

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

January 16, 2024
At the Office of the District
271 South Brea Canyon Road, Walnut, CA 91789

DIRECTORS PRESENT:

Edwin Hilden
Scarlett Kwong
Theresa Lee
Jerry Tang
Henry Woo

STAFF PRESENT:

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

DIRECTORS ABSENT:

None

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

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Director Mike Ti, Jody Roberto, and TVMWD General Manager Matt Litchfield and Chief Financial Officer Jose Velasquez. Also, in attendance were Walnut Valley Water District's employees Sara Rodriguez and Jazmin Noble.

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: Introduction of New District Employee

- ◆ Ms. Rodriguez introduced Ms. Jazmin Noble, Customer Service Representative I, on the occasion of completing her probationary period for new employees (Item 6)

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 December 11, 2023, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 7 – A, B, C, D)

Motion No. 24-01-1997: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Tang, and unanimously carried 5-0 to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held December 11, 2023, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 7 – A, B, C, D)

President Lee indicated Motion No. 24-01-1997 was approved by a 5-0 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 December 2023. (Item 8)

Motion No. 24-01-1998: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Woo, and unanimously carried 5-0 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 December 2023. (Item 8)

President Lee indicated Motion No. 24-01-1998 by a 5-0 vote

Item 9: Treasurer's Reports

- ◆ Mr. Byerrum presented the Financial Dashboard as of November 30, 2023, the District Statement of Revenue, Expenses, and Change in Net Position as of November 30, 2023, the District Statement of Net Position as of November 30, 2023, and the Summary of Cash and Investments as of November 30, 2023. (Items 9 - A, B, C, D)

Motion No. 24-01-1999: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and unanimously carried 5-0 to receive, approve, and file the Financial Dashboard as of November 30, 2023, the District Statement of Revenue, Expenses, and Change in Net Position as of November 30, 2023, the District Statement of Net Position as of November 30, 2023, and the Summary of Cash and Investments as of November 30, 2023. (Items 9 - A, B, C, D)

President Lee indicated Motion No. 24-01-1999 was approved by a 5-0 vote

Committee Chair Reports**Item 10: Public Information/Community Relations/Legislative Action Committee – Director Kwong**

- ◆ There were no Public Information/Community Relations/Legislative Action Committee matters to come before the Board at this time. (Item 10)

Item 11: Finance Committee – Director Tang

- ◆ The Board was asked to approve staff's recommendation of FY 2022-23 Source and Application of Funds, to transfer the following from the District's general account: \$164,800 to the Operating Reserve, \$250,000 to the Capital Improvement Reserve, \$2,624,276 to the Reserve for Replacement, \$627,500 to the Stored Water Reserve, \$750,000 to the Employees Liabilities Reserve related to the Employer OPEB and CalPERS liabilities, and \$955,346 to the PERS Unfunded obligation. (Item 11-A)

Motion No. 24-01-2000: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Tang, and unanimously carried 5-0, to approve staff's recommendation of FY 2022-23 Source and Application of Funds, to transfer the following from the District's general account: \$164,800 to the Operating Reserve, \$250,000 to the Capital Improvement Reserve, \$2,624,276 to the Reserve for Replacement, \$627,500 to the Stored Water Reserve, \$750,000 to the Employees Liabilities Reserve related to the Employer OPEB and CalPERS liabilities, and \$955,346 to the PERS Unfunded obligation. (Item 11-A)

President Lee indicated Motion No. 24-01-2000 was approved by a 5-0 vote

- ◆ As a matter of information only, the Board received the Budget Meeting Schedule. (Item 11-B)
- ◆ The Board was asked to receive, approve, and file the Pomona-Walnut-Rowland Joint Water Line Commission Audit Report, Puente Basin Water Agency Audit Report, and Spadra Basin GSA Audit Report for Fiscal Year ending June 30, 2023. (Item 11-C)

Motion No. 24-01-2001: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and unanimously carried 5-0, to receive, approve, and file the Pomona-Walnut-Rowland Joint Water Line Commission Audit Report, Puente Basin Water Agency Audit Report, and Spadra Basin GSA Audit Report for Fiscal Year ending June 30, 2023. (Item 11-C)

President Lee indicated Motion No. 24-01-2001 was approved by a 5-0 vote

- ◆ Mr. Byerrum reviewed the District's investment transaction report for the period ending December 31, 2023. The Board was then asked to receive, approve, and file the investment transactions report. (Item 11-D)

Motion No. 24-01-2002: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and unanimously carried 5-0 to receive, approve, and file the investment transactions report. (Item 11-D)

President Lee indicated Motion No. 24-01-2002 was approved by a 5-0 vote

- ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust report. (Item 11-E)

Item 12: Engineering Committee – Director Woo

- ◆ The Board was asked to authorize the appropriation of \$56,174.79 from the Reserve for Replacement and to authorize the General Manager to execute a sole source contract with Applied Technology Group, Inc. (ATG) in the amount of \$48,363.18 for the upgrade and replacement of the Surveillance Network Video Recording (NVR) located at the District's SCADA backbone sites. (Item 12-A)

Motion No. 24-01-2003: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and unanimously carried 5-0, to authorize the appropriation of \$56,174.79 from the Reserve for Replacement and to authorize the General Manager to execute a sole source contract with Applied Technology Group, Inc. (ATG) in the amount of \$48,363.18 for the upgrade and replacement of the Surveillance Network Video Recording (NVR) located at the District's SCADA backbone sites. (Item 12-A)

President Lee indicated Motion No. 24-01-2003 was approved by a 5-0 vote

- ◆ The Board was asked to authorize the General Manager to execute an Installation Services Agreement contract with Concord Utility Services in the amount of \$494,923.40 for the installation of 13,046 Badger Endpoints. (Item 12-B)

Motion No. 24-01-2004: Upon consideration thereof, it was moved by Director Woo, seconded by Director Tang, and unanimously carried 5-0, to authorize the General Manager to execute an Installation Services Agreement contract with Concord Utility Services in the amount of \$494,923.40 for the installation of 13,046 Badger Endpoints. (Item 12-B)

President Lee indicated Motion No. 24-01-2004 was approved by a 5-0 vote

- ◆ The Board was asked to authorize the General Manager to execute the Groundwater Pumping and Supply Agreement with the City of Industry and Rowland Water District. (Item 12-C)

Motion No. 24-01-2005: Upon consideration thereof, it was moved by Director Tang, seconded by Director Kwong, and unanimously carried 5-0, to authorize the General Manager to execute the Groundwater Pumping and Supply Agreement with the City of Industry and Rowland Water District in the form provided to the Board. (Item 12-C)

President Lee indicated Motion No. 24-01-2005 was approved by a 5-0 vote

- ◆ The Board was asked to authorize the General Manager to execute an agreement with Eagle Aerial Solutions for Land Use Mapping, Premise Delineation, and WaterView CII Module in the amount of \$133,296. (Item 12-D)

Motion No. 24-01-2006: Upon consideration thereof, it was moved by Director Woo, seconded by Director Kwong, and unanimously carried 5-0, to authorize the General Manager to execute an agreement with Eagle Aerial Solutions for Land Use Mapping, Premise Delineation, and WaterView CII Module in the amount of \$133,296. (Item 12-D)

President Lee indicated Motion No. 24-01-2006 was approved by a 5-0 vote

- ◆ Mr. Monk reviewed the Operations Report included in the Board Packet. No action was taken by the Board. (Item 12-E)

Item 13: Personnel Committee – Director Tang

- ◆ The Board was asked to adopt the proposed Sick Leave Policy amendment as drafted by District staff and reviewed by labor counsel. (Item 13-A)

Motion No. 24-01-2007: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and unanimously carried 5-0, to adopt the proposed Sick Leave Policy amendment as drafted by District staff and reviewed by labor counsel in the form provided to the Board. (Item 13-A)

President Lee indicated Motion No. 24-01-2007 was approved by a 5-0 vote

- ◆ The Board was asked to adopt the Reproductive Loss Leave Policy as drafted by District staff and reviewed by labor counsel. (Item 13-B)

Motion No. 24-01-2008: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Tang, and unanimously carried 5-0, to adopt the Reproductive Loss Leave Policy as drafted by District staff and reviewed by labor counsel in the form provided to the Board. (Item 13-B)

President Lee indicated Motion No. 24-01-2008 was approved by a 5-0 vote

- ◆ The Board was asked to approve the reorganization of the Finance Department, approve the proposed modification to the District Official Chart of Positions, and approve the initiation of the recruitment process for an Accounting Manager. (Item 13-C)

Motion No. 24-01-2009: Upon consideration thereof, it was moved by Director Tang, seconded by Director Kwong, and unanimously carried 5-0, to approve the reorganization of the Finance Department, approve the proposed modification to the District Official Chart of Positions, and approve the initiation of the recruitment process for an Accounting Manager. (Item 13-C)

President Lee indicated Motion No. 24-01-2009 was approved by a 5-0 vote

Item 14: TVMWD/MWD

- ◆ Updates on TVMWD/MWD business matters were provided by TVMWD General Manager Matt Litchfield. (Item 14)

Item 15: 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 November 2023. (Item 15)

Item 16: Puente Basin Water Agency (PBWA)

- ◆ Director Lee stated there was no information to report to the Board. (Item 16)

Item 17: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Tang reported on the January 2, 2024, Executive Committee meeting. (Item 17)

Item 18: General Manager's Report

- ◆ The Board received the District's activities calendars for February, March, April 2024. (Item 18-A)

Item 19: 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 December 2023 was 3.71% lower than usage in December 2020 and 4.69% lower than usage in December 2013. (Item 19-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of January 1, 2024. (Item 19-B)

Item 20: 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 20)

- ◆ Director Hilden reported the following on his activities for December: The District's Regular and Special Board Meetings, Public Information Committee meetings, TVMWD Board meeting, signing documents, and the Metropolitan Water District Poster Recognition.
- ◆ Director Kwong reported on the following activities for December: The District's Regular and Special Board Meeting, the Public Information Committee meeting, the Heart of Hope Celebration, and the PWR JWL Commission meeting.
- ◆ Director Lee reported on the following activities for December: The District's Special Board meeting, Finance Committee and Engineering Committee meetings, Building Ad Hoc and Succession Ad Hoc Committee meetings, Heart of Hope Celebration, Spadra Basin Advisory Committee meeting, and the PBWA Board meeting.

- ◆ Director Tang reported on the following for December: District’s Regular and Special Board meeting, Public Information and Finance Committee meetings, Succession Ad Hoc Committee meeting, Heart of Hope celebration, Spadra Basin Executive Committee meeting, MWD Art Award Ceremony, and the WVWD Outreach Team meeting with Suzanne Middle School CAPA Member.
- ◆ Director Woo reported the following for December: The District’s Regular and Special Board meeting, the Engineering Committee Meeting, Review candidates resumes for GM interview, and the Building Ad Hoc Committee meeting,

Item 21: Legal Reports

- ◆ Mr. Ciampa reported on the status of legislation that has been introduced in the next legislative year. He also mentioned that ACWA will be introducing legislation to address the exhaustion of administrative remedies and administrative record issues relating to Proposition 218 litigation. (Item 21)

Item 22: Items for Future Discussion

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

Item 23: Board of Directors Business

- ◆ Standing Committee positions were selected on a “chain of command” basis in accordance with the Standing Committee Selection Process, with the first choice going to the Board President, second choice to the First Vice President, third choice to the Second Vice President, and so on down the line, repeating in the same order until all positions were filled as follows:

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

(Item 23-A)

- ◆ Board members advised President Lee of their interest in serving as District representatives to various agencies and commissions for Calendar Year 2024, with the desire for those appointments to remain the same as the previous year. The table below shows the Calendar Year 2024 commissions, various agencies, and ad hoc committees as follows, with the same appointments as in 2023:

Commission/Agency Assignments	
Position	Director
TVMWD Representative	Edwin Hilden
TVMWD Representative – Alternate	Henry Woo
JPIA Board Member	Theresa Lee
JPIA Board Member – Alternate	Edwin Hilden
JPIA Property Program Committee Member	Theresa Lee
ACWA Voting Delegate	Edwin Hilden
ACWA Voting Delegate – Alternate	Henry Woo
ACWA Region 8 Delegate	Theresa Lee
ACWA Region 8 Delegate – Alternate	Henry Woo
Regional Chamber Representative	Scarlett Kwong
Regional Chamber Representative – Alternate	Edwin Hilden

Ad Hoc Committee	
Succession Ad Hoc (established August 24, 2023)	Theresa Lee Jerry Tang
New Building Ad Hoc (established August 24, 2023)	Theresa Lee Henry Woo

(Item 23-B)

- ◆ The Board was asked to adopt Resolution No. 01-24-727, appointing Scarlett P. Kwong as Representative to Serve on the Pomona-Walnut-Rowland Joint Water Line Commission and Edwin Hilden as the Alternate Representative. (Item 23-C)

Motion No. 24-01-2010: Upon consideration thereof, it was moved by Director Tang, seconded by Director Lee, and unanimously carried 5-0 by roll call vote noted below, to adopt Resolution No. 01-24-727, appointing Scarlett P. Kwong as Representative to Serve on the Pomona-Walnut-Rowland Joint Water Line Commission and Edwin Hilden as the Alternate Representative. (Item 23-C)

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

President Lee indicated Motion No. 24-01-2010, adopting Resolution No. 01-24-727, was approved by a 5-0 roll call vote

- ◆ The Board was asked to adopt Resolution No. 01-24-728, appointing Theresa Lee and Henry Woo as Representatives to serve on the Puente Basin Water Agency, and Scarlett Kwong as the Alternate Representative. (Item 23-D)

Motion No. 24-01-2011: Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and unanimously carried 5-0 by roll call vote noted below, to adopt Resolution No. 01-24-728, appointing Theresa Lee and Henry Woo as Representatives to serve on the Puente Basin Water Agency, and Scarlett Kwong as the Alternate Representative. (Item 23-D)

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

President Lee indicated Motion No. 24-01-2011, adopting Resolution No. 01-24-728, was approved by a 5-0 roll call vote

- ◆ The Board was asked to adopt Resolution No. 01-24-729, appointing Jerry Tang as Representative to Serve on the Executive Committee of the Spadra Basin Groundwater Sustainability Agency, and Theresa Lee as the Alternate Representative. (Item 23-E)

Motion No. 24-01-2012: Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong, and unanimously carried 5-0 by roll call vote noted below, to adopt Resolution No. 01-24-729, appointing Jerry Tang as Representative to Serve on the Executive Committee of the Spadra Basin Groundwater Sustainability Agency, and Theresa Lee as the Alternate Representative. (Item 23-E)

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

President Lee indicated Motion No. 24-01-2012, adopting Resolution No. 01-24-729, was approved by a 5-0 roll call vote

- ◆ The Board was asked to advise staff regarding interest in being nominated as a candidate to fill the Special District Local Agency Formation Commission for Special District Voting Member. No official Board action was taken on this matter. (Item 23-F)

Adjournment at 5:55 p.m.