

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
LA HABRA HEIGHTS COUNTY WATER DISTRICT
October 11, 2016

A regular meeting of the Board of Directors of La Habra Heights County Water District was held on October 11, 2016, at 4:03 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, Baroldi, Perumean and Wilson

ABSENT: Director McVicar

Staff members and others present.

Item 2. Staff: Michael Gualtieri, Secretary/General Manager and Tammy Wagstaff, Treasurer. Others present: Michael Silander, legal counsel, Lemieux & O'Neill, Nitin Patel, White Nelson Diehl Evans LLP and Dennis Laherty, John Steele and Stephen Blagden, residents.

Item 3. Public Comments: Stephen Blagden discussed the board packet being posted to the web page, benefits, and fire code requirements for the City of La Habra Heights. John Steele discussed Chief Graft, the ISO rating for the City of La Habra Heights and introduced Dennis Laherty who is the chairman of the road committee for the City of La Habra Heights.

Item 4. Report, Receive and File 2015/2016 Audit Report. Nitin Patel, provided an overview of the audit. After discussion, the 2015/2016 Audit report was received and filed.

Item 5.a. Minutes of Regular Board meeting of September 13, 2016. After discussion, there was a motion by Director Wilson and seconded by Director Baroldi to approve the minutes. The vote was as follows:

AYES: Directors Baroldi, Perumean and Wilson

NOES: None

ABSENT: Director McVicar

ABSTAINED: Director Cooke

Item 5.b. Financial Statements for August 2016. After discussion, there was a motion by Director Cooke and seconded by Director Wilson to approve the financial statements. The vote was as follows:

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

Item 6. Approval of warrants and authorization of signatures as per the warrant list. After discussion, there was a motion made by Director Cooke and seconded by Director Wilson that the warrant numbers 40747 through 40803 be approved and signatures be authorized. Checks 40667, 40751, 40755, 40778 and 40801 were voided. The vote was as follows:

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

Item 7.a. Discuss and Approve – Design Engineering Services and Construction Management Services for pipeline projects on Hacienda Road, Subtropic Drive, West Road, Tumin Road and Casalero Drive. After discussion, there was a motion by Director Cooke and seconded by Director Baroldi to approve the design engineering services and construction management services. The cost for design engineering services is as follows: Hacienda Road \$26,860.00, West Road and Subtropic Drive \$26,350.00, Subtropic Drive \$6,680.00, Tumin Road \$25,790.00 and Casalero Drive \$6,180.00. The Construction Management cost is as follows: Hacienda Road \$19,222.50, Subtropic Drive \$19,222.50, West Road and Subtropic Drive \$16,355.00, Tumin Road \$22,090.00, and Casalero Drive \$5,680.00. In addition, the Board requested the General Manager obtain rate schedules from two other engineering firms to compare cost. The vote was as follows:

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

Item 7.b. Update on District Activities. The General Manager stated that the pipeline project designs are at 90% complete for Hacienda Road, Subtropic Drive, West Road, Tumin Road and Casalero Drive. In addition, he is waiting for the City of La Habra

Heights to inform of any paving requirements. The subcommittee for this project will be Director Cooke. The General Manager also advised that moving forward, the districts general liability coverage will include cyber liability. Lastly, the General Manager also discussed the water production in September 2016.

Item 8. Closed Session. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Discussion of potential initiation of and/or exposure to litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9. Two cases. Direction given to staff. No action was taken.

Item 9. Report of Individual Directors. None


Item 10. There being no further business to come before the Board, motion was made by Director Perumean and seconded by Director Cooke that the meeting be adjourned at 6:19 p.m. The vote was as follows:

AYES: Directors Cooke, Baroldi, Perumean and Wilson

NOES: None

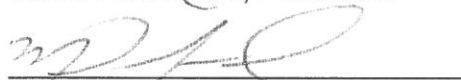
ABSENT: Director McVicar

Dated: November 8, 2016



Mark Perumean, President

(SEAL)



Michael Gualtieri, Secretary