



## CC Regular Meeting

# AGENDA ITEM REPORT

<b>Meeting:</b>	September 17, 2024
<b>Title:</b>	Covina Irrigating Company – Board of Directors Nominee Selection Process
<b>Presented by:</b>	Chris Marcarello, City Manager
<b>Recommendation:</b>	<ol style="list-style-type: none"><li>1. Nominate Covina Irrigating Company Board of Directors to Represent the City of Covina; and</li><li>2. Designate the City Manager or his appointee to represent the City at the Annual Shareholder's meeting on Thursday, October 24, 2024.</li></ol>

### BACKGROUND:

The City of Covina owns 4,219 shares of the Covina Irrigating Company (CIC) stock and the total shares of CIC amount to 10,000 shares. As a shareholder, the City derives the majority of its water from the CIC and as a major shareholder of CIC stock, the City may nominate and hold four seats on the CIC Board of Directors. Each year, CIC holds an annual meeting of shareholders to select its Board; this year the meeting will be held on October 24, 2024. At that meeting or by proxy vote beforehand the City needs to vote its shares for the nine (9) directors' seats.

The 2023-24 Board of Directors are currently comprised of four (4) Directors nominated by the City: Jorge Marquez, Lynda Noriega, Kevin Stapleton, and Michael Touhey. The remaining five (5) Directors are comprised of Andrew McIntyre, William McIntyre Jr., Steven Renders, Michael Quinn and Richard Rich.

### DISCUSSION:

The next annual meeting of shareholders to elect Directors to the CIC Board is slated for October 24, 2024, at 12:00 PM and will be held at the CIC offices. Prior to the annual meeting CIC staff asks the City if there will be any changes to their respective Directors so CIC can send out a correct version of the proxy document for printing, mailing, and voting.

The City Council has the authority to appoint individuals to a board or commission. Appointed members of boards and commissions serve at the pleasure of the City Council, pursuant to Government Code Section 36506. As such, there are several options for the City Council to consider:

1. Keep the existing City representatives on the CIC board.
2. Solicit applications from interested parties (including existing Directors) for the CIC Board of Directors. Applications must be submitted to the City Clerk's Office and provided to the City Council for consideration of an appointment.
3. City Council reviews applications and nominates Directors at its regular City Council on October 15, 2024 so the approved nominations may be transmitted to CIC staff and they may, in turn, produce materials necessary to conduct their election process.

As it relates to the election process, the City may vote for Directors in two ways; either by (1) submittal of a proxy ballot in advance of the meeting or (2) designating the City Manager or his appointee to represent the City at the Annual Shareholders meeting on October 24, 2024. The staff at CIC recommends that the proxy slips be

completed and returned prior to the shareholders meeting even if its representative intends to attend the meeting. This is to ensure the presence of a quorum and, in the event that the City's designated representative is unable to attend the actual meeting, the City's shares would be voted in the manner that the Council intends.

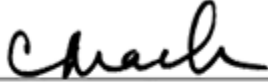
**FISCAL IMPACT:**

There is no fiscal impact in voting City's shares for the CIC Board of Directors.

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

Not applicable.

Respectfully submitted,



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Chris Marcarello  
City Manager