

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

August 16, 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 Lopez led the Pledge of Allegiance to the flag.

Directors Present

Tom Evans, Presiding
Brenda Dennstedt, Vice President
Robert Stockton, Secretary-Treasurer
Donald D. Galleano
S. R. "Al" Lopez

Others Present

John Rossi, General Manager
Craig Miller, Deputy General Manager
Kevin Mascaro, Director of Finance
Candi Judd, Director of Human Resources
Derek Kawaii, Director of Engineering
Greg Duecker, Director of Administration
Ryan Shaw, Deputy Director of Water Resources
Thomas Thornton, Principal Engineer
Fakhri Manghi, Senior Civil Engineer
Karly Gaynor, Water Planning and Policy Manager
Sonia Huff, Civil Engineer
Teri Patton, Senior Engineering Technician
Rachel McGuire, Communications Manager
Anna Briones, Senior Accountant
Susie Aguilar, Management Analyst
Jean Perry, Executive Assistant
Steve Gustafsson, IT Specialist III
Jeff Ferre, Best, Best and Krieger
Bradley Neufeld, Varner & Brandt
Mike Antos, PhD, Santa Ana Watershed Project Authority
Jeff Armstrong, Rancho California Water District
Lito Guintu, Pacific Hydrotech Corporation
Roxanne Rountree, Eastern Municipal Water District
Bill Dennehy, Chandler Asset Management
Michelle LaVanWay, Downing Construction, Inc.
John Farnsworth
Kathryn Elliott
Barbara Ankele
Steve Wall

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

General Manager John Rossi introduced Mike Antos, PhD, Senior Watershed Manager at the Santa Ana Watershed Project Authority (SAWPA) who made a presentation on SAWPA's One Water One Watershed Disadvantaged Communities Involvement Program.

M-6692 – Approval of Consent Calendar

Director Dennstedt requested that item 3-A be pulled for further discussion. Prior to consideration of the Consent Calendar, the August 2 minutes, which are part of item 3-A, were discussed by the Board and the public. The following members of the public spoke in regard to this matter:

Steve Wall
Barbara Ankele
John Farnsworth

- A) Approve Special Board Meeting Minutes, July 19, 2017, Regular Board Meeting Minutes, July 19, 2017, and Regular Board Meeting Minutes, August 2, 2017
- B) Consider Approval of an Interagency Agreement For Sewer Service For Proficiency's Freeway Business Center Project
- C) Consider Approving a Cost-Sharing Agreement to Develop an Upper Santa Ana River Integrated Watershed Model

Director Dennstedt requested that the August 2 meeting minutes reflect the written comments that were submitted at that meeting from members of the public regarding the Murrieta retail service area. Staff received direction from the Board to revise the August 2 minutes to include the names of the individuals who submitted written comments and to bring back the draft minutes for consideration at a subsequent Board meeting. Following a full discussion and consideration by the Board, a motion was made by Director Lopez, seconded by Director Dennstedt to approve the Consent Calendar minus the August 2, 2017 Regular Board meeting minutes. Motion carried 5-0.

- END OF CONSENT CALENDAR -

M-6693 – Consider Services Analysis Options for the Murrieta Service Area

General Manager John Rossi provided details of the two proposed services analysis options for the Murrieta Service Area.

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

Barbara Ankele
Kathryn Elliott

General Manager John Rossi responded to questions and concerns addressed by the members of the public. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Evans, second by Director Stockton to approve Option #2, suspending the analysis of the potential change in service providers for the Murrieta Service Area pending the resolution of water-related issues. Motion carried 5-0.

M-6694 – Presentation and Receive and File Investment Report by Investment Manager

Senior Accountant Anna Briones introduced Bill Dennehy, Executive Vice President, Portfolio Manager of Chandler Asset Management who made a presentation on Western's Investment Report for the period ending June 30, 2017. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Galleano, seconded by Director Lopez to receive and file the Investment Report for the period ending June 30, 2017. Motion carried 5-0.

M-6695 – Consider Award of a Construction Contract for the Western Water Recycling Facility Sewer Diversion Project, Specification W-251

General Manager John Rossi introduced Director of Engineering, Derek Kawaii who explained that this item is to request awarding Downing Construction a construction contract for the Western Water Recycling Facility Sewer Diversion Project, Specification W-251. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Galleano, seconded by Director Dennstedt to:

1. Increase the Board adopted Capital Spending Plan for Fiscal Year 2017-2018 by \$124,523, from \$450,000 to \$574,523, for the Sewer Diversion Project, Specification W-251 under the WWRF Conveyance East System Improvement Fund 334;
2. Increase the Sewer Diversion Project budget, Specification W-251 by \$574,523, from \$95,000 to \$669,523, under WWRF Conveyance East System Improvement Fund 334; and
3. Award a construction contract for Specification W-251 in the amount of \$481,425 to Downing Construction of Redlands, California.

Motion carried 5-0.

M-6696 – Consider Awarding a Construction Contract for the Sterling Pump Station and Reservoir Project Specification W-238B

General Manager John Rossi introduced Director of Engineering, Derek Kawaii who explained that this item is to request awarding Pacific Hydrotech Corporation a construction contract for the Sterling Pump Station and Reservoir Project Specification W-238B. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Galleano, seconded by Director Stockton to:

1. Increase the La Sierra Project (the Project) budget by \$25,200,000 from \$2,645,514 to \$27,845,514 under Water Resource Development Fund 107 in accordance with Board adopted Capital Spending Plan for Fiscal Year 2017-2018;
2. Award the Sterling Pump Station and Reservoir construction contract to Pacific Hydrotech Corporation, in the amount of \$13,847,500; and
3. Execute the construction agreement with Pacific Hydrotech Corporation.

Motion carried 5-0.

With approval of the Board the Closed Session Items were moved to this place on the agenda.

Closed Session

At 10:59 a.m. President Evans announced that the Board would go into Closed Session on Agenda Items 8-B and 8-C.

- A) 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
- B) PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957
Title: General Manager
- C) CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6
District-Designated Representative: Brad Neufeld of Varner & Brandt
Unrepresented Employee: General Manager

The Board came out of Closed Session and reconvened into Open Session at 11:57 a.m. Legal Counsel Bradley Neufeld said that for Agenda Items 8-B and 8-C there was no reportable action. The Board did not go into Closed Session on Agenda Item 8-A.

Legal Counsel Report

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

SAWPA Report

A summary report of the meeting was provided.

SRRRA Report

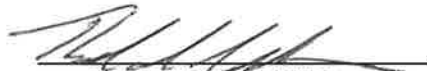
A summary report of the meeting was provided.

Adjourn

There being no further business to come before the Board, at 11:58 a.m. President Evans adjourned the Regular Board Meeting of Western Municipal Water District.



THOMAS P. EVANS
President



ROBERT STOCKTON
Secretary-Treasurer