



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
February 14, 2017 - 6:00 p.m.
Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

None.

OTHERS PRESENT:

Joseph P. Byrne, Legal Counsel, Best Best & Krieger
Erin La Combe Gilhuly, CV Strategies
Joe Ruzicka, Three Valleys Municipal Water District
Dan Horan, Three Valleys Municipal Water District
Kirk Howie, Three Valleys Municipal Water District
Teri Malkin, Resident
Kim Boehler, NBS Consultants
Regina Ma, Resident
Howard Hull, Resident
Rick Okawa, Resident
Bud Morrill, Resident
Ricky Lee, Resident
Annie Lin, Resident
Don Hamlin, Resident
Jeannie Ma, Resident
Jonathan Fan, Resident
C. K. Lao, Resident
Souka Sayavong, Resident
Richard Leu, Resident

ROWLAND WATER DISTRICT STAFF

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

ADDITION(S) TO THE AGENDA

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

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 January 10, 2017

1.2

Approval of the Minutes of Regular Board Meeting Held on January 24, 2017

1.3

Demands on General Fund Account for December 2016

1.4

Investment Report for December 2016

1.5

Water Purchases for December 2016

Next Special Board Meeting
Next Regular Board Meeting

February 21, 2017, 5:00 p.m.
March 14, 2017, 6:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Review and Approve Directors' Meeting Reimbursements for January 2017

Upon motion by Director Lewis, seconded by Director Lima, the Directors' Meeting Reimbursement Report was unanimously approved.

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

2.2

Public Hearing to Review Proposed Adjustments in Water Rates and Service Charges

Kim Boehler, NBS, the District's rate consultants, presented a Power Point presentation to those in attendance outlining the cost factors contributing to the proposed rate and service charge adjustments.

President Lu-Yang opened the Public Hearing at 6:55 p.m. Verbal comments were received from 6 members of the public on various issues related to the increase in water rates. Staff responded to questions and concerns posed by members of the public in connection with the proposed rate and service charge adjustments.

Without further objections, President Lu-Yang closed the Public Hearing at 7:12 p.m. President Lu-Yang called for a 15 minute break in order to tabulate the results for all valid written protests submitted prior to the close of the Public Hearing.

2.3

Review and Approve Resolution No. 2-2017 of the Board of Directors Adopting Rates and Service Charges for Potable and Recycled Water

Upon a report from the Secretary of the Board that only seventeen (17) written protests to the proposed rate increase had been received, the Board of Directors made a finding that the written protests represented less than the majority of the parcels subject to the rates and charges. After discussion by the Board, a motion was made by Director Lewis, seconded by Director Lima, to approve Resolution No. 2-2017 Adopting Rates and Service Charges for Potable and Recycled Water. The motion was unanimously approved by the following roll-call vote:

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios

Noes: None

Abstain: None

Absent: None

Motion was passed by a vote of 5-0.

2.4

Review and Approve White Nelson Diehl Evans LLP Proposal for Audit Services for Three Years Ending June 30, 2019

Finance Officer, Sean Henry, reported that the proposal from White Nelson Diehl Evans provided for an auditing fee of \$22,200 for 2016-17, \$23,000 for 2017-18 and \$23,800 for 2018-19. After discussion it was staff's recommendation that the Board approve the proposal for auditing services and upon motion made by Director Lima, seconded by Director Rios, and unanimously carried, the Proposal for three years Auditing Services ending June 30, 2019 was unanimously approved.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios

Noes: None

Abstain: None

Absent: None

2.5

Review and Approve White Nelson Diehl Evans LLP Proposal for Preparation of the Annual Report to the State Controller's Office for Three Years Ending June 30, 2019

Finance Officer, Sean Henry, reported that the proposal from White Nelson Diehl Evans for the preparation of the Special District's Financial Transaction Report and Supplement to the Annual Report in accordance with the format prescribed by the California State Controller's Office for three years ending June 30, 2019 provided for a fee of \$850 for 2016-17, \$875 for 2017-18 and \$900 for 2018-19. After discussion it was staff's recommendation that the Board approve the proposal for the supplemental report to the State Controller's Office and upon motion made by Director Lima, seconded by Director Bellah, and unanimously carried, the Proposal for the three years supplemental report to the State Controller's Office ending June 30, 2019 was unanimously approved.

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

2.6

Public Relations (Rose Perea)

The WEWAC Water Scholar Program deadline was January 30, 2017. Nine essays were received; none from within the District's service area. The flyers for the MWD Poster Contest will be distributed to the schools this week with an April 27, 2017 deadline. The Cherry Blossom Festival will be held at Schabarum Park on March 4, 2017. The District is preparing for Fix-a-Leak Week, March 20-24, 2017.

Communications Outreach (CV Strategies)

Erin La Combe Gilhuly, CV Strategies, reported that they have been working with staff in preparation of the 218 Public Hearing, conducted a workshop with the Board in preparation of the Public Hearing and have drafted a media holding statement. ACWA News has included two press releases prepared by CV Strategies, one on the "Statewide Recognition for Loss Prevention" award received by the District and the other press release on the District's Landscape Class which was featured on the home page. CV Strategies also prepared a Video with related information for posting to the District's website in connection with the Lake Oroville Reservoir spillway collapse. They are also in the process of finalizing a water shortage opinion piece.

Education Update

No comments.

2.6

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

- **Three Valleys MWD Leadership Breakfast, February 16, 2017, 7:30 a.m., Sheraton Fairplex, Pomona, CA**

Staff was asked to make reservations for the following Directors' attendance at the Leadership Breakfast: Directors Lewis, Lima and Bellah.

- **Regional Chamber of Commerce “Salute to Heroes Prayer Breakfast”, February 23, 2017, 9:30 a.m., Diamond Bar Center, 1600 Grand Avenue, Diamond Bar, CA**
Staff was asked to make reservations for the following Directors’ attendance at the Heroes Prayer Breakfast: Director Bellah
- **MWD Inspection Tour of Diamond Valley Lake, Friday, March 10, 2017, one-day trip departing from Three Valleys MWD**

Staff was asked to make reservations for the following Directors’ participation in the Diamond Valley Tour: Directors Bellah and Lewis
- **ACWA 2017 Spring Conference, May 9-12, 2017, Monterey, CA**
Staff was asked to make reservations for the following Directors’ attendance at the conference: Directors Lewis, Bellah and Lu-Yang.
- **California Special Districts Association, “Special Legislative Days”, May 16-17, 2017, Sacramento, CA**
After discussion and upon motion made by Director Bellah, seconded by Director Lewis, the Board approved Directors Lewis’ and Director Bellah’s attendance at the CSDA Legislative Days Conference and authorized the payment of *per diem compensation*. Staff was asked to make the reservation for Directors Lewis and Bellah to attend the conference.

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

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

President Lu-Yang and Director Lima reported on their attendance at the January 18, 2017 Board meeting and advised the Board on the State Water allocation and the status of the Twin Tunnel water project EIR, noting that the project is now out for public comment.

5.2

Joint Powers Insurance Authority

Director Lewis reported on Assembly Bill 1732 which requires businesses and places of public accommodation to offer a single-user restroom commencing on March 1, 2017.

General Manager, Tom Coleman, reported on his attendance at the JPIA Property Committee meeting and advised that coverage will be expanded in certain areas of the policy and that the rates will be set by the Executive Committee in April. This year rates will be held static with no increase. The rates will be re-evaluated after one year.

5.3

Association of California Water Agencies

Nothing to report.

5.4

Puente Basin Water Agency

Directors Lima and Lewis reported on their attendance at the February 7, 2017 meeting and advised that updates were provided on the California Domestic Water Company Project, the Pomona Basin Regional Groundwater Project and the Puente Valley Operable Unit Project. Resolution No. 02-17-007 appointing the following Agency officers was approved: Michael Holmes, Administrative Officer, Tom Coleman, Assistant Administrative Officer, Brian Teuber, Treasurer and Sean Henry, Assistant Treasurer. The annual selection of Commission Officers and staff was also approved, as follows: Theodore Ebencamp, Chairman, Anthony Lima, Vice-Chairman, Carmen Fleming, Secretary. Financial statements for the second quarter FY 2016-17 were reviewed and the 2017 PBWA meeting schedule was approved.

5.5

Project Ad-Hoc Committee

Nothing to report.

5.6

Regional Chamber of Commerce

Directors Lewis reported on his attendance at the Government Affairs Committee meeting held on February 13, 2017, and advised that reports from Congressional representatives were provided.

5.7

PWR Joint Water Line Commission

Nothing to report. The next meeting will be held in February 16, 2017.

5.8

Sheriff's Community Advisory Council

Nothing to report. The next meeting will be held in February.

5.9

Rowland Heights Community Coordinating Council

Director Bellah reported on his attendance at the February 13, 2017 meeting and noted that law enforcement officers reported that traffic enforcement will be monitoring Pathfinder Street and Blandford Street more frequently and that information on Measure H – “End Homelessness” was presented. An update on the status of the Royal Vista Golf Course was also provided.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Finance Report

Finance Officer, Sean Henry, reported that the water supply allocation for November, December and January were below the voluntary ten percent (10%) goal; revenue decreased due to the drought and there was a large reduction in reserves due to reduced demand.

6.2

Operations Report

Director of Operations, Dave Warren, provided pictures of a water leak on the PWR-Joint Water Line. A 30” butterfly valve was fatigued and the body of the valve cracked and was unrepairable. The contractor field welded a 30” spool and inserted it in place of the broken valve. A new 30” butterfly valve has been ordered, receipt of which is estimated to take 2-3 weeks.

6.3

Personnel Report

Nothing to report.

Tab 7 ATTORNEY’S REPORT

Nothing to report.

Directors’ and General Manager’s Comments

Directors Lu-Yang and Lewis commended General Manager, Tom Coleman, and staff on the manner in which the 218 Public Hearing was conducted.

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 8:44 p.m.

SZU PEI LU-YANG
Board President

Attest: _____
TOM COLEMAN
Board Secretary