

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

**December 12, 2022  
MEETING CONDUCTED VIA WEBEX  
AT:**

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

**DIRECTORS PRESENT:**

Kevin Hayakawa  
Theresa Lee  
Jerry Tang  
Edwin Hilden  
Scarlett Kwong

**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  
Alanna Diaz, Director of Administrative Services  
Lucie Cazares, Executive Secretary  
Jim Ciampa, Legal Counsel  
Fiona Tang, Information System Technician (Host)

The meeting was called to order at 5:00 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, Jeff Hanlon and General Manager Matt Litchfield. Also, in attendance was Mr. Christopher J. Brown of Fedak & Brown; a member of the public identified as Margaret.

**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: Consider Approval of Consent Calendar**

- ◆ The Board was asked to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held November 14, 2022, the minutes of the Special Board meeting held November 17, 2022, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 6 – A, B, C, D, E)

***Motion No. 22-12-1869: 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 November 14, 2022, the minutes of the Special Board meeting held November 17, 2022, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 6 – A, B, C, D, E)***

***Ayes: Hayakawa, Hilden, Kwong, Lee, Tang***

***Noes: None***

***Absent: None***

***Abstain: None***

**President Tang indicated Motion No. 22-12-1869 was approved by a (5-0) roll call vote**

**Item 7: 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 November 2022. (Item 7)

***Motion No. 22-12-1870: 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 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 November 2022. (Item 7)***

**Ayes: Hayakawa, Hilden, Kwong, Lee, Tang**

**Noes: None**

**Absent: None**

**Abstain: None**

**President Tang indicated Motion No. 22-12-1870 was approved by a (5-0) roll call vote**

**Item 8: Treasurer's Reports**

- ◆ Mr. Byerrum presented the Financial Dashboard as of October 31, 2022, the District Statement of Revenue, Expenses, and Change in Net Position as of October 31, 2022, the District Statement of Net Position as of October 31, 2022, and Summary of Cash and Investments as of October 31, 2022. (Items 8-A, B, C, D)

***Motion No. 22-12-1871: 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 October 31, 2022, the District Statement of Revenue, Expenses, and Change in Net Position as of October 31, 2022, the District Statement of Net Position as of October 31, 2022, and Summary of Cash and Investments as of October 31, 2022. (Items 8-A, B, C, D)***

**Ayes: Hayakawa, Hilden, Kwong, Lee, Tang**

**Noes: None**

**Absent: None**

**Abstain: None**

**President Tang indicated Motion No. 22-12-1871 approved by a (5-0) roll call vote**

**Committee Chair Reports****Item 9: Engineering Committee – Director Hayakawa**

- ◆ The Board was asked to authorize the General Manager to purchase one Atlas Copco PAC H64 JD 275HP FT4 Emergency Booster Pump at a total cost of \$129,976.55. (Item 9-A)

***Motion No. 22-12-1872: 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 authorize the General Manager to purchase one Atlas Copco PAC H64 JD 275HP FT4 Emergency Booster Pump at a total cost of \$129,976.55. (Item 9-A)***

**Ayes: Hayakawa, Hilden, Kwong, Lee, Tang**

**Noes: None**

**Absent: None**

**Abstain: None**

**President Tang indicated Motion No. 22-12-1872, 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 9-B)

**Item 10: Personnel Committee – Director Kwong**

- ◆ There were no Personnel Committee matters to come before the Board at this time. (Item 10)

**Item 11: Finance Committee – Director Lee**

- ◆ The Board was asked to receive, approve, and file the Annual Comprehensive Financial Report for Fiscal Year Ending June 30, 2022. In preparation for and during the audit, District staff prepared materials and worked directly with the auditing team, Fedak & Brown, LLP. Mr. Chris Brown of the auditing team noted that Fedak & Brown, LLP found the District's financial reporting to comply with generally accepted accounting principles (GAAP), and as such, issued an Unqualified Opinion, the highest-level opinion an entity can receive. Additionally, the Report on Internal Controls noted the District had no significant deficiencies or material weaknesses in internal controls. Further, the auditor noted no transactions that were both significant and unusual, and no misstatements were identified during the audit. (Item 11-A)

**Motion No. 22-12-1873: 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 Annual Comprehensive Financial Report for Fiscal Year ending June 30, 2022. (Item 11-A)**

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

**President Tang indicated Motion No. 22-12-1873, approved by a (5-0) roll call vote**

- ◆ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report month ending November 30, 2022. (Item 11-B)

**Motion No. 22-12-1874: 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 receive and file the District's Consolidated Investment Transactions Report for the month ending November 30, 2022. (Item 11-B)**

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

**President Tang indicated Motion No. 22-12-1874, 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 11-C)

**Item 12: 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 12)

**Item 13.: TVMWD/MWD**

- ◆ Updates on TVMWD and MWD business matters were provided by TVMWD General Manager Matt Litchfield. (Item 13)

**Item 14: 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 October 2022 (Item 14)

**Item 15: Puente Basin Water Agency (PBWA)**

- ◆ Director Lee reported on the December 8, 2022 Puente Basin Water Agency meeting. (Item 15)

**Item 16: Spadra Basin Groundwater Sustainability Agency**

- ◆ Director Tang reported there was no Spadra meeting. The next meeting is scheduled for January 3, 2023 (Item 16)

**Item 17: General Manager's Report**

- ◆ The Board received the District's activities calendars for January, February, and March 2023. (Item 17-A)
- ◆ The Board recognized Ms. Sherry Shaw and Mr. Joshua Byerrum for their recent completion of the ACWA/JPIA Leadership Essentials for the Water Industry Program. (17-B)

- ◆ The Board recognized the District for its recent ACWA/JPIA President's Special Recognition Award. (17-C)
- ◆ The Board recognized Mr. Nick Nazaroff, Mr. Alex Cabrera, Mr. David Lias, and Ms. Carmen Fleming for their achievement in the ACWA/JPIA H.R. LaBounty Safety Awards Program. (17-D)

#### **Item 18: 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 the District's water usage for November 2022 was 21% lower than usage in November 2020 and 31% lower than usage in November 2013. (Item 18-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of December 1, 2022. (Item 18-B)

#### **Item 19: 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 19)

- ◆ Director Hayakawa reported that during the month of November he attended the District's regular and special Board meetings, all District committee meetings, both TVMWD Regular Board meetings, and the SCCAEP A Convention.
- ◆ Director Hilden reported that during the month of November he attended the District's Regular and Special Board Meetings, Public Information Committee Meeting, Finance Committee Meeting, both TVMWD Regular Board Meetings, the Rowland Unified School District State of the School, and Diamond Bar Veterans Recognition Ceremony.
- ◆ Director Kwong reported the following for the month of November events/meetings: Personnel Committee, District's Board Meeting and Special Board workshop, and ACWA Conference. Director Kwong also included a revised report for the month of October.
- ◆ Director Lee reported on her participation in the District's Regular and Special Board Meetings, Finance Committee Meeting, Engineering Committee Meeting, Rowland Unified State of the School, and Spadra Basin Executive Committee Meeting.
- ◆ Director Tang advised that he attended the District's Regular and Special Board Meetings in addition to participating in all District Committee Meetings, Rowland Unified School District State of the School, Spadra Basin Executive Committee meeting, CAAW Board meeting, and ACWA Winter Conference.

#### **Item 20: Legal Reports**

- ◆ Mr. Ciampa briefly reported on the State Water Project. (Item 20)

#### **Item 21: Items for Future Discussion**

- ◆ Director Tang requested auditor training for the Board Members in February or March 2023. (Item 21)

#### **Item 22: Board of Directors Business**

- ◆ The Board was asked to consider approval of the fifth amendment to the General Manager's Employment Contract reflective of a 3% salary adjustment, as approved at the November 14 Board of Directors' meeting, and a 2.5% Cost-of-Living Adjustment provided to all District employees in the Terms and Conditions of Employment for 2020-2023. (Item 22-A)

***Motion No. 22-12-1875: 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 approve the fifth amendment to the General Manager's Employment Contract reflective of a previously approved 3% salary adjustment and a 2.5% Cost-of-Living Adjustment, effective January 1, 2023. (Item 22-A)***

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

**President Tang indicated Motion No. 22-12-1875, approved by a (5-0) roll call vote**

- ◆ The Board approved the 2023 WVWD Board meeting and workshop schedule, noting that subsequent adjustments may be made by the Board in accordance with the Brown Act (Item 22-B)

***Motion No. 22-12-1876: 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 approve the CY 2023 Board and workshop meeting schedule as presented. (Item 22-B)***

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

**President Tang indicated Motion No. 22-12-1876, approved by a (5-0) roll call vote**

- ◆ The Board received Dr Hayakawa's resignation and directed staff to move forward with the process to fill the vacancy. (Item 22-C)
- ◆ Officers were rotated in accordance with the "Board Reorganization Rotation Policy."  
 Edwin Hilden, President  
 Theresa Lee, First Vice President  
 Scarlett P. Kwong, Second Vice President  
 Jerry Tang, Assistant Treasurer  
 Vacant, Director  
 (Item 22-D)

***Motion No. 22-12-1877: 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 approve the Rotation of Officers as noted above. (Item 22-D)***

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

**President Tang indicated Motion No. 22-12-1877, approved by a (5-0) roll call vote**

- ◆ It was determined that Board appointments to the offices of Secretary, Assistant Secretary, Treasurer, and Second Assistant Treasurer would be as follows: Erik Hitchman, Secretary; Joshua Byerrum, Treasurer; Lucie Cazares, Assistant Secretary; Jared Macias, Second Assistant Treasurer  
 (Item 22-D)

***Motion No. 22-12-1878: 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 Board appointments as noted above. (Item 22-D)***

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

**President Tang indicated Motion No. 22-12-1878, approved by a (5-0) roll call vote**

- ◆ Standing Committee positions were extended as follows:

Committee	Chair	Member	Alternate
Engineering	Director Lee	Director Tang	Vacant
Finance	Director Lee	Director Hilden	Director Kwong
Personnel	Director Kwong	Director Tang	Director Hilden
Public Info/Legislative	Director Tang	Director Hilden	Vacant

(Item 22-D)

***Motion No. 22-12-1879: 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 Committee selections as noted above. (Item 22-D)***

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

**President Tang indicated Motion No. 22-12-1879, approved by a (5-0) roll call vote**

- ◆ The Board was asked to adopt WWWD Resolution No. 12-22-715, authorizing remote teleconference meetings for the period December 12, 2022 to January 12, 2023. (Item 22-E)

***Motion No. 22-12-1880: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hayakawa, and carried (5-0) by the roll call vote noted below, to adopt WWWD Resolution No. 12-22-715 authorizing remote teleconference meetings for the period December 12, 2022 to January 12, 2023. (Item 22-E)***

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

**President Tang indicated Motion No. 22-12-1880, adopting Resolution No. 12-22-715, was approved by a (5-0) roll call vote**

- ◆ A schedule of 2022 key conferences/events was provided to the Board as a matter of information only.

**Adjournment at 6:11 p.m.**