

CRESCENTA VALLEY WATER DISTRICT

La Crescenta, California 91214

**Agenda for the Regular Meeting
Of the Board of Directors
Of the Crescenta Valley Water District**

To be held on Tuesday, July 7, 2009 at 7:00 p.m.

Posted: July 2, 2009 at 3:00 p.m.

Any written materials distributed to the Board in connection with this agenda will be made available at the same time for public inspection at the District office located at the above address.

Call to Order and Determination of Quorum

Pledge of Allegiance

Adoption of Agenda

Public Comments

At this time the public shall have an opportunity to comment on any non-agenda item relevant to the subject matter jurisdiction of the Board. This opportunity is non-transferable and speakers are limited to one three (3) minute comment.

Consent Calendar

1. **Consideration and Approval of the Minutes of the Adjourned Regular Meeting, June 16, 2009.**

Action Calendar

The public shall have an opportunity to comment on any action item as each item is considered by the Board prior to any action being taken. This opportunity is non-transferable and speakers are limited to one two (2) minute comment.

1. **Revisions to Water Conservation Regulations – Consideration and motion to adopt revisions to Appendix G of the District's Rules and Regulations Manual clarifying Water Conservation Regulations and Policies.**
2. **2009-10 Fiscal Year Budgets – Consideration and motion to adopt the 2009-10 fiscal year Water and Wastewater budgets and proposed Capital Improvement projects.**

Information Items

Written Communications to District

Staff Reports

Secretary-Treasurer

1. **Cash and Investments –July 7, 2009.**

General Manager

1. Administrative Report

District Engineer

1. Water Production Report for June, 2009.
2. Report on Administrative and Field Operations.

Program Specialist

1. Report of Water Conservation issues.

Attorney

1. Report on legal and related matters relevant to the District.

Reports of Committees

Engineering Committee

1. Consideration of engineering issues affecting the District.

Finance Committee

1. Consideration of financial issues affecting the District.

Employee Relations Committee

1. Consideration of employee relations issues affecting the District.

Policy Committee

1. Consideration of policy issues affecting the District.

Community Relations/Water Conservation Committee

1. Report of Community Relations/Water Conservation meeting held on June 22, 2009.

Director's Oral Reports

Report on issues and meetings/activities attended by Directors.

Closed Session

1. **Conference with Legal Counsel – Existing Litigation (§54956.9)**
 - Crescenta Valley Water District vs. Exxon Mobil et al.
2. **Conference with Legal Counsel - Anticipated Litigation (§54956.9(b))**
 - Significant exposure to litigation pursuant to Section 54956.9(b): Two cases
 - 1 - Contract dispute with MNR Construction
 - 2 - Notice of Violation of NPDES permit, Well No. 2 rehabilitation from the Los Angeles Regional Water Quality Control Board, dated January 13, 2009

Board Members' Request for Future Agenda Items

Adjournment

CRESCENTA VALLEY WATER DISTRICT

ADJOURNED REGULAR MEETING, BOARD OF DIRECTORS

June 16, 2009

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Regular Meeting of June 2, 2009, an Adjourned Regular Meeting was held on June 16, 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 (Arrived late) Kathleen M. Ross Judy L. Tejada (Arrived late) 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)	Larry Byers, Plant Superintendent Julian Lee, CIP Manager Christy Scott, Program Specialist

PLEDGE OF ALLEGIANCE

President Yardemian opened the meeting by asking Ms. Cindy Eman to lead the Board and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA

It was moved by Director Ross, seconded by Director Atwater, and carried by a 3-0 vote that the Agenda for the Adjourned Regular Meeting of June 16, 2009, be adopted as presented.

PUBLIC COMMENT

Ms. Yvonne Younger, a District customer, requested that the Board members to provide the last three years of their residential water bills for public review at the next Board meeting and also asked staff and Board to investigate the Las Virgenes Water District's policy regarding their water budget, rate structure and allocation.

CONSENT CALENDAR

It was moved by Director Ross, and seconded by Director Tejada, and carried by a 4-0 vote to approve the Consent Calendar which contained the following items:

Approval of the Minutes of the Regular Meeting held on June 2, 2009.

That payment of demands against the Crescenta Valley Water District on or before May 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 Seven Hundred Sixty Nine Thousand, Four Hundred Two Dollars and Eight Five Cents (\$769,402.85), which is composed of the individual items set forth herein.

ACTION CALENDAR

Public Budget Workshop – Director Atwater stated that although this item is in the Action Calendar for tonight’s meeting there will not be any action taken on this item and said that the Public Budget Workshop is open for discussion only. Mr. Erdman provided a memorandum to the Board and staff which outlined the three options for the proposed budget for the District’s water and wastewater operation for fiscal year 2009-10 and said that staff has met with the Finance Committee to review the three different budget scenarios. Mr. Mitchell provided a detailed presentation showing the controllable and uncontrollable costs, MWD/FMWD rate increases, projected imported water and power costs, water production, revenues, O&M expenses, Capital Improvement Projects, and projected wastewater treatment costs. Director Atwater suggested that a line item be included on customers’ bill indicating the imported water charge to help explain the rising cost of water. After much deliberation of the details of the budget, it was decided that staff will make revisions and return this item to the Board for final adoption on July 7, 2009. President Yardemian opened the workshop for public comment, hearing none he closed the public workshop.

INFORMATION ITEMS

Information items included an article from the Pasadena Star News on a proposed water rate delay and a MWD press release related to the rebate program. Mr. Mitchell reported that District employees Mr. Dave Spain, Mr. Jim Halaszynski and Mr. Richard Scott were recognized by ACWA/JPIA for their outstanding contribution to the District’s health and safety programs.

WRITTEN COMMUNICATIONS TO DISTRICT

The District received two written items; a letter from Las Flores Water Company regarding the parcel tax proposal, and a thank you note from the Historical Society of the Crescenta Valley for the District tour on May 23rd.

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 June 16, 2009

Cash Accounts	\$	237,540
National Financial Securities Corp.	\$	55,308
Bond Debt Service Fund Acct	\$	84,973
Local Agency Investment Fund	\$	2,473,421
CIT Group (26)	\$	
CIT Group (29)	\$	1,000,000
Countrywide Financial (33)	\$	
Federal Farm Credit Bank (37)	\$	1,340,000
U.S. Treasury (39)	\$	1,000,000
U.S. Treasury (40)	\$	1,500,000
U.S. Treasury (41)	\$	500,000
Fund Balances at March 31, 2009		
Water	\$	5,710,528.26
Wastewater	\$	3,657,742.07
Capital Improvement Fund	\$	3,228,422.79

Mr. Mitchell reported that the District sold the Countrywide investment for \$1,910 more than the original purchase cost and reinvested the proceeds into a U.S. Treasury (41). Mr. Mitchell reported that the District was notified that Vicenti, Lloyd & Stutsman will not be able to do the District audit this year therefore he has requested quotes from other accounting firms to complete this year's audit.

GENERAL MANAGER

Mr. Erdman reported that the Castaic Lake Water Agency has asked for financial help in the dispute with the Regional Water Quality Control Board is asking the District for a \$1,000 contribution for legal expenses which were incurred to argue against two annual permits which will affect the Castaic Lake Water agency along with 40 other agencies and could benefit the District by avoiding costs. He said he will bring this request with more information back to the Board as an Agenda item for further consideration. Next, he asked if the Board has received any information on the recent flu pandemic for the purpose of gathering information in case there is an outbreak. The Board said they have received little to no information.

DISTRICT ENGINEER

Water Production – For the period of June 1 through June 13, 2009, water production averaged 4,041,510 gallons per day, which is 22.6% less than the daily average production of the same period in 2008. This is 25.1% less from the daily average production of the previous five years over the same period and 15.3% less than the Phase I conservation baseline from June 1, 2001 through June 13, 2001.

Rainfall: June 1 – 13, 2009	0.13”
2008-2009 Season to Date:	15.05”

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

Rainfall Update – 0.13” for June 2009; 0.20” average rainfall for June; Rainfall total of 15.05” is 35% less than average from Oct-May.

Report on Administrative and Field Operations:

Wells: Current well capacity – 3.05 MGD; Well #9 is out of service finalizing work plan with CDPH. Well 14 is out of service and General Pump completed work; start up this week.

Booster Pumps: All Boosters are in service.

Construction Projects:

- **Ramsdell / Mayfield Mixing Station:** Permit for equipment being coordinated with LA County. Project scheduled to be completed by end of June 2009.

LADWP / CVWD Interconnection:

- CDPH Funding Agreement on hold; waiting on funding from the State and unknown when funding will be available.

MTBE Update:

- CDPH submitted application to CDPH for up to \$2 M for treatment facility. Working with RWQCB on possible Biological treatment for Well #5. Next MTBE Task Force scheduled for July 8, 2009. Well #5 MTBE levels at 24 ppb and will continue to be out of service.

Markridge Reservoir Corrosion Study:

- Waiting on MP analyzing data collected for water and air quality.

Field Maintenance and Operations update for June, 2009:

- Miscellaneous lateral leaks on Freeman, Willowhaven, Olive, Harmony, El Caminito, Henrietta and Santa Carlotta. Continued sewer cleaning on Ocean View from Montrose to Honolulu and Briggs from Foothill to Altura. Installed new phone system.

WATER CONSERVATION – Ms. Scott reported on the following items; the summer interns will start this week, 238 water waster letters have been sent out, and that MWD rebates have been suspended and will be reconsidered again in July, 2010.

ATTORNEY – No report.

REPORTS OF COMMITTEES

Engineering Committee – Director Ross reported that the Committee had not met.

Finance Committee – Director Tejada reported that the committee met and was discussed in the Public Budget Workshop item of tonight's meeting.

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

Policy Committee – Director Beatty reported that the Committee had not met.

Community Relations/Water Conservation Committee – Ms. Scott reported that the water conservation program ordinance is being revised and the turf replacement program is having a great response.

DIRECTOR'S ORAL REPORTS

- Director Atwater reported that he will attend a breakfast for Senator Bob Dutton in Diamond Bar, will meet with Valley Water about the parcel tax issue and also said he is giving a presentation to La Canada Public Works to discuss the current water drought situation.
- Director Beatty reported that he attended the ACWA Spring Conference in Sacramento it was very productive and he also had the opportunity to speak with several legislators regarding water issues.
- Director Ross – No report.
- Director Tejada reported she is on the planning committee for Region 8, 9 & 10 and their event is scheduled for October 8-10. She said that Regions 5 and 8 are having a free day trip to Castaic Lake on July 24th and if anyone is interested to contact her for more details. Director Tejada asked if anyone else can attend the CVTC meeting on Thursday, June 18th, 2009 Director Ross volunteered to attend.
- Director Yardemian reported that he will attend the breakfast for Senator Bob Dutton in Diamond Bar.

CLOSED SESSION

No action taken during closed session.

ADJOURNMENT

There being no other business to come before the Board, at 8:55 p.m., it was moved by Director Ross, seconded by Director Beatty, and carried that the meeting be adjourned to July 7, 2009 at 7:00 p.m.

APPROVED:

Vasken A. Yardemian
President

Ron L. Mitchell
Secretary-Treasurer