

**MINUTES
BOARD OF DIRECTORS
SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
REGULAR MEETING
MONDAY, AUGUST 28, 2006
8:00 A.M.**

At 8:10 a.m. on August 28, 2006, the Board of Directors met in the Board Room of the District office at 549 East Sierra Madre Avenue, Azusa, California.

CALL TO ORDER:

President Reichenberger called the meeting to order.

ROLL CALL:

Directors Present: Leung, Love, Montano, Reichenberger, Sunada

Directors Absent: None

ALSO PRESENT:

Darin Kasamoto, General Manager; Dave Johnson, Assistant Manager; Linda Flowers-Armour, Administrative Assistant; Scott Navé, Attorney; Chet Anderson, Assistant Director of Water, City of Azusa.

PUBLIC COMMENTS ON NON AGENDA ITEMS

There were no public comments made.

CONSENT CALENDAR:

On motion of Director Leung, seconded by Director Love, and unanimously carried, the following items on the consent calendar were approved with a change to the Minutes and further reading thereof waived:

Minutes of the Regular Meeting of August 14, 2006

Disbursements of the Revolving Fund Check Nos. 9263 – 9268 dated August 17, 2006 in the amount of \$28,916.20

Disbursements of the General Fund Check Nos. 30186 – 30214 dated August 28, 2006 in the amount of \$228,732.79

ACTION ITEMS:

Ratify 2005-2006 Expense Reimbursement

The General Manager presented the annual travel expense over \$100 per AB 1542 for ratification and posting.

On motion of Director Leung, seconded by Director Montano, and unanimously carried, the 2005-2006 Expense Reimbursement recap over \$100 was ratified for 30-day posting.

Set 2006-2007 Property Tax Rates for State Water Project Costs – Resolution No. 8-2006-637

The General Manager recommended the tax rate for 2006-2007 remain at \$0.020000.

On motion of Director Sunada, seconded by Director Love, and unanimously carried, Resolution No. 8-2006-637 entitled, "A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT DETERMINING THE AMOUNT OF MONEY NECESSARY TO BE RAISED BY TAXATION FOR PAYMENT OF GENERAL OBLIGATION BONDS AND OTHER VOTER APPROVED INDEBTEDNESS FOR THE FISCAL YEAR 2006-2007 AND FIXING THE RATE OF TAX LEVIED (TAX CODE AREA 367.05 THROUGH 367.12) was adopted. Reference is hereby made to Resolution 8-2006-637 in the District's Resolution Book and by this reference the same is incorporated herein and made a part of as though fully set forth at length.

Approve SWC Independent Audit Association proposal for 2006-2007 Audit Services

The General Manager presented the annual audit agreement for approval. This independent audit paid for by the State Water Contractors reconciles the Department of Water Resources expenses.

On motion of Director Montano, seconded by Director Leung, and unanimously carried, approving the annual audit agreement with Ernest & Young.

Reinvest Treasury Bill that matures 9/21/06

The General Manager advised the \$5-Million Treasury Bill matures on September 21, 2006 and the 6-month rate is 5.15% versus LAIF rate of 4.91%.

On motion of Director Leung, seconded by Director Montano, and unanimously carried, to reinvest the \$5-Million for 6-months at 5.15%.

UNFINISHED BUSINESS

Report of the Attorney

There was nothing to report.

Report of the General Manager

The General Manager presented a recap on the latest version of Proposition 84 and advised that ACWA and the State Water Contractors, as well as Metropolitan Water District all support it.

Report of the Assistant Manager

The Assistant Manager advised there should be two power contracts to review in September.

DIRECTOR COMMENTS

Director Reichenberger noticed in the ACWA News they are looking for legislative initiatives and he would like to find an author for the NPDES permits regarding groundwater recharge.

Informational Items

- ACWA Board votes to support Proposition 84
- Lemieux August 15, 2006 letter "Water Rate Hearings: The Bighorn Decision"

ADJOURNMENT

There being no further business, upon motion made, seconded, and carried, the meeting was duly adjourned at 9:00 a.m. The next regular meeting of the Board will be on Monday, September 11, 2006, at 8:00 a.m. in the Board Room of the San Gabriel Valley Municipal Water District.

President

ATTEST:

Secretary