

MINUTES
REGULAR BOARD OF DIRECTORS MEETING
THREE VALLEYS MUNICIPAL WATER DISTRICT

Wednesday, October 18, 2017
8:00 a.m.

1. Call to Order

The Board of Directors meeting of Three Valleys Municipal Water District (TVMWD) was called to order at 8:00 a.m. at the TVMWD office located at 1021 East Miramar Avenue, Claremont, California. The presiding officer was President Bob Kuhn.

2. Pledge of Allegiance

The flag salute was led by President Bob Kuhn.

3. Roll Call

Roll call was taken with the full board present.

Directors Present

Bob Kuhn, President
David De Jesus, Vice President
Brian Bowcock, Secretary
Joseph Ruzicka, Treasurer
Dan Horan, Director
Carlos Goytia, Director
John Mendoza, Director

Staff Present

Rick Hansen, General Manager
Steve Kennedy, Legal Counsel
Liz Cohn, Senior Financial Analyst
Ray Evangelista, Engineer
Vicki Hahn, District Clerk/Executive Assistant
Mario Garcia, Manager of Engineering & Planning
Kirk Howie, Assistant GM-Administration
Steve Lang, Water Operations Manager
Ben Peralta, Project Engineer

Directors Absent

Guests and others present: Tom Coleman, Rowland Water District; Paul DiMaggio, Suburban Water Systems; Director Ted Ebenkamp, Walnut Valley Water District; Director Ed Hilden, Walnut Valley Water District; Maria Elena Kennedy, Kennedy Communications; Erik Hitchman, Walnut Valley Water District; Director Tony Lima, Rowland Water District; Director Szu Pei Lu-Yang, Rowland Water District; Dean McHenry, League of Women Voters; Darron Poulsen, City of Pomona; Brian Teuber, Walnut Valley Water District; Dave Warren, Rowland Water District;

4. Additions to Agenda

President Kuhn inquired if there was a need to add items to the agenda. Staff did not have a need to add items to the agenda.

5. Reorder Agenda

President Kuhn inquired if there was a need to reorder the agenda. Staff did not have a need to reorder the agenda.

6. Public Comment

President Kuhn called for any public comment. There were no requests for public comment.

7. Consent Calendar

The Board was asked to consider the Consent Calendar Items (7.1-7.6) for the October 18, 2017 Board meeting that included: (7.1) Receive, approve and file, September 2017 Minutes for September 6, 2017 and September 20, 2017 Regular Board Meetings; (7.2) Approve September 2017 Financial Reports; (7.3) Approve cancellation of December 20, 2017 Board Meeting; (7.4) Approve CY 2018 Holiday Schedule; (7.5) Approve CY 2018 Meeting Schedule; (7.6) Approve FY 16-17 Final Reserves / Fund Balance Schedule Correction.

Upon motion and second the floor was opened for discussion. There being no discussion, President Kuhn called for the vote.

**Moved: De Jesus; Second Ruzicka
Motion No. 17-10-5152 – Approving Consent Calendar Items 7.1
– 7.6 for October 18, 2017. The motion passed with a 7-0
unanimous vote.**

8. General Manager's Report

8.A – Administration

8.A.1 Resolution No. 17-10-811 Approving Update to General Manager Responsibilities and Authority

General Manager Hansen introduced this item for Board consideration. A copy of the proposed changes was provided to the Board during their October 4, 2017 meeting. Mr. Hansen provided a history of this resolution that was initiated in 2001 and updated in 2009.

Upon motion and second the floor was opened for discussion. President Kuhn inquired about the request made during October 4th to increase the General Manager's approval levels for projects. Mr. Hansen advised that the GM approval level has been increased from \$125,000 to \$175,000 and correlates with the State of California Public Works Code (Code) related to project approval levels. This will allow for the approval levels to increase periodically consistent with statutory updates to the Code. TVMWD's Purchasing Policy will be the guiding rules as to whether formal or informal bidding is used. There being no further discussion, President Kuhn called for the vote.

**Moved: Ruzicka; Second: Horan
Motion No. 17-10-5153 – Approving Resolution No. 17-10-811
Update to the General Manager Responsibilities and Authority.
The motion passed with a 7-0 unanimous vote.**

8.A.2 Approve Director Expense Reports, September 2017

The Board was asked to approve the September 2017 expense reports. Upon motion and second the floor was opened for discussion. An inquiry was made regarding the status of mileage entry on the upcoming reports. President Kuhn informed that the mileage templates are nearly complete, and requested that all Directors complete their October reports without mileage. Staff will enter mileage utilizing www.googlemaps.com as the guide; all mileage will be rounded up to the nearest whole number. Mr. Hansen recognized that there may be times when mileage driven is different than GoogleMaps dependent upon the starting location. It was suggested that if there is a significant difference, the correct mileage be used and a notation made regarding the difference. For the purposes of entry on

the monthly expense reports it is recommended that mileage entries be from the Director's residence to the venue, and listed as round trip. There being no further discussion President Kuhn called for the vote.

Moved: Ruzicka; Second: De Jesus
Motion No. 17-10-5154 – Approving payment of September 2017 Director Expense Reports. The motion passed with a 7-0 unanimous vote.

8.A.3 Legislative Update, October 2017

Assistant General Manager Kirk Howie provided the Board with a legislative Calendar Year End report of activities supported and opposed. The first year of the 17-18 legislative session ended on September 15, 2017. The legislators produced a total of 2,600 new bills, of which 977 were sent to the Governor for action by October 15, 2017. Of the 977 bills the Governor signed 859, and vetoed 118. Those bills signed by the Governor will become law and effective January 1, 2018.

TVMWD's 2017 Final Legislative Scorecard

Bill supported: 5 – Governor's action: 1 signed, 1 vetoed, 3 failed deadline. 20% success rate

Bills opposed: 15 – Governor's action: 1 signed, 3 vetoed, 11 failed deadline. 93% success rate

Bills that failed deadline may come back as a new or refreshed bill during year two of the 17-18 legislative session. President Kuhn requested that staff reach out to our state lobbyist and inquire as early as possible as to failed bills that may be returned. There is a possibility that the annual state visit by executive management and board officers may take place earlier to compel TVMWDs position on these bills.

MWD's Legislative Director, Kathy Cole will be at the November 1 Board Meeting to provide a comprehensive update on the close of the legislative cycle and provide a forecast of legislative priorities in CY 2018.

Staff was asked to keep the Board updated on information concerning the \$4 billion water bond scheduled for the November 2018 General Election. This Bond is inclusive of SB 5 (DeLeón) that was signed by the Governor.

8.B – Engineering and Operations

8.B.1 Calendar Year Imported Water Purchases – Peak Flow Reports through September 2017

Engineering and Operations Manager, Mario Garcia provided the Board with an update of imported water deliveries and peak flows through September 2017.

A total of 41,937/AF of Tier 1 water has been delivered to date. Neither the member agencies or TVMWD are trending to reach Tier 2 deliveries by CYE. It is anticipated that at the end of CY2017 a total of 61-62,000/AF of TVMWD's 80,688/AF allocation will be delivered.

TVMWD reached a new peak on September 2, 2017 of 130.8 cfs. This will result in an increase to the capacity charges during FY 19-20 budget year. The member agencies did a great job monitoring and controlling peak flows, however the new peak flow came after of five days of 100° temperatures.

8.B.2 Miramar Operations Report September 2017

Water quality continues to meet all state requirements with no violations during the month. Water Operations Manager, Steve Lang informed that the Total Trihalomethanes (TTHM) have been trending at a historic low and that staff is monitoring.

Total plant production for the month was 1,421/AF, approximately 80% of capacity. For the second consecutive month groundwater wells 1 and 2 delivered greater than the prior year for a total of 101.7/AF compared to 84.8/AF in the prior year. Year-to-date sales were a combined total of 5,532.3/AF, approximately 89% of budget. Low pressure and flows are continuing on the Rialto Feeder Line prohibiting TVMWD from operating Miramar Hydro 1. The new generators, Miramar Hydros 2 and 3 are producing energy with year-to-date results of 36% and 22% of budget respectively.

Mr. Lang reviewed special activities/outages and outreach which included:

- Installation of a new pump to disburse the EarthTec chemical that Operations has been pilot testing for algae control with positive results;
- Staff received training on the new digital maintenance platform, SmartUSYS which will allow for real time recording and other benefits of digital versus manual maintenance recordkeeping processes;
- TVMWD is presently flowing from the D to E outlet in the San Antonio Spreading Grounds which will continue through year end;
- The Covina Irrigation Company meter was calibrated;
- There were two planned power outages with Edison at the Emerald connection and Live Oak Spreading Controls;
- Awareness and outreach continued with a tour of the plant to students from Harvey Mudd College.

The complete report is available upon request.

9. Directors' /General Manager Oral Reports

9.A Local Agency Formation Commission – Director Ruzicka reported on the October 11, 2017 meeting where the Commission considered the dissolution of small special district water district serving approximately 2,000 connections in the Los Angeles County area. Mr. Coleman, Rowland Water and Ms. Kennedy, Kennedy Communications provided additional input.

9.B Main San Gabriel Basin Watermaster – Director Horan reported on the October 4, 2017 that he attended as the alternate representative. He reported that as of September 6, 2017 the Key Well was at 182.3' and rising steadily at 1.5' weekly. The Board also acted to receive and file the Three-Year Purchased Water Plan.

9.C Chino Basin Watermaster – President Kuhn reported on the September 28, 2017 Board Meeting. Efforts are continuing by the Appropriative Pool to work toward a consensus with all parties relative to the appeal filed. Presently the appeal process is moving forward with a hearing scheduled for December 8, 2017.

9.D San Gabriel Basin Water Quality Authority – President Kuhn reported that WQA hosted Gubernatorial Candidate John Chiang, where they shared a tour of facilities and progress of WQA's effort on water cleanup and remediation in the San Gabriel Valley.

9.E San Gabriel Valley Council of Governments – Director Goytia announced the next meeting is scheduled for October 19, 2017.

9.F Metropolitan Water District – Director De Jesus reported on the October 10, 2017 Board Meeting. As has been widely reported that MWD passed a majority vote to move forward with the California WaterFix project. Next steps will be determined once remaining parties vote and determine who is supporting the project. Initiation of project design/evaluation should begin early in CY 2018.

9.G Additional Board Member or Staff Reports – Director Mendoza requested that when future legislative visits to Sacramento are being planned, that other directors be considered to participate based on established relationships.

President Kuhn inquired about how to agendize an item for the next meeting related to a personnel matter that he would like shared with the full Board. Mr. Kennedy advised that the Board may meet in closed session under Government Code Section 54957 of their employee, the General Manager with specific limitations, i.e., to address related issues to Public Employee Appointment, Performance Evaluation or Discipline/Dismissal/Release . As it concerns any other employee of the District, the Board is limited in scope to issues of hearing and appeal of discipline or dismissal that are outlined in TVMWD’s Personnel Manual. Mr. Hansen and Mr. Kennedy will consult with the Board President prior to the next meeting to determine the appropriate course of action to agendize this item.

Director Bowcock advised that at their October 25, 2017 meeting Six Basins Watermaster will be completing their efforts on their Strategic Plan and Programmatic EIR. Director Bowcock will be absent from this meeting; Director Mendoza was requested to attend as the alternate.

Director Goytia informed on a press conference in the City of Pomona that he and Director Mendoza attended on Monday, October 16, 2017 regarding Amazon expanding to include a second headquarters. Pomona is one of the locations that will be submitting a RFP for the project. Director Goytia commented that he had the opportunity to meet with California State Polytechnic University, Pomona President, Dr. Saroya Coley and CEO Fairplex, Miguel Santana. Both have expressed interest in learning more about the water district and meeting the Board. An invitation will be developed to bring this to fruition.

10. Future Agenda Items

There were no requests for future agenda items.

11. Adjournment

The Board adjourned at 9:17 a.m. to its next regular meeting scheduled for Wednesday, November 1, 2017 at 8:00 a.m.

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

Recorded by: Victoria A. Hahn,
District Clerk/Executive Assistant