

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

April 26, 2022

4:00 P.M.

AGENDA

Call to Order

1. Pledge of Allegiance

2. Roll Call

| | |
|---------------------------|-------|
| Director Taylor | _____ |
| Director DeLaTorre | _____ |
| Director Cammarano | _____ |
| Director Chan | _____ |
| Director Saucedo | _____ |

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 April 12, 2022

Motion:
Second:
Action:

6. List of Demands on the General Account

a. Revolving/Payroll Account Reimbursement

Motion:
Second:
Action:

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7. District Counsel

8. Action Items

a. Consider Adoption of Resolution No. 4-26-519

Motion:

Second:

Action:

b. Consideration and Action on American Tower Lease

Motion:

Second:

Action:

9. Miscellaneous Information Items

a. Receive and File: March 2022 Banking & Investment 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 APRIL 12, 2022**

- CALL TO ORDER** A regular meeting of the Board of Directors of the San Gabriel County Water District was called to order on Tuesday, April 12, 2022 at 8366 Grand Avenue, Rosemead, California at the hour of 4:00 p.m.
- ROLL CALL** Present at the District office were General Manager Jim Prior, Casey Feilen, Carmen Corona, Directors Taylor, Cammarano, DeLaTorre, Chan, Saucedo and District Counsel Koczanowicz.
- AGENDA** Upon motion by Director DeLaTorre and seconded by Director Saucedo, the Board adopted the agenda as presented on a 5 – 0 vote.
- PUBLIC COMMENT** No members of the public were present, no comments were received.
- MINUTES** Upon motion by Director Chan and seconded by Director Saucedo, the Board unanimously voted to approve the minutes for the meeting of the Board of Directors held on March 22, 2022, with one minor correction on item 8c.
- DEMANDS** Director DeLaTorre motioned to authorize payment from General Account in the amount of \$572,947.44 (Check #s 21893-21944) and electronic funds transfer from the general account to the revolving account in the amount of \$101,713.81(Check #s 12753-12793). The motion was seconded by Director Chan. Staff responded to questions from the Directors regarding various entries including tree removal at Well 8, the following voided checks (12410,12415,12423,12468,12724 & 12863), cost of concrete slab for the office building and payments of usa’s account. Motion passed on a 5-0 vote.
- DISTRICT COUNSEL REPORT** District Counsel reported that the transition to the new law firm Aleshire & Wynder LLP has been smooth and that Christine Carson from the firm will be assisting in handling of legal matters.
- ACTION ITEMS** **8 a. Consideration of Time Value Investment changes**
Director Cammarano moved to approve the staff recommendation to move investments into new CDs, seconded by Director DeLaTorre. Board inquiries regarding three year vs. four year terms and number of CDs were answered by staff. Motion to approve passed 5-0.
- MISC INFORMATION** **Water Well Report.** Board received Water Well Report. Director Taylor commented that all Wells were down a little bit. Board discussed the historical trends for water volumes.

**GENERAL
MANAGER
REPORT**

General Manager reported that MWD will be invoicing the District for the feasibility study for a connection, which was a positive step forward to getting the study on its way. He reported that he will be meeting with the City of San Gabriel regarding Governor's new executive orders for drought emergency and potential development limitations resulting therefrom. General Manager reported that staff is evaluating a switch from AT&T to T-Mobile in order to save District approximately \$1,000 per month. He also reported that the new modular building will be delivered shortly, that the pipe for the Gerona project may be delayed in delivery and that District received another Lease amendment proposal from American Tower. Board asked some questions and directed staff to agendize the item for action at the next meeting. Lastly General Manager reported that Board will be considering an amendment to adopt new Water Shortage Contingency plan at the next meeting.

**FUTURE
AGENDA
ITEMS**

Administrative Code Amendment for Water Contingency Plan and American Tower request for lease amendment

**DIRECTOR
COMMENTS**

Director Chan inquired about the health of the staff and stated that he will attend ACWA conference in Sacramento. Director Taylor inquired about possibility of going to the Delta tour; Director Cammarano informed everyone that Sally Baldwin, wife of a former Director passed away with services scheduled for May 23, 2022 at 2:00 pm at the Church of our Savior and she requested that the meeting be adjourned in her memory. She also informed everyone that Kiwanis will hold a pancake breakfast on April 16, 2022 at Smith park and that the San Gabriel Women's Foundation will have a Soup and Salad lunch on April 21st, 2022 at Grapevine Park .

ADJOURNMENT

Upon motion by Director Taylor, seconded by Director Cammarano the Board voted unanimously to adjourn the meeting at 4:47 p.m. in memory of Sally Baldwin.

President

Secretary

[SEAL]

EFT-From the General Account for the Revolving Reimbursement

| | Date Paid | Amount Paid |
|--------------------|---------------------------------------|---------------------|
| Director's Payroll | 4/12/2022 | \$ 353.55 |
| Payroll | 4/13/2022 | \$ 72,211.05 |
| | Total Amount to be Reimbursed: | \$ 72,564.60 |

RESOLUTION NO. 4-26-519

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
SAN GABRIEL COUNTY WATER DISTRICT
AMENDING RESOLUTION NO. 1-93-288 (ADMINISTRATIVE CODE)**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SAN GABRIEL
COUNTY WATER DISTRICT, as follows:**

1. Scope and Purpose.

This resolution amends the San Gabriel County Water District's Administrative Code (Resolution No. 1-93-288) to amend Article 11. Water Conservation Part 3 to reflect updated policies regarding water supply shortages and rules regarding corresponding mandatory levels of conservation.

2. Amendment.

Article 11. WATER CONSERVATION PART 3 of the Administrative code is hereby amended to read in its entirety as follows:

“ Part 3. DECLARATION OF WATER SUPPLY SHORTAGE BY THE BOARD OF DIRECTORS

**11.301 WATER SUPPLY SHORTAGE LEVEL 1
(Mandatory up to 10% Reduction of Water Use)**

When the Board of Directors declares a Water Supply Shortage Level 1, due to drought, a water supply shortage, or a threatened water shortage exists, up to a 10% reduction in water will be required to lower the overall water demand. Percentages will be determined by action of the Board of Directors. The District shall notify all users of District drinking water by mail that the following conservation rules are to be implemented immediately:

- (a) There shall be no washing down of sidewalks, walkways, buildings, walls, patios, driveways, parking areas or other surfaces except to eliminate dangerous conditions or to eliminate a public health and/or a safety hazard.
- (b) The washing of any motor vehicle(s) or equipment shall be done only with a hand-held nozzle that shuts off, or may be done at a carwash that uses recycled water.
- (c) No water shall be used to clean, fill or maintain levels in decorative fountains, ponds, lakes or other similar structures of aesthetic value unless such water is part of a recirculating water system.

- (d) No filling, draining or refilling of pools or spas of any kind. Adding makeup water to swimming pools or spas due to evaporation is permitted.
- (e) No public place where food is sold shall serve drinking water to any customer unless specifically requested by said customer.
- (f) All water users shall promptly repair all leaks from indoor and outdoor plumbing and fixtures within seventy-two (72) hours after written notification by SGCWD unless arrangements are made with SGCWD.
- (g) All watering outdoors for the purposes of irrigating landscape, lawns, etc., shall be limited to no more than two (2) days per week. Watering days shall be as follows: addresses ending in even numbers shall water on Monday and Thursday and addresses ending in odd numbers shall water on Tuesday and Friday between the hours of 6:00 p.m. and 8:00 a.m.
- (h) No water users shall cause or allow irrigation water to run off landscaped areas into or onto adjoining sidewalks, streets or other paved areas due to incorrectly directed or improperly maintained sprinklers, or excessive watering.
- (i) Application of potable water to outdoor landscapes during and within 48 hours after measurable rainfall is prohibited.
- (j) Hotel and motels must provide guests with the option of not having towels and linens laundered daily, and shall post a notice stating so in each guestroom in clear and understandable language.
- (k) Irrigation with potable water of ornamental turf on public street medians is prohibited.

11.302

WATER SUPPLY SHORTAGE LEVEL 2 (Mandatory up to 20% Reduction of Water Use)

When the Board of Directors declares Water Supply Shortage Level 2, due to drought, a water supply shortage, or a threatened water shortage exists, up to a 20% reduction in water will be required to lower the overall water demand. Percentages will be determined by action of the Board of Directors. The District shall notify all users of District drinking water by mail that 20% reduction is necessary through application of the Rules in 11.301.

11.303

WATER SUPPLY SHORTAGE LEVEL 3 (Mandatory up to 30% Reduction of Water Use)

When the Board of Directors Water Supply Shortage Level 3, due to drought, a water supply shortage, or a threatened water shortage exists, up to a 30% reduction in water will be required to lower the overall water demand. Percentages will be determined by action of the Board of Directors. The District shall notify all users of District drinking water by mail that the following rules are to be implemented in addition to the rules under

11.301 for Stage 1 and 2 immediately, and wherever rules are similar, the stricter of the two shall take precedence:

- (a) The District shall impose a moratorium on all new water connections within the District boundaries.
- (b) Landscape or other outdoor watering and irrigation shall be limited to one (1) day per week. Watering days shall be as follows: addresses ending in even numbers shall water on Monday; addresses ending in odd numbers shall water on Tuesday. All watering shall be prohibited between the hours of 6:00 p.m. and 8:00 a.m.
- (c) There shall be no washing of cars or motor vehicles of any kind.
- (d) The District will not allow construction water to be sold for the purposes of dust control.
- (e) Water from fire hydrants shall be used only for firefighting and public welfare activities.
- (f) Flushing of water mains will not be permitted except as necessary to protect the public health.

**11.304 WATER SUPPLY SHORTAGE LEVEL 4
(Mandatory up to 40% Reduction of Water Use)**

When the Board of Directors declares Water Supply Shortage Level 4, due to drought, a water supply shortage, or a threatened water shortage exists, up to a 40% reduction in water will be required to lower the overall water demand. Percentages will be determined by action of the Board of Directors. The District shall notify all users of District drinking water by mail that the declared reduction of water is required through stricter application of the rules under 11.301 and 11.303 immediately.

**11.305 WATER SUPPLY EMERGENCY LEVEL 5
(Mandatory up to 50% Reduction of Water Use)**

When the Board of Directors declares Water Supply Shortage Level 5, due to drought, a water supply shortage, or a threatened water shortage exists, up to a 50% reduction in water will be required to lower the overall water demand. Percentages will be determined by action of the Board of Directors. The District shall notify all users of District drinking water by mail that the declared reduction of water is required consistent with the rules under 11.301 and 11.303 immediately.

**11.306 WATER SUPPLY EMERGENCY LEVEL 6
(Mandatory Over 50% Reduction of Water Use)**

When the Board of Directors declares Water Supply Shortage Level 6, due to drought, a water supply shortage, or a threatened water shortage exists, over 50% reduction in water will be required to lower the overall water demand. Percentages will be determined by action of the Board of

Directors. The District shall notify all users of District drinking water by mail that the declared reduction of water is required consistent with the rules under 11.301 and 11.303 immediately.

3. Other.

Except as provided herein, Resolution No. 1-93-288(Administrative Code) is hereby reaffirmed and readopted.

PASSED, APPROVED AND ADOPTED on _____, 2022.

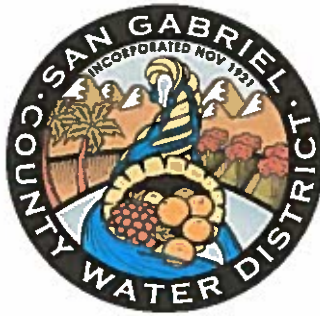
AYES:
NOES:
ABSTAIN:
ABSENT:

President, San Gabriel County Water District

ATTEST:

Secretary, San Gabriel County Water District

[SEAL]



April 26, 2022

To: Board of Directors
From: General Manager
Subject: American Tower

On March 28, 2022, American Tower sent the District a letter requesting to amend their lease at 8366 Grand Ave. They cite that business consolidations are affecting the tower industry and that greater operating cost have come under scrutiny. They listed two options that they say could improve long term security for the tower site.

Option 1:

Rent change from \$1,983.75 per month to \$1,583.75 per month upon full execution of the lease.

Rent reduction from 15% to 10% per term

Add limited language for a Right of Refusal and Non-compete.

Add 10% revenue share for future non-affiliated co-locaters after an initial tenant is secured.

One-time signing bonus of \$5,000.00

Option 2:

Convert the lease to a perpetual easement with ATC

This would allow a SGCWD to receive a lump sum payment of \$95,000 in lieu of rent payments.

Recommendation:

It is staff's recommendation to disregard this offer and have American Tower honor the existing lease.



AMERICAN TOWER®



**TOWER
ALLIANCE®**

March 28, 2022

San Gabriel Water District
8366 Grand Avenue
Rosemead, CA 91770-1128

Subject: American Tower Site #: 274325 / Site Name: San Gabriel Water Dist. Grand Yard CA

Dear Martin,

Tower Alliance has been engaged by American Towers LLC (together with its affiliates and subsidiaries, "American Tower") to discuss with you the need to amend the lease for the Tower Site. The goal of this discussion is to identify alternatives to the current arrangement and determine how we can work together to strengthen the position of the Tower Site.

Recent Industry Developments: In the past, wireless carriers primarily focused on rapidly building out their networks to provide the best coverage and were less focused on operating costs. Currently, while consumers are enjoying greater services and better coverage, operating costs have come under greater scrutiny. Business consolidations such as the T-Mobile-Sprint merger are also affecting the tower industry as carriers continue to streamline their operations. Below are two options that can improve the long-term security of the Tower Site:

Option 1:

- Rent Change from \$1,983.75 per month to \$1,583.75 per month upon full execution of a lease amendment
- Rent Escalation Adjustment from 15% per term to 10% per term effective on 5/2025
- Add Limited Language for a Right of First Refusal and Non-Compete
- Add 10% Revenue Share for Future Non-Affiliated Co-Locators after an Initial Tenant is Secured
- One-Time Signing Bonus of \$5,000.00

Option 2:

- Convert your lease to a Perpetual Easement with ATC
- This would allow you to receive a lump sum payment of \$95,000 in lieu of your rent payments

I look forward to talking with you in the coming days, after you've had an opportunity to review this letter. If you have questions, please feel free to reach out to me at my contact information listed below.

Sincerely,

Susan Swatek-Buege

Lease Consultant, Tower Alliance LLC, on behalf of American Tower
1200 N. Federal Highway, Suite 325
Boca Raton, FL 33432
Office: (866) 272-9313
Fax: (866) 236-1216
sbuege@TowerAllianceLLC.com

This Letter is not intended to create any legally binding obligations on the part of you or American Tower, or any of their respective affiliates, and no such obligations will exist unless and until a definitive agreement with respect to a transaction is executed and delivered by the parties or their affiliates in their sole discretion, and then only as and to the extent provided in such definitive agreement.

****PLEASE NOTE:**** All proposals are good for a limited time and for discussion purposes only. The parties will not be bound in any respect and with regard to any proposal until and unless a written agreement is signed by all applicable parties. Further, all proposals are contingent upon: 1) American Tower's confirmation, review and approval, in its sole discretion, of a title report and, if necessary, a land survey of the property, and 2) final approval and authorization by American Tower's Executive Team. Nothing contained herein shall be construed as, or deemed to create, an agency, joint venture, or partnership relationship between American Tower and Tower Alliance.



**SAN GABRIEL COUNTY WATER DISTRICT
BANKING & INVESTMENT REPORT
March 2022**

| | |
|---|---------------|
| Cash & Investments | |
| LAIF Investment | \$ 15,268,464 |
| <i>LAIF Interest Rate</i> | 0.365% |
| Time-Value Investment | \$ 1,216,479 |
| Citizens Bank - General | \$ 3,828,113 |
| Citizens Bank - Revolving | \$ 98,286 |
| Citizens-Bank - Safety Lunches | \$ 26,761 |
| Xpress Bill Pay Holding (Online) | \$ 30,302 |
| Citizens Bank - General/Revolving & Other | \$ 3,983,463 |

**I hereby certify that the forgoing is true and correct and in accordance with the District's Investment Policy.*

Date: 4/26/2022



 Treasurer

| | <u>Mar-21</u> | <u>YTD Mar-21</u> | <u>Mar-22</u> | <u>YTD Mar-22</u> |
|----------------------------|---------------------|-----------------------|---------------------------------|-----------------------|
| Cash Receipts | \$ 955,608 | \$ 2,608,432 | \$ 1,111,750 | \$ 2,674,110 |
| Disbursements | \$ 1,228,118 | \$ 2,553,252 | \$ 513,265 | \$ 1,715,161 |
| Water Sales | \$ 668,974 | \$ 2,081,525 | \$ 725,634 | \$ 2,176,595 |
| <i>Water Payments</i> | 843,971 | | | |
| <i>A/R Payments</i> | 282,667 | | <i>Meter Charges</i> \$ 274,220 | |
| <i>LAIF Interest</i> | - | | <i>Water Charges</i> \$ 451,414 | |
| <i>Time Value Interest</i> | (14,496) | | <i>Total Billed</i> \$ 725,634 | |
| <i>Safety Lunches</i> | (392) | | | |
| | <u>\$ 1,111,750</u> | | | |