



Minutes of the Meeting
of the Rowland Water District

December 14, 2010

Location of Meeting: District Office

Pledge of Allegiance.

ROLL CALL OF DIRECTORS:

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

OTHERS PRESENT:

Dan Horan, Three Valleys Municipal Water District
Kirk Howie, Three Valleys Municipal Water District
Janet Morningstar, Legal Counsel
Joe Ruzicka, Three Valleys Municipal Water District

ROWLAND WATER STAFF PRESENT:

Ken Deck, General Manager
Ted Carrera, Assistant General Manager
Sean Henry, Financial Officer
Rose Perea, Resource Analyst
Nicole P. Silva, Administrative Aide/Secretary to the Board

ADOPTION OF AGENDA: Upon a motion by Director Lewis, seconded by Director Lu-Yang, and approved by unanimous vote, the Agenda was adopted as presented.

PUBLIC COMMENT: There were no comments from the public.

CONSENT CALENDAR: Upon a motion by Director Lu-Yang, seconded by Vice President Rios, the Consent Calendar was approved as presented. The motion was unanimously carried.

The approval of the Consent Calendar included the Minutes of the Regular Meeting held on November 9, 2010 (Tab 1); Approval of Demands on the General Fund Account for November 2010 (Tab 2); Approval of the Investment Report for November 2010 (Tab 3); and Approval of the Regular Board Meeting scheduled for January 11, 2011.

Tab 4

REVIEW AND APPROVE DIRECTORS' MEETING REIMBURSEMENTS FOR OCTOBER 2010

A motion was made by Vice President Rios, seconded by Director Lu-Yang, to approve the Directors' Meeting Reimbursement report as presented. The motion was unanimously carried.

Tab 5

APPROVE FINANCIAL AUDIT REPORT FOR FISCAL YEAR 2009 2010 PREPARED BY DIEHL, EVANS & COMPANY, LLP

Mr. Henry explained that the final audit report had no changes from the draft reviewed by the Board at the November meeting. A motion was made by Director Lu-Yang, seconded by Director Lewis, to approve the Financial Audit Report for Fiscal Year 2009-2010 prepared by Diehl, Evans, & Company, LLP. The motion was unanimously carried.

Tab 6

REVIEW WATER PRODUCTION AND DELIVERY AGREEMENT BETWEEN ROWLAND WATER DISTRICT AND CAL DOMESTIC WATER COMPANY

Mr. Deck stated that the draft agreement was being presented to the Board for review only and not for approval at this meeting. He reported to the Board that some changes had been made to the agreement based upon recommendations made by legal counsel, concerning identification of improvements constructed with the funds to be provided by Rowland Water District, and the timing of payments. Mr. Deck explained the details of the changes and answered the Directors' questions regarding the pump stations to be constructed by the District.

Tab 7

GENERAL MANAGER'S REPORT

a. Information only.

Tab 8

REVIEW AND APPROVE PROPOSAL FROM CV STRATEGIES

Mr. Deck explained to the Board that CV Strategies, a public relations firm, specializes in public outreach within the water industry. CV Strategies provided a proposal to develop talking points for Directors and staff, to construct and maintain the District's website, and to provide assistance with the District newsletter to provide positive information about the District's activities. He clarified to Directors that the proposal is in its preliminary stages and staff is working with them to refine the proposal, and was looking for direction from the Board as to whether to continue negotiations. Mr. Deck responded to a question from President Lima that staff had not obtained proposals from any other public relations firms and did not prepare a request for proposals. Director Bellah suggested that other options should be considered. There was a discussion of CV Strategies expertise and whether other PR firms would be able to provide the same water specific services.

APPROVE EXECUTIVE OFFICER POSITIONS OF THE BOARD OF DIRECTORS FOR 2011

After a discussion regarding Director Rios's desire not to assume the position of President of the Board next year in accordance with the Board's policy, a motion was made by Director Lewis, seconded by Director Bellah, to approve Director Lima as President and Director Lu-Yang as Vice President for 2011. The motion was unanimously carried.

APPROVE CHANGE IN IRS STANDARD MILEAGE RATE FROM \$.50 TO \$.51 EFFECTIVE JANUARY 1, 2011

A motion was made by Director Lewis, seconded by Director Lu-Yang, to approve the change in IRS standard mileage from \$.50 to \$.51 effective January 1, 2011.

DISCUSS CHANGE OF DATE FOR RWD BOARD OF DIRECTORS MEETINGS

Directors discussed the possibility of changing the meeting day and time. The consensus of the Board was to keep current meeting date and time with no changes.

SCHEDULE BOARD WORKSHOP

Board workshop (Special Board Meeting) scheduled for Saturday, February 5, 2011 at 8AM.

DISCUSSION OF UPCOMING CONFERENCES, WORKSHOPS, OR EVENTS (INCLUDING ITEMS THAT MAY HAVE ARISEN AFTER THE POSTING OF THE AGENDA)

Nothing new to report.

Tab 9

REVIEW OF CORRESPONDENCE

- a. Information only.
- b. Information only.

COMMITTEE REPORTS

Tab 10 PWR Joint Water Line Commission

- a. A motion was made by Director Lewis, seconded by Director Lu-Yang, to receive and file Audit Report for Fiscal Year 2009-2010.

Tab 11 Three Valleys Municipal Water District

- a. President Lima reported that speakers at the Three Valleys meeting indicated that the scheduled Metropolitan rate increases of 7.5% January 1, 2011 and 7.5% January 1, 2012 are more likely to be 10 to 15%. He stated that Lake Mead is at the lowest level it has ever been, 38% of capacity. Director Lu-Yang reported that a special meeting is being held to approve a change in the employees' benefits to make them responsible for 10% of any increase in health insurance premiums.

Tab 12 Puente Basin Water Agency

a. A motion was made by Director Lewis, seconded by Director Lu-Yang, to receive and file Twenty-Fourth Annual Report for Puente Basin Watermaster.

Joint Powers Insurance Authority: Nothing to report.

Association of California Water Agencies: Nothing to report.

Regional Chamber of Commerce: Nothing to report.

Sheriff Community Advisory Committee: Nothing to report.

Project Ad-Hoc Committee: Nothing to report.

Finance Ad-Hoc Committee: Nothing to report.

ATTORNEY’S REPORT: Ms. Morningstar reported what was discussed at the ACWA Legal Affairs Committee meeting. The committee formed a Proposition 26 workgroup to analyze the impact of the initiative on sources of revenue that water districts rely on such as connection charges, water replenishment charges, and other charges that have not been addressed by other provisions. The work group will prepare a handbook to provide advice on the issue.

Ms. Morningstar briefly went over court cases and other water matters that were discussed at the meeting that may be of interest to the Board and staff.

PERSONNEL REPORT: Mr. Deck informed the Board that staff is currently conducting interviews for the Maintenance I position.

PUBLIC RELATIONS: Ms. Perea presented to the Board the District’s renovated website. She hopes that the modernized site will launch January 2011.

ENGINEER’S REPORT: Mr. Carrera pointed out that there were over 1,400 walk up customers that visited the District’s office in November.

DIRECTORS’ AND GENERAL MANAGER’S QUESTIONS AND COMMENTS: None.

FUTURE AGENDA ITEMS: None.

LATE BUSINESS: None.

A motion was made by Director Bellah, seconded by Vice President Rios, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:36 p.m.

Anthony J. Lima
Board President

Attest: _____
Ken Deck
Board Secretary