

CRESCENTA VALLEY WATER DISTRICT

REGULAR MEETING, BOARD OF DIRECTORS

August 18, 2009

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Adjourned Regular Meeting of July 21, 2009, a Regular Meeting was held on August 18, 2009, at 7:00 p.m., at the District office at 2700 Foothill Blvd., La Crescenta, California, with President Vasken Yardemian presiding.

At roll call, the following Directors and staff members were present:

Directors:	Richard W. Atwater Charles K. Beatty Kathleen M. Ross Judy L. Tejada Vasken K. Yardemian
Attorney:	Thomas S. Bunn III
General Manager:	Dennis A. Erdman
Secretary-Treasurer:	Ron L. Mitchell
District Engineer:	David S. Gould
Others Present: (Staff)	Julian Lee, CIP Manager Christy Scott, Program Specialist Larry Byers, Plant Superintendent

PLEDGE OF ALLEGIANCE

President Yardemian opened the meeting by asking Mr. Steve Pierce to lead the Board and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA

It was moved by Director Beatty, seconded by Director Ross, and carried by a 5-0 vote that the Agenda for the Regular Meeting of August 18, 2009, be adopted as presented

PUBLIC COMMENT

Mr. Kerry Erickson suggested that the District hold a seminar to instruct customers on how to re-program their irrigation timers to accommodate the water restrictions. Mr. Pierce announced that the CVTC will honor the District as their 'Organization of the Month' on Thursday, August 20th at the Sheriff's station and that the Rosemont Reservoir Beautification Project will have a presentation on Saturday, August 22nd at 9:00 a.m. and invited the Board and staff to attend both events. Next, he asked the Board if the watering times could be changed from 10 minutes to 5 minutes per station and if the watering days could be included on the Orange Alert Signs. Concluding, Mr. Pierce requested that the District provide a status report to the community reflecting the results of their water conservation efforts to encourage the community to continue with their efforts.

CONSENT CALENDAR

It was moved by Director Ross, and seconded by Director Beatty, and carried by a 5-0 vote to approve the Consent Calendar which contained the following items:

Approval of the Minutes of the Adjourned Regular Meeting held on July 21, 2009.

That payment of demands against the Crescenta Valley Water District on or before July 31, 2009 the same having been approved by the General Manager, Dennis A. Erdman, and heretofore paid, be ratified and approved subject to audit, in the aggregate sum of Eight Hundred Thirty Thousand, Two Hundred Twenty Eight Dollars and Seventy Six Cents (\$830,228.76), which is composed of the individual items set forth herein.

Authorize payment of the District's Auto and General Liability insurance for the period of October 1, 2009 to October 1, 2010 to ACWA/JPIA in the amount of \$124,849.

ACTION CALENDAR

Project E-864 – Mr. Gould asked for the Board's consideration and motion to authorize the General Manager to award a contract for the construction of 2,300 lineal feet of 8-inch pipeline on the 5100 Block of Maryland Avenue, the 3200 Block of Frances Avenue and the 3200 Block of Henrietta Avenue to J.A. Salazar Construction in the amount of \$295,367.50 as the lowest responsible bidder. Mr. Gould provided a memo that outlined the project and said that the District has worked successfully in the past with this contractor and staff recommendation is to award the contract. Also, Mr. Gould asked the Board to consider establishing an amount of \$30,000 (10% of contract) contingency to cover the cost of unforeseen or additional work.

Following discussion:

It was moved by Director Atwater, seconded by Director Tejada, and carried by a 5-0 vote to authorize the General Manager to award a contract to J.A. Salazar for (Project E-864), 8-Inch Water Main Replacement on the 5100 Block of Maryland Avenue, the 3200 Block of Frances Avenue and the 3200 Block of Henrietta Avenue at a cost of \$297,367.50 and to establish an amount of \$30,000 (10% of contract) contingency to cover the cost of unforeseen or additional work.

Transfer of Water Service Accounts – Mr. Gould asked for the Board's consideration and motion to authorize the transfer of ten (10) water service accounts on the 5200 block of Maryland Avenue to Glendale Water and Power (GWP). He said that by transferring these accounts the District would save approximately \$125,000 by not extending the water main replacement project discussed above to service these accounts. Director Tejada questioned the District's cost to remove the meters and Mr. Gould said that GWP will be responsible for the cost of installing the new water services and meters and the District will cover the cost of removing the existing meters boxes and meters which would cost the District approximately \$300 in total and that the meters would be recycled. Mr. Erdman commented that LAFCO appreciates cooperative work between water agencies related to boundary issues.

Following discussion:

It was moved by Director Ross, seconded by Director Atwater, and carried by a 5-0 vote to authorize the transfer of ten (10) water service accounts on the 5200 block of Maryland Avenue to Glendale Water and Power (GWP).

Transfer of Water Service Accounts – Mr. Gould asked for the Board's consideration and motion to authorize the transfer of three (3) water service accounts at 3000 Montrose Avenue, 3005 Pinewood Lane, and 4031 Ramsdell Avenue to the City of Glendale. Mr. Gould said that GWP will be responsible for the

cost of the installation of the new water service laterals and that the District will cover the cost of removing the existing meter boxes and meters.

Following discussion:

It was moved by Director Atwater, seconded by Director Ross, and carried by a 5-0 vote to authorize the transfer of three (3) water service accounts at 3000 Montrose Avenue, 3005 Pinewood Lane, and 4031 Ramsdell Avenue to the City of Glendale.

Request for Connection to District's Sewer System - Mr. Gould asked for the Board's consideration and motion for an exception to the District's Rules and Regulations, Section 7.06 New Sewer Service Connections, by providing sewer service to the property at 2243 Foothill Blvd., La Canada- Flintridge as requested by District customer, Ms. Rosalie Jean Youra. Mr. Gould provided a memorandum for the Board's review explaining the background for this request and said that there will be no expense incurred by the District for this project. He added that once the property owner pays the appropriate sewer connection fees and obtains a sewer permit from LCF the connection to the CVWD sewer system can be started.

Following discussion:

It was moved by Director Atwater, seconded by Director Ross, and carried by a 5-0 vote to allow an exception to the District's Rules and Regulations pertaining to the property at 2243 Foothill Blvd and authorize the owner permission to the said property to connect to CVWD's sewer system.

LADWP Interconnection Agreement - Mr. Gould asked for the Board's consideration and motion to authorize the General Manager to execute a Water System Interconnection and Water Exchange agreement between Crescenta Valley Water District and the City of Los Angeles. Mr. Gould provided a memorandum to the Board for their review outlining the background for the agreement. He said that the interconnection will allow another source of water as a backup water supply to both the District and Altadena areas when Metropolitan Water District's Weymouth Plant cannot provide adequate imported water due to local emergencies, natural disasters or major shutdown for their facilities.

Following discussion:

It was moved by Director Atwater, seconded by Director Beatty, and carried by a 5-0 vote to authorize the General Manager to execute the agreement for Water System Interconnections and Water Exchange between the City of Los Angeles and the District.

Draft EIR on Verdugo Hills Golf Course Site - Mr. Gould asked for the Board's discussion and possible action regarding the draft Environmental Impact Report on groundwater basin recharge issues related to potential development at the Verdugo Hills Golf Course. Mr. Gould provided a memorandum for the Board's review which gave a background of the Verdugo Hills Golf Course project and a report and summary of findings which was completed by Mr. Tom Regan, TMR Geological Consulting Services. Mr. Gould said that in essence, Mr. Regan's report shows that the project will have no significant impact to the Verdugo Basin. President Yardemian opened this subject for public comment.

Ms. Hales, community activist for the "Save the Verdugo Hills Golf Course", thanked the District for their hard work on reviewing the EIR and said she appreciated their participation in the project as it relates to the Verdugo Basin. After much discussion, the Board directed Staff to send a letter regarding the District's position on the Draft EIR to the City of Los Angeles with modifications to the letter that were suggested by Mr. Bunn along with Mr. Erdman's recommendation to encourage the city to have higher standards of mitigation of impact as it relates to standards for water resource needs in the region with preference to have open space to enhance the water supply in our area.

Following discussion:

It was moved by Director Atwater, seconded by Director Beatty, and carried by a 5-0 vote to have Staff send a letter regarding the District's position on the Draft EIR to the City of Los Angeles incorporating changes suggested by legal counsel and Staff.

CIT Group - Mr. Mitchell reminded the Board and staff that this item was discussed during the last meeting and it was requested to gather more information and return for additional discussion at tonight's meeting. Mr. Mitchell provided a memorandum for the Board's review reflecting a timeline provided by Great Pacific Securities showing the significant events as it relates to the CIT Group investment.

Following discussion:

It was moved by Director Atwater, seconded by Director Ross to hold on to the investment at this time.

After further discussion the motion was withdrawn. It was the consensus of the Board to bring this item back to all future Board meetings for an update. If any significant changes occur in the market related to the District's position in this investment, Staff will call a Special Meeting or request a Finance Committee meeting to discuss.

2621 Piedmont – Director Ross asked for the Board's discussion regarding conflicting policies of the District and the City of Glendale on artificial turf in the Glendale annex area. After much discussion, it was decided by the Board to direct Staff to send a letter to Glendale City Council in support of artificial turf and encourage water conservation in landscaping with no comment pertaining to land use as it relates to the Planning Commission.

INFORMATION ITEMS

Information items included an article printed in the Glendale News-Press regarding Water Conservation Costs, the La Canada Valley Sun printed two articles; one regarding FMWD's Parcel Tax, and another on the Sewer System Project in La Canada, a commentary by Sharon Ragavachary pertaining to the District Board leaders, and an article by Josh Harkinson regarding the effectiveness of tiered water rates provided by Director Atwater.

WRITTEN COMMUNICATIONS TO DISTRICT

Director Tejada provided an agenda for the upcoming ACWA Region 8-10 Tour on October 8 & 9, 2009 for anyone who might be interested in attending. She added that Director Atwater is scheduled to speak on October 8th and a tour of the facilities and Lake Elsinore is scheduled for the next day.

REPORTS OF PERSONNEL

SECRETARY-TREASURER – Mr. Mitchell provided the Summary of Cash and Investment report which contained the following items:

Investment Portfolio Summary – as of August 18, 2009

Cash Accounts	\$	289,681
National Financial Securities Corp.	\$	557,391
Bond Debt Service Fund Acct	\$	119,195
Local Agency Investment Fund	\$	2,483,014
CIT Group (29)	\$	1,000,000
Federal Farm Credit Bank (37)	\$	1,340,000
U.S. Treasury (39)	\$	1,000,000
U.S. Treasury (40)	\$	1,500,000

Fund Balances at June 30, 2009

Water	\$	5,690,324.21
Wastewater	\$	3,689,569.29
Capital Improvement Fund	\$	2,709,748.64

Mr. Mitchell provided a summary of expenses thus far for calendar year 2009 as it relates to Conferences and Seminars for staff and the Board as requested by Director Tejada.

GENERAL MANAGER

Mr. Erdman reported that District employee Dennis Maxwell has been asked to participate in an ACWA/JPIA Technical Committee to help reduce loss time injuries on wastewater activities.

DISTRICT ENGINEER

Water Production – For the period of July 1 through July 31, 2009, water production averaged **4,967,754** gallons per day, which is **13.8% less** than the daily average production of the same period in 2008. This is **20.5% less** from the daily average production of the previous five years over the same period and **3.4%** less than the Phase I conservation baseline from May 1, 2001 through July 31, 2001.

Rainfall: July 1 – 31, 2009	0.00”
2008-2009 Season to Date:	15.15”

Water Production – For the period of August 1 through August 15, 2009, water production averaged **4,793,168** gallons per day, which is **13.8% less** than the daily average production of the same period in 2008. This is **22.1% less** from the daily average production of the previous five years over the same period and **4.5%** less than the Phase I conservation baseline from May 1, 2001 through August 15, 2001.

Rainfall: August 1 – 15, 2009	0.00”
2008-2009 Season to Date:	15.15”

Administrative and Field Operations – Mr. Gould provided a memorandum and discussed the following:

Rainfall Update – 0.00” for July and August 2009; 0.04” average rainfall for July and 0.19” average rainfall in August; Rainfall total of 15.15” is 35% less than average from October-August.

Report on Administrative and Field Operations:

Wells: Current well capacity – 2.9 MGD; Well #9 is out of service due to Bac-T. Working with CDPH on plan and Daniel B. Stephens.

Booster Pumps: Oak Creek Booster ‘C’ is back in service.

Construction Projects:

- **Ramsdell / Mayfield Mixing Station:** Next Project – Pipeline Project

Water Quality:

- pH Study – Finalizing study.
- Needed to add three (3) injection points (Mills, Glenwood & Well11) stations to increase pH in system.

LADWP / CVWD Interconnection:

- CDPH Funding Agreement on hold; waiting for State funding.

MTBE Update:

- Verdugo Basin MTBE Task Force met on September 8, 2009. Shell Station/CV Tow Application sent to the State. Request closure of 3200 Foothill and reviewing documentation with independent environmental firm.
- GAC Treatment Grant – State is waiting on final budget.
- Looking into Design/Build for GAC system.
- MTBE levels in Well #7, Mills and MW4 are below 1 ppb.
- Well #5 MTBE level at 43 ppb and continues to be out of service.

Field Maintenance and Operations update for July 21-31, and August 1-15, 2009:

- Miscellaneous lateral leaks on Canyonside, Dorothy, Upper Terrace, Sanborn, Vicwood, El Caminito, Santa Carlotta, Whittier, La Crescenta, Hume, Orange, El Moreno and Henrietta.
- Reservoir Maintenance at Rosemont Reservoir.
- Emergency Preparedness – testing portable emergency generators at Wells and Reservoir sites – two sites a week.
- Nitrate Plant Maintenance: Replaced pipe couplings with flexible joint couplings that will allow movement in the pipe during an earthquake. Upgrading brine pump piping system. Inspected and minor repairs to salt bin. Maintenance to be completed within next two weeks.
- Replaced Well level air bubbler system with new pressure transducers.
- Sewer Maintenance: Cleaned over 11,000 feet of sewer main, CTTV over 9,200 feet of sewer main, Sewer manhole cleaning on drop manholes.

Mr. Gould provided a schedule of Proposition 218 Board and Committee meeting dates for the Board’s

review. After much discussion, Mr. Gould said he will revise the dates and return to the Board for their review.

WATER CONSERVATION – Ms. Scott provided a Water Conservation Summer Intern report reflecting the expenses and progress as of August 13, 2009. She said the program has been a success in getting the word out to the community regarding the District's water restrictions and to help ease the confusion between GWP and the District's policies as it relates to watering days and times. Concluding, Ms. Scott reported that the project is estimated to be under budget.

ATTORNEY – Mr. Bunn provided the Board and Staff with a memorandum from Lagerlof Senecal Gosney & Kruse, LLP regarding the District's ability to influence land use decisions for their review. He said that basically the District has no control over conversion of housing except in a water shortage emergency. President Yardemian suggested that this document be posted on the District's website since it answers many questions for the community as it relates to multi-housing development.

REPORTS OF COMMITTEES

Engineering Committee – Director Ross reported the Committee did not meet.

Finance Committee – Director Tejada reported the Committee did not meet.

Employee Relations Committee – Director Atwater reported the Committee did not meet.

Policy Committee – Director Beatty reported that the Committee did not meet.

Community Relations/Water Conservation Committee – Director Yardemian reported the Committee did not meet.

DIRECTOR'S ORAL REPORTS

- Director Atwater reported that he met with Ms. Laura Ohlasso who is planning to hold a Water Summit in September including the CVWD Board and Management staff along with other La Canada water agencies. Next, Director Atwater reported that Rubio Land & Canon Water and Lincoln Avenue Water District produced a one page flyer regarding FMWD activities such as parcel tax and storm water capture issues and suggested that the Community Relations Committee review it for customer information. He also said he attended a meeting on August 5th with LA County Sanitation District, Upper San Gabriel District, and the San Gabriel Valley District and discussed a 4-way agency project related to expanding the recycled water program.
- Director Beatty – No report.
- Director Ross – No report.
- Director Tejada reported that she attended a Region 5 and 8 tour held at Castaic Lake Water Agency and said it was very informative. She also provided a Delta Vision Blue Ribbon Task Force Final Strategic Plan for the Staff and Board's review.
- Director Yardemian – No report.

CLOSED SESSION

Mr. Bunn reported that the Board met in Closed Session and authorized legal counsel to defend the District in a lawsuit filed by MNR Construction against the District.

Mr. Mitchell informed the Board that ACWA is asking for nominations for standing committees and said that Director Yardemian, Director Tejeda and Mr. Bunn are currently committee members and asked for the Board's support for their re-nomination to which the Board concurred.

ADJOURNMENT

There being no other business to come before the Board, at 9:30 p.m., it was moved by Director Ross, seconded by Director Beatty, and carried that the meeting be adjourned to September 1, 2009 at 7:00 p.m.

APPROVED:

Vasken A. Yardemian
President

Ron L. Mitchell
Secretary-Treasurer