

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

**August 17, 2020
MEETING CONDUCTED VIA WEBEX
AT:**

https://wvwd.webex.com/join/board_room

DIRECTORS PRESENT:

Edwin Hilden
Scarlett Kwong
Theresa Lee
Alfred Sinclair
Jerry Tang

DIRECTORS ABSENT:

None

STAFF PRESENT:

Erik Hitchman, General Manager/Chief Engineer
Brian Teuber, Assistant General Manager
Sherry Shaw, Director of Engineering
Lily Lopez, Director of External Affairs
Thomas Monk, Director of Operations
Gabriela Sanchez, Executive Secretary
Jim Ciampa, Legal Counsel
Josh Byerrum, Finance Manager
Alanna Diaz, Human Resources/Safety/Risk Manager
Ron Woodruff, IT Specialist (Meeting Host)

The meeting was called to order at 5:00 p.m. with President Lee presiding. All Board meeting participants and guests joined the meeting via the Webex link:
https://wvwd.webex.com/join/board_room

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors Jody Roberto and Carlos Goytia, General Manager Matt Litchfield, P.E. and Chief Finance Officer James Linthicum; Kevin Hayakawa; Jayson Schmitt of Chandler Asset Management.

Item 3: Public Comment

- ◆ There were no requests for 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 Special Board meeting held July 7, 2020, the minutes of the Regular Board meeting held July 20, 2020, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 6-1, 2, 3, 4, 5)

Motion No. 20-08-1556: Upon consideration thereof, it was moved by Director Tang, 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 Special Board meeting held July 7, 2020, the minutes of the Regular Board meeting held July 20, 2020, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Items 6-1, 2, 3, 4, 5)

Ayes: Hilden, Kwong, Lee, Sinclair, Tang

Noes: None

Absent: None

Abstain: None

President Lee indicated Motion No. 20-08-1556 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 July 2020. (Item 7)

Motion No. 20-08-1557: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Tang 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 July 2020. (Item 7)

Ayes: Hilden, Kwong, Lee, Sinclair, Tang

Noes: None

Absent: None

Abstain: None

President Lee indicated Motion No. 20-08-1557 was approved by a (5-0) roll call vote

Committee Chair Reports

Item 8: Engineering Committee – Director Lee

- ◆ The Board was asked to accept the work as installed for the Ballena Drive 1050 Main Extension and 1200 Main Abandonment project (P.N. 19-3589) and authorize the filing of a Notice of Completion for the subject project with the Office of the Los Angeles County Registrar-Recorder. (Item 8-A)

Motion No. 20-08-1558: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below, to accept the work as installed for the Ballena Drive 1050 Main Extension and 1200 Main Abandonment project (P.N. 19-3589) and to authorize the filing of a Notice of Completion for the subject project with the Office of the Los Angeles County Registrar-Recorder. (Item 8-A)

Ayes: Hilden, Kwong, Lee, Sinclare, Tang

Noes: None

Absent: None

Abstain: None

President Lee indicated Motion No. 20-08-1558 was approved by a (5-0) roll call vote

- ◆ The Board was asked to approve the appropriation of funds in the amount of \$670,000 from the Reserve for Replacement, for the purchase of five Tier 4 Final portable generators to be used at various critical pump stations throughout District. The Board was also asked to authorize the General Manager to purchase five Tier 4 Final portable generators at a total cost of approximately \$588,000 and to declare as surplus property four of the District's existing Tier 3 portable generators, consisting of two 150kW and two 300kW portable generators, and authorize the General Manager to dispose of them in the most cost effective manner. (Item 8-B)

Motion No. 20-08-1559: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden and unanimously carried (5-0) by the roll call vote noted below, to approve the appropriation of funds in the amount of \$670,000 from the Reserve for Replacement for the purchase of five (5) Tier 4 Final portable generators; to authorize the General Manager to purchase five (5) Tier 4 Final portable generators at a total cost of approximately \$588,000; and to declare as surplus property four (4) of the District's existing Tier 3 portable generators, consisting of two (2) 150kW and two (2) 300kW portable generators and authorize the General Manager to dispose of them in the most cost effective manner.

(Item 8-B)

Ayes: Hilden, Kwong, Lee, Sinclare, Tang

Noes: None

Absent: None

Abstain: None

President Lee indicated Motion No. 20-08-1559 was approved by a (5-0) roll call vote

Item 9: Personnel Committee

- ◆ The Board was asked to approve amendments to the District's Conflict of Interest Code. Mr. Hitchman explained that staff is recommending inclusion of the new positions of Director of Human Resources & Risk Management and General Services & Procurement Manager to the list of designated positions that must disclose economic interests as required in the Code. He further explained that the District's recommended Code amendments would be forwarded to the Los Angeles County Board of Supervisors where they will be subject to the Board of Supervisors' approval. (Item 9)

Motion No. 20-08-1560: 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 amendments to the District's Conflict of Interest Code as presented to the Board. (Item 9)

Ayes: Hilden, Kwong, Lee, Sinclare, Tang

Noes: None

Absent: None

Abstain: None

President Lee indicated Motion No. 20-08-1560 was approved by a (5-0) roll call vote

Item 10: Finance Committee

- ◆ 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 10-A)

Motion No. 20-08-1561: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Tang 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 July 31, 2020. (Item 10-A)*

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

President Lee indicated Motion No. 20-08-1561 was approved by a (5-0) roll call vote

- ◆ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report for July 2020 included in the Board packet. (Item 10-B)

Motion No. 20-08-1562: *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 District's Consolidated Investment Transaction Report for the period of July 1, 2020 through July 31, 2020. (Item 10-B)*

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

President Lee indicated Motion No. 20-08-1562 was approved by a (5-0) roll call vote

- ◆ The Board was asked to review and discuss the Claim for Damages submitted by Mr. Kevin Snaer, to reject such claim, and to direct Legal Counsel to prepare a statement rejecting that claim. (Item 10-C)

Motion No. 20-08-1563: *Upon consideration thereof, it was moved by Director Kwong seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below, to reject the Claim for Damages submitted by Mr. Kevin Snare and to direct Legal Counsel to prepare a statement rejecting that claim. (Item 10-C)*

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

President Lee indicated Motion No. 20-08-1563 was approved by a (5-0) roll call vote

- ◆ As a matter of information only, the Board received the Local Agency Formation Commission FY 2020-21 Budget and Allocation of Net Operating Cost. (Item 10-D)
- ◆ The Board was asked to authorize the General Manager to execute a professional services agreement with Altec, Inc. for implementation, software, and support (first year) services related to the AP automation project for a total contract amount of \$53,319, plus a 10% contingency allowance of \$5,332, for total not to exceed budget amount of \$58,651. (Item 10-E)

Motion No. 20-08-1564: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below, to authorize the General Manager to execute a professional services agreement with Altec, Inc. for implementation, software, and support (first year) services related to the AP automation project for a total contract amount of \$53,319, plus a 10% contingency allowance of \$5,332, for total not to exceed budget amount of \$58,651. (Item 10-E)*

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

President Lee indicated Motion No. 20-08-1564 was approved by a (5-0) roll call vote

- ◆ The Board was asked to adopt WVWD Resolution No. 08-20-668 (replacing Resolution No. 08-19-661), establishing the Walnut Valley Water District Investment Policy. (Item 10-D)

Motion No. 20-08-1565: *Upon consideration thereof, it was moved by Director Kwong seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below, to adopt WVWD Resolution No. 08-20-668 (replacing Resolution No. 08-19-661), Establishing the Walnut Valley Water District Investment Policy. (Item 10-D)*

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

President Lee indicated WVWD Resolution No. 08-20-668 and Motion No. 20-08-1565 were 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 10-G)

Item 11: Public Information/Community Relations/Legislative Action Committee

The Board was asked to adopt WVWD Resolution No. 08-20-669, Authorizing the General Manager, or Designee, to Apply For, Receive and Enter into a Cooperative Agreement, and Administer a Grant for the 2020 Bureau of Reclamation Water and Energy Program.(Item 11-A)

Motion No. 20-08-1566: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below to adopt WVWD Resolution No. 08-20-669, Authorizing the General Manager, or Designee, to Apply For, Receive and Enter into a Cooperative Agreement, and Administer a Grant for the 2020 Bureau of Reclamation Water and Energy Program. (Item 11-A)*

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

President Lee indicated WVWD Resolution No. 08-20-669 and Motion No. 20-08-1566 were approved by a (5-0) roll call vote

Item 12: TVMWD/MWD

- ◆ TVMWD General Manager Matt Litchfield reported on TVMWD business (Item 12)

Item 13: The P-W-R Joint Water Line Commission

- ◆ Mr. Teuber reported on the P-W-R Joint Water Line Commission water use report for the month of July 2020. (Item 13)

Item 14: Puente Basin Water Agency (PBWA)

- ◆ A verbal report was given on PBWA business matters from the August 6, 2020 Agency meeting. (Item 14)

Item 15: Spadra Basin Groundwater Sustainability Agency

- ◆ It was noted that the next Spadra GSA meeting is scheduled for September 8 at 3:30 p.m. (Item 15)

Item 16: General Manager's Report

- ◆ The Board received the District's activities calendars September, October and November 2020. (Item 16-A)

Item 17 Water Supply and Conservation

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, Fiscal Year 2019-20 purchased water projections, conservation goal summary, climate summary, and 2020 monthly water consumption versus the 2013 baseline year. The report noted that the District's water usage for July 2020 was 14.61% lower than usage in July 2013. (Item 17-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of August 11, 2020. (Item 17-B)

Item 18: 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 18)

- ◆ Director Tang reported on his participation in the District Board meetings, a SGV Economic Partnership meeting with Supervisor Kathryn Barger, a Spadra Basin GSA Executive meeting, and ACWA's Virtual Summer Conference.
- ◆ Director Hilden reported on his participation in District Board meetings in addition to a TVMWD Board meeting, and a SGV Economic Partnership meeting with Supervisor Kathryn Barger.
- ◆ In addition to the District Board meetings previously reported on, Director Kwong noted her participation in a San Gabriel Valley Chamber Government Affairs Committee meeting, ACWA's

Summer Virtual Conference, a SGV Economic Partnership meeting with Supervisor Kathryn Barger, a meeting with Assemblyman Philip Chen, and a Diamond Bar Senior Food Drive.

- ◆ Director Sinclair noted that his monthly activities entailed administration of his Oath of Office, orientation with WVWD staff, and participation in a District Board meeting and ACWA's virtual conference.
- ◆ Director Lee reported on her participation in the District Board meetings, a SGV Economic Partnership meeting with Supervisor Kathryn Barger, a Spadra Basin GSA Executive meeting, and ACWA's Virtual Summer Conference.

Item 19: Legal Reports

- ◆ Mr. Ciampa reported on matters regarding electrical shutdowns. (Item 20)

Item 20: Items for Future Discussion

- ◆ There were no requests for future discussion items. (Item 20)

Item 21: Board of Directors Business

- ◆ The Board was asked to adopt resolutions appointing representatives to the Puente Basin Water Agency and to the Spadra Basin Groundwater Sustainability Agency Executive Committee. (Item 21-A)

Motion No. 20-08-1567: 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 adopt WVWD Resolution No. 08-20-670 Appointing Theresa Lee and Jerry Tang as WVWD Representatives to the Puente Basin Water Agency, and Scarlett Kwong as WVWD's Alternate Representative to the Puente Basin Water Agency. (Item 21-A)

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

President Lee indicated WVWD Resolution No. 08-20-670 and Motion No. 20-08-1567 were approved by a (5-0) roll call vote

Motion No. 20-08-1568: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below, to adopt WVWD Resolution No. 08-20-671 Appointing Jerry Tang as WVWD Representative to the Spadra Basin Groundwater Sustainability Agency Executive Committee and Theresa Lee as the WVWD Alternate Representative..

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

President Lee indicated WVWD Resolution No. 08-20-671 and Motion No. 20-08-1568 were approved by a (5-0) roll call vote

- ◆ The Board received the Local Agency Formation Commission (LAFCO) Special District Alternate Representative ballot and discussed the process for submitting the District's ballot. President Lee indicated she would submit the ballot as requested by LAFCO. No formal Board action was taken on this matter (Item 21-B)

Item 22: Public Comment on Closed Session

- ◆ There were no requests to comment on closed session items. (Item 22)

Item 23: Adjourn to Closed Session – 6:45 p.m.

Item 24: Closed Session – 6:50 p.m.

- A. The Board met in closed session in accordance with Government Code [§54956.9(a)] to discuss existing litigation in the case titled Bonnie Kessner, et al. vs. City of Santa Clara, et al. (Santa Clara County Superior Court Case No. 20CV364054). (Item 24-A)
- B. The Board met in closed session in accordance with Government Code [§54956.9(d)(2)] to discuss initiation of litigation with Legal Counsel – One Potential Case. (Item 24-B)

Item 25: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:54 p.m.

- A. The Board met in closed session in accordance with Government Code [§54956.9(a)] to discuss existing litigation in the case titled Bonnie Kessner, et al. vs. City of Santa Clara, et al. (Santa Clara County Superior Court Case No. 20CV364054). The Board was briefed on the status of that case and no reportable action under the Brown Act was taken.

The Board also met in closed session in accordance with Government Code [§54956.9(d)(2)] to discuss one initiation of litigation matter with Legal Counsel. The Board was briefed on the facts and circumstances of the matter and no reportable action under the Brown Act was taken.

(Item 25-A)

Adjournment at 6:55 p.m.

Motion No. 20-08-1569: *Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong and unanimously carried (5-0), to adjourn the meeting.*

President Lee indicated Motion No. 20-08-1569 was approved by a (5-0) vote