

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

February 15, 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 President Evans led the Pledge of Allegiance to the flag.

Directors Present

Tom Evans, Presiding
Brenda Dennstedt, Vice President
Robert Stockton, Secretary-Treasurer (Absent)
Donald D. Galleano (Absent)
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
Greg Duecker, Director of Administration
Tim Barr, Director of Water Resources
Candi Judd, Director of Human Resources
Paul Rugge, Director of Operations
Derek Kawaii, Director of Engineering
Karly Gaynor, Water Planning and Policy Manager
Tom Thornton, Principal Engineer
Michele McKinney, Special Projects Coordinator
Robert Whipple, Water Resources Specialist II
Rachel McGuire, Public Information Officer
Michael Hadley, Government Affairs Officer
Anna Briones, Accountant Sr.
Torrey Webb, Senior Community Affairs Representative
Teri Patton, Senior Engineering Technician
Jean Perry, Executive Assistant
Steve, Gustafsson, IT Specialist III
Jeff Ferre, Best, Best and Krieger
Eric Stephens, Edgemont Community Services District
Norberto Perez, Box Springs Mutual Water Company

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.

PRESENTATIONS

Senior Community Affairs Representative Torrey Webb introduced Abe Kya, Science Teacher at Centennial High School and his students who presented on their project entitled "STEM to STEAM" as part of their Samsung Solve for Tomorrow STEM research award that he and his class are finalists to receive.

M-6630 – Approval of Consent Calendar

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

- A) Approve Directors' Requests for Compensation
- B) Approve Regular Board Minutes, February 1, 2017
- C) Consider Approval of a Joint Community Facilities Agreement with Riverside Unified School District and City Ventures Homebuilding, LLC
- D) Consider Approval of a Cooperative Cost Share Agreement with the Riverside County Flood Control and Water Conservation District for Relocation of a Portion of the Arlington Desalter 30-Inch Pipeline
- E) Budget vs. Actual Report through November 2016

Motion carried 3-0, with Director Galleano and Director Stockton absent.

- END OF CONSENT CALENDAR -

M-6631 – Cancellation of the March 15, 2017 Public Hearing to Establish Rates and Charges for Retail Water Service

General Manager John Rossi explained that due to the possibility of two upcoming potential agreements that may have a beneficial impact on future water rates for Western's customers in the Riverside/March East, staff recommends cancelling the March 15, 2107 public hearing and rescheduling the hearing at a later date that is yet to be determined. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Lopez, seconded by Director Dennstedt to:

1. Cancel the Public Hearing previously set for 6:00 P.M. on March 15, 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 direct staff to mail and publicize the appropriate Notice of Cancellation; and
2. Direct staff to continue public education efforts regarding the proposed rates and charges, and receive feedback from the public for future reporting to the Board of Directors ("Board"); and
3. Direct Staff to recommend at a future Board meeting a new date and time for the Public Hearing.

Motion carried 3-0, with Director Galleano and Director Stockton absent.

M-6632 - Presentation and Receive and File Investment Report by Investment Manager

Senior Accountant Anna Briones introduced Bill Dennehy II, CFA, Executive Vice President, Portfolio Manager of Chandler Asset Management who made a presentation on the Investment Report for the quarter ending December 31, 2017 and current economic conditions and trends. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Lopez, seconded by Director Dennstedt to receive and file Western's Quarterly Investment Report for the quarter ending December 31, 2016 by Western's Investment Manager, Chandler Asset Management. Motion carried 3-0, with Director Galleano and Director Stockton absent.

M-6633 – Consider Approval of the 2017 Regional Water Management Plan for the San Bernardino Basin Area

Director of Water Resources Tim Barr made a presentation on the 2017 Regional Water Management Plan. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Dennstedt, seconded by President Evans to approve, subject to minor revisions, the 2017 Regional Water Management Plan for the San Bernardino Basin Area. Motion carried 3-0, with Director Galleano and Director Stockton absent.

M-6634 – Consider Adoption of Resolution 2977, Implementing Water Shortage Stage 2 of Western Municipal Water District's Retail Customer Water Supply Shortage Contingency Program

Following a full discussion and consideration of this matter by the Board, a motion was made by Director Evans, seconded by Director Dennstedt to adopt Resolution 2977, Implementing Water Shortage Stage 2 of Western Municipal Water District's Retail Customer Water Supply Shortage Contingency Program. Motion carried 3-0 with Director Galleano and Director Stockton absent.

M-6635 – Consider Approval of Job Classification Plan and Salary Grades Table Amendment

General Manager John Rossi provided the details of this item. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Lopez, seconded by Director Dennstedt to approve the amended Job Classification Plan and Salary Grades Table. Motion carried 3-0 with Director Galleano and Director Stockton absent.

General Counsel Report

Legal Counsel Jeff Ferre reported that the State Water Resources Control Board has voted to continue the Emergency Water Conservation Regulations and will revisit them in May 2017.

Staff Reports

General Manager John Rossi and staff reported on the following:

- Director of Administration Greg Duecker provided an update on Alessandro Property issues.
- General Manager John Rossi provided an update on the Lake Oroville potential threat of a failure of the dam.

SAWPA Report

Director Evans provided a summary report of the meeting.

MWD Report

General Manager John Rossi said there was nothing to report today.

CBWM Report

General Manager John Rossi reported that a meeting is scheduled to discuss strategic planning at the end of March.

CDA Report

President Lopez said there was nothing to report today.

WRCRWA Report

Director Lopez said there was nothing to report today.

WRCOG Report

Director Dennstedt provided a summary report of the meeting.

SRRRA Report

Director Dennstedt provided an update in regard to the State Revolving Fund loan.

Directors' Reports

Director Dennstedt reported that CarMax's water was turned on and they will be having their grand opening today.

Director Lopez reported that he attended the Lake Elsinore Chamber of Commerce Annual Officers Installation and Awards Ceremony.

Closed Session

President Evans announced that the Board would not go into Closed Session on the following matters:

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
Two potential cases

B) CONFERENCE INVOLVING A JOINT POWERS AGENCY:

SANTA ANA WATERSHED PROJECT AUTHORITY

Pursuant to Government Code Section 54956.96

Discussion will concern:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)

Name of Case: Spiniello Companies v. Charles King Company, Inc., Santa Ana Watershed Project Authority, The Ohio Casualty Insurance Company (Superior Court of Los Angeles BC616589)

Name of Western Municipal Water District representative on joint powers agency board: Tom Evans

Adjourn

There being no further business to come before the Board, at 10:21 a.m. President Evans adjourned the Regular Board Meeting of Western Municipal Water District.



THOMAS P. EVANS
President



ROBERT STOCKTON
Secretary-Treasurer

