

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

**February 19, 2019
At the Offices of the District**

DIRECTORS PRESENT:

Theodore L. Ebenkamp
Edwin Hilden
Scarlett Kwong
Theresa Lee
Jerry Tang

DIRECTORS ABSENT:

All present

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
Jim Ciampa, Legal Counsel

The meeting was called to order at 5:01 p.m. with President Hilden presiding.

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors Joe Ruzicka and Denise Jackman, TVMWD General Manager Matt Litchfield, and City of Walnut Councilmember Allen Wu. Also present was Mr. Jayson Schmitt of Chandler Asset Management.

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: Administer Oath of Office, Director Division I

- ◆ Director Tang was ceremonially sworn in by Councilmember Wu. (Item 6)

Item 7: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, including: the minutes of the special Board meeting held January 17, 2019, the regular Board meeting held January 22, 2019, the special Board meeting held January 24, 2019, the Check Register, and the Community Outreach Update. (Items 7-1, 2, 3, 4 and 5)

Motion No. 19-02-1336: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee and unanimously carried (5-0), to approve the Consent Calendar, including the minutes of the special Board meeting held January 17, 2019, the regular Board meeting held January 22, 2019, the special Board meeting held January 24, 2019, the Check Register, and the Community Outreach Update. (Items 7-1, 2, 3, 4 and 5)

President Hilden indicated Motion No. 19-02-1336 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 January 2019. (Item 8)

Motion No. 19-02-1337: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong 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 January 2019. (Item 8)

President Hilden indicated Motion No. 19-02-1337 was approved by a (5-0) vote

Item 9: Treasurer's Report

- ◆ Mr. Teuber presented the District's Statement of Revenues, Expenses, and Change in Net Assets as of January 31, 2019; the District's Statement of Net Assets as of January 31, 2019; and the Summary of Cash and Investments as of January 31, 2019. (Items 9 A-C)

Motion No. 19-02-1338: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee and unanimously carried (5-0), to receive, approve, and file the District's Statement of Revenues, Expenses, and Change in Net Assets as of January 31, 2019, the District's Statement of Net Assets as of January 31, 2019, and the Summary of Cash and Investments as of January 31, 2019. (Item 9 A-C)

President Hilden indicated Motion No. 19-02-1338 was approved by a (5-0) vote

Committee Chair Reports

Item 10: Engineering Committee – Director Lee

- ◆ The Board was asked to authorize the award of a contract to Civiltec Engineering, Inc. to prepare the preliminary design report, final design, and provide partial construction oversight services for the IBC Recycled Water Reservoir Project at a cost of \$150,100. (Item 10-A)

Motion No. 19-02-1339: *Upon consideration thereof, it was moved by Director Lee, seconded by Director Ebenkamp and unanimously carried (5-0), to authorize the award of a contract to Civiltec Engineering, Inc. to prepare the preliminary design report, final design, and provide partial construction oversight services for the IBC Recycled Water Reservoir Project at a cost of \$150,100. (Item 10-A)*

President Hilden indicated Motion No. 19-02-1339 was approved by a (5-0) vote

- ◆ The Board was asked to authorize the General Manager to execute a contract for labor and materials to W.A. Rasic Construction Company, Inc. in the amount of \$318,185.00 for the labor portion, and \$14,469.07 for materials to the suppliers specified below, for the 8" Recycled Water Main Loop on Lemon Avenue (P.N. 18-3517), to find the project is exempt pursuant to CEQA Statutory Exemptions Section 15282(k); 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, and to authorize the appropriation of an additional \$152,000 from Acreage Supply Charge. (Item 10-B)

<u>Bid</u>	<u>Supplier</u>	<u>Price</u>	<u>Delivery</u>
Labor	W.A. Rasic Construction Company, Inc.	\$ 318,185.00	N/A
Steel Pipe	Ferguson Waterworks	4,616.52	10-14 Days
Polyvinyl Chloride (PVC) Pipe	Inland Water Works	5,052.33	21 Days
Resilient Wedge Gate Valves	S&J Supply	1,941.44	1-3 Days
Saddles, Setters & Jumpers	United Water Works	64.61	1-2 Days
Service Materials	United Water Works	695.06	STK-7 days
Ductile Iron Fittings & Misc. Mtls.	United Water Works	2,162.72	1-7 days

Motion No. 19-02-1340: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee and unanimously carried (5-0), to authorize the General Manager to execute a contract for labor and materials to W.A. Rasic Construction Company, Inc. in the amount of \$318,185.00 for the labor portion, and \$14,469.07 for materials to the suppliers specified in the above table, for the 8" Recycled Water Main Loop on Lemon Avenue (P.N. 18-3517), to find the project is exempt pursuant to CEQA Statutory Exemptions Section 15282(k); 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, and to authorize the appropriation of an additional \$152,000 from Acreage Supply Charge. (Item 10-B)*

President Hilden indicated Motion No. 19-02-1340 was approved by a (5-0) vote

- ◆ Director Lee referenced the Operations Report included in the Board packet. As this was an informational item only, Board action was not needed. (Item 10-C)

Item 11: Personnel Committee – Director Hilden

- ◆ Director Hilden reported that there were no Personnel Committee items to come before the Board at this time. (Item 11)

Item 12: Finance Committee – Director Ebenkamp

- ◆ Mr. Jayson Schmitt of Chandler Asset Management reviewed current economic conditions and provided an update on the firm's investment activities on behalf of the District. The Board was asked to receive and file Mr. Schmitt's report. (Item 12-A)

Motion No. 19-02-1341: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee and unanimously carried (5-0), to receive and file Mr. Schmitt's report. (Item 12-A)*

President Hilden indicated Motion No. 19-02-1341 was approved by a (5-0) vote

- ◆ The Board was asked to receive and file the P-W-R Joint Water Line Commission and Puente Basin Water Agency Audits for Fiscal Year ending June 30, 2018. (Item 12-B)

Motion No. 19-02-1342: *Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong and unanimously carried (5-0), to receive and file the P-W-R Joint Water Line Commission and Puente Basin Water Agency Audits for Fiscal Year ending June 30, 2018. (Item 12-B)*

President Hilden indicated Motion No. 19-02-1342 was approved by a (5-0) vote

- ◆ The Board was asked to receive, approve, and file the January 2019 Investment Transactions Report included in the Board packet. (Item 12-C)

Motion No. 19-02-1343: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Lee and unanimously carried (5-0), to receive, approve, and file the District's Consolidated Investment Transactions Report for the period of January 1, 2019 through January 31, 2019. (Item 12-C)

President Hilden indicated Motion No. 19-02-1343 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 January 31, 2019. As this was an informational item only, Board action was not needed. (Item 12-D)

Item 13: Public Information/Community Relations/Legislative Action Committee

- ◆ The Board received a state legislative update. As this was an informational item only, Board action was not needed. (Item 13)

Item 14: TVMWD/MWD – Director Hilden

- ◆ The Board received a general update on TVMWD activities. (Item 14)

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

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

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

- ◆ The Board received an update on PBWA related activities. (Item 16)

Item 17: General Manager's Report

- ◆ The Board received a follow-up report on prior Board actions. (Item 17-A)
- ◆ The Board received the District's activities calendars for March, April and May 2019. (Item 17-B)

Item 18: Water Supply and Drought

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, Calendar Year 2019 purchase water projections, conservation goal summary, climate summary, and 2019 monthly water consumption versus the 2013 baseline year. Staff made note that the District's water usage for January 2019 was 22.64% lower than usage in December 2013. (Item 18-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of February 10, 2019. (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)

- ◆ Director Ebenkamp stated that, in addition to attending District committee and Board meetings, he attended a Spadra Basin GSA meeting, a Building Ad Hoc Committee meeting, the WVWD Employee Banquet, a Regional Chamber Government Affairs Committee meeting, two Fourth District Consolidated Oversight Board meetings, a TVMWD Board meeting, the IBC State of the City luncheon, and a San Gabriel Valley disaster preparedness workshop.
- ◆ In addition to District committee and Board meetings previously reported, Director Kwong indicated that she attended the WVWD Employee Banquet, the IBC State of the City luncheon, Dr. Wu's reception, the China Consulate Lunar New Year Celebration and the South Coast Plaza Lunar New Year Celebration.
- ◆ Director Hilden stated that, in addition to District committee and Board meetings previously reported, he attended a Building Ad Hoc Committee meeting, the WVWD Employee Banquet, two TVMWD Board meetings, the IBC State of the City luncheon, and the United Abacus Arithmetic Association Global Cup Awards Event.
- ◆ In addition to District committee and Board meetings previously reported, Director Lee indicated that she attended the WVWD Employee Banquet, the United Abacus Arithmetic Association Global Cup Awards Event, and the WVUSD & Kaohsiung Municipal Senior High/Girls High School MOU and Farewell Party.

Item 20: Legal Reports

- ◆ Legal Counsel Ciampa reported to the Board on issues that water suppliers are having with proposed regulation changes being put forth by the AQMD regarding asbestos-containing materials. Through the Public Water Agencies Group, Mr. Ciampa is participating in efforts to limit the impact of those proposed regulations, which would result in increased costs to water suppliers and significant traffic impacts to the public. Outreach to AQMD governing board members may be necessary if AQMD staff does agree to reasonable revisions. (Item 20)

Item 21: Items for Future Discussion

- ◆ No requests were made. (Item 21)

Item 22: Board of Directors Business

- ◆ The Board was asked to establish Committee, Commission, and Agency appointments for Calendar Year 2019. Committee assignments were determined in accordance with the District's Standing Committee Selection Process as follows:

POSITION	ENGINEERING	FINANCE	PERSONNEL	PUBLIC INFO
CHAIR	Director Lee	Director Kwong	Director Hilden	Director Hilden
MEMBER	Director Ebenkamp	Director Tang	Director Kwong	Director Lee
ALTERNATE	Director Kwong	Director Hilden	Director Ebenkamp	Director Tang

Following the Committee selection process, President Hilden appointed the following Commission, and Agency appointments. No additional Board action was required. (Item 22-A)

The 2019 Commission Assignments are as follows:

POSITION	2019
Joint Water Line Commissioner	Scarlett P. Kwong
Joint Water Line Commissioner – Alternate	Edwin Hilden
Puente Basin Water Agency Representative	Theodore Ebenkamp
Puente Basin Water Agency Representative	Theresa Lee
Puente Basin Water Agency Representative – Alternate	Scarlett P. Kwong
TVMWD Representative	Edwin Hilden
TVMWD Representative – Alternate	Theodore Ebenkamp
JPIA Board Member	Theresa Lee
JPIA Board Member – Alternate	Edwin Hilden
JPIA Property Program Committee Member	Theresa Lee
ACWA Voting Delegate	Edwin Hilden
ACWA Voting Delegate – Alternate	Theodore Ebenkamp
ACWA Region 8 Delegate	Theresa Lee
ACWA Region 8 Delegate – Alternate	Theodore Ebenkamp
Regional Chamber Representative	Theodore Ebenkamp
Regional Chamber Representative – Alternate	Scarlett Kwong
Spadra Basin Executive Committee Member	Theodore Ebenkamp
Spadra Basin Executive Committee Member—Alternate	Jerry Tang

- ◆ The Board was asked to Adopt Resolution Nos. 02-19-658 and 02-19-659, appointing representatives to the PBWA and PWR Joint Water Line Commissions. (Item 22-B)

Motion No. 19-02-1344: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong, and unanimously carried (5-0) to appoint Director Ebenkamp and Director Lee as the District's representatives to PBWA, and Director Kwong as the District's alternate representative, and adopt Resolution No. 02-19-659 confirming said appointments. (Item 22-B)

Yes: Ebenkamp, Hilden, Kwong, Lee and Tang

No: None

Absent: None

Abstain: None

Motion Passed (5-0)

President Hilden indicated Motion No. 19-02-1344 was approved by a (5-0) roll call vote

Motion No. 19-02-1345: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee, and unanimously carried (5-0) to appoint Director Kwong as the District's representative to P-W-R Joint Water Line, and Director Hilden as the District's alternate representative, and adopt Resolution No. 02-19-658 confirming said appointments. (Item 22-B)

Yes: Ebenkamp, Hilden, Kwong, Lee and Tang

No: None

Absent: None

Abstain: None

Motion Passed (5-0)

President Hilden indicated Motion No. 19-02-1345 was approved by a (5-0) roll call vote

- ◆ The Board was asked to consider rescheduling the regular March Board meeting from March 18, 2019 to March 20, 2019, to ensure a quorum of Directors is present to conduct business. (Item 22-C)

Motion No. 19-02-1346: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee and unanimously carried (5-0), to reschedule the regular March Board meeting to Wednesday, March 20, 2019. (Item 22-C)*

President Hilden indicated Motion No. 19-02-1346 was approved by a (5-0) vote

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 – 6:27 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 – One Potential Case. (Item 25-A)
- B. The Board met in closed session in accordance with Government Code [§54956.9(d)(1)] to discuss current litigation – Southern California Edison Company v. Walnut Valley Water District, et al. Case Number: Los Angeles County Superior Court Case No. 19STLC00402. (Item 25-B)

Item 26: Reconvene in Open Session/Report of Action Taken in Closed Session – 7:03 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. The Board was briefed on the facts and circumstances of the matter and no reportable action under the Brown Act was taken. (Item 26-A)
- B. The Board met in closed session in accordance with Government Code [§54956.9(d)(1)] to discuss current litigation with Legal Counsel. The Board was briefed on the facts and circumstances of the matter and no reportable action under the Brown Act was taken. (Item 26-B)

Adjournment at 7:04 p.m.

Motion No: 19-02-1347: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (5-0), to adjourn the meeting.*

President Hilden indicated Motion No. 19-02-1347 was approved by a (5-0) vote

RESOLUTION NO. 02-19-658

RESOLUTION OF THE WALNUT VALLEY WATER DISTRICT
BOARD OF DIRECTORS
APPOINTING REPRESENTATIVES TO THE PUENTE BASIN WATER AGENCY

WHEREAS, the Walnut Valley Water District entered into an Amended Restated and Renewed Joint Powers Agreement creating the PUENTE BASIN WATER AGENCY, dated October 28, 2009, with Rowland Water District, (the PBWA Agreement); and,

WHEREAS, the PBWA Agreement provides that the PUENTE BASIN WATER AGENCY shall be governed by a Commission consisting of four commissioners, and that the governing body of each of the members shall annually appoint two representatives to the Commission and one alternate to serve in the absence of either of the appointed representatives; and,

WHEREAS, the PBWA Agreement further provides that at least one of the appointed representatives of each member shall be a director on the governing board of the appointing member; and,


WHEREAS, each Commissioner must file with the PUENTE BASIN WATER AGENCY a certified copy of the resolution of the member appointing him or her,

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Walnut Valley Water District:

1. That Theodore Ebenkamp, who is a member of the Board of Directors of the Walnut Valley Water District, shall be appointed as a representative of the Walnut Valley Water District to serve on the Commission of the PUENTE BASIN WATER AGENCY.
2. That Theresa Lee, who is a member of the Board of Directors of the Walnut Valley Water District, shall be appointed as a representative of the Walnut Valley Water District to serve on the Commission of the PUENTE BASIN WATER AGENCY.
3. That Scarlett Kwong, who is a member of the Board of Directors of the Walnut Valley Water District, shall be appointed as an alternate representative of the Walnut Valley Water District to serve on the Commission of the PUENTE BASIN WATER AGENCY in the absence of either of the appointed representatives.
4. That each of the representatives and alternate appointed herein shall serve for a term of one year unless removed and replaced at the pleasure of the Board of Directors, or unless such representative or alternate resigns or becomes incapacitated.
5. That a certified copy of this Resolution be provided to the PUENTE BASIN WATER AGENCY.

**ADOPTED AT A REGULAR MEETING OF THE WALNUT VALLEY WATER DISTRICT HELD
FEBRUARY 19, 2019**

AYES: EBENKAMP, HILDEN, KWONG, LEE AND TANG
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE



President
Board of Directors

ATTEST:



Secretary

RESOLUTION NO. 02-19-659

RESOLUTION OF THE WALNUT VALLEY WATER DISTRICT
BOARD OF DIRECTORS
APPOINTING REPRESENTATIVES TO THE P-W-R JOINT WATER LINE COMMISSION

WHEREAS, the Walnut Valley Water District is a contracting public agency with a vested interest in the POMONA-WALNUT-ROWLAND (P-W-R) JOINT WATER LINE; and

WHEREAS, the P-W-R Joint Waterline Commission Bylaws provide that the P-W-R JOINT WATER LINE shall be governed by a Commission consisting of three commissioners, and that the governing body of each of the contracting agencies shall annually appoint one representatives to the Commission and one alternate to serve in the absence of the appointed representative; and,

WHEREAS, each contracting public agency must file with the P-W-R JOINT WATER LINE COMMISSION a certified copy of the resolution appointing the Commissioner and Alternate(s);

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Walnut Valley Water District:

1. That Scarlett Kwong, who is a member of the Board of Directors of the Walnut Valley Water District, shall be appointed as representative of the Walnut Valley Water District to serve on the P-W-R JOINT WATER LINE COMMISSION.

2. That Edwin Hilden, who is a member of the Board of Directors of the Walnut Valley Water District, shall be appointed as an alternate representative of the Walnut Valley Water District to serve on the P-W-R JOINT WATER LINE COMMISSION in the absence of the appointed representative.

4. That the representative and the alternate appointed herein shall serve for a term of one year unless removed and replaced at the pleasure of the Board of Directors, or unless such representative or alternate resigns or becomes incapacitated.

5. That a certified copy of this Resolution be provided to the P-W-R JOINT WATER LINE COMMISSION.

**ADOPTED AT A REGULAR MEETING OF THE WALNUT VALLEY WATER DISTRICT HELD
FEBRUARY 19, 2019**

AYES: EBENKAMP, HILDEN, KWONG, LEE AND TANG
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE



President
Board of Directors

ATTEST:


Secretary