

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE PICO WATER DISTRICT

A Regular meeting of the Board of Directors of the Pico Water District was held in the District's Boardroom located at 4843 South Church Street, Pico Rivera, California, on Wednesday, October 21, 2020, 6:04 p.m.

The District's Secretary/General Manager, Mr. Mark J. Grajeda proceeded with the roll call of the attending Board members. Present from the beginning of the meeting were President David R. Gonzales, while Director Robert A. Martinez, Director Barbara K. Rapisarda, Director Victor Caballero, and Vice President Lara appeared telephonically, in adherence to social distancing and Mr. Jim Ciampa, Legal Counsel for the District appeared electronically. Ms. Renee Graves and Ms. Daphne Liu of Clifton Larson Allen and Mr. Adan Ortega, Executive Director of California Association of Mutual Water Companies appeared electronically.

President Gonzales presided over the meeting and Director Rapisarda led everyone in the Pledge of Allegiance.

Vice President Lara gave the invocation.

President Gonzales inquired if there were any public comments. There were none.

President Gonzales proceeded to the adoption of the Agenda. Director Rapisarda made the motion to adopt the Agenda and Vice President Lara seconded the motion. The General Manager announced the motion passed by roll-call vote, 5 – 0.

President Gonzales proceeded to the approval of the Consent Calendar. Director Caballero made the motion to approve and Vice President Lara seconded the motion. The General Manager announced the motion passed by roll-call vote, 5 – 0.

President Gonzales proceeded to the next item on the Agenda, consider setting a budget to complete the 2020 Urban Water Management Plan. The General Manager reviewed the Urban Water Manager Plan requirements from the State of California with the Board. Staff recommends a budget of \$38,000 to cover costs associated with bidding the job and performing the task. Director Caballero made the motion to approve a budget of \$38,000 to complete the 2020 Urban Water Management Plan and Vice President Lara seconded the motion. The General Manager announced that the motion passed by a roll-call vote, 5 – 0.

President Gonzales proceeded to the next item on the Agenda, consider declaring three emergency diesel generators as surplus equipment. The General Manager reviewed the staff report with the Board indicating that these generators are out of compliance with the Air Quality Control Board and cannot be sold in California. Staff is recommending that Units 71, 72 and 73 be declared surplus and allow staff to dispose of. Director Caballero made the motion to declare the property as surplus and Director Rapisarda seconded the motion. The General Manager announced that the motion passed by a roll-call vote, 5 – 0.

President Gonzales proceeded to the next item on the Agenda, consider the 2019 Audit Report performed by Clifton Larson Allen LLP (CLA). The General Manager introduced Ms. Renee Graves and Ms. Daphne Liu from CLA. Ms. Liu reviewed with the Board the scope of the engagement and the performance of the audit of the December 2019 Financial Statement, evaluation of the presentation of the supplemental information, issuance of opinion on the financial statement and supplemental information. She also reviewed the timeline in performing the audit, testing of processes, and risk assessment. Ms. Graves reviewed with the Board their clean, unmodified opinion on the financial statements, indicating they comply with Government Accounting Standards and they are fairly stated. Director Martinez made the motion to approve the 2019 Financial Statement Audit and Vice President Lara seconded the motion. The General Manager announced the motion passed by a roll call vote of 4 – 0.

President Gonzales proceeded to the next item on the Agenda, consider renewing membership in the Community Water Systems Alliance (“CWSA”). The General Manager introduced Mr. Adan Ortega, with CWSA, who informed the Board of their involvement in legislative issues, growth of its memberships, and upcoming water related issues. Director Caballero made the motion to renew membership with the Community Water Systems Alliance and Director Rapisarda seconded the motion. The General Manager announced that the motion passed by roll call vote of 5 – 0.

President Gonzales proceeded to the next item on the Agenda, consider revisions to Resolution 200-R, Directors Travel and Expense Policy. Director Rapisarda proposed that due to the Covid-19 climate that the Board consider reducing Directors annual conference expense from \$4200 per year to \$2100 per year. Director Rapisarda also mentioned that Director Martinez believes room costs should be raised from \$200.00 to \$250.00 per night as these costs have increased. After a brief discussion Director Rapisarda made a motion to reduce Director annual conference expense from \$4200 to \$2100 and due to a lack of a second the motion died. Director Martinez then made a substitute to motion to reduce Directors annual conference expense from \$4200 to \$2100, and increase lodging from \$200 per night to \$250 per night. Director Rapisarda seconded the motion. The General Manager announced that the motion failed to pass with a roll call vote of 2-2-1, with Director Caballero and President Gonzales voting “no” and Vice President Lara abstaining.

President Gonzales proceeded to the next item on the Agenda, General Manager’s report. Well 11 continues to perform very well and staff continues to utilize it as the District’s main well; AKM Consulting Engineers has completed the draft layout of the PFAS/PFOA treatment facilities for Wells 5, 8, and 11; The General Manager participated in a WRD Budget Advisory Committee meeting that reviewed 15 applications that were received to request treatment financing that was in excess of the \$30M budgeted by WRD; Riverside Construction, the contractor on the Durfee Avenue Grade Separation Project, has removed asphalt on Stephens Street where we currently have old 4” line. As the District still has some funds remaining from I Bank the District may want to consider using that money to replace that line utilizing Riverside Construction to perform the work; finally, staff is looking to hold a Special Board Meeting on Monday, October 26, 2020 to review and consider the water rate increase for a second time. The General Manager also announced that Leticia Vasquez has resigned as the President of Central Basin Municipal Water District.

President Gonzales proceeded to the next item on the Agenda, Legal Counsel report. There was none.

President Gonzales proceeded to the next item on the Agenda, Director's request for future agenda items. There were none.

President Gonzales proceeded to the next item on the Agenda, Director report on meetings attended. There were none.

President Gonzales proceeded to the next item on the Agenda, Director comments. Director Rapisarda commented that conferences were very critical and important for members to stay abreast on political and governmental issues facing agencies. She stated that she has applied for and received scholarships for travel expenses to conferences and has paid out of her pocket as well. She also stated that she would like to see the acknowledgement for the scholarship recipients in the paper while it is still fresh. Director Martinez inquired if there was any outline for Congresswoman Linda Sanchez' State of the Nation update.

There being no updates to pending and anticipated litigation Closed Session was cancelled.

There being no further business to come before the Board, the Board meeting adjourned at 7:33 p.m.



David R. Gonzales, President

Attest:



Mark J. Grajeda, Secretary

(Seal)

