

CRESCENTA VALLEY WATER DISTRICT

REGULAR MEETING, BOARD OF DIRECTORS

December 8, 2009

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Adjourned Regular Meeting of November 17, 2009, a Regular Meeting was scheduled to be held on December 8, 2009, at 6:30 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California, with Vice-President Judy Tejada presiding.

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

Directors:	Richard W. Atwater James Bodnar Kerry Erickson Kathleen M. Ross Judy L. Tejada (Arrived late)
Attorney:	Thomas S. Bunn III
General Manager:	Dennis A. Erdman
Secretary-Treasurer:	Ron L. Mitchell
District Engineer:	David S. Gould
Others Present: (Staff)	Christy Scott, Program Specialist Julian Lee, CIP Manager Mark Hass, Manager Technical Services/IT Larry Byers, Plant Superintendent Dean Wiberg, FMWD Director

PLEDGE OF ALLEGIANCE

Director Ross opened the meeting by asking Director Atwater to lead the Board and staff in reciting the Pledge of Allegiance.

OATH OF OFFICE

Mr. Mitchell administered the Oath of Office to Richard Atwater, James Bodnar and Kerry Erickson for their term as Directors of the Crescenta Valley Water District scheduled to expire in December 2013.

ADOPTION OF AGENDA

It was moved by Director Atwater, seconded by Director Erickson, and carried by a 4-0 vote that the Agenda for the Regular Meeting of December 8, 2009, be adopted as presented.

PUBLIC HEARING

Staff provided all written comments received from the public related to the proposed rate increase for the Boards review. Mr. Mitchell provided a Proposed Water Rate handout and gave a Power Point presentation for the Board and members of the public in attendance outlining the District's service area, water sources, uncontrollable and controllable costs, and the effects to customer bills. Mr. Mitchell said that the Board is scheduled to vote on the rate increase January 5, 2010 and if approved, the increase will be implemented with the January 15, 2010 billing cycle. Vice-President Tejada opened the public hearing and welcomed those in attendance. The Board heard questions related to the cost of water, development in the area, and comments about conservation and how that relates to the proposed rate increase. Hearing

no further comments, it was moved by Director Atwater, and seconded by Director Ross to close the public hearing. Hearing no further comments, Director Tejada closed the public hearing.

PUBLIC COMMENT

Roberta Medford, a District resident, was present to ask the Board to consider including the one quarter of residents in the voting pool for the District who live in the Glendale Annex area and currently cannot vote due to boundary issues. Director Atwater gave a brief history of this matter and said a workshop will be scheduled to provide a more detailed history of this issue.

CONSENT CALENDAR

It was moved by Director Atwater, and seconded by Director Ross, and carried by a 5-0 vote to approve the Minutes of the Adjourned Regular Meeting held on November 17, 2009.

It was moved by Director Ross, and seconded by Director Atwater, and carried by a 5-0 vote to approve the payment of demands against the Crescenta Valley Water District on or before November 30, 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 One Million Five Hundred Forty One Thousand, Six Hundred One Dollars and Thirty One Cents (\$1,541,601.31), which is composed of the individual items set forth herein.

ACTION CALENDAR

Board Reorganization – Vice-President Tejada asked for nominations for the office of President of the Board of Directors for upcoming year.

It was moved by Director Tejada that the name of Kathleen M. Ross be placed in nomination for the office of President of the Board of Directors for 2010. It was moved by Director Atwater, and seconded by Director Bodnar that nominations be closed. Director Ross was elected unanimously as President of the Board for 2010.

President Ross asked for nominations for the office of Vice-President of the Board of Directors for the upcoming year.

It was moved by Director Atwater that the name of Judy Tejada be placed in nomination for the office of Vice-President of the Board of Directors for 2010. It was moved by Director Atwater, and seconded by Director Erickson that the nominations be closed. Director Tejada was elected unanimously as Vice-President of the Board for 2010.

Committee Assignments

President Ross appointed Directors to serve on Committees as follows:

Engineering Committee:

**Director Ross (Chair)
Director Bodnar**

Employee Relations Committee:

**Director Bodnar (Chair)
Director Atwater**

Finance Committee:

Director Atwater (Chair)

Director Tejada

Policy Committee:

**Director Tejada (Chair)
Director Erickson**

**Community Relations/Water
Conservation Committee:**

**Director Erickson (Chair)
Director Ross**

Eagle Scout Project – President Ross welcomed Chris Garcia to discuss his Eagle Scout project. Mr. Garcia asked for the Board’s consideration to use District property at Pennsylvania and Encinal for a community based project for his Eagle Scout badge. Mr. Erdman commented that Staff is willing to work with Mr. Garcia on site selection and asked for the Board’s approval for Staff to proceed with this project. It was decided by the Board to refer this item to the Community Relations Committee to work with Staff and return details to the Board for their review.

Following discussion:

It was moved by Director Atwater, seconded by Director Bodnar, and carried by a 5-0 vote to allow Staff to work with the Community Relations Committee to develop a plan with Mr. Garcia at a cost not to exceed \$500 and return to the Board at the next meeting for the Board’s final approval of the plan and budget proposal.

Slope Remediation at Edmund #2 Reservoir Site, Project E-873 – Mr. Gould asked for the Board’s consideration and motion to award professional service contracts for surveying, engineering, and geotechnical services for the slope remediation at Edmund #2 Reservoir site to Civiltec Engineering at a cost of \$31,585 and D. Scott Magorien, Consulting Engineering Geologist, at a cost of \$26,050. He provided a staff report for the Board’s review which outlined the details of this project and showed slides of the reservoir site and the exposed pipeline along with the deteriorated road that needs repair to ensure access to the reservoir. Next, he asked to find said project exempt from the provisions of the California Environmental Quality Act (CEQA) as an emergency repair under section 15269 of the CEQA Guidelines. Mr. Erdman said that the recent erosion of the slopes surrounding the existing inlet and outlet pipes has become critical. Mr. Gould said that more geologic data is needed and an aerial topographic study is needed to better evaluate the options before a solution can be made. Director Bodnar questioned spending significant funds studying the problem when alternate solutions could be more cost effective in light of the cost estimates of \$100,000 without potentially solving the problem. He suggested that staff provide the Board with alternative solutions to consider with one placing the pipeline in the middle of the road to avoid erosion problems similar to the recent project at Pickens Canyon Reservoir. Mr. Gould said that this could be a possible solution, but until the aerial topography and geologic site investigation is complete he could not answer that question.

Following discussion:

It was moved by Director Erickson, seconded by Director Tejada, and carried by a 4-1 vote (Director Bodnar dissenting) to authorize the General Manager to award a contract to Civiltec Engineering for surveying and engineering services, including an aerial topographic survey of the area around the Edmund #2 reservoir site, at a cost of \$31,585. Also, to find said project exempt from the provisions of the California Environmental Quality Act (CEQA).

Well No. 9 Well Rehabilitation, Project E-868 – Mr. Gould asked for the Board’s consideration and motion to award a contract to General Pump Company for well rehabilitation of Well No. 9 at a cost of \$45,089 and provided a staff report for the Board’s review explaining the background of this project. Mr. Gould said that Well No. 9 has been out of service since April, 2009 due to total coliform bacteriological problems. As directed by the California Department of Public Health, staff had to investigate and prepare a plan, that was submitted and approved, to treat and/or clean the well utilizing chemical treatment or other methods before Well No. 9 could be placed back into service. Next, Mr. Gould requested to find said project exempt from the provisions of the California Environmental Quality Act (CEQA).

Following discussion:

It was moved by Director Bodnar, seconded by Director Atwater, and carried by a 5-0 vote to authorize the General Manager to award a contract to General Pump for the rehabilitation of Well No. 9 at a total cost of \$45,089 and to find said project exempt from the provisions of the California Environmental Quality Act (CEQA).

Mayor’s Blue Ribbon Committee on Local Water – Mr. Mitchell asked for the Board’s consideration to designate a representative from the District to participate on the Mayor’s Blue Ribbon Committee and provided a staff report and a letter from Mayor Laura Olhasso of La Canada Flintridge for the Board’s review. Director Atwater reported that the City of La Canada is very concerned with water issues and therefore has formed this task force to expand public education and discuss the current regional water supply. He encouraged all Board members and Staff to attend the meetings and added that the first meeting will be held Wednesday, December 9th at 5:00 p.m. Director Tejada asked Director Erickson to represent the District on this Committee, Director Erickson said that he could not attend this first meeting but agreed to attend future meetings and represent the District on this committee.

Following discussion:

It was moved by Director Atwater, seconded by Director Bodnar, and carried by a 5-0 vote to appoint Director Erickson as the District’s representative on the Mayor’s Blue Ribbon Committee.

Resolution No. 689 District Investment Policy – Mr. Mitchell asked for the Board’s consideration and motion to adopt Resolution No. 689 detailing the District’s Investment Policy for 2010. He said that this is the same policy as we have had the past two years and recognized the existing direction of the Board in terms of how funds are currently invested. Staff recommends adoption of Resolution No. 689 detailing the District’s Investment Policy.

Following discussion:

It was moved by Director Atwater, seconded by Director Bodnar, carried to adopt Resolution No. 689 outlining the District’s Investment Policy by the following roll call vote:

AYES: Director Atwater
Director Bodnar
Director Erickson
Director Ross
Director Tejada

NOES: None

Resolution No. 690 – Mr. Gould asked for the Board’s consideration and motion to adopt Resolution No. 690 to authorize the General Manager to sign a funding agreement with State of California, Office of Emergency Services and provided a staff report along with a copy of Resolution No. 690. He explained that in order to qualify for funds related to the Station Fire or subsequent mudslide damage that the State of California is requiring the Board of Directors to designate a person to be authorized to sign any funding or other related documents on behalf of the District.

Following discussion:

It was moved by Director Atwater, seconded by Director Tejada, and carried to adopt Resolution No. 690 Authorization of Signature of a Funding Agreement and Related Documents from the State of California, Office of Emergency Services by the following roll call vote:

AYES: **Director Atwater**
 Director Bodnar
 Director Erickson
 Director Ross
 Director Tejada

NOES: **None**

INFORMATION ITEMS

Information items included two articles in the Glendale News Press regarding artificial turf and recycled water, an LA Times article on conservation, and the last item was an ACWA letter and pre-registration form for their annual Washington D.C. Conference to be held February 23-25, 2010.

WRITTEN COMMUNICATIONS TO DISTRICT

There were no written items.

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 December 8, 2009

Cash Accounts	\$	117,443
National Financial Securities Corp.	\$	1,004,793
Bond Debt Service Fund Acct	\$	60,895
Local Agency Investment Fund	\$	2,488.806
CIT Group (29)	\$	1,000,000
U.S. Treasury (39)	\$	1,000,000
U.S. Treasury (40)	\$	1,500,000
Federal Farm Credit Bank (41)	\$	1,000,000

Fund Balances at June 30, 2009

Water	\$	5,692,915.35
Wastewater	\$	3,726,208.68
Capital Improvement Fund	\$	2,709,748.64

Mr. Mitchell said as discussed at the previous Board Meeting regarding the District's CIT investment, the judge approved the pre-packaged CIT Bankruptcy Plan today and that complete details of the plan should be available by the next Board meeting.

GENERAL MANAGER

Mr. Erdman reported that the Burn Area Response Team continues to meet weekly to monitor District facilities watching for potential mudslides with the news of a winter storm this week. The focus is protection of District assets and if a threat of mudslides arises, the District's Emergency Operation Center will go into effect and said if anyone has questions to contact him.

DISTRICT ENGINEER

Water Production – For the period of November 1–30, 2009, water production averaged **4,004,390** gallons per day, which is **10.0% less** than the daily average production of the same period in 2008. This is **11.9% less** from the daily average production of the previous five years over the same period and **7.5%** less than the Phase I conservation baseline from May 1, 2001 through November 30, 2001.

Rainfall: November 1-30, 2009	0.24"
2009-2010 Season to Date:	2.32"

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

Rainfall Update – 2.08" for October 2009; 0.94" average rainfall in October; Rainfall total of 2.08" is 120% more than average for October.

Report on Administrative and Field Operations:

Wells: Current well capacity – 2.5 MGD; Well #9 pulled pump, found testing for bacteria, award of contract. Goal is to be back in service in January 2010. Well #5 out of service due to MTBE levels.

Booster Pumps: All booster pumps are in service. Finalized preliminary technical report for Eagle Canyon MCC.

Construction Projects:

Water Quality:

LADWP / CVWD Interconnection:

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

MTBE Update:

- Verdugo Basin MTBE Task Force will meet on 1/13/2010.
- MTBE Grant – Revised location to Well 5. CDPH approved project and signed Letter of Commitment (LOC) for \$1.1 Million, Meeting with companies on renting GAC treatment system,

Working with AECOM design.

- MTBE levels in Well7, Mills, and MW4 below 1 ppb.
- Well #5 MTBE level at 61 ppb and continues to be out of service.

Field Maintenance and Operations update for November 1-30, 2009:

- Miscellaneous lateral leaks and repairs.
- Installed K-Rails at Pickens Canyon Reservoir.
- Reinstalled concrete block wall at Edmund #2.
- Valve exercise program – continue exercising water valves.
- Sewer Maintenance: Continues cleaning and CTTV of sewer mains.

Mr. Gould provided the Letter of Commitment from the State of California CDPH for the Board's review that states the District is eligible for a \$1,075,600 grant to install the GAC treatment system.

WATER CONSERVATION – No report.

ATTORNEY – Mr. Bunn reported on two issues; one regarding the efficiency of clothes washers and said that in 2002 the Legislature ordered the State Energy Department to come up with new regulations, but the federal government said they have authority on residential washers. The State sued and the court rules in State's favor. Next, Mr. Bunn reported on a recent Proposition 218 case involving a community services district in Willits, California and their rate structure as it pertains to water availability and charges. After the court heard the details, it was determined by the court that if a customer can control his availability by opening and closing his account, water is available and therefore the court ruled that there was not a violation in the proposition 218 notice in this case.

REPORTS OF COMMITTEES

Engineering Committee – Director Ross reported that the Committee had not met however a meeting will be scheduled as soon as a date and time can be determined.

Finance Committee – Director Atwater reported the Committee had not met however a meeting will be scheduled as soon as a date and time can be determined.

Employee Relations Committee – Director Ross reported the Committee had not met.

Policy Committee – Director Tejada reported that the Committee met to discuss the Station Fire and emergency water which was used to protect their home. She said a policy for this situation was written and the language will be modified and returned to the Board at the next meeting.

Community Relations/Water Conservation Committee – Director Ross reported the Committee had not met however a meeting will be scheduled soon to discuss the Eagle Scout Project and return the details to the Board.

Ad Hoc Flood Planning Committee – Director Ross reported that the Committee had not met.

Foothill Municipal Water District Report – Director Atwater provided a Foothill Municipal Water District report regarding their local, reliable water supply program for the Board and Staff's review and introduced Mr. Dean Wiberg, FMWD Director. Mr. Atwater discussed the challenges FMWD is facing regarding the current water supply and the much needed facility maintenance and improvements. He added that CVWD should consider meeting with the CVTC to discuss the current water supply for the entire Foothill Community.

DIRECTOR'S ORAL REPORTS

- Director Atwater – No report.
- Director Bodnar – No report.
- Director Erickson – No report.
- Director Ross welcomed incoming Directors Bodnar and Erickson and thanked District staff for their efforts in preparation for the Montrose Christmas Parade. She also thanked Mr. Gould for his information on soil and conservation issues for the Boy Scout Merit Badge Project.
- Director Tejada reported that she was contacted by Mrs. Jeanne Lavieri, a District customer regarding statics about absorption rates of water with artificial turf, and secondly she asked about rain barrels and inquired if there are any discounts we can offer to District customers.

CLOSED SESSION

No reportable action.

BOARD MEMBER'S REQUEST FOR FUTURE AGENDA ITEMS

ADJOURNMENT

There being no other business to come before the Board, at 8:50 p.m. it was moved by Director Atwater, seconded by Director Bodnar, and carried that the meeting be adjourned to January 5, 2010 at 7:00 p.m.

APPROVED:

Kathleen M. Ross
President

Ron L. Mitchell
Secretary-Treasurer