

**MINUTES  
BOARD OF DIRECTORS MEETING  
THREE VALLEYS MUNICIPAL WATER DISTRICT**

**Wednesday, February 17, 2010  
8:00 a.m.**

**1. Call to Order / Pledge of Allegiance**

The Board of Directors Meeting of the THREE VALLEYS MUNICIPAL WATER DISTRICT was called to order at 8:00 a.m. by President Kuhn at the District Office located at 1021 East Miramar Avenue, Claremont.

**2. Roll Call**

Following the flag salute, roll call was taken with a quorum of the board members present.

**Directors  
Present**

Bob Kuhn – President, Division IV  
David De Jesus – Vice President, Division II  
Brian Bowcock – Secretary, Division III  
Joseph Ruzicka – Treasurer, Division V  
Dan Horan – Director, Division VII  
John Mendoza – Director, Division VI  
Luis M. Juarez – Director, Division I

**Staff  
Present**

Liz Cohn, Sr. Financial Analyst  
Vicki Hahn, Executive Assistant  
Rick Hansen, General Manager  
Kirk Howie, Assistant General Manager, Administration  
Jim Johns, Water Operations Manager  
Steve Kennedy, Brunick, McElhaney & Beckett  
James Linthicum, Chief Finance Officer  
Mike Sovich, Assistant General Manager, Engineering & Operations  
Esther Romero, Accounting Technician

**Others  
Present**

Ted Carrera, Rowland Water District  
Ken Deck, Rowland Water District  
Ted Ebenkamp, Walnut Valley Water District  
Ed Hilden, Walnut Valley Water District  
Mike Holmes, Walnut Valley Water District  
Anthony Lima, Rowland Water District  
Davetta Williams, League of Women Voters

**3. Additions to Agenda**

There were no requests for additions to the posted agenda.

**4. Reorder Agenda**

There were no requests to reorder the posted agenda.

**5. Public Comment [2]**

President Kuhn opened the meeting to receive public comment on agenda items in areas of concern relative to the operations of the Board of Directors. Members of the audience were advised they could speak during this portion of the meeting or during the portion of the agenda where they wished to comment.

There were not any requests for public comment.

**6. Consent Calendar [1] [2]**

Director Kuhn requested a motion to approve the Consent Calendar that included Item A – Receive and file minutes January 6, 2010 Special Board Meeting and January 20, 2010 Regular Board Meeting; Item B – Receive, Approve and File Financial Reports January 2010; Item C –Approval of directors’ monthly payment request forms, January 2010; Item D – Receive and file upcoming events and activities calendar; Item E – Receive and file resolution for water stewardship and conservation by Director Luis Juarez presented at the Latino Congreso, January 2010, El Paso, TX; Item F – Approval of Miramar Plant Tracer Study

**Motion No. 10-02-4731:** Moved by Director Ruzicka, seconded by Director Horan, to approve the Consent Calendar (Items A-F) for the February 17, 2010 Board of Directors Meeting of the Three Valleys Municipal Water District

Motion No. 10-02-4731 passed 7-0

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AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Mendoza, Ruzicka  
NOES: None

## 7. General Manager's Report [1] [2]

### A. Approval of Resolution No. 10-02-647, supporting the Safe, Clean and Reliable Drinking Water Supply Act of 2010

Staff provided a summary presentation regarding the benefits of the California Water Bond to be voted on during the November 2010 election. Directors were advised that the presentation is available to directors for their use when speaking with their respective stakeholder groups.

Mr. Kennedy cautioned all present that when presenting on the water bond issue it is imperative that opinion and guidance that could be construed as the District position not be offered. Presenters may discuss the redeeming values of the bond only, but should not guide the voter in a certain direction.

Staff presented Resolution No. 10-02-647 in support of the Safe, Clean & Reliable Drinking Water Supply Act of 2010 to the Board for consideration and adoption.

Several directors had comments and concerns regarding the passage of the resolution at this time as follows:

Kuhn: How important is it to pass the resolution at this time. He expressed that he had questions regarding the timing. Director Kuhn does agree that it is important for TVMWD to be on record as a supporter of the bond. Further concerns include assurance that the money for the bond is not coming from the general fund. Also questioned whether southern California is in the first or second tier in terms of allocation of the bond funding, and how southern California's interests can be protected. Director Kuhn suggested that the pie chart included in the presentation is shown in priority order of the bond allocation funding and not necessarily in southern California's best interest.

Bowcock – Also concerned with the priority and what the bond is doing for southern California. Would like to know what the money is being spent on.

Ruzicka – Asked whether member agencies would have any input on how money received by District as part of the bond will be spent.

Juarez – Acknowledge support from the many agencies, i.e., Association of California Water Agencies (ACWA), Southern California Water Committee (SCWC), and American Ground Water Trust (AGWT). The selling point for him was that the bonds will be sold in stages. At the recent AGWT Annual

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Conference a very optimistic message was delivered regarding funding available for groundwater recovery and cleanup.

De Jesus – Acknowledged concerns raised by the group. Stated that the water bond is not perfect, but it is likely the best we will see. His recommendation is that the bond be moved forward regardless of its imperfections; the alternative is to do nothing and let the water system break down.

Mendoza – Commented on language of bond. Expressed that local stakeholders in Pomona are interested in the District's interpretation and how it impacts individual entities.

Director Kuhn requested that staff inquire and provide the Board with a breakdown on how previous Propositions 13 and 84 have benefited the stakeholders of the District on a local level.

Following the comments and discussion the board was asked to consider and adopt Resolution No. 10-02-647 in support of the Safe, Clean & Reliable Drinking Water Supply Act of 2010. Director Kuhn called for a motion.

**Motion No. 10-02-4732:** Moved by Director Bowcock, seconded by Director Juarez, to adopts Resolution No. 10-02-647 in support of the Safe, Clean & Reliable Drinking Water Supply Act of 2010.

Motion No. 10-02-4732 passed 7-0

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Mendoza, Ruzicka  
NOES: None

## **B. Project Planning & Development Committee**

The Project Planning & Development Committee (PPD) did not meet during the month of January. Its next meeting is scheduled for 9:30 a.m. on Wednesday, February 3, 2010. Note that effective with the month of March, the PPD Committee will be meeting at 8:00 a.m. on the first Wednesday of each month instead of 9:30 a.m. This will be a permanent change.

## **C. Finance/Personnel Committee**

The Finance-Personnel Committee (F-P) did not meet during the month of January. Its next meeting is scheduled for 12:00 p.m. on Wednesday, February 3, 2010. Note that effective with the month of March, the F-P Committee will be meeting at 9:30 a.m. on the first Wednesday of each month instead of 8:00 a.m. This will be a permanent change.

#### **D. Calendar Year Imported Water Purchases**

Staff reported that for calendar year ending December 31, 2010 the District finished the Tier 1/Tier 2 calendar year at 60,000 AF, 10,000 AF below its allocation. Recognition and thanks was extended to the member agencies for their conservation practices during the year that allowed the District to finish on such a positive note.

Staff reported that at seven months into the Water Supply Allocation Plan (WSAP) year it is anticipated that the District will finish the fiscal year under their 64,000 AF allocation and not experience any penalty for over drafting.

Staff reported that MWD will begin discussions during their March 2010 board meetings regarding the FY 2010-11 WSAP. Approval of the WSAP for FY 2010-11 is anticipated to occur to April/May timeframe. Presently there are indications that we will continue the Stage 2 WSAP Allocation for FY 2010-11.

Director De Jesus inquired what happened with the remaining 10,000 AF of Tier 1 water that was not used. Unfortunately, this water was lost. Mr. Hansen reported that for future years staff will coordinate the Tier 1 allocation with the WSAP formula and if it is determined that we may not utilize the entire Tier 1 allocation the water will be spread.

A new 10 year purchase agreement with MWD will be up for negotiation at the end of 2012. Mr. Hansen will be recommending to MWD at that time to coordinate the Tier 1 / 2 and WSAP schedules on the same calendar.

#### **E. Miramar Operations Report – January 2010**

Staff reported highlights from the January 2010 Miramar Operations Report as follows:

- Water quality continues to be very good in all key areas
- Water production is lower than usual; it has been impacted by the rainy weather; also lost 1,000 AF of water
- Hydro is very good as a result of how the Rialto Feeder is being operated
- Plant has been shut down since February 8, 2010. It was scheduled to go back on line on February 16, 2010, but has been delayed until February 19, 2010.

## **8. Directors' Comments/Reports [2]**

### **A. Local Agency Formation Commission Report**

Director Ruzicka reported that the LAFCO Executive Officer of the Board is retiring at the end of April. During next month's meeting discussion will take place regarding the process to replace the Executive Officer as well as the existing vacancy of the Alternate Public Member.

### **B. PWR Joint Water Line Commission Report**

Director Horan did not have anything to report.

### **C. Six Basins Watermaster Report**

Director Bowcock did not have anything to report.

### **D. Main San Gabriel Basin Watermaster Report**

Director Bowcock reported that the key well is currently at 195' an increase of 5.8' since the report from the last meeting of 189.2'. Rainfall has been near double what is normal and the well situation is showing improvement as a result.

### **E. Chino Basin Watermaster Report**

Director Kuhn reported that a battle is brewing between the Ag Pool and Non-Ag Pool and that inevitably TVMWD will be asked to take a position. Director Kuhn requested that until further notice that Mr. Kennedy be present at all CBWM Board meetings. Director Kuhn requested that the Finance Committee when reviewing the FY 2010-11 budget for TVMWD consider an even greater increase to legal fees than has already been discussed to address the costs associated with this issue.

### **F. San Gabriel Basin Water Quality Authority**

The WQA Board met on February 16, 2010. Director Kuhn reported their 406 Plan has been released and will be available for 20 days. The public is free to make any comments. There was a minor modification, but WQA is on the right path. WQA has some major concerns as to how the water bond will be divided to benefit southern California. WQA thought that both southern California and water cleanup were included as part of the language in the bond, but have discovered this is not the case.

## **G. Metropolitan Water District Board Report**

Director De Jesus reported that for the month of January 2010 MWD had to forfeit 50,000 AF of available water in northern California due to restrictions imposed at the Bay Delta.

From an infrastructure perspective both 96" feeders and box springs at Rialto were down for the last two weeks. Maintenance was completed on time and within budget.

A blue ribbon committee has been formed from third party individuals as part of MWDs 20/60 vision. Its mission is to develop new water supply options for southern California, energy for the future, economic development, new technology, financial stability, workforce and communication. A report will be available for the board at a future meeting.

A new director was installed at MWD, Mr. Tony Fellow from Upper District replacing Bill Robinson. He was appointed as Vice Chairman at the same meeting.

A budget workshop was held on February 16, 2010. The focus was on Operations & Maintenance and Capital improvements.

## **H. Additional Board Member Activities Report**

Director Mendoza extended his congratulations to Director Juarez for his presentation of the Water Stewardship Resolution at the recent Latino Congreso proceeding.

Director Mendoza reported on a recent controversy at the recent City of Pomona Council meeting surrounding a Trash Transfer station and its perceived impact on the water supply in Pomona.

Director Mendoza commended staff on their efforts regarding the Water Bond presentation.

Director Kuhn asked staff to report on the recent Water Supply Coalition Board meeting, part of the federal lobbying group's annual meeting recently attended by staff. Staff reported the main issue for discussion was H.R. 4132 that can be summarized as the bill for the clean, renewable water supply bond. There is a companion bill in the senate to accomplish the same effort, S.B. 1391. A letter writing and phone support campaign are both underway. This legislation is more likely to pass this year than in past years. Today letters are being hand-delivered to

TVMWD's local representatives in DC seeking their additional sponsorship on the referenced bills. Staff reported that Director Kuhn was also elected to serve as the Vice Chair for the New Water Supply Coalition during CY 2010.

Director Kuhn announced that the SCWUA Golf Tournament is scheduled for May 13, 2010 at the San Dimas Canyon Golf Course and suggested that the date be saved on interested parties calendars.

Mr. Hansen reported that last month the District received a refund from ACWA-JPIA in the amount of \$43,000 which is a reflection of District and staff efforts on maintaining a low loss ratio on insurance claims.

Director Bowcock reported that following the Board meeting CA-NV will be shooting video around the District to be included as part of the presentation at their Spring Conference, *In the Trenches*.

## 9. Closed Session [2]

The Board adjourned to closed session at 9:18 a.m. to discuss:

### **Conference with Legal Counsel – Existing Litigation**

Pursuant to Government Code Section 54956.9(a)

Name of Case: Chino Basin Municipal Water District v City of Chino et.al.  
San Bernardino County Superior Court Case No. RCV51010

### **Conference with Real Property Negotiators**

Pursuant to Government Code Section 54956.8

Property: Purchase of water rights

District negotiator: Richard W. Hansen, General Manager

Negotiating parties: Cadiz

Under negotiation: Price and terms of cost sharing

## 10. Report on Closed Session Action Taken

The Board reconvened at 10:07 a.m. Director Kuhn reported that the board discussed issues relative to the District's position on the Chino Basin Watermaster litigation issues, and affirmed that the District's Attorney, Mr. Steve Kennedy will be attending all future Chino Basin Meetings until further notice.

## 11. Future Agenda Items

There were not any requests for any future agenda items.

## 12. Adjournment

Director Kuhn adjourned the meeting at 10:10 a.m. to a Regular Board Meeting at 8:00 a.m. on Wednesday, March 17, 2010.

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/s/ Bob G. Kuhn  
*President, Board of Directors*  
Three Valleys Municipal Water District

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Recorded by: Victoria A. Hahn  
Executive Assistant