

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

September 25, 2018

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 September 11, 2018

Motion:

Second:

Action:

6. List of Demands on the General Account

a. Revolving/Payroll Account Reimbursement

Motion:

Second:

Action:

7. District Counsel

8. Action Items

- a. Consider Award of Contract to Doty Brothers Construction to install the San Gabriel County Water District Mainline Replacement Phase 4 Project.**

Motion:

Second:

Action:

- b. Authorize General Manager to retain the services of Egan & Egan CPA to perform the District's 2018 Audit**

Motion:

Second:

Action:

- c. Authorize General Manager to re-invest Time Value assets to a 2-year Wells Fargo CD**

Motion:

Second:

Action:

- d. Resolution No. 09-18-502**

A resolution of the Board of Directors of San Gabriel County Water District ordering an election NOT be held for San Gabriel County Water District and request the Board of Supervisors of the County of Los Angeles immediately appoint Charles DeLaTorre, Eric Chan and Sabino Cici nominated for the office of member, Board of Directors for a full term ending December 02, 2022.

Motion:

Second:

Action:

- e. Schedule employee recognition lunch Dec 11, 2018 and location**

Motion:

Second:

Action:

9. Miscellaneous Information Items

- a. Receive and File: August 2018 Monthly Revenue and Expenditure Report**
- b. Water Well Report**

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 SEPTEMBER 11, 2018**

CALL TO ORDER	A regular meeting of the Board of Directors of the San Gabriel County Water District was held on Tuesday, September 11, 2018, at 8366 Grand Avenue, Rosemead, California at the hour of 4:00 p.m.
ROLL CALL	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 Cici, the Board voted unanimously, 4 – 0, to adopt the agenda for this regular meeting of the Board of Directors held on September 11, 2018.
MINUTES	Upon motion by Director DeLaTorre and seconded by Director Cici, the Board voted unanimously, 4 – 0, to approve the minutes of the regular meeting of the board of directors held on August 28, 2018.
DEMANDS	Upon motion by Director Cammarano, and seconded by Director Cici, the Board voted unanimously, 4 – 0, to approve the payment of check numbers 19682 through 19727 from the General Account in the aggregate amount of \$786,612.55, and check numbers 11612 through 11630 from the Revolving Account in the aggregate amount of \$24,561.84 for the August, 2018 invoices.
EXPENSES	None.
PUBLIC COMMENT	Ms. Cici commented that she attended the Trench dedication ceremony, which she found to be very exciting. Ms. Cici further expressed her condolences to those who lost loved ones in the World Trade Center tragedy seventeen years ago on this date.
DISTRICT COUNSEL	District counsel reported generally on the sufficiency of the District's standard public works contract.
ACTION	None.
INFORMATION	The August, 2018 Banking and Investment Report was received and filed.
GENERAL MANAGER COMMENTS	The General Manager reported that a portion of Pine Street is to be paved later this year, and he would like to install a new pipeline along that stretch before the City paves it. He suggested that it might be an appropriate project for Fraijo Brothers, because it is a smaller job and will give the District an

opportunity to assess the competence of the company for possible work on future projects

The General Manager reported that Ready Artwork was preparing to create the District's public outreach video.

The General Manager reported that staff is enrolled for NIMS & SIMS training.

The General Manager reported that is almost time to reinvest the District's Time Value Investment assets, and that preliminary investigation indicates that the District could lock in a rate of 2.8% for a two-year term

The General Manager reported that he had contacted the County, confirming that the District will not have an election in November because nobody has challenged the incumbents facing re-election.

The General Manager reported that the new contract for the District's auditors, Egan & Egan, will be brought as a future agenda item.

The General Manger proposed an event for District employees designed for team-building and employee morale. He will bring specific proposals for the Board's future consideration.

The General Manager reported that he found a recent leadership conference very useful and informative. This sentiment was echoed by Assistant General Manager Feilen and Finance and Administration Manager Corona, who also both attended the conference.

**FUTURE
AGENDA
ITEMS**

- Time Value Investment direction.
- Contract for auditors Egan & Egan.
- Contract for Pine Street pipeline.
- Annual employee recognition luncheon arrangements. (Date & Location)

**DIRECTOR
COMMENTS**

Director Cammarano commented that she had also attended the Trench dedication ceremony, and agreed with Ms. Cici that it was very exciting and gratifying, especially after the many years the project has been the works. Director Cammarano shared a brief history of the project, and pointed out that the project came in under budget and ahead of schedule, noting that Walsh Construction deserved a lot of credit.

Director Chan inquired as to the implementation of the District's new accounting software, and Finance and Administration Manager Corona provided a status update.

ADJOURNMENT

Upon motion by Director Cammarano, and seconded by Director DeLaTorre, the Board voted unanimously, 4 – 0, to adjourn the meeting.

President

Secretary

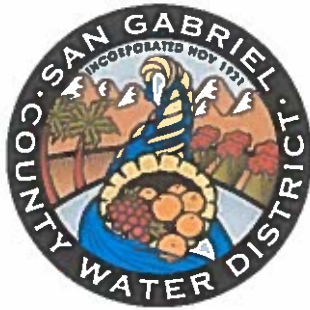
[SEAL]

San Gabriel County Water District
AP Check Register (Current by Bank)

Check Date: 9/25/2018

Check No.	Date	Status	Vendor ID	Payee Name	Amount
BANK ID: 13100B - GENERAL ACCOUNT					13100
19728	09/25/18	P	12031	REVOLVING REIMBURSEMENT	\$122,415.41
BANK 13100B REGISTER TOTAL:					\$122,415.41
GRAND TOTAL :					\$122,415.41

* Check Status Types: "P" - Printed ; "M" - Manual ; "V" - Void (Void Date) ; "A" - Application ; "E" - EFT
** Denotes broken check sequence.



September 25, 2018

To: Board of Directors

From: General Manager

Subject: San Gabriel County Water District Mainline Replacement Phase 4

Each year, during budget planning, the District's mainlines are evaluated based on age and location for purposes of replacement. We would like to replace 802 feet on Pine St, between Roses Rd. and Santa Ynez Ln. This section of street is to be paved in November 2018, this is a 4" cast iron main that was installed in 1950. The District sent out bids proposals on September 13, 2018 and were due back on September 21, 2018 at 12 pm. The Contractors below were given bid packages. Bids were opened at the District office on September 21, 2018 at 12:10 pm. Present for the bid opening were James Prior, Casey Feilen, and Anthony Agobian.


Brkich Const	\$138,532.00
Doty Bros	\$134,794.00
Frajjo Bros Inc.	\$203,460.00

Recommendation:

It is staff's recommendation that we choose Doty Brothers Construction to install the San Gabriel County Water District Mainline Replacement Phase 4 Project.



September 25, 2018

To: The Board of Directors
From: General Manager 
Subject: 2018 Audit

Every year after the close of our fiscal year, December 31, an audit is performed by an independent Certified Public Accountant. Over the past years, the offices of Egan & Egan have been retained as the District's auditors.

Egan & Egan are familiar with the District's operation and activities, work well with staff, are efficient and conduct a very thorough audit.

Audit and preparation of the Controllers Report will not exceed \$9,500 and are based upon their knowledge of the District's activities, prior water District audits, District practices and the nature of the assistance to be provided by the District's staff.

Recommendation:

Direct General Manager to retain Egan & Egan to perform the 2018 audit of the District's Financial Statements by signing the Acceptance of Engagement for Services.



September 25, 2018

To: Board of Directors
From: General Manager ✓
Time: Time Value Investment

Last year the Board approved to invest in CD's with Time Value Investment. One of the CD's is maturing so I would like to recommend to the Board to re-invest the maturing CD into a 2-year Wells Fargo CD. In speaking with our investment agent, he felt this would be the best option for the District. Attached are other options for the Board to consider.

Thank you

Jim Prior

From: Peter Becker <Peter.Becker@timevalueinv.com>
Sent: Tuesday, September 18, 2018 9:11 AM
To: 'jim@sgcwg.com'
Subject: Updated CD Rates for Board

Good morning, Jim,

Here are some updated CD rates for next week's Board meeting. I look forward to following up with you on the 27th.

3 YEAR:

Identifier	Description	Mdy's/S&P /Fitch Ins (Underlying)
05580APC2	BMW Bk North Amer Salt Lake 3%21, Survivor Option, Semi Cpn Restricted: OH, FDIC#35141	FIS Rating (1-5): 1.96
254673TV8	Discover Bk CD 3%21, Survivor Option, Semi Cpn, FDIC#5649	FIS Rating (1-5): 2.42
795450W43	Sallie Mae Bk Sit Lake City UT CD 3%21, Survivor Option, Semi Cpn Restricted: OH, TX, FDIC#58177	FIS Rating (1-5): 2.06

2 ½ YEAR:

Identifier	Description	Mdy's/S&P /Fitch Ins (Underlying)
05580APB4	BMW Bk North Amer Salt Lake CD 2.9%21, Survivor Option, Semi Cpn Restricted: OH, FDIC#35141	FIS Rating (1-5): 1.96
300185HG3	Evergreen Bk Group III 2.85%21, Survivor Option, Mnthly Cpn, FDIC#35230	FIS Rating (1-5): 1.91
33749VBA5	First Westn Bk & Tr MN CD 2.8%21, Survivor Option, Mnthly Cpn, FDIC#19123	FIS Rating (1-5): 2.80

2 YEAR:

Identifier	Description	Mdy's/S&P /Fitch Ins (Underlying)
949763UB0	Wells Fargo Bank Natl Assn CD 2.9% ²⁰ , Survivor Option, Mnthly Cpn, FDIC#3511	FIS Rating (1-5): 2.80
61747M6K2	Morgan Stanley Bk N A Utah CD 2.85% ²⁰ , Survivor Option, Semi Cpn, FDIC#32992	FIS Rating (1-5): 1.58
61760AQF9	Morgan Stanley Pvt Bk Purchase CD 2.85% ²⁰ , Survivor Option, Semi Cpn, FDIC#34221	FIS Rating (1-5): 1.99
05584CFG6	Bny Mellon NA Instl Ctf Dep 2.8% ²⁰ , Survivor Option, Semi Cpn, FDIC#7946	FIS Rating (1-5): 2.39

Thanks,

Peter

Peter Becker | Vice President

Time Value Investments, Inc. | 9725 3rd Ave NE, Suite 610 | Seattle, WA 98115

Direct: 206-365-3003 | Toll Free: 877-707-7787 | Fax: 206-417-6000 | www.timevalueinv.com



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RESOLUTION NO. 09-18-502

A RESOLUTION OF THE BOARD OF DIRECTORS
OF SAN GABRIEL COUNTY WATER DISTRICT
ORDERING AN ELECTION NOT BE HELD FOR
SAN GABRIEL COUNTY WATER DISTRICT AND REQUEST
THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES IMMEDIATELY APPOINT CHARLES DELATORRE,
ERIC CHAN AND SABINO CICI NOMINATED
FOR THE OFFICE OF MEMBER, BOARD OF DIRECTORS FOR A FULL TERM
ENDING DECEMBER 02, 2022.

WHEREAS, only one person has been nominated for each office of member of the Board to be filled for the San Gabriel County Water District;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF SAN GABRIEL COUNTY WATER DISTRICT HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS:

1. That, pursuant to the requirement of California Elections Code Section 10515, an Election not be held for members of the San Gabriel County Water District; and
2. That the Board of Supervisors of the County of Los Angeles is hereby requested to immediately appoint the persons nominated to fill the San Gabriel County Water District Board member positions.
3. That the Secretary is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the Registrar-Recorder/County Clerk of the County of Los Angeles.

PASSED, APPROVED, AND ADOPTED THIS 25TH DAY OF SEPTEMBER, 2018.

President

ATTEST:

Secretary



Los Angeles County Registrar-Recorder/County Clerk

DEAN C. LOGAN
Registrar-Recorder/County Clerk

RECEIVED

September 14, 2018

SEP 20 2018

Mr. James Prior, General Manager
San Gabriel County Water District
8366 Grand Avenue
Rosemead, California 91770

SAN GABRIEL
COUNTY WATER DISTRICT

Dear Mr. Prior:

This is to inform you that for the election scheduled, to be held in your District on November 6, 2018, only three persons have been nominated for the three offices of Director, for the full term ending December 2, 2022.

Attached is a copy of the certificate pursuant to Section 10515 stating that no election will be held, but that the Board of Supervisors will appoint the persons nominated to such office.

Please call Laticia McCorkle, Assistant Division Manager of the Election Information and Preparation Division at (562) 462-2691 or Maria Lopez at (562) 462-3056 if you have any questions.

Sincerely,

DEAN C. LOGAN
Registrar- Recorder/County Clerk

LATICIA MCCORKLE, Assistant Division Manager
Election Information and Preparation Division

Enclosure

J:2018ElectionFiles.SpecialDistCert.Nov.2018

I, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, do hereby certify that, at the close of nominations, only three persons were nominated for the three offices of Director for the

SAN GABRIEL COUNTY WATER DISTRICT

for the full term ending December 2, 2022, namely:

CHARLES NICHOLAS DELATORRE

SABINO CICI

ERIC L. CHAN

Pursuant to Section 10515 of the Elections Code, there being only three candidates nominated for the three offices to be filled, and no petition having been filed, the election scheduled for the 6th day of November, 2018 shall not be held. The Board of Supervisors, therefore, shall at a regular or special meeting held prior to November 26, 2018 appoint to the office of Director, the persons nominated. Such persons shall take office and serve exactly as if elected at a general district election.

Dated this 14th day of September, 2018.



Dean C. Logan

DEAN C. LOGAN
Registrar-Recorder/County Clerk
County of Los Angeles

REVENUE AND EXPENDITURE DISTRIBUTION

Calendar Year 2018

Month of August

Projected YTD Percent - 66%

Description	Budget	Receipts and Expenditures For The Month	Total Year to Date	Balance	YTD %
Total Revenue	8,412,054	874,978	6,406,268	2,005,786	76%
Production	1,788,934	572,501	1,202,751	586,183	67%
Transmission & Distribution	566,772	31,880	292,598	274,174	52%
Customer Service	342,960	24,483	201,526	141,434	59%
General & Administrative	3,449,290	274,813	2,333,364	1,115,926	68%
GASB 45	420,000	0	420,000	0	100%
Total Operational Expense	6,567,956	903,677	4,450,238	2,117,718	68%
Revenue Total	8,412,054	874,978	6,406,268	2,005,786	76%
Less Operational Expense	6,567,956	903,677	4,450,238	2,117,718	68%
Gain/Loss	1,844,098	(28,699)	1,956,030	(111,932)	106%
Capital Expenditures	2,085,500	18,378	760,566	1,324,934	36%
		(47,077)	1,195,463		
		Use of Funds			
Fund Balance Start of Month		10,183,518			
Add Back Depreciation		95,113			
Overall Gain/Loss		(47,077)			
Total		10,231,554			



Water Levels as of August 31, 2018

Listed below are the water levels in the Baldwin Park Key Well and Wells owned and operated by San Gabriel County Water District.

The Baldwin Park Key Well is located in the central portion of the San Gabriel Valley within the City of Baldwin Park and is used by the Main San Gabriel Basin Watermaster to monitor changes in the groundwater supply for the Basin. Each vertical foot is equivalent to about 8,000 acre-feet of groundwater in the Main Basin. The Key Well elevation is measured at sea level.

	<u>AUGUST 2017</u>	<u>AUGUST 2018</u>
Baldwin Park Key Well	177.4	173.8

Reservoir Storage in the San Gabriel Canyon:

Cogswell Reservoir	11,136 acre-feet
San Gabriel Reservoir	43,646 acre-feet
Morris Reservoir	<u>28,696 acre-feet</u>
Total Storage Capacity	83,478 acre-feet

As of August 20, 2018 combined storage was 22,552 acre-feet (27 percent of capacity)

San Gabriel County Water District

Listed below are water levels measured at static and pumping and also pump depth.

	<u>2017</u>	<u>2017</u>	<u>2018</u>	<u>2018</u>	
	STATIC	PUMPING	STATIC	PUMPING	PUMP DEPTH
<u>Raymond Basin</u>					
Well #16	242.5	NM	273	374	423
<u>Main San Gabriel Basin</u>					
Well #9	NM	435.5	NM	394	462
Well #11	222	offline	249	NM	460
Well #12	236.5	258.5	238.5	263	360
Well #14	209.5	283	208	292.5	360
Well #15	395	431	392	432	660