

**MINUTES**  
**REGULAR BOARD MEETING**  
of the  
**WEST VALLEY WATER DISTRICT**  
July 20, 2017

**PRESENT**    **ABSENT**

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**DIRECTORS**

- Donald Olinger, President
- Linda Gonzalez, Vice President
- Dr. Clifford Young, Sr., Director
- Gregory Young, Director
- Robert Bourland, Director

**STAFF**

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- Matthew H. Litchfield, P.E., General Manager
- Greg Gage, Assistant General Manager
- Marie Ricci, Chief Financial Officer
- Karen Logue, Human Resources/Risk Manager
- Wendy Strack, External Affairs Manager
- Linda Jadeski, Engineering Services Manager
- Jon Stephenson, Business Systems Manager
- Joanne Chan, Operations Manager
- Shanae Smith, Board Secretary
- Rosa Gutierrez, Associate Engineer
- Nadia Aguirre, Executive Assistant
- Albert Clinger, IT Administrator

**LEGAL**

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- Michael Davis, Gresham, Savage, Nolan & Tilden, PC
- Derek Hoffman, Gresham, Savage, Nolan & Tilden, PC

**VISITORS**

- June D. Hayes, Director, SBV Municipal Water District
- Gil Navarro, Director, SBV Municipal Water District
- Cintya Alcaraz, Student
- Scott Olson, Republican Central Committee
- Tom Shalhoub, Director, Yucaipa Valley Water District

## Anthony & Diana Araiza, Customers

The Regular meeting of the Board of Directors was called to order by Dr. Clifford Young, Sr., at 6:00 p.m. at the District Headquarters, 855 W. Baseline Road, Rialto, CA.

### OPENING CEREMONIES

Pledge of Allegiance – Director Gregory Young  
Opening Prayer – Vice President Linda Gonzalez  
Roll Call of Board Members – Quorum

### ADOPT AGENDA

Vice President Gonzalez made a motion to adopt the Agenda as presented, seconded by Director Bourland. The motion carried unanimously by the following vote:

|          |  |
|----------|--|
| Ayes:    | Directors: <b>Gonzalez, Olinger, Bourland, Young, Young, Sr.</b> |
| Noes:    | Directors: <b>None</b>   |
| Absent:  | Directors: <b>None</b>   |
| Abstain: | Directors: <b>None</b>   |

### PUBLIC PARTICIPATION

President Young indicated that any person wishing to speak to the West Valley Water District (“District”) Board of Directors on matters listed or not listed on the agenda, within its jurisdiction, is asked to complete a Speaker Card and submit it to the District Clerk. Each speaker is limited to three (3) minutes. Under the State of California Brown Act, the Board is prohibited from discussing or taking action on any item not listed on the posted agenda. Comments related to noticed Public Hearing(s) and Business Matters will be heard during the occurrence of the item.

Mr. Gil Navarro, Director of the San Bernardino Valley Municipal Water District (“Valley District”) passed out a Homelessness and Water handout from the Santa Ana Watershed Project Authority (“SAWPA”) regarding a symposium he attended in Riverside last month. There will be a follow-up symposium in a few months and it is a great opportunity to learn about homelessness issues and the human right to water. Mr. Navarro invited Directors of the District Board to attend the next meeting on Tuesday, July 25, 2017, from 2:00 to 3:00 p.m.

## CONSENT CALENDAR

Director Young made a motion to Approve the Consent Calendar as presented, seconded by Director Bourland. The motion was approved unanimously by the following vote:

|          |  |
|----------|--|
| Ayes:    | Directors: <b>Gonzalez, Olinger, Bourland, Young, Young, Sr.</b> |
| Noes:    | Directors: <b>None</b>   |
| Absent:  | Directors: <b>None</b>   |
| Abstain: | Directors: <b>None</b>   |

## PUBLIC HEARING

President Young requested a copy of the Public Hearing Notice scheduled for the August 3<sup>rd</sup> regular Board of Directors meeting posted at District Headquarters.

## BUSINESS MATTERS

### Consideration of:

- 1. Selection of Board Officers Outside of Board Member Election or Appointment Cycles**  
- Mr. Michael Davis advised that President Young has tendered his resignation as President of the Board of Directors, citing personal reasons, requiring a mid-cycle election. The resignation does not affect his elected position as a member of the Board of Directors for West Valley Water District. A motion was made by Director Young to accept President Young's resignation, seconded by Director Bourland. The motion carried unanimously by the following vote:

|          |  |
|----------|--|
| Ayes:    | Directors: <b>Gonzalez, Olinger, Bourland, Young, Young, Sr.</b> |
| Noes:    | Directors: <b>None</b>   |
| Absent:  | Directors: <b>None</b>   |
| Abstain: | Directors: <b>None</b>   |

Director Greg Young made a motion to select Director Olinger as President of the Board, seconded by Director Bourland. The motion carried by the following vote:

|          |   |
|----------|---|
| Ayes:    | Directors: <b>Gonzalez, Bourland, Young, Young, Sr.</b> |
| Noes:    | Directors: <b>None</b>                                  |
| Absent:  | Directors: <b>None</b>                                  |
| Abstain: | Directors: <b>Olinger</b>                               |

President Olinger presided over the rest of the meeting.

2. **Presentation by San Bernardino Valley Municipal Water District** – Ms. June D. Hayes, Director of the San Bernardino Valley Municipal Water District (Valley District”) gave a brief presentation and video regarding the history of Valley District. The video discussed the source of water and the need to look into the future to continue providing water to residents. The presentation was received and filed.
  
3. **Adopt Resolution No. 2017-21, Amending in Part, Resolution Nos. 2010-3 and 2016-12, Approving the Revised Investment Policy** – Following discussion, a motion was made by Vice President Gonzalez to Adopt Resolution No. 2017-21, Amending in Part, Resolution Nos. 2010-3 and 2016-12, Approving the Revised Investment Policy, seconded by Director Young. Director Young, Sr. inquired whether there was any consideration on having the Chief Financial Officer and General Manager bonded since they are the two principle staff members responsible for moving the money around. Ms. Ricci stated there are safeguards in place to report to the Board on a monthly basis, reconciliation by auditors and an accountant in house. While the General Manager and Chief Financial Officer have the right to approve transactions and execute them, there are other provisions in place to control when those transactions occur and monthly reconciliation that they did occur and the money does exist. Transactions are also reviewed by auditors at the end of the year. Director Young, Sr. amended the motion requiring the two principle staff members to be bonded at the appropriate amount for investments. The amendment failed due for lack of a second. The main motion carried by the following vote:

|          |  |
|----------|--|
| Ayes:    | Directors: <b>Gonzalez, Bourland, Young, Olinger</b> |
| Noes:    | Directors: <b>Young, Sr.</b>                         |
| Absent:  | Directors: <b>None</b>                               |
| Abstain: | Directors: <b>None</b>                               |

4. **Approval of External Affairs Department Strategic Communications Plan** – External Affairs Manager, Ms. Wendy Strack, and Public Affairs Analyst, Ms. Michelle Adams presented the External Affairs Department Strategic Communications Plan. The Board’s Mission, Visions and Values helped develop key messages for the plan. There are five objectives: (1) alignment between the District’s Mission, Vision and Values and the Department’s goals and tasks; (2) clarity about the Districts communication goals and objectives; (3) the strategies associated with the communication plan are also clearly understood and are articulated organization wide; (4) strong priority to carefully identify the best and most cost effective strategy to reach target audience and achieve goals; (5) clearly identify and articulate the strategies that are successful, use best practices and when necessary course correct. Following discussion, a motion was made by Vice President Gonzalez to Approve the External Affairs Department Strategic Communications plan, seconded by Director Bourland. The motion carried unanimously by the following vote:

|          |   |
|----------|---|
| Ayes:    | Directors: <b>Gonzalez, Young Sr., Bourland, Young, Olinger</b> |
| Noes:    | Directors: <b>None</b>  |
| Absent:  | Directors: <b>None</b>  |
| Abstain: | Directors: <b>None</b>  |

5. **Approval of Payment to Gresham Savage Nolan & Tilden, PC for Professional Services rendered through June 30, 2017; Summary Statement No. W1582 – All Matters; Total Amount of \$60,952.43** – Vice President Gonzalez made a motion to Approve Payment to Gresham Savage Nolan & Tilden, PC for Professional Services rendered through June 30, 2017; Statement No. W1582 – All Matters; Total Amount of \$60,952.43, seconded by Director Bourland. Vice President Gonzalez stated the legal bill is so high because there is a lot of clean up that has to be done. Director Young asked what are routine charges and what are non-routine charges. General Legal Counsel Mr. Michael Davis advised he would have to bring back the agreement to clarify. Mr. Davis advised there was a lot of transition, clean up and many items that have been taken care of already. Director Bourland stated \$28,000 is associated with lawsuits or items associated with lawsuits. Director Young, Sr. stated Mr. Litchfield previously advised him of the large bill but he can not support the large bill and it needs to be controlled. Mr. Litchfield will make sure each request to legal goes through him to make sure each request is validated and will have the PRA’s in house and only legal for review to help minimize the legal cost. President Olinger stated some of the items in the bill could have been researched by Staff. Director Bourland reiterated half the cost is in litigation and collateral damage and that the quality of work from the new legal team is outstanding. The motion carried by the following vote:

Ayes: Directors: **Gonzalez, Bourland, Olinger**  
Noes: Directors: **Young, Sr., Young**  
Absent: Directors: **None**  
Abstain: Directors: **None**

**REPORTS – LIMITED TO 5 MINUTES MAXIMUM (Presentations or handouts must be provided to Board Members in advance of Board Meeting).**

**1. Board Reports**

President Olinger reported on the following:

- a. President Olinger recognized Director Young, Sr. for his almost two-year role as Board President.

Director Young reported on the following:

- a. Director Young thanked Director Young, Sr. for his service to the Board and the community.

Director Bourland reported on the following:

- a. Director Bourland thanked Director Young, Sr. for his years of service at the District.

Director Young, Sr. reported on the following.

- b. Thanked Director Olinger for his comments.

Vice President Gonzalez reported on the following:

- a. Attended the Association of San Bernardino County Special District (“ASBCSD”) meeting in Victorville where the Sherriff in attendance spoke on homelessness.
- b. Attended the Valley District Board meeting and congratulated them for passing their budget.
- c. Attended the External Affairs Committee meeting. Customers are very happy about the Consumer Confidence Report. Thanked all Staff for being a great fantastic team.

## **2. Legal Counsel/Consultants**

Mr. Davis’ written report is in the Board packet and was updated at the meeting.

## **3. General Manager**

Mr. Litchfield reported on the following:

- a. Make arrangements with the Board Secretary if planning to attend the CSDA Conference in Monterey, CA, September 25-28, 2017.
- b. Budget books for Fiscal Year 2017-2018 are published and available for Board members.

## **4. Assistant General Manager**

Mr. Gage Gage had no report

## **5. Chief Financial Officer**

Ms. Marie Ricci had no report.

## **6. Operations Manager**

Ms. Joanne Chan reported on the following:

- a. The Oliver P. Roemer Water Treatment Plant is producing at 7.2 mgd, a 28% decrease from its maximum capacity due to loss of motor and replacement part has been purchased.
- b. Lytle Creek Flow is 4.2 mgd, a 13% decrease since last report.
- c. State Water Project (SWP) water flow is at 3.0 mgd., a 29% decrease since last report.
- d. The FBR Treatment Plant is treating 2.9 mgd., its maximum capacity.

**7. Treasurer**

No report.

**8. Engineering Services Manager**

Ms. Linda Jadeski had no report.

**9. External Affairs**

Ms. Wendy Strack had no report.

**10. Human Resources/Risk Manager**

Ms. Karen Logue had no report.

**11. Business Systems Manager**

Mr. Albert Clinger had no report.

**12. Acting Board Secretary**

Ms. Nadia Aguirre had no report.

**UPCOMING MEETINGS**

No report.

**FUTURE AGENDA ITEMS**

1. Vice President Gonzalez requested to have Ordinance No. 84 Article 407 Long Term Care reviewed at the next Board meeting. Mr. Davis advised this has already been deferred to legal and is in the review process.
2. Director Bourland requested to review all potential Board expenses such as lunches and dinners pre-approved by the Board, other than the already pre-approved meetings with outside entities.

**INFORMATION**

None.

## CLOSED SESSION

At 7:30 p.m. the Board convened to Closed Session to discuss several items. At 8:55 p.m. the Board reconvened to Open Session and Mr. Davis reported on the following:

- APPROVAL OF CLOSED SESSION MINUTES (UNRESTRICTED): Regular meeting July 6, 2017.

Approved.

- APPROVAL OF CLOSED SESSION MINUTES (RESTRICTED): Regular meeting July 6, 2017.

No reportable action.

- CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTER – Pursuant to Government Code Section 54957: Public Employee Performance Evaluation: General Manager.

No reportable action.

- CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTER – Pursuant to Government Code Section 54957: Termination of Professional Services Agreement: Albright, Yee & Schmit, LLP.

Terminate Professional Services Agreement.

- CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTER – Pursuant to Government Code Section 54957: Termination of Professional Services (Legal Representation) Agreement: Prata & Daly, LLP.

Terminate Professional Services Agreement.

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Government Code Section 54956.9(a): FPPC Complaint, Clifford O. Young, Sr. v. West Valley Water District and Linda Gonzalez, Complaint No. COM-06092017-01044.

No reportable action.

- CONFERENCE WITH LEGAL COUNSEL – PERSONNEL MATTER – Pursuant to Government Code Section 54957: Authorize procurement of and if Necessary, Payment for Legal Representation for Director Linda Gonzalez in Defense of Director Clifford Young's California Fair Political Practices Commission Complaint.

Authorized procurement and legal representation. Director Young, Sr. and Vice President Gonzalez were excused due to a potential conflict of interest.

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): San Bernardino Valley Municipal Water District, et al., v San Gabriel Valley Company, et al; San Bernardino County Superior Court Case No. CIVDS1311085 / Fourth District Court of Appeal Division Two, Case No. E063180.

No reportable action.

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Government Code Section 54956.9(a): Southern California Edison v. Fontana I Medical Properties, et al; San Bernardino County Superior Court Case No. CIVDS16211289.

No reportable action

- CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Pursuant to Government Code Section 54956.9(d)(2) – Number of Cases: one (1) Jesus Campos Ugalde, Case No. 178-0503.

Rejected.

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION - Pursuant to Government Code Section 54956.9(a): EEOC Complaint, Kenny Hernandez, Case Number 480-2017-00835.

No reportable action.

- CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION - Pursuant to Government Code Section 54956.9(b): EEOC Complaint, Shanae Smith, Case Number 480-2017-00219.

No reportable action.

- CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Government Code Section 54956.9(a): Cook v. West Valley Water District, et al., SBSC Case No. CIVDS1713213.

Approved the submission of defense to ACWA-JPIA.

**THERE BEING NO FURTHER BUSINESS, PRESIDENT OLINGER MOVED TO ADJOURN THE MEETING AT 9.07 P.M.**

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Donald Olinger  
President of the Board of Directors  
of West Valley Water District

ATTEST:

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Nadia Aguirre, Acting Board Secretary