

MINUTES
REGULAR BOARD MEETING
of the
WEST VALLEY WATER DISTRICT
October 5, 2017

Attendee Name	Present	Absent
Board Members		
Donald Olinger, President	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Linda Gonzalez, Vice President	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Clifford Young, Director	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gregory Young, Director	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Robert Bourland, Director	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Staff		
Matthew Litchfield, General Manager	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Greg Gage, Assistant General Manager	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marie Ricci, Chief Financial Officer	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Karen Logue, Human Resources/Risk Manager	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Wendy Strack, External Affairs Manager	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Linda Jadeski, Engineering Services Manager	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Joanne Chan, Operations Manager	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jon Stephenson, Business Systems Manager	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Shanae Smith, Board Secretary	<input checked="" type="checkbox"/>	<input type="checkbox"/>
General Legal Counsel		
Michael D Davis, Gresham Savage Nolan & Tilden, PC	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Derek Hoffman, Gresham Savage Nolan & Tilden, PC	<input checked="" type="checkbox"/>	<input type="checkbox"/>

VISITORS

June D. Hayes, Director, SBV Municipal Water District
Anthony and Diana Araiza, Residents

OPENING CEREMONIES

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

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ADOPT AGENDA

Following discussion, a motion was made by Vice President Gonzalez to adopt the Agenda as presented, seconded by Director Bourland.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Linda Gonzalez, Vice President
SECONDER:	Robert Bourland, Director
AYES:	Donald Olinger, Linda Gonzalez, Clifford Young, Gregory Young, Robert Bourland

PUBLIC PARTICIPATION

This item was taken out of order.

Ms. June D. Hayes, Director of the San Bernardino Valley Municipal Water District ("Valley District") commented that on the third Tuesday of the month, the Utilities Commission will be hearing the California Water Fix presentation or one very similar to it, and it will be videotaped.

CONSENT CALENDAR

Director Young, Sr. requested that the Minutes of the September 21, 2017 be amended by striking the last paragraph on Page 14, as it does not refer to policy issues, but personal attacks on individuals and should not be reflected in the record. After discussion, it was agreed that the last paragraph did not belong in "Future Agenda Items." Following discussion, Director G. Young made a motion to Approve the balance of the Consent Calendar and to consider Item No. 2, Approval of the August Cash Disbursements Reports separately, seconded by Vice President Gonzalez with discussion. Following discussion, the motion passed by the following vote:

RESULT:	ADOPTED [4 TO 1]
MOVER:	Gregory Young, Director
SECONDER:	Linda Gonzalez, Vice President
AYES:	Donald Olinger, Linda Gonzalez, Clifford Young, Robert Bourland
ABSTAIN:	Gregory Young, Director

APPROVAL OF AUGUST 2017 CASH DISBURSEMENTS REPORT

Director G. Young led a discussion regarding his concern for a payment of \$11,300 made to Maria Kennedy, as she has not been under contract for a year and that invoices had not been brought before the Board for approval, as they always have in the past. General Manager Matthew Litchfield

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stated that Maria Kennedy had a contract with the District some time ago and outstanding invoices were paid and honored per contract, and in amounts well within his authority per the contract. Director Young asked whether the invoices could be provided to the Board. Director Young, Sr. requested that a detailed invoice and who signed the check be provided to the Board this evening and that a break be taken to allow the General Manager to gather the data. Vice President Gonzalez commented that Ms. Kennedy was one of our consultants who did a lot of work and wrote the grant for the WaterSmart program. Ms. Kennedy was under contract for \$55,000 for state local grants and \$55,000 for representation at the federal level, for a total of \$110,000. The grant which was a miracle, went through. Vice President Gonzalez commented that Ms. Kennedy told her that she submitted the invoices and Director Young, Sr. held those invoices and placed them at someone's desk and that she was not paid. This is not fair because we paid Director Young, Sr.'s friend, Mr. William Lawry, the federal lobbyist, and flew him in for the celebration. Ms. Kennedy did the work and she should get paid. Director Bourland inquired whether the invoice was within the General Manager's signing authority. Mr. Litchfield answered "yes" and that he will review the policy for clarification. Following a lengthy discussion, Director G. Young made a motion to postpone Consent Item No. 2 Approval of August 2017 Cash Disbursements Report to the end of the agenda in order to give Staff a sufficient amount of time to find the information requested, seconded by Director Young, Sr. Director Bourland amend the motion to authorize Staff to postpone presentation of the necessary information to substantiate the invoice that had already been approved and paid to Kennedy Communications until the next meeting, seconded by Vice President Gonzalez. Director Young, Sr. commented that he did not want to delay, but to preserve whatever documents are available for this particular invoice and that he did not want the opportunity for new documents to come in or for the present documents to be altered in any way and that Director Bourland's amendment would delay those records. Director Bourland asked that the General Manager and the Chief Financial Officer ("CFO") state that they will only bring information that had already been provided and not seek to gather additional information. Director Young, Sr. requested that General Legal Counsel Mr. Michael D. Davis ensure before the evening is up that the records are preserved and clarified that the Board needed to take action on the balance of the item. General Counsel Davis agreed to stay following the meeting to collect and receipt the information presently existing and to present it to the Board at the next meeting. As clarified, the motion passed by the following vote:

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Robert Bourland, Director
SECONDER:	Linda Gonzalez, Vice President
AYES:	Donald Olinger, Linda Gonzalez, Robert Bourland, Clifford Young, Gregory Young

Following discussion, Director Bourland made a subsequent motion to Approve the balance of the August 2017 Cash Disbursements Report, with the exception of the Kennedy Communications invoice, seconded by Director Young. The motion carried by the following vote:

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RESULT:	APPROVED [4 TO 1]
MOVER:	Robert Bourland, Director
SECONDER:	Gregory Young, Director
AYES:	Donald Olinger, Linda Gonzalez, Gregory Young, Robert Bourland
ABSTAIN:	Clifford Young, Director

PUBLIC HEARING

None.

BUSINESS MATTERS

- 1. CALIFORNIA WATER FIX PRESENTATION – BY SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT** - Mr. Litchfield introduced Mr. Douglas Headrick, General Manager of the San Bernardino Valley Municipal Water District ("Valley District"), who presented the California Water project. Mr. Headrick described the history of the State Water Project ("SWP") water, water supply reliability issues we are facing that the project solves through infrastructure, operations for water supply and the costs and affordability associated with the project. Following the presentation, Mr. Headrick answered questions from the Board. The Board thanked Mr. Headrick for a great presentation.
- 2. RECEIVE AND FILE THE OTHER POST-EMPLOYMENT BENEFITS (OPEB) ACTUARIAL ENDING JUNE 30, 2016 AND APPROVE THE ALLOCATION OF \$543,000 TO CONTRIBUTE TO THE CERBT TO BEGIN PREFUNDING OF THE DISTRICT’S OPEB** – Director Young, Sr. made a motion to receive and file the Other Post-Employment Benefits (“OPEB”) Actuarial Ending June 30, 2016 and Approve the Allocation of \$543,000 to Contribute to the CERBRT to Begin Prefunding of the District’s OPEB, seconded by Director Young. The motion passed by the following vote:

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Clifford Young, Director
SECONDER:	Gregory Young, Director
AYES:	Donald Olinger, Linda Gonzalez, Clifford Young, Gregory Young, Robert Bourland

- 3. APPROVAL OF COMPENSATION AGREEMENTS WITH THE CITY OF RIALTO**
 Director Young, Sr. made a motion to Approve the Compensation Agreements with the City of Rialto, seconded by Director Young. The motion passed by the following vote:

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RESULT:	APPROVED [UNANIMOUS]
MOVER:	Clifford Young, Director
SECONDER:	Gregory Young, Director
AYES:	Donald Olinger, Linda Gonzalez, Clifford Young, Gregory Young, Robert Bourland

4. **APPROVAL OF PAYMENT TO LARSEN O'BRIEN, LLP FOR PROFESSIONAL SERVICES RENDERED THROUGH AUGUST 31, 2017; INVOICE NO. 3838; \$2,632.50** - Director Young, Sr. made a motion to Approve Payment to Larson O'Brien, LLP for Professional Services rendered through August 31, 2017; Invoice No. 3838, seconded by Director Young. The motion passed by the following vote:

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Clifford Young, Director
SECONDER:	Gregory Young, Director
AYES:	Donald Olinger, Linda Gonzalez, Clifford Young, Gregory Young, Robert Bourland

5. **APPROVAL OF PAYMENT TO GRESHAM SAVAGE NOLAN & TILDEN, PC FOR PROFESSIONAL SERVICES RENDERED THROUGH AUGUST 31, 2017; STATEMENT NO. W1582 - ALL MATTERS; TOTAL AMOUNT OF \$39,334.72** Director Young, Sr. made a motion to delay consideration of Approval of Payment to Gresham Savage Nolan & Tilden, PC until after Closed Session of the Board meeting, seconded by Director G. Young with discussion. Director Young, Sr. clarified his rationale, and commented that at the last Board meeting that he attended, he had indicated there were a number of questions that he needed to ask General Legal Counsel that cannot be done in Open Session. Director Bourland amended the motion by requesting Approval of Item No. 5 as is, with the understanding that after any discussion, if there are any disputed items that come up in question with any of the Directors, the item could be put on hold and later rectified, as to not delay approval of the work that had already been completed, seconded by Vice President Gonzalez. Discussion continued. Following discussion the amended motion passed.

RESULT:	APPROVED [3 TO 2]
MOVER:	Robert Bourland, Director
SECONDER:	Linda Gonzalez, Vice President
AYES:	Donald Olinger, Linda Gonzalez, Robert Bourland
NAYS:	Clifford Young, Gregory Young

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

1. Board Members

Director G. Young reported on the following:

- a. Thanked Valley District for attending the meeting and making the presentation.
- b. Thanked External Affairs Manager Ms. Wendy Strack for attending the Bloomington Municipal Advisory Council ("MAC") meeting.
- c. Requested that everyone continue to pray for Sergeant Powers, who was wounded in Las Vegas over the weekend. He is one of our deputies who patrols the Bloomington/Fontana area, which covers portions of our District. He has been in critical condition since then and it a very grievous wound to his pelvis, as well as the Ontario Police Officer who was shot in the head and also in critical condition.

Director Bourland had no report.

Vice President Gonzalez reported on the following:

- a. Oct. 2nd - Thanked everyone who was involved with the process of putting the packet together for the Code of Ethics Policy meeting. It was a very successful meeting and she is very happy that we finally have a Code of Ethics Policy. She has been here almost four (4) years and did not like the idea that there was nothing in place.
- b. Oct. 3rd - Attended the Bloomington MAC meeting where the speaker was very informative and discussed disaster planning tips. He talked about extra things regarding earthquakes she had not heard before.
- c. Thanked the General Manager and External Affairs Manager for their attendance at an early morning Kiwanis meeting. Mr. Litchfield presented a PowerPoint presentation on the West Valley Water District, where it is now, and where it's going in the future.
- d. Thanked President Olinger for conducting our meetings very well done and thanked the public for attending the meeting.

Director Young, Sr. reported on the following:

- a. Thanked Mr. Headrick for the presentation and that he flipped him as a supporter based upon the presentation on where the funds are coming from in terms of repairing our system.
- b. Have made several requests as a Board member that have not been received. One being clarification to the Staff of what their responsibilities are in terms of the political activities. Inquired whether the memorandum went out. Mr. Litchfield clarified that he has legal counsel working on it, and that he is in the process of putting it into a policy format.

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Director Young, Sr. commented that it is basic state law and what is the delay and that employees of this District should know what their responsibilities are. We are in the middle of a political season, and the request should have been handled and that he did not know what the delay is. General Legal Counsel Mr. Davis clarified there is a statutory legal requirement that the Board adopt a specific policy covering certain portions of what had been requested. That had not been done in the past and that it had been prepared and presented to the District for consideration. A discussion ensued regarding District personnel policy and state law. Following discussion, Director Young, Sr. requested that the General Manager provide his expense reports by credit card, and his calendar be provided, rather than going through a public records request where games are played, as a Board member he is requesting that. For the last three months, expenses of the General Manager and the executive employees and their calendars, as the Board has a right to know what executive staff, including the Clerk of the Board are using rate payers' resources for and share it with all the Board members, as they have a right to know that.

- c. Thanked Board members for his absence at the last meeting. If he can be here, he will be here. If he can't, he cannot.

President Olinger thanked June D. Hayes, Director of Valley District and that he considers the General Manager the authority on the California Water Fix and requested progress reports, as this is a long-range project. President Olinger also apologized for the demeanor of the meeting.

2. Legal Counsel

- a. Mr. Davis referenced the legal status report on the dais. Director G. Young renewed his request for a copy of the General Legal Counsel contract that he asked for several meetings back, as he is unclear what is considered routine, as there seems to be a lot of activities that should be routine that aren't. Mr. Davis clarified that he transmitted a clean, executed copy to all directors, but that he could resend it. Vice President Gonzalez acknowledged receipt of the transmission to the Board. Mr. Davis will present copies at the next meeting.

3. General Manager

Mr. Litchfield reported on the following:

- a. Draft Board of Directors Handbook - The draft handbook has been completed, which are need to pursue the California Special Districts Association ("CSDA") Transparency Certificate of Excellence awarded by the CSDA Leadership Foundation. Staff will be reaching out in the near future to schedule a special meeting to discuss the handbook.

4. Assistant General Manager

Mr. Greg Gage reported on the following:

- a. Mosquito Infestation - Working with County Vector Control on vegetation abatement in the Cactus Basin No. 2 related to mosquito population in that basin. The work had been completed in the last week of September and the District has filed a completion report with the United States Army Corp of Engineers ("USACE"), some forty-two pages in length to

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terminate its emergency work on October 2nd. The work has been completed and copied to a variety of regional and state agencies. Mr. Gage acknowledged Ms. Joanne Chan, who worked very diligently on this for several weeks. The permits required to accomplish the work, were very significant and challenging to obtain and we are now setting about to obtain a long-term permit, as the infestations are occurring across the area.

5. Chief Financial Officer

Ms. Marie Ricci had no report.

6. Operations Manager

Ms. Joanne Chan reported on the following:

- a. The Oliver P. Roemer Water Treatment Plant (“ORWTP”) is producing 6.5 mgd, up 8 %.
- b. Afterbay - Lytle Creek Flow is down this month for improvement and cleaning.
- c. State Water Project (“SWP”) water flow is at 5.8 mgd, up 36 %.
- d. The FBR Water Treatment Plant is treating 2.9 mgd, its maximum capacity.

7. Engineering Services Manager

Ms. Linda Jadeski had no report.

8. External Affairs Manager

Ms. Strack had no report.

9. Human Resources/Risk Manager

Ms. Karen Logue reported on the following:

- a. Oct. 12th - Year - End Supervisor Training to ensure supervisors have the necessary tools to perform their jobs.

10. Business Systems Manager

Mr. Jon Stephenson had no report.

11. Board Secretary

Ms. Shanae Smith reported on the following:

1. Oct. 16th - Association of San Bernardino County Special Districts Monthly Meeting.

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FUTURE AGENDA ITEMS

Director Young, Sr. stated the Board voted without going out to public bid for legal counsel and that he would like the matter to be resubmitted and he will make a presentation. We were quoted state law above the ordinance of this District, which is incorrect and that he would like an opportunity to speak to that and for it to be placed back on the agenda.

INFORMATION

None.

CLOSED SESSION

At 7:29 p.m. the Board convened to Closed Session to discuss several items. At 8:07 p.m., the Board reconvened to Open Session. Mr. Davis reported on the following:

1. APPROVAL OF CLOSED SESSION MINUTES (RESTRICTED): Regular meeting of July 6, 2017.

Approved by a vote of 3-0, with Vice President Gonzalez and Director Young, Sr. excused.

2. APPROVAL OF CLOSED SESSION MINUTES (UNRESTRICTED): Regular meeting of August 17, 2017

Approved by a vote of 4-0-1, with Director Young, Sr. abstaining.

3. APPROVAL OF CLOSED SESSION MINUTES (C. YOUNG RESTRICTED): Regular meeting of August 17, 2017.

Approved by a vote of 4-0-1, with Director Young, Sr. excused.

4. APPROVAL OF CLOSED SESSION MINUTES (C. YOUNG AND L. GONZALEZ RESTRICTED): Regular meeting of August 17, 2017.

Approved by a vote of 3-0-2, with Vice President Gonzalez and Director Young, Sr. excused.

5. APPROVAL OF CLOSED SESSION MINUTES (UNRESTRICTED): Regular meeting September 21, 2017.

Approved by a vote of 3-0-2, with Director Young and Director Young, Sr. abstaining.

6. APPROVAL OF CLOSED SESSION MINUTES (RESTRICTED): Regular meeting September 21, 2017.

Approved by a vote of 3-0-2, with Director Young, Sr. and Director Young abstaining.

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Approved the (C. YOUNG AND L. GONZALEZ RESTRICTED) minutes by a vote of 3-0-2, with Vice President Gonzalez and Director Young, Sr. excused.

7. APPROVAL OF REJECTION LETTER - Ljot Inglis, Claim Number 18-18-0079 (WVWD). – No reportable action.

8. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54656.9(a): FPPC Complaint, Clifford O. Young, Sr. v. West Valley Water District and Linda Gonzalez, Complaint No. COM-06092017-01044. - No reportable action.

9. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): Suzanne Cook v. West Valley Water District & Clifford O. Young; San Bernardino County Superior Court Case No. CIVDS1713213.

No reportable action.

10. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): Southern California Edison v. Fontana I Medical Properties, et al; San Bernardino County Superior Court Case No. CIVDS1621129.

No reportable action.

11. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): San Bernardino Valley Municipal Water District, et al., v San Gabriel Valley Company, et al; San Bernardino County Superior Court Case No. CIVDS1311085 / Fourth District Court of Appeal Division Two, Case No. E063180.

No reportable action.

12. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): EEOC Complaint, Kenny Hernandez, Case Number 480-2017-00835.

No reportable action.

13. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION - Pursuant to Government Code Section 54956.9(b): Jesus Campos Ugalde, Claim Number 178-0503.

No reportable action.

14. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION - Pursuant to Government Code Section 54956.9(b): Chantelle Washington, Claim Number 17-0433 (WVWD) and 17-053 (CCS).

No reportable action.

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15. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION - Pursuant to Government Code Section 54956.9(b): Brandon Erwin, Claim Number 17-0433 (WVWD) and 17-053 (CCS).

No reportable action.

16. CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION - Pursuant to Government Code Section 54956.9(b): Roland Vasquez, Claim Number 18-0072 (WVWD).

No reportable action.

**THERE BEING NO FURTHER BUSINESS, DIRECTOR YOUNG MOVED TO
ADJOURN THE MEETING AT 8:07 P.M., SECONDED BY DIRECTOR BOURLAND.**

Donald Olinger
President of the Board of Directors
of West Valley Water District

ATTEST:

Shanae Smith, Board Secretary

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