

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
June 4, 2013

A special meeting of the Board of Directors of La Habra Heights County Water District was held on June 4, 2013, at 4:05 p.m., at the office of the District, located at 1271 North Hacienda Road, La Habra Heights.

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

PRESENT: Directors Cooke, Heintz, McVicar and Wilson

ABSENT: Director Perumean

Staff members and others present.

Staff: Michael Gualtieri, Secretary/General Manager. Others present: Steven O'Neill, legal counsel, Lemieux & O'Neill, staff members and board members from Orchard Dale Water District, Ken Deck, General Manager, Rowland Water District, Stephen Blagden, George Edwardz and other residents.

Director McVicar stated that she would be excusing herself from item 7.d.

Public Comments: Stephen Blagden discussed Brown Act Violation, public records request, automated meter reading, ethics training, Fullerton Road pavement, eliminating stipends, items on warrant list and system buy-in-fee for the City of La Habra Heights.

George Edwardz discussed Brown Act Violation.

Director McVicar excused herself from the next item.

7.d. Discuss and Action – City of La Habra Heights request to waive system buy-in-fee. Shauna Clark, City Manager requested the Board to consider waiving system buy-in-fee. After discussion there was a motion by Director Heintz seconded by Director Wilson to waive system buy-in-fee for a 1" service. A deposit will still be required to install the 1" service. Vote was as follows:

AYES: Directors Cooke, Heintz and Wilson

NOES: None

ABSTAIN: Director McVicar

ABSENT: Director Perumean

Rowland Water District providing update on Fullerton Rd. pipeline and connection. Ken Deck provided an update on the inner connection between both districts. He explained that the line is installed and they are in the process of installing their chlorination system and meter. He plans to complete by August 2013, to begin moving water.

(Ken Deck and staff members from Orchard Dale Water District left the meeting)

Consent calendar: Minutes of the regular meeting for May 14, 2013. After discussion a motion was made by Director McVicar and seconded by Director Wilson to approve Minutes. The vote was as follows:

AYES: Directors Cooke, Heintz, McVicar and Wilson

NOES: None

ABSENT: Director Perumean

The Financial Statements for April 2013 were removed from the consent items. After discussion a motion was made by Director McVicar and seconded by Director Wilson to approve the Financial Statements with correction to the header to read 10 month ending. Vote was as follows:

AYES: Directors Cooke, Heintz, McVicar and Wilson

NOES: None

ABSENT: Director Perumean

Approval of warrants and authorization of signatures as per the warrant list. After discussion there was a motion made by Director McVicar and seconded by Director Heintz that the warrant numbers 37446 through 37489 be approved and signatures be authorized. The vote was as follows:

AYES: Directors Cooke, Heintz, McVicar, and Wilson

NOES: None

ABSENT: Director Perumean

7.a. Discuss and Adopt – Resolution 13-04, Fiscal Year 2013/2014 Budget. After discussion motion was made by Director McVicar to approve resolution 13-04, there was further discussion and Director McVicar withdrew her motion. This item was continued until next scheduled Board meeting.

(Director Perumean entered the meeting at the start of the next item.)

7.b. Discuss and Action – Salaries and Benefits for Employees for Fiscal Year 2013/2014 (excluding General Manager). After discussion motion was made by Director McVicar to approve a 2% increase but failed for a lack of a second.

After further discussion motion was made by Director Perumean and seconded by Director Wilson to approve a 0% increase, after discussion Director Perumean withdrew his motion.

After further discussion motion was made by Director Cooke and seconded by Director McVicar to approve a 2% increase with an authorized limit of \$801,324 to salary totals. Vote was as follows:

AYES: Directors Cooke, McVicar and Perumean

NOES: Director Wilson

ABSENT: None

7.c. Discuss and Action – Bidding to purchase water rights in Central Basin from Petersburg, L.P. This item was continued until the next scheduled board meeting.

7.e. Update on District Activities. The General Manger informed the Board of Directors that plant 1 booster 3 electric breaker failed and required replacement.

8. Closed Session
Public Employee Performance Evaluation. Title: Secretary/General Manager (Pursuant to Government Code Section 54957).

The Board met to discuss the performance review of the General Manager. No formal action was taken.

9. Report of Individual Directors.

Director Heintz informed that at ACWA he met with a company called HomeServe who offer warranty and repair insurance for homeowners. He thought this would be helpful to customers and suggested possibly including this information on the District's website.

Director Perumean stated he was content with the cleanup and presentation of Hacienda Road and district office.


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 6:46 p.m. Vote was as follows:

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

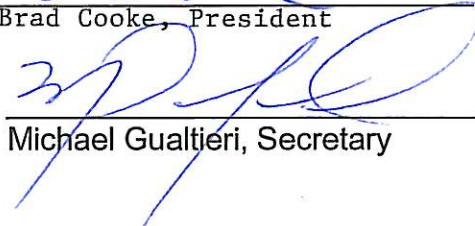
NOES: None

ABSENT: None

Dated: July 9, 2013



Brad Cooke, President



Michael Gualtieri, Secretary

(SEAL)