

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

February 20, 2024  
At the Office of the District  
271 South Brea Canyon Road, Walnut, CA 91789

## **DIRECTORS PRESENT:**

Edwin Hilden  
Scarlett Kwong  
Theresa Lee  
Henry Woo

## **DIRECTORS ABSENT:**

Jerry Tang

## **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 & Planning  
Bertha Perez, Senior Engineer  
Alanna Diaz, Director of Administrative Services  
Lucie Cazares, Executive Secretary  
Carmen Fleming, Senior Executive Assistant  
Jim Ciampa, Legal Counsel

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) Directors Jody Roberto, Mike Ti, and General Manager Matt Litchfield. Also, in attendance was Walnut Valley Water District Employee Donna DiLaura and Diamond Bar resident Pearl Hilden.

### **Item 3: Public Comment**

- ◆ TVMWD's General Manager Matt Litchfield, presented a Resolution in honor of Erik Hitchman's retirement. (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: Review of District Investment Activities by Mr. Jayson Schmitt, Representative of Chandler Asset Management**

- ◆ Mr. Schmitt of Chandler Asset Management reviewed current economic conditions and provided an update on the firm's investment activities on behalf of the District. The Board was asked to receive and file the District Investment activities. (Item 6)

***Motion No. 24-02-2013: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden, and carried 4-0 (with Director Tang absent), to receive and file the report on District Investment activities. (Item 6)***

**President Lee indicated Motion No. 24-02-2013 was approved by a 4-0 (with Director Tang absent) 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 January 16, 2024, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 7 – A, B, C, D)

***Motion No. 24-02-2014: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and carried 4-0 (with Director Tang absent) to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held January 16, 2024, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 7 – A, B, C, D)***

**President Lee indicated Motion No. 24-02-2014 was approved by a 4-0 (with Director Tang absent) 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 January 2024. (Item 8)

***Motion No. 24-02-2015: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and carried 4-0 (with Director Tang 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 January 2024. (Item 8)***

**President Lee indicated Motion No. 24-02-2015 was approved by a 4-0 (with Director Tang absent) vote**

**Item 9: Treasurer's Reports**

- ◆ Mr. Byerrum presented the Financial Dashboard as of December 31, 2023, the District Statement of Revenue, Expenses, and Change in Net Position as of December 31, 2023, the District Statement of Net Position as of December 31, 2023, and the Summary of Cash and Investments as of December 31, 2023. (Items 9 - A, B, C, D)

***Motion No. 24-02-2016: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and carried 4-0 (with Director Tang absent) to receive, approve, and file the Financial Dashboard as of December 31, 2023, the District Statement of Revenue, Expenses, and Change in Net Position as of December 31, 2023, the District Statement of Net Position as of December 31, 2023, and the Summary of Cash and Investments as of December 31, 2023. (Items 9 - A, B, C, D)***

**President Lee indicated Motion No. 24-02-2016 was approved by a 4-0 (with Director Tang absent) 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 adopt Resolution No. 02-24-730, authorizing District personnel to deposit or withdraw monies in the Local Agency Investment Fund. (Item 11-A)

***Motion No. 24-02-2017: Upon consideration thereof, it was moved by Director Lee, seconded by Director Woo, and carried 4-0 (with Director Tang absent) by roll call vote noted below, to adopt Resolution No.02-24-730, authorizing District personnel to deposit or withdraw monies in the Local Agency Investment Fund. (Item 11-A)***

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

**President Lee indicated Motion No. 24-02-2017, adopting Resolution No. 02-24-730 was approved by a 4-0 (with Director Tang absent) roll call vote**

- ◆ The Board was asked to adopt Resolution No. 02-24-731, allowing for reimbursement of District expenses before issuing tax-exempt obligations. (Item 11-B)

***Motion No. 24-02-2018: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and carried 4-0 (with Director Tang absent) by roll call vote noted below, to adopt Resolution No.02-24-731, allowing for reimbursement of District expenses before issuing tax-exempt obligations. (Item 11-B)***

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

**President Lee indicated Motion No. 24-02-2018, adopting Resolution No. 02-24-731 was approved by a 4-0 (with Director Tang absent) roll call vote**

- ◆ The District's investment transaction report for the period ending December 31, 2023, will be reviewed at the March 18, 2024 Regular Board meeting (Item 11-C)
- ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust report. (Item 11-D)

**Item 12: Engineering Committee – Director Lee**

- ◆ The Board was asked to approve revisions to the District's Rules and Regulations related to Accessory Dwelling Units. (Item 12-A)

***Motion No. 24-02-2019: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and carried 4-0 (with Director Tang absent), to approve revisions to the District's Rules and Regulations related to Accessory Dwelling Units. (Item 12-A)***

**President Lee indicated Motion No. 24-02-2019 approved by a 4-0 (with Director Tang absent) vote**

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

**Item 13: Personnel Committee – Director Lee**

- ◆ The Board was asked to accept the District's employee disability and life insurance coverage proposal from Equitable, which includes a two-year rate guarantee for the District's basic life insurance, supplemental life insurance, and short-term and long-term disability coverages, effective March 1, 2024, through February 28, 2026. (Item 13-A)

***Motion No. 24-02-2020: Upon consideration thereof, it was moved by Director Woo, seconded by Director Kwong, and carried 4-0 (with Director Tang absent), to approve the proposal from Equitable for the District's employee disability and life insurance coverages, effective March 1, 2024 through February 28, 2026, with a one-year rate guarantee. (Item 13-A)***

**President Lee indicated Motion No. 24-02-2020 approved by a 4-0 (with Director Tang absent) 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 December 2023. (Item 15)

**Item 16: Puente Basin Water Agency (PBWA)**

- ◆ Director Lee reported on the February 1<sup>st</sup> Commission meeting and February 12<sup>th</sup> stakeholder meeting regarding the Groundwater Management Plan development. (Item 16)

**Item 17: Spadra Basin Groundwater Sustainability Agency**

- ◆ The next agency meeting will be held on March 4, 2024. (Item 17)

**Item 18: General Manager's Report**

- ◆ The Board received the District's activities calendars for March, April, and May 2024. (Item 18-A)
- ◆ The Board recognized Mr. David Lias for his recent completion of the ACWA/JPIA Professional Development Program-Human Resource Certification Program. (Item 18-B)
- ◆ Mr. Hitchman updated the Board on SB 366 and SB 1330. (Item 18-C)

**Item 19: Water Supply and Conservation**

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, Calendar Year 2024 purchased water estimate, conservation goal summary, climate summary, and 2024 monthly water consumption versus the 2013 and 2020 baseline years. The report noted that the District's water usage for January 2024 was 6.55% lower than usage in January 2020 and 17.95% lower than usage in January 2013. (Item 19-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of February 13, 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 January: The District's Regular Board meeting, Public Information Committee meeting, Finance Committee meeting, Personnel Committee meeting, and TVMWD Board meeting.
- ◆ Director Kwong reported on the following activities for January: The District's Regular Board Meeting, the Public Information Committee meeting, the District's Diamond Bar facility tour, and the District's Walnut facility tour
- ◆ Director Lee reported on the following activities for January: The District's Regular Board meeting, Finance Committee and Engineering Committee meetings, Building Ad Hoc Committee meetings, Spadra Basin Advisory Committee meeting, and the UAAA Global Cup Competition at Pacific Palms.
- ◆ Although Director Tang was not in attendance to report on his activities for January, his expense report noted his attendance at the following meeting/events: The District's Regular Board meeting, Public information Committee meeting, Finance Committee meeting, Personnel Committee meeting, WVWD Community appreciation night, WVWD facility tours at Diamond Bar and Walnut, Translating for the public tours, and the City of Walnut 65<sup>th</sup> Birthday Bash.
- ◆ Director Woo reported the following for January: The District's Regular Board meeting, the Public Information and Engineering Committee Meetings, the Building Ad Hoc Committee meeting, and the VIP Facility tour.

**Item 21: Legal Reports**

- ◆ Mr. Ciampa congratulated Mr. Hitchman on his retirement and thanked him for his service to the District, the region and the water industry. He also provided a brief overview on the status of legislation. (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 presented a Certificate of Appreciation to Mr. Erik Hitchman. (Item 23)

**Adjournment at 6:07 p.m.**