



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
December 12, 2017 - 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:

Joe Ortiz, Legal Counsel, Best Best & Krieger
Erin LaCombe Gilhuly, CV Strategies
Tara Bravo, CV Strategies
Katelynn Zoellner, CV Strategies
Joe Ruzicka, Three Valleys Municipal Water District
Dan Horan, Three Valleys Municipal Water District
Kirk Howie, Three Valleys Municipal Water District
Teri Malkin, Resident
Robert Callanan, White Nelson Diehl Evans LLP

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

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 14, 2017

1.2

Approval of the Minutes of Special Board Meeting Held on November 28, 2017

1.3

Demands on General Fund Account for October 2017

1.4

Investment Report for October 2017

1.5

Water Purchases for October 2017

Next Regular Board Meeting January 9, 2018, 6:00 p.m.
Next Special Board Meeting January 23, 2018, 5:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Review and Approve Directors’ Meeting Reimbursements for November 2017

Upon motion by Director Lewis, seconded by Director Lima, 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

Approve “Draft” RWD Financial Audit Report for Fiscal Year 2016-2017 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 difficulties were encountered in completing the audit. Management provided a representative letter to the auditors. No significant transactions unusual in nature were observed. Finance Officer, Sean Henry, highlighted areas of the Audit Report for review and discussion with the Board.

General Manager, Tom Coleman, indicated that the draft report was presented for information and discussion only. The final document will be presented at the January 9, 2018, Board meeting for approval.

2.3

Review and Approve Resolution No. 12-2017 of the Board of Directors Amending Board Policy for Election and Rotation of Board Officers

After Discussion, a motion was made by Director Lewis, seconded by Director Lima, to approve Resolution No. 12-2017 Amending Board Policy for Election and Rotation of Board Officers with the proviso that non-substantive changes can be made by the General Manager. The motion was approved by the following roll-call vote:

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

Motion was passed by a vote of 5-0.

2.4

Approve Executive Officer Positions of the Board of Directors for 2018

It was the consensus of the Board to approve Director Lu-Yang's re-election to serve as President for calendar year 2018, and Director Lewis's re-election to serve as Vice President for the calendar year 2018.

2.5

Review and Approve Board of Directors' Committee Assignments for 2018

All Committee assignments for the 2018 calendar year were discussed. A motion was made by Director Lewis, seconded by Director Rios, and unanimously approved, 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	Director Bellah Director Lu-Yang

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 Rios, seconded by Director Bellah, and unanimously carried 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.

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

2.7

Review and Approve Resolution No. 12.1-2017 of the Board of Directors Appointing Representatives to the Puente Basin Water Agency

A motion was made by Director Rios, seconded by Director Bellah, to approve Resolution No. 12.1-2017 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
Abstain: None
Absent: None

Motion was passed by a vote of 5-0.

2.8

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

A motion made by Director Lewis, seconded by Director Bellah, 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 Resolution No. 12.2-2017 Establishing the Rowland Water District Investment Policy

After discussion, a motion was made by Director Lima, seconded by Director Lewis, to approve Resolution No. 12.2-2017 Establishing the Rowland Water District Investment Policy. The motion was approved by the following roll-call vote:

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

Motion was passed by a vote of 5-0.

2.10

Review and Approve Resolution No. 12.3-2017 Re-Appointing the District Treasurer and Delegating Authority for the Investment of Surplus Funds of the District to the General Manager/Treasurer

After discussion, a motion was made by Director Bellah, seconded by Director Lewis, to approve Resolution No. 12.3-2017 Re-Appointing the District Treasurer and Delegating Authority for the Investment of Surplus Funds of the District to the General Manager. The motion was approved by the following roll-call vote:

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

Motion was passed by a vote of 5-0.

2.11

Review and Approve Resolution No. 12.4-2017 Amending the District’s “Retiree Health Benefits” Rule

After discussion by legal counsel and the Board, a motion was made by Director Lima, seconded by Director Rios, to approve Resolution No. 12.4-2017 Amending the District’s “Retiree Health Benefits” Rule. The motion was approved by the following roll-call vote:

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

Motion was passed by a vote of 4-0.

2.12

Receive and File Rowland Water District’s Statement of Operations for Period Ending September 30, 2017

Mr. Henry explained the report covering the period July 1, 2017 through September 30, 2017, in detail and then responded to questions from the Board. Mr. Henry advised that revenue 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

2.13

Receive and File Rowland Water District’s Quarterly Investment Report as of September 30, 2017

Mr. Henry summarized the report for the Board and reviewed the balances as of September 30, 2017. 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 Lewis, to receive and file the Quarterly Investment Report as presented. The motion was unanimously carried.

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

2.14

Review and Approve Agreement for Employment of General Manager

Legal counsel reviewed the Agreement with the Board and discussed the following changes to the Agreement for Employment of General Manager:

1. **Term:** The term of the Agreement shall be for seven (7) years.
2. **Automobile Allowance:** The automobile allowance is increased to \$750.00 per month, with automatic increases by \$50.00 every three years during the term of the Agreement, not to exceed \$900.00.
3. **Administrative Leave:** General Manager's administrative leave is increased to ten (10) days or eighty (80) hours per year.
4. **Medical Benefits:**
"The District desires to provide the General Manager with eligibility to retirement medical benefits identical to that of the general employees that were hired before July 1, 2009. The District agrees to provide medical, dental, and vision benefits to the General Manager and his dependents upon his successful retirement from the District. The District shall effectuate the proposed benefits by revision to its Retiree Health Benefits policy following the execution of this Agreement."

A motion made by Director Lima seconded by Director Lewis, and unanimously carried, to approve the Agreement as presented.

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

2.15

Public Relations (Rose Perea)

Mrs. Perea reported that the District had one winner in the MWD 2018 *Water is Life* Poster Contest: Doris Jang, Third Grade, from Blandford Elementary. The Student Recognition, Presentation and Luncheon took place on December 7, 2017, at the MWD headquarters. The student winner, her parents, her teacher and the Principal attended the luncheon reception.

Edu Bucks in the amount of \$3,500.00 (\$700.00 each) were awarded to four schools in the District's service area: Blandford Elementary, Rowland Elementary (2), Jellick Elementary and Telesis Academy.

The Scholarship Applications were distributed to Wilson, Nogales and Santana High Schools. Three, \$1,500 scholarships will be awarded. The essays on water are due on or before January 25, 2018.

The Broadcast Media and Digital Art Contest flyers were distributed to Nogales, Wilson and Santana High Schools, as well as Telesis Academy and Alvarado Intermediate School. The entries are due on March 8, 2018. The awards are: First Place, \$400, Second Place \$300 and Third Place \$150 in each category, totaling \$1,700.00.

Communications Outreach (CV Strategies)

Erin LaCombe Gilhuly, CV Strategies, reported that CV Strategies prepared and distributed the Press Release on the "Best In Blue" award presented to the District at the ACWA Conference, and prepared the slider for the RWD website. CV Strategies also prepared the article on the award which is included in the *Municipal Water Leader* publication, November/December 2017

issue. RWD is also featured in the “Team Tap Water” advertisement. The bill staffer announcing the 2018 phase of the water rate increase has been prepared and is being distributed to District customers. CV Strategies is finalizing a pocket guide containing information on leak detection which will be utilized by District field staff to assist customers with the leak detection process. General Manager, Tom Coleman, acknowledged Three Valleys MWD, on receiving the Legislative Outreach award, first place in the State.

Education Update

No comments.

2.16

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, February 7-9, 2017, Hilton Palm Springs Hotel, Palm Springs, CA**

Staff was asked to make reservations for Directors Bellah and Lewis’ attendance at the Conference. Upon motion by Director Lima, seconded by Director Rios, and unanimously carried, the Board approved the payment of *per diem* compensation to the Directors for their attendance at the Conference.

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

None.

Tab 4 REVIEW OF CORRESPONDENCE

None.

Tab 5 COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

Director Lima reported on his attendance at the November 15, 2017 Board meeting and advised that information was provided on the Main San Gabriel Basin water level and noted that the rains from last year contributed minimally to increasing the level. President Lu-Yang reported on her attendance at the December 6, 2017 Board Meeting and noted that Three Valleys is looking into additional harassment training for the Board. Fighting wild fires and the current water supply was also discussed. The re-election of the Board with no changes to the offices of President and Vice-President was confirmed.

5.2

Joint Powers Insurance Authority

Director Lewis reported on his attendance at the JPIA segment of the ACWA Conference and advised that the possibility of a minimal rate increase was discussed as well as a new Investment Policy. General Manager, Tom Coleman, advised the Board that the District had received the ACWA/JPIA “President’s Special Recognition Award” in the Property and Workers’ Compensation Programs for the period April 1, 2013 through March 31, 2016.

5.3

Association of California Water Agencies

Mr. Lewis reported on his attendance at the ACWA Fall Conference in Anaheim held on November 28, 2017 through December 1, 2017. He also attended the Region 8 meeting and advised that SB623 in connection with water solutions for disadvantaged communities was discussed as well as SB4 which addressed disadvantaged rate payers' assistance.

5.4

Puente Basin Water Agency

Director Lima reported on his attendance at the meeting held on December 7, 2017. He advised that the Cal Domestic pipeline was discussed and that an update was provided in connection with the Pathfinder pipeline with an anticipated completion date of June 2019. Construction is due to start in 2018 and the pipeline is ready to go to bid. Updates were also provided on the Old Baldy Well Agreement as well as the Central Basin Well. The meeting schedule for 2018 was ratified which will include six meetings, one every other month, starting in February. CV Strategies previewed the new PBWA website which is now up and running.

5.5

Project Ad-Hoc Committee

Nothing to report.

5.6

Regional Chamber of Commerce

The Government Affairs Committee will be dark in December.

5.7

PWR Joint Water Line Commission

Nothing to report. The next meeting will be held in February, 2018.

5.8

Sheriff's Community Advisory Council

Nothing to report.

5.9

Rowland Heights Community Coordinating Council

Director Bellah reported on his attendance at the December 11, 2017 meeting and advised that a representative from Supervisor Janice Hahn's office provided a report on the homeless situation and a presentation was made by Cal Tech on computer security. General Manager, Tom Coleman, advised that President Ebenkamp has asked him to do two presentations at the Council's meetings in January and February which he has agreed to do.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Finance Report

Nothing to report.

6.2

Operations Report

Director of Operations, Dave Warren, reported that the interior coating project on Reservoir 6 has commenced and that he hopes to have some pictures of the progress next month.

6.3

Personnel Report

Nothing to report.

Tab 7 ATTORNEY’S REPORT

Nothing to report.

Tab 8 CLOSED SESSION

Legal Counsel, Joe Ortiz, adjourned the meeting to closed session at 8:00 p.m. and announced that the purpose of the closed session, and the provisions of the Brown Act authorizing the closed session were listed in the agenda.

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (One Case)

The closed session was adjourned and the Board resumed the meeting in open session at 8:50 p.m.

Upon returning to open session, legal counsel reported that the Board took no reportable action in connection with this matter.

Directors’ and General Manager’s Comments

None.

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 8:56 p.m.

SZU PEI LU-YANG
Board President

Attest: _____
TOM COLEMAN
Board Secretary