

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

April 19, 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

Donald D. Galleano (Attended via teleconference from the following teleconference location: National Orange Show Events Center, Administration Center, 689 South "E" Street, San Bernardino, CA 92408; Attended closed session via teleconference and departed at 11:05 a.m.)

S. R. "Al" Lopez

Others Present

John Rossi, 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 Rugge, Director of Operations

Derek Kawaii, Director of Engineering

Greg Duecker, Director of Administration

Karly Gaynor, Water Planning and Policy Manager

Ryan Shaw, Deputy Director of Water Resources

Michele McKinney, Special Projects Coordinator

Teri Patton, Senior Engineering Technician

Lisa Lemoine, Senior Office Assistant

Jean Perry, Executive Assistant

Steve Gustafsson, IT Specialist III

Jeff Ferre, Best, Best and Krieger

Gary Plummer, Norstar Plumbing

David Austin, Riverside Public Utilities

Todd Jorgenson, Riverside Public Utilities

Michelle Diamond, Tetra Tech

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

M-6649 – Approval of Consent Calendar

General Manager John Rossi requested that Item 3-C be pulled for further discussion. It was then moved by Director Lopez, seconded by Director Dennstedt to approve the remainder of the Consent Calendar. As a result, the following Consent Calendar items were approved:

- A) Approve Directors' Requests for Compensation
- B) Approve Regular Board Minutes, April 5, 2017
- D) Consider a Reimbursement Agreement with March1 LLC for Costs Associated with the Installation of Master Planned Water Facilities within the March Air Reserve Base Service Area
- E) Budget vs. Actual Report Through January 31, 2017

A Roll Call Vote was taken and the motion carried 5-0.

- C) Consider Approval of Agreement with Real Estate Broker for Alessandro Property

General Manager John Rossi introduced Tom Pierik, Senior Vice President and Andrew Peake, Vice President with Lee & Associates. He then explained that staff solicited Request for Quotes from brokers in the Riverside area and selected Lee & Associates to be the representatives for Western on the potential sale of the Alessandro property. It was moved by Director Stockton, seconded by President Evans to enter into an agreement with Lee & Associates to represent Western Municipal Water District in selling property located at 450 E. Alessandro Boulevard, Riverside, California, 92508. A Roll Call Vote was taken and the motion carried 5-0.

- END OF CONSENT CALENDAR -

M-6650 – Consider Approval of Cooperative Agreement for Long-Term Wheeling and Surplus Water Sales with the City of Riverside

General Manager John Rossi welcomed Board Chair David Austin, General Manager Girish Balachandran, and Assistant General Manager/Water Todd Jorgenson of Riverside Public Utilities. Mr. Rossi then introduced Director of Water Resources Tim Barr who made a presentation on the details of the potential Cooperative Agreement for Long-Term Wheeling and Surplus Water Sales with the City of Riverside. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Stockton, seconded by Director Dennstedt to approve the Cooperative Agreement for Long-Term Wheeling and Surplus Water Sales between the City of Riverside and Western Municipal Water District. A Roll Call Vote was taken and the Motion carried 5-0.

With approval of the Board Agenda Item 5-D was moved to this place on the agenda.

M-6651 – Consider Awarding a Construction Contract to Norstar Plumbing and Engineering for the Gamble Avenue Pipeline Project Specification W-245B

General Manager John Rossi introduced Director of Engineering Derek Kawaii who explained that this item is to award a construction contract for the Gamble Avenue Pipeline Project. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Stockton, seconded by Director Lopez to:

1. Increase the adopted Fiscal Year 2016-2017 Capital Spending Plan by \$118,118, from \$350,000 to \$468,118, for the Gamble Avenue Pipeline Replacement Project, Specification W-245B under Riverside Potable Water Asset Replacement Fund 205;
2. Increase the Gamble Avenue Pipeline Replacement Project budget, Specification W-245B by \$369,118, from \$99,000 to \$468,118, under Riverside Potable Water Asset Replacement Fund 205; and
3. Award a construction contract for Specification W-245B, in the amount of \$313,096, to Norstar Plumbing and Engineering of Alta Loma, California for construction of the project.

A Roll Call Vote was taken and the motion carried 5-0.

M-6652 – Consider Public Hearing to Adopt Resolution 2979 to Become a Groundwater Sustainability Agency for the Unadjudicated Portions of the of the Chino Groundwater Subbasin within District Boundaries

General Manager John Rossi explained that this item is to hold a public hearing to consider adoption of Resolution 2979, to become a Groundwater Sustainability Agency for a portion of the Chino Subbasin.

President Evans then stated that this is the time and place for the public hearing to consider the adoption of Resolution 2979, by which the Western Municipal Water District elects to become the Groundwater Sustainability Agency for those unadjudicated portions of the Chino Subbasin that fall within District boundaries.

He then called upon staff to present a report on the Sustainable Groundwater Management Act as it relates to this resolution.

Water Planning and Policy Manager Karly Gaynor explained the Sustainable Groundwater Management Act, also known as SGMA.

SGMA requires the formation of Groundwater Sustainability Agencies, which are called "GSAs", in basins that are deemed high-priority or medium-priority by the Department of Water Resources. In such basins, GSAs are required to develop and implement Groundwater Sustainability Plans. These plans must quantify basin characteristics and supplies, and must establish management actions and projects to achieve basin sustainability within 20 years of implementation.

SGMA requires basins to be covered by one or more GSAs by June 30, 2017. Any local

public agency that has water supply, water management or land use responsibilities within a groundwater basin may decide to become a GSA over the portion of the basin within its jurisdiction. Western satisfies this definition, and therefore may become a GSA.

SGMA exempts adjudicated groundwater basins, including the portions of the Chino Basin that are adjudicated, from the Act's requirements. However, a small portion of the Chino Subbasin that is not adjudicated and is high-priority underlies Western and is subject to SGMA management. Therefore, staff has determined it is in Western's interest to become the GSA for this area because doing so would support the District's ongoing efforts to eliminate overdraft and ensure water supply sustainability.

Legal Counsel Jeff Ferre then stated that the requirements for noticing and conducting a public hearing have been met.

President Evans then opened the public hearing to receive comments from any member of the public present. President Evans said that seeing that no one wished to speak, the public hearing will now be closed. He asked if any Board members wish to comment or ask questions of staff. He then stated if there are no further comments or questions, the Board will now proceed to consider adoption of Resolution 2979.

Following a full discussion and consideration of this matter by the Board, a motion was made by Director Lopez, seconded by Director Stockton to:

1. Adopt Resolution 2979 for Western Municipal Water District (the District) to become a Groundwater Sustainability Agency (GSA) for the portion of the Chino Groundwater Subbasin (Chino Basin) that falls within the District's jurisdictional boundaries; and
2. Authorize staff to submit, within thirty days, all documentation required by Water Code section 10723.8 to the Department of Water Resources (DWR) to support the District's formation of a GSA.

A Roll Call Vote was taken and the motion carried 5-0.

M-6653 – Consider a Public Hearing to Adopt Resolution 2978 to Become a Groundwater Sustainability Agency for Unadjudicated Portions of the Riverside-Arlington Subbasin.

General Manager John Rossi explained that this item was to hold a public hearing to consider adoption of Resolution 2978, to become a Groundwater Sustainability Agency for a portion of the Riverside-Arlington Subbasin.

President Evans then stated that this is the time and place for the public hearing to consider the adoption of Resolution 2978, by which the Western Municipal Water District elects to become the Groundwater Sustainability Agency for unadjudicated portions of the Riverside-Arlington Subbasin. The law provides for this public hearing so that interested individuals may provide Western with comments.

He then called upon staff to present a report on the Sustainable Groundwater Management

Act as it relates to this resolution.

Water Planning and Policy Manager Karly Gaynor then explained the Sustainable Groundwater Management Act, also known as SGMA.

SGMA requires the formation of Groundwater Sustainability Agencies, which are called "GSAs", in basins that are deemed high-priority or medium-priority by the Department of Water Resources. In such basins, GSAs are required to develop and implement Groundwater Sustainability Plans. These plans must quantify basin characteristics and supplies, and must establish management actions and projects to achieve basin sustainability within 20 years of implementation.

SGMA requires basins to be covered by one or more GSAs by June 30, 2017. Any local public agency that has water supply, water management or land use responsibilities within a groundwater basin may decide to become a GSA over the portion of the basin within its jurisdiction. Western satisfies this definition, and therefore may become a GSA.

The portions of the Riverside-Arlington Subbasin in southern Riverside and Home Gardens has been designated high-priority by the Department of Water Resources. Western overlies a portion of the basin. Therefore, staff has determined it is in Western's interest to become the GSA for the portion of the Riverside Arlington Subbasin within the District's boundaries because doing so would support the District's ongoing efforts to eliminate overdraft and ensure water supply sustainability.

Legal Counsel Jeff Ferre then stated that the requirements for noticing and conducting a public hearing have been met.

President Evans then opened the public hearing to receive comments from any member of the public present. President Evans said that seeing that no one wished to speak, the public hearing will now be closed. He asked if any Board members wished to comment or ask questions of staff. He then stated if there are no further comments or questions, the Board will now proceed to consider adoption of Resolution 2978.

Following a full discussion and consideration of this matter by the Board, a motion was made by Director Stockton, seconded by Director Dennstedt to:

1. Adopt Resolution 2978 for Western Municipal Water District (the District) to become a Groundwater Sustainability Agency (GSA) for the unadjudicated portion of the Riverside-Arlington Subbasin within the District's boundaries; and
2. Authorize staff to submit, within thirty days, all documentation required by Water Code section 10723.8 to the Department of Water Resources (DWR) to support the District's formation of a GSA.

A Roll Call Vote was taken and the motion carried 5-0.

M-6654 – Consider Adoption of Resolution 2984 Approving the First Amendment to the Joint Exercise of Powers Agreement Creating the Santa Rosa Regional Resources Authority to Ratify a Change in Tertiary Capacity Ownership Between Rancho California Water District and Western Municipal Water District

General Manager John Rossi introduced Assistant General Manager/CFO Rod LeMond who explained that this item is to amend the Joint Exercise of Powers Agreement creating the Santa Rosa Regional Resources Authority to ratify a change in tertiary capacity ownership between Rancho California Water District and Western Municipal Water District. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Dennstedt, seconded by Director Lopez to adopt Resolution 2984, approving the first amendment to the Joint Exercise of Powers Agreement Creating Santa Rosa Regional Resources Authority to Ratify a Change in Tertiary Capacity Ownership Between Rancho California Water District and Western Municipal Water District. A Roll Call Vote was taken and the motion carried 5-0.

M-6655 – Consider Approval of the Santa Ana Watershed Project Authority Amendment No. 6 to the Joint Exercise Powers Agreement Creating the Santa Ana Watershed Project Authority

General Manager John Rossi explained that the Santa Ana Watershed Project Authority Commission recently approved Amendment No. 6 to the 1975 Joint Powers Agreement regarding Commissioner Compensation and has requested that the member agencies governing boards consider and approve the amendment. Following a full discussion and consideration of this matter by the Board, a motion was made by President Evans, seconded by Director Stockton to approve Amendment No. 6 to the Joint Exercise Powers Agreement creating the Santa Ana Watershed Project Authority. A Roll Call Vote was taken and the motion carried 5-0.

M-6656 – Consider Amendment to Purchase Order 55037 for Downey Brand LLP

General Manager John Rossi explained that this item is a request to amend the purchase order for Downey Brand LLP for legal services pertaining to the Chino Basin Desalter Authority pipeline project. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Stockton, seconded by Director Dennstedt, to amend Purchase Order 55037 for Downey Brand LLP. A Roll Call Vote was taken and the motion carried 5-0.

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

Closed Session

At 10:14 a.m. President Evans announced that the Board would 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

One potential case

B) CONFERENCE WITH LABOR NEGOTIATORS

Closed Session pursuant to Government Code Section 54957.6

District designated representatives: John Rossi, General Manager, Candi Judd, Director of Human Resources, Brad Neufeld, Labor Counsel

Employee organization: Management/professional/confidential employees

C) CONFERENCE WITH LABOR NEGOTIATORS

Closed Session pursuant to Government Code Section 54957.6

District designated representatives: John Rossi, General Manager, Candi Judd, Director of Human Resources, Brad Neufeld, Labor Counsel

Employee organization: Western Municipal Water District Employees Association

D) 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

E) PUBLIC EMPLOYEE APPOINTMENT

Pursuant to Government Code Section 54957

Title: Special Counsel in connection with San Diego County Water Authority v. Metropolitan Water District et al.; Case No. CPF-10-510830

The Board came out of Closed Session and reconvened into Open Session at 11:05 a.m. General Manager John Rossi said that for Agenda Item 8-B, 8-C, 8-D and 8-E there was no reportable action. The Board did not go into Closed Session on Agenda Item 8-A.

Staff Reports

General Manager John Rossi and staff reported on the following:

- Provided an update on the Chino Basin Watermaster Safe Yield Reset

SAWPA Report

Director Evans provided a summary report of the meeting noting that a Request for Proposal from executive search firms for general manager candidates has been authorized.

MWD Report

A summary report of the meeting was provided.

CBWM Report

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

CDA Report

Director Stockton provided a summary report of the meeting.

WRCRWA Report

Director Lopez said there was nothing to report today.

WRCOG Report

Director Dennstedt said there was nothing to report today.

SRRRA Report

Director Dennstedt reported that the budget was adopted.

Adjourn

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


THOMAS P. EVANS
President


ROBERT STOCKTON
Secretary-Treasurer