

MINUTES
REGULAR BOARD MEETING
of the
WEST VALLEY WATER DISTRICT
May 25, 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
Shanae Smith, Board Secretary
Rosa Gutierrez, Associate Engineer

LEGAL

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David J. Olivas, Tafoya & Garcia, LLP

VISITORS

Paul Rigali, Larson O'Brien, LLP
June B. Hayes, Director, SBV Municipal Water District
Michael Davis, Gresham, Savage, Nolan & Tilden, PC
Derek Hoffman, Gresham, Savage, Nolan & Tilden, PC
Anthony and Diana Araiza, Residents
Scott Olson, HNS

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 – Vice President Gonzalez
Opening Prayer – Director Donald Olinger
Roll Call of Board Members – Quorum

ADOPT AGENDA

President Young moved to table Business Item No. 1, Approval of Agreement for Chief Financial Officer (CFO) to the June 15, 2017 regular Board meeting. A discussion ensued regarding substantive changes to both the responsibilities of the CFO position, as well as the Investment Policy, as discussed at a recent Finance Committee meeting. Following discussion, Director Bourland made a motion to Adopt the Agenda as originally presented, seconded by Vice President Gonzalez. Following discussion, the motion was carried by the following vote:

Ayes:	Directors: Gonzalez, Olinger, Bourland
Noes:	Directors: Young, Young, Sr.
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.

There were no public comments.

CONSENT CALENDAR

President Young made a motion to Approve the Consent Calendar as presented with Director Young abstaining due to his absence from the May 4, 2017 regular Board meeting, seconded by Director Olinger. The motion carried by the following vote:

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

BUSINESS MATTERS

Consideration of:

- 1. Approval of Agreement for Chief Financial Officer** - Following discussion Vice President Gonzalez made a motion to Approve an Agreement for Chief Financial Officer, seconded by Director Bourland. Director Young noted for the record that while he supported the Agreement initially, he now vehemently opposed the nominee based on information that he cannot publicly disclose. Following discussion, President Young amended the motion to instruct General Counsel to conduct a complete background check prior to the implementation of the contract, seconded by Director Young. The motion failed by the following vote:

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

Following discussion, the original motion carried by the following vote:

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

- 2. Approval of Joint Use Agreements with Southern California Edison** – Following discussion, a motion was made by Vice President Gonzalez to Approve the Joint Use Agreements with Southern California Edison, seconded by Director Young. 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. Approval of Payment to Larson O'Brien, LLP for Professional Services rendered through March 31, 2017 in the San Bernardino Valley Municipal Water District Matter; Invoice No. 3475; \$2,097.83** - Following discussion, a motion was made by Vice President Gonzalez to Approve Payment to Larson O'Brien, LLP for Professional Services rendered through March 31, 2017 in the San Bernardino Valley Municipal Water District Matter; Invoice No. 3475; \$2,097.83, seconded by Director Young. 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**

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 everyone in attendance at the meeting. Mr. Tom Shalhoub, Director, Yucaipa Valley Water District notified her that he would not be able to attend the meeting.
- b. May 5th – Attended the Human Resources Committee meeting regarding the Employee Salary Committee, which went well and information should be coming to the Board.
- c. May 8th – Attended a Human Resources and Employee Salary Committee meeting with Director Olinger, Human Resources Manager, Ms. Karen Logue and General Manager, Matthew H. Litchfield.
- d. May 9th - 11th – Attended the 2017 ACWA Spring Conference in Monterey, California. Brought back a list of some of the classes attended. Outstanding information was given, and one thing was strongly encouraged is for Board of Directors to not get involved with the day-to-day business, as it is the General Manager’s business. Keep yourself out of problems. That stuck to her mind really strong and wanted to bring it back. It was very nice to see the people from the local area, like Melody McDonald. That was very nice.
- e. May 15th - Attended the California Special Districts Association (“CSDA”) Legislative Days in Sacramento, California. The External Affairs Manager, Ms. Wendy Strack along with the General Manager and our new Director Bourland was in attendance. Assemblywoman Eloise Reyes was there and on her way out. Met briefly with her staff to discuss Well No. 39 and some of the projects that we need help with. She took notes and said she would follow through.
- f. May 24th – Attended the External Affairs Committee meeting, which went really well and she enjoyed the meeting.
- g. Wished everyone a Happy Memorial Day for Monday. Thanked all who has served our country, as she, her children and grandchildren can all sleep at night.

Director Olinger reported on the following:

- a. Agreed with Vice President Gonzalez’ comments regarding the Memorial Day Holiday.
- b. May 2nd – Attended the Grand Opening & Dedication - Bryce E. Hanes Park and Jon Cole Skate Park, which the Board approved. Thanked Ms. June B. Hayes, Director, San Bernardino Valley Municipal Water District (“Valley District”) and commented that it was great for San Bernardino. The Mayor, City Counsel, people from Valley District and several hundred people were all there. It was a great day for San Bernardino, Valley District and all of us.

Director Young reported on the following:

- a. Thanked everyone for coming out. Echoed Vice President Gonzalez' great points about Memorial Day and wished everyone a safe and happy one. Thanked the General Manager and department heads for all the hard work put into this week's Finance Committee meeting. He and Director Bourland spent a lot of time going through lot of pages worth of numbers and wanted to thank everyone who contributed to producing the first draft of our budget. Director Young stated he is looking forward to greater discussions with the rest of the Board members in our special workshop. Thanked everyone again for their hard, as the Chair of the Committee, he really appreciates it.

Director Bourland reported on the following:

- a. Thanked Mrs. Gonzalez for her comments about our servicemen. He can't say how much he appreciates the lives lost and the sacrifices made by so many great people so that we may enjoy our freedoms here. It always touches him very deeply. Thanked Vice President Gonzalez for sharing and concurred Director Young also.
- b. May 15th – 17th - Attended the CSDA Legislative Days in Sacramento, California. In complete learning mode as most people know. Very interesting, the story that he learned there. Quite a few comments were made with regard to staying above the radar, as we need to make sure we tell our story and that we keep a very positive perspective to our constituents, as well as our local officials. We have to take the time to invest in the things that are necessary in order to make sure that we stay above the radar, as they say. If you fall below the radar, you will lose and you will lose the money you need in your grants and the things you need to help sustain your District. That was the big take-away. It was interesting to get to meet with the legislative aids up there and see their interest or disinterest in the things that we are interested in. Tell the story to make sure they are interested and we can catch their attention.

President Young had no report.

2. Legal Counsel/Consultants

No report.

3. General Manager

Mr. Litchfield reported on the following:

- a. May 8th - 11th – Attended the 2017 ACWA Spring Conference in Monterey, California. The District was a finalist for the Claire A. Hill Water Agency Award for Excellence for the Groundwater Wellhead Treatment System ("FBR") Project. We were up against pretty stiff competition, including the San Diego County Water Authority's Desalination Project, which won the award. As a runner up, the District received a plaque and recognition while there.

4. Interim Chief Financial Officer

Mr. Robert Christman was absent.

5. Operations Manager

- a. Lytle Creek flow is at 6.6 mgd.
- b. State Water Project (SWP) water flow is at 2.2 mgd.
- c. The Oliver P. Roemer Water Treatment Plant is producing 10 mgd.
- d. The FBR Treatment Plant is treating 2.9 mgd.
- e. Rain Index Update.

6. Treasurer

No report.

7. Engineering Services Manager

Ms. Jadeski had no report.

8. External Affairs

Ms. Wendy Strack reported on the following:

- a. Acknowledged Director June Hayes and the support of Valley District. Staff went before them last week and requested a reimbursement for our matched funds for the Water-Energy Community Action Network (“WECAN”) Turf Replacement Grant Program. Valley District Board has supported a reimbursement to the District in the amount of \$65,000.

9. Human Resources/Risk Manager

Ms. Karen Logue had no report.

10. Business Systems Manager

Mr. Jon Stephenson had no report.

11. Board Secretary

Ms. Smith had no report.

FUTURE AGENDA ITEMS

None.

INFORMATION

None.

President Young invited Director June Hayes to address the Board. Thanked the Board for the great partnership between Valley District and West Valley. Attended ACWA for the very first time. Found some of the legal sessions to be interesting and the Board may not be aware that there is an effort to do a State Constitutional Amendment No. 4, which provides for relief from Proposition No. 218 (“Prop 218”) for low-income individuals that would allow us to in some way, subsidize, which we cannot do right now under Prop 218 low income families. Director Hayes also attended an additional legal session that spoke of ways to get around Prop 218 and still give low income seniors and disabled individuals a break, which cannot come from the rates themselves. Informed the Board that she will not be in attendance to the first meeting in June.

President Young announced that he would like for us to remember the young kids in Manchester, England. Watching to those events unfold, his mind flashed back to his grandkids who would have been at a concert like that. Let us adjourn with a moment of silence for the families that lost people in the tragedy. President Young also reminded everyone, that if they see something suspicious that is out of the ordinary in their community, report it, as we are living in a time that we don’t know what is happening.

CLOSED SESSION

At 6:40 p.m. the Board convened to Closed Session to discuss the following:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1):
San Bernardino Valley Municipal Water District, et al., v Fontana Union Water Company, et al.; Case No. CIVDS1311085.
2. CONFERENCE WITH LEGAL COUNSEL – PUBLIC EMPLOYEE APPOINTMENT – Pursuant to Government Code Section 54957 – Title: Assistant General Manager
3. CONFERENCE WITH LEGAL COUNSEL – PUBLIC EMPLOYEE APPOINTMENT – Pursuant to Government Code Section 54957 – Title: External Affairs Manager
4. CONFERENCE WITH LEGAL COUNSEL – PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Pursuant to Government Code Section 54957 – Title: General Manager

5. CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTER – Pursuant to Government Code Section 54957 – Title: General Counsel

At 9:05 p.m. the Board reconvened to Open session and Mr. reported the following:

1. CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTER – Pursuant to Government Code Section 54957 – Title: General Counsel

The Board acted 3-0-2 to dismiss Tafoya and Garcia, LLP as General Counsel and by a vote of 5-0 to engage Gresham, Savage, Nolan & Tilden, PC as Interim General Counsel.

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(d)(1):

San Bernardino Valley Municipal Water District, et al., v Fontana Union Water Company, et al.; Case No. CIVDS1311085.

No reportable action.

3. CONFERENCE WITH LEGAL COUNSEL – PUBLIC EMPLOYEE APPOINTMENT – Pursuant to Government Code Section 54957 – Title: Assistant General Manager

No reportable action.

4. CONFERENCE WITH LEGAL COUNSEL – PUBLIC EMPLOYEE APPOINTMENT – Pursuant to Government Code Section 54957 – Title: External Affairs Manager

No reportable action.

5. CONFERENCE WITH LEGAL COUNSEL – PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Pursuant to Government Code Section 54957 – Title: General Manager

No reportable action.

President Young asked that everyone keep in mind the victims of the recent terrorist attacks in our country and may God bless everyone.

THERE BEING NO FURTHER BUSINESS, PRESIDENT YOUNG MOVED TO ADJOURN THE MEETING AT 9:10 P.M. IN MEMORY OF THE MANCHESTER ENGLAND VICTIMS.

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

ATTEST:

Shanae Smith, Board Secretary