



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

January 10, 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  
Alan Heslop, Ph.D., National Demographics  
David Meyer, National Demographics  
David Malkin, Rowland Heights Resident  
Teri Malkin, Rowland Heights Resident  
David Koo, Rowland Heights Coordinating Council

**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**

None.

### **Tab 1 - CONSENT CALENDAR**

Upon motion by Vice President Lu-Yang, seconded by Director Rios, 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 December 13, 2011

#### **1.2**

Approval of the Minutes of Special Board Meeting Held on December 27, 2011

#### **1.3**

Demands on General Fund Account for December 2011

#### **1.4**

Investment Report for December 2011

#### **1.5**

Calendar of events for December 2011 and January 2012

### **Tab 2 - ACTION ITEMS**

#### **2.1**

##### **Approve Directors' Meeting Reimbursements for December 2011**

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

#### **2.2**

##### **Presentation from National Demographics Corp. on Results from Their Review of 2010 Census Data for Existing Rowland Water Director Divisions**

Alan Heslop, Ph.D., and David Meyer presented a Power Point presentation analyzing the 2010 census data to provide the necessary steps to equalize the population of the five divisions to the extent practicable, by adjusting division boundaries. Dr. Heslop presented draft Plans A and B. The Board discussed the two proposals and determined that Plan B was less desirable, due to the fact that the changes to Division 1 would place the sitting Director outside her division. Upon motion by Director Lewis, seconded by Vice President Lu-Yang and unanimously carried, the Board directed staff to move forward with finalizing Plan A.

### 2.3

#### **Resolution No. 1-2012 of the Rowland Water District Board of Directors Amending Board Policy for Election and Rotation of Board Officers (Supersedes Resolution No. 3-2008)**

District Counsel explained that the Water Code requires that the election of the President of the Board of Directors and any other officers be held within 30 days after the Directors take office after an election, (Water Code §30520), therefore the Board is required to hold an election within 30 days after the first Friday in December of odd-numbered years. In order to accomplish the Board's desire that the Board officers serve for two years, the Board could choose to have two-year terms for President and Vice-President beginning in January of even numbered years or have one-year terms with the ability of a Director to serve two consecutive terms as President. After discussion of the goals of the Board to discourage the election of Board Presidents with a minimum amount of experience as a member of the Board, the Board expressed a preference to go with one-year terms with the ability to serve for two consecutive terms. A motion was made by Director Lewis, seconded by Director Bellah, and unanimously carried to approve Resolution No. 1-2012, as proposed with the President and Vice-President serving one-year terms with the ability to serve two consecutive terms, 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

#### **Schedule Board Tour of District Facilities**

Mr. Deck polled the Directors as to their individual interest in touring the District facilities to determine if a majority of the Board would participate, which would ultimately determine noticing requirements. All Board members indicated an interest in participating, therefore, a Special Board Meeting will be scheduled. It was a consensus of the Board to schedule the District Tour/Special Board meeting for March 16, 2012.

### 2.5

#### **Consider Sponsorship of the Youth Science Center at Wedgeworth Elementary**

This matter was tabled as a future agenda item.

### 2.6

#### **Presentation on Paymentus On-Line Payment Program**

Finance officer, Mr. Henry, presented an overview of the Paymentus on Line Payment Program and advised that the program is now live and active on the District website. This program will enable customers to make a payment, view billing statements and sign up for e-bill and paperless billing.

### 2.7

**Discussion of Upcoming Conferences, Workshops, or Events (Including Items That May Have Arisen After the Posting of the Agenda)**

- TVMWD Leadership Breakfast scheduled for February 16, 2012.  
Staff was asked to make reservations for Directors Lima and Bellah.

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

**3.1**

**Water Purchase Report**

General Manager, Ken Deck, reported that imported water purchases from Metropolitan Water District are down for the third year in a row.

**3.2**

**Update on MWD LRP Funding for Recycled Water**

General Manager, Ken Deck, reported on the MWD LRP Program. Mr. Deck reviewed the program, pointing out that the District is entering into the seventh year of the 25-year agreement. The agreement currently provides for a \$100 per acre foot credit on imported water purchased for every acre foot of recycled water sold over 340 acre feet, within a July to June fiscal year. Mr. Deck noted that, with the District's aggressive expansion of the recycled water system and the conversion of over 80 potable water irrigation services to recycled water, the milestone of 340 acre feet was met in November 2011, where in years past it wasn't until May or June that the milestone was met.

**TAB 4 – LEGISLATIVE INFORMATION**

Nothing to report.

**TAB 5 - REVIEW OF CORRESPONDENCE**

**5.1**

**Letter from Mr. Michael Holmes, Walnut Valley Water District**

This letter sets forth the newly elected Executive Board provided for the District's information.

**TAB 6 - COMMITTEE REPORTS**

**6.1**

**Three Valleys Municipal Water District**

Vice President Lu-Yang reported that the meeting format at Three Valleys had been changed to one workshop meeting and one board meeting per month, eliminating the committee meeting structure. She noted that Three Valleys is discussing redistricting of their director divisions. President Lima reported that the Miramar Plant will have a 14-day shutdown in February to work on their filtration system. He noted that MWD is discussing the possibility that they will no longer be discounting the cost of "spreading" water and that Director DeJesus reported on the anticipated MWD increases for the 2013-2014 fiscal year -- they are working on their long-range financial plan.

**6.2**

**Project Ad hoc Committee**

Vice President Lu-Yang reviewed the Project Summary contained in the Board packets. In particular, she noted that the La Habra Heights County Water District project is still on hold.

The District has engaged in a "no cost" pilot program to test nitrification issues in District reservoirs. President Lima reported on the newly instituted District vehicle tracking system which monitors vehicle performance, location and speed. This system will be activated on January 18, 2012.

### **6.3**

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

Vice President Lu-Yang reported that she will be speaking at the Joint Mayors' Breakfast which will be held on February 29, 2012. The Chamber will hold a Human Resources Breakfast on January 12, 2012, and will be holding a "meet-and-greet" conference in March. The Farmers Market at Mt San Antonio College is continuing.

### **6.4**

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

President Lima reported that the next meeting will be held on February 16, 2012.

### **6.5**

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

Director Lewis reported that the Pomona Regional Water Project is at Stage 2. President Lima reported that the regularly scheduled meetings had been changed to the third Thursday of each month, still at 7:00 a.m.

### **6.6**

#### **Association of California Water Agencies**

Nothing to Report.

### **6.7**

#### **Sheriff Community Advisory Committee**

Nothing to report.

### **6.8**

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

Director Bellah reported that Congressman Ed Royce was the speaker at last night's meeting and that he provided commentary on the Edison power lines being installed on Pathfinder Road and that there is a possible mandate to stop the process and perhaps move the power lines underground.

#### **Tab 7 ATTORNEY'S REPORT (MS. MORNINGSTAR)**

Legal counsel, Janet Morningstar, distributed a memorandum to the Board on Legislative changes effective January 1, 2012. The main topics discussed were changes to the Brown Act regarding the posting of agendas and the availability of materials contained in the Board packets for public inspection; Employment Contract restrictions under the Government Code, Chapter 10.1; and Per diem Compensation changes included in the passage of AB 23, Section 54952.3 of the Government Code.

7.1 This matter was moved to the end of the agenda to allow the public to remain for the balance of the open session.

## **Tab 8 - OTHER REPORTS, INFORMATION ITEMS AND COMMENTS**

### **8.1**

#### **Public Relations**

General Manager Ken Deck, reported that staff would be meeting the CV Strategies tomorrow, January 11, 2012, to review the results of the Customer Phone Survey taken in November.

### **8.2**

#### **Personnel Report**

Nothing to report.

### **8.3**

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

Nothing to report.

### **8.4**

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

Vice President Lu-Yang indicated she will be out for the month of February. Her baby is due January 31, 2012.

### **8.5**

#### **Future Agenda Items**

- Consider sponsorship of the Youth Science Center at Wedgeworth Elementary
- National Demographics Plan A - 2011-2012 Redistricting

## **CLOSED SESSION**

### **7.1 ■ 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)

President Lima, adjourned the meeting to closed session at 7:53 p.m. pursuant to Government Code Sections 54956.9(a), in order to confer with the District's legal counsel, Janet Morningstar, regarding the above-captioned suit against Rowland Water District.

Legal counsel was authorized to negotiate a settlement on behalf of the District.

The closed session was adjourned and the Board resumed the meeting in open session at 7:58 p.m.

*Open session reconvened at 7:58 p.m.*

**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 7:59 p.m.

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ANTHONY J. LIMA  
Board President

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