

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

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

**DIRECTORS PRESENT:**

Theodore L. Ebenkamp  
Edwin Hilden  
Scarlett Kwong  
Theresa Lee  
Allen Wu

**STAFF PRESENT:**

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

**DIRECTORS ABSENT:**

None

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

Guests and others in attendance: Three Valleys Municipal Water District Directors David De Jesus and Joe Ruzicka, and Mr. Kirk Howie.

**Item 3: Public Comment –President Kwong**

- ◆ There were no requests. (Item 3)

**Item 4: Additions to the Agenda –President Kwong**

- ◆ There were no requests. (Item 4)

**Item 5: Reorder of Agenda –President Kwong**

- ◆ 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 September 19, 2016, Special Board meeting held September 22, 2016, the check register, and the WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements. (Items 6-1, 2, 3, 4,)

***Motion No. 16-10-983: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Ebenkamp and unanimously carried (5-0), to approve the Consent Calendar, including the minutes of the regular Board meeting held September 19, 2016, Special Board meeting held September 22, 2016, the check register, and the WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements. (Items 6-1, 2, 3, 4)***

**President Kwong indicated Motion No. 16-10-983 was approved by a (5-0) 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 September 2016. (Item 7)

***Motion No. 16-10-984: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Ebenkamp and unanimously carried (5-0), 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 September 2016. (Item 7)***

**President Kwong indicated Motion No. 16-10-984 was approved by a (5-0) vote**

**Item 8: Treasurer's Report**

- ◆ Mr. Teuber reviewed the District Statement of Revenues, Expenses, and Change in Net Assets as of September 30, 2016; the District's Statement of Net Assets as of September 30, 2016; and the Summary of Cash Investments as of September 30, 2016. (Items 8 A-C)

***Motion No. 16-10-985: Upon consideration thereof, it was moved by Director Wu, seconded by Director Ebenkamp and unanimously carried (5-0), to receive, approve, and file the District's Statement of Revenues, Expenses, and Change in Net Assets as of September 30, 2016, the District Statement of Net Assets as of September 30, 2016, and the Summary of Cash and Investments as of September 30, 2016. (Item 8)***

**President Kwong indicated Motion No. 16-10-985 was approved by a (5-0) vote**

## Committee Chair Reports

### Item 9: Engineering & Special Projects Committee – Director Wu

- ◆ The Board was asked to receive and file the Puente Basin Annual Report for Fiscal Year 2015-16. (Item 9-A)

***Motion No. 16-10-986:*** Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (5-0), to receive and file the Puente Basin Annual Report for Fiscal Year 2015-16. (Item 9-A)

**President Kwong indicated Motion No. 16-10-986 was approved by a (5-0) vote**

- ◆ The Board was asked to accept the work as installed for the Water Distribution System Tract 73294 (P.N. 15-3398) and to authorize the filing of a Notice of Completion with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 9-B)

***Motion No. 16-10-987:*** Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (5-0), to accept the work as installed for the Water Distribution System Tract 73294 (P.N. 15-3398) and to authorize the filing of a Notice of Completion with the Office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 9-B)

**President Kwong indicated Motion No. 16-10-987 was approved by a (5-0) vote**

### Item 10: Personnel Committee – Director Kwong

- ◆ The Board received an update on the ACWA/JPIA Professional Development Program Update. As this was an informational item only, Board action was not needed. (Item 10-A)

### Item 11: Finance Committee – Director Wu

- ◆ The Board was asked to receive, approve, and file the September 2016 Consolidated Investments Transaction Report included in the Board packet. (Item 11-A)

***Motion No. 16-10-988:*** Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (5-0), to receive, approve, and file the District's Consolidated Investment Transactions Report for the period of September 1, 2016 through September 30, 2016. (Item 11-A)

**President Kwong indicated Motion No. 16-10-988 was approved by a (5-0) vote**

- ◆ Mr. Teuber reviewed the Revenue Bond Funds Held in Trust and detailed disbursement of bond proceeds report through September 2016. As this was an informational item only, Board action was not needed. (Item 11-B)
- ◆ The Board was asked to receive, approve, and file the annual Acreage Supply and Reservoir Capacity Charges (Capital Improvement Fees) report and was further informed that the report is available for public review upon request. (Item 11-C)

***Motion No. 16-10-989:*** Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (5-0), to receive, approve, and file the annual Acreage Supply and Reservoir Capacity Charges (Capitol Improvement Fees) report. (Item 11-C)

**President Kwong indicated Motion No. 16-10-989 was approved by a (5-0) vote**

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

- ◆ Mr. Holmes referenced and reviewed a memorandum prepared by Legal Counsel relative to Senate Bill 814 compliance, and potential impacts to the District. As this was an informational item only, Board action was not needed. (Item 12)

## Other Items

### Item 13: TVMWD/MWD – Director Hilden

- ◆ The Board received the TVMWD 'Action Line' report for the Board meeting held on September 21, 2016. (Item 13-A)
- ◆ The Board received a report on TVMWD Board meeting activities from the meeting held October 5, 2016. Additionally, TVMWD Director DeJesus reported briefly on current water supply related projects. (Item 13-B)

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

- ◆ Mr. Hitchman reported that the P-W-R JWL Commission will meet at 4:00 p.m. on October 20. (Item 14)

#### **Item 15: Puente Basin Water Agency –Director Wu**

- ◆ The Board was informed that PBWA did not meet in October; therefore, there is no report. (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 November and December 2016, and January 2017. (Item 16-B)

#### **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 September 2016 was 15.72% lower than usage in September 2013. (Item 17-B)
- ◆ The Board viewed reports on California’s water supply and reservoir conditions as of October 12, 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.) (Item 18)

- ◆ In addition to District committee and Board meetings previously reported, Director Ebenkamp noted his attendance at a PBWA Commission meeting in September, and the San Gabriel Valley Water Forum.
- ◆ In addition to District committee and Board meetings previously reported, Director Hilden stated that he attended a Rowland Heights Community Gathering to honor Supervisor Don Knabe, an Industry Hills Manufacturer’s Council luncheon, and a San Gabriel Valley Lincoln Club luncheon with Assemblywoman Ling Ling Chang.
- ◆ In addition to attending District committee and Board meetings, Director Lee stated that she also attended the DBCAA Mid-Autumn Festival, Diamond Bar Day at the Los Angeles County Fair, the San Gabriel Valley Water Forum, and an MWD/TVMWD Sponsored State Water Project Tour and Inspection Trip.
- ◆ In addition to the District committee and Board meetings, Director Wu reported that he had attended a PBWA Commission meeting in September, Walnut Day at the Los Angeles County Fair, the San Gabriel Valley Water Forum, and had a telephone conference with the General Manager and Legal Counsel to discuss PBWA issues.
- ◆ Director Kwong reported that she attended a meeting with the General Manager to be briefed on District activities.

#### **Item 19: Legal Reports**

- ◆ No report. (Item 19)

#### **Item 20: Items for Future Discussion**

- ◆ Director Wu requested future discussion of the District’s construction quality assurance procedures, relative to customer service calls. It was determined that future discussions would take place at the committee level. Specifically, the Engineering Committee will discuss the Operations/Water Quality component, and the Finance Committee will discuss the Customer Service component. (Item 20)

#### **Item 21: Board of Directors Business**

- ◆ There were no matters for Board of Directors Business. (Item 21)

#### **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 – 5:40 p.m. (Item 23)**

#### **Item 24: Closed Session – 5:55 p.m.**

- 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 also met in closed session regarding possible changes to Puente Basin Watermaster Governance (Existing case number: Los Angeles Superior Court Case No. C 369 220) (Item 24-B)

#### **Item 25: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:22 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 regarding possible changes to Puente Basin Watermaster Governance (Existing case number: Los Angeles Superior Court Case No. C 369 220) The Board discussed the

alternative governance options for the Watermaster entity and no reportable action under the Brown Act was taken on these matters. (Item 25-B)

**Adjournment at 6:23 p.m.**

**Motion No: 16-10-990: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Wu and unanimously carried (5-0), to adjourn the meeting.***

**President Kwong indicated Motion No. 16-10-990 was approved by a (5-0) vote**