

Report!



Board of Directors Summary for **August 19, 2009**

Report! is prepared by the Community Involvement Department for all interested individuals. This brief summary of selected items from Eastern Municipal Water District Board of Directors' meetings is distributed after each meeting. Please circulate it to others having an interest. For more information, call 951/928-3777, ext. 4226; or FAX: 951/928-6171

Work Session

I. General Manager's Report

(Pack)

Past Activities

- I forwarded the notes from my two-day visit to Washington to the Board previously.
- We met with Director Slawson and Director Sullivan to provide additional information on the G.O. Bond Funding. Director Sullivan has asked that we provide a two to three-hour special work session on Financing. Director Sullivan has given us a list of subjects mostly dealing with Bond financing and how projects are funded. This will probably take up most of the session, but if a Director would like us to cover any other subjects, let me know and we will fit it in or schedule a second meeting.
- We met with the Riverside County Water Task Force last week to develop the goals and objectives as well as the budget for the next year.
- Last Friday the Southern Coalition Committee met before the MWD Board meeting and in the afternoon we held an informational meeting for the Agricultural Recycled Water Users, which were well attended and very beneficial. We will be meeting with the Recycled Water Advisory Committee (RWAC) to develop recycled water rates to be presented to the Board in January.
- We met with a number of Southern California Edison staff yesterday to resolve an issue on the number of electrical meters that are needed to serve the Perris Valley Regional Water Reclamation Facility (PVRWRF) and issues we have with changes to their plan of service. They will be sending a special engineering team out to evaluate our metering issues in the next few weeks. We held a second meeting with their Government Services Manager and Dan Howell and Bonnie Wright to discuss grant and loan opportunities.

Future Activities

- We are moving ahead with percolation testing in the San Jacinto River and will be meeting with US Fish & Wildlife service to finalize the agreement.
- There is a meeting tomorrow between staffs of Hemet, MWD and EMWD on the recycled water storage project at DVL.

Follow Up From Previous Board Meetings

- We discussed the Water Supply Assessments (WSAs) at the Board Executive Committee, and President Sullivan requested that we review the entire subject for the whole Board at the next work session.

Operational Highlights

- I had thought we had two projects come in for residential plan check but it turned out they were rechecks of projects originally plan checked in 2005 and 2007. We currently have over 140 projects that have been plan checked but have not gone to construction.

Upcoming Meetings and Events

- I will be attending the MWD General Managers meeting on Friday, August 21.
- Next Monday we have the RCWD Ad Hoc committee meeting at Rancho at 8:00 a.m., followed by the Acid Phase Anaerobic Digester (APAD) Ground Breaking at Moreno Valley at 10:30 a.m. After I conclude my report, Bonnie will give a brief update on the preparations for the event.
- I plan to attend the Valley Group luncheon for Congressman Calvert next Thursday, August 27.

Organizational and Administrative Changes

- We continue to make improvements in our Customer Service operation and will be hiring additional operators to meet the higher demands.

- A. Recap of Board Committee Meetings
 1. Executive Committee (*August 12*)
 2. Operations & Engineering Committee (*August 13*)
- B. Items of Information

II. **DGM/AGMs/CFO Reports** (Ravishanker/Bachmann/Luker/
Mortazavi/Rathbone)

III. **Board Secretary's Calendar Report**

IV. **Introduction of Guests**

Public Comments – (*Any subject within the jurisdiction of EMWD. Speakers are requested to limit comments to 3 minutes*).

V. **Directors' Activities Report**

- A. Board Attendance of EMWD Related Conferences, Meetings and Events:
 1. Native Nights Western MWD Garden (*August 6*) (Slawson)
 2. Murrieta/Temecula Group (*August 7*) (Kuebler/Sullivan)
 3. G.O. Bond Meeting (*August 10*) (Slawson/Sullivan)
 4. Riverside Co. Task Force (*August 11*) (Record)

Not reported on

5. Joint Meeting with Elsinore Valley MWD (*August 11*) (Sullivan/Paule)
6. CASA Conference (*August 12 - 15*) (Paule)
7. DAC Menifee (*August 13*) (Sullivan)
8. Southern Coalition (*August 14*) (Record)
9. Ag Users of Recycled Water Meeting (*August 14*) (Record/Sullivan)

VI. Discussion on Matters Which Will Require Board Action

- A. Review of August 19, 2009 Agenda Items

VII. Presentation To EMWD (Guest Speaker)

- A. Second Quarter briefing of the New Home Industry in the Inland Empire –
Presentation by Steve Johnson, Metro Study

VIII. Response Items / Status Reports / Information Items

- A. MWD Update (*10 minutes*) (Record/Harrison)

- Adopted a resolution establishing the tax rate for fiscal year 2009/10. The resolution establishes a tax rate of .0043 percent of assessed valuations for secured and unsecured property. The resolution also establishes various tax rates for annexation charges due Metropolitan.
- Received a preliminary report on the list of certified assessed valuations for FY 2009/10 along with a tabulation of assessed valuations, percentage participation, and vote entitlement of member public agencies as of August 12, 2009. EMWD's assessed valuation is 2.74 percent, which is a decrease of 0.46 percent over last year. The assessed valuations for Riverside County are preliminary, and when the certified valuations are received, a final report will be published.

MWD uses a weighted voting system based on assessed valuation. Each member agency is entitled to cast one vote for every \$10 million of assessed valuation of property taxable for district purposes. Assessed valuation is also used to determine how many representatives an agency has on the Board. Each member agency is guaranteed at least one Board member, and receives an additional representative for each five percent of assessed valuation of property that it holds within the district.

- Approved the annexation of EMWD's 102nd fringe area. The area consists of 40.68 acres and four existing homes on small ranches located in the city of Temecula. The annexation request is to supply water for the health and safety of the residents.
- Authorized settlement of eminent domain action for the Perris Valley Pipeline Project and appropriated \$2.5 million for the acquisition of easements for the PVP. This item was heard in closed session.
- Adopted a resolution in support of Randy A. Record for Vice President of the Association of California Water Agencies (ACWA).
- Heard an extensive report on the 2009 proposed Delta/Water Legislative package. According to MWD staff, about 70 percent of the package works well for MWD, but there is a need to lobby hard on some issues. Many agreed this is a historic moment that we all should be engaged in. The Board heard that the Senate, Assembly and Administration want to see a Delta Legislative Water package moved by September 11 (date of legislature adjournment). They do not want a special session.

They believe this issue has been strongly discussed and debated for over 2 years and it's time to move ahead.

There will be budget issues for the Legislature to deal with next year, so now is the time for the Delta.

- Heard a report on the analysis of how much it costs MWD to do its business and how it allocates those costs. The cost of service process includes 1) developing revenue requirements, 2) assigning costs to service functions, 3) classifying costs based on behavioral characteristics, and 4) allocating costs to rate elements. MWD has been meeting with member agencies on this issue and there will be a Board workshop on September 29 to fully address this issue with the Board.
- Heard from the Chairman of the Board about his plan to restructure some of the committees including combining the Water Quality Committee and the Engineering and Capital Programs Committee into one committee to be called the Engineering and Operations Committee. Randy Record has been selected to serve as Chair of the new committee.
- Inducted two new Directors, Kristine Murray from the City of Anaheim and Edward Vasquez from Central Basin Municipal Water District.

- B. SAWPA Update (*10 minutes*) **(Sullivan/Pack)**
- C. TVRWRF Project Update (*15 minutes*) **(Mouawad)**
- D. Property Tax Update (*10 minutes*) **(Allred/Turner)**
- E. Conservation Priorities (*10 minutes*) **(Mortazavi)**

IX. Matters of Interest to the Board Members **(Sullivan)**

- A. Follow-up – Old Business
- B. New Requests by the Board Members

X. Closed Session

Discussed following the Board Meeting

- A. Re: Camp Pendleton Four-Party Agreement Claim
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation

Discussed following the Board Meeting

- B. Re: Real Property Proposal/Negotiations
Government Code Section 54956.8
Conference with Legal Counsel

Discussed following the Board Meeting

- C. Re: EMWD vs. San Jacinto Z, LLC
Government Code Section 54956.9
Conference with Legal Counsel
One Litigation Case

Discussed following the Board Meeting

- D. Re: Memorandum of Understanding (MOU) Negotiations Update
Government Code Section 54957.6
Labor Negotiator: Anthony J. Pack
Employee Organization: IBEW Local 1436

Adjournment

President Sullivan adjourned the Work Session at 11:59

Board Meeting

I. Recognitions

(Sullivan, C.I. Officer)

None A. Service Awards

None B. Proclamations/Academic Achievements/Others

II. Discussions and/or Comments by Board Members

III. Approval of Minutes

M-177/09 A. Regular Meeting of August 5, 2009

1. **Consider Adoption of Minute Order**

Receive & File IV. Board Committee Reports

A. Executive Committee (*August 12*)

B. Operations & Engineering Committee (*August 13*)

None V. Letters of Correspondence to the Board of Directors

VI. Consent Calendar

M-178/09 A. Approve and Authorize a Construction Change Order for Sanderson and Menlo Avenue Waterline Relocations

M-179/09 B. Approve and Authorize an Award of Necessary Contracts, Agreements, and Purchase Orders for Completion of Specification No. 1126W, Diamond Valley I Booster Bypass

M-180/09 C. Approve and Authorize an Engineering Services Agreement with CH2M Hill for the Design of the Temecula Valley Regional Water Reclamation Facility 23-MGD Expansion Project

M-181/09 D. Approve and Authorize the Appropriation of Funds for Rebates to Customers in the Residential and Commercial Sectors

M-182/09 E. Approve and Authorize an Amendment to the 2009 Annual Agreement with AECOM USA Inc., for Recycled Water Landscape Plan Checking Services

M-183/09 F. Approve and Authorize Additional Appropriation of Funds for the Perris II Desalter Exploratory Drilling and Preparation of Well Site Purchase Agreements

R-3290.17 G. **Adopt Proposed Resolution No. 3290.17**, Reaffirming the Statement of Investment Policy

Annexation

H. Annexation of Parcel No. U-20-09-2 to Improvement District No. U-20 (Garfield Beach CVS, LLC - PM 35888-1)

M-184/09 1. **Consider Adoption of Minute Order**, Approving the Map and Legal Description for Said Parcel No. U-20-09-2 and Ordering Such Map and Legal Description Filed with the Secretary; and

R-4942 2. **Adopt Proposed Resolution No. 4942**, Annexing Parcel No. U-20-09-2 to Improvement District No. U-20 of the Eastern Municipal Water District.

Receive & File

I. Reports for the Month of July, 2009

The back up materials and/or reports indicated () are on file with the Secretary of the District and will be made available for inspection, upon request, by any person or persons interested.*

1. Employee Reimbursement Reporting Specific Charges Greater Than \$100
2. District Staffing Status Report by Classification
3. EMWD Claims
4. Special Funding Districts Status Report
5. Water Supply Conditions
- * 6. Change Orders to Specifications Issued July, 2009
- * 7. Treasurer's Report for the month of July, 2009

(End of Consent Calendar)

VII. Letters From the General Manager

R-4943

- A. **Adopt Proposed Resolution No. 4943**, Adopting Findings of Fact, Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program, and Certifying the Environmental Assessment/Final Program Environmental Impact Report for the Recycled Water System Pressurization and Expansion Project, State Clearinghouse No. 2008011108

M-185/09

- B. Authorization to File Notice of Determination for the Recycled Water System Pressurization and Expansion Project (State Clearinghouse No. 2008011108)
1. **Consider Adoption of Minute Order**

VIII. Closed Session

Status report provided – no action taken

- A. Re: Camp Pendleton Four-Party Agreement Claim
Government Code Section 54956.9
Conference with Legal Counsel
One Potential Litigation

Status report provided – no action taken

- B. Re: Real Property Proposals/Negotiations
Government Code Section 54956.8
Conference with Legal Counsel

Status report provided – no action taken

- C. Re: EMWD vs. San Jacinto Z, LLC
Government Code Section 54956.9
Conference with Legal Counsel
One Litigation Case

Status report provided – no action taken

- D. Re: Memorandum of Understanding (MOU) Negotiations Update
Government Code Section 54957.6
Labor Negotiator: Anthony J. Pack
Employee Organization: IBEW Local 1436

M-186/09

ADJOURNMENT

Adjourned the meeting to Wednesday, September 2, 2009, 9:00 a.m.