

MINUTES
REGULAR BOARD MEETING
of the
WEST VALLEY WATER DISTRICT
March 10, 2017

PRESENT **ABSENT**

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DIRECTORS

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

STAFF

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- 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
- Rosa Gutierrez, Associate Engineer
- Shanae Smith, Board Secretary

LEGAL

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- David J. Olivas, Tafoya & Garcia, LLP

VISITORS

- Danielle Maurizio
- Anthony and Diana Araiza
- Tom Shalhoub, Director, Yucaipa Valley Water District
- June Hayes, Director, SB Valley Municipal Water District
- Scott Olson, Redlands Tea Party
- Julie Fabian
- Judy McGowen

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

OATH OF OFFICE

President Young announced this as the time to administer the Oath of Office to the District’s newly appointed Director, Mr. Robert Bourland and asked the remaining members of the Board to join him. President Young administered the Oath of Office to Director Bourland who commenced duties immediately.

ADOPT AGENDA

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

Ayes:	Directors: Gonzalez, Olinger, Young, Bourland, 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. Anthony Araiza commented that Page 23 of the agenda packet indicates a payment to Innovative Federal Strategies, a firm that was dismissed in October or November 2016. There is an \$8,000 bill being paid to those people and he would like the general manager to investigate it, as it is not the first time that he has brought this up. Mr. Araiza stated that he had spoken to Interim Chief Financial Officer, Robert Christman once before and he keeps seeing the \$8,000 bill to that firm, from this company and would like the general manager to investigate it and get back and let him know what’s going on, as there is something strange there. President Young requested the general manager to speak to the matter. General Manager, Matthew H. Litchfield stated that he would look into the matter and get back to Mr. Araiza. Director Olinger also requested an invoice. Director Bourland requested a description of the intended provided services along with the invoice for clarification.

Mrs. Diana Araiza commented that on May 19, 2016, the Board President, with the help of the previous general manager, secretly changed the Directors Ordinance No. 82 without the proper redline to denote changes. In the staff report, there were three paragraphs describing the change to Ordinance No. 82 as an increase in the amount of compensation received for attending a Board meeting, when in fact there were three changes. 1) The compensation amount, 2) 203(c), a minor change; and 407 added the Long Term Care CalPERS, authorizing one hundred percent payment by West Valley. Mr. Young gets \$527.91 per month. The minutes for that meeting state that the general manager led a discussion on compensation, but it makes no reference to the Long Term Care. The audio recording of that meeting shows that the long term care was never mentioned. On June 2, 2016, Ordinance No. 82 was put back on the agenda, under the Consent Calendar, despite the fact that the Board ask that the item remain under Business Matters during the previous meeting; that was on the recording. Because of that, the Board members voted to adopt the Consent Calendar with no discussion. Again in the agenda, the ordinance according to the staff report, only covered the raise in compensation for Board meetings. Once again, part 407, Long Term Care was added with no redlines highlighting or description in the staff report. It states that coverage is mandatory for all Directors, spouse and dependent children through CalPERS, with coverage to be paid one hundred percent by West Valley. Long Term Care is a benefit that not only the District employees receive. At that time only two (2) Board members belonged to CalPERS and could be covered. Mr. Dyer and Mr. Young. Mr. Dyer never took it out, Mr. Young took it out the first day it was in effect on August 1st. Mr. Young was covered for Long Term Care at Cal State San Bernardino, but he was obliged to pay the premiums out of pocket. He figured out a way to have it paid for him. As a ratepayer and a customer of West Valley, Mrs. Araiza stated that she doesn't feel that she should have to pay for Long Term Care for Mr. Young and would urge the Board to overturn this article in the ordinance. At this time, Mr. Young has benefited from the change to the tune of \$4,228. He receives a benefit that no other Board member or District employee receives. Mrs. Araiza stated concluded by stating that she would like to call for a reconsideration motion to overturn Ordinance No. 84, specifically articles Nos. 203(c) and 407, due to the misconduct of the Board President and former general manager. She urged the present Board to follow through on the request. She would request that the presentation be included in the minutes. Copies of the presentation was distributed to Board and Staff.

Ms. Julie Fabian commented she has been a resident of Los Colinas for over thirty years. Recently, in December she brought to the District's attention the severe air in her water. Ms. Fabian stated she thought it was only her house and her pipes, when all the way down the neighborhood, everyone has it, as well as certain areas in Los Colinas. It also has a smell and is scary to drink. She went through other areas of Los Colinas and only certain areas have this problem. When she called West Valley Water District, she got a supervisor to come out twice. She came out with a small bottle, shook up the water, set it on the counter and said, "You're good" with all the air still floating inside. It is making noise and could break the pipes. The supervisor stated that the wells were changed in September. Ms. Fabian stated she was never notified of any well changes and does not believe it. The supervisor stated that she could have the problem for years and that at the south end of the City of Rialto ("Rialto"), they've had it for years and it will never change. Living in Los Colinas for thirty years, she has never had that problem and she would like to know what is going on. President Young directed General Manager to contact Ms. Fabian and inform the Board of the resolution to the matter.

CLOSED SESSION

At 6:18 p.m., the Board adjourned to Closed Session to discuss the following:

- **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** – Pursuant to Government Code Section 54956.9(d)(2) – Number of Cases: one (1):

At 6:50 p.m., Legal Counsel, David J. Olivas reported the following out of Closed Session:

The District Board met in Closed Session pursuant to Government Code Section 54956.9(d)(2) – Number of Cases: one (1). A report was offered to the Board for consideration and was received and filed by the Board.

CONSENT CALENDAR

A motion was made by Vice President Gonzalez to Approve the Consent Calendar, seconded by Director Young. Director Young inquired whether Mr. Litchfield had an answer to the inquiry made by Mr. Araiza regarding the Innovative Federal Strategies invoice. Mr. Litchfield reported the Board terminated the contract in November 2016. The \$8,000 payment indicated in January is for an invoice received in December for the final payment. After discussion, the motion carried by the following unanimous vote:

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

PUBLIC HEARING

None

BUSINESS MATTERS

1. **Construction Progress Report – Fixed Bed Biological Perchlorate Destruction Project by Carollo Engineers** – Interim General Manager Matthew H. Litchfield introduced Jess Brown of Carollo Engineers, Inc. (Carollo) who presented a construction progress report on the scope, process flow diagram, budget and timeline related to the Fixed Bed Biological Perchlorate Construction Project (“FXB”) Water Treatment Project. Mr. Brown answered questions from the Board. The presentation was received and filed.
2. **Adopt Resolution No. 2017-6, Approving New Banking Account for Reimbursement of Routine Payments for 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 Adopt Resolution No. 2017-6, Approving a New Banking Account for Reimbursement of Routine Payments for the Rockets, Fireworks and Flares Superfund Site Remediation Agreement between Goodrich Corporation,

seconded by Director Young. President Young made a substitute motion to amend Resolution No. 2017-6 by deleting Pacific Premier Bank from the resolution and inserting Chase Bank, seconded by Director Bourland. The motion carried by the following unanimous vote:

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

3. **Adopt Resolution No. 2017-7, Approving New Banking Account for Reimbursement of Non-Routine Payments for the Rockets, Fireworks and Flares Superfund Site Remediation Agreement between Goodrich Corporation and West Valley Water District** – Following discussion, Director Young made a motion to Adopt Resolution No. 2017-7, Approving a New Banking Account for Reimbursement of Non-Routine Payments for the Rockets, Fireworks and Flares Superfund Site Remediation Agreement between Goodrich Corporation and West Valley Water District, amending Resolution No. 2017-7 by deleting Pacific Premier Bank from the resolution and inserting Chase Bank, seconded by Director Bourland. The motion carried by the following unanimous vote:

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

4. **Approval of Payment to Tafoya and Garcia for Professional Services rendered through December 31, 2016; Statement No. 1011; \$10,036.75** - Following discussion, a motion was made by Director Young to Approve Payment to Tafoya and Garcia for Professional Services rendered through December 31, 2016; Statement No. 1011; \$10,036.75, seconded by Director Olinger. The motion passed by the following vote:

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

5. **Approval of Payment to Albright, Yee & Schmit, APC for Professional Services rendered through December 28, 2016; Invoice No. 24008; \$8,410.00** - Following discussion, a motion was made by Director Young to Approve Payment to Albright, Yee & Schmit, APC for Professional Services rendered through December 28, 2016; Invoice No. 24008; \$8,410.00, seconded by Director Olinger. Following further discussion, the motion passed by the following vote:

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

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 the General Manager and External Affairs Manager for accommodations to the Washington, D.C. ACWA Conference and ACWA Legislative Days in Sacramento, where they visited a lot of elected officials and a lot of great people out there. Everyone knows about West Valley, the success of West Valley and were very happy to see them there. It was a great time.
- b. Thanked everyone in the audience who made it on a Friday night, which is pretty daring.
- c. Mar. 7th – Attended the Bloomington Municipal Advisory Council (MAC) where Supervisor Josie Gonzalez was in attendance. They are getting feedback from the public to see which way they are going. We don't know if there will be a tax assessment, as they really didn't go into thorough explanation, but there was a lot of audience and there was a packed house. A lot of information was given back and forth. Something is happening in Bloomington.
- d. Mar. 7th – Attended the County Board of Supervisors (“BOS”) meeting with the Board Secretary, Ms. Shanae Smith. Thanked Ms. Shanae Smith for attending.
- e. Mar. 11th – Will attend the landscaping class.
- f. Attended a Production Department tour with Operations Manager, Ms. Joanne Chan and was out in the field and will receive her own vest. Thanked Ms. Chan and the maintenance department and acknowledged that it is a lot of work. Took pictures of the new truck, which saves so much time in hours and labor. Everyone looked really happy. It was good to be out there hands on. Visited the Baseline Feeder in San Bernardino, and visited the reservoirs. Thanked the department staff for the tour.
- g. Met with Engineering Services Manager, Ms. Linda Jadeski and Associate Engineer, Ms. Rosa Gutierrez. Lots of on the job training, which she enjoys learning every day; it is a learning experience. Water is very difficult and looking forward to a lot of learning.

Director Olinger reported on the following:

- a. Congratulated Director Bourland on his appointment to the Board. The candidates possess the highest personal and professional values and he fits into that category very well. The first thing that Director Robb stated that he recognized Director Olinger as his daughter's principal. Director Bourland has been a resident of Rialto for many years, as many of the candidates, including Mr. Araiza. There were a total of seventeen candidates who applied for the position, which speaks well for the District.

- b. Mar. 7th – Attended the San Bernardino Valley Municipal Water District (“Valley District”) Board meeting. Thirteen years on the Board and first time visiting their offices. Enjoyed the Board dynamics and some of the comments. Acknowledged Ms. June Hayes, Director of the Valley District Board and commented that she spoke with conciseness, confidence and conviction, which he likes. Also acknowledge others directors in attendance.

Director Young reported on the following:

- a. Congratulated Director Bourland as the newest Board member, who has been asking some great questions. From what he understands of his background, he will be a fantastic addition to the team and he looks forward to working with him. Welcomed him to the District.
- b. Thanked members of the audience for coming, including Ms. Hayes. Also acknowledged Mr. Tom Shalhoub, Director Yucaipa Valley Water District and appreciates their attendance at the District’s meetings.
- c. Mar. 7th – Attended the Bloomington MAC meeting, where there was a packed house. The discussion included an update on a vision plan for the community, where there has been a lot of interest particularly on zoning issues. It was a very great meeting to attend. There were a lot a people and they went very, very late and he was very happy with some of the discussions. Complimented Supervisor Gonzalez and her team and the County team who has been putting together this community plan. There has been approximately eight (8) meetings to this point and putting together this vision plan for Bloomington, where he lives and very interested in the plan. Very happy to attend. Good to be here and hope to get a little bit more rain. We are doing well and need to finish strong. Thanked everyone for attending and wished everyone a wonderful weekend.

Director Bourland read the following statement:

- a. He retired as an executive from the Southern California Edison (“SCE”) for about four and a half years ago. One year after that, he joined the Board of Directors of a technology company and he currently still resides on that. Prior to his retirement, he was responsible for organizational staffing in the hundreds. He couldn’t tell you the number of people he had because they did a lot of offshore work. At one time, they may have had approximately 1,000 people. His budgets ran into the hundreds of millions of dollars annually. He served previously on the El Rancho Municipal Advisory Committee Board, and he also chaired that Board at one time. He also served on the Claremont Graduate Schools Visitor Board to try to help Claremont Graduate School progress their overall institution. He has extensive experience as a corporate level strategist, operations manager, program project manager of major business process changes and their associated technology solutions. He is a tech guy and he loves technology. He has extensive experience in public utilities from every aspect. His primary focus has been the electric industry and he has exposure to water and gas industries because they did have water and gas at SCE and he basically ran all applications for the company at one time and had to become of aware of all of those things. From a personal prospective, besides his relationship with the Lord, the most important things in his life is his family. He has a wonderful wife Alisson, who was standing next to him earlier. She is the matriarch of their

family and he has been married to her for over thirty-seven years. He has five (5) children and ten grandchildren, all who live within about thirty minutes from his home. Some were able to attend tonight. He couldn't be more fortunate or more blessed because of all those things. He has lived in Rialto, as mentioned earlier for over fifty years. He loves and supports our community the best that he can and he enjoys spending time helping doing service in his community, his church and especially with our youth. He considers it a privilege to have this opportunity and looks forward to bringing his extensive expertise and experience and helping our water district to continue to achieve or exceed our goals of *“reliable, safe drinking water supplied to meet our customers’ present and future needs at a reasonable cost and to promote water use efficiency and conservation.”* Everyone probably knows exactly where that came from. It is a good copy and paste, but it is actually what he believes in. In conclusion, he took the opportunity to thank the BOS for their confidence in appointing him to the position. He also thanked Board President Clifford Young for reaching out to him, taking the time to meet with him and to brief him on his role here on the Board. He really appreciated that. He is not familiar with anyone on the Board, although he knew Director Olinger from a long time ago. He did not know him personally, but as a principal, he saw how he operated and thought he was a great man in those times. He was pleased in his discussion with President Young to hear that our Board shares common values, as he has a very strong value system in his life that is impeccable, has never been questioned and is one of the stellar things he appreciates in his career. President Young shared with him, those values of this Board and he really appreciated that, which he feels is crucial to our success and effectiveness. The ones they talked about are integrity, honesty, transparency, strong ethics, respect for all the people that we deal with and he couldn't share any stronger that those are his value systems too. He promised and committed to the Board and to all of the constituents in our area that he will keep those attributes to the forefront of everything he does in his duties to help the Board to be the best he can. Director Olinger requested a copy of the bio.

President Young reported on the following:

- a. Welcomed our newest member to the Board and thanked the BOS for appointing such an outstanding person to be on our Board. Looks forward to working with Director Bourland and agreeing with him sometime and debating with him at other times. It is a pleasure having him on the Board and all of us really welcome you.
- b. In a private discussion with the new director, he committed to invite the newest board member and any other Board members to participate and join him in the meetings with general manager on a rotation basis scheduled for Monday mornings at 9:00 a.m. to discuss District issues. Requested the general manager make available the executive staff in case they would like to drill down on particular issues.
- c. Pushing for transparency in the District and he is aware of a recent trip to Washington, D.C. by the general manager, external affairs and Director Gonzalez. Requested that the expenses be brought to the Board, not for approval so the Board know, so that those expenses, particularly the Ritz Carlton that were expended during the trip to Washington, D.C. and to Sacramento. Bring them forth, the purpose of the trip, who they visited and what they achieved. Bring forward to the Board before those payments are made.

- d. Changes in committees that we need to take up, as he didn't want to pile up on the agenda. A discussion will be had with Board members at the next Board meeting.

President Young announced that he would be skipping reports section.

Legal Counsel/Consultants

No report.

2. General Manager

No report.

3. Interim Chief Financial Officer

No report.

4. Operations Manager

No report.

5. Treasurer

No report.

6. Engineering Services Manager

No report.

7. External Affairs

No report.

8. Human Resources/Risk Manager

No report.

9. Business Systems Manager

No report.

10. Board Secretary

No report.

FUTURE AGENDA ITEMS

President Young announced the following items to be discussed at the upcoming March 16, 2017 special Board meeting:

1. Consider changing the Regular Election of the West Valley Water District Governing Board of Directors from November Odd-Years to Statewide General Election in November of Even-Numbered Years. Requested that the general manager provide the email correspondence from the registrar's office to all Board members.
2. Review and Discuss the California Supreme Court Ruling in *City of San Jose v. Superior Court of Santa Clara County* regarding public records requests on personal devices.
3. Completion of the Mid-Year Operating Budget.

Vice President Gonzalez inquired of legal counsel as to the effective date of SB415 and a description of the bill. A discussion ensued regarding the March 10th due date, research and back-up documentation to brought back to the Board for discussion.

INFORMATION

None.

THERE BEING NO FURTHER BUSINESS, PRESIDENT YOUNG MOVED TO ADJOURN THE MEETING AT 7:38 P.M.

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

ATTEST:

Shanae Smith, Board Secretary