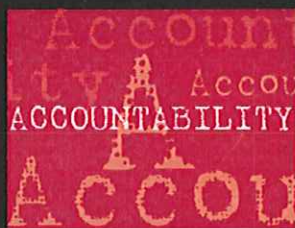
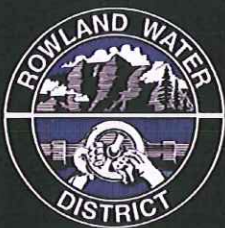


# ROWLAND WATER DISTRICT

3021 South Fullerton Road  
Rowland Heights, CA 91748  
(562) 697-1726

## RWD BOARD VISION



### Our Mission:

*"Bound by our core values -- Accountability, Communication and Teamwork -- we are committed to providing the highest level of service to our customers --  
DEDICATED-RELIABLE-OUTSTANDING-PROFESSIONAL SERVICE"*

**Board of Directors Regular Meeting**  
**February 10, 2015**  
**6:00 p.m.**



## **AGENDA**

Regular Meeting of the Board of Directors  
February 10, 2015  
6:00 PM

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### **CALL TO ORDER**

### **PLEDGE OF ALLEGIANCE**

### **ROLL CALL OF DIRECTORS**

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

### **ADDITION(S) TO THE AGENDA**

#### **PUBLIC COMMENT ON NON-AGENDA ITEMS**

*Any member of the public wishing to address the Board of Directors regarding items not on the Agenda within the subject matter jurisdiction of the Board should do so at this time. With respect to items on the agenda, the Board will receive public comments at the time the item is opened for discussion, prior to any vote or other Board action. A three-minute time limit on remarks is requested.*

*Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Rose Perea, Secretary to the Board at (562) 697-1726, or writing to Rowland Water District, at P.O. Box 8460, Rowland Heights, CA 91748. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included, so that District staff may discuss appropriate arrangements. Anyone requesting a disability-related accommodation should make the request with adequate time prior to the meeting in order for the District to provide the requested accommodation.*

*Any member of the public wishing to participate in the meeting, who requires a translator to understand or communicate in English, should arrange to bring a translator with them to the meeting.*

*Materials related to an item on this Agenda submitted after distribution of the Agenda packet are available for public review at the District office, located at 3021 S. Fullerton Road, Rowland Heights, CA 91748.*

## **Tab 1 CONSENT CALENDAR**

*All items under the Consent Calendar are considered to be routine matters, status reports, or documents covering previous Board instruction. The items listed on the Consent Calendar will be enacted by one motion, unless separate discussion is requested.*

- 1.1 Approval of the Minutes of Regular Board Meeting held on January 13, 2015**  
*Recommendation: The Board of Directors approve the Minutes as presented.*
- 1.2 Approval of the Minutes of Special Board Meeting held on January 27, 2015**  
*Recommendation: The Board of Directors approve the Minutes as presented.*
- 1.3 Demands on General Fund Account for December 2014**  
*Recommendation: The Board of Directors approve the demands on the general fund account as presented.*
- 1.4 Investment Report for December 2014**  
*Recommendation: The Board of Directors approve the Investment Report as presented.*
- 1.5 Water Purchases for December 2014**  
*For information purposes only.*

**Next Special Board Meeting:** February 27, 2015, 5:00 p.m.  
**Next Regular Board Meeting:** March 10, 2015, 6:00 p.m.

## **Tab 2 ACTION ITEMS**

*This portion of the Agenda is for items where staff presentations and Board discussions are needed prior to formal Board action.*

- 2.1 Review and Approve Directors' Meeting Reimbursements for January 2015**  
*Recommendation: The Board of Directors approve the Meeting Reimbursements as presented.*
- 2.2 Receive and File Puente Basin Financial Audit Report for Fiscal Year Ended June 30, 2014 Prepared by Mayer Hoffman McCann P.C.**  
*Recommendation: The Board of Directors receive and file the Financial Audit Report as presented.*
- 2.3 Discussion on Revisions to the Brown Act for 2015 and Revised FPPC Gift Limits and Disqualification Processes Presented by Legal Counsel, Joseph Byrne, Best Best & Krieger**  
*Intentionally left blank.*

- 2.4 Review and Approve Agreement for Provision of Services by Bellflower-Somerset Mutual Water Company on Behalf of Rowland Water District**  
*Recommendation: The Board of Directors approve the Agreement as presented.*
- 2.5 Review and Approve First Amendment to Agreement for Employment of General Manager**  
*Recommendation: The Board of Directors approve the First Amendment to Agreement as presented.*
- 2.6 Review and Approve Life Insurance Benefit Policy**  
*Recommendation: The Board of Directors approve the Life Insurance Benefit Policy as presented.*
- 2.7 Receive and File Rowland Water District’s Statement of Operations for Period Covering October 1, 2014 through December 31, 2014**  
*Recommendation: The Board of Directors approve the Statement of Operations as presented.*
- 2.8 Receive and File Rowland Water District’s Quarterly Investment Review as of December 31, 2014**  
*Recommendation: The Board of Directors approve the Quarterly Investment Report as presented.*
- 2.9 Public Relations (Rose Perea)**
- **Communications Outreach (CV Strategies)**
  - **Education Update**
- For information purposes only.*
- 2.10 Discussion of Upcoming Conferences, Workshops, or Events (Including Items that May Have Arisen after the Posting of the Agenda)**
- **CUEMA Elected Official Summit, March 29-30, 2015, Indian Wells, CA**

**Tab 3 LEGISLATIVE INFORMATION**

**3.1 Updates on Legislative Issues**

*Intentionally left blank.*

**Tab 4 REVIEW OF CORRESPONDENCE**

*Intentionally left blank.*

**Tab 5 COMMITTEE REPORTS**

**5.1 Three Valleys Municipal Water District (Directors Lu-Yang/Lima)**

- Agenda Regular Board Meeting held January 21, 2015
- Action Line Regular Board Meeting held January 21, 2015

*There are no tabs for the remainder of the meeting.*

- 5.2 **Joint Powers Insurance Authority** (Director Lewis/Mr. Coleman)
- 5.3 **Association of California Water Agencies** (Directors Lewis/Bellah)
- 5.4 **Puente Basin Water Agency** (Directors Lima/Lewis)
- 5.5 **Project Ad-Hoc Committee** (Directors Lima/Lu-Yang)
- 5.6 **Regional Chamber of Commerce-Government Affairs Committee** (Directors Lewis/Bellah)
- 5.7 **PWR Joint Water Line Commission** (Directors Lima/Rios)
- 5.8 **Sheriff's Community Advisory Council** (Directors Lu-Yang/Rios)

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

- 6.1 **Personnel Report** (Mr. Coleman)
- 6.2 **Engineer's Report** (Mr. Warren)

**Tab 7 ATTORNEY'S REPORT** (Mr. Joseph Byrne)

**Tab 8 CLOSED SESSION**

**Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8**

Property: Lease of Water Rights in the Central Basin  
District Negotiator: Tom Coleman, General Manager  
Negotiating Parties: Various Water Rights Holders  
Under Negotiation: Price and Terms

**Directors' and General Manager's Comments**

**Future Agenda Items**

**Late Business**

*No action shall be taken on any items not appearing on the posted agenda, except upon a determination by a majority of the Board that an emergency situation exists, or that the need to take action arose after the posting of the agenda.*

**ADJOURNMENT**

President SZU PEI LU-YANG, Presiding

# Tab

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# 1.1



Minutes of the Regular Meeting  
of the Board of Directors of the Rowland Water District  
January 13, 2015 - 6:00 p.m.  
Location: District Office

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**PLEDGE OF ALLEGIANCE**

**ROLL CALL OF DIRECTORS**

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

**ABSENT:**

None.

**OTHERS PRESENT:**

Joseph Byrne, Legal Counsel, Best Best & Krieger  
Dan Horan, Three Valleys Municipal Water District  
Joe Ruzicka, Three Valleys Municipal Water District  
Kirk Howie, Three Valleys Municipal Water District  
Harry Peterson, Resident  
David and Teri Malkin, Residents  
Kingdon Chew, President, Rowland Heights Community Coordinating Council  
Erin La Combe Gilhuly, CV Strategies

**ROWLAND WATER DISTRICT STAFF**

Tom Coleman, General Manager  
Rose Perea, Director of Administrative Services  
Sean Henry, Finance Officer

**ADDITION(S) TO THE AGENDA**

None.

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

Resident, Harry Peterson, delivered a certificate from Supervisor Don Knabe's office recognizing the District for their participation in the 2014 Rowland Heights Buckboard Days Parade and Festival.



**Tab 1 - CONSENT CALENDAR**

Upon motion by Director Lima, seconded by Director Lewis, the Consent Calendar was unanimously approved.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios  
Noes: None  
Abstain: None  
Absent: None

**The approval of the Consent Calendar included:**

**1.1**

**Approval of the Minutes of Regular Board Meeting Held on December 9, 2014**

**1.2**

**Demands on General Fund Account for November 2014**

**1.3**

**Investment Report for November 2014**

**1.4**

**Water Purchases for November 2014**

Next Special Board Meeting January 27, 2015, 5:00 p.m.  
Next Regular Board Meeting February 10, 2015, 6:00 p.m.

**Tab 2 - ACTION ITEMS**

**2.1**

**Approve Directors’ Meeting Reimbursements for December 2014**

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

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios  
Noes: None  
Abstain: None  
Absent: None

**2.2**

**Review and Approve Financial Audit Report for Fiscal Year 2013-201245 Prepared by White Nelson Diehl Evans LLP**

General Manager, Tom Coleman, noted that no changes were made to the “Draft” previously presented for approval. Upon motion by Director Lima, seconded by Director Lewis, the Report was approved as presented. The motion was unanimously carried.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios  
Noes: None  
Abstain: None  
Absent: None

### 2.3

#### **Review and Approve the Following Rowland Water District Policies:**

- **Credit Card Policy**
- **Purchasing Policy**
- **Administrative Leave Policy**

General Manager, Tom Coleman, advised that due to the District reorganization and changes in personnel and the reassignment of positions, the policies were revised to reflect the changes. After discussion and upon motion by Director Lima, seconded by Director Lewis, the Policies were approved as presented. The motion was unanimously carried.

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios  
Noes: None  
Absent: None  
Abstain: None

### 2.4

#### **Review and Approve Resolution No. 1-2015 Amending Personnel Policy Regarding District Provided Vehicles**

General Manager, Tom Coleman, advised that the amendment added an Automobile Allowance for the position of Director of Operations. After discussion and upon motion by Director Lima, seconded by Director Rios, Resolution No. 1-2015 was approved as presented. The motion was unanimously approved by the following roll call vote:

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios  
Noes: None  
Absent: None  
Abstain: None

The motion was passed by a vote of 5-0.

### 2.5

#### **Approve Change in IRS Mileage Rate from \$.560 to \$.575 effective January 1, 2015**

Upon motion by Director Lewis, seconded by Director Rios, to change the District's mileage reimbursement amount from \$.560 to the new IRS Mileage Rate of \$.575, effective January 1, 2015, the motion was unanimously approved.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios  
Noes: None  
Abstain: None  
Absent: None

## 2.6

### **Review and Approve Agreement for Provision of Services by Rowland Water District on Behalf of Bellflower-Somerset Mutual Water Company**

General Manager, Tom Coleman, discussed the need for the Agreement in the event Rowland staff members assist Bellflower-Somerset on project specific matters. Legal Counsel, Joe Byrne, explained that this Agreement would be used as a “Master Agreement” for Rowland employees providing services to Bellflower-Somerset. A different agreement will be drawn up for Bellflower-Somerset employees used by Rowland. Tom Coleman requested that the Board approve the agreement in the format presented and allow him and Legal Counsel to make final non-substantive edits as required.

Upon motion by Director Lima, seconded by Director Lewis, the Board unanimously approved the Agreement and authorized the General Manager and legal counsel to complete the final editing of the Agreement and to finalize the Agreement on behalf of the District.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios  
Noes: None  
Abstain: None  
Absent: None

## 2.7

### **Public Relations (Rose Perea)**

Mrs. Perea reported that the District had received the Fall 2014 Final Report from the National Theatre for Children. The theater group performed “*The Aqua League and the Drought Dilemma*” for schools within the District and reached a reported 1,850 students as well as their teachers and parents. The program effectively delivered vital water and conservation information and received rave reviews from the students involved, their parents and teachers, school administrators and community leaders. The performances featured live in-school assemblies and online digital activities and games themed around the program. The group scheduled eight performances in four schools – Blandford, Jellick, Wedgeworth and Bixby. Northam Elementary has contacted the District and asked that they be added to the performance schedule for next year.

### **Communications Outreach (CV Strategies)**

Erin La Combe Gilhuly, CV Strategies, reported that the press release featuring Tom Coleman as the new Rowland General Manager had been released on December 15, 2014 and that coverage was also included in the ACWA newsletter. The press release in connection with the Board officer rotation and new committee assignments had been published on December 29, 2014. Additional releases in process include: the awarding of the Edu-Grants to District area schools; the audit review and completion; and the strategic planning process. The Northrop Grumman Superfund press release and other messaging will highlight the multi-agency partnership and new area water supply. The updated Strategic Plan will incorporate management changes in language and its development will commence in January 2015, with the Plan adoption anticipated in Spring 2015.

### **Education Update**

Director Lima noted that the update included the awarding of Edu-Grants to District area schools in the amount of \$8,981.88.

## 2.8

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

- Urban Water Institute Spring Water Conference, March 4-6, Palm Springs, CA  
Staff was asked to make reservations for the following Directors: Bellah and Lewis
  
- CUEMA Elected Officials Summit, March 29-30, 2015, Renaissance Esmeralda Hotel, Indian Wells, CA  
Staff was asked to make reservations for the following Directors: Lu-Yang, Rios, Bellah, Lewis and Lima
  
- Three Valleys MWD Leadership Breakfast, February 19, 2015, Sheraton Fairplex Suites, Pomona, CA  
Staff was asked to make reservations for the following Directors: Lu-Yang, Rios, Bellah, Lewis and Lima

## **Tab 3 LEGISLATIVE INFORMATION**

### **3.1**

#### **Updates on Legislative Issues**

None.

## **Tab 4 REVIEW OF CORRESPONDENCE**

None.

## **Tab 5 COMMITTEE REPORTS**

### **5.1**

#### **Three Valleys Municipal Water District**

Director Lima reported on his attendance at the December 17, 2014 Regular Board meeting and advised that Bob Kuhn had been re-elected as Board President and that they announced the appointment of officers. He also attended the January 7, 2015 Board meeting. Their legal counsel, Steve Kennedy, provided a report on the updates to the Brown Act. Director Brian Bowcock announced that he will run for the ACWA Region 8 open seat.

### **5.2**

#### **Joint Powers Insurance Authority**

Director Lewis commended the District on the President's Special Recognition Awards, low ratio, received in the Property Program, Liability Program and Workers' Compensation Program. General Manager, Tom Coleman, advised that the JPIA Property Program Committee meeting will be held on January 19, 2015, in Sacramento, and he will be attending.

### **5.3**

#### **Association of California Water Agencies**

Director Lewis reported that the ACWA 2015 Legislative Symposium will be held on March 4, 2015, in Sacramento and that he will be attending.

#### **5.4**

##### **Puente Basin Water Agency**

Director Lima reported on the meeting held on December 11, 2014, and advised that the amendment to the contract with Doty Bros. Construction for the construction of the Cal Domestic Pressure Reducing Station had been approved.

#### **5.5**

##### **Project Ad-Hoc Committee**

Nothing to report. The next meeting is scheduled for January 14, 2015.

#### **5.6**

##### **Regional Chamber of Commerce**

Director Lewis reported that the Government Affairs Committee is in the process of adopting a policy platform.

#### **5.7**

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

The next meeting will be held on February 19, 2015.

#### **5.8**

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

Nothing to report.

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

#### **6.1**

##### **Personnel Report**

General Manager, Tom Coleman, advised the Board that employee morale is high due to the recent reorganization and the opportunities which have become available to employees making them very positive about their future at Rowland Water District.

#### **6.2**

##### **Engineer's Report**

Mr. Coleman reported that the final tie-in and paving have been completed on the Harbor pipeline. Construction on the turn-out station has commenced and anticipated completion is approximately three months. The District is in the process of amending the Water Supply Permit and it is anticipated that the system will be brought on line sometime in May. Director Lima asked whether the District is taking water through the La Habra Pipeline, and Mr. Coleman advised that the District has been taking approximately 1,000 gallons per minute since Monday.

### **Tab 7 ATTORNEY'S REPORT**

Legal Counsel, Joseph Byrne, reported that he has been working on various Agreements and Policies for the District. He advised that the gift limit has been increased to \$460.00. He also informed the Board that state Legislators are working on expediting the groundwater adjudication process.

**Directors' and General Manager's Comments**

Director Lewis asked whether an anticipated budget start date had been determined. Mr. Coleman advised that a budget workshop will be scheduled in April.

Mr. Coleman thanked the Board for their participation in Ken Deck's retirement party and advised the Board that Ken had asked him to extend his thanks and to let them know that he truly appreciated the evening.

**Future Agenda Items**

None.

**Late Business**

None.

A motion was made by Director Lima, seconded by Director Rios, and unanimously carried to adjourn the meeting. The meeting was adjourned at 6:57 p.m.

\_\_\_\_\_  
SZU PEI LU-YANG  
Board President

Attest: \_\_\_\_\_  
TOM COLEMAN  
Board Secretary

**Tab**

**1.2**



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

January 27, 2015 – 5:00 p.m.  
Location: District Office

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**PLEDGE OF ALLEGIANCE**

**ROLL CALL OF DIRECTORS**

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

**ABSENT:**

None.

**OTHERS PRESENT:**

Erin La Combe Gilhuly, CV Strategies  
Dan Horan, Three Valleys Municipal Water District

**ROWLAND WATER DISTRICT STAFF:**

Tom Coleman, General Manager

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

**COMMENTS:**

None.



**Tab 1 ACTION ITEMS**

**1.1**

**Discuss Salary Survey and Approve Employee Compensation Adjustments**

General Manager, Tom Coleman informed the Board that staff had completed an extensive compensation survey which included eight (8) Districts similar in size within the region to insure that the District provides competitive compensation. The Board and General Manager reviewed the findings of the salary survey. After further discussion, and upon motion by Director Lima, seconded by Director Lewis, the employee compensation adjustments were approved as presented. The motion was unanimously carried.

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios  
Noes: None  
Absent: None  
Abstain: None

**1.2**

**Review and Approve Life Insurance Benefits for the Board of Directors and General Manager**

The General Manager was requested to review life insurance benefit options for himself, Board members and employees. After review and discussion, and upon motion by Director Lewis, seconded by Director Rios, the life insurance benefits were approved as presented. The motion was unanimously carried.

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios  
Noes: None  
Absent: None  
Abstain: None

**Directors' and General Manager's Comments**

None.

**Future Agenda Items**

None.

**Late Business**

None

*Next Regular Board Meeting*

*February 10, 2015, 6:00 p.m.*

A motion was made by Director Lima, seconded by Director Rios, and unanimously carried to adjourn the meeting. The meeting was adjourned at 5:58 p.m.

\_\_\_\_\_  
SZU PEI LU-YANG  
Board President

Attest: \_\_\_\_\_  
TOM COLEMAN  
Board Secretary

**Tab**

**1.3**

## Report Criteria:

Report type: GL detail

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>18999</b>						
12/14	12/04/2014	18999	62598	SAN BERNARDINO COUNTY SHERIFF'	APPLICATION FOR SERVICES-KEN'S RETIREMENT	278.80
Total 18999:						278.80
<b>19000</b>						
12/14	12/08/2014	19000	62584	1ST ENTERPRISE BANK	Retention for Progress Payment 7	10,627.78
Total 19000:						10,627.78
<b>19001</b>						
12/14	12/08/2014	19001	62600	ACP PUBLICATIONS & MARKETING	RETRACTABLE BANNERS W/STAND (3)	820.77
Total 19001:						820.77
<b>19002</b>						
12/14	12/08/2014	19002	910	ACWA	2015 AGENCY DUES	17,347.00
Total 19002:						17,347.00
<b>19003</b>						
12/14	12/08/2014	19003	62475	ALLEN DAVIDSON	TOTAL EXPENSES-BOOT (2 PAIRS)	269.90
Total 19003:						269.90
<b>19004</b>						
12/14	12/08/2014	19004	62093	ASTRA INDUSTRIAL SERVICES INC	TOOLS & SUPPLIES	40.00
Total 19004:						40.00
<b>19005</b>						
12/14	12/08/2014	19005	400	AT&T MOBILITY	MOBILE PHONES, IPADS	2,144.07
Total 19005:						2,144.07
<b>19006</b>						
12/14	12/08/2014	19006	62597	BEST BEST & KRIEGER	LEGAL FEES	3,652.50
Total 19006:						3,652.50
<b>19007</b>						
12/14	12/08/2014	19007	62143	CHRISTOPHER M REYNOSO	REIMBURSEMENT-BOOTS	92.64
Total 19007:						92.64
<b>19008</b>						
12/14	12/08/2014	19008	1900	CLINICAL LAB OF S B	WATER SAMPLES	1,175.00
Total 19008:						1,175.00
<b>19009</b>						
12/14	12/08/2014	19009	62263	COUNTY OF LOS ANGELES	SERVICE CUTS	489.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 19009:						489.00
<b>19010</b>						
12/14	12/08/2014	19010	2075	CROCKER SIGNS & SCREEN PRINTIN	PARKING SIGNS	173.47
Total 19010:						173.47
<b>19011</b>						
12/14	12/08/2014	19011	62439	CVSTRATEGIES	COMMUNICATION SERVICES	10,187.11
Total 19011:						10,187.11
<b>19012</b>						
12/14	12/08/2014	19012	62542	DRAEGER SAFETY, INC	Draeger Gas Transmitters with CL2 and NH3 Sensors[	2,288.07
Total 19012:						2,288.07
<b>19013</b>						
12/14	12/08/2014	19013	2253	DUKE'S LANDSCAPING INC	GARDENING SERVICE	1,695.00
Total 19013:						1,695.00
<b>19014</b>						
12/14	12/08/2014	19014	330	FUEL PRO INC	D/O INSPECTION	170.00
Total 19014:						170.00
<b>19015</b>						
12/14	12/08/2014	19015	5600	G M SAGER CONSTRUCTION	INSTALL TWO ASPHALT BERMS AT RESERVOIR 1	950.00
12/14	12/08/2014	19015	5600	G M SAGER CONSTRUCTION	Remove trip hazard[LS]	1,200.00
Total 19015:						2,150.00
<b>19016</b>						
12/14	12/08/2014	19016	2690	HARPER & ASSOCIATES ENG.	Specs & lab analysis	550.00
Total 19016:						550.00
<b>19017</b>						
12/14	12/08/2014	19017	379	HIGHROAD INFORMATION TECHNOL	CITY OF INDUSTRY PC LOGMEIN RENEWAL	100.00
12/14	12/08/2014	19017	379	HIGHROAD INFORMATION TECHNOL	MAILBAGGING EMAIL SERVICE	5,412.00
Total 19017:						5,512.00
<b>19018</b>						
12/14	12/08/2014	19018	3000	INDUSTRY MFG COUNCIL	MEMBERSHIP DUES	275.00
Total 19018:						275.00
<b>19019</b>						
12/14	12/08/2014	19019	244	INFOSEND INC	BILLING SERVICE	3,088.31
12/14	12/08/2014	19019	244	INFOSEND INC	BILLING SERVICE	1,783.03
Total 19019:						4,871.34

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>19020</b>						
12/14	12/08/2014	19020	62066	JANITORIAL SYSTEMS	WINDOW CLEANING INSIDE & OUT	300.00
Total 19020:						300.00
<b>19021</b>						
12/14	12/08/2014	19021	62141	JOELLE KRAUSE	HOLIDAY WINDOW DESIGN	450.00
Total 19021:						450.00
<b>19022</b>						
12/14	12/08/2014	19022	62602	JONATHAN VASQUEZ	TOTAL EXPENSES-SCHOOL FALL 2014	177.00
Total 19022:						177.00
<b>19023</b>						
12/14	12/08/2014	19023	233	MCCALL'S METER SALES & SVC	REPLACE REGISTER AT FULLERTON BS METER	1,097.19
Total 19023:						1,097.19
<b>19024</b>						
12/14	12/08/2014	19024	257	MCMaster-CARR SUPPLY CO	TOOLS & SUPPLIES	61.90
12/14	12/08/2014	19024	257	MCMaster-CARR SUPPLY CO	TOOLS & SUPPLIES	25.91
Total 19024:						87.81
<b>19025</b>						
12/14	12/08/2014	19025	62601	ORCHARD DALE WATER DISTRICT	WHEELING AGREEMENT-WATER PRODUCTION 4.	52.73
Total 19025:						52.73
<b>19026</b>						
12/14	12/08/2014	19026	62582	PACIFIC HYDROTECH CORPORATION	Progress Payment 7	201,927.80
Total 19026:						201,927.80
<b>19027</b>						
12/14	12/08/2014	19027	62448	PARS	GASBY 45 MANAGEMENT FEE	313.44
Total 19027:						313.44
<b>19028</b>						
12/14	12/08/2014	19028	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR WATER USAGE	826.09
12/14	12/08/2014	19028	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR WATER USAGE	248.50
12/14	12/08/2014	19028	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROJECT #PB13-0003 LABOR	211,662.60
Total 19028:						212,737.19
<b>19029</b>						
12/14	12/08/2014	19029	5100	PUENTE READY MIX INC	WASH CONCRETE SAND	724.51
Total 19029:						724.51
<b>19030</b>						
12/14	12/08/2014	19030	5740	QUINN COMPANY	SHACKLE	206.82
12/14	12/08/2014	19030	5740	QUINN COMPANY	COOLANT-ELC	60.28
12/14	12/08/2014	19030	5740	QUINN COMPANY	HYDRO-10W-5 GAL	133.74

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
12/14	12/08/2014	19030	5740	QUINN COMPANY	DEO-ULS-15W40-5 GAL	106.13
12/14	12/08/2014	19030	5740	QUINN COMPANY	GREASE CART	103.57
12/14	12/08/2014	19030	5740	QUINN COMPANY	CREDIT MEMO	194.41-
Total 19030:						416.13
<b>19031</b>						
12/14	12/08/2014	19031	62447	REEB GOVERNMENT RELATIONS LLC	LOBBYIST	1,500.00
Total 19031:						1,500.00
<b>19032</b>						
12/14	12/08/2014	19032	62562	RMC WATER AND ENVIRONMENT	RWD PHASE 2 GRADE SEPARATION	10,113.68
12/14	12/08/2014	19032	62562	RMC WATER AND ENVIRONMENT	RECYCLED WATER ON CALL SERVICES	4,473.00
12/14	12/08/2014	19032	62562	RMC WATER AND ENVIRONMENT	POTABLE WATER ON CALL SERVICES	2,466.00
Total 19032:						17,052.68
<b>19033</b>						
12/14	12/08/2014	19033	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR HYDRANTS	40.87
Total 19033:						40.87
<b>19034</b>						
12/14	12/08/2014	19034	339	S C W U A	RESERVATION (8)	200.00
Total 19034:						200.00
<b>19035</b>						
12/14	12/08/2014	19035	3550	SOUTHERN COUNTIES FUELS	DIESEL CLEAR	1,097.15
Total 19035:						1,097.15
<b>19036</b>						
12/14	12/08/2014	19036	5900	THE GAS COMPANY	GAS UTILITY BILL	62.99
Total 19036:						62.99
<b>19037</b>						
12/14	12/08/2014	19037	2900	VULCAN MATERIAL COMPANY	COLD MIX 3/8 SC8	1,284.29
Total 19037:						1,284.29
<b>19038</b>						
12/14	12/08/2014	19038	7800	WATER EDUCATION FOUNDATION	MEMBERSHIP 2015	3,511.00
Total 19038:						3,511.00
<b>19039</b>						
12/14	12/08/2014	19039	242	WATEREUSE ASSOCIATION	MEMBERSHIP DUES	1,613.56
Total 19039:						1,613.56
<b>19040</b>						
12/14	12/08/2014	19040	7950	WESTERN WATER WORKS SUPPLY	#97544B DISTRIBUTOR ASSEMBLY FOR CSM11	693.20
12/14	12/08/2014	19040	7950	WESTERN WATER WORKS SUPPLY	00710E O-RINGS	9.60
12/14	12/08/2014	19040	7950	WESTERN WATER WORKS SUPPLY	TAX	63.25

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 19040:						766.05
<b>19041</b>						
12/14	12/08/2014	19041	62084	WESTIN ENGINEERING INC	ENGINEERING-CMMS IMPLEMENTATION	15,405.00
Total 19041:						15,405.00
<b>19042</b>						
12/14	12/09/2014	19042	3375	ANTHONY LIMA	MILEAGE REIMBURSEMENT	51.07
Total 19042:						51.07
<b>19043</b>						
12/14	12/09/2014	19043	62045	SZU-PEI LU-YANG	MILEAGE REIMBURSEMENT	66.86
Total 19043:						66.86
<b>19045</b>						
12/14	12/10/2014	19045	2550	VERIZON CALIFORNIA	PHONE SERVICE	539.38
Total 19045:						539.38
<b>19046</b>						
12/14	12/17/2014	19046	4750	PWR JT WATER LINE COMMISSION	535.8 AC FT-OCT 2014 WATER	468,825.00
12/14	12/17/2014	19046	4750	PWR JT WATER LINE COMMISSION	MWD CAPACITY RESERVATION CHARGE	7,370.26
12/14	12/17/2014	19046	4750	PWR JT WATER LINE COMMISSION	TVMWD CONNECTED CAPACITY CHARGE	1,066.91
12/14	12/17/2014	19046	4750	PWR JT WATER LINE COMMISSION	TVMWD WATER USE CHARGE	2,301.90
Total 19046:						479,564.07
<b>19047</b>						
12/14	12/18/2014	19047	750	A & B ELECTRIC	CHECK MOTORS YARD & KEARN CREEK	260.00
Total 19047:						260.00
<b>19048</b>						
12/14	12/18/2014	19048	1000	ACWA/JPIA	EMPLOYEE HEALTH BENEFITS	37,568.40
12/14	12/18/2014	19048	1000	ACWA/JPIA	EMPLOYEE VISION BENEFITS	593.04
12/14	12/18/2014	19048	1000	ACWA/JPIA	EMPLOYEE ASSISTANCE PROGRAM	60.72
12/14	12/18/2014	19048	1000	ACWA/JPIA	DIRECTORS HEALTH BENEFITS	6,945.26
12/14	12/18/2014	19048	1000	ACWA/JPIA	RETIREEES HEALTH BENEFITS	9,037.50
Total 19048:						54,204.92
<b>19049</b>						
12/14	12/18/2014	19049	4600	AIRGAS USA LLC	TANK RENTAL	63.61
Total 19049:						63.61
<b>19050</b>						
12/14	12/18/2014	19050	1625	ANTHEM BLUE CROSS	RETIREEE HEALTH BENEFITS	1,615.96
Total 19050:						1,615.96
<b>19051</b>						
12/14	12/18/2014	19051	1165	ANTIMITE TERMITE & PEST	MONTHLY PEST CONTROL SERVICE	105.00



GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 19051:						105.00
<b>19052</b>						
12/14	12/18/2014	19052	62576	ARCADIA RECLAMATION INC	HAULING DIRT	85.00
Total 19052:						85.00
<b>19053</b>						
12/14	12/18/2014	19053	3850	ATHENS SERVICES (MODERN SVC)	TRASH SERVICE	218.19
Total 19053:						218.19
<b>19054</b>						
12/14	12/18/2014	19054	1400	BADGER METER INC	#25 ORION MODULES	12,741.40
Total 19054:						12,741.40
<b>19055</b>						
12/14	12/18/2014	19055	62524	BRITTNIE VAN DE CAR	MILEAGE REIMBURSEMENT	28.00
Total 19055:						28.00
<b>19056</b>						
12/14	12/18/2014	19056	62071	CALIFORNIA LIVING INC	INTERIOR PLANT MAINTENANCE	430.00
Total 19056:						430.00
<b>19057</b>						
12/14	12/18/2014	19057	403	CASELLE INC	CONTRACT SUPPORT CHARGES	1,214.00
Total 19057:						1,214.00
<b>19058</b>						
12/14	12/18/2014	19058	6966	CINTAS CORPORATION LOC 693	UNIFORM RENTAL	2,213.32
Total 19058:						2,213.32
<b>19059</b>						
12/14	12/18/2014	19059	62534	CINTAS DOCUMENT MANAGEMENT	SHREDDING SERVICE	40.80
Total 19059:						40.80
<b>19060</b>						
12/14	12/18/2014	19060	62309	CITY OF INDUSTRY CITY HALL	RECYCLED WATER SYSTEM	10,166.86
Total 19060:						10,166.86
<b>19061</b>						
12/14	12/18/2014	19061	1900	CLINICAL LAB OF S B	WATER SAMPLES	1,180.00
Total 19061:						1,180.00
<b>19062</b>						
12/14	12/18/2014	19062	62594	COSTCO MEMBERSHIP	ANNUAL MEMBERSHIP	110.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 19062:						110.00
<b>19063</b>						
12/14	12/18/2014	19063	62505	D & H WATER SYSTEMS	Chemical Skids and Analyzer for Whittier Booster Stati	47,306.25
Total 19063:						47,306.25
<b>19064</b>						
12/14	12/18/2014	19064	1270	DATA QUICK INFORMATION SYSINC	PROPERTY DATA INFO	100.00
Total 19064:						100.00
<b>19065</b>						
12/14	12/18/2014	19065	62104	E.H. WACHS COMPANY	RMA18208 11-000-12 HANDHELD P2 VITALS READ	317.91
12/14	12/18/2014	19065	62104	E.H. WACHS COMPANY	ELEMENT FILTER	236.36
Total 19065:						554.27
<b>19066</b>						
12/14	12/18/2014	19066	62445	EXCEL DOOR & GATE COMPANY	BI-ANNUAL PM OF GATES & ROLL-UP DOORS WIT	1,080.00
Total 19066:						1,080.00
<b>19067</b>						
12/14	12/18/2014	19067	2300	FEDERAL EXPRESS	POSTAGE	9.98
Total 19067:						9.98
<b>19068</b>						
12/14	12/18/2014	19068	5600	G M SAGER CONSTRUCTION	ASPHALT & CONCRETE	4,188.80
Total 19068:						4,188.80
<b>19069</b>						
12/14	12/18/2014	19069	24701	GRAINGER	TOOLS & SUPPLIES	198.13
Total 19069:						198.13
<b>19070</b>						
12/14	12/18/2014	19070	2600	HACH COMPANY	MONOCHLOR F REAGENT PK/100	200.75
Total 19070:						200.75
<b>19071</b>						
12/14	12/18/2014	19071	2690	HARPER & ASSOCIATES ENG.	Spec & Lab analysis	580.00
12/14	12/18/2014	19071	2690	HARPER & ASSOCIATES ENG.	Eval & lab analysi	1,840.00
12/14	12/18/2014	19071	2690	HARPER & ASSOCIATES ENG.	Spec & Lab Analysis	1,840.00
12/14	12/18/2014	19071	2690	HARPER & ASSOCIATES ENG.	Spec & Lab analysis	1,670.00
12/14	12/18/2014	19071	2690	HARPER & ASSOCIATES ENG.	Spec & lab anaalysis	580.00
Total 19071:						6,510.00
<b>19072</b>						
12/14	12/18/2014	19072	379	HIGHROAD INFORMATION TECHNOL	DATA CENTER	2,557.00
12/14	12/18/2014	19072	379	HIGHROAD INFORMATION TECHNOL	MANAGED SERVICES	4,416.67

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 19072:						6,973.67
<b>19073</b>						
12/14	12/18/2014	19073	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	354.15
12/14	12/18/2014	19073	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	67.59
12/14	12/18/2014	19073	2724	HOME DEPOT CREDIT SERVICES	MATERIAL & SUPPLIES	475.67
Total 19073:						897.41
<b>19074</b>						
12/14	12/18/2014	19074	62226	INLAND DESERT SECURITY &	ANSWERING SERVICE	369.00
Total 19074:						369.00
<b>19075</b>						
12/14	12/18/2014	19075	62531	KEN GRODY FORD	MAINTENANCE EXPLORER 4	49.07
Total 19075:						49.07
<b>19076</b>						
12/14	12/18/2014	19076	2056	LOS ANGELES COUNTY	HAZADOUS WASTE GENERATOR PROGRAM	2,223.00
Total 19076:						2,223.00
<b>19077</b>						
12/14	12/18/2014	19077	62476	NETWORKFLEET INC	MONTHLY SERVICE	399.20
Total 19077:						399.20
<b>19078</b>						
12/14	12/18/2014	19078	189	NOBEL SYSTEMS	GIS SUBSCRIPTION	5,000.00
Total 19078:						5,000.00
<b>19079</b>						
12/14	12/18/2014	19079	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR ATTORNEY FEES	660.00
12/14	12/18/2014	19079	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEE	1,947.30
12/14	12/18/2014	19079	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR CONSULTING FEES FOR SIX B	7,382.31
12/14	12/18/2014	19079	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR SIX BASINS GROUNDWATER P	2,670.41
12/14	12/18/2014	19079	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR PROFESSIONAL FEES	3,408.33
Total 19079:						16,068.35
<b>19080</b>						
12/14	12/18/2014	19080	5740	QUINN COMPANY	SUPPLIES FOR NEW CAT	291.36
Total 19080:						291.36
<b>19081</b>						
12/14	12/18/2014	19081	62502	S & J SUPPLY COMPANY, INC	FIRE HYD METER LOCKING DEVICE LARGE	525.00
12/14	12/18/2014	19081	62502	S & J SUPPLY COMPANY, INC	1" X 3/4" NO LEAD AMS 1" FIP X 3/4" MTR	236.28
12/14	12/18/2014	19081	62502	S & J SUPPLY COMPANY, INC	MGL1 1" X 1/8" LTHR MTR GSKT	80.00
12/14	12/18/2014	19081	62502	S & J SUPPLY COMPANY, INC	MGL07 3/4" X 1/8" LTHR MTR GSKT	65.00
12/14	12/18/2014	19081	62502	S & J SUPPLY COMPANY, INC	1" MULR H15426 IPS INSTA-TITE MIP ADPT	279.26
12/14	12/18/2014	19081	62502	S & J SUPPLY COMPANY, INC	SUPPLIES FOR MAINS	142.36

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 19081:						1,327.90
<b>19082</b>						
12/14	12/18/2014	19082	339	S C W U A	NEW MEMBERSHIP 2015-ERIC HALL	25.00
12/14	12/18/2014	19082	339	S C W U A	NEW MEMBERSHIP 2015-DAVE SHUBIN	25.00
12/14	12/18/2014	19082	339	S C W U A	ANNUAL RENEWALS 2015-6 MEMBERS	150.00
Total 19082:						200.00
<b>19083</b>						
12/14	12/18/2014	19083	62166	SO CAL GAS CO	GAS UTILITY BILL-2505 ARTIGAS	54.04
Total 19083:						54.04
<b>19084</b>						
12/14	12/18/2014	19084	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	16,301.22
12/14	12/18/2014	19084	5800	SO CALIFORNIA EDISON	OFFICE & PUMPING POWER	1,811.25
Total 19084:						18,112.47
<b>19085</b>						
12/14	12/18/2014	19085	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	754.30
12/14	12/18/2014	19085	62481	STAPLES ADVANTAGE	OFFICE SUPPLIES	7.16
Total 19085:						761.46
<b>19086</b>						
12/14	12/18/2014	19086	6500	THERMALAIR INC	MAINTENANCE SERVICE-KEARN CREEK PUMP FA	264.00
12/14	12/18/2014	19086	6500	THERMALAIR INC	MAINTENANCE SERVICE	339.00
Total 19086:						603.00
<b>19087</b>						
12/14	12/18/2014	19087	6950	UNDERGROUND SERVICE ALERT	SERVICE ALERT	123.00
Total 19087:						123.00
<b>19088</b>						
12/14	12/18/2014	19088	62353	VERIZON BUSINESS	PHONE SYSTEM-VOIP/VOICE LINE	842.43
Total 19088:						842.43
<b>19089</b>						
12/14	12/18/2014	19089	3703	VISION COMMUNICATIONS	NEW EXPLORER # 4	296.60
Total 19089:						296.60
<b>19090</b>						
12/14	12/23/2014	19090	62584	1ST ENTERPRISE BANK	Retention for Progress Payment 8 - Whittier Booster St	9,961.64
Total 19090:						9,961.64
<b>19091</b>						
12/14	12/23/2014	19091	62475	ALLEN DAVIDSON	TOTAL EXPENSES-IPHONE 6 CASE	53.99

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 19091:						53.99
<b>19092</b>						
12/14	12/23/2014	19092	400	AT&T MOBILITY	MOBILE PHONES, IPADS	2,971.31
Total 19092:						2,971.31
<b>19093</b>						
12/14	12/23/2014	19093	1476	BUSINESS CARD (VISA)	CONFERENCES & MISC EXPENSES	7,890.51
12/14	12/23/2014	19093	1476	BUSINESS CARD (VISA)	CONFERENCES & MISC EXPENSES	240.78
12/14	12/23/2014	19093	1476	BUSINESS CARD (VISA)	CONFERENCES & MISC EXPENSES	597.00
12/14	12/23/2014	19093	1476	BUSINESS CARD (VISA)	CONFERENCES & MISC EXPENSES	150.00
12/14	12/23/2014	19093	1476	BUSINESS CARD (VISA)	CONFERENCES & MISC EXPENSES	210.70
12/14	12/23/2014	19093	1476	BUSINESS CARD (VISA)	CONFERENCES & MISC EXPENSES	20.90
12/14	12/23/2014	19093	1476	BUSINESS CARD (VISA)	CONFERENCES & MISC EXPENSES	102.01
12/14	12/23/2014	19093	1476	BUSINESS CARD (VISA)	CONFERENCES & MISC EXPENSES	74.95
Total 19093:						9,286.85
<b>19094</b>						
12/14	12/23/2014	19094	62076	CALIFORNIA CHAMBER OF COMMER	CA EMPLOYER POSTER-SPANISH	33.39
Total 19094:						33.39
<b>19095</b>						
12/14	12/23/2014	19095	62545	CHARLES P. CROWLEY COMPANY	VC-10PVC-E50 PRESSURE DAMPENER	461.60
12/14	12/23/2014	19095	62545	CHARLES P. CROWLEY COMPANY	CREDIT MEMO	313.92
Total 19095:						147.68
<b>19096</b>						
12/14	12/23/2014	19096	62552	CINTAS CORP-FIRST AID & SAFETY	FIRST AID-CLEANED, ORGANIZED & RESTOCKED	663.43
Total 19096:						663.43
<b>19097</b>						
12/14	12/23/2014	19097	62534	CINTAS DOCUMENT MANAGEMENT	SHREDDING SERVICE	40.80
Total 19097:						40.80
<b>19098</b>						
12/14	12/23/2014	19098	62439	CVSTRATEGIES	COMMUNICATION SERVICES	3,454.03
Total 19098:						3,454.03
<b>19099</b>						
12/14	12/23/2014	19099	1754	ED BUTTS FORD	MAINTENANCE TRUCKS 6, 11, 18	128.00
Total 19099:						128.00
<b>19100</b>						
12/14	12/23/2014	19100	62599	EXPERT WINDOW COVERINGS, INC.	REPAIR EXISTING MOTORIZED ROLL DOWN SHAD	125.00
Total 19100:						125.00

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>19101</b>						
12/14	12/23/2014	19101	330	FUEL PRO INC	D/O INSPECTION	170.00
Total 19101:						170.00
<b>19102</b>						
12/14	12/23/2014	19102	62435	INDUSTRY PUBLIC UTILITY COMMISS	PUMPING POWER-PUMPSTATION 2A	3,242.65
Total 19102:						3,242.65
<b>19103</b>						
12/14	12/23/2014	19103	244	INFOSEND INC	BILLING SERVICE	3,864.31
12/14	12/23/2014	19103	244	INFOSEND INC	BILLING SERVICE	1,650.37
Total 19103:						5,514.68
<b>19104</b>						
12/14	12/23/2014	19104	62491	ITZEN ARCHITECTS INC	RWD LANDSCAPE	2,336.25
Total 19104:						2,336.25
<b>19105</b>						
12/14	12/23/2014	19105	62066	JANITORIAL SYSTEMS	MONTHLY JANITORIAL SERVICES	600.00
Total 19105:						600.00
<b>19106</b>						
12/14	12/23/2014	19106	62128	LEWIS ENGRAVING INC	PINS W/CLUTCH (250)	536.45
Total 19106:						536.45
<b>19107</b>						
12/14	12/23/2014	19107	62583	LINCOLN FINANCIAL GROUP	LIFE INSURANCE	241.95
12/14	12/23/2014	19107	62583	LINCOLN FINANCIAL GROUP	SHORT/LONG TERM DISABILITY	901.84
Total 19107:						1,143.79
<b>19108</b>						
12/14	12/23/2014	19108	257	MCMASTER-CARR SUPPLY CO	TOOLS & SUPPLIES	26.28
12/14	12/23/2014	19108	257	MCMASTER-CARR SUPPLY CO	TOOLS & SUPPLIES	105.85
12/14	12/23/2014	19108	257	MCMASTER-CARR SUPPLY CO	TOOLS & SUPPLIES	83.07
Total 19108:						215.20
<b>19109</b>						
12/14	12/23/2014	19109	62377	OREILLY AUTOMOTIVE STORES INC	AUTO SUPPLIES	323.60
Total 19109:						323.60
<b>19110</b>						
12/14	12/23/2014	19110	62582	PACIFIC HYDROTECH CORPORATION	Progress Payment 8	189,271.15
Total 19110:						189,271.15
<b>19111</b>						
12/14	12/23/2014	19111	62448	PARS	GASBY 45 MANAGEMENT FEE	324.34

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
Total 19111:						324.34
<b>19112</b>						
12/14	12/23/2014	19112	46201	PITNEY BOWES GLOBAL FINANCIAL	POSTAGE METER-LEASING CHARGE	263.28
Total 19112:						263.28
<b>19113</b>						
12/14	12/23/2014	19113	62125	PREMIER ACCESS	EMPLOYEES' DENTAL BENEFITS	2,945.52
12/14	12/23/2014	19113	62125	PREMIER ACCESS	DIRECTORS DENTAL BENEFITS	541.90
12/14	12/23/2014	19113	62125	PREMIER ACCESS	RETIREEES' DENTAL BENEFITS	598.35
Total 19113:						4,085.77
<b>19114</b>						
12/14	12/23/2014	19114	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR WATER USAGE	2,381.50
12/14	12/23/2014	19114	5000	PUENTE BASIN WATER AGENCY	ASSESSMENT FOR WATER USAGE	7,626.21
Total 19114:						10,007.71
<b>19115</b>						
12/14	12/23/2014	19115	62447	REEB GOVERNMENT RELATIONS LLC	LOBBYIST	1,500.00
Total 19115:						1,500.00
<b>19116</b>						
12/14	12/23/2014	19116	62562	RMC WATER AND ENVIRONMENT	POTABLE WATER ON CALL SERVICES	4,400.50
Total 19116:						4,400.50
<b>19117</b>						
12/14	12/23/2014	19117	62249	SECURE SITE SOLUTIONS INC	DIGITAL VIDEO RECORDER	14,954.80
Total 19117:						14,954.80
<b>19118</b>						
12/14	12/23/2014	19118	5692	SECURITY FIRE PROTECTION	MAINT-FIRE EXTINGUISHERS	1,156.76
Total 19118:						1,156.76
<b>19119</b>						
12/14	12/23/2014	19119	5750	SHERWIN WILLIAMS	PAINT-FOR HYDRANTS	153.31
Total 19119:						153.31
<b>19120</b>						
12/14	12/23/2014	19120	6075	STAPLES CREDIT PLAN	OFFICE SUPPLIES	290.89
Total 19120:						290.89
<b>19121</b>						
12/14	12/23/2014	19121	62595	SWRCB ACCOUNTING OFFICE	WATER SYSTEM FEES	16,436.87
Total 19121:						16,436.87

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>19122</b>						
12/14	12/23/2014	19122	62521	TRIPEPI SMITH & ASSOCIATES	MONTLY WEBSITE MAINTENANCE	300.00
Total 19122:						300.00
<b>19123</b>						
12/14	12/23/2014	19123	62501	TW TELECOM	INTERNET & DATA	1,460.61
Total 19123:						1,460.61
<b>19124</b>						
12/14	12/23/2014	19124	62154	UNITED BROTHERS MOTOR GROUP I	WIPERS FOR ALL TRUCKS	326.30
Total 19124:						326.30
<b>19125</b>						
12/14	12/23/2014	19125	62355	USA BLUE BOOK	WATER LEVEL INDICATOR	448.59
Total 19125:						448.59
<b>19126</b>						
12/14	12/23/2014	19126	2360	USC FCCCHR	MEMBERSHIP RENEWAL	562.25
Total 19126:						562.25
<b>19127</b>						
12/14	12/23/2014	19127	382	W A RASIC CONSTRUCTION CO INC	construction labor and equipment	33,527.18
Total 19127:						33,527.18
<b>19128</b>						
12/14	12/23/2014	19128	7700	WALNUT VALLEY WATER DISTRICT	RECLAIMED WATER	663.07
Total 19128:						663.07
<b>19129</b>						
12/14	12/23/2014	19129	205	WARREN GRAPHICS	ARTWORK FOR RULES & REGS	225.00
Total 19129:						225.00
<b>19130</b>						
12/14	12/23/2014	19130	321	WIENHOFF DRUG TESTING INC	CONSORTIUM FEE	260.00
Total 19130:						260.00
<b>19131</b>						
12/14	12/23/2014	19131	62568	XCEPTIONAL NETWORKS, INC	MONTHLY AGREEMENT	300.00
Total 19131:						300.00
<b>120214</b>						
12/14	12/02/2014	120214	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	138.38
12/14	12/02/2014	120214	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	564.92
12/14	12/02/2014	120214	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	127.61
Total 120214:						830.91



GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Description	Check Amount
<b>121514</b>						
12/14	12/15/2014	121514	62558	PUENTE BASIN WATER AGENCY	PM 22 CONNECTION	410,637.50
12/14	12/15/2014	121514	62558	PUENTE BASIN WATER AGENCY	TVMWD CONNECTION CAPACITY	1,322.62
12/14	12/15/2014	121514	62558	PUENTE BASIN WATER AGENCY	TVMWD EQUIVALENT SMALL METER	1,642.66
12/14	12/15/2014	121514	62558	PUENTE BASIN WATER AGENCY	TVMWD WATER USE CHARGE	992.23
12/14	12/15/2014	121514	62558	PUENTE BASIN WATER AGENCY	MWD CAPACITY CHARGE	6,490.47
12/14	12/15/2014	121514	62558	PUENTE BASIN WATER AGENCY	MWD LRP CREDIT	14,770.00-
12/14	12/15/2014	121514	62558	PUENTE BASIN WATER AGENCY	ADJUSTMENT FOR LA HABRA PRODUCTION (FEB-	2,174.37
Total 121514:						408,489.85
<b>122314</b>						
12/14	12/23/2014	122314	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	616.75
12/14	12/23/2014	122314	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	95.00
12/14	12/23/2014	122314	1070	AMERICAN EXPRESS	CONFERENCE & MISC EXPENSES	32.25
Total 122314:						744.00
Grand Totals:						1,937,197.30

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
11172-0	12,741.40	.00	12,741.40
11184-0	14,954.80	.00	14,954.80
11505-0	518,060.77	.00	518,060.77
222100	15,278.33	1,952,475.63-	1,937,197.30-
24210-0	10,627.78	.00	10,627.78
51210-0	8,452.30	.00	8,452.30
51310-0	881,636.87	14,770.00-	866,866.87
51410-1	3,294.13	.00	3,294.13
51410-2	2,389.53	.00	2,389.53
51410-3	1,642.66	.00	1,642.66
51410-5	13,860.73	.00	13,860.73
51510-0	10,829.93	.00	10,829.93
51610-0	2,682.73	.00	2,682.73
51910-0	3,408.33	.00	3,408.33
52210-0	674.00	.00	674.00
52310-0	19,543.87	.00	19,543.87
54210-0	2,151.16	.00	2,151.16
54211-0	4,762.80	.00	4,762.80
54212-0	1,097.19	.00	1,097.19
54213-0	766.05	.00	766.05
54215-0	194.18	.00	194.18
54218-0	240.78	.00	240.78
54219-0	224,124.22	313.92-	223,810.30
56210-0	2,493.36	.00	2,493.36
56211-0	637.78	.00	637.78
56214-0	1,052.35	.00	1,052.35
56215-0	23,618.81	.00	23,618.81
56216-0	792.33	.00	792.33
56217-0	145.93	.00	145.93
56218-0	6,652.50	.00	6,652.50
56218-1	660.00	.00	660.00

GL Account	Debit	Credit	Proof
56219-0	8,725.26	.00	8,725.26
56220-0	14,246.28	.00	14,246.28
56221-0	13,641.14	.00	13,641.14
56223-0	433.31	.00	433.31
56312-0	23,497.82	.00	23,497.82
56320-0	974.00	.00	974.00
56411-0	37,568.40	.00	37,568.40
56413-0	2,945.52	.00	2,945.52
56415-0	593.04	.00	593.04
56416-0	241.95	.00	241.95
56417-0	11,251.81	.00	11,251.81
56418-0	901.84	.00	901.84
56419-0	60.72	.00	60.72
56421-0	7,487.16	.00	7,487.16
56710-0	1,358.37	194.41-	1,163.96
56812-0	11,802.69	.00	11,802.69
57310-0	2,336.25	.00	2,336.25
57312-0	2,317.19	.00	2,317.19
57314-0	4,748.49	.00	4,748.49
57315-0	2,355.00	.00	2,355.00
57316-0	11,339.50	.00	11,339.50
57321-0	19,460.62	.00	19,460.62
Grand Totals:	<u>1,967,753.96</u>	<u>1,967,753.96-</u>	<u>.00</u>

Report Criteria:  
 Report type: GL detail

Report Criteria:  
Detail Report

Check Number	Date	Payee						
18974	12/08/2014	JOSEFINA CASTELLANOS						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	132799-11	CREDIT REFUND-315 COLSTON AVENUE	15210-0	151.79	151.79
18975	12/08/2014	RONNY GUNAWAN						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	142383-55	CREDIT REFUND-19014 NORTHAM STREET	15210-0	53.06	53.06
18976	12/08/2014	CHRISTINA KU						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	918486-12	CREDIT REFUND-2262 BOLANOS AVENUE	15210-0	66.16	66.16
18977	12/08/2014	MERCY CHEN						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	302135-55	CREDIT REFUND-1810 DOVERGLEN WAY	15210-0	93.87	93.87
18978	12/08/2014	NATTAYA THONGCHAROENKIAT						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	76399-26	CREDIT REFUND-1720 ELI PLACE	15210-0	154.36	154.36
18979	12/08/2014	NANCY SUCHING LIU						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	326296-35	CREDIT REFUND-18540 DANCY STREET	15210-0	67.65	67.65
18980	12/08/2014	INES RUBIANO						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	238530-47	CREDIT REFUND-1805 PRITCHARD WAY	15210-0	32.10	32.10
18981	12/08/2014	KIN MAN LI						
			Sequence	Source	Description	GL Account	Amount	Check Amount
			1	250229-10	CREDIT REFUND-2128 TOMICH ROAD	15210-0	26.78	26.78

Check Number	Date	Payee				
18982	12/08/2014	WING MAN POON				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	350485-95	CREDIT REFUND-18609 BELLORITA STREET	15210-0	89.31	89.31
18983	12/08/2014	PANPACIFIC MANAGEMENT				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	289167-86	CREDIT REFUND-2325 FELICIA AVENUE	15210-0	92.91	92.91
18984	12/08/2014	LIANHE WANG				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	242971-01	CREDIT REFUND-2308 FELICIA AVENUE	15210-0	95.03	95.03
18984	12/19/2014	LIANHE WANG				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	242971-01	Void - CREDIT REFUND-2308 FELICIA AVENUE	15210-0	95.03-	95.03-
18985	12/08/2014	ZIYI HE				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	889503-26	DEPOSIT REFUND-1655G AZUSA	22810-0	198.51	198.51
18986	12/08/2014	WILLIAM THAI				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	253044-36	DEPOSIT REFUND-2216 CANTARIA AVE	22810-0	122.94	122.94
18987	12/08/2014	JIANQUING DENG				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	563781-18	DEPOSIT REFUND-18840 STEVENSON LANE	22810-0	268.51	268.51
18988	12/08/2014	ARB INC				
	<u>Sequence</u>	<u>Source</u>	<u>Description</u>	<u>GL Account</u>	<u>Amount</u>	<u>Check Amount</u>
	1	20-00	DEPOSIT REFUND-CONSTRUCTION METER	22810-0	676.08	676.08
18989	12/08/2014	BARBARA GAYTAN				

Sequence	Source	Description	GL Account	Amount	Check Amount
1	607654-82	DEPOSIT REFUND-18434 LA CORTITA STREET	22810-0	134.12	134.12
18990	12/08/2014	LIGHTHOUSE REAL ESTATE			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	759051-38	DEPOSIT REFUND-555 FAXINA AVE	22810-0	185.26	185.26
18991	12/08/2014	XIANONING SUN			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	401434-92	DEPOSIT REFUND-18408 MESCAL ST	22810-0	96.54	96.54
18992	12/08/2014	EXCEL PAVING COMPANY			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	12784-00	DEPOSIT REFUND-CONST METER	22810-0	817.12	817.12
18993	12/08/2014	XUEWEN ZHU			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	597239-14	DEPOSIT REFUND-19220 WINDROSE DR	22810-0	80.18	80.18
18993	12/17/2014	XUEWEN ZHU			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	597239-14	Void - DEPOSIT REFUND-19220 WINDROSE DR	22810-0	80.18-	80.18-
18994	12/08/2014	HAO JIN			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	625335-34	DEPOSIT REFUND-2509 WINDSOR PL	22810-0	188.90	188.90
18995	12/08/2014	CHIU FAI SHAM			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	124598-52	DEPOSIT REFUND-3609 DOVER COURT	22810-0	232.18	232.18
18996	12/08/2014	CHAN SHYONG			
Sequence	Source	Description	GL Account	Amount	Check Amount
1	150935-35	DEPOSIT REFUND-17044 COUNTRY PARK	22810-0	65.34	65.34

Check Number	Date	Payee	Sequence	Source	Description	GL Account	Amount	Check Amount
18997	12/08/2014	TDC PACIFIC PROPERTIES INC						
			1	219194-61	DEPOSIT REFUND-1865 DOVERGLEN WAY	22810-0	215.67	215.67
18998	12/08/2014	YUXIN LIN C/O MANRU LI						
			1	485195-48	DEPOSIT REFUND-18482 BUTTONWOOD	22810-0	213.23	213.23
Grand Totals:								<u>4,242.39</u>

Report Criteria:  
Detail Report

# Tab

# 1.4



# Rowland Water District Memorandum

To: Thomas Coleman, General Manager

From: Sean S. Henry, Finance Officer

CC:

Date: January 5, 2015

**Subject: Investment Update – December 2014**

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**Economic Review:** The next meeting of the Federal Reserve is scheduled for January 29th. The last meeting was held on December 16th. The Fed Funds rate remains at a target range of 0 to ¼ percent. At the meeting, the Federal Reserve stated “Labor market conditions improved further, with solid job gains and a lower unemployment rate. On balance, a range of labor market indicators suggests that underutilization of labor resources continues to diminish. Household spending is rising moderately and business fixed investment is advancing, while the recovery in the housing sector remains slow. Inflation has continued to run below the Committee’s longer-run objective, partly reflecting declines in energy prices.” The latest reading of the Consumer Price Index (CPI) for Los Angeles, Riverside and Orange Counties was 1.3 for the month of November. The previous reading was 1.4 in October.

**LAIF Update:** LAIF ended the month of November with a yield of 0.26%. This represents no change from the month of October. A comparison with last year shows no change from the month of November 2013 when the yield stood at 0.26%.

**RWD Investments:** Rowland Water District’s bond portfolio carries an average yield of 1.32%. This represents a .03 basis point decrease from the month of November. This represents a 1.06 basis point premium to LAIF. The District had two bond mature in the month of December. They were a \$250,000.00 FHLB Bond with a yield of 2.75% and a \$245,000 FHLB Bond with a yield of 1.25%. Staff is looking into reinvesting these funds. The District CD Placement program carries an effective yield of 0.26% and an average maturity of 594 days.

Rowland Water District  
3021 South Fullerton Road  
Rowland Heights, CA 91748  
Tel (562) 697-1726



ROWLAND WATER DISTRICT  
SUMMARY OF CASH AND INVESTMENTS  
FOR MONTH ENDED DECEMBER 31, 2014



<b>CASH</b>	
Citizens Business Bank	636,110.40
Comerica Bank MMIA	13,394.50
<b>TOTAL CASH</b>	<b>649,504.90</b>

<b>COMERICA SECURITIES CD PLACEMENT</b>	NA	1mth - 2 Years	NA	NA	NA	0.56%	594	<b>2,176,000.00</b>	12.50%
<b>LOCAL AGENCY INVESTMENT FUND (LAIF)</b>	NA	NA	NA	NA	NA	0.26%	NA	<b>2,115,304.11</b>	12.15%

**BNY MELLON INVESTMENTS  
(UNION BANK CUSTODIAN)**

Term	Quantity	Purchase Price	Current Price	Maturity Date	Effective Yield	Next Call	Current Value	% of Portfolio	
Fed Home Loan Mtg Corp	5 Year	250,000.00	100.896	100.221	02/09/15	2.88%	NA	250,552.50	1.44%
US Treasury Note	5 Year	250,000.00	99.489	100.582	03/31/15	2.50%	NA	251,455.00	1.44%
US Treasury Note	5 Year	250,000.00	102.016	100.789	04/30/15	2.50%	NA	251,972.50	1.45%
Fedl Natl Mtg Assn	5 Year	250,000.00	102.061	101.241	07/28/15	2.38%	NA	253,102.50	1.45%
US Treasury Note	5 Year	250,000.00	100.266	102.328	03/31/16	2.25%	NA	255,820.00	1.47%
US Treasury Note	5 Year	250,000.00	101.219	101.531	07/31/16	1.50%	NA	253,827.50	1.46%
US Treasury Note	5 Year	250,000.00	101.231	100.719	10/31/16	1.00%	NA	251,797.50	1.45%
Fedl Natl Mtg Assn	5 Year	250,000.00	100.639	101.348	11/15/16	1.38%	NA	253,370.00	1.46%
US Treasury Note	5 Year	250,000.00	99.942	100.438	11/30/16	0.88%	NA	251,095.00	1.44%
Fed Natl Mtg Assn	5 Year	200,000.00	101.194	100.896	01/30/17	1.25%	NA	201,792.00	1.16%
Fed Natl Mtg Assn	5 Year	250,000.00	100.083	99.651	08/28/17	0.88%	NA	249,127.50	1.43%
US Treasury Note	5 Year	250,000.00	99.559	98.930	09/30/17	0.63%	NA	247,325.00	1.42%
Fed Natl Mtg Assn	5 Year	250,000.00	100.019	98.997	12/20/17	0.88%	NA	247,492.50	1.42%
Fed Home Loan Mtg Corp	5 Year	200,000.00	99.289	98.565	01/12/18	0.75%	NA	197,130.00	1.13%
US Treasury Note	5 Year	200,000.00	99.742	98.625	02/28/18	0.75%	NA	197,250.00	1.13%
US Treasury Note	4 Year	250,000.00	99.539	100.195	06/30/18	1.38%	NA	250,487.50	1.44%
Fed Natl Mtg Assn	5 Year	500,000.00	100.300	98.337	05/21/18	0.88%	NA	491,685.00	2.83%
US Treasury Note	5 Year	250,000.00	99.727	99.906	09/30/18	1.38%	NA	249,765.00	1.44%
US Treasury Note	5 Year	250,000.00	99.868	99.805	11/30/18	1.38%	NA	249,512.50	1.43%
US Treasury Note	5 Year	250,000.00	99.137	100.133	12/31/18	1.50%	NA	250,332.50	1.44%
US Treasury Note	5 Year	250,000.00	100.172	100.039	01/31/19	1.50%	NA	250,097.50	1.43%
US Treasury Note	5 Year	250,000.00	99.140	100.070	02/28/19	1.50%	NA	250,175.00	1.44%
US Treasury Note	5 Year	250,000.00	99.617	100.445	03/31/19	1.63%	NA	251,112.50	1.44%
US Treasury Note	5 Year	250,000.00	98.719	98.836	04/30/19	1.26%	NA	247,090.00	1.44%
US Treasury Note	5 Year	100,000.00	98.532	98.367	10/31/19	1.27%	NA	98,367.00	1.44%
Cash Reserve Account						0.01%		68,542.02	0.39%
<b>Total BNY Mellon Investments</b>								<b>6,270,276.02</b>	<b>36.03%</b>

**MERRILL LYNCH INVESTMENTS  
(UNION BANK CUSTODIAN)**

Term	Quantity	Purchase Price	Current Price	Maturity Date	Effective Yield	Next Call	Current Value	% of Portfolio	
Fedl Natl Mtg Assn	5 Year	480,000.00	100.625	101.021	09/28/16	1.25%	NA	484,900.80	2.79%
Fedl Natl Mtg Assn	5 Year	500,000.00	100.898	101.348	11/15/16	1.38%	NA	506,740.00	2.91%
Fedl Home Loan Mtg Corp	5 Year	465,000.00	100.427	100.290	03/08/17	1.00%	NA	466,348.50	2.68%
Fedl Home Loan Mtg Corp	5 Year	250,000.00	102.124	100.741	05/12/17	1.25%	NA	251,852.50	1.45%
Fedl Home Loan Mtg Corp	5 Year	250,000.00	100.793	100.197	06/29/17	1.00%	NA	250,492.50	1.44%
Fedl Natl Mtg Assn	5 Year	485,000.00	101.342	99.651	08/28/17	0.88%	NA	483,307.35	2.78%
Fedl Natl Mtg Assn	5 Year	495,000.00	100.650	98.997	12/20/17	0.88%	NA	490,035.15	2.82%
Fedl Home Loan Mtg Corp	5 Year	495,000.00	100.066	98.565	01/12/18	0.75%	NA	487,896.75	2.80%
Fedl Natl Mtg Assn	5 Year	495,000.00	100.448	98.854	02/08/18	0.88%	NA	489,327.30	2.81%
Fedl Home Loan Mtg Corp	5 Year	495,000.00	100.392	98.795	03/07/18	0.88%	NA	489,035.25	2.81%
Fedl Natl Mtg Assn	5 Year	500,000.00	100.530	98.337	05/21/18	0.88%	NA	491,685.00	2.83%
Fedl Natl Mtg Assn	4 Year	250,000.00	98.671	98.976	09/27/18	1.27%	NA	247,440.00	1.42%
Fedl Natl Mtg Assn	5 Year	245,000.00	100.061	100.481	11/27/18	1.63%	NA	246,178.48	1.41%
Fedl Farm Credit Bank	5 Year	240,000.00	98.229	96.957	10/22/19	1.29%	NA	232,696.80	1.34%
ML Bank Deposit (Cash Account)						0.01%		575,369.39	3.31%
<b>Total Merrill Lynch Investments</b>								<b>6,193,305.77</b>	<b>35.58%</b>

**TOTAL INVESTMENTS  
TOTAL CASH AND INVESTMENTS**

	<b>16,754,885.90</b>	<b>100%</b>
<b>Weighted Average Yield of Total Investment Portfolio:</b>	<b>0.96%</b>	<b>17,404,390.80</b>

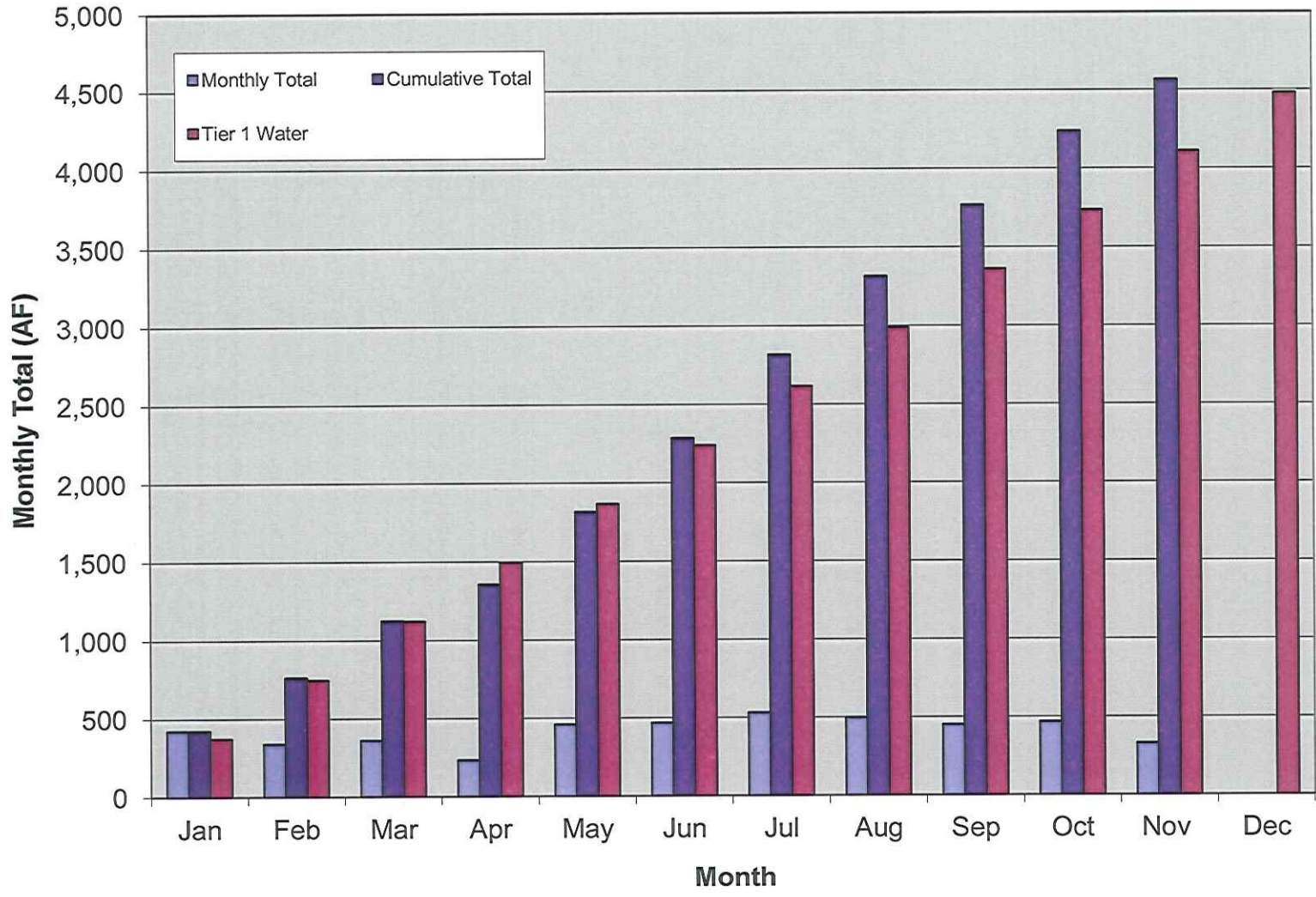
Market values determined by last business day of month values.  
All listed investments comply with the District's Statement of Investment Policy as established in Resolution 2-2007.  
The District's available cash and investment portfolio provides sufficient cash flow and liquidity to meet all normal obligations for at least a six-month period of time.  
**NOTE:** All interest values shown above are based on annual rates of return.

  
Sean S. Henry, Finance Officer

**Rowland Imported Water Purchases PM-22 Tier 1 (in Acre-Feet)**  
**Calendar Year 2014**  
**Year to Date Invoiced as of 1/1/14**

	ACTUAL			ESTIMATED			Percentage Difference
	Monthly Total	Cumulative Total	Balance in Tier 1 (4,482 AF)	Cumulative Total	Acre Foot Difference		
Jan	423.0	423.0	4,059.0	373.5	49.5		13.25%
Feb	339.3	762.3	3,719.7	747	15.3		2.05%
Mar	361.3	1,123.6	3,358.4	1120.5	3.1		0.28%
Apr	233.2	1,356.8	3,125.2	1494	-137.2		-9.18%
May	459.5	1,816.3	2,665.7	1867.5	-51.2		-2.74%
Jun	469.1	2,285.4	2,196.6	2241	44.4		1.98%
Jul	532.5	2,817.9	1,664.1	2614.5	203.4		7.78%
Aug	498.6	3,316.5	1,165.5	2988	328.5		10.99%
Sep	451.2	3,767.7	714.3	3361.5	406.2		12.08%
Oct	469.3	4,237.0	245.0	3735	502		13.44%
Nov	329.4	4,566.4	-84.4	4108.5	457.9		11.15%
Dec				4482	-4482		-100.00%

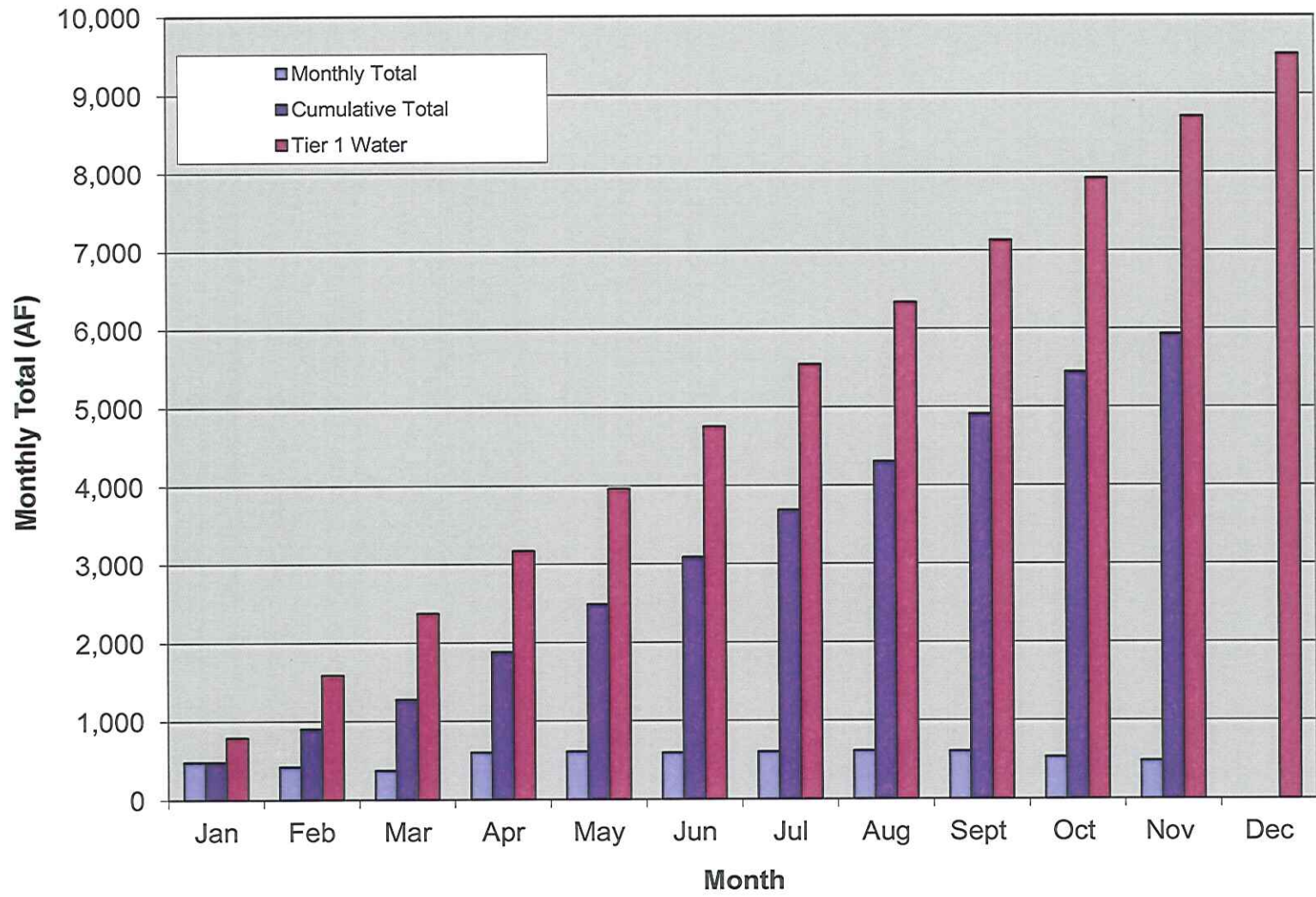
### CY 2014 PM-22 Water Purchases



**Rowland JWL Purchases Tier-1 (in Acre-Feet)**  
**Calendar Year 2014**  
**Year to Date Invoiced as of 1/1/14**

	ACTUAL			ESTIMATED		Percentage Difference
	Monthly Total	Cumulative Total	Balance in Tier 1 (9,508 AF)	Cumulative Total	Acre Foot Difference	
Jan	482.6	482.6	9,025.4	792	-310	-39.09%
Feb	422.0	904.6	8,603.4	1,585	-680	-42.92%
Mar	375.0	1,279.6	8,228.4	2,377	-1,097	-46.17%
Apr	600.6	1,880.2	7,627.8	3,169	-1,289	-40.68%
May	611.1	2,491.3	7,016.7	3,962	-1,470	-37.11%
Jun	594.0	3,085.3	6,422.7	4,754	-1,669	-35.10%
Jul	603.1	3,688.4	5,819.6	5,546	-1,858	-33.50%
Aug	614.5	4,302.9	5,205.1	6,339	-2,036	-32.12%
Sept	607.8	4,910.7	4,597.3	7,131	-2,220	-31.14%
Oct	535.7	5,446.4	4,061.6	7,923	-2,477	-31.26%
Nov	484.1	5,930.5	3,577.5	8,716	-2,785	-31.96%
Dec				9,508	-9,508	-100.00%

**CY 2014 Rowland JWL Purchases**





**COMPARATIVE PURCHASED WATER REPORT  
FOR THE MONTH OF NOVEMBER 2014**

SOURCE / DESCRIPTION	2014			2013		
	ACRE-FEET	COST	COST/A.F.	ACRE-FEET	COST	COST/A.F.
<b>WATER CHARGES:</b>						
POTABLE WATER						
PUEENTE BASIN WATER AGENCY / TVMWD	353.2	309,063.00	875.04	429.3	364,475.70	849.00
POMONA-WALNUT-ROWLAND JWLC	484.2	423,675.00	875.00	452.3	384,002.70	849.00
LA HABRA HEIGHTS	47.6	17,633.91	370.46			
WATER REPLENISHMENT DISTRICT (WRD)						
	885.0	750,371.91		881.6	748,478.40	
RECLAIMED WATER	45.0	10,829.93	240.67	57.8	13,963.50	241.58
<b>TOTAL WATER CHARGES</b>	<b>930.0</b>	<b>761,201.84</b>		<b>939.4</b>	<b>762,441.90</b>	
<b>FIXED CHARGES:</b>						
PUEENTE BASIN WATER AGENCY / TVMWD						
CAPACITY RESERVATION		6,490.47			4,943.57	
CONNECTED CAPACITY		1,322.62			3,044.54	
WATER USE CHARGE		992.23			1,769.32	
EQUIV. SMALL METER		1,642.66			3,811.55	
SUBTOTAL		10,447.98			13,568.98	
PWR JWLC						
CAPACITY RESERVATION		7,370.26			5,801.72	
CONNECTED CAPACITY		1,066.91			2,455.93	
WATER USE CHARGE		2,301.90			5,860.90	
DEPRECIATION						
REPLACEMENT						
PWR BUDGET ASSESSMENT						
SUBTOTAL		10,739.07			14,118.55	
LHH						
WHEELING CHARGE	47.6	2,381.50				
SUBTOTAL		2,381.50				
<b>TOTAL FIXED CHARGES</b>		<b>25,950.05</b>			<b>27,687.53</b>	
<b>TOTAL PURCHASED WATER CHARGES</b>		<b>787,151.89</b>			<b>790,129.43</b>	
<b>AVERAGE WATER CHARGE:</b>		<b>\$ 846.40</b>			<b>\$ 841.10</b>	

**Tab**

**1.5**

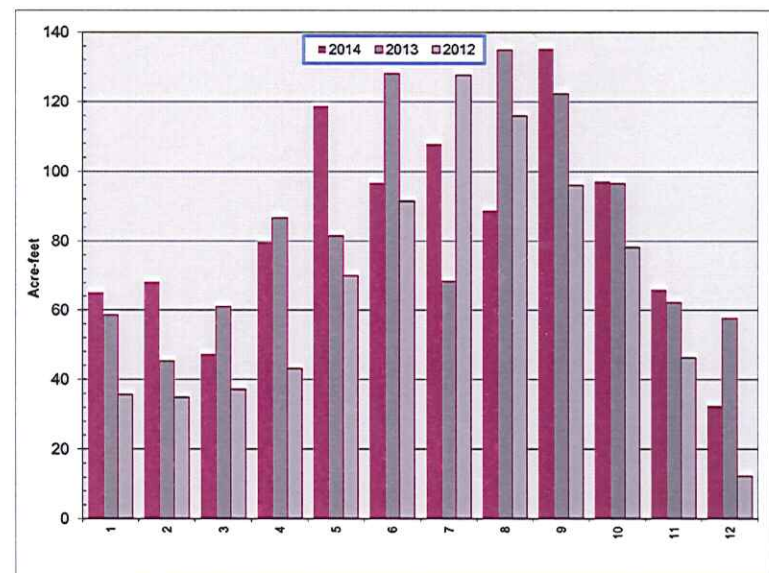
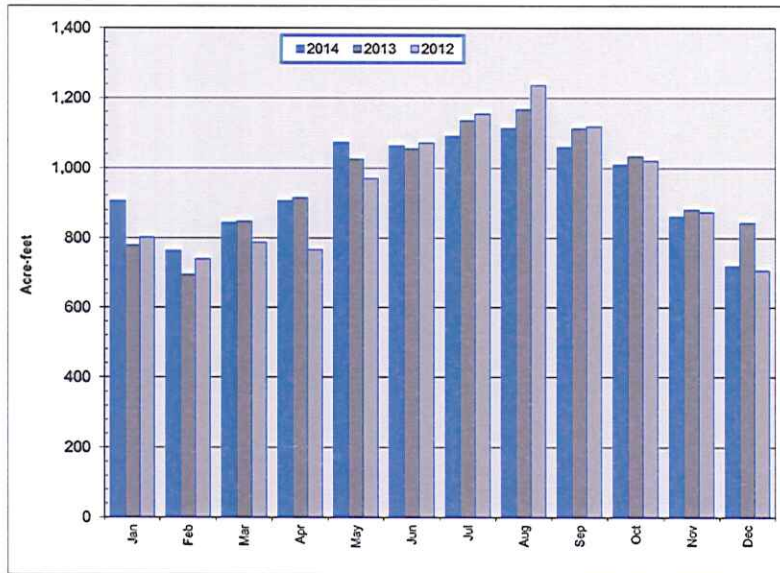


## Water Purchases for CY 2014 (Acre-feet)



	POTABLE SYSTEM				TOTAL
	LHH	PM-22	JWL		
			PM-15	Miramar	
JAN	0.0	423.0	332.4	150.2	905.6
FEB	2.0	339.3	315.0	107.0	763.3
MAR	107.7	361.3	250.1	125.0	844.1
APR	72.3	233.2	449.2	151.4	906.1
MAY	2.4	459.5	486.4	124.6	1,072.9
JUN	0.0	469.1	483.0	110.9	1,063.0
JUL	0.0	496.1	483.0	110.9	1,090.0
AUG	0.0	498.6	558.8	55.8	1,113.2
SEP	0.0	451.2	576.0	31.8	1,059.0
OCT	5.0	469.3	499.9	35.9	1,010.1
NOV	47.6	329.4	366.9	117.3	861.2
DEC	14.7	325.0	250.5	129.8	720.0
<b>TOTAL</b>	<b>251.7</b>	<b>4,855.0</b>	<b>5,051.2</b>	<b>1,250.6</b>	<b>11,408.5</b>

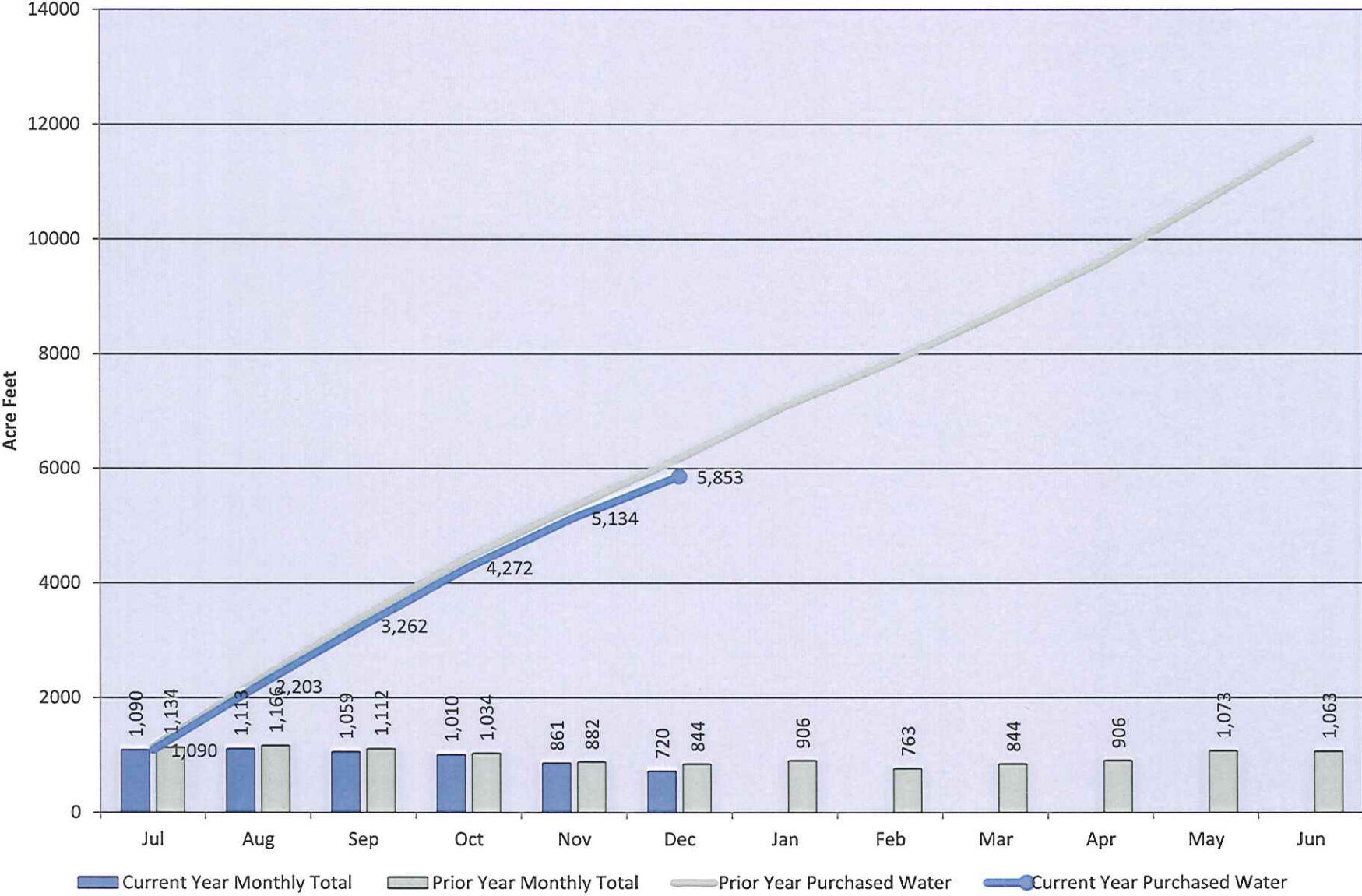
RECYCLED SYSTEM					TOTAL
Well 1	Wet Well	WVWD	Industry	Potable Make-up	
0.0	20.5	1.0	43.7	0.0	65.2
0.0	13.2	1.0	54.1	0.0	68.3
0.0	10.6	1.0	35.7	0.0	47.3
0.0	30.8	1.0	47.9	0.0	79.7
0.0	27.2	3.0	88.5	0.0	118.7
3.2	27.4	5.0	61.1	0.0	96.7
24.2	15.9	6.0	61.8	0.0	107.9
21.8	9.1	3.0	55.0	0.0	88.9
32.2	15.4	4.0	83.6	0.0	135.2
17.3	21.0	3.0	55.9	0.0	97.2
0.1	20.9	1.0	44.0	0.0	66.0
0.0	6.5	0.0	26.0	0.0	32.5
<b>98.8</b>	<b>218.5</b>	<b>29.0</b>	<b>657.3</b>	<b>0.0</b>	<b>1,003.6</b>





# Potable Water Purchases For FY 2013-2014

(Acre-feet)



# Tab

## 2.1



## JANUARY 2015-DIRECTOR REIMBURSEMENTS

Director	Date of Meeting/Event	Meeting/Event Attended	Reimbursement	No Charge	Additional Comments <i>(Submit expense report if claiming mileage and/or meal reimbursement)</i>
<b>Anthony J. Lima</b>					
	1/7/2015	Three Valleys Board Meeting	\$110.00		Mileage
	1/13/2015	RWD Board Meeting	\$110.00		
	1/14/2015	Project Ad-Hoc Meeting	\$110.00		
	1/21/2015	Three Valleys Board Meeting	\$110.00		Mileage
	1/27/2015	RWD Special Board Meeting	\$110.00		
	1/29/2015	PBWA Meeting at Walnut	\$110.00		Mileage
		<b>TOTAL PAYMENT</b>	<b>\$660.00</b>		
<b>John Bellah</b>					
	1/13/2015	RWD Board Meeting	\$88.00		
	1/27/2015	RWD Special Board Meeting	\$88.00		
		<b>TOTAL PAYMENT</b>	<b>\$176.00</b>		
<b>Robert W. Lewis</b>					
	1/12/2015	SGV Chamber Gov. Affairs Committee Meeting	\$110.00		
	1/13/2015	RWD Board Meeting	\$110.00		
	1/27/2015	RWD Special Board Meeting	\$110.00		
	1/29/2015	PBWA Meeting at Walnut	\$110.00		
		<b>TOTAL PAYMENT</b>	<b>\$440.00</b>		



**Tab**

**2.2**



**Mayer Hoffman McCann P.C.**

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Board of Directors  
Puente Basin Water Agency  
Walnut, California

### **Summary of Audit Results**

We have audited the accompanying statement of net position of the Puente Basin Water Agency (the “Agency”) as of June 30, 2014 and the related statement of revenue, expenses and changes in net position and cash flows for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the audit.

#### *Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards*

Our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Agency’s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the Agency’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit.

#### *Scope and Timing of the Audit*

The audit was completed in December 2014. Audit risks addressed by the audit process include the following:

- Risk of material misstatement associated with investments and bank balances
- Risk of material misstatement associated with cash receipts and cash disbursements
- Risk of material misstatement associated with significant assets and liabilities
- Risk of improper recognition of revenues and expenses

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. We will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Agency are described in Note 1 to the financial statements. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Examples of subjective considerations inherently included in the financial reporting process are:

- Management's estimate involving revenues and expenses to be accrued as of the year end.

#### *Significant Difficulties Encountered in Performing the Audit*

We encountered no difficulties in performing and completing our audit.

#### *Audit Adjustments*

Professional standards require us to accumulate all known and likely adjustments identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No material adjustments were disclosed by the audit process.

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have obtained certain representations from management that are included in the management representation letter dated December 11, 2014

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to and subsequent to our retention as the governmental unit's auditors. However, these discussions occur in the normal course of our professional relationship and any such discussion is not a condition to our retention.

#### *Other Matters*

We applied certain limited procedures to Management's Discussion, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other

Board of Directors  
Puente Basin Water Agency  
Page Three

knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This information is intended solely for the use of the Board of Directors and management of the Agency and is not intended to be and should not be used by anyone other than these specified parties.

*Mayer Hoffman McLean P.C.*

Irvine, California  
December 11, 2014



**PUENTE BASIN WATER AGENCY**

**BASIC FINANCIAL STATEMENTS**

Years Ended June 30, 2014 and 2013

**PUENTE BASIN WATER AGENCY**

**FINANCIAL STATEMENTS**

Years ended June 30, 2014 and 2013

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Board of Commissioners  
Puente Basin Water Agency  
Walnut, California

## **INDEPENDENT AUDITOR'S REPORT**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Puente Basin Water Agency ("Agency") as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by

management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency, as of June 30, 2014 and 2013 and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As described further in note 7 to the financial statements, during the year ended June 30, 2013, the District implemented GASB Statement No. 63. Our opinion is not modified with respect to this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2014 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

*Magnus Holtenon Nelson R.L.*

Irvine, California  
December 11, 2014

**PUENTE BASIN WATER AGENCY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

This section of the Puente Basin Water Agency's (Agency) annual financial report presents our analysis of the Agency's financial performance during the fiscal years ending June 30, 2014 and June 30, 2013. Please read it in conjunction with the basic financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

Fiscal Year 2014

- The Agency's net assets as of June 30, 2014 were \$8,063,345, an increase of \$3,956,198, or 96.3% over the prior year.
- Operating revenues for the year totaled \$20,260,573 for the year, a significant increase over the prior year due to the pass-through of purchased water from Three Valleys Municipal Water District (TVMWD).
- Beginning in July 2014, in order to properly account for the costs and benefits of water produced from the water reliability projects, funded jointly by the Walnut Valley Water District (WVWD) and the Rowland Water District (RWD), imported water purchased from TVMWD was invoiced through the Agency. The total of these pass through costs was \$19,945,364 for the year and is reflected in both the revenues and expenses of the Agency.
- Operating expenses for the year totaled \$20,316,737 for the year, a significant increase over the prior year due to the inclusion of the pass through water costs from TVMWD.
- The Agency completed the La Habra Heights water reliability project which began producing water in February 2014. For the year a total of 184 acre-feet of water was produced. The costs related to the production of this water totaled \$123,200 for the year.
- The Agency entered into a water lease agreement for a total of 3,000 acre-feet at a cost of \$1,575,000.
- During the year, the Agency recorded costs related to the construction of several water reliability projects in the amount of \$2,437,362. The facilities are owned by the Agency, with the costs and benefits shared equally by the RWD and WVWD.

Fiscal Year 2013

- The Agency's net assets as of June 30, 2013 were \$4,107,147, an increase of \$803,174, or 24.3% over the prior year.
- Operating revenues for the year totaled \$286,034, a decrease of \$76,717, or 21.1% from the prior year.
- Operating expenses for the year totaled \$361,070, an increase of \$158,736, or 78.4% over fiscal year 2012.

See independent auditors' report.

**PUENTE BASIN WATER AGENCY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

- During the year, the Agency incurred costs related to the Pomona Basin Regional Groundwater Project Feasibility Study and 10% Design in the amount of \$232,537. This study was funded through a combination of member assessments and funding received from TVMWD.
- On November 1, 2012, the Agency issued \$19,835,000 of 2012 Series A Revenue Bonds. The Rowland Water District (RWD) is obligated under terms of the Installment Purchase Agreement to make all principal and interest payments related to the Bonds. The proceeds will be used to fund certain facilities to be owned by the Agency, for the benefit of RWD and WVWD.
- On March 1, 2013, the Agency issued \$17,300,000 of 2013 Series A Water Revenue Bonds. The WVWD is obligated under the terms of the Installment Purchase Agreement to make all principal and interest payments. The proceeds will be used to fund certain facilities to be owned by the Agency, for the benefit of RWD and WVWD, as well to fund certain capital facilities of WVWD.
- During the year, the Agency entered into a 5-year water lease agreement for 306 acre-feet (per year) at a total cost of \$229,500.
- During the year the Agency recorded costs related to the construction of two water reliability projects in the amount of \$648,710. The facilities are owned by the Agency, with the costs and benefits shared equally by the RWD and WVWD.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial statements report information about the Agency using accounting methods similar to those used by private sector companies. The financial statements comprised of the Statement of Net Assets, Statement of Revenues, Expenses and Changes in Net Assets and the Statement of Cash Flows offer short-term and long-term financial information about the Agency's activities. Each financial statement is identified and defined in this section and analyzed in subsequent sections of MD&A.

### Statement of Net Assets

The Statement of Net Assets presents the Agency's financial position (assets and liabilities) as of June 30, 2014 and 2013. The Statement of Net Assets includes all of the Agency's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for evaluating the capital structure of the Agency and assessing the liquidity and financial flexibility of the Agency. As of June 30, 2014 and 2013 the Agency had net assets, assets in excess of liabilities, of \$8,063,345 and \$4,107,147, respectively.

### Statement of Revenues, Expenses & Changes in Net Assets

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in net Assets. This statement measures the success of the Agency's operations and can be used to determine whether the Agency has successfully recovered all of its costs through member assessments and other revenues. Revenues are recognized (recorded) when services are provided and expenses are recognized when incurred. Operating revenues and expenses are related to the Agency's

See independent auditors' report.

**PUENTE BASIN WATER AGENCY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

core activities. The change in net assets for the years ending June 30, 2014 and 2013, was \$3,956,198 and \$803,174, respectively.

Statement of Cash Flows

The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Agency's cash receipts and cash payments during the fiscal year. The statement reports cash receipts, cash payments, and net changes in cash and cash equivalents resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the year. As of June 30, 2014 cash and cash equivalents totaled \$258,969, an increase of \$152,517 from the previous fiscal year.

**FINANCIAL ANALYSIS OF THE AGENCY**

Our analysis of the Agency begins on page 13 of the financial statements. One of the most important questions to ask about the Agency's finances is, "Whether the Agency, as a whole, is better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Agency's finances in a way that will help answer that question. Measuring the change in the Agency's net assets, the difference between assets and liabilities, is one way to measure financial health or financial position. Over time, increases or decreases in the Agency's net assets are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, population growth and new or changed government legislation.

See independent auditors' report.



**PUENTE BASIN WATER AGENCY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

**Statements of Net Assets**

Table A-1  
Condensed Statements of Net Assets

	Fiscal Year 2014	Fiscal Year 2013	Dollar Change	Fiscal Year 2012	Dollar Change
<b>Assets:</b>					
Cash & Investments	\$ 258,969	\$ 106,452	\$ 152,517	\$ 225,166	\$ (118,714)
Accounts Receivable	3,637,992	90,206	3,547,786	75,220	14,986
Interest Receivable	161,838	294,951	(133,113)	-	294,951
Installment Purchase Receivable	36,505,000	37,135,000	(630,000)	-	37,135,000
Capital Assets	8,020,254	4,019,348	4,000,906	3,141,138	878,210
Total Assets	<u>48,584,053</u>	<u>41,645,957</u>	<u>6,938,096</u>	<u>3,441,524</u>	<u>38,204,433</u>
<b>Liabilities:</b>					
Accounts Payable	3,853,870	108,859	3,745,011	137,551	(28,692)
Interest Payable	161,838	294,951	(133,113)	-	294,951
Long- Term Debt	36,505,000	37,135,000	(630,000)	-	37,135,000
Total Current Liabilities	<u>40,520,708</u>	<u>37,538,810</u>	<u>2,981,898</u>	<u>137,551</u>	<u>37,401,259</u>
<b>Net Assets:</b>					
Net Investment in Capital Assets	8,020,254	4,019,348	4,000,906	3,141,138	878,210
Unrestricted	43,091	87,799	(44,708)	162,835	(75,036)
Total Net Assets	<u>\$ 8,063,345</u>	<u>\$ 4,107,147</u>	<u>\$ 3,956,198</u>	<u>\$ 3,303,973</u>	<u>\$ 803,174</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. As seen from Table A-1, the Agency's net assets exceeded liabilities by \$8,063,345 and \$4,107,147 for the periods ending June 30, 2014 and 2013, respectively.

By far the largest component of net assets is the Agency's net investment in capital assets which increased \$4,000,906 and \$878,210 for the periods ending June 30, 2014 and 2013, respectively. For the current year, this increase was due to the recognition of capital costs attributable to several water supply reliability projects, one of which was completed during the year, as well as the lease of 3,000 acre-feet of water at a cost of \$1,575,000. As of June 30, 2014, the balance of the Construction in Progress account was \$2,398,730, an increase of \$1,750,020, over the prior year. For fiscal year 2014, unrestricted net See independent auditors' report.

**PUENTE BASIN WATER AGENCY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

assets decreased \$44,708 compared to a decrease of \$75,036 for fiscal year 2013. These changes were primarily attributable to payments received from the member agencies to fund the Pomona Basin Regional Groundwater Project Feasibility Study. Unlike in years past, where the agencies were billed as costs were incurred, the costs for this project were collected in advance from each Agency. As costs were incurred, the invoices were paid from the collected funds.

In 2013, the Agency issued \$19,835,000 of 2012 Series A Water Revenue Bonds related to capital facilities of the RWD. In addition, the Agency issued \$17,300,000 related to capital facilities of the WVWD. In accordance with the separate installment purchase agreements, each District is obligated to pay the interest and principal payments related to the bonds. To account for the debt and installment purchase agreement a liability and corresponding asset has been recorded. As of June 30, 2014, the balance of the installment purchase receivable and related liability was \$36,505,000.

**Statements of Revenues, Expenses, and Changes in Net Assets**

**Fiscal Year 2014 – Revenues and Expenses**

For fiscal year 2014 the Agency had total operating revenues of \$21,841,978, an increase of \$20,830,938 over the prior year. The most significant changes during the year were related to the sale of water. Beginning in 2014, water purchased by the WVWD and RWD from TVMWD was invoiced through the Agency. Upon receipt of the invoice from TVMWD, the Agency invoices each District for its respective share of the purchased water. The payments received are recorded as revenues and the cost of the water is recorded as an expense on the Agency's financial statements. In addition, the La Habra water reliability project was completed and produced 184 acre-feet of water during the year. A total of \$123,200 was collected from the Districts to cover the costs related to the production of this water. Member assessments vary from year to year and represent payments received from the Districts to cover the other costs incurred by the Agency. For the year member assessments totaled \$151,585, an increase of \$36,505, or 31.7% over the prior year. Other revenues totaled \$40,424, a decrease of \$130,530 from the prior year. This decrease was expected as the prior year included contributions from TVMWD to pay for a portion of the feasibility study, and \$36,500 received from La Habra Heights Water District for the lease of the Agency's water rights. In addition, interest income and interest expense, related to the debt that was issued by the Agency and the corresponding installment purchase agreements, was recorded in the amount of \$1,581,405.

For fiscal year 2014, the Agency had total operating expenses of \$20,316,737, an increase of \$19,955,667 over the prior year. As discussed above, the most significant changes were attributable to costs related to the purchase and production of water which totaled \$20,068,564 for the year. The agency experienced a decrease in costs related to engineering and professional services. For the current year engineering costs totaled \$3,766, a decrease of \$40,091 from the prior year. This decrease was expected as the prior year included significant costs for investigative work related to potential alternative water supply projects. Professional services for the year totaled \$202,181, a decrease of \$70,781 from fiscal year 2013. Similar to engineering services, the decrease was expected as the prior year included expenses related to the Pomona Basin Feasibility Study and 10% Design.

See independent auditors' report.

**PUENTE BASIN WATER AGENCY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

Capital contributions for the year totaled \$4,012,362. Capital contributions included the money paid by each member agency for alternative water supply projects and the leased water rights.

Fiscal Year 2013 – Revenues and Expenses

For fiscal year 2013, the Agency had operating revenues of \$286,034, a decrease of \$76,717. The most significant changes during the year were related to member assessments and other income. The decrease for member assessments was expected because the prior year included a significant increase related to the collection of member assessment to fund the Pomona Basin Regional Groundwater Project Feasibility Study. This amount was paid in advance in the prior year and used to pay costs as they were incurred. Other revenues totaled \$170,954, an increase of \$105,351 over the prior year. Other revenues included contributions from TVMWD to pay for a portion of the feasibility study, and \$36,500 received from La Habra Heights Water District for the lease of the Agency's water rights. In addition, interest income and interest expense, related to the debt that was issued by the Agency and the corresponding installment purchase agreements, was recorded in the amount of \$725,006.

For fiscal year 2013, the Agency had total operating expenses of \$361,070, an increase of \$158,736 over the prior year. The most significant changes were related to engineering costs and professional services. For the year engineering costs totaled \$43,857, an increase of \$42,837 over the prior year. This increase was expected as the Agency engaged several consultants to perform investigative work related to potential alternative water supply projects. Professional services for the year totaled \$272,899, an increase of \$92,713 over fiscal year 2012. Included in these costs were expenses related to the Pomona Basin Feasibility Study and 10% Design which totaled \$232,537 for the year, and \$40,362 paid to a government relations firm engaged to pursue federal funding for the Agency. The costs related to government relations were shared equally by the member agencies and TVMWD.

Capital contributions included the money paid by each member agency for alternative water supply projects and the leased water rights.

**PUENTE BASIN WATER AGENCY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

Table A-2

Condensed Statements of Revenues, Expenses and Changes in Net Assets

	Fiscal Year 2014	Fiscal Year 2013	Dollar Change	Fiscal Year 2012	Dollar Change
<b>Revenues:</b>					
Sale of Water (TVMWD)	\$ 19,945,364	\$ -	\$ 19,945,364	\$ -	\$ -
Sale of Water (La Habra Project)	123,200	-	123,200	-	-
Member Assessments	151,585	115,080	36,505	297,148	(182,068)
Other	40,424	170,954	(130,530)	65,603	105,351
Total Operating Revenues	20,260,573	286,034	19,974,539	362,751	(76,717)
Interest Income	1,581,405	725,006	856,399	-	725,006
Total Revenues	21,841,978	1,011,040	20,830,938	362,751	648,289
<b>Expenses:</b>					
Water Supply (TVMWD)	19,945,364	-	19,945,364	-	-
Water Supply (La Habra)	123,200	-	123,200	-	-
Legal	17,034	30,348	(13,314)	16,556	13,792
Accounting	3,060	3,641	(581)	3,185	456
Engineering	3,766	43,857	(40,091)	1,020	42,837
Administrative	10,676	10,325	351	1,387	8,938
Professional Services	202,181	272,899	(70,718)	180,186	92,713
Depreciation	11,456	-	11,456	-	-
Total Operating Expenses	20,316,737	361,070	19,955,667	202,334	158,736
Non-Operating: Interest Expense	1,581,405	725,006	856,399	-	725,006
Total Expenses	21,898,142	1,086,076	20,812,066	202,334	883,742
Net Income (Loss)	(56,164)	(75,036)	18,872	160,417	(235,453)
Capital Contributions	4,012,362	878,210	3,134,152	3,141,138	(2,262,928)
Changes in Net Assets	3,956,198	803,174	3,153,024	3,301,555	(2,498,381)
Net Assets, Beg. of Year	4,107,147	3,303,973	803,174	2,418	3,301,555
Net Assets, End of Year	\$ 8,063,345	\$ 4,107,147	\$ 3,956,198	\$ 3,303,973	\$ 803,174

**Capital Asset Administration**

As of June 30, 2014, the Agency had invested \$8,020,254 in capital assets, an increase of \$4,000,906 over the prior fiscal year. These assets were comprised of water rights, construction in progress and capital assets related to several alternative water supply projects, and leased water rights.

See independent auditors' report.

**PUENTE BASIN WATER AGENCY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

**Debt Administration**

Table A-3  
Long-Term Debt

	Fiscal Year 2014	Fiscal Year 2013	Dollar Change	Fiscal Year 2012	Dollar Change
Long Term Debt:					
2012 Series A Water Revenue Bonds (RWD Project)	\$ 19,455,000	\$ 19,835,000	\$ (380,000)	\$ -	\$ 19,835,000
2013 Series A Water Revenue Bonds (WVWD Project)	\$ 17,050,000	\$ 17,300,000	\$ (250,000)	\$ -	\$ 17,300,000
Total Long-Term Debt	<u>\$ 36,505,000</u>	<u>\$ 37,135,000</u>	<u>\$ (630,000)</u>	<u>\$ -</u>	<u>\$ 37,135,000</u>

**Economic Factors and Next Year's Budget**

Table A-4  
Fiscal Year 2014 Budget vs. Fiscal Year 2013 Actual

	Budget 2014	Actual 2013	Dollar Change
Revenues:			
Member Assessments	\$ 254,600	\$ 151,585	\$ 103,015
Sale of Water	15,505,244	20,068,564	(4,563,320)
Other	40,400	40,424	(24)
Total Operating Revenues	<u>15,800,244</u>	<u>20,260,573</u>	<u>(4,460,329)</u>
Expenses:			
Purchased Water and Related	15,371,394	20,068,564	(4,697,170)
Legal	50,000	17,034	32,966
Engineering	5,000	3,766	1,234
Professional Service - Other	225,000	202,181	22,819
Insurance	2,800	-	2,800
Accounting	5,000	3,060	1,940
Administrative Expenses - Other	7,200	10,676	(3,476)
Total Operating Expenses	<u>15,666,394</u>	<u>20,305,281</u>	<u>(4,638,887)</u>
Net Income	<u>\$ 133,850.00</u>	<u>\$ (44,708.00)</u>	<u>\$ 178,558.00</u>

See independent auditors' report.

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PUENTE BASIN WATER AGENCY  
STATEMENTS OF NET POSITION

June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>CURRENT ASSETS:</b>		
Cash and investments	\$ 258,969	\$ 106,452
Accounts receivable		
WVWD	2,621,953	12,595
RWD	1,012,676	12,595
Non-Member	3,363	65,016
Interest receivable	161,838	294,951
Installment purchase receivable - current	<u>790,000</u>	<u>630,000</u>
<b>TOTAL CURRENT ASSETS</b>	<b>4,848,799</b>	<b>1,121,609</b>
<b>CAPITAL ASSETS:</b>		
Capital assets not being depreciated	5,539,868	4,019,348
Capital assets being depreciated	2,491,842	-
Less accumulated depreciation	<u>(11,456)</u>	<u>-</u>
<b>TOTAL CAPITAL ASSETS</b>	<b><u>8,020,254</u></b>	<b><u>4,019,348</u></b>
<b>NON CURRENT ASSETS</b>		
Installment purchase receivable - non current	<u>35,715,000</u>	<u>36,505,000</u>
<b>TOTAL NON CURRENT ASSETS</b>	<b>35,715,000</b>	<b>36,505,000</b>
<b>TOTAL ASSETS</b>	<b><u>48,584,053</u></b>	<b><u>41,645,957</u></b>
<b>CURRENT LIABILITIES:</b>		
Accounts payable	3,853,870	108,859
Interest payable	161,838	294,951
Current portion of long-term debt	<u>790,000</u>	<u>630,000</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,805,708</b>	<b>1,033,810</b>
<b>LONG-TERM DEBT</b>	<u>35,715,000</u>	<u>36,505,000</u>
<b>TOTAL LIABILITIES</b>	<b><u>40,520,708</u></b>	<b><u>37,538,810</u></b>
<b>NET POSITION:</b>		
Investment in capital assets	8,020,254	4,019,348
Unrestricted	<u>43,091</u>	<u>87,799</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 8,063,345</u></b>	<b><u>\$ 4,107,147</u></b>

See accompanying notes to basic financial statements.

PUENTE BASIN WATER AGENCY  
 STATEMENTS OF REVENUES, EXPENSES AND  
 CHANGES IN NET POSITION

For the Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>OPERATING REVENUES:</b>		
Sale of water to member agencies	\$ 20,068,564	\$ -
Member assessments	151,585	115,080
Project reimbursements	-	121,999
Other	<u>40,424</u>	<u>48,955</u>
<b>TOTAL OPERATING REVENUES</b>	<u>20,260,573</u>	<u>286,034</u>
<b>OPERATING EXPENSES:</b>		
Water Supply	20,068,564	-
Legal	17,034	30,348
Accounting	3,060	3,641
Assessments and Publications	6,037	7,970
Engineering	3,766	43,857
Administrative	4,639	2,195
Supplies	-	160
Professional Services	202,181	272,899
Depreciation	<u>11,456</u>	<u>-</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>20,316,737</u>	<u>361,070</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(56,164)</u>	<u>(75,036)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Interest revenue	1,581,405	725,006
Interest expense	<u>(1,581,405)</u>	<u>(725,006)</u>
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<u>-</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	(56,164)	(75,036)
<b>CAPITAL CONTRIBUTIONS:</b>		
Capital contributions from RWD	2,006,181	439,105
Capital contributions from WWWD	<u>2,006,181</u>	<u>439,105</u>
<b>CHANGE IN NET POSITION</b>	3,956,198	803,174
<b>NET POSITION - BEGINNING OF YEAR</b>	<u>4,107,147</u>	<u>3,303,973</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 8,063,345</u>	<u>\$ 4,107,147</u>

See accompanying notes to basic financial statements.



PUENTE BASIN WATER AGENCY  
STATEMENTS OF CASH FLOWS  
For the Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received for water sales	16,683,206	\$ -
Receipts from members for operations	345,559	271,048
Water purchases	(16,801,768)	-
Payments to suppliers for other goods and services	<u>(291,792)</u>	<u>(389,762)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(64,795)</u>	<u>(118,714)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Receipts from members for capital activities	3,696,384	-
Payments for the acquisition of capital assets	<u>(3,479,072)</u>	<u>-</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>217,312</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>106,452</u>	<u>225,166</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 258,969</u>	<u>\$ 106,452</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	<u>\$ (56,164)</u>	<u>\$ (75,036)</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Changes in assets and liabilities:		
Depreciation	11,456	-
(Increase) decrease in accounts receivable	(3,231,808)	(14,986)
Increase (decrease) in accounts payable	<u>3,211,721</u>	<u>(28,692)</u>
Total adjustments	<u>(8,631)</u>	<u>(43,678)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (64,795)</u>	<u>\$ (118,714)</u>
<b>Noncash investing, capital and financing activities:</b>		
Member remittance of funds to bond service agent:	<u>2,379,191</u>	<u>395,382</u>

See accompanying notes to basic financial statements.

# PUENTE BASIN WATER AGENCY

## NOTES TO BASIC FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Description of Reporting Entity:

The Puente Basin Water Agency (the Agency) was created April 1, 1971 by the execution of a Joint Powers Agreement between Rowland Water District and Walnut Valley Water District. The Agreement was made pursuant to Article 1, Chapter 5, Division 7, Title 1 of the government code of the State of California. The Agency was organized for the purpose of protection and utilization of the local, imported, and reclaimed water supply within the Puente Basin. The Agency is governed by an appointed Board of Commissioners consisting of four members.

As required by accounting principles generally accepted in the United States of America, these financial statements present the Puente Basin Water Agency and its component units, if any for which the Agency is considered to be financially accountable. Based upon the application of required criteria, there were no potential component units to be considered for inclusion in the Agency's reporting entity.

#### B. Description of Fund:

The accounts of the Agency are organized in a fund, which is considered a separate accounting entity. The operations of the fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses. The following fund type is used:

##### Proprietary Fund Type

Enterprise Fund is used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

#### C. Accounting and Reporting Policies:

The Agency has conformed to the pronouncements of the Governmental Accounting Standards Board (GASB), which are the primary authoritative statements of accounting principles generally accepted in the United States of America applicable to state and local governments.

#### D. Basis of Accounting/Measurement Focus:

Proprietary fund types are accounted for using the "economic resources" measurement focus and accrual basis of accounting. This means that all assets and liabilities (whether current or concurrent) associated with the activity are included on the balance sheet. Their reported fund equity

## PUENTE BASIN WATER AGENCY

### NOTES TO BASIC FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

presents total net position. The operating statement of the proprietary funds presents increases (revenues) and decreases (expenses) in total net position. Revenues are recognized when they are earned and expenses are recognized when the liability is incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Agency are water sales to members and member operating assessments. Operating expenses include the costs of legal, accounting, and engineering services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first and the unrestricted resources as they are needed.

#### E. Cash and Cash Equivalents:

For purposes of the statement of cash flows of the proprietary funds, all cash and investments with an original maturity of 90 days or less are considered to be cash and cash equivalents.

#### F. Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reported amount and disclosures. Accordingly, actual results could differ from those estimates.

#### G. Capital Assets:

Capital assets acquired and/or constructed are capitalized at historical cost. Agency policy has set the capitalization threshold for reporting capital assets at \$5,000. Contributed assets are recorded at estimated fair market value at the date of contribution. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized.

**PUENTE BASIN WATER AGENCY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**2. CASH AND INVESTMENTS**

Cash and cash equivalents at June 30, 2014 and 2013 are classified in the accompanying financial statements as follows:

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Statement of Net Position:		
Cash and investments	<u>\$258,969</u>	<u>106,452</u>

Cash and cash equivalents at June 30, 2014 and 2013 consisted of the following:

Deposits with financial institutions	<u>\$258,969</u>	<u>106,452</u>
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**Investments Authorized by the California Government Code**

The table below identifies the investment types that are authorized for the Agency by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Government Sponsored Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

N/A – Not Applicable

## PUENTE BASIN WATER AGENCY

### NOTES TO BASIC FINANCIAL STATEMENTS

#### 2. CASH AND INVESTMENTS (CONTINUED)

##### **Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Agency manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The Agency's deposits with financial institutions are available on demand.

##### **Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the Agency's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The Agency's demand deposits were insured by the Federal Deposit Insurance Corporation at June 30, 2014 and June 30, 2013.

#### 3. INSTALLMENT PURCHASE RECEIVABLE

The Agency entered into Installment Purchase Contracts with Rowland Water District ("RWD") and Walnut Valley Water District ("WVWD") related to the issuing of Bonds. RWD and WVWD received the proceeds of the Bonds and are required to make semiannual installment purchase payments that are equal in amount and timing to the principal and interest payments that are paid on a semiannual basis by the Agency to the holders of the Bonds. Total amounts required to be paid by RWD and WVWD as of June 30, 2014 are \$19,455,000 and \$17,050,000, respectively.

**PUENTE BASIN WATER AGENCY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**4. CAPITAL ASSETS**

Changes in capital assets for the year ended June 30, 2014 are as follows:

	<u>Balance at July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2014</u>
Capital assets, not being depreciated:				
Construction in progress	\$ 648,710	2,437,362	(687,342)	2,398,730
Water rights	<u>3,141,138</u>	<u>-</u>	<u>-</u>	<u>3,141,138</u>
Total capital assets, not being depreciated	3,789,848	2,437,362	(687,342)	5,539,868
Capital assets, being depreciated:				
Pumping structure	-	687,342	-	687,342
Leased water rights	<u>229,500</u>	<u>1,575,000</u>	<u>-</u>	<u>1,804,500</u>
Total capital assets, being depreciated	229,500	2,262,342	-	2,491,842
Less accumulated Depreciation:				
Pumping structure	<u>-</u>	<u>(11,456)</u>	<u>-</u>	<u>(11,456)</u>
Total capital assets	<u>4,019,348</u>	<u>4,688,248</u>	<u>(687,342)</u>	<u>8,020,254</u>

Changes in capital assets for the year ended June 30, 2013 are as follows:

	<u>Balance at July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2013</u>
Capital assets, not being depreciated:				
Construction in progress	\$ -	648,710	-	648,710
Water rights	<u>3,141,138</u>	<u>-</u>	<u>-</u>	<u>3,141,138</u>
Total capital assets, not being depreciated	3,141,138	648,710	-	3,789,848
Capital assets, being depreciated:				
Leased water rights	<u>-</u>	<u>229,500</u>	<u>-</u>	<u>229,500</u>
Total capital assets	<u>\$3,141,138</u>	<u>878,210</u>	<u>-</u>	<u>4,019,348</u>

**PUENTE BASIN WATER AGENCY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**5. LONG-TERM DEBT**

The changes in long-term debt for the year ended June 30, 2014, is as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
2012 Series A Water Revenue Bonds (RWD Project)	\$19,835,000	-	380,000	19,455,000	385,000
2013 Series A Water Revenue Bonds (WVWD Project)	<u>17,300,000</u>	<u>-</u>	<u>250,000</u>	<u>17,050,000</u>	<u>405,000</u>
Total long-term debt	<u>\$37,135,000</u>	<u>-</u>	<u>630,000</u>	<u>36,505,000</u>	<u>790,000</u>

The changes in long-term debt for the year ended June 30, 2013, is as follows:

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2013</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
2012 Series A Water Revenue Bonds (RWD Project)	\$ -	19,835,000	-	19,835,000	380,000
2013 Series A Water Revenue Bonds (WVWD Project)	<u>-</u>	<u>17,300,000</u>	<u>-</u>	<u>17,300,000</u>	<u>250,000</u>
Total long-term debt	<u>\$ -</u>	<u>37,135,000</u>	<u>-</u>	<u>37,135,000</u>	<u>630,000</u>

**2012 Series A Water Revenue Bonds (Rowland Water District Project)**

On November 1, 2012, the Agency issued \$19,385,000 of 2012 Series A Water Revenue Bonds. The Bonds will be used to finance certain capital facilities of RWD, a member agency. RWD is obligated under terms of the Installment Purchase Contract associated with the Bonds, to make semiannual installment purchase payments that are equal in amount and timing to the principal and interest payments that are paid on a semiannual basis by the Agency to the holders of the Bonds.

The Bonds were issued at a premium of \$1,570,182 which will be amortized over the life of the debt service with RWD receiving the proceeds of the Bonds. Interest and principal are payable on December 1st and June 1st of each year beginning June 1 2013, with interest rates ranging from 1.0% to 5.0%. The Bonds are scheduled to mature on December 1, 2042. The rate covenants of the Bonds require that net revenues of RWD for each fiscal year be equal to at least 110% of the annual debt service payments required for that fiscal year.

**PUENTE BASIN WATER AGENCY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**5. LONG-TERM DEBT (Continued)**

**2013 Series A Water Revenue Bonds (Walnut Valley Water District Project)**

On March 1, 2013, the Agency issued \$17,300,000 of 2013 Series A Water Revenue Bonds. The Bonds will be used to finance certain capital facilities of WVWD, a member agency. WVWD is obligated under terms of the Installment Purchase Contract associated with the Bonds, to make semiannual installment purchase payments that are equal in amount and timing to the principal and interest payments that are paid on a semiannual basis by the Agency to the holders of the Bonds.

The Bonds were issued at a premium of \$2,695,738 which will be amortized over the life of the debt service with WVWD receiving the proceeds of the Bonds. Interest is payable on June 1st and December 1st of each year beginning December 1, 2013, with interest rates ranging from 1.0% to 5.0%. Principal is due December 1st each year beginning December 1, 2013. The Bonds are scheduled to mature on December 1, 2038. The rate covenants of the Bonds require that net revenues of WVWD for each fiscal year be equal to at least 125% of the annual debt service payments required for that fiscal year.

Future annual debt service requirements of the Agency are as follows:

Year Ending <u>June 30</u>	2012 Series A Water Revenue Bonds (Rowland Water District Project)		2013 Series A Water Revenue Bonds (Walnut Valley Water District Project)	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 385,000	766,350	\$ 405,000	827,450
2016	395,000	756,575	415,000	819,350
2017	410,000	742,450	430,000	802,750
2018	425,000	725,750	445,000	785,550
2019	445,000	710,575	465,000	767,750
2020-2024	2,485,000	3,279,000	2,695,000	3,466,250
2025-2029	3,005,000	2,757,625	3,435,000	2,722,000
2030-2034	3,515,000	2,252,032	4,390,000	1,772,250
2035-2039	4,205,000	1,563,844	4,370,000	559,500
2040-2043	<u>4,185,000</u>	<u>431,375</u>	<u>-</u>	<u>-</u>
Total payments	<u>\$19,455,000</u>	<u>13,985,576</u>	<u>\$17,050,000</u>	<u>12,522,850</u>



**PUENTE BASIN WATER AGENCY**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**6. NET POSITION**

Changes in net position by member during the fiscal years ended June 30, 2014 and June 30, 2013 were as follows:

	<u>Walnut Valley Water District</u>	<u>Rowland Water District</u>	<u>Total</u>
Net Position June 30, 2012	\$ 1,651,986	1,651,987	3,303,973
Capital Contributions	439,105	439,105	878,210
Share of Joint Venture Income before capital contributions	<u>(37,518)</u>	<u>(37,518)</u>	<u>(75,036)</u>
Change in Net Position	<u>401,587</u>	<u>401,587</u>	<u>803,174</u>
Net Position June 30, 2013	<u>2,053,573</u>	<u>2,053,574</u>	<u>4,107,147</u>
Capital Contributions	2,006,181	2,006,181	4,012,362
Share of Joint Venture Income before capital contributions	<u>(28,082)</u>	<u>(28,082)</u>	<u>(56,164)</u>
Change in Net Position	<u>1,978,099</u>	<u>1,978,099</u>	<u>3,956,198</u>
Net Position June 30, 2014	<u>\$ 4,031,672</u>	<u>4,031,673</u>	<u>8,063,345</u>

**7. IMPLEMENTATION OF GASB STATEMENT NO. 63**

During the year ended June 30, 2013, the Agency implemented GASB Statement No. 63. The primary effects of GASB No. 63 on the Agency's financial statements were to substitute the term Net Position for the term Net Assets in the financial statements of the Agency.

**SUPPLEMENTARY INFORMATION**

## **PUENTE BASIN WATER AGENCY**

### **SUPPLEMENTARY INFORMATION**

June 30, 2014 and 2013

#### **PUENTE NARROWS AGREEMENT**

On May 8, 1972, Puente Basin Water Agency and Upper San Gabriel Valley Municipal Water executed the Puente Narrows Agreement (the Agreement), which established the base water underflow from the Puente Basin to the Main San Gabriel Basin at 580 acre-feet per year. The Agreement requires Puente Basin Water Agency to make up payments in the following year where accumulated subsurface outflow falls below the accumulated base underflow. The Agency receives a credit for an excess of underflow over the base underflow. These credits can be applied only against deficiencies of underflow should such deficiencies occur in the future.

Puente Basin Water Agency had credits for excess of underflow of 11,701 acre-feet and 11,296 acre-feet at June 30, 2014 and 2013, respectively. The value of these credits have not been reflected in the accompanying financial statements because the likelihood of these credits being applied to material amounts of future deficiencies of underflow is extremely remote and the credits cannot be used for any other purpose. The administration of the Agreement is currently responsible for well measurement.

#### **ADJUDICATION OF PUENTE BASIN WATER RIGHTS**

The Puente Basin Watermaster allocates water rights among water producers in the Puente Basin. Water rights of 425 acre-feet were allocated to both Rowland Water District and Walnut Valley Water District. These amounts represent approximately 40 percent of the water rights available in the Puente Basin. The judgment allows some over and under allocation adjustments depending on water flow in the basin, limited carryover provisions, and credit for return water



Mayer Hoffman McCann P.C.

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Board of Commissioners  
Puente Basin Water Agency  
Walnut, California

## **Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

### **Independent Auditor's Report**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Puente Basin Water Agency ("Agency"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 11, 2014

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of

Board of Directors  
Puente Basin Water Agency  
Page Two

noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mayra Hoffman Melero P.C.*

Irvine, California  
December 11, 2014

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## AGREEMENT FOR PROVISION OF SERVICES

This Agreement for Provision of Services (“Agreement”) by BELLFLOWER-SOMERSET MUTUAL WATER COMPANY, a mutual water company, formed pursuant to Part 7 of Division 3, Title 1 of the California Corporations Code (Sections 14300 et seq.) (hereinafter “Company”) on behalf of ROWLAND WATER DISTRICT, a county water district formed and operating under Division 12 of the California Water Code (Sections 30000 et seq.) (“Rowland”) is entered into as of February \_\_, 2015. Rowland and Company shall be referred to collectively as the “Parties.”

### RECITALS

WHEREAS, the Company and Rowland have previously entered into an Agreement for Personnel Sharing under which Rowland provided managerial services to the Company in exchange for the Company paying the costs associated with Rowland’s provision of those services.

WHEREAS, Rowland and the Company have found such arrangement to be of significant benefit to both Parties, and both recognize the potential need for an arrangement under which Company personnel may provide services to Rowland.

WHEREAS, the Company and Rowland desire, by the terms and conditions set forth herein, for the Company to provide to Rowland labor services and the related human resource functions in connection with certain employees performing duties as described in more detail below.

### AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound, agree as follows:

1. **Contractual Relationship:** The substance of the Company’s services hereunder will be that of having its personnel provide services as may be requested by Rowland, and the Company will provide the necessary human resources, administration, and supervisory functions related to those Company employees, as designated in Exhibit A, (the “Employees”). The Employees will perform work for Rowland on an as-needed basis for a fee based upon the actual cost of the Employee, plus an administrative fee of fifteen percent (15%) of such actual costs.
2. **Employment Status:** The Employees provided by the Company under this Agreement shall remain employees of the Company and shall have no claim to wages, benefits, pensions, civil service or any other rights provided by Rowland to its own employees. During the term of this Agreement, Employees will remain the employees of the Company, eligible for compensation and benefits provided to any such employee as specified in their employment agreements with the Company, or otherwise provided by the Company. Employees will not be entitled to accrue or receive any compensation or employment benefits from Rowland in connection with the services provided under this Agreement. The Company will indemnify and hold Rowland harmless from and against

any claims by Employees in accordance with the terms of this Agreement. The Company retains all right to direct employees; however, Rowland may request work within the general guidelines of this Agreement directly from Employees.

3. **Assignment:** During the term of this Agreement, the Company agrees to temporarily incorporate into Employees' duties the responsibility to perform the duties and services that Rowland may request from time to time. Such services may include meetings, telephone calls, site visits, direction of contractors and employees of Rowland, and preparing and making reports and presentations to Rowland's Board of Directors. To the extent practicable, Employees will arrange the performance of the services to avoid disruption of their duties for the Company. Services performed by Employees for Rowland shall be performed at the offices of the Company when possible, and the Company will permit the use of Company equipment and supplies, such as telephones, computers, and printers, for that purpose. The services provided hereunder to Rowland shall not involve the time or services of any Company personnel other than Employees.
4. **Conditions of Employment:** Rowland understands and acknowledges that it is entering into this Agreement on the basis of its familiarity and confidence in the skills and experience of the Employees, and has not relied, in any way, on representations or promises of the Company. As a condition of the Company's agreement to provide Employees' services under this Agreement, Rowland agrees to indemnify and hold the Company harmless from any claims, damages or liability arising out of the provision of services by Employees hereunder, including but not limited to claims, damages or liability to Rowland or any third party, arising out of alleged negligence, or malfeasance, or failure to provide the services as specified.
  - a. During the term of this Agreement, the Company shall be responsible for the full payment of wages to Employees regardless of payment from Rowland to the Company.
  - b. The Company shall be responsible for the administration, collection, and disbursement of all Employees' W-2 payroll, including the calculation of Employees' gross wage entitlements, withholdings from Employees' wages, and payment of those withholdings.
  - c. The Company shall be responsible for all employer tax-reporting functions as required by law, and shall have the sole right and responsibility to evaluate, reassign, discipline, or terminate the employment of Employees. The Company shall provide prompt written notice to Rowland of any action taken which results in Employees being unavailable for duty under the terms of this Agreement.
  - d. The Company shall be solely responsible for collective bargaining, to the extent relevant, with the Employees or their bargaining representative(s) regarding any terms and conditions of employment or as required by law. The Company shall indemnify and hold Rowland harmless from and against any and all claims of unfair labor practices or similar claims by Employees or their bargaining representative in accordance with the terms of this Agreement.

- e. Rowland and Company shall cooperate with one another to ensure compliance with all safety and employment-related federal and state laws and regulations, including, but not limited to, the Family Medical Leave Act, California Family Rights Act, California Fair Employment and Housing Act, American with Disabilities Act, Fair Labor Standards Act, and Cal/OSHA or OSHA safety rules.
  - f. Rowland agrees to comply with all legally imposed safety practices and procedures with respect to Employees and their activities. Rowland shall report all work-related accidents, injuries or illnesses to the Company within twenty-four (24) hours of any such occurrence. Rowland further agrees to: (i) provide Company's DWC-1 form or equivalent (for purposes of workers' compensation) promptly to the Employees if involved in a work-related accident, injury or illness; and, (ii) facilitate Employee's receipt of emergency medical care if needed with a follow-up notification to the Company.
  - g. Rowland shall pay all invoices submitted by the Company in accordance with this Agreement within 30 days of receipt.
5. **Term:** The term of this Agreement shall commence upon the date this Agreement is executed by both Parties and continue for one year ("Term"), and thereafter, the Agreement shall automatically be renewed for additional one year terms unless terminated by either Party pursuant to this Section. Either Party to this Agreement can terminate the Agreement by providing thirty (30) day written notice of intent to terminate to the other party.
6. **Compensation and Billing:** Rowland agrees to compensate the Company for all services performed under this Agreement on a "time and materials" basis for time expended by any Employee, including time spent travelling to and from Rowland and the Company's offices and to worksites in connection with Rowland projects, plus mileage and expenses including the cost of materials and supplies used in the provision of the services under this Agreement. Mileage will be charged and reimbursed at the Internal Revenue Service's business mileage rate. The hourly rate for each of Employees shall be as described in Exhibit A. Rowland also agrees to pay an administration fee equal to fifteen percent (15%) of the hourly rate for each hour of time charged by any Company Employee.
7. **Insurance:** Company and Rowland shall each maintain their own insurance, including but not limited to workers' compensation, commercial general liability, automobile liability, and professional liability insurance. Rowland shall provide to the Company a copy of its insurance policy within thirty (30) days of the execution of this Agreement.
8. **Indemnification by Rowland:**
- a. Rowland agrees to indemnify, defend and hold the Company, its officers, directors, employees, agents, and representatives harmless from any and all claims, damages, losses, actions, suits, or obligations for personal injury to, or death of any person, or loss or damage to property arising out of or relating to the negligence or willful misconduct of Rowland or any of its officers, employees, agents, representatives, engineers, contractors

or subcontractors in connection with the provision of services under this Agreement, except that Rowland shall not be required to indemnify the Company for any claims, or losses to the extent caused by the negligence or willful misconduct of the Company, its officers, directors, employees, agents and representatives other than Employee.

b. The provisions of this paragraph shall survive termination of this Agreement.

The Parties agree to notify each other immediately upon assertion or possible assertion of any such claim and to cooperate with one another in the investigation and defense of said claim.

9. **Notices:** All notices, invoices, reports and other communications hereunder shall be sent to the designated representative for the party to which it is directed, by U.S. Mail, overnight courier delivery, or facsimile transmission directed as follows:

If to Bellflower-Somerset:

Bellflower-Somerset Mutual Water Company  
10016 E. Flower Street  
Bellflower, CA 90706  
Attention: Executive Director  
Telephone: (562) 866-9980  
Fax: (562) 866-2245

If to Rowland:

Rowland Water District  
3021 South Fullerton Road  
P.O. Box 8460  
Rowland Heights, CA 91748  
Attention: General Manager  
Telephone: (562) 697-1726  
Fax: (562) 697-6149

10. **Severability:** If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases, the remainder of the Agreement shall continue in full force and effect.
11. **Amendments:** No amendment of this Agreement shall be valid or enforceable unless in writing and signed by both parties.
12. **Entire Agreement:** This Agreement including the Exhibits and Schedules attached hereto constitutes the entire agreement between the parties with respect to the subject matter hereof, and there are no oral or written understandings, representations, or commitments of any kind, express or implied which are not expressly set forth herein.

13. **No Assignment:** This Agreement may not be assigned to any third party and shall automatically terminate upon the occurrence of such.

14. **Employment Practices:** Each Party, by execution of this Agreement, certifies that it does not discriminate against or tolerate harassment of any person upon the basis of race, color, creed, national origin, age, sex, orientation, gender identity or expression, disability, veteran status, or marital status in its employment practices

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

Dated: \_\_\_\_\_

BELLFLOWER-SOMERSET  
MUTUAL WATER COMPANY

By: \_\_\_\_\_  
Ken Deck, Executive Director

Dated: \_\_\_\_\_

ROWLAND WATER DISTRICT

By: \_\_\_\_\_  
Tom Coleman, General Manager

## EXHIBIT A

Name	Hourly Rate	Tax/ADP	Pension	Life Ins.	Benefits	Total	Plus 15%
Crew Leader	\$33.69	\$5.38	\$3.37	\$0.29	\$6.58	\$49.31	\$56.71
Director of Operations	\$46.52	\$7.43	\$4.65	\$0.17	\$9.42	\$68.20	\$78.43
Customer Service Rep.	\$18.25	\$2.04	\$1.83	\$0.26	\$3.16	\$25.53	\$29.36
Lead Customer Service Rep.	\$28.30	\$3.16	\$2.83	\$0.24	\$2.31	\$36.84	\$42.36
Customer Service Supervisor	\$32.60	\$3.64	\$3.26	\$0.15	\$9.42	\$49.07	\$56.43
Serviceman II	\$28.23	\$4.51	\$2.82	\$0.16	\$9.42	\$45.14	\$51.92
Serviceman I	\$18.30	\$2.92	\$1.83	\$0.26	\$3.16	\$26.47	\$30.45
Superintendent	\$42.90	\$6.86	\$4.29	\$0.56	\$6.58	\$61.18	\$70.36
Pump Operator	\$30.91	\$4.94	\$3.09	\$0.20	\$9.42	\$48.56	\$55.85
Foreman	\$35.63	\$5.69	\$3.56	\$0.24	\$5.97	\$51.09	\$58.76
Executive Director	\$125.00					\$125.00	\$143.75

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**2.5**

**FIRST AMENDMENT TO  
AGREEMENT FOR EMPLOYMENT OF GENERAL MANAGER**

**This First Amendment** (“Amendment”) to the Agreement for Employment of General Manager, originally dated December 1, 2014 (the “Employment Agreement”), between ROWLAND WATER DISTRICT (“District”) and TOM COLEMAN (“General Manager”) is entered as of February 10, 2015.

Effective February 10, 2015, the parties to this Amendment agree to the following changes:

Section 16 entitled “Death Benefit” is hereby superseded as follows:

**“16. Death Benefit:** The District shall maintain life insurance covering the General Manager in the amount of \$150,000.00. In addition to this specific policy, the General Manager shall be eligible for those life insurance benefits payable to general District employees. That current general employee policy provides a year’s salary up to a maximum of \$50,000.00. Nothing in this Section shall be interpreted to limit the District’s discretion to change, revise, or remove the coverage available to general employees.”

Except as modified in this Amendment, the terms of the Employment Agreement between the District and the General Manager shall remain in full force and effect.

**ROWLAND WATER DISTRICT**

\_\_\_\_\_  
**Szu Pei Lu-Yang, Board President**

\_\_\_\_\_  
**Tom Coleman**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Joseph P. Byrne, District Counsel**



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## POLICY AND PROCEDURE

APPROVED BY	POLICY TITLE	EFFECTIVE DATE
Board of Directors	<b>DISTRICT PAID LIFE INSURANCE</b>	February 10, 2015
		Page 1 of 1

### **PURPOSE:**

To provide general full-time District employees, full-time management employees and District Board members with District paid life insurance.

### **POLICY:**

The District provides a life insurance benefit to all full-time District employees who have successfully completed the original probationary period. As of the time this policy was drafted, general full-time District employees are provided a year of salary up to a maximum of \$50,000.00 and full-time management employees are provided a year of salary up to a maximum of \$100,000.00, and members of the District Board of Directors are provided with a \$50,000.00 life insurance benefit. Dependents are not covered. The District currently pays all the premiums for this insurance. All aspects of this coverage, including extent of the coverage, the selection of the insurer, and level of the District's contribution, are subject to change at any time at the District's sole discretion. Specific details of the District's coverage can be obtained from Human Resources.

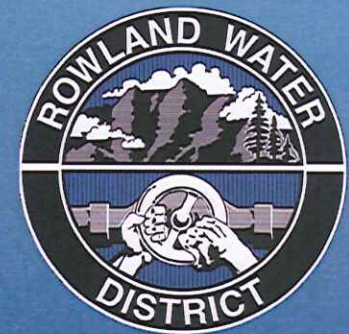
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# STATEMENT OF OPERATIONS

Rowland Water District

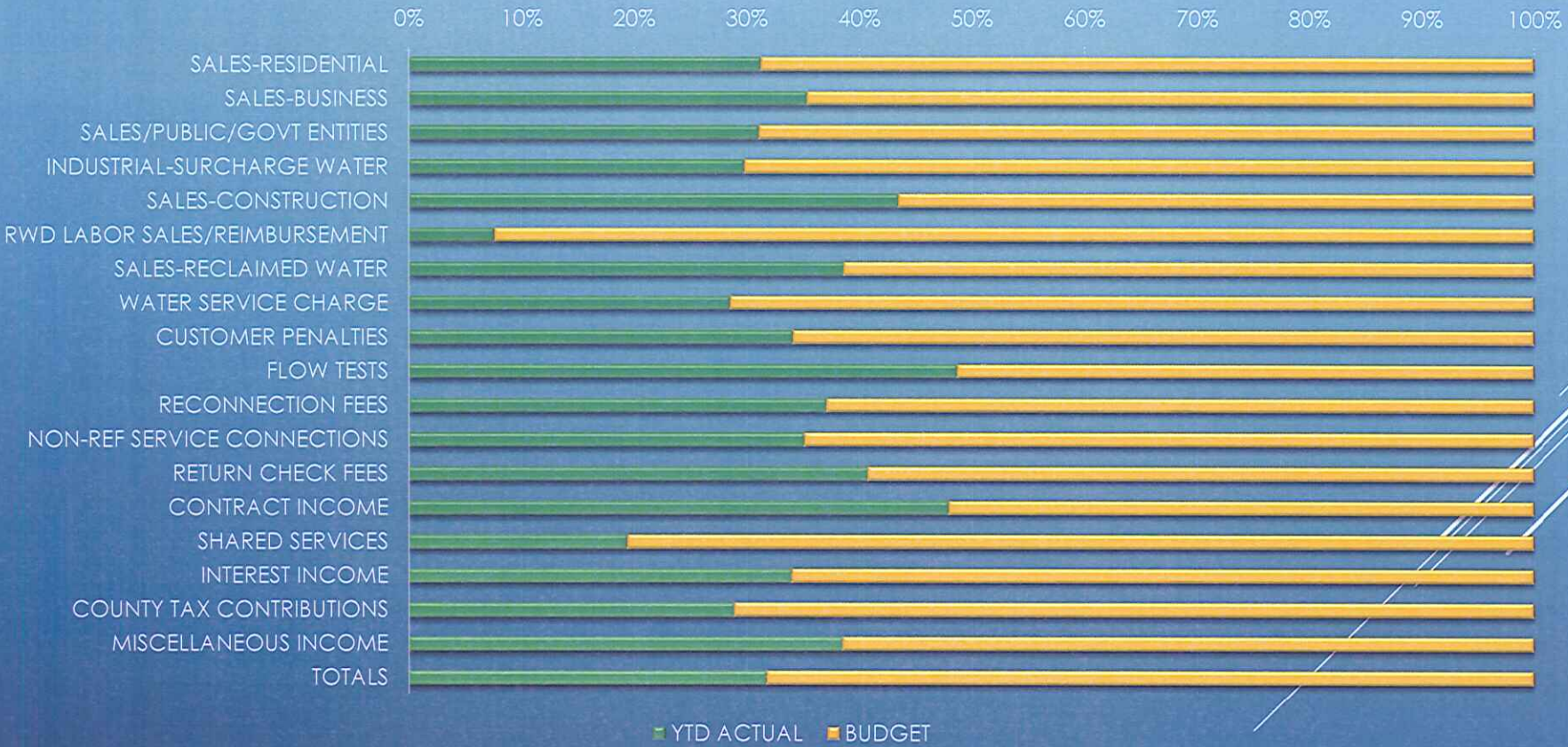
July 1, 2014 – December 31, 2014



Categories	12/31/2014	12/31/2013	Budget FY 14-15	% of Budget
Water Sales (Potable)	6,566,111.00	6,465,843.00	13,450,000.00	48.82%
Water Sales (Recycled)	346,809.00	324,827.00	550,000.00	63.06%
Meter Service Charge	2,481,361.00	2,429,719.00	6,200,000.00	40.02%
Customer Fees	136,535.00	139,716.00	250,000.00	54.61%
Property Taxes	122,175.00	127,683.00	300,000.00	40.73%
Contract Income/ Shared Services	105,465.00	60,050.00	225,000.00	46.87%
Interest Income	154,945.00	92,303.00	300,000.00	51.65%
Totals	9,913,401.00	9,640,141.00	21,275,000.00	46.60%

## REVENUE SUMMARY

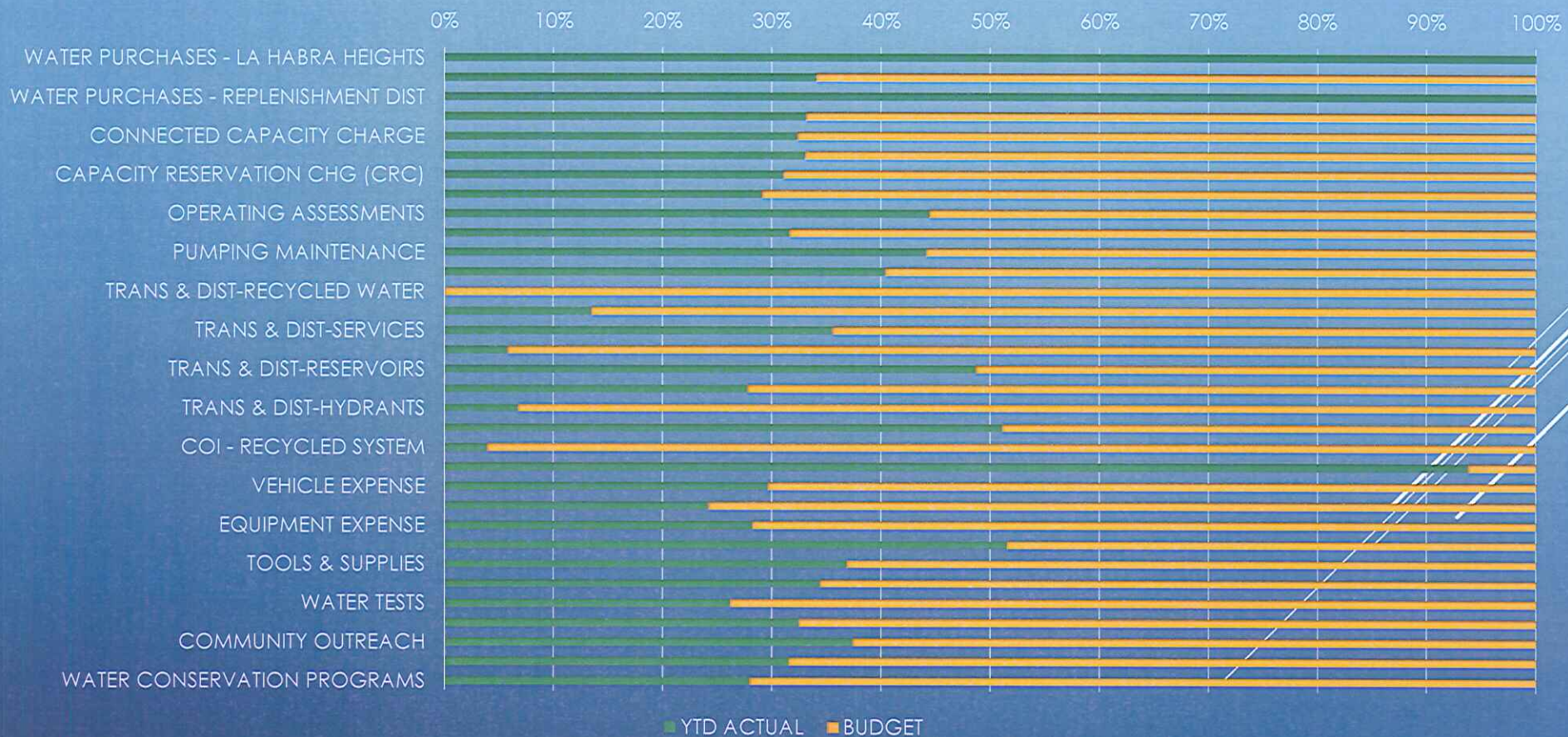
# Revenues 12/31/2014



Categories	12/31/2014	12/31/2013	Budget FY 14-15	% of Budget
Water Purchases (Potable)	5,167,933.00	5,214,973.00	10,000,000.00	51.68%
Water Purchases (Recycled)	81,969.00	118,446.00	200,000.00	40.98%
Fixed Charges	127,122.00	166,056.00	275,000.00	46.23%
Debt Service Expense	1,825,177.00	1,670,825.00	2,800,000.00	65.18%
Maintenance of Water System	106,279.00	157,294.00	350,000.00	30.37%
Pumping Expense	196,265.00	194,712.00	290,000.00	67.68%
Service Contracts	114,849.00	103,946.00	250,000.00	45.94%
Operating Assessments	59,600.00	45,019.00	250,000.00	23.84%
Totals	7,679,194.00	7,671,271.00	14,415,000	53.27%

## OPERATING EXPENSE SUMMARY

# Operating Expenses 12/31/2014

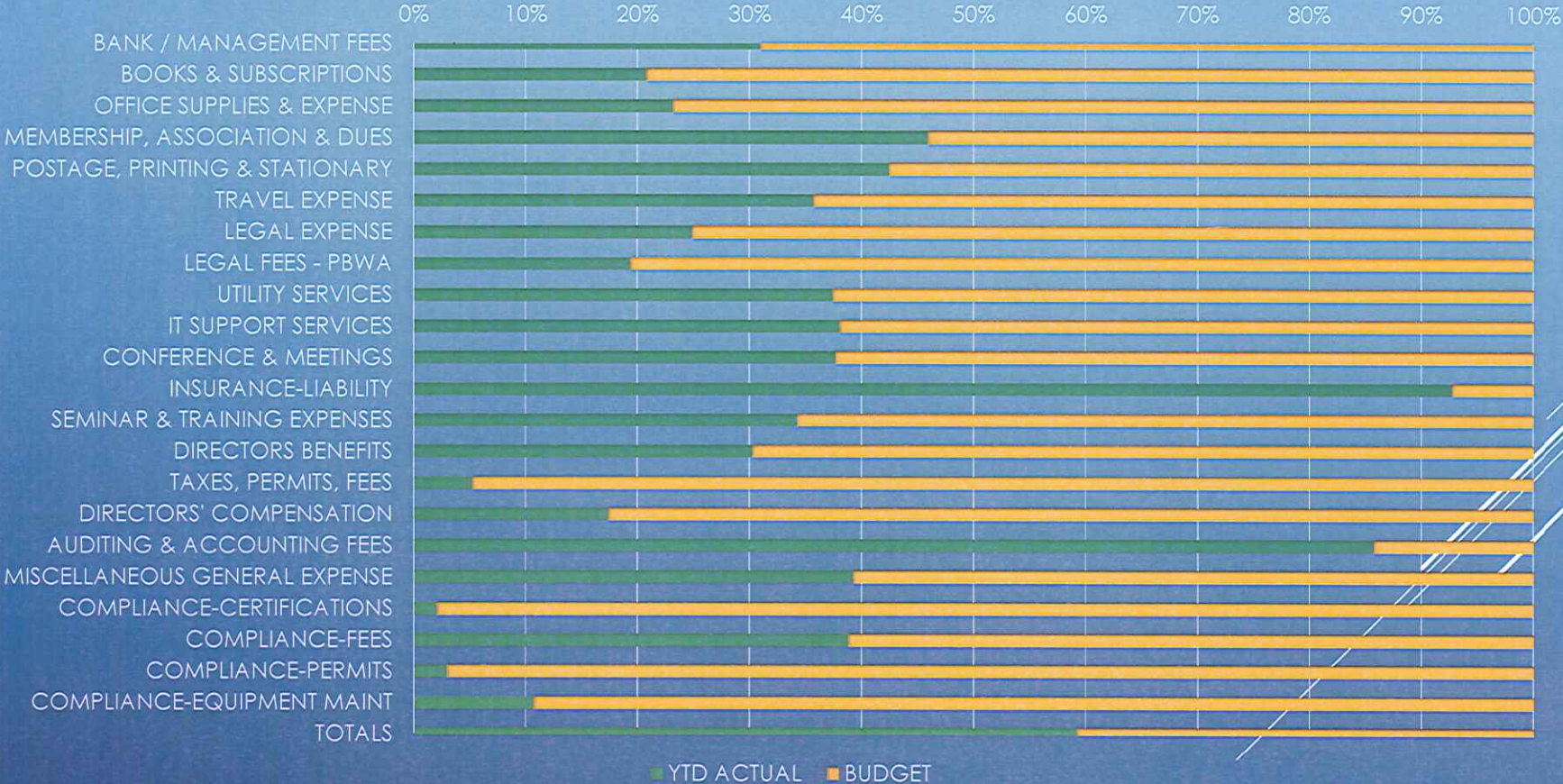




Categories	12/31/2014	12/31/2013	Budget FY 14-15	% of Budget
Liability Insurance	121,078.00	118,220.00	125,000.00	96.86%
Conferences	30,178.00	20,869.00	50,000.00	60.36%
Seminars and Training	31,178.00	26,207.00	60,000.00	51.96%
IT Support Services	82,732.00	70,199.00	135,000.00	61.28%
Legal Services	29,654.00	32,418.00	90,000.00	32.95%
Directors' Compensation & Benefits	56,920.00	56,686.00	165,000.00	34.50%
Bank and Management Fees	44,751.00	45,908.00	100,000.00	44.75%
Auditing	20,500.00	19,850.00	25,000.00	82.00%
Totals	416,991.00	390,357.00	750,000.00	55.60%

## ADMINISTRATIVE EXPENSE SUMMARY

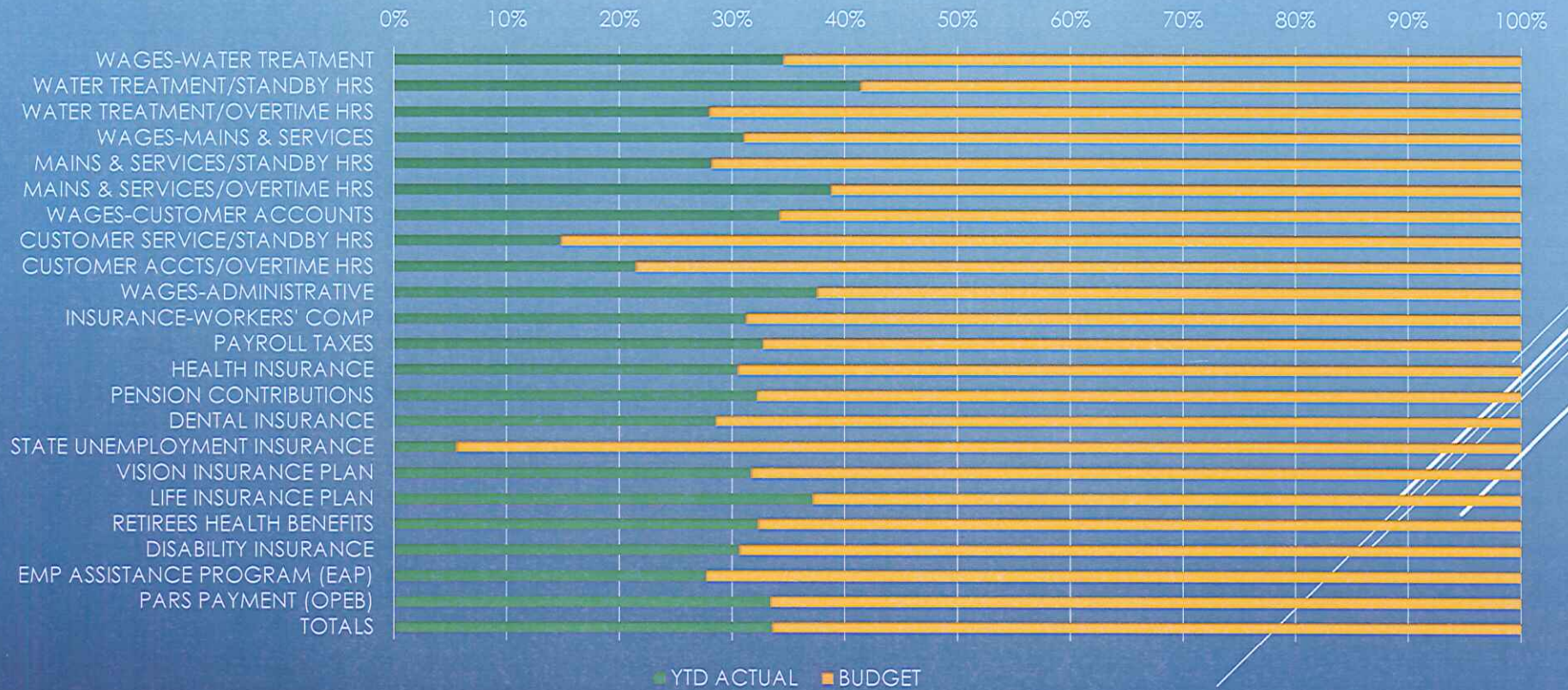
# Administrative Expenses 12/31/2014



Categories	12/31/2014	12/31/2013	Budget FY 14-15	% of Budget
Wages–Water Treatment	304,190.00	291,426.00	570,000.00	53.37%
Wages–Mains and Services	319,984.00	283,992.00	710,000.00	45.07%
Wages–Customer Accounts	64,972.00	65,397.00	140,000.00	46.41%
Wages-Administrative	641,403.00	513,811.00	1,070,000.00	59.94%
Payroll Taxes	84,912.00	75,037.00	175,000.00	48.52%
Health Insurance - Employees	230,022.00	252,942.00	560,000.00	41.08%
Health Insurance-Retirees	57,144.00	59,064.00	120,000.00	47.62%
CalPERS Contributions	265,094.00	593,053.00	560,000.00	47.34%
OPEB Trust Contributions	210,000.00	300,000.00	420,000.00	50.00%
Totals	2,177,721.00	2,434,722.00	4,325,000.00	50.35%

## PERSONNEL EXPENSE SUMMARY

# Personnel Expenses 12/31/2014



Summary	12/31/2014	12/31/2013	Budget FY 14-15	% of Budget
Total Revenues	9,924,270.00	9,647,620.00	21,365,000.00	46.45%
Operating Expenses	7,690,710.00	7,425,825.00	14,790,000.00	47.27%
Administrative Expenses	578,886.00	500,306.00	1,060,000.00	54.61%
Personnel Expenses	2,235,116.00	2,496,502.00	4,439,000.00	50.35%
Total Expenses	10,504,712.00	10,222,634.00	20,289,000.00	48.33%
Net Income	(580,442.00)	(575,014.00)	1,076,000.00	-53.94%

## NET INCOME

Puente Basin Water Agency Projects	Rowland Water District Projects
<input type="checkbox"/> Pomona Basin Regional Groundwater ❖ \$66,450.00	<input type="checkbox"/> Fullerton Road Grade Separation ❖ \$70,272.00
<input type="checkbox"/> CDWC Pump Station and Pipeline ❖ \$1,215,425.00	<input type="checkbox"/> Nogales Grade Separation ❖ \$44,616.00
Total: \$1,281,875.00	Total: \$114,888.00

## CAPITAL ASSET SUMMARY

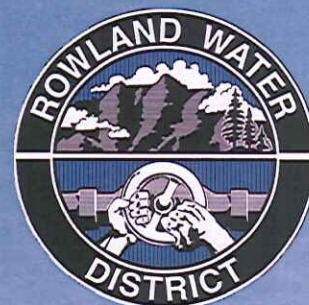
**Tab**

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# QUARTERLY INVESTMENT REVIEW

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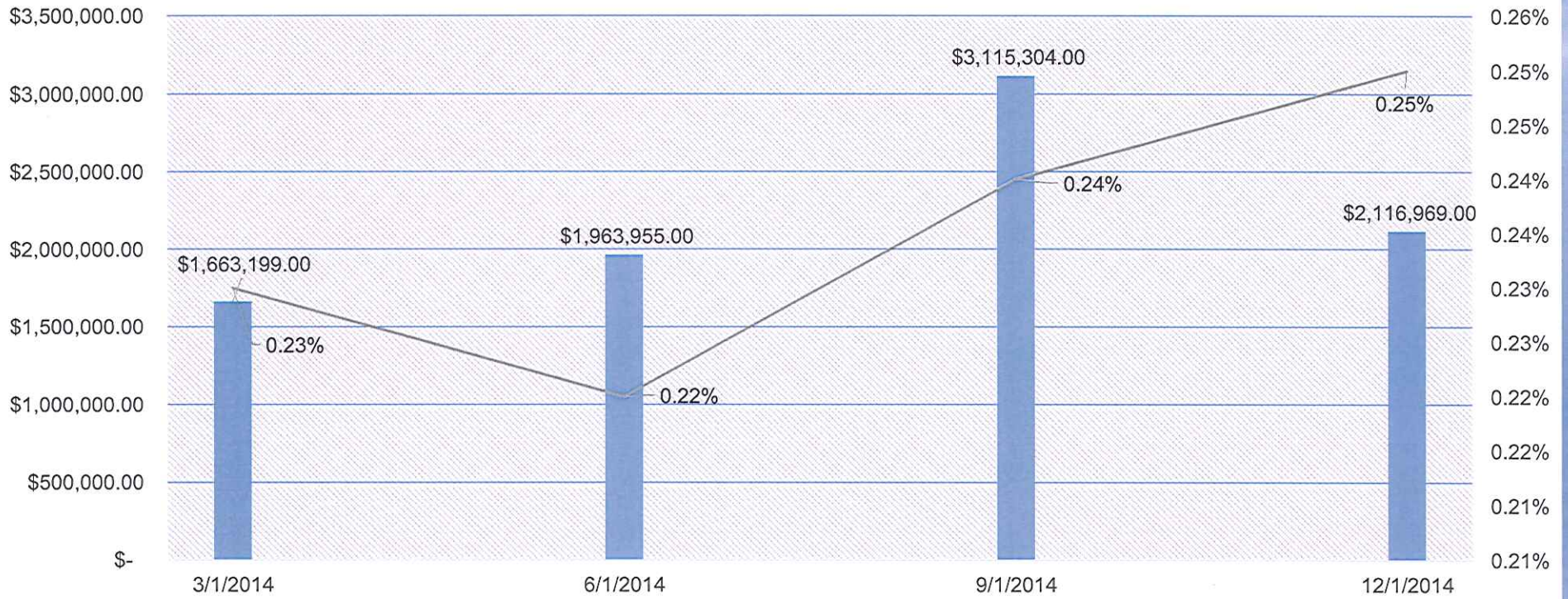
December 31, 2014





# LOCAL AGENCY INVESTMENT FUND

LAIF Value = \$2,116,969.00



	3/31/2014	6/30/2014	9/30/2014	12/31/2014
Account Balance	\$1,663,199.00	\$1,963,955.00	\$3,115,304.00	\$2,116,969.00
Interest Rate	0.23%	0.22%	0.24%	0.25%

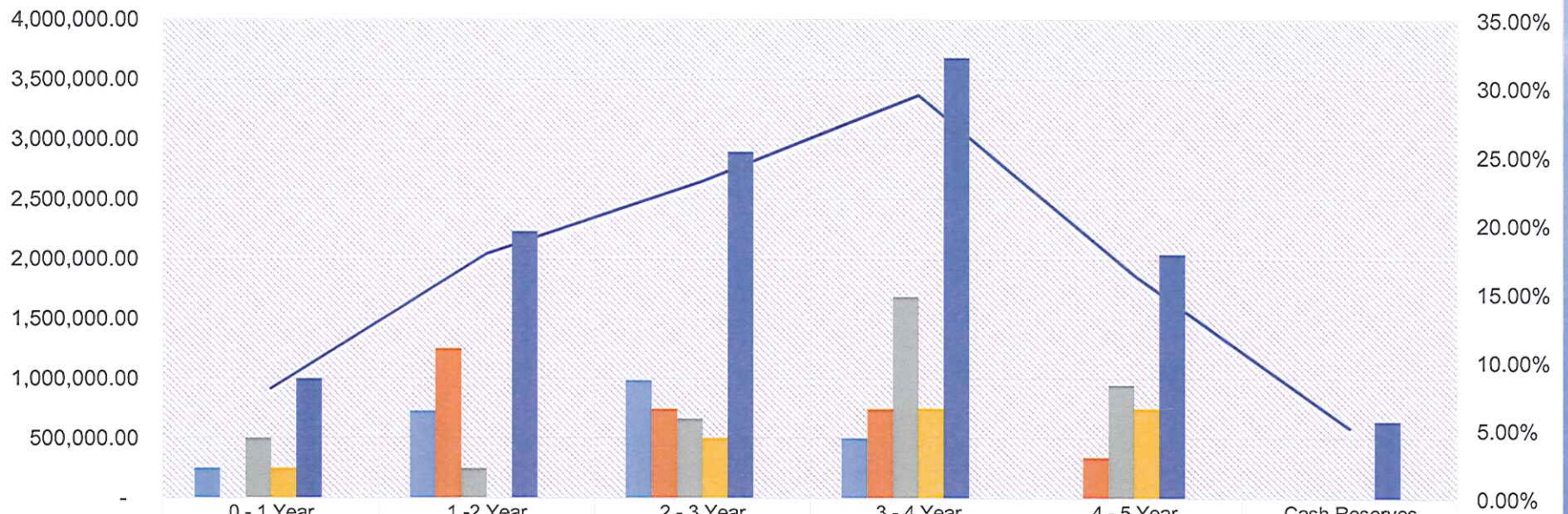
# CD PLACEMENT PORTFOLIO

Portfolio Value = \$2,176,000.00



# FIXED INCOME PORTFOLIO

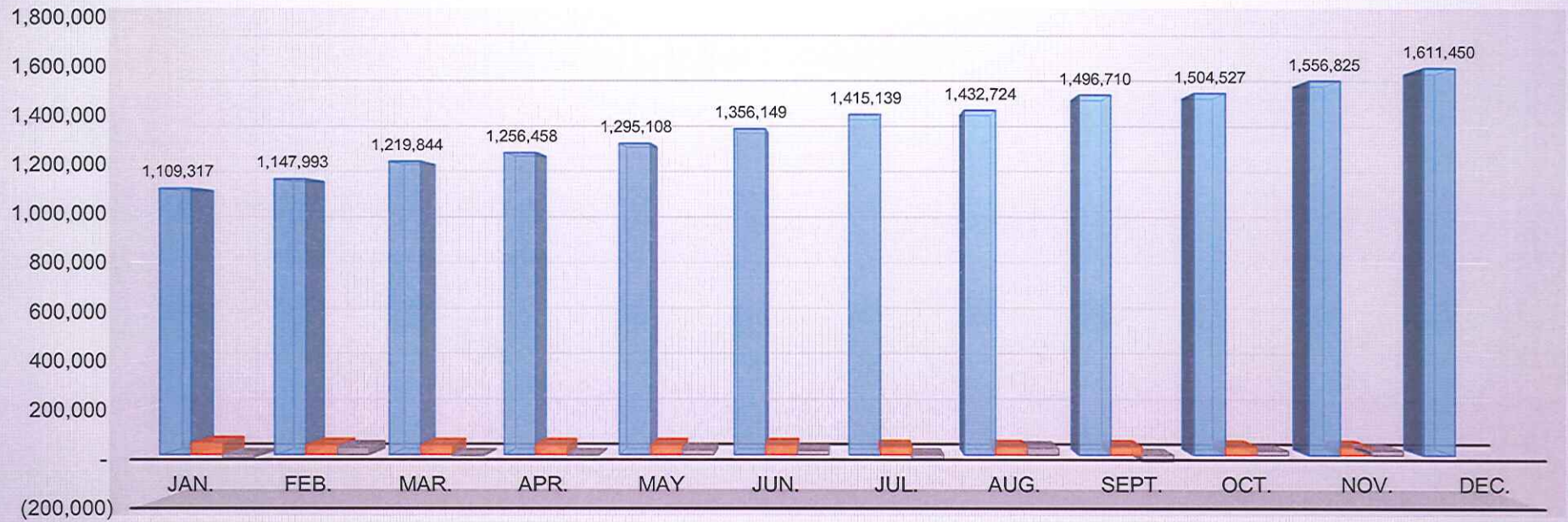
Portfolio Value = \$12,488,911.00



	0 - 1 Year	1 - 2 Year	2 - 3 Year	3 - 4 Year	4 - 5 Year	Cash Reserves
Jul. - Sept.	250,000.00	730,000.00	985,000.00	500,000.00	-	
Oct. - Dec.	-	1,250,000.00	745,000.00	745,000.00	340,000.00	
Jan. - Mar.	500,000.00	250,000.00	665,000.00	1,685,000.00	950,000.00	
Apr. - Jun.	250,000.00	-	500,000.00	750,000.00	750,000.00	
<b>Total Bond Portfolio</b>	<b>1,000,000.00</b>	<b>2,230,000.00</b>	<b>2,895,000.00</b>	<b>3,680,000.00</b>	<b>2,040,000.00</b>	<b>643,911.00</b>
Interest Rate	2.57%	1.38%	0.96%	1.15%	1.25%	0.01%
% of Portfolio	8.01%	17.86%	23.18%	29.47%	16.33%	5.16%

# GASB 45 OPEB TRUST

**OPEB Trust Value = \$1,611,450.39**  
**YTD Return: 5.72%**



	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
Balance	1,109,317	1,147,993	1,219,844	1,256,458	1,295,108	1,356,149	1,415,139	1,432,724	1,496,710	1,504,527	1,556,825	1,611,450
Contribution	50,000	41,000	41,000	41,000	41,000	41,000	35,000	35,000	35,000	35,000	35,000	
Earnings/Loss	(11,324)	30,850	(4,386)	(2,350)	20,041	17,991	(17,415)	28,986	(27,183)	17,298	19,625	

# 2012 ACQUISITIONS FUND

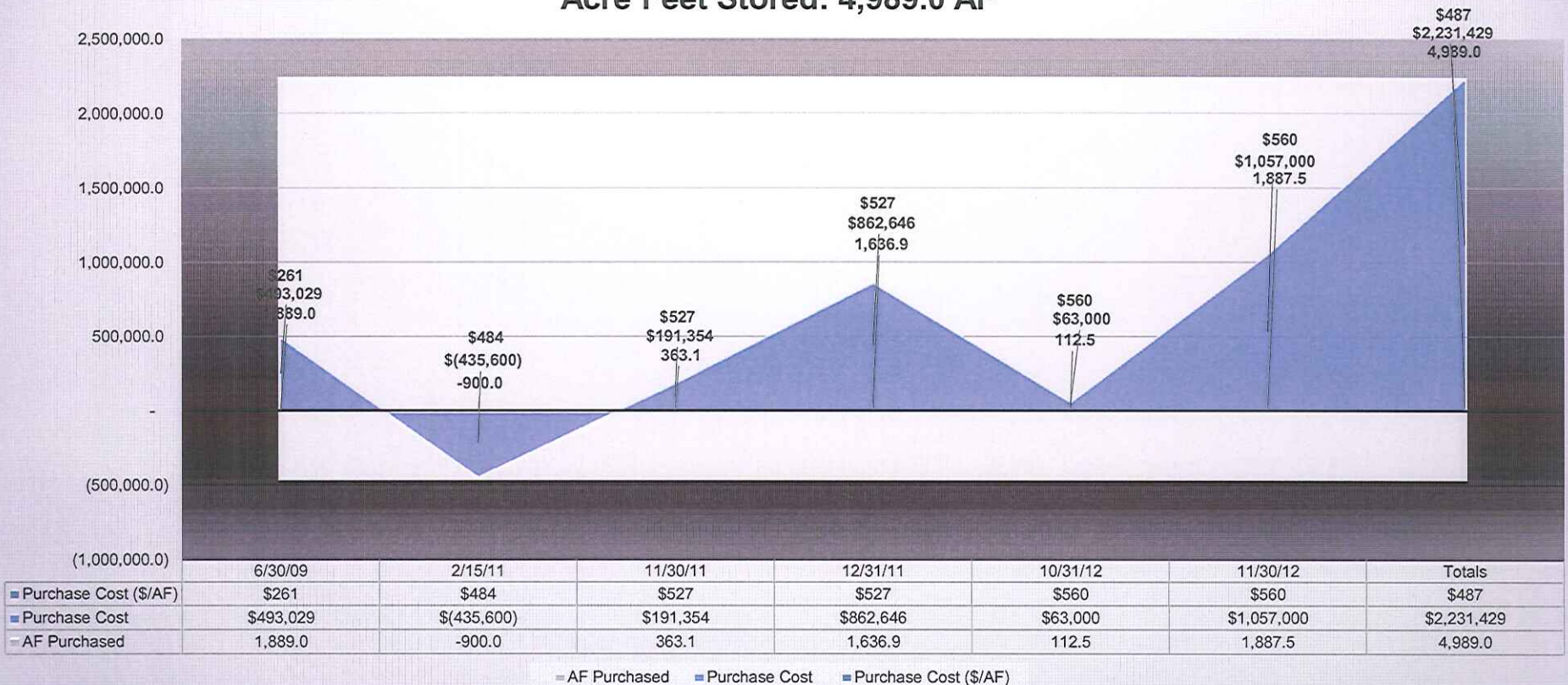
Acquisition Fund Value = \$14,329,060.00



	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
Balance	16,596,944	16,593,142	15,899,081	15,897,349	15,970,748	15,094,490	15,075,055	15,081,407	13,924,060	15,074,716	14,338,939	14,329,060
Accrued Income	31,726	44,821	53,039	71,216	7,411	20,696	33,999	47,301	52,461	65,767	7,350	20,581

# CYCLIC STORAGE VALUE

Water in Storage Audited Value = \$2,475,537.00  
 Acre Feet Stored: 4,989.0 AF



## ROWLAND WATER DISTRICT PORTFOLIO SUMMARY

### Unrestricted

- Local Agency Investment Fund \$2,116,969.00
- CD Placement Portfolio \$2,176,000.00
- Fixed Income Portfolio \$12,488,911.00

### Restricted

- GASB 45 OPEB Trust \$1,611,450.00
- Acquisition Fund \$14,329,060.00

### Water In-Storage

- Cyclic Storage \$2,475,537.00

**Totals:** \$35,197,927.00

**Tab**

**2.9**



**Rowland Water District  
Communication Strategies Update  
February 10, 2015**

- **Final Audit Review Press Release**
  - Released 1/14/15
- **Capital Improvement Projects**
  - Release and language in process
  - Highlight CIP progress, milestones and benefits to ratepayers/region
- **Northrup Grumman Superfund Release**
  - Drafted and under review
  - Collaborating with La Puente, Walnut & Northrup Grumman for comment and distribution
- **Additional Releases in Process**
  - Edu-Grants
  - Strategic Planning Process
- **Updated Strategic Plan**
  - Initial framework and planning in process
  - Planning session TBD
  - Plan adoption anticipated end of FY 2014/2015
- **On-going updates**
  - Website (sliders and text updated as needed)
  - On-Hold Messages (new year water use, education opportunities)

• Press Releases

Date	News Story	In Process	Completed	Distributed
6/30	CCR Available		*****	*****
7/24	Conservation Mandates		*****	*****
7/31	Bellflower Somerset	*****	*****	
9/9	Stage 2 – Mandatory Restrictions		*****	*****
9/15	Kiosk/Lobby Improvements		*****	*****
9/23	District Refinancing		*****	*****
10/1	Buckboard Days		*****	*****
10/1	Grant Application	*****		
10/21	New Legal Counsel		*****	*****
12/15	Management Transition		*****	*****
12/15	Northrop Grumman Superfund	*****		
12/29	Board Officers/Committee Assignments	*****	*****	*****
1/10/15	Edu-Grants - Brittne	*****		
1/14/15	Audit Review & Completion	*****	*****	*****
1/27/15	Strategic Planning Process	*****		
2/3/15	Capital Improvement Projects	*****		



## Memorandum

To: Board of Directors

From: Brittnie Van De Car  
Public Affairs Representative

Date: February 10, 2015

Re: Public Affairs & Education Update

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- Classroom Presentations (End of January and February):
  - January 29<sup>th</sup> & February 11<sup>th</sup>- Rowland Elementary School (after school program)
    - 1<sup>st</sup>-3<sup>rd</sup> Grade=Water Cycle Bracelet
      - 40 Students
    - 4<sup>th</sup>-6<sup>th</sup> Grade=Water Conservation Jeopardy Game
      - 40 Students
    - 80 total students
  - February 26<sup>th</sup>-Jellick Elementary School
    - Kindergarten
    - Water Cycle Bracelet
    - 30 students
  - 110 STUDENTS REACHED
- Observing the Youth Science Center partnership presentations at Blandford Elementary School over a three-day period in February
- Promoting Fix-A-Leak week which will be held during the week of March 16-19
- Researching new curriculum and activities for classroom presentations
- Created a Survey Monkey to send out to the teachers that have participated in the classroom presentations.
  - The Teacher Evaluations are anonymous and provide valuable feedback
  - The feedback is used to develop and enhance future presentations
- Keeping up-to-date with the WaterSense partnership program:
  - Printing appropriate promotional material and placing it at the Customer Service Counter for distribution to customers
  - Attending bi-monthly webinars on upcoming promotional items and programs put on by the Environmental Protection Agency (EPA) WaterSense program
- Updating the Lobby Player on a daily/weekly basis
- Checking the Google Analytics weekly (see attached data charts)
  - The "Website Visits and Pageviews" allows us to determine the number of new vs. returning visitors and the source of viewing
  - The "Pageviews" allows us to evaluate which pages on the website are viewed most frequently
- Adding all new customer emails to Constant Contact to be utilized as a customer newsletter database
  - Creating content, ideas and layout for quarterly e-newsletter

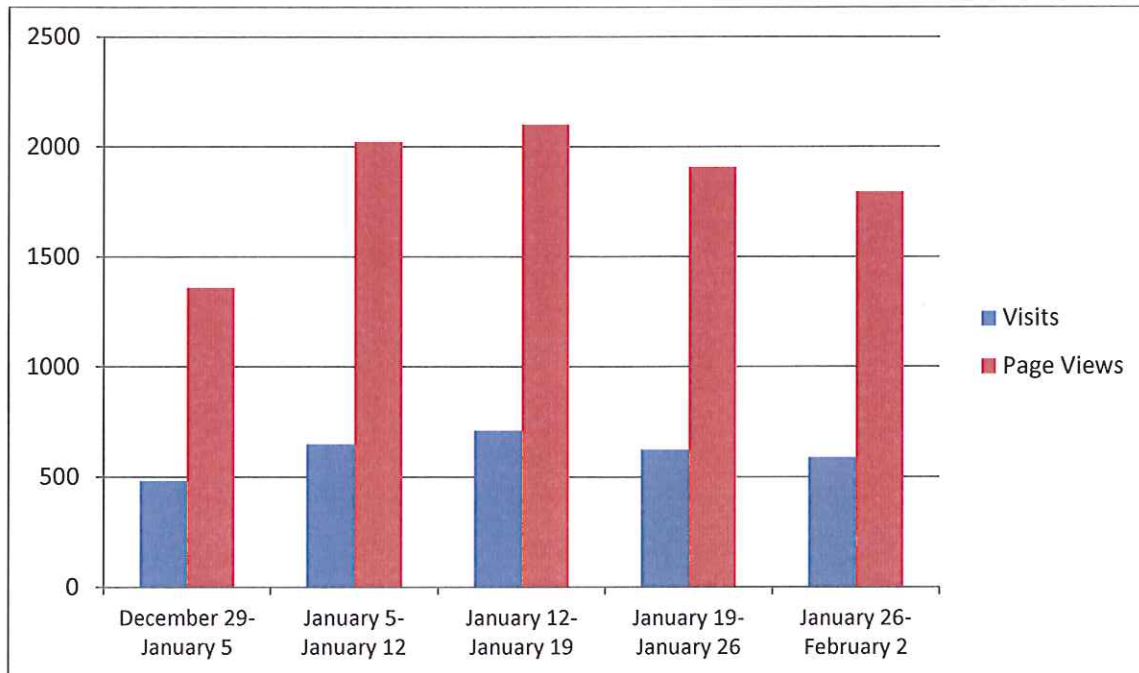


- Checking the District's FaceBook and Twitter page weekly
  - Posting necessary information on the pages
- Maintain and view District website on a daily basis
  - Update pages
  - Make relevant changes
  - Updating the Drought Monitor page weekly
  - Upload the Board packet, minutes and agendas when necessary
- Attended the MWD quarterly education meeting on January 22, 2015
- Attended the monthly WEWAC meeting on January 28, 2015

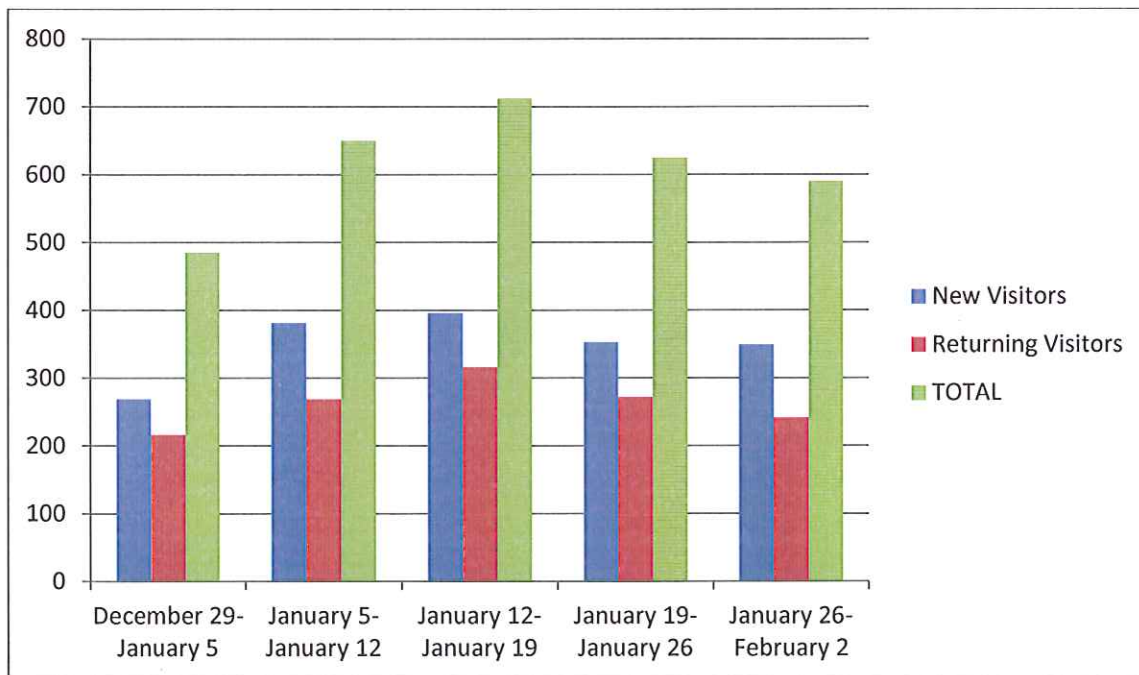
A handwritten signature in purple ink, reading "Brittnie L. Van De Car".

Brittnie L. Van De Car  
Public Affairs Representative

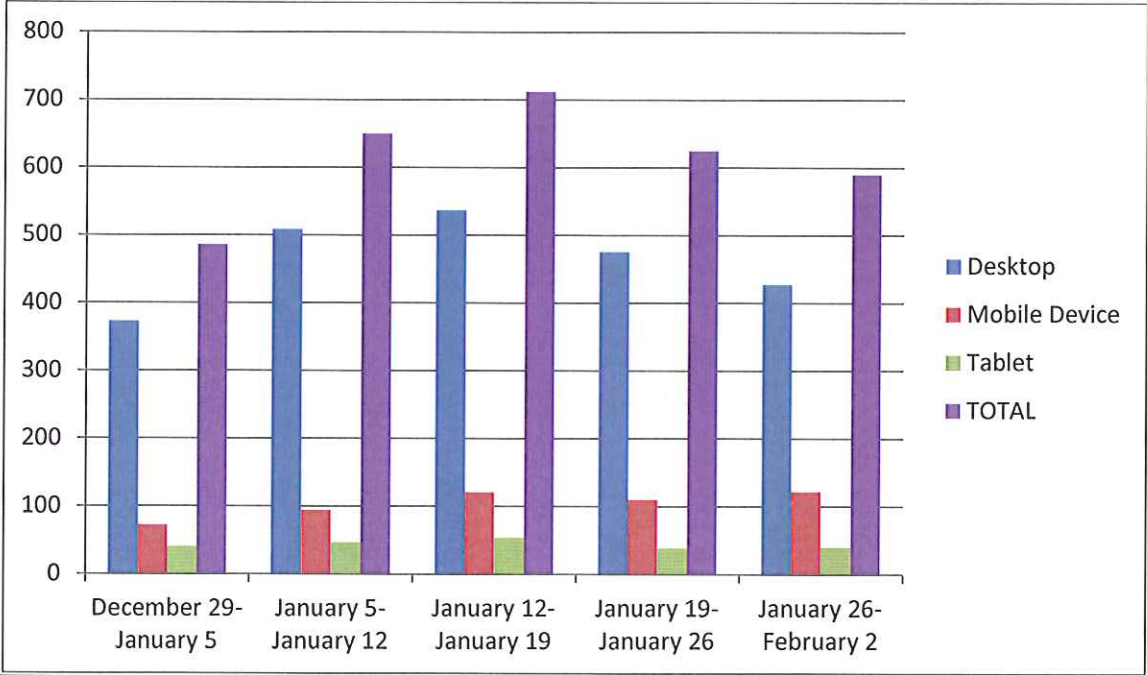
### Website Visits and Pageviews



### New vs. Returning Visitors



**Source of Viewing**



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**2.10**



# ELECTED OFFICIALS SUMMIT 2015

Bring your agency to the forefront by joining us for a powerful summit for water industry elected officials. Specially designed sessions focus on leadership development tactics and key industry information needed to guide a thriving public agency.



**KEYNOTE SPEAKER**  
**Sen. Byron Dorgan**  
*Former U.S. Senator,  
North Dakota*

The Road Ahead:  
How to fix our  
politics and policies  
to make America  
stronger!



**FEATURED  
SPEAKER**  
**Dan Walters**  
*SacBee  
Political Columnist*

The Politics of Water  
- California's  
Economic  
and Political Future



**FEATURED  
SPEAKER**  
**Buddy Hobar**  
*President,  
Solutions 21*

Gen Y Now!  
Millennials in the  
Workplace

**MARCH 29-30 | RENAISSANCE ESMERALDA HOTEL, INDIAN WELLS**

For more information, please contact  
Ken Deck at [Ken@cuema.org](mailto:Ken@cuema.org)

**CUEMA.ORG**



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## 5.1

**AGENDA  
REGULAR BOARD MEETING  
THREE VALLEYS MUNICIPAL WATER DISTRICT  
1021 EAST MIRAMAR AVENUE, CLAREMONT, CALIFORNIA**

Wednesday, January 21, 2015 at 8:00 AM

*As a matter of proper business decorum, the Board of Directors respectfully request that all cell phones be turned off or placed on vibrate. Also, to prevent any potential distraction of the proceeding, we request that side conversations be taken outside of the meeting room.*

<i>The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.</i>		
<b>1.</b>	<b>Call to Order</b>	<b>Kuhn</b>
<b>2.</b>	<b>Pledge of Allegiance</b>	<b>Kuhn</b>
<b>3.</b>	<b>Roll Call</b> <input type="checkbox"/> <b>Bob Kuhn, President, Division IV</b> <input type="checkbox"/> <b>David De Jesus, Vice President, Division II</b> <input type="checkbox"/> <b>Brian Bowcock, Secretary, Division III</b> <input type="checkbox"/> <b>Joe Ruzicka, Treasurer, Division V</b> <input type="checkbox"/> <b>Dan Horan, Director, Division VII</b> <input type="checkbox"/> <b>Carlos Goytia, Director, Division I</b> <input type="checkbox"/> <b>Fred Lantz, Director, Division VI</b>	<b>Executive Assistant</b>
<b>4.</b>	<b>Additions to Agenda [1] [2]</b> <i>(Government Code Section 54954.2(b)(2)</i> <i>Upon a determination by a two-thirds vote of the members of the board present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action, and that the need for action came to the attention of the district subsequent to the agenda being posted. The board shall call for public comment prior to voting to add any item to the agenda after posting.</i>	<b>Kuhn</b>
<b>5.</b>	<b>Reorder Agenda [2]</b>	<b>Kuhn</b>

6.	<p><b>Public Comment [2]</b> (Government Code Section 54954.3)</p> <p>Opportunity for members of the public to directly address the board on items of public interest that is within the subject matter jurisdiction of the district. The general public may also address the board on items being considered on this agenda. The district requests that all public speakers complete a speaker's card and provide it to the executive assistant.</p> <p><i>We request that remarks be limited to five minutes or less.</i></p>	Kuhn	
<p><b>Discussion and action items: The board of directors and staff will discuss the following items, and the board may consider taking action.</b></p> <p><i>(Items listed under the Consent Calendar are considered routine and will be enacted by one motion unless separate discussion is requested.)</i></p>			
7.	<p><b>Consent Calendar [1] [2]</b></p> <p>The board is being asked to consider the consent calendar items A-H as listed below. Consent calendar items are routine in nature and may be considered and approved by a single motion. Any member of the board may request that a specific item be pulled from the consent calendar for further discussion.</p>	<p>Motion # 15-01-5026</p> <p>Moved _____</p> <p>Second _____</p>	Kuhn
	<p><b>A. Receive, Approve and File Minutes – December 2014 [enc] [1] [2]</b></p> <ul style="list-style-type: none"> <li>• December 17, 2014 – Regular Board Meeting</li> </ul> <p><i>Staff recommendation: Receive, approve and file as submitted</i></p>	<b>Tab 1</b>	
	<p><b>B. Receive, Approve And File Financial Reports – December 2014 [enc] [1] [2]</b></p> <ul style="list-style-type: none"> <li>• Change In Cash and Cash Equivalent Position Report</li> <li>• Consolidated Listing of Investment Portfolio</li> <li>• YTD District Budget Monthly Status Report</li> <li>• Warrant Summary (Disbursements)</li> </ul> <p><i>Staff recommendation: Receive, approve and file as submitted</i></p>	<b>Tab 2</b>	
	<p><b>C. Sunshine Ordinance 13-04-20 [enc] [1] [2]</b></p> <p>The attached TVMWD Sunshine Ordinance, 13-04-20 was reviewed as part of the legal review held during the January 7, 2015 board meeting. There are no recommendations for modifications.</p> <p><i>Staff recommendation: Receive, approve and file as submitted without changes</i></p>	<b>Tab 3</b>	
	<p><b>D. TVMWD 2015 Legislative Priorities [enc] [1] [2]</b></p> <p>The attached 2015 legislative priorities are included for the board's general information.</p> <p><i>Staff recommendation: Receive, approve and file as submitted</i></p>	<b>Tab 4</b>	

	<p><b>E. Adopt Resolution No. 15-01-747 Placing In Nomination, Director Frederick “Brian” Bowcock To Fill The ACWA Region 8 Vacancy For The Unexpired 2014-15 Term [enc] [1]</b></p> <p>This item was reviewed by the board during their January 7, 2015 meeting and staff was directed to return to today’s meeting for formal action. Upon approval, staff will be directed to return nomination documents to ACWA Region 8 by February 12, 2015.</p> <p><i>Staff recommendation: Approve as submitted</i></p>	<b>Tab 5</b>	
	<p><b>F. Approve Contract Amendments with Richard C. Slade and Associates For TVMWD Production Well No. 2 [enc] [1]</b></p> <p>This item was reviewed during the January 7, 2015 meeting and staff was directed to return to today’s meeting for formal action to accept amendments No. 4 and 5 in the amount of \$32,109. Upon approval, the general manager will execute the agreement and forward same to contractor.</p> <p><i>Staff recommendation: Approve as submitted</i></p>	<b>Tab 6</b>	
	<p><b>G. Investment Update as of December 31, 2014 [enc] [2]</b></p> <p>Staff will provide an update of the district’s investments as of December 31, 2014.</p> <p><i>Information only</i></p>	<b>Tab 7</b>	
	<p><b>H. Approve Activities Calendars (January 2015 – March, 2015) [enc] [1] [2]</b></p> <p>The board will approve the event-activities calendars for January 2015 – March 2015 and provide direction to staff regarding listed events if any.</p> <p><i>Staff recommendation: Approve as submitted</i></p>	<b>Tab 8</b>	
<b>8.</b>	<b>General Manager’s Report [1] [2]</b>	<b>Hansen</b>	
	<p><b>A. Administration [1] [2]</b></p> <p>Staff will provide brief updates on existing matters under the guidance of Administration, and will be available to respond to any questions thereof.</p>		
	<p><b>1. Directors’ Expense Reports for December 2014 [enc] [1]</b></p> <p>The board will consider approval of the December 2014 directors’ expenses that include disclosure of per diem requests for meeting attendance, and an itemization of expenses incurred by the district.</p> <p><i>Staff recommendation: None</i></p>	<p><b>Motion # 15-01-5027</b></p> <p>Moved _____</p> <p>Second _____</p>	<b>Tab 9</b>



	<p><b>2. Approve Draft Facilitation and Non-Disclosure Agreement with Chino Basin Watermaster, and Interested Parties</b></p> <p>The board will consider approve of the draft Facilitation and Non-Disclosure Agreement with Chino Basin Watermaster and interested parties, of which Three Valleys MWD is one, and authorize the board president and legal counsel to execute agreement on behalf of the district. Note the agreement included for review is a draft and potential de minimis changes may occur between this copy and the actual copy signed. Legal counsel will alert staff if changes are beyond de minimis and require further consideration.</p> <p><i>Staff recommendation: Approve as submitted</i></p>	<p>Motion # 15-01-5028</p> <p>Moved _____</p> <p>Second _____</p>	<p><b>Tab 10</b></p>
<p><b>B.</b></p>	<p><b>Engineering and Operations [1] [2]</b></p> <p>Staff will provide brief updates on existing matters under the guidance of Engineering-Operations, and will be available to respond to any questions thereof.</p>		
	<p><b>1. Approve Interconnection Agreement Between TVMWD and City of Pomona [enc] [1]</b></p> <p>This item was reviewed during the January 7, 2015 meeting and staff was directed to return to today's meeting for formal action to enter into an interconnection agreement with the City of Pomona. Upon approval, the general manager will execute the agreement and forward same to city.</p> <p><i>Staff recommendation: Approve as submitted</i></p>	<p>Motion # 15-01-5029</p> <p>Moved _____</p> <p>Second _____</p>	<p><b>Tab 11</b></p>
	<p><b>2. Calendar Year Imported Water Purchases Tier 1 – December 2014 [enc] [2]</b></p> <p>Includes imported Tier 1 water sales for the month ending December 31, 2014.</p> <p><i>Information only</i></p>		<p><b>Tab 12</b></p>
	<p><b>3. Miramar Operations Report – December 2014 [enc] [2]</b></p> <p>Includes a summary of the following reports for the Miramar Operations Plant: water quality, monthly production, monthly and year-to-date sales, hydro-generation production and operations/maintenance review.</p> <p><i>Information only</i></p>		<p><b>Tab 13</b></p>

9.	<b>Directors' / General Manager Oral Reports [2]</b>	<b>All</b>
	<b>A. Local Agency Formation Commission (LAFCO)</b>	<b>Ruzicka</b>
	<b>B. Pomona Walnut Rowland (PWR) Joint Water Line Commission</b>	<b>Horan</b>
	<b>C. Six Basins Watermaster</b>	<b>Bowcock</b>
	<b>D. Main San Gabriel Basin Watermaster</b>	<b>Bowcock</b>
	<b>E. Chino Basin Watermaster</b>	<b>Kuhn</b>
	<b>F. San Gabriel Basin Water Quality Authority</b>	<b>Kuhn</b>
	<b>G. MWD Board</b>	<b>De Jesus</b>
	<b>H. Additional Board Member Reports/Comments</b>	<b>All</b>
	<b>I. Oral Staff Reports/Comments</b>	<b>Hansen</b>
10.	<b>Closed Session [1] [2]</b> <b>A. Conference with Legal Counsel – Anticipated Litigation</b> <i>[Significant Exposure to Litigation pursuant to Government Code Section 54956.9(d)(2)]</i> <ul style="list-style-type: none"> <li>• <i>One potential case</i></li> </ul>	<b>Kuhn</b>
11.	<b>Report On Closed Session Action [1] [2]</b>	<b>Kuhn</b>
12.	<b>Future Agenda Items [2]</b>	<b>Kuhn</b>
13.	<b>Adjournment</b> <i>Board adjourned to the February 4, 2015 Regular Board Meeting at 8:00 a.m.</i>	<b>Kuhn</b>

**American Disabilities Act Compliance Statement**  
*Government Code Section 54954.2(a)*



*Any request for disability-related modifications or accommodations (including auxiliary aids or services) that is sought in order to participate in the above agenda public meeting should be directed to the district's executive assistant at (909) 621-5568 at least 24 hours prior to meeting.*

**Agenda items received after posting**  
*Government Code Section 54957.5*

*Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the District Office located at, 1021 East Miramar Avenue, Claremont, CA. The materials will also be posted on the District's website at [www.threevalleys.com](http://www.threevalleys.com).*

The Three Valleys MWD Board meeting packets and agendas are available for review on the District's website at [www.threevalleys.com](http://www.threevalleys.com). The website is updated on Sunday preceding any regularly scheduled board meeting.



## THREE VALLEYS MWD BOARD OF DIRECTORS

# Action Line

### BOARD MEMBERS

CARLOS GOYTIA  
DIVISION I

DAVID D. DE JESUS  
DIVISION II

BRIAN BOWCOCK  
DIVISION III

BOB G. KUHN  
DIVISION IV

JOSEPH T. RUZICKA  
DIVISION V

JOHN W. "FRED" LANTZ  
DIVISION VI

DAN HORAN  
DIVISION VII

### THREE VALLEYS MWD

1021 E. Miramar Avenue

Claremont, CA 91711

Phone: 909-621-5568

Fax: 909-625-5470

www.threevalleys.com

**Board Meetings  
are scheduled  
the first and  
third Wednesday  
of each month at  
8:00 a.m.**

**For additional information: (909) 621-5568**

*The following is a summary of the Three Valleys Municipal Water District's Regular Board Meeting of Wednesday, **JANUARY 21, 2015***

**Approved: Motion No. 15-01-5026** approving the consent calendar items A-H as follows: (A) Receive, approve, and file December 2014 minutes for December 17, 2014; (B) Receive, approve, and file December 2014 financial reports: Change in Cash and Cash Equivalents Report, Consolidated Listing of Investment Portfolio, YTD District Budget Monthly Status Report, and Warrant Summary (Disbursements); (C) Receive, approve and file Sunshine Ordinance 13-04-20, without changes; (D) Receive, approve and file TVMWD 2015 Legislative Priorities; (E) Adopt Resolution No. 15-01-747 placing in nomination Director Frederick "Brian" Bowcock to fill the ACWA Region 8 board vacancy for the unexpired 2014-15 term; (F) Approve contract amendments with Richard C. Slade and Associates for TVMWD Production Well No. 2; (G) Receive and file investment update as of December 31, 2014; (H) Approve activities calendars for January — March 2015. **Motion No. 15-01-5026 was approved unanimously by a 7-0 vote.**

**Approved: Motion No. 15-01-5027** to authorize payment of director expense reports for December 2014. **Motion No. 15-01-5027 was approved unanimously by a 7-0 vote.**

*This summary may not include all agenda items and should not be construed as minutes of the meeting.*

TVMWD is a water resources management agency that covers approximately 133 square miles and is governed by an elected Board of seven officials. The present population is about 525,000. Since its formation, the Three Valleys Municipal Water District has installed some 37,000 feet of pipeline and delivered more than 175 billion gallons of water.



## *Action Line*

*January 21, 2015*

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**Approved:** Motion No. 15-01-5028 was approved authorizing the General Manager, Bob Kuhn, Board President, Legal Counsel and Director De Jesus as alternate to Watermaster, to execute a Facilitation and Non-Disclosure Agreement with Chino Basin Watermaster and Interested Parties upon review by legal counsel that the agreement with proposed amendments is in executable form. It was noted the agreement that was included in the agenda packet was a draft, and that legal counsel has not received a copy of the proposed amendments. **Motion No. 15-01-5028 was approved unanimously by a 7-0 vote.**

**Approved:** Motion No. 15-01-5029 to approve the interconnection agreement between TVMWD and City of Pomona. **Motion No. 15-01-5029 was approved unanimously by a 7-0 vote.**

### **NEXT MEETING:**

Wednesday, February 4, 2015 @ 8:00 a.m.— Regular Board Meeting Workshop

Wednesday, February 18, 2015 @ 8:00 a.m.— Regular Board Meeting

### ***Registration Now Open:***

*TVMWD Leadership Breakfast—Thursday, February 19, 2015*

*Dr. David Kimbrough, Water Quality Manager—City of Pasadena Water and Power*

*“2015: A New NPDES World for Drinking Water Providers”*

*RSVP: 909-621-5568 or by email to [cdechaine@tvmwd.com](mailto:cdechaine@tvmwd.com)*