ACTION SUMMARY MINUTES
BOARD OF DIRECTORS MEETING
MALAGA COUNTY WATER DISTRICT
3580 SOUTH FRANK STREET
FRESNO, CALIFORNIA 93725
THURSDAY, DECEMBER 21, 2006, 7:00 P.M.

1. **CALL TO ORDER:** Meeting called to order by President Garabedian at 7:00 p.m.

2. **ROLL CALL:**

Directors Present: President Charles Garabedian, Jr., Director Irma Castaneda, Director Salvador Cerrillo, Director Frank Soto

Directors Absent: Vice President Leyva

Others Present: Russ Holcomb, Richard Hargrove, Miguel Alvarez, Randy Nickel, Michael Taylor and Clara Miranda

2A. **Election of Board Officers:** Nominations opened for the election of new Officers for 2007. Director Soto recommended that the officers remain as is; and, all Board members present, were in agreement.

Nomination for President: Charles E. Garabedian, Jr.
Nomination for Vice President: John R. Leyva

SCGC(L) **MOTION BY DIRECTOR SOTO, SECONDED BY DIRECTOR CERRILLO, AND BY A 4-0 VOTE, APPROVED RETAINING CHARLES GARABEDIAN JR. & JOHN LEYVA AS PRESIDENT & VICE PRESIDENT RESPECTIVELY**

3. **CERTIFICATION:**

Certification was made that the agenda was posted 72 hours before the meeting

4. **PUBLIC COMMUNICATIONS:**

Any member of the public may address the Malaga County Water District Board on any item(s) of interest within the jurisdiction of the Board, not appearing on the Agenda. The Board will listen to all communications, however in compliance with the Brown Act; the Board cannot take action on items that are not on the agenda. Public may also address the Board on agenda items at the time they are addressed by the Board. Anyone wishing to speak is requested to wait until recognized by the Board President.

No public comments were made.

5. **RANDY NICKEL:** District Accountant – Annual Audit Report & Memo of Engagement was presented for review, discussion and action

Vice President Leyva arrived at the hour of 7:09 p.m.

5. **RANDY NICKEL CONTINUED:** District Accountant – Annual Audit Report & Memo of Engagement was presented for review, discussion and action

5A. **Annual Audit Report for Fiscal Year 2005/2006:**
Lengthy discussion followed on the annual audit for fiscal year 2005/2006. Discussion then followed on the independent contractors as Mr. Nickel stated there are enough funds for the positions to be put on a part-time basis and the District should also have them work in the water department for funding purposes.

CSGLC **MOTION BY DIRECTOR CERRILLO, SECONDED BY DIRECTOR SOTO, AND BY A 5-0 VOTE, APPROVED THE FISCAL AUDIT FOR 2005-2006, AS PRESENTED**

5B. **Memo of Engagement:** Contracted District CPA/Accounting & Auditing Services for Fiscal Year 2006/2007, with a fee for services of $9,950. Brief discussion followed on the recommendation to approve the Memo of Engagement for services as mentioned above for Fiscal Year 2006/2007.

LCGCS **MOTION BY VICE PRESIDENT LEYVA, SECONDED BY DIRECTOR CERRILLO, AND BY A 5-0 VOTE, APPROVED THE MEMO OF ENGAGEMENT FOR AUDITING SERVICES FOR FISCAL YEAR 2006/07 FOR $9,950**

6. **ENGINEER'S REPORT:**

6A. **CAPITAL IMPROVEMENT PROJECTS:**

1. **Well 7 Standby Power (CDBG):** Design is proceeding. Anticipated advertisement and construction early in 2007. Brief discussion followed. This was an informational item, therefore no action was required.

2. **Well 1 & 6 Improvements (CDBG):** Design is proceeding. Anticipated advertisement and construction early in 2007. This was an informational item, therefore, no action was required.

3. **Wastewater Treatment Plant DAF (CDBG):** Design is proceeding. Anticipated advertising and construction early in 2007. This was an informational item; therefore, no action was required.

4. **Wastewater Treatment Plant Sludge Beds (CDBG):** Pending Contract from the County. County has also requested that the District perform the Environmental to expedite the process. Waiting for County to initiate the contract. This was an informational item, therefore, no action was required.

5. **North Avenue Water Line:** Design is complete. Pending County approval. Anticipated advertisement will be in January 2007. This will be an agenda item for the next meeting. This was an informational item, therefore, no action was required.

6. **ENGINEER'S REPORT CONTINUED:**

6B. **SMALL COMMUNITY GRANT:**

UV Disinfection Project: The report of Waste Discharge was completed and submitted to the RWQCB. Mr. Taylor reported the request has been submitted to the Regional Board and we are awaiting their response. This was an informational item; therefore, no action was required.

6C. **BUDGET STATUS:**

A brief report will be submitted under separate cover addressing status of activities relative to the budget of District Funds. Mr. Taylor gave a suggestion on the on-going items and reported on several other items. Vice President Leyva asked regarding the significant dischargers. Mr. Taylor stated an updated determination of the recommended minimum sewer charges has been put together for the significant dischargers and presented to the Board members for review. This was an informational item; therefore, no action was required at this time.

6D. **MISCELLANEOUS DEVELOPMENT:**

Chooljian (APN 331-120-03) Minnewawa Avenue: The District received a request to estimate requirements (fees, improvements, etc.) for the potential annexation of APN 331-120-03 (40 acre parcel south of Well 7 along Minnewawa). Staff forwarded a response with an estimate of District Annexation fees, estimated cost of deferred improvements, and procedures that would be required. This was an informational item; therefore, no action was required.

7. **CORRESPONDENCE:**

7A. **Operation Smile:** Thank you Letter for the $1,000 contribution made to Operation Smile presented by Chris Lopes through the proceeds obtained from the Car Show during Fiesta Days, September 9-10, 2006.

7B. **State Water Resources Control Board:** Grant Agreement to Implement Measures to Reduce Effluent Electro-Conductivity. Planning Grant was eligible for funding under the SWRCB. Brief discussion held.

8. **CONSENT AGENDA:**

8A. **MINUTES:**
Minutes of the Regular Board Meeting of November 28, 2006

8B. **BILL PAYABLE/FINANCIAL STATEMENT:**
Period of November 1 thru November 30, 2006.

CSGLC **MOTION BY DIRECTOR CERRILLO, SECONDED BY DIRECTOR SOTO, AND BY A 5-0 VOTE, APPROVED THE CONSENT AGENDA AS PRESENTED**

9. **REGULAR BUSINESS:**

9A. **Basis Chemical Solutions, LLC – Product and Equipment Agreement:** Consider changing chemical product providers, maintaining current containers. Manager's recommendation was to approve changing chemical product supplier, at a cost savings to the District.

9B. **G & K Services:** Consider changing uniform and other products provider. The Manager's recommendation was to approve changing uniforms, and other products provider, at a cost savings to the District.

SCGLC **MOTION BY DIRECTOR SOTO, SECONDED BY DIRECTOR CERRILLO, AND BY A 5-0 VOTE, APPROVED CHANGING TO BASIS CHEMICAL SOLUTIONS AND G & K SERVICES AS RECOMMENDED**

9C. **Travel Expense Policy – Per Diem Meals:** A Proposed Policy to be adopted by the Board was presented for approval. A brief discussion followed.

CSGLC **MOTION BY DIRECTOR CERRILLO, SECONDED BY DIRECTOR SOTO, AND BY A 5-0 VOTE, APPROVED THE TRAVEL EXPENSE POLICY ON PER DIEM MEALS AS PRESENTED**

10. **RECREATION REPORT:**

No Recreation Report for this meeting

11. **GENERAL MANAGER'S REPORT:**

11A. **District Updates:** Manager reported on the following items.

1. **Additional (3) Softile Squares Installation:** Installed and completed on 12/05/06
2. **Corner Clean-Up:** Corner of Chestnut & Calvin was cleaned-up on 12/01/06

11B. **Other:**

1. **Christmas Parade Winners 12/09/06:**
   1st Place: Trophy – Little Santa on Motorcycle – Soto Family
   2nd Place: Trophy – Malaga Boy Scouts – Johnny Hernandez
   3rd Place: Trophy – Santa on District Float – (Santa Only)

   Brief discussion followed on the Christmas Parade.

2. **Christmas Home Decorating Contest Winners 12/16/06:**
   1st Place: $500 – Guadalupe Hernandez Family – 3561 South Frank Street
   2nd Place: $400 – Armando Blancas Family – 3639 South Frank Street
   3rd Place: $300 – Delia Leyva Family – 3649 South Frank Street
   4th Place: $200 – Jonathan Sepeda Family – 3738 South Harding Street

3. **New Years Eve Dance Flyer 12/31/06:** A flyer was presented for this event. A brief discussion followed. Director Soto asked if there was any information on fireworks for New Year's or the 4th of July. Manager responded: Not for this event; but, will obtain information and report back to the Board for the 4th of July. Brief discussion held.

12. **PRESIDENT'S REPORT:**

President Garabedian gave a brief report on the Conference as at the Conference it was reported that Provost & Pritchard was rated the #1 engineering firm to work in the Westcoast and number 4 overall. Michael Taylor stated it is number 4 overall in the nation, number 1 nationwide midsize. President Garabedian reported the trip to Sacramento was cancelled. Brief discussion followed.

13. **DIRECTOR'S REPORT(S):**

Director Cerrillo thanked everyone on behalf of the Cerrillo's for all the help and support. This Saturday, volunteers will be needed at the Church to put together some Christmas Baskets that will distributed throughout Malaga. This will be called Santa's Sleigh in memory of Maria Cerrillo.

14. **LEGAL COUNSEL'S REPORT:**

Legal Counsel reported the month of January is the month where the statewide associations start reviewing the legislation and sometime in January-February, he will have update information on various items that relate to district business.

Chairman Garabedian reported on the Rural Roads Program for the County that has federal funds for improvement of county roads. Chairman Garabedian also reported on the California Transportation Commission and COG. Brief discussion followed.

Discussion followed on the District maps. Mr. Taylor stated that he is waiting for some updated information from LAFCO on the boundaries so new maps can be made. The current District maps are about 10 years old and need to be updated.

Manager reported on the For Your Information Items that included:

1. Michael Taylor's item on a proposed rate increase for the Significant Discharges
2. Caltrans meeting has been postponed to January 4th
3. Support letter requested for reappointing Mr. Daggett for the State Water Resources Control Board
4. Copy of Award Certificate for finishing 2nd Place Fresno's Sesquicentennial Parade
5. List of places to be visited during the Sacramento trip
6. Stats Report from the Sheriff's Department from November 13th to December 12th
7. The Roundup for Thursday, December 14th regarding political news.

   No action taken or needed on these items.

15. **CLOSED SESSION:** Board went to Closed Session at the hour of 8:20 p.m. and came out of Closed Session at 8:41 p.m.
No Reportable Action was taken by the Board during Closed Session.

16. **ADJOURNMENT:** Meeting adjourned at the hour of 8:42 p.m.