

MINUTES OF REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
WALNUT VALLEY WATER DISTRICT

February 22, 2022
MEETING CONDUCTED VIA WEBEX
AT:

<https://walnutvalley.webex.com/meet/bmeeting>

DIRECTORS PRESENT:

Kevin Hayakawa
Edwin Hilden
Scarlett Kwong
Theresa Lee
Jerry Tang

DIRECTORS ABSENT:

None

STAFF PRESENT:

Erik Hitchman, General Manager/Chief Engineer
Josh Byerrum, Director of Finance
Alanna Diaz, Director of Administrative Services
Lily Lopez, Director of External Affairs
Sherry Shaw, Director of Engineering & Planning
Tom Monk, Director of Operations
Carmen Fleming, Executive Assistant
Jim Ciampa, Legal Counsel

The meeting was called to order at 5:01 p.m. with President Tang presiding. All Board meeting participants and guests joined the meeting via the Webex link:
<https://walnutvalley.webex.com/meet/bmeeting>.

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors Mike Ti, Jody Roberto, and General Manager, Matthew Litchfield. Also, in attendance were Andrew Westall, Bear Demographics and Research; Mr. Jayson Schmitt of Chandler Asset Management; and Mr. Habib Isaac of IB Consulting, LLC.

Item 3: Public Comment

- ◆ There was no public comment. (Item 3)

Item 4: Additions to the Agenda

- ◆ There were no requests for additions to the agenda. (Item 4)

Item 5: Reorder of the Agenda

- ◆ There were no requests for reorder of the agenda. (Item 5)

Item 6: Public Hearing: Receive Public Input and Feedback Regarding Possible Adjustment of District Divisional Boundaries

- ◆ President Tang opened the public hearing to receive comments regarding the possible adjustment of District Divisional Boundaries and entertained a motion to open that public hearing. (Item 6-A)

Motion No. 22-02-1758: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Kwong, and unanimously carried (5-0) by the roll call vote noted below, to open the Public Hearing to receive public input and feedback regarding possible adjustment of District Divisional Boundaries. (Item 6-A)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1758 was approved by a (5-0) roll call vote

- ◆ Staff introduced Mr. Andrew Westall of Bear Demographics and Research, who provided an overview of the proposed adjustment of the District’s Divisional Boundaries. (Items 6-B, C)
- ◆ The public hearing was conducted and no public comments were received. (Item 6-C)
- ◆ President Tang then entertained a motion to close the public hearing. (Item 6-D)

Motion No. 22-02-1759: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Lee, and unanimously carried (5-0) by the roll call vote noted below,

to close the Public Hearing to receive public input and feedback regarding possible adjustment of District Divisional Boundaries. (Item 6-D)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1759 was approved by a (5-0) roll call vote

Motion No. 22-02-1760: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Kwong, and unanimously carried (5-0) by the roll call vote noted below, to adopt the draft District Boundaries Maps, as presented, with the final Maps to be considered at the March 21 Board of Directors' meeting. (Item 6-E)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1760 was approved by a (5-0) roll call vote

Item 7: Public Hearing: Discussion of Revision of District Capacity Fees Structure

- ◆ President Tang opened the public hearing to receive comments regarding revision of District Capacity Fees and entertained a motion to open that public hearing. (Item 7-A)

Motion No. 22-02-1761: Upon consideration thereof, it was moved by Director Hayakawa, seconded by Director Lee, and unanimously carried (5-0) by the roll call vote noted below, to open the Public Hearing to receive public input and feedback regarding the revision of District Capacity Fees Structure. (Item 7-A)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1761 was approved by a (5-0) roll call vote

- ◆ Staff introduced Mr. Habib Isaac of IB Consulting, LLC. (Items 7-B, C)
- ◆ The public hearing was conducted and no public comments were received. (Item 7-C)
- ◆ President Tang then entertained a motion to close the public hearing. (Item 7-D)

Motion No. 22-02-1762: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee, and unanimously carried (5-0) by the roll call vote noted below, to close the Public Hearing to receive public input and feedback regarding the revision of District Capacity Fees Structure. (Item 7-D)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1762 was approved by a (5-0) roll call vote

- ◆ The Board was also asked to consider adoption of Resolution No. 02-22-695 establishing Capacity Charges and rescinding Acreage Supply Charges, Reservoir Capacity Charges and Water Supply Charges. (Item 7-E)

Motion No. 22-02-1763: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to adopt Resolution No. 02-22-695 establishing Capacity Charges and Rescinding Existing Acreage Supply Charges, Reservoir Capacity Charges and Water Supply Charges. (Item 7-E)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1763 was approved by a (5-0) roll call vote

Item 8: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held January 18, 2022, Special meeting held January 20, 2022, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Items 8-1, 2, 3, 4, 5)

Motion No. 22-02-1764: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held January 18, 2022, Special meeting held January 20, 2022, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Items 8-1, 2, 3, 4, 5)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1764, approving the consent calendar was approved by a (5-0) roll call vote

Item 9: Director Expense Reports

- ◆ The Board was asked to receive, approve, and file the Board member expense reports indicating per diem requests for meeting attendance and individual reports of additional expenses incurred by the District on behalf of each Director for events occurring during the month of January 2022. (Item 9)

Motion No. 22-02-1765: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Board member expense reports for meeting attendance and additional expenses incurred by the District on behalf of each Director for events occurring during the month of January 2022. (Item 9)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1765 was approved by a (5-0) roll call vote

Item 10: Treasurer’s Report

- ◆ Mr. Byerrum presented the Financial Dashboard as of December 31, 2021, the District Statement of Revenue, Expenses, and Change in Net Positions as of December 31, 2021, the District Statement of Net Positions as of December 31, 2021, and Summary of Cash and Investments as of December 31, 2021. (Items 10-A, B, C, D)

Motion No. 22-02-1766: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hayakawa, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Financial Dashboard as of December 31, 2021, the District Statement of Revenue, Expenses, and Change in Net Positions as of December 31, 2021, the District Statement of Net Positions as of December 31, 2021, and Summary of Cash and Investments as of December 31, 2021. (Items 10-A, B, C, D)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1766 was approved by a (5-0) roll call vote

Committee Chair Reports

Item 11: Engineering Committee – Director Hayakawa

- ♦ The Board was asked to approve the revisions of the District's Rules and Regulations related to the new Capacity Charge structure approved earlier in the meeting through adoption of Resolution No. 02-22-695. (Item 11-A)

Motion No. 22-02-1767: *Upon consideration thereof, it was moved by Director Lee, seconded by Director Hayakawa, and unanimously carried (5-0) by the roll call vote noted below, to approve the revisions of the District's Rules and Regulations related to the new Capacity Charge structure previously adopted through approval of Resolution No. 02-22-695, in the form presented. (Item 11-A)*

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1767 was approved by a (5-0) roll call vote

- ♦ Mr. Monk reviewed the Operations Report included in the Board Packet. No action was taken by the Board. (Item 11-B)

Item 12: Personnel Committee – Director Kwong

- ♦ The Board was asked to approve the proposed departmental listings of obsolete District records for destruction in accordance with the Records Retention Schedule. (Item 12-A)

Motion No. 22-02-1768: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Lee, and unanimously carried (5-0) by the roll call vote noted below, to approve the proposed departmental listings of obsolete District records for destruction in accordance with the Records Retention Schedule. (Item 12-A)*

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1768 was approved by a (5-0) roll call vote

Item 13: Finance Committee – Director Tang

- ♦ Mr. Jayson Schmitt of Chandler Asset Management presented an update on the firm's investment activities on behalf of the District. The Board was then asked to receive and file the investment report. (Item 13-A)

Motion No. 22-02-1769: *Upon consideration thereof, it was moved by Director Lee, seconded by Director Hayakawa, and unanimously carried (5-0) by the roll call vote noted below, to receive and file the District's investment report for the period ending December 31, 2021. (Item 13-A)*

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1769 was approved by a (5-0) roll call vote

- ♦ The Board was asked to declare the list of presented items as "surplus property" and authorize the General Manager to dispose of the property in accordance with District policy. (Item 13-B)

Motion No. 22-02-1770: *Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and unanimously carried (5-0) by the roll call vote noted below, to declare the list of presented items as "surplus property" and authorize the General Manager to dispose of the property in accordance with District policy. (Item 13-B)*

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1770 was approved by a (5-0) roll call vote

- ◆ Mr. Byerrum reviewed the District's investment activities for the period ending January 31, 2021. The Board was then asked to receive, approve and file the investment report. (Item 13-C)

Motion No. 22-02-1771: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hayakawa and unanimously carried (5-0) by the roll call vote noted below, to receive, approve and file the District's investment report for the period ending January 31, 2022. (Item 13-C)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None

President Tang indicated Motion No. 22-02-1771 was approved by a (5-0) roll call vote

- ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust report. (Item 13-D)

Item 14: Public Information/Community Relations/Legislative Action Committee – Director Tang

- ◆ There were no Public Information/Community Relations/Legislative Action Committee matters to come before the Board at this time. (Item 14)

Item 15: TVMWD/MWD

- ◆ Updates on TVMWD and MWD business matters were provided by General Manager Matthew Litchfield and Directors Jody Roberto and Mike Ti, respectively. (Item 15)

Item 16: The P-W-R Joint Water Line Commission

- ◆ Mr. Monk reported on the P-W-R Joint Water Line Commission water use report for the month of January 2022 included in the Board packet. (Item 16)

Item 17: Puente Basin Water Agency (PBWA)

- ◆ Director Lee reported on the February 3, 2022 PBWA Commission meeting. The next PBWA meeting is scheduled for April 7, 2022. (Item 17)

Item 18: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Tang reported on the February 7, 2022 Spadra Basin GSA Advisory Committee meeting. (Item 18)

Item 19: General Manager's Report

- ◆ The Board received the District's activities calendars for March, April and May 2022. (Item 19-A)

Item 20: Water Supply and Conservation

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, Calendar Year 2022 purchased water estimate, conservation goal summary, climate summary, and 2022 monthly water consumption versus the 2013 and 2020 baseline years. The report noted that the District's water usage for January 2022 was 6% higher than usage in January 2021 and 7% lower than usage in January 2013. (Item 20-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of February 17, 2022. (Item 20-B)

Item 21: Directors' Oral Reports

(NOTE: Board meeting minutes provide written reports of Board meeting activities and committee meeting reports are given during the course of regular Board meeting activities. Directors include reports of their participation in non-expense/per diem paid community events as a matter of information.) (Item 21)

- ◆ Director Hayakawa reported that during the month of January he attended the District's regular and Special Board meetings, all District committee meetings, and TVMWD Board meetings, as well as, the Grand Century Plaza Groundbreaking ceremony.
- ◆ Director Hilden reported his participation in the District's Regular and Special Board meetings in addition to the committee meetings previously reported on, and the TVMWD Board meetings.

- ◆ Director Kwong reported on her participation in District Board and committee meetings, the San Gabriel Valley Chamber GAC, she also participated in the Future City Regional Competition.
- ◆ In addition to the District Board and committees' meetings previously reported on, Director Lee reported on her participation in the PBWA meeting.
- ◆ Director Tang advised that he attended the District Board and committee meetings in addition to participating in his Presidential signing duties, Diamond Bar Evergreen Club's advertisement review, and the Spadra Basin Executive Committee meeting

Item 22: Legal Reports

- ◆ Mr. Ciampa indicated that the Legislature deadline had ended and 2021 bills will be reviewed. Additionally, he noted legislative matters of interest to the District, such as, AB2449 and SB1157. (Item 22)

Item 23: Items for Future Discussion

- ◆ There were no requests for future discussion items. (Item 23)

Item 24: Board of Directors Business

- ◆ The Board was asked to adopt WVWD Resolution No. 02-22-696, authorizing remote teleconference meetings for the period February 22, 2022 to March 23, 2022. (Item 24-A)

Motion No. 22-02-1772: *Upon consideration thereof, it was moved by Director Lee, seconded by Director Hayakawa and unanimously carried (5-0) by the roll call vote noted below, to adopt WVWD Resolution No. 02-22-696, authorizing remote teleconference meetings for the period February 22, 2022 to March 23, 2022. (Item 24-A)*

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None

Absent: None

Abstain: None

President Tang indicated Motion No. 22-02-1772, adopting Resolution No. 02-22-696, was approved by a (5-0) roll call vote

Adjournment at 6:22 p.m.