



CAMWC Board of Directors Meeting
Thursday, February 20, 2014
10:00 am– 11:00 am

via Conference Call
Call In: 1-559-546-1000
Passcode: 777492#

Agenda

10am:

- 1) Call to Order (Chairman Byerrum)
- 2) Roll Call
- 3) Approval of January 23, 2014 Minutes (*Attachment 1*)
- 4) 2014 Budget Report
 - a. Credit Card Processing Update
 - b. Demand Sheet (*Attachment 2*)
 - c. Proposal: Lagerlof, Senecal, Gosney & Kruse, LLP (LSGK) Retainer (*Attachment 3*)
- 5) Membership Update
 - a. New Members
 - b. Potential Members
 - c. Sponsors and Advertisers
- 6) Political Action Committee (PAC) Filing Update
- 7) Roundtable Meetings
 - a. March 7th Update
 - b. Potential June Events
- 8) Legislative Committee Report
 - a. Legislation (SB 848 Wolk, SB 731 Steinberg)
- 9) New Business
 - a. Other
- 10) Next Board Meeting
- 11) Adjourn (11am)

2014 Board Roster

Mr. Jim Byerrum, Chairman

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Ms. Lisa Yamashita-Lopez, Assistant Treasurer

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Mr. Flip Boerman, Director

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Mr. Adan Ortega, Executive Director

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**California Association of Mutual Water Companies (CAMWC)
Board of Directors Meeting Minutes
January 23, 2014 | Pasadena, CA**

Call to Order: Chairman Byerrum called the meeting to order at 10:02 am

Present: Jim Byerrum (Director, Chair), Dave Michalko (Director, Secretary), Blanche Vizzini (Director, Treasurer), Lisa Yamashita-Lopez (Director, Asst. Treasurer), Robert Hayward (Director), Ken Bradbury (Director), Flip Boerman (Director) via phone, Adan Ortega (Executive Director/staff), James Simonelli (Managing Director/staff), Denise Peralta (staff), Jose Herrera (staff), Jim Ciampa (legal counsel), Andy Turner (legal counsel), Myra Evangelista (guest)

Absent: none

Approval of Minutes: The December 13, 2013 minutes were unanimously approved, as submitted.

ByLaws: Discussion and Adoption: Chairman Byerrum reviewed the updated draft bylaws and noted the changes with the board. Legal counsel A. Turner and J. Ciampa commented that the bylaws met the state requirements for a non-profit mutual benefit corporation. A. Turner noted that he was working on a "briefing sheet" to help the board with commonly referenced parts of the bylaws. By unanimous vote, the board approved the bylaws.

Executive Director's Report: Executive Director Ortega briefed the board on several key issues including (a) January 15, 2013 hearing with the State Water Board to discuss the transfer of the Drinking Water Program from the Department of Public Health, (b) his work to sign-up new members and sponsors, (c) water bond update, and (d) Governor Brown's drought emergency declaration. Discussion ensued. The board accepted the report.

Membership Update: Executive Director Ortega and J. Herrera reviewed the updated list of potential members. Current correspondence was focused on Los Angeles and San Diego County. Ortega reviewed the "Regular Member" application. He noted that other membership categories (Associate, Affiliate, Individual) will be handled on a one-on-one basis rather than publishing a set rate. The board concurred. Ortega then shared the most recent "Sponsorship and Advertising" flyer. Director Hayward noted that he had several vendors that might be interested in sponsoring. Chairman Byerrum suggested that Hayward send them the form and then put them in contact with Ortega. Director Hayward commented that we should also consider a "Create Your Own Sponsorship" option for those vendors who might have a specific request. The board concurred and instructed staff to update the flyer. Finally, Ortega discussed with the board, sponsorship and advertising packages with pricing discounts. Discussion ensued. The board agreed with the proposal and accepted the update.

Quarterly Meeting: J. Simonelli briefed the board that he had secured Assemblymember Chris Holden (D-Pasadena) to speak at the March 7 CAWMC roundtable. The event will be held 9am-12pm at Sunny Slope Water Company. Director Ortega noted that Holden could potentially champion an issue or legislation for CalMutuals. A. Turner and J. Ciampa agreed to speak at the meeting on AB 240. J. Ciampa also offered to sponsor the meeting at \$1,000. The board accepted and thanked Turner and Ciampa. Director Hayward suggested that if a current member brought a potential member to the roundtable, that the potential member could be a free guest. The board agreed with this suggestion. Director Boerman noted that a future roundtable could be held near San Diego, but the timing was not right to hold one this quarter.

Web Site: J. Simonelli reviewed the updated web site and thanked Director Yamashita-Lopez for her help. Director Vizzini suggested adding more information on the "Members Only" log-in page to further promote joining the organization. The board agreed and directed staff to make the changes.

ATTACHMENT 1 (Continued)

Newsletter and Weekly Updates: Executive Director Ortega reviewed his most recent weekly e-mail update, and noted that the first CAMWC monthly newsletter will be disseminated on January 31. Director Michalko suggested that the newsletter be posted on the web site and used for marketing the organization. The board agreed and directed staff to post the newsletter.

Legislative Committee Report: Director Yamashita-Lopez reviewed the last meeting of the Legislative Committee, of which she is Chair. She disseminated a set of "Policy Principles" that were established by the committee. The board reviewed the Policy Principles and approved them as submitted. Finally, she reviewed the issue of non-storm water discharges with the group. Executive Director Ortega then reviewed some strategies on legislation and how mutual's can participate in the rulemaking process. The board accepted the report.

Budget Report: J. Simonelli disseminated the latest budget report. He acknowledged two new members: Sundale Mutual Water Co. and Webb Oak Mutual Water Co. He noted that Tract 349 (Cudahy) was invoiced for new membership—referred by J. Ciampa. Executive Director Ortega noted that the current budget included some expenses from December 2013, including the management contract fee that was approved at the last meeting. The board accepted the report.

Demand Sheet: J. Simonelli disseminated the "demand sheet" which included two items: (1) January 2014 management contract with Simonelli & Associates Inc. of \$8,250, and (2) invoices from law firm Lagerlof, Senecal, Gosney & Kruse LLP of \$13,128.75. The board unanimously approved the \$8,250. After discussion, the board decided that the legal fees were accrued during the creation of the organization and should not be paid out of the general fund but rather by the Charter Members as part of the AB 240 challenge. The board unanimously voted to pay the invoices totaling \$13,128.75 separately from the organization.

Creating a Political Action Committee (PAC): J. Simonelli reviewed the purpose of a PAC and steps for creating a PAC in the state of California. He noted that PAC funds must be held in a separate checking account, donations to the PAC are voluntary and not extracted from dues, that the CAMWC Board of Directors have complete oversight of the PAC, and that PAC activities are reported to the Secretary of State. After discussion, the Board instructed staff to open a PAC. Funding of the PAC will be discussed at the next board meeting.

New Business: The board discussed establishing partnerships with other water trade associations. The board also discussed goals for attracting new board members.

Next Board Meeting: The next board meeting will be held by conference call on February 20, 2014 at 10am.

Adjourn: Chairman Byerrum adjourned the meeting at 11:49 am.



Subject: Demand Sheet

The following items are payments are above \$500 and must be approved by the board before payment.

Recommended Action: Discussion and Board Approval

ITEM 1:

\$8,250 to Simonelli & Associates Inc. for February 2014 Management Fee (per contract)

ATTACHMENT 3

**RETAINER FEE PROPOSAL
CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES**

Lagerlof, Senecal, Gosney & Kruse, LLP (LSGK) proposes the following monthly retainer proposal for legal services to be provided to the California Association of Mutual Water Companies:

Proposed monthly retainer: \$750 (\$9,000 annually); non-retainer services shall be billed at usual rate for Association legal services (\$325 per hour)

Included in the retainer:

- ☐ attendance in person or by telephone in one board of directors meeting per month;
- ☐ attendance in person or by telephone at one committee meeting per month;
- ☐ attendance at Association quarterly roundtable or annual meetings;
- ☐ unlimited telephonic and e-mail communications with Association directors, management and staff regarding operational issues;
- ☐ preparation at LSGK's discretion of memoranda on subjects of interest to the Association and its members; and
- ☐ up to two (2) hours per month of reviewing, editing and revising Association correspondence where Association management or staff has prepared the initial draft.

Not included in the retainer:

- ☐ attendance in person or by telephone at more than one board of directors' meeting or more than one committee meeting in a month;
- ☐ preparation, or reviewing and revising, of Association policies and position papers;
- ☐ preparation of letters regarding policy or legislative matters (i.e., LSGK prepares the initial draft at the direction of Association management or staff); and
- ☐ time in excess of two (2) hours per month in reviewing and editing of Association correspondence where Association management or staff has prepared the initial draft.