



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

September 13, 2011 - 6:00 p.m.  
Location: District Office

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**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:**

Dan Horan, Three Valleys Municipal Water District  
Janet Morningstar, Legal Counsel  
Joe Ruzicka, Three Valleys Municipal Water District  
Kirk Howie, Three Valleys Municipal Water District  
David Malkin, Rowland Heights Community Coordinating Council  
Teri Malkin, Rowland Heights Community Coordinating Council  
Michael Gualtieri, General Manager, La Habra Heights County Water District  
Brad Cook, Board President, La Habra Heights County Water District  
Mike Mendez, Resident  
Michael Armijo, Armijo News

**RWD Staff:**

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

**ADDITION(S) TO AGENDA**

NONE

## **PUBLIC COMMENT ON AGENDA ITEMS**

Mr. Brad Cooke, Board President, La Habra Heights County Water District (LHHCWD), advised that the LHHCWD Board voted unanimously to approve the Water Production and Delivery Agreement between La Habra Heights County Water District, Orchard Dale Water District and Rowland Water District and that he and the General Manager were present at the Board meeting to personally thank the Rowland Water District for the opportunity to partner with the District on this worthwhile project.

Mr. Mike Mendez introduced himself and indicated that he would be a candidate for the Board of Directors representing Division 1 in the upcoming election.

As a public comment, Mr. David Malkin told the Board to “keep up the good work”.

## **Tab 1 - CONSENT CALENDAR**

Upon motion by Vice President Lu-Yang, seconded by Director Lewis, 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 August 9, 2011

### **1.2**

Approval of the Minutes of Special Board Meeting Held on August 29, 2011

### **1.3**

Demands on General Fund Account for August 2011

### **1.4**

Investment Report for August 2011

### **1.5**

Calendar of Events for September and October

## **Tab 2 - ACTION ITEMS**

### **2.1**

#### **Review and Approve Directors' Meeting Reimbursements for August 2011**

Director Lewis advised that he did not attend the Islamic Center Ramadan Iftar Dinner and that this item should be removed from his reimbursement items, although no stipend for this event was included. Vice President Lu-Yang advised that the TVMWD Board Meeting held on August 3, 2011, included on her reimbursement report should also be deleted and that an adjustment to her stipend should be made. Upon motion by Director Lewis, seconded by Vice President Lu-Yang, the Directors' Meeting Reimbursement Report was approved as amended. The motion was unanimously carried.

## 2.2

### **Approve Change of Date for October Board of Directors Meeting**

Upon motion by Director Lewis, seconded by Vice President Lu-Yang, approval of the change of date for the regularly scheduled Board meeting to October 4, 2011 was unanimously carried.

## 2.3

### **Approve Board of Directors' Strategic Planning Workshop for Tuesday, October 25, 2011 (4:00 to 7:00 p.m.)**

Upon motion made by Director Rios, seconded by Director Bellah, the Directors' Strategic Planning Workshop was approved for to be held on October 25, 2011 from 4:00 p.m. to 7:00 p.m. The motion was unanimously approved.

## 2.4

### **Approve Change in District Organizational Makeup by Eliminating the Executive Secretary and Resource Analyst Positions and Creating a Director of Administrative Services Position**

In continuing with the strategic planning for the growth and development of the District, it was staff's recommendation that the positions of Executive Secretary and Resource Analyst be eliminated and that the position of Director of Administrative Services be added. The addition of this position will have no affect on the budget. Upon motion by Vice President Lu-Yang, seconded by Director Rios, the motion to approve the change in the District organizational makeup by eliminating the Executive Secretary and Resource Analyst positions and creating a Director of Administrative Services position was unanimously carried.

## 2.5

### **Approve Re-allocation of Capital Budget Items to Provide Funding to Complete Recycled Water Expansion Within San Jose Avenue, City of Industry**

General Manager, Ken Deck, discussed the benefit of moving forward with the recycled expansion. The completion of the recycled pipeline within San Jose Street from Fullerton Road to Charlie Avenue will add an additional 28 recycled customers. The re-allocation of these funds will not affect the bottom line of the total proposed capital construction projects.

A motion was made by Vice President Lu-Yang, seconded by Director Bellah, to approve the re-allocation of Capital budget items to provide funding to complete the recycled water expansion within San Jose Avenue, City of Industry. The motion was unanimously carried.

## 2.6

### **Final Review of Previously Approved Resolution No. 7.1-2011 Adoption of Final Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for Recycled Water Infrastructure Improvements**

A motion to approve the form of Resolution No. 7.1-2011 Adopting the Final Mitigated Negative Declaration And Mitigation Monitoring And Reporting Program For Recycled Water Infrastructure Improvements was made by Vice President Lu-Yang, seconded by Director Lewis, and unanimously carried.

## **2.7**

### **Review and Approve District Sponsorship of the Rowland Heights Annual Buckboard Days Parade**

Staff recommended the approval of a \$500.00 sponsorship of the 39th Annual Rowland Heights Buckboard Days Parade. With this sponsorship, the District will be provided with a half page in the event Program. CV Strategies will be contacted to prepare the written article to be included on behalf of the District. A motion was made by Director Lewis, seconded by Director Rios, to approve the District's \$500.00 sponsorship of the Parade. The motion was unanimously carried.

## **2.8**

### **Approve Appointment of District's Legal Counsel, Ms. Janet Morningstar, to the AWCA Legal Affairs Committee**

Legal counsel, Janet Morningstar, noted that the benefit of being a member of this Committee was to keep current on lawsuits and/or legal matters that could ultimately affect water districts. This committee does not get involved with legislation.

Upon motion made by Vice President Lu-Yang, seconded by Director Rios, the appointment of District's Legal Counsel, Ms. Janet Morningstar, to the ACWA Legal Affairs Committee was unanimously approved.

## **2.9**

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

- Joint ACWA Regions 8, 9, 10 Fall Event to be held October 19-October 20, 2011 (San Diego, CA)  
Staff was instructed to register Directors Lewis and Bellah to this conference.
- TVMWD Leadership Breakfast to be held October 6, 2011  
Directors Bellah, Lima, Lewis and Rios requested that they be registered for this event.
- CA-NV AWWA Fall Conference to be held October 17 - 20, 2011 (Reno, Nevada)  
Mr. Deck indicated that he would be attending this conference.

## **Tab 3 - GENERAL MANAGER'S REPORT**

### **3.1**

#### **Water Purchase Report**

Nothing to report.

## **Tab 4 - LEGISLATIVE INFORMATION**

### **4.1**

#### **Legislative Updates**

Staff reported that the lobbyist which the District, in partnership with several other water agencies, has hired to oversee legislation affecting water matters has been successful this past year in stopping the passage of or getting amendments to several bills that would not have been beneficial to the District.

## **Tab 5 - REVIEW OF CORRESPONDENCE**

### **5.1**

- **JPIA Risk Assessment, Mr. Lee Patton**  
Provided for information purposes only.
- **Letter to Mr. Michael Gualtieri, General Manager, La Habra Heights County Water District**  
This letter was discussed in conjunction with a previous agenda item.

## **TAB 6 – COMMITTEE REPORTS**

### **6.1**

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

Nothing to report. Three Valleys was dark during July and August and will hold their regularly scheduled Board Meeting on September 21, 2011..

### **6.2**

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

Director Lewis reported that the Agency is moving forward with the plans and proposals for the joint effort regional water supply projects. RMC, an engineering firm originally retained by the City of Pomona presented to the Commissioners the potential for the agency to work with the Cities of Pomona and La Verne to develop alternative water supplies. Staff's recommendation to the Commission was to request RMC to provide the Commission with a proposal to complete the feasibility study. Additionally, once staff has that proposal, staff will meet with Three Valleys Municipal Water District (TVMWD) to discuss the potential for TVMWD to participate financially in developing the feasibility study.

### **6.3**

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

Vice President Lu-Yang reported that the Chamber Golf Tournament has been set for October 6, 2011 and that they are in need of sponsors. The Chamber CEO, Heidi Gallegos, is leaving and they are interviewing interim CEO's to serve until a permanent one can be appointed. Director Lewis reported that a representative from Majestic Realty gave an update on the prospective NFL stadium to be built in the City of Industry.

**6.4**

**PWR Joint Water Line Commission**

Staff reported that the next meeting is scheduled for October 20, 2011.

**6.5**

**Joint Powers Insurance Authority**

Nothing to report.

**6.6**

**Association of California Water Agencies**

Nothing to report.

**6.7**

**Sheriff Community Advisory Committee**

Vice President Lu-Yang reported that the next meeting is scheduled for September 21, 2011 at 6:00 p.m. at the Walnut Sheriff's station.

**6.8**

**Project Ad-Hoc Committee**

Report on meeting held August 23, 2011. Vice President Lu-Yang reported that the Committee discussed the District reorganization plan as well as possible items for discussion at the upcoming Strategic Planning Workshop.

**6.9**

**Finance Ad-Hoc Committee**

Mr. Deck reported that staff is working with the consultant to gather information to be incorporated in the rate study. Staff anticipates having a draft of the study available for committee review by late October or early November.

**Tab 7 ATTORNEY’S REPORT (MS. MORNINGSTAR)**

**7.1**

**CLOSED SESSION**

**Conference with Real Property Negotiator** (Government Code §54956.8)

Property: Broomieside Farms located in Sutter County in the Sacramento Valley (approximately 35 miles northwest of downtown Sacramento)

Negotiating Parties: Pacific Coast Capital Partners, LLC

Under negotiation: Price and Terms

District’s negotiator: Ken Deck, General Manager

Nothing to report, therefore, a closed session was not held.

**7.2**

**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)

Closed session was not necessary.

Legal counsel reported in open session that the attorney for the District in this matter has advised that he is awaiting a settlement offer and will provide the documentation to Ms. Morningstar once it is received.

## **TAB 8 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS**

### **8.1**

#### **Public Relations**

Mrs. Perea reported that she has contacted the Assistant Vice Principal of Student Affairs at Glen A. Wilson High School in Hacienda Heights and he has submitted a "Letter of Intent" to participate in the 2012 Solar Cup competition on behalf of Wilson High School. She advised that Three Valleys was only given four spots and that there are nine teams interested in participating. Three Valleys will be holding a drawing on Thursday, September 15, 2011 to select the four teams.

### **8.2**

#### **Personnel Report**

Nothing to report.

### **8.3**

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

Mr. Carrera presented a report on the status of the painting of the pipeline crossings at San Jose Creek.

### **8.4**

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

Director Bellah presented a video on Vice President Lu-Yang's presentation to the Board of Supervisors on September 6, 2011.

### **8.5**

#### **Future Agenda Items**

- ACWA Fall Conference November 29, 2011 to December 2, 2011, Anaheim, CA

### **8.6**

#### **Late Business**

None

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 7:00 p.m.

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ANTHONY J. LIMA  
Board President

Attest: \_\_\_\_\_  
KEN DECK  
Board Secretary