

MINUTES OF A BOARD WORKSHOP

March 13, 2012 at 4:00 P.M.

Directors Present:

Bruce Granlund, Vice President
Ian Cuthbertson, Director
Lonni Granlund, Director
Hank Wochholz, Director

Staff Present:

Joseph Zoba, General Manager
Jack Nelson, Assistant General Manager
Vicky Elisalda, Controller
John Hull, Public Works Manager
Brent Anton, Engineering Project Integrator
Bob Wall, Operations Manager

Directors Absent:

Jay Bogh, President

Consulting Staff Present:

David Wysocki, Legal Counsel

Registered Guests and Others Present:

Ben Hernandez, IBEW Employee Representative
Ryan Janisch, IBEW Employee Representative
Luis Abrego, IBEW Employee Representative
Kelly Foster, IBEW
Richard Siegmund, Customer
Bill Brown, Customer
John Jeter, San Gorgonio Pass Water Agency
Barbara Voight, San Gorgonio Pass Water Agency

The items listed below were presented for discussion.

- I. Call to Order - 4:00 p.m.
- II. Public Comments - General Manager Joseph Zoba recognized the members of the Board of Directors, District staff and members of the public in attendance. There were no public comments from the individuals in attendance at the meeting.
- III. Staff Comments
 - General Manager Joseph Zoba distributed copies of the Santa Ana Watershed Project Authority Brineline Market Analysis dated August 2009. This item will be discussed at the next board workshop.
 - General Manager Joseph Zoba discussed the operations at the Wochholz Regional Water Recycling Facility and the Yucaipa Valley Regional Water Filtration Facility.
 - General Manager Joseph Zoba provided an overview of the proposed rate increases by the Metropolitan Water District of Southern California and the Rubidoux Community Services District.
- IV. Presentations
 - A. American Water Works Association Report - Buried No Longer: Confronting America's Water Infrastructure Challenge [Workshop Memorandum No. 12-050] - General Manager Joseph Zoba provided an overview of the report released by

the American Water Works Association and additional commentary by Charles Fishman.

- B. Regional Implementation of Maximum Benefit Commitments for the Beaumont Management Zone [Workshop Memorandum No. 12-051] - General Manager Joseph Zoba provided an overview of the multi-party maximum benefit commitments associated with the Beaumont Management Zone.
- V. Operational Issues
- A. Appurtenance Evaluation of Modular Backflow Assemblies [Workshop Memorandum No. 12-052] - Public Works Manager John Hull provided an overview of the plastic backflow devices that will be installed throughout the District's service area to deter the thefts of the metal devices currently used.
- VI. Development Issues
- A. Development Agreement for Tract No. 13375 Located on Oak Glen Road Approximately 1,500 Feet East of Fremont Street, Yucaipa [Workshop Memorandum No. 12-053] - Mr. Richard Siegmund expressed his appreciation for the time prior to the meeting to meet with District staff and Legal Counsel David Wysocki. He also indicated his acceptance of the proposed development agreement language with respect to easements and payment bonds.
- VII. Capital Improvement Projects
- A. Status Report on the Construction of the Yucaipa Valley Regional Brineline [Workshop Memorandum No. 12-054] - Engineering Manager Brent Anton provided a detailed status report on the construction of the Yucaipa Valley Regional Brineline Project.
 - B. Status Report on the Construction of the R-10 Recycled Water Reservoir and Booster Complex [Workshop Memorandum No. 12-055] - Engineering Manager Brent Anton provided an overview of the R-10 Reservoir Project. The project is now under construction at the westerly end of County Line Road.
 - C. Status Report on the Construction of the Crow Street Pipeline Facilities [Workshop Memorandum No. 12-056] - Engineering Manager Brent Anton provided an overview of the Crow Street Pipeline Project. This project is expected to begin in Spring/Summer 2012.
 - D. Status Report on the Construction of the Recycled Water Booster Facility at the Reservoir R-12.1 Complex [Workshop Memorandum No. 12-057] - Engineering Manager Brent Anton provided an overview of the Recycled Water Booster Facility. This project is now out to bid.
 - E. Status Report on the Construction of the Wochholz Improved Salinity Effluent (WISE) Project [Workshop Memorandum No. 12-058] - General Manager Joseph Zoba provided an overview of the WISE project.
 - F. Status Report on the Construction of the Crafton Hills Reservoir Expansion Project by the Department of Water Resources [Workshop Memorandum No. 12-059] - General Manager Joseph Zoba provided an overview of the Crafton Hills Reservoir Expansion Project.
- VIII. Administrative Issues
- A. Unaudited Financial Report for the Period Ending February 29, 2012 [Workshop Memorandum No. 12-060] - Controller Vicky Elisalda provided an overview of the unaudited financial report.

- B. Renewal of Medical Insurance [Workshop Memorandum No. 12-061] - Assistant General Manager Jack Nelson provided an overview of the medical insurance information received by the District. Ms. Kelly Foster provided comments regarding medical insurance as a bargaining item.
- IX. Director Comments - There were no comments from the board members.
- X. Closed Session
 - A. Conference with Real Property negotiator(s) (Government Code 54956.8)
Property: Assessor's Parcel Number: 301-201-29
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Palmer General Corporation
Under Negotiation: Terms of Payment and Price
 - B. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: IBEW Local Union 14356 - YVWD Employees Association
 - C. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Supervisor Bargaining Unit
 - D. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Confidential Employee Bargaining Unit
 - E. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Exempt Employee Bargaining Unit

A closed session conference was not conducted.
- XI. Adjournment - The meeting was adjourned at 5:35 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(SEAL)