



**Minutes of the Meeting
Of the Board of Directors of Rowland Water District**

February 8, 2011

Location of Meeting: District Office

PLEDGE OF ALLEGIANCE

ROLL CALL OF DIRECTORS

President Anthony J. Lima
Vice President Szu Pei Lu-Yang
Director Rene Rios
Director Robert W. Lewis
Director John Bellah

OTHERS PRESENT:

Dan Horan, Three Valleys Municipal Water District
Janet Morningstar, Legal Counsel
Joe Ruzicka, Three Valleys Municipal Water District
Kirk Howie, Three Valleys Municipal Water District
David Malkin, Resident
Tori Malkin, Resident

ROWLAND WATER DISTRICT STAFF PRESENT:

Ken Deck, General Manager
Ted Carrera, Assistant General Manager
Sean Henry, Finance Officer
Rose Perea, Resource Analyst

ADOPTION OF AGENDA:

Upon motion by Director Rios, seconded by Vice President Lu-Yang, and approved by unanimous vote, the Agenda was adopted as presented.

PUBLIC COMMENT:

Mr. David Malkin, Rowland Heights resident, thanked the District and the Board of Directors on the timely repairs of Fullerton Road. He also inquired as to whether the District would be hosting a ULFT Distribution/Exchange in the near future. Mr. Deck outlined the District's past ULFT exchange programs which it held while Metropolitan Water District of Southern California provided financial assistance. He advised Mr. Malkin that Metropolitan Water District was no longer contributing toward ULFT exchange programs and that therefore that the District had not scheduled any future exchange programs at this time.

CONSENT CALENDAR:

Upon a motion by Vice President Lu-Yang, seconded by Director Rios, the Consent Calendar was approved as presented. The motion was unanimously carried.

The approval of the Consent Calendar included the Minutes of the Regular Meeting held on January 11, 2011 (Tab 1); Approval of Demands on General Fund Account for January 2011 (Tab 2); Approval of the Investment Report for January 2011 (Tab 3); and Approval of the Regular Board Meeting scheduled for March 8, 2011.

Tab 4

REVIEW AND APPROVE DIRECTORS' MEETING REIMBURSEMENTS FOR FEBRUARY

Director Lewis noted that due to the late submission of his reimbursement request for his attendance at the San Gabriel Valley Chamber Government Affairs Committee meeting, this stipend would be included in the March reimbursement request.

A motion was made by Director Rios, seconded by Vice President Lu-Yang, to approve the Directors' Meeting Reimbursement report as presented.

Tab 5

PUBLIC HEARING DECLARING A LEVEL 4 WATER SHORTAGE EMERGENCY DURING THE UPCOMING MWD WEYMOUTH TREATMENT PLANT SHUTDOWN MARCH 18 THROUGH MARCH 27, 2011

Public hearing opened at 6:06 p.m. Mr. Deck explained the purpose of the hearing to declare a level four Water Shortage Emergency during the planned shutdown of the Weymouth Treatment Plant, to allow the District to encourage voluntary termination of irrigation services during the ten-day period. Mr. Deck described the efforts to obtain alternative sources of water during the water shortage emergency and stated that the suspension of irrigation during the shutdown should allow the District to make it through the ten days. He announced that no written comments were received. There were no public comments. Public hearing closed at 6:12 p.m.

Tab 6

REVIEW AND APPROVE RESOLUTION NO. 2.1-2011 DECLARING A LEVEL 4 WATER SHORTAGE

A motion was made by Vice President Lu-Yang, seconded by Director Rios, to approve Resolution No. 2.1-2011 Declaring a Level 4 Water Shortage.

Roll call vote.

Ayes: Directors Lima, Rios, Lewis, Lu, and Bellah

Noes: None

Absent: None

Abstain: None

Motion was passed by a vote of 5-0.

Tab 7

RWD STATEMENT OF OPERATIONS FOR THE 6-MONTH PERIOD ENDING DECEMBER 31, 2010

Mr. Deck and Mr. Henry answered questions raised by the Board. Vice President Lu-Yang made a motion to receive and file the statement of operations report discussed above, seconded by Director Lewis. The motion was unanimously carried.

Tab 8

RWD INVESTMENT REPORT FOR THE PERIOD ENDING DECEMBER 31, 2010.

Mr. Henry reviewed the investment report with the Board. Vice President Lu-Yang made a motion, Director Lewis seconded, to receive and file the investment report ending December 31, 2010. The motion was unanimously carried.

Tab 9

REVIEW AND APPROVE INVESTMENT POLICY OF THE DISTRICT

Mr. Deck stated that the Investment Policy and the statutes governing investment authority of the District had been reviewed by staff and Legal Counsel and that no changes were recommended at this time.

A motion was made by Director Lewis, seconded by Vice President Lu-Yang, to maintain the Investment Policy as it currently exists. The motion was unanimously carried.

Tab 10

REVIEW AND APPROVE RESOLUTION NO. 2-2011 RE-AUTHORIZING INVESTMENT AUTHORITY TO THE GENERAL MANAGER

A motion was made by Vice President Lu-Yang, seconded by Director Rios, to approve Resolution No. 2-2011 Appointing the District Treasurer and Delegating Authority for the Investment of Surplus Funds of the District to the General Manager/Treasurer.

Roll call vote.

Ayes: Directors Lima, Rios, Lewis, Lu, and Bellah

Noes: None

Absent: None

Abstain: None

Motion was passed by a vote of 5-0.

Tab 11

REVIEW AND APPROVE RESOLUTION NO. 2.2-2011 RECORDS RETENTION POLICY

Mr. Deck discussed the need to update the District's Records Retention Policy, in particular due to improved digitizing capabilities. Mrs. Morningstar advised that she reviewed and updated the legal authority pertaining to the various record types and the retention period applicable to each.

A motion was made Director Lewis, seconded by Vice President Lu-Yang, to approve Resolution No. 2.2-2011 Records Retention Policy.

Roll call vote.

Ayes: Directors Lima, Rios, Lewis, Lu, and Bellah

Noes: None

Absent: None

Abstain: None

Motion was passed by a vote of 5-0.

Tab 12

REVIEW AND APPROVAL OF PROPOSAL FROM CV STRATEGIES

After discussion, the Board instructed staff to move forward with the Proposal, with a provision to place a \$10,000.00 limit during this budget year and to review the status at a later date to determine whether further services are required to be included in the 2011-2012 budget year.

A motion was made by Director Bellah, seconded by Vice President Lu-Yang to approve the Proposal from CV Strategies with a \$10,000 limit as noted above. The motion was unanimously carried.

Tab 13

APPROVE SUBMITTAL OF APPLICATION TO REGIONAL CHAMBER OF COMMERCE TO BECOME A VOTING MEMBER OF THE GOVERNMENT AFFAIRS COMMITTEE

Mr. Deck reviewed the proposal for the District to become a voting member on the Regional Chamber of Commerce Government Affairs Committee. There was a discussion regarding the purposes of the Chamber of Commerce as an organization to help business leaders communicate with local government and that the voting members should be business people rather than government officials. It was the consensus of the Board to table this matter subject to future action.

Tab 14

**DISCUSSION ON DISTRICT'S PARTICIPATION IN PUBLIC AGENCY
RETIREMENT SERVICES (PARS) PROGRAM**

The Board directed staff to proceed with PARS. Legal counsel noted that the District's current investment policy does not allow the types of investments which would be made under PARS' program, however the Government Code provides that local agencies may adopt a more flexible investment policy for funds set aside to pay for retiree health benefits. If the Board determines to set up a retiree healthcare benefits trust with PARS, a separate policy would be required to enable the General Manager/Treasurer to invest surplus funds in the PARS Program.

A motion was made by Vice President Lu-Yang, seconded by Director Lewis, to direct staff to proceed with arrangement for the District's participation in the PARS Program, and prepare the necessary policy to allow the investment of the trust funds in the securities comprising the PARS portfolios. The motion was unanimously carried.

Tab 15

GENERAL MANAGER'S REPORT

- a. Water Purchase Report -- Nothing to Report

Tab 16

**DISCUSSION OF UPCOMING CONFERENCES, WORKSHOPS, OR EVENTS
(INCLUDING ITEMS THAT MAY HAVE ARISEN AFTER THE POSTING OF THE
AGENDA)**

- a. Approve Directors attendance at the ACWA Legislative Symposium to be held on March 16, 2011 in Sacramento, CA

Director Lewis confirmed his attendance at the ACWA Legislative Symposium to be held on March 16, 2011 in Sacramento, CA.

- b. Approve Directors attendance at the ACWA Spring Conference to be held May 10-13, 2011 in Sacramento, CA

Director Bellah voiced an interest in attending pending his review of the Agenda for the Conference.

Tab 17

REVIEW OF CORRESPONDENCE

None to review.

COMMITTEE REPORTS

Tab 18

Three Valleys Municipal Water District

Vice President Lu-Yang reported on the Three Valleys' Board of Directors meeting. She mentioned the increase in storage at Diamond Valley Lake (up 75%) and Lake Mead (up 50%).

Puente Basin Water Agency

Nothing to report.

PWR Joint Water Line Commission

President Lima reported that the next Commission meeting would be held on February 17, 2011 at 3:30 p.m.

JPIA

Mr. Deck reported that there will be no rate increases in the Property Program.

Association of California Water Agencies

Nothing to report.

Regional Chamber of Commerce

Staff noted that the Joint Mayors Prayer meeting is scheduled to February 18, 2011, at 7:15 a.m. at the Diamond Bar Golf Course, Diamond Bar, CA

Sheriff Community Advisory Committee

Vice President Lu-Yang advised that the next meeting would be held on February 15, 2011, at the Carolyn Rosas Park, Rowland Heights, CA.

Project Ad-Hoc Committee

Nothing to report.

Finance Ad-Hoc Committee

Nothing to report.

ATTORNEY'S REPORT

Nothing to report.

PERSONNEL REPORT

President Lima presented SEAN HENRY, with a ten-year service pin.

PUBLIC RELATIONS

Mrs. Perea, District Resource Analyst, reported on the following programs:

- MWD Poster contest –Participation verification due to MWD by March 3; Posters due June 1.
- Mrs. Perea will participate in the Principal for a Day program at Jellick Elementary on March 3, 2011.
- The Water Education Water Awareness Committee (WEWAC), which the District participates in as a member, will be working with Curiosity Quest, Joel Greene, to develop a 30-minute program on CD which will focus on conservation, drought tolerant plants, where our water comes. This information will align with curriculum and State standards.
- VIDEO (PSA) Contest applications are Due April 8, 2011; awards ceremony will be in May.
- Theater Group will be performing on February 18, 2011 at 12:15 p.m. at Yorbita Elementary, 520 Vidalia, La Puente, CA.

ENGINEER'S REPORT

Mr. Carrera reported that maintenance works on two reservoirs was nearing completion.

DIRECTORS' AND GENERAL MANAGER'S QUESTIONS AND COMMENTS

None.

FUTURE AGENDA ITEMS

Approve submittal of an application to the Regional Chamber of Commerce to become a voting member of the Government Affairs Committee.

LATE BUSINESS

None.

A motion was made by Director Bellah, seconded by Vice President Lu-Yang, and unanimously carried to adjourn the meeting. The meeting was adjourned at 7:37 p.m.

Anthony J. Lima
Board President

Attest: _____
Ken Deck
Board Secretary