



**CAMWC Board of Directors Meeting  
Friday, April 24, 2015  
11:00 am–12:00 pm**

**Call-in Number: (712) 775-7031  
Access Code: 540-575-707#**

**Agenda**

11am:

- 1) Call to Order (Chairman Byerrum)
- 2) Roll Call
- 3) Approval of March 25, 2015 Meeting Minutes (*Attachment 1*)
- 4) Chairman's Report
- 5) Executive Director's Report
- 6) Budget Report (*Attached Separately*)
  - a. Review and Approval of Demand Sheet
  - b. Financial Statements
- 7) Legislative Committee Report (*Attachment 2*)
  - a. Update on AB 1077
  - b. Update on AB 656
  - c. SB 442
  - d. April 30<sup>th</sup> Meeting at the Governor's Office
  - e. Other Legislation
- 8) Membership Committee
  - a. For board discussion: Considerations for May 8<sup>th</sup> Workshop
- 9) Director's Comments
- 10) Quarterly Meeting – Friday, May 8<sup>th</sup> Location: Montebello Land & Water
- 11) Adjourn (12:00 pm)

## **2015 Board Roster**

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**California Association of Mutual Water Companies (CAMWC)**  
**Board of Directors Meeting Minutes**  
**March 25, 2015**

**Call to Order:** Jim Byerrum called the meeting to order at 11:02 a.m.

**Present:** Jim Byerrum, Dave Michalko, Lisa Yamashita-Lopez, Ken Bradbury, Ken Tchong, Dave Armstrong, Doug Nunneley, Ken Deck, Adan Ortega (Staff, Executive Director), Denise Peralta Gailey (Staff, Managing Director), Myra Evangelista (Staff), Andy Turner (Legal Counsel), Jim Ciampa (Legal Counsel – joined the meeting at approximately 11:15 a.m.).

**Absent:** No absences.

**Legislative Committee Report:** Chair Lisa Yamashita Lopez summarized the legislative committee's efforts on AB1077 and AB656 and asked Executive Director to review the roster of bills the Association is tracking and the positions the committee took on them individually. No further comments on this item.

**Approval of Minutes:** The January 20<sup>th</sup> board meeting minutes and demand sheet were unanimously approved by email vote on February 17<sup>th</sup> by the Board of Directors. Jim Byerrum noted that although the February 20<sup>th</sup> annual meeting minutes had been included in the board meeting packet, the minutes would have to be approved at next year's (2016) annual meeting by the membership.

**Organizational Matters:** General Counsel Andy Turner conducted the election of officers requesting nominations for President, Vice President, Secretary and Treasurer. By unanimous vote, Jim Byerrum was re-elected as President and Chairman of the Board. Lisa Yamashita-Lopez was elected Vice-President, Dave Michalko was elected Secretary and Ken Deck was elected Treasurer. Regarding the vacancy on the Board of Directors, President Jim Byerrum noted that the Board can choose to address this issue at a later time. Executive Director Adan Ortega urged the Board to consider diversity as an important factor. No further comments on this item.

**Website & Membership Update:** Development Manager Denise Peralta Gailey provided the Board with an update on membership and the website reporting that the newly-implemented news alerts have been a successful tool in recruiting new members. The Board then discussed how to address recent requests by affiliate members for a complete list of regular members including contact information. After discussions and input, the Board decided that such information should be made available to affiliate members via the website (through their own portal) but at a higher rate of \$500 per year. The regular membership form should also include the option for regular members to opt-out should they choose not to want to be contacted by outside companies. No further discussion on this item.

**Next Roundtable:** An inquiry was sent to Cindy Byerrum of Platinum Consulting Group to participate in the next roundtable and discuss financial management issues unique to mutual water companies. Location is to be determined. No further comments on this item.

**Next Board Meeting:** April 24<sup>th</sup> prior to the Roundtable Meeting.

**Adjourn:** Chairman Byerrum adjourned the meeting at 11:37 a.m.

## Attachment 2

TO: Board of Directors

FROM: Lisa Yamashita Lopez, Chair, Legislative Committee  
Adán Ortega, Jr., Executive Director

DATE: April 24, 2015

SUBJECT: Legislative Committee Report

**AB 656 (Garcia, Cristina):** Legislative Counsel's Analysis of the bill was made available on Tuesday, April 21<sup>st</sup> (one day prior to the hearing) and the analysis outlined concerns that led to the Committee Chair and Vice Chair's recommendations that the bill be amended to:

Option1: stipulate that any Mutuals JPIA is a public agency subject to the Brown Open Meetings Act *and* that any member of the JPIA ALSO become subject to the Brown Act;

Option 2: simply permit any mutual to combine with a public entity to create a JPA for insurance purposes.

In an attempt to find a more suitable alternative to the language, the Association responded with the following amendment:

*...for the purpose of reducing potential risk to liabilities. Any joint powers agency formed pursuant to this subdivision shall be a public entity and shall be subject to compliance with all provisions of the Ralph M. Brown Act, Government Code Sections 54950 et seq.*

In other words, the Association proposed an amendment that would require the JPIA to be subject to the Brown Act but *not* the mutual water companies that joined to form it.

The aforementioned amendment proposed by the Association were rejected by the Committee's Vice Chair, Asm. Lorena Gonzalez. In the interim, AB 656 which was scheduled to be heard on Wednesday, April 22<sup>nd</sup> has been postponed until next week (week of April 27<sup>th</sup>) while the Association, Asm. Garcia and her staff work with Vice Chair Asm. Gonzalez and the Local Government Committee to work through mutual satisfactory amendments.

**AB 1077 (Holden):** Mutual water companies: open meetings. General Counsel Ciampa, Vice President Yamashita-Lopez, Secretary Michalko, Former Director Hayward and Executive Director Ortega met with Assemblyman Holden and his staff in Sacramento to discuss the concerns posed by the bill. Most notably, (i) the issues that could arise with the lack of or dependable telephone/computer technology and (ii) the inability to confirm who, through the use of technology, would have access to board meetings. Assemblyman Holden agreed to make the use of technology a choice that a mutual water company may elect to use but not a requirement.

**SB 442 (Hall, Isadore):** Legislative Advocate Afrack Vargas identified SB 442, a spot bill, as a potential means for addressing concerns faced by mutual water companies. During a legislative committee call on April 24<sup>th</sup>, the committee discussed the possibility of utilizing the spot bill to address a concern faced by many mutuals in attempting to access grant/loan funding. The concerns, as outlined by General Counsel Ciampa, arise because mutual water companies who are considered tax exempt (501c12) by the federal government are not considered tax exempt by the state. The committee would like to propose utilizing SB 442 - or another spot bill - to address said concern. For the Board's consideration: increasing Vargas' scope of work to pursue said action.

**April 30<sup>th</sup> Meeting at the Governor's Office:** Strategic Considerations for Safe Drinking Water  
Focus: Mutual Water Companies.

**Additional General Goals:**

- Curtail erosion of small system non-compliance with SDWA
- Enhance ability to deploy existing State grants/loans

**Goals for Mutual Water Companies:**

- Build trust in State & County Governments
- Execute existing transparency requirements (AB54, AB240, AB1770\*) while creating new measures in line with consolidations and new JPA's
- Leverage existing physical assets to the legal extent possible (i.e. water rights, land)
- Limit additional burdens on the State as much as possible

**General Foundational Actions in 2015 & Potential Actions in 2016**

AB434 (E. Garcia) POU/POE Devices

2016 – Apply to multiple contaminants, “qualify” specific devices

SB386 (Hueso) Variances Hex Chrom

2016 – Use approach for multiple contaminants for small systems; specify remedies/technologies that are feasible only for small systems and apply “rolling” schedule for applied small system remedies based on OEHHA/SWRCB contaminant risk assessments and MCLs to provide cost predictability

Center for Community Projects (AB91/92)

2016 – Include reviewed/applied treatment technologies; create “smart applications” that simplify submission by specifying basic information required (i.e. financial statements, engineering assessments, demographic data) before applying AND guiding applicants through the application process to appropriate funding pools.

**Safe Drinking Water Plan (SWRCB)/ASDW Outline**

**2016 – Use as foundational document for “Strategic” Safe Drinking Water Plan that incorporates the foundational actions above and below.**

**Mutual Water Company Foundational Actions 2015**

AB656 (C. Garcia) – Permits mutual water companies to create JPAs with public agencies to provide insurance AND provide technical assistance to administrative, financial and operational reduce risks helping to drive down premiums while also helping to improve overall capacity.

2016 – Use the JPIA as a vehicle for data collection, and grant eligibility.

AB617 (Perea) – Allows mutual water companies to participate in JPA's in order to form a groundwater sustainability agency.

2016 – Encourage and help these JPA’s to address safe drinking water challenges in order to spread costs and leverage assets as the systems reduce water losses and improve value of property.

For the Board’s consideration: additional items/concerns to discuss during the meeting.