



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
December 9, 2014 - 6:00 p.m.
Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

None.

OTHERS PRESENT:

Jeff Ferre, Legal Counsel, Best Best & Krieger
Dan Horan, Three Valleys Municipal Water District
Joe Ruzicka, Three Valleys Municipal Water District
David and Teri Malkin, Residents
Erin La Combe Gilhuly, CV Strategies
Robert Callanan, White Nelson Diehl Evans LLP

ROWLAND WATER DISTRICT STAFF

Ken Deck, General Manager
Tom Coleman, Assistant General Manager
Rose Perea, Director of Administrative Services
Sean Henry, Finance Officer
Dave Warren, Director of Operations

ADDITION(S) TO THE AGENDA

Upon motion by Director Lewis, seconded by Director Lima, the Board made a finding that the Puente Basin Water Agency FY 2014-15 Operating Budget had been received after the posting of the Agenda and there is need to take immediate action before the next Board meeting. Pursuant to Government Code Section 54954.2(b)(2) the Board unanimously approved the addition to the Agenda at Tab 2.15.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None.

Tab 1 - CONSENT CALENDAR

Upon motion by Director Lima, seconded by Director Rios, the Consent Calendar was unanimously approved.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

The approval of the Consent Calendar included:

1.1

Approval of the Minutes of Regular Board Meeting Held on November 4, 2014

1.2

Approval of the Minutes of Special Board Meeting Held on November 18, 2014, 5:00 p.m.

1.3

Approval of the Minutes of Special Board Meeting Held on November 18, 2014, 6:00 p.m.

1.4

Demands on General Fund Account for October 2014

1.5

Investment Report for October 2014

1.6

Water Purchases for October 2014

Next Regular Board Meeting

January 13, 2014, 6:00 p.m.

Next Special Board Meeting

January 27 2014, 5:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Approve Directors' Meeting Reimbursements for November 2014

Upon motion by Director Lewis, seconded by Director Lima, the Directors' Meeting Reimbursement Report was approved as presented. The motion was unanimously carried.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

2.2

Review “DRAFT” Financial Audit Report for Fiscal Year 2013-201245 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 noted that no new accounting policies were adopted and that no difficulties were encountered in completing the audit. Management provided a representative letter to the auditors. No significant transactions unusual in nature were observed.

He indicated that the draft report was presented for information and discussion only. The final document will be presented at the January 13, 2015, Board meeting for approval.

2.3

Review and Approve Resolution No. 12-2014 of the Board of Directors Amending Board Policy for Election and Rotation of Board Officers

After discussion and upon motion was made by Director Lewis, seconded by Director Lima, Resolution No. 12-2014 was approved as presented. The motion was approved by the following roll-call vote:

Ayes:	Directors Lima, Lu-Yang, Lewis, Bellah and Rios
Noes:	None
Absent:	None
Abstain:	None

Motion was passed by a vote of 5-0.

2.4

Approve Executive Officer Positions of the Board of Directors for 2015

The Board Rotation Policy was discussed by the Board. Upon motion made by Director Lima, seconded by Director Rios, the Board unanimously approved Director Szu Pei Lu-Yang’s re-election to serve as President for calendar years 2015 and 2016, and Director Lewis’ election to serve as Vice President for the calendar years 2015 and 2016.

Ayes:	Directors Lima, Lu-Yang, Lewis, Bellah and Rios
Noes:	None
Absent:	None
Abstain:	None

2.5

Review and Approve Board of Directors Committee Assignments for 2015

All Committee assignments for the 2015 calendar year were discussed. A motion was made by Director Lima, seconded by Director Lewis, to confirm the following committee assignments:

Puente Basin Water Agency	Director Lewis Director Lima Tom Coleman, Alternate
PWR Joint Water Line Commission	Director Lima Director Rios, Alternate
Three Valleys Municipal Water District	Director Lima Director Lu-Yang
Association of California Water Agencies	Director Bellah Director Lewis
Joint Powers Insurance Authority	Director Lewis Tom Coleman, Alternate
San Gabriel Valley Regional Chamber of Commerce-Government Affairs Committee	Director Lewis, Voting Member Director Bellah, Alternate
Los Angeles County Sheriff's Department Advisory Council	Director Lu-Yang Director Rios
Project Ad-Hoc Committee	Director Lima Director Lu-Yang
Rowland Heights Community Coordinating Council	Removed

The motion was unanimously carried.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

2.6

Approve/Confirm Appointment of Directors to Serve on the Puente Basin Water Agency

A motion was made by Director Bellah, seconded by Director Rios, to confirm the appointment of Director Lima and Director Lewis as commissioners of the Puente Basin Water Agency and General Manager, Tom Coleman, as alternate commissioner. The motion was unanimously carried.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

2.7

Review and Approve Resolution 12.1-2014 of the Board of Directors Appointing Representatives to the Puente Basin Water Agency

A motion was made by Director Bellah, seconded by Director Rios, to approve Resolution No. 12.1-2014 appointing Director Lima and Director Lewis as commissioners of the Puente Basin Water Agency and General Manager, Tom Coleman, as alternate commissioner to represent the District. The motion was approved by the following roll-call vote:

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios
Noes: None
Absent: None
Abstain: None

Motion was passed by a vote of 5-0.

2.8

Approve/Confirm Appointment of Director to Serve on the Pomona-Walnut-Rowland Joint Water Line Commission

A motion made by Director Lewis, seconded by Director Lima, for the appointment of Director Lima as Commissioner, and Director Rios as alternate, to serve on the Pomona-Walnut-Rowland Joint Water Line Commission. The motion was unanimously carried.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

2.9

Review and Approve District Investment Policy

General Manager, Ken Deck, reported that legal counsel had reviewed the provisions of the Government Code governing investment of District funds and advised that no changes were needed to the District’s investment policy. Upon motion made by Director Lima, seconded by Director Rios, and unanimously carried, the Board approved the motion to ratify and confirm the Investment Policy as adopted by Resolution No. 2.1-2006.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

2.10

Review and Approve Resolution 12.2-2014 Appointing District Treasurer and Delegating Authority for the Investment of Surplus Funds of the District to the General Manager/Treasurer

A motion was made by Director Lima, seconded by Director Lewis, to approve Resolution No. 12.2-2014 as presented. The motion was approved by the following roll-call vote:

Ayes: Directors Lima, Lu-Yang, Lewis, Bellah and Rios
Noes: None
Absent: None
Abstain: None

Motion was passed by a vote of 5-0.

2.11

Review and Approve Puente Basin Water Agency Agreement No. 3 - Pomona Basin Regional Groundwater Project: Phases 1 and 2

After discussion, a motion was made by Director Lewis, seconded by Director Lima, to approve the Agreement as presented. The motion was unanimously carried.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

2.12

Review and Approve Dewatering Agreement (Nogales Grade Separation)

Upon staff's recommendation, this matter was tabled for a future meeting.

2.13

Public Relations (Rose Perea)

Mrs. Perea reported that 12 Edu-Grants for \$750.00 each were granted to schools in our District, out of 25 presented.

Communications Outreach (CV Strategies)

Erin La Combe Gilhuly, CV Strategies, reported that the Press Releases on the Northrop Grumman Superfund new area water supply and the Press Release on the management transition had been distributed for publication on December 1. Updates on the website and "on-hold" messaging are on-going.

Education Update

No comments.

2.14

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, March 4-6, Palm Springs, CA
Attendance to be confirmed at the January 13, 2014 Board meeting.

- CUEMA Elected Officials Summit, March 29-30, 2015, Renaissance Esmeralda Hotel, Indian Wells, CA
Attendance to be confirmed at the January 13, 2014 Board meeting.

2.15

Review and Approve Puente Basin Water Agency Operating Budget FY 2014-2015

A motion was made by Director Lima, seconded by Director Lewis, to approve the Operating Budget as presented. The motion was unanimously carried.

Ayes: Directors Lu-Yang, Bellah, Lima, Lewis and Rios
Noes: None
Abstain: None
Absent: None

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

Legal Counsel, Jeff Ferre, reported on bill AB 2747 which becomes effective on January 1, 2015. This law makes some changes to the procedures for providing notice to tenants when the landlord does not pay the utility bill and the opportunity for the tenant to pay it and deduct the amount from rent. The notice must be in English and in the languages set forth in Civil Code Section 1632: Spanish, Chinese, Tagalog, Vietnamese and Korean.

Tab 4 REVIEW OF CORRESPONDENCE

Staff discussed a letter received by the District commending project manager, Mark Serna, for his professionalism in handling the 24" water main pipeline project along Harbor Boulevard.

Tab 5 COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

Director Lima reported on his attendance at the November 5, 2014 Regular Board meeting and the November 19, 2014 Special Board meeting.

5.2

Association of California Water Agencies

Director Lewis reported provided the Board with a Summary Report on his attendance at the ACWA/JPIA Conference held December 1-5, 2014.

5.3

Puente Basin Water Agency

Director Lima reported on the meeting held on November 6, 2014 and advised that the Commissioners had approved the annual budget and re-assigned signatories on the Agency's bank accounts. The next meeting is scheduled for December 11, 2014.

5.4

Joint Powers Insurance Authority

Director Lewis reported provided the Board with a Summary Report on his attendance at the ACWA/JPIA Conference held December 1-5, 2014.

5.5

Project Ad-Hoc Committee

Nothing to report.

5.6

Regional Chamber of Commerce

Nothing to report.

5.7

PWR Joint Water Line Commission

The next meeting will be held in February, 2015.

5.8

Sheriff's Community Advisory Council

Nothing to report.

5.9

Rowland Heights Community Coordinating Council

President Lu-Yang reported on the meeting held on November 10, 2014.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Personnel Report

Nothing to report.

6.2

Engineer's Report

Dave Warren, Director of Operations, reported that there is approximately 2,000 feet left of pipeline to install along Harbor Boulevard and that Doty Bros. was awarded the contract on the Pressure Reducing Station project.

Tab 7 ATTORNEY'S REPORT

Legal Counsel, Jeff Ferre, reported on the recent decision by the State Commission on reimbursement of state mandated costs. The Commission was addressing a specific type of reimbursement request, but made a ruling that could have consequences on future requests from other agencies. The Commission concluded that only special districts that receive property tax revenue will be eligible for reimbursement. The ruling was based on the theory that other types of agencies could raise rates through Prop 218 to cover the costs that are not reimbursed by the State.

Directors' and General Manager's Comments

Director Lima thanked Ken Deck for his years of service to the District. Director Rios thanked Ken Deck for his continued support. Directors Lewis and Bellah thanked Ken Deck for his many contributions to the success of the District. President, Lu-Yang, thanked Ken Deck for his dedication and service. Others in attendance, Sean Henry, Dan Horan, Tom Coleman, and residents David and Teri Malkin, provided heartfelt tributes to Mr. Deck.

Future Agenda Items

- **Review and Approve Dewatering Agreement (Nogales Grade Separation)**

Late Business

None.

A motion was made by Director Lima, seconded by Director Rios, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:28 p.m.

 SZU PEI LU-YANG
 Board President

Attest: _____
 KEN DECK
 Board Secretary