

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

**July 16, 2018  
At the Offices of the District**

**DIRECTORS PRESENT:**

Theodore L. Ebenkamp  
Edwin Hilden  
Scarlett Kwong  
Allen Wu (arrived at 5:02 p.m.)

**DIRECTORS ABSENT:**

Theresa Lee

**STAFF PRESENT:**

Erik Hitchman, General Manager/Chief Engineer  
Brian Teuber, Assistant General Manager  
Sandy Olson, Director of Administrative Services  
Sherry Shaw, Director of Engineering  
Dave Johnson, Director of Operations  
Joshua Byerrum, Accounting Manager  
Donna DiLaura, Executive Secretary  
Ed Castanon, Safety/Risk Manager  
Melanie Trevino, Administrative Assistant I  
Jim Ciampa, Legal Counsel

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

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors Joe Ruzicka and David DeJesus, TVMWD Assistant General Manager Matthew Litchfield, and Chief Financial Officer Mr. James Linthicum. Also in attendance was Ms. Denise Jackman, a local resident.

**Item 3: Public Comment**

- ◆ There were no requests. (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: Special Recognition**

- ◆ Ms. Olson introduced Ms. Melanie Trevino, Administrative Assistant I, on the occasion of her completing the probationary period for new employees. (Item 6-A)
- ◆ The Board presented a Golden Hydrant Award to Mr. Ed Castanon on the occasion of his upcoming retirement, and thanked him for his many years of service to the District. (Item 6-B)

**Item 7: Consider Approval of Consent Calendar**

- ◆ The Board was asked to approve the Consent Calendar, including: the minutes of the regular Board meeting held June 18, 2018, and the minutes of the special Board meeting held June 21, 2018, the check register, the WVWD Employee Expense Reimbursement Report, and the Community Outreach Update. (Items 7-1, 2, 3, 4, and 5)

***Motion No. 18-07-1255: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Kwong and unanimously carried (4-0), to approve the Consent Calendar, including the minutes of the regular Board meeting held June 18, 2018, and special Board meeting held June 21, 2018, the check register, the WVWD Employee Expense Reimbursement Report, and the Community Outreach Update. (Items 7 -1, 2, 3, 4 and 5)***

**President Ebenkamp indicated Motion No. 18-07-1255 was approved by a (4-0) 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 June 2018. (Item 8)

***Motion No. 18-07-1256: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Wu 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 2018. (Item 8)***

**President Ebenkamp indicated Motion No. 18-07-1256 was approved by a (4-0) vote**

**Item 9: Treasurer's Report**

- ◆ Mr. Teuber reported that, due to the fiscal year-end, the District financials will be presented at the August or September Board meeting. (Item 9)

**Committee Chair Reports****Item 10: Engineering Committee – Director Lee**

- ◆ President Ebenkamp noted that there were no Engineering Committee items to come before the Board at this time. (Item 10)

**Item 11: Personnel Committee – Director Hilden**

- ◆ President Ebenkamp noted that there were no Personnel Committee items to come before the Board at this time. (Item 11)

**Item 12: Finance Committee – Director Wu**

- ◆ President Ebenkamp noted that there were no Finance Committee items to come before the Board at this time. (Item 12)

**Item 13: Public Information/Community Relations/Legislative Action Committee – Director Hilden reported on behalf of Director Wu**

- ◆ President Ebenkamp noted that there were no Public Information/Community Relations/Legislative Action Committee items to come before the Board at this time. (Item 13)

**Other Items****Item 14: TVMWD/MWD – Director Hilden**

- ◆ The Board received a TVMWD 'Action Line' report for the meeting held on June 20, 2018, and a Notice of Cancelled Meetings for July and August 2018. (Item 14)

**Item 15: The P-W-R Joint Water Line Commission**

- ◆ Mr. Hitchman reviewed the P-W-R Joint Water Line Commission water use report for the month of June included in the Board packet. (Item 15)

**Item 16: Puente Basin Water Agency (PBWA) – Director Lee**

- ◆ The Board received a brief update on recent PBWA related discussions and activities. (Item 16)

**Item 17: General Manager's Report**

- ◆ The Board received a copy of the Notice of Election for two members of the Walnut Valley Water District Board of Directors – Divisions 2 and 3. (Item 17-A)
- ◆ The Board received a follow-up report on prior Board actions. (Item 17-B)
- ◆ The Board received the District's activities calendars for August, September and October 2018. Ms. Olson highlighted National Night Out activities to be held in the cities of Walnut and Rowland Heights on August 7, 2018. (Item 17-C)
- ◆ The General Manager provided an update on Spadra Basin GSA activities. (Item 17-D)

**Item 18: Water Supply and Drought**

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, FY 2017-18 purchase water projections, conservation goal summary, 2017-18 climate summary, and 2018 monthly water consumption versus the 2013 baseline year. Staff made note that the District's water usage for June 2018 was 21.96% lower than usage in June 2013. (Item 18-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of July 4, 2018. (Item 18-B)

**Item 19: 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 19)

- ◆ In addition to District committee and Board meetings previously reported, Director Wu attended the Chinese-American Elected Officials (CEO) Association Installation Dinner, a Spadra Basin GSA Executive Committee meeting, the Resources for Future Generations Conference, and the Public Safety Appreciation BBQ.
- ◆ Director Hilden stated that, in addition to District committee and Board meetings previously reported, he attended the CEO Association Installation Dinner, the Diamond Bar Chinese

American Association Installation Dinner, two TVMWD Board meetings, an IMC Quarterly Luncheon and the San Gabriel Regional Chamber of Commerce Installation Gala.

- ◆ In addition to District committee and Board meetings previously reported, Director Kwong reported that she attended the CEO Association Installation Dinner, the Diamond Bar Chinese-American Association Installation Dinner, and a PWR-JWL Commission meeting.
- ◆ Director Ebenkamp stated that, in addition to attending District committee and Board meetings, he also attended two TVMWD Board meetings, a PBWA Commission meeting, a Spadra Basin GSA Executive Committee meeting, a Regional Chamber of Commerce Government Affairs Committee meeting, an IMC Quarterly Luncheon, the San Gabriel Regional Chamber of Commerce Installation Gala and the Public Safety Appreciation BBQ.
- ◆ As noted on her expense report, in addition to attending District committee and Board meetings, Director Lee also attended the CEO Association Installation Dinner, the Diamond Bar Chinese-American Association Installation Dinner, a PBWA Commission meeting, and the Public Safety Appreciation BBQ.

#### **Item 20: Legal Reports**

- ◆ The Board received an update on the proposed FCC Rulemaking regarding cell phone towers. Mr. Ciampa noted that in June of 2017, the District made a \$5,000 contribution to join a coalition of local governments to respond to the proposed FCC Rulemaking. The General Manager reported the coalition had requested additional contributions from the member agencies and stated he would be making an additional contribution of \$2,000 to continue supporting the coalition in its efforts and protect the District's interests. No director opposed that further expenditure. (Item 20)

#### **Item 21: Items for Future Discussion**

- ◆ There were no requests made for future items of discussion. (Item 21)

#### **Item 22: Board of Directors Business**

- ◆ President Ebenkamp referenced the Operations Report included in the Board packet. As this was an informational item only, Board action was not needed. (Item 22-A)
- ◆ The Board was asked to consider approval of Resolution No. 07-18-653, "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 18, 2018, to receive public comments regarding the Water Standby Charge Report prepared by Willdan Financial Services. No comments were received. (Item 22-B)

***Motion No. 18-07-1257: Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden, and carried (4-0), by the roll call vote noted below, to adopt Resolution No. 07-18-653 "Establishing Water Standby Charges to Holders of Title to Land" for submittal to the Los Angeles County Auditor Controller by August 10, 2018. (Item 22-B)***

**Yes: Ebenkamp, Hilden, Kwong, Wu**

**No: None**

**Absent: Lee**

**President Ebenkamp indicated Motion No. 18-07-1257 was approved by a (4-0) roll call vote**

- ◆ The Board was asked to review and consider rejecting a claim submitted by Southern California Edison (SCE) in the amount of \$9,853.10 for costs to repair and relocate a street light conduit located at 1351 Fairlance Drive in Diamond Bar. (Item 22-C)

***Motion No. 18-07-1258: Upon consideration thereof, it was moved by Director Wu, seconded by Director Hilden and unanimously carried (4-0), to reject the Claim for Damages submitted by SCE, and authorize Legal Counsel to prepare and send a letter to SCE advising them of the rejected claim. (Item 22-C)***

In response to a question about the District's claims process, Ms. Olson provided a brief summary of the process, and added that a copy of all claims are sent to the Joint Powers Insurance Authority (JPIA) for their records, and for reference in the event JPIA needs to follow-up on our behalf.

**President Ebenkamp indicated Motion No. 18-07-1258 was approved by a (4-0) vote**

- ◆ The Board was asked to receive, approve, and file the June 2018 Consolidated Investment Transactions Report included in the Board packet. (Item 22-D)

**Motion No. 18-07-1259: 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, 2018 through June 30, 2018. (Item 22-D)**

**President Ebenkamp indicated Motion No. 18-07-1259 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, 2018. As this was an informational item only, Board action was not needed. (Item 22-E)

**Item 23: Public Comment on Closed Session**

- ◆ There were no requests to comment on either open or closed session items. (Item 23)

**Item 24: Adjourn to Closed Session – 5:39 p.m.**

**Item 25: 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 – Four Potential Cases. (Item 25)

**Item 26: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:20 p.m.**

- A. The Board met in closed session in accordance with Government Code [§54956.9(d)(4)] to discuss four anticipated litigation matters with Legal Counsel. The Board was briefed on the facts and circumstances of those four matters and no reportable action under the Brown Act was taken on these matters. (Item 26)

**Adjournment at 6:21p.m.**

**Motion No: 18-07-1260: Upon consideration thereof, it was moved by Director Wu, seconded by Director Kwong and unanimously carried (4-0), to adjourn the meeting in memory of Mrs. Janet Julia Holmes, mother of former General Manager Michael Holmes.**

**President Ebenkamp indicated Motion No. 18-07-1260 was approved by a (4-0) vote**

**RESOLUTION NO. 07-18-653**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE WALNUT VALLEY WATER DISTRICT  
ESTABLISHING WATER STANDBY CHARGES  
TO HOLDERS OF TITLE TO LAND**

**WHEREAS**, the California Water District Law commencing with Section 35470 of the California Water Code authorizes the raising of money for District purposes by the levy of standby charges to holders of land to which water may be made available, whether the water was actually used or not; and

**WHEREAS**, the District may use the proceeds of such charges for the construction of the District's fire related storage requirements and its terminal storage facilities to procure alternate sources of supply, to defray the ordinary operation or maintenance expenses incurred in providing fire protection facilities, and for any other lawful District purpose; and

**WHEREAS**, on November 5, 1996, the voters in California approved Proposition 218 which revised the authority and procedures for assessments, including Standby Charges; and

**WHEREAS**, assessments existing on November 5, 1996, are exempt from the procedures and approval process of Proposition 218, provided the assessments are not increased and are imposed exclusively to finance the capital costs or maintenance and operating expenses for water systems; and

**WHEREAS**, the Board of Directors of Walnut Valley Water District finds and determines the existing Standby Charges are for the purposes permitted under the foregoing exemption provision set forth in Proposition 218 and are, therefore, exempt from the approval and procedural requirements of Proposition 218; and

**WHEREAS**, the Board of Directors of Walnut Valley Water District further finds and determines it to be in its best interests to continue the existing standby charges being levied by the District;

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The Secretary shall certify to the County Auditor and the County Assessor of the County of Los Angeles on or before August 10, 2018 the following:
  - a. The amount of the acreage standby charge per acre shall be Fifty-Six Dollars (\$56.00). The amount of the standby charge for one-fourth acre or less shall be Fourteen Dollars (\$14.00). The amount of the standby charge for a parcel larger than one-fourth acre and less than one acre shall be prorated on the basis of Fifty-Six Dollars (\$56.00) per acre. The total amount of the charges estimated for the entire District is \$951,897. A written report is on file with the Secretary of the District which sets forth the amount of the acreage standby charge for each parcel

within the District and which more particularly states the determination of and uses for those charges.

b. The assessee parcels and the assessee names for each parcel of land in the District against whom a standby charge is being levied, and the acreage assessed to such person according to the District records, together with the total amount of the charge to be paid by each assessee parcel.

2. Pursuant to Section 35480 of the California Water Code, the County Assessor and the County Auditor shall thereafter add to the tax bills for each assessee and assessee parcel as so certified in Taxing Agency Code 370.92 (Walnut Valley Water District Improvement District Numbers 4 and 5) in addition to the other charges, the standby charges of the District.

3. Pursuant to Section 35481 of the California Water Code, the County Tax Collector and Treasurer shall thereupon collect, receive, and disburse to the District the standby charges as collected with the regular tax payments to the County.

4. The California Environmental Quality Act does not apply to the matters addressed in this Resolution inasmuch as charges received pursuant to this Resolution are for the purposes of:

- a. Meeting District operating expenses
- b. Purchasing or leasing supplies, equipment, or material
- c. Obtaining funds for capital projects necessary to maintain service within existing service areas.

The finding of exemption from the California Environmental Quality Act is made pursuant to Section 15273 of the District's CEQA Guidelines.

**PASSED AND ADOPTED AT A REGULAR MEETING OF THE WALNUT VALLEY WATER DISTRICT held on July 16, 2018, by the following roll call vote:**

AYES: EBENKAMP, HILDEN, KWONG AND WU

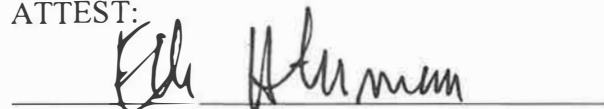
NOES: NONE

ABSENT: LEE

ABSTAIN: NONE

  
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President  
Board of Directors

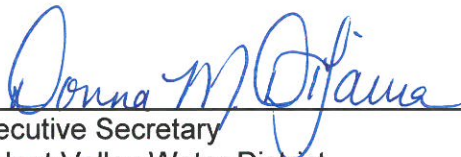
ATTEST:

  
\_\_\_\_\_  
Secretary

The undersigned, DONNA DILAURA, does hereby certify and declare that she is the duly appointed, qualified, and acting Executive Secretary of Walnut Valley Water District; that the foregoing is a full, true, and complete copy of Resolution No. 07-18-653 of Walnut Valley Water District, as adopted by said Board of Directors at a regular meeting thereof, duly convened and held on the 16th day of July, 2018; that a quorum of Directors was present at all times at said meeting and voted in favor of said resolution by a roll call vote; and that said resolution has not been altered, amended, or rescinded and is still in full force and effect.

Dated: July 16, 2018



  
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Executive Secretary  
Walnut Valley Water District