



**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 Thursday, December 21, 2017, at 5:30 p.m. 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 p.m.

**Pledge of Allegiance:**

President Hastings led the meeting in the Pledge of Allegiance.

**Directors Present:**

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

**Staff Present:**

Greg Galindo, General Manager; Gina Herrera, Customer Service and Accounting Supervisor; Roy Frausto, Compliance Officer and Project Engineer and Roland Trinh, District Counsel.

**Others Present:**

James L'Esperance, Northrop Grumman; Klaus Rohwer, Equipoise Corporation; Al Contreras, Upper San Gabriel Valley Municipal Water District.

**Adoption of Agenda:**

Mr. Galindo reported that there were two recommended revisions to the agenda; in the title of Item 8 and Item 9.A. the words Initial Study should be removed.

President Hastings asked for the approval of the agenda with the recommended revisions.

Motion by Vice President Rojas, seconded by Director Aguirre, that the agenda be adopted with the revisions.

Motion approved by the following vote:

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

Nays: None.

**Consent Calendar:**

President Hastings asked for the approval of the Consent Calendar.

- A. Approval of the Minutes of the Regular Meeting of the Board of Directors held on December 11, 2017.
- B. Receive and File the Water Production Report for November 2017.
- C. Approval to Attend the Association of Ground Water Agencies AGWA – AGWT Annual Conference on Monday and Tuesday, February 12 – 13, 2018, in Ontario, CA.

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

Motion approved by the following vote:

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

Nays: None.

**Financial Reports:**

**A.** Summary of Cash and Investments as of November 30, 2017.

- Mr. Galindo presented the Summary of Cash and Investments.

Motion by Director Escalera, seconded by Vice President Rojas, to receive and file the Summary of Cash and Investments as of November 30, 2017, as presented.

Motion approved by the following vote:

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

Nays: None.

**B.** Statement of the District's Revenues and Expenses as of November 30, 2017.

- Mrs. Herrera provided a brief summary of the District's Statement of Revenue and Expenses.

Motion by Vice President Rojas, seconded by President Hastings, to receive and file the Statement of the District's Revenues and Expenses as of November 30, 2017, as presented.

Motion approved by the following vote:

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

Nays: None.

**C.** Statement of the City of Industry Waterworks System's Revenues and Expenses as of November 30, 2017.

- Mrs. Herrera provided a brief summary of the Statement of Revenues and Expenses for the City of Industry Waterworks System.

Motion by Director Aguirre, seconded by President Hastings, to receive and file the Statement of the City of Industry Waterworks System's Revenues and Expenses as of November 30, 2017, as presented.

Motion approved by the following vote:

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

Nays: None.

**Public Hearing on the Adoption of Mitigated Negative Declaration for the Puente Valley Operable Unit Intermediate Zone Remedy Project located Within the Cities of Industry and La Puente, CA.**

- President Hastings opened the public hearing on the Adoption of Mitigated Negative Declaration for the Puente Valley Operable Unit Intermediate Zone Remedy Project located within the Cities of Industry and La Puente, CA.
- Mr. Galindo provided a presentation that summarized the Puente Valley Operable Unit Intermediate Zone Remedy Project and the findings of the Initial Study that was prepared for the project. The presentation is attached to these minutes.
- During the presentation there was discussion on various aspects on the findings of the Study and on different aspects of the project.
- Hearing no objections or comments from the public, President Hastings closed the public hearing.

**Action/Discussion Items Item:**

- A.** Consideration of Resolution No. 249 adopting the Mitigated Negative Declaration for the Puente Valley Operable Unit Intermediate Zone Project (PVOU IZ).

- Mr. Trinh summarized Resolution No. 249 for the Board and the specific actions that the Board would be taking by adopting the resolution.

Motion by President Hastings, seconded by Vice President Rojas, to approve Resolution No. 249 as presented.

Motion approved by the following vote:

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

Nays: None.

**B. Consideration of Agreement for Operations Services of a Water Treatment Facility with Northrop Grumman Systems Corporation for the PVOU IZ Project.**

- Mr. Galindo provided a presentation that summarized both of the agreements for the PVOU IZ Project that the Board was considering. Presentation is attached to these minutes.
- During the presentation there was discussion on various provisions of the agreement.
- He explained that the efforts on drafting and negotiating these agreements was a multi-year process.
- Mr. Galindo concluded that entering into these agreement would result in improving the District's water supply reliability, provide additional revenue from the delivery of treated water and treatment plant operation services and further assist and expedite the groundwater contamination clean-up efforts in the Main San Gabriel Basin.

Motion by Vice President Rojas, seconded by Director Hernandez, to authorize General Manager to Execute Agreement for the Operations Services of a Water Treatment Facility for the PVOU IZ Project.

Motion approved by the following vote:

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

Nays: None.

**C. Consideration of Agreement for Delivery and Beneficial Use of Treated Water with Northrop Grumman Systems Corporation and Suburban Water Systems for the PVOU IZ Project.**

Motion by President Hastings, seconded by Director Aguirre, to authorize the General Manager to Execute Agreement for Delivery and Beneficial Use of Treated Water for the PVOU IZ Project.

Motion approved by the following vote:

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

Nays: None.

**D. Consideration of Resolution No. 250 Approving the Staff Restructuring Plan as proposed by the District's Staff Assessment Ad Hoc Committee.**

- Mr. Galindo provided an overview of the effort that went into developing and drafting the Staff Restructuring plan and summarized the need for the Plan and the anticipated benefits.
- Mr. Galindo also summarized Resolution No. 250 and highlighted the specific actions that would be taken through the adoption of the resolution.

After much discussion, motion by Director Escalera, seconded by Vice President Rojas, to approve Resolution No. 250 as presented.

Motion approved by the following vote:

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

Nays: None.

**E. Consideration of Annual Cost of Living Adjustment for District Employees.**

- Mr. Galindo summarized his Staff Report regarding the cost of living adjustment and explained his recommendation for an up to 2% cost of living adjustment.

After further discussion, motion by Director Aguirre, seconded by President Hastings, to approve an up to 2% cost of living adjustment that shall be applied to all employee salaries, providing that the adjustment does not result in the employee's salary exceeding the salary range for their respective position.

Motion approved by the following vote:

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

Nays: None.

#### **Project Engineer's Report:**

- Mr. Frausto reported that Doty Bros. (General Contractor) had nearly completed the installation of the entire waterline for the Del Valle Waterline Extension Project. He then added that the cut in Tee to the existing 16-inch AC waterline near the intersection of Temple Ave. and Del Valle Ave. was performed the day before (Wednesday). Mr. Galindo added that there was a change in alignment to the original waterline design to accommodate spacing of another waterline.

#### **General Manager's Report:**

- Mr. Galindo reported that interviews were held recently for the PWAG Emergency Coordinator Position and a top candidate was selected. He explained that an offer would be made soon and the position should be filled within the next couple of months.

#### **Information Items:**

- A. Upcoming Events.**
  - Mr. Galindo provided an update on the upcoming events in 2017 and the beginning of 2018.
- B. Correspondence to the Board of Directors.**
  - Included in the Board meeting agenda packet.

#### **Attorney Comments:**

Mr. Trinh had no comments.

#### **Board Member Comments:**

- A. Report on events attended.**
  - There were no events attended for this period.
- B. Other Comments.**
  - Director Escalera requested the meeting be closed in memory of Jack Saldana, a long time resident of La Puente.

#### **Future Agenda Items:**

No future items.

#### **Closed Session**

#### **Public Employee Performance Evaluation.**

**Position: General Manager.**

#### **Report on Closed session:**

- Mr. Trinh reported that the Board met tonight in closed session to evaluate a public employee, specifically the position of General Manager.
- Legal counsel was instructed and there was no action taken.

## Additional Action/Discussion Item

### Consideration of Compensation Adjustment and Extension of Employment Contract for the District's General Manager.

- Director Escalera made a recommendation for a compensation increase; he recommended that the General Manager receive a 5% increase along with the approved up to 2% cost of living adjustment.
- Mr. Trinh stated that the staff restructuring proposal, which includes the General Managers salary schedule with a cap of 145K, has been approved tonight. In order to consider Director Escalera's recommendation, a member of the board would have to make a motion to increase the cap of the General Managers salary schedule to a number that would accommodate the recommendation.
- The Directors discussed the compensation for other water districts in the San Gabriel Valley and the impact of different compensation increases.
- The Directors discussed changes to the cap of the General Manager's salary range.
- Mr. Trinh added that he had a discussion with the General Manager, regarding his contract and there are additional items that the Board may want to consider.
  - In lieu of a District vehicle a vehicle allowance of \$500.00 per month and retain the use of a gas card for fuel.
  - Amendment to Employment Contract to extend the term to three years.
- There was further discussion on Director Escalera's recommendation and the additional items regarding the General Managers performance and compensation.
- Mr. Trinh summarized the discussion regarding the compensation for the General Manager.
  - Adjust the General Managers compensation beginning January 1, 2018 to \$151,000 annually. A Modification to the salary schedule for the General Manager to a maximum pay of \$155,000 (salary schedule cap).
  - A \$500.00 vehicle allowance to include all related expenses, with a District paid gas card for District related business only.
  - Receive an adjusted employment contract which gives him a 3 year term beginning January 1, 2018 and after the second year and every year thereafter, a two year extension would be granted contingent on a satisfactory evaluation.

After further discussion, motion by Vice President Rojas, seconded by Director Escalera, to approve the summarized motion by Roland Trinh, District Counsel.

Motion approved by the following vote:

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

Nays: None.

### Adjournment:

There is no further business or comment, the meeting was adjourned in the memory of Jack Saldana at 6:55 p.m.

---

David Hastings, President

---

Greg B. Galindo, Secretary