

Approved May 22, 2018

**MINUTES OF A REGULAR MEETING OF THE
CUCAMONGA VALLEY WATER DISTRICT
BOARD OF DIRECTORS
April 24, 2018**

A regular meeting of the Cucamonga Valley Water District Board of Directors was called to order at 6:04 p.m. by President Curatalo. President Curatalo led the Pledge of Allegiance.

CALL TO ORDER
6:04 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

Bill Barrington, Customer Service Representative
Agnes Boros, Accounting Supervisor
John Bosler, Assistant General Manager
Chad Brantley, Director of Finance and Technology Services
James Bryan, Water Utility Supervisor
Dean Campbell, Water Utility Worker
Jason Cary, Information Technology Helpdesk Specialist
Eric Chamberlin, Field Service Supervisor
Frank Chu, Information Technology Manager
Carrie Corder, Assistant General Manager
Ali Dematteis, Customer Service Representative
Eduardo Espinoza, Director of Engineering Services
Kirsteen Farlow, Communications & Outreach Manager
Eric Grubb, Principal Management Analyst
Alexandrea Hernandez, Lead Customer Service Representative
Lee Chicaul, Water System Operator
Rob Hills, Water Treatment Plant Manager
Robert Kalarsarinis, Customer Service Manager
Robert Koczko, Construction & Maintenance Manager
Praseetha Krishnan, Associate Engineering
Gidti Ludesirishoti, Associate Engineer
Mike Maestas, Water Production Manager
Erin Morales, Lead Community Outreach Representative
Randy Newman, Lead Field Service Representative

Angelo Orioli, Customer Service Supervisor
Roberta Perez, Human Resources Manager
Carmen Sierra, Administrative Assistant
Shawn Spromberg, Wastewater Utility Supervisor
Tuan Truong, Associate Engineer
Robbie Victorino, Safety Analyst
Taya Victorino, Executive Assistant, Board of Directors

Guests Lora Carpenter, Fieldman Rolapp
Brian Forbath, Stradling Yocca Carlson & Rauth
E. G. “Jerry” Gladbach, President, ACWA/JPIA
Melody McDonald, Director, ACWA/JPIA
Robert Porr, Fieldman Rolapp
J.R. Rivas, Customer
Andy Sells, CEO, ACWA/JPIA
Jack Tsang, Bank of America Merrill Lynch

ADDITIONS/DELETIONS TO THE AGENDA

None.

ADDITIONS/
DELETIONS

PUBLIC COMMENT

None.

PUBLIC COMMENT

PRESENTATIONS

PRESENTATIONS

A) ACWA/JPIA Refund Check

Mr. Andy Sells, Mr. Jerry Gladbach and Ms. Melody McDonald congratulated the District on its receipt of a \$203,782.84 Rate Stabilization Fund (RSF) refund check. When a JPIA member’s RSF balance exceeds their basic liability premium, the difference is refunded to them. Mr. Gladbach commended the Board and staff on maintaining a true safety operation every day.

B) Save Our Water Month Proclamation

Ms. Erin Morales gave a presentation on proclaiming May 2018 as Save Our Water month, which is intended to promote water use efficiency. CVWD will celebrate by hosting and participating in various community events during the month. Each year the District invites the surrounding cities to proclaim May as Save Our Water month. This year CVWD honors staff and customers for their efforts in saving water during the Rialto Feeder Shutdown.

GENERAL MANAGER/CEO REPORTS

A) District Updates

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

- Thank you to Mr. Sells, Mr. Gladbach, and Ms. McDonald for their time and presenting the refund check. Thank you to Robbie Victorino and Risk Management staff for their diligent work in implementing safety programs that have resonated throughout the District.
- The District recently hired Carmen Sierra as an Administrative Assistant II in the Engineering Department, and Dean Campbell as a Water Utility Worker I. The District also promoted Randy Newman to Lead Field Service Technician, Lee Chicaul to Water System Operator II, and Alexandria Hernandez to Lead Customer Service Representative.
- The District received three Excellence in Public Information and Communications (EPIC) awards from the California Association of Public Information Officials (CAPIO) at its annual conference and awards banquet on April 11, 2018. CVWD's three Awards of Distinction were for the District's customer newsletter *The Pipeline*, the "Your Future, Our Responsibility" educational infrastructure video, and the District's internal employee website. Thank you to Kristeen Farlow and the Communications and Outreach Division for their work on these projects.
- The District was awarded a \$4,000 grant from Climate Action for Schools, which is a project developed by the Environmental Protection Agency and The Energy Coalition. Funds will be used to renovate the succulent garden at our Environmental Learning Center next fiscal year.
- The ACWA Spring Conference is scheduled from May 8-11, 2018 and therefore we will not have a quorum for our next Board meeting. Staff suggests the Board concur with canceling the May 8, 2018 meeting.

With no objection from the Board, staff will post the notice of cancelation.

- Mr. Mike Maestas provided an update on the Rialto Feeder Shutdown:
 - The Department of Water Resources found a leak on the 36 inch Rialto Feeder line which requires shutdown for repairs. Staff performed multiple test shutdowns and completed preventative maintenance on boosters and wells to ensure we could meet demand during the actual shutdown. Repairs are anticipated to be completed April 28. Demand since April 21 has indicated that customers are demonstrating a great effort to comply with our request to eliminate unnecessary water use. Staff will continue to monitor and update the Board throughout the shutdown process.

At 6:34 p.m. President Curatalo announced that after a brief recess the meeting would resume. The meeting resumed at 6:39 p.m.

GENERAL
MANAGER/CEO
COMMUNICATIONS

CONSENT CALENDAR

CONSENT
CALENDAR

- A) Approve Minutes of the April 10, 2018 Regular Board Meeting.
- B) Approve Minutes of the April 12, 2018 Special Board Meeting.
- C) Approve Board Calendar of Events.
- D) Approve Cash and Investment Report for month ending March 31, 2018.
- E) Receive and File Monthly Budget Report for month ending February 28, 2018.
- F) Receive and File Quarterly PARS Investment Report for quarter ending March 31, 2018.
- G) Receive and File the March 2018 Water Production Report.
- H) Receive and File the March 2018 Water Use Efficiency Report.
- I) Receive and File the April 2018 Communications & Outreach Report.
- J) Approve the award of contract for the construction of CP7754- Reservoir Mixing Systems to Norstar Plumbing & Engineering, Inc. in the amount of \$210,373.
- K) Adopt Resolution No. 2018-4-3 Accepting a Grant of Easement for a sanitary sewer main from IPT Arrow Route DC LP, A Delaware Limited Partnership.
- L) Approve the issuance of a credit for existing capacity fees associated with the property located on 6th Street and Cleveland Avenue, formerly known as Empire Lakes Golf Course.

Director Reed requested that **Item J** be pulled for further discussion.

Item L was pulled from the Consent Calendar in regard to an anticipated recusal by Director Gonzalez.

On a motion by Director Reed, and seconded by Director Tiegs to approve Items A-I and Item K of the Consent Calendar as submitted. **Passed 5-0.**

ITEMS A – I, ITEM K
PASSED 5-0

At the request of Director Reed, Mr. Maestas explained the importance of CP7754 and its impact on CVWD's water quality.

On a motion by Vice President Cetina, and seconded by Director Gonzalez to approve Item J of the Consent Calendar as submitted. **Passed 5-0.**

ITEM J
PASSED 5-0

Prior to discussion of Item L, it was announced that Director Gonzalez would be recusing himself from consideration of this matter in order to avoid a conflict of interest. The recusal, due to financial interest, is based on Lewis Management Company being a source of income to Director Gonzalez. Item L concerns the issuance of a credit to the Lewis Management Company. Following the announcement, Director Gonzalez left the dais and the Board Room during consideration of Item L.

On a motion by Director Tiegs, and seconded by Director Reed to approve Item L of the Consent Calendar as submitted. **Passed 4-0-1. (Gonzalez abstain)**

ITEM L
PASSED 4-0-1

2018 WATER REFUNDING BONDS

Ms. Carrie Corder reported that the bonds transaction was approved during the CVWD Financing Authority meeting which took place at 5:30 p.m. It is now time for the CVWD Board of Directors to consider approval of the transaction to complete process.

President Curatalo stated for the record that the Board received a detailed report on the transaction during the Financing Authority meeting.

On a motion by Vice President Cetina, and seconded by Director Reed to:

- Adopt Resolution No. 2018-4-6 Approving the issuance of the 2018 Water Revenue Bonds, Series A & B
- Authorize the use of \$14.3 million of District capital project account reserves to shorten the maturity of Series B
- Approve the following documents: Bond Purchase Contract, Offering Document, Installment Purchase Agreement, Continuing Disclosure Certificate, and Escrow Agreement
- Authorize District staff to execute the required financing documents and agreements

Passed 5-0.

2018 WATER
REFUNDING BONDS

PASSED 5-0

EMPLOYEE POLICY NO. 1.2.1 DOT DRUG & ALCOHOL TESTING

Ms. Roberta Perez presented proposed changes to Employee Policy No. 1.2.1. The policy is being amended to comply with changes to Department of Transportation (DOT) regulations intended to address the misuse of prescribed medications.

On a motion by Director Tiegs, and seconded by Director Gonzalez to adopt Resolution No. 2018-4-5 amending Employee Policy No. 1.2.1, DOT: Commercial Driver’s License (CDL) Drug & Alcohol Testing Program. Passed 5-0.

RESOLUTION NO.
2018.4-5 AMENDING
EMPLOYEE POLICY
NO. 1.2.1

PASSED 5-0

BOARD COMMITTEE REPORT

A) February 20, 2018 Water Resources Committee

President Curatalo reported the notes accurately reflect what occurred at the meeting.

B) April 9, 2018 Finance Committee

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

C) March 21, 2018 Legislative & Outreach Committee

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

COMMITTEE
REPORTS

BOARD MEMBER REPORTS

BOARD MEMBER
REPORTS

Director Reed

- Attended the Association of San Bernardino County Special Districts (ASBCSD) meeting on April 16, 2018 where Mike Antos from SAWPA gave a presentation on how the issue with transients is effecting the Santa Ana River.

Director Gonzalez

- Nothing additional to report at this time.

Director Tiegs

- Attended Best Best & Krieger's workshop on infrastructure financing this afternoon.
- Requested that CVWD remain active with regards to the California WaterFix Project and continue outreach efforts so the project does not lose momentum.

Vice President Cetina

- Also attended the ASBCSD meeting on April 16, 2018.
- Concerned about the Governor's trailer bill on the Water Tax. CVWD needs to express its opposition on this. An issue of this importance should not be addressed through a trailer, but in an open discussion on the floor.

President Curatalo

- It was a pleasure having Jerry Gladbach attend the meeting tonight. He has been a true example of a great leader and has made a significant mark on California water.

ADJOURNMENT

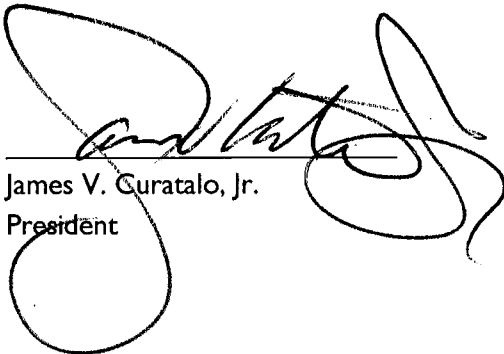
There being no further business to come before the Board, President Curatalo adjourned the meeting at 7:01 p.m.

ADJOURNED
AT 7:01 p.m.



Martin E. Zvirbulis
Secretary/General Manager

ATTEST:



James V. Curatalo, Jr.
President