

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

**February 18, 2020  
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 Lee presiding.

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors David De Jesus, Denise Jackman and Jody Roberto, TVMWD Chief Finance Officer James Linthicum; 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 for additions to the agenda. (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 consisting of the minutes of the Regular Board meeting held January 21, 2020, minutes of the Special Board meeting held January 23, 2020, the Check Register, and the Employee Expense Reimbursement Report. (Item 6-1, 2, 3, 4)
- ◆ Ms. Lily Lopez took a moment to highlight activities listed on the Community Outreach Report. (Item 6-5)

**Motion No. 20-02-1490: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Kwong, and unanimously carried (5-0), to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held January 21, 2020, the minutes of the Special Board meeting held January 23, 2020, the Check Register, and the Employee Expense Reimbursement Report. (Items 6-1, 2, 3, 4)**

**President Lee indicated Motion No. 20-02-1490 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 individual reports of additional expenses incurred by the District on behalf of each Director for events occurring during the month of January 2020. (Item 7)

**Motion No. 20-02-1491: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Hilden 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 2020. (Item 7)**

**President Lee indicated Motion No. 20-02-1491 was approved by a (5-0) vote**

**Item 8: Treasurer's Report**

- ◆ Mr. Teuber presented the Financial Dashboard as of December 31, 2019, the District Statement of Revenue, Expenses, and Change in Net Assets as of December 31, 2019, the District Statement of Net Assets as of December 31, 2019, and Summary of Cash and Investments as of December 31, 2019. (Items 8-A, B, C, D)

**Motion No. 20-02-1492: Upon consideration thereof, it was moved by Director Ebenkamp, seconded by Director Hilden and unanimously carried (5-0), receive, approve, and file the Financial Dashboard as of December 31, 2019, the District Statement of Revenue, Expenses, and Change in Net Assets as of December 31, 2019, the District Statement of Net Assets as of December 31, 2019, and Summary of Cash and Investments as of December 31, 2019. (Items 8-A, B, C, D)**

President Lee indicated Motion No. 20-02-1492 was approved by a (5-0) vote

### Committee Chair Reports

#### Item 9: Engineering Committee – Director Lee

- ◆ Mr. Monk referenced the Operations Report included in the Board packet. (Item 9-A)

#### Item 10: Personnel Committee

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

#### Item 11: Finance Committee

- ◆ Mr. Jayson Schmitt of Chandler Asset Management reviewed the current economic conditions and provided an update on the firm's investment activities on behalf of the District. The Board was then asked to receive and file the investment report. (Item 11-A)

**Motion No. 20-02-1493: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden and unanimously carried (5-0), to receive and file the District's Investment Report for the period ending January 31, 2020. (Item 11-A)**

President Lee indicated Motion No. 20-02-1493 was approved by a (5-0) vote

- ◆ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report for January 2020 included in the Board packet. (Item 11-B)

**Motion No. 20-02-1494: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden and unanimously carried (5-0), to receive, approve, and file the District's Consolidated Investment Transaction Report for the period of January 1, 2020 through January 31, 2020. (Item 11-B)**

President Lee indicated Motion No. 20-02-1494 was approved by a (5-0) vote

- ◆ The Board was asked to authorize the General Manager to execute an agreement with Fedak & Brown, LLP, for auditing services for a three-year term commencing with fiscal year 2019-20, with an option for an additional three-year term. (Item 11-C)

**Motion No. 20-02-1495: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Hilden and unanimously carried (5-0), to authorize the General Manager to execute an agreement with Fedak & Brown, LLP, for auditing services for a three-year term commencing with fiscal year 2019-20, at a total cost of \$53,810, with an option for an additional three-year term at a total cost of \$58,755. (Item 11-C)**

President Lee indicated Motion No. 20-02-1495 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, 2020. As this was an informational item only, Board action was not taken. (Item 11-D)

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

- ◆ There were no Public Information/Community Relations/Legislative Action Committee matters to come before the Board at this time. (Item 12)

#### Item 13: TVMWD/MWD

- ◆ TVMWD Board of Director David De Jesus reported on MWD and TVMWD business matters. Following his report, Director De Jesus introduced newly appointed TVMWD Director Jody Roberto to the Board. (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 January 2020 and provided an update on matters discussed at the February 13, 2020 Commission Meeting. (Item 14)

#### Item 15: Puente Basin Water Agency (PBWA)

- ◆ President Lee provided an update on matters discussed at the February 6, 2020 Agency meeting. (Item 15)

#### Item 16: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Ebenkamp provided an update on matters discussed at the February 3, 2020 Spadra Basin Advisory Committee Meeting. It was then noted that the next Agency meeting will be held on March 2, 2020. (Item 16)

#### Item 17: General Manager's Report

- ◆ The Board received the District's activities calendars for March, April and May 2020. (Item 17-A)

**Item 18: Water Supply and Conservation**

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, Fiscal Year 2019-20 purchased water projections, conservation goal summary, climate summary, and 2020 monthly water consumption versus the 2013 baseline year. Mr. Hitchman made note that the District's water usage for January 2020 was 12.20% lower than usage in January 2013. (Item 18-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of February 9, 2020. (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 Tang noted that he met with the General Manager on January 17, 2020 to discuss matters pertaining to the District's open house held on January 11, 2020 in addition to attending a TVWMWD Board meeting and Leadership Breakfast, a Walnut city council meeting, the DBCAA Chinese New Year Festival, and District Board meetings.
- ◆ Director Ebenkamp reported on his attendance at District committee and Board meetings, the District's open house, a Spadra Basin GSA meeting, and a Regional Chamber Government Affairs Committee meeting.
- ◆ In addition to District committee and Board meetings previously reported, President Lee noted that she attended the District's open house. Additionally, she advised of her participation at the UAAA Global Cup Competition and Award Ceremony, the DBCAA Chinese New Year Festival, and a TVMWD Leadership Breakfast.
- ◆ Director Kwong advised that she attended District Board meetings during the month of January in addition to the DBCAA Chinese New Year Festival and a TVMWD Leadership Breakfast.
- ◆ In addition to the District committee meetings, Board meetings and the open house previously reported on, Director Hilden reported that he attended TVMWD Board meetings and Leadership Breakfast, and the DBCAA Chinese New Year Festival.

**Item 20: Legal Reports**

- ◆ Mr. Ciampa reported on AB 2093 (Gloria) pertaining to the proposed required retention for two years of writings transmitted by electronic mail, and SB 931 (Rubio), which would allow for the e-mailing of public agency agendas and meeting materials, as that is not currently provided for by statute. (Item 20)

**Item 21: Items for Future Discussion**

- ◆ Director request was made for an update on the District's headquarters facility. (Item 21)

**Item 22: Board of Directors Business**

- ◆ There were no Board of Directors Business matters to come before the Board at this time. (Item 22)

**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 – 5:43 p.m.****Item 25: Closed Session – 5:47 p.m.**

- A. The Board met in closed session in accordance with Government Code [§54956.9(d)(2)] to discuss initiation of litigation matter with Legal Counsel – One Potential Case. (Item 25-A)

**Item 26: Reconvene in Open Session/Report of Action Taken in Closed Session – 5:50 p.m.**

- A. The Board met in closed session in accordance with Government Code §54956.9(d)(2) to discuss one item of potential 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-A)

**Adjournment at 5:50 p.m.**

