

**MINUTES OF THE REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
LA PUENTE VALLEY COUNTY WATER DISTRICT**

A regular meeting of the Board of Directors of the La Puente Valley County Water District was held on Monday, August 22, 2011, at 5:30 p.m. at the District office, 112 N. First St., La Puente, California.

**Meeting called to order:**

President Rojas called the meeting to order at 5:30 pm.

**Pledge of Allegiance**

President Rojas led the meeting in the Pledge of Allegiance.

**Directors present:**

William Rojas, President; Charles Aguirre, Director; John Escalera, Director and David Hastings, Director.

**Director Absent:**

Henry Hernandez, Vice President

**Staff present:**

Greg Galindo, General Manager; Rosa Ruehlman, Board Secretary; Tim Gosney and Roland Trinh, District Counsels.

**Others present:**

Ed Chavez from Upper San Gabriel Valley Municipal Water District; Gina Herrera, Customer Service/Office Supervisor and Shaunte Maldonado, Billing Clerk and resident of the District.

**Adoption of Agenda:**

President Rojas asked for the approval of the agenda.

Motion by Director Aguirre, seconded by Director Escalera, that the agenda be adopted as presented.

Motion approved by following vote:

Ayes: Rojas, Aguirre, Escalera, Hastings

Nays: None.

Absent: Hernandez

**Consent Calendar:**

A. Approval of Minutes of the Regular Board of Directors meeting on August 18, 2011.

Motion by President Rojas, seconded by Director Hastings, to approve the consent calendar as presented.

Motion approved by following vote:

Ayes: Rojas, Aguirre, Escalera, Hastings

Nays: None.

Absent: Hernandez

**Public hearing on Proposed Increase to Water Rates and Service Charges:**

President Rojas opened the public hearing on the proposed increase to water rates and service charges and take any questions or protests.

Hearing no objection or comments from the public, the Public hearing was closed.

**Action/Discussion Items:**

**A. Approval of Resolution No. 200 approving new water rates and service charges:**

- Mr. Galindo provided a memo summarizing to the Board the proposed increase to water rates and service charges. He shared that the recommendations made in the Rate Study included two major changes to the structure of the rates and charges; first was to adjust service charges by meter size, to better reflect the cost of service. He added the capacity charge is based on a hydraulically equivalent meter calculation and the new bi-monthly service charge will be the same for all zones, solely based on meter size. Second is to adjust the commodity tiered rate structure to better reflect the cost of water for the customer classes in each service zone based on historical usage trends. The new rates would retain the two tiered water rate structure for residential class customers in all zones and lower the first tier of usage from 30 units to 25 units; use a single tier rate for commercial, irrigation and multi-family class customers and it adjusts the commodity rates for zones to recover the pumping costs to provide water to higher elevations. Mr. Galindo stated that the Study does provide tables that depict what type of impact the proposed rates will have on the average customer. It also includes a residential rate comparison of 12 other local water purveyors, which reveal the proposed rates as being approximately 20% below average. He added final Study was presented to the District's Board of Directors at its regular board meeting on April 11, 2011, and was received and filed. The Board of Directors directed staff to prepare a Notice of Increase to Water Rates and Charges and the Public Hearing. Mr. Galindo shared that this Notice was approved by the Board of Directors on May 9, 2011 and staff was directed to mail notices to the current customers and property owners of record within the District's boundaries. The notice was mailed out on June 22, 2011. The notice provided information on when and where the Public Hearing would be held along with information on a customer's right to protest.
- Finally Mr. Galindo stated that as of August 19, 2011, District staff had not received any written protests and also a public hearing was opened during this meeting and the public present had no questions, comments or concerns. Therefore, Staff recommends that Resolution No. 200 be adopted and thereby instituting new water rates and service charges effective September 1, 2011.

Motion by President Rojas, seconded by Director Aguirre, to approve Resolution No. 200 adopting the new water rates and service charges effective September 1, 2011.

Motion approved by following vote:

Ayes: Rojas, Aguirre, Escalera, Hastings

Nays: None.

Absent: Hernandez

**B. Approval earthquake insurance policy renewal for 2011-12.**

- Mr. Galindo presented a memo summarizing the District's earthquake insurance coverage and a summary of the insurance premium breakdown for the three entities. The breakdown for this year is different from prior years. The coverage for the treatment plant has been removed since the CR's do not require earthquake coverage for the treatment plant equipment. The City of Industry earthquake coverage will continue coverage for the pump stations and wells, but will removed coverage for the reservoirs since the City has similar coverage in place.
- Staff recommends that the Board approve the earthquake insurance for the District and City of Industry renewal for 2011-12.

Motion by President Rojas, seconded by Director Hastings, to approve the earthquake insurance policy renewal for 2011-12 as presented.

Motion approved by following vote:

Ayes: Rojas, Aguirre, Escalera, Hastings

Nays: None.

Absent: Hernandez

**General Manager's Report:**

Mr. Galindo had no report.

**Information Items**

President Rojas shared there are some news articles and information items for Board to look over.

**Attorney's Comments:**

Mr. Gosney and Mr. Trinh had no report.

**Board Member Comments:**

- President Rojas thanked Mr. Chavez from Upper District, Mr. Trinh from Mr. Gosney's Office and Staff members for attending the meeting and Public hearing.
- Director Escalera Thanked Mr. Galindo for his hard work on the rate study.
- Director Hastings thanked Mr. Galindo and Staff for preparing the rate study and added that the District saved a lot of money by doing the rate study in-house.
- Director Aguirre reiterated the Board members sentiments.

**Future Agenda Items:**

No future agenda items

**Adjournment :**

There being no further business or a comment, the meeting was adjourned at 5:47 p.m.

---

William R. Rojas, President

---

Rosa B. Ruehlman, Secretary