



CALL AND NOTICE OF SPECIAL MEETING AND AGENDA

Special Meeting of the Board of Directors
3021 South Fullerton Road
Rowland Heights, CA 91748

November 22, 2011 at 4 p.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ADDITION(S) TO THE AGENDA

PUBLIC COMMENT ON AGENDA ITEMS

Any member of the public wishing to address the Board of Directors regarding items on the Agenda or other matters within the subject matter jurisdiction of the Board should do so at this time. The Board may allow additional input on Agenda items during the meeting. 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 Nicole Palacios, 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.

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 ACTION ITEMS

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

- 1.1 Approve Resolution No. 11.1-2011 Establishing New Water Rates Under Automatic Adjustment for Increase in Wholesale Water Cost**
Recommendation: The Board of Directors approve Resolution 11.1-2011.
- 1.2 Approve Resolution No. 11.2-2011 Concurring in the Nomination of Ronald S. Richard as a Member of the Board of Directors of the Association of California Water Agencies Health Benefits Authority**
Recommendation: The Board of Directors approve Resolution 11.2-2011.
- 1.3 CLOSED SESSION**
Conference with Legal Counsel – Existing Litigation
(Subdivision (a) of §54956.9)
Name of case: In re: IH 1, Inc. f/k/a Indalex Holdings Finance, Inc. etc., Debtors; George Miller, etc., Plaintiff vs. Rowland Water District, Defendant. Chapter 7
Case No: 09-10982 (PJW); Adversary No.: 11-51451 (PJW)
- 1.4 Strategic Planning Workshop: Establishment of Priorities in the Development of the District's Strategic Plan.**

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.

Next Regular Meeting of the Board of Directors to be held December 13, 2011.

ADJOURNMENT

President Anthony J. Lima, Presiding

Tab

1

1.1



RESOLUTION 11.1-2011

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE ROWLAND WATER DISTRICT
ESTABLISHING NEW WATER RATES UNDER AUTOMATIC ADJUSTMENT
FOR INCREASE IN WHOLESALE WATER COST**

WHEREAS, the Board of Directors of Rowland Water District has previously adopted Resolution No. 9-2009 establishing policies and procedures governing water service provided by the District, including the setting of rates and charges, terms and conditions of service, procedures for establishing new connections and rules and regulations applying to use; and,

WHEREAS, The water rate schedule established by Resolution No. 9-2009 provides for an automatic adjustment of the potable water rates charged to District customers, at such time as Three Valleys Municipal Water District increases or decreases the wholesale cost of water charged to Rowland Water District, in the same amount as the increase or decrease in wholesale costs; and,

WHEREAS, Three Valleys Municipal Water District has adopted an increase in the price of wholesale water of seven and one-half percent (7.5%) on both Tier 1 and Tier 2 water sold to Rowland Water District effective January 1, 2012; and,

WHEREAS, staff has determined that the adopted increase in the wholesale cost of water to the District of \$0.11 per hundred cubic feet for the District's initial two blocks of usage and \$0.12 for the District's highest block of usage due to the differential between the Tier 1 and Tier 2 price the District will be required to pay if it exceeds the Tier 1 allocation; and,

WHEREAS, the staff report showing the calculations and supporting data were reviewed by the Board of Directors and determined that the adjusted rates conform to the requirements of the automatic adjustment provisions of the water service policy adopted in accordance with Government Code Section 53756;

NOW THEREFORE, be it resolved by the Board of Directors of the Rowland Water District as follows:

1. FINDINGS:

The Board of Directors finds that the adjustments to the rates for potable water provided by the District is equal to the increase in the adopted increase in wholesale water charges established for water by Three Valleys Municipal Water District.

2. ADOPTION OF AMENDED SCHEDULE OF RATES AND CHARGES.

Effective January 1, 2012 the rates for potable water service shall be adjusted as follows:

Single Family Residential Inclining Block Rates: The commodity rates for the single family residential class of service shall vary according to the amount of water delivered in a billing period with the initial quantity of water charged at a lower rate, (inclining block rate) to encourage conservation and discourage waste of potable water supplies. The schedule below is based on a monthly billing period. If the customer is on a bi-monthly billing period, the quantities charged at each level will be doubled (i.e., the first block will be from 1-32 hcf; the second block will be from 33-46 hcf, and quantities in excess of 47 hcf through a single family meter will be charged at the highest rate).

Pressure Zone	Usage in hcf	Rate effective 1/1/12
Zone I	1 – 16/hcf	\$2.30/hcf
	17 – 23/hcf	\$2.61/hcf
	24 + hcf	\$3.30/hcf
Zone II	1 – 16/hcf	\$2.43/hcf
	17 – 23/hcf	\$2.74/hcf
	24 + hcf	\$3.43/hcf
Zone III	1 – 16/hcf	\$2.54/hcf
	17 – 23/hcf	\$2.85/hcf
	24 + hcf	\$3.55/hcf
Zone IV	1 – 16/hcf	\$2.98/hcf
	17 – 23/hcf	\$3.29/hcf
	24 + hcf	\$3.98/hcf
Zone V	1 – 16/hcf	\$3.23/hcf
	17 – 23/hcf	\$3.55/hcf
	24 + hcf	\$4.24/hcf
Zone VI	1 – 16/hcf	\$3.41/hcf
	17 – 23/hcf	\$3.72/hcf
	24 + hcf	\$4.41/hcf

Potable Water Rates for Commercial and Multi-family: There shall be a uniform charge per one hundred cubic feet (hcf) plus a pumping charge covering the energy cost to pump water to each zone of elevation over Zone 1. 1 hcf =100 cubic feet or 748 gallons.

Pressure Zone	Rate effective 1/1/12
Zone I	\$2.32/hcf
Zone II	\$2.45/hcf
Zone III	\$2.56/hcf
Zone IV	\$3.00/hcf
Zone V	\$3.25/hcf
Zone VI	\$3.43/hcf

Construction/Temporary and Fire Service Potable Water Rates:

Pressure Zone	Rate 1/1/12 (Potable)
Zone I	\$3.45/hcf
Zone II	\$3.65/hcf
Zone III	\$3.81/hcf
Zone IV	\$4.47/hcf
Zone V	\$4.85/hcf
Zone VI	\$5.12/hcf

3. OTHER RATES AND CHARGES UNCHANGED

Except as adjusted herein, the rates for recycled water service and other rates and charges established under the District's Water Service Policy shall remain unchanged.

4. NOTICE TO CUSTOMERS

The General Manager shall cause notice of the adjustment of the rates for potable water service to all customers of the District by means of direct mailing, in sufficient time so that notice is received by the customers not less than 30 days prior to the effective date of the adjustment.

ADOPTED at the special meeting of the Board of Directors of the Rowland Water District held November 22, 2011, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Anthony J. Lima
Board President

ATTEST:

KEN DECK
Board Secretary

Rowland Water District Memorandum



To: **Board of Directors**

From: **Ken Deck, General Manager**

Date: **November 22, 2011**

Cc:

Subject: **January 1, 2012 Water Rate Increase**

Effective January 1, 2012 RWD's potable water rates will increase by 7.5%.

Metropolitan's Tier 1 water rate will increase from \$744/a.f. to \$794/a.f. and Three Valley's pass through rate to RWD is \$793. This \$49.00 increase amounts to \$.11 per unit and affects levels 1 and 2 of our tiered rate structure.

Metropolitan's Tier 2 water rate will increase from \$869/a.f. to \$920/a.f. and Three Valley's pass through rate to RWD is \$919. This \$50.00 increase amounts to \$.12 per unit and affects level 3 of our tiered rate structure.


Ken

/rp



**Notice of Water Rate Increase
Effective January 1, 2012**

NOTICE IS HEREBY GIVEN, that the rates for water service provided by Rowland Water District will increase for water delivered on and after January 1, 2012 as set forth in the tables below.

Rowland Water District (RWD) purchases 100% of its potable (drinking water) water supply from Metropolitan Water District of Southern California (Metropolitan) through Three Valleys Municipal Water District (Three Valleys). On September 8, 2009, the Board of Directors of RWD adopted a Consolidated Water Service Policy which established rates for water service and provided for automatic adjustment of water rates at such time as wholesale rate for potable water paid by RWD is increased or decreased by Three Valleys. Wholesale cost for imported water purchased from Three Valleys will increase in January 1, 2012, which will increase the cost to RWD of providing water service within its service area. The increase to RWD's potable water rates for all classes of potable water service is equal to the increase in the wholesale rate that RWD will incur and will be necessary to ensure that RWD continues to have sufficient revenues to provide a safe and reliable water supply.

The following tables depict the current water rates and the increase that will take effect on January 1, 2012.

Potable Water Rates for Single Family Residential: (The new rates are an adjustment to the existing three-tiered rate structure, which is based on monthly usage. The rates are charged per unit, (one hundred cubic feet "hcf"), plus a pumping charge covering the energy cost to pump water to each zone of elevation over Zone I). 1 hcf= 100 cubic feet or 748 gallons.

Pressure Zone	Usage in hcf	Current Rate	New Rate 1/1/12
Zone I	1 – 16/hcf	\$2.19/hcf	\$2.30
	17 – 23/hcf	\$2.50/hcf	\$2.61
	24 + hcf	\$3.18/hcf	\$3.30
Zone II	1 – 16/hcf	\$2.32/hcf	\$2.43
	17 – 23/hcf	\$2.63/hcf	\$2.74
	24 + hcf	\$3.31/hcf	\$3.43
Zone III	1 – 16/hcf	\$2.43/hcf	\$2.54
	17 – 23/hcf	\$2.74/hcf	\$2.85
	24 + hcf	\$3.43/hcf	\$3.55
Zone IV	1 – 16/hcf	\$2.87/hcf	\$2.98
	17 – 23/hcf	\$3.18/hcf	\$3.29
	24 + hcf	\$3.86/hcf	\$3.98
Zone V	1 – 16/hcf	\$3.12/hcf	\$3.23
	17 – 23/hcf	\$3.44/hcf	\$3.55
	24 + hcf	\$4.12/hcf	\$4.24
Zone VI	1 – 16/hcf	\$3.30/hcf	\$3.41
	17 – 23/hcf	\$3.61/hcf	\$3.72
	24 + hcf	\$4.29/hcf	\$4.41

1.2



RESOLUTION 11.2-2011

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE ROWLAND WATER DISTRICT
CONCURRING IN NOMINATION OF RONALD S. RICHARD
AS A MEMBER OF THE BOARD OF DIRECTORS OF THE ASSOCIATION OF
CALIFORNIA WATER AGENCIES HEALTH BENEFITS AUTHORITY**

WHEREAS, the Rowland Water District is a member Agency of the Association of California Water Agencies Health Benefits Authority (ACWA HBA); and

WHEREAS, the Bylaws of the ACWA HBA provide that in order for a nomination to be made to ACWA HBA's Board of Directors, three member Agencies must concur with the nominating Agency; and,

WHEREAS, another ACWA HBA member Agency, the Orchard Dale Water District has requested that Rowland Water District concur in its nomination of an eligible person to serve on the ACWA HBA Board of Directors.

THEREFORE, BE IT RESOLVED, by the Board of Directors of the Rowland Water District that this member Agency concurs with the nomination of Ronald S. Richard of the Orchard Dale Water District to the Board of Directors of the ACWA HBA.

BE IT FURTHER RESOLVED, that the Agency is hereby directed to transmit a certified copy of this Resolution to the ACWA HBA, forthwith.

ADOPTED at the special meeting of the Board of Directors of the Rowland Water District held November 22, 2011, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Anthony J. Lima
Board President

ATTEST:

KEN DECK
Board Secretary

I, KEN DECK, Secretary to the Board of Directors of ROWLAND WATER DISTRICT, hereby certify that the foregoing Resolution was introduced at a special meeting of the Board of Directors of said District, held on the 22nd day of November, 2011, at which time a quorum was present, and no motion to amend or rescind the above resolution was made.

ATTEST:

KEN DECK
Secretary to the Board of Directors of
ROWLAND WATER DISTRICT

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**THE
INFORMATION
RELATED TO
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BE PROVIDED AT
THE BOARD OF
DIRECTORS
MEETING**