

Approved April 10, 2018

**MINUTES OF A REGULAR MEETING OF THE
CUCAMONGA VALLEY WATER DISTRICT
BOARD OF DIRECTORS
March 27, 2018**

A regular meeting of the Cucamonga Valley Water District Board of Directors was called to order at 6:00 p.m. by President Curatalo. President Curatalo led the Pledge of Allegiance.

CALL TO ORDER
6:00 p.m.

In Attendance:

Board James V. Curatalo, Jr., President
Luis Cetina, Vice President
Oscar Gonzalez, Director
Randall J. Reed, Director
Kathleen J. Tiegs, Director

Staff Martin Zvirbulis, General Manager/CEO
Jeff Ferre, BB&K, Legal Counsel

Agnes Boros, Accounting Supervisor
John Bosler, Assistant General Manager/COO
Chad Brantley, Finance Manager
Frank Chu, Information Technology Manager
Carrie Corder, Assistant General Manager/CFO
Eduardo Espinoza, Design & Construction Manager
Kristeen Farlow, Communications & Outreach Manager
Eric Grubb, Principal Management Analyst
Katie Heer, Community Outreach Representative
Robert Kalarsarinis, Customer Service Manager
Robert Koczko, Construction & Maintenance Manager
Praseetha Krishnan, Associate Engineer
Gidti Ludesirishoti, Associate Engineer
Mike Maestas, Water Production Manager
Erin Morales, Lead Community Outreach Representative
Roberta Perez, Human Resources Manager
Tuan Truong, Associate Engineer
Taya Victorino, Executive Assistant, Board of Directors

Guests Jon Mansfield, Customer
Socorro Pantaleon, Field Representative, Assembly District 40

ADDITIONS/DELETIONS TO THE AGENDA

None.

ADDITIONS/
DELETIONS

PUBLIC COMMENT

PUBLIC COMMENT

President Curatalo opened the floor for public comment at 6:20p.m. to accommodate a guest who entered the meeting room. The following individual provided verbal comment:

Jon Mansfield, Customer

President Curatalo directed staff to address the guest's concerns.

GENERAL MANAGER/CEO REPORTS

GENERAL
MANAGER/CEO
COMMUNICATIONS

A) District Updates

Mr. Martin Zvirbulis, General Manager/CEO, reported the following:

- Ms. Katie Heer will provide an update on the District's upcoming Spring Events.
 - The District will host or participate in several community events this spring to engage and educate our customers. District events include CVWD's Earth Day and Open House, Water Savvy Garden Tour, 5th Grade Poster Contest, and Landscape Workshops. Outside agency events include the Solar Cup Race, MWD's Traveling Art Exhibit, IEUA's Earth Day event, and the All Things Kids Expo.
- Congratulations to Director Tieg who was honored by Assembly Member Chris Holden as the recipient of the Woman of Distinction Award representing the City of Rancho Cucamonga.
- April 2-3, 2018, key members of the executive and finance teams will meet with the District's rating agencies for review of our upcoming bond refinancing.
- A shutdown of the Rialto Feeder is scheduled for April 23-30, 2018. The shutdown is necessary due to an emergency leak that DWR detected at the Devil Canyon Facility. In order to prepare, we will notify large users to eliminate outdoor water use during the shutdown, work with MWD to prepare a regional message for conservation and have secured message boards to inform the community to conserve if necessary.
- Efforts are underway to establish a fund to be administered by the State Water Board to assist communities without safe drinking water. The District acknowledges that this is an important social issue, but does not agree with a tax or user charge for funding the effort. CVWD along with ACWA and a broad coalition of water agencies throughout the state support an equitable funding strategy that includes using federal safe drinking water state revolving fund dollars, reliable general obligation water bond money, and the state's general fund to address the issue. Legislators are focused on using the Governor's budget trailer bill based on Senator Monning's SB623 to aid their efforts. Last week, the first round of Assembly and Senate budget subcommittee hearings were held and met with significant opposition from legislators and water

coalition opponents. After hearing all testimony, the subcommittees opted to hold the item open for further consideration. This now enables them to take up the bill at any time without further public input. Staff, West Coast Advisors and ACWA are closely monitoring this topic and continue to provide feedback to facilitate a solution that can be supported.

CONSENT CALENDAR

- A) Approve Minutes of the February 27, 2018 Regular Board Meeting.
- B) Approve Minutes of the March 20, 2018 Special Board Meeting.
- C) Approve Board Calendar of Events.
- D) Approve Cash and Investment Report for month ending February 28, 2018.
- E) Approve Cash Disbursements for month ending February 28, 2018.
- F) Receive and File the March 2018 Legislative and Government Affairs Report.
- G) Receive and File February 2018 Water Production Report.
- H) Receive and File February 2018 Water Use Efficiency Report.
- I) Receive and File March 2018 Communications & Outreach Report.
- J) Approve the award of contract for the construction of a waterline in Have Avenue from the 210 Freeway to Banyan Street to C.P. Construction Company, Inc. in the amount of \$859,373.
- K) Approve the award of contract for the construction of a waterline in Ramona Avenue to Fir Drive to Norstar Plumbing & Engineering, Inc. in the amount of \$713,701.

CONSENT
CALENDAR

PASSED 5-0

On a motion by Vice President Cetina, and seconded by Director Tieg to approve the Consent Calendar as submitted. Passed 5-0.

LLOYD W. MICHAEL WATER TREATMENT PLANT SLEEVE VALVE

Mr. Eduardo Espinoza gave a presentation on the LWMWTP Sleeve Valve. The valve is in need of replacement. It has been through several cycles of repair and maintenance since the construction of the LWMWTP over thirty years ago. It is a back-up valve but is a key component to ensure proper performance of the Treatment Plant. To staff's knowledge, Bailey Valve is the only manufacturer of this particular valve and therefore this would be a sole source purchase order. This item was presented to the Engineering Committee on March 6, 2018.

APPROVE
PURCHASE ORDER
FOR CP7748 –
LWMWTP SLEEVE
VALVE

PASSED 5-0

On a motion by Director Gonzalez, and seconded by Director Reed to approve the purchase order for CP7748 – LWMWTP Sleeve Valve to Bailey Valve, Inc. in the amount of \$189,393.74. Passed 5-0.

CUCAMONGA BASIN GROUNDWATER REMEDIATION PROJECT

Ms. Praseetha Krishnan gave a presentation on a proposed funding agreement with the State Water Board for the Cucamonga Basin Groundwater Remediation Project. The CVWD Board previously approved CP7649 – Well Field 3A Nitrate Treatment, a multi-year project also known as the Cucamonga Basin Groundwater Remediation Project. In order to help fund the project staff has pursued Proposition 1 Groundwater Sustainability Program grant funding. In January 2018 the State Water Board notified the District that our application was accepted and eligible for up to two million in matching grant funds. The District must adopt a resolution to enter into the agreement with the State Water Board to secure the grant funds.

ADOPT
RESOLUTION NO.
2018-3-1 FOR THE
CUCAMONGA
BASIN
GROUNWATER
REMIATION
PROJECT

PASSED 5-0

On a motion by Vice President Cetina, and seconded by Director Tiegs to adopt Resolution No. 2018-3-1 authorizing entering into a funding agreement with the State Water Resources Control Board and authorizing and designating a representative for the Cucamonga Basin Groundwater Remediation Project. **Passed 5-0.**

SOCIAL MEDIA POLICY

Ms. Kristeen Farlow gave a presentation on the District's Social Media Policy and proposed revisions. The policy was adopted by the Board in 2010 and the District began using social media to communicate to our customers and community. Since adopting the policy, the social media landscape has changed and so has the way CVWD engages in it. Proposed revisions to the policy reflect these changes.

ADOPT
RESOLUTION NO.
2018-3-2 AMENDING
ADMINISTRATIVE
POLICY NO. 2.7,
SOCIAL MEDIA

PASSED 5-0

On a motion by Director Gonzalez, and seconded by Director Reed to adopt Resolution No. 2018-3-2 amending Administrative Policy No. 2.7, Social Media Policy. **Passed 5-0.**

MID-YEAR BUDGET REVIEW THROUGH DECEMBER 31, 2017

Mr. Chad Brantley gave a report on the 2018 fiscal year budget through December 31, 2017. The purpose of the report is to look at operating activity over the last six months. Staff budgets as accurately as possible but daily operations can cause variances between budgeted and actual expenditures. The proposed amendments to the budget balance to a zero net change in operating income.

RECEIVE AND FILE
THE MID-YEAR
BUDGET REPORT
AND APPROVE
PROPOSED BUDGET
AMENDMENTS

PASSED 5-0

On a motion by Director Reed, and seconded by Director Tiegs to receive and file the mid-year budget report for the six month period ended December 31, 2017 and approve the proposed budget amendments as presented. **Passed 5-0.**

MUTUAL BENEFIT AGREEMENT WITH THE CITY OF RANCHO CUCAMONGA

Mr. Eduardo Espinosa gave a presentation on the renewal of an agreement with the City of Rancho Cucamonga (City). Since presenting this item to the Engineering Committee on December 5, 2017 staff has been negotiating with the City. The agreement waives reciprocal development fees and permits for the mutual benefit of the District and the City. During negotiation both parties have been operating outside the terms of the agreement, but in good faith the City has promised to reimburse the District once approved. City Council approved the agreement on March 7, 2018 but due to minor clerical errors will reconsider the corrected agreement on their consent calendar at an upcoming Council meeting. The corrected agreement is provided in the Board packet for consideration.

APPROVE AND
ENTER INTO
AMENDED AND
RESTATED
AGREEMENT WITH
THE CITY OF
RANCHO
CUCAMONGA

PASSED 5-0

On a motion by Vice President Cetina, and seconded by Director Gonzalez to approve and enter into the amended and restated Agreement between the City of Rancho Cucamonga and the Cucamonga Valley Water District.
Passed 5-0.

STAFFING PLAN AMENDMENTS

Ms. Carrie Corder gave a presentation on proposed amendments to Employee Policy No. 2.2, Compensation and Pay Regulations. The amendments primarily impact the management team and streamline the reporting process from staff to management to executives. With the vacancy of the Assistant General Manager (AGM) position due to retirement of an employee, staff has been provided the opportunity to evaluate ways to improve staffing efficiencies. Staff proposes the elimination of one AGM position and creation of two Director positions in its place. Staff conducted a salary survey to evaluate market value of the salary ranges and possible compression issues. The survey concluded there would be no compression issues.

ADOPT
RESOLUTION NO.
2018-3-3 AMENDING
EMPLOYEE POLICY
NO. 2.2,
COMPENSATION
AND PAY
REGULATIONS

PASSED 5-0

Ms. Corder replied to Director Gonzalez that staff will research salary comparisons with the City of Ontario's Utilities Department and send results to the Board.

On a motion by Director Tiegs, and seconded by Vice President Cetina to adopt Resolution No. 2018-3-3 amending the District's Employee Policy No. 2.2, Compensation and Pay Regulations, to approve the proposed staffing plan amendments:

- Change title of Assistant General Manager/CFO to Assistant General Manager
- Change title of Assistant General Manager/COO to Assistant General Manager
- Create a new title, Director of Engineering Services at compensation schedule range 84
- Create a new title, Director of Finance and Technology Services at compensation schedule range 84

Passed 5-0.

BOARD COMMITTEE REPORT

COMMITTEE
REPORTS

A) February 21, 2018 Legislative & Outreach Committee

Director Gonzales reported the notes accurately reflect what occurred at the meeting.

B) March 7, 2018 Human Resources/Risk Management Committee

Director Tieg reported the notes accurately reflect what occurred at the meeting.

C) March 8, 2018 Finance Committee

Director Reed reported the notes accurately reflect what occurred at the meeting.

BOARD MEMBER REPORTS

BOARD MEMBER
REPORTS

Director Reed

- Attended Assemblymember Holden's Open House event on March 15, 2018 to support Director Tieg while she received the Women of Distinction award. Congratulated Director Tieg on a well-deserved recognition.
- Requested that staff notify the Board in advance of any official and public meetings they and legal counsel will attend.

Director Gonzalez

- Attended the ASBCSD meeting hosted by IEUA on March 19, 2018. Ms. Halla Razak, new General Manager of IEUA, gave a presentation on IEUA's past and plans for the future.

Director Tieg

- Thanked those who were able to attend the Women of Distinction ceremony at Assemblymember Holden's Open House event. She appreciated the support.
- Thanked staff for their consistent responsiveness to simple phone calls and requests for information.

Vice President Cetina

- The rain fall index increased 13.9 inches in thirty days and state reservoirs are full. Key concerns are not the lack of water but rather should be the ability to move that water to Southern California and the Central Valley for our agriculture.

President Curatalo

- Congratulated Director Tieg on her receipt of the Women of Distinction Award.

ADJOURNMENT

There being no further business to come before the Board, President Curatalo adjourned the meeting at 7:19 p.m.

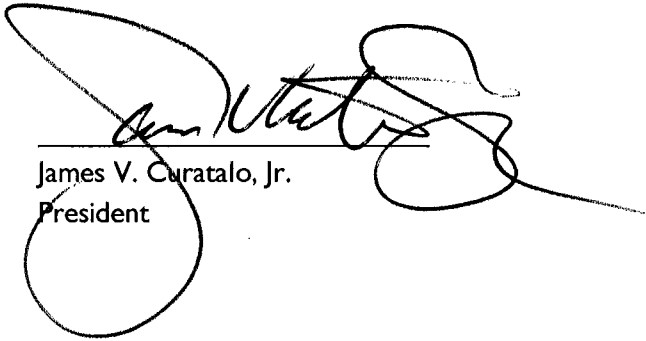
ADJOURNED

AT 7:19 p.m.



Martin E. Zvirbulis
Secretary/General Manager

ATTEST:



James V. Curatalo, Jr.
President