

**MINUTES OF THE
YORBA LINDA WATER DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
February 28, 2008**

The February 28, 2008 regular meeting of the Yorba Linda Water District Board of Directors was called to order by President Summerfield at 9:00 a.m. The meeting was held at the District's offices at 4622 Plumosa Drive, Yorba Linda.

DIRECTORS PRESENT AT ROLL CALL

John W. Summerfield, President
Paul R. Armstrong
Michael J. Beverage
Richard P. Collett

STAFF PRESENT

Michael A. Payne, General Manager
Lee Cory, Operations Manager
Pat Grady, IT Director
Hank Samaripa, Project Engineer
Amelia Cloonan, Executive Secretary

DIRECTORS ABSENT AT ROLL CALL

William R. Mills, Vice President

INTRODUCTION OF VISITORS AND PUBLIC COMMENTS

None

SPECIAL RECOGNITION

None

CONSENT CALENDAR (Items 1 through 5)

On a motion by Director Beverage, seconded by Director Collett, the Board of Directors voted 4-0 to approve the Consent Calendar with a correction to the names listed for wires in Item 2. The amounts are correct.

1. Minutes of the Regular Board of Directors meeting held February 14, 2008.
Recommendation: Approve the minutes as presented.
2. Payment of bills, refunds, and wire transfers.
Recommendation: Ratify and authorize disbursements in the amount of \$1,027,789.83.
3. Investment Report for Quarter Ending December 31, 2007.
Recommendation: Receive and file the investment report for the quarter ending December 31, 2007.
4. Progress Payment for Construction of the Lakeview Reservoir.
Recommendation: Approve Progress Payment No. 9 in the net amount of \$537,081.05 to SSC Construction, Inc. for construction of the Lakeview Reservoir Project, Job No. 200704.

5. Damage Claim filed by Marion Goode, 937 Berkenstock Lane, Placentia, CA.
Recommendation: Reject and refer the claim to ACWA/JPIA.

ACTION CALENDAR

6. Change Orders for Construction of the New District Administration Building.
General Manager Payne introduced the report.

On a motion by Director Collett, seconded by Director Armstrong, the Board the Board of Directors voted 4-0 to approve Change Order No. 10 to J.E. Grant General Contractors in the amount of \$62,525.23 and a time extension of 15 calendar days for construction of the New Administration Building, Job No. 200313.

Hank Samaripa left the meeting at 9:04 a.m.

7. Consider a Policy on the Disposition of Unexpected Refunds from Outside Agencies. General Manager Payne introduced the report. One change was made to the report regarding costs associated with refunding to customers the unexpected refunds received from outside agencies. A cost of ten cents was determined to be the amount it would cost the District to recover costs associated transmitting to customer accounts (23,387) the unexpected refunds. Director Beverage recommended putting a notice in the District's newsletter if a refund was received that was not sufficient to cover the District's costs of refunding the money to customers. Director Armstrong asked that the Resolution include a method for informing customers that a refund has been received. President Summerfield wants to see a definition of "unexpected" as opposed to "refund". There was discussion about: increases that come and need to be charged to the customers, the formula to use for increases and whether anything under \$1.00 should be refunded. It was agreed the Finance-Accounting Committee would look at Resolution 08-01 again to work on Section 4, to call the refund a pass through and to eliminate the word "unexpected".
8. Consider a Policy on the Criteria Used for Determining the Basic Service Charge Component of the Water Rate. General Manager Payne commented that this is a follow-up to the Water Rate Hearing and how the District would define the basic service charge of the water rate. This item was presented to the last Finance-Accounting Committee meeting.

On a motion by Director Beverage, seconded by Director Armstrong, the Board of Directors on a Roll Call voted 4-0, with Vice President Mills Absent, to adopt Resolution No. 08-02, Resolution of the Yorba Linda Water District on Setting Forth the Policy on the Criteria Used for Determining the Basic Service Charge Component of the Water Rate.

DISCUSSION ITEMS

9. None.

REPORTS, INFORMATION ITEMS AND COMMENTS

10. a. President's Report
There was no report.
- b. Directors Reports
Director Collett had a question about water leaking on the trail for a couple of weeks. Operations Manager Cory will investigate.
- c. General Managers Report
General Manager Payne reported:
- 1) General Manager Payne and Director Collett attended the State of the City, City of Placentia on February 28.
 - 2) 2008 COP's are finished, and the funds are in place. It was agreed the timing was excellent.
 - 3) Mira Loma is under construction.

COMMITTEE REPORTS

11. a. **Executive-Administrative-Organizational Committee**
(Summerfield/Mills) *Alternate: Collett*
- 1) Minutes of meeting held February 20 will appear in the Board agenda for March 13. President Summerfield reported. Sean Fitzgerald and Christopher Townsend of Townsend Public Affairs attended. They did not have much to say. Director Mills attended this meeting. Director Beverage suggested going to Townsend to ask for a combined contract. General Manager Payne wants to await the return of Assistant General Manager Vecchiarelli and Vice President Mills from the ACWA Legislative Conference. Sacramento Advocates had sent a packet of information that was included in the committee agenda. A Professional Services Agreement with Sacramento Advocates was discussed both at the Committee meeting and in the Board meeting. Also discussed was the Professional Services Agreement with Rutan & Tucker and the Directors' and General Manager's fees and expenses.
 - 2) Meeting scheduled for March 18, 4:00 p.m.
- b. **Finance-Accounting Committee**
(Mills/Beverage) *Alternate: Summerfield*
- 1) Minutes of meeting held February 12 appeared in the agenda. Director Beverage stated most of the items on the committee agenda were already discussed previously at the Board meeting.

Action Item on the Committee agenda included a policy on unexpected refunds from outside agencies and a policy on the criteria for the Basic Service Charge component of the Water Rate. Discussion Items included a review of Investment Reports for the month ending December 31, 2007, monthly status report on portfolio investments ending January 31, 2008, report on issuance of 2008 COP's, review of cash flow format, report on credit card issues and Golden State Water Company water rates.

- 2) Meeting scheduled for March 11, 4:00 p.m. President Summerfield requested that Vice President Mills and Director Beverage attend the next Finance-Accounting Committee Meeting for continuity purposes.

c. Personnel-Risk Management Committee
(Armstrong/Collett) *Alternate: Summerfield*

- 1) Minutes of meeting held February 22 will appear in the Board agenda for March 13. Director Armstrong reported. The Committee considered a claim filed by Marion Goode. Discussion items included: salary and benefits survey, status of personnel, 2007 summary of workers compensation and accidents and the status of Risk-Management activities.
- 2) Meeting scheduled for March 10, 4:00 p.m.

d. Planning-Engineering-Operations Committee
(Mills/Armstrong) *Alternate: Beverage*

- 1) Meeting scheduled for March 6, 4:00 p.m.

e. Public Information Committee
(Collett/Beverage) *Alternate: Armstrong*

- 1) Minutes of meeting held February 13. The new District logo was considered at this meeting. Website Design was discussed.
- 2) The meeting scheduled for February 27 was cancelled.
- 3) Meeting scheduled for March 4, 4:00 p.m. at 1717 Miraloma, Placentia.

f. Building Ad Hoc Committee
(Beverage/Summerfield) *Alternate: Armstrong*

- 1) Minutes of meeting held February 21 will appear in the Board agenda for March 13. Director Beverage reported. The Committee went through the critical path for occupancy with Hank Samaripa. There was a report on the building entrance design. There will be small monitors in the Boardroom. Staff was told it is more important the lobby be done "right" than that it is

completed by the time of the move. Director Beverage asked to double up on the meetings because of the proximity in time to the completion of the building.

2) Meeting scheduled for March 3, 4:00 p.m. at 1717 Miraloma, Placentia.

3) Meeting scheduled for March 20, 4:00 p.m.

g. MWDOC Ad Hoc Committee

(Mills/Beverage) *Alternate: Collett*

1) Minutes of meeting held February 26 will appear in the Board agenda for March 13. Director Collett attended the meeting in place of Vice President Mills. He reported the Committee discussed Metropolitan's 2009 rates, MET's shortage allocation plan process, grant funding availability and MWDOC's governance study and costs.

2) Meeting scheduled for April 22, 4:00 p.m.

h. City of Placentia Ad Hoc Committee

(Beverage/Payne)

1) Meeting scheduled for February 29, 10:00 a.m. at the Richfield Plant.

INTERGOVERNMENTAL MEETINGS

12. a. Yorba Linda City Council, February 19

Director Armstrong attended. On April 27, there will be a 5K and 8K run/walk, which will block part of Highland Avenue. There was a question at the City Council meeting about whether the City Council should authorize the mayor to vote yes on arterial lighting. Issues with the Black Gold Golf Course were discussed, including reseeding and resodding.

b. MWDOC Board, February 20

No one attended.

c. OCWD Board, February 20

No one attended.

d. Yorba Linda Planning Commission, February 27

President Summerfield attended. The meetings now start at 7:00 p.m. The antenna at the Highland Reservoir was discussed. The District will be contacted regarding maintenance. The Orange County Flood Control District will move the SARI line. CalTrans relinquished 18 acres of land.

BOARD OF DIRECTORS ACTIVITY CALENDAR

Authorization to attend meetings scheduled after February 28, 2008. Agenda is available in the District office prior to meeting.

March 2008

Public Information Committee, March 4, 4:00 p.m.	Collett/Beverage
Yorba Linda City Council, March 4, 6:30 p.m.	Mills
MWDOC/MWD Joint Workshop, March 5, 8:30 a.m.	Staff
OCWD Board, March 5, 5:00 p.m.	Staff
Planning-Engineering-Operations Committee, March 6, 4:00 p.m.	Mills/Armstrong
WACO, March 7, 7:30 a.m.	
Personnel-Risk Management Committee, March 10, 4:00 p.m.	Armstrong/Collett
Finance-Accounting Committee, March 11, 4:00 p.m.	Mills/Beverage
Yorba Linda Planning Commission, March 12, 6:30 p.m.	Collett
District Board Meeting, March 13, 8:30 a.m.	
Executive-Admin-Organizational Committee, March 18, 4:00 p.m.	Summerfield/Mills
Yorba Linda City Council, March 18, 6:30 p.m.	Armstrong
MWDOC Board, March 19, 8:30 a.m.	Staff
OCWD Board, March 19, 5:00 p.m.	Staff
Building Ad Hoc Committee, March 20, 4:00 p.m.	Beverage/Summerfield
Yorba Linda Planning Commission, March 26, 6:30 p.m.	Summerfield
District Board Meeting, March 27, 8:30 a.m.	

April 2008

Public Information Committee, April 1, 4:00 p.m.	Collett/Beverage
Yorba Linda City Council, April 1, 6:30 p.m.	Mills
MWDOC/MWD Joint Workshop, April 2, 8:30 a.m.	Staff
OCWD Board, April 2, 5:00 p.m.	Staff
Planning-Engineering-Operations Committee, April 3, 4:00 p.m.	Mills/Armstrong
WACO, April 4, 7:30 a.m.	
Finance-Accounting Committee, April 8, 4:00 p.m.	Beverage/Summerfield
Yorba Linda Planning Commission, April 9, 6:30 p.m.	Collett
District Board Meeting April 10, 8:30 a.m.	
Personnel-Risk Management Committee, April 14, 4:00 p.m.	Armstrong/Collett
Executive-Admin-Organizational Committee, April 15, 4:00 p.m.	Summerfield/Mills
Yorba Linda City Council, April 15 18, 6:30 p.m.	Armstrong
MWDOC Board, April 16, 8:30 a.m.	Staff
OCWD Board, April 16, 5:00 p.m.	Staff
Building Ad Hoc Committee, April 17, 4:00 p.m.	Beverage/Summerfield
MWDOC Ad Hoc Committee, April 22, 4:00 p.m.	Mills/Beverage
Yorba Linda Planning Commission, April 23, 6:30 p.m.	Summerfield
District Board Meeting, April 24, 8:30 a.m.	
Board Tour, April 29, 8:30 a.m.	

CONFERENCES AND SEMINARS

13. Authorize attendance of Directors and such staff members of the District as approved by the General Manager to attend the following conferences and seminars.

- a. None

ADJOURN TO CLOSED SESSION

14. None

ADJOURNMENT

On a motion by Director Beverage, seconded by Director Armstrong, the Board of Directors voted 4-0 to adjourn at 10:47 a.m. to a regular meeting of the Board of Directors scheduled for March 13, 2008, at 8:30 a.m., at 4622 Plumosa Drive, Yorba Linda 92886.

Michael A. Payne
Secretary