



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

March 5, 2012 - 4:00 p.m.
Location: District Office

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:

W. David Byrum, Civiltec Engineering
Judy Ennis, La Habra Heights Resident
George Edwardz, The Avocado Express, La Habra Heights
Stephen Blagden, La Habra Heights Resident
Margot Paez, Member of the Public

ROWLAND WATER DISTRICT STAFF:

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

PUBLIC COMMENT ON AGENDA ITEMS

La Habra Heights resident, Ms. Judy Ennis, asked whether the Water Production and Delivery Agreement's purpose was to provide water to the Football Stadium. Mr. Deck replied that it was not.

Mr. Stephen Blagden, La Habra Heights resident, presented his views on the well capacity and upper zone capacity as well as a review of what he felt was La Habra Heights County Water District's Pumping Capacity available for Rowland Water District.

Mr. George Edwardz of the Avocado Express had general comments on portions of the Water Production Agreement and its impact upon the La Habra Heights County Water District's water system.

Ms. Margot Paez, member of the public, provided commentary on legislation affecting water supplies.

Tab 1 - ACTION ITEMS

1.1

Review and Approve Water Production and Delivery Agreement between Rowland Water District, La Habra Heights County Water District and Orchard Dale Water District.

In a general discussion on an overview of the Agreement, General Manager, Ken Deck, clarified the fact that Rowland Water District (RWD) is not taking any water from La Habra Heights County Water District (LHHCWD), but merely accessing RWD's water rights through LHHCWD's wells, transmission lines and reservoir capacity which are surplus to LHHCWD's needs during off-peak periods. Legal counsel, Janet Morningstar, addressed comments made by members of the public concerning the proposed Agreement and whether it complied with Water Code Section 1810 and explained that Water Code Section 1810 did not apply in this instance because there is a consensual agreement between the parties. The wheeling statutes state that the owner of a conveyance facility may not deny a bona fide transferor of water the use of up to 70% of the unused capacity of the facility upon payment of fair compensation. Section 1813 provides a judicial remedy if the facility owner does not agree to allow the use.

Director Lewis requested clarification as to the amount of water provided through LHHCWD's connections and defined sources and reliability. Director Bellah requested verification that the LHHCWD's system is mechanically able to transfer the additional water through their system. Mr. W. David Byrum, Civiltec Engineering, emphasized that there is no way that we can over-stress their system. He emphasized that constant use of a water system keeps it in better working condition. Civiltec Engineering used their hydraulic model to test the demands on the system if this Agreement were entered into and it was determined that the LHHCWD's system would be able to assume the additional demands. Vice President, Lu-Yang, noted that Water Code Section 1810 was not relevant to this Agreement. Vice President Lu-Yang requested clarification that RWD would only receive MWD water through LHHCWD in an emergency situation. Mr. Deck verified this. She referred to paragraph 5.4 which states that LHHCWD can only construct up to 7 additional water connections (at their sole cost) from the Delivery Facilities to services which are in existence on the effective date of the Agreement. She also requested an explanation of

RWD's cost savings after full amortization of its capital costs. Director Bellah asked what the total cost to RWD would be for construction of the pipeline as well as the amount of water RWD expects to receive through the LHHCWD facilities. Mr. Deck advised that the total cost would be between \$750,000. and \$1 million and that RWD could receive between 1,000 and 2,000 acre feet per year.

Directors' and General Manager's Comments

None.

Future Agenda Items

- Review and Approve Water Production and Delivery Agreement between Rowland Water District, La Habra Heights County Water District and Orchard Dale Water District

Late Business

None.

Next Regular Meeting of the Board of Directors to be held March 13, 2012, at 6:00 p.m..

A motion was made by Director Rios, seconded by Director Bellah, and unanimously carried to adjourn the meeting. The meeting was adjourned at 5:20 p.m.

ANTHONY J. LIMA
Board President

Attest: _____
KEN DECK
Board Secretary