

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

**March 17, 2016
At the Offices of the District**

DIRECTORS PRESENT:

Scarlett Kwong, President
Theodore L. Ebenkamp
Edwin Hilden
Theresa Lee
Allen Wu (arrived at 5:24 p.m.)

STAFF PRESENT:

Michael Holmes, General Manager
Erik Hitchman, Assistant General Manager/Chief Engineer
Sandra Olson, Director of Administrative Services
Brian Teuber, Treasurer
Gabriela Sanchez, Executive Secretary
Jim Ciampa, Legal Counsel

DIRECTORS ABSENT:

None

The meeting was called to order at 5:02 p.m. with President Kwong presiding.

Guests and others in attendance: Three Valleys Municipal Water District Director Joe Ruzicka

- ◆ Mr. Holmes noted that Director Wu would be arriving shortly.

Item 3: Public Comment –President Kwong

- ◆ There were no requests.

Item 4: Additions to the Agenda –Kwong

- ◆ There were no requests.

Item 5: Reorder of Agenda –President Kwong

- ◆ There were no requests.

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 February 16, 2016, and minutes of the Special Board meeting held February 18, 2016, the check register, and the WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100. (Items 6-1, 2, 3, 4)

Motion No. 16-03-894: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Ebenkamp and unanimously carried (4-0), to receive, approve, and file the Consent Calendar including the minutes of the regular Board meeting held February 16, 2016, and Special Board meeting held February 18, 2016, the check register, and the WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100. (Items 6-1, 2, 3, 4)

President Kwong indicated Motion No. 16-03-894 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 February 2016.

Motion No. 16-03-895: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Ebenkamp and unanimously carried (4-0), to receive, approve, and file the Board member expense reports for meeting attendance during the month of February 2016. (Item 8)

President Kwong indicated Motion No. 16-03-895 was approved by a (4-0) vote

Item 8: Treasurer's Report

- ◆ Mr. Teuber reviewed the District Statement of Revenues, Expenses, and Change in Net Assets as of February 29, 2016; the District Statement of Net Assets as of February 29, 2016; and the Summary of Cash Investments as of February 29, 2016. (Items 8-1, 2, 3)

Motion No. 16-03-896: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Hilden and unanimously carried (4-0), to receive and file the District Statement of Revenues, Expenses, and Change in Net Assets as of February 29, 2016; the Statement of Net Assets as of February 29, 2016; and the Summary of Cash and Investments as of February 29, 2016. (Items 8-1, 2, 3)

President Kwong indicated Motion No. 16-03-896 was approved by a (4-0) vote

Committee Chair Reports

Item 9: Engineering & Special Projects Committee – Director Ebenkamp

- ◆ The Board was asked to authorize the General Manager to execute a contract for labor and materials in the amount of \$187,900 to Advance Industrial Services, Inc. for the Ambushers Reservoir Coating Project (P.N. 15-3389); to authorize the appropriation of an additional \$67,000 from the Reserve for Replacement Fund; to find the project is exempt pursuant to CEQA Guidelines Categorical Exemption Section 15301; and to authorize staff to file a Notice of Exemption for the subject project with the Office of the Los Angeles County Registrar-Recorder/County Clerk.

Motion No. 16-03-897: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Hilden and unanimously carried (4-0), to authorize the General Manager to execute a contract for labor and materials in the amount of \$187,900 to Advance Industrial Services, Inc. for the Ambushers Reservoir Coating Project (P.N. 15-3389); to authorize the appropriation of an additional \$67,000 from the Reserve for Replacement Fund; to find the project is exempt pursuant to CEQA Guidelines Categorical Exemption Section 15301; and to authorize staff to file a Notice of Exemption for the subject project with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Items 9-A)

President Kwong indicated Motion No. 16-03-897 was approved by a (4-0) vote

- ◆ As a matter of information only, the Board was advised that a Power Purchase Agreement (PPA) between Southern California Edison and the Walnut Valley Water District was executed on February 23, 2016. This PPA is the second step of the process which permits the District to be compensated for power which is generated for the Southern California Edison through the District's hydro-electric pumps located at Terminal Storage. No action was required on this matter. (Item 9-B)

Item 10: Personnel Committee – Director Hilden

- ◆ The Board was asked to approve the destruction of obsolete District records, which were reviewed by the Personnel Committee and Legal Counsel, in accordance with the District's Records Retention Policy. (Item 10-A)

Motion No. 16-03-898: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee and unanimously carried (4-0), to approve destruction of obsolete District records in accordance with the District's Records Retention Policy. (Item 10-A)

President Kwong indicated Motion No. 16-03-898 was approved by a (4-0) vote

Item 11: Finance Committee – Director Lee

- ◆ Mr. Teuber reviewed the District's Consolidated Investment Transactions Report for February 2016. After which, the Board was asked to receive, approve, and file the report. (Item 11-A)

Motion No. 16-03-899: Upon consideration thereof, it was moved by Director Ebenkamp, 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 February 1, 2016 through February 29, 2016. (Item 12-A)

President Kwong indicated Motion No. 16-03-899 was approved by a (4-0) vote

- ◆ Mr. Teuber reviewed the Revenue Bond Funds Held in Trust and detailed disbursement of bond proceeds reports for February 2016. As this was an informational item only, Board action was not needed. (Item 11-B)
- ◆ The Board was asked to receive and file the Pomona-Walnut-Rowland Joint Water Line Commission Audit Report for the year-ended June 30, 2015, and the Puente Basin Water Agency Audit Report for the year-ended June 30, 2015. (Item 11-C)

Motion No. 16-03-900: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden and unanimously carried (4-0), receive and file the Pomona-Walnut-Rowland Joint Water Line Commission Audit Report for year-ended June 30, 2015, and the Puente Basin Water Agency Audit Report for year-ended June 30, 2015. (Item 12-C)

President Kwong indicated Motion No. 16-03-900 was approved by a (4-0) vote

Item 12: Public Information/Community Relations/Legislative Action Committee–Director Ebenkamp

- ◆ The Board was asked to consider having the District take a "support" position for S. 2533 (Sen. Feinstein, D-CA): The California Long-Term Provisions for Water Supply and Short-Term Provisions for Emergency Drought Relief Act. (Item 12-A)

Motion No. 16-03-901: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee and unanimously carried (4-0), to approve the District taking a "support" position as to S. 2533 (Sen. Feinstein, D-CA) The California Long-Term Provisions for Water Supply and Short-Term Provisions for Emergency Drought Relief Act. (Item 12-A)

President Kwong indicated Motion No. 16-03-901 was approved by a (4-0) vote

Other Items

Item 13: TVMWD/MWD – Director Hilden

- ◆ The Board received a report on TVMWD Board meeting activities from the meeting held February 17, 2016. (Item 13)

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

- ◆ Director Kwong reviewed the P-W-R Joint Water Line Commission water use report included in the Board packet and reported on the February 18, 2016, Commission meeting activities. (Item 14)

Item 15: Puente Basin Water Agency –Director Ebenkamp

- ◆ The Board received an update on matters discussed at the February 11, 2016, PBWA Commission meeting. (Item 15)

Item 16: General Manager’s Report

- ◆ The Board received a follow-up report on prior Board actions. (Item 16-A)
- ◆ The General Manager reviewed the District’s activities calendars for March - May 2016. (Item 16-B)
- ◆ The Board received verbal reports on the activities necessitated during the MWD Weymouth Treatment Plant Shutdown. (Item 16-C)

(Director Wu arrived)

- ◆ Ms. Olson made note the of April 8, 2016, WVWD Employee banquet. (Item 16-D)
- ◆ The General Manager noted he will be absent for the April 18 Board meeting. Director Kwong then took a moment to note her upcoming vacation dates. (Item 16-E)

Item 17: Water Supply and Drought

- ◆ The Board received a report on the District’s drought and water conservation outreach efforts. (Item 17-A)
- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, FY 2015-16 purchase water projections, conservation goal summary, 2015-16 climate summary, and 2016 monthly water consumption versus the 2013 baseline year. Staff made note that the District’s water usage for February 2016 was 5.29% lower than usage in February 2013. (Item 17-B)
- ◆ The Board viewed reports on California’s water supply and reservoir conditions as of March 6, 2016. (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.)

- ◆ In addition to District committee and Board meetings, PBWA Commission meeting, and the TVMWD Board meetings previously reported, Director Ebenkamp noted his attendance at SGV Regional Chamber’s Salute to Heroes Prayer Breakfast meeting.
- ◆ In addition to District committee and Board meetings, and the TVMWD Board meetings previously reported, Director Hilden stated that he attended the DBCAA Lunar New Year celebration, a TVMWD Leadership Breakfast meeting, the SGV Regional Chamber’s Salute to Heroes Prayer Breakfast meeting, in addition to his participation in a Liebert Cassidy Whitmore webinar on Ethics.
- ◆ Director Wu noted his attendance at the District committee and Board meetings in addition to the PBWA Commission meeting, the DBCAA Lunar New Year celebration, and ACWA’s Washington D.C. conference.
- ◆ Director Lee noted that in addition to attending the District Board and committee, TVMWD Board, and PBWA Commission meetings previously reported, she participated in a CSDA webinar on “Public Meetings and the Brown Act”. She also attended the DBCAA Chinese Lunar New Year celebration, the Walnut CAPA Chinese Lunar New Year celebration, a TVMWD Leadership Breakfast meeting, and the Southern California Chinese-American Environmental Protection Association’s annual convention.
- ◆ Director Kwong indicated that in addition to attending the District committee and Board meetings, and the P-W-R Joint Water Line Commission meeting previously reported on, she attended the DNCAA Chinese Lunar New Year celebration, a TVMWD Leadership Breakfast meeting, the Diamond Bar Evergreen’s Chinese New Year celebration, the Salute to Heroes Prayer Breakfast meeting hosted by the SGV Chamber of Commerce, and the Southern California Chinese-American Environmental Protection Association’s annual convention. In addition to those meetings, she participated in a water conservation outreach discussion with the Asian and Pacific Islander Caucus (AAPI) and as a follow-up to that meeting, met with District staff to further discuss conservation outreach.

Item 19: Legal Reports

- ◆ Mr. Ciampa noted a Closed Session will follow the regular business meeting.

Item 20: Items for Future Discussion

- ◆ Director requests were made for future discussion of: the reservoir filling during MWD's Weymouth Plan shutdown, and, for an overview of the Los Angeles County MS4 Permit. In addition, Director Ebenkamp presented the District with a plaque, on behalf of the Buckboard Parade committee, for the District's participation during the Buckboard Days Parade.

Item 21: Board of Directors Business

- ◆ As a follow-up to the Claim for Damages submitted by Nationwide Insurance Company on behalf of Vincent and Cecilia Liem, which the Board of Directors denied at its February 16, 2016 meeting, Ms. Olson advised the Board that that claimant dropped the claim. As this was an informational item only, no Board action was taken. (Item 21-A)
- ◆ The Board was asked to approve staff's recommendation to support the Chino Basin Boundary Modifications.

Motion No. 16-03-902: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Wu and unanimously carried (5-0), to support the Chino Basin boundary modifications. (Item 21-B)*

President Kwong indicated Motion No. 16-03-902 was approved by a (5-0) vote

Item 22: Public Comment on Closed Session

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

Item 23: Adjourn to Closed Session – 6:15 p.m.**Item 24: Closed Session – 6:35 p.m.**

- A. The Board met in closed session in accordance with Government Code [§54956.9(d)(4)] to discuss one anticipated litigation matter with Legal Counsel.

Item 25: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:40 p.m.

- A. The Board also met in closed session in accordance with Government Code [§54956.9(d)(4)] to discuss one anticipated litigation matter with Legal Counsel. No reportable action under the Brown Act was taken on this matter.

Adjournment at 6:40 p.m.

Motion No: 16-03-903: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu and unanimously carried (5-0), to adjourn the meeting.*

President Kwong indicated Motion No. 16-03-903 was approved by a (5-0) vote