

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
July 8, 2014

A regular meeting of the Board of Directors of La Habra Heights County Water District was held on July 8, 2014, at 4:03 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, McClish, McVicar, Perumean and Wilson

ABSENT: None

Staff members and others present.

Staff: Michael Gualtieri, Secretary/General Manager. Others present: Michael Silander, legal counsel, Lemieux & O'Neill, Jim Byerrum, General Manager of California Domestic Water Company, Jim Champa, legal counsel for California Domestic Water Company, John D'Angelo, Steve Blagden, Robin Raymond, Aida Lough, residents.

Public Comments: Steven Blagden discussed water sales, leak on Hacienda Road and reflection dots not properly placed on Hacienda Road. Robin Raymond discussed the functions of board and priorities and conservation.

Consent Calendar: Minutes of the regular meeting for May 27, 2014 and the Financial Statements for May 2014. After discussion a motion was made by Director McVicar and seconded by Director Perumean to approve minutes and financial statements. The vote was as follows:

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

NOES: None

ABSENT: None

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 McClish that the warrant numbers 38869 through 38960 be approved and signatures be authorized. The vote was as follows:

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

NOES: None

ABSENT: None

6.a. Discuss and Action – Purchasing Inventory Parts, request from Mr. D’Angelo. John D’Angelo discussed issues that he believes happened with district staff. No action was taken on this item.

6.b. Discussion and Action – California Domestic Water Company (CDWC) request for La Habra Heights County Water District (LHHCWD) and City of La Habra to sign an agreement that LHHCWD is not interested in CDWC services in Los Angeles County. Los Angeles Local Agency Formation Commission (LAFCO) is requiring this agreement. Jim Byerrum and Jim Champa discussed the agreement. After discussion, there was a motion by Director McVicar and seconded by Director McClish to sign the agreement that LHHCWD is not interested in CDWC services in Los Angeles County. The vote was as follows:

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

NOES: None

ABSENT: None

6.c. Discuss and Action – Rehabilitating Well 9. The General Manager stated that he is researching the rehabilitation of Well 9. He is waiting for a video assessment of the well and further details from the District’s engineer on whether it is feasible to rehab the Well. No action was taken.

6.d. Discuss and Approve – Summer Issue of “H2O Pipeline”. After discussion the Board of Directors decided to send out two different mailers. The first is a letter regarding the rate structure schedule that will be mailed with billing. The second is a flyer discussing water conservation and water storage, for this item President Cooke appointed Director McVicar and Director McClish as a sub-committee. A motion was made by Director Cooke and seconded by Director Perumean to approve the two mailers. The vote was as follows:

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

NOES: None

ABSENT: None

6.e. Discuss and Adopt – Resolution 14-5, Fiscal Year 2014/2015 Salary Schedule. After discussion, there was a motion by Director McVicar and seconded by Director McClish to adopt Resolution 14-5. The vote was as follows:

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

NOES: None

ABSENT: None

6.f. Update on District Activities. The General Manager discussed old reservoir 4 on Tumin Road, stating that once the grace period ends the next step is selling the surplus property. The new trucks were delivered June 30th. Water sales for the fiscal year 2013/2014 was 3226.77 AF which is 23.2% higher than the set goal of 2619.84 AF. He provided an overview of the leak on Hacienda Road. Lastly, the General Manager is planning a recognition dinner for five employees on November 15, 2014.

7. Closed Session:

The Board of Directors met in closed session to discuss potential litigation [Govt. Code section 54956.9(g).] The disclosure of the identity of potential litigations would jeopardize District's ability to conclude existing settlement negotiations. No action was taken, but directive was given to staff.

8. Report of Individual Directors.

Director McVicar stated she would like to place the Policy and Procedures manual on the agenda for the next scheduled board meeting.

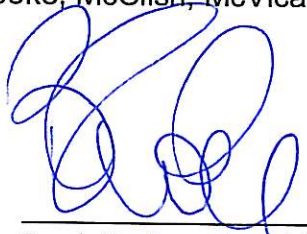
There being no further business to come before the Board, motion was made by Director McVicar and seconded by Director Perumean that the meeting be adjourned at 7:25 p.m. The vote was as follows:

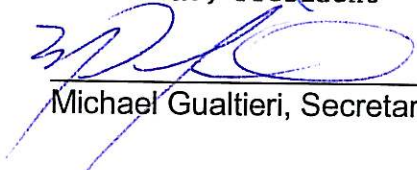
AYES: Directors Cooke, McClish, McVicar, Perumean and Wilson

NOES: None

ABSENT: None

Dated: August 12, 2014



Brad Cooke, President

Michael Gualtieri, Secretary

(SEAL)