

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

**October 21, 2019
At the Offices of the District**

DIRECTORS PRESENT:

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

DIRECTORS ABSENT:

None

STAFF PRESENT:

Erik Hitchman, General Manager/Chief Engineer
Brian Teuber, Assistant General Manager
Sherry Shaw, Director of Engineering
Lily Lopez, Director of External Affairs
Thomas Monk, Director of Operations
Alanna Diaz, HR/Risk/Safety Manager
Gabriela Sanchez, Executive Secretary
Jim Ciampa, Legal Counsel

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 General Manager/Chief Engineer Matthew Litchfield, P.E.; Steve Acciani, Katie Takahashi; Shawna Seals and Jillian Keller of Walnut Valley Water District.

Item 3: Public Comment

- ◆ There were no requests for public comment on agenda items. (Item 3-A)
- ◆ Ms. Cindy Liu, representative of the Taiwanese American Cultural Society of California, presented the District with a plaque of appreciation for its participation in the Diamond Bar Multicultural Festival. (Item 3-B)

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 Recognition

- ◆ Special recognition was given to Ms. Shawna Seals on the occasion of her completion of the ACWA/JPIA Human Resources Professional Development Program. (Item 6)

Item 7: Special Presentations

- ◆ Representatives of Diamond Bar, Rowland, and Walnut High Schools received individual checks in the amount of \$705 for their assistance in the District High Efficiency Toilet Distribution Program. (Item 7-A)
- ◆ Mr. Claude Foster and Ms. Andrea Erickson of OPARC presented a plaque to the District in appreciation of the District efforts in supporting persons with developmental disabilities through their contracts with OPARC. (Item 7-B)

Item 8: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar consisting of the minutes of the Regular Board meeting held September 16, 2019, minutes of the Special Board meeting held September 19, 2019, minutes of the Special Board meeting held September 26, 2019, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Update. (Item 8-1, 2, 3, 4, 5, and 6)

Motion No. 19-10-1430: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee, and unanimously carried (5-0), to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held September 16, 2019, minutes of the Special Board meeting held September 19, 2019, minutes of the Special Board meeting held September 26, 2019, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Update. (Items 8-1, 2, 3, 4, 5, and 6)

President Hilden indicated Motion No. 19-10-1430 was approved by a (5-0) vote

- ◆ The Board was asked to adopt by roll call vote the Negotiated Tax Exchange Resolutions for the Annexation of Petition No. 78-718 to County Lighting Maintenance District 1687. (Item 8-7)

Motion No. 19-10-1431: Upon consideration thereof, it was unanimously carried (5-0) by the roll call vote noted below, to adopt Negotiated Tax Exchange Resolutions Approving and Accepting the Negotiated Exchange of Property Tax Revenues Annexation of Petition No. 78-718 to County Lighting Maintenance District 1687. (Item 8-7)

**Ayes: Ebenkamp, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None**

Abstain: None

President Hilden indicated Motion No. 19-10-1431 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 individual reports of additional expenses incurred by the District on behalf of each Director for events occurring during the month of September 2019. (Item 9)

Motion No. 19-10-1432: 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 September 2019. (Item 9)

President Hilden indicated Motion No. 19-10-1432 was approved by a (5-0) vote

Item 10: Treasurer's Report

- ◆ Mr. Teuber presented the Financial Dashboard as of August 31, 2019, the District Statement of Revenue, Expenses, and Change in Net Assets as of August 31, 2019, the District Statement of Net Assets as of August 31, 2019, and Summary of Cash Investments as of August 31, 2019. (Items 10-A, B, C, D)

Motion No. 19-10-1433: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Lee and unanimously carried (5-0), receive, approve, and file the Financial Dashboard as of August 31, 2019, the District Statement of Revenue, Expenses, and Change in Net Assets as of August 31, 2019, the District Statement of Net Assets as of August 31, 2019, and Summary of Cash Investments as of August 31, 2019. (Items 10-A, B, C, D)

President Hilden indicated Motion No. 19-10-1433 was approved by a (5-0) vote

Committee Chair Reports

Item 11: Engineering Committee – Director Lee

- ◆ The Board was asked to accept the work as installed for the 8-inch Recycled Water Main Loop on Lemon Avenue project (PN 18-3517) and to authorize staff to file a Notice of Completion. (Item 11-A)

Motion No. 19-10-1434: Upon consideration thereof, it was moved by Director Lee, seconded by Director Ebenkamp and unanimously carried (5-0), to accept the work as installed for Major Contract: 8-inch Recycled Water Main Loop on Lemon Avenue (P.N. 18-3517) and to authorize the filing of a Notice of Completion. (Item 11-A)

President Hilden indicated Motion No. 19-10-1434 was approved by a (5-0) vote

- ◆ The Board was asked to authorize the General Manager to execute a Memorandum of Understanding for the development of the 2020 Regional Urban Water Management Plan (UWMP). Mr. Hitchman reported on staff's interest in participating in the development of this regional plan, which will include the participation of Three Valleys Municipal Water District (as contract administrator for this effort), Glendora, La Verne, Pomona, Rowland Water District, and the Walnut Valley Water District. TVMWD is proposing to contribute 25% of the costs associated with the development of the plan, with the other five agencies sharing in the remaining 75% as noted in Exhibit "A" of the Memorandum of Understanding included in the Board packet. (Item 11-B)

Motion No. 19-10-1435: Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong and unanimously carried (5-0), to authorize the General Manager to execute a Memorandum of Understanding for Developing the 2020 Regional Urban Water Management Plan. (Item 11-B)

President Hilden indicated Motion No. 19-10-1435 was approved by a (5-0) vote

- ◆ The Board was asked to authorize the General Manager to execute an agreement with Public Water Agencies Group (PWAG) and Claris Strategy to complete the District's Risk and Resiliency Assessment and Emergency Response Plan at a cost of approximately \$154,764 in accordance with the terms of that agreement, including the possibility of opting out of the agreement at various specified points. (Item 11-C)

Motion No. 19-10-1436: 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 an agreement with Public Water Agencies Group (PWAG) and Claris Strategy to complete the District's Risk and Resiliency Assessment and Emergency Response Plan at a cost of approximately \$154,764. (Item 11-C)

President Hilden indicated Motion No. 19-10-1436 was approved by a (5-0) vote

- ◆ Mr. Monk referenced the Operations Report included in the Board packet. (Item 11-D)

Item 12: Personnel Committee – Director Hilden

- ◆ The Board was asked to approve modifications to the *Board Policies for Ethical Conduct Regarding Board of Directors Compensation and Expenses* and the exhibits associated with the policy. Ms. Diaz took a moment to highlight the proposed revisions detailed on the staff report and noted that Legal Counsel and the Personnel Committee conducted their review as well and approved the changes as noted. (Item 12-A)

Motion No. 19-10-1437: Upon consideration thereof, it was moved by Director Lee, seconded by Director Tang and unanimously carried (5-0), to approve the proposed changes to the “Policies for Ethical Conduct Regarding Board of Directors Compensation and Expenses” and the exhibits associated with the policy, which are: Exhibit A – Director Expense Form, Exhibit B – IRS Accountable Plan, Exhibit C – Guidelines for Board Compensated Meetings and Activities, Exhibit E – JPIA Coverage Guidelines, Exhibit F – Meal Expense Reimbursement Schedule/Guidelines, and Exhibit G – Missing Receipt Affidavit Form. (Item 12-A)

President Hilden indicated Motion No. 19-10-1437 was approved by a (5-0) vote

- ◆ As a matter of information only, Ms. Diaz advised the Board of the District’s upcoming employee recognition banquet. (Item 13-B)

Item 14: Finance Committee – Director Kwong

- ◆ The Board was asked to receive, approve, and file the District’s Consolidated Investment Transactions Report for September 2019 included in the Board packet. (Item 13-A)

Motion No. 19-10-1438: 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 Transaction Report for the period of September 1, 2019 through September 30, 2019. (Item 13-A)

President Hilden indicated Motion No. 19-10-1438 was approved by a (5-0) vote

- ◆ The Board was asked to receive, approve, and file the annual Acreage Supply, Reservoir Capacity, and Water Supply Charges (Capital Improvement Fees) report and was further informed that the report will be made available for public review upon request. (Item 13-B)

Motion No. 19-10-1439: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Lee and unanimously carried (5-0), to receive, approve, and file the annual Acreage Supply, Reservoir Capacity and Water Supply Charges (Capital Improvement Fees) report. (Item 13-B)

President Hilden indicated Motion No. 19-10-1439 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 September 30, 2019. As this was an informational item only, Board action was not needed. (Item 13-C)

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

- ◆ There were no Public Information/Community Relations/Legislative Action Committee matters to come before the Board at this time.

Item 15: TVMWD/MWD – Director Hilden

- ◆ TVMWD representatives reported on MWD and TVMWD business matters. (Item 15)

Item 16: 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 September 2019. (Item 16)

Item 17: Puente Basin Water Agency (PBWA)

- ◆ Director Lee provided a report on PBWA business matters discussed during the October 3, 2019 Commission meeting. (Item 17)

Item 18: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Ebenkamp indicated that the next Executive Committee meeting will be held on November 4, 2019. (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 November, December 2019 and January 2020. (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 September 2019 was 5.46% lower than usage in September 2013. (Item 20-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of October 16, 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 meeting, TVMWD Board meetings, a Regional Chamber Government Affairs Committee meeting, an Industry Business Council Executive Luncheon, an ACWA Region 8 Legislative meeting, and on his travels to and participation in 4th District Consolidated Oversight Board meetings.
- ◆ Director Kwong noted her attendance at District committee and Board meetings and a Peoples Republic of China 70th Anniversary National Day event.
- ◆ Director Lee's oral report indicated her attendance at District committee and Board meetings in addition to her participation in the Diamond Bar Chinese American Association's Moon Festival and her attendance at an ACWA Region 8 Legislative Forum.
- ◆ During the month of September, Director Tang attended District Board meetings, a Spadra Basin GSA meeting, an ACWA Region 8 Legislative Forum, and a legislative breakfast meeting with Senator Ling Ling Chang. He also indicated completion of a Public Records Act training on September 11, 2019.
- ◆ Director Hilden stated that, in addition to District committee and Board meeting, and TVMWD Board meetings previously reported on, he attended the Diamond Bar Chinese American Association Moon Festival, an Industry Business Council Executive Luncheon, and the California Disability Services Association's annual business meeting.

Item 22: Legal Reports

- ◆ Mr. Ciampa reported on recent developments concerning AQMD Rule 1403 concerning asbestos-containing materials. (Item 22)

Item 23: Items for Future Discussion

- ◆ There were no requests for future discussion items. (Item 24)

Item 24: Board of Directors Business

- ◆ The Board received notice of the ACWA's General Session Membership Meeting to be held during the Fall Conference. No Board action was taken on this matter. (Item 24-A)
- ◆ The Board was asked to make a determination with regard to submitting a nominee from its members for the Local Agency Formation Commission (LAFCO) Special District representative's position. However, there was no Board interest in submitting a nominee from its members. (Item 24-B)

Item 25: Public Comment on Closed Session

- ◆ There were no requests to comment on either open or closed session items. (Item 26)

Item 26: Adjourn to Closed Session – 5:55 p.m.

Item 27: Closed Session – 6:12 p.m.

- A. The Board met in closed session in accordance with Government Code [§54956.9(d)(4)] to discuss an initiation of litigation matter with Legal Counsel – One Potential Cases. (Item 27)

Item 28: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:13 p.m.

- A. The Board met in closed session in accordance with Government Code [§54956.9(d)(4)] to discuss one initiation of 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)

Adjournment at 6:13 p.m.

Motion No. 19-10-1440: Upon consideration thereof, it was moved by Director Lee, seconded by Director Kwong and unanimously carried (5-0), to adjourn the meeting.

President Hilden indicated Motion No. 19-10-1440 was approved by a (5-0) vote