

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

**March 20, 2019
At the Offices of the District**

DIRECTORS PRESENT:

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

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

DIRECTORS ABSENT:

All present

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

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors Joe Ruzicka and Denise Jackman, and TVMWD Chief Financial Officer James Linthicum.

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: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, including: the minutes of the regular Board meeting held February 19, 2019, the special Board meeting held February 21, 2019, the Check Register, the Employee Reimbursement Report, and the Community Outreach Update. (Items 6-1, 2, 3, 4 and 5)

Motion No. 19-03-1349: 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 regular Board meeting held February 19, 2019, the special Board meeting held February 21, 2019, the Check Register, the Employee Reimbursement Report, and the Community Outreach Update. (Items 6-1, 2, 3, 4 and 5)

President Hilden indicated Motion No. 19-03-1349 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 February 2019. (Item 7)

Motion No. 19-03-1350: Upon consideration thereof, it was moved by Director Kwong, 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 February 2019. (Item 7)

President Hilden indicated Motion No. 19-03-1350 was approved by a (5-0) vote

Item 8: Treasurer's Report

- ◆ Mr. Teuber presented the Financial Dashboard as of February 28 2019, the District's Statement of Revenues, Expenses, and Change in Net Assets as of February 28, 2019; the District's Statement of Net Assets as of February 28, 2019; and the Summary of Cash and Investments as of February 28, 2019. (Items 8 A-C)

Motion No. 19-03-1351: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee and unanimously carried (5-0), to receive, approve, and file the Financial Dashboard as of February 28, 2019, the District's Statement of Revenues, Expenses, and Change in Net Assets as of February 28, 2019, the District's Statement of Net Assets as of February 28, 2019, and the Summary of Cash and Investments as of February, 2019. (Item 8 A-C)

President Hilden indicated Motion No. 19-03-1351 was approved by a (5-0) vote

Committee Chair Reports

Item 9: Engineering Committee – Director Ebenkamp

- ◆ Director Ebenkamp referenced the Operations Report included in the Board packet. As this was an informational item only, Board action was not needed. (Item 9)

Item 10: Personnel Committee – Director Hilden

- ◆ The General Manager reported that Ms. Sandra Olson has submitted her letter of retirement, effective June 4, 2019. He noted that staff has discussed in length how best to fill the vacancy that her retirement will create. Presented in the staff report is the proposed reorganization of the Administrative Services Department. The Board was asked to approve the following:
 - The interim reorganization of the Administrative Services Department.
 - The proposed modification to the District Salary Schedule
 - Initiation of the recruitment process for the new position of Director of External Affairs. (Item 10)

Motion No. 19-03-1352: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (5-0), to approve the interim reorganization of the Administrative Services Department, the proposed modification to the District Salary Schedule, and the initiation of the recruitment process for the new position of Director of External Affairs. (Item 10)

President Hilden indicated Motion No. 19-03-1352 was approved by a (5-0) vote

Item 11: Finance Committee – Director Kwong

- ◆ The Board was asked to approve:
 - Transfer of \$333,360, the calculated annual savings from the COLA reduction for purposes of funding the spousal medical benefit, from the General account to the Other Post-Employment Benefits Reserve; and
 - Authorize staff to transfer these funds, as deemed appropriate, to the Other-Post Employment Benefits Trust. (Item 11-A)

Motion No. 19-03-1353: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp and unanimously carried (5-0), to approve the Transfer of \$333,360, the calculated annual savings from the COLA reduction for purposes of funding the spousal medical benefit, from the General account to the Other Post-Employment Benefits Reserve; and, authorize staff to transfer these funds, as deemed appropriate, to the Other-Post Employment Benefits Trust. (Item 11-A)

President Hilden indicated Motion No. 19-03-1353 was approved by a (5-0) vote

- ◆ The Board was asked to receive, approve, and file the February 2019 Investment Transactions Report included in the Board packet. (Item 11-B)

Motion No. 19-03-1354: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp and unanimously carried (5-0), to receive, approve, and file the District's Consolidated Investment Transactions Report for the period of February 1, 2019 through February 28, 2019. (Item 11-B)

President Hilden indicated Motion No. 19-03-1354 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 February 28, 2019. As this was an informational item only, Board action was not needed. (Item 11-C)

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

- ◆ The Board was asked to ratify the action of the General Manager in sending a letter of support for SB 669 (Caballero), ACWA/CMUA sponsored legislation which would create a Safe Drinking Water Trust, in lieu of a proposed Statewide Water Tax, to assist community water systems in disadvantaged communities. Ms. Olson noted that time was of the essence; therefore, the letter was sent prior to approval by the Board. (Item 12-A)

Motion No. 19-03-1355: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee and unanimously carried (5-0), to ratify the action of the General Manager in sending a letter of the District's support for SB 669 (Caballero). (Item 12-A)

President Hilden indicated Motion No. 19-03-1355 was approved by a (5-0) vote

- ◆ The Board was asked to adopt a Proclamation declaring May as "Water Awareness Month." (Item 12-B)

Motion No. 19-03-1356: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee and unanimously carried (5-0), to adopt a proclamation declaring May as “Water Awareness Month.” (Item 12-B)

President Hilden indicated Motion No. 19-03-1356 was approved by a (5-0) vote

- ◆ The Board received a state legislative update. As this was an informational item only, Board action was not needed. (Item 12-C)

Item 13: TVMWD/MWD – Director Hilden

- ◆ The Board received a general update on TVMWD activities. (Item 13)

Item 14: 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 February included in the Board packet. (Item 14)

Item 15: Puente Basin Water Agency (PBWA) – Director Lee

- ◆ Director Lee reported that the PBWA Commission did not meet in March. The next meeting of the PBWA Commission is scheduled for April 4, 2019. (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 April, May and June. (Item 16-B)

Item 17: 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 February 2019 was 33.57% lower than usage in February 2013. (Item 17-A)
- ◆ The Board viewed reports on California’s water supply and reservoir conditions as of March 11, 2019. (Item 17-B)

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)

- ◆ Director Ebenkamp stated that, in addition to attending District committee and Board meetings, he attended Rick Hansen’s retirement celebration, two TVMWD Board meetings, a PBWA Commission meeting, the Diamond Bar Chinese American Association’s Chinese Lunar New Year Celebration, a Regional Chamber Government Affairs Committee meeting, a Fourth District Consolidated Oversight Board meeting, the Regional Chamber of Commerce Salute to Heroes Breakfast, the Southern California Chinese American Environmental Protection Association’s Annual Convention and the TVMWD Leadership Breakfast.
- ◆ In addition to District committee and Board meetings previously reported, Director Kwong indicated that she attended the Diamond Bar Chinese American Association’s Chinese Lunar New Year Celebration, the Diamond Bar Evergreen Club Lunar New Year Celebration, a PWR/JWL Commission meeting, Director Tang’s Oath of Office, the Regional Chamber of Commerce Salute to Heroes Breakfast, a CEO meeting with Congressman Gil Cisneros, and the Miss Diamond Bar Fashion Show Fundraiser.
- ◆ Director Hilden stated that, in addition to District committee and Board meetings previously reported, he attended Rick Hansen’s retirement celebration, two TVMWD Board meetings, Director Lee’s celebration at Happy Harbor Seafood Restaurant, Director Tang’s Oath of Office, the Employees of the Year Luncheon, the Regional Chamber of Commerce Salute to Heroes Breakfast, the Habit Burger Grill Ribbon Cutting Ceremony and the TVMWD Leadership Breakfast.
- ◆ In addition to District committee and Board meetings previously reported, Director Lee indicated that she attended a PBWA Commission meeting, the Diamond Bar Chinese American Association’s Chinese Lunar New Year Celebration, the Diamond Bar Evergreen Club Lunar New Year Celebration, Director Tang’s Oath of Office, and the Chinese American Association of Walnut’s Thirtieth Anniversary Gala.
- ◆ Director Tang stated that, in addition to the Board meeting and Board workshop previously reported, he completed his Oath of Office, attended the Southern California Chinese American Environmental Protection Association’s Annual Convention, and the District hosted California Friendly Landscape Training Class.

Item 19: Legal Reports

- ◆ Legal Counsel deferred his report to Closed Session. (Item 19)

Item 20: Items for Future Discussion

- ◆ No requests were made. (Item 20)

Item 21: Board of Directors Business

- ◆ The Board was asked to authorize the General Manager to execute a contract with Wildermuth Environmental, Inc. (WEI) to develop the Groundwater Sustainability Plan (GSP) for the Spadra Basin at a cost of \$703,389. It was noted that one-half of that cost would be covered by a grant the District has received for that work. (Item 21)

Motion No. 19-03-1357: *Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Tang and unanimously carried (5-0), to authorize the General Manager to execute a contract with Wildermuth Environmental, Inc. (WEI) to develop the Groundwater Sustainability Plan (GSP) for the Spadra Basin at a cost of \$703,389. (Item 21)*

President Hilden indicated Motion No. 19-03-1357 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 22)

Item 23: Adjourn to Closed Session – 6:02 p.m.**Item 24: Closed Session**

- 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 24)

Item 25: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:39 p.m.

- 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 25)

Adjournment at 6:40 p.m.

Motion No. 19-03-1358: *Upon consideration thereof, by consensus, the meeting was adjourned.*

President Hilden indicated Motion No. 19-03-1358 was approved by consensus