

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

May 18, 2026

Walnut Valley Water District Board Room
235 South Brea Canyon Road, Walnut, CA 91789

DIRECTORS PRESENT:

Edwin Hilden
Scarlett Kwong
Jerry Tang
Henry Woo

STAFF PRESENT:

Sherry Shaw, General Manager/Chief Engineer
Jared Macias, Assistant General Manager
Bertha Perez, Director of Engineering
James Ning, Director of Finance
Lily Lopez, Director of External Affairs & Sustainability
Tom Monk, Director of Operations
Jim Ciampa, Legal Counsel

DIRECTORS ABSENT:

Theresa Lee

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

Guests and Others in Attendance: Three Valleys Municipal Water District (TVMWD) Director Jody Roberto, Director David De Jesus and General Manager Matt Litchfield; WVWD staff Greg Galindo, Monique Fitchett, Dave Rudy, and Alex Cortez. Guests: Adrienne Beatty, Chief Executive Officer, ACWA JPIA, and Jonathan Brown, SitelogIQ

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: Public Hearing: Consideration & Adoption of the 2025 Urban Water Management Plan.

- ◆ President Tang opened the public hearing to receive comments regarding the adoption of the 2025 Urban Water Management Plan. (Item 6-A)
- ◆ President Tang closed the public hearing. (Items 6-B, C, D)
- ◆ The Board was asked to receive, approve, and file the 2025 Urban Water Management Plan. (Item 6-E)

Motion No. 26-05-2303: Upon consideration thereof, it was moved by Director Woo, second by Director Kwong, and unanimously carried 4-0 by roll call vote (with Director Lee absent) noted below, to receive, approve, and file the 2025 Urban Water Management Plan. (Item 6-E)

Ayes: Hilden, Kwong, Tang, Woo

Noes: None

Absent: Lee

Abstain: None

President Tang indicated Motion No. 26-05-2303 was approved by a 4-0
(with Director Lee absent) vote

- ◆ The Board was asked to adopt Resolution No. 05-26-754 to adopt the 2025 Urban Water Management Plan (UWMP). (Item 6-F)

Motion No. 26-05-2304: Upon consideration thereof, it was moved by Director Woo, second by Director Kwong, and unanimously carried 4-0 by roll call vote (with Director Lee absent) noted below, to adopt Resolution 05-26-754, to adopt the 2025 Urban Water Management Plan (UWMP). (Item 6-F)

Ayes: Hilden, Kwong, Tang, Woo

Noes: None

Absent: Lee

Abstain: None

President Tang indicated Motion No. 26-05-2304 was approved by a 4-0
(with Director Lee absent) vote

Item 7: Public Hearing: Consideration & Adoption of the 2025 Water Shortage Contingency Plan

- ◆ President Tang opened the public hearing to receive comments regarding the adoption of the 2025 Water Shortage Contingency Plan. (Item 7-A)
- ◆ President Tang closed the public hearing. (Items 7-B, C, D)
- ◆ The Board was asked to receive, approve, and file 2025 Water Shortage Contingency Plan (WSCP). (Item 7-E)

Motion No. 26-05-2305: Upon consideration thereof, it was moved by Director Woo, second by Director Kwong, and unanimously carried 4-0 by roll call vote (with Director Lee absent) noted below, to receive, approve, and file Water Shortage Contingency Plan (WSCP). (Item 7-E)

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

President Tang indicated Motion No. 26-05-2305 was approved by a 4-0 (with Director Lee absent) vote

- ◆ The Board was asked to adopt Resolution No. 05-26-755 to adopt the Water Shortage Contingency Plan (WSCP). (Item 7-F)

Motion No. 26-05-2306: Upon consideration thereof, it was moved by Director Woo, second by Director Kwong, and unanimously carried 4-0 by roll call vote (with Director Lee absent) noted below, to adopt Resolution 05-26-755, to receive, approve, and file the 2025 Water Shortage Contingency Plan. (Item 7-F)

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

President Tang indicated Motion No. 26-05-2306 was approved by a 4-0 (with Director Lee absent) vote

Item 8: Special Recognition & Team Milestones

- ◆ Ms. Shaw recognized the following team members. (Item 8)
 - Director Kwong, for 19 years of outstanding service to the District and community.
 - WWD received the Walter Andy Sells Commitment to Excellence Award.
 - ACWA/JPIA H.R. La Bounty Safety Awards Program awarded to Jazmin Noble, John Shute, and Andy Chan.
 - Chason Snyder for obtaining his AWWA Backflow Prevention Assembly Tester Certification.
 - Employees of the Quarter: Andy Chan and Fiona Tang.
 - Matt Rosa for Top Driver, with a safety score of 98.

Item 9: Review of District Investments Activities by Karl Meng, Representative of Chandler Asset Management.

- ◆ Mr. Karl Meng 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 9)

Motion No. 26-05-2307: Upon consideration thereof, it was moved by Director Woo, second by Director Kwong, and unanimously carried 4-0 (with Director Lee absent) to receive and file the report on District Investment Activities. (Items 9)

President Tang indicated Motion No. 26-05-2307 was approved by a 4-0 (with Director Lee absent) vote

Item 10: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, consisting of the minutes of the Special Board meeting held March 10, 2026, the minutes of Regular Board meeting held April 20, 2026, the minutes of Special Board meeting held April 23, 2026, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 10, A-F)

Motion No. 26-05-2308: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden, and carried 4-0 (with Director Lee absent), approve the Consent Calendar, consisting of the minutes of the Special Board meeting held March 10, 2026, the minutes of Regular Board meeting held April 20, 2026, the minutes of Special Board meeting held April 23, 2026, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 10, A-F)

President Tang indicated Motion No. 26-05-2308 was approved by a 4-0 (with Director Lee absent) vote

Item 11: Consider Approval of 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 April 2026. (Item 11)

Motion No. 26-05-2309: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden, and carried 4-0 (with Director Lee absent), 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 April 2026. (Item 11)

President Tang indicated Motion No. 26-05-2309 was approved by a 4-0 (with Director Lee absent) vote

Item 12: Treasurer's Report

- ◆ Mr. Ning presented the Financial Dashboard as of March 31, 2026, the District Statement of Revenue, Expenses, and Change in Net Positions as of March 31, 2026, the District Statement of Net Positions as of March 31, 2026, and Summary of Cash and Investments as of March 31, 2026. (Items 12-A, B, C, D)

Motion No. 26-05-2310: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Lee and unanimously carried (4-0) (with Director Lee absent), to receive, approve, and file the Financial Dashboard as of March 31, 2026 the District Statement of Revenue, Expenses, and Change in Net Positions as of March 31, 2026, the District Statement of Net Positions as of March 31, 2026, and Summary of Cash and Investments as of March 31, 2026. (Items 12-A, B, C, D)

President Tang indicated Motion No. 26-05-2310 was approved by a 4-0 (with Director Lee absent) vote

Committee Chair Reports

Item 13: Public Information/Community Relations/Legislative Action Committee – Director Tang

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

Item 14 : Finance Committee – Director Lee

- ◆ The Board was asked to authorize the General Manager to execute an agreement with C.J. Brown & Company, CPAs, for auditing services for a 3-year term commencing with fiscal year 2025-26, with an option for an additional 2-years (Item 14-A)

Motion No. 26-05-2311: Upon consideration thereof, it was moved by Director Tang, seconded by Director Kwong and unanimously carried (4-0) (with Director Lee absent), to authorize the General Manager to execute an agreement with C.J. Brown & Company, CPAs, for auditing services for a 3-year term commencing with fiscal year 2025-26, with an option for an additional 2-years (Item 14-A)

President Tang indicated Motion No. 26-05-2311 was approved by a 4-0 (with Director Lee absent) vote

- ◆ The Board was asked to schedule a public hearing to be held during the regular June 15, 2026 Board meeting, to receive comments regarding the District’s Standby Charge Assessment. (Item 14-B)

Motion No. 26-05-2312: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden and unanimously carried (4-0) (with Director Lee absent), schedule a public hearing to be held during the regular June 15, 2026 Board meeting, to receive comments regarding the District’s Standby Charge Assessment. (Item 14-B)

President Tang indicated Motion No. 26-05-2312 was approved by a 4-0 (with Director Lee absent) vote

- ◆ Mr. Ning reviewed the District’s investment transaction report for the period ending April 30, 2026. The Board was then asked to receive, approve, and file the investment transaction report (Item 14-C)

Motion No. 26-05-2313: Upon consideration thereof, it was moved by Director Tang, seconded by Director Woo and unanimously carried (4-0) (with Director Lee absent), to receive, approve, and file the investment transactions report for the period ended April 30, 2026. (Item 14-C)

President Tang indicated Motion No. 26-05-2313 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 report. (Item 14-D)

Item 15: Engineering and Special Projects

- ◆ The Board was asked to approve the allocation of the budgeted amount of \$12 million for completion of the District Operations and Maintenance Building Remodel Phase 2 Project, to be funded by the 2024 Revenue Bond and Reserve for Replacement funds.
- ◆ Amend the FY 2025–2026 Capital Improvement Program (CIP) Budget to include funding for the District Operations and Maintenance Building Remodel Phase 2 Project for the portion of project costs not covered by the 2024 Revenue Bond, in an estimated amount of \$7,546,960.
- ◆ Authorize the General Manager to oversee, award, and execute any related documents and contracts without competitive bidding, due to the unique nature of the work and the mobilized contractor, and in a form acceptable to General Counsel. (Item 15-A):

Motion No. 26-05-2314: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden and carried (3-1) (with Director Lee absent), with the votes specified below, to approve the allocation of \$12 million for the District Operations and Maintenance Building Remodel Phase 2 Project, amend the FY 2025–2026 CIP Budget to include an additional \$7,546,960 for project costs not covered by the 2024 Revenue Bond, and authorize the General Manager to oversee, award, and execute all related contracts and documents without competitive bidding, subject to approval as to form by General Counsel. (Item 15-A)

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

President Tang indicated Motion No. 26-05-2314 was approved by a 3-1 (with Director Lee absent and Tang opposed) vote

- ◆ The Board was asked to authorize the General Manager to proceed with work relating to the abandonment of Pressure Regulating Station No. 16 (PR 16) in an amount not to exceed \$56,884. (Item 15-B)

Motion No. 26-05-2315: Upon consideration thereof, it was moved by Director Woo, seconded by Director Hilden and unanimously carried (4-0) (with Director Lee absent), to authorize the General Manager to proceed with work relating to the abandonment of Pressure Regulating Station No. 16 (PR 16) in an amount not to exceed \$56,884. (Item 15-B)

President Tang indicated Motion No. 26-05-2315 was approved by a 4-0 (with Director Lee absent) vote

- ◆ The Board was asked to declare the list of fully depreciated vehicles and equipment listed in the packet as surplus property and disposal of the vehicles in accordance with District policy. (Item 15-C)
- ◆ ***Motion No. 26-05-2316: Upon consideration thereof, it was moved by Director Tang, seconded by Director Woo and unanimously carried (4-0) (with Director Lee absent), to declare the list of fully depreciated vehicles and equipment listed in the packet as surplus property and disposal of the vehicles in accordance with District policy. (Item 15-C)***

**President Tang indicated Motion No. 26-05-2316 was approved by a 4-0
(with Director Lee absent) vote**

- ◆ Ms. Perez reviewed the Project Status Reports included in the Board Packet. No action was taken by the Board. (Item 15-D)
- ◆ Mr. Monk reviewed the Operations Report included in the Board Packet. No action was taken by the Board. (Item 15-E)

Item 16: Personnel Committee- Director Tang

- ◆ There are no items to come to the Board at this time. (Item 16)

Item 17: TVMWD/MWD

- ◆ Updates on TVMWD/MWD business matters were provided by TVMWD Board Member David De Jesus and General Manager Matthew Litchfield. (Item 17)

Item 18: The P-W-R Joint Water Line Commission

- ◆ Mr. Monk reported the P-W-R Joint Water Line Commission water use report was not yet received for the month of April 2026. That report will be presented at the June 15, 2026 Board meeting. (Item 18)

Item 19: Puente Basin Water Agency (PBWA)

- ◆ Mr. Macias reported on the meeting held in April and explained that the Budget Adoption will occur at June's PBWA Commission Meeting.

Item 20: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Tang advised the next Spadra Basin GSA Executive Committee meeting will be held on May 19, 2026.

Item 21: General Manager's Report

- ◆ The Board received the District's activities calendars for June, July, and August 2026. (Item 21-A)

Item 22: Water Supply and Conservation

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, Calendar Year 2026 purchased water estimate, conservation goal summary, climate summary, and 2026 monthly water consumption versus the 2013 and 2020 baseline years. The report noted the District's water usage for April 2026 was 2.79% lower than usage in April 2020 and 35.32% lower than usage in April 2013. (Item 22-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of May 12, 2026. (Item 22-B)

Item 23: Director's 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 24)

- ◆ Director Hilden reported the following on his activities for April: TVMWD Board Meeting, Public Info Committee, Finance Committee, Engineering Committee, TVMWD Board Meeting, DB City Council, Splash of Excellence, Board Workshop.
- ◆ Director Kwong reported the following on her activities for April: Water Awareness Month Proclamation- RUSD, SGV Chamber Government Affair Committee, Public Info Committee, Water Awareness Proclamation- WVUSD, Water Festival, Board Meeting, Water Awareness Month Proclamation DB City, Splash of Excellence Award Ceremony, Board Workshop.

- ◆ Director Lee reported the following on her activities for April: PBWA Board Meeting, RUSD Water Proclamation, WVWD Finance Committee Meeting, WVUSD Water Awareness Month Certification Presentation, WVWD Building Ad Hoc Committee Meeting, WVWD Water Festival, DB City Council Meeting, WVWD Splash Ceremony, WVWD Board Workshop.
- ◆ Director Tang reported the following on his activities for April: Public Info Committee, Water Awareness Proclamation- WVUSD, WVWD Building Ad Hoc Committee Meeting, WVWD Water Festival, WVWD Board Meeting, Water Awareness Month Proclamation DB City, WVWD Splash Ceremony, WVWD Special Board Meeting, California Water Publication Interview.
- ◆ Director Woo reported the following on her activities for April: TVMWD Board Meeting, PBWA Board Meeting, Finance Committee Meeting, Engineering Committee Meeting, Personnel Committee Meeting, Water Awareness Proclamation- WVUSD, WVWD Building Ad Hoc Committee Meeting, WVWD Water Festival, WVWD Board Meeting, and WVWD Special Board Meeting.

Item 24: Legal Reports

Legal Counsel Ciampa thanked Director Kwong for her many years of service to the District.

Item 25: Board members and staff will be given an opportunity to request and suggest subjects for discussion at future meeting:

- ◆ No items at this time.

Item 26: Board of Directors Business:

- ◆ Jonathan Brown of SitelogIQ provided the Board with an update on the Solar Charging Parking Stations project. Informational only; no action was taken.

Adjournment to closed session- 6:48 p.m.

- ◆ No public comment was received.

Item 27: Closed Session

- ◆ The Board met in closed session in accordance with Government Code §54956.9 for potential commencement of litigation. (Item 27)

Item 28: Reconvene in Open Session/ Report of Action Taken in Closed Session – 7:07 P.M.

- ◆ The Board reconvened in open session at 7:01 p.m. and Legal Counsel Ciampa reported the Board was briefed on the facts and circumstances of the item of potential litigation and no reportable action was taken.
- ◆ The Board was asked to ratify a Change Order Request with DPR Construction in the amount of \$150,978 for the repair of a cracked glulam beam in the Administration Building.

Motion No. 26-05-2317: Upon consideration thereof, it was moved by Director Woo, seconded by Director Tang and unanimously carried (4-0) (with Director Lee absent), to ratify a Change Order Request with DPR Construction in the amount of \$150,978 for the repair of a cracked glulam beam in the Administration Building. (Item 27)

President Tang indicated Motion No. 26-05-2317 was approved by a 4-0 (with Director Lee absent) vote

Adjournment

- ◆ The meeting was adjourned at 7:09 p.m.