

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

**June 17, 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
Josh Byerrum, Finance Manager
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 Denise Jackman, David De Jesus and Joe Ruzicka, TVMWD General Manager Matt Litchfield, Jocelyne Vega and Maureen Coleman of Willdan Financial Services, and Teofilo Pasillas-Lopez of Walnut Valley Water District.

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 Mr. Teofilo Pasillas-Lopez on the occasion of his completion of the ACWA/JPIA Supervisors' Basics Professional Development Program. (Item 6)

Item 7: Public Hearing: Consideration of Annual Approval of the WVWD Standby Charge Report

- ◆ President Hilden opened the public hearing to receive comments regarding the adoption of the WVWD Water Standby Charge Report prepared by Willdan Financial Services. (Item 7-A)

Motion No. 19-06-1385: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Lee, and unanimously carried (5-0), to open the public hearing to receive comments regarding the adoption of the WVWD Water Standby Charge Report prepared by Willdan Financial Services. (Item 7-A)

President Hilden indicated Motion No. 19-06-1385 was approved by a (5-0) vote

- ◆ Mr. Teuber reviewed the report, noting staff is recommending no change in the current assessment. Representatives from Willdan Financial Services were present to respond to public comments, however none were received. President Hilden then closed the public hearing. (Items 7-B, C, D)

Motion No. 19-06-1386: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee, and unanimously carried (5-0), to close the public hearing. (Item 7-D)

President Hilden indicated Motion No. 19-06-1386 was approved by a (5-0) vote

- ◆ The Board was asked to approve staff's recommendation to continue the District's Standby Charge at the current rate of \$56 per acre, \$14 for each one-fourth acre or less, and for parcels larger than one-fourth acre but less than one acre the charge is prorated on the basis of \$56 per acre. (Item 7-E)

Motion No. 19-06-1387: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Ebenkamp, and unanimously carried (5-0), to approve continuation of the District Water Standby Charge at its current rate. (Item 7-E)

President Hilden indicated Motion No. 19-06-1387 was approved by a (5-0) vote

- ◆ The Board was asked to receive, approve, and file the Water Standby Charge Report prepared by Willdan Financial Services. (Item 7-F)

Motion No. 19-06-1388: Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang, and unanimously carried (5-0), to receive, approve, and file the Water Standby Charge Report prepared by Willdan Financial Services. (Item 7-F)

President Hilden indicated Motion No. 19-06-1388 was approved by a (5-0) vote

Item 8: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar, including: the minutes of the Regular Board meeting held May 20, 2019, the Special Board meeting held May 23, 2019, the Check Register, the Employee Reimbursement Report, and the Community Outreach Update. (Items 8-1, 2, 3, 4 and 5)

Motion No. 19-06-1389: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Kwong and unanimously carried (5-0), to approve the Consent Calendar including the minutes of the Regular Board meeting held May 20, 2019, the Special Board meeting held May 23, 2019, the Check Register, the Employee Reimbursement Report, and the Community Outreach Update. (Items 8-1, 2, 3, 4 and 5)

President Hilden indicated Motion No. 19-06-1389 was approved by a (5-0) vote

- ◆ The Board was asked to adopt Negotiated Tax Exchange Resolutions for the Annexation of Project L 046-2015, County Lighting Maintenance District 1687. (Item 8-6)

Motion No. 19-06-1390: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee, and unanimously carried (5-0), by roll call vote noted below, to adopt Joint Resolutions Approving and Accepting the Negotiated Exchange of Property Tax Revenues Annexation of L 046-2015 to County Lighting Maintenance District 1687. (Item 8-6)

Ayes: Ebenkamp, Hilden, Kwong, Lee, Tang

Noes: None

Absent: None

Abstain: None

President Hilden indicated Motion No. 19-06-1390 was approved by a (5-0) roll call vote

Item 9: 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 the month of May 2019. (Item 9)

Motion No. 19-06-1391: 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 May 2019. (Item 9)

President Hilden indicated Motion No. 19-06-1391 was approved by a (5-0) vote

Item 10: Treasurer's Report

- ◆ Mr. Teuber presented the Financial Dashboard as of May 31, 2019, the District's Statement of Revenues, Expenses, and Change in Net Assets as of May 31, 2019; the District's Statement of Net Assets as of May 31, 2019; and the Summary of Cash and Investments as of May 31, 2019. (Items 10-1, 2, 3, and 4)

Motion No. 19-06-1392: 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 May 31, 2019, the District's Statement of Revenues, Expenses, and Change in Net Assets as of May 31, 2019, the District's Statement of Net Assets as of May 31, 2019, and the Summary of Cash and Investments as of May 31, 2019. (Item 10-1, 2, 3, and 4)

President Hilden indicated Motion No. 19-06-1392 was approved by a (5-0) vote

Committee Chair Reports

Item 11: Engineering Committee – Director Lee

- ◆ The Board was asked to schedule a public hearing during the July 15, 2019 Board meeting to receive and respond to comments regarding the District's 2016-2018 Public Health Goals (PHG) report and, following the public hearing, consider receiving, approving, and filing the report. (Item 11-A).

Motion No. 19-06-1393: Upon consideration thereof, it was moved by Director Lee, seconded by Director Ebenkamp, and unanimously carried (5-0), to schedule a public hearing to be held

during the July 15, 2019 Board meeting to receive and respond to comments regarding the 2016-2018 Public Health Goals report. (Item 11-A)

President Hilden indicated Motion No. 19-06-1393 was approved by a (5-0) vote

- ◆ Mr. Hitchman indicated that the District received the Puente Basin Watermaster 2019-2020 Final Operating Safe Yield Determination report. He then referred to Table 11 – *Estimate of Annual Pumping Right to An Operating Safe Yield of 1,530 Acre-Feet for Fiscal Year 2019-20* of the report, included in the Board packet, and noted the District was assigned a share of 306.0 acre-feet for FY 2019-2020, with an estimated total pumping right of 468.0 acre-feet. (Item 11-B)

Motion No. 19-06-1394: Upon consideration thereof, it was moved by Director Lee, seconded by Director Ebenkamp, and unanimously carried (5-0), to receive and file the Puente Basin Watermaster 2019-2020 Final Operating Safe Yield Determination report. (Item 11-B)

President Hilden indicated Motion No. 19-06-1394 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, no Board action was taken. (Item 11-C)

Item 12: Personnel Committee – Director Hilden

- ◆ There were no Personnel Committee items to come before the Board at this time. (Item 12)

Item 13: Finance Committee – Director Kwong

- ◆ The Board was asked to receive, approve, and file the May 2019 Monthly Investment Account Statement prepared by Chandler Asset Management included in the Board packet. (Item 13-A)

Motion No. 19-06-1395: 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 May 1, 2019 through May 31, 2019. (Item 13-A)

President Hilden indicated Motion No. 19-06-1395 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 May 31, 2019. As this was an informational item only, no Board action was taken. (Item 13-B)

Item 14: Public Information/Community Relations/Legislative Action Committee – Director Hilden

- ◆ There are no Public Information/Community Relations/Legislative Action Committee matters to come before the Board at this time. (Item 14)

Item 15: TVMWD/MWD – Director Hilden

- ◆ The Board received a verbal update on TVMWD activities. (Item 15)

Item 16: The P-W-R Joint Water Line Commission

- ◆ The Board received the P-W-R Joint Water Line Commission water use report detailing water consumption for the month of May. Mr. Teuber then noted that the Commission met on June 13, 2019, and approved the FY 2019-2020 budget. (Item 16)

Item 17: Puente Basin Water Agency (PBWA)

- ◆ The Board received a report of PBWA projects underway. (Item 17)

Item 18: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Ebenkamp updated the Board on agency business matters. (Item 18)

Item 19: General Manager's Report

- ◆ The Board received a follow-up report on prior Board actions. (Item 19-A)
- ◆ The Board received the District's activities calendars for July, August, and September. (Item 19-B)

Item 20: 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 May 2019 was 35.22% lower than usage in May 2013. (Item 20-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of June 6, 2019. (Item 20-B)

Item 21: 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 21)

- ◆ Director Ebenkamp reported on his participation in WVWD committee and Board meetings in addition to a Spadra Basin GSA strategic planning workshop, a SGV Regional Chamber Government Affairs Committee meeting, a TVMWD Board meeting, the Diamond Bar Chinese American Association Gala, TVMWD Leadership Breakfast, and the District's 'Water is Life' Poster & Digital Art Ceremony and Water Awareness Luncheon.
- ◆ Director Kwong indicated that she attended District committee and Board meetings, the 'Water is Life' Poster & Digital Art Ceremony, and Water Awareness Luncheon in addition to the ACWA/JPIA Spring Conference, MWD's Solar Cup competition, Congressman Gil Cisneros' Asian American and Pacific Islander Community Leadership Awards Ceremony, the Diamond Bar Chinese American Association Gala, and a TVMWD Leadership Breakfast.
- ◆ Director Hilden stated that, in addition to the District committee and Board meetings previously reported, he attended a TVMWD Board meeting and Leadership Breakfast, and Congressman Gil Cisneros' Asian American and Pacific Islander Community Leadership Awards Ceremony.
- ◆ Director Tang noted his attendance at District committee and Board meetings, 'Water is Life' Poster & Digital Art Ceremony, and Water Awareness Luncheon. Additionally, he attended a Spadra Basin GSA Strategic Planning Workshop, the ACWA/JPIA Spring Conference, the 2019 Asian American and Pacific Islander Community Leadership Awards, the Diamond Bar Chinese American Annual Convention and a TVMWD Leadership meeting.
- ◆ Director Lee advised that in addition to District committee and Board meetings, and 'Water is Life' Poster & Digital Art Ceremony previously reported, she presented certificates of recognition during the Heart of Hope 2019 Handbell Choir Annual Concert. Additionally, she attended the ACWA/JPIA Spring Conference, the Diamond Bar Chinese American Association Annual Gala, and a TVMWD Leadership Breakfast.

Item 22: Legal Reports

- ◆ Mr. Ciampa reported the proposed water tax legislation was rejected by the Legislature and a compromise for funding from the General Fund and Greenhouse Gas Fund was approved and incorporated into the State's budget. (Item 22)

Item 23: Items for Future Discussion

- ◆ No requests were made. (Item 23)

Item 24: Board of Directors Business

- ◆ The Board was asked to consider approval of the District's proposed Fiscal Year 2019-2020 Budget consisting of \$39,472,796 in Revenues, \$35,701,356 in Expenses, \$4,128,617 in Reserve Funding, District Chart of Positions, District Organizational Chart, Employee Salary Ranges, and \$10,598,252 in the Capital Investment Program Budget. (Item 24-A)

Motion No. 19-06-1396: Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong and unanimously carried (5-0), to approve the Fiscal Year 2019-2020 Budget consisting of \$39,472,796 in Revenues, \$35,701,356 in Expenses, \$4,128,617 in Reserve Funding, District Chart of Positions, District Organizational Chart, Employee Salary Ranges, and \$10,598,252 in the Capital Investment Program Budget. (Item 24-A)

President Hilden indicated Motion No. 19-06-1396 was approved by a (5-0) vote

Item 25: Public Comment on Closed Session

- ◆ There were no requests to comment on either open or closed session items. (Item 25)

Item 26: Adjourn to Closed Session – 5:43 p.m.**Item 27: Closed Session – 5:51 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 28: Reconvene in Open Session/Report of Action Taken in Closed Session – 5:56 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 28)

Meeting Adjournment at 6:01 p.m.