



Minutes of the Meeting
of the Rowland Water District

January 11, 2011

Location of Meeting: District Office

Pledge of Allegiance.

ROLL CALL OF DIRECTORS:

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

OTHERS PRESENT:

Dan Horan, Three Valleys Municipal Water District
Kirk Howie, Three Valleys Municipal Water District
Janet Morningstar, Legal Counsel
Joe Ruzicka, Three Valleys Municipal Water District
Dan Horan, Three Valleys Municipal Water District
Mitch Barker, Public Agency Retirement Services
John Grant, Rowland Heights Community Coordinating Council
Kathleen Stapleton, Rowland Heights Community Coordinating Council
David Malkin, Resident
Tori Malkin, Resident

ROWLAND WATER STAFF PRESENT:

Ken Deck, General Manager
Ted Carrera, Assistant General Manager
Sean Henry, Financial Officer
Rose Perea, Resource Analyst

ADOPTION OF AGENDA: Upon a motion by Director Lewis, seconded by Vice President Lu-Yang, and approved by unanimous vote, the Agenda was adopted as presented.

PUBLIC COMMENT: Mr. David Malkin, Rowland Heights resident, voiced his concerns regarding the re-paving of Fullerton Road following the installation of the recycled pipeline. Mr. Deck informed Mr. Malkin that the District specifically coordinated the completion of the

installation with the County of Los Angeles, who indicated that they had scheduled the resurfacing of Fullerton Road from Colima Road to Pathfinder and had grant funding available to complete this as soon as the rainy season is over. Mrs. Tori Malkin, Rowland Heights resident, suggested that the District print a Board meeting notification on the water bills and also a reference to the posting of the Agenda. Staff advised that they would look into the matter.

CONSENT CALENDAR: Upon a motion by Vice President Lu-Yang, seconded by Director Rios, the Consent Calendar was approved as presented. The motion was unanimously carried.

Tab 2 DEMANDS ON GENERAL FUND ACCOUNT FOR DECEMBER 2010

Mr. Deck answered questions posed by Vice President Lu-Yang and Director Bellah regarding expenditures made during the month of December and provided clarification on the expenses in question and the voided checks noted.

The approval of the Consent Calendar included the Minutes of the Regular Meeting held on December 14, 2010 (Tab 1); Approval of Demands on the General Fund Account for December 2010 (Tab 2); Approval of the Investment Report for December 2010 (Tab 3); and Approval of the Regular Board Meeting scheduled for February 8, 2011.

Tab 4

REVIEW AND APPROVE DIRECTORS' MEETING REIMBURSEMENTS FOR DECEMBER 2010

A motion was made by Director Rios, seconded by Vice President Lu-Yang, to approve the Directors' Meeting Reimbursement report as presented. The motion was unanimously carried.

Tab 5

GASB PRESENTATION BY MITCH BARKER OF PUBLIC AGENCY RETIREMENT SERVICES

Mr. Barker presented the Board with a "Proposal for Services" for funding the District's Other Post-Employment Benefits obligation. He described the advantages of PARS Post Retirement Healthcare Funding Trust Program outlining the program's security, flexibility, efficiency and the scale of service to be provided. He also provided a client list and references, as well as actuarial results and program fees. In particular, his presentation focused on OPEB (other post employment benefits) and the requirement under GASB 45, that public agencies state the present value of their unfunded obligation for retiree benefits in their annual financial statement.

Tab 6

REVIEW AND APPROVE WATER PRODUCTION AND DELIVERY AGREEMENT BETWEEN ROWLAND WATER DISTRICT AND CAL DOMESTIC WATER COMPANY

Mr. Deck stated that the prior draft agreement presented to the Board for review at the December meeting was now being presented without changes for approval in final form at this meeting.

Upon motion made by Director Lewis, seconded by Vice President Lu-Yang, the Agreement was approved. The motion was unanimously carried.

Tab 7

RESCIND LEVEL 1 WATER SUPPLY SHORTAGE

Mr. Deck explained that the District is currently well within its Tier I allocation for water deliveries for the 2010 – 2011 water year and that Level 1 water use restrictions are no longer necessary to avoid penalties. Legal counsel advised that since the Level 1 Water Supply Shortage had been declared by the Board by Resolution under the District’s WATER CONSERVATION AND WATER SHORTAGE CONTINGENCY PLAN, a Board Resolution was necessary in order to rescind the Level 1 Mandatory Restrictions. By consensus, the Board determined to put the matter on the agenda for the February meeting to be considered along with the proposed declaration of a temporary water shortage emergency to deal with the planned shutdown of the Weymouth Plant.

Tab 8

AUTHORIZE THE TRANSFER OF \$40,000 FROM THE CAPITAL BUDGET TO THE GENERAL BUDGET/CONTRACT SERVICES FOR THE DEVELOPMENT OF THE URBAN WATER MANAGEMENT PLAN

Mr. Deck advised that the District is required to file an Urban Water Management Plan every five (5) years and requested that these funds be transferred from the 2010-2011 “Capital Budget” category to the “General Budget/Contract Services” category to fund the preparation of the Urban Water Management Plan.

Upon motion made by Director Lewis, seconded by Vice President Lu-Yang, the motion was unanimously carried.

Tab 9

REVIEW AND APPROVE POLICY TO HAVE WATER SERVICE FURNISHED IN THE NAME OF THE TENANT OF RESIDENTIAL REAL PROPERTY

Mr. Deck referred to the District’s present policy which has no provision to require the property owner to be a party to the water supply agreement nor to be obligated to pay any outstanding amount if a tenant vacates the property leaving an unpaid balance. The requirement to have the property owner sign a Tenant/Owner Agreement would make the property owner liable for payment in the event the tenant left an unpaid balance. Discussion followed and it was the consensus that the word “Residential” be removed from the title of the document making it applicable to commercial property as well.

Upon motion made by Director Lewis, seconded by Director Rios, the motion to adopt the policy as modified with respect to the word “Residential” was unanimously carried.

Tab 10

REVIEW AND APPROVE REVISED PROPOSAL FROM CV STRATEGIES

Mr. Deck explained to the Board that CV Strategies, a public relations firm, would improve our public outreach efforts and that the proposal had been modified to reflect the use of their services on an as-needed basis. It was the consensus of the Board that this proposal be reviewed after the Board workshop presently scheduled for February 5, 2011.

Tab 11

AUTHORIZE THE SALE OF 900 A.F. OF GROUND WATER HELD IN THE 3-VALLEYS CYCLIC STORAGE ACCOUNT TO SUBURBAN WATER

Mr. Deck noted that Suburban offered to purchase this water at the current MWD non-treated price of \$484.00 per acre foot and that not only could these funds be utilized to fund other projects, it is a positive Goodwill gesture between the two agencies.

Upon motion was made by Director Lewis, seconded by Vice President Lu-Yang, the motion for the sale was unanimously carried.

Tab 12

APPROVE REQUEST FROM 3-VALLEYS TO PARTICIPATE FINANCIALLY TOWARDS PIPING IMPROVEMENTS AT THEIR FULTON PLANT

Mr. Deck advised that 3-Valleys is conducting further testing of the facilities and that, at this time, the matter should be removed from consideration.

Tab 13

UPDATE ON GENERAL MANAGER AND BOARD PRESIDENT'S ATTENDANCE AT LA HABRA HEIGHTS COUNTY WATER DISTRICT BOARD MEETING HELD DECEMBER 12, 2010

President Lima and Mr. Deck discussed their attendance at the meeting and Mr. Deck advised that La Habra's Board meeting was also scheduled for this evening, January 11, 2011, and that he would follow-up to obtain an update on the status of the proposed Water Production and Delivery Agreement between the two agencies and Orchard Dale Water District. Legal Counsel, Janet Morningstar, advised that she had received a revised copy of the Agreement with Orchard Dales' input.

Tab 14

UPDATE ON THE PREPARATION FOR THE UPCOMING TEN-DAY SHUT DOWN OF THE WEYMOUTH TREATMENT PLANT

General Manager, Ken Deck, reported on different scenarios and on meetings with the engineers of several of the agencies involved. He reported that Three Valleys is working very hard to provide RWD with as much water as possible from the Miramar Treatment Plant during the shutdown; however, Golden State and La Verne have first priority over these supplies. He advised that conservation sign boards would be placed throughout the Walnut and Rowland service area and that if it becomes necessary, both agencies will physically shut down irrigation systems. Legal Counsel advised that under the District's WATER CONSERVATION AND WATER SHORTAGE CONTINGENCY PLAN, and under the California Water Code, a public hearing would be necessary to declare a water shortage emergency.

A motion was made by Director Lewis that staff set a public hearing at the February Board meeting to declare a water shortage emergency and authorize the General Manager to enforce water use restrictions, including termination of service to irrigation meters, if necessary.

Upon motion duly made by Director Lewis, seconded by Director Rios, the motion was unanimously carried.

Tab 15

GENERAL MANAGER'S REPORT

- a. Water Purchase Report.

The General Manager reported that the rains had helped considerably. Director Bellah requested that Mr. Deck e-mail him specific data on the affect of the rains.

Tab 16

**DISCUSSION OF UPCOMING CONFERENCES, WORKSHOPS, OR EVENTS
(INCLUDING ITEMS THAT MAY HAVE ARISEN AFTER THE POSTING OF THE
AGENDA)**

- a. Leadership Breakfast February 17, 2011, Pomona Fairplex.
Directors Bellah, Lu-Yang, Lewis and Lima confirmed their attendance at the breakfast on February 17, 2011. It was noted that all future Leadership Breakfasts would be held at the Avalon Room at the Fairplex.
- b. Chinese New Years' Party 2011, February 12, 2011.
Vice President Lu and Director Bellah requested approval of their attendance at the banquet.

Upon a motion by Director Lewis, seconded by Director Rios, attendance at the banquet by Vice President Lu and Director Bellah was approved. The motion was unanimously carried.

Tab 17

REVIEW OF CORRESPONDENCE

None to review.

COMMITTEE REPORTS

Tab 18

Three Valleys Municipal Water District

Three Valleys' Representative, Joe Ruzicka, reported that their meeting was primarily a reorganization meeting. New Director Carlos Goytia, South Pomona, Division 1, was sworn in. Mr. Ruzicka was appointed to the Project, Planning and Development Committee.

Puente Basin Water Agency

Director Lima and Director Rios reported on potential water acquisitions and on the intervention into the Central Basin Judgment by the Puente Basin Water Agency. The meeting on Tuesday was cancelled.

PWR Joint Water Line Commission

Nothing to report.

Tab 19

Joint Powers Insurance Authority

President's Special Recognition Award.

Director Lewis commended staff on reducing claims and on receiving Low Loss Ratio Awards in the Workers' Compensation Program, Property Program and Liability Program 2006-2009.

Association of California Water Agencies

Director Lewis voiced an interest in attending the March 16, 2011 Legislative Symposium.

Regional Chamber of Commerce

Director Lu-Yang advised that RWD has no voting rights and only attends as an observer. Once she assumes the office of President, she will appoint another member of the Board to attend the meetings. She proposed that RWD submit an application to become a voting member of the Government Affairs Committee.

Sheriff Community Advisory Committee

Next meeting will be held at Carolyn Rosas Park on February 15, 2011.

Project Ad-Hoc Committee: Nothing to report.

Finance Ad-Hoc Committee: Nothing to report.

ATTORNEY'S REPORT

Nothing to report.

PERSONNEL REPORT

Mr. Deck informed the Board that the District has hired 2 individuals to fill the Maintenance I position. One will start on January 18, 2011, and one will start on February 1, 2011. These individuals were formerly employed with the City of La Habra and Suburban Water and have all required certifications and experience in the water industry.

PUBLIC RELATIONS

Ms. Perea shared a letter from Rorimer Elementary, Joe Martinez, thanking the District for awarding them the \$500.00 Edu-Grant which enabled them to expand their "ChiquiNoticias" Literacy program for their dual immersion students which motivates students to read and write in both English and Spanish.

ENGINEER'S REPORT

Mr. Carrera reported on the expansion of the Recycled System and presented the Operations Activity Report for December 2010.

DIRECTORS' AND GENERAL MANAGER'S QUESTIONS AND COMMENTS

General Manager commented on AB32 and possible new legislation imposing a "Public Goods Charge" on water to collect funding for provisions contained in AB32.

FUTURE AGENDA ITEMS:

- a. Approval of Proposal for Services by Public Agency Retirement Services (PARS)
- b. Adopt Resolution Rescinding Level 1 Water Supply Shortage
- c. Public Hearing Declaring a Water Shortage Emergency
- d. Adopt a Resolution Declaring a Water Shortage Emergency
- e. Adopt Resolution for a Records Retention Policy
- f. Approve revised proposal from CV Strategies
- g. Approve the submittal of an Application to the Regional Chamber of Commerce to become a voting member of the Government Affairs Committee
- h. Approve Directors' attendance at the ACWA Legislative Symposium to be held on March 16, 2011, in Sacramento, CA

LATE BUSINESS: None.

A motion was made by Director Bellah, seconded by President Lima, and unanimously carried to adjourn the meeting. The meeting was adjourned at 8:10 p.m.

Anthony J. Lima
Board President

Attest: _____
Ken Deck
Board Secretary