

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

July 5, 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 (Arrived at 9:33 a.m.)
Robert Stockton, Secretary-Treasurer
Donald D. Galleano
S. R. "Al" Lopez

Others Present

John Rossi, General Manager
Rod LeMond, Assistant General Manager/CFO
Tim Barr, Director of Water Resources
Greg Duecker, Director of Administration
Paul Ruge, Director of Operations
Gary Miller, Deputy Director of Operations
Candi Judd, Director of Human Resources
Derek Kawaii, Director of Engineering
Ryan Shaw, Deputy Director of Water Resources
Fakhri Manghi, Senior Engineer
Michael Hadley, Government Affairs Officer
Anna Briones, Senior Accountant
Sonya Bloodworth, Executive Assistant
Thomas Kleve, Office Assistant
Jeff Ferre, Best, Best and Krieger

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-6675 – Approval of Consent Calendar

General Manager John Rossi noted that Agenda Item 3-E would be pulled for further discussion. It was moved by Director Galleano, seconded by Director Stockton to approve the remainder of the Consent Calendar. As a result, the following Consent Calendar items were approved:

- A) Approve Regular Board Meeting Minutes, June 7, 2017, Special Board Meeting Minutes, June 14, 2017 and Regular Board Meeting Minutes, June 21, 2017
- B) Receive and File Cash Disbursement Report, May 2017
- C) Receive and File Government Code Section 53065.5 Disclosure Report, May 2017
- D) Receive and File Investment Report, May 2017
- F) Retain Investment Manager for Fiscal Year 2017-2018

Motion carried 4-0, with Director Dennstedt absent.

M-6676 – Approval of Consent Calendar

- E) Consider Adoption of Resolution 2994 Updating the District's Investment Policy for Fiscal Year 2017-2018 – Assistant General Manager/CFO Rod LeMond explained that Western is required to annually review the District's investment policy for any changes to the California Government Code during the year and for any recommended additions or improvements. He then provided a brief summary of the recommended changes to the policy. Following a full discussion and consideration of this matter by the Board, it was moved by President Evans, seconded by Director Lopez to adopt Resolution 2994 updating the District's Investment Policy for Fiscal Year 2017-2018. Motion carried 5-0.

- END OF CONSENT CALENDAR -

M-6677 – Consider Adoption of Resolution 2998 Amending the 401(a) Retirement Trust and the Deferred Compensation Trust

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

- 1) Adopt Resolution 2998 amending the plan documents for both the Western Municipal Water District 401(a) Retirement Trust and the Western Municipal Water District Deferred Compensation Trust (the "Plans") to reconfirm John V. Rossi, Rod LeMond, Craig D. Miller and Candi Judd as the Trustees of the Plans; and
- 2) Authorize the General Manager to duly execute the amendments for the Plans on behalf of Western Municipal Water District ("Western") and to immediately provide written notice of removal to former trustee, Jeffrey D. Sims.

Motion carried 5-0.

M-6678 – Consider Adoption of Resolution 3001 and 3002 to Implement Election to Pay Employer Paid Member Contributions

General Manager John Rossi explained that this item is to set the District's Employer Paid Members Contributions that were approved in the 2017-2021 Confirmation of Understanding between the District and the Management, Professional and Confidential Employees and the approved 2017-2021 Memorandum of Understanding between the District and the Employee Association. 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 Resolutions 3001 and 3002 to set the District's Employer Paid Members Contribution based on the terms and conditions set forth in the approved 2017-2021 Confirmation of Understanding between the District and the Management, Professional and Confidential Employees and the approved 2017-2021 Memorandum of Understanding between the District and the Employee Association. Motion carried 5-0.

M-6679 – Consider Adoption of Resolution 3003 Approving the District Smoke and Tobacco Free Environment Policy

General Manager John Rossi explained that this resolution revises Western's current policy to encourage a healthier, more productive working environment for all. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Stockton, seconded by Director Dennstedt to adopt Resolution 3003 approving the District Smoke and Tobacco Free Environment Policy. Motion carried 5-0.

M-6680 – Consider Authorizing a Change Order for the La Sierra Pipeline Project Specification No. W-238A

General Manager John Rossi introduced Director of Engineering Derek Kawaii who explained that this matter is to consider authorizing a Change Order for the La Sierra Pipeline Project Specification No W-238A due to a utility conflict in La Sierra Boulevard that necessitates a redesign of the pipeline horizontal and vertical alignments. Following a full discussion and consideration of this matter by the Board, a motion was made by Director Lopez, seconded by Director Stockton to execute a Change Order in the amount of \$121,130.91 with W. A. Rasic Construction Company, Incorporated. Motion carried 5-0.

Legal Counsel Report

Legal Counsel Jeff Ferre provided updates on the Governor's recently released version of legislation regarding a permanent conservation framework; and H.R. 1654 a federal bill to streamline the process for building dams and reservoirs by having the Federal Bureau of Reclamation serve as the hub for all federal approvals that are needed for a water storage project.

Staff Reports

General Manager John Rossi and staff reported on the following:

- Provided an update on the Metropolitan Water District appellate court ruling
- Noted that the Association of California Water Agencies Board president and vice president nominations will be closing soon
- Provided an update on the recent Murrieta Committee meeting and provided the Board with a draft letter that will be sent to residents to notify them of upcoming meetings
- Deputy General Manager Craig Miller provided an update on the Western Riverside County Regional Wastewater Authority change of use permit
- Deputy General Manager Craig Miller made a presentation on Murrieta pipeline maintenance matters
- Assistant General Manager/CFO Rod LeMond provided an update on customer outreach for potential wastewater rate increases

SAWPA Report

President Evans reported that he attended General Manager Celeste Cantu's retirement event. President Evans stated that the recruitment process to replace Celeste is underway, and that Rich Haller is currently serving as the interim General Manager. Director also noted that he attended the Homelessness and Water in the Santa Ana River Watershed Symposium which was organized by SAWPA.

MWD Report

Director Galleano reported that he plans on attending the Inland Caucus meeting tomorrow to discuss the agenda for the board meeting next week.

CBWM Report

Director Galleano reported that he attended a tour of the Prado Basin noting that the tour was very informative.

CDA Report

Director Stockton said there was nothing to report today.

WRCRWA Report

Deputy General Manager Craig Miller reported that he attended the meeting on behalf of Director Lopez and that the primary discussion was regarding odor issues at the plant.

WRCOG Report

Director Dennstedt reported that she attended the 26th Annual General Assembly.

SRRRA Report

Director Dennstedt said there was nothing to report today.

Director's Report

Director Lopez thanked General Manager John Rossi and Executive Assistant Sonya Bloodworth for sending out the monthly GM eReport each month.

M-6681 Closed Session

At 10:35 a.m. President Evans announced that the Board would go into Closed Session on the following matter:

- A) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant exposure to litigation pursuant paragraph (2) and (4) of subdivision (d) of Government Code Section 54956.9(b)
One potential case

The Board came out of Closed Session and reconvened into Open Session at 10:49 a.m. General Manager John Rossi said that for Agenda Item 8-A there was direction given to staff and the Board voted 4-0 with Director Galleno absent from vote, to extend the Tolling Agreement to September 6, 2017.

Adjourn

There being no further business to come before the Board, at 10:50 a.m. President Evans adjourned the Regular Board Meeting of Western Municipal Water District.


THOMAS P. EVANS
President


ROBERT STOCKTON
Secretary-Treasurer