



Minutes of the Regular Meeting
of the Board of Directors of the Rowland Water District
January 8, 2019 - 6:00 p.m.
Location: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

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

ABSENT:

Director Anthony J. Lima (Excused Absence)

OTHERS PRESENT:

Joseph P. Byrne, Legal Counsel, Best Best & Krieger
Erin LaCombe Gilhuly, CV Strategies
Matt Litchfield, Three Valleys Municipal Water District
Joe Ruzicka, Three Valleys Municipal Water District
Kirk Howie, Three Valleys Municipal Water District
Teri Malkin, Resident
Denise Jackman, 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 Lu-Yang, seconded by Director Bellah, the Consent Calendar was approved as follows:

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

The approval of the Consent Calendar included:

1.1

Approval of the Minutes of Regular Board Meeting Held on December 11, 2018

1.2

Demands on General Fund Account for November 2018

1.3

Investment Report for November 2018

1.4

Water Purchases for November 2018

Next Special Board Meeting	January 22, 2019, 6:00 p.m.
Next Regular Board Meeting	February 12, 2019, 6:00 p.m.

Tab 2 - ACTION ITEMS

2.1

Review and Approve Directors' Meeting Reimbursements for December 2018

Upon motion by Director Lu-Yang, seconded by Director Rios, the Directors' Meeting Reimbursement Report was approved as follows:

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

2.2

Approve Change in IRS Mileage Rate from \$.545 to \$.58 effective January 1, 2019

Upon motion by Director Lu-Yang, seconded by Director Rios, the \$.58 Mileage Rate Effective January 1, 2019 was approved as follows:

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

2.3

Approve “Draft” RWD Financial Audit Report for Fiscal Year 2017-2018 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 will provide a representative letter to the auditors. No significant transactions unusual in nature were observed.

General Manager, Tom Coleman, indicated that the final document will be presented at the February 12, 2019, Board meeting for approval.

Upon motion by Director Lu-Yang, seconded by Director Bellah, the “Draft” RWD Financial Audit Report for Fiscal Year 2017-2018 was approved as follows:

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

2.4

Receive and File Final Puente Basin Water Agency Financial Audit for Fiscal Year Ended June 30, 2018 prepared by Davis Farr Certified Public Accountants

General Manager, Tom Coleman, advised that the Audit Report was presented and approved by the Commission at the last meeting held on December 6, 2018.

A motion was made by Director Lu-Yang, seconded by Director Bellah, to receive and file the Puente Basin Water Agency Financial Audit for Fiscal Year ended June 30, 2018. The motion was approved as follows:

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

2.5

Review and approve “Quitclaim Deed” from Rowland Water District, Grantor, to Successor Agency to the Industry Urban Development Agency, Grantee, and “Relinquishment of Easement Rights” for real property located at 17647 Gale Avenue, City of Industry, CA (APN: Portions of 8264-012-923, 8264-013-913 and 914)

After discussion, a motion was made by Director Lu-Yang, seconded by Director Bellah, to approve the Quitclaim Deed and Relinquishment of Easement Rights for real property located at 17647 Gale Avenue, City of Industry, CA, as presented. The motion was approved as follows:

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

2.6

Review and approve “Quitclaim Deed” from Rowland Water District, Grantor, to Industry Capital Partners, LLC, Grantee, and “Relinquishment of Easement Rights” for real property located at 17723 Gale Avenue, City of Industry, CA (APN: Portions of 8264-013-024)

After discussion, a motion was made by Director Lu-Yang, seconded by Director Rios, to approve the Quitclaim Deed and Relinquishment of Easement Rights for real property located at 17723 Gale Avenue, City of Industry, CA, as presented. The motion was approved as follows:

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

2.7

Review and Approve Resolution No. 1-2019 Educational Reimbursement Policy

After discussion, a motion was made by Director Lu-Yang, seconded by Director Bellah, to approve Resolution No. 1-2019 Educational Reimbursement Policy. The motion was approved by the following roll-call vote:

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

Motion was passed by a vote of 4-0.

2.8

Review and Approve Education Reimbursement Agreement

After discussion, a motion was made by Director Lu-Yang, seconded by Director Rios, to approve the Education Reimbursement Agreement as presented. The motion was approved as follows:

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

2.9

Consider Approval of Server Replication System for District Servers

General Manager, Tom Coleman, discussed the staff report provided outlining the IT Infrastructure Redundancy Project for the District “Storage Area Network” (SAN) and the advantages of using SAN technology which will easily integrate with the District’s existing virtualization platform. After discussion a motion was made by Director Lu-Yang, seconded by Director Bellah, to approve the Server Replication System for District Servers. The motion was approved as follows:

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

2.10

Public Relations (Rose Perea)

Mrs. Perea reported Edu Bucks award letters to Blandford Elementary (2), Rowland Elementary (1), and Jellick Elementary (2) for grants totaling \$4,000 had been sent to the schools. The completed projects with the itemized budgets are due no later than May 2019.

Communications Outreach (CV Strategies)

Erin LaCombe Gilhuly, CV Strategies, reported that CV Strategies is working on the development of a customer messaging plan related to legislation (SB 606 and AB 1668) which will include outreach and a video. They are also working on the Customer Survey Results presentation for the January 22, 2019 Board Workshop. They have prepared press releases on the Board appointments, committee assignments, MWD Poster Contest, Water Scholar and EduBucks Awards. The Mutual Aid Agreement with the Public Water Agencies Group (PWAG) article was published in the ACWA News.

Education Update

No comments.

2.11

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

- None

Tab 3 LEGISLATIVE INFORMATION

3.1

Updates on Legislative Issues

General Manager, Tom Coleman, reported on Assembly Bill 401 which attempts to establish a low-income rate subsidy. A public hearing will be held on February 1, 2019 and the District will provide public comment prior to February 1, 2019. A “spot bill” on the water tax has again been introduced. Rowland Water District and Walnut Valley Water District, through the Puente Basin Water Agency, will be joining the Community Water System Alliance (CWSA). CWSA is seeking first the completion of a comprehensive needs assessment to calculate what exactly is needed to help chronically failing systems and to then determine a fair way to generate revenues in a way that “does not rob Peter to pay Paul.”

Tab 4 REVIEW OF CORRESPONDENCE

- “Thank You” Letter from OPARC
- “Thank You” Letter from Water Education Foundation

These letters were provided for information purposes only.

Tab 5 COMMITTEE REPORTS

5.1

Three Valleys Municipal Water District

General Manager, Tom Coleman, reported that a Special Board Meeting was held on December 12, 2018, and that the purpose of the meeting was to accept Director Dan Horan’s resignation as Director representing Division 7 of the District and to commence the process to fill the vacancy which will exist through November 2020. Three Valleys Municipal Water District is accepting applications through January 15, 2019. A Special Board Meeting will be held to make the appointment.

5.2

Joint Powers Insurance Authority

Nothing to report.

5.3

Association of California Water Agencies

Nothing to report.

5.4

Puente Basin Water Agency

Nothing to report. The next meeting is scheduled for February 7, 2019.

5.5

Project Ad-Hoc Committee

Nothing to report.

5.6

Regional Chamber of Commerce

Nothing to report. Director Lewis reported that the next meeting will be held on January 14, 2019.

5.7

PWR Joint Water Line Commission

Nothing to report. The next meeting will be held on February 14, 2019.

5.8

Sheriff's Community Advisory Council

Nothing to report.

5.9

Rowland Heights Community Coordinating Council

Nothing to report.

Tab 6 OTHER REPORTS, INFORMATION ITEMS AND COMMENTS

6.1

Finance Report

Finance Officer, Sean Henry, advised that the second quarter reports will be presented at the February 12, 2019 meeting.

6.2

Operations Report

Director of Operations, Dave Warren, reported that due to the change in weather, service line leaks have increased and that staff has kept them under control. The status and timeline of the Pathfinder pipeline installation was discussed.

6.3

Personnel Report

General Manager, Tom Coleman, advised that two new interns will be joining the District. The current intern's last day will be January 15, 2019 and he has interviewed with Golden State Water and Elsinore Valley Water District.

Tab 7 ATTORNEY'S REPORT

Nothing to report.

Tab 8 CLOSED SESSION

Legal Counsel, Joseph Byrne, adjourned the meeting to closed session at 7:24 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.

- a. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
Paragraph (1) of subdivision (d) of Section 54956.9: Name of Case: Rowland Water District vs. La Habra Heights County Water District, Case No. KC070088**
- b. Personnel; Public Employee Performance Evaluation; Cross Connection Control Specialist, Pursuant to Government Code Section 54957**
- c. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8**
Property: 18938 Granby Place, Rowland Heights, CA 91748
District Negotiator: Tom Coleman, General Manager
Negotiating Parties: Mark I. Chen Revocable Living Trust dated 9-8-17
Under Negotiation: Price and Terms

The closed session was adjourned and the Board resumed the meeting in open session at 7:56 p.m.

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

Directors' and General Manager's Comments

None.

Future Agenda Items

None.

Late Business

None.

A motion was made by Director Lu-Yang, seconded by Director Bellah, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:59 p.m.

ROBERT W. LEWIS
Board President

Attest: _____
TOM COLEMAN
Board Secretary