

MINUTES OF THE REGULAR BOARD MEETING
OF THE BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
AUGUST 28, 2018

A regular meeting of the Board of Directors of La Habra Heights County Water District ("District") was held on August 28, 2018 at 4:01 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, Stephen Blagden and John Steel.

Item 3. Public Comments: Stephen Blagden discussed board packets being placed online and also discussed director's compensation. John Steel thanked the General Manager for the great job on the paving of Lamat Road. He also discussed water quality and water loss from the wells. Director Cooke commented on a resident who posted on a private blog regarding alleged fraud related to Rowland Water District Agreement. District Counsel corrected the resident's statement by explaining that no fraud allegations have been made.

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

AYES: Directors Baroldi, Cooke, McVicar and Wilson

NOES: None

ABSENT: Director Perumean

Item 5. Approval of warrants and authorize signatures per warrant list. After discussion, there was a motion made by Director Cooke and seconded by Director Baroldi that the warrant numbers 42234 through 42291 in the amount of \$225,326.38 and EFT transfers in the amount of \$41,833.35 be approved and signatures be authorized. The vote was as follows:

AYES: Directors Baroldi, Cooke, McVicar and Wilson

NOES: None

ABSENT: Director Perumean

(Director Perumean entered the meeting before the start of the next item)

Item 6.a. Discuss and Action Director's Compensation. After discussion, there was a motion by Director Baroldi and seconded by Director Cooke to reduce the board members stipend to \$100.00 per meeting, maximum six meetings per month and not to exceed 36 meetings per year, effective immediately. The vote was as follows:

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

NOES: None

ABSENT: None

Item 6.b. Discuss and approve "H2O Pipeline" Summer 2018. After discussion, there was a motion by Director Perumean and seconded by Director Wilson to approve "H2O Pipeline" with minor changes. 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 informed that Salazar construction began working on August 8, 2018. They are expected to finish laying pipe by August 24, 2018. Salazar Construction did run into some issues with potholing on the private road because a private gas line was not marked. This issue added another day to their potholing. He also informed that the customers on the private road asphaltting decided not to pave their portion of the road. Lastly, discussed was water production in July 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 8. Report of Individual Directors.

Director McVicar discussed she will be attending the ACWA conference in November and thanked the General Manager on a great job managing the Lamat Road project. She also mentioned moving the board meeting in November to the second Tuesday which is a regular scheduled board meeting because of the ACWA Conference.

Director Cooke requested staff complete an analysis on how bill pay is working and present the analysis at the next board meeting.

Director Perumean discussed an article regarding automated meter readers and a lawsuit against the company, he will forward the article to the general manager.

Director Wilson discussed trailer park and if there is interest in selling this property. General Manager informed that rent is collected from this property.

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 6:19 p.m. Vote was as follows:

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

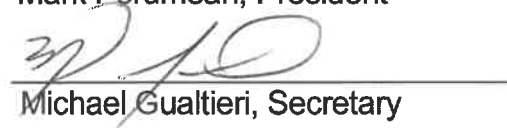
NOES: None

ABSENT: None

Dated: September 25, 2018



Mark Perumean, President



Michael Gualtieri, Secretary

(SEAL)