

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

**JUNE 20, 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
Jared Macias, Assistant General Manager
Josh Byerrum, Director of Finance
Lily Lopez, Director of External Affairs
Thomas Monk, Director of Operations
Sherry Shaw, Director of Engineering & Planning
Lucie Cazares, Executive Secretary
Jim Ciampa, Legal Counsel
Ron Woodruff, Information Systems Specialist (Host)

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, David De Jesus, and Chief Financial Officer, James Linthicum.

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: Consideration of Annual Approval of the WVWD Standby Charge Report

- ◆ President Tang opened the public hearing to receive comments regarding the adoption of the WVWD Water Standby Charge prepared by Willdan Financial. (Item 6 - A)

Motion No. 22-06-1804: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to open the public hearing to receive comments regarding the adoption of the WVWD Water Standby Charge prepared by Willdan Financial. (Item 6-A)

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

President Tang indicated Motion No. 22-06-1804 was approved by a (5-0) roll call vote

- ◆ Mr. Byerrum reviewed the report, noting staff is recommending no change in the current assessment. Ms. Michelle Laase, representative of Willdan Financial, was present to respond to public comments. No public comments were received. (Items 6-B, C)

- ◆ There being no public comments, the public hearing was closed. (Item 6 - D)

Motion No. 22-06-1805: 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 close the public hearing regarding the adoption of the WVWD Water Standby Charge prepared by Willdan Financial. (Item 6-D)

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

President Tang indicated Motion No. 22-06-1805 was approved by a (5-0) roll call vote

- ◆ The Board was asked to approve staff's recommendation to continue the District's Standby Charge at the current rate of \$56 per acre, \$14 for each one-fourth acre or less, and for parcels larger than one-fourth acre but less than one acre, the charge is prorated on the basis of \$56 per acre. (Item 6-E)

Motion No. 22-06-1806: 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 staff's recommendation to continue the District's Standby Charge at the current rate of \$56 per acre, \$14 for each one-fourth acre or less, and for parcels larger than one-fourth acre but less than one acre, the charge is prorated on the basis of \$56 per acre. (Item 6-E)

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

President Tang indicated Motion No. 22-06-1806 was approved by a (5-0) roll call vote

- ◆ The Board was asked to receive, approve, and file the Water Standby Charge Report prepared by Willdan Financial. (Item 6-F)

Motion No. 22-06-1807: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Hayakawa, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Water Standby Charge Report prepared by Willdan Financial. (Item 6-F)

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

President Tang indicated Motion No. 22-06-1807 was approved by a (5-0) roll call vote

Item 7: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held May 16, 2022, the Special Board meeting held May 19, 2022, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Items 7-1, 2, 3, 4, 5)

Motion No.22-06-1808: 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 approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held May 16, 2022, the Special meeting held May 19, 2022, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Items 7-1, 2, 3, 4, 5)

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

President Tang indicated Motion No. 22-06-1808 was approved by a (5-0) roll call vote

Item 8: 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 May 2022. (Item 8)

Motion No. 22-06-1809: Upon consideration thereof, it was moved by Director Hayakawa, seconded by Director Hilden, 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 May 2022. (Item 8)

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

President Tang indicated Motion No. 22-06-1809 was approved by a (5-0) roll call vote

Item 9: Treasurer's Report

- ◆ Mr. Byerrum presented the Financial Dashboard as of April 30, 2022, the District Statement of Revenue, Expenses, and Change in Net Position as of April 30, 2022, the District Statement of Net Position as of April 30, 2022, and the Summary of Cash and Investments as of April 30, 2022. (Items 9-A, B, C, D)

Motion No. 22-06-1810: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Financial Dashboard as of April 30, 2022, the District Statement of Revenue, Expenses, and Change in Net Positions as of April 30, 2022, the District Statement of Net Positions as of April 30, 2022, and the Summary of Cash and Investments as of April 30, 2022. (Items 9-A, B, C, D)

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

President Tang indicated Motion No. 22-06-1810 approved by a (5-0) roll call vote

Committee Chair Reports**Item 10: Engineering Committee – Director Hayakawa**

- ◆ The Board was asked to schedule a public hearing at the July 25, 2022 Board meeting to receive and respond to comments regarding the District's 2019 - 2021 Public Health Goals (PHG) report and, following the public hearing, consider receiving, approving, and filing the report. (Item 10-A)

Motion No. 22-06-1811: Upon consideration thereof, it was moved by Director Hayakawa, seconded by President Tang, and unanimously carried (5-0) to schedule a public hearing to be held during the July 25, 2022 Board meeting to receive and respond to comments regarding the 2019-2021 Public Health Goals report. (Item 10-A)

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

President Kwong indicated Motion No. 22-06-1811 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 10-B)

Item 11: Personnel Committee – Director Kwong

- ◆ The Board was asked to adopt the revision to the Telecommuting Policy as drafted by District staff and reviewed by labor counsel. (Item 11-A)

Motion No. 22-06-1812: 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 adopt the revision to the Telecommuting Policy as drafted by District staff and reviewed by labor counsel.

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

President Tang indicated Motion No. 22-06-1812 was approved by a (5-0) roll call vote

- ◆ The Board was asked to adopt CalPERS Resolution No. 06-22-702 to approve an amendment to the District's contract between the California Public Employees Retirement System and the Board of Directors of Walnut Valley Water District, to provide Section 20516 (Employees Sharing Additional Cost) of 1% for classic local miscellaneous members in the Unrepresented General Employees Unit, Unrepresented Mid-Management and Unrepresented Executive Staff. (Item 11-B)

Motion No. 22-06-1813: 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 adopt CalPERS Resolution No. 06-22-702 to approve an amendment to the District's contract between the California Public Employees Retirement System and the Board of Directors of Walnut Valley Water District, to provide Section 20516 (Employees Sharing Additional Cost) of 1% for classic local miscellaneous members in the Unrepresented General Employees Unit, Unrepresented Mid-Management, and Unrepresented Executive Staff.

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

President Tang indicated Motion No. 22-06-1813 was approved by a (5-0) roll call vote

Item 12: Finance Committee – Director Tang

- ◆ Mr. Byerrum reviewed the District's investment activities for the period ending May 31, 2022. The Board was then asked to receive, approve, and file the investment transactions report. (Item 12-A)

Motion No. 22-06-1814: 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 receive, approve, and file the District's investment transactions report for the period ending May 31, 2022. (Item 12-A)

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

President Tang indicated Motion No. 22-06-1814 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 12-B)

Item 13: Public Information/Community Relations/Legislative Action Committee – Director Tang

A. There were no Public Information/Community Relations/Legislative Action Committee matters for Board discussion or consideration.

Item 14: TVMWD/MWD

- ◆ Updates on TVMWD and MWD business matters were provided by Chief Financial Officer Linthicum and Director David De Jesus, respectively. (Item 14)

Item 15: The P-W-R Joint Water Line Commission

- ◆ Mr. Monk and Mr. Byerrum provided the P-W-R Joint Water Line Commission water use report for the month of May 2022 included in the Board packet. (Item 15)

Item 16: Puente Basin Water Agency (PBWA)

- ◆ The Board was asked to ratify the Puente Basin Water Agency FY 2022-23 Budget, as amended by the PBWA Commission at the June 2, 2022 meeting. (Item 16-A)

Motion No. 22-06-1815: Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong, and unanimously carried (5-0) by the roll call vote noted below, to ratify the Amended Puente Basin Water Agency FY 2022-23 Budget. (Item 16-A)

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

President Tang indicated Motion No. 22-06-1815 was approved by a (5-0) roll call vote

Item 17: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Tang reported there was no meeting in June. The next Spadra Basin GSA Advisory Committee meeting is scheduled for July 5, 2022. (Item 17)

Item 18: General Manager's Report

- ◆ The Board received the District's activities calendars for July, August, and September 2022. (Item 18-A)
- ◆ The Board recognized Ms. Donna DiLaura for her recent completion of the ACWA/JPIA Professional Development Program. (Item 18-B)
- ◆ Stress Test Coalition Letter Update.
- ◆ LAFCO Election Update.

Item 19: 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 May 2022 was 6% lower than usage in May and 24% lower than usage in May 2013. (Item 19-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of May 10, 2022. (Item 19-B)

Item 20: 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 20)

- ◆ Director Hayakawa reported that during the month of May he attended the District's regular Board meeting, District committee meetings, various Water Awareness Month Appreciation Luncheons, the Diamond Bar and Walnut City Council Meetings, and the joint Mayor's Prayer Breakfast.
- ◆ Director Hilden reported his participation in the District's regular board meetings in addition to the committee meetings previously reported on, he attended various Water Awareness Month Appreciation Luncheons and events, the Diamond Bar and Walnut City Council Meetings, and the joint Mayor's Prayer Breakfast.
- ◆ Director Kwong reported on her participation in District Board and committee meetings, as well as various Water Awareness Month Appreciation Luncheons, the Diamond Bar and

Walnut City Council Meetings, the joint Mayor's Prayer Breakfast, and the RCCSGV Government Affairs Committee.

- ◆ In addition to the District Board and committee meetings previously reported on, Director Lee reported on her participation in the various Water Awareness Month Appreciation Luncheons, the Diamond Bar and Walnut City Council Meetings, the joint Mayor's Prayer Breakfast, and Spadra Basin Advisory Committee meeting.
- ◆ Director Tang advised that he attended the District Board and committee meetings in addition to participating in the various Water Awareness Month Appreciation Luncheons, the Diamond Bar and Walnut City Council Meetings and the joint Mayor's Prayer Breakfast, and Spadra Basin Advisory Committee meeting.

Item 21: Legal Reports

- ◆ Mr. Ciampa provided an update on legislative matters of interest to the District pertaining to SB1157. He indicated SB 1157 would reduce the applicable indoor residential water use standards that go into effect on the following dates: January 1, 2025 – December 31, 2029: to be reduced from current level of 52.5 gallons per person per day (GPCD) to 47 GPCD; and January 1, 2030 – and forward: to be reduced from current level of 50 GPCD to 42 GPCD. Senator Hertzberg is not willing to change the bill from the 42 GPCD.

There will very likely be amendments to the bill after the Assembly Natural Resources and Water Committee hearing to add a requirement for the Department of Water Resources to conduct a study and investigation, to be reported to the Legislature by Jan. 1, 2027, to assess and quantify the economic benefits and impacts of meeting the 2030 indoor residential use standard on water, wastewater, and recycled water systems. (Item 21)

Item 22: Items for Future Discussion

- ◆ There were no requests for future discussion items. (Item 22)

Item 23: Board of Directors Business

- ◆ The Board was asked to authorize and ratify the General Manager's approval of a purchase order (PO), to Badger Meter, Inc., in the amount of \$425,920 to secure the replacement of 7,515 CDMA Endpoints; and authorize the General Manager to approve a PO with Concord Utility Services in the amount of \$275,000 for installation of the CDMA Endpoints. (Item 23-A)

Motion No. 22-06-1816: Upon consideration thereof, it was moved by President Tang, seconded by Director Hayakawa, and unanimously carried (5-0) by the roll call vote noted below, to authorize and ratify the General Manager's approval of a purchase order (PO), to Badger Meter, Inc., in the amount of \$425,920 to secure the replacement of 7,515 CDMA Endpoints; and to authorize the General Manager to approve a PO with Concord Utility Services in the amount of \$275,000 for installation of the CDMA Endpoints. (Item 23-A)

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

President Tang indicated Motion No. 22-06-1816 was approved by a (5-0) roll call vote

- ◆ The Board was asked to adopt WVWD Resolution No. 06-22-703, authorizing remote teleconference meetings for the period June 24, 2022 to July 29, 2022. (Item 23-A)

Motion No. 22-06-1817: 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 adopt WVWD Resolution No. 06-22-703 authorizing remote teleconference meetings for the period June 24, 2022 to July 29, 2022. (Item 23-B)

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

President Tang indicated Motion No. 22-06-1817, adopting Resolution No. 06-22-703, was approved by a (5-0) roll call vote

Adjournment at 6:25 p.m.