Company Project
F. Main San Gabriel Basin
- VI. PROJECT FUNDING OPTIONS Mr. Deck and
Mr. Holmes
Two financial advisors will be present to review options for potential funding of PBWA projects:
✓Michael Engelbrecht, Director of Public Finance, Wells Fargo
✓Jeff Stava, Attorney at Law, Nossaman, LLP
A. Discussion B. Action Taken
- VII. REVIEW OF PBWA'S UPCOMING MEETING SCHEDULE Mr. Deck and
Mr. Holmes
A. Discussion B. Action Taken
- VIII. ITEMS FOR FUTURE DISCUSSION
A. Discussion B. Action Taken
- IX. PUBLIC COMMENT ON CLOSED SESSION

X. CLOSED SESSION
CONFERENCE WITH REAL PROPERTY NEGOTIATOR (§54956.8)
Property: Acquisition of Central Basin and Main San Gabriel Water Rights
Negotiators: Ken Deck, Michael Holmes
Negotiating Parties: Various Water Rights Holders
Under Negotiations: Price and Payment Terms

XI. RECONVENE IN OPEN SESSION
Report of action, if any, taken in Closed Session

XII. NEXT COMMISSION MEETING: Thursday, August 16, 2012, 7:00 a.m. Chairman Lima
AT WALNUT VALLEY WATER DISTRICT

TOUR OF PBWA PROJECT SITES



Following the regular business meeting, the Commissioners will tour the following PBWA project sites:

- 8:30-8:45 a.m.: La Habra Heights Project, located on Old Fullerton Road between Harbor Blvd. and East Road in La Habra Heights
- 9:00-9:15 a.m.: CAL Domestic Project, located at Whittier Blvd. and Havenhurst Drive in the City of La Habra
- 10:00-10:30 a.m.: Covina Irrigating Company Project
✓CIC Treatment Facility, 255 W. Arrow Hwy., Glendora
✓Walnut Future Pumping Plant at Nivilla Place and Grand Avenue, Covina
- 11:00-11:30 a.m.: Pomona Basin Regional Groundwater Project, TVMWD Fullton Plant located at 6th Street and Fullton Road, Pomona

The foregoing times are approximate and may vary, in part, depending on traffic conditions

A report regarding the tour will be given at the August 16 PBWA meeting.

**MINUTES OF MEETING
OF THE BOARD OF COMMISSIONERS OF
PUENTE BASIN WATER AGENCY**

DRAFT

**June 21, 2012
At the Offices of the
Walnut Valley Water District**

COMMISSIONERS PRESENT:

Anthony Lima, Chair
Barbara Carrera, Vice-Chair
Theodore L. Ebenkamp, Commissioner
Robert Lewis, Commissioner

OTHERS PRESENT:

James D. Ciampa, Legal Counsel (Arrived 4:20 p.m.)
Ken Deck, Rowland Water District
Jo Ann Angelico, Walnut Valley Water District

Guests and others in attendance: Director John Bellah and Mr. Ted Carrera, Rowland Water District; Director Scarlett Kwong, Mr. Erik Hitchman, and Mr. Brian Teuber, Walnut Valley Water District

The meeting was called to order at 4:03 p.m. with Chairman Lima presiding.

Item III: Public Comment

- ◆ There were no requests to make public comment.

Item IV: Approval of Minutes of May 17, 2012

Upon consideration thereof, it was moved by Commissioner Ebenkamp, seconded by Commissioner Lewis, and unanimously carried (4-0), to approve the minutes of the Commission meeting held on May 17, 2012, as presented.

Item V: Updates

- ◆ *Pomona Basin Regional Groundwater Project* – Mr. Deck advised there was nothing new to report regarding the Pomona Basin Regional Groundwater Project.
- ◆ *Central Basin* – After noting that Counsel had not yet arrived, Mr. Deck advised that escrow had closed on the purchase of water rights from U.S. Gypsum. He then reported that the Agency has submitted a request to become a party to the Judgment, which is part of the procedure they will need to follow to start producing and leasing water in the Basin. He said the WRD held a hearing in this regard at its board meeting this month. He said he believes they have no issues but has not heard whether or not it was approved.
- ◆ *La Habra Heights County Water District Project* – Mr. Deck advised that Rowland has approved and submitted to the County Recorder a statutory exemption for CEQA, which starts a 35-day comment period. Walnut staff is in the process of finalizing plans, which will include a point of connection for a meter connection for the La Habra system. The plans are nearly complete. Mr. Deck advised that most of the infrastructure will be located in the street and noted some of the issues that will be addressed for this project are possible interference at telephone pole locations, the need to install the pipeline before the nesting season for birds in January and February, matching the system with MWD water, and Conservancy concerns regarding Walnut and Oak tree root systems. (Mr. Deck advised he had met with the Conservancy in an effort to be a good neighbor.) At some point Agency staff will need to meet with staff from the City of La Habra Heights.
- ◆ *Cal Domestic/Covina Irrigating Company/Main San Gabriel Basin Projects* – Reporting on all three projects, Mr. Deck noted that when he met with the Conservancy regarding the La Habra Heights Project, they mentioned the Cal Domestic Project and advised they had no issues in that regard. Mr. Carrera is working with the Health Department on permitting. Mr. Deck advised that Walnut is working on the design, which is nearly complete. The pump station is complete and a treatment process for chloramination will be added, not only to match MWD water but also to address other water quality issues.

Mr. Deck said there are a lot of opportunities for leasing water rights within the Main Basin at considerable savings and staff is looking at ways to accelerate some of the projects they have been working on. He said staff wants assurance that we can get the water out of the ground before making commitments. Therefore, staff is researching the various aspects involved in getting the infrastructure built and getting ready to produce and extract water. He advised, now that the Amendments are done, staff has approached Watermaster regarding the development of a storage and export agreement and noted that things are starting to fall in line.

Item VI: Authorization to Execute Agreement for Auditing Services

- ◆ Mr. Teuber noted that past practice has been that the firm providing auditing services for the Walnut Valley Water District would also provide auditing services for the Puente Basin Water Agency. He advised that after receiving and reviewing bids, Walnut Valley Water District has awarded a three-year contract, with an option for an additional three years, to Mayer, Hoffman, McCann, P.C (MHM). He then reviewed the fees for their services, which include audits for the PBWA, with the total for the initial three-year contract being \$9,180 and the total for the optional three-year period being \$9,740. Mr. Lima questioned why there was a \$70 increase for 2015-16, while all other years increased by \$60. Mr. Teuber said those were the fees provided and that he would pose Mr. Lima's question to MHM. He then asked the Commission to authorize the Administrative Officer, Mr. Holmes, to execute a contract with MHM to provide auditing services for the PBWA.
- ◆ Mr. Ciampa arrived during this discussion.

Upon consideration thereof, it was moved by Commissioner Ebenkamp, seconded by Commissioner Lewis and unanimously carried (4-0), to authorize the Administrative Officer to execute a three-year contract, with an option for an additional three years, for Mayer, Hoffman, McCann, P.C. to perform auditing services for the PBWA in conjunction with the audit for the Walnut Valley Water District.

- ◆ Mr. Ciampa then provided an update on the Central Basin Judgment intervention process, as previously reviewed by Mr. Deck under the Central Basin Update, Item V-B. He said that under the Judgment, in order to produce any water rights that had been purchased, the Agency has to be a party to the Judgment. He then advised that on June 15, the WRD approved a stipulation to intervene that his office had submitted. The next step is for the Agency to petition the court for the Agency to become a party to the Judgment, either by giving at least 24-hours' telephonic notice to each party, or by giving notice via regular mail, which allows for a minimum of a 21 court day waiting period, depending on the court's availability. It was noted that the Commission had previously authorized the intervention and at this time is just being asked whether to give notice by phone, which is more expensive, or by regular mail. Noting that there is no urgency, Mr. Ciampa was directed to proceed with the notice by mail process.

Item VII: Adoption of Bidding and Contracting Procedures

- ◆ Mr. Hitchman advised that, as discussed at last month's meeting, prior to starting construction on some of the proposed projects, it would be advisable to have bidding and contracting procedures in place to guide the process. He then presented a draft Bidding and Contracting Procedures document for the Commissioner's review and consideration. He noted that the draft document was patterned after a similar document utilized by the Walnut Valley Water District and the P-W-R Joint Water Line Commission and that it had been reviewed by Legal Counsel. It was also noted that any potential construction contract would be presented to the Commission.

Upon consideration thereof, it was moved by Commissioner Lewis, seconded by Commissioner Carrera and unanimously carried (4-0), to adopt the Bidding and Contracting Procedures for the PBWA as presented.

Item VIII: Project Funding Options

- ◆ Mr. Deck advised that he had invited representatives from two funding institutions to attend the July 6 meeting to discuss options for funding some of the projects staff is currently working on.

Item X: Review of PBWA 2012 Meeting Schedule

- ◆ Owing to some staff conflicts, confirmation of the September 7 meeting was held over to the July meeting for review. It was suggested that consideration be given to the previous September 20 date. The July and August meetings were reconfirmed as follows:
 - *Friday, July 6, 7:00 a.m., at Rowland Water District*
 - *Thursday, August 16, 7:00 a.m., at Walnut Valley Water District*

Item XI: Items for Future Discussion

- ◆ The following items were requested for future discussion:
 - Agendize a tour of the various PBWA projects to follow the July 6 meeting.
 - Maintain a Closed Session agenda on a monthly basis.

Adjournment at 4:46 p.m.

It was moved by Commissioner Carrera, seconded by Commissioner Lewis and unanimously carried (4-0), to adjourn the meeting.

PUENTE BASIN WATER AGENCY

July 6, 2012

TO: Board of Commissioners
FROM: Michael Holmes
RE: PBWA 2012 Meeting Schedule Update

Following is an update of the PBWA 2012 meeting schedule as discussed at the June 21 meeting. To stay three months ahead, we will review and consider confirmation of meeting dates for September and October.

<u>CONFIRMED</u> Meeting Date/Time	Location
Thursday, August 16 7:00 am	WWWD
<u>PENDING CONFIRMATION</u>	
Friday, September 7, 7:00 am (Staff conflict) Or Thursday, September 20, 7:00 am	RWD