

MINUTES OF THE SPECIAL BOARD MEETING  
OF THE BOARD OF DIRECTORS  
LA HABRA HEIGHTS COUNTY WATER DISTRICT  
December 19, 2019

A special meeting of the Board of Directors of La Habra Heights County Water District ("District") was held on December 19, 2019 at 4:04 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 Cooke, McVicar and Perumean

ABSENT: Absent Baroldi

Item 2. Staff members and others present. Staff: Michael Gualtieri, Secretary/General Manager, and Tammy Wagstaff, Treasurer. Others present: Michael Silander, Attorney at Law, Stephen Blagden and James, Carol, Logan and Rachel Crabb, residents.

(Director Baroldi arrived at 4:08 p.m.)

Item 3. Public Communications – Mr. Blagden discussed the agenda being placed online, Rowland Water District, PFOS, and he thought Mr. Crabb is a good board candidate.

Director Cooke recognized Tammy Wagstaff, Treasurer for 25 years of service with the District.

Item 7.a. Interview, Discuss and Appoint – New Director for Robert Wilson's remaining term. After interview with James Crabb and discussion, there was a motion by Director Cooke and seconded by Director Baroldi to appoint James Crabb as Director for the remaining term of Robert Wilson. The vote was as follows:

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

Mr. Crabb was sworn in by Logan and Rachel Crabb.

Item 4. Directors Report – The following is Director McVicar notes for the ACWA/JPIA conference:

1) **JPIA meetings:** -

- a. Captive formed in Utah – investing \$16 MM of projected losses to start. Forecast 7% return (with 65% stock portfolio) vs. 2% for assets in California (fixed income)
- b. Dramatic liability losses for wildfires in California plus panicked investors mean higher reinsurance premiums. JPIA will absorb the increase this year, but may not in future years.
- c. Medical claims are going down with a slightly lower premium for 2019

- d. JPIA is offering a discount on a risk assessment of their customer's computer networks. They gave examples of companies being hacked through their network printers, wireless mice and other devices.
- e. We are President's Special Recognition Award Recipients with no losses in Liability, Property or Worker's Comp programs.
- f. Superintendent Joe Matthews completed the JPIA Leadership Essentials program
- g. Day 2 a bust – presented a case of a District forming a Citizens Committee to provide input on the Districts 50 Year investment program, similar to our City's Roads Committee. Useful if you feel you need community buy in for a 218 hearing.
- h. Attended Sexual Harassment and Ethics.

## 2) ACWA Highlights

### a. **Best talk – How to Keep the Water Flowing when the Lights Go out**

- i. Mark Antonio presented Wildfire in Yorba Linda talk opened to a movie playing the Doors' "This is the End" while watching the District's infrastructure burn.
  - 1. Sued for inverse condemnation when the fire hydrants failed - \$63 MM judgement.
  - 2. Generators failed because the fire sucked up all the oxygen.
  - 3. Developed a heli-hydrant: an empty tank that fills in 3 minutes remotely when the helicopter turns it on and then the copter sucks up the water through a hose to fight the fire.
- ii. Other speakers discussed importance of staying abreast of rules for partnering with other public agencies and new rules of notifications for power shutoff
- iii. Separate from ACWA, we need to be aware that our Fire Department will not enforce weed abatement on slopes above 30 degrees.

### b. **Role of stormwater in regional water sustainability**

- i. Biggest takeaway is size of the pie. Estimates are that there is 0.5 MAF of storm runoff available for capture – this is almost as large as another Central Basin at .625 MAF per year.
- ii. Local presenters from MET, DWP, LAC Public works talked about difficulty of coordinating dozens of small projects between different agencies
- iii. Drill dry holes to increase groundwater capture is spreading zones.

### c. **Most Overrated – The Governor's Water Resilience Portfolio - presented by Karen Ross, Secretary of California Department of Food and Agriculture –**

- i. Waved a report that she was not allowed to share with us because it was still a draft, but promised it would deliver everything everyone wanted

### d. **Last talk - What's the Big Deal about PFOAS and why should you care**

- i. Carbon-Florine bond is the strongest in nature – virtually indestructible - half-life of hundreds of thousands of years. The electron field surrounding the bond makes the class of molecules (hundreds) slick with excellent fire resistance, stain resistance and non-stick properties. They have an affinity for both water and air. Manufacture of these chemicals was halted in 2015.
- ii. Only viable way to remove it from water is carbon filter, but there is no safe method to dispose of the spent filter material
- iii. EPA representative at conference (they had a booth in the hall) estimated that it would take 10 years for them to establish an MCL. It is not well understood at what level the chemicals cause harm to humans.

1. Levels observed in humans

In PPB	2000	2016
PFOA	5.2	1.6
PFOS	30	4.7

(1 PPB is 1000 PPT)

Implies that chemical levels slowly reduce in the human body when exposure is eliminated, but the human body cannot break down these chemicals.

- iv. The current panic is because testing at the TCF level is now possible. I met with the test agency we use at ACWA and they are recommending that their customers not test for it unless required to do so because if they find it they have to report it. Big issue with false positives because the material could be coming from the test process itself.
- v. Two kinds of litigation are currently underway – lawsuits by the public against manufacturers and lawsuits by water agencies against polluters for clean-up cost.

Director Baroldi discussed the PFOS webinar and suggested viewing the documentary “The Devil We Know” on Netflix related to PFOA.

Director Cooke discussed tank bids and contracts with David Byrum, Civiltec Engineering Inc from the sub-committee meeting.

Item 5.a.b. Minutes of Regular Board Meeting of November 26, 2019 and Financial Reports for November 2019. After discussion, there was a motion by Director McVicar and seconded by Director Baroldi to approve the Minutes and Financial Reports. The vote was as follows:

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

Item 6. Approval of warrants and authorize signatures per warrant list. After

discussion, there was a motion made by Director McVicar and seconded by Director Perumean that the warrant numbers 43316 through 43383 in the amount of \$434,308.66 and EFT transfers in the amount of \$10,215.22 be approved and signatures be authorized. The vote was as follows:

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

Item 7.a. Discuss and Approve – LHHWCWD “H2O Pipeline” Newsletter. After discussion, there was a motion by Director Cooke and seconded by Director Perumean to approve newsletter with minor changes and Director McVicar to approve final draft. The vote was as follows:

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

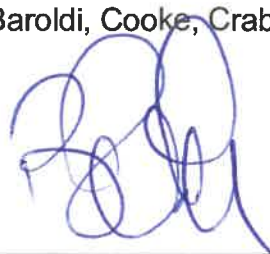
Item 8.a. Closed Session. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION Rowland Water District v. La Habra Heights County Water District, Los Angeles Superior Court Case No. KC070088. Discussion of existing litigation pursuant to paragraph (1) of subdivision (d) of Section 54956.96. One case. No reportable action was taken. Direction was given to staff.

Item 8.b. Government Liability Claim: Government Code Section 54956.95 Claimant: Allen G. Corey Agency Claimed Against: La Habra Heights County Water District. The Board of Directors voted unanimously to deny the claim of Allen G. Corey and directed staff to inform claimant accordingly.

Item 9. There being no further business to come before the Board, motion was made by Director Cooke and seconded by Director McVicar that the meeting be adjourned at 6:30 p.m. The vote was as follows:

PRESENT: Directors Baroldi, Cooke, Crabb, McVicar and Perumean  
NOES: None  
ABSENT: None

Dated: January 28, 2020



Brad Cooke, President

(SEAL)



Michael Gualtieri, Secretary