

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

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

**DIRECTORS PRESENT:**

Edwin Hilden  
Jerry Tang  
Scarlett Kwong  
Henry Woo

**DIRECTORS ABSENT:**

Theresa Lee

**STAFF PRESENT:**

Sherry Shaw, General Manager/Chief Engineer  
Jared Macias, Assistant General Manager  
Josh Byerrum, Director of Finance  
Lily Lopez, Director of External Affairs & Sustainability  
Alanna Diaz, Director of Administrative Services  
Tom Monk, Director of Operations  
Lucie Cazares, Executive Services Administrator  
Jim Ciampa, Legal Counsel

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

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) General Manager Matt Litchfield, and WVWD employees Bertha Perez and Greg Galindo.

**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 reordering of the agenda. (Item 5)

**Item 6: WVWD Special Recognition**

- ◆ Ms. Shaw recognized Director Hilden for serving as the 2023 Board President and awarded him an engraved gavel. (Item 6)

**Item 7: WVWD Team Milestones and Achievements**

- ◆ Ms. Shaw recognized Mr. David Lias' promotion to General Services Supervisor. Ms. Shaw also recognized Ms. Jodi Johnson for celebrating 20 years of dedicated service to the District as of November 2024. (Item 7)

**Item 8: Review of District Investment Activities by Mr. Jayson Schmitt, representative of Chandler Asset Management**

- ◆ Mr. Jayson 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 report on District Investment Activities. (Item 8)

**Motion No. 24-12-2106: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Woo and carried 4-0 (with Director Lee absent) to receive and file the report on District Investment Activities. (Item 8)**

**First Vice President Kwong indicated Motion No. 24-12-2106 was approved by a 4-0 (with Director Lee absent) vote**

**Item 9: Consider Approval of Consent Calendar**

- ♦ The Board was asked to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held on November 12, 2024, the Special Board meeting held on November 14, 2024, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 8 – A, B, C, D)

**Motion No. 24-12-2107: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 4-0 (with Director Lee absent), to approve the Consent Calendar, consisting of the Regular Board meeting held on November 12, 2024, the Special Board meeting held on November 14, 2024, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 9 – A, B, C, D)**

**First Vice President Kwong indicated Motion No. 24-12-2107 was approved by a 4-0 (with Director Lee absent) vote**

**Item 10: 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 November 2024. (Item 10)

**Motion No. 24-12-2108: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 4-0 (with Director Lee absent) 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 November 2024. (Item 10)**

**First Vice President Kwong indicated Motion No. 24-12-2108 was approved by a 4-0 (with Director Lee absent) vote**

**Item 11: Treasurer's Reports**

- ♦ Mr. Byerrum presented the Financial Dashboard as of October 31, 2024, the District Statement of Revenue, Expenses, and Change in Net Position as of October 31, 2024, the District Statement of Net Position as of October 31, 2024, and the Summary of Cash and Investments as of October 31, 2024. (Items 11 - A, B, C, D)

**Motion No. 24-12-2109: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Tang, and carried 4-0 (with Director Lee absent) to receive, approve, and file the Financial Dashboard as of October 31, 2024, the District Statement of Revenue, Expenses, and Change in Net Position as of October 31, 2024, the District Statement of Net Position as of October 31, 2024, and the Summary of Cash and Investments as of October 31, 2024. (Items 11 - A, B, C, D)**

**First Vice President Kwong indicated Motion No. 24-12-2109 was approved by a 4-0 (with Director Lee absent) vote**

**Committee Chair Reports****Item 12: Public Information/Community Relations/Legislative Action Committee – Director Kwong**

- ♦ There are no items to come to the Board at this time. (Item 12)

**Item 13: Finance Committee – Director Tang**

- ♦ The Board was asked to receive, approve, and file the Annual Comprehensive Financial Report for Fiscal Year Ending June 30, 2024. In preparation for and during the audit, District staff prepared materials and worked directly with the auditing team, C.J. Brown & Company CPAs. Mr. Chris Brown of the auditing team noted that C.J. Brown & Company CPAs 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 that 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 13-A)

**Motion No. 24-12-2110: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 4-0 (with Director Lee absent), to receive,**

**approve, and file the Annual Comprehensive Financial Report for Fiscal Year Ending June 30, 2024. (Items 13-A)**

**First Vice President Kwong indicated Motion No. 24-12-2110 was approved by a 4-0 (with Director Lee absent) vote**

- ♦ Mr. Byerrum reviewed the District's investment transaction report for the period ending November 30, 2024. The Board was then asked to receive, approve, and file the investment transactions report. (Item 13-B)

**Motion No. 24-12-2111: Upon consideration thereof, it was moved by Director Woo, seconded by Director Tang, and carried 4-0 (with Director Lee absent), to receive, approve, and file the investment transactions report for the period ending November 30, 2024. (Item 13-B)**

**First Vice President Kwong indicated Motion No. 24-12-2111 was approved by a 4-0 (with Director Lee absent) vote**

- ♦ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust – East West Bank. (Item 13-C)
- ♦ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust – US Bank. (Item 13-D)

#### **Item 14: Engineering Committee – Director Woo**

- ♦ The Board was asked to approve revisions to the District's Rules and Regulations related to the Affordable Rate Program, removing the payment history requirement, which will make the program more inclusive, allowing a greater number of low-income households to benefit from reduced water rates. (Item 14-A)

**Motion No. 24-12-2112: Upon consideration thereof, it was moved by Director Tang, seconded by Director Woo, and carried 4-0 (with Director Lee absent), for Approval of Revisions to the District's Rules and Regulations related to the Affordable Rate Program. (Item 14-A)**

**First Vice President Kwong indicated Motion No. 24-12-2112 was approved by a 4-0 (with Director Lee absent) vote**

- ♦ The Board was asked to approve an amendment to the FY 2024-25 Capital Improvement Program Budget and authorize the General Manager to execute a contract with a paving contractor for asphalt restoration work related to the Recycled Water Main Replacement on Golden Springs Drive, Diamond Bar. (Item 14-B)

**Motion No. 24-12-2113: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and carried 4-0 (with Director Lee absent), for approval of an amendment to the FY 2024-25 Capital Improvement Program Budget and to authorize the General Manager to execute a contract in the amount of \$120,000 with a paving contractor for asphalt restoration work related to the Recycled Water Main Replacement on Golden Springs Drive, Diamond Bar. Capital Improvement Program Budget Amendment & Authorization of Pavement Restoration Work. (Item 14-B)**

**First Vice President Kwong indicated Motion No. 24-12-2113 was approved by a 4-0 (with Director Lee absent) vote**

**Item 15: Personnel Committee – Director Hilden**

- ◆ There are no items to come to the Board at this time. (Item 15)

**Item 16: TVMWD/MWD**

- ◆ Updates on TVMWD/MWD business matters were provided by TVMWD General Manager Matt Litchfield. (Item 16)

**Item 17: 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 2024. (Item 17)

**Item 18 Puente Basin Water Agency (PBWA)**

- ◆ Director Woo stated there was no information to report to the Board. (Item 18)

**Item 19: Spadra Basin Groundwater Sustainability Agency**

- ◆ Director Tang reported that the next Spadra Basin GSA Executive Committee meeting will be on January 6, 2025. (Item 19)

**Item 20: General Manager's Report**

- ◆ The Board received the District's activities calendars for January, February and March 2025. (Item 20-A)
- ◆ The Board recognized the District for its recent ACWA/JPIA President's Special Recognition Award. (Item 20-B)

**Item 21: 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 November 2024 was 9.87% lower than usage in November 2020 and 21.67% lower than usage in November 2013. (Item 21-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of December 2, 2024. (Item 21-B)

**Item 22: Directors' Oral Reports**

(NOTE: Board meeting minutes provide written reports of Board meetings, 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 22)

- ◆ Director Hilden reported the following on his activities for November: Former Board Member Ebenkamp's Celebration of Life, Personnel Committee, TVMWD Board meetings, City's Veteran's Recognition Ceremony, Congresswoman Napolitano's Retirement Luncheon, SGVRCC Chamber of Commerce Veteran's Luncheon, the District's Regular Board meeting, and Special Public Hearing.
- ◆ Director Kwong reported the following on her activities for November: Former Board Member Ebenkamp's Celebration of Life, Public Information Committee, Engineering Committee, the District's Regular Board meeting, and Special Public Hearing.
- ◆ Director Lee's written report disclosed the following activities for November: Former Board Member Ebenkamp's Celebration of Life, Spadra Basin GSA Executive Committee meeting, Personnel Committee, WVWD Community Information Meeting, SGVRCC Chamber of Commerce Veteran's Luncheon, the District's Regular Board meeting, and Special Public Hearing.
- ◆ Director Tang reported on the following activities for November: The Public Information Committee meeting, Spadra Basin GSA Executive Committee meeting, WVWD Community Information Meeting, District's Regular Board meeting, the District's Regular Board meeting, Special Public Hearing and Assisted Walnut resident investigate and report leak.
- ◆ Director Woo reported on the following activities for November: Former Board Member Ebenkamp's Celebration of Life, Public Information Committee meeting, Engineering Committee meeting, District's Regular Board meeting, Special Public Hearing and review of Water Main on Colima and Banida.

**Item 23: Legal Reports**

Mr. Ciampa reported on the following matters: (i) the State Legislature is implementing a bill limit of 35 bills per legislator, which is reduced from prior sessions; (ii) MWD approved further planning and design funding for the Delta Conveyance Project, but will include milestones which

must be met for MWD to continue its funding; (iii) the Puente Basin Water Agency engaged in an extensive discussion regarding the California Domestic Water Company project at the Agency's December 12 meeting; and (iv) the initial State Water Project allocation is 5%. (Item 23)

**Item 24: Items for Future Discussion**

- ◆ There were no requests for future discussion items. (Item 24)

**Item 25: Board of Directors Business**

- ◆ The Board was asked to consider approval of the first contract amendment to the General Manager's Employment contract reflective of a 4% salary adjustment, as approved at the November 12 Board of Directors' meeting, which is inclusive of the 4% Cost-of-Living Adjustment provided to all District employees in the Terms and Conditions of Employment for 2023-2027. (Item 25-A)

**Motion No. 24-12-2114: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and carried 4-0 (with Director Lee absent), to approve the first amendment to the General Manager's Employment Contract reflective of a previously approved 4% salary adjustment, which is inclusive of the 4% Cost-of-Living Adjustment, effective January 1, 2025 (Item 25-A)**

**First Vice President Kwong indicated Motion No. 24-12-2114 was approved by a 4-0 (with Director Lee absent) vote**

- ◆ The Board was asked to approve the Wholesale Potable Water Rate Adjustment for the Wholesale Potable Water Rates for Suburban Water Systems (Badillo Grand Line) and Golden State Water Company (Grand Avenue Connection) effective January 1, 2025. (Item 25-B)

**Motion No. 24-12-2115: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and carried 4-0 (with Director Lee absent), to approve the Wholesale Potable Water Rate Adjustment for the Wholesale Potable Water Rates for Suburban Water Systems (Badillo Grand Line) and Golden State Water Company (Grand Avenue Connection) effective January 1, 2025. (Item 25-B)**

**First Vice President Kwong indicated Motion No. 24-12-2115 was approved by a 4-0 (with Director Lee absent) vote**

- ◆ The Board was asked to approve the 2025 Walnut Valley Water District Board meeting and workshop schedule, noting that subsequent adjustments may be made by the Board in accordance with the Brown Act. (Item 25-C)

**Motion No. 24-12-2116: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Tang, and carried 4-0 (with Director Lee absent), to approve the CY 2025 Board and Workshop meeting schedule as presented. (Item 25-C)**

**First Vice President Kwong indicated Motion No. 24-12-2116 was approved by a 4-0 (with Director Lee absent) vote**

- ◆ Officers were rotated in accordance with the "Board Reorganization Rotation Policy."  
Scarlett P. Kwong, President  
Jerry Tang, First Vice President  
Henry Woo, Second Vice President  
Edwin Hilden, Assistant Treasurer  
Theresa Lee, Director  
(Item 25-D)

**Motion No. 24-12-2117: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 4-0 (with Director Lee absent), to approve the Rotation of Officers as noted above. (Item 25-D)**

**First Vice President Kwong indicated Motion No. 24-12-2117 was approved by a 4-0 (with Director Lee absent) vote**

- ◆ A schedule of 2025 key conferences/events was provided to the Board as a matter of information only. (Item 25-E)

**Adjournment at 6:14 p.m.**