

MINUTES
REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
WESTERN MUNICIPAL WATER DISTRICT

August 2, 2017

CALL TO ORDER / PLEDGE OF ALLEGIANCE

The Regular Meeting of the Board of Directors of Western Municipal Water District was called to order at 9:30 a.m. and Director Dennstedt led the Pledge of Allegiance to the flag.

Directors Present

Tom Evans, Presiding
Brenda Dennstedt, Vice President
Robert Stockton, Secretary-Treasurer
Donald D. Galleano (Arrived 10:00 a.m.)
S. R. "Al" Lopez

Others Present

John Rossi, General Manager
Craig Miller, Deputy General Manager
Rod LeMond, Assistant General Manager/CFO
Kevin Mascaro, Director of Finance
Tim Barr, Director of Water Resources
Candi Judd, Director of Human Resources
Paul Ruge, Director of Operations
Derek Kawaii, Director of Engineering
Greg Duecker, Director of Administration
Ryan Shaw, Deputy Director of Water Resources
Karly Gaynor, Water Planning and Policy Manager
Rachel McGuire, Communications Manager
Michael Hadley, Government Affairs Officer I
Daisy Banuelos, Financial Analyst
Son Bui, Creative Services Specialist III
Jean Perry, Executive Assistant
Steve Gustafsson, IT Specialist III
Jeff Ferre, Best, Best and Krieger
Bradley Neufeld, Varner & Brandt
Tom Pierik, Lee & Associates
Andrew Peake, Lee & Associates

ORAL COMMUNICATIONS

Any person may address the Board upon any subject within Western's jurisdiction, which is not on the agenda, at this time. However, any non-agenda matter that requires action will be referred to staff for a report and action at a subsequent Board meeting. Any person may also address the Board on any agenda matter at the time that matter is discussed, prior to Board Action.

There were no members of the public who wished to speak during Oral Communications.

PRESENTATIONS

Communications Manager Rachel McGuire explained that each year Western hosts the Water is Life Art Contest, noting that the winners then progress to a regional art contest sponsored by Metropolitan Water District of Southern California. Ms. McGuire then announced the following winners of the 2017 Water is Life Art contest: Abraham Melendrez, Hillcrest High School, Glenda Sanchez, Hillcrest High School, Blanche Padecio, Citrus Hill High School, Kaya Villafan, Riverside Stem Academy, Vanessa Alcala, Riverside Stem Academy, and Karyssa Nguyen, Riverside Stem Academy.

Ms. McGuire then introduced the following 2017 Lois B. Krieger Water Project Grant for Educators recipients: Glenda Haas, Railroad Canyon Elementary, Sheri Harris, Arlington High School, Tisha Trinh, Machado Elementary School, and Christopher Spencer, Santiago High School who made presentations on their Krieger Grant Projects.

General Manager John Rossi introduced Santa Ana Watershed Project Authority's Interim General Manager Rich Haller, and Santa Ana Watershed Project Authority's Program Manager David Ruhl who gave a presentation on the Inland Empire Brine Line Reach V Rehabilitation and Improvement Project.

M-6688 – Approval of Consent Calendar

It was moved by Director Stockton, seconded by Director Dennstedt to approve the Consent Calendar. As a result, the following Consent Calendar items were approved:

- A) Approve Directors' Request for Compensation
- B) Approve Special Board Meeting Minutes, July 12, 2017
- C) Receive and File Cash Disbursement Report, June 2017
- D) Receive and File Government Code Section 53065.5 Disclosure Report, June 2017
- E) Receive and File Investment Report, June 2017

Motion carried 4-0-1 with Director Lopez away from the dais at the time of this vote.

- END OF CONSENT CALENDAR -

M-6689 – Add Closed Session Item 8-E to the Agenda

Legal Counsel Jeff Ferre stated that Western's Special Counsel David Aladjem with Downey Brand, representing the District in regard to the Chino Basin Municipal Water District v. City of Chino matter, has requested that a Closed Session Item be added to the agenda due to recent information and deadlines in regard to the case. Mr. Ferre noted that under the Brown Act Government Code Section 54954.2 there is a need to take immediate action and that need came to the attention of the District after the posting of the agenda. Therefore, it is recommended that the Board adopt a motion to add the following closed session item to the agenda:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Chino Basin Municipal Water District v. City of Chino, et al. (Case No. E068640), initiated on June 23, 2017. Gov't Code section 54956.9(d)(1).

It was moved by Director Dennstedt, seconded by Director Galleano to add the Closed Session Item 8-E to the agenda. Motion carried 5-0.

M-6690 – Consider Adoption of Resolution 3004 Approving an Updated Water Supply Assessment for Meridian West Lower Plateau Project

General Manager John Rossi introduced Water Planning and Policy Manager Karly Gaynor who made a presentation on the updated Water Supply Assessment for the Meridian West Lower Plateau Project. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Galleano, seconded by Director Stockton to adopt Resolution 3004 Approving an Updated Water Supply Assessment for Meridian West Lower Plateau Project. Motion carried 5-0.

M-6691 – Consider Setting a Public Hearing to Establish Retail Rates and Charges for Water Service

General Manager John Rossi introduced Assistant General Manager/Chief Financial Officer Rod LeMond who provided a brief summary regarding the proposed retail water rates and explained that this item is to set a public hearing for consideration of any objections or protests of doing so. Mr. LeMond then introduced Director of Finance Kevin Mascaro and Financial Analyst Daisy Banuelos who made a presentation on the details of the proposed retail water rates.

The following member of the public spoke in regard to this matter:

John Farnsworth

Following a full discussion and consideration of this matter by the Board, a motion was made by Director Stockton, seconded by Director Lopez to set a public hearing at 6:00 p.m. on October 4, 2017 regarding the proposed adoption of a resolution establishing rates and charges for retail water service in each of the District's service areas, and directing staff to mail and publicize the appropriate Notice of Public Hearing with staff taking into account recommended changes to the Notice of Public Hearing from the Board of Directors. Motion carried 5-0.

Legal Counsel Report

Legal Counsel Jeff Ferre stated there was nothing to report today.

Staff Reports

General Manager John Rossi provided an update on the Murrieta Committee meetings.

The following member of the public spoke in regard to this matter:

Steve Wall

Director Dennstedt noted that she has received letters and emails in regard to this item from customers who requested that they be read at the board meeting. Legal Counsel Jeff Ferre recommended that all correspondence received be put in the record and copies be made for all of the Directors.

The following members of the public submitted written correspondence in regard to this matter:

Donald G. and Caroll J. Hiatt
Kathy LeFiell
Mrs. James Nelson Clay
Carol and Ed Van Dorn
Barbara Ernst Ankele
Steve Wall

The Board gave staff direction in regard to this matter. General Manager John Rossi stated that there would be an action item related to a potential consultant contract on the agenda for discussion and possible action on August 16, 2017.

Closed Session

At 11:44 a.m. President Evans announced that the Board would go into Closed Session on the following Closed Session Items:

- A) CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Government Code section 54956.8
Property: 450 E. Alessandro Boulevard, Riverside CA
Agency negotiator: John Rossi
Negotiating parties – listing for sale
Under negotiation: price and terms of payment
- B) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) and (4)
of subdivision (d) of Government Code Section 54956.9
One potential case
- C) PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957
Title: General Manager
- D) CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6
District-Designated Representative: Brad Neufeld of Varner & Brandt
Unrepresented Employee: General Manager

E) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Chino Basin Municipal Water District v. City of Chino, et al. (Case No. E068640),
initiated on June 23, 2017. Gov't Code section 54956.9(d)(1).

The Board came out of Closed Session and reconvened into Open Session at 12:08 p.m.

President Evans said that for Agenda Items 8-A, 8-B, and 8-E there was no reportable action. The Board did not go in to Closed Session on Agenda Items 8-C or 8-D

SAWPA Report

A summary report of the meeting was provided.

Adjourn

There being no further business to come before the Board, at 12:09 p.m. President Evans adjourned the Regular Board Meeting of Western Municipal Water District.



THOMAS P. EVANS
President



ROBERT STOCKTON
Secretary-Treasurer