

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

October 21, 2024
At the Office of the District
271 South Brea Canyon Road, Walnut, CA 91789

DIRECTORS PRESENT:

Edwin Hilden
Theresa Lee
Jerry Tang

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
Bertha Perez, Engineering Manager
Alanna Diaz, Director of Administrative Services
Tom Monk, Director of Operations
Alexandra Cortez, Administrative Assistant
Jim Ciampa, Legal Counsel

DIRECTORS ABSENT:

Scarlett Kwong
Henry Woo

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 Mike Ti and Jody Roberto, and WVWD employees Greg Galindo and James Ning.

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 Team Milestones and Achievements

- ◆ Ms. Shaw recognized Water Production Operator Pablo Martinez for achieving his Distribution 5 certification; Utility Service Lead John Shute for achieving his Treatment 2 certification; Information Technology Technician Fiona Tang for achieving her Comp-TIA Security Plus certification; Administrative Assistant Alexandra Cortez for completing her Human Resources certification; and Director of External Affairs & Sustainability Lily Lopez for 5 years of dedicated service to the District. (Item 6)

Item 7: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, consisting of the minutes of the Special Board meeting held on September 5, 2024, the Regular Board meeting held on September 16, 2024 and the Special Board meeting held on September 19, 2024; the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 7 – A, B, C, E, F)

Motion No. 24-10-2088: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Tang, and carried 3-0 (with Directors Kwong and Woo absent), to approve the Consent Calendar, consisting of the minutes of the Special Board meeting held on September 5, 2024, the Regular Board meeting held on September 16, 2024 and the Special Board meeting held on September 19, 2024; the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 7 – A, B, C, E, F)

President Lee indicated Motion No. 24-10-2088 was approved by a 3-0 (with Directors Kwong and Woo 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 September 2024. (Item 8)

Motion No. 24-10-2089: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Tang, and carried 3-0 (with Directors Kwong and Woo 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 September 2024. (Item 8)

President Lee indicated Motion No. 24-10-2089 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

Item 9: Treasurer's Reports

- ◆ Mr. Byerrum presented the Financial Dashboard as of August 31, 2024, the District Statement of Revenue, Expenses, and Change in Net Position as of August 31, 2024, the District Statement of Net Position as of August 31, 2024, and the Summary of Cash and Investments as of August 31, 2024. (Items 9- A, B, C, D)

Motion No. 24-10-2090: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 3-0 (with Directors Kwong and Woo absent), to receive, approve, and file the Financial Dashboard as of August 31, 2024, the District Statement of Revenue, Expenses, and Change in Net Position as of August 31, 2024, the District Statement of Net Position as of August 31, 2024, and the Summary of Cash and Investments as of August 31, 2024. (Items 9- A, B, C, D)

President Lee indicated Motion No. 24-10-2090 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

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

- There are no items to come to the Board at this time.

Item 11: Finance Committee – Director Lee

- ◆ 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 11-A)

Motion No. 24-10-2091: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 3-0 (with Directors Kwong and Woo absent), to receive, approve, and file the Annual Acreage Supply, Reservoir Capacity, Water Supply Charges, and Capacity Fees (Capital Improvement Fees) report. (Items 11-A)

President Lee indicated Motion No. 24-10-2091 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

- ◆ The Board was asked to approve the revised Cash Reserve Policy. (Item 11-B)

Motion No. 24-10-2092: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 3-0 (with Directors Kwong and Woo absent), to approve the revised Cash Reserve Policy in the form presented. (Item 11-B)

President Lee indicated Motion No. 24-10-2092 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

- ◆ The Board was asked to approve staff's recommendation for FY 2023-24 Source and Application of Funds to transfer the following from the District's general account: \$310,500 to the Operating Reserve; \$430,000 to the Capital Improvement Reserve; \$231,618 to the Reserve for Replacement; \$521,400 to the Stored Water Reserve; and \$200,000 to the Employees Liabilities Reserve related to the Employer OPEB and CalPERs liabilities. (Item 11-C)

Motion No. 24-10-2093: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 3-0 (with Directors Kwong and Woo absent), to approve staff's recommendation for FY 2023-24 Source and Application of Funds to transfer the following from the District's general account: \$310,500 to the Operating Reserve; \$430,000 to the Capital Improvement Reserve; \$231,618 to the Reserve for Replacement; \$521,400 to the Stored Water Reserve; and \$200,000 to the Employees Liabilities Reserve related to the Employer OPEB and CalPERs liabilities. (Item 11-C)

President Lee indicated Motion No. 24-10-2093 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

- ◆ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report for the month ending September 30, 2024. (Item 11-D)

Motion No. 24-10-2094: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 3-0 (with Directors Kwong and Woo absent), to receive, approve, and file the District's Consolidated Investment Transactions Report for the month ending September 30, 2024. (Item 11-D)

President Lee indicated Motion No. 24-10-2094 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

- ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust Report for East West Bank. (Item 11-E)
- ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust Report for US Bank. (Item 11-F)

Item 12: Engineering Committee – Engineering Manager Perez (in light of Director Woo's absence)

- ◆ The Board was asked to receive and file the Thirty-Eighth Annual Report for the Puente Basin Watermaster for Fiscal Year 2023-24. (Item 12-A)

Motion No. 24-10-2095: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and carried 3-0 (with Directors Kwong and Woo absent), to receive and file the Thirty-Eighth Annual Report for the Puente Basin Watermaster for Fiscal Year 2023-24. (Item 12-A)

President Lee indicated Motion No. 24-10-2095 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

- ◆ The Board was asked to approve revisions to the District's Rules and Regulations related to payment arrangements. (Item 12-B)

Motion No. 24-10-2096: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden, and carried 3-0 (with Directors Kwong and Woo absent), to approve revisions to the District's Rules and Regulations related to payment arrangements, in the form presented. (Item 12-B)

President Lee indicated Motion No. 24-10-2096 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

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

Item 13: Personnel Committee – Director Lee

- ◆ 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 13-A)

Motion No. 24-10-2097: Upon consideration thereof, it was moved by Director Tang, seconded by Director Lee, and carried 3-0 (with Directors Kwong and Woo absent), to review and approve the Board policies for Ethical Conduct regarding Board of Directors Compensation and Expenses in the form presented, without changes. (Item 13-A)

President Lee indicated Motion No. 24-10-2097 was approved by a 3-0 (with Directors Kwong and Woo absent) vote

Item 14: TVMWD/MWD

- ◆ Updates on TVMWD/MWD business matters were provided by TVMWD Director Mike Ti. (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 August 2024 (Item 15)

Item 16: Puente Basin Water Agency (PBWA)

- ◆ Director Lee reported on the October 3, 2024, meeting. (Item 16)

Item 17: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Tang reported there was no meeting in October and the next Spadra Basin GSA Executive Committee meeting will be on November 4, 2024. (Item 17)

Item 18: General Manager's Report

- ◆ The Board received the District's activities calendars for November and December 2024, and January 2025.
- ◆ As a matter of information only, the Board received a Certificate and Transmittal Letter from the L.A. County Registrar-Recorder's Office confirming Director Kwong, Director Tang, and Director Woo will be appointed for new terms as District directors at a future Board of Supervisors' meeting because no candidate filed papers to oppose them in the election. (Item 18)

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 September 2024 was 17.46% lower than usage in September 2020 and 28.54% lower than usage in September 2013. (Item 19-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of September 23, 2024. (Item 19-B)

Item 20: 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 20)

- ◆ Director Hilden reported the following on his activities for September: The District's Regular and Special Board meetings, Personnel Committee, TVMWD Board meetings, and Industry Business Council Luncheon.
- ◆ Although Director Kwong was not in attendance to report on her activities for September, her expense report noted her attendance at the following meetings/events: The District's Regular and Special Board meetings, Regional Changer of Commerce Government Affairs meeting, Public Information Committee, Engineering Committee, DB Evergreen Club Birthday Celebration, and Mid-Autumn Festival.
- ◆ Director Lee reported on the following activities for September: The District's Regular and Special Board meetings, Finance Committee, Personnel Committee, SPADRA Executive Committee meeting, and Beerfest of Diamond Bar.

- ◆ Director Tang reported on the following activities for September: The District's Regular and Special Board meetings, Public Information Committee, and Finance Committee.
- ◆ Although Director Woo was not in attendance to report on his activities for September, his expense report noted his attendance at the following meetings/events: The District's Regular and Special Board meetings and the Engineering Committee meeting.

Item 21: Legal Reports

- ◆ There were no legal reports to come before the Board at this time. (Item 21)

Item 22: Items for Future Discussion

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

Item 23: Board of Directors Business

- ◆ There were no Board of Director Business items to come before the Board at this time. (Item 23)

Adjournment at 5:35 p.m.