

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

October 16, 2023
At the Office of the District
271 South Brea Canyon Road, Walnut, CA 91789

DIRECTORS PRESENT:

Edwin Hilden
Theresa Lee
Jerry Tang
Henry Woo

STAFF PRESENT:

Erik Hitchman, General Manager/Chief Engineer
Jared Macias, Assistant General Manager
Josh Byerrum, Director of Finance
Lily Lopez, Director of External Affairs & Sustainability
Thomas Monk, Director of Operations
Sherry Shaw, Director of Engineering
Alanna Diaz, Director of Administrative Services
Lucie Cazares, Executive Secretary
Alexandra Cortez, Administrative Assistant
Jim Ciampa, Legal Counsel

DIRECTORS ABSENT:

Scarlett Kwong

The meeting was called to order at 5:00 p.m. with President Hilden presiding.

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors David De Jesus, Jody Roberto, Mike Ti, and TVMWD Chief Operations Officer Steve Lang.

Item 3: Public Comment

- ◆ There were no requests. (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 September 18, 2023, Special Board Meeting held September 21, 2023, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 6 – A, B, C, D, E)

Motion No. 23-10-1968: Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and carried (4-0 with Director Kwong absent) to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held September 18, 2023, Special Board Meeting held September 21, 2023, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 6 – A, B, C, D, E)

President Hilden indicated Motion No. 23-10-1968 was approved by a 4-0 vote with Director Kwong absent

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 September 2023. (Item 7)

Motion No. 23-10-1969: Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and carried (4-0 with Director Kwong absent) 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 September 2023. (Item 7)

President Hilden indicated Motion No. 23-10-1969 was approved by a 4-0 vote with Director Kwong absent

Item 8: Treasurer's Reports

- ◆ Mr. Byerrum presented the Financial Dashboard as of August 31, 2023, the District Statement of Revenue, Expenses, and Change in Net Position as of August 31, 2023, the District Statement of Net Position as of August 31, 2023, and Summary of Cash and Investments as of August 31, 2023. (Items 8 - A, B, C, D)

Motion No. 23-10-1970: Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and carried (4-0 with Director Kwong absent), to receive, approve, and file the Financial Dashboard as of August 31, 2023, the District Statement of Revenue, Expenses, and Change in Net Position as of August 31, 2023, the District Statement of Net Position as of August 31, 2023, and Summary of Cash and Investments as of August 31, 2023. (Items 8 - A, B, C, D)

President Hilden indicated Motion No. 23-10-1970 was approved by a 4-0 vote with Director Kwong absent

Committee Chair Reports**Item 9: Public Information/Community Relations/Legislative Action Committee – President Hilden**

- ◆ There were no Public Information/Community Relations/Legislative Action Committee matters to come before the Board at this time. (Item 9)

Item 10: Finance Committee – Director Lee

- ◆ Mr. Josh Byerrum presented the annual review of the Identity Theft Prevention Program. Staff and Legal Counsel have reviewed the program and no modifications are recommended at this time. As a matter of information only, no action was taken by the Board. (Item 10-A)
- ◆ The Board was asked to receive, approve, and file the Annual Acreage Supply, Reservoir Capacity, Water Supply charges, and Capacity Fees (Capital Improvement Fees) report and was further informed that the report will be made available for public review upon request. (Item 10-B)

Motion No. 23-10-1971: Upon consideration thereof, it was moved by Director Lee, seconded by Director Woo, and carried (4-0 with Director Kwong absent), to receive, approve, and file the Annual Acreage Supply, Reservoir Capacity, Water Supply charges, and Capacity Fees (Capital Improvement Fees) report. (Items 10-B)

President Hilden indicated Motion No. 23-10-1971 was approved by a 4-0 vote with Director Kwong absent

- ◆ Mr. Byerrum reviewed the District's investment transaction report for the period ending September 30, 2023. The Board was then asked to receive, approve, and file the investment transactions report. (Item 10-C)

Motion No. 23-10-1972: Upon consideration thereof, it was moved by Director Tang, seconded by Director Woo, and carried (4-0 with Director Kwong absent) to receive, approve, and file the investment transactions report. (Item 10-C)

President Hilden indicated Motion No. 23-10-1972 was approved by a 4-0 vote with Director Kwong absent

- ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust report. (10-D)

Item 11: Engineering Committee – Director Lee

- ◆ The Board was asked to receive and file the Puente Basin Watermaster Annual Report for Fiscal Year 2022-23 (Item 11-A)

Motion No. 23-10-1973: Upon consideration thereof, it was moved by Director Lee, seconded by Director Woo, and carried (4-0 with Director Kwong absent), to receive and file the Puente Basin Watermaster Annual Report for Fiscal Year 2022-23 (Item 11-A)

President Hilden indicated Motion No. 23-10-1973 was approved by a 4-0 vote with Director Kwong absent

- ◆ The Board was asked to accept the work as installed for 805 Brea Canyon Road, Diamond Bar (P.N. 19-3625) and to authorize the filing of Notice of Completion for the subject project (Item 11-B)

Motion No. 23-10-1974: Upon consideration thereof, it was moved by Director Woo, seconded by Director Lee, and carried (4-0 with Director Kwong absent) to accept the work as installed for 805 Brea Canyon Road, Diamond Bar (P.N. 19-3625) and to authorize the filing of Notice of Completion for the subject project (Item 11-B)

President Hilden indicated Motion No. 23-10-1974 was approved by a 4-0 vote with Director Kwong absent

- ◆ The Board was asked to authorize the General Manager to execute a sole source contract with SoCal SCADA Solutions in the amount of \$314,092 for the Motor Control Center Replacement Program for Chestnut Hill Pump Station (P.N. 23-3803); and to authorize the appropriation of \$112,776 from the Reserve for Replacement for the completion of the subject project. (Item 11-C)

Motion No. 23-10-1975: Upon consideration thereof, it was moved by Director Lee, seconded by Director Woo, and carried (4-0 with Director Kwong absent) to authorize the General Manager to execute a sole source contract with SoCal SCADA Solutions in the amount of \$314,092 for the Motor Control Center Replacement Program for Chestnut Hill Pump Station (P.N. 23-3803); and to authorize the appropriation of \$112,776 from the Reserve for Replacement for the completion of the subject project. (Item 11-C)

President Hilden indicated Motion No. 23-10-1975 was approved by a 4-0 vote with Director Kwong absent

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

Item 12: Personnel Committee – President Hilden

- ◆ The Board was asked to review and approve the Board policies for Ethical Conduct regarding Board of Directors Compensation and Expenses in the form presented, without changes. (Item 12-A)

Motion No. 23-10-1976: Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and carried (4-0 with Director Kwong absent) to approve the Board policies for Ethical Conduct regarding Board of Directors Compensation and Expenses without changes. (Item 12-A)

President Hilden indicated Motion No. 23-10-1976 was approved by a 4-0 vote with Director Kwong absent

- ◆ The Board reviewed the District's Standing Committee Selection Process policy. No changes were made to the current process; therefore, no Board Action was taken. (Item 12-B)

Item 13: TVMWD/MWD

- ◆ Updates on TVMWD/MWD business matters were provided by TVMWD Chief Operating Officer Steve Lang and Director De Jesus respectively. (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 September 2023. (Item 14)

Item 15: Puente Basin Water Agency (PBWA)

- ◆ Director Lee reported on the October 5, 2023 PBWA meeting. (Item 15)

Item 16: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Tang reported that there was no meeting and the next meeting will be November 6, 2023. (Item 16)

Item 17: General Manager's Report

- ◆ The Board received the District's activities calendars for November, December 2023, and January 2024. (Item 17-A)

Item 18: Water Supply and Conservation

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, Calendar Year 2023 purchased water estimate, conservation goal summary, climate summary, and 2023 monthly water consumption versus the 2013 and 2020 baseline years. The report noted that the District's water usage for September 2023 was 30.32% lower than usage in September 2020 and 39.67% lower than usage in September 2013. (Item 18-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of October 2, 2023. (Item 18-B)

Item 19: Directors' Oral Reports

(NOTE: Board meeting minutes provide written reports of Board meeting, Committee meetings, and District associated activities. Directors may include reports of their participation in non-expense or per diem paid community events as a matter of information.) (Item 19)

- ◆ Director Hilden reported the following on his activities for the month of September: District's Regular Board Meeting, Public Information Committee, Personnel Committee, TVMWD Board meetings, and the Diamond Bar State of the City.
- ◆ Although Director Kwong was not in attendance to report on her activities for the month of September, her expense report noted her attendance at the following meeting/events: Regular and Special Board Meeting, Public Information Committee, Engineering Committee, P-W-R paper signing, Regional Chamber Government Affairs Committee, DB Evergreen Club Celebration, and Walnut Mid-Autumn's Festival.
- ◆ Director Lee reported on the following for the month of September: District's Regular and Special Board meeting, Finance and Engineering Committee meetings, PBWA Stakeholders Meeting, SPADRA Basin Executive Committee Meeting, Linda Sanchez Grants Workshop, Diamond Bar State of the City, and the Panana Mid-Autumn's Festival.
- ◆ Director Tang reported on the following for the month of September: District's Regular and Special Board meeting, all committee meetings, Spadra Basin GSA Executive Committee Meeting, Inquiry from a City of Walnut resident, and ACWA Region 5 Event.
- ◆ Director Woo reported the following for the month of September: Three Valleys MWD Board Meeting.

Item 20: Legal Reports

- ◆ Mr. Ciampa reported the deadline for Governor Newsom to act on bills was on October 14 and Mr. Ciampa is in the process of reviewing the various actions taken. He stated AB 755 was signed into law and that new law will add requirements with respect to public agency rate studies. He also reported the Public Water Agencies Group has submitted a comment letter on the proposed Water Use Efficiency regulations and that Governor Newsom, the State Legislature and former State Senator John Burton have filed a pre-election challenge with the California Supreme Court regarding the proposed initiative that would further limit imposition of taxes, fees and charges. (Item 20)

Item 21: Items for Future Discussion

- ◆ There were no requests for future discussion items. (Item 21)

Item 22: Board of Directors Business

- ◆ The Board was asked review, consider and/or vote for one member for the position to serve on the Los Angeles County Local Agency Formation Commission, as Special Districts alternate representative. No Board action was taken.

Adjournment at 5:36 p.m.