



Minutes of the Adjourned Regular Meeting
of the Board of Directors of the Rowland Water District
November 17, 2015 - 6:00 p.m.
Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

None

OTHERS PRESENT:

Joseph Byrne, Legal Counsel, Best Best & Krieger
Erin La Combe Gilhuly, CV Strategies
Joe Ruzicka, Three Valleys Municipal Water District
Kirk Howie, Three Valleys Municipal Water District
David and Teri Malkin, Residents
Hal Estabrook, Director, Orchard Dale Water District

ROWLAND WATER DISTRICT STAFF

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

ADDITION(S) TO THE AGENDA

None.

PUBLIC COMMENT ON NON-AGENDA ITEMS

On behalf of the Buckboard Days Parade and Festival Committee, committee member, Teri Malkin, presented Board President, Szu Pei Lu-Yang, with a plaque thanking the District for supporting the "Forty-Third Annual Buckboard Days Parade and Fall Festival, October 17, 2015".

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 October 13, 2015

1.2

Demands on General Fund Account for September 2015

1.3

Investment Report for September 2015

1.4

Water Purchases for September 2015

Next Regular Board Meeting

December 8, 2015, 6:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Approve Directors’ Meeting Reimbursements for October 2015

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

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

2.2

Discuss Termination of Memorandum of Agreement with *The Furman Group*

General Manager, Tom Coleman, advised the Board that due to the lack of congressional appropriations of the Water Resources Reform & Development Act of 2014, it is staff’s recommendation that the District terminate the Agreement with its federal lobbyist, The Furman Group. Upon motion by Director Lima, seconded by Director Lewis, the Board unanimously approved the termination of the MOU with The Furman Group.

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 Report as of September 30, 2015

Mr. Henry summarized the report for the Board and reviewed the balances as of September 30, 2015, indicating that although interest rates are slowly increasing, a very low rate environment still exists. Mr. Henry and Mr. Coleman answered questions posed by members of the Board and after discussion, a motion was made by Director Lima, 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

Receive and File Rowland Water District’s Statement of Operations For Period Ending September 30, 2015

Mr. Henry explained the report covering the period July 1, 2015 through September 30, 2015, in detail and then responded to questions from the Board. Mr. Henry advised that revenue is up and expenses are down and noted that income and expenses for the first quarter of the year were in line with the budgeted amounts.

A motion was made by Director Lewis, seconded by Director Lima, 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

2.5

Receive and File PWR Joint Water Line Commission Audit Report for Fiscal Year 2014-2015 Prepared by White Nelson Diehl Evans LLP

General Manager, Tom Coleman, advised that the Audit Report was presented and approved by the Commission at the last meeting held on October 15, 2015.

A motion was made by Director Lewis, seconded by Director Lima, to receive and file the PWR Joint Water Line Commission Audit Report for Fiscal Year 2014-2015. The motion was unanimously carried.

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

2.6

Approve NBS Proposal for a Water and Recycled Water Rate and Capacity Fee Study

General Manager, Tom Coleman, advised the Board that staff received the proposal presented from NBS to complete a rate study. He advised that the scope of work for the rate study had been expanded to ensure that the rate justification is in line with the San Juan Capistrano Court decision.

A motion was made by Director Lewis, seconded by Director Bellah, to approve the NBS Proposal for the Rate Study. The motion was unanimously carried.

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

2.7

Select Voting Delegate to Vote at the ACWA Fall Conference for ACWA President and Vice President for the 2016-2017 Term

After discussion by members of the Board, upon motion made by Director Bellah, seconded by Director Lima, and unanimously carried, the Board selected Director Robert W. Lewis as the voting delegate at the ACWA Fall Conference to vote for the offices of President and Vice President for the 2016-17 Term.

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

2.8

Approve First Amendment to Joint Use Agreement and Agreement for Relocation of Waterlines – Alameda Corridor-East Project Nogales Street Grade Separation dated October 8, 2013

Mr. Coleman advised the Board that the purpose of the Amendment was for the payment of pipeline movement by ACE in lieu of obtaining an Easement from Majestic Realty. He requested that the Board approve the First Amendment as presented with the stipulation that an indemnification clause will be added indemnifying the District from any damages incurred by virtue of the course of action taken.

After discussion, a motion was made by Director Lima, seconded by Director Lewis, and unanimously carried, to approve the First Amendment to the Joint Use Agreement allowing for the addition of an indemnification clause prior to execution.

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

2.9

Discuss OPARC – Fire Hydrant Painting Program

This was included as an informational item only. General Manager, Tom Coleman advised the Board that the District has engaged the services of OPARC (Ontario-Pomona Association of Retarded Children) to paint fire hydrants in low traffic areas and residential areas of the District. The District will supply the materials and pay four (4) individuals to paint the fire hydrants.

2.10

Public Relations (Rose Perea)

Mrs. Perea referred to the Teachers' Comments regarding the Theatre Group Fall Tour October 5-13, 2015 and pointed out that the evaluations received from teachers on the "Showdown at Dry Gulch" presentations were very well received and that they are all looking forward to next year's presentation.

The landscape class was held on October 21, 2015, at 5:00 p.m. at the Rowland Heights Community Center. It was very well received by those in attendance. The remaining rain barrels from the District distribution (44) were offered to those attending the landscape class. They made arrangements to come to the office and pick them up on October 23, 2015.

The Project Wet Teachers' Workshop was held on October 27, 2015 at the IEUA headquarters in Chino, CA. The District had nine (9) teachers in attendance. There was a total of twenty (20) teachers in attendance at the workshop.

The District has two (2) solar boats in this year's Solar Cup competition which will be held May 13-16, 2015 at Lake Skinner. We have a boat from Nogales High School and one from Santana Continuation High School. The boat building was held on November 7 and 8, 2015 at Three Valleys MWD. Santana was there on Saturday, November 7 and Nogales was there on Sunday, November 8. The first technical workshop will be held on December 12, and the first technical report on "Drive Train/Steering" is due on December 17, 2015

Communications Outreach (CV Strategies)

Erin La Combe-Gilhuly, CV Strategies, reported that the Opinion Piece on the drought will be finalized and submitted to the San Gabriel Valley Tribune on Friday, November 20, 2015. The Op-Ed piece highlights the District's conservation efforts in response to State mandates. CV Strategies has also designed and provided an additional 50 yard signs and has designed the tailgate wraps for District trucks encouraging conservation and a reduction of water use by 20%. The press release on Board Member retention is in process and will be distributed after the Board of Supervisors' ratification. A press release highlighting the District Intern Program/MOU with the Learning Centers at the Fairplex is also in process.

Education Update

For information purposes only.

2.11

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

- **Regional Chamber of Commerce San Gabriel Valley, Legislative Power Luncheon, November 20, 2015, 11:30 a.m., Diamond Bar Golf Course, 22751 Golden Springs Dr., Diamond Bar, CA**

Staff was asked to make reservations for Directors Lewis and Bellah to attend.

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

Nothing to report.

Tab 4 REVIEW OF CORRESPONDENCE

None.

Tab 5 COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

President Lu-Yang reported on the Budget Workshop held on November 4, 2015. The draft FY 2014-15 Audit and Comprehensive Annual Financial Review was discussed as well as the Miramar In-Conduit Hydroelectric Project. The next meeting will be held on November 18, 2015.

5.2

Joint Powers Insurance Authority

Director Lewis commented on the Risk Assessment Visit letter and commended staff on the low loss history which directly affected the discounts received by the District on the liability premium.

5.3

Association of California Water Agencies

Nothing to report.

5.4

Puente Basin Water Agency

Director Lewis reported on the meeting held on November 6, 2015, and advised that an update was provided on the Regional Water Supply Reliability Program and the proposed Regional Recycled Water Program between MWD and the Sanitation Districts was discussed. Director Lima reported that the Pomona Basin Regional Groundwater Project drawings are 90% complete, the Cal Domestic Project should be on line in February 2016 and the PVOU Project is progressing.

5.5

Project Ad-Hoc Committee

Nothing to report.

5.6

Regional Chamber of Commerce

Nothing to report. The next meeting will be held on January 11, 2016.

5.7

PWR Joint Water Line Commission

Director Lima reported on the meeting held on October 15, 2015 and advised that the Commissioners approved the Audit Report for Fiscal Year 2014-2015 prepared by White Nelson Diehl Evans LLP.

5.8

Sheriff's Community Advisory Council

Nothing to report.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Finance Report

Mr. Henry presented a Power Point presentation reflecting an overall 16.4% reduction in water sales for the month of October 2015.

6.2

Operations Report

Mr. Warren provided pictures of a main line leak (bearing break) on Hurley Street and advised that the 24" pipeline materials for the pressure reducing station had been delivered.

6.3

Personnel Report

Mr. Coleman advised that CTEC had provided the names of four individuals for the District's consideration in hiring as interns. The District is awaiting the receipt of their completed applications and resumes. Once received, they will be interviewed during the month of December with a tentative hiring date in January 2016.

Tab 7 ATTORNEY'S REPORT

Legal counsel, Joe Byrne, reported that the Governor issued a new drought proclamation indicating the continuation of the implementation of conservation requirements until September of next year. A hearing will be held on December 7, 2015, in Sacramento which BB&K and Rowland staff will be attending.

Directors' and General Manager's Comments

General Manager, Tom Coleman, advised that a Board workshop will be held in the near future to update the Board Principles and Practices (Board Norms).

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 7:57 p.m.

SZU PEI LU-YANG
Board President

Attest: _____
TOM COLEMAN
Board Secretary