

Report!



Board of Directors Summary for **September 30, 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

- Yesterday (Sept 29), I attended a meeting with the Pechanga representatives and their legal staff, RCWD, and MWD to discuss the tribal annexation to Metropolitan. The tribe will take up to 275 Acre Feet (AF) of water through RCWD's EM-20 connection and RCWD will wheel it to the reservation. The legislation for the settlement will be introduced by the end of October, and the first deliveries are planned for 2012. I will draft up some notes and forward them to the Board. The next meeting will be on October 20.
- Director Kuebler, Chuck and I attended the Bond Buyer Conference. Most of the discussions were very informative, but lacking in positive projections as far as the future health of the economy. The presentations have been posted to a website link, to which I can forward to any Board members who are interested.
- On Wednesday, September 16, we attended a meeting with Supervisor Stone, the County Health, and our Directors and RCWD Directors and staff to discuss County procedures for septic tank approvals in the Temecula Wine Country. The County is doing a land use plan for the Wine Country, but that will take up to 18 months. We will participate in the planning.
- On Thursday, September 17, Joe Mouawad and I met with Debra Man, Jim Green, and MWD staff to discuss the funding and construction of connections to MWD pipelines. In the last year we have constructed (by MWD Forces) EM 22 to support the raw water line for the dairies, and EM 23 to connect the Cactus Avenue Booster facility to the Perris Valley Feeder. We are designing a 7 CFS increase to EM 14 to provide water to the San Jacinto Recharge Ponds and our Hemet Water Treatment Plant. We are also beginning design on EM 24 which will be a connection for the Western Way Booster facility when constructed. In the interim we will be able to take up to 50 CFS by gravity for use in the 1627 zone. The subject item is on your agenda today. We agreed to the new procedures to keep all parties informed on the progress and costs of the connections and we were able to negotiate a credit of \$105,000 on EM 14 charges.

- Also on Thursday, September 17, after the meeting with MWD, Joe Lewis and I attended a meeting with Colonel Magness and his staff on the Perris II Desalter Facility and presented him with a varied list of project components that could be financed at different levels. The Colonel also set us up for a meeting with Gary Loew in Washington. We have since had several queries as to when we will be able to commit funds. We have given them a date of January 2010.
- I was able to get back to the District after the meetings to attend the last half hour of the Recycled Water Advisor Committee Meeting.
- Last week, Director Sullivan, Claire and I participated in meetings in Washington on the stimulus projects, energy initiatives and The Soboba Settlement. Claire will have our draft trip report and I have scheduled a follow-up meeting with staff tomorrow.
- Last Thursday (September 24) I participated in a panel discussion at the Inland Empire Economic Partnership. Directors Slawson and Paule also attended with a number of our staff. More than a hundred people attended.

Future Activities

- Friday, we will hold the Financial Workshop in Conference Room 217, beginning at 9:00 a.m., and lunch will be provided.

Follow Up From Previous Board Meetings

- The State Department of Finance announced that it will pay 2 percent on the money borrowed under Proposition 1A, which is better than the .8 percent we are receiving from LAIF, but is less than the 2.5 to 3 percent we are receiving on 3 to 5-year paper.
- The Soboba Joint Escrow instructions have been filed.
- We briefed the Board on options for employee recognition and will hold those events at 11:30 a.m. on the second Board meeting of the month. We also incorporated other suggestions from the Board.
- We upgraded our software and were able to upload the Board package without any problems last Thursday.

Operational Highlights

- MWD has scheduled a 25-day shutdown on the Colorado River Aqueduct beginning October 4th. They have indicated they will not be offering tunnel tours since they have to work on the tunnel. We also do not anticipate there will be a tunnel seepage measurement for the same reason. We will notify the Board if we hear anything different.

Upcoming Meetings and Events

- The next Board meeting was scheduled for next Wednesday, October 7. We only have a few items so I would like to propose that we cancel and go with the meeting on October 21.

- The ACWA Regions 8, 9, and 10 meeting is next Thursday and Friday (October 7 and 8). Several Board members are attending. Director Sullivan, Peter Odencrans and I will be attending the first day only.
- The WRCOG Technical meeting is on Thursday, October 15, and WRCOG is planning a half day planning retreat on Friday, October 30, in Moreno Valley.

Organizational and Administrative Changes

- The MOU is on the agenda today and we can give a presentation on the specifics if the Board wishes. There is also an action to extend the same terms to the non-represented employees.
- There is also a letter making a few additions and deletions to our list of job classifications. This proposed Board action is routine, which we do every quarter.
- I attended part of the MWD Workshop on the MOU. Director Record participated.

- A. Recap of Board Committee Meetings
 - 1. Administrative Committee (September 8)
 - 2. Executive Committee (September 10)
 - 3. Operations & Engineering Committee (September 25)
- B. Items of Information

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

III. Board Secretary’s Calendar Report (Howell)

IV. Introduction of Guests (C.I. Officer)

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

V. Directors’ Activities Report (Sullivan)

- A. Board Attendance of EMWD Related Conferences, Meetings and Events:
 - 1. ACWA Nominations (September 10 - 11) (Record)
 - 2. Valley Wide Grand Opening (September 12) (Record)
 - 3. Wine Country Sewer Mtg - Supervisor Stone (September 16) (Kuebler/Record)
 - 4. Recycled Advisory Committee (September 17) (Record)
 - 5. Washington D.C. Meetings (September 20 - 23) (Sullivan)
 - 6. Wake-up Moreno Valley (September 23) (Slawson)
 - 7. ~~One Water One Watershed (OWOW) (September 24)~~ (Sullivan)
 - 8. Inland Empire Economic Partnership (IEEP) Water Supply Strategy Event (September 24) (Slawson)
 - 9. ACWA Board Meeting (September 24 - 25) (Record)
 - 10. Public Officers Conference (September 26) (Sullivan)
- B. (Others?)

Mtg Rescheduled

**Previously
reported on**

1. Moreno Valley Chamber Breakfast (September 23) (Slawson)
2. Meeting with Charles Rangel regarding WSA and Urban Water Management Plan (September 29) (Slawson)

VI. Discussion on Matters Which Will Require Board Action (Pack)

- A. Review of September 30, 2009 Agenda Items:
- B. Memorandum of Understanding (MOU) Negotiations Update

**Discussed in
Closed Session**

VII. Presentation To EMWD (Guest Speakers)

VIII. Response Items / Status Reports / Information Items

- A. MWD Update (10 minutes) (Record/Harrison)
 - Ratified the action of the Executive Committee awarding a \$465,800 contract to Grand Pacific Contractors, Inc. for the Diamond Valley Lake boat ramp extension.
 - Deferred action on the tentative Memoranda of Understanding (MOUs) between Metropolitan and its employee associations and scheduled a Sept. 29 workshop.
 - Appropriated \$2.16 million and awarded a \$438,000 contract to Zusser Company, Inc. for Phase 2 repairs of the Box Springs Feeder; and authorized preliminary design of Phases 3 and 4 repairs.
 - Appropriated \$9.8 million and authorized final design to complete the Oxidation Retrofit Program at the F.E. Weymouth Water Treatment Plant in La Verne. The Board also appropriated \$1.23 million and authorized: 1) final design of a solar generating facility at the Weymouth Water Treatment Plant; and, 2) preparation of an Energy Management Plan.
 - Authorized the following: participation in the pilot operation of the Yuma Desalting Plant by executing a funding agreement for a maximum amount of \$11.04 million; a cooperative research and development agreement for a maximum amount of \$184,000; an in-kind services agreement for a maximum amount of \$157,000; an environmental monitoring agreement for a maximum amount of \$89,000; and delivery and forbearance agreements.
 - Approved the chairman's committee assignments, including members of the newly-reestablished Organization and Personnel Committee and the Engineering and Operations Committee.
 - Appropriated \$760,000 and authorized: 1) the Computer-Aided Design Management System; and, 2) an agreement with Bentley Systems, Inc. in an amount not to exceed \$320,000.
 - Appropriated \$2.37 million and authorized an agreement with Autonomy in an amount not to exceed \$1.67 million to procure and implement an Electronic Discovery Management System.

- Heard a presentation on Real Property Enhancement Strategies. MWD owns vacant properties and is evaluating courses of action to yield the greatest return. Many properties could become sites for alternative energy development (solar or wind primarily) because of property proximity to the grid and climate. Another option is to consider developing anchor sites to increase the value of the land prior to selling. Any actions recommended to the board will be guided by MWD's Real Estate Principles.
- Heard a presentation on MWD's potential policy approaches to the IRP. MWD is considering expanding its IRP approach to focus on both imported supplies and development of new local supplies. As MWD explores projects and strategies to bridge the gap between future supply and demand, member agencies have introduced the concept of opting in/out of select IRP components. MWD proposes IRP workshops in the fall of 2009 and the spring of 2010 to discuss policy considerations, IRP performance metrics, demand/supply gap assessment, supply scenarios and next steps.
- Held a Cost of Service Workshop. MWD is under-collecting revenue and is evaluating strategies to recover the full cost of service. This workshop focused on a review of the policies and approach of the current cost of service as adopted in 2001. MWD is considering the effectiveness of increasing fixed costs to stabilize the volumetric rates, sending a stronger signal to member agencies to ensure local supply development, and managing the cost uncertainties related to Delta conveyance. By November/December 2009 staff will develop 2011 revenue requirements, in January 2011 the board will consider 2011 revenue requirements and the General Manager will recommend rates and charges for 2011 and in March 2010 the board will consider 2011 rates.
- Heard announcement that the Board workshop on MWD tentative labor agreement will be held on Tuesday, September 29.

- B. SAWPA Update (*10 minutes*) **(Sullivan/Pack)**
- C. Summer 2009 Water Demands (*15 minutes*) **(Ghaderi)**
- D. IRRP Recharge Pond Relocation (*15 minutes*) **(Phraner)**
- E. August Financial Update (*15 minutes*) **(Turner)**

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

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

X. Recognitions **(Sullivan, C.I. Officer)**

Presented following the Closed Session

- A. Service Awards *Clay Hamilton and Craig McKinley, 25 years; Amy Mora, 20 years; Ryan Hall and Casandra Maiben, 10 years*

None

- B. Proclamations/Academic Achievements/Others

XI. 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

Not discussed

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

Board gave authorization for final offer to be filed with the court

- C. Re: EMWD vs. Hunco
Government Code Section 54956.9
Conference with Legal Counsel
One Pending Litigation

Status report provided- no action taken

- D. Re: Real Property Negotiations
Government Code Section 54956.8
Conference with Legal Counsel

Status report provided- no action taken

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

Sullivan

Adjournment

Adjourned the Work Session at 11:45 a.m.

Board Meeting

M-196/09

Approve and Authorize the Addition to the Agenda: Closed Session added to the Work Session Item No. XI.E.: Memorandum of Understanding (MOU) Negotiations Update (This Closed Session Item was discussed following the Work Session)

1. Consider Adoption of Minute Order

I. Discussions and/or Comments by Board Members

II. Approval of Minutes

M-197/09

A. Adjourned Regular Meeting of September 9, 2009

1. Consider Adoption of Minute Order

Receive & File

III. Board Committee Reports

- A. Administrative Committee (*September 8*)
B. Executive Committee (*September 10*)
C. Operations & Engineering Committee (*September 25*)

IV. Letters of Correspondence to the Board of Directors

Reply mailed 10/01/09

A. An email was received from Mr. John Evans regarding cost saving ways of meter reading.

Reply mailed 9/25/09

B. A letter of correspondence was received from Mr. Richard Morton regarding tiered rates and conservation programs.

Reply to be mailed following revision

C. An email was received from Mr. David Kasad regarding the new water haulers policy.

Reply mailed 9/25/09

D. A letter of correspondence was received from Mr. Philip E. Weiss regarding a violation warning received and Ordinance 72.24.

Reply emailed
9/25/09

- E. An email was received from Mr. Gregory Perea regarding the District's Variance Policy.

V. Consent Calendar

M-198/09

- A. Approve and Ratify the Recycled Water Advisory Committee Members

M-199/09

- B. Approve and Authorize the Declaration of Surplus Equipment

M-200/09

- C. Approve and Authorize the Declaration of Surplus Water Filtration Equipment

M-201/09

- D. Approve and Authorize an Agreement with The Metropolitan Water District of Southern California for Construction of Service Connection EM-24 Agreement No. AO-5107

M-202/09

- E. Approve and Authorize an Agreement with RBF Consulting to Provide a Recycled Water System Expansion Facilities Plan

M-203/09

- F. Approve and Authorize the Administrative Award of Necessary Contracts for Relocation of Natural Gas Line at the Temecula Valley Regional Water Reclamation Facility

M-204/09

- G. Approve and Authorize an Amendment to the Agreement with CH2M Hill, Inc., for Final Design of the Perris I and Menifee Desalination Optimization

M-205/09

- H. Approve and Authorize an Agreement with The Metropolitan Water District of Southern California for Construction of Service Connection EM-14 Modifications

R-3345.26

- I. **Adopt Proposed Resolution No. 3345.26**, Amending Exhibit "A" – Classification of Positions

Annexation

- J. Annexation of Parcel Nos. U-35-09-4 and U-36-09-4 to Improvement District Nos. U-35 and U-36 (Barbara J. Amundsen-Wiarda - APN 462-030-049-4)

M-206/09

1. **Consider Adoption of Minute Order**, Approving the Map and Legal Description for Said Parcel Nos. U-35-09-4 and U-36-09-4 and Ordering Such Map and Legal Description Filed with the Secretary; and

R-4948, R-4949

2. **Adopt Proposed Resolution Nos. 4948 and 4949**, Annexing Parcel Nos. U-35-09-4 and U-36-09-4 to Improvement District Nos. U-35 and U-36 of the Eastern Municipal Water District.

Proclamation

M-207/09

- K. Proclamation in Observing October 5-9, 2009 as National Customer Service Week
 1. **Consider Adoption of Minute Order**

Received & Filed

- L. **Reports for the Months of July and August, 2009**

1. Employee Reimbursement Reporting Specific Charges Greater Than \$100
2. District Staffing Status Report by Classification
3. Special Funding Districts Status Report

- 4. Water Supply Conditions
- * 5. Change Orders to Specifications Issued August, 2009
- * 6. Treasurer's Report for the month of August, 2009
- * 7. **Post Audit of Checks for the month of July, 2009**

(End of Consent Calendar)

VI. Letters From the General Manager

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| <i>M-208/09</i> | A. 1. Consider Adoption of Minute Order , Authorizing the Execution of a Memorandum of Understanding (M.O.U.) with I.B.E.W., Local 1436 (Union) |
| <i>O-30.44</i> | 2. Adopt Proposed Ordinance 30.44 , Employment Ordinance |
| <i>M-209/09</i> | B. Approve and Authorize Extension of Benefits to All District Employees
1. Consider Adoption of Minute Order |
| <i>M-210/09</i> | C. Approve and Authorize Agreement with Elsinore Valley Municipal Water District for the Collection, Treatment, and Disposal of Sewage Generated from the Canyon Lake Development within Improvement District U-10
1. Consider Adoption of Minute Order |
| <i>M-211/09</i> | D. Approve and Authorize the Appropriation of Funds for Residential Outdoor Conservation Audits
1. Consider Adoption of Minute Order |
| <i>R-4950</i> | E. Adopt Proposed Resolution No. 4950 , Authorizing an Application to Participate in the California Energy Commission, Energy Partnership Program |

VII. Closed Session

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| <i>Status report provided following Work Session- no action taken</i> | A. Re: Camp Pendleton Four-Party Agreement Claim
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Conference with Legal Counsel
One Potential Litigation |
| <i>Not discussed</i> | B. Re: EMWD vs. San Jacinto Z, LLC
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| <i>Following the Work Session, Board gave authorization for final offer to be filed with the court</i> | C. Re: EMWD vs. Hunco
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