

**MINUTES
REGULAR BOARD OF DIRECTORS MEETING
THREE VALLEYS MUNICIPAL WATER DISTRICT**

**Wednesday, March 7, 2018, 2018
8:00 a.m.**

1. Call to Order

The Board of Directors meeting of Three Valleys Municipal Water District (TVMWD) was called to order at 8:00 a.m. at the TVMWD office located at 1021 East Miramar Avenue, Claremont, California. The presiding officer was President Bob Kuhn.

2. Pledge of Allegiance

The flag salute was led by President Bob Kuhn.

3. Roll Call

Roll call was taken with a quorum of the board members present.

Directors Present

Bob Kuhn, President
David De Jesus, Vice President
Brian Bowcock, Secretary
Joe Ruzicka, Treasurer
Carlos Goytia, Director
John Mendoza, Director

Directors Absent

Dan Horan, Director

Staff Present

Rick Hansen, General Manager
Steve Kennedy, Legal Counsel
Liz Cohn, Senior Financial Analyst
Ray Evangelista, Engineer
Mario Garcia, Chief Engineer/Operations Officer
Vicki Hahn, District Clerk/Executive Assistant
Steve Lang, Water Operations Manager
James Linthicum, Chief Finance Officer
Ben Peralta, Project Engineer
Esther Romero, Accounting Technician

Guests and others present: Tom Coleman, Rowland Water District; Steve Corrington, MIH Water; Robert DeLoach; Director Ted Ebenkamp, Walnut Valley Water District; Erica Frausto, Pomona Chamber of Commerce; Jerry Gladback, ACWA-JPIA; Director Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Ben Lewis, Golden State Water Company; Director Tony Lima, Rowland Water District; Darron Poulsen, City of Pomona; Andy Sells, ACWA-JPIA; Brian Teuber, Walnut Valley Water District; Kathy Tiegs, ACWA; Dave Warren, Rowland Water District

4. Additions to Agenda

President Kuhn inquired if there was a need to add items to the agenda. Staff did not have a need to add items to the published agenda.

5. Reorder Agenda

President Kuhn requested that item 8.A.1 – Government Finance Officer Association Award be heard prior to Item 7 – Board Presentations.

6. Public Comment

President Kuhn called for any public comment. There were no requests for public comment.

Item 8.A.1 Government Finance Officer Association (GFOA) Award was heard immediate preceding Item 7 – Board Presentations.

7. Board Presentations

7.A Mr. Andy Sells, CEO, Mr. Jerry Gladback, Executive Committee President of ACWA-JPIA, and Ms. Kathy Tiegs, ACWA President were in attendance to present TVMWD with its refund for 2017 low claims ratio for liability, workers compensation and property; the check amount was \$48,281. Mr. Sells commented to the Board that TVMWD has been a model client for many years and that staff has routinely been proactive to suggestions for training and other support that has resulted in discounts and rebates for many years.

7.B Ms. Erica Frausto, Executive Director of Pomona Chamber of Commerce addressed the Board and shared information regarding the programs and services available to members of the Pomona Chamber of Commerce. Questions from the Board were responded to, and thanks was extended to Director Carlos Goytia for the invitation to meet the Board.

8. General Manager's Report

8.A – Finance-Personnel

8.A.1 Government Finance Officers Association (GFOA) Award

Chief Finance Officer, James Linthicum shared with the Board that TVMWD has once again been awarded the Certificate of Achievement for Excellence in Financial Reporting for its FYE 2017 comprehensive annual financial report (CAFR). This is the 11th consecutive year that TVMWD has received the award. Gratitude from the Board was extended to James and his staff, Liz Cohn and Esther Romero for the efforts they make in achieving the award each year and making certain that our financial reporting is completed in the most transparent way possible.

8.A.2 FY 2018-19 Annual Purchase Orders

The Board was provided a list of annual purchase orders to be considered by the Board for approval. In accordance with TVMWD's purchase policy all general purchases greater than \$50,000 and public projects exceeding \$175,000 are approved by the Board. The proposed list of vendors to be considered for annual purchase order approval include those that have been utilized on an ongoing basis and those that staff believe should continue as sole source vendors. These include:

- ACWA Joint Powers Insurance Authority – provides insurance for TVMWD for medical, dental, vision, life, liability, property and workers' compensation.
- Brunick, McElhaney & Kennedy Professional Law Corporation – provides general legal services for TVMWD.
- Chemicals – this category meets the exception for competitive bidding due to significant market fluctuation.
- Michael J. Arnold and Associates – provides state legislative lobbyist services.
- CLS Landscape Management – provides landscape maintenance for TVMWD at Miramar, Williams, Fulton and two other plant sites. This service was last bid approximately two years ago.
- Prime Systems – provides SCADA system maintenance and integration services.
- Accent Computer Solutions, Inc. – provides information technology consulting, including troubleshooting, systems backup, repairs, hardware/software purchases, and desktop/server installations.

Discussion concerning some of the specific recommended vendors occurred. Following discussion staff was directed to return this item to the next meeting for consideration of approval.

8.A.3 FY 2018-19 TVMWD Budget Draft 1.0

The Board was provided a budget workshop that outlined the various fund categories for the TVMWD Budget, that included: pass-through, capital and operating. In preparing the budget TVMWD requests anticipated demand from its member agencies, and then forecasts revenues and expenses on known costs and reasonably anticipated estimates for costs/expenses with a focus on FY 2018-19, and then a four-year future forecast. This allows TVMWD to smooth out any surcharge or discount fluctuations. This process also assists the member agencies in anticipating their own budget forecasting.

Staff highlighted the various expense and revenue funds that comprise this budget based upon known costs and reasonable estimates. The Board was also briefed on TVMWD's proposed water rates for CY 2019. The draft budget will be presented to the member agencies for feedback. Any modifications will be shared with the Board during the first meeting in April with a proposal to adopt the FY 2018-19 budget at the April 18, 2018 meeting.

9. Closed Session

The Board convened to closed session at 9:42 a.m. to discuss one item, Public Employee Appointment pursuant to Government Code Section 54957, Title: Assistant General Manager.

10. Report Out of Closed Session

The Board reconvened to regular session at 10:38 a.m. During closed session, the Board was provided an update on the hiring process for the Assistant General Manager position.

11. Future Agenda Items

A request was made to include an update of services and benefits provided at the Fairplex Learning Center at a future workshop meeting.

12. Adjournment

The Board adjourned at 10:39 am to its next regular meeting scheduled for Wednesday, March 21, 2018 at 8:00 am.

/s/ Bob Kuhn
President, Board of Directors
Three Valleys Municipal Water District

Recorded by: Victoria A. Hahn,
District Clerk/Executive Assistant