

MINUTES
REGULAR BOARD MEETING
of the
WEST VALLEY WATER DISTRICT
September 7, 2017

Attendee Name	Present	Absent	Late	Arrived
Donald Olinger	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Linda Gonzalez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Clifford Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Gregory Young	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Robert Bourland	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Matthew Litchfield	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Greg Gage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Marie Ricci	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Karen Logue	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Wendy Strack	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Linda Jadeski	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Jon Stephenson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Joanne Chan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Shanae Smith	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Michael D Davis	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Derek Hoffman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

VISITORS

Kevin Randolph, Gresham Savage Nolan & Tilden, PC
Jamie Wrage, Gresham Savage Nolan & Tilden, PC
Neil Meyers, Meyers Fozi
June D. Hayes, Director, SBV Municipal Water District
Jess Brown, Carollo Engineers
Scott Olson, Political Watchdog
Anthony & Diana Araiza, Residents

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.

OPENING CEREMONIES

Pledge of Allegiance – Director Robert Bourland
Opening Prayer – Vice President Gonzalez
Roll Call of Board Members – Quorum

President Olinger announced that Director Gregory Young had notified the Board that he was unable to attend the meeting due scheduled vacation.

ADOPT AGENDA

Following discussion, a motion was made by Vice President Linda Gonzalez to Adopt the Agenda as presented, seconded by Director Bourland. The motion carried by the following vote:

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

PUBLIC PARTICIPATION

Mr. Scott Olson commented that he has attended the meeting for quite a while. Mr. Olson stated that he attends the meetings due to the three Ls in life; to look, to listen and to learn. He has been doing a lot of that and seeing a lot of things. Politics: When you get into an elected position, welcome to politics. One thing you have to remember is politics is neither good nor bad. Politics is nothing more than the process by which we age, who are leaders are and the laws that govern us. How those people who get elected act and what they do is what characterizes what most people view politics as. Hopefully good, but more often, the other things. Mr. Olson stated that approximately one (1) month ago, he put in a public records information request. Sometimes the public needs to know what is going on. You guys put out a newsletter, nice innocent thing. But then again, with politics, people make choices with what they put in those newsletters. That dictates why the public needs to know. The first request put in, was by design, very broad. Everybody always looks in politics as an event. They forget that it's a process. So, because it was broad, you focus on what do I put in there? What should I not put in there? That's usually the focus. Lots of padding, lots of fluff, and lots of extra stuff to jack up the cost and gets most people frustrated so they don't proceed. The first one is intentionally designed not just to get information, but to actually see what information is left out. Mr. Olson also commented that he loves the way attorneys put this is their final response to the item, when there is no such thing as final in politics and that he has been doing investigations on different individuals who used to be really good in politics. Now they

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can't touch politics. Eighteen months with one investigation. He thought he didn't do all that well. Didn't get what he wanted, but the preceding year, the dominoes came into place and it all fell apart. That individual cannot run for office if they tried to win anything now. It's a process and it doesn't matter about a campaign. A lot of you speculate that he works on campaigns because he works on campaigns. No. Once he gets started on something, if there is one thing in his reputation, he don't quit. He keeps on. He will dig and realize that when you get these new requests, he will keep looking.

CONSENT CALENDAR

Director Young, Sr. announced that he intended to abstain, as he was absent from August 17, 2017 Board meeting and that there were things that were questionable items that took place in Closed Session, that should have taken place in Open Session, which he will bring up later.

RESULT:	ADOPTED [3 TO 0]
MOVER:	Robert Bourland
SECONDER:	Linda Gonzalez
AYES:	Donald Olinger, Linda Gonzalez, Robert Bourland
ABSTAIN:	Clifford Young
ABSENT:	Gregory Young

PUBLIC HEARING

None.

BUSINESS MATTERS

- 1. CONSTRUCTION PROGRESS REPORT - FIXED BED BIOLOGICAL PERCHLORATE DESTRUCTION PROJECT BY CAROLLO ENGINEERS (RECEIVE AND FILE)** - Mr. Jess Brown of Carollo Engineers presented a brief update on the Fixed Bed Biological Perchlorate Destruction Project ("FXB"), including the completion of the construction and issues regarding the budget. Mr. Brown answered questions from the Board. Director Young, Sr. inquired about the Federal funds received from the Department of Defense ("DOD") and State funds received by the State Water Resources Control Board ("SWRCB") and whether Federal and State contracting rules apply to the grants. Mr. Brown clarified that all requirements were met for the Federal funds, which have been paid in full. Director Young, Sr. asked General Counsel to research whether Federal contracting rules apply to the entire organization or the specific grant when federal monies for a contract are accepted. Vice President Gonzalez requested that the community be made aware of the savings leveraged to the rate payers with the District's existing Fluidized Bed Reactor ("FXB") treatment plant.

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2. AUTHORIZE THE GENERAL MANAGER TO EXECUTE AN AGREEMENT WITH PAYNEARME TO AUTHORIZE PARTICIPATING RETAILERS TO ACCEPT PAYMENTS ON BEHALF OF THE DISTRICT.

Following discussion, Director Young, Sr. made a motion to Approve the PayNearMe Method of Payment for Customers, accepting Option A, the District to Incur the Expense, not the Customer, seconded by President Olinger. The motion was defeated by the following vote:

RESULT:	DEFEATED [1 TO 3]
MOVER:	Clifford Young
SECONDER:	Donald Olinger
AYES:	Clifford Young
NAYS:	Donald Olinger, Linda Gonzalez, Robert Bourland
ABSENT:	Gregory Young

Following discussion, Director Bourland made a substitute motion to Approve the PayNearMe Method of Payment for Customers, accepting Option B, the Customer to Incur the Expense, not the District, seconded by Vice President Gonzalez. The motion carried by the following vote:

RESULT:	APPROVED [3 TO 1]
MOVER:	Robert Bourland
SECONDER:	Linda Gonzalez
AYES:	Donald Olinger, Linda Gonzalez, Robert Bourland
NAYS:	Clifford Young
ABSENT:	Gregory Young

3. APPROVE THE PURCHASE OF AN ADMINISTRATIVE POOL VEHICLE AND ALLOCATE FUNDS FROM THE FY 2017-18 CONTINGENCY IN THE AMOUNT OF \$23,000 - Following discussion, a motion was made by Director Bourland to Approve the Purchase of the Administrative Pool Vehicle and Allocate Funds from the FY 2017-2018 Contingency in the Amount of \$23,000, seconded by Vice President Gonzalez. The motion carried by the following vote:

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

- 5. APPROVAL OF LONG-TERM LAWYER-CLIENT AGREEMENT WITH THE LAW FIRM OFFICES OF GRESHAM SAVAGE NOLAN & TILDEN, PC** - Mr. Scott Olson addressed the Board and commented that he had been watching this Board and once you begin watching a Board, you begin to see polarizations. You begin to see who is on one side and who is on the other side. We all know that lawyers are in it for the money and there is nothing wrong with it. That is their job. Their job is to come up with opinions. If you ask twenty attorneys for an opinion, you're going to get twenty five different opinions. Opinions and debating them, the longer it goes on, the more money they make. That is the way the business works. It's not a negative, nor is it a positive. It's just a reality of how the business works. With that being said, he's never ran into an attorney who has a great job to do some work, whoever turned you down cause you didn't have a long term contract. Trust me, if you have the work for them and you are willing to have them here and it's a good working thing, they will work with you, contract or no contract. A lot of people say let's get a long term contract to create stability. That's a false sense of stability because anytime you vote for anything long-term to tie your hands, that's what you've done. You've tied your hands. Things change, times change and needs change. Some attorneys are better at some things, some are not. If a Board signs a long-term contract, pretty much you're stuck with it. Why in a world where things change as quickly as they can, why would you want to saddle yourself with one company that may or may not be able to meet the needs going forward in the future? For example, look at the last campaign of a political election. Everybody told us Hillary was going to win and did all sorts of stuff based on Hillary. Guess what? Trump won and everything gets turned upside down and quite honestly, you the Board could find yourself in a situation with an election or other issues; the attorneys could. Then you've stuck yourself. Be very careful of what you ask for because sometimes you get it. The results may not be what you think you want. With the polarization of this Board and the way the Board is going at each other. You are setting yourself up for the big thing is depending on how you act and behave. If you have one attorney at one law firm, that's what you got. Director Bourland commented that Mr. Olson made some good points and inquired of General Manager Litchfield whether there is anything that may limit the Board to fire Gresham at a moment's notice. Mr. Litchfield confirmed there is nothing in the agreement that would limit the District from eliminating the contract at any time. Director Young, Sr. led a discussion regarding entering into a long-term agreement, recognizing that we can terminate the contract at any time, without following the District's Purchasing Policy for a professional services contract and other policies that the Board had adopted, in addition to Federal and State contracting rules and what is the justification. Mr. Litchfield clarified that the justification is that we entered into an interim contract in May, 2017 with Gresham and that Staff is satisfied with the services provided to date, including responsive to our requests, in addition to meeting our deadlines. Mr. Litchfield referred to Section 2.1 of the Procurement Policies and Procedures related to the Public Contracts Code, Section 10335.5c4, which indicates legal services as a professional service, which is not subject to public bidding. As a public agency, for professional services agreements, we are not subject to the public contracts code and have the authority to sole source. Legal Counsel Kevin Randolph validated Mr. Litchfield's explanation. A lengthy discussion ensued. Following discussion, Director Bourland noted for the record that Mr. Litchfield, himself and Director Young, Sr., as the Executive Committee met with Gresham with the intent of not going out to Request for Proposal ("RFP") and directly assigned them as our attorney of record and that each agreed to that. A motion was made by Director Bourland to Approve the Long-Term Lawyer-Client Agreement with the Law Firm Offices of Gresham Savage Nolan & Tilden, PC, seconded by Vice President Gonzalez. The motion carried by the following vote:

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RESULT:	APPROVED [3 TO 1]
MOVER:	Robert Bourland
SECONDER:	Linda Gonzalez
AYES:	Donald Olinger, Linda Gonzalez, Robert Bourland
NAYS:	Clifford Young
ABSENT:	Gregory Young

6. APPROVAL OF PAYMENT TO GRESHAM SAVAGE NOLAN & TILDEN, PC FOR PROFESSIONAL SERVICES RENDERED THROUGH JULY 31, 2017; STATEMENT NO. W1582 - ALL MATTERS; TOTAL AMOUNT OF \$48,082.47 - Mr. Scott Olson addressed the Board and noted that we've had an attorney here for two months. A spirited debate was had at the last meeting regarding the amount of the bill. This month, the second bill and he is amazed at one simple reality. If you are having major issues with a law firm regarding how much it costs, would you not first have this item up here? Why is four and five in the order they are in? Quite honestly, it would have behooved all of you to have looked at the bill for the second month before your rush to say, we have got to have it right now. They are not going anywhere. If you took another two or three months, guess what, they would still be here doing as a good a job as they are doing right now. So what is the rush? Why is it that you want to approve a long-term contract after two months of being interim and you put it on the agenda before you even talk about the second month's bill. Granted, it's very possible they are going through a lot of legal issues. He is sure that with what he's turned in, it's kept them busy and challenging. That's just the way it works. Mr. Olson addressed Director Bourland directly, inquiring as to whether or not he is familiar with Robert's Rules of Order. You don't speak on an issue after you've voted on it. If you know Robert's Rules well, then you would know how to follow procedure like Mr. Young did. That is the acceptable way to do it. Looking at the politics and looking at the vote and the bill without even talking about the money. A big surprise last month. Be careful what you wish for. Director Bourland addressed Mr. Olson commenting that he conducted a detailed review of the bill and will speak to it when it is time to discuss with regards to where the money is going. Director Bourland also commented that he is a business guy, not a politician and if he is out of order and made a mistake, he will try not to do that next time and that as a business man, he likes making decisions and moving forward and taking corrective action, not taking forever to make decisions. The Board moves like molasses and he disagrees, hole heartedly that politics by definition, should move slow, as it doesn't have to. Following discussion, a motion was made by Director Bourland to Approve the Payment to Gresham Savage Nolan & Tilden, PC for Professional Services rendered through July 31, 2017; Statement No. W1582 - All Matters; Total Amount of \$48,082.47 with discussion, seconded by Vice President Gonzalez. Discussion continued regarding a breakdown of the July invoice and possible discrepancies. Following discussion, Director Young, Sr. amended the original motion to pay two months of the basic services at \$7,500 per month and review the rest of the billing for discrepancies. The motion failed for the lack of a second. Director Bourland made a substitute motion to pay the amount charged, understanding that Legal Counsel would offer a refund to the District for anything disputed, seconded by Vice President Gonzalez. The motion carried by the following vote:

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RESULT:	APPROVED [3 TO 1]
MOVER:	Robert Bourland
SECONDER:	Linda Gonzalez
AYES:	Donald Olinger, Linda Gonzalez, Robert Bourland
NAYS:	Clifford Young
ABSENT:	Gregory Young

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

Director Young, Sr. asked to be excused from the meeting and departed at 7:05 p.m.

1. Board Members

Director Bourland reported on following:

- a. Received a flyer from a water district in Covina regarding their aging infrastructure and the capital costs that must be incurred in order to work on their aging infrastructure. He will bring the flyer in for Staff's review, as he would like the District to do something similar.

Vice President Gonzalez reported on the following:

- a. Thanked everyone for attending the meeting.
- b. Sep. 5th - Attended the Bloomington Municipal Advisory Council ("MAC") meeting. Mr. Litchfield and External Affairs Manager Wendy Strack were in attendance. Mr. Litchfield made a PowerPoint presentation regarding the District's treatment plant, where West Valley is and where we are going in the future. Enjoyed that he incorporated the aging infrastructure, which he mentioned two or three times during the presentation. It is very important to hear this, as it's not just when water comes out of the faucet or the water hose. It is transferred from point A to point B. Thanked the General Manager who provided the Board with the PowerPoint presentation. There were also a couple of incidents mentioned that happened in Bloomington, including homicide that is under investigation. Asked that everyone extend their prayers.

President Olinger reported on the following:

- a. Sep. 7th - Attended the Valley District Board of Directors meeting. Apologized to Ms. June D. Hayes, Director of Valley District for the equanimity and diplomacy compared to that of Valley District's meetings. Attends the meetings once per month, which he finds emotionally gratifying to see the Board on the dais, who are independent and very civil. Ms. Hayes addressed the Board and commented that she has noted as a new Board member at Valley District, but not new to politics that Valley District pre-discusses controversial items in committee meetings or at a workshop, where the controversies related to items come out there. In terms of committee meetings, in the past only two directors attended the committee meetings. However, other directors wanted to attend and now all committee

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meetings are committee workshops so that all directors may attend. It is helpful in terms of ironing out their differences and finding out what the issues are. It makes it appear that the Board meetings are much more civil, as the controversy has been ironed out and that it might be something for the District to consider.

2. Legal Counsel

Mr. Randolph reported on the following:

- a. The Board had been provided with a status chart of Gresham's activities at the dais.

3. General Manager

Mr. Litchfield reported on the following:

- a. Will not be in attendance at the 9/21/17 regular Board meeting due to scheduled vacation. Assistant General Manager Greg Gage will conduct the meeting in his stead.

4. Assistant General Manager

Mr. Greg Gage had no report.

5. Chief Financial Officer

Ms. Marie Ricci reported on the following:

- a. Aug. 17th - Received a request to put the balance due on the Level Payment Plan on the bills. Staff is currently working on redesigning the bills to provide that information on the bill so that rate payers are made aware of the settle amount at the end of their Level Payment Plan, as well as adding the PayNearMe bar code. Staff anticipates that occurring in the next three months.

6. Operations Manager

Ms. Joanne Chan reported on the following:

- a. The Oliver P. Roemer Treatment Plant ("ORWTP") is producing 9.9 mgd., up 4 %.
- b. Lytle Creek Flow is 4.4mgd, up 44 % due to the rain last week.
- c. State Water Project ("SWP") water flow is at 3.9 mgd., down 22 %.
- d. The FBR Treatment Plant is treating 2.9 mgd., its maximum capacity.

7. Engineering Services Manager

Ms. Linda Jadeski had no report.

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8. External Affairs Manager

Ms. Wendy Strack reported on the following:

- a. Shared the District's second most popular Facebook post that appeared this week, featuring Meter Reader Mr. Ralph Navarro. Mr. Navarro had been featured as an effort to get customers to know our employees a little better and learn more about who we are. Mr. Strack presented a video which had already been viewed over 5,300 times this week and reached over 11,000 people, and has been liked, shared or commented 345 times on Facebook alone.

9. Human Resources/Risk Manager

Ms. Karen Logue reported on the following:

- a. Workplace Wellbeing Team ("WWT") Kick-Off - Conducted the second kick-off meeting with fourteen members of the West Valley Staff on the WWT. A mission statement has been created and have identified areas that will be focused on, including personal and financial growth and physical. Staff is looking to integrate the District's program with 24 Hour Fitness, which will be opening soon on Ayala and the 210 freeway. A representative is scheduled for a meeting to speak with the WWT regarding integrating with them. We have a great cross section of representatives, including Mr. Navarro.

10. Business Systems Manager

Mr. Jon Stephenson had no report.

11. Board Secretary

Ms. Shanae Smith reported on the following:

- a. 9/11/17 - Human Resources Committee meeting at 6:00 p.m.
- b. 9/18/17 - Association of San Bernardino County Special Districts ("ASBCSD") will be hosted by Lake Arrowhead Community Services District at The Grille at Antler's Inn in Twin Peaks.

FUTURE AGENDA ITEMS

Vice President Gonzalez commented that she had requested before that the Long Term Care Policy 407 of the Board's Ordinance No. 84 be brought back and placed on the agenda for discussion, as the benefit is received by one Board member only. It is important to her, as the public has addressed it personally with her out in the market, inquiring why only one person in the entire facility is receiving the benefit. Mr. Michael Davis said that it would be addressed.

INFORMATION

None.

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CLOSED SESSION

At 7:22 p.m. the Board convened to Closed Session to discuss several items. At 8:30 p.m., the Board reconvened to Open Session. Mr. Randolph reported on the following:

1. Approval of Closed Session Minutes (Unrestricted): Regular meeting September 7, 2017.
Approved.
2. Approval of Closed Session Minutes (Restricted): Regular meeting September 7, 2017.
Approved.
3. CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTER – Pursuant to Government Code 54957: Public Employee Contract: General Manager. – No reportable action.
4. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Government Code Section 54956.9(a): FPPC Complaint, Clifford O. Young, Sr. v. West Valley Water District and Linda Gonzalez, Complaint No. COM-06092017-01044.

No reportable action.

5. 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.

6. 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.

7. 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.

8. 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.

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

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No reportable action.

10. 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.

11. 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.

ADJOURN

THERE BEING NO FURTHER BUSINESS, DIRECTOR BOURLAND MOVED TO ADJOURN THE MEETING AT 8:30 P.M.

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

ATTEST:

Shanae Smith, Board Secretary

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