

MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS  
LA HABRA HEIGHTS COUNTY WATER DISTRICT  
May 26, 2020

A regular meeting of the Board of Directors of La Habra Heights County Water District ("District") was held on May 26, 2020 at 4:03 p.m., at the office of the District, located at 1271 North Hacienda Road, La Habra Heights and also by telecommunication.

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

PRESENT: Directors Baroldi, Cooke, McVicar and Perumean (all board members by telecommunication)

ABSENT: Director Crabb

Item 2. Staff members and others present. Staff: Michael Gualtieri, Secretary/General Manager and Tammy Wagstaff, Treasurer. Michael Silander, Attorney at Law. Others present by telecommunication: Steve Blagden, resident.

Item 3. Public Communications – Steve Blagden discussed budget, board packets, salary benefits, convenience fee, water rights, and video conference.

(Director Crabb joined the meeting through telecommunication at 4:08 p.m.)

Item 4. Directors Report –  
Director McVicar discussed liners for main lines and General Manager's evaluation.

Item 5.a. Minutes of Regular Board Meeting of April 28, 2020. After discussion, there was a motion by Director McVicar and seconded by Director Baroldi to approve the Minutes with minor changes. The vote was as follows:

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

Item 5.b. Financial Reports for April 2020. After discussion, Director McVicar discussed cash at hand. There was a motion by Director McVicar and seconded by Director Perumean to approve the 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 Baroldi that the warrant numbers 43660 through 43711 in the amount of \$182,348.84 and EFT transfers in the amount of \$10,239.44 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 Action – Draft Budget Fiscal Year 20/21. After discussion, there was a motion by Director McVicar and seconded by Director Crabb to approve a 5% commodity rate increase and a 7% increase to Readiness-to-Serve rate. The vote was as follows:

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

Item 7.b. Discuss and Action – Fiscal Year 20/21 Salary and Benefits. After discussion, there was a motion by Director Cooke and seconded by Director McVicar to approve a 2% Consumer Price Index (CPI) increase to salaries not to exceed \$918,000.00. The vote was as follows:

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

Item 7.c. Discuss and Action – Convenience Fee for On-Line Payments. After discussion, this item was tabled until further notice.

Item 7.d. Discuss and Action – Purchasing 20-acre feet of water rights in Central Basin with an option to purchase 3 additional Acre Feet if Available. After discussion, there was a motion by Director McVicar and seconded by Director Perumean to approve purchasing 20-acre feet at \$15,000.00 per acre feet for a total of \$300,000.00. The vote was as follows:

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

Item 7.e. Update on District Activities. Emerson started working with Verizon Wireless on May 19, 2020 for cell service at SCADA sites that require switching over. Emerson is still on track to finish by June 15, 2020. Lastly, discussed was the production in April 2020.

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. No reportable action was taken.

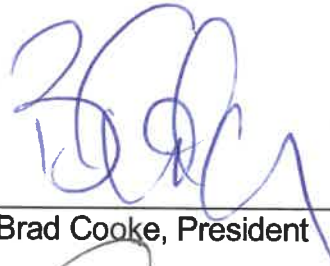
Item 8.b. Public Employee Performance Evaluation (Government Code § 54957): General Manager. Closed session began at 6:20 p.m. and concluded at 6:40 p.m. Open session began at 6:40 p.m. After discussion, there was a motion by Director Cooke and seconded by Director McVicar to approve a 2% salary increase, plus a \$3,000.00 bonus. The vote was as follows:

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

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 6:48 p.m. The vote was as follows:

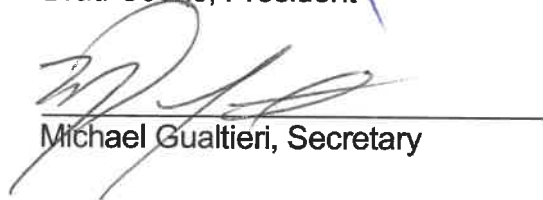
PRESENT: Directors Baroldi, Cooke, Crabb, Perumean and McVicar  
NOES: None  
ABSENT: None

Dated: June 23, 2020



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Brad Cooke, President



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Michael Gualtieri, Secretary

(SEAL)