

**DIVISION 1**  
*Patrick O'Dowd*  
*Director*

**DIVISION 2**  
*Anthony Bianco*  
*Director*

**DIVISION 3**  
*John Powell*  
*President*

**DIVISION 4**  
*Peter G. Nelson*  
*Director*

**DIVISION 5**  
*Castulo Estrada*  
*Vice President*



**CVWD's Coachella**  
**Office Forbes**  
**Auditorium**

51-501 Tyler Street  
Coachella

[www.cvwd.org](http://www.cvwd.org)

**OFFICIAL MINUTES**  
**REGULAR MEETING OF THE**  
**COACHELLA VALLEY**  
**WATER DISTRICT**  
**BOARD OF DIRECTORS**

**January 22, 2019**

**1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**

President John Powell called the regular meeting of the Board of Directors of the Coachella Valley Water District to order at 8:00 a.m., Tuesday, January 22, 2019, at the office of the District in Coachella, California. President Powell led the Pledge of Allegiance.

**2. ROLL CALL**

*Present:* President John P. Powell, Jr.  
Vice President Cástulo R. Estrada **arrived at 8:49AM**  
Director Anthony Bianco  
Director G. Patrick O'Dowd  
Director Peter Nelson

*Absent:* None

*Staff Present:* Jim Barrett, General Manager  
Jeff Ferre, Counsel  
Sylvia Bermudez, Clerk of the Board

**3. ADDITIONS/DELETIONS/ADJUSTMENTS TO THE AGENDA**

In accordance with the section 54954.2 of the Government Code additions to the agenda require a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, which makes the determination that there is a need to take action, and the need to take action arose after the posting of the Agenda.

- A. No items removed or continued from the Agenda
- B. No emergency items added to the Agenda
- C. No changes to the order of the Agenda

**4. PUBLIC COMMENT**

No public comment received.

**5. APPROVAL OF THE CONSENT CALENDAR**

On a motion by Director O'Dowd, second by Director Bianco, the Board approved the Consent Calendar.

**Approved by the following vote:**

**AYES:** Powell, Bianco, O'Dowd, Nelson

**NOES:** None

**ABSENT:** Estrada

**Motion Passed: 4-0**

- A. Approved minutes of the January 8, 2019 regular meeting of the Coachella Valley Water District Board of Directors.
- B. Accepted and filed General Manager's Report of Activities during the month of December 2018.
- C. Accepted and filed General Manager's Report of Authorizations, Executions, and Acceptances of Documents during the month of December 2018.
- D. Accepted and filed Secretary's Report of Written Instruments Accepted and Recorded during the month of December 2018.
- E. Approved and authorized implementation of the FY 2019-2020 Schedule for Levying Replenishment Assessment Charges for the Water Supply and Replenishment Assessment Programs.

**6. DISCUSSION OF ITEMS PULLED FROM CONSENT CALENDAR**

No items pulled for discussion.

**7. INFORMATIONAL REPORTS**

- A. Written Communications – on file  
At the request of President Powell, Scott Burritt, Customer Service Manager provided an update on the written communications.
- B. Informational Reports to the Board
  - i Capital Improvement Funding Plan, presentation by Teri Vorster, Budget and Grants Manager and Tyler Old of PFM.

**8. ACTION ITEMS**

- A. Discussion of the Sites Project Authority Phase 2 Reservoir Project Agreement and authorization of expenditure of \$650,000 for 2019 to fund CVWD's requested project share of 10,000 af.  
Following a presentation by Robert Cheng, Assistant General Manager, the Board discussed the Sites Project Authority Phase 2 Reservoir Project Agreement.

On a motion by Director Nelson, second by Director O'Dowd, the Board approved the following actions:

- authorized the General Manager to negotiate and execute the Sites Project Authority Phase 2 Reservoir Project Agreement
- approved the expenditure of \$650,000 for 2019 to fund CVWD's requested project share of 10,000 af.

**Approved by the following vote:**

**AYES:** Powell, Estrada, Bianco, O'Dowd, Nelson

**NOES:** None

**ABSENT:** None

**Motion Passed: 5-0**

- B. Approve Resolution authorizing the submission of an application to the California Infrastructure and Economic Development Bank (IBank) for financing domestic water capital improvement projects, in an amount not to exceed \$20,300,000 and use proceeds to reimburse the Domestic Water Fund for expenses occurring within 60 days of this date.

Following a presentation by Teri Vorster, Budget and Grants Manager, the Board discussed a resolution authorizing the submission of an application to the California Infrastructure and Economic Development Bank (IBank) for financing domestic water capital improvement projects.

On a motion by Director Nelson, second by Director Bianco, the Board approved Resolution No. 2019-02, authorizing the submission of an application to the California Infrastructure and Economic Development Bank (IBank) for financing domestic water capital improvement projects, in an amount not to exceed \$20,300,000 and authorized use of proceeds to reimburse the Domestic Water Fund for expense occurring within 60 days of this date.

**Approved by the following vote:**

**AYES:** Powell, Estrada, Bianco, O'Dowd, Nelson

**NOES:** None

**ABSENT:** None

**Motion Passed: 5-0**

**9. BOARD COMMENTS AND REPORTS**

- A. Board Member General Comments

- No comments received from the Board.

- B. Meetings and Conference Reports

- i January 9, 2019 Colorado River Board Meeting (Director Nelson)
- ii January 10, 2019 through January 11, 2019 National Water Resources Association (NWRA) Leadership Forum (Director O'Dowd)

- iii January 10, 2019 Coachella Valley Conservation Commission (CVCC) Meeting and Tour (Director Bianco)
- iv January 10, 2019 Energy and Environmental Resources Committee Meeting (Director Bianco) **\*\* did not attend**
- v January 10, 2019 Desert Valleys Builders Association Board Meeting (Director Powell)
- vi January 15, 2019 Disadvantaged Communities Infrastructure Task Force Meeting (Directors Powell and Estrada)
- vii January 16, 2019 Association of California Water Agencies (ACWA) Safe Drinking Water Funding Working Group Meeting (Director O'Dowd)
- viii January 17, 2019 ACWA Federal Affairs Committee Meeting (Director O'Dowd)
- ix January 17, 2019 Meeting regarding San Diego County Water Authority's request to participate in DCP Discussions (Director Nelson)

C. Approval of per diem for meetings reported

On a motion by Director Nelson, second by Director O'Dowd, the Board approved per diem for meetings reported.

**Approved by the following vote:**

**AYES:** Powell, Estrada, Bianco, O'Dowd, Nelson

**NOES:** None

**ABSENT:** None

**Motion Passed: 5-0**

**10. STAFF REPORTS**

- A. General Manager –no report
- B. Counsel – no report
- C. Departments – no report(s)

**11. CLOSED SESSION AGENDA**

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION- Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code Section 54956.9 - Receipt of Claim: Claimant – Kreig & Gabrielle Hester
- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Government Code Section 54956.8 - Property is described as and involves approximately 50 properties, within the following bounded area: Avenue 67 on the north, Harrison Street in the east, Avenue 86 on the south, and Van Buren Street on the west - Agency *Negotiator:* David Wilson, Engineer Manager - *Negotiating Party:* Multiple parties - Under negotiation: Price and terms of payment

- C. CONFERENCE WITH LABOR NEGOTIATORS - Pursuant to Government Code Section 54957.6 - Agency negotiator: Jay Trinnaman, Robert Cheng and Fran Neilon - Employees' organization: Association of Supervisory Support Evaluation Team (ASSET)
- D. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - Government Code section 54956.9 (d) (1) - Name of case: Mission Springs Water District v. Desert Water Agency and Coachella Valley Water District, Case No. PSC 1600676
- E. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION - Significant exposure to, and initiation of, litigation pursuant to paragraphs (2) and (4) of subdivision (d) of Government Code Section 54956.9  
Two (2) potential cases
- F. PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957 - Title: General Manager
- G. PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957 - Title: General Counsel
- H. CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Government Code Section 54956.8 - Property is described as APN No's: 691-070-015; 750-310-017; 750-310-009; 691-070-016; 691-070-017; 607-240-031 - Agency Negotiator: Carrie Oliphant, Assistant Director of Engineering; Negotiating Party: Multiple parties; Under negotiation: Price and terms of payment

## 12. RECONVENE

- A. Report out of Closed Session  
President Powell convened the meeting back into Open Session. For item 12A, Counsel Jeff Ferre reported on a motion by Director O'Dowd, second by Director Nelson, the board voted 5-0 to deny in part, the claim presented by Kreig & Gabrielle Hester and directed staff to send appropriate notice(s) and communications. For Items 12 (B), (C), (D), (E) and (H), there was no reportable action. For Item 12 (D), Director Estrada recused himself out of an abundance of caution and to avoid even the appearance of a conflict and since this matter was discussed in closed session, no further details are reported. For Item 12 (B), Directors Nelson and Bianco recused themselves under the previously disclosed conflict of financial interests in the Oasis Project, which is the subject of the potential real property transactions. Items 12 (F) and (G) were not discussed.

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## 13. OTHER BUSINESS

Directors Bianco and Nelson recused themselves, prior to discussion of this item due to the previously disclosed conflict of financial interests in

the Oasis Project and whereby President Powell was re-qualified to participate under that previous action for recusal and requalification.

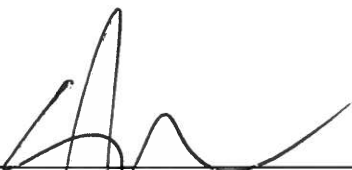
A. Discussion of proposed mechanism for revenue and cost sharing for Oasis.

Following a presentation by Thomas Rice, Financial Analyst, the Board discussed the proposed mechanism for revenue and cost sharing for Oasis.

Direction was provided to staff to return with further information and options. Since this was an informational item, no action was taken


**14. ADJOURNMENT**

There being no further business to discuss, President Powell adjourned the regular meeting of the Coachella Valley Water District Board of Directors at 1:17 PM. The next regular meeting is scheduled for 8:00 AM on Tuesday, February 12, 2019, in Palm Desert.



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Sylvia M. Bermudez, CMC  
Clerk of the Board  
Coachella Valley Water District



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John P. Powell, President  
Coachella Valley Water District

