

MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
MAY 22, 2018

A regular meeting of the Board of Directors of La Habra Heights County Water District was held on May 22, 2018 at 4:00 p.m., at the office of the District, located at 1271 North Hacienda Road, La Habra Heights.

Item 1. Roll call of Directors by Secretary/General Manager, Michael Gualtieri.

PRESENT: Directors Baroldi, Cooke, McVicar and Wilson

ABSENT: Director Perumean

Item 2. Staff members and others present. Staff: Michael Gualtieri, Secretary/General Manager. Others present: Michael Silander, Attorney at Law.

Item 3. Public Comments: None

Item 4.a.b. Minutes of Regular Board Meeting for April 24, 2018 and Financial Reports for April 2018. There was a motion by Director Wilson and seconded by Director Cooke to approve the minutes and financial reports. The vote was as follows:

AYES: Directors Baroldi, McVicar and Wilson

NOES: None

ABSENT: Director Perumean

{Tammy Wagstaff, Treasurer arrived at 4:04 p.m.}

Item 5. Approval of warrants and authorize signatures per warrant list. After discussion, there was a motion made by Director Baroldi and seconded by Director Cooke that the warrant numbers 42022 through 42077 in the amount of \$183,002.21 and EFT transfers in the amount of \$7,359.72 be approved and signatures be authorized. Warrant number 41960 was voided. The vote was as follows:

AYES: Directors Baroldi, Cooke, McVicar and Wilson

NOES: None

ABSENT: Director Perumean

{Director Perumean arrived at 4:16 p.m.}

Item 6.a. Discuss and Adopt Resolution 18-04 – 2018/2019 Budget. After discussion, there was a motion by Director Wilson and seconded by Director Baroldi to approve Resolution 18-04. The vote was as follows:

AYES: Directors Baroldi, Cooke, McVicar, Perumean and Wilson

NOES: None

ABSENT: None

Item 6.b. Discuss and Adopt – 2018/2019 Salary and Benefits. After discussion there was a motion by Director Cooke and seconded by Director Perumean to approve a 5% increase above the current \$822,000.00, the new amount is \$863,100.00. The vote was as follows:

AYES: Directors Baroldi, Cooke, McVicar, Perumean and Wilson

NOES: None

ABSENT: None

Item 6.c. Update on District Activities. The General Manager advised that specification and bid packets are going out to contractors the week of May 28, 2018. The bids were sent out in electronic form. On May 21, 2018 there was a meeting with residents impacted by the construction. Lastly, the General Manager discussed water production in April 2018.

Item 7.a. Closed Session. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Rowland Water District v. La Habra Heights County Water District, Los Angeles Superior Court Case No. KC070088. Discussion of existing litigation pursuant to paragraph (1) of subdivision (d) of Section 54956.9. One case. No reportable action was taken. Direction was given to staff.

Item 7.b. Closed Session. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – Title: Secretary/General Manager. Closed Session pursuant to Government Code Section 54957. Open Session began at 7:45 p.m. After discussion, there was a motion by Director McVicar and seconded by Director Cooke to approve a \$2,000.00 bonus and a 5% increase to the General Manager's salary. The vote was as follows:

AYES: Directors Baroldi, Cooke, McVicar, Perumean and Wilson

NOES: None

ABSENT: None

Item 8. Report of Individual Directors.

Pam McVicar discussed the following items related to the ACWA/JPIA conference:

Mike is on the list of people who completed the leadership training, a total of 69 people have completed this program since 2015.

Workers compensation meeting currently includes workers compensation for inmate labor, even though they are unpaid and are considering excluding the program; only one district is using it. They looked at increasing retention, but premium reduction is not worth it. There

will be no increase this year. The use of opioids is overwhelming drug costs and they have a program to reduce overuse called first fill. They are also giving rebates to several districts for zero losses. Brain Bowcock Director of Three Valleys said they gave it to the employees.

At the executive committee meeting there is a plan to reduce reserves to \$19 million from \$43 million they cut premiums to reflect the difference. There is continual talk about Captive Insurance Company, expect to have it to a vote in the next year.


At the regular meeting there was discussion on snow pack using NASA's Airborne Snow Observatory (ASO). This improves reliability of snow forecasts. This is critical for districts in charge of managing the runoff. Lastly, there is a statewide issue forum for the California Water Plan update 2018. It proposes to impose a fee on the end users of \$8-\$12 per month per household to pay for state water infrastructure. They are looking at an unfunded subsidy program. It is supposed to be in the comment period, but the plan is not available.

Karen Baroldi discussed General Manager's evaluation form to be used next year and she participated in World Vision 6K Run La Habra for Water and thought maybe others would be interested in participating next year.

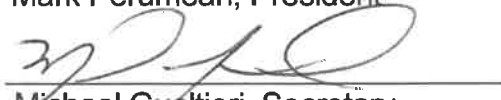
Item 9. There being no further business to come before the Board, motion was made by Director Perumean and seconded by Director McVicar that the meeting be adjourned at 8:18 p.m. Vote was as follows:

AYES: Directors Baroldi, Cooke, McVicar, Perumean, and Wilson
NOES: None
ABSENT: None

Dated: June 26, 2018



Mark Perumean, President



Michael Gualtieri, Secretary

(SEAL)