

MINUTES
REGULAR BOARD MEETING
of the
WEST VALLEY WATER DISTRICT
January 19, 2017

PRESENT **ABSENT**

- ✓
- ✓
- ✓
- ✓

DIRECTORS

Dr. Clifford Young, Sr., President
Linda Gonzalez, Vice President
Gregory Young, Director
Donald Olinger, Director

STAFF

- ✓
- ✓
- ✓
- ✓
- ✓
- ✓
- ✓
- ✓

Matthew H. Litchfield, P.E., General Manager
Robert Christman, Interim Chief Financial Officer
Karen Logue, Human Resources/Risk Manager
Wendy Strack, External Affairs Manager
Linda Jadeski, Engineering Services Manager
Jon Stephenson, Business Systems Manager
Joanne Chan, Operations Manager
Shanae Smith, Board Secretary

LEGAL

- ✓

David J. Olivas, Tafoya & Garcia, LLP

VISITORS

June Hayes, Director, SBV Municipal Water District
Gil Navarro, Vice President, SBV Municipal Water District
Susan Lien-Longville, President, SBV Municipal Water District
Ana Gonzalez, Rialto Unified School District
Phil Cothran
Ed Palmer
Danielle Maurizio
Anthony and Diana Araiza
Scott Olson, Tea Party
Jerry and Jackie Cox

VISITORS cont.

**Mark Alvarez
Amos Young
Lynn Summers**

The Regular meeting of the Board of Directors was called to order by Dr. Clifford Young, Sr., at 6:00 p.m. at the District Headquarters, 855 W. Baseline Road, Rialto, CA.

OPENING CEREMONIES

Pledge of Allegiance – Director Donald Olinger
Opening Prayer – Director Gregory Young
Roll Call of Board Members – Quorum

ADOPT AGENDA

Director Young made a motion to Adopt the Agenda, seconded by Director Olinger. The motion carried by the following unanimous vote:

Ayes: Directors: **Gonzalez, Olinger, Young, Young, Sr.**
Noes: Directors: None
Absent: Directors: None
Abstain: Directors: None

PUBLIC PARTICIPATION

President Young indicated that any person wishing to speak to the West Valley Water District (“District”) Board of Directors (“Board”) on matters listed or not listed on the agenda, within its jurisdiction, is asked to complete a Speaker Card and submit it to the District Clerk. Each speaker is limited to three (3) minutes. Under the State of California Brown Act, the Board is prohibited from discussing or taking action on any item not listed on the posted agenda. Comments related to noticed Public Hearing(s) and Business Matters will be heard during the occurrence of the item.

Mr. Gil Navarro, Vice President of the San Bernardino Valley Municipal Water District (“Valley District”), Division II, announced an upcoming community event scheduled for Saturday, January 28th, located at the new E. Street Park (“Park”), regarding planning activities for the Park and community orientation. Mr. Navarro also commented that an official grand opening ceremony would take place in February, 2017.

President Young congratulated Mrs. Susan Lien-Longville, President of Valley District, Division III and invited her to address the Board. Ms. Longville thanked President Young for the congratulatory comments and stated she looked forward to working closely with the District Board over the course of the next two (2) years as Valley District President, in any way that she can.

Ms. June Hayes, Director of Valley District, Division I congratulated the Board on the progress being made on the Oliver P. Roemer Water Treatment Plant (“OPRWTP”) Hydro-electric Plant, as well as getting to the point of appointing a new director.

Appointment of Director to Fill Board Vacancy.

President Young stated this is the time to discuss the appointment of a director to fill the Board vacancy. President Young summarized the vacancy process pursuant to Government Code Section 1780 and stated the Board would hear from each of the candidates who submitted letters of intent for appointment to the vacant Board seat in alphabetical order, as follows:

1. Mr. Anthony (“Butch”) Araiza
2. Mr. Phil Cothran
3. Mr. Edward Palmer
4. Mr. Michael Ray Taylor

President Young announced that Board members may ask questions of each candidate and that the public may address the Board during the vacancy process. If the process is not completed, the Board will discuss options and whether to proceed with a special election or to refer the matter to the San Bernardino County (“County”) Board of Supervisors. After discussion, the Board acknowledged the candidates in alphabetical order as follows:

1. Mr. Araiza (“Butch”) Araiza - Mr. Araiza remarked that he would like to have a position on the Board of Directors, as he has a vast experience in water and that he had been an employee of this District for fifty-two years. Mr. Araiza answered questions from the Board and led a discussion regarding the District’s history and his related experience as previous general manager.
2. Mr. Phil Cothran – Mr. Cothran identified his relationship with members of the Board, including him and Vice President Gonzalez’ association with the Chamber of Commerce and and the City of Fontana (“Fontana”). Mr. Cothran introduced his wife, Lena of thirty-seven years and also described his community experience over the past thirty-five years as a business owner in Fontana, his family history, as well as his education. Mr. Cothran expressed that he would bring dimension to the south end of the District’s service area. Mr. Cothran answered questions from the Board.
3. Mr. Edward Palmer – Mr. Palmer thanked Board members for allowing him to speak regarding his letter of interest and desire to give to the City of Rialto (“Rialto”) and to the District. Mr. Palmer expressed his intent to serve on the Board and referred to his related experience of the past eight (8) years on the Rialto City Council and his involvement on the Rialto Water Committee dealing with water issues related to perchlorate. Mr. Palmer commented on other candidates for the Board vacancy and their related experience, as well as his knowledge of and relationship with existing Board members. Mr. Palmer answered questions from the Board.
4. Michael Ray Taylor – President Young noted that Mr. Taylor was not present, however, he attended the January 5th regular Board meeting and had an opportunity to address the Board

and entertain their questions at that time.

Ms. Ana Gonzalez, Rialto Unified School District (“RUSD”) remarked she has been involved in politics for the past two years and getting to know the local, county and state officials. Mrs. Gonzalez expressed support for Mr. Palmer, as he had always been the first person to listen to her concerns and assist her. Mrs. Gonzalez also commented she had been a District customer for nine (9) years and recently moved out of the District. She congratulated the Board and Staff for the amazing job they are doing. Mrs. Gonzalez concluded that Mr. Palmer cares for the community, will always put the customer first, has respect for the City and will continue to move the District forward.

Mr. Amos Young, former District Representative to Assemblymember Amina Carter stated that Mr. Palmer has committed himself to serving others above self. When making public policy, you could make a decision as political, or you could make a decision that is what is good for your community. Judge Edward Palmer has lived a life of public service and has shown a true commitment to always working in partnership to deliver results. Mr. Palmer is the leader who is ready to take on the role immediately, who has not only the experience but the time available to fully commit to working in partnership with this body to deliver results for the ratepayers. Mr. Young remarked that it is an honor to stand before the Board, recently returning from Washington, D.C., where he had the honor of serving in the Office of Public Engagement. We have much work to do to unify and build bridges, while also ensuring that we stand up for tax payers, which means thinking outside of the box and delivering greater results. How do we secure millions of dollars in grant funding to take care of our liabilities? Mr. Palmer’s experience as a leader, a member of the Council where he had the pleasure of working with him on the perchlorate issues, his experience would yield a great partnership, not a great politician, but a great partner in satisfying the needs of not only our ratepayers, but also our stakeholders.

Mr. Scott Olson, Tea Party member commented that four (4) out of five (5) is a good accomplishment, as it has been a challenge for the District, trying to fill the fifth seat. Mr. Araiza, fifty-two years working for the District is a long time, and he knows it backwards and forwards. It’s a good thing and also not a good thing. While it is very easy to say that I can switch over to the other side, and I won’t take my entire lifelong worth of work and apply it toward the new manager. As a director, he has a direct knowledge in working relationship with many individuals. That could be a bonus, but on the flip side that could create issues and problems. You cannot put a lifetime of what you did and all of a sudden be something different. There will always be a struggle going on. Two things that got his attention and concern with Mr. Araiza’s statement; 1) Desert climate - We are in a Mediterranean climate and if you treat us like a desert, you won’t understand the reality. 2) Policy-on the Board of Directors - It is all about understanding policy. Other candidates expressed their experience with policy for a long time. Mr. Cothran’s name comes up all the time regarding policy and you need someone who knows what the focus of policy is. When it comes to running on the Board, it’s not like being the manager. You need someone who understands the political nature of things and understands the role of a Board member. With Mr. Cothran’s history with working on Boards, how can he not know how to work with the District Board?

Following public comments, Vice President Gonzalez made a motion to Appoint Mr. Anthony Araiza to Fill the Board Vacancy, seconded by Director Olinger. The motioned failed by the following vote:

Ayes: Directors: **Gonzalez, Olinger**
Noes: Directors: **Young, Young, Sr.**
Absent: Directors: **None**
Abstain: Directors: **None**

Director Young made a motion to Appoint Mr. Phil Cothran to Fill the Board Vacancy, seconded by President Young. The motioned failed by the following vote:

Ayes: Directors: **Young, Young, Sr.**
Noes: Directors: **Gonzalez, Olinger**
Absent: Directors: **None**
Abstain: Directors: **None**

Director Olinger made a motion to Appoint Mr. Edward Palmer to Fill the Board Vacancy, seconded by Director Young. Following discussion, the motioned failed by the following vote:

Ayes: Directors: **Young, Young, Sr.**
Noes: Directors: **Gonzalez, Olinger**
Absent: Directors: **None**
Abstain: Directors: **None**

Director Young made a motion to Appoint Mr. Michael Ray Taylor to Fill the Board Vacancy, seconded by President Young. The motioned failed by the following vote:

Ayes: Directors: **Young, Young, Sr.**
Noes: Directors: **Gonzalez, Olinger**
Absent: Directors: **None**
Abstain: Directors: **None**

Following discussion regarding the next steps in the vacancy process and the Board's options, Vice President Gonzalez made a motion to refer the Appointment of Director to Fill the Board Vacancy to the County Board of Supervisors, seconded by Director Olinger. The motion was amended by legal counsel to refer the Appointment of a member to the Board of Directors to the West Valley Water District to the County Board of Supervisors of San Bernardino, as the Board by split vote cannot decide whether to appoint, or call for a special election. The maker of the motion approved the amendment. Following discussion, the motion carried by the following unanimous vote:

Ayes: Directors: **Gonzalez, Olinger, Young, Young, Sr.**
Noes: Directors: **None**
Absent: Directors: **None**
Abstain: Directors: **None**

CONSENT CALENDAR

A motion was made by Director Young to Approve the Consent Calendar, seconded by Director Olinger. The motion carried by the following unanimous vote:

Ayes:	Directors: Gonzalez, Olinger, Young, Young, Sr.
Noes:	Directors: None
Absent:	Directors: None
Abstain:	Directors: None

PUBLIC HEARING

None

BUSINESS MATTERS

- 1. Approval of a Three-Year Professional Services Agreement to California Landscape & Design, Inc. for Landscape Maintenance Services of District-Owned Properties** – Following discussion, a motion was made by Director Young to Approve a Three-Year Professional Services Agreement to California Landscape & Design, Inc. for Landscape Maintenance Services of District-Owned Properties, seconded by Vice President Gonzalez. The motion carried by the following unanimous vote:

Ayes:	Directors: Gonzalez, Olinger, Young, Young, Sr.
Noes:	Directors: None
Absent:	Directors: None
Abstain:	Directors: None

- 2. Approval of Task Order No. 2 for Geohydrologic Services Related to the Characterization of the Inland Valley Development Agency Wells to Geoscience Support Services** – Following discussion, a motion was made by Vice President Gonzalez to Approve Task Order No. 2 for Geohydrologic Services Related to the Characterization of the Inland Valley Development Agency Wells to Geoscience Support Services, seconded by Director Young. The motion passed by the following unanimous vote:

Ayes:	Directors: Gonzalez, Olinger, Young, Young, Sr.
Noes:	Directors: None
Absent:	Directors: None
Abstain:	Directors: None

3. Approval of the Rockets, Fireworks and Flares Superfund Site Remediation Agreement Between Goodrich Corporation and West Valley Water District – Following discussion, a motion was made by Vice President Gonzalez to Approve the Rockets, Fireworks and Flares Superfund Site Remediation Agreement between the Goodrich Corporation and the West Valley Water District, seconded by Director Young. The motion carried by the following unanimous vote:

Ayes:	Directors: Gonzalez, Olinger, Young, Young, Sr.
Noes:	Directors: None
Absent:	Directors: None
Abstain:	Directors: None

President Young noted that without the intervention of the President of this Board to people within the UTC and the Environmental Protection Agency (“EPA”), this deal would not be done tonight. That is a quote out of the narrow definition of policy. The people using term for a policy for a Board of Directors need to go back and understand what policy means. This deal would not have been done without direct contact with high levels in UTC and also within EPA, without paying \$100,000 a month to consultants and attorneys. This is huge for the District and the community. President Young thanked everyone for their work on it.

REPORTS – LIMITED TO 5 MINUTES MAXIMUM (Presentations or handouts must be provided to Board Members in advance of Board Meeting).

1. Board Reports

Vice President Gonzalez reported on the following:

- a. Thanked all the candidates that came out to seek the appointment and that she read all the resumes three (3) times. Congratulated the candidates on their accomplishments. She has lived in the same house for twenty-eight years and has been a District customer since the track homes were built twenty-eight years ago. She is a stickler for experience, nothing personal.
- b. Thanked Mrs. Jackie Cox, previous Board member for her leadership and making sure that those grant funds were obtained and staying with the previous Staff and administration. Thanked everyone for coming out for the process.

Director Olinger reported on the following:

- a. Thanked President Young for handling the vacancy process very delicately, as it was a tough decision for everyone. Looking forward to the Board of Supervisors selecting a good candidate to fill the vacant seat.

Director Young reported on the following:

- a. Thanked the candidates for their interest and attendance at the meeting with their loved ones, friends and family. This is a very difficult decision and we all have different ideas as far as the direction of this District.
- b. Congratulated Valley District President, Susan Lien-Longville and thanked Directors Gil Navarro and June Hayes for attending the meeting, as well as others in the audience. Also very thrilled about the new Hydro-electric plant at the OPRWTP and glad to see it getting close to completion.

President Young had no report.

2. Legal Counsel/Consultants

No report.

3. General Manager

Mr. Litchfield reported on the following:

- a. Staff is working on the Mid-Year Budget Review. A draft will be provided to the Board for review in advance of the upcoming special Board meeting scheduled for February 3, 2017, at 6:00 p.m.

4. Interim Chief Financial Officer

No report.

5. Operations Manager

Ms. Joanne Chan reported on the following:

- a. The Oliver P. Roemer Water Treatment Plant is producing 2.9 mgd.
- b. Lytle Creek flow is at 3.4 mgd.
- c. Due to low water demand, the District is not currently taking any State Water Project (SWP).
- d. The FBR Treatment Plant is treating 2.9 mgd.
- e. Rainfall Totals Update – Presented a slide, which indicated that since October, 2016, Headquarters recorded 10.7 in., and Zone 8 recorded 21.8 in. and the South Shop in Bloomington recorded 10 in. Presented a graph comparing historic totals are trending just slightly below to the 1968/69 and 1982/83 El Nino periods. A discussion ensued regarding previous El Niño predictions.

6. Treasurer

No report.

7. Engineering Services Manager

No report.

8. External Affairs

Ms. Wendy Strack reported on the following:

External Affairs Conservation Standard Update – Referenced the packet outlining the District’s conservation goals in the month of December, when compared to 2013, the District had a 21% greater savings. The cumulative percentage since June, 2016 is 22%. Dates have been set for Landscape Classes, included in the packet, a report on education programs, as well as news articles mentioning the District. President Young asked for clarification pertaining to the WaterSmart grant and issues related to residents who do not possess a sprinkler or plumbing system in order to take advantage of the program. Ms. Strack clarified those issues are specific to the Water-Energy Community Action Network (WE CAN) state grant with the Santa Ana Water Project Authority (“SAWPA”). Customers are reporting their inability to meet the standard of having a working irrigation system. There is not enough money in the grant to provide for landscaping and the District must pursue projects with customers who have an existing irrigation system. Staff is finalizing a Memorandum of Understanding (“MOU”) with SAWPA to implement the Bureau of Reclamation (“BOR”) WaterSmart Grant Program, which will also require customers to have an existing irrigation system. A discussion ensued regarding whether the WaterSmart Grant Program would allow for the District to pay for sprinkler systems.

9. Human Resources/Risk Manager

No report.

10. Business Systems Manager

No report.

11. Board Secretary

No report.

FUTURE AGENDA ITEMS

President Young requested legal counsel include Board members on the correspondence to the County Board of Supervisors regarding the Board vacancy.

INFORMATION

None.

**THERE BEING NO FURTHER BUSINESS, PRESIDENT YOUNG MOVED TO
ADJOURN THE MEETING AT 7:21 P.M.**

Dr. Clifford Young, Sr.
President of the Board of Directors
of West Valley Water District

ATTEST:

Shanae Smith, Board Secretary