

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF THE MONTE VISTA WATER DISTRICT**

January 23, 2019

DIRECTORS PRESENT:

Sandra Rose, President
G. Michael Milhiser, Vice President
Manny Martinez, Director/Auditor
Tony Lopez, Director

DIRECTORS ABSENT:

Phil Erwin, Director

STAFF PRESENT:

Mark N. Kinsey, General Manager
Andrew Gagen, Legal Counsel
Stephanie Reimer, Finance and IT Manager
Van Jew, Director of Engineering, Operations & Maintenance
Leah Nazaroff, Accountant
Kelley Donaldson, Community Affairs Manager
Gabby Garcia, Executive Assistant

OTHERS IN ATTENDANCE:

Todd Robins, Attorney at Robins & Borghei Law

CALL TO ORDER

President Rose called the meeting to order at 6:30 p.m.

FLAG SALUTE

Director Lopez led those assembled in the Flag Salute

PUBLIC COMMENT/OPEN FORUM

None

AGENDA CHANGES/ADDITIONS

None

ITEM 1: CLOSED SESSION

President Rose convened to Closed Session for the purpose of:

A. Conference with Legal Counsel – Existing Litigation (GC §54956.9[a])

Case Number CIVDS 1800720, Monte Vista Water District & City of Chino v. The Dow Chemical Company; DOW Agrosciences, LLC; Shell Oil Company

President Rose reconvened to the Open Meeting at 7:10 p.m. and stated that no reportable action was taken on item A and we will reconvene to Closed Session immediately following Open Meeting.

RECONVENED TO OPEN MEETING

ITEM 2: CONSENT CALENDAR

A. Upon motion by Director Lopez seconded by President Rose and unanimously carried:

M19-01-08

MOVED: Approval of Consent Calendar:

- A. Meeting minutes of January 9, 2019
- B. Approved Committee Assignments and Appointments for the coming 2-year period

ITEM 3: DISCUSSION AND/OR ACTION ITEMS

A. California Employer's Retiree Benefit Trust (CERBT) Program

Accountant Leah Nazaroff provided a graphical presentation to the Board on the benefits of prefunding the District's Annuitant Healthcare Benefit Program through an IRC Section 115 trust with CalPers - California Employer's Retiree Benefit Trust (CERBT). The District's Annuitant Healthcare Benefit Program available to retirees of the District results in a long-term financial liability for the District and is referred to as the District's Other Post-Employment Benefits (OPEB) cost, or OPEB liability. Ms. Nazaroff said that currently, eleven retirees are participating in the District's Annuitant Healthcare Benefit Program. Current payments to the annuitants are included in the District's annual operating budget, often referred to as the pay-go method. In addition, the District contributes annually to the Retiree Medical Reserve in an effort to prefund the District's program liability. Ms. Nazaroff provided additional details of the CERBT program. She said that there are three investment strategy options available through the program to meet and/or reduce the long-term obligation. This additional income along with annual contributions to the trust would allow the District to fund its OPEB liability sooner. Ms. Nazaroff said that through CERBT, the District has the opportunity to prefund its OPEB liability with investment management expertise, (GASB) compliant financial reporting support and simple administrative procedures at the lowest total cost. Discussion ensued during the presentation.

Upon motion by Director Martinez seconded by Vice President Milhiser and unanimously carried:

M19-01-09

MOVED: Approved to:

1. Authorize the Board President to enter into the CERBT Agreement;
2. Authorize the Board President to approve the Delegation of Authority to Request Disbursements Resolution; and
3. Authorize the General Manager to complete the Certification of OPEB Funding Policy and GASB OPEB Standards reporting compliance; and
4. Authorize the initial contribution to CERBT in the amount equal to the Retiree Medical Reserve balance.

B. Resolution 741-19: Commending Martin E. Zvirbulis for 20 years of service to the Cucamonga Valley Water District

General Manager Kinsey said that Mr. Martin Zvirbulis served 20 years with Cucamonga Valley Water District and has dedicated the last three decades to civil and water resources engineering and water utility management. The District would like to recognize Mr. Zvirbulis for his dedicated and distinguished service to Cucamonga Valley Water District, a resolution of commendation has been prepared for the Board's consideration. Discussion ensued.

Upon motion by President Rose seconded by Director Martinez and unanimously carried:

M19-01-10

MOVED: The Board Authorized:

1. Adoption of Resolution 741-19: Commending Martin E. Zvirbulis for 20 years of dedicated and distinguished service to Cucamonga Valley Water District.

Vice President Milhiser	aye
Director Erwin	absent
Madam President Rose	aye
Director Lopez	aye
Director Martinez	aye

C. Resolution 742-19: Commending Richard W. Hansen for his years of service to Three Valleys Municipal Water District

General Manager Kinsey said that after serving more than 40 years with Three Valleys Municipal Water District, General Manager Richard W. Hansen is retiring. The District would like to recognize Mr. Hansen for his dedicated and distinguished service to Three Valleys Water District, a resolution of commendation has been prepared for the Board's consideration. Discussion ensued.

Upon motion by President Rose seconded by Director Lopez and unanimously carried:

M19-01-11

MOVED: The Board Authorized:

2. Adoption of Resolution 742-19: Commending Richard W. Hansen for serving more than 40 years of dedicated and distinguished service to Three Valleys Municipal Water District.

Vice President Milhiser	aye
Director Erwin	absent
Madam President Rose	aye
Director Lopez	aye
Director Martinez	aye

ITEM 4: GENERAL MANAGER COMMENTS

General Manager Kinsey briefed the Board on issues and activities of the past two weeks.

ITEM 5: BOARD COMMITTEE REPORTS

None.

ITEM 6: BOARD COMMENTS (*Reports on Conferences/Meetings Attended at District Expense*)

Vice President Milhiser commented on Ontario-Montclair School District and recommended we facilitate our District for events.

President Rose will be not be in attendance at the February 13, 2019 Board meeting. She said Assemblymember Freddie Rodriguez sent a congratulatory note to the District on receiving their Transparency Certificate of Excellence Award and she sent out an email to the Board on the upcoming webinar to interested Board members on Roberts Rules of Order on February 19, 2019.

Director Lopez commented on his attendance at the Chamber Leadership Breakfast and the ribbon cutting ceremony of La Bufadora Restaurant in Montclair.

RECONVENED TO CLOSED SESSION

ITEM 7: CLOSED SESSION

President Rose recessed the meeting to closed session at 7:40 p.m. to discuss:

B. Conference with Legal Counsel – Existing Litigation (GC §54956.9[a])

Case Number RCV 51010: CBMWD v. City of Chino et al.

C. Conference with Real Property Negotiations (GC§54956.8)

Real Property: Northwest corner of Monte Vista Avenue and Palo Verde Street
Parcel No. 1009-142-01

MVWD Negotiators: Mark Kinsey

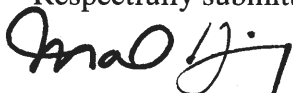
Negotiating Parties: San Bernardino County Transportation Authority

Under Negotiation: Terms and Conditions

President Rose reconvened the meeting into open session at 8:05 p.m. and stated that no reportable action was taken on items B or C.

There being no further business, President Rose adjourned tonight's meeting at 8:05 p.m.

Respectfully submitted,



Mark N. Kinsey
General Manager/Secretary