

## **SPECIAL BOARD MEETING**

### **THREE VALLEYS MUNICIPAL WATER DISTRICT BOARD MEETING MINUTES**

**DECEMBER 21, 2005**

#### **1. Pledge of Allegiance**

The pledge of allegiance was led by Director Horan.

#### **2. Roll Call**

Directors Present: Bob Kuhn – President (arrived at 10:10 a.m.)  
Fred Lantz – Vice President  
Luis M. Juarez – Secretary  
David De Jesus - Director  
Joseph T. Ruzicka – Director  
Dan Horan - Director

Directors Absent: None

Staff Present: Richard W. Hansen, General Manager  
Steve Kennedy, Legal Counsel  
Michael Holmes, Assistant General Manager  
Mike Sovich, Manager of Resources and Operations  
Kirk Howie, Finance Officer  
Liz Cohn, Financial Analyst  
Jim Johns, Operations Superintendent  
Jose Martinez, Assistant Resource Analyst  
Brigitte Coulter, Executive Secretary

Others Present: Rene Rios, Rowland Water District  
Ed Hilden, Walnut Valley Water District  
Sam Pedroza, Claremont

The special meeting of the Board of Directors of THREE VALLEYS MUNICIPAL WATER DISTRICT was called to order at 10:00 a.m. by Vice President Lantz at the District Office at 1021 Miramar Avenue, Claremont, California on the noted date and time. Following the flag salute, roll call was taken and a quorum was declared present.

#### **3. Reorder of Agenda**

None

#### **4 Public Comment**

None

#### **5. Urban Water Management Plan**

Mr. Holmes stated that the last update of the Urban Water Management Plan was prepared in 2000 and is required to be done every five years. The requirements were categorized into eight chapters, and he opined that the critical issue pertains to the matter of water-supply reliability. It was pointed out that based on normal water needs projected out to CY 2030—including a three-year dry-yield period, TVMWD anticipates meeting the needs of its member agencies through CY 2030 in average years and approximately 99% of the demand for CY 2030 during a multiple-year drought. Therefore, the TVMWD water supply can be considered very reliable.

#### **6. Public Hearing—Urban Water Management Plan**

President Kuhn opened the public hearing. Mr. Ed Hilden commended the TVMWD staff for preparing the Urban Water Management Plan in house. Since no one further wished to speak, the public hearing was closed.

#### **7. Consideration of Adoption: 2005 Urban Water Management Plan**

##### **Motion No. 12-05-4453**

Moved by Director Bowcock, seconded by Director Horan to: 1) adopt the final Draft 2005 Urban Water Management Plan; 2) direct the General Manager to appropriately address into the final document all comments received on the Draft Plan; and 3) submit the final copy to the California Department of Water Resources. The motion was approved as follows:

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Lantz, and Ruzicka  
NOES: None  
ABSENT: None

#### **8. Consent Calendar**

##### **8A. Receive and File Minutes**

- November 2, 2005—Finance/Personnel Committee Meeting: Receive/File **[enc]**
- November 9, 2005—Project/Planning/Development Committee Meeting: Receive/File **[enc]**
- November 16, 2005—Regular Board Meeting: Approve & File **[enc]**

**8B. Receive and File Financial Reports from November 2005**

- Change in Cash Position Report **[enc]**
- Treasurer's Report of Investments **[enc]**
- YTD General Budget Monthly Status Report **[enc]**
- YTD Miramar Operations Budget Monthly Status Report **[enc]**
- Warrant Summary (Disbursements) **[enc]**

**Motion No. 12-05-4454**

Moved by Director Juarez, seconded by Director Horan to approve staff's recommendations for consent calendar items 8A through 8B. The motion was approved as follows:

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Lantz, and Ruzicka  
NOES: None  
ABSENT: None

**9. Approve Directors/General Manager's Monthly Payment Request Forms**

**Motion No. 12-05-4455**

Moved by Director Horan, seconded by Director De Jesus to approve the Directors/General Manager's Monthly Expense Report forms. The motion was approved as follows:

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Lantz, and Ruzicka  
NOES: None  
ABSENT: None

**10. Consideration and Possible Adoption of Policy Manual Revisions Regarding Board Compensation, Reimbursement and Ethics Training**

Mr. Kennedy stated that the purpose of this agenda item was to update the Board on legislation to become effective on January 1, 2006 dealing with Board Members' compensation, reimbursement and ethics training. He pointed out that the legislation does not change the manner in which compensation is calculated, but rather defines which meetings are compensable. The three applicable meeting types are defined as follows:

- A meeting of the legislative body
- A meeting of the advisory body
- Conferences

Continuing, he stated if the Board desires to be compensated for meetings outside the statute designation, then the Board is required to adopt a written policy—in a public meeting—identifying other types of compensable meetings determined to be of benefit to the District or which have substantial relationship to the District’s purpose. The inclusion of the policy’s Section 2.7.2 specifies eligibility for meeting compensation determined as reasonably necessary to further the interests of the District and/or its projects.

**Motion No. 12-05-4456**

Moved by Director Juarez, seconded by Director Lantz to adopt Policy Manual revisions regarding Board compensation, reimbursement, and ethics training. The motion was approved as follows:

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Lantz, and Ruzicka  
NOES: None  
ABSENT: None

**11. Upcoming Election of Board Officers and Committee Assignments for 2006**

It was noted that the Board elects (from among its members) a President, Vice-President, Secretary, and Treasurer at the first January Board meeting of each year. President Kuhn wished to thank the Board for its dedication to the District and having worked well together in a collegial manner during 2005. He asked that each Board Member provide his input at the January 2006 Board Meeting regarding the following:

- Whether or not to nominate a new slate of Board Officers; and
- Consider keeping the Committee assignments the same for 2006; and
- Consider continuing with current meetings’ days/time for 2006.

**12. Consideration of Approval to Present a District Tile to Mr. Ed Layton**

**Motion No. 12-05-4457**

Moved by Director De Jesus, seconded by Director Horan to present a District Tile to honor Mr. Edward N. Layton, former Director of Division III of the Walnut Valley Water District. The motion was approved as follows:

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Lantz, and Ruzicka  
NOES: None  
ABSENT: None

**13. General Manager's Reports**

**13A. Internal/External Affairs Committee Report**

Proposed District Outreach Campaign—January through June 2006

**Motion No. 12-05-4458**

Moved by Director De Jesus, seconded by Director Horan concurring with staff's recommendation for the District Outreach Campaign funding, January through June 2006. The motion was approved as follows:

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Lantz, and Ruzicka  
NOES: None  
ABSENT: None

**13B. Finance/Personnel Committee Report for the Meeting held December 14, 2005**

- Board & Employee 2006 Medical & Vision Coverage

**Motion No. 12-05-4459**

Moved by Director Bowcock, seconded by Director Horan for the District to pay the increased cost for medical premiums for calendar year 2006. The motion was approved as follows:

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Lantz, and Ruzicka  
NOES: None  
ABSENT: None

- Budget Review Schedule - FY 2006-07

The *Budget Review Schedule* was deemed received and filed.

**13C. Project/Planning/Development Committee Report for the Meeting held December 14, 2005**

- Consideration of Approval: Joint Connections and Water Exchange Agreement

It was reported that this agreement is the first step in moving forward with the projects comprehensively summarized under the moniker “Southern California Foothills Communities Water Reliability/Restoration Project” (Foothills Project). The Foothills Project consists of five components:

1. The Alostia Connection between MWD’s Foothill Feeder and the ADCP
2. An extension of the ADCP westward into the Raymond Basin for groundwater replenishment purposes
3. Emergency interconnections from the ADCP to MWD member agency water treatment plants supplied by the Rialto Feeder
4. A transmission feeder off the ADCP to mitigate impacts in the “Alhambra Pumping Hole”
5. An area-wide feasibility study of other potential groundwater enhancement projects within the combined watersheds from Raymond Basin to the Chino Basin

Mr. Hansen indicated that much effort has gone into developing this agreement which will benefit over two million people. Three Valleys’ PPD Committee has discussed and reviewed this agreement and recommends approval by the TVMWD Board.

**Motion No. 12-05-4460**

Moved by Director Ruzicka, seconded by Director Horan approving—in concept—a *Joint Connections and Water Exchange Agreement* with Metropolitan Water District, San Gabriel Valley MWD, Inland Empire Utilities Agency and the City of Sierra Madre.  
The motion was approved as follows:

AYES: Bowcock, De Jesus, Horan, Juarez, Kuhn, Lantz, and Ruzicka  
NOES: None  
ABSENT: None

**13D. Calendar Year Imported Water Purchases**

It was reported that as of the end of November, Three Valleys had purchased 60,369 of firm water for CY 2005, approximately 21% below the original estimates.

**13E. Miramar Operations Report for November 2005**

This item was not formally addressed.

**13F. Review of Upcoming Events and Activities Calendars**

This item was presented but did not receive discussion.

**14. General Manager's Oral Update**

See: *Future Agenda Items* (Agenda Item 17)

**15. Directors' Comments/Reports**

**A. MWD Board Report - De Jesus**

- Audit on the State Water Project
- MWD's FY 2004-05 Annual Financial Report
- Colorado River issues
- Approved funding for the Weymouth Treatment Plant
- Update on union contract negotiations regarding personnel pay and benefits.
- Subcommittee is dealing with Cal Fed Bay Delta issues

**B. San Gabriel Basin Water Quality Authority Report - Kuhn**

- Working with Sacramento lobbyist on the upcoming proposed bond for infra-structure development

**C. Chino Basin Watermaster Report - Kuhn**

Nothing new to report

**D. Miramar Operations Committee Report - Bowcock**

None

**E. Main San Gabriel Basin Watermaster Report - Bowcock**

None

F. PWR Joint Water Line Commission Report - **Horan**

None

G. Six Basins Watermaster Report - **Lantz**

- Adopted the annual budget for calendar year 2006
- Increased groundwater assessment from \$16.00/AF to \$20.00/AF

H. Local Agency Formation Commission Report - **Ruzicka**

None

I. Additional Board Member Activities Report - **All**

None

**15. Closed Session:**

• **Conference with Legal Counsel—Existing Litigation**

Government Code Section 54956.9[a]

Name of Case: *Chino Basin Municipal Water District v City of Chino, et al., San Bernardino County Superior Court Case Number RCV51010*

The meeting was adjourned at 11:25 a.m. to a closed session meeting to discuss the noted topic.

**16. Report of Action Taken**

The meeting was reconvened in open session at 12:20 p.m. with all Board Members present. It was announced that no action was taken in the closed session meeting.

**17. Future Agenda Items**

- A presentation on groundwater contaminant removal using Bioreactors
- General Manager Hansen accepting a part-time winter-quarter teaching position for a three-hours per week hydraulic lab class with Cal Poly, Pomona
- General Manager's authorization request in anticipation of exceeding the annual limit for travel-meeting-seminars attendance
- Chino Basin issues

**18. Adjournment**

President Kuhn adjourned the meeting at 12:21 p.m.