



Minutes of the Regular Meeting  
of the Board of Directors of the Rowland Water District  
November 13, 2012 - 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:**

Janet Morningstar, Legal Counsel  
Dan Horan, Three Valleys Municipal Water District  
Joe Ruzicka, Three Valleys Municipal Water District  
Kirk Howie, Three Valleys Municipal Water District  
David and Teri Malkin, Residents  
Harry Peterson, Resident  
Michael Engelbrecht, Wells Fargo Securities  
Alex Altman, CV Strategies

**ROWLAND WATER DISTRICT STAFF:**

Ken Deck, General Manager  
Ted Carrera, Assistant General Manager  
Rose Perea, Director of Administrative Services

**ADDITION(S) TO AGENDA**

None.

**PUBLIC COMMENT ON AGENDA ITEMS**

None.

**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 Adjourned Board Meeting Held on October 9, 2012**

**1.2**

**Approval of the Minutes of Special Board Meeting Held on October 30, 2012**

**1.3**

**Demands on General Fund Account for October, 2012**

**1.4**

**Investment Report for October, 2012**

**1.5**

**Water Purchases for September, 2012**

**1.6**

**Calendar of events for November and December 2012**

Next Special Board Meeting: November 27, 2012

Next Regular Board Meeting: December 11, 2012

**Tab 2 - ACTION ITEMS**

President Lima re-ordered the Agenda moving Item 5.7 after Tab 2.1. Upon motion by Director Lewis, seconded by Vice President Lu-Yang, and unanimously carried, the Agenda was re-ordered.

**2.1**

**Approve Directors' Meeting Reimbursements for October 2012**

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

## 5.7

### **Puente Basin Water Agency**

Mr. Deck introduced Michael Engelbrecht, Wells Fargo Securities, who provided a financial update on the issuance and sale of bonds by the Agency. He advised that a very favorable interest rate of 3.599% was obtained and that the sale is scheduled to close on November 28, 2012.

## 2.2

### **Review Draft Financial Audit Report for Fiscal Year 2011-2012 Prepared by White Nelson Diehl Evans LLP**

Robert Callanan representing the firm of White Nelson Diehl Evans LLP reviewed the documents contained in the Draft Financial Audit Report and answered questions posed by the Directors. He indicated that the draft report was presented for information and discussion only. The final document will be presented at the December 11, 2012, Board meeting for approval.

Mr. Harry Peterson, Rowland Heights resident, posed several questions and requested copies of documents under the Public Records Act. General Manager, Ken Deck, asked him to e-mail him with a list of the documents requested and advised that he would schedule a meeting to provide Mr. Peterson with the documents and to further discuss any questions he may have.

## 2.3

### **Review and Approve Rowland Water District's Statement of Operations Ending September 30, 2012**

Mr. Henry explained the report covering the period July 1, 2012 through September 30, 2012, in detail and then responded to questions from the Board.

A motion was made by Director Lewis, seconded by Director Lu-Yang, to receive and file the Statement of Operations as presented. The motion was unanimously carried.

## 2.4

### **Review Rowland Water District's Quarterly Investment Report as of September 30, 2012**

Mr. Henry summarized the report for the Board and noted the balances as of September 30, 2012, indicating that a very low rate environment still exists.

A motion was made by Vice President Lu-Yang, seconded by Director Rios, to receive and file the investment report as presented. The motion was unanimously carried.

## 2.5

### **Receive and File PWR Joint Water Line Commission Audit Report for Fiscal Year 2011-2012 Prepared by White Nelson Diehl Evans LLP**

Mr. Deck advised that the Commission has approved the Audit Report as presented.

A motion was made by Director Lewis, seconded by Director Rios, to receive and file the PWR Joint Water Line Commission Audit Report for Fiscal Year 2011-2012. The motion was unanimously carried.

## 2.6

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

- Urban Water Institute Spring Water Conference February 20-22, 2013, Palm Springs, CA  
*Present for consideration at the December 11, 2012, Board meeting.*
- Water Reuse Tech Summit, January 28-30, 2012, San Diego, CA  
*Present for consideration at the December 11, 2012, Board meeting.*
- Walnut Valley Water District, Parker Canyon Recycled Water Reservoir Ribbon Cutting Ceremony, November 28, 2012, 10:00 a.m.  
Directors Lewis and Bellah requested staff to confirm their attendance at this event.
- Regional Chamber of Commerce Retreat, January 24, 2013.  
Vice President Lu-Yang requested approval of her attendance at the Chamber Retreat. Upon motion by Director Lewis, seconded by Director Rios and unanimously carried, Vice President Lu-Yang's attendance at the Retreat was approved.

## **Tab 3 LEGISLATIVE INFORMATION**

### 3.1

#### **Updates on Legislative Issues**

Provided for information purposes only.

## **Tab 4 REVIEW OF CORRESPONDENCE**

Provided for information purposes only.

## **Tab 5 COMMITTEE REPORTS**

### 5.1

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

President Lima reported that the TVMWD Board meeting previously scheduled for November 21, 2012 was adjourned to November 28, 2012 and that the December 5, 2012 meeting was cancelled.

Mr. Kirk Howie, Three Valleys MWD, reported that the election to fill the vacancy on their Board has not been finalized and that the two candidates, John Mendoza and Fred Lantz, were very close in votes. The election will be certified by the Registrar Recorder on November 30, 2012, and the Board of Supervisors will finalize the election on December 4, 2012.

### 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**

Nothing to report.

#### **5.5**

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

Vice President Lu-Yang reported that the Power Lunch will be held on November 14, 2012; the Farmers Market is continuing at the Mt. San Antonio College campus and that the Chamber Golf Tournament has been scheduled.

#### **5.6**

##### **PWR Joint Water Line Commission**

Nothing to report.

#### **5.8**

##### **Sheriff's Community Advisory Council**

Vice President Lu-Yang reported that no meeting has been held and that the next meeting will be scheduled after Thanksgiving.

#### **5.9**

##### **Rowland Heights Community Coordinating Council**

Director Bellah reported on his attendance at the meeting: Representatives from the offices of Senator Bob Huff and Assemblyman Curt Hagman reported on their voting during the recent election. Contractor, Michael Lewis, made a presentation on new fees to be included on the property tax bills for the County of Los Angeles and on the Bill for storm water clean-up being driven by the Environmental Protection Agency which could add approximately \$54.00/parcel in property taxes.

#### **Tab 6**

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

#### **6.1**

##### **Public Relations**

Mrs. Perea reported that our Public Affairs Representative, Brittanie Van De Car, had attended two sessions of the Youth Science Center "Magical World of Water" program, one at Wedgeworth Elementary and two at Jellick Elementary. The MWD poster award luncheon is scheduled for December 13, 2012 at MWD. Brittanie will meet the poster winners and their families at MWD and take pictures of the event. The Video applications were distributed last week to Nogales and Wilson High Schools and to Alvarado and Telesis Academy middle schools. Brittanie is finalizing the brochure which will be distributed to the schools showcasing the programs offered and requesting teachers to sign up for programs of their choosing for next year. Brittanie, Teresa Ryan and Dusty Moio represented the District at the Festival at the Park held after the Buck Board Days Parade and reported that it was very well attended and that they had several participants at the booth playing the "Value of Water" game.

Alex Altman, CV Strategies, reviewed the Communications Strategic Update with the Board and answered questions posed by members of the Board.

## 6.2

### Personnel Report

Nothing to report.

## 6.3

### Engineer's Report

Mr. Carrera reported that the District is commencing the purchase of materials for the Nogales Grade Separation which is scheduled to take place through 2013. The Fullerton Road Grade Separation is scheduled to commence once the Nogales Grade Separation is completed.

### Tab 7 ATTORNEY'S REPORT (Ms. Morningstar)

Nothing to report.

### Tab 8 CLOSED SESSION

President Lima adjourned the meeting to closed session at 7:25 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 in connection with items a. and d. below.

- a. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8  
Property: Purchase of Water Rights in the Central and Main San Gabriel Basins  
District Negotiator: Ken Deck, General Manager  
Negotiating Parties: Petersburg, L.P.  
Under Negotiation: Price and Terms
  
- b. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8  
Property: Lease of Water Rights in the Main San Gabriel Basin  
District Negotiator: Ken Deck, General Manager  
Negotiating Parties: Covina Irrigating Company  
Under Negotiation: Price and Terms
  
- c. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8  
Property: Lease of Water Rights in the Main San Gabriel Basin  
District Negotiator: Ken Deck, General Manager  
Negotiating Parties: Sierra Water Group  
Under Negotiation: Price and Terms

- d. 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

Upon returning to open session, Legal counsel reported that the Board discussed the status of negotiations with respect to items a. and d. and that no reportable action was taken.

The items b. and c. were not discussed:

The closed session was adjourned and the Board resumed the meeting in open session at 7:40 p.m.

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

Director Lewis commended Mr. Carrera on his response to Dr. Stephen Su's request for information.

**Future Agenda Items**

- Rotary Sponsorship

**Late Business**

None.

Next Special Meeting of the Board of Directors: November 27, 2012, 5:00 p.m.  
Next Regular Meeting of the Board of Directors: December 11, 2012, 6:00 p.m.

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 7:45 p.m.

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ANTHONY J. LIMA  
Board President

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