

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

**July 17, 2017
At the Offices of the District**

DIRECTORS PRESENT:

Theodore L. Ebenkamp
Edwin Hilden
Scarlett Kwong
Allen Wu

STAFF PRESENT:

Mike Holmes, General Manager
Erik Hitchman, Assistant General Manager/Chief Engineer
Brian Teuber, Director of Finance
Sandra Olson, Director of Administrative Services
Donna DiLaura, Executive Secretary
Jim Ciampa, Legal Counsel

DIRECTORS ABSENT:

Theresa Lee

The meeting was called to order at 5:05 p.m. with President Allen Wu presiding.

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Director Joe Ruzicka.

Item 3: Public Comment

- ◆ No comments were offered. (Item 3)

Item 4: Additions to the Agenda

- ◆ There were no requests. (Item 4)

Item 5: Reorder of Agenda

- ◆ There were no requests. (Item 5)

Item 6: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, including: the minutes of the regular Board meeting held June 19, 2017, the minutes of the special Board meeting held June 22, 2017, the check register, the Employee Expense Reimbursement Report, and the Community Outreach Update. (Items 6-1, 2, 3, 4 and 5)

Motion No. 17-07-1100: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Ebenkamp and unanimously carried (4-0), to approve the Consent Calendar, including the minutes of the regular Board meeting held June 19, 2017, the minutes of the special Board meeting held June 22, 2017, the check register, Employee Expense Reimbursement Report, and the Community Outreach Update. (Items 6-1, 2, 3, 4 and 5)

President Wu indicated Motion No. 17-07-1100 was approved by a (4-0) vote

Item 7: 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 the individual reports of additional expenses incurred by the District on behalf of each Director for events occurring during June 2017. (Item 7)

Motion No. 17-07-1101: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp and unanimously carried (4-0), 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 the month of June 2017. (Item 7)

President Wu indicated Motion No. 17-07-1101 was approved by a (4-0) vote

Item 8: Treasurer's Report

- ◆ Due to the fiscal year-end, the District Financials will be presented at the August Board meeting.

Committee Chair Reports

Item 9: Engineering & Special Projects Committee – Director Ebenkamp

- ◆ There were no Engineering & Special Projects items to come before the Board at this time.

Item 10: Personnel Committee – Director Hilden

- ◆ There were no Personnel items to come before the Board at this time.

Item 11: Finance Committee – President Wu

- ◆ There were no Finance items to come before the Board at this time.

Item 12: Public Information/Community Relations/Legislative Action Committee

- ◆ There were no Public Information/Community Relations/Legislative Action items to come before the Board at this time.

Other Items

Item 13: TVMWD/MWD – Director Hilden

- ◆ The Board received the Three Valleys Municipal Water District (TVMWD) ‘Action Line’ report for the Board meeting held on June 21, 2017. (Item 13-A)
- ◆ The Board received the MWD News Release – California WaterFix Project Biological Opinion. Mr. Ciampa reported briefly on lawsuits related to this project. (Item 13-B)
- ◆ The Board received the MWD News Release – MWD Awards \$13.9 Million Contract to Construct Recycled Water Demonstration Facility. (Item 13-C)
- ◆ The Board received the MWD publication – Metropolitan Today & Tomorrow – July 2017. (Item 13-D)
- ◆ The General Manager reported that TVMWD is holding a special board meeting on Wednesday, July 21, 2017 at 8:00 a.m. (Item 13-E)

Item 14: The P-W-R Joint Water Line Commission

- ◆ Mr. Hitchman reviewed the P-W-R Joint Water Line Commission water use report included in the Board packet. (Item 14)

Item 15: Puente Basin Water Agency – Director Ebenkamp

- ◆ Director Ebenkamp reported that the next PBWA meeting is scheduled for July 20, 2017. (Item 15)

Item 16: General Manager’s Report

- ◆ The Board received a follow-up report on prior Board actions. (Item 16-A)
- ◆ The Board received the District’s activities calendars for August, September, and October 2017. (Item 16-B)
- ◆ The Board received an update on DHS/Computer Alert. (Item 16-C)
- ◆ The Board received an update regarding District website and compatibility with mobile devices. This item will be scheduled for discussion at the August Public Information/Community Relations/Legislative Action Committee meeting. (Item 16-D)

Item 17: Water Supply

- ◆ The Board received an update on state legislation relating to long-term conservation and Urban Water Management Planning. (Item 17-A)
- ◆ The Board received a report on the District’s drought and water conservation outreach efforts. (Item 17-B)
- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, FY 2016-17 purchase water projections, 2016-17 climate summary, and 2017 monthly water consumption versus the 2013 baseline year. Staff made note that the District’s water usage for June 2017 was 16.82% lower than usage in June 2013 (the State’s “benchmark” year for current conservation analysis), and was 7.60% higher than in June 2016. (Item 17-B)
- ◆ The Board viewed reports on California’s water supply and reservoir conditions as of July 6, 2017. (Item 17-C)

Item 18: Directors’ Oral Reports

(NOTE: Board meeting minutes provide written reports of Board meeting activities and committee meeting reports are given during the course of regular Board meeting activities. Directors include reports of their participation in non-expense/per diem paid community events as a matter of information.) (Item 18)

- ◆ In addition to District committee and Board meetings previously reported, Director Ebenkamp stated that he also attended the Puente Basin Water Agency Commission (PBWA) Strategic Planning Meeting, an MWD Inspection Tour of the Colorado River Aqueduct, and a TVMWD Leadership Breakfast.
- ◆ President Wu noted that, in addition to the District committee and Board meetings previously reported, he also attended the Diamond Bar Chinese-American Association (DBCAA) Annual Gala, and ACE17 (AWWA’S Annual Conference).
- ◆ In addition to District committee and Board meetings previously reported, Director Hilden noted his attendance at two TVMWD Board Meetings, the DBCAA Annual Gala, and the Chinese-American Elected Officials (CEO) Installation/Awards Dinner.
- ◆ Director Kwong stated that, in addition to the District committee and Board meetings previously reported, she attended the DBCAA Annual Gala, the TVMWD Leadership Breakfast, the CEO Installation/Awards Dinner, and ACE 17.
- ◆ Director Lee’s report included in the Board packet noted that she attended a PBWA Strategic Planning Meeting, the DBCAA Annual Gala, and the CEO Installation/Awards Dinner.

Item 19: Legal Reports

- ◆ Mr. Ciampa referred to the staff report included in the Board packet, and briefly reviewed the summary of the San Diego County Water Authority – MWD Appellate Court Decision. He noted that it may be two years or more before the case is completely resolved if the California Supreme Court grants review of the recent appellate court decision. (Item 19)

Item 20: Items for Future Discussion

- ◆ No items were presented.

Item 21: Board of Directors Business

- ◆ The Board was asked to consider approval of Resolution No. 07-17-643, “Establishing Water Standby Charges to Holders of Title to Land” for submittal to the Los Angeles County Auditor Controller. Staff noted a public hearing was previously held on June 19, 2017, to receive public comments regarding the Water Standby Charge Report prepared by Willdan Financial Services. No comments were received. (Item 21-A)

Motion No. 17-07-1102: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Hilden, and carried (4-0), by the roll call vote noted below, to adopt Resolution No. 07-17-643 “Establishing Water Standby Charges to Holders of Title to Land” for submittal to the Los Angeles County Auditor Controller by August 10, 2017. (Item 21-A)*

Yes: Ebenkamp, Hilden, Kwong, Wu

No: None

Absent: Lee

President Wu indicated Motion No. 17-07-1102 was approved by a (4-0) roll call vote

- ◆ The Board was asked to determine whether to nominate a potential special district representative(s) to stand for election for two of the five Redevelopment Agency Oversight Boards in Los Angeles County, pursuant to Health and Safety Code Section 34179 and Government Code Section 56332. The Board received a description of the boundaries of the Oversight Boards, and a summary of the eligibility requirements for nominees. Following a brief discussion, Director Ebenkamp indicated that he would like to be nominated for possible election to the Supervisorial District 4 Oversight Board. (Items 21-B)

Motion No. 17-07-1103: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden and unanimously carried (4-0), to nominate Director Ebenkamp for election to the Supervisorial District 4 Oversight Board. (Item 21-B)*

President Wu indicated Motion No. 17-07-1103 was approved by a (4-0) vote

- ◆ The Board was asked to authorize the General Manager to execute a Quitclaim Deed of the easements for an abandoned pipeline on the property located at 535 Crooked Arrow Drive, Diamond Bar. Mr. Hitchman referenced the staff report included in the Board packet, and noted that the pipeline is abandoned and the easements have no further benefit to the District. (Item 21-C)

Motion No. 17-07-1104: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Kwong and unanimously carried (4-0), to authorize the General Manager to execute a Quitclaim Deed of the easements for an abandoned pipeline on the property located at 535 Crooked Arrow Drive, Diamond Bar. (Item 21-C)*

President Wu indicated Motion No. 17-07-1104 was approved by a (4-0) vote

- ◆ The Board was asked to accept the work as installed for the Industry Business Center – East (P.N. 14-3373) and to authorize the filing of a Notice of Completion with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 21-D)

Motion No. 17-07-1105: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (4-0), to accept the work as installed for the Industry Business Center – East (P.N. 14-3373) and to authorize the filing of a Notice of Completion with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 21-D)*

President Wu indicated Motion No. 17-07-1105 was approved by a (4-0) vote

- ◆ The Board was asked to receive, approve, and file the June 2017 Consolidated Investments Transaction Report included in the Board packet. (Item 21-E)

Motion No. 17-07-1106: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (4-0), to receive, approve, and file the District’s Consolidated Investment Transactions Report for the period of June 1, 2017 through June 30, 2017. (Item 21-E)*

President Wu indicated Motion No. 17-07-1106 was approved by a (4-0) vote

- ◆ Mr. Teuber reviewed the Revenue Bond Funds Held in Trust and detailed disbursement of bond proceeds report through June 30, 2017. As this was an informational item only, Board action was not needed. (Item 21-F)
- ◆ The Board was asked to approve the annual lump sum prepayment option of the CalPERS Annual Employer Unfunded Accrued Liability in the amount of \$582,536 and to direct staff to remit the payment to CalPERS by July 31, 2017. (Item 21-G)

Motion No. 17-07-1107: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Ebenkamp and unanimously carried (4-0), to approve the annual lump sum prepayment option of the CalPERS Annual Employer Unfunded Accrued Liability in the amount of \$582,536, and to direct staff to remit the payment to CalPERS by July 31, 2017. (Item 21-G)*

President Wu indicated Motion No. 17-07-1107 was approved by a (4-0) vote

- ◆ The Board received an update on state legislative matters. As this was an information item only, Board action was not needed. (Item 21-H)

Item 22: Public Comment on Closed Session

- ◆ There were no requests to comment on either open or closed session items. (Item 22)

Item 23: Adjourn to Closed Session – 6:10 p.m.**Item 24: Closed Session**

- A. The Board met in closed session in accordance with Government Code §54956.9(d)(4) to discuss anticipated litigation matters with Legal Counsel – Three Potential Cases. (Item 24-A)
- B. The Board met in closed session in accordance with Government Code §54957 to discuss one issue concerning public employee separation. (Item 24-B)
- C. The Board met in closed session in accordance with Government Code Section §54956.9(b)(1) to discuss one issue concerning public employment. (Item 24-C)

Item 25: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:42 p.m.

- A. The Board met in closed session in accordance with Government Code §54956.9(d)(4) to discuss three anticipated litigation matters with Legal Counsel. The Board was briefed on the facts and circumstances of those three matters and no reportable action under the Brown Act was taken on these matters. (Item 25-A)
- B. The Board met in closed session in accordance with Government Code §54957 to discuss to discuss one issue concerning public employee separation. The Board was informed of the completion of negotiations relative to the Separation Agreement, which notes a separation date of September 29, 2017. No reportable action under the Brown Act was taken. (Item 25-B)
- C. The Board met in closed session in accordance with Government Code §54957 to discuss one issue concerning public employment. The Board was advised that Ms. Olson, Director of Administrative Services, will retain her position for a minimum of one more year. No further reportable action under the Brown Act was taken. (Item 25-C)

Adjournment at 6:43 p.m.

Motion No: 17-07-1108: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Hilden and unanimously carried (4-0), to adjourn the meeting.*

President Wu indicated Motion No. 17-07-1108 was approved by a (4-0) vote