



**MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
LA PUENTE VALLEY COUNTY WATER DISTRICT
FOR MONDAY, JANUARY 14, 2019 AT 5:30 PM**

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

President Rojas led the meeting in the Pledge of Allegiance.

3. ROLL CALL OF THE BOARD OF DIRECTORS

President Rojas	Vice President Escalera	Director Barajas	Director Hastings	Director Hernandez
Present	Present	Present	Present	Present

Others Present

Staff and Counsel: General Manager & Board Secretary, Mr. Greg Galindo; Office Manager, Mrs. Gina Herrera; Engineering & Compliance Manager, Mr. Roy Frausto and District Counsel, Mr. Jim Ciampa.

Public: Alfonso “Al” Contreras, Vice President of Upper San Gabriel Valley Municipal Water District; James L’Esperance, Northrop Grumman.

4. PUBLIC COMMENTS

Mr. Contreras congratulated Director Barajas on joining the La Puente Valley County Water District Board.

5. ADOPTION OF AGENDA

Motion: Adopt Agenda as Presented.

1st: President Rojas

2nd: Director Hernandez

	Rojas	Escalera	Barajas	Hastings	Hernandez
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

6. REORGANIZATION OF THE BOARD

A. PRESIDENT

Nomination and Motion by President Rojas to Elect Director Escalera to serve as President of the Board.

1st: President Rojas

2nd: Director Hernandez

	Rojas	Escalera	Barajas	Hastings	Hernandez
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

B. VICE PRESIDENT

President Escalera thanked outgoing President Rojas for his service. He then Nominated and Motioned to Elect Director Hernandez to serve as Vice President of the Board.

1st: President Escalera

2nd: Director Rojas

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

7. APPROVAL OF CONSENT CALENDAR

Motion: Approve Consent Calendar as Presented.

1st: Director Rojas

2nd: Vice President Hernandez

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

8. PRESENTATION ON THE PUENTE VALLEY OPERABLE UNIT PROJECTS

Mr. James L'Esperance a Project Manager representing Northrop Grumman provided a presentation to the Board of Directors and staff on the status of the Puente Valley Operable Unit Intermediate Zone and Shallow Zone South Projects. (Presentation attached).

During the presentation there was discussion amongst the Board, staff and Mr. L'Esperance on details of the Puente Valley Operable Unit Intermediate Zone and Shallow Zone South Projects.

No action was taken.

9. ACTION / DISCUSSION ITEMS

A. Consideration of Term Sheet for a Proposed Operation Services Agreement for the Puente Valley Operable Unit Shallow Zone South Project.

Mr. Galindo provided background information and an overview of the item and presented portions of his staff report that was included in the Board meeting agenda packet. Mr. Galindo

explained the benefits to the District that would result from its involvement with the Puente Valley Operable Unit Shallow Zone South Project.

Motion: Authorize the General Manager to Execute the Term Sheet as Proposed.

1st: Director Rojas

2nd: Vice President Hernandez

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

B. Approval of Attendance for Upcoming Conferences and Meetings.

Mr. Galindo presented a staff report that listed a number of meetings and conferences for the Board to consider approving the Board’s and staff’s attendance to in the coming year.

President Escalera inquired about local community event attendance. Mr. Galindo explained that staff will prepare a future agenda item to consider District’s participation in local community events. Mr. Ciampa stated that state law requires pre-approval of compensatory events.

After discussion there was a motion made by Director Rojas.

Motion: Approve attendance for the Board and staff to the meetings and conferences that were listed in the staff report presented.

1st: Director Rojas

2nd: Director Hastings

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

C. Discussion Regarding Current Ad Hoc Committee Assignments.

Mr. Galindo presented a staff report regarding current Board of Director assignments to active Ad Hoc Committees.

President Escalera asked the Board members if they would like to make any changes to the assignments. No members requested any changes.

Board President Escalera then decided to make no changes to the current Ad Hoc Committee assignments.

D. Authorization of the Annual Audit by Fedak & Brown LLP of the District’s Financial Statements for Year Ending December 31, 2018.

Mr. Galindo reviewed the Letter of Engagement from Fedak & Brown LLP with the Board. He added that Fedak & Brown has completed the last two Annual Audits and staff recommends utilizing their services for the 2018 Audit.

Motion: Authorize Fedak & Brown LLP to Perform the District’s 2018 Financial Audit.

1st: Director Hastings

2nd: Director Rojas

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

E. Consideration of Resolution No. 259 Reestablishing the District’s Investment Policy.

Mr. Galindo presented a redlined copy of the District’s investment policy showing the revisions recommended by the District’s Counsel.

Mr. Ciampa provided an explanation of the importance of having an Investment Policy and explained that the policy is required to be reviewed annually. He went on to explain to the Board why changes occasionally will have to be made.

Motion: Adopt Resolution 259 Reestablishing the District’s Investment Policy.

1st: President Escalera

2nd: Director Rojas

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

F. Consideration of Investments of the District’s Reserve Funds.

Mr. Galindo summarized his staff report on the item, explaining his recommendation to approve the transfer of District reserve funds.

Motion: Approve the Transfer of \$152,000 of the District Reserve Funds to the District’s Local Agency Investment Fund (LAIF) Account.

1st: Director Hastings

2nd: Director Rojas

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

G. Consideration of Proposal from Evoqua Water Technologies for the Replacement of Vapor Phase Carbon at the District’s Groundwater Treatment Plant.

Mr. Frausto summarized his staff report on the item. He explained the need for the replacement of the vapor phase carbon and what triggers the carbon change out. Mr. Galindo provided some background information on the groundwater treatment system.

After some discussion, there was a motion by Vice President Hernandez.

Motion: Authorize the General Manger to Proceed with the work as specified in the Proposal from Evoqua Water Technologies.

1st: Vice President Hernandez

2nd: Director Rojas

	Escalera	Hernandez	Barajas	Hastings	Rojas
Vote	Yes	Yes	Yes	Yes	Yes

Motion carried by a vote of: 5 Yes, 0 No, 0 Abstain.

10. GENERAL MANAGER’S REPORT

Mr. Galindo reported the following item:

- Schedule for customer billing with the new water rates.
- Changes to the on-call duty for the District’s field staff.
- Final 2019 Budget document was provided to all Board members.
- Industry Public Utility Water Operations - upcoming water rate study, capital improvements project process, City’s Well No. 5 work and agreements for groundwater treatment of the City’ well field.
- Update on the District’s Recycled Water Project.

During Mr. Galindo’s report there was discussion with the Board on the various items. Mr. Galindo thanked Director Rojas for his leadership over the past year as President. No action taken.

11. OTHER ITEMS

A. Upcoming Events.

Mrs. Herrera reviewed upcoming events with the Board and verified what events each member would be attending.

B. Information Items.

Included in Board Packet.

12. ATTORNEY’S COMMENTS

Mr. Ciampa reported on the Governor’s support for safe and affordable drinking water fund legislation, also known as the water tax.

Mr. Ciampa also reported on the State Water Board’s report, required by AB 401, on a statewide program low income water rate assistance program. He explained some of the specifics of the program and the proposed funding for this type of program.

There was some discussion amongst the Board members and Mr. Ciampa on the items reported. No action was taken.

13. BOARD MEMBER COMMENTS

A. Report on Events Attended.

No events attended since last Board Meeting.

B. Other Comments.

Vice President Hernandez and Director Hastings thanked Director Rojas for his service as Board President.

Director Rojas commented that he was pleased by the collaboration between staff and Northrop Grumman to move the projects forward.

President Escalera thanked staff for there hard work over the last year.

14. FUTURE AGENDA ITEMS

Consideration of rescheduling the February 11, 2019 Regular Board of Director's Meeting.

15. ADJOURNMENT

President Escalera adjourned the meeting at 6:48 p.m.

Attest:

John P. Escalera, President

Greg B. Galindo, Secretary