



Minutes of the Regular Meeting  
of the Board of Directors of the Rowland Water District

July 10, 2012 - 6:00 p.m.  
Location: District Office

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**PLEDGE OF ALLEGIANCE**

**ROLL CALL OF DIRECTORS**

President Anthony J. Lima  
Vice President Szu Pei Lu-Yang  
Director Robert W. Lewis  
Director John Bellah  
Director Teresa P. Rios

**ABSENT:**

None

**OTHERS PRESENT:**

Janet Morningstar, Legal Counsel  
Dan Horan, Three Valleys Municipal Water District  
Joe Ruzicka, Three Valleys Municipal Water District  
Mr. Kirk Howie, Three Valleys Municipal Water District  
David Malkin, Rowland Heights Resident  
Teri Malkin, Rowland Heights Resident

**ROWLAND WATER DISTRICT STAFF:**

Ken Deck, General Manager  
Ted Carrera, Assistant General Manager  
Sean Henry, Finance Officer  
Rose Perea, Director of Administrative Services

**ADDITION(S) TO AGENDA**

None

**PUBLIC COMMENT ON AGENDA ITEMS**

None.

**Tab 1 - CONSENT CALENDAR**

Upon motion by Director Bellah, seconded by Director Lewis, the Consent Calendar was approved as presented. The motion was unanimously carried.

The approval of the Consent Calendar included:

**1.1**

Approval of the Minutes of Regular Board Meeting Held on June 12, 2012

**1.2**

Approval of the Minutes of Special Board Meeting Held on June 26, 2012

**1.3**

Demands on General Fund Account for June, 2012

**1.4**

Investment Report for June, 2012

**1.5**

Water Purchases for May, 2012

**1.6**

Calendar of events for July and August 2012

- Special Board Meeting: July 21, 2012**
- Regular Board Meeting: August 14, 2012**
- Special Board Meeting: August 21, 2012**

**Tab 2 - ACTION ITEMS**

**2.1**

**Approve Directors’ Meeting Reimbursements for June 2012**

Upon motion by Director Lewis, seconded by Director Rios, the Directors’ Meeting Reimbursement Report was approved as presented. The motion was unanimously carried.

**2.2**

**Approve Extension of General Manager’s Contract**

Legal counsel, Janet Morningstar, provided the Board with a memorandum further explaining paragraph 14, “Termination by the District”, of the General Manager’s contract.

Upon motion by Vice President Lu-Yang, seconded by Director Rios, and unanimously approved, the General Manager’s Contract was extended through June 30, 2015, and automatically for an additional one (1) year term thereafter unless either party gives six (6) months’ written notice to the other of the election not to renew.

### 2.3

#### **Approve change of September 11, 2012 Board meeting to September 18, 2012**

Upon motion by Vice President Lu-Yang, seconded by Director Lewis, and unanimously carried, the Board approved the change of date to September 18, 2012.

### 2.4

#### **Discuss Letter of Intent from Black Dot Capital**

Mr. Deck discussed the offer made by Black Dot Capital for the purchase of the District's three cell sites leases and advised the Board that after evaluating the terms of the offer and the financial benefits, it would be his recommendation that the District retain ownership and control of the cell site leases, and not assign the right to future rents. It was the consensus of the Board that the District reject the Black Dot Capital offer to purchase and upon motion made by Director Lewis, seconded by Vice President Lu-Yang, and unanimously carried, the offer was rejected. Staff was instructed to prepare a letter to Black Dot Capital responding to their offer to purchase.

### 2.5

#### **Review and Discuss Lobby and Customer Service Area**

Mr. Deck made a presentation of the renderings prepared by Jana Itzen Architects for the remodel of the lobby and customer service area. It was the consensus of the Board that staff continue with the development of the concepts for the re-design of the lobby and customer service area and present the final proposal to the Board when received for further discussion and/or approval.

### 2.6

#### **Discuss the Option of Providing Electronic Delivery of Agenda and Board Packets to Directors**

After open discussion between staff and members of the Board, staff was asked to prepare a cost analysis of the estimated savings in connection with the transition to electronic delivery of the agenda and board packet, taking into consideration the employee man hours expended in the preparation and delivery of the Board packets to Board members. Legal counsel was asked to draft a formal policy governing the use of electronic devices to be provided by the District to the Board members, for consideration at a subsequent Board meeting.

### 2.7

#### **Discussion of Upcoming Conferences, Workshops, or Events (Including Items that May Have Arisen after the Posting of the Agenda)**

- Urban Water Institute 19th Annual Water Conference, August 22-24, 2012, Mission Bay, San Diego. Directors Lewis and Bellah have been registered to attend this conference.
- IMC Legislative Update Breakfast, July 13, 2012, 7:30 a.m., Pacific Palms Resort  
Staff was instructed to make reservations for Directors Lewis and Bellah for their attendance at the breakfast.

**Tab 3 LEGISLATIVE INFORMATION**

**3.1**

**Updates on Legislative Issues**

Provided for information purposes only.

**Tab 4 REVIEW OF CORRESPONDENCE**

None.

**Tab 5 COMMITTEE REPORTS**

**5.1**

**Three Valleys Municipal Water District**

Vice President Lu-Yang reported on the meeting held on June 20, 2012, and advised that Mr. William Steele from the Bureau of Reclamation made a presentation at the meeting and discussed Water Smart Grants. A public hearing was held adopting the MWD standby charge to be added to property taxes.

**5.2**

**Joint Powers Insurance Authority**

Nothing to report.

**5.3**

**Association of California Water Agencies**

Nothing to report.

**5.4**

**Project Ad-Hoc Committee**

President Lima reported on the meeting held on July 5, 2012 and advised that current projects and their progress were discussed as well as possible topics for the upcoming strategic planning special board meeting and brainstorming session.

**5.5**

**Regional Chamber of Commerce**

Vice president Lu-Yang reported on her attendance at the Installation Dinner and that Stephen Ly is now the permanent Chief Executive Officer. She also provided information on upcoming events. Director Rios also attended the Installation Dinner and advised that she enjoyed meeting many of the members and attendees at the dinner. Director Lewis reported on his attendance at the Chamber Government Affairs Committee and discussed the Bill to approve on-line gambling in California.

A discussion was held in connection with the District's representation on the Chamber Government Affairs Committee. Upon motion by Vice president Lu-Yang, seconded by Director Lewis, and unanimously carried, the Board approved the nomination of Ted Carrera to represent the District as a voting member on the Regional Chamber of Commerce Government Affairs Committee. Staff was asked to submit Mr. Carrera's Nomination Application to the Chamber.

## **5.6**

### **PWR Joint Water Line Commission**

President Lima reported on the June 21, 2012 meeting and advised that Civiltec Engineering's contract had been approved for fiscal year 2012-2013. The budget and transfer of the general checking account to Citizens Business Bank were approved.

## **5.7**

### **Puente Basin Water Agency**

President Lima attended the July 6, 2012 meeting and reported that Michael Engelbrecht, Director of Public Finance, Wells Fargo Bank, and Jeff Stava, Attorney, Nossaman, LLP law firm, presented options for potential funding of the PBWA projects. Commissioners and guests engaged in a tour of potential project sites and facilities.

## **5.8**

### **Sheriff's Community Advisory Council**

Nothing to report.

## **5.9**

### **Rowland Heights Community Coordinating Council**

Director Rios reported that a presentation on voter protocol was made at the July 9, 2012 meeting. Director Bellah reported that a representative from Assemblyman Curt Hagman's office made a presentation on the budget process and also had comments on the voter process presentation.

## **Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS**

## **6.1**

### **Public Relations**

Mrs. Perea noted that the traveling art show exhibiting the student art included in the MWD 2012 "Water is Life Calendar" was on display in the office lobby. She will be distributing "Save the Date" flyers to the schools in August for the Project Wet Teachers' Workshop which is scheduled for October 17, 2012, at the Frontier Project at Cucamonga Valley Water District. The face-lift to the conservation garden at the fairgrounds is underway, scheduled to be completed prior to the fair opening. This year's theme is "Safari" and the site will be decorated accordingly.

## **6.2**

### **Personnel Report**

Nothing to report.

## **6.3**

### **Engineer's Report**

Mr. Carrera reported on the District's pipeline break on Colima and provided pictures of the site. He advises that the repair will take approximately two weeks to complete. He added that fortunately only one customer, Colima Nursery, is affected. The District has provided the Nursery with water and a port-a-potty during the repair period.

**Tab 7 ATTORNEY’S REPORT** (Ms. Morningstar)  
Nothing to report.

**Tab 8 CLOSED SESSION**

- a. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8**  
Property: Purchase of Water Rights in the Central and Main San Gabriel Basins  
District Negotiator: Ken Deck, General Manager  
Negotiating Parties: Hawks Bay  
Under Negotiation: Price and Terms
- b. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8**  
Property: Lease of Water Rights in the Main San Gabriel Basin  
District Negotiator: Ken Deck, General Manager  
Negotiating Parties: Covina Irrigating Company  
Under Negotiation: Price and Terms
- c. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8**  
Property: Lease of Water Rights in the Main San Gabriel Basin  
District Negotiator: Ken Deck, General Manager  
Negotiating Parties: Sierra Water Group  
Under Negotiation: Price and Terms
- d. Conference with Real Property Negotiator Pursuant to Government Code Sec. 54956.8**  
Property: A Portion of the Parcel at 1015 Nogales Street, Rowland Heights, Ca APN# 8264-021-028  
Negotiating Parties: John A. Rowland, Jr., Trustee  
District Negotiator: Ken Deck, General Manager  
Under Negotiation: Price and Terms of Sale

There was nothing to report in connection with any of the foregoing real property negotiations, therefore, a closed session was not necessary and the meeting continued without interruption.

**Directors’ and General Manager’s Comments**

Vice President Lu-Yang commented that the District will celebrate its 60<sup>th</sup> Anniversary next year and she proposed that the Board consider a celebration in its honor.

**Future Agenda Items**

- Attendance at the CSDA Annual Conference on September 24-27, 2012, in San Diego, California

**Late Business**

None.

*Special Meeting of the Board of Directors: July 21, 2012*  
*Regular Meeting of the Board of Directors: August 14, 2012*  
*Special Meeting of the Board of Directors: August 21, 2012.*

A motion was made by Director Rios, seconded by Vice President Lu-Yang, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:50 p.m.

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ANTHONY J. LIMA  
Board President

Attest: \_\_\_\_\_  
KEN DECK  
Board Secretary