



**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, September 11, 2017, at 5:30 at the District office, 112 N. First St., La Puente, California.

Meeting called to order:

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

Pledge of Allegiance

President Hastings led the meeting in the Pledge of Allegiance.

Directors present:

David Hastings, President; William Rojas, Vice President; Charles Aguirre, Director; John Escalera, Director and Henry Hernandez, Director

Staff present:

Greg Galindo, General Manager; Rosa Ruehlman, Board Secretary; Roy Frausto, Compliance Office and Project Engineer and Roland Trinh, District Counsel.

Others Present:

Mr. Ed Chavez, Director of Upper San Gabriel Valley Municipal Water District.

Public Comment:

Mr. Chavez shared that Upper District is in the process of recruiting for a new General Manager, Assistant to the General Manager and a Government Affairs Assistant.

Adoption of Agenda:

President Hastings asked for the approval of the agenda.

- Mr. Galindo asked to amend the agenda by removing Item 6, A – Minutes of the Regular Board Meeting for August 28, 2017.

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

Motion approved by the following vote:

Ayes: Hastings, Rojas, Aguirre, Escalera and Hernandez.

Nays: None.

Consent Calendar:

President Hastings asked for the approval of the Consent Calendar.

B. Approval of District Expenses for the Month of August 2017.

C. Approval of City of Industry Waterworks System Expenses for the Month of August 2017.

D. Receive and File the District's Water Sales Report for August 2017.

E. Receive and File the City of Industry Waterworks System's Water Sales Report for August 2017.

F. Approval of Attendance for SB 1234, Ethics Training at Lagerlof, Senecal, Gosney & Kruse, LLP on Tuesday, September 26, 2017, at 10:00 am in Pasadena, CA.

Motion by Director Escalera, seconded by Director Hernandez, to approve the consent calendar as amended.

Motion approved by the following vote:

Ayes: Hastings, Rojas, Aguirre, Escalera and Hernandez.

Nays: None.

Action/Discussion Items:

A. Consideration of Bid Proposal from Doty Bros. Equipment Company to Construct 12-inch waterline in Del Valle Avenue to Support 45-Unit Housing Development at 747 Del Valle Avenue.

- Mr. Frausto reported that notices inviting bids for construction of a new waterline at 747 Del Valle Avenue project were sent to five contractors. On August 16, 2017, at 3:00 pm, a public bid opening was held at the District office and three bids were received. The bids received are as follows: Doty Bros. Equipment Company for \$362,488.50; Brkich Construction for \$460,075.00; and WA Rasic Construction Company for \$882,942.50.
- Mr. Frausto reported on the fiscal impact to the District for a portion of the work that comprised of service line replacements for existing customers that are not required for the development. He added that the District's Capital Improvement Budget appropriates \$25,000.00 for service line replacements. He stated that cost for the 9 service line replacements for the Del Valle Project is \$17,475.00, which will be the District's cost and all the other remaining costs will be funded by the Developer.
- Mr. Frausto recommends the Board authorize the General Manager to secure services from the lowest bidder Doty Bros. Equipment Company for construction of 12-inch Waterline in Del Valle Avenue after receiving the required funds for said construction from Developer of 747 Del Valle Avenue.

After further discussion, motion by Director Escalera, seconded by President Hastings, to authorize the General Manager to secure services from Doty Bros. Equipment Company for construction of 12-inch Waterline in Del Valle Avenue, after receiving the required funds for said construction from Developer of 747 Del Valle Avenue for a not to exceed \$362,488.50.

Motion approved by the following vote:

Ayes: Hastings, Rojas, Aguirre, Escalera and Hernandez.

Nays: None.

B. Consideration of Investment of \$55,000 of District Reserve Funds Consistent with Offer Sheet Prepared by Dewane Investment Strategies Dated September 6, 2017.

- Mr. Galindo reported that a CD came due in August and the proceeds remain in the Raymond James account. Per Staff's request, an offer sheet was provided, dated September 6, 2017, for the purchase of a CD for \$55,000.00. The CD was for 18 months with the maturity date of March 13, 2019, at an interest rate of 1.60% with an estimated income of \$1,300.
- Mr. Galindo stated that based on the investment policy any investment decisions need to be brought to the board for their approval.
- Mr. Galindo recommended that the Board approve the reinvestment of \$55,000 with Raymond James that is consistent with the offer sheet, which the interest rate may be higher or lower than the 1.60% but it will be the same quality and duration.

After further discussion, motion by President Hastings, seconded by Director Aguirre to Authorize General Manager to reinvest \$55,000 with Raymond James as per offer sheet prepared by Dewane Investments.

Motion approved by the following vote:

Ayes: Hastings, Rojas, Aguirre, Escalera and Hernandez.

Nays: None.

C. California Legislation Update.

- Mr. Galindo reported that SB 623 is now a two-year bill, which is good news.
- Mr. Galindo also reported on other pending bills: AB 1668 and SB 606 Conservation Bills, which is going through several changes. It is getting close to approval but ACWA is not in favor of these bills; SB 5 is a \$4 Billion Bond for Parks, Water and Climate Change Projects, which is anticipated to pass; AB 1180 is a bill that allows the Los Angeles County to move forward a ballot measure to levy a tax or impose a fee to pay for the cost to carry out programs for storm water capture.
- Staff will provide an update at a future meeting on what bills passed and how they may impact the District.

Discussion only, no action required.

General Manager's Report:

Mr. Galindo presented his report:

- Water Consumption Data - He shared some water consumption data for the month of August that as compared to 2003 is 19% less for the District and for Industry is 15% less. So customers are continuing to conserve water.
- Ford F-250 Pickup Truck - He reported the purchase of a new pickup truck Ford F-250 and Staff is in the process of installing a light bar and radio.
- PVOU Update - He shared that the latest revised agreements have been submitted to Northrop Grumman and staff is waiting for comments back. He added that Mr. Trinh did a great job providing red lines and working with Suburban Water.
- Recycled Water Project – this project has been put on hold due to that the Sanitation District is working on the 1211 Permit to allow the change of the use of recycled water from discharging into the San Gabriel River to delivering to a recycled water system. They did receive some comments from the California Department of Fish and Wildlife that there are issues they need to be work through. So it appears the permit will not be issued by the end of the year. He met with the Upper District's Interim General Manager to discuss the issue. He added that we are up against a deadline of June 2018 to meet the Prop 84 Grant Agreement provisions, which yields \$428,000.00 towards the recycled water project. He stated that if we do not construct by June 2018, we will lose the grant funding. We are one of three projects with Upper District receiving the Prop 84 grant proceeds, so the impact is substantial. We are going to work with the Sanitation District to get a firm position on the recycled water availability. He stated in the meantime he wants to continue to move the project along, complete the design, go out to bid and be ready to award. He will reconvene the Ad hoc Committee for further discussion on this project. Discussion only, no action required.

Information Items:

A. Upcoming Events.

- Mrs. Ruehlman presented an update on the upcoming events and who will be attending.
- Director Escalera would like to attend the SCWUA in October.
- Mrs. Ruehlman will put down all Directors for upcoming SCWUA through the end of the year.

- B. Correspondence to the Board of Directors
- No correspondence.

Attorney comments:

Mr. Trinh had no comments.

Board member comments:

- A. Report on events attended.
- Vice President Rojas stated that he attended Congresswoman, Grace Napolitano's Water Forum on August 31st in Baldwin Park
- B. Other comments.
- Director Aguirre asked to close this meeting in memory of Celia "Sally" Rodriguez, a long time resident of La Puente and was very involved in the community.

Future agenda items:

No future items.

Adjournment:

There is no further business or comment, the meeting was adjourned 6:01 p.m. in memory of Celia "Sally" Rodriguez.

David Hastings, President

Rosa B. Ruehlman, Secretary