



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

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

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

None

OTHERS PRESENT:

Janet Morningstar, Legal Counsel
Dan Horan, Three Valleys Municipal Water District
Joe Ruzicka, Three Valleys Municipal Water District
Erin Gilhuly, CV Strategies
David Malkin, Rowland Heights Resident
Teri Malkin, Rowland Heights Resident
Stephen Blagden, La Habra Heights Resident
George Edwardz, The Avocado Express

ROWLAND WATER DISTRICT STAFF:

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

ADDITION(S) TO AGENDA

None

PUBLIC COMMENT ON AGENDA ITEMS

Mr. Stephen Blagden, La Habra Heights resident, presented comments on proposed Agreement between Rowland Water District, Orchard Dale Water District and La Habra Heights Water District.

Tab 1 - CONSENT CALENDAR

Upon motion by Director Lewis, seconded by Vice President Lu-Yang, the Consent Calendar was approved as presented. The motion was unanimously carried.

The approval of the Consent Calendar included:

1.1

Approval of the Minutes of Regular Board Meeting Held on March 13, 2012

1.2

Approval of the Minutes of Special Board Meeting Held on March 16, 2012

1.3

Approval of the Minutes of Special Board Meeting Held on March 27, 2012

1.4

Demands on General Fund Account for March 2012

1.5

Investment Report for March 2012

1.6

Calendar of events for April and May 2012

Tab 2 - ACTION ITEMS

2.1

Approve Directors' Meeting Reimbursements for March 2012

Upon motion by Director Lewis, seconded by Vice President Lu-Yang, the Directors' Meeting Reimbursement Report was approved as presented. The motion was unanimously carried.

2.2

Public Hearing to Adopt a Mitigated Negative Declaration and Mitigated Monitoring and Reporting Program for the Joint Effort Regional Water Supply Project

Board President Lima opened the Public Hearing at 6:17 p.m. Mr. Stephen Blagden, La Habra Heights resident, submitted a response letter which included comments to the Draft Mitigated Negative Declaration Joint Effort Regional Water Supply Project. General Manager, Ken Deck, advised that Mr. Blagden's comments had previously been addressed. Mr. George Edwardz, Avocado Express, commented on the need for fire hydrants along the project site. Mr. W. David Byrum, Civiltec Engineering, responded regarding the fire protection system and advised that

this project does not create additional fire danger and, thus, requires no mitigation. Neither Mr. Blagden's nor Mr. Edwardz' comments required modification to the Mitigated Negative Declaration. There being no further Public comment, President Lima closed the Public Hearing at 6:35 p.m.

2.3

Review and Approve Resolution No. 4-2012 Adoption of Final Mitigated Negative Declaration for the Joint Effort Regional Water Supply Project

Director Lewis requested additional information on the requirement for fire protection. Legal counsel, Janet Morningstar, addressed this by adding that this Project does not create a fire hazard which would require mitigation. General Manager, Ken Deck, advised that this project is strictly a transmission pipeline. Mr. Byrum provided information on wildfires and advised that the Department of Fish and Game had no comments on the Mitigated Negative Declaration documents.

A motion was made by Director Lewis, seconded by Director Rios, and unanimously carried to approve Resolution No. 4-2012 adopting the Final Mitigated Negative Declaration for the Joint Effort Regional Water Supply Project, upon the following roll call vote:

Roll call vote.

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

Noes: None

Absent: None

Abstain: None

Motion was passed by a vote of 5-0.

2.4

Review and Approve Resolution No. 4.1-2012 Designating Citizens Business Bank as Depository for Funds of Rowland Water District and Pomona-Walnut-Rowland Joint Waterline Commission

Finance Officer, Sean Henry, outlined the services provided by Citizens Business Bank and the cost savings which the District will benefit from. He advised that three banks had been considered and that Citizens Business Bank had the best proposal. The cost savings would be approximately \$6,000.00 per year. He indicated that since Rowland Water District is the Treasurer for the Pomona-Walnut-Rowland Joint Waterline Commission (PWR-JWL Commission), he recommended designating Citizens Business Bank for the PWR-JWL Commission as well. He advised that the contract with Citizens Business Bank can be cancelled at any time without penalty. General Manager, Ken Deck, informed the Board that a lock box will be utilized through Citizens Business Bank, in which customer payments are sent to a P. O. Box and are collected and processed by the bank rather than by District personnel. This system will provide for more efficient posting of payments. He also reported that the District will be upgrading the night payment box and is looking into the possibility of a kiosk to accommodate its customers.

A motion was made by Vice President Lu-Yang, seconded by Director Rios, and unanimously carried to approve Resolution No. 4.1-2012 Designating Citizens Business Bank as Depository for Funds of Rowland Water District and Pomona-Walnut-Rowland Joint Waterline Commission, upon the following roll call vote:

Roll call vote.

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

Noes: None

Absent: None

Abstain: None

Motion was passed by a vote of 5-0.

2.5

Receive and File Puente Basin Water Agency Basic Financial Statements June 30, 2011 and 2010

President Lima reported that the Puente Basin Commissioners have reviewed and approved the Audited Financial Statements. A motion was made by Director Lewis, seconded by Vice President Lu-Yang, and unanimously carried to receive and file the Puente Basin Water Agency Basic Financial Statements.

2.6

Consider Sponsorship of the Kiwanis Club Annual Scholarship Dinner on April 22, 2012

Mr. Malkin, Rowland Heights resident, advised that the date on the initial letter was incorrect and that the date of the dinner is Sunday, May 6, 2012. Mr. Deck described the sponsorship options available and advised that CV Strategies would prepare a message to be included in the program, promoting water conservation or other appropriate initiatives of the District. It was the consensus of the Board that the District purchase the Gold Sponsorship for \$250.00 which includes a one-half page ad in the program, table placard, banner display and four tickets. The Board felt that this is an excellent opportunity to get the District's message out in the community. Directors Lewis, Bellah, Rios and Lu-Yang indicated that they would attend the dinner. Additional tickets can be purchased for \$25.00 each, if necessary.

A motion was made by Vice President Lu-Yang, seconded by Director Bellah, and unanimously carried to purchase the Gold sponsorship for \$250.00

2.7

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

- ACWA Region 8 "What Lies Beneath? A Look at Groundwater in the Central Basin, June 1, 2012, 9:00 a.m. - 3:00 p.m. at the Water Replenishment District, Lakewood, CA

Staff was instructed to make reservations for Directors Lewis, Rios and Bellah for their attendance at the ACWA Region 8 Program on June 1, 2012.

2.8

Review and Approve Resolution No. 4.2-2012 Approving Membership in the ACWA Joint Powers Insurance Authority, Consenting to Join the Health Benefits Program of the ACWA Joint Powers Insurance Authority, Ratifying the Action of the ACWA Health Benefits Authority Board of Directors to Terminate the Health Benefits Authority Joint Powers Agreement, and Authorizing and Directing the General Manager to Execute all Necessary Documents

General Manager, Ken Deck, provided background information on the Health Benefits Authority separation from ACWA and their subsequent joining with the Joint Powers Authority and advised that this new union could potentially save the member agencies money in connection with their health benefits.

A motion was made by Director Lewis, seconded by Director Bellah, and unanimously carried to approve Resolution No. 4.2-2012 Approving Membership in the ACWA Joint Powers Insurance Authority, Consenting to Join the Health Benefits Program of the ACWA Joint Powers Insurance Authority, Ratifying the Action of the ACWA Health Benefits Authority Board of Directors to Terminate the Health Benefits Authority Joint Powers Agreement, and Authorizing and Directing the General Manager to Execute all Necessary Documents upon the following roll call vote:

Roll call vote.

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

Noes: None

Absent: None

Abstain: None

Motion was passed by a vote of 5-0.

2.9

Approve Sponsorship of Regional Chamber of Commerce Green Conference

Vice President Lu-Yang expressed to the Board that she felt that this conference would be an excellent venue to educate the public on what the District is doing in the community. General Manager, Ken Deck, recommended that the Board authorize staff to purchase the \$2,500.00 sponsorship with the objective of presenting a panel and leading a break-out session at the conference, provided staff can prepare a quality program in partnership with CV Strategies, on an appropriate topic promoting District purposes. If this is not feasible by the conference date, May 2, 2012, then it would be his recommendation to purchase the \$750.00 sponsorship. In either instance, he requested that the Board give staff the flexibility to make that determination.

A motion was made by Director Lewis, seconded by Director Bellah, and unanimously carried to rely on staff to assess the possibility of preparing an appropriate program, in partnership with CV Strategies, promoting the District's message for participation in the Regional Chamber of Commerce Green Expo and Conference to be held on May 2, 2012, for a sponsorship in the amount of \$2,500.00. If this is not possible by the conference date of May 2, 2012, then the Board authorizes the sponsorship in the amount of \$750.00.

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

Nothing to report.

Tab 4 REVIEW OF CORRESPONDENCE

None.

Tab 5 COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

Vice President Lu-Yang discussed the March 21, 2012 Board meeting and advised that voting on their participation in the San Gabriel Valley Summit and the decision as to whether they will sponsor the event in September in the amount of \$10,000.00 will be put to a vote at a future Board meeting.

5.2

Joint Powers Insurance Authority

Nothing to report.

5.3

Association of California Water Agencies

Nothing to report.

5.4

Project Ad-Hoc Committee

Vice President Lu-Yang reported that the Committee reviewed the Mitigated Negative Declaration responses to ensure that all comments had been addressed.

5.5

Regional Chamber of Commerce

Vice President Lu-Yang again referred to the Regional Chamber of Commerce Green Expo & Conference to be held on May 2, 2012 and noted that the Mt. San Antonio College Farmers Market continues to be held on Saturdays. Director Lewis reported on the Government Affairs Committee (GAC) and advised that Senator Huff had introduced new legislation addressing pension reform. Mr. Ruzicka, Three Valleys, encouraged District staff to attend the GAC meetings.

5.6

PWR Joint Water Line Commission

Director Bellah advised that the next meeting will be held in June. Mr. Henry responded to Director Bellah's request for clarification on payments included in the general ledger.

5.7

Puente Basin Water Agency

President Lima advised that the changes to the Main San Gabriel Basin Judgment are still pending, RMC Project is proceeding, negotiations with the Central Basin are continuing and approval of the La Habra Heights Agreement is also pending.

5.8

Sheriff's Community Advisory Council

Nothing to report.

5.9

Rowland Heights Community Coordinating Council

Director Bellah reported on the major issues:

- (1) On-going prison reform with the proposal of moving inmates to the local level; and
- (2) Superintendent for Rowland Unified, Maria Ott, advises that over-all enrollment is down in the Rowland Unified School District which has affected District income. The school population is down approximately 2,000 in the last four years.

Tab 6 ATTORNEY'S REPORT (Ms. Morningstar)

Nothing to report.

President Lima re-ordered the Agenda and moved Tab 8 to this point.

Tab 8 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

8.1

Public Relations

Mrs. Perea reported that the deadline for entries to the Water Conservation Contest (formerly Video/PSA Contest) was March 16, 2012, and two entries from the District had been received: Wilson High School and Nogales High School. A total of fifteen entries were received. Winners will be announced at the May 10, 2012 Awards Ceremony. First prize will be \$600.00, second prize \$400.00 and third prize \$200.00. Honorable Mentions will receive \$50.00 each.

8.2

Personnel Report

Mr. Carrera reported that District employee Allen Davidson had been promoted from the Maintenance I position to Maintenance II and will serve a six-month probationary period. Mr. Davidson was formerly employed by the City of La Habra Heights.

8.3

Engineer's Report

In answer to Director Bellah's inquiries as to the reservoir inspection process, General Manager, Ken Deck, provided a general overview of the cost and process. He advised that the District has enlisted the services of Harper and Associates to complete the reservoir inspection process at a cost of approximately \$15,000.00. Mr. Deck further explained that the \$15,000.00 fee includes the inspection of 7 of the District's 18 reservoirs. Harper and Associates uses a diver to enter the

reservoir and provides the District with a video recording and a written report so that the District can view the interior and assess the interior condition, which then enables the District to budget and plan for repairs. He explained that if a diver were not used to assess needed repairs, it would be necessary to completely drain each reservoir which would result in a water loss of approximately 10 acre feet or \$8,000.00, in addition to increased energy and labor costs.

Tab 7 CLOSED SESSION

President Lima adjourned the meeting to closed session at 7:43 p.m. Legal counsel, Morningstar announced that the closed session was being held pursuant to Government Code Section 54956.8 in order to confer with the District’s negotiator concerning purchase of real estate.

a. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8

Property: Purchase of Water Rights
District Negotiator: Ken Deck, General Manager
Negotiating Parties: Evolution Markets
Under Negotiation: Price and Terms

b. Conference with Real Property Negotiator Pursuant to Government Code Sec. 54956.8

Property: A Portion of the Parcel at 1015 Nogales Street, Rowland Heights, Ca APN# 8264-021-028
Negotiating Parties: John A. Rowland, Jr., Trustee
District Negotiator: Ken Deck, General Manager
Under Negotiation: Price and Terms of Sale

The closed session was adjourned and the Board resumed the meeting in open session at 8:17 p.m. The Board President reported that instructions had been given to Mr. Deck.

Open session reconvened at 8:17 p.m.

Directors’ and General Manager’s Comments

Director Bellah noted that the San Gabriel Valley Tribune had an article on Metropolitan Water District's rate increase. Director Lewis commended staff on the seating arrangements for this evening's meeting.

Future Agenda Items

- Purchase of Water Rights
- IT Technology update and status
- Public Outreach increased funding

Late Business

None.

Next Special Board Meeting of the Board of Directors to be held on April 24, 2012

Next Regular Meeting of the Board of Directors to be held on May 1, 2012.

A motion was made by Director Rios, seconded by Vice President Lu-Yang, and unanimously carried to adjourn the meeting. The meeting was adjourned at 8:23 p.m.

ANTHONY J. LIMA
Board President

Attest: _____
KEN DECK
Board Secretary