CRESCENTA VALLEY WATER DISTRICT
ADJOURNED REGULAR MEETING, BOARD OF DIRECTORS
February 25, 2020

Pursuant to the order of the Board of Directors of the Crescenta Valley Water District, made at the Regular Meeting on February 11, 2020 an Adjourned Regular Meeting was held on February 25, 2020, at 7:00 p.m. at the District office at 2700 Foothill Blvd., La Crescenta, California, with President Kerry D. Erickson presiding.

At roll call, the following Directors and staff members were present:

Directors:	**Kerry D. Erickson** **James D. Bodnar** **Kenneth R. Putnam** **Sharon S. Raghavachary** **Judy L. Tejeda**
Attorney:	**Thomas Bunn**
General Manager:	**Nem Ochoa**
Director of Finance & Administration:	**James Lee**
Director of Engineering:	**David Gould**
Others Present:	**Christy Colby, Regulatory & Public Affairs Manager** **Dennis Maxwell, Director of Operations** **Brook Yared, Senior Engineer** **Arturo Montes, Finance & Administration Manager** **Pam Leddy, Administrative Assistant** **Frank Colcord, FMWD Director**

PLEDGE OF ALLEGIANCE
President Erickson opened the meeting by leading the Directors and staff in reciting the Pledge of Allegiance.

ADOPTION OF AGENDA
It was moved by Director Putnam, seconded by Director Raghavachary, and carried by a 5-0 vote that the Agenda for the Regular Meeting of February 11, 2020 be adopted as presented.

PUBLIC COMMENTS – None

FOOTHILL MUNICIPAL WATER DISTRICT REPORT – Mr. Frank Colcord thanked the District for its support in promoting FMWD's Smart Controller and Installation Program to the District's customers.

CONSENT CALENDAR

It was moved by Director Tejeda, seconded by Director Raghavachary, and carried by a 5-0 vote to approve the Minutes of the Regular Board Meeting held on February 11, 2020 and to ratify the disbursements for January 2020 as presented.

Payment of demands against the Crescenta Valley Water District on or before January 31, 2019, the same having been approved by the General Manager, and heretofore paid, be ratified and approved subject to audit, in the aggregate sum of One Million, Seventy-Four Hundred Thousand, Five Hundred Seventy-Three Dollars and Sixty-Seven Cents (1,074,573.67), which is composed of the individual items set forth herein.

ACTION CALENDAR

Acceptance of Audited Financial Statements for Fiscal Year 2018-19 – Ms. Renee Graves of Clifton Larson Allen (CLA) presented the District's Audited Financial Statements for Fiscal Year 2018-19 and the accompanying governance letter. Ms. Graves reported that the District's financial position is accurately stated in all material respects and that the District's internal controls are functioning as intended so that funds are managed appropriately.

Director Tejeda left the meeting during consideration of this item.

Following discussion:

It was moved by Director Raghavachary, seconded by Director Bodnar, and carried by a 3-0 vote with 1 abstention (Director Putnam) to accept the Audited Financial Statements for Fiscal Year 2018-19.

Second Quarter Budget Report – Mr. Lee discussed the District's Second Quarter Budget Report on revenues and expenditures for the fiscal year ending June 30, 2020. Notable variances for each of the departments was provided.

2020 Water and Wastewater Cost of Service Study Update – Mr. Lee presented an update of the 2020 Water and Wastewater Cost of Service Study being prepared by Raftelis Financial Consultants (RFC) to ensure that the District is collecting the appropriate allocation of revenue from its various customer classes and that the water and wastewater rates charged reflect the cost of providing customers with water and wastewater services. An updated schedule of workshops, meetings and deadlines necessary to complete the study was provided. Ms. Colby provided information regarding the Community Advisory Committee.

New Emergency Electrical Generator at the La Granada Wastewater Lift Station, Project S-962 – Mr. Gould requested consideration and motion to authorize the General Manager to amend the professional service agreement with Cannon Corporation for additional professional services related to the installation of a new emergency electrical generator at the La Granada wastewater lift station at a cost not to exceed $51,966 and to find said project exempt from the provisions of the California Environmental Quality Act (CEQA)

It was moved by Director Bodnar, seconded by Director Raghavachary and carried by a 4-0 vote to authorize the General Manager to amend the professional service agreement with Cannon

Corporation for additional professional services related to the installation of a new emergency electrical generator at the La Granada wastewater lift station at a cost not to exceed $51,966 and to find said project exempt from the provisions of the California Environmental Quality Act (CEQA).

INFORMATION ITEMS – None

WRITTEN COMMUNICATIONS TO DISTRICT – None

REPORTS OF PERSONNEL – None

GENERAL MANAGER – Mr. Ochoa gave an update on the Metropolitan Water District Hydrology report and initiated discussion regarding the Long-Term Infrastructure Reliability and Funding Roadmap. The Community Advisory Committee's involvement in that and other efforts and review of public outreach documents were discussed as well.

ATTORNEY – No report

REPORTS OF COMMITTEES

Engineering Committee – Mr. Gould reported that the Committee had met on Friday, February 21, 2020 at 9:30 a.m. A meeting is scheduled for Friday, March 6, 2020 at 9:30 a.m.

Finance Committee – Mr. Lee reported that the Committee had met on Friday, February 21, 2020 at 11:00 a.m. A meeting is scheduled for Friday, March 6, 2020 at 11:00 a.m.

Employee Relations Committee – Director Putnam reported that the Committee had not met; however, a meeting will be scheduled as needed.

Policy Committee – Director Erickson reported that the Committee had met on Friday, February 21, 2020 at 1:00 p.m.

Community Relations/Water Conservation Committee – Ms. Colby reported that the Committee had not met; however, a meeting will be scheduled as needed.

Emergency Planning Committee – Director Raghavachary reported that the Committee had not met; however, a meeting will be scheduled as needed.

Executive Committee – Director Erickson reported that the Committee had not met; however, a meeting will be scheduled as needed.

DIRECTORS' ORAL REPORTS

Director Erickson – No report

Director Bodnar – Director Bodnar announced that he has accepted a position as the Program Manager of Water Transfers and Exchanges at Metropolitan Water District.

Director Tejeda – No Report

Director Putnam – No Report

Director Raghavachary – No report

CLOSED SESSION – Mr. Ochoa served as the District-designated representative for the closed session discussion. No reportable items.

Outsourcing of the Information Technology Department – Mr. Ochoa discussed a plan to outsource the IT Department and eliminate two positions effective Friday, February 28, 2020. The plan is based on greater efficiency, greater system reliability, and cost savings. Staff met the meet-and-confer requirement per the Memorandum of Understanding by previously meeting with the AFSCME bargaining unit.

Following discussion:

It was moved by Director Raghavachary, seconded by Director Erickson and carried by a 3-1 vote to eliminate the IT Department.

Management Terms and Conditions – Mr. Ochoa recommended adjustments to the maximum salary scale for four management positions as a follow-up to his representation of the management unit during the negotiation of the Management Unit Terms and Conditions in September 2019. The adjustments were recommended based on moving closer to the industry median. The impacted positions are: Director of Finance and Administration, Director of Operations, Regulatory and Public Affairs Manager, and Finance and Administration Manager.

Following discussion:

It was moved by Director Bodnar, seconded by Director Raghavachary and carried by a 4-0 vote to adjust the maximum salary scale for the four management positions.

ADJOURNMENT

There being no other business to come before the Board, at 9:40 p.m., it was moved by Director Putnam, seconded by Director Raghavachary and carried by a 4-0 vote that the meeting be adjourned to March 10, 2020, at 7:00 p.m.

APPROVED

Kerry D. Erickson	James Lee
President	Director of Finance & Administration