

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

**May 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  
Gabriela Sanchez, Executive Secretary  
Jim Ciampa, Legal Counsel

**DIRECTORS ABSENT:**

None

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 David De Jesus and Joe Ruzicka, TVMWD Chief Finance Officer James Lithicum, and Oliver Unaka.

**Item 3: Public Comment**

- ◆ There were no requests. (Item 3)

**Item 4: Additions to the Agenda**

- ◆ There were no requests for additions to the agenda. (Item 4)

**Item 5: Reorder of Agenda**

- ◆ There were no requests. (Item 5)

**Item 6: Special Presentation**

- ◆ Special recognition was given to Ms. Gabriela Sanchez on the occasion of her completion of the ACWA/JPIA Human Resources and Supervisors Basics Professional Development Program. (Item 6)

**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 April 16, 2019, the Special Board meeting held April 11, 2019, the Check Register, the Employee Reimbursement Report, and the Community Outreach Update. (Items 7-1, 2, 3, 4 and 5)

**Motion No. 19-05-1372: 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 April 16, 2019, the Special Board meeting held April 11, 2019, the Check Register, the Employee Reimbursement Report, and the Community Outreach Update. (Items 7-1, 2, 3, 4 and 5)**

**President Hilden indicated Motion No. 19-05-1372 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 April 2019. (Item 8)

**Motion No. 19-05-1373: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee 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 April 2019. (Item 8)**

**President Hilden indicated Motion No. 19-05-1373 was approved by a (5-0) vote**

**Item 9: Treasurer's Report**

- ◆ Mr. Teuber presented the Financial Dashboard as of April 30, 2019, the District's Statement of Revenues, Expenses, and Change in Net Assets as of April 30, 2019; the District's Statement of Net Assets as of April 30, 2019; and the Summary of Cash and Investments as April 30, 2019. (Items 9 A-D)

**Motion No. 19-05-1374: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (5-0), to receive, approve, and file the Financial Dashboard as of April 30, 2019, the District's Statement of Revenues, Expenses, and Change in Net Assets as of April 30, 2019, the District's Statement of Net Assets as of April 30, 2019, and the Summary of Cash and Investments as of April 30, 2019. (Item 9 A-D)**

President Hilden indicated Motion No. 19-05-1374 was approved by a (5-0) vote

### Committee Chair Reports

#### Item 10: Engineering Committee – Director Ebenkamp

- ◆ The Board was asked to authorize the General Manager to execute a sole source contract with Advanced Industrial Systems (AIS) in the amount of \$419,300 to do the recommended coating repairs to Eastgate Reservoir and Brea Canyon Cut-Off Reservoirs (P.N. 19-3575); to find the project is exempt pursuant to CEQA Guidelines Categorical Exemption Section 15301; and 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. (Item 10-A).

***Motion No. 19-05-1375: Upon consideration thereof, it was moved by Director Lee, seconded by Director Ebenkamp, and unanimously carried (5-0), to authorize the General Manager to execute a sole source contract with Advanced Industrial Systems (AIS) in the amount of \$419,300 to do the recommended coating repairs to Eastgate Reservoir and Brea Canyon Cut-Off Reservoirs (P.N. 19-3575); to find the project is exempt pursuant to CEQA Guidelines Categorical Exemption Section 15301; and 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. (Item 10-A)***

President Hilden indicated Motion No. 19-05-1375 was approved by a (5-0) vote

- ◆ The Board was asked to accept the work as installed for Industry Business Center (IBC) Recycled Water Booster Pump Station (P.N. 14-3373) and to authorize the filing of Notice of Completion with the office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 10-B).

***Motion No. 19-05-1376: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong, and unanimously carried (5-0), to accept the work as installed for Industry Business Center (IBC) Recycled Water Booster Pump Station (P.N. 14-3373) and to authorize the filing of Notice of Completion with the office of the Los Angeles County Registrar-Recorder/County Clerk. (Item 10-B)***

President Hilden indicated Motion No. 19-05-1376 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

- ◆ The Board was asked to adopt revisions to the WVWD Safety Committee Program amending the composition of the Safety Committee representation. (Item 11-A)

***Motion No. 19-05-1377: Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong, and unanimously carried (5-0), to adopt revisions to the WVWD Safety Committee Program amending composition of the Safety Committee representation. (Item 11-A)***

President Hilden indicated Motion No. 19-05-1377 was approved by a (5-0) vote

- ◆ The Board was asked to adopt revisions to the WVWD Director Training and Education Policy and to delete the existing Chain of Command Responsibilities Policy. (Item 11-B)

***Motion No. 19-05-1378: Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong, and unanimously carried (5-0), to adopt revisions to the WVWD Director Training and Education Policy and to delete the existing WVWD Chain of Command Responsibilities Policy. (Item 11-B)***

President Hilden indicated Motion No. 19-05-1378 was approved by a (5-0) vote

#### Item 12: Finance Committee – Director Kwong

- ◆ 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 for the period ending April 30, 2019. The Board was then asked to receive and file Mr. Schmitt's report. (Item 12-A)

***Motion No. 19-05-1379: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Lee, and unanimously carried (5-0), to receive and file the WVWD Investment Report for period ending April 30, 2019, as presented by Mr. Jayson Schmitt. (Item 12-A)***

President Hilden indicated Motion No. 19-05-1379 was approved by a (5-0) vote

- ◆ The Board was asked to receive, approve, and file the April 2019 Monthly Investment Account Statement prepared by Chandler Asset Management included in the Board packet. (Item 12-B)

**Motion No. 19-05-1380: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (5-0), to receive, approve, and file the District's Consolidated Investment Transactions Report for the period of April 1, 2019 through April 30, 2019. (Item 12-B)**

**President Hilden indicated Motion No. 19-05-1380 was approved by a (5-0) vote**

- ◆ The Board was asked to schedule a public hearing to be held during the regular June 17, 2019, Board meeting, to receive comments regarding the District's Standby Charge Assessment. (Item 12-C)

**Motion No. 19-05-1381: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Lee and unanimously carried (5-0), to schedule a public hearing to be held during the June 17, 2019 Board meeting to receive and respond to comments regarding the District's Standby Charge Assessment. (Item 12-C)**

**President Hilden indicated Motion No. 19-05-1381 was approved by a (5-0) vote**

- ◆ The Board was asked to approve establishing an account with Multi-Bank Securities (MBS) and to authorize the General Manager to execute all required documents. (Item 12-D)

**Motion No. 19-05-1382: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee and unanimously carried (5-0), to approve establishing an account with Multi-Bank Securities and to authorize the General Manager to execute all required documents. (Item 12-D)**

**President Hilden indicated Motion No. 19-05-1382 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 April 30, 2019. As this was an informational item only, no Board action was taken. (Item 12-E)
- ◆ For informational purposes only, the Board received the Local Agency Formation Commission's FY 2019-20 budget and allocation of net operating costs. No Board action was taken on this matter. (Item 12-F)
- ◆ The Board was advised that the District has held 517 checks totaling \$50,293 in the WVWD Unclaimed Water Refund account. These funds have remained unclaimed by customers for three years or more. Therefore, in accordance to Government Code section 50050 and applicable District policy, funds that remain unclaimed will be transferred to the District's General Fund on June 12, 2019. The District has posted on its website a searchable listing of individuals or businesses that have unclaimed money currently held by the District. To date, the District has received no claims or inquires in this regard. As a matter of information only, no Board action was taken. (Item 12-G)

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

- ◆ The Board received a report on Governor Newsom's Executive Order N-10-19 and were advised that staff would continue to monitor the steps taken by the state agencies implementing the provisions of this Executive Order. No Board action was taken on this matter. (Item 13-A)

### **Item 14: TVMWD/MWD – Director Hilden**

- ◆ On behalf of the Metropolitan Water District of Southern California, Three Valleys Municipal Water District and MWD Director David De Jesus provided an update on the provisions stipulated by Executive Order N-10-19, particularly as related to the California WaterFix. (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 April included in the Board packet. (Item 15)

### **Item 16: Puente Basin Water Agency (PBWA)**

- ◆ Mr. Hitchman provided a brief update on PBWA projects underway. (Item 16)

### **Item 17: Spadra Basin Groundwater Sustainability Agency**

- ◆ There were no business matters to report to the Board. (Item 17)

### **Item 18: General Manager's Report**

- ◆ The Board received a follow-up report on prior Board actions. (Item 18-A)
- ◆ The Board received the District's activities calendars for June, July, and August. (Item 18-B)
- ◆ The Board received a copy of the Puente Basin Watermaster Final 2019-20 Operating Budget. As this was an informational item only, no Board action was taken. (Item 18-C)

**Item 19: Water Supply and Conservation**

- ◆ 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 April 2019 was 21.81% lower than usage in April 2013. (Item 19-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of May 14, 2019. (Item 19-B)

**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.) (Item 20)

- ◆ Director Ebenkamp's oral meeting attendance report included his attendance at a Spadra Basin GSA Strategic Planning Workshop, TVMWD Board meetings, a PBWA meeting, a Regional Chamber Government Affairs Committee meeting, and WVWD committee and Board meetings.
- ◆ Director Kwong reported that she attended District committee and Board meetings in addition to Diamond Bar's Birthday Celebration, Diamond Bar Friends of the Library Wine Soirée, and a Walnut City Council Meeting where the District was presented with a Water Awareness Month proclamation.
- ◆ Director Hilden stated that, in addition to the District committee and Board meetings previously reported, he attended a TVMWD Board meeting and the Diamond Bar Friends of the Library Wine Soirée.
- ◆ Director Tang noted his attendance at District committee and Board meetings previously reported in addition to the WVWD toilet return event, a Spadra Basin GSA Strategic Planning Workshop, and a TVMWD Board meeting.
- ◆ Director Lee advised that in addition to District committee and Board meetings, she attended a PBWA meeting and Diamond Bar's Birthday Celebration.

**Item 21: Legal Reports**

- ◆ Mr. Ciampa reported on his attendance at a Buried Utilities Coalition meeting on behalf of the Public Water Agencies Group and the matters discussed at the meeting concerning proposed revisions by the South Coast Air Quality Management District to its Rule 1403 concerning the removal of asbestos-containing materials. (Item 21)

**Item 22: Items for Future Discussion**

- ◆ No requests were made. (Item 22)

**Item 23: Board of Directors Business**

- ◆ There were no Board of Directors Business. (Item 23)

**Item 24: Public Comment on Closed Session**

- ◆ There were no requests to comment on either open or closed session items. (Item 24)

**Item 25: Adjourn to Closed Session – 6:08 p.m.****Item 26: Closed Session – 6:31 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 – One Potential Case. (Item 26)

**Item 27: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:39 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 27)

**Adjournment at 6:39 p.m.**

**Motion No: 19-05-1383: *Upon consideration thereof, by consensus, the meeting was adjourned.***

**President Hilden indicated Motion No. 19-05-1383 was approved by consensus**