

As a matter of proper business decorum, the Board of Directors respectfully request that all cell phones be turned off or placed on vibrate. Also, to prevent any potential distraction of the proceeding, we request that side conversations be taken outside the meeting room.

**AGENDA**  
**SPECIAL BOARD MEETING**  
**THREE VALLEYS MUNICIPAL WATER DISTRICT**  
**Wednesday, July 19, 2017 at 8:00 AM**

The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.

**Item 1 – Call to Order**

**Kuhn**

**Item 2 – Pledge of Allegiance**

**Kuhn**

**Item 3 – Roll Call**

**Executive  
Assistant**

- Bob Kuhn, Division IV – President
- David De Jesus, Division II – Vice President
- Brian Bowcock, Division III – Secretary
- Joe Ruzicka, Division V – Treasurer
- Dan Horan, Division VII – Director
- Carlos Goytia, Division I – Director
- John Mendoza, Division VI - Director

**Item 4 – Public Comment (Government Code Section 54954.3)**

**Kuhn**

Opportunity for members of the public to directly address the Board on items of public interest that is within the subject matter jurisdiction of TVMWD. The public may also address the Board on items being considered on this agenda. TVMWD requests that all public speakers complete a speaker's card and provide it to the Executive Assistant.

**We request that remarks be limited to five minutes or less.**

**Item 5 – Consent Calendar**

**Kuhn**

The Board is being asked to consider Consent Calendar items 5.1-5.4 listed below. Consent Calendar items are routine in nature and may be approved by a single motion. Any member of the Board may request that a specific item be pulled from the Consent Calendar for further discussion.

**5.1 – Receive, Approve and File Minutes – June 2017 [enc]**

- June 7, 2017 – Regular Board Meeting
- June 21, 2017 – Regular Board Meeting

**5.2 – Receive, Approve and File Financial Reports and Investment Update – June 2017 [enc]**

- Change in Cash and Cash Equivalents Report
- Consolidated Listing of Investment Portfolio and Investment Report
- YTD District Budget Monthly Status Reports
- Warrant Summary Disbursements

**5.3 – Calendar Year Imported Water Purchases and Peak Flow Reports – June 2017 [enc]**

The Board will review the imported water purchases for the month ending June 2017 and Peak Flow Reports through July 11, 2017.

**5.4 – Miramar Operations Report – June 2017 [enc]**

The Board will review the monthly Miramar Operations Report that includes a summary of the following reports: water quality, monthly production, monthly and year-to-date sales, hydro-generation production and operations / maintenance review.

**Item 5: Board Action Required – Motion No. 17-07-5143**

Staff Recommendation: Approve as presented

**Item 6 – General Manager’s Report**

**Hansen**

**Item 6.A** – Administration staff will provide brief updates on existing matters under their purview and will respond to any questions thereof.

**6.A.1 – Approve Director Expense Reports, June 2017 [enc]**

The Board will consider and approve the June 2017 expense reports that include disclosure of per diem requests for meeting attendance, and an itemization of any expenses incurred by TVMWD.

**Item 6.A.1: Board Action Required – Motion No. 17-07-5144**

Staff Recommendation: None

**6.A.2 – Nomination of Director Joe Ruzicka to the Redevelopment Oversight Board – County of Los Angeles, Supervisory District No. 5 [enc]**

The Board will consider approval to nominate Director Joe Ruzicka to serve as the voting member of the Redevelopment Oversight Board – County of Los Angeles, Supervisory District No. 5. The nomination for this position opened on July 3, 2017 and will close on August 21, 2017. Between August 28, 2017 and October 16, 2017 TVMWD will receive one ballot to cast our vote. The presiding officer of TVMWD’s Board is the responsible party for this vote. Results will be announced on October 18, 2017.

**Item 6.A.2: Board Action Required – Motion No. 17-07-5145**

Staff Recommendation: None

**Item 7 – Directors’ / General Manager Oral Reports**

**Kuhn**

Any Director may report on activities associated with agencies they are assigned to serve as a representative or alternate. The General Manager may report on items of interest to the entire Board.

**Item 8 – Closed Session: Conference with Legal Counsel - Existing Litigation Pursuant To Government Code Section 54956.9(d)(1)**

**Kuhn**

- A. San Diego County Water Authority v. Metropolitan Water District of Southern California, State of California Court of Appeal, First Appellate District, Division Three, Case Nos. A146901 and A148266
- B. San Diego County Water Authority v. Metropolitan Water District of Southern California, Los Angeles County Superior Court Case No. BS169881
- C. Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino County Superior Court Case No. RCV 51010

**Item 9 – Report out of closed session**

**Kuhn**

**Item 10 – Future Agenda Items**

**Kuhn**

**Item 11 – Adjournment**

**Kuhn**

The Board will adjourn to its next regular meeting scheduled for Wednesday, September 6, 2017 at 8:00 a.m.

**American Disabilities Act Compliance Statement**

*Government Code Section 54954.2(a)*



*Any request for disability-related modifications or accommodations (including auxiliary aids or services) sought to participate in the above agendized public meeting should be directed to the TVMWD’s Executive Assistant at (909) 621-5568 at least 24 hours prior to meeting.*

**Agenda items received after posting**

*Government Code Section 54957.5*

*Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the TVMWD office located at, 1021 East Miramar Avenue, Claremont, CA, 91711. The materials will also be posted on the TVMWD website at [www.threevalleys.com](http://www.threevalleys.com).*

*Three Valleys MWD Board Meeting packets and agendas are available for review on its website at [www.threevalleys.com](http://www.threevalleys.com). The website is updated on Sunday preceding any regularly scheduled board meeting*

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

**Wednesday, June 7, 2017  
8:00 a.m.**

**1. Call to Order**

The Board of Directors meeting of Three Valleys Municipal Water District 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 Kuhn.

**3. Roll Call**

Roll call was taken with the full Board present.

**Directors Present**

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

**Directors Absent**

None

**Staff Present**

Rick Hansen, General Manager  
Steve Kennedy, General Counsel  
Dominique Aguiar, Operations Supervisor  
Liz Cohn, Sr. Financial Analyst  
Freeman Ensign, Water Operations Supervisor  
Ray Evangelista, Engineer  
Mario Garcia, Engineering & Operations Manager  
Vicki Hahn, Executive Assistant/District Clerk  
Karen Harberson, Operations WQ Assistant  
Kirk Howie, Assistant GM-Administration  
James Linthicum, Chief Finance Officer  
Ben Peralta, Project Manager

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; Erik Hitchman, Walnut Valley Water District; Ben Lewis, Golden State Water Company; Steve Patton, City of Glendora; Dave Warren, Rowland Water District

**4. Additions to Agenda**

President Kuhn inquired if there were any additions to the published agenda. Staff did not have any additions to the published agenda.

**5. Reorder Agenda**

President Kuhn inquired if there was a need to reorder the agenda. There were no requests to reorder the agenda.

## 6. Public Comment

President Kuhn inquired if there were any requests for public comment. There were no requests for public comment.

## 7. Board Presentations

### 7.A Legal Update: Annual Sunshine Ordinance Review

Mr. Steve Kennedy provided the Board with its annual update of TVMWD's Sunshine Ordinance, which has been in effect for greater than 15 years, and reflects the Board's commitment to the Brown Act and its intent and desire to go above and beyond the statutory requirements in conducting its business in a transparent manner. The annual review incorporates any legislative changes that change the language of the Brown Act or judicial decisions as it concerns the interpretation of the Brown Act.

There are three statutory requirements that were signed into law in 2016. However, it does not appear that these requirements warrant any substantive changes to TVMWD's Sunshine Ordinance. A summary of the changes follows:

AB 2257 (Maienschein) – amends Government Code 54954.2 related to local government. Existing law requires posting of the meeting agenda on the local agency website in accordance with the Brown Act. This law will require the agenda be available on the homepage of the local agency website, and accessible through a prominent direct link by January 1, 2019. TVMWD is already complying with this requirement.

AB 1787 (Gomez) – amends Government Code 54954.3 related to open meetings relative to time limits for public comment and/or testimony. This law requires that if a party is using a translator during public comment or testimony, that they be allocated at least twice the amount of time as an individual not using a translator. TVMWD does request that public comments be limited to five minutes, and does not subscribe to a formal policy regarding same. The presiding officer of the meeting is encouraged to use sound judgment to accommodate a member of the public when a translator is being used to comment or provide testimony.

SB 1436 (Bates) – amends Government Code 54953 related to open meetings. This law requires that prior to taking final action related to salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, that the legislative body orally reports a summary of a recommendation for a final action during the open meeting in which the final action is to be taken.

Existing law authorizes the legislative body to hold a closed session with the local agency's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees, but prohibits the closed session from including final action on the proposed compensation of one or more

unrepresented employees. Existing law also prohibits the legislative body from calling a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined. TVMWD already complies with this legislation in the way its closed session actions occur regarding evaluation and compensation negotiations, and final reporting of same, with its local agency executive.

This concluded the legal update relative to TVMWD's Sunshine Ordinance. There are no recommended changes.

## **8. General Manager's Report**

### **8.A - Administration**

#### **8.A.1 – Draft Resolution Setting Procedures for Public Review and Copy of District Records**

Because of the recent California Supreme Court Case No. S218066 ruling issued in March 2017 regarding handling of public records on alternate electronic devices and/or email accounts, legal counsel was engaged to review TVMWD's existing policies regarding same. The attached draft resolution and exhibits, comprised of an updated request form, fee schedule and declaration for responding to requests for information on alternate electronic devices and/or email accounts, formalize these processes for TVMWD, and were presented for the Board's consideration to approve at their next business meeting.

It was noted that alternate electronic devices include cell phones, tablets, laptops, and any other devices or accounts used for electronic communication, such as: texting and any other email accounts used for District business besides the "tvmwd.com" email provided for all staff and directors. This list is not exhaustive and takes into consideration any future electronic communication devices that may become available.

Discussion ensued regarding the process for handling any e-communication in the event of a public records request from alternate electronic devices. Recommendations included: use of tvmwd.com email address exclusively for TVMWD business, and prohibit the use of texting for any TVMWD business.

By following the proposed recommendations, it will limit the potential for any other personal matters being co-mingled with TVMWD business. When a request is received it will be the responsibility of the General Manager, or his delegate responsible for handling public records, to notify the party to which a request is being made, and to plan to review and receive any responsive documents. Staff and legal counsel will review for any items that may be non-responsive, and/or exempt, and redact for same prior to submitting the response.

Staff was directed to return the draft resolution and exhibits to the next Board meeting for approval.

## **8.A.2 – Draft Resolution Declaring a Water Supply Watch**

The Board was provided a draft resolution entitled “Declaring a Water Supply Watch”. The purpose for this action is for TVMWD to align itself with action taken by the MWD Board during its May 9, 2017 meeting, whereby the MWD Board lifted their water supply alert conditions, instead calling for a water supply watch.

These actions come on the heels of actions taken by Governor Edmund G. Brown, Jr. on April 4, 2017 where he declared the end of drought conditions in the state of California.

While water conditions during this past year are better than any in recent history, with a Department of Water Resources State Water Project allocation at 85%, and snowpack at 160% of normal, in Southern California it will always be prudent to encourage a high level of efficient water use due to continuing historical low groundwater levels in the local basins.

Approval of the proposed resolution declaring a water supply watch will supersede action taken by the Board in 2014 declaring a water supply alert.

Staff was directed to return the draft resolution to the next Board meeting for approval.

## **8.A.3 – Modified Board Meeting Schedule**

The Board reviewed past practices for its modified summer schedule. In prior years the Board would cancel the workshop meetings (1<sup>st</sup> Wednesday) in July and August and keep the business meeting (3<sup>rd</sup> Wednesday) on calendar, and cancel one-week prior if there was no business to attend to.

Following discussion, the Board directed staff to return this item to the next Board meeting for approval. The Board will contemplate cancelling all its July/August meetings on calendar as follows: July 5, 2017, July 19, 2017, August 2, 2017 and August 16, 2017. In the event business that requires attention arises, a special meeting will be convened.

## **8.B – Engineering-Operations**

### **8.B.1 – Relocation of Recharge Well Easements**

The Board was provided with an update on existing TVMWD easements at a property located at 901 Corporate Center Drive in Pomona, California. These easements were agreed upon in the early 1980s at the time the property was sold, and remain in their original configuration. The current property owner has a sale pending on the property, and the new owner is requesting a relocation of the existing easements.

The current easements include two 100’x100’ parcels. Staff has determined that any future construction of recharge wells at this location could be accommodated within a smaller plot of 50’x50’. TVMWD was also asked to consider moving the easement parcels to a new location on the property, slightly south of where they currently exist.

To formalize the requested actions TVMWD must quitclaim the two existing easement parcels to the current property owner, DeVry; the property owner must in turn grant new easements conforming to the agreed upon size(s) and location(s). DeVry has provided TVMWD with draft documents to effect this change, which are presently under review by staff and legal counsel. It was noted that any agreement to change the location of the recharge well easements must include a caveat to expand the easement during the time of construction.

Discussion ensued regarding specifics relative to cost responsibility to update the legal documentation and to ensure that at the time of construction that the agreement reflects adequate access to pipeline on the property and expansion of space, along with ingress/egress to the property.

This item will be returned to the Board for final disposition at a meeting date to be determined once review of all agreements has been finalized.

## **8.B.2 – Project Summary Update**

The Board was provided with an update of ongoing projects at the District that included a photographic presentation of progress. The full report was included as part of the agenda packet and is available upon request.

## **8.C – Finance-Personnel**

### **8.C.1 – Audit of Internal Control Over Financial Reporting**

Annually, TVMWD contracts with an external auditor to conduct an audit as to whether the District's financial statements are fairly stated. The auditor is not required to test or provide an opinion on internal controls. From time to time, the Board has inquired whether the external auditor could review and provide an opinion on internal controls.

Statement on Auditing Standards No. 130 (SAS 130) was recently issued that establishes requirements and guidelines for when an auditor is engaged to dually perform an audit of internal controls integrated with an audit of the financial statements. SAS 130 is not a requirement, however performing this service will provide greater assurance that TVMWD is being proper stewards of its assets.

To allow adequate time to properly prepare for a SAS 130 audit, staff is recommending this be incorporated in conjunction with the financial audit to be completed for FY 17-18. The cost to add SAS 130 to the existing audit contract will increase the contract by approximately 30%.

Discussion ensued as to the frequency of which a SAS 130 review should be completed. Staff will return this item for discussion and consideration of approval during the October 2017 meeting.

### **8.C.2 – Review of Salary Schedule Effective July 1, 2017 Pursuant to CalPERs Regulations**

The Board was provided with a draft copy of TVMWD's proposed salary schedule effective July 1, 2017. It was noted that the adjustments proposed



# Item 5.1

are to the salary ranges, not individual employee's salary. CalPERS regulations require the Board to review and approve TVMWD's salary schedule any time changes are made.

The proposed adjustments were determined after conducting a comprehensive compensation study pursuant to the compensation philosophy previously approved by the Board as part of TVMWD's Strategic Plan.

While all salary ranges were considered independently; collectively the ranges were increased by 4%, along with a 1.48% increase based on change from 2015 to 2016 in the Consumer Price Index – Urban Wage Earners and Clerical Workers prepared by the Bureau of Labor Statistics. All salary ranges were contemplated in the budget adopted for FY 17-18.

Discussion ensued regarding the salary schedule concerning inclusion of Director compensation, and the General Manager. Staff informed that Director compensation is not required to be included as they are not eligible for CalPERS payments; the General Manager is under contract and does not have variable ranges. Staff will review the regulations to determine whether and how to include the General Manager compensation on the salary schedule.

Staff was directed to return the proposed salary schedule to the next Board meeting for approval.

## **9 – Closed Session**

The Board convened to closed session at 9:13 a.m. to consider Item A) Public Employee Performance/Evaluation, pursuant to Government Code 54957 – General Manager.

## **10. Report Out of Closed Session**

The Board reconvened to regular session at 9:58 a.m. The Board directed that Directors Kuhn and De Jesus, along with Mr. Kennedy meet with Mr. Hansen to negotiate the proposed General Manager Agreement and to return that item for consideration on the June 21, 2017 agenda.

## **11. Future Agenda Items**

The following items will be returned to the June 21, 2017 agenda for consideration of approval:

- Resolution Setting Procedures and Charges for Public Review and Copy of District Records
- Resolution Declaring a Water Supply Water
- Approval of Modified Board Meeting Schedule
- Approval of Salary Schedule Effective July 1, 2017 Pursuant to CalPERS Regulations

**12. Adjournment**

There being no further business the Board was adjourned at 9:59 a.m. to its next regular meeting scheduled for Wednesday, June 21, 2017 at 8:00 a.m.

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

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Victoria A. Hahn  
District Clerk/Executive Assistant

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

**Wednesday, June 21, 2017  
8:00 a.m.**

**1. Pledge of Allegiance/Roll Call**

The Pledge of Allegiance and Roll Call were waived, having occurred during the Annual Finance Corporation Meeting held immediately preceding the regular Board Meeting. The regular Board meeting was called to order at 8:04 a.m.

**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, Sr. Financial Analyst  
Freeman Ensign, Water Operations Supervisor  
Ray Evangelista, Engineer  
Mario Garcia, Manager of Engineering & Planning  
Vicki Hahn, District Clerk/Executive Assistant  
Kirk Howie, Assistant GM-Administration  
Steve Lang, Water Operations Manager  
James Linthicum, Chief Finance Officer  
Ben Peralta, Project Manager

Guests and others present: Maureen Coleman, Willdan; Tom Coleman, Rowland Water District; Tracy Costello, City of La Verne; Paul DiMaggio, Suburban Water Systems; Chonney Gano, Willdan; Director Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Ben Lewis, Golden State Water Company; Director Tony Lima, Rowland Water District; Director Szu Pei Lu-Yang, Rowland Water District; Dean McHenry, League of Women Voters; Jerry Mesa, City of La Verne; Darron Poulsen, City of Pomona; Brian Teuber, Walnut Valley Water District; Dave Warren, Rowland Water District

**2. Additions to Agenda**

President Kuhn inquired if there were any additions to the published agenda. Staff did not have any additions to the published agenda.

**3. Reorder Agenda**

President Kuhn inquired if there was any reason to reorder the published agenda. Staff did not have any reason to reorder the published agenda.

**4. Public Comment**

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

## 5. 2017-18 Standby Charge – Public Hearing

President Kuhn convened the public hearing in the matter regarding the 2017-18 standby charge at 8:05 a.m. After the public hearing, the Board will be asked to act to approve a resolution to adopt the FY 2017-18 standby charge.

Senior Finance Analyst, Liz Cohn provided the Board a report on the procedures leading up to the public hearing and proposed action. TVMWD's current MWD readiness-to-serve obligation is \$3.4 million. There are 185,102 EDU's in the District's service area. The proposed standby charge for FY 17-18 is \$18.51; this is the third consecutive year there has been a decrease in TVMWD's standby charge. The maximum permitted to be collected is \$29.41. It is forecast that TVMWD will not reach its maximum standby charge for 7-10 years. TVMWD published the required legal notices in the *Inland Valley Daily Bulletin* and *San Gabriel Valley Tribune* on June 7, 2017 and June 14, 2017 respectively; copies are available upon request. To date, TVMWD has not received any written or oral requests for testimony. This concluded the staff report.

The public hearing was closed at 8:09 a.m.

## 6. Approval of Resolution No. 17-06-800 Adopting the FY 2017-18 Water Standby Charge

The Board was asked to consider approval to adopt Resolution No. 17-06-800 adopting the FY 2017-18 water standby charge at \$18.51/EDU.

**Moved: Ruzicka; Second: Horan  
Motion No. 17-06-5139 to approve Resolution No. 17-06-800 adopting the FY 2017-18 water standby charge. The motion passed with a 7-0 unanimous vote.**

## 7. Consent Calendar

The Board was asked to consider the Consent Calendar Items (7.1-7.10) for the June 21, 2017 Board meeting that included: (7.1) Receive, approve and file, May 2017 Board minutes for May 3, 2017 and May 17, 2017; (7.2) Receive, approve and file, May 2017 Financial Reports; (7.3) Receive, approve and file salary schedule effective July 1, 2017 pursuant to CalPERS regulations; (7.4) Approve Resolution No. 17-06-801 Declaring a Water Supply Watch; (7.5) Approve Modified Summer Schedule and direct staff to cancel the meetings scheduled for July 5, 2017, July 19, 2017, August 2, 2017 and August 16, 2017; (7.6) Approve Resolution No. 17-06-802 Setting procedures and charges for public review and copy of District records; (7.7) Approve Resolution No. 17-06-803 Tax Sharing Exchange with County Sanitation District, Annexation 22-427; (7.8) Approve Resolution 17-06-804 Recognizing City of La Verne Community Development Director, Hal Frederickson upon his retirement; (7.9) Approve Resolution 17-06-805 Recognizing City of La Verne Water Utility Manager, Jerry Mesa upon his retirement; (7.10) Receive and file the annual observer report from the Claremont League of Women Voters.

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

**Moved: Ruzicka; Second: Bowcock  
Motion No. 17-06-5140 to approve the June 21, 2017 Consent Calendar items 7.1-7.10. The motion passed with a 7-0 unanimous vote.**

A brief recess occurred to present Mr. Mesa with a framed copy of his Resolution and to thank him for all his contributions over the years to the industry, especially the coordination of the contact hour classes through SCWUA.

Messages of congratulations were extended to Mr. Mesa from the Board.

## **8. General Manager's Report**

### **8.A – Administration**

#### **8.A.1 Legislative Update, June 2017**

Assistant General Manager, Kirk Howie provided the Board with a legislative update as follows:

The FY 17-18 budget was approved by the California Legislature on June 15, 2017. The budget is comprised of \$125 billion general fund, \$10 billion reserves, and a \$8.5 billion rainy day fund. Mr. Howie commented on trailer bill language that would have negatively impacted the water industry, *California Conservation – A California Way of Life*, which was rejected. If passed, it would have bypassed the normal legislative committee process.

The Little Hoover Commission (LHC) is scheduled to meet on June 22, 2017. The focus of their discussion has been on governance, transparency and accountability. TVMWD's lobbyist, Mike Arnold will attend the hearing and will provide comment. California Special Districts Association has also been very active in the efforts of LHC's process, providing testimony and sharing the positive aspects of special districts.

The Board was provided with an update of the annual Capitol visit that occurred on June 2, 2017. In attendance were Directors Kuhn and De Jesus and Messrs. Hansen and Howie. The group met with six of the legislators serving TVMWD, including the newest legislators, Blanco Rubio (Assembly District 48), Josh Newman (Senate District 29) and Philip Chen (Assembly District 55). Each of the legislators were provided information on special districts and water, and how they can help to move initiatives that positive impact the industry forward legislatively.

President Kuhn inquired about any pending legislation the Board should be following. Mr. Howie took this opportunity to briefly review the bills that TVMWD has supported and opposed. The updated legislative status report was included in the agenda packet. Attention was given to AB 979 (Lackey) as it concerns LAFCO special district representation through the state. This bill is currently in the Senate Government and Finance Committee and is expected to pass.

President Kuhn requested staff monitor legislation regarding single-payer healthcare plans. San Gabriel Valley Economic Partnership is scheduled to have a speaker at their legislative meeting next week to discuss this important topic. Staff is encouraged to attend.

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Mr. Hansen commented on SB 623 (Monning) which is a public goods charge bill. The bill has some deficiencies that TVMWD cannot support concerning the way the fees would be collected and disbursed. TVMWD has sent a letter of opposition and joined a coalition to oppose this bill.

Director Mendoza inquired about the bills related to lead free drinking water at the schools. TVMWD is watching the progress of several of these bills. The outcome, should these bills pass and become law, will be the responsibility of retail agencies, as opposed to TVMWD as a wholesaler.

Director Mendoza inquired whether briefings related to the California Water Fix will be provided. MWD has taken the lead, with TVMWD passing a prior resolution taking a position of support. Presently, the California Water Fix activity has been somewhat idle. We are hopeful there will be more movement forward on this important matter during the current legislative year.

Discussion ensued with input from Director De Jesus concerning some efforts related to the California Water Fix by MWD.

## **8.A.2 Approve Director Expense Reports for May 2017**

The Board was asked to approve the May 2017 expense reports. Upon motion and second the floor was opened for discussion. Director Kuhn provided an explanation for the charge on his report in the amount of \$132.05 for the May 26, 2017 legislative breakfast for Representative Norma Torres. Directors at this event for which the breakfast was provided included: De Jesus, Goytia, Horan, Kuhn, and Ruzicka, at a cost of approximately \$19/per person. Following this update, President Kuhn called for the vote.

**Moved: Ruzicka; Second: De Jesus**

**Motion No. 17-06-5141 to approve payment of the Director Expense reports for May 2017. The motion passed with a 7-0 unanimous vote.**

## **8.B – Engineering and Operations**

### **8.B.1 Calendar Year Imported Water Purchases – May 2017 and Peak Flow Reports through June 14, 2017**

Engineering and Planning Manager, Mario Garcia reviewed the May 2017 imported water purchases. Five months year-to-date 17,843/AF of Tier 1 water has been delivered to the Member Agencies with a remaining balance of 62,845/AF. There has been a slight increase over the last few months, which is weather driven. We expect this usage to continue to rise over the coming months. The peak flow report included a status through June 14, 2017. Peak flows are measured annually from May to September. A new peak flow high occurred on June 20, 2017 at 116.2 cfs; this was due to higher temperatures. The high temperatures are expected to continue over the coming weeks and we will likely exceed the current high peak flow of 116.2 cfs. It was noted that if the peak flow charge exceeds the peak flow goal of 119.8 cfs, it will impact everyone in the District, as the charges associated with this are pass-through via the capacity charges.

## **8.B.3 Miramar Operations Report – May 2017**

Water Operations Manager, Steve Lang provided an overview of the Miramar Plant operations and activities for the month of May 2017. Water quality continues to meet or exceed state and federal drinking water standards without any violations reported by SWRCB. Staff had their annual meeting with State Department of Water Resources on June 20, 2017 and received good feedback from the meeting. Staff will continue to develop this relationship.

The production and sales statistics were available on the report in the packet and are summarized as follows: Current production/sales data month and year-to-date: total potable water produced 1803.0/AF; Wells 1 and 2 both ran for a total of 31 days and cumulatively produced 90.5/AF; this was the second consecutive month the wells historically produced greater than the prior year; total potable water sales for the month were 1893.5/AF; total year-to-date potable water sold is at 120.8% of what was budgeted.

Miramar Hydro 1 continues to be offline due to lower pressures and flows on the Rialto Feeder. All remaining hydros produced greater than budgeted this month. YTD overall hydrogeneration is at 65.1% of budget.

Special activities were also reviewed. The full report is available upon request.

## **9. Directors' / General Managers Oral Reports**

### **9.A Local Agency Formation Commission (LAFCO)**

Director Ruzicka reported on the June 14, 2017 meeting. He provided an update on the proposed merger of Castaic Lake Water District and Newhall Water District. Senator Wilk has withdrawn SB 634 from consideration.

### **9.B Pomona-Rowland-Walnut Joint Water Line Commission**

Director Horan reported on the June 15, 2017 meeting. Staff provided a report on the proposed FY 17-18 budget which was then approved by the Commissioners.

### **9.C Six Basins Watermaster**

Director Bowcock informed they are continuing work on the Six Basins Master Plan. The next meeting is scheduled for June 28, 2017.

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

Director Bowcock reported on the June 7, 2016 meeting. The Key Well is currently at 181.5' as of June 2, 2017. The Board approved a new operating safe yield (OSY) at 150,000/AF for FY 17-18, with a five-year plan; the OSY will be 130,000/AF for years 2-5.

### **9.E Chino Basin Watermaster**

President Kuhn reported on the May 25, 2017 meeting. The Board has agreed to cancel all its regularly scheduled meetings for August 2017. A tolling agreement has been established between the Ag Pool and Appropriative Pool pending development of storage agreements. The next meeting is scheduled for June 22, 2017.

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

President Kuhn reported the WQA Board is meeting this afternoon and will consider cancelling its regularly scheduled board and committee meetings for July 2017.

## **9.G MWD Board**

Director De Jesus reported on recent action taken at the June 13, 2017 MWD Board Meeting.

Water sales for FY Ending June 30, 2017 is expected to be 1.56 million/AF, which is a \$108 million dollars short of budget.

MWD has the potential to make available up to 300,000/AF of water from Lake Mead to Southern California. Due to the challenges of completing these deliveries, it is anticipated that adjustments will be made, retaining approximately 200,000/AF at Lake Mead.

Discussion is underway regarding a hybrid in-lieu program. Different options are being considered, however the cost will be at 100% for treated water delivered, with potential for credits. This program is presently under review by legal.

MWD will be working directly with ISO in lieu of working with Edison.

## **9.G Additional Board Member or Staff Reports / Comments**

Director Ruzicka requested an update at the September meeting regarding a study from the State of California concerning limits on the amount of water that individuals can use.

President Kuhn asked if there was any update on the Baseline Well. Mr. Hansen reported an engineering assessment on the value of the well has been completed and provided to the property owner with no response to date.

The District is proceeding with the proposed well at Grand Avenue on the LDS church property.

Director Bowcock shared a letter received from Dan Arrighi, Water Resource Manager at San Gabriel Valley MWD, on the recent CRA Inspection Tour he participated in. He was very appreciative of the opportunity and all the logistics with a special thank you extended to Director De Jesus for the opportunity.

## **10. Closed Session**

Following a brief two-minute recess the Board will convene to closed session at 9:12 a.m. to review one item as stated below.

### **10.A Conference with Labor Negotiators** *(pursuant to Government Code 54957.6)*

- District designated representative: Steven M. Kennedy, General Counsel
- Unrepresented employee: General Manager

## **11. Report Out of Closed Session**



The Board reconvened to regular session at 9:55 a.m. During closed session, they discussed the contract for the General Manager, and made a recommendation to renew for two years (2017-19).

## 12. General Manager Employment Agreement

Based upon the discussion that occurred in the closed session the Board is requested to approve a two-year agreement with the General Manager (FY 2017-19). Further, staff is directed to include the General Manager salary on TVMWD's salary schedule for posting on the District website.

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

**Moved: Kuhn; Second: De Jesus**

**Motion No. 17-06-5142 to approve a two-year agreement for the General Manager. President Kuhn requested a roll-call vote with the following outcome:**

<b>Director Goytia, Division 1</b>	<b>yes</b>
<b>Director DeJesus, Division 2</b>	<b>yes</b>
<b>Director Bowcock, Division 3</b>	<b>yes</b>
<b>Director Kuhn, Division 4</b>	<b>yes</b>
<b>Director Ruzicka, Division 5</b>	<b>yes</b>
<b>Director Mendoza, Division 6</b>	<b>yes</b>
<b>Director Horan, Division 7</b>	<b>yes</b>

**The motion passed with a 7-0 unanimous vote.**

## 13. Future Agenda Items

There were no requests for future agenda items.

## 14. Adjournment

President Kuhn adjourned the meeting at 9:58 a.m. **The next regular Board meeting is scheduled for Wednesday, September 6, 2017 at 8:00 a.m.**

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

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

Staff Report/Memorandum



**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** July 19, 2017  
**Subject:** Change in Cash and Cash Equivalents Position Report

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<input type="checkbox"/> <b>For Action</b>	<input type="checkbox"/> <b>Fiscal Impact</b>	<input type="checkbox"/> <b>Funds Budgeted</b>
<input checked="" type="checkbox"/> <b>Information Only</b>	<input type="checkbox"/> <b>Cost Estimate:</b>	<b>\$</b>

---

**Discussion:**

Attached for your review is the Change in Cash and Cash Equivalents Report for the period ending June 30, 2017.



## CHANGE IN CASH AND CASH EQUIVALENTS REPORT

June 1 through June 30, 2017

		<u>CASH</u>	<u>CASH EQUIVALENTS</u>
SUMMARY 6/30/2017			
	Petty Cash	6,000.00	
	Local Agency Investment Fund		912,820.92
	General Checking	1,600,040.00	
	Sweep Account	2,494,089.24	
	U.S. Bank	5,000.00	
	<b>TOTAL CASH IN BANKS &amp; ON HAND</b>	<b>\$ 4,105,129.24</b>	<b>\$ 912,820.92</b>
	TOTAL CASH IN BANKS & ON HAND 06/30/17	\$ 4,105,129.24	\$ 912,820.92
	TOTAL CASH IN BANKS & ON HAND 05/31/17	\$ 6,045,097.45	\$ 912,820.92
	<b>PERIOD INCREASE (DECREASE)</b>	<b>\$ (1,939,968.21)</b>	<b>\$ -</b>
CHANGE IN CASH POSITION DUE TO:			
	Water Sales/Charges Revenue	4,671,185.15	
	Interest Revenue	872.37	
	Subvention/RTS Standby Charge Revenue	122,961.19	
	Hydroelectric Revenue	-	
	Other Revenue	1,657.05	
	Investment Xfer From Chandler Asset Mgt		
	LAIF Quarterly Interest		
	Transfer To LAIF		
	Transfer From LAIF		
	INFLOWS	4,796,675.76	-
	Expenditures	(6,729,168.59)	
	Current Month Outstanding Payables	77,405.86	
	Prior Month Cleared Payables	(84,678.99)	
	Bank/FSA Svc Fees	(202.25)	
	HRA/HSA Payment		
	Xfer to PARS - Fund OPEB & Pension Trusts	-	
	Investment Xfer to Chandler Asset Mgmt		
	Transfer to LAIF		
	Transfer From LAIF		
	OUTFLOWS	(6,736,643.97)	-
	<b>PERIOD INCREASE (DECREASE)</b>	<b>(1,939,968.21)</b>	<b>-</b>



# Item 5.2

## THREE VALLEYS MUNICIPAL WATER DISTRICT CONSOLIDATED LISTING OF INVESTMENT PORTFOLIO June 30, 2017

ITEM	BOOK YIELD	BOOK VALUE	PAR VALUE	MARKET VALUE
<b>Chandler Asset Management</b>				
ABS - Asset Backed Securities	1.26%	220,218.68	220,229.54	220,054.79
Bonds - Agency	1.55%	4,253,652.10	4,260,000.00	4,243,159.75
CMO - Collateralized Mortgage Obligation	0.00%	0.00	0.00	0.00
Commercial Paper	1.27%	338,835.07	340,000.00	338,835.07
Money Market Fund	0.57%	129,411.75	129,411.75	129,411.75
US Corporate	1.79%	2,475,458.12	2,475,000.00	2,482,650.89
US Treasury	1.55%	2,720,031.33	2,740,000.00	2,718,899.91
	<b>1.58%</b>	<b>10,137,607.05</b>	<b>10,164,641.29</b>	<b>10,133,012.16</b>
Local Agency Invest Fund TVMWD	0.93%	912,820.92	912,820.92	912,820.92
<b>Reserve Fund</b>		<b>\$ 11,050,427.97</b>	<b>\$ 11,077,462.21</b>	<b>\$ 11,045,833.08</b>
<hr/>				
Checking (Citizens)	0.55%	1,600,040.00	1,600,040.00	1,600,040.00
Sweep Account (Citizens)	0.20%	2,494,089.24	2,494,089.24	2,494,089.24
Emergency Checking (U.S. Bank)	0.00%	5,000.00	5,000.00	5,000.00
Petty Cash Fund	0.00%	6,000.00	6,000.00	6,000.00
<b>Working Cash</b>		<b>\$ 4,105,129.24</b>	<b>\$ 4,105,129.24</b>	<b>\$ 4,105,129.24</b>
<hr/>				
GSWC-Baseline Pipeline, San Dimas	2.93%	35,695.38	35,695.38	35,695.38
<b>Local Resource Loans</b>		<b>\$ 35,695.38</b>	<b>\$ 35,695.38</b>	<b>\$ 35,695.38</b>
<hr/>				
<b>TOTAL PORTFOLIO</b>	<b>1.21%</b>	<b>\$ 15,191,252.59</b>	<b>\$ 15,218,286.83</b>	<b>\$ 15,186,657.70</b>

I certify that this report accurately reflects all investments of Three Valleys Municipal Water District and that all investments and this report are in conformity with Sections 53600 et seq of the California Government Code and the District's annual statement of investment policy (Resolution 16-09-786). The District's investment program herein shown provides sufficient cash flow and liquidity to meet all budgeted expenditures for the next six months.

RICHARD W. HANSEN, General Manager/Assistant Treasurer



# Monthly Account Statement

## Three Valleys Municipal Water District

June 1, 2017 through June 30, 2017

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email operations@chandlerasset.com

### Custodian

US Bank  
Christopher Isles  
(503)-464-3685

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.***



PORTFOLIO CHARACTERISTICS

Average Duration	2.38
Average Coupon	1.50 %
Average Purchase YTM	1.58 %
Average Market YTM	1.58 %
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.50 yrs
Average Life	2.46 yrs

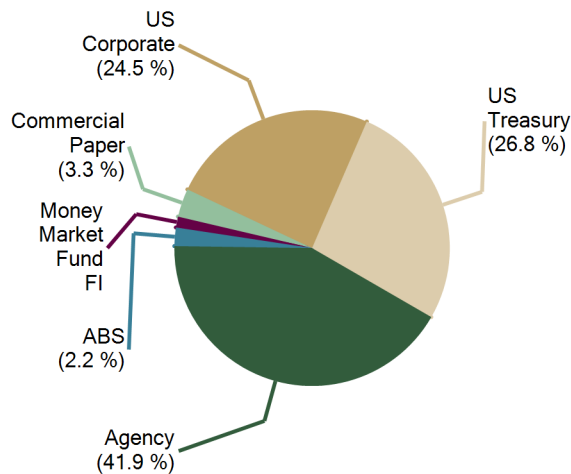
ACCOUNT SUMMARY

	Beg. Values as of 5/31/17	End Values as of 6/30/17
<b>Market Value</b>	10,148,735	10,133,012
<b>Accrued Interest</b>	31,943	40,371
<b>Total Market Value</b>	<b>10,180,678</b>	<b>10,173,383</b>
<b>Income Earned</b>	12,978	13,002
<b>Cont/WD</b>		-1,121
<b>Par</b>	10,163,173	10,164,641
<b>Book Value</b>	10,134,154	10,137,607
<b>Cost Value</b>	10,120,694	10,122,122

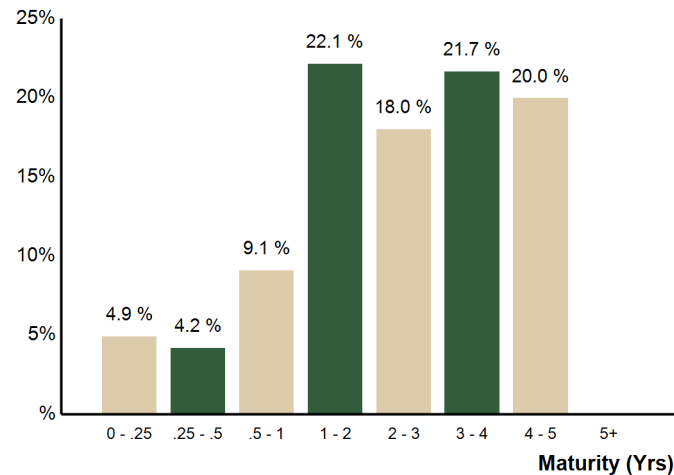
TOP ISSUERS

Issuer	% Portfolio
Government of United States	26.8 %
Federal National Mortgage Assoc	19.2 %
Federal Home Loan Mortgage Corp	12.0 %
Federal Home Loan Bank	6.2 %
Tennessee Valley Authority	2.9 %
US Bancorp	2.0 %
Bank of Tokyo-Mit UFJ	2.0 %
Toyota Motor Corp	2.0 %
<b>Total</b>	<b>73.0 %</b>

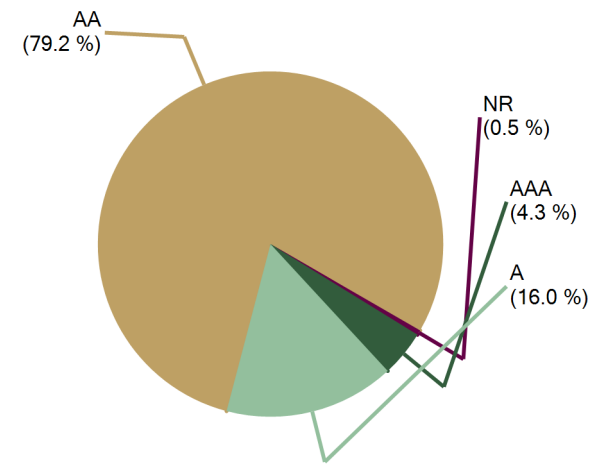
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 6/30/2017	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			4/30/2009	Since 4/30/2009
					3 Yrs	5 Yrs	10 Yrs		
Three Valleys Municipal Water District	-0.06 %	0.51 %	0.97 %	0.04 %	1.27 %	1.15 %	N/A	1.84 %	16.06 %
BAML 1-5 Yr US Treasury/Agency Index	-0.15 %	0.38 %	0.75 %	-0.49 %	1.08 %	0.88 %	N/A	1.53 %	13.18 %



Three Valleys Municipal Water District

June 30, 2017

**COMPLIANCE WITH INVESTMENT POLICY**

*Assets managed by Chandler Asset Management are in full compliance with State law and with the District's investment policy.*

Category	Standard	Comment
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Municipal Securities/ Local Agency Bonds	Bonds issued by TVMWD; Issued by local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, or Joint Power Agencies	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or higher by a NRSRO; 30% maximum; 10% max per issuer	Complies
Banker's Acceptances	"A" rated or higher by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" rated or equivalent by a NRSRO; "A" rated issuer or equivalent by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issuer must be organized and operating within the US, have AUM >\$500 mil	Complies
Corporate Medium Term Notes	"A" rated or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S.	Complies
Negotiable Certificates of Deposit	30% maximum; 5% max per issuer	Complies
Certificates of Deposits/Time Deposit	Collateralized/ FDIC insured	Complies
Money Market Mutual Funds	"AAA" rated by 2 NRSROs; 20% maximum; 10% per fund	Complies
Mortgage Pass-throughs, CMOs and Asset Backed Securities	"AA" rated or higher by a NRSRO; "A" rated issuer or higher by a NRSRO; 20% maximum; 5% max per issuer	Complies
Local Agency Investment Fund - LAIF	Max program limitation	Complies
Repurchase Agreements	102% Collateralized; 1year max maturity	Complies
Reverse Repurchase Agreements	20% maximum; 92 days max maturity	Complies
Prohibited Securities	Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities	Complies
Max Per Issuer	5% of portfolio per issuer (except U.S. Government, Agencies/GSEs, Supranationals, Money Market Mutual Funds, LAIF, LGIP)	Complies
Maximum maturity	5 years	Complies



## Reconciliation Summary

As of 6/30/2017

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$10,134,154.28</b>
<b>Acquisition</b>	
+ Security Purchases	\$390,947.91
+ Money Market Fund Purchases	\$153,879.65
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$544,827.56</b>
<b>Dispositions</b>	
- Security Sales	\$0.00
- Money Market Fund Sales	\$392,493.02
- MMF Withdrawals	\$1,121.05
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$125,000.00
- Calls	\$0.00
- Principal Paydowns	\$23,796.87
<b>Total Dispositions</b>	<b>\$542,410.94</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	\$1,036.15
	\$1,036.15
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$0.00
	\$0.00
<b>Ending Book Value</b>	<b>\$10,137,607.05</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$369,146.17</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$0.00
Accrued Interest Received	\$0.00
Interest Received	\$4,978.07
Dividend Received	\$104.71
Principal on Maturities	\$125,000.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$23,796.87
<b>Total Acquisitions</b>	<b>\$153,879.65</b>
<b>Disposition</b>	
Withdrawals	\$1,121.05
Security Purchase	\$390,947.91
Accrued Interest Paid	\$1,545.11
<b>Total Dispositions</b>	<b>\$393,614.07</b>
<b>Ending Book Value</b>	<b>\$129,411.75</b>





CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>ABS</b>									
43814GAC4	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	1,443.13	05/13/2014 0.78 %	1,442.96 1,443.13	99.97 1.53 %	1,442.69 0.40	0.01 % (0.44)	Aaa / AAA NR	0.72 0.03
47787VAC5	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	1,678.00	04/02/2014 0.93 %	1,677.73 1,678.00	99.98 1.89 %	1,677.64 0.69	0.02 % (0.36)	Aaa / NR AAA	0.79 0.02
43814HAC2	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	8,781.29	08/12/2014 0.89 %	8,779.60 8,781.27	99.96 1.40 %	8,778.20 3.43	0.09 % (3.07)	NR / AAA AAA	0.96 0.07
89236WAC2	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	41,320.50	02/24/2015 1.13 %	41,314.24 41,319.17	99.90 1.43 %	41,279.05 20.57	0.41 % (40.12)	Aaa / AAA NR	1.63 0.33
43813NAC0	Honda Auto Receivables 2015-2 A3 1.04% Due 2/21/2019	57,006.62	05/13/2015 1.05 %	56,997.87 57,002.80	99.86 1.41 %	56,927.72 16.47	0.56 % (75.08)	NR / AAA AAA	1.65 0.38
89238MAB4	Toyota Auto Receivables Owner 2017-A 1.42% Due 9/16/2019	65,000.00	03/07/2017 1.43 %	64,993.73 64,994.47	99.94 1.50 %	64,962.63 41.02	0.64 % (31.84)	Aaa / AAA NR	2.21 0.76
47787XAB3	John Deere Owner Trust 2017-A A2 1.5% Due 10/15/2019	45,000.00	02/22/2017 1.50 %	44,999.82 44,999.84	99.97 1.54 %	44,986.86 30.00	0.44 % (12.98)	Aaa / NR AAA	2.29 0.84
<b>Total ABS</b>		<b>220,229.54</b>	<b>1.26 %</b>	<b>220,205.95</b> <b>220,218.68</b>	<b>1.47 %</b>	<b>220,054.79</b> <b>112.58</b>	<b>2.16 %</b> <b>(163.89)</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>1.90</b> <b>0.56</b>
<b>AGENCY</b>									
3133EAY28	FFCB Note 0.83% Due 9/21/2017	170,000.00	09/18/2012 0.83 %	170,000.00 170,000.00	99.93 1.13 %	169,883.89 391.94	1.67 % (116.11)	Aaa / AA+ AAA	0.23 0.22
3137EADN6	FHLMC Note 0.75% Due 1/12/2018	160,000.00	Various 1.01 %	158,093.93 159,784.02	99.77 1.19 %	159,628.97 563.33	1.57 % (155.05)	Aaa / AA+ AAA	0.54 0.53
3130A4GJ5	FHLB Note 1.125% Due 4/25/2018	110,000.00	03/20/2015 1.02 %	110,360.91 110,095.26	99.89 1.26 %	109,879.77 226.88	1.08 % (215.49)	Aaa / AA+ AAA	0.82 0.81
3135G0YM9	FNMA Note 1.875% Due 9/18/2018	200,000.00	10/07/2013 1.59 %	202,654.00 200,652.48	100.62 1.36 %	201,248.80 1,072.92	1.99 % 596.32	Aaa / AA+ AAA	1.22 1.19
880591EQ1	Tennessee Valley Authority Note 1.75% Due 10/15/2018	290,000.00	Various 1.58 %	292,357.15 290,613.12	100.51 1.35 %	291,479.30 1,071.39	2.88 % 866.18	Aaa / AA+ AAA	1.29 1.27
3135G0ZA4	FNMA Note 1.875% Due 2/19/2019	75,000.00	03/31/2014 1.81 %	75,230.48 75,077.21	100.77 1.39 %	75,580.95 515.63	0.75 % 503.74	Aaa / AA+ AAA	1.64 1.60
3137EADG1	FHLMC Note 1.75% Due 5/30/2019	200,000.00	Various 1.45 %	201,442.30 201,108.10	100.67 1.39 %	201,348.00 301.39	1.98 % 239.90	Aaa / AA+ AAA	1.92 1.88
3137EADK2	FHLMC Note 1.25% Due 8/1/2019	240,000.00	09/04/2014 1.83 %	233,452.80 237,213.41	99.60 1.44 %	239,041.92 1,250.00	2.36 % 1,828.51	Aaa / AA+ AAA	2.09 2.04
3135G0ZG1	FNMA Note 1.75% Due 9/12/2019	200,000.00	12/13/2016 1.44 %	201,661.00 201,331.12	100.60 1.47 %	201,195.80 1,059.72	1.99 % (135.32)	Aaa / AA+ AAA	2.20 2.14
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	230,000.00	12/10/2014 1.71 %	225,177.36 227,739.73	99.45 1.50 %	228,734.77 710.76	2.26 % 995.04	Aaa / AA+ AAA	2.26 2.21
3135G0A78	FNMA Note 1.625% Due 1/21/2020	200,000.00	03/30/2015 1.51 %	201,072.00 200,569.86	100.26 1.52 %	200,529.80 1,444.44	1.99 % (40.06)	Aaa / AA+ AAA	2.56 2.48



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
3135G0F73	FNMA Note 1.5% Due 11/30/2020	200,000.00	12/16/2015 1.90 %	196,220.00 197,393.68	99.39 1.69 %	198,771.00 258.33	1.96 % 1,377.32	Aaa / AA+ AAA	3.42 3.31
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	140,000.00	04/28/2016 1.42 %	139,727.00 139,793.66	98.92 1.68 %	138,492.48 711.18	1.37 % (1,301.18)	Aaa / AA+ AAA	3.64 3.51
3135G0J20	FNMA Note 1.375% Due 2/26/2021	200,000.00	Various 1.41 %	199,699.04 199,786.95	98.77 1.72 %	197,545.40 954.86	1.95 % (2,241.55)	Aaa / AA+ AAA	3.66 3.53
3135G0K69	FNMA Note 1.25% Due 5/6/2021	180,000.00	06/29/2016 1.18 %	180,612.00 180,485.52	98.24 1.73 %	176,823.18 343.75	1.74 % (3,662.34)	Aaa / AA+ AAA	3.85 3.73
3130A8QS5	FHLB Note 1.125% Due 7/14/2021	185,000.00	10/04/2016 1.33 %	183,290.60 183,553.58	97.44 1.79 %	180,259.19 965.47	1.78 % (3,294.39)	Aaa / AA+ AAA	4.04 3.90
3137EAEC9	FHLMC Note 1.125% Due 8/12/2021	185,000.00	08/30/2016 1.33 %	183,185.15 183,490.47	97.27 1.82 %	179,946.91 803.59	1.78 % (3,543.56)	Aaa / AA+ AAA	4.12 3.98
3135G0N82	FNMA Note 1.25% Due 8/17/2021	185,000.00	09/28/2016 1.28 %	184,715.10 184,759.04	97.75 1.82 %	180,845.46 860.76	1.79 % (3,913.58)	Aaa / AA+ AAA	4.13 3.98
3135G0Q89	FNMA Note 1.375% Due 10/7/2021	160,000.00	10/27/2016 1.50 %	159,025.60 159,158.40	98.20 1.82 %	157,112.96 513.33	1.55 % (2,045.44)	Aaa / AA+ AAA	4.27 4.11
3130AABG2	FHLB Note 1.875% Due 11/29/2021	200,000.00	12/28/2016 2.10 %	197,940.00 198,151.05	100.21 1.83 %	200,419.60 333.33	1.97 % 2,268.55	Aaa / AA+ AAA	4.42 4.21
3135G0S38	FNMA Note 2% Due 1/5/2022	200,000.00	01/11/2017 2.02 %	199,845.00 199,859.49	100.33 1.92 %	200,665.00 1,911.11	1.99 % 805.51	Aaa / AA+ AAA	4.52 4.26
3137EADB2	FHLMC Note 2.375% Due 1/13/2022	200,000.00	01/27/2017 2.03 %	203,193.40 202,925.08	102.10 1.89 %	204,197.60 2,216.67	2.03 % 1,272.52	Aaa / AA+ AAA	4.54 4.24
3135G0T45	FNMA Note 1.875% Due 4/5/2022	150,000.00	06/28/2017 1.86 %	150,111.00 150,110.87	99.69 1.94 %	149,529.00 632.81	1.48 % (581.87)	Aaa / AA+ AAA	4.77 4.52
<b>Total Agency</b>		<b>4,260,000.00</b>	<b>1.55 %</b>	<b>4,249,065.82</b> <b>4,253,652.10</b>	<b>1.59 %</b>	<b>4,243,159.75</b> <b>19,113.59</b>	<b>41.90 %</b> <b>(10,492.35)</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.88</b> <b>2.77</b>
<b>COMMERCIAL PAPER</b>									
06538BU76	Bank of Tokyo Mitsubishi NY Discount CP 1.18% Due 7/7/2017	200,000.00	03/06/2017 1.20 %	199,200.22 199,960.67	99.98 1.20 %	199,960.67 0.00	1.97 % 0.00	P-1 / A-1 NR	0.02 0.02
89233HB29	Toyota Motor Credit Discount CP 1.32% Due 2/2/2018	140,000.00	06/02/2017 1.37 %	138,738.91 138,874.40	99.20 1.37 %	138,874.40 0.00	1.37 % 0.00	P-1 / A-1+ NR	0.59 0.59
<b>Total Commercial Paper</b>		<b>340,000.00</b>	<b>1.27 %</b>	<b>337,939.13</b> <b>338,835.07</b>	<b>1.27 %</b>	<b>338,835.07</b> <b>0.00</b>	<b>3.33 %</b> <b>0.00</b>	<b>P-1 / A-1</b> <b>NR</b>	<b>0.25</b> <b>0.25</b>



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>MONEY MARKET FUND FI</b>									
31846V203	First American Govt Obligation Fund	129,411.75	Various 0.57 %	129,411.75 129,411.75	1.00 0.57 %	129,411.75 0.00	1.27 % 0.00	Aaa / AAA NR	0.00 0.00
<b>Total Money Market Fund FI</b>		<b>129,411.75</b>	<b>0.57 %</b>	<b>129,411.75</b> <b>129,411.75</b>	<b>0.57 %</b>	<b>129,411.75</b> <b>0.00</b>	<b>1.27 %</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>NR</b>	<b>0.00</b> <b>0.00</b>
<b>US CORPORATE</b>									
166764AA8	Chevron Corp Callable Note Cont 11/5/17 1.104% Due 12/5/2017	175,000.00	Various 1.31 %	173,518.80 174,847.81	99.94 1.27 %	174,898.15 139.53	1.72 % 50.34	Aa2 / AA- NR	0.43 0.35
02665WAQ4	American Honda Finance Note 1.55% Due 12/11/2017	100,000.00	12/08/2014 1.58 %	99,907.00 99,986.17	100.05 1.43 %	100,051.90 86.11	0.98 % 65.73	A1 / A+ NR	0.45 0.44
458140AL4	Intel Corp Note 1.35% Due 12/15/2017	150,000.00	12/12/2012 1.29 %	150,430.95 150,039.45	99.98 1.40 %	149,963.26 90.00	1.47 % (76.19)	A1 / A+ A+	0.46 0.46
89236TCA1	Toyota Motor Credit Corp Note 1.45% Due 1/12/2018	60,000.00	Various 1.47 %	59,958.05 59,993.00	100.06 1.34 %	60,035.28 408.41	0.59 % 42.28	Aa3 / AA- A	0.54 0.53
459200HZ7	IBM Corp Note 1.125% Due 2/6/2018	125,000.00	02/03/2015 1.23 %	124,618.75 124,923.47	99.85 1.38 %	124,812.50 566.41	1.23 % (110.97)	A1 / A+ A+	0.61 0.59
931142DF7	Wal-Mart Stores Note 1.125% Due 4/11/2018	115,000.00	04/04/2013 1.14 %	114,894.20 114,983.54	99.79 1.39 %	114,761.61 287.50	1.13 % (221.93)	Aa2 / AA AA	0.78 0.77
713448CR7	PepsiCo Inc Note 1.25% Due 4/30/2018	105,000.00	Various 1.26 %	104,957.40 104,988.22	99.84 1.45 %	104,828.64 222.39	1.03 % (159.58)	A1 / A+ A	0.83 0.82
037833AJ9	Apple Inc Note 1% Due 5/3/2018	100,000.00	05/20/2013 1.20 %	99,066.00 99,841.75	99.64 1.43 %	99,637.50 161.11	0.98 % (204.25)	Aa1 / AA+ NR	0.84 0.83
02665WAC5	American Honda Finance Note 2.125% Due 10/10/2018	65,000.00	04/14/2014 1.83 %	65,820.95 65,233.70	100.64 1.61 %	65,417.76 310.78	0.65 % 184.06	A1 / A+ NR	1.28 1.25
74005PBH6	Praxair Note 1.25% Due 11/7/2018	135,000.00	01/08/2015 1.68 %	132,876.45 134,247.47	99.73 1.45 %	134,635.50 253.13	1.33 % 388.03	A2 / A NR	1.36 1.33
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	60,000.00	12/10/2013 1.99 %	59,872.20 59,962.91	100.50 1.60 %	60,300.00 58.50	0.59 % 337.09	A2 / A A	1.45 1.43
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	180,000.00	Various 2.02 %	180,856.20 180,285.85	100.81 1.63 %	181,459.44 1,275.00	1.80 % 1,173.59	A1 / AA- NR	1.67 1.63
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	140,000.00	Various 2.15 %	140,322.10 140,118.01	100.83 1.71 %	141,165.51 564.67	1.39 % 1,047.50	A1 / A+ AA	1.82 1.69
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	145,000.00	Various 2.29 %	145,058.95 145,025.14	100.99 1.82 %	146,428.98 1,019.03	1.45 % 1,403.84	A1 / A AA-	2.20 2.04
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	100,000.00	01/26/2015 2.18 %	99,864.00 99,929.65	100.26 2.05 %	100,257.10 901.81	0.99 % 327.45	A2 / A AA-	2.59 2.48



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	80,000.00	02/05/2015 1.77 %	79,916.00 79,955.84	99.84 1.81 %	79,871.04 528.89	0.79 % (84.80)	A1 / A+ A+	2.63 2.54
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	120,000.00	06/11/2015 2.49 %	118,671.00 119,221.80	100.95 1.91 %	121,138.20 307.50	1.19 % 1,916.40	A1 / A NR	2.89 2.78
857477AS2	State Street Bank Note 2.55% Due 8/18/2020	100,000.00	06/28/2017 1.86 %	102,098.00 102,094.34	101.88 1.93 %	101,877.80 942.08	1.01 % (216.54)	A1 / A AA-	3.14 2.98
00440EAT4	ACE INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	125,000.00	02/06/2017 2.16 %	125,588.75 125,525.99	100.57 2.12 %	125,712.75 463.19	1.24 % 186.76	A3 / A A	3.35 3.11
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	120,000.00	05/16/2016 1.84 %	122,103.60 121,612.32	100.66 2.04 %	120,786.84 888.80	1.20 % (825.48)	Aaa / AA+ NR	3.67 3.48
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	115,000.00	11/29/2016 2.40 %	112,425.15 112,735.96	99.12 2.12 %	113,988.81 643.36	1.13 % 1,252.85	A1 / AA- A+	4.21 4.00
91159HHP8	US Bancorp Note 2.625% Due 1/24/2022	60,000.00	01/19/2017 2.66 %	59,896.80 59,905.73	101.04 2.38 %	60,622.32 686.88	0.60 % 716.59	A1 / A+ AA	4.57 4.24
<b>Total US Corporate</b>		<b>2,475,000.00</b>	<b>1.79 %</b>	<b>2,472,721.30</b> <b>2,475,458.12</b>	<b>1.68 %</b>	<b>2,482,650.89</b> <b>10,805.08</b>	<b>24.51 %</b> <b>7,192.77</b>	<b>A1 / A+</b> <b>A+</b>	<b>1.84</b> <b>1.75</b>
<b>US TREASURY</b>									
912828VQ0	US Treasury Note 1.375% Due 7/31/2018	200,000.00	11/05/2013 1.31 %	200,625.67 200,143.02	100.09 1.29 %	200,171.80 1,147.10	1.98 % 28.78	Aaa / AA+ AAA	1.08 1.07
912828SH4	US Treasury Note 1.375% Due 2/28/2019	235,000.00	Various 1.71 %	231,325.79 233,755.41	100.01 1.37 %	235,027.50 1,080.01	2.32 % 1,272.09	Aaa / AA+ AAA	1.67 1.64
912828ST8	US Treasury Note 1.25% Due 4/30/2019	200,000.00	01/23/2015 1.22 %	200,242.86 200,104.33	99.75 1.39 %	199,507.80 421.20	1.97 % (596.53)	Aaa / AA+ AAA	1.83 1.80
912828R85	US Treasury Note 0.875% Due 6/15/2019	160,000.00	07/28/2016 0.82 %	160,250.54 160,170.21	99.02 1.38 %	158,437.44 61.20	1.56 % (1,732.77)	Aaa / AA+ AAA	1.96 1.93
912828TH3	US Treasury Note 0.875% Due 7/31/2019	200,000.00	03/30/2015 1.30 %	196,414.73 198,278.71	98.94 1.39 %	197,875.00 729.97	1.95 % (403.71)	Aaa / AA+ AAA	2.08 2.05
912828VF4	US Treasury Note 1.375% Due 5/31/2020	200,000.00	07/10/2015 1.62 %	197,742.86 198,652.55	99.52 1.54 %	199,039.00 232.92	1.96 % 386.45	Aaa / AA+ AAA	2.92 2.85
912828L32	US Treasury Note 1.375% Due 8/31/2020	200,000.00	11/23/2015 1.69 %	197,156.92 198,111.69	99.30 1.60 %	198,593.80 919.16	1.96 % 482.11	Aaa / AA+ AAA	3.17 3.07
912828L99	US Treasury Note 1.375% Due 10/31/2020	200,000.00	11/23/2015 1.71 %	196,867.86 197,884.11	99.18 1.63 %	198,359.40 463.32	1.95 % 475.29	Aaa / AA+ AAA	3.34 3.24
912828N89	US Treasury Note 1.375% Due 1/31/2021	155,000.00	03/09/2016 1.40 %	154,849.15 154,889.42	98.95 1.68 %	153,377.31 889.00	1.52 % (1,512.11)	Aaa / AA+ AAA	3.59 3.46
912828B90	US Treasury Note 2% Due 2/28/2021	180,000.00	04/26/2016 1.40 %	185,056.07 183,828.54	101.12 1.68 %	182,010.96 1,203.26	1.80 % (1,817.58)	Aaa / AA+ AAA	3.67 3.50



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912828P87	US Treasury Note 1.125% Due 2/28/2021	200,000.00	12/29/2016 1.86 %	194,125.67 194,835.84	97.97 1.70 %	195,937.60 752.04	1.93 % 1,101.76	Aaa / AA+ AAA	3.67 3.56
912828Q37	US Treasury Note 1.25% Due 3/31/2021	210,000.00	12/13/2016 1.81 %	205,136.25 205,753.52	98.34 1.71 %	206,521.98 659.84	2.04 % 768.46	Aaa / AA+ AAA	3.75 3.63
912828T34	US Treasury Note 1.125% Due 9/30/2021	185,000.00	11/09/2016 1.48 %	181,871.52 182,279.89	97.27 1.79 %	179,955.79 523.16	1.77 % (2,324.10)	Aaa / AA+ AAA	4.25 4.11
912828J43	US Treasury Note 1.75% Due 2/28/2022	215,000.00	03/13/2017 2.14 %	211,112.24 211,344.09	99.57 1.85 %	214,084.53 1,257.57	2.12 % 2,740.44	Aaa / AA+ AAA	4.67 4.44
<b>Total US Treasury</b>		<b>2,740,000.00</b>	<b>1.55 %</b>	<b>2,712,778.13</b> <b>2,720,031.33</b>	<b>1.57 %</b>	<b>2,718,899.91</b> <b>10,339.75</b>	<b>26.83 %</b> <b>(1,131.42)</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.96</b> <b>2.87</b>
<b>TOTAL PORTFOLIO</b>		<b>10,164,641.29</b>	<b>1.58 %</b>	<b>10,122,122.08</b> <b>10,137,607.05</b>	<b>1.58 %</b>	<b>10,133,012.16</b> <b>40,371.00</b>	<b>100.00 %</b> <b>(4,594.89)</b>	<b>Aa1 / AA</b> <b>AAA</b>	<b>2.50</b> <b>2.38</b>
<b>TOTAL MARKET VALUE PLUS ACCRUED</b>						<b>10,173,383.16</b>			



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	06/01/2017	31846V203	135.00	First American Govt Obligation Fund	1.000	0.38 %	135.00	0.00	135.00	0.00
Purchase	06/01/2017	31846V203	15,000.00	First American Govt Obligation Fund	1.000	0.38 %	15,000.00	0.00	15,000.00	0.00
Purchase	06/01/2017	31846V203	104.71	First American Govt Obligation Fund	1.000	0.38 %	104.71	0.00	104.71	0.00
Purchase	06/05/2017	31846V203	966.00	First American Govt Obligation Fund	1.000	0.38 %	966.00	0.00	966.00	0.00
Purchase	06/05/2017	89233HB29	140,000.00	Toyota Motor Credit Discount CP 1.32% Due 2/2/2018	99.099	1.37 %	138,738.91	0.00	138,738.91	0.00
Purchase	06/11/2017	31846V203	775.00	First American Govt Obligation Fund	1.000	0.38 %	775.00	0.00	775.00	0.00
Purchase	06/13/2017	31846V203	585.00	First American Govt Obligation Fund	1.000	0.38 %	585.00	0.00	585.00	0.00
Purchase	06/15/2017	31846V203	1,712.50	First American Govt Obligation Fund	1.000	0.38 %	1,712.50	0.00	1,712.50	0.00
Purchase	06/15/2017	31846V203	4,348.83	First American Govt Obligation Fund	1.000	0.38 %	4,348.83	0.00	4,348.83	0.00
Purchase	06/15/2017	31846V203	3,138.60	First American Govt Obligation Fund	1.000	0.38 %	3,138.60	0.00	3,138.60	0.00
Purchase	06/15/2017	31846V203	56.25	First American Govt Obligation Fund	1.000	0.38 %	56.25	0.00	56.25	0.00
Purchase	06/15/2017	31846V203	5,612.24	First American Govt Obligation Fund	1.000	0.38 %	5,612.24	0.00	5,612.24	0.00
Purchase	06/15/2017	31846V203	76.92	First American Govt Obligation Fund	1.000	0.38 %	76.92	0.00	76.92	0.00
Purchase	06/19/2017	31846V203	555.50	First American Govt Obligation Fund	1.000	0.38 %	555.50	0.00	555.50	0.00
Purchase	06/19/2017	31846V203	110,000.00	First American Govt Obligation Fund	1.000	0.38 %	110,000.00	0.00	110,000.00	0.00
Purchase	06/20/2017	31846V203	3,684.75	First American Govt Obligation Fund	1.000	0.38 %	3,684.75	0.00	3,684.75	0.00
Purchase	06/21/2017	31846V203	7,128.35	First American Govt Obligation Fund	1.000	0.38 %	7,128.35	0.00	7,128.35	0.00
Purchase	06/29/2017	3135G0T45	150,000.00	FNMA Note 1.875% Due 4/5/2022	100.074	1.86 %	150,111.00	617.19	150,728.19	0.00
Purchase	06/29/2017	857477AS2	100,000.00	State Street Bank Note 2.55% Due 8/18/2020	102.098	1.86 %	102,098.00	927.92	103,025.92	0.00
	<b>Subtotal</b>		<b>543,879.65</b>				<b>544,827.56</b>	<b>1,545.11</b>	<b>546,372.67</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>543,879.65</b>				<b>544,827.56</b>	<b>1,545.11</b>	<b>546,372.67</b>	<b>0.00</b>
<b>DISPOSITIONS</b>										
Sale	06/05/2017	31846V203	138,738.91	First American Govt Obligation Fund	1.000	0.38 %	138,738.91	0.00	138,738.91	0.00
Sale	06/29/2017	31846V203	253,754.11	First American Govt Obligation Fund	1.000	0.38 %	253,754.11	0.00	253,754.11	0.00
	<b>Subtotal</b>		<b>392,493.02</b>				<b>392,493.02</b>	<b>0.00</b>	<b>392,493.02</b>	<b>0.00</b>
Paydown	06/15/2017	43814HAC2	4,339.21	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	100.000		4,339.21	9.62	4,348.83	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Paydown	06/15/2017	47787VAC5	3,134.91	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	100.000		3,134.91	3.69	3,138.60	0.00
Paydown	06/15/2017	47787XAB3	0.00	John Deere Owner Trust 2017-A A2 1.5% Due 10/15/2019	100.000		0.00	56.25	56.25	0.00
Paydown	06/15/2017	89236WAC2	5,568.48	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	100.000		5,568.48	43.76	5,612.24	0.00
Paydown	06/15/2017	89238MAB4	0.00	Toyota Auto Receivables Owner 2017-A 1.42% Due 9/16/2019	100.000		0.00	76.92	76.92	0.00
Paydown	06/20/2017	43814GAC4	3,681.46	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	100.000		3,681.46	3.29	3,684.75	0.00
Paydown	06/21/2017	43813NAC0	7,072.81	Honda Auto Receivables 2015-2 A3 1.04% Due 2/21/2019	100.000		7,072.81	55.54	7,128.35	0.00
		<b>Subtotal</b>	<b>23,796.87</b>				<b>23,796.87</b>	<b>249.07</b>	<b>24,045.94</b>	<b>0.00</b>
Maturity	06/01/2017	913017BU2	15,000.00	United Tech Corp Note 1.8% Due 6/1/2017	100.000		15,000.00	0.00	15,000.00	0.00
Maturity	06/19/2017	313379VE6	110,000.00	FHLB Note 1.01% Due 6/19/2017	100.000		110,000.00	0.00	110,000.00	0.00
		<b>Subtotal</b>	<b>125,000.00</b>				<b>125,000.00</b>	<b>0.00</b>	<b>125,000.00</b>	<b>0.00</b>
Security Withdrawal	06/05/2017	31846V203	1,016.88	First American Govt Obligation Fund	1.000		1,016.88	0.00	1,016.88	0.00
Security Withdrawal	06/26/2017	31846V203	104.17	First American Govt Obligation Fund	1.000		104.17	0.00	104.17	0.00
		<b>Subtotal</b>	<b>1,121.05</b>				<b>1,121.05</b>	<b>0.00</b>	<b>1,121.05</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>542,410.94</b>				<b>542,410.94</b>	<b>249.07</b>	<b>542,660.01</b>	<b>0.00</b>
<b>OTHER TRANSACTIONS</b>										
Interest	06/01/2017	913017BU2	15,000.00	United Tech Corp Note 1.8% Due 6/1/2017	0.000		135.00	0.00	135.00	0.00
Interest	06/05/2017	166764AA8	175,000.00	Chevron Corp Callable Note Cont 11/5/17 1.104% Due 12/5/2017	0.000		966.00	0.00	966.00	0.00
Interest	06/11/2017	02665WAQ4	100,000.00	American Honda Finance Note 1.55% Due 12/11/2017	0.000		775.00	0.00	775.00	0.00
Interest	06/13/2017	24422ESF7	60,000.00	John Deere Capital Corp Note 1.95% Due 12/13/2018	0.000		585.00	0.00	585.00	0.00
Interest	06/15/2017	458140AL4	150,000.00	Intel Corp Note 1.35% Due 12/15/2017	0.000		1,012.50	0.00	1,012.50	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>OTHER TRANSACTIONS</b>										
Interest	06/15/2017	912828R85	160,000.00	US Treasury Note 0.875% Due 6/15/2019	0.000		700.00	0.00	700.00	0.00
Interest	06/19/2017	313379VE6	110,000.00	FHLB Note 1.01% Due 6/19/2017	0.000		555.50	0.00	555.50	0.00
	<b>Subtotal</b>		<b>770,000.00</b>				<b>4,729.00</b>	<b>0.00</b>	<b>4,729.00</b>	<b>0.00</b>
Dividend	06/01/2017	31846V203	384,281.17	First American Govt Obligation Fund	0.000		104.71	0.00	104.71	0.00
	<b>Subtotal</b>		<b>384,281.17</b>				<b>104.71</b>	<b>0.00</b>	<b>104.71</b>	<b>0.00</b>
<b>TOTAL OTHER TRANSACTIONS</b>			<b>1,154,281.17</b>				<b>4,833.71</b>	<b>0.00</b>	<b>4,833.71</b>	<b>0.00</b>



## Staff Report/Memorandum



**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** July 19, 2017  
**Subject:** YTD District Budget Monthly Status Report

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**For Action**                       **Fiscal Impact**                       **Funds Budgeted**  
 **Information Only**                       **Cost Estimate:**                      \$

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**Discussion:**

Attached for your review is the preliminary YTD District Budget Status Report for period ending June 30, 2017.

**Water Sales** as a percentage of budget on a YTD basis are as follows:

- Miramar Sales                      115%
- Treated Water Sales                      115%
- Total Water Sales                      142%

**Operations and Maintenance** is 126.1% of budget mainly due to the following items:

- Chemicals – We budgeted caustic soda \$30,000 lower than we should have for this fiscal year
- Electricity – SCE fixed charges higher than anticipated and lower power generation from the hydros (maintenance and low pressure in PM-21, which is controlled by MWD)

**Membership Dues & Fees** exceeds the budget slightly due to higher than expected LAFCO and Subvention Administration fees.

The **Hydroelectric Facilities** line item is over budget due to the replacement of the electromagnetic flowmeter on the Miramar hydro.

The **Capital Repair & Replacement** and **Capital Investment Program** line items are only 34.0% and 13.7% spent respectively due to several projects that will carry over to FY 17/18.

THREE VALLEYS MUNICIPAL WATER DISTRICT				
DISTRICT BUDGET - FISCAL YEAR 2016-2017				
Preliminary				
Month Ending June 30, 2017				
	2016-2017 YTD Actual	Annual Budget All Funds	2016-2017 Percent of Budget	2016-2017 Balance Remaining
<b>REVENUES</b>				
<b>OPERATING REVENUES</b>				
Water Sales	58,665,333	44,592,121	131.6%	(14,073,212)
MWD RTS Standby Charge	3,698,653	3,732,684	99.1%	34,031
MWD Capacity Charge Assessment	1,782,272	1,687,770	105.6%	(94,502)
TVMWD Fixed Charges	629,364	629,362	100.0%	(2)
Hydroelectric Revenue	68,447	36,891	185.5%	(31,556)
<b>NON-OPERATING REVENUES</b>				
Property Taxes	2,294,397	1,942,527	118.1%	(351,870)
Interest Income	166,357	114,552	145.2%	(51,805)
Notes Receivable - Principal	35,695	35,700	100.0%	5
Pumpback O&M/Reservoir #2 Reimbursement	30,648	20,000	153.2%	(10,648)
Grants and Other Revenue	8,795	27,525	32.0%	18,730
<b>TOTAL REVENUES</b>	<b>67,379,961</b>	<b>52,819,132</b>	<b>127.6%</b>	<b>(14,560,829)</b>
<b>EXPENSES</b>				
<b>OPERATING EXPENSES</b>				
MWD Water Purchases	52,382,216	39,388,006	133.0%	(12,994,210)
MWD RTS Standby Charge	3,760,664	3,732,684	100.7%	(27,980)
Staff Compensation	3,677,327	3,639,907	101.0%	(37,420)
MWD Capacity Charge	1,727,770	1,687,770	102.4%	(40,000)
Operations and Maintenance	1,376,653	1,091,538	126.1%	(285,115)
Professional Services	355,319	416,004	85.4%	60,685
Directors Compensation	265,687	269,381	98.6%	3,694
Communication and Conservation Programs	171,781	217,767	78.9%	45,986
Planning & Resources	141,350	165,000	85.7%	23,650
Membership Dues and Fees	120,129	118,859	101.1%	(1,270)
Hydroelectric Facilities	56,749	34,407	164.9%	(22,342)
Board Elections	69,755	-	0.0%	(69,755)
<b>NON OPERATING EXPENSES</b>				
Pumpback O&M/Reservoir #2 Expenses	22,804	20,000	114.0%	(2,804)
<b>RESERVE EXPENSES</b>				
Reserve Replenishment	-	181,394	0.0%	181,394
<b>CAPITAL INVESTMENT</b>				
Capital Repair & Replacement	628,903	1,850,349	34.0%	1,221,446
Capital Investment Program	260,429	1,905,838	13.7%	1,645,409
<b>TOTAL EXPENSES</b>	<b>65,017,536</b>	<b>54,718,904</b>	<b>118.8%</b>	<b>(10,298,632)</b>
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>	<b>2,362,425</b>	<b>(1,899,772)</b>		<b>(4,262,197)</b>
TRANSFER IN FROM DEBT RESERVES				-
TRANSFER FROM/(TO) CAPITAL RESERVES		(912,179)		(912,179)
TRANSFER IN FROM OPPORTUNITY RESERVE				-
TRANSFER IN FROM ENCUMBERED RESERVES	778,334	2,725,837		1,947,503
<b>NET INCOME (LOSS) AFTER TRANSFERS</b>	<b>\$ 3,140,759</b>	<b>\$ (86,114)</b>		<b>\$ (3,226,873)</b>

*\*\*This budget is prepared on a modified cash-basis of accounting, which is a basis of accounting other than generally accepted accounting principles (GAAP).*



Staff Report/Memorandum

**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** July 19, 2017  
**Subject:** Warrant Summary Disbursements

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<input checked="" type="checkbox"/> <b>For Action</b>	<input type="checkbox"/> <b>Fiscal Impact</b>	<input checked="" type="checkbox"/> <b>Funds Budgeted</b>
<input type="checkbox"/> <b>Information Only</b>	<input type="checkbox"/> <b>Cost Estimate:</b>	<b>\$ 6,729,168.59</b>

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**Requested Action:**

Receive and file the Warrant Summary (Disbursements) for the period ending June 30, 2017 as presented.

**Discussion:**

The monthly disbursements list is provided for your information.

General checks 46999 through 47094 totaling \$297,586.68 are listed on pages 1 to 5.

MWD April water invoice totaling \$6,158,376.21 is listed on page 5.

Wire transfers for taxing agencies and PERS totaling \$94,325.95 are listed on page 5.

Total payroll checks 11179 through 11231 totaling \$178,879.75 are listed on page 6.

Bank of the West invoice detail is listed on page 7.

Chase Card Services invoice detail is listed on page 7.



THREE VALLEYS MUNICIPAL WATER DISTRICT  
Warrant List  
June 2017

General Checks 46999 through 47094  
Payroll Wire Transfer 2354 through 2366  
Payroll Checks 11179 through 11231

Check Number	Vendor	Description	Paid Amount
46999	BAEZ, AMADO	VEHICLE MAINTENANCE	180.00
47000	BRUNICK, MCELHANEY & KENNEDY	LEGAL FEES - MAY	9,306.90
47001	DEPARTMENT OF CONSUMER AFFAIRS	CIVIL ENGINEER CERTIFICATION RENEWAL - GARCIA	115.00
47002	DOMINGO TUNQUE	RETIREE HEALTH BENEFITS - JUN	134.00
47003	EDISON	MIRAMAR/WILLIAMS/FULTON/PM-26/SCADA/PUMPBACK - MAY	899.03
47004	ENVIRONMENTAL LOGISTICS	WALNUT VALLEY WD TOILET RECYCLING	4,291.80
47005	FAULK, GEORGE	RETIREE HEALTH BENEFITS - JUN	341.29
47006	HOME DEPOT CREDIT SERVICES	SALT/KITCHEN FAUCET	718.41
47007	JAN-PRO CLEANING SYS OF SO CA	JANITORIAL SERVICE - JUN	545.00
47008	KRIEZEL, BETTY	RETIREE HEALTH BENEFITS - JUN	106.00
47009	LAREZ, MARY PAT	RETIREE HEALTH BENEFITS - JUN	106.00
47010	POMONA WHOLESALE ELECTRIC	CONDUIT PULLING TAPE	183.95
47011	PREMIER FAMILY MEDICINE ASSOC	MEDICAL CARE - HOLSEY	487.00
47012	SOUTH COAST A.Q.M.D.	CALIFORNIA AIR TOXICS HOT SPOTS PROGRAM FEE JUL 2016 - JUN 2017	125.47
47013	CLAREMONT COURIER	PUBLIC NOTICE DISTRICT VEHICLE AUCTION	241.50
47014	ENGRAVE 'N EMBROIDER THINGS	CAPS WITH TVMWD LOGO	732.70
47015	JEFFREY C. SCHENKEL, DBA SOUTH COAST MEDIA SVC	OUTREACH AD	564.00
47016	LINCOLN CLUBS	6/16/17 SGV CHAPTER MEETING - RUZICKA	35.00
47017	BRENTAG PACIFIC, INC.	SODIUM HYDROXIDE	8,529.55
47018	CITY OF CLAREMONT	SPECIAL BUILDING & CONSTRUCTION WASTE PICKUP	136.42
47019	FIGONI, DEBBY	4/22/17 WATER WISE LANDSCAPING WORKSHOPS	500.00
47020	FORD OF UPLAND, INC.	OIL /FILTER CHANGE/INSPECTION/TIRE ROTATION/CYLINDER INJECTOR/PLUG/BOOT REPLACE	465.92
47021	HACH COMPANY	CL17 COLORIMETER ASSEMBLY/TURBIDITY STANDARDS CALIBRATION KIT	877.31



THREE VALLEYS MUNICIPAL WATER DISTRICT  
 Warrant List  
 June 2017

Item 5.2

General Checks 46999 through 47094  
 Payroll Wire Transfer 2354 through 2366  
 Payroll Checks 11179 through 11231

Check Number	Vendor	Description	Paid Amount
47022	KEMIRA WATER SOLUTIONS, INC.	PAX-XL19	11,793.60
47023	ODYSSEY POWER	GENERATOR PM INSPECTION	285.00
47024	PEST OPTIONS INC.	BEE REMOVAL	375.00
47025	TIME WARNER CABLE	BROADBAND SERVICES - WILLIAMS/PLANT 2/FULTON 5/9/17 - 6/20/17	239.97
47026	BANK OF THE WEST	BANK OF THE WEST INVOICE DETAIL - LAST PAGE	14,456.34
47027	ECOTECH SERVICES, INC.	LARGE LANDSCAPE AUDITS (REIMBURSED BY MWD)	10,390.00
47028	EDISON	MIRAMAR/WILLIAMS/FULTON - MAY	10,317.24
47029	G.M. SAGER CONST CO., INC.	PADUA AVE. ASPHALT SLOT REPAIRS AND SEAL COAT	12,370.00
47030	GLENDORA UNIFIED SCHOOL DIST.	1/13/17 & 1/27/17 LA FETRA FIELD TRIP TRANSPORTATION	670.76
47031	GRAINGER	FLAMEPROOF COATING	15.90
47032	HARRINGTON IND PLASTICS, LLC	ELBOWS/TEES/PIPES/TUBINGS/CONNECTORS/FLARING TOOL/FLOWMETER & PARTS	1,660.00
47033	IDEXX DISTRIBUTION CORP	DISPOSABLE QUANTI-TRAYS	535.25
47034	JCI JONES CHEMICALS, INC.	CHLORINE	5,432.67
47035	MC MASTER-CARR SUPPLY COMPANY	PIN FOR BRIDGE MOTOR	43.29
47036	PRIME SYSTEMS IND AUTOMATION	SCADA PROGRAMMING/MIRAMAR HYDRO/FLOW METER CALIBRATIONS/MILLS-POMONA	25,430.25
47037	REGNL CHAMBER OF COMMERCE SGV	5/15/17 NEW FACES OF THE SAN GABRIEL VALLEY LUNCHEON - HORAN	50.00
47038	SAM'S CLUB	OFFICE/JANITORIAL/NEW BREAKROOM SUPPLIES	2,543.03
47039	SCWUA	6/29/17 WATER METERS SEMINAR - MENDOZA	30.00
47040	TOOLSRSUS	VACUUM/MARKERS	110.69
47041	VERIZON WIRELESS	CELLULAR & IPAD SERVICES/MOBILE BROADBAND 5/26/17 - 6/25/17	327.46
47042	WEX BANK	FUEL 5/1/17 - 5/31/17	998.11
47043	CHASE CARD SERVICES	CHASE CARD SERVICES INVOICE DETAIL - LAST PAGE	8,896.39
47044	LOWE'S	DOOR MATS/MOP BUCKET/SHRUB/SHELING KITS/VACUUM/GARDEN HOSE/DRILL BITS/SCANNER	2,359.08
47045	SCWUA	6/29/17 WATER METERS SEMINAR - CAMMACK, ROBLES	60.00



THREE VALLEYS MUNICIPAL WATER DISTRICT  
 Warrant List  
 June 2017

Item 5.2

General Checks 46999 through 47094  
 Payroll Wire Transfer 2354 through 2366  
 Payroll Checks 11179 through 11231

Check Number	Vendor	Description	Paid Amount
47046	CENTRAL BLUEPRINT SERVICE	SCAN OF DRAWINGS OF MANWAYS	56.03
47047	CITY OF CLAREMONT	REFUSE PICKUP/STREET SWEEPING - MAY	140.67
47048	EDISON	MIRAMAR - MAY	241.45
47049	HAHN, VICTORIA A.	EMPLOYEE TUITION REIMBURSEMENT	2,685.00
47050	ACWA/JPIA	ACWA EMPLOYEE BENEFITS - JULY 2017	43,766.22
47051	BABCOCK LABORATORIES, INC.	LABORATORY TESTING - WELL #1 WATER	95.00
47052	CA LATINO LEGISLATIVE, CAUCUS FOUNDATION	RUBIO STUDENT FIELD TRIP 2017 SPONSORSHIP	1,000.00
47053	CANON FINANCIAL SERVICES, INC.	COPY MACHINE LEASE - JUN/JUL	4,461.19
47054	CARQUEST AUTO PARTS	LATITUDE/SPRAY BOTTLES/PUMICE HAND CLEANER/TIRE WET AEROSOL/WINDSHIELD WASH	405.39
47055	CLS LANDSCAPE MANAGEMENT	LANDSCAPE MAINTENANCE - JUN	2,965.00
47056	D & H WATER SYSTEMS INC.	TUBE W/COMPRESSION NUT FITTING/ROLLER ASSEMBLY	485.57
47057	DENALI WATER SOLUTIONS	SLUDGE REMOVAL - MAY	2,622.40
47058	FUERTEZ TRACTOR SERVICE, INC.	ADMIN BLDG IMPROVEMENTS- BREAKROOM RENOVATION REMOVAL OF UNDERGROUND CISTERN	1,350.00
47059	GRAINGER	ABSORBENT SOCK/PADS/CORRUGATED TUBING	379.91
47060	HACH COMPANY	CHLORINE REAGENT SET/BUFFER SOLUTION/SAMPLE CELL/AMMONIA/MONOCHLORAMIN/CYANURATE	1,078.25
47061	HOUSE, LON W.	WILLIAMS/FULTON GENERATION OPTIONS ANALYSIS	743.75
47062	INDIAN SPRINGS MFG	GASKET SETS	477.79
47063	KEMIRA WATER SOLUTIONS, INC.	PAX-XL19	13,154.40
47064	LIEBERT CASSIDY WHITMORE	LEGAL FEES - MAY	1,233.40
47065	MICHAEL J ARNOLD & ASSOC, INC.	LEGISLATIVE CONSULTANT JUN/MAY EXPENSES	6,084.98
47066	MICROBIOLOGICS INC	ESCHERICHIA COLI	1,602.95
47067	POLYDYNE, INC	CLARIFLOC	2,300.00
47068	SGV WATER ASSOCIATION	5/17/17 QUARTERLY LUNCHEON MEETING - MENDOZA	25.00
47069	THOMAS HARDER & CO.	GRAND AVE WELL - ENGINEERING DESIGN/ANALYSIS/CONSTRUCTION MANAGEMENT/INSP	9,589.00



THREE VALLEYS MUNICIPAL WATER DISTRICT  
 Warrant List  
 June 2017

Item 5.2

General Checks 46999 through 47094  
 Payroll Wire Transfer 2354 through 2366  
 Payroll Checks 11179 through 11231

Check Number	Vendor	Description	Paid Amount
47070	UNDERGROUND SERVICE ALERT	DIGALERT TICKETS - MAY	52.50
47071	WELLRIGHT LLC	WELLNESS PROGRAM WEBSITE MAINTENANCE THROUGH 5/31/17	250.00
47072	AFLAC	AFLAC SUPP. INS: JUNE 2017	806.50
47073	BRUCE ALLYN PLUMBING, INC.	TEST/CERTIFICATION OF BACKFLOW DEVICE	79.00
47074	CHINO BASIN WM	BLOMQUIST PROJECT CONTRIBUTION	10,000.00
47075	CIVILTEC ENGINEERING INC.	FEASIBILITY STUDY OF UTILIZING PIPELINE THROUGH JUNE 2, 2017	3,389.25
47076	EDISON	MIRAMAR - JUN	105.20
47077	FRONTIER	DSL FOR SCADA 6/10/17 - 7/9/17	91.98
47078	HARRINGTON IND PLASTICS, LLC	STRAINER	105.76
47079	IDEAL COMFORT INC	HEAT & AIR CONDITIONING MAINTENANCE	605.00
47080	JEFFREY C. SCHENKEL, DBA SOUTH COAST MEDIA SVC	OUTREACH AD	564.00
47081	LARIOS, LEONARDO	WATER QUALITY LAB ANALYST GRADE 1 CERTIFICATION EXAM	120.00
47082	LEWIS ENGRAVING, INC	NAME BADGE	16.76
47083	LINCOLN FINANCIAL GROUP	401A DEFRD: JUNE 2017	400.00
47084	LINCOLN LIFE, EMPL SVCS(5H-26)	457 DEFRD: JUNE 2017	23,360.32
47085	MEYER, JONATHON	WATER QUALITY LAB ANALYST GRADE 1 CERTIFICATION EXAM	120.00
47086	OFFICE DEPOT	PENS/WRITING PADS/WALL CLOCK/PAPER	478.83
47087	REGNL CHAMBER OF COMMERCE SGV	5/15/17 NEW FACES OF THE SAN GABRIEL VALLEY LUNCHEON - MENDOZA	50.00
47088	RELIANCE STANDARD LIFE INS.	LT DISAB: JUNE 2017	981.38
47089	SHERATON FAIRPLEX	6/8/17 LEADERSHIP BREAKFAST BALANCE DUE	2,531.06
47090	SUAREZ, JOHN	T3 & T4 REVIEW	195.00
47091	SWRCB	WATER SYSTEM FEES 7/1/16 THROUGH 6/30/17	14,452.40
47092	SWRCB-DWOCP	T3 CERTIFICATION RENEWAL - ROBLES	90.00
47093	SYNCB/AMAZON	TOASTER/LASERJET TONER CARTRIDGE/BLENDER/FLOORLINER/FILTER/CABLE PROTECTOR/FLAG	1,294.92



THREE VALLEYS MUNICIPAL WATER DISTRICT  
Warrant List  
June 2017

Item 5.2

**General Checks 46999 through 47094**  
**Payroll Wire Transfer 2354 through 2366**  
**Payroll Checks 11179 through 11231**

Check Number	Vendor	Description	Paid Amount
47094	TELEPACIFIC COMMUNICATIONS	TELEPHONE SERVICE 6/16/17 - 7/15/17	1,491.19
<b>TOTAL AMOUNT OF CHECKS LISTED</b>			<b>\$ 297,586.68</b>
12765	METROPOLITAN WATER DISTRICT	APRIL 2017 MWD WATER INVOICE	6,158,376.21
<b>TOTAL AMOUNT OF WIRE TRANSFERS</b>			<b>\$ 6,158,376.21</b>
2354	FEDERAL TAX PAYMENT	FED TAX: JUNE 15 PAYROLL	14,987.47
2355	WAGeworks	HEALTH SAVINGS ACCT: JUNE 15 PAYROLL	869.57
2356	PUBLIC EMPLOYEES RETIREMENT SY	PERS CONTR: JUNE 15 PAYROLL	16,414.26
2357	STATE TAX PAYMENT	STATE TAX: JUNE 15 PAYROLL	5,162.90
2358	CALPERS-457 PLAN	PERS-457 DEFERRED COMP/EMPL LOAN: JUNE 2017	5,999.24
2359	FEDERAL TAX PAYMENT	FED TAX: BOARD-JUNE 2017	1,543.75
2360	WAGeworks	HEALTH SAVINGS ACCT: BOARD-JUNE 2017	495.83
2361	STATE TAX PAYMENT	STATE TAX: BOARD-JUNE 2017	348.25
2362	CALPERS-457 PLAN	PERS-457 DEFERD COMP: BOARD-JUNE 2017	435.00
2363	FEDERAL TAX PAYMENT	FED TAX: JUNE 30 PAYROLL	23,409.75
2364	WAGeworks	HEALTH SAVINGS ACCT: JUNE 30 PAYROLL	869.57
2365	PUBLIC EMPLOYEES RETIREMENT SY	PERS CONTR: JUNE 30 PAYROLL	16,419.68
2366	STATE TAX PAYMENT	STATE TAX: JUNE 30 PAYROLL	7,370.68
<b>TOTAL AMOUNT OF PAYROLL WIRE TRANSFERS LISTED</b>			<b>\$ 94,325.95</b>





THREE VALLEYS MUNICIPAL WATER DISTRICT  
Warrant List  
June 2017  
General Checks 46999 through 47094  
Payroll Wire Transfer 2354 through 2366  
Payroll Checks 11179 through 11231

Item 5.2

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Check Number	Vendor	Description	Paid Amount
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**PAYROLL SUMMARY**

Check# 11179 - 11231

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**TOTAL AMOUNT OF PAYROLL CHECKS LISTED**

**\$ 178,879.75**

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**TOTAL June 2017 CASH DISBURSEMENTS**

**\$ 6,729,168.59**

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THREE VALLEYS MUNICIPAL WATER DISTRICT  
Warrant List  
June 2017  
Bank of the West Invoice Detail Check 47026  
Chase Card Services Invoice Detail Check 47043

Item 5.2

Check Number	Vendor	Description	Paid Amount
47026	ACCENT COMPUTER SOLUTIONS, INC.	IT SERVICES-APR/PROTECH BACKUP/OFFICE 365 BUSINESS/OFFICE SUITE UPGRADE/CABLES/CORD	6,411.71
47026	AIRGAS SPECIALTY PRODUCTS	AMMONIUM HYDROXIDE/AMMONIA	2,925.10
47026	CLINICAL LABORATORY OF SB, INC.	LABORATORY TESTING - APR	415.00
47026	GROUND CONTROL SYSTEMS, INC.	IDIRECT EMERGENCY RESPONDER SERVICES FEE - APR	279.00
47026	TRUESDAIL LABORATORIES, INC.	LABORATORY TESTING FOR THMS	635.00
47026	VWR INTERNATIONAL INC.	RAGS/DEODORANT PADS/AUTOCLAVE BAGS/PETRI DISH/TRYPHONE GLUCOSE EXTRACT/BOTTLES	2,925.96
47026	WESTERN WATER WORKS SUPPLY CO	DECHLORINATING TABLETS	864.57
<b>TOTAL AMOUNT OF BANK OF THE WEST INVOICE</b>			<b>\$14,456.34</b>
47043	AMKO RESTAURANT FURNITURE CO.	GLIDES FOR BREAKROOM CHAIRS	13.63
47043	ARMSTRONG GARDEN CENTERS	WELLNESS PROGRAM - SOIL/VEGETABLES/FRUITS	400.98
47043	BEST BUY	DELL OPTIPLEX DESKTOP	761.24
47043	BROWN AND CALDWELL	SHIFT OPERATOR II RECRUITMENT AD	200.00
47043	BUNNY GUNNER	FRAMES	197.47
47043	CAL POLY POMONA FOUNDATION	WELLNESS PROGRAM - VEGETABLES	88.27
47043	CLAREMONT CHAMBER OF COMMERCE	6/21/17 INSTALLATION & BUSINESS AWARDS CEREMONY - GOYTIA	50.00
47043	FRANCOTYP-POSTALIA, INC.	POSTAGE FOR POSTAGE MACHINE	1,030.50
47043	INDUSTRY MANUFACTURERS COUNCIL	5/9/17 HR LUNCHEON SERIES - GOYTIA, RUZICKA, MENDOZA, HORAN	180.00
47043	LA VERNE POWER EQUIPMENT	CHAIINSAW REPAIR/CHAIN LOOP/SPARK PLUG/FUEL FILTER	113.85
47043	LIEBERT CASSIDY WHITMORE	FLSA PUBLIC SECTOR COMPLIANCE GUIDE/LABOR CODE 101 FOR PUBLIC AGENCIES	150.00
47043	MISCELLANEOUS VENDORS	EVENTS REGISTRATIONS & EXPENSES - MAY	4,505.72
47043	NATIONAL NOTARY ASSOCIATION	8/17/17 NOTARY TRAINING/MEMBERSHIP RENEWAL/SUPPLIES - HAHN	573.28
47043	RUDY'S AUTO BODY	DISTRICT VEHICLE REPAIRS - BACK DOOR GREASED	225.00
47043	TARGET	BASKETS/POT HOLDER/DISH CLOTHS/PLATES/BOWLS/TRAYS/SHELF LINERS/SOAP DISPENSER	308.45
47043	U.S. POSTMASTER	6/8/17 LEADERSHIP BREAKFAST FLYERS POSTAGE	98.00
<b>TOTAL AMOUNT OF CHASE CARD SERVICES INVOICE</b>			<b>\$ 8,896.39</b>



## Tier 1 Balance (in Acre-Feet) Calendar Year 2017 (through June 2017)

Agency	Tier 1 Allocation	Usage		Balance
		Direct	Spreading	
Boy Scouts of America	36	11.2	0.0	24.4
Cal Poly Pomona	269	72.6	0.0	196.4
Covina, City of	1,568	723.9	0.0	844.1
Glendora, City of	4,101	0.1	0.0	4,101.2
Golden State Water Company	15,714	5,422.1	0.0	10,291.8
La Verne, City of	8,026	2,245.3	0.0	5,781.0
Mt San Antonio College	699	97.5	0.0	601.5
Pomona, City of *	7,052	1,991.9	0.0	5,060.3
Rowland Water District *	14,741	4,160.5	0.0	10,580.5
Suburban Water Systems **	1,961	626.1	0.0	1,334.9
Three Valleys MWD	NA		0.0	NA
Valencia Heights Water Co **	464	183.0	0.0	281.0
Walnut Valley Water District *	26,057	7,988.4	0.0	18,068.3

\* Individual values for Pomona, RWD, WVWD are based on preliminary data from JWL.

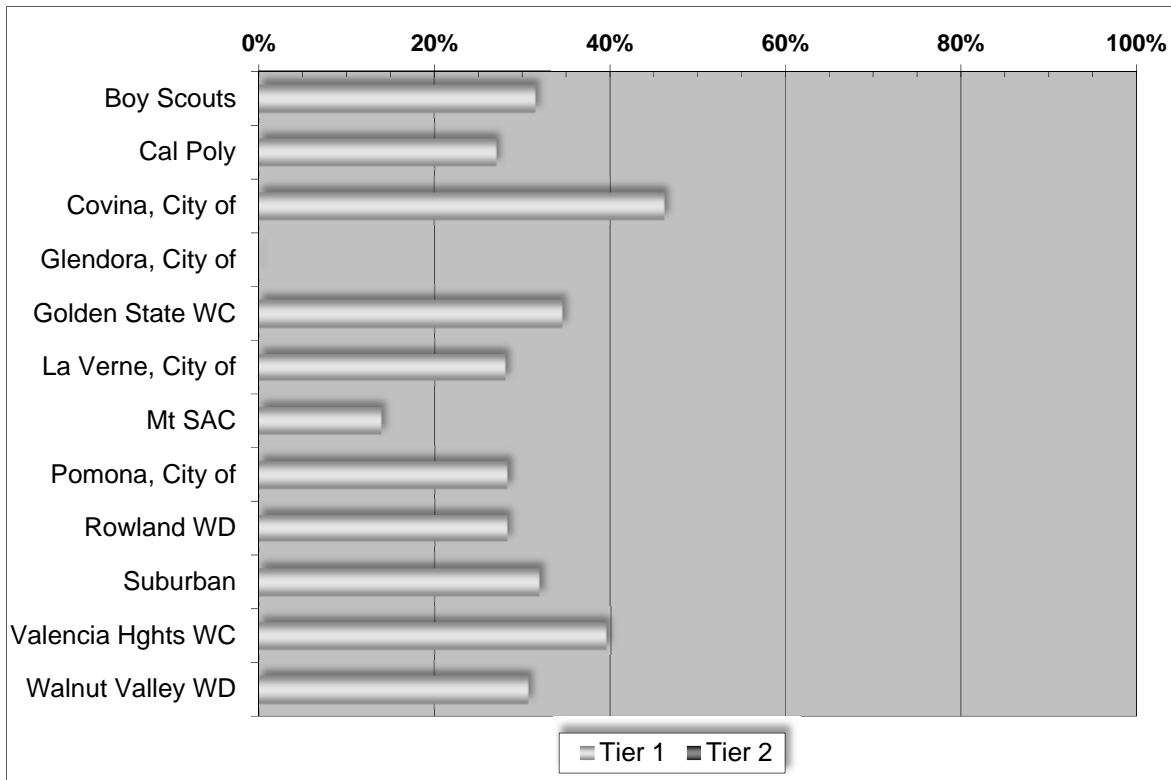
\*\* Individual values for SWS and VHWC are based on preliminary data from WVWD

**TVMWD Tier 1 Allowable = 80,688**

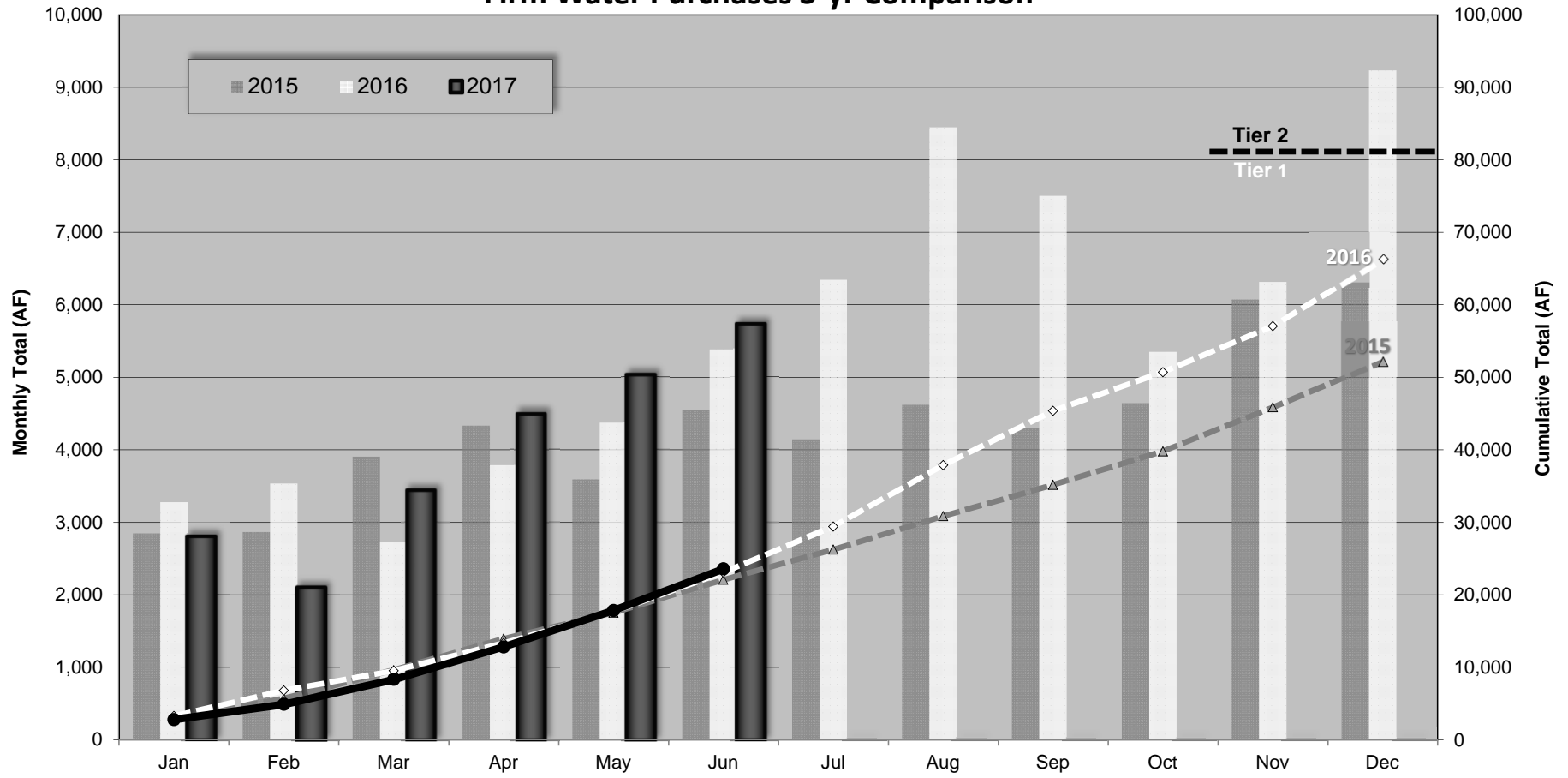
**MWD Tier 1 Deliveries = 23,567**

**TVMWD Tier 1 Balance = 57,121**

**Overage by Individual Agencies = 0.0**

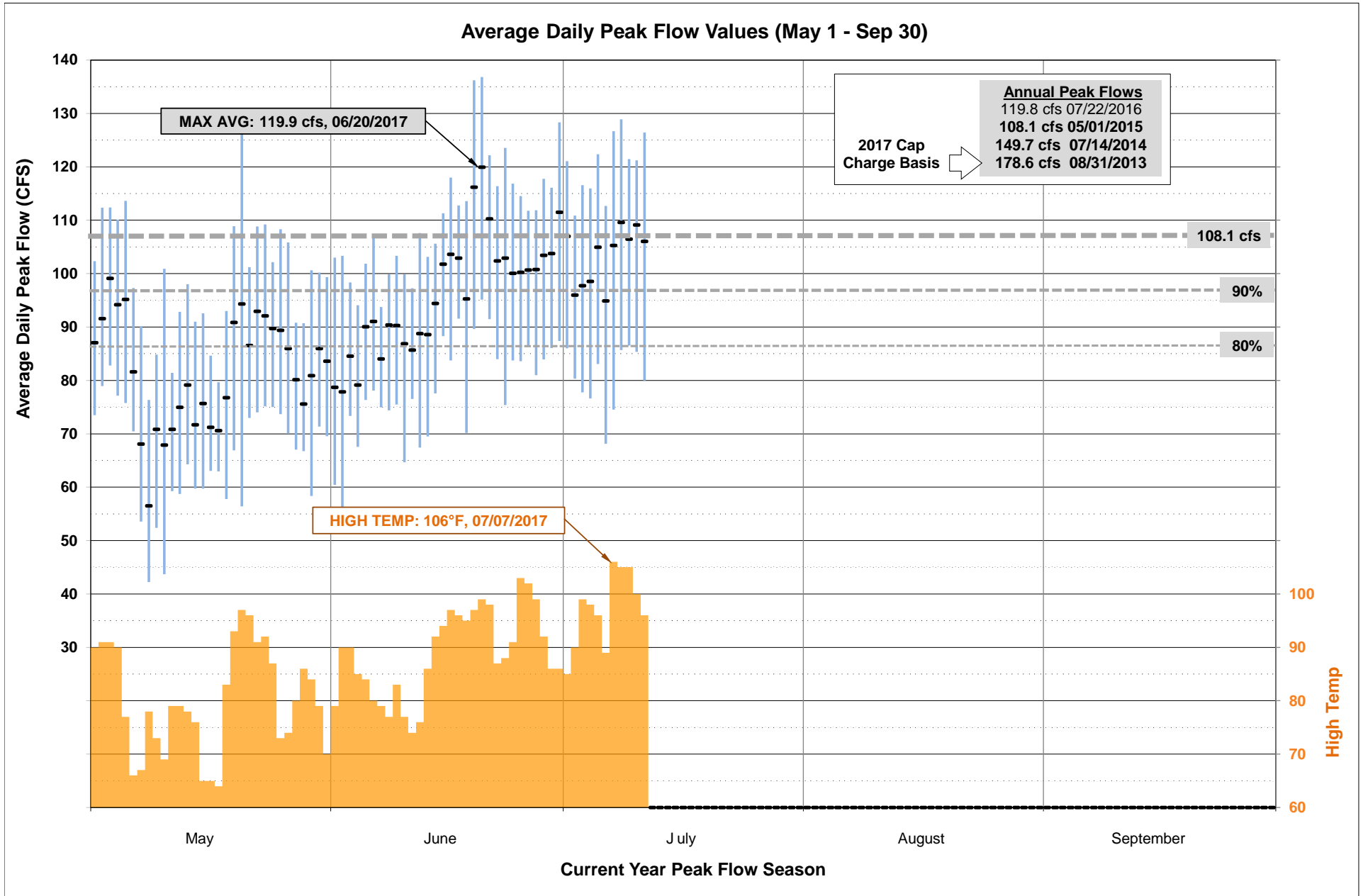


### TVMWD Firm Water Purchases 3-yr Comparison



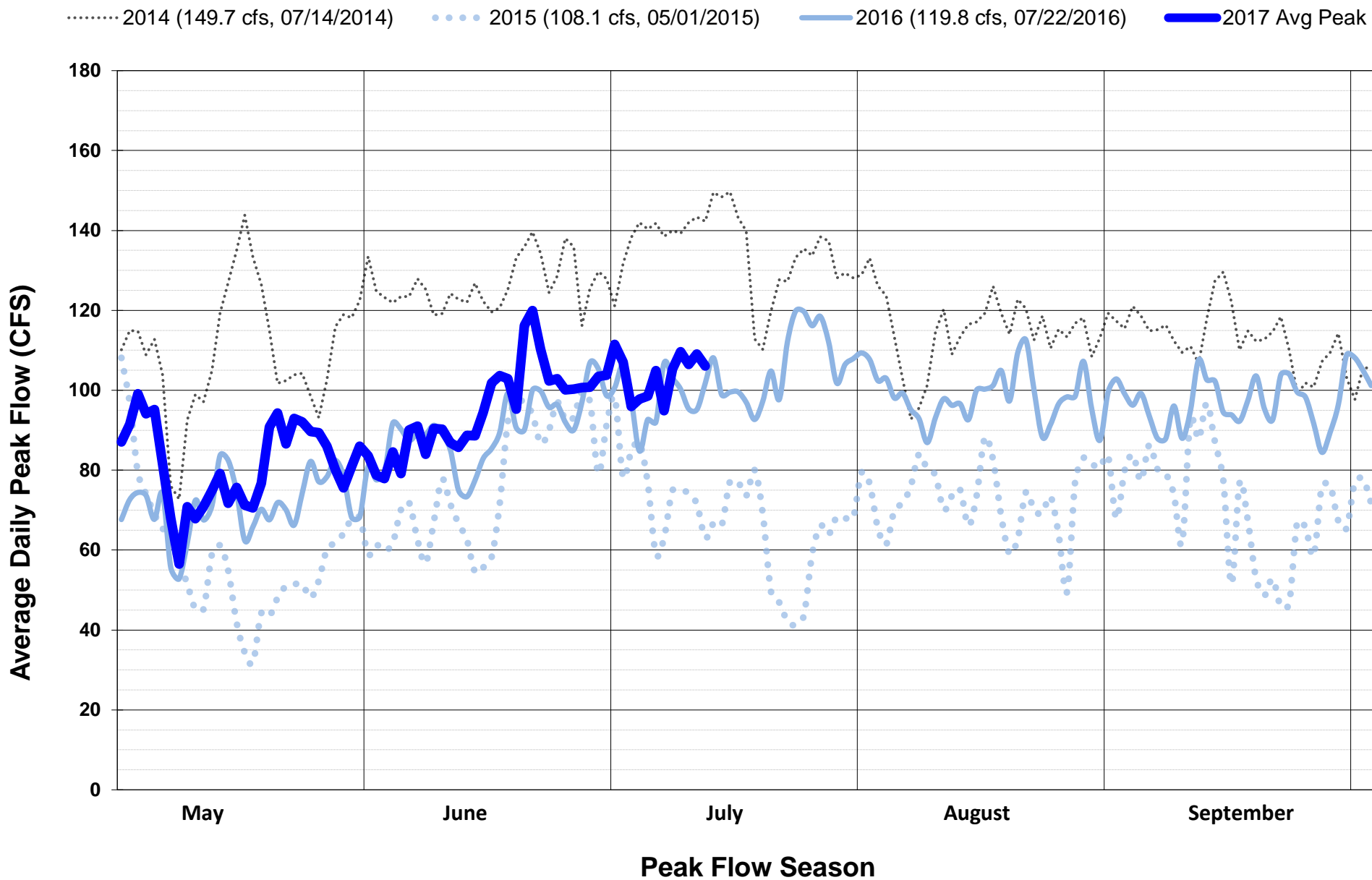
2017 Firm Water Usage (AF)														
Direct Delivery	2,795.7	2,094.1	3,434.8	4,490.3	5,028.3	5,723.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	<b>23,566.8</b>
Spreading Delivery	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>
<b>Total</b>	<b>2,795.7</b>	<b>2,094.1</b>	<b>3,434.8</b>	<b>4,490.3</b>	<b>5,028.3</b>	<b>5,723.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>23,566.8</b>

# Item 5.3



	MtSAC	Glendora	GSWC	Cal Poly	RWD	WVWD	Pomona	WVWD	BSA	JWL	JWL	GSWC	Glendora	Covina	TVMWD	RWD	Glendora	WVWD	Spread	CIC	TOTAL
<b>Date</b>	<b>PM-01</b>	<b>PM-06</b>	<b>PM-07</b>	<b>PM-08</b>	<b>PM-09</b>	<b>PM-10</b>	<b>PM-11</b>	<b>PM-12</b>	<b>PM-14</b>	<b>PM-15A</b>	<b>PM-15B</b>	<b>PM-16</b>	<b>PM-18</b>	<b>PM-19</b>	<b>PM-21</b>	<b>PM-22</b>	<b>PM-23</b>	<b>PM-24</b>	<b>PM-26</b>	<b>PM-SG</b>	
7/11/17	0.0	0.0	4.9	0.0	0.0	4.3	0.0	0.0	0.0	0.3	33.4	3.0	0.0	1.2	36.7	6.4	0.0	15.9	0.0	0.0	<b>106.1</b>
7/10/17	0.0	0.0	6.1	0.0	0.0	4.6	0.0	0.0	0.0	0.0	32.7	3.0	0.0	3.9	33.9	7.8	0.0	17.2	0.0	0.0	<b>109.1</b>
7/9/17	0.0	0.0	4.3	0.0	0.0	3.8	0.0	0.0	0.0	0.0	32.7	3.0	0.0	2.7	35.1	7.9	0.0	17.0	0.0	0.0	<b>106.5</b>

## Comparison of Current Daily Peak Flow to Prior Years (May 1 - Sep 30)



**Three Valleys Municipal Water District  
Miramar Operations Report**

**JUNE 2017**

**Water Quality**

The treatment plant produced treated water that met or exceeded state and federal drinking water standards.

Water quality data for the month of June (results of the combined filter effluent)

		Units	Results	Limits	
Turbidity	TU	NTU	<b>0.05</b>	0.3	<i>Results should be less than limits to comply</i>
Total Dissolved Solids	TDS	mg/l	<b>120</b>	500	
Total Trihalomethanes	TTHM	µg/l	<b>43.90-46.00</b>	80	<i>Ranges from 4 distribution locations (Jun results)</i>
Haloacetic Acids	HAA	µg/l	<b>16.10-17.00</b>	60	
Total Organic Carbon	TOC	Units	Results	Minimum Limit	
		RAA Ratio	<b>1.24</b>	1.00	<i>* RAA Results should be greater than minimum limit to comply</i>

Reportable violations made to SWRCB: **NONE**

*\*RAA - Running Annual Average*

**Monthly Plant Production**

		Capacity	Monthly %
<b>Potable water produced from Miramar Plant</b>	<b>1960.7 AF</b>	1785.1 AF	109.8%

**Monthly Well Production**

	Days in service	Results	Same month prior year	Days in service
Well #1	<b>28</b>	<b>32.5 AF</b>	34.5 AF	<b>30</b>
Well #2	<b>25</b>	<b>41.8 AF</b>	50.6 AF	<b>30</b>
<b>Total monthly Well production</b>		<b>74.3 AF</b>	85.1 AF	

**Monthly Sales**

La Verne	<b>578.2 AF</b>	28.4%
GSWC (Claremont)	<b>700.4</b>	34.4%
GSWC (San Dimas)	<b>326.3</b>	16.0%
PWR-JWL	<b>430.1</b>	21.1%
TVMWD Admin	<b>0.0</b>	0.0%
<b>Total Potable Water Sold</b>	<b>2035.0 AF</b>	100.0%

**Year To Date 2016-17**

	Actual	Budget	% of Budget
Potable Water Sold from Miramar Plant (95.1%)	<b>18,530.3 AF</b>	14,919.0 AF	124.2%
Total Well Production (4.9%)	<b>944.7</b>	1,200.0	78.7%
<b>Total Potable Water Sold (Plant &amp; Wells)</b>	<b>19,475.0 AF</b>	16,119.0 AF	120.8%
Average monthly water sold	<b>1,622.9 AF</b>		

## Hydroelectric Generation (kWh)

	Monthly kWh		YTD kWh		
	Actual	Budget	Actual	Budget	% of Budget
Miramar					
Hydro 1	<b>0</b>	116,732	<b>318,175</b>	1,667,600	19.1%
Hydro 2	<b>4,471</b>	4,660	<b>257,690</b>	233,000	110.6%
Hydro 3	<b>38,751</b>	3,340	<b>281,863</b>	167,000	168.8%
Williams	<b>126,400</b>	88,973	<b>1,148,640</b>	988,592	116.2%
Fulton	<b>66,400</b>	38,019	<b>498,080</b>	543,128	91.7%
	<b>236,022</b>	251,724	<b>2,504,448</b>	3,599,320	69.6%

## Operations/Maintenance Review

### Special Activities

- ▶ District staff assisted Prime Systems with the inspection and calibration of the billing water meters. This work is done bi-annually.
- ▶ Miramar Hydro #1 was disassembled by Universal Plant Services so the turbine can be taken to their facility for refurbishing.
- ▶ GE Analytical was onsite to perform six month maintenance to the laboratory TOC analyzer.
- ▶ D&H Water Systems has replaced and calibrated the controller on the chlorinator.

### Outages/Repairs

- ▶ None

### Unbudgeted Activities

- ▶ None

## Other

- ▶ The Operations Manager attended training sponsored by CSDA.

Submitted by: \_\_\_\_\_



Steve Lang  
Operations Manager

### Distribution:

- Board of Directors
- General Manager
- Manager of Engineering & Operations





# DIRECTOR EXPENSE SHEET

Submit Form

## Item 6.A.1

**NAME:** Brian Bowcock, Division 3

**MONTH / YEAR**

June

2017

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	2	MWD Inspection tour	La Verne				\$ 200.00
To CRA Inspection tour as the Director in charge 3 days							
2	3	MWD tour	La Verne				\$ 200.00
CRA tour							
3	4	MWD tour	La Verne		10.0	\$ 5.35	\$ 200.00
4	5	TALK Group meeting	La Verne				\$ 200.00
Speaker Jeff Allred from SGVEP							
5	6	David and Margaret Youth and Family Services	La Verne				\$ 200.00
Meeting with the Auditors and committee, for annual audit							
6	7	TVMWD BOD meeting	La Verne		10.0	\$ 5.35	\$ 200.00
Discussed issues within the region of the district							
7	8	TVMWD Leadership Breakfast	La Verne				\$ 200.00
The district has quarterly meetings with member agencies to discuss issues of water							
8	14	SGBWartermaster Committee meeting	La Verne		20.0	\$ 10.70	\$ 200.00
A meeting to talk about nitrate removal and the new technology available to us.							
9	20	Univ. La Verne REACH PROGRAM	La Verne				\$ 200.00
Judging young men and women in a project they select . To start up a new business The district participates in this program. I was one of the judges.							
10	28	Six Basins Watermaster	La Verne				\$ 200.00
We discuss items and projects pertinent to our member agencies. Along with working on a strategic plan							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1	29	Installation of new BOD for La Verne Chamber. I was installed as a board member.	\$ 40.00
2			
3			
4			
5			

*I certify the above is correct and accurate to the best of my knowledge*

\_\_\_\_\_  
Signature

Subtotal Miscellaneous Expense	\$ 40.00
Subtotal Mileage	\$ 21.40
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,061.40
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	(\$ 1,350.00)
<b>TOTAL</b>	<b>\$ 561.40</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



# DIRECTOR EXPENSE SHEET

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## Item 6.A.1

**NAME:** David De Jesus, Division 2

**MONTH / YEAR**

June

2017

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	6	Legislative Visits in Sacramento	Walnut	Glendora	22.0	\$ 11.77	\$ 200.00
Spent the day visiting the offices of our local representatives in Sacramento where we had the opportunity to share water issues in Southern California and offer them insight and information regarding the Cal Delta Fix program currently under consideration.							
2	7	Board Workshop	Walnut	Claremont	34.0	\$ 18.19	\$ 200.00
A number of items were reviewed and discuss in preparation of the regular board meeting. Items included discuss on declaring a water supply watch mode as opposed to the more aggressive water alert.							
3	8	Leadership Breakfast	Walnut	Pomona	14.0	\$ 7.49	\$ 200.00
Heard Gordon Johnson Chief Engineer/Group Manager at MWD discuss Metropolitans potential Regional Recycled Water Project Program.							
4	15	Chino Basin Advisory Committee Meeting	Walnut	Rancho Cucamonga	42.0	\$ 22.47	\$ 200.00
The discussions of the committee included storage, budget transfers, legal updates, and an engineering report on the Prado Basin Habitat Sustainability Project.							
5	16	Executive Committee Meeting	Walnut	Glendora	18.0	\$ 9.63	\$ 200.00
Met with the GM and President to discuss issues associated with MWD issues on the agenda and the coming white papers involving the Cal Delta Fix. In addition review of the GM contract for close session was discussed with the GM.							
6	19	SGVWA Legislation and Communication Committee Meetings					\$ 200.00
The Committee reviewed several of the bills being tracked and determined the status and position of each of the bills to be presented to the board for approval.							
7	21	Board Meeting	Walnut	Claremont	34.0	\$ 18.19	\$ 200.00
A public hearing was held on the Water Standby Charge and subsequently approved. No increase was recommended no opposition was received either. In addition, the District obtained a very favorable report from the Claremont League of Woman Voters.							
8	26	San Gabriel Valley Water Association Board Meeting					\$ 200.00
Monthly meeting where I was able to provide the group attending with updates to both Three Valleys and MWD actions taken throughout the month.							
9	28	SGVEP Legislative Breakfast Briefing	Walnut	Irwindale	28.0	\$ 14.98	\$ 200.00
Heard one presentation by from Dan Geiger of the Business Alliance for a Healthy California to explain the "Single-Payer Healthcare" proposal.							
10	29	So. Cal Water Utilities Association	Walnut	LaVerne	26.0	\$ 13.91	\$ 200.00
Attended a half day seminar on the advances made on water metering and technologies. This concept is certainly one that northern California would be able to adapt to and use to meter their own water use and comply with the state's concerns with residential and commercial use of potable drinking water.							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

Subtotal Miscellaneous Expense \$ 0.00

Subtotal Mileage \$ 116.63

Subtotal Meeting Compensation \$ 2,000.00

Subtotal All \$ 2,116.63

Mandatory Deferred Compensation @ 7.5% (\$ 150.00)

Voluntary Deferred Compensation *(negative entry; default @ 0)* (\$ 943.33)

**TOTAL \$ 1,023.30**

*I certify the above is correct and accurate to the best of my knowledge*

\_\_\_\_\_  
Signature

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



# DIRECTOR EXPENSE SHEET

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## Item 6.A.1

**NAME:** David De Jesus, MWD

**MONTH / YEAR**

June

2017

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	1	Water Planning and Stewardship Committee meeting with Committee Chair Grey, & Group Manager					\$ 200.00
General discussion regarding the items on the agenda and the details behind the presentations to be presented by staff.							
2	5	Conference Call with Operations Manager Jim Green					\$ 200.00
Mr. Green provided me with an operational update on both water deliveries into the Main San Gabriel Valley Basin and on the latest discussions regarding the quagga muscles along the east branch of the distribution system.							
3	9	Northern Caucus Meeting					\$ 200.00
Management and staff provided the group with updates, and insights on items of interest and any of the agendas identified.							
4	12	Committee Meeting					\$ 200.00
Attended various committee meetings as assigned (oral report to be provided at regular board meeting)							
5	13	Board Meeting					\$ 200.00
Attended the board meeting and took action on recommended items for the month. (oral report to be provided)							
6	14	Colorado River Board Meeting					\$ 200.00
Attended the meeting as the District's next alternate to Glen Peterson.							
7	20	Conference call with Operations Manager Jim Green					\$ 200.00
Pre-executive meeting to discuss the status of improvements being made on the desert housing issue and other info/details on the on operations and water deliveries for replenishment purposes.							
8	22	Law of the (Colorado) River Conference (Day 1)					\$ 200.00
Throughout the 2-day conference presentations on the Colorado River drought contingency plan were provided along with Indian water right development, of special interest/concern was the discussions held regarding the Salton Sea.							
9	23	Law of the (Colorado) River Conference (Day 2)					\$ 200.00
see above for details							
10	27	Executive Committee Meeting					\$ 200.00
Attended the meeting as a member of the executive committee and approved next month's agenda and heard monthly reports from staff.							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

*I certify the above is correct and accurate to the best of my knowledge*

\_\_\_\_\_  
Signature

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 0.00
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,000.00
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	(\$ 943.33)
<b>TOTAL</b>	<b>\$ 906.67</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



# DIRECTOR EXPENSE SHEET

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## Item 6.A.1

**NAME:** Carlos Goytia, Division 1

**MONTH / YEAR**

June

2017

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	7	TVMWD Board Meeting/Workshop	Pomona	Claremont	30.0	\$ 16.05	\$ 200.00
Attended and participated in Board Meeting deliberations and discussions							
2	8	IMC Executive Members Meeting	Pomona	Industry	29.0	\$ 15.52	\$ 200.00
Attended Luncheon and Special Guest Speaker							
3	9	CEO Installation Dinner	Pomona	Alhambra	42.0	\$ 22.47	\$ 200.00
Attended Chinese Elected Officials Installation Dinner and networked with San Gabriel Valley Elected Officials							
4	10	Assembly Member B.Rubio	Pomona	West Covina	24.0	\$ 12.84	\$ 200.00
Met with staff and community leaders at job resources fair for veterans							
5	14	SGVEP	Pomona	Irwindale	32.0	\$ 17.12	\$ 200.00
Member's Meeting and luncheon							
6	15	PWR-JWL	Pomona	Walnut	18.0	\$ 9.63	\$ 200.00
Attended joint water line commissioners meeting. Participated in Board Meeting deliberations w/ member agencies							
7	21	TVMWD Board Meeting	Pomona	Claremont	30.0	\$ 16.05	\$ 200.00
Attended and participated Board discussions and deliberations							
8	27	Pomona Chamber of Commerce	Pomona	Pomona	9.0	\$ 4.82	\$ 200.00
Installation Dinner and awards ceremony							
9	28	City of Pomona/Public Works	Pomona	Pomona	8.0	\$ 4.28	\$ 200.00
Met with City engineers and Dept. Directors to discuss potential future projects.							
10	29	SGVRC / Fairplex Conference Center	Pomona	Pomona	10.0	\$ 5.35	\$ 200.00
Regional Chamber Annual Installation and Dinner							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 124.12
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,124.12
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	\$ 0.00
<b>TOTAL</b>	<b>\$ 1,974.12</b>

*I certify the above is correct and accurate to the best of my knowledge*

\_\_\_\_\_  
Signature

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



**DIRECTOR EXPENSE SHEET**

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**Item 6.A.1**

**NAME:** Dan Horan, Division 7

**MONTH / YEAR**

June

2017

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	7	TVMWD Board Meeting	West Covina	Claremont	42.0	\$ 22.47	\$ 200.00
Monthly meeting.							
2	12	SGV Regional Chamber Government Affairs Committee	West Covina	Walnut	13.0	\$ 6.96	\$ 200.00
Government Affairs Committee.							
3	13	Rowland Water District Board Meeting	West Covina	West Covina	22.0	\$ 11.77	\$ 200.00
Sub-agency board meeting.							
4	14	San Gabriel Basin Water Quality Authority Legislative Committee	West Covina	West Covina	32.0	\$ 17.12	\$ 200.00
Water Quality Authority.							
5	15	San Gabriel Valley Economic Partnership Power Lunch	West Covina	Pasadena	36.0	\$ 19.26	\$ 200.00
In connection with Bank of America/Merrill Lynch							
6	16	Orange County Water Summit	West Covina	Anaheim	33.0	\$ 17.66	\$ 200.00
Multiple agency meeting.							
7	21	TVMWD Board Meeting	West Covina	Claremont	42.0	\$ 22.47	\$ 200.00
Monthly meeting.							
8	22	YWCA Board Meeting	West Covina	Pomona	24.0	\$ 12.84	\$ 200.00
In connection with Pomona Chamber.							
9	27	Southern California Water Committee	West Covina	Downey	30.0	\$ 16.05	\$ 200.00
Southern California Water Committee long-term usage.							
10	29	Chino Basin Water Conservation District	West Covina	Montclair	36.0	\$ 19.26	\$ 200.00
Conservation workshop.							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 165.85
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,165.85
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	\$ 0.00
<b>TOTAL</b>	<b>\$ 2,015.85</b>

*I certify the above is correct and accurate to the best of my knowledge*

Signature \_\_\_\_\_

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



# DIRECTOR EXPENSE SHEET

Submit Form

## Item 6.A.1

**NAME:** Bob Kuhn, Division 4

**MONTH / YEAR**

June

2017

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	7	TVMWD Board Meeting	Glendora	Claremont	18.0	\$ 9.63	\$ 200.00
Conducted business of the District.							
2	14	San Gabriel Valley Economic Partnership Legislative Committee	Glendora	Irwindale	22.0	\$ 11.77	\$ 200.00
Discussion regarding water issues in the San Gabriel Valley.							
3	16	Meeting with Glendora Council Member Mendal Thompson	Glendora				\$ 200.00
Discussion regarding issues related to water storage at Dalton Canyon.							
4	21	TVMWD Board Meeting	Glendora	Claremont	18.0	\$ 9.63	\$ 200.00
Regular business meeting to approve business of the District. Annual Financing Corporation Meeting held preceding Regular Board Meeting.							
5	22	Meeting with Glendora Council Members Judy Nelson and Mayor Garey Boyer	Glendora				\$ 200.00
Discussion regarding issues related to water storage at Dalton Canyon.							
6			Glendora				
7			Glendora				
8			Glendora				
9			Glendora				
10			Glendora				

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

*I certify the above is correct and accurate to the best of my knowledge*

Signature \_\_\_\_\_

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 31.03
Subtotal Meeting Compensation	\$ 1,000.00
Subtotal All	\$ 1,031.03
Mandatory Deferred Compensation @ 7.5%	(\$ 75.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	(\$ 925.00)
<b>TOTAL</b>	<b>\$ 31.03</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



**DIRECTOR EXPENSE SHEET**

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**Item 6.A.1**

**NAME:** John Mendoza, Division 6

**MONTH / YEAR**

June

2017

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	2	Metropolitan Water District Colorado River tour	Pomona	Claremont			\$ 200.00
Three day tour of Colorado Aqueduct and facilities to supply water to MWD.							
2	7	TVMWD Board of Directors meeting	Pomona	Claremont			\$ 200.00
Meeting of the TVMWD board to vote and discuss issues important to the District and member agencies.							
3	8	TVMWD Leadership Breakfast	Pomona	Pomona			\$ 200.00
Topic was Metropolitan's Potential Regional recycle water treatment program.							
4	15	SGVEP Speakers Luncheon	Pomona	Pasadena			\$ 200.00
Speaker included John Garner Chief Compliance Officer (Bolton & Company- Topics health care and the future in California).							
5	16	Orange County Water District Water Summit	Pomona	Disneyland Orange County			\$ 200.00
A day long conference to discuss important water issues affecting California.							
6	21	TVMWD Board of Directors meeting.	Pomona	Claremont			\$ 200.00
Meeting of the TVMWD Board of Directors and staff to discuss and vote on issues important to the district and member agencies.							
7	22	SCWUA Luncheon tour to Upper SGV Water district	Pomona	Monrovia			\$ 200.00
Day long tour of various water facilities in the SGV.							
8	23	IEUA Chino Water tour of the Chino Basin	Pomona	Chino California			\$ 200.00
Tour of the Santa Ana Watershed and Chino Basin facilities such as Desalters.							
9	27	SCWC Seminar	Pomona	Downey California			\$ 200.00
Topic: Future of Water Conservation Use and Efficiency. Water rate use and historic patterns of water use today and the future							
10	29	SCWUA contact hours class	Pomona	La Verne			\$ 200.00
Presentation related to water meter use in today's water industry. Residential and commercial use to help monitor water use.							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

I certify the above is correct and accurate to the best of my knowledge

Signature \_\_\_\_\_

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 0.00
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,000.00
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry: default @ 0)</i>	\$ 0.00
<b>TOTAL</b>	<b>\$ 1,850.00</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



**DIRECTOR EXPENSE SHEET**

Submit Form

**Item 6.A.1**

**NAME:** Joe Ruzicka, Division 5

**MONTH / YEAR**

June

2017

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	7	TVMWD - Board Meeting	Diamond Bar	Claremont	40.0	\$ 21.40	\$ 200.00
Attended and participated in the deliberations.							
2	8	TVMWD - Leadership Breakfast	Diamond Bar	Pomona	22.0	\$ 11.77	\$ 200.00
Attended and heard a presentation from the Chief Engineer at MWDSC.							
3	12	SGV Regional Chamber - GAC Meeting	Diamond Bar	Rowland Heights	10.0	\$ 5.35	\$ 200.00
Attended and discussed current legislative issues with business and political leaders in the east San Gabriel Valley.							
4	13	RWD - Board Meeting	Diamond Bar	Rowland Heights	14.0	\$ 7.49	\$ 200.00
Attended and apprised myself of the issues of concern to a member agency.							
5	14	LAFCO - Commission Meeting	Diamond Bar	Los Angeles	60.0	\$ 32.10	\$ 200.00
Attended and participated in the deliberations.							
6	16	Lincoln Club - Business Meeting	Diamond Bar	City of Industry	20.0	\$ 10.70	\$ 200.00
Attended and discussed water issues with business and political leaders.							
7	19	WVWD - Board Meeting	Diamond Bar	Walnut	10.0	\$ 5.35	\$ 200.00
Attended and apprised myself of issues of concern to a member agency.							
8	21	TVMWD - Board Meeting	Diamond Bar	Claremont	40.0	\$ 21.40	\$ 200.00
Attended and participated in the deliberations.							
9			Diamond Bar				
10			Diamond Bar				

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

*I certify the above is correct and accurate to the best of my knowledge*

Signature \_\_\_\_\_

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 115.56
Subtotal Meeting Compensation	\$ 1,600.00
Subtotal All	\$ 1,715.56
Mandatory Deferred Compensation @ 7.5%	(\$ 120.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	\$ 0.00
<b>TOTAL</b>	<b>\$ 1,595.56</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



**NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVE  
TO THE REDEVELOPMENT OVERSIGHT BOARD**

To: Paul Novak, Executive Officer, LA LAFCO

The Three Valleys Municipal Water District (District)  
is \_\_\_\_\_  
(Name of Independent Special District)

pleased to nominate Joseph T. Ruzicka as a candidate for  
(Name of Candidate)

appointment as the SPECIAL DISTRICT REPRESENTATIVE (Check ONE)

VOTING Member

ALTERNATE Member

to the REDEVELOPMENT OVERSIGHT BOARD NO.

5  
(Number of Board: 1, 2, 3, 4, or 5)

The District's governing board voted in favor of this nomination at a meeting on 7/19/2017  
I hereby certify that: \_\_\_\_\_  
(Date of Meeting)

- The nominee is an elected official or appointed to the District board for a fixed term;
- The nominee is not a member of the legislative body of a city or county (Government Code Section 56332(c));
- The nominee is a member of a legislative body of an independent special district with territory within the boundary of the particular RDA Oversight Board to which the individual seeks appointment; and
- The meeting at which this nomination occurred took place during the nominations period (July 3, 2017 to August 21, 2017).

\_\_\_\_\_  
(Signature)

Bob Kuhn  
(Print Name)

July 19, 2017  
(Date)

President  
(Print Title)

**PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)**



**Candidate Statement of Joseph T. Ruzicka**  
*Nominee for LAFCO*  
*Independent Special District Representative—Alternate Member*

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Joe Ruzicka, a 42-year Diamond Bar resident and retired Regional Manager for the U.S. Railroad Retirement Board, with operational and administrative responsibilities for all Southern California, would bring many years of public and volunteer service experience to the **LAFCO Redevelopment Oversight Board No. 5**.

I have served on the various committees that led to the eventual incorporation of the City of Diamond Bar; where immediately after the incorporation I was appointed from 1989 to 1996 as an inaugural member of the Diamond Bar *Parks & Recreation Commission* and was instrumental in instituting several new programs that accommodated the needs of youth sports organizations and also helped to initiate the popular “Concerts in the Parks” series. I was then appointed as a *Planning Commissioner* for the City of Diamond Bar from 1997 to 2003, during which time there were many accomplishments including the successful development of some 425 acres in the heart of the City. I resigned from the Planning Commission to serve on the *Three Valleys MWD Board of Directors*.

As a member of the Three Valleys Board of Directors, among other appointments, I currently serve as the Three Valleys’ representative to the LAFCO Commission as the alternate voting member for Independent Special Districts; in that capacity, I have attended nearly all meetings of the commission since my appointment.

I have also served the City of Diamond Bar as President of the local Little League, as a member of the Walnut Valley Rotary Club (past president) and as a Board Member of the Diamond Bar Improvement Association. I am an eight-year Marine Corp veteran in both active and reserve duty (1954-1962). For nine years I was the Executive Director of the San Gabriel Valley Mediation Center.

**Joseph T. Ruzicka**  
Voice: 909-861-7406  
22311 E. Birdseye Drive  
Cell: 909-684-6674  
Diamond Bar, Ca 91765

E-Mail: JTR987@aol.com

---

## **SKILLS**

### **Public Communications**

Good presence; excellent verbal and written communication skills; extensive experience in public speaking, presentations, governmental communications and networking.

### **Guidance Flexibility**

Ability to be self directed, evidenced by running operations of a federal agency removed from immediate supervision; Chair of numerous organizations

### **Leader**

Consensus builder; at ease in front of people; repeatedly chosen by peers as a leader, but also able to follow

## **EMPLOYMENT**

### **Three Valleys Municipal Water District, Claremont, Ca**

#### *Board of Directors: 2003 to Present*

Responsibilities include serving as a Board Member and having participated in various committee assignments, including the *Project, Planning, Development Committee* for engineering and capital projects and the *Finance/Personnel Committee*. Currently serve as the LAFCO Independent Special District Representative—Alternate Member

### **City of Diamond Bar, Diamond Bar, Ca**

#### *Planning Commission: 1997-2003*

Responsibilities include serving as Chair and Vice Chair while making final determinations regarding land use questions for the city.

#### *Parks & Receptions Commission: 1989-1996*

Responsibilities include serving as Chair and Vice Chair while overseeing and advising the City Council on parks and recreation policy for the City.

### **San Gabriel Valley Mediation Center**

#### *Executive Director: 1994-2003*

Assist clients in the settlement of disputes involving commercial, governmental and personal matters while overseeing the casework of six mediators.

## **U.S. Railroad Retirement Board**

*Southern California District Manager: 1975-1991*

Area of responsibility extended from San Luis Obispo to San Diego and included Clark County Nevada (Las Vegas).

*State of Indiana District Manager: 1973-1975*

Responsible for 90% of state with satellite offices in Fort Wayne and Evansville.

*Nation's Capitol District Manager: 1969-1973*

Represented the agency in Washington, DC with heavy interaction with related federal government agencies and Capitol Hill.

Duties included but were not restricted to the following:

- Liaison and representative to groups, labor organizations and public
- Organized and directed all activities within the district
- Interacted with other districts to achieve goals and objectives
- Made oral presentations before a variety of public and private organizations
- Wrote articles on technical matters and public policy issues
- Served as authoritative information resource for government and public decision makers
- Served as contact person for the media
- Member, Federal Executive Board

## **Additional Community Experience**

- Chairman, Government Affairs Committee, San Gabriel Valley Regional Chamber of Commerce
- President, Diamond Bar Little League
- Assistant District Administrator, District 20, Little League
- Board Member, Diamond Bar Improvement Association
- President, Walnut Valley Rotary Club
- Regular member of St. Denis Catholic Church

## **EDUCATION**

Loyola University, Chicago, Illinois

University of Detroit, Detroit, Michigan

U.S. Merchant Marine Academy, Long Island, New York

Pepperdine University, Malibu, California



Commission  
Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Margaret Finlay  
Janice Hahn  
David Ryu  
David Spence

Alternate Members  
Lori Brogin-Falley  
Marqueece  
Harris-Dawson  
Sheila Kuehl  
Judith Mitchell  
Joseph Ruzicka  
Greig Smith

Staff  
Paul Novak  
Executive Officer

Amber De La Torre  
Doug Dorado  
Michael Henderson  
Alisha O'Brien  
Patricia Wood

80 South Lake Avenue  
Suite 870  
Pasadena, CA 91101  
Phone: 626/204-6500  
Fax: 626/204-6507

[www.lalafco.org](http://www.lalafco.org)

## MEMORANDUM

**To:** General Managers, Independent Special Districts in L.A. County

**From:** Paul Novak, Executive Officer

**Re:** **Start of Nomination Period  
Redevelopment Oversight Board Appointments**

**Date:** June 29, 2017

As a follow-up to my June 15, 2017 memorandum concerning elections to appoint special district representatives to serve on the five Redevelopment Agency Oversight Boards ("RDA Oversight Boards" or "Boards") in Los Angeles County (copy enclosed), I am writing to alert you to the **start of the nomination (July 3, 2017) period** for these positions.

In order to expedite the process of electing a representative, I have included a form to be used to nominate candidates for consideration for the position. In addition to the form, districts/nominees may submit biographical information and/or a candidate statement, which is limited to one page.

After nominations are received, and after the close of the nominations period (August 21, 2017), each district will receive a complete package of nominee resumes, together with a ballot for consideration by the presiding officer of your board.

Nominations for the Committee's consideration are welcome. With respect to potential nominations, please note the following:

- To be eligible for a position, the nominee must be an elected official or appointed to your board for a fixed term.
- Individuals eligible for these positions must be "members of the legislative body of an independent special district . . . but shall not be members of the legislative body of a city or county" (Government Code Section 56332(c)). For example, a city council member serving as a board-member of a vector control district is ineligible.

# Item 6.A.2

Redevelopment Oversight Board Appointments  
Start of Nomination Period  
June 29, 2017  
Page 2 of 2

- Nominations must be made at a meeting of the governing board of the nominee's corresponding special district during the nominations period.
- Nominees must be a member of a legislative body of an independent special district with territory within the boundary of the particular RDA Oversight Board to which the individual seeks appointment. Please consult Attachments "A" and "B" to my June 15<sup>th</sup> memorandum to determine in which RDA Oversight Boards your district has territory.
- Nominations must be received by LAFCO by the close of the nominations period, which is 5:00 p.m. on Monday, August 21, 2017. Nominations may be delivered by U.S. Mail, FedEx or UPS, courier, or hand-delivery.

Voting will be conducted by mailed ballot during the voting period (August 28, 2017, to October 16, 2017).

Should you have any questions or concerns, please do not hesitate to contact me directly via e-mail ([pnovak@lalafco.org](mailto:pnovak@lalafco.org)) or telephone (626/204-6500) with any questions.

Thank you.

**NOMINATION OF THE SPECIAL DISTRICT REPRESENTATIVE  
TO THE REDEVELOPMENT OVERSIGHT BOARD**

To: Paul Novak, Executive Officer, LA LAFCO

The \_\_\_\_\_ (District)  
is \_\_\_\_\_  
(Name of Independent Special District)

pleased to nominate \_\_\_\_\_ as a candidate for  
(Name of Candidate)

appointment as the SPECIAL DISTRICT REPRESENTATIVE (Check ONE)

\_\_\_\_\_ VOTING Member

\_\_\_\_\_ ALTERNATE Member

to the REDEVELOPMENT OVERSIGHT BOARD NO.

\_\_\_\_\_  
(Number of Board: 1, 2, 3, 4, or 5)

The District's governing board voted in favor of this nomination at a meeting on \_\_\_\_\_  
I hereby certify that: \_\_\_\_\_ (Date of Meeting)

- The nominee is an elected official or appointed to the District board for a fixed term;
- The nominee is not a member of the legislative body of a city or county (Government Code Section 56332(c));
- The nominee is a member of a legislative body of an independent special district with territory within the boundary of the particular RDA Oversight Board to which the individual seeks appointment; and
- The meeting at which this nomination occurred took place during the nominations period (July 3, 2017 to August 21, 2017).

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Print Title)

***PLEASE ATTACH RESUME OR CANDIDATE STATEMENT (limit one page)***

**MEMORANDUM**

Commission  
Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Margaret Finlay  
Janice Hahn  
David Ryu  
David Spence

Alternate Members

Lori Brogin-Falley  
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Sheila Kuehl  
Judith Mitchell  
Joseph Ruzicka  
Greig Smith

Staff

Paul Novak  
Executive Officer

Amber De La Torre  
Doug Dorado  
Michael Henderson  
Alisha O'Brien  
Patricia Wood

80 South Lake Avenue  
Suite 870  
Pasadena, CA 91101  
Phone: 626/204-6500  
Fax: 626/204-6507

www.lalafco.org

**To:** General Managers, Independent Special Districts in L.A. County

**From:** Paul Novak, Executive Officer

**Re:** Redevelopment Oversight Board Appointments – County of Los Angeles

**Date:** June 15, 2017

I am writing to alert you to upcoming elections to appoint special district representatives to serve on five Redevelopment Agency Oversight Boards (“RDA Oversight Boards” or “Boards”) in Los Angeles County, pursuant to Health and Safety Code Section 34179 and Government Code Section 56332. State law designates the Independent Special District Committee (ISDC) as the appointing authority for special district representation on each of five new RDA Oversight Boards consolidated by law effective July 1, 2018. If the ISDC fails to appoint before a July 15, 2018 deadline, this appointment authority shifts to the Governor.

**Background:** In September of 2015, Governor Brown signed SB 107, a bill which required the consolidation of RDA oversight boards for each former RDA, which have been operational since early 2016. SB 107 mandated the consolidation of these boards by July 1, 2018, with one (1) new county-wide board in each of fifty-seven (57) counties, and five new (5) boards in Los Angeles County. The law further contemplates that the ISDC in each county would appoint special district representatives to each new board. Should the ISDC fail to appoint special district representatives by July 15, 2018, the Governor is empowered to make the appointments.

Additional information and background can be found in a May 24, 2017 letter from the Los Angeles County Auditor-Controller (Attachment “D”) to all appointing authorities, and in a September 27, 2016 report (“Countywide RDA Oversight Board Special District Appointments”) issued by the California Special Districts Association (“CSDA”) and the California Association of Local Agency Formation Commissions (“CALAFCO”) (Attachment “C”).

**Appointments to LA County RDA Oversight Boards:** The boundaries of the five (5) Los Angeles County Supervisorial Districts define the boundaries of the five Oversight Boards in Los Angeles County. Appointments of a special district representative to each of the five boards will be by majority vote of the special districts which have territory within the boundaries of each district, as designated on Exhibits “A” and “B” (enclosed).



# Item 6.A.2

Some special districts are located entirely within one supervisorial district, and will, therefore, participate in only one election. For example, the La Habra Heights County Water District is entirely within the 4<sup>th</sup> Supervisorial District, and will participate in the election for RDA Oversight Board No. 4. Other districts have territory which falls in more than one supervisorial district, and will, therefore, participate in multiple elections. For example, the Compton Creek Mosquito Abatement District has territory in the 2<sup>nd</sup> and 4<sup>th</sup> Supervisorial Districts, and will participate in the election for RDA Oversight Board No. 2 and RDA Oversight Board No. 4.

SB 107 did not specify a term of office, merely specifying that a board-member “shall serve at the pleasure of the entity that appointed such member.”

For each board, I will conduct an election for one (1) voting member and one (1) alternate member. Individuals eligible for these positions must be “members of the legislative body of an independent special district . . . but shall not be members of the legislative body of a city or county.” More specifically, a candidate must be a member of a legislative body of an independent special district with territory within the boundary of the particular RDA Oversight Board to which the individual seeks appointment.

Schedule: I will conduct the nomination and election by mail, similar to past ISDSC elections, and pursuant to the following schedule:

Monday, July 3, 2017:	<b>Start of Nomination Period</b> (Request for Nominations mailed to all District General Managers)
Monday, August 21, 2017:	<b>End of Nomination Period</b> (Nominations must be received by LAFCO by 5:00 p.m., Thursday, August 3, 2017)
Monday, August 28, 2017	<b>Start of Voting Period</b> (Ballots mailed to all District General Managers)
Monday, October 16, 2017	<b>Close of Voting Period</b> (Ballots must be received by LAFCO by 5:00 p.m., Thursday, September 28, 2017)
Tuesday, October 17, 2017	<b>Ballots Counted</b>
Wednesday, October 18, 2017	<b>Results Announced</b> (e-mail, U.S. mail, and posting on LA LAFCO website)

Should you have any questions or concerns, please do not hesitate to contact me.

# Item 6.A.2

Redevelopment Oversight Board Appointments  
Page Three of Three

## Attachments:

- Attachment "A": List of RDA Oversight Boards (by Special District)
- Attachment "B": List of RDA Oversight Boards (by Board)
- Attachment "C": September 27, 2016 report ("Countywide RDA Oversight Board Special District Appointments") issued by the California Special Districts Association ("CSDA") and the California Association of Local Agency Formation Commissions ("CALAFCO").
- Attachment "D": May 24, 2017 letter from the Los Angeles County Auditor-Controller to All Appointing Authorities; Agencies within County of Los Angeles

**Attachment “A”  
List of RDA Oversight Boards (by Special District)**

<u>Special District</u>	<u>RDA Oversight Board</u>
Altadena Library District	5
Antelope Valley Cemetery District	5
Antelope Valley-East Kern Water Agency	5
Antelope Valley Health Care District	5
Antelope Valley Mosquito and Vector Control District	5
Antelope Valley Resource Conservation District	3 and 5
Artesia Cemetery District	4
Beach Cities Health Care District	4
Bradbury Community Services District	5
Castaic Lake Water Agency	5
Central Basin Municipal Water District	1, 2, and 4
Compton Creek Mosquito Abatement District	2 and 4
Crescenta Valley County Water District	5
Downey Cemetery District	4
Foothill Municipal Water District	5
Golden Valley Municipal Water District	5
Greater Los Angeles County Vector Control District	1, 2, 3, 4, and 5
Green Valley County Water District	5
Kinneloa Irrigation District	5
La Canada Irrigation District	5

# Item 6.A.2

Attachment "A"  
Page Two of Three

La Habra Heights County Water District	4
La Puente Valley County Water District	1
Las Virgenes Municipal Water District	3 and 5
Little Lake Cemetery District	4
Littlerock Creek Irrigation District	5
Los Angeles County West Vector Control District	1, 2, 3, and 4
Miraleste Recreation and Park District	4
Newhall County Water District	5
Orchard Dale County Water District	4
Palm Ranch Irrigation District	5
Palmdale Water District	5
Palos Verdes Library District	4
Pasadena Glen Community Services District	5
Pico Water District	1
Point Dume Community Services District	3
Quartz Hill Water District	5
Resource Conservation District for the Santa Monica Mountains	3, 4, and 5
Ridgecrest Ranchos Recreation and Park District	4
Rowland Water District	1, and 4
San Gabriel County Water District	1 and 5
San Gabriel Valley Mosquito & Vector Control District	1 and 5
San Gabriel Valley Municipal Water District	1 and 5

# Item 6.A.2

Attachment "A"  
Page Three of Three

Sativa County Water District	2
South Montebello Irrigation District	1
Three Valleys Municipal Water District	1, 4, and 5
Upper San Gabriel Valley Municipal Water District	1, 4, and 5
Valley County Water District	1
Walnut Valley Water District	1 and 4
Water Replenishment District	1, 2, and 4
West Basin Municipal Water District	2, 3, and 4
West Valley County Water District	5
Westfield Recreation and Park District	4
Wilmington Cemetery District	4
Wrightwood Community Services District	5

**Attachment "B"**  
**List of RDA Oversight Boards (by Board)**

**RDA Oversight Board No. 1 (1<sup>st</sup> Supervisorial District)**

Fifteen (15) Agencies:

- Central Basin Municipal Water District
- Greater Los Angeles County Vector Control District
- La Puente Valley County Water District
- Los Angeles County West Vector Control District
- Pico Water District
- Rowland Water district
- San Gabriel County Water District
- San Gabriel Valley Mosquito & Vector Control District
- San Gabriel Valley Municipal Water District
- South Montebello Irrigation District
- Three Valleys Municipal Water District
- Upper San Gabriel Valley Municipal Water District
- Valley County Water District
- Walnut Valley Water District
- Water Replenishment District

**RDA Oversight Board No. 2 (2<sup>nd</sup> Supervisorial District)**

Seven (7) Agencies:

- Central Basin Municipal Water District
- Compton Creek Mosquito Abatement District
- Greater Los Angeles County Vector Control District
- Los Angeles County West Vector Control District
- Sativa County Water District
- Water Replenishment District
- West Basin Municipal Water District

**RDA Oversight Board No. 3 (3<sup>rd</sup> Supervisorial District (Kuehl))**

Seven (7) Agencies:

- Antelope Valley Resource Conservation District
- Greater Los Angeles County Vector Control District
- Las Virgenes Municipal Water District
- Los Angeles County West Vector Control District
- Point Dume Community Services District
- Resource Conservation District for the Santa Monica Mountains
- West Basin Municipal Water District

**RDA Oversight Board No. 4 (4<sup>th</sup> Supervisorial District (Hahn))**

Twenty-Two (22) Agencies:

Artesia Cemetery District  
Beach Cities Health Care District  
Central Basin Municipal Water District  
Compton Creek Mosquito Abatement District  
Downey Cemetery District  
Greater Los Angeles County Vector Control District  
La Habra Heights County Water District  
Little Lake Cemetery District  
Los Angeles County West Vector Control District  
Miraleste Recreation and Park District  
Orchard Dale County Water District  
Palos Verdes Library District  
Resource Conservation District for the Santa Monica Mountains  
Ridgecrest Ranchos Recreation and Park District  
Rowland Water District  
Three Valley's Municipal Water District  
Upper San Gabriel Valley Municipal Water District  
Walnut Valley Water District  
Water Replenishment District  
Westfield Recreation and Park District  
West Basin Municipal Water District  
Wilmington Cemetery District

**RDA Oversight Board No. 5 (5<sup>th</sup> Supervisorial District (Barger))**

Thirty (30) Agencies:

Altadena Library District  
Antelope Valley Cemetery District  
Antelope Valley-East Kern Water Agency  
Antelope Valley Health Care District  
Antelope Valley Mosquito and Vector Control District  
Antelope Valley Resource Conservation District  
Bradbury Community Services District  
Castaic Lake Water Agency  
Crescenta Valley County Water District  
Foothill Municipal Water District  
Golden Valley Municipal Water District  
Greater Los Angeles County Vector Control District  
Green Valley County Water District  
Kinneloa Irrigation District  
La Canada Irrigation District  
Las Virgenes Municipal Water District  
Littlerock Creek Irrigation District  
Newhall County Water District  
Palm Ranch Irrigation District  
Palmdale Water District  
Pasadena Glen Community Services District  
Quartz Hill Water District  
Resource Conservation District for the Santa Monica Mountains  
San Gabriel County Water District  
San Gabriel Valley Mosquito & Vector Control District  
San Gabriel Valley Municipal Water District  
Three valleys Municipal Water District  
Upper San Gabriel Valley Municipal Water District  
West Valley County Water District  
Wrightwood Community Services District





JOHN NAIMO  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

Item 6.A.2

KENNETH HAHN HALL OF ADMINISTRATION ATTACHMENT C  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-3873  
PHONE: (213) 974-8301 FAX: (213) 626-5427

ADDRESS ALL CORRESPONDENCE TO:  
PROPERTY TAX APPORTIONMENT DIVISION  
500 W. TEMPLE ST., ROOM 484  
LOS ANGELES, CA 90012-3558

May 24, 2017

TO: All Appointing Agencies within County of Los Angeles

FROM:   
Guy Zelenski, Chief  
Property Tax Apportionment Division

SUBJECT: **APPOINTMENTS OF OVERSIGHT BOARD MEMBERS FOR LOS ANGELES COUNTY REDEVELOPMENT OVERSIGHT BOARD CONSOLIDATION**

The Auditor-Controller's Office is requesting that appointing agencies appoint members and alternates to their consolidated redevelopment Oversight Boards by **August 15, 2017**.

In September 2015, the State of California approved Senate Bill No. 107 (SB 107) which guides the final technical steps in the dissolution of local redevelopment agencies. SB 107 makes several changes related to Oversight Boards. The legislation calls for counties with more than 40 Oversight Boards (i.e., Los Angeles County) to be consolidated into one of five Oversight Boards. The five consolidated Oversight Boards will be organized by Supervisorial District, and each consolidated Oversight Board shall have jurisdiction over each Successor Agency located within its borders.

If a Successor Agency has territory located within more than one Supervisorial District, the County Board of Supervisors shall, no later than July 15, 2018, determine which Oversight Board shall have jurisdiction over that Successor Agency. Los Angeles County Auditor-Controller is responsible for staffing the consolidated Oversight Boards.

The five County Oversight Boards will have the authority to oversee and direct the Successor Agencies to wind down activities and expeditiously liquidate the assets of the former redevelopment agencies. SB 107 provides that the Oversight Board for a particular Successor Agency will cease to exist when the Successor Agency has been formally dissolved.

Pursuant to SB 107, each of the five consolidated Oversight Boards will be appointed as follows:

- (1) One member may be appointed by the County Board of Supervisors.
- (2) One member may be appointed by the City Selection Committee established pursuant to Section 50270 of the Government Code.
- (3) One member may be appointed by the Independent Special District Selection Committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188.
- (4) One member may be appointed by the County Superintendent of Education to represent schools if the superintendent is elected. If the County Superintendent of Education is appointed, then the appointment made pursuant to this paragraph shall be made by the County Board of Education.
- (5) One member may be appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.
- (6) One member of the public may be appointed by the County Board of Supervisors.
- (7) One member may be appointed by the recognized employee organization representing the largest number of Successor Agency employees in the county.

The Governor may appoint individuals to fill any Oversight Board member position that has not been filled by July 15, 2018, or any member position that remains vacant for more than 60 days.

SB 107 also states that each appointing authority may appoint alternate representatives to serve on the Oversight Board in the event that the appointing authority's primary representative is unable to attend a meeting. Alternates appointed by the authorized appointing entity have the same voting and participation rights as the primary appointee.

Therefore, we are asking appointing agencies to nominate 3-5 candidates as alternates to serve on the consolidated Oversight Boards. The following may assist in identifying potential appointees/alternates:

1. Appointees should recognize and understand that the Oversight Boards have a fiduciary responsibility to the holders of legally enforceable debt of the former Redevelopment Agencies (RDAs) and to the taxing entities that will benefit from the winding down of the agencies.
2. Duties of the Oversight Boards will include a detailed review of the Recognized Obligation Payment Schedule, and directing the Successor Agencies to dispose of unencumbered assets.
3. Time commitments will vary based on the size and complexity of the affairs of each Successor Agency, as well as the number of Successor Agencies in each supervisory district. We believe most Successor Agencies will require periodic meetings, potentially on a monthly or bi-monthly basis. Over time, as Successor Agencies continue to wind down their activities and dispose of assets, the frequency of meetings may decrease.

4. The Oversight Board meetings will be public meetings as defined in the Brown Act, and as public meetings, some might be scheduled in the evening hours or on weekends. In addition to the Oversight Board meetings, there will be training sessions, and some time will be necessary for the appointees to prepare for the meetings.
5. Desirable qualifications of appointees include:
  - a) Detail-oriented. Previous experience or familiarity with the dissolution process would be useful. Previous Oversight Board appointees or alternates may make good candidates.
  - b) Available to attend meetings. All actions of the Oversight Boards require a quorum, so attendance will be necessary in order for the Oversight Boards to carry out their responsibilities.
  - c) Independent. It is possible that disputes will arise regarding the approval of enforceable obligations, expenditures, or the disposition of assets. Oversight Board members will need to uphold their fiduciary responsibilities according to the law.
6. Oversight Board members do not receive compensation or reimbursement of expenses, and serve at the pleasure of the jurisdiction that appoints them.
7. Oversight Board members need not be residents of the County of Los Angeles. Members appointed to represent a board-governed special district do not need to be employees of, or affiliated with, the special district.
8. Members shall have personal immunity from their actions related to the Oversight Boards.
9. We recommend that candidates serve on no more than two consolidated Oversight Boards.

Please be mindful of potential conflicts of interest that may exist for potential nominees and certain former RDAs (e.g., possible financial interests of family members with former RDAs). You may wish to consult legal counsel to address any potential conflicts.

Please share this information with all appropriate management and staff. In addition, please consider nominating individuals that have previously and effectively served on Oversight Boards, should they possess the desired qualifications. We need to process the Oversight Board appointments as soon as possible, so we would like to have a list of potential candidates by **August 15, 2017**.

As potential Oversight Board appointees are identified, please forward the names and contact information to me at [gzelenski@auditor.lacounty.gov](mailto:gzelenski@auditor.lacounty.gov) and Kristina Burns at

Appointment of Oversight Board Members  
May 24, 2017  
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[kburns@auditor.lacounty.gov](mailto:kburns@auditor.lacounty.gov) of this Office. We will assume that any potential Oversight Board appointees submitted will be approved to serve on an Oversight Board should they be selected.

If you have any questions, please contact me at (213) 974-8533 or Kristina Burns at (213) 974-8362.

GZ:KB

c: John Naimo, Auditor-Controller



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# COUNTYWIDE RDA OVERSIGHT BOARD SPECIAL DISTRICT APPOINTMENTS

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CALIFORNIA SPECIAL DISTRICTS ASSOCIATION  
CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS  
Last Updated: September 27, 2016



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## ACKNOWLEDGEMENTS:

In preparing this paper, CSDA and CALAFCO greatly benefited from individuals who were generous with their time and insightful with their views. Members of our working group held background experience as special district general managers and directors of finance, local agency formation commission executive officers, RDA oversight board representatives, and attorneys.

CSDA and CALAFCO extend sincere appreciation to the individuals on our joint working group, who significantly contributed to the development of this guide. The contributions of the following people were invaluable:

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Colantuono, Highsmith & Whatley, PC

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Executive Officer  
El Dorado County Local Agency Formation Commission

Shane McAfee  
General Manager  
Greater Vallejo Recreation and Park District

Keene Simonds  
Executive Officer  
Marin County Local Agency Formation Commission

Charles Turner  
Director of Finance  
Eastern Municipal Water District



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On July 1, 2018, more than 400 redevelopment agency (RDA) oversight boards will be consolidated into just one oversight board per county (and five oversight boards in Los Angeles County). When this occurs, each county's Independent Special Districts Selection Committee will be granted the authority to appoint one special district representative to that county's respective oversight board.

If the Independent Special District Selection Committee in a county fails to act by July 15, 2018, the governor will make the appointment on its behalf. Therefore, it is important that the special districts in each affected county, and the Local Agency Formation Commissions (LAFCo) that administer the operations of the Independent Special Districts Selection Committees, take proactive steps to ensure a successful locally-controlled appointment process.

Much is at stake in the decisions that go before oversight boards. In fiscal years 2015-16 and 2016-17 combined, the governor's 2016 May Revise estimated special districts will receive \$316 million in property tax restoration due to the continued wind down of RDAs. Oversight board actions could affect the amount and speed of future property tax restorations to special districts and other local agencies.

Due to the newness and uniqueness of the statute providing for countywide oversight boards, the many cross-references within the statute, and the lack of familiarity most LAFCos and special districts have with the Health and Safety Code in which the statute is included, the authorizing language for special district appointments may be challenging to some local officials.

For these reasons, the California Special Districts Association (CSDA) and California Local Agency Formation Commission (CALAFCO) convened a working group to outline the process for appointing special district representatives to countywide oversight boards, and to provide guidance on potential questions related to that process.

### COUNTIES REQUIRING A COUNTYWIDE OVERSIGHT BOARD

The following thirty-seven counties have two or more oversight boards that will be consolidated into one countywide oversight board on July 1, 2018 (except for Los Angeles County, which will be consolidated into five oversight boards):

- |                                       |                   |                 |
|---------------------------------------|-------------------|-----------------|
| • Alameda                             | • Monterey        | • Santa Barbara |
| • Butte                               | • Mendocino       | • Santa Clara   |
| • Contra Costa                        | • Merced          | • Santa Cruz    |
| • Fresno                              | • Nevada          | • Shasta        |
| • Humboldt                            | • Orange          | • Solano        |
| • Imperial                            | • Placer          | • Sonoma        |
| • Kern                                | • Riverside       | • Stanislaus    |
| • Kings                               | • Sacramento      | • Sutter        |
| • Lake                                | • San Bernardino  | • Tulare        |
| • Los Angeles (five oversight boards) | • San Diego       | • Ventura       |
| • Madera                              | • San Joaquin     | • Yolo          |
| • Marin                               | • San Luis Obispo | • Yuba          |
|                                       | • San Mateo       |                 |

Of the counties noted above, the following eleven counties do not currently have an Independent Special Districts Selection Committee in place. Therefore, the special districts and LAFCo in each of these counties will need to form an Independent Special Districts Selection Committee in order to facilitate the appointment of a special district representative to the new countywide RDA oversight board:

- |            |               |          |
|------------|---------------|----------|
| • Fresno   | • Merced      | • Tulare |
| • Imperial | • San Joaquin | • Yolo   |
| • Kings    | • Solano      | • Yuba   |
| • Madera   | • Stanislaus  |          |



## **SPECIAL DISTRICT REPRESENTATIVE APPOINTMENT PROCESS**

The statutory authorization for appointing the special district representative to a countywide oversight board is found in Health and Safety Code 34179, which can be found in the appendix. This publication overviews the application of this authority in conjunction with the relevant code sections cross-referenced to the Cortese-Knox-Hertzberg Act or "LAFCo Law" in the Government Code.

On July 1, 2018, counties with 2 – 39 individual RDA oversight boards will be consolidated into one countywide oversight board. Upon consolidation, the county's Independent Special District Selection Committee is responsible for appointing the special district representative to the new countywide oversight board. The Independent Special District Selection Committee consists of the presiding officer of the legislative body of each independent special district or district-appointed alternate (Government Code Section 56332(a)).

### *Procedures*

The LAFCo Executive Officer/Designee is responsible for calling and giving written notice of meetings of the Independent Special District Selection Committee, at which a representative may be appointed to the countywide RDA oversight board. (Government Code Section 56332(b)).

- A majority of the Independent Special District Selection Committee may determine to conduct the committee's business by mail, including holding all elections by mailed ballot (Government Code Section 56332(e)).

If the independent special district selection committee has determined to conduct the committee's business by mail or if the executive officer/designee determines that a meeting of the special district selection committee, for the purpose of selecting the special district members or filling vacancies, is not feasible, the executive officer/designee shall conduct the business of the committee by mail. Elections by mail shall be conducted as follows (Government Code Section 56332(f)):

- 1) The executive officer/designee shall prepare and deliver a call for nominations to each eligible district. The presiding officer, or his or her alternate as designated by the governing body, may respond in writing by the date specified in the call for nominations, which date shall be at least 30 days from the date on which the executive officer mailed the call for nominations to the eligible district.
- 2) At the end of the nominating period, if only one candidate is nominated for a vacant seat, that candidate shall be deemed appointed. If two or more candidates are nominated, the executive officer/designee shall prepare and deliver one ballot and voting instructions to each eligible district. The ballot shall include the names of all nominees and the office for which each was nominated. Each presiding officer, or his or her alternate as designated by the governing body, shall return the ballot to the executive officer/designee by the date specified in the voting instructions, which date shall be at least 30 days from the date on which the executive officer/designee mailed the ballot to the eligible district.
- 3) The call for nominations, ballot, and voting instructions shall be delivered by certified mail to each eligible district. As an alternative to the delivery by certified mail, the executive officer/designee, with prior concurrence of the presiding officer or his or her alternate as designated by the governing body, may transmit materials by electronic mail.
- 4) If the executive officer/designee has transmitted the call for nominations or ballot by electronic mail, the presiding officer, or his or her alternate as designated by the governing body, may respond to the executive officer/designee by electronic mail.





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- 5) Each returned nomination and ballot shall be signed by the presiding officer or his or her alternate as designated by the governing body of the eligible district.
- 6) For an election to be valid, at least a quorum of the special districts must submit valid ballots. The candidate receiving the most votes shall be elected, unless another procedure has been adopted by the selection committee. Any nomination and ballot received by the executive officer/designee after the date specified is invalid, provided, however, that if a quorum of ballots is not received by that date, the executive officer/designee shall extend the date to submit ballots by 60 days and notify all districts of the extension. The executive officer/designee shall announce the results of the election within seven days of the date specified.
  - o A quorum is the majority of members representing eligible districts (Government Code Section 56332(a))
- 7) All election materials shall be retained by the executive officer/designee for a period of at least six months after the announcement of the election results

### *Eligibility Requirements*

Members appointed by the independent special district selection committee shall be elected or appointed members of the legislative body of an independent special district residing within the county but shall not be members of the legislative body of a city or county (Government Code Section 56332(c)).

- Special district appointees to current individual oversight boards (pre consolidation into countywide oversight boards) are not restricted to members of the legislative body of the district.

There is no clear indication that the members appointed by the selection committee must be located in a former RDA. However, it could be implied by Health and Safety Code Section 34179(j)(3).

- Current individual oversight boards (prior to consolidation into countywide oversight boards) limit eligibility to special districts that have territory in the territorial jurisdiction of the former RDA and are eligible to receive property tax residual from the RPTTF: "One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is of the type of special district that is eligible to receive property tax revenues pursuant to Section 34188" (Health and Safety Code Section 34179(a)(3)(A)).

Based on Health and Safety Code Section 34179(j)(3), the committee should appoint a representative from a special district that receives property tax residual from the Redevelopment Property Tax Trust Fund (RPTTF).

- Health and Safety Code Section 34179(j)(3) reads in full: "One member may be appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188."

### *Deadlines and Vacancies*

If no one is appointed by July 15, 2018, the governor may appoint an individual on behalf of the Independent Special District Selection Committee. The governor may also appoint individuals for any member position that remains vacant for more than 60 days (Health and Safety Code Section 34179(k)).



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*Notification Requirements*

Health and Safety Code Section 34179(j) does not include notification requirements of the selected special district appointee. However, the current individual oversight boards (prior to consolidation into countywide oversight boards) were required to elect one of their members as the chairperson and report the name of the chairperson and other members to the Department of Finance (Health and Safety Code Section 34179(a)). Additionally, the LAFCo Executive Officer/Designee must announce the results of an Independent Special District Selection Committee election within seven days (Government Code Section 56332(f)(6)).

*Counties with Only One Individual Oversight Board*

In each county where only one individual RDA oversight board exists, as of July 1, 2018, there will be no consolidation into a countywide oversight board and no change to the composition of the existing oversight board (Health and Safety Code Section 34179(l)).

*Counties with 40 or More Individual Oversight Boards*

In each county where 40 or more individual oversight boards exist (Los Angeles County), as of July 1, 2018, there will be a consolidation into five oversight boards. The special district membership of each oversight board shall be selected as outlined in Health and Safety Code Section 34179(j)(3) via the Independent Special District Selection Committee process (Health and Safety Code Section 34179(q)(1)).

The consolidated oversight boards in this county shall be numbered one through five, and their respective jurisdictions shall encompass the territory located within the respective borders of the first through fifth county board of supervisors districts, as those borders existed on July 1, 2018. Each oversight board shall have jurisdiction over each successor agency located within its borders (Health and Safety Code Section 34179(q)(2)).

- If a successor agency has territory located within more than one county board of supervisors' district, the county board of supervisors shall, no later than July 15, 2018, determine which oversight board shall have jurisdiction over that successor agency. The county board of supervisors or their designee shall report this information to the successor agency and the department by the aforementioned date (Health and Safety Code Section 34179(q)(3)).

Health and Safety Code Section 34179(q) does not specify if the city and special district appointees must be from an agency located in the respective supervisorial seat.

**POTENTIAL QUESTIONS**

*What if my county does not currently have an Independent Special District Selection Committee?*

In the case where more than one successor agency exists within the county, an Independent Special District Selection Committee shall be created pursuant to Government Code Section 56332. Each independent special district shall appoint a member representative to the committee and notify the LAFCo of the appointed member. The LAFCo shall then call and conduct a meeting of the committee, pursuant to Section 56332, for purposes of appointing a representative to the countywide RDA oversight board.



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*Does the Independent Special District Selection Committee also select an alternate, as it does with LAFCo commissioners? How should a vacancy be addressed?*

The strictest interpretation of the statute only authorizes the appointment of one person, but a reasonable argument can be made for the appointment of an alternate. The Legislature expressly incorporated Government Code Section 56332 without elaboration, and that section allows for alternates.

Health and Safety Code Section 34179 does not mention alternates for the countywide oversight boards, but does allow each appointing authority to appoint an alternate for the current individual oversight boards (prior to the consolidation into a countywide oversight board) (Health and Safety Code Section 34179(a)(11)). The selection process outlined in Government Code Section 56332(c) includes the selection of an alternate for the commission.

To resolve any ambiguity, the Independent Special District Selection Committee may choose to adopt local policies, pursuant to its authority in Government Code section 56332, expressly authorizing the appointment of an alternate.

If the LAFCo Executive Officer/Designee anticipates a vacancy will occur – or if an actual vacancy occurs – an election may be held for a representative to the countywide oversight board (Government Code section 56332(b)).

*What is the term of an appointment to the countywide RDA oversight board?*

Nothing in Health and Safety Code Section 34179 describes terms for members of the oversight board. Rather, Section 34179(g) provides that "Each member of an oversight board shall serve at the pleasure of the entity that appointed such member."

*Can an appointee be replaced mid-term?*

Yes; nothing in Health and Safety Code Section 34179 describes terms for members of the oversight board. Rather, Section 34179(g) provides that "Each member of an oversight board shall serve at the pleasure of the entity that appointed such member."

*Can the Independent Special District Selection Committee replace a special district representative appointed by the governor due to a vacancy?*

While not clearly outlined within the relevant statutes, the intent of having locally appointed representatives on the oversight board is undermined if the law is interpreted such that seats could become, essentially, permanent representatives of the governor.

That being said, Independent Special District Selection Committees are strongly encouraged to appoint a representative no later than July 15, 2018, and within 60 days of any vacancy thereafter, in order to avoid this potential question.

*What should a LAFCo do where the law is not explicit as to the process for appointments to the countywide RDA oversight board?*

LAFCos should adopt local commission policies. Government Code Section 56300 allows LAFCos to adopt local policies either to clarify requirements or specify how a LAFCo will implement State law taking into account the local conditions. Case law has also indicated that these policies are allowed so long as they are not in conflict with State law.



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For example, Government Code 56325(d) indicates that, notwithstanding any other provision of the Cortese-Knox-Hertzberg Act, each LAFCo can appoint one member and one alternate member who represents the public at large. The same section goes on to specify that the appointment of the public and alternate members must be subject to an affirmative vote of at least one of the members from the other appointed authorities; and it also specifies the noticing requirements to announce the vacancy in this position. Section 56325(d) does not contain any direction for the process of appointing public members, nor does it have an indication of the vetting process for candidates eligible to be appointed to this position. With this unclear in the law, some LAFCos have adopted policies to clarify and indicate the basic appointment process.

LAFCos may establish local policies for appointing special district representatives to the countywide RDA oversight board, so long as they are not in conflict with State law.

## DEFINITIONS

### *Taxing entities*

Cities, counties, a city and county, special districts, and school entities, as defined in subdivision (f) of Section 95 of the Revenue and Taxation Code, that receive passthrough payments and distributions of property taxes pursuant to the provisions of this part (Health and Safety Code Section 34171(k)).

### *Executive officer*

The executive officer or designee as authorized by the Local Agency Formation Commission (Government Code Section 56332(g)).



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**APPENDIX**

**HEALTH AND SAFETY CODE**

**DIVISION 24. COMMUNITY DEVELOPMENT AND HOUSING [33000 - 37964]** (*Heading of Division 24 amended by Stats. 1975, Ch. 1137. )*

**PART 1.85. DISSOLUTION OF REDEVELOPMENT AGENCIES AND DESIGNATION OF SUCCESSOR AGENCIES [34170 - 34191.6]** (*Part 1.85 added by Stats. 2011, 1st Ex. Sess., Ch. 5, Sec. 7. )*

**CHAPTER 4. Oversight Boards [34179 - 34181]** (*Chapter 4 added by Stats. 2011, 1st Ex. Sess., Ch. 5, Sec. 7. )*

**34179. (a)** Each successor agency shall have an oversight board composed of seven members. The members shall elect one of their members as the chairperson and shall report the name of the chairperson and other members to the Department of Finance on or before May 1, 2012. Members shall be selected as follows:

- (1) One member appointed by the county board of supervisors.
- (2) One member appointed by the mayor for the city that formed the redevelopment agency.
- (3) (A) One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is of the type of special district that is eligible to receive property tax revenues pursuant to Section 34188.  
(B) On or after the effective date of this subparagraph, the county auditor-controller may determine which is the largest special district for purposes of this section.
- (4) One member appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.
- (5) One member appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.
- (6) One member of the public appointed by the county board of supervisors.
- (7) One member representing the employees of the former redevelopment agency appointed by the mayor or chair of the board of supervisors, as the case may be, from the recognized employee organization representing the largest number of former redevelopment agency employees employed by the successor agency at that time. In the case where city or county employees performed administrative duties of the former redevelopment agency, the appointment shall be made from the recognized employee organization representing those employees. If a recognized employee organization does not exist for either the employees of the former redevelopment agency or the city or county employees performing administrative duties of the former redevelopment agency, the appointment shall be made from among the employees of the successor agency. In voting to approve a contract as an enforceable obligation, a member appointed pursuant to this paragraph shall not be deemed to be interested in the contract by virtue of being an employee of the successor agency or community for purposes of Section 1090 of the Government Code.
- (8) If the county or a joint powers agency formed the redevelopment agency, then the largest city by acreage in the territorial jurisdiction of the former redevelopment agency may select one member. If there are no cities with territory in a project area of the redevelopment agency, the county superintendent of education may appoint an additional member to represent the public.
- (9) If there are no special districts of the type that are eligible to receive property tax pursuant to Section 34188, within the territorial jurisdiction of the former redevelopment agency, then the county may appoint one member to represent the public.



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(10) If a redevelopment agency was formed by an entity that is both a charter city and a county, the oversight board shall be composed of seven members selected as follows: three members appointed by the mayor of the city, if that appointment is subject to confirmation by the county board of supervisors, one member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the former redevelopment agency, which is the type of special district that is eligible to receive property tax revenues pursuant to Section 34188, one member appointed by the county superintendent of education to represent schools, one member appointed by the Chancellor of the California Community Colleges to represent community college districts, and one member representing employees of the former redevelopment agency appointed by the mayor of the city if that appointment is subject to confirmation by the county board of supervisors, to represent the largest number of former redevelopment agency employees employed by the successor agency at that time.

(11) Each appointing authority identified in this subdivision may, but is not required to, appoint alternate representatives to serve on the oversight board as may be necessary to attend any meeting of the oversight board in the event that the appointing authority's primary representative is unable to attend any meeting for any reason. If an alternate representative attends any meeting in place of the primary representative, the alternate representative shall have the same participatory and voting rights as all other attending members of the oversight board.

(b) The governor may appoint individuals to fill any oversight board member position described in subdivision (a) that has not been filled by May 15, 2012, or any member position that remains vacant for more than 60 days.

(c) The oversight board may direct the staff of the successor agency to perform work in furtherance of the oversight board's and the successor agency's duties and responsibilities under this part. The successor agency shall pay for all of the costs of meetings of the oversight board and may include such costs in its administrative budget. Oversight board members shall serve without compensation or reimbursement for expenses.

(d) Oversight board members are protected by the immunities applicable to public entities and public employees governed by Part 1 (commencing with Section 810) and Part 2 (commencing with Section 814) of Division 3.6 of Title 1 of the Government Code.

(e) A majority of the total membership of the oversight board shall constitute a quorum for the transaction of business. A majority vote of the total membership of the oversight board is required for the oversight board to take action. The oversight board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974. All actions taken by the oversight board shall be adopted by resolution.

(f) All notices required by law for proposed oversight board actions shall also be posted on the successor agency's Internet Web site or the oversight board's Internet Web site.

(g) Each member of an oversight board shall serve at the pleasure of the entity that appointed such member.

(h) (1) The department may review an oversight board action taken pursuant to this part. Written notice and information about all actions taken by an oversight board shall be provided to the department as an approved resolution by electronic means and in a manner of the department's choosing. Without abrogating the department's authority to review all matters related to the Recognized Obligation Payment Schedule pursuant to Section 34177, oversight boards are not required to submit the following oversight board actions for department approval:

(A) Meeting minutes and agendas.

(B) Administrative budgets.

(C) Changes in oversight board members, or the selection of an oversight board chair or vice chair.

(D) Transfers of governmental property pursuant to an approved long-range property management plan.



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(E) Transfers of property to be retained by the sponsoring entity for future development pursuant to an approved long-range property management plan.

(2) An oversight board action submitted in a manner specified by the department shall become effective five business days after submission, unless the department requests a review of the action. Each oversight board shall designate an official to whom the department may make those requests and who shall provide the department with the telephone number and e-mail contact information for the purpose of communicating with the department pursuant to this subdivision. Except as otherwise provided in this part, in the event that the department requests a review of a given oversight board action, it shall have 40 days from the date of its request to approve the oversight board action or return it to the oversight board for reconsideration and the oversight board action shall not be effective until approved by the department. In the event that the department returns the oversight board action to the oversight board for reconsideration, the oversight board shall resubmit the modified action for department approval and the modified oversight board action shall not become effective until approved by the department. If the department reviews a Recognized Obligation Payment Schedule, the department may eliminate or modify any item on that schedule prior to its approval. The county auditor-controller shall reflect the actions of the department in determining the amount of property tax revenues to allocate to the successor agency. The department shall provide notice to the successor agency and the county auditor-controller as to the reasons for its actions. To the extent that an oversight board continues to dispute a determination with the department, one or more future Recognized Obligation Payment Schedules may reflect any resolution of that dispute. The department may also agree to an amendment to a Recognized Obligation Payment Schedule to reflect a resolution of a disputed item; however, this shall not affect a past allocation of property tax or create a liability for any affected taxing entity.

(i) Oversight boards shall have fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188. Further, the provisions of Division 4 (commencing with Section 1000) of the Government Code shall apply to oversight boards. Notwithstanding Section 1099 of the Government Code, or any other law, any individual may simultaneously be appointed to up to five oversight boards and may hold an office in a city, county, city and county, special district, school district, or community college district.

(j) Except as specified in subdivision (q), commencing on and after July 1, 2018, in each county where more than one oversight board was created by operation of the act adding this part, there shall be only one oversight board, which shall be staffed by the county auditor-controller, by another county entity selected by the county auditor-controller, or by a city within the county that the county auditor-controller may select after consulting with the department. Pursuant to Section 34183, the county auditor-controller may recover directly from the Redevelopment Property Tax Trust Fund, and distribute to the appropriate city or county entity, reimbursement for all costs incurred by it or by the city or county pursuant to this subdivision, which shall include any associated startup costs. However, if only one successor agency exists within the county, the county auditor-controller may designate the successor agency to staff the oversight board. The oversight board is appointed as follows:

- (1) One member may be appointed by the county board of supervisors.
- (2) One member may be appointed by the city selection committee established pursuant to Section 50270 of the Government Code. In a city and county, the mayor may appoint one member.
- (3) One member may be appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188.
- (4) One member may be appointed by the county superintendent of education to represent schools if the superintendent is elected. If the county superintendent of education is appointed, then the appointment made pursuant to this paragraph shall be made by the county board of education.
- (5) One member may be appointed by the Chancellor of the California Community Colleges to represent community college districts in the county.
- (6) One member of the public may be appointed by the county board of supervisors.



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- (7) One member may be appointed by the recognized employee organization representing the largest number of successor agency employees in the county.
- (k) The governor may appoint individuals to fill any oversight board member position described in subdivision (j) that has not been filled by July 15, 2018, or any member position that remains vacant for more than 60 days.
- (l) Commencing on and after July 1, 2018, in each county where only one oversight board was created by operation of the act adding this part, then there will be no change to the composition of that oversight board as a result of the operation of subdivision (j).
- (m) Any oversight board for a given successor agency, with the exception of countywide oversight boards, shall cease to exist when the successor agency has been formally dissolved pursuant to Section 34187. A county oversight board shall cease to exist when all successor agencies subject to its oversight have been formally dissolved pursuant to Section 34187.
- (n) An oversight board may direct a successor agency to provide additional legal or financial advice than what was given by agency staff.
- (o) An oversight board is authorized to contract with the county or other public or private agencies for administrative support.
- (p) On matters within the purview of the oversight board, decisions made by the oversight board supersede those made by the successor agency or the staff of the successor agency.
- (q) (1) Commencing on and after July 1, 2018, in each county where more than 40 oversight boards were created by operation of the act adding this part, there shall be five oversight boards, which shall each be staffed in the same manner as specified in subdivision (j). The membership of each oversight board shall be as specified in paragraphs (1) through (7), inclusive, of subdivision (j).
- (2) The oversight boards shall be numbered one through five, and their respective jurisdictions shall encompass the territory located within the respective borders of the first through fifth county board of supervisors districts, as those borders existed on July 1, 2018. Except as specified in paragraph (3), each oversight board shall have jurisdiction over each successor agency located within its borders.
- (3) If a successor agency has territory located within more than one county board of supervisors' district, the county board of supervisors shall, no later than July 15, 2018, determine which oversight board shall have jurisdiction over that successor agency. The county board of supervisors or their designee shall report this information to the successor agency and the department by the aforementioned date.
- (4) The successor agency to the former redevelopment agency created by a county where more than 40 oversight boards were created by operation of the act adding this part, shall be under the jurisdiction of the oversight board with the fewest successor agencies under its jurisdiction.

*(Amended by Stats. 2015, Ch. 325, Sec. 11. Effective September 22, 2015.)*