



Minutes of the Regular Meeting  
of the Board of Directors of the Rowland Water District  
July 8, 2014 - 6:00 p.m.  
Location: District Office

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**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:**

Dan Horan, Three Valleys Municipal Water District  
Joe Ruzicka, Three Valleys Municipal Water District  
James Linthicum, Three Valleys Municipal Water District  
Ashley Hudgins, CV Strategies  
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**

None.

**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 June 10, 2014**

**1.2**

**Demands on General Fund Account for June 2014**

**1.3**

**Investment Report for June 2014**

**1.4**

**Water Purchases for May 2014**

Next Special Board Meeting July 22, 2014, 5:00 p.m.  
Next Regular Board Meeting August 12, 2014, 6:00 p.m.

**Tab 2 - ACTION ITEMS**

**2.1**

**Approve Directors’ Meeting Reimbursements for June 2014**

Upon motion by Director Lima, seconded by Director Lewis, 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**

**Discuss Resignation of John Bellah from the Rowland Heights Community Coordinating Council and Nomination of an Alternate District Representative to the Council in his Place**

President Lu-Yang accepted Director Bellah’s resignation from the Coordinating Council. After discussion, it was the consensus of the Board that Director Rios serve as the representative of the District on the Coordinating Council and that an alternate representative not be appointed at this time. Upon motion by Director Lewis, seconded by Director Lima, the Board appointed Director Rios as the District representative on the Rowland Heights Community Coordinating Council. The motion was unanimously carried.

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

### 2.3

#### **Discuss and Approve Refunding of 2008 Certificates of Participation**

Mr. Deck advised that as part of the District's ongoing efforts to implement budgetary savings and reduce costs, the District has the opportunity to refinance its 2008 Certificates of Participation Recycled Water Project ("2008 COP"). Due to the historically low interest rates and the District's good credit rating, under current market conditions it is estimated that the District can save approximately \$2.9 million over the remaining life of the 2008 COP by refinancing at this time and issuing water revenue refunding bonds to refinance the 2008 COP. The 2008 COP can be redeemed without a redemption premium and the 2014 Bonds will be issued with the same final year of payment of 2039 as the 2008 COP. By taking advantage of the low interest rates currently available in the market, the interest rate can be lowered from 6.3% to approximately 4%. Refinancing of the 2008 COP would produce annual savings of approximately \$170,000.00.

Upon motion by Director Lima, seconded by Director Lewis, the Refunding of the 2008 Certificates of Participation was unanimously approved.

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

### 2.4

#### **Review and Approve Resolution No. 7-2014 Adopting Policies and Procedures for Water Service to Developments with Affordable Housing**

Mr. Deck advised the Board that pursuant to Senate Bill 1087, State law requires that water and sewer providers prepare policies and procedures for granting priority for service allocations to proposed developments that include units housing for affordable to lower-income households.

A motion was made by Director Lima, seconded by Director Rios, to approve Resolution No. 7-2014 Adopting Policies and Procedures for Water Service to Developments with Affordable Housing. 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.

**2.5**

**Review and Approve Changes to Rowland Water District Personnel Rules and Regulations**

Mr. Deck referred to the Memorandum included in the Director’s Board packets which set forth the changes made to the District Personnel Rules and Regulations. He advised that the changes and additions made to the Personnel Rules and Regulations had been reviewed by the employment law firm of Liebert Cassidy Whitmore and District legal counsel, Janet Morningstar, and that they recommended certain ministerial changes to update the Personnel Rules and Regulations.

Upon motion by Director Lewis, seconded by Director Lima, the changes to the Personnel Rules and Regulations were unanimously approved.

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

**2.6**

**Review and Approve Resolution No. 7.1-2014 Amending the Policies, Rules and Regulations Applicable to District Employees**

A motion was made by Director Lewis, seconded by Director Lima, to approve Resolution No. 7.1-2014 Amending the Policies, Rules and Regulations Applicable to District Employees. 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.

**2.7**

**Receive and File Pomona-Walnut-Rowland Joint Waterline Budget for Fiscal Year 2014-2015**

A motion by Director Lima, seconded by Director Bellah, to receive and file the Pomona-Walnut-Rowland Joint Waterline Budget for Fiscal Year 2014-2015. The motion was unanimously approved.

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

## 2.8

### **Approve District Sponsorship of Buckboard Days Parade in the Amount of \$500.00**

After discussion, a motion was made by Director Lima, seconded by Director Rios, to sponsor the Buckboard Days Parade in the amount of \$500.00. The motion was unanimously carried.

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

Resident, Harry Peterson, thanked the District for its continued support of the Buckboard Days Parade.

## 2.9

### **Public Relations**

Rose Perea reported that the District participated in the Schabarum Park Community Emergency Response Fair which was held on June 21, 2014 from 10:00 a.m. to 2:00 p.m. and advised that there were many conservation and drought questions posed by members of the community. Staff distributed conservation and California Friendly Landscaping brochures to the public.

- **Communications Update.** Ashley Hudgins, CV Strategies, reported that the 2013 Consumer Confidence Report postcards had been mailed out prior to July 1, 2014 and that the printed document is available online and at the District office. The corresponding Press Release was distributed on June 30, 2014. The legislative one-sheet has been updated and was distributed in June 2014. Updates to the website and the phone “on-hold” messages are on-going and an update of the strategic plan language is being considered.
- **Education Update**  
Director Lima noted that he had reviewed the education update and pointed out that the District website reflected 1,800 visits per week which indicates that the website is being regularly viewed.

## 2.10

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

- 2014 CSDA Annual Conference, September 29-October 2, 2014, Palm Springs, CA  
Director Lewis requested that staff make reservations for his attendance at the CSDA Annual Conference.

## **Tab 3 LEGISLATIVE INFORMATION**

### **3.1**

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

For information purposes.

## **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 June 18, 2014 Board meeting and that there will be no regular board meetings held during the months of July and August. A summer water workshop will be held on July 16, 2014. The next regular meeting will be held in September.

### **5.2**

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

Director Lewis reported that an update on the Regional Water Supply Reliability Programs was provided. PBWA's *Six Basins and Puente Basin Integrated Water Supply Project* is in the final selection stages for a \$3 million Proposition 84 IRWM Grant (State). In order to assemble all of the information from Los Angeles County, each of the agencies must pay the fee in order that the grant application to the State Water Resources Control Board can be processed by the Counties Consultant. The commission authorized the expenditure in the amount of \$17,440.71. Director Lima reported that a Federal Funding update was provided. The *Water Resources Reform Development Act (WRRDA)* was signed into law. With the formal passage of WRRDA, PBWA will continue to work with Rowland Water District, Walnut Valley Water District and Three Valleys WD to obtain Federal funding for the Pomona Basin Regional Groundwater Project.

Mr. Deck advised the Board that PBWA had entered into Lease Agreements with Montebello Land and Water for 227 acre feet and with Bellflower-Somerset Water Company for 260 acre feet of "Allowed Pumping Allocation" for the period July 1, 2013 through July 1, 2014. These Agreements will avoid the carry-over loss and allow the PBWA to store 487 acre feet of water in the Central Basin.

### **5.3**

#### **Joint Powers Insurance Authority**

Nothing to report.

### **5.4**

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

Director Lewis reported on the status of the Water Bond.

### **5.5**

#### **Project Ad-Hoc Committee**

President Lu-Yang reported that the last meeting was held on June 26, 2014 and that the Committee discussed the status of various District projects.

## **5.6**

### **Regional Chamber of Commerce**

Director Lewis advised that the next meeting of the Government Affairs Committee will be held on July 14, 2014. President Lu-Yang reported that John Shu has been installed as President of the Chamber.

## **5.7**

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

Mr. Deck reported that a presentation on the La Verne project was made by Eric Hitchman, Walnut Valley Water District, at the June 19, 2014 meeting.

## **5.8**

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

Nothing to report.

## **5.9**

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

Director Rios reported that the next meeting will be held on July 14, 2014.

## **Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS**

### **6.1**

#### **Personnel Report**

Mr. Deck advised that the District had hired a part-time customer service representative and that she is scheduled to start on July 16, 2014.

### **6.2**

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

Mr. Carrera reported that the Cal Domestic Pump Station No. 1 is approximately twenty-percent (20%) complete and that the 24" pipeline is progressing up Harbor Boulevard and is approximately twenty percent (20%) complete.

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

Nothing to report.

## **Tab 8 CLOSED SESSION**

Conference with Legal Counsel – Anticipated Litigation

Pursuant to Government Code Section 54956.9(b)

### **Verizon Claim for Damages**

It was determined that a closed session was not required. Mr. Deck advised the Board that the District had received a Claim for Damages from Verizon in the amount of \$7,000.00 and that staff had forwarded the appropriate claim form to Verizon for completion. Upon receipt of the Claim form and supporting documentation, the claim will be brought back to the Board for review and discussion.

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

Director Rios inquired as to the status of the implementation of the payment Kiosk. Mr. Deck advised that the Kiosk was scheduled to be operational tomorrow, June 9, 2014. Director Rios also reminded the Directors to review the June 17, 2014 meeting schedule and their scheduled meeting times with Dr. Mathis. President Lu-Yang thanked staff for their handling of a recent customer's complaint and the mutually satisfactory resolution of the issues.

**Future Agenda Items**

None.

**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 6:56 p.m.

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SZU PEI LU-YANG  
Board President

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