

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

**September 21, 2015
At the Offices of the District**

DIRECTORS PRESENT:

Theodore L. Ebenkamp, President
Barbara A. Carrera
Edwin Hilden
Scarlett Kwong
Allen Wu (arrived at 5:09 p.m.)

DIRECTORS ABSENT:

None

STAFF PRESENT:

Michael Holmes, General Manager
Erik Hitchman, Assistant General Manager/Chief Engineer
Sandra Olson, Director of Administrative Services
Brian Teuber, Director of Finance
Terry Lewis, Finance Manager
Gabriela Sanchez, Executive Secretary
Andrew Turner, Legal Counsel

The meeting was called to order at 5:06 p.m. with President Ebenkamp presiding.

Guests and others in attendance: Three Valleys Municipal Water District Director Joe Ruzicka and Mr. James Lithicum; Mr. Robert Withers, Ms. Maria Sato, Ms. Pat Hakim, Mr. Adam Fulmia, Mr. Corey Wicks, Mr. Evan Wicks, Mr. Frank Chang, Ms. Teresa Haly, and Ms. Tracy Tailor.

Item 3: Public Comment –President Ebenkamp

- ◆ There were no requests.

Item 4: Additions to the Agenda –President Ebenkamp

- ◆ There were no requests.

Item 5: Reorder of Agenda –President Ebenkamp

- ◆ There were no requests.

Item 6: High Efficiency Toilet (HET) Program

- ◆ Representatives of Diamond Bar, Rowland, and Walnut High Schools received individual checks in the amount of \$1,625 for their assistance in the District's High Efficiency Toilet (HET) Program. (Item 6)

Item 7: Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, including the minutes of the regular Board meeting held August 17, 2015, the Special Board meeting held August 20, 2015, and the WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100.

Motion No. 15-09-821: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu and unanimously carried (5-0), to receive, approve, and file the Consent Calendar including minutes of the regular Board meeting held August 17, 2015, the Special Board meeting held August 20, 2015, and a WVWD Employee Expense Reimbursements Report indicating monthly WVWD employee expense reimbursements exceeding the amount of \$100. (Items 7-1, 2, 3)*

President Ebenkamp indicated Motion No. 15-09-821 was approved by a (5-0) 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 the individual reports of additional expenses incurred by the District on behalf of each Director for events occurring during August 2015. (Item 8)

Motion No. 15-09-822: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Carrera, and unanimously carried (5-0), to receive, approve, and file the Board member expense reports for meeting attendance during the month of August 2015. (Item 8)*

President Ebenkamp indicated Motion No. 15-09-822 was approved by a (5-0) vote

Item 9: Treasurer's Report

- ◆ Due to technical issues, the District Statement of Revenues, Expenses, and Change in Net Assets, the District Statement of Net Assets and the Summary of Cash Investments was not available for Board review and will therefore be presented an upcoming Board meeting.

Committee Chair Reports

Item 10: Engineering & Special Projects Committee – Director Kwong

- ◆ The Board was asked to accept the work as installed for the Walnut Hill Estate Tract 52324 (P.N. 09-3155) and to authorize the filing of a Notice of Completion with the office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 10-A)

Motion No. 15-09-823: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Carrera, and unanimously carried (5-0), to accept the work as installed for the Walnut Hill Estate Tract 52324 (P.N. 09-3155) project and to authorize the filing of a Notice of Completion with the office of the Los Angeles County Registrar Recorder/County Clerk. (Item 10-A)*

President Ebenkamp indicated Motion No. 15-09-823 was approved by a (5-0) vote

- ◆ The Board was asked to approve revisions to Appendix G, Owner/Tenant Affidavit, of the District's Rules and Regulations. (Item 10-B)

Motion No. 15-09-824: *Upon consideration thereof, it was moved by Director Kwong, seconded by Director Carrera, and unanimously carried (5-0), to approve revisions to Appendix G, Owner/Tenant Affidavit, of the WVWD Rules and Regulations. (Item 10-B)*

President Ebenkamp indicated Motion No. 15-09-824 was approved by a (5-0) vote

Item 11: Personnel Committee – Director Hilden

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

Item 12: Finance Committee – Director Wu

- ◆ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report for August 2015 included in the Board packet. (Item 12-A)

Motion No. 15-09-825: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (5-0), to receive, accept, and file the District's Consolidated Investment Transactions Report for the period of August 1, 2015 through August 31, 2015. (Item 12-A)*

President Ebenkamp indicated Motion No. 15-09-825 was approved by a (5-0) vote

- ◆ Mr. Teuber reviewed the Revenue Bond Funds Held in Trust and detailed disbursement of bond proceeds reports for August 2015. As this was an informational item only, Board action was not taken on this item. (Item 12-B)
- ◆ The Board was asked to declare the fully depreciated vehicles and office equipment identified in the list included in the Board packet as surplus property and to authorize disposal of such surplus property in accordance with District policy. (Item 12-C)

Motion No. 15-09-826: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Carrera, and carried (5-0), to declare the fully depreciated vehicles identified below and office equipment identified in the attached list to these minutes as surplus property and to authorize the disposal of such surplus property in accordance with District policy:*

- ◆ *Vehicle 43 – 2008 Ford Ranger*
- ◆ *Vehicle 50 – 1999 GMC Sonoma Pick-up*
- ◆ *Vehicle 57 – 2003 Ford F-150 Pick-up*

(Item 12-C)

President Ebenkamp indicated Motion No. 15-09-826 was approved by a (5-0) vote

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

- ◆ The Board was asked to approve submitting District comments on the Bay Delta Conservation Plan/California WaterFix and its recirculated draft environmental impact statement/report released on July 10, 2015, and to express support in favor of Alternative 4A. (Item 13-A)

Motion No. 15-09-827: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden, and unanimously carried (5-0), to approve submitting a letter providing comments on the Bay Delta Conservation Plan/California WaterFix (BDCP/WaterFix) and its recirculated draft environmental impact statement/report released on July 10, 2015, and in support of Alternative 4A. (Item 13-A)*

President Ebenkamp indicated Motion No. 15-09-827 was approved by a (5-0) vote

- ◆ The Board was asked to approve staff's recommendation to adopt ACWA's principles opposing a Public Goods Charge, and to direct staff to work with other agencies and groups to oppose implementation of a public goods charge and to follow-up as necessary. (Item 13-B)

Motion No. 15-09-828: *Upon consideration thereof, it was moved by Director Wu, seconded by Director Kwong, and unanimously carried (5-0), to adopt ACWA's principles opposing a Public Goods Charge and to direct staff to work with other agencies and groups to oppose implementation of a Public Goods Charge and direct staff to follow-up as necessary. (Item 13-B)*

President Ebenkamp indicated Motion No. 15-09-828 was approved by a (5-0) vote

- ◆ As a matter of information only, the Board viewed and discussed information included in the Board packet pertaining to AB 126 (Committee on Budget): An Act to Amend the Budget Act of 2015 and Proposition 218 proposal. (Item 13-C)

Other Items

Item 14: TVMWD/MWD – Director Hilden

- ◆ It was noted that the next TVMWD Board meeting will be held on October 7, 2015. (Item 14)

Item 15: The P-W-R Joint Water Line Commission – Scarlett Kwong

- ◆ Director Kwong reviewed the August 2015 P-W-R Joint Water Line Commission water use report included in the Board packet and noted the next Commission meeting is scheduled for October 15, 2015. (Item 15)

Item 16: Puente Basin Water Agency –Director Ebenkamp

- ◆ The Board received an update on matters discussed at the September 4, 2015 PBWA Commission meeting. (Item 16)

Item 17: General Manager’s Report

- ◆ The Board received a follow-up report on prior Board actions. (Item 17-A)
- ◆ The General Manager reviewed the District’s activities calendars for the remainder of September, October, and November. (Item 17-B)
- ◆ The Board was advised of the upcoming February 29-March 9, 2016, MWD Weymouth Treatment Plant Shutdown. (Item 17-C)

Item 18: Water Supply and Drought

- ◆ The Board received a report on the District’s drought and water conservation outreach efforts. (Item 18-A)
- ◆ The Board received a report on the District’s water supply conditions, including an update on District water usage for August 2015 that was 29.9% lower than usage in August 2013. (Item 18-B)
- ◆ The Board viewed reports on California’s water supply and reservoir conditions. (Item 18-C)
- ◆ The Board was provided with a CalOES drought update dated September 15, 2015. (Item 18-D)
- ◆ Mr. Holmes advised he attended the Governor’s Drought Task Force meeting on September 2, 2015, and provided the meeting agenda for reference. (Item 18-E)

Item 20: 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.)

- ◆ During the month of August, Director Hilden indicated he attended an IMC lunch meeting and the Chinese American Association of Walnut (CAAW) Annual fundraising event in addition to District committee and Board meetings previously reported.
- ◆ In addition to District committee and Board meetings previously reported, Director Wu advised that he attended a Sing Tao News event, an Asian Pacific Islanders Association meeting regarding drought and conservation, the Urban Water Institutes’ annual conference, and the CAAW annual fundraising event. Also, he participated in a news interview on August 11, 2015.
- ◆ In addition to District Board and committee meetings previously reported, Director Kwong attended a SGV Asian Outreach meeting with Director John Leung, an Asian Water Conference with the Asian Pacific Islanders Caucus, and a ‘Concert in the Park’ hosted by the City of Diamond Bar.
- ◆ Director Carrera indicated she attended the District’s committee and Board meetings in addition to the PBWA Commission meeting previously reported.
- ◆ In addition to the District committee and Board meetings, and PBWA Commission meeting previously reported, Director Ebenkamp attended the Alameda Corridor East review program, and an IMC lunch meeting.

Item 20: Legal Reports

- ◆ Mr. Tuner advised that the District was served with a Subpoena for Reproduction of Business Records. District staff conducted a search for those records and was unable to locate any records in the District’s possession that are responsive to the Subpoena.

Item 21: Items for Future Discussion

- ◆ Per Director request, an overview of Mount SAC’s current construction projects will be presented at an upcoming committee meeting.

Item 22: Board of Directors Business

- ◆ The Board was asked to consider adopting Resolution No. 09-15-621 ordering an election not be held for Walnut Valley Water District and requesting appointment of persons nominated in Division 1, 4, and 5. (Item 22-A)

Motion No. 15-09-829: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong, and unanimously carried (5-0), to adopt Resolution No. 09-15-621, Ordering an Election Not Be Held for Walnut Valley Water District and Requesting the Board of Supervisors of the County of Los Angeles Immediately Appoint the Persons Nominated for the Office of Member, Board of Directors, in Divisions 1, 4 and 5 for the Full Terms Ending December 4, 2019, by the following roll call:

Yes: Carrera, Ebenkamp, Hilden, Kwong, Wu

No: None

Motion Passed (5-0)

(Item 22-A)

President Ebenkamp indicated Motion No. 15-09-829 was approved by a (5-0) roll call vote

Item 22: Public Comment on Closed Session

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

Item 24: Adjourn to Closed Session – 6:25 p.m.

Item 25: Closed Session – 6:46 p.m.

- A. The Board met in closed session in accordance with Government Code [§54956.8] to discuss real property negotiation matters pertaining to the purchase price and payment terms relating to acquisition and/or lease of water resources in the Main San Gabriel Basin and Central Basin. The negotiating parties are Michael Holmes and Erik Hitchman, and
- B. 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, and
- C. The Board also met in closed session in accordance with Government Code [§54956.9(d)(1)] to discuss anticipated litigation with Dr. Robert Allen Reynolds, Los Angeles Superior Court Case No. 15G04027.

Item 26: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:54 p.m.

- A. The Board met in closed session in accordance with Government Code [§54956.8] to discuss real property negotiation matters pertaining to the purchase price and payment terms relating to acquisition and/or lease of water resources in the Main San Gabriel Basin and Central Basin. The negotiating parties are Michael Holmes and Erik Hitchman. No discussion was held under this item.
- B. 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. The Board was briefed on the facts and circumstances on this matter. Legal counsel was authorized to proceed with the initiation of one case.
- C. The Board also met in closed session in accordance with Government Code [§54956.9(d)(1)] to discuss one pending litigation matter with Legal Counsel concerning Dr. Robert Allen Reynolds v. Walnut Valley Water District; Los Angeles Superior Court Case No. 15G04027. The Board was informed that judgement was entered in favor of the District.

Adjournment at 6:56 p.m.

Motion No: 15-09-830: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Hilden and unanimously carried (5-0), to adjourn the meeting.

President Ebenkamp indicated Motion No. 15-09-830 was approved by a (5-0) vote