



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
February 11, 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:

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
Alex Altman, CV Strategies
David and Teri Malkin, Residents
Harry Peterson, Resident

ROWLAND WATER DISTRICT STAFF

Ken Deck, General Manager
Ted Carrera, Assistant General Manager
Tom Coleman, Assistant General Manager
Rose Perea, Director of Administrative Services
Sean Henry, Finance Officer

ADDITION(S) TO THE AGENDA

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Resident, Harry Peterson, asked for clarification on the Cyclic Storage in the Main San Gabriel Basin Chart and whether it was necessary to carry the data over from last year. Mr. Deck advised that it is appropriate to carry the data over from year to year since the Cyclic Storage is an asset of the District. Mr. Peterson also asked for explanation of an expense item shown on the General Fund Account. Mr. Deck advised that he would provide him with the information once he has had an opportunity to review the expense records.

Tab 1 - CONSENT CALENDAR

Upon motion by Director Lewis, seconded by Director Lima, 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 January 14, 2014

1.2

Demands on General Fund Account for January 2014

1.3

Investment Report for January 2014

1.4

Water Purchases for December 2013

Next Regular Board Meeting

March 11, 2014, 6:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Approve Directors’ Meeting Reimbursements for January 2014

Upon motion by Director Lima, seconded by Director Lewis, the Directors’ Meeting Reimbursement Report was unanimously approved.

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

2.2

Receive and File Rowland Water District’s Statement of Operations for Period Covering July 1, 2013 through December 31, 2013

Mr. Henry explained the report covering the period July 1, 2013 through December 31, 2013, in detail and noted that the water revenue amount does not include the water rate and service charge increases which were effective January 1, 2014 and that the cost of sales was directly affected by the water stored. Resident, Teri Malkin, indicated that during a meeting at the Rowland Heights Community Coordinating Council a member had questions on his water bill and that she had advised him to come into the District office so that a customer service representative could review his bill and answer any questions he may have.

A motion was made by Director Lima, seconded by Director Bellah, to receive and file the Statement of Operations as presented. The motion was unanimously carried.

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

2.3

Receive and File Rowland Water District's Quarterly Investment Review as of December 31, 2013

Mr. Henry summarized the report for the Board and noted the balances as of December 31, 2013, indicating that a very low interest rate environment still exists. In addition Mr. Henry informed the Board that the costs incurred in connection with the current construction projects were advanced by the District using funds held in the LAIF account and that these costs will be reimbursed from the bond funds on hand and transferred back into the LAIF account. CD placements are from two to three years and the yields are very low; the bond funds are invested from one to five years which is in line with the District's investment policy and protects the District from interest rate fluctuations. With respect to the GASB 45 OPEB Trust, it is the goal of the District to eventually have the earnings on the trust pay for 100% of the retiree medical benefits.

A motion was made by Director Lewis, seconded by Director Rios, to receive and file the Investment Report as presented. The motion was unanimously carried

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

2.4

Approve Surplus of Waukesha Motor for Right-Angle Drive

General Manager, Ken Deck, explained that this engine is approximately forty years old, has not been used for many years and has been replaced by four electric motors and that it was staff's recommendation that the Board approve the surplus of the Waukeshaw engine.

A motion was made by Director Lewis, seconded by Director Lima, to surplus the Waukesha Motor. The motion was unanimously carried

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

2.5

Consider "Principal for a Day Sponsorship" for Student Scholarships

No action was taken on this matter.

2.6

Consider Participation in San Gabriel Valley Economic Partnership

Staff was instructed to research the various membership options available and to provide the information to the Board at the next meeting.

2.7

Public Relations (Rose Perea)

- Mrs. Perea reported that the District will host the "Traveling Art Show" during the week of March 10-17, 2014. The National Theatre Group has scheduled 2 performances at Yorbita Elementary, in La Puente on February 18, 2014. The number of students will be 589, totaling for this year 2,514.

- **Communications Outreach (CV Strategies)**
Alex Altman, CV Strategies, thanked the District for allowing CV Strategies to attend the Employee Recognition Dinner. He reviewed the Communications Update included in the Board packet and advised that the Drought Declaration Press Release had been sent to print and that they are in the process of scheduling the Presentation Training and Writing Workshop for staff. CV Strategies is also in the preliminary stages of organizing information for the Consumer Confidence Report (CCR).
- **Education Update**
Rose Perea, Director of Administrative Services, asked the Board whether they had any questions in connection with the Education Update provided in the Board packet.

2.8

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

- “Women of Achievement and Emerging Leader Award” for the 24th Senate District.
Nominations due February 26, 2014.
Provided for information purposes only.

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

Nothing to report. Mr. Deck asked the Board whether they had any interest in meeting with the District’s lobbyist to discuss current water issues either personally or via a teleconference. It was the consensus of the Board that a determination would be made at a later date.

Tab 4 REVIEW OF CORRESPONDENCE

Nothing to report.

Tab 5 COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

Director Lima reported on his attendance at the January 15, 2014 Board meeting and advised that Three Valleys’ General Manager, Rick Hansen, presented a “Strategic Plan” power point presentation outlining current Three Valleys projects. He also noted that Three Valleys’ Director De Jesus, met with Governor Brown and that although Governor Brown is not in favor of the Water Bond, he will not oppose it. President Lu-Yang reported on her attendance at the February 5, 2014 Board meeting and advised that changes in the Brown Act in connection with board meeting minutes were discussed.

5.2

Joint Powers Insurance Authority

Mr. Deck referred to the President’s Special Recognition Awards received from JPIA in the Liability, Property and Workers’ Compensation Programs which was included in the Directors’ packets and noted that the District was once again congratulated on the great job done and encouraged to keep up the good work. He advised that ACWA/JPIA had initiated its “Commitment to Excellence” outreach which is an agreement between the ACWA/JPIA and its members to sustain these efforts. They requested that the District’s General Manager and all Board members sign the agreement to demonstrate their on-going support of the Commitment to

Excellence. The General Manager and all Board members executed the Agreement which will be returned to the ACWA/JPIA for their records.

5.3

Association of California Water Agencies

Director Lewis reported that ACWA has not taken a position on the Water Bond, however, they will support the Bay Delta “fix” measure.

5.4

Puente Basin Water Agency

Director Lima reported on the February 6, 2014 Board meeting and noted that the Board reviewed the Agency’s financial statements for the second quarter and that they were approved to receive and file. Mr. Deck reported on the Cal Domestic Pipeline Project and advised that they hoped to break ground in March, 2014. The Pomona Basin Regional Groundwater Project is moving forward with a hydraulic study on the PWR line to make sure that it is a viable project. Director Lewis advised that the annual election of officers was held and that Director Lima was elected as Chairman and Director Ebencamp was elected as Vice-Chairman of the Agency for the 2014 calendar year.

5.5

Project Ad-Hoc Committee

President Lu-Yang reported that a meeting was held on January 31, 2014 and that the La Habra Height and Cal Domestic pipeline projects were discussed.

5.6

Regional Chamber of Commerce

Director Lewis reported that the Government Affairs Committee will be writing a letter of support on the Bay Delta project. He noted that the next meeting will be held on March 10, 2014.

5.7

PWR Joint Water Line Commission

Director Lima reported that the next meeting is scheduled for February 20, 2014.

5.8

Sheriff's Community Advisory Council

Director Lu-Yang reported on the meeting held on January 22, 2014. She advised that the Sherriff’s Department would like to provide the District with pamphlets on such things as emergency response so that they could be included in customers’ bills from time to time and that if the District advises them of the cost to do so, they will obtain the funds from Supervisor Don Knabe’s office.

5.9

Rowland Heights Community Coordinating Council

Director Bellah reported on his attendance at the February 10, 2014 meeting. Resident, Teri Malkin, advised that the General Plan and its effect on the Rowland Heights area was discussed at the meeting.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Personnel Report

General Manager, Ken Deck, reported that he met with George King, Career & Technical Education Center (CTEC), and students Mr. King referred that were interested in pursuing a career in the water industry as an intern and/or on a part-time basis. He was very impressed by the candidates interviewed and is considering the possibility of employing one individual.

6.2

Engineer’s Report

Mr. Carrera advised that Metropolitan Water District (MWD) had issued a press release today declaring a water supply alert throughout southern California in response to the statewide drought. The press release indicated that the MWD Board doubled its annual conservation and outreach budget from \$20 million to \$40 million. The increase will provide additional rebate incentives for Southern Californians to purchase water-saving devices and help reach the Brown Administration’s goal of a state-wide per-capita water use reduction of twenty percent.

Tab 7 ATTORNEY’S REPORT (Ms. Morningstar)

Nothing to report.

Directors’ and General Manager’s Comments

Director Lewis reported that Joe Ruzicka was elected as the LAFCO representative for Special Districts. President Lu-Yang reported on her participation in the “Women in Power” quarterly luncheon and the Alvarado Intermediate School career day. Director Rios mentioned that she would like to do a “ride-a-long” with one of the District’s meter readers to better understand how customers’ meters are actually read.

Future Agenda Items

- Consider Participation in San Gabriel Valley Economic Partnership
- Schedule a Directors’ Budget Workshop

Late Business

None.

Next Regular Board Meeting

March 11, 2014, 6:00 p.m.

A motion was made by Director Lima, seconded by Director Rios, and unanimously carried to adjourn the meeting. The meeting was adjourned 7:47 p.m.

SZU PEI LU-YANG
Board President

Attest: _____
KEN DECK
Board Secretary