

**San Gabriel County Water District
Regular Meeting of the Board of Directors
8366 Grand Ave.
Rosemead, CA 91770**

February 28, 2017

4:00 P.M.

AGENDA

Call to Order

1. Pledge of Allegiance

- 2. Roll Call**
- | | |
|---------------------------|-------|
| Director Taylor | _____ |
| Director Chan | _____ |
| Director Cammarano | _____ |
| Director Cici | _____ |
| Director DeLaTorre | _____ |

3. Additions, Re-order and Adoption of the Agenda:

Motion:
Second:
Action:

4. Public Comment on Agenda and Non-Agenda items

Anyone wishing to discuss items on and not on the agenda may do so at this time

5. Minutes of a Regular Meeting of the Board of Directors held February 14, 2017

Motion:
Second:
Action:

6. List of Demands on the General Account

a. Revolving/Payroll Account Reimbursement

Motion:
Second:
Action:

7. District Counsel

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8. Action Items

- a. Consideration and Action on Water Lease of rights to 250 acre-feet from the City of Whittier.**

Motion:

Second:

Action:

- b. Consideration of increasing General Manager's procurement authority and adding procurement authority to Assistant General Manager and Finance Manager.**

Motion:

Second:

Action:

9. Miscellaneous Information Items

10. General Manager Report

11. Future Agenda Items

12. Director Comments

13. Adjournment:

Motion:

Second:

Action:

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the District office, located at 8366 Grand Ave., Rosemead, CA 91770.

If you have special needs because of a disability which make it difficult for you to access or participate in the meeting, please contact the District Finance & Administration Manager, (626) 287-0341, by at least noon on the Monday preceding the meeting. The District will attempt to make arrangements to accommodate your attendance.

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
SAN GABRIEL COUNTY WATER DISTRICT
HELD ON FEBRUARY 14, 2017**

- CALL TO ORDER** A regular meeting of the Board of Directors of the San Gabriel County Water District was held on Tuesday, February 14, 2017, at 8366 Grand Avenue, Rosemead, California at the hour of 4:00 p.m.
- ROLL CALL** President Taylor; Directors Cammarano, Chan, Cici, and DeLaTorre; General Manager Prior; Assistant General Manager Feilen; Finance and Administration Manager Corona; and District Counsel Colin O'Neill were present.
- AGENDA** Upon motion by Director DeLaTorre, and seconded by Director Chan, the Board voted unanimously to add an agenda item pursuant to Government Code section 54954.2(b)(2), on the grounds that the District received information critical for the Board's consideration of an item that required attention at this meeting only after the posting of the agenda for this meeting. The matter was added as Agenda item No. 8(e): Consideration of Award of Contract for Line Stops and Valve Repair. With this addition, upon motion by Director DeLaTorre, and seconded by Director Chan, the Board voted unanimously to adopt the agenda for this regular meeting of the Board of Directors held on February 14, 2017.
- MINUTES** Upon motion by Director Cammarano and seconded by Director DeLaTorre, the Board voted unanimously to approve the minutes of the regular meeting of the Board of Directors held on January 24, 2017.
- DEMANDS** Upon motion by Director Chan, and seconded by Director DeLaTorre, the Board voted unanimously to approve the payment of check numbers 18608 through 18664 from the General Account in the aggregate amount of \$698,484.02, and check numbers 11044 through 11071 from the Revolving Account in the aggregate amount of \$48,500.60 for the January, 2017 invoices.
- EXPENSES** None.
- PUBLIC COMMENT** None.
- DISTRICT COUNSEL** District Counsel reported regarding the status of Board Resolution No. 01-17-493, consolidating the District's elections with those of the statewide general election. Counsel reported that he would inquire as to whether the notice to voters required by Elections Code section 10404(f) could be satisfied by including such notice in customers' bills.

ACTION

Upon motion by Director Cammarano, and seconded by Director DeLaTorre, the Board voted unanimously to invest \$1,000,000 of District funds in a time value investment under the terms described as “Scenario 2” on Exhibit “A,” attached hereto.

Upon motion by Director Cammarano and seconded by Director Cici, the Board voted unanimously to award a contract for telephone service to Freedom Voice in an initial amount of \$6,034, with a monthly recurring cost of \$680.

Upon motion by Director Cici and seconded by Director Cammarano, the Board voted unanimously to renew the District’s Professional Services Agreement with Civiltec Engineering, Inc. for as-needed engineering services.

Upon motion by Director Cammarano and seconded by Director DeLaTorre, the Board voted unanimously to adopt Resolution No. 02-17-494, supporting the nomination of Kathleen Tiegs to the ACWA/JPIA Executive Committee.

Upon motion by Director Cammarano and seconded by Director Cici, the Board voted unanimously to award a contract for line stops and valve repair on Del Mar Avenue to Doty Bros. Equipment Co. in the amount of \$47,200.

INFORMATION

The January, 2017, Banking and Investment Report was received and filed.

The January, 2017, Water Well Report was received and filed.

GENERAL MANAGER COMMENTS

The General Manager sought and received Board approval by consensus for the General Manager, the Assistant General Manager, and the Finance and Administration Manager to become members of the California Utility Executive Management Association and attend the Association’s 2017 conferences.

The General Manager reported on the status of possible security upgrades at District well sites: one bidder’s price came in higher than expected, and a second bidder is currently working on a revised proposal.

The General Manger inquired as to Directors’ interest in, and availability for, the ACWA conference in May, advising that a final answer would be needed by the next Board meeting in order to ensure space for attendance.

The General Manager reported that he had secured an opportunity to lease water rights at a favorable price, and that he would like to bring back as an action item for the Board’s consideration the lease of rights to 250 acre-feet from the City of Whittier.

**FUTURE
AGENDA
ITEMS**

Consideration of the lease of water rights for 250 acre-feet from the City of Whittier.

Consideration of an increase of the General Manager's discretionary spending authority from the current \$2,000.

**DIRECTOR
COMMENTS**

Director Cammarano expressed her gratitude and pleasure regarding a letter from a customer concerning the excellent performance of a District employee.

Director Taylor stated he believed it would benefit the District's customers if the District's forthcoming newsletter contained an item explaining the capture of rainwater.

ADJOURNMENT

Upon motion by Director Cammarano, and seconded by Director DeLaTorre, the Board voted unanimously to adjourn the meeting.

President

Secretary

[SEAL]

EXHIBIT “A”

18 MONTHS:

Identifier	Description	Mdy's/S&P /Fitch Ins (Underlying)
02006LV83	Ally Bk Midvale Utah CD 1.4%18, Survivor Option, Semi Cpn, FDIC#57803	FIS Rating (1-5): 2.60
140420U24	Capital One Bk USA Natl Assn CD 1.4%18, Survivor Option, Semi Cpn, FDIC#33954	FIS Rating (1-5): 2.44
949763EJ1	Wells Fargo Bank Natl Assn CD 1.4%18, Survivor Option, Mnthly Cpn, FDIC#3511	FIS Rating (1-5): 2.72

SCENARIO 1: \$750,000 INITIAL INVESTMENT:

With an initial investment of \$750,000, we discussed putting \$250,000 into each of the three maturity ranges. The highest yielding portfolio would look like this:

- \$250,000 3yr Capital One 1.75 1/27/20
- \$250,000 2yr Discover 1.55 1/25/19
- \$250,000 18mo Ally Bank 1.40 7/26/18

The average maturity of this portfolio would be 2.16 years and the average yield would be 1.567%. Annual income would be about \$11,752.50.

SCENARIO 2: \$1,000,000 INITIAL INVESTMENT:

With an initial investment of \$1,000,000, we discussed putting \$250,000 into 18 months and 3 years, and \$500,000 in 2 years. The highest yielding portfolio would look like this:

- \$250,000 3yr Capital One 1.75 1/27/20
- \$250,000 2yr Discover 1.55 1/25/19
- \$250,000 2yr Wells Fargo 1.55 1.55 2/1/19
- \$250,000 18mo Ally Bank 1.40 7/26/18

The average maturity of this portfolio would be 2 years and the average yield would be 1.5625%. Annual income would be about \$15,625.

SCENARIO 3: \$1,500,000 INITIAL INVESTMENT:

With an initial investment of \$1,500,000, we discussed putting \$500,000 into each of the three maturity ranges. The highest yielding portfolio would look like this:

- \$250,000 3yr Discover 1.75 1/27/20
- \$250,000 3yr Beneficial Bank 1.60 1.60 1/31/20
- \$250,000 2yr Ally Bank 1.55 1/28/19
- \$250,000 2yr Firstbank 1.45 1/31/19
- \$250,000 18mo Wells Fargo 1.40 8/1/18
- \$250,000 18mo Capital One 1.40 7/25/18

San Gabriel County Water District
Invoice Register (By Invoice Number)

Invoice Number / Line Description	Vendor Name / Expense Account	Invoice Date	Posting Date	Terms Code	Purchase Order / Job	Amount
02/08/17PR 12031	REVOLVING REIMBURSEMENT 13200 - CITIZENS BANK - REVOLVING ACI	02/08/17	02/08/17	NET30		\$48,635.24
					INVOICE 02/08/17PR TOTAL:	\$48,635.24
02/22/17PR.&.BOARD 12031	REVOLVING REIMBURSEMENT 13200 - CITIZENS BANK - REVOLVING ACI	02/22/17	02/22/17	NET30		\$58,488.55
					INVOICE 02/22/17PR.&.BOARD TOTAL:	\$58,488.55
					REPORT TOTAL:	\$107,123.79