

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

July 20, 2020
MEETING CONDUCTED VIA WEBEX
AT:

https://wvwd.webex.com/join/board_room

DIRECTORS PRESENT:

Edwin Hilden
Scarlett Kwong
Theresa Lee
Alfred Sinclair
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
Gabriela Sanchez, Executive Secretary
Jim Ciampa, Legal Counsel
Josh Byerrum, Finance Manager
Alanna Diaz, Human Resources/Safety/Risk Manager
Ron Woodruff, IT Specialist (Meeting Host)

The meeting was called to order at 5:01 p.m. with President Lee presiding. All Board meeting participants and guests joined the meeting via the Webex link:

https://wvwd.webex.com/join/board_room

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Director David De-Jesus and General Manager Matt Litchfield, P.E.

Item 3: Public Comment

- ◆ There were no requests for public comment. (Item 3)

Item 4: Additions to the Agenda

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

Item 5: Reorder of the Agenda

- ◆ There were no requests for reorder of the agenda. (Item 5)

Item 6: Consider Approval of Consent Calendar

- ◆ The Board was asked to approve the Consent Calendar consisting of the minutes of the Special Board meeting held June 4, 2020, the minutes of the Regular Board meeting held June 15, 2020, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 6-1, 2, 3, 4, 5)

Motion No. 20-07-1549: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Tang, and unanimously carried (5-0) by the roll call vote noted below, to approve the Consent Calendar, consisting of the minutes of the Special Board meeting held June 4, 2020, the minutes of the Regular Board meeting held June 15, 2020, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Items 6-1, 2, 3, 4, 5)

Ayes: Hilden, Kwong, Lee, Sinclair, Tang

Noes: None

Absent: None

Abstain: None

President Lee indicated Motion No. 20-07-1549 was approved by a (5-0) roll call 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 June 2020. (Item 7)

Motion No. 20-07-1550: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Kwong and unanimously carried (5-0) by the roll call vote noted below, 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 June 2020. (Item 7)

Ayes: Hilden, Kwong, Lee, Sinclair, Tang

Noes: None

Absent: None

Abstain: None

President Lee indicated Motion No. 20-07-1550 was approved by a (5-0) roll call vote

Item 8: Treasurer's Report

- ◆ Mr. Byerrum presented the Financial Dashboard as of May 31, 2020, the District Statement of Revenue, Expenses, and Change in Net Assets as of May 31, 2020, the District Statement of Net Assets as of May 31, 2020, and Summary of Cash and Investments as of May 31, 2020. (Items 8-A, B, C, D)

Motion No. 20-07-1551: *Upon consideration thereof, it was moved by Director Hilden, seconded by Director Kwong and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Financial Dashboard as of May 31, 2020, the District Statement of Revenue, Expenses, and Change in Net Assets as of May 31, 2020, the District Statement of Net Assets as of May 31, 2020, and Summary of Cash and Investments as of May 31, 2020. (Items 8-A, B, C, D)*

Ayes: Hilden, Kwong, Lee, Sinclair, Tang
Noes: None
Absent: None
Abstain: None

President Lee indicated Motion No. 20-07-1551 was approved by a (5-0) roll call vote

Committee Chair Reports

Item 9: Engineering Committee – Director Lee

- ◆ There were no Engineering Committee items to come before the Board at this time. (Item 9)

Item 10: Personnel Committee

- ◆ There were no Personnel Committee items to come before the Board. (Item 10)

Item 11: Finance Committee

- ◆ There were no Finance Committee items to come before the Board at this time. (Item 11)

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 Director David De Jesus reported on MWD business matters in addition to noting the cancellation of TVMWD Board meetings during the summer months. (Item 13)

Item 14: The P-W-R Joint Water Line Commission

- ◆ Mr. Byerrum reviewed the P-W-R Joint Water Line Commission water use report for the month of June 2020. (Item 14)

Item 15: Puente Basin Water Agency (PBWA)

- ◆ The next meeting is scheduled for Thursday, August 6, 2020 at 7:00 a.m. (Item 15)

Item 16: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Tang provided a report on Agency business matters. (Item 16)

Item 17: General Manager's Report

- ◆ The Board received the District's activities calendars August, September, and October 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. The report noted that the District's water usage for June 2020 was 22.62% lower than usage in June 2013. (Item 18-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of July 14, 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 reported on his participation in District committee and Board meetings. He further noted his participation in a Spadra Basin GSA Executive meeting, two ACWA webinars, and the District's 'Water is Life' virtual awards ceremony.
- ◆ Director Hilden reported on his participation in District Board and committee meetings in addition to TVMWD Board meetings.
- ◆ In addition to the District Board and committee meetings previously reported on, Director Kwong noted her participation in a Pomona-Walnut-Rowland Joint Water Line Commission meeting, a San Gabriel Valley Chamber Government Affairs Committee meeting, a Chinese Elected Officials meeting, and an ACWA Webinar on The Great Re-Set: Leading the Workplace post COVID-19.
- ◆ In addition to the District Board and committee meetings previously reported on, Director Lee noted her participation in a Puente Basin Water Agency meeting, the District's 'Water is Life' virtual awards ceremony, an ACWA/JPIA webinar on Chairing a Meeting with Confidence, and an ethics training complete via the FPPC website.

Item 20: Legal Reports

- ◆ Mr. Ciampa advised that the State Legislature has had an extended summer recess due to various members contracting COVID-19. The Legislature will return to session on July 27 and will need to compact its committee hearing schedules, as all bills that would be passed into law must be passed by the Legislature by August 31. (Item 20)

Item 21: Items for Future Discussion

- ◆ There were no requests for future discussion items. (Item 21)

Item 22: Board of Directors Business

- ◆ The Board was asked to authorize the General Manager to execute contracts for labor and materials for the developer-funded Building 2 (Industry Business Center – East), Building 11 & 12 (Industry Business Center West) (P.N. 19-3624) per the bid results noted below; to find that the project exempt pursuant to Statutory Exemptions Section 15282(k); 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 22-A)

<u>Bid</u>	<u>Supplier</u>	<u>Price</u>	<u>Delivery</u>
Labor	Doty Bros. Equipment Co.	\$ 63,063.00	N/A
Ductile Iron Pipe	Western Water Works	\$ 1,514.28	1-2 Days
Resilient Wedge Gate Valves	S&J Supply Co.	\$ 2,359.53	1-2 Days
Setters, Saddles and Jumpers	Core & Main	\$ 9,440.00	14-21 Days
Service Materials	S&J Supply Co.	\$ 8,144.75	Stock-10 Days
Ductile Iron Fittings & Misc. Mtls.	S&J Supply Co.	\$ 3,652.48	1-7 Days

Motion No. 20-07-1552: Upon consideration thereof, it was moved by Director Kwong seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below, to authorize the General Manager to execute contracts for labor and materials for Building 2 (Industry Business Center – East), Building 11 & 12 (Industry Business Center West) (P.N. 19-3624) per the bid results noted below; to find that the project exempt pursuant to Statutory Exemptions Section 15282(k); 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 22-A)

<u>Bid</u>	<u>Supplier</u>	<u>Price</u>	<u>Delivery</u>
Labor	Doty Bros. Equipment Co.	\$ 63,063.00	N/A
Ductile Iron Pipe	Western Water Works	\$ 1,514.28	1-2 Days
Resilient Wedge Gate Valves	S&J Supply Co.	\$ 2,359.53	1-2 Days
Setters, Saddles and Jumpers	Core & Main	\$ 9,440.00	14-21 Days
Service Materials	S&J Supply Co.	\$ 8,144.75	Stock-10 Days
Ductile Iron Fittings & Misc. Mtls.	S&J Supply Co.	\$ 3,652.48	1-7 Days

(Item 22-A)

Ayes: Hilden, Kwong, Lee, Sinclair, Tang
Noes: None
Absent: None
Abstain: None

President Lee indicated Motion No. 20-07-1552 was approved by a (5-0) roll call vote

- ◆ The Board was asked to consider adoption of WVWD Resolution No. 07-20-667, a resolution "Establishing Water Standby Charges to Holders of Title to Land" for submittal to the Los Angeles County Auditor Controller. Staff noted that a public hearing was previously held on June 15, 2020 to receive public comments regarding the Water Standby Charge Report prepared by Wildan Financial Services and indicated that no comments were received at that hearing. (Item 22-B)

Motion No. 20-07-1553: Upon consideration thereof, it was moved by Director Kwong seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below, to adopt WVWD Resolution No. 07-20-667, a resolution "Establishing Water Standby Charges to

“Holders to Title to Land” for submittal to the Los Angeles County Auditor Controller by August 10, 2020. (Item 22-B)

Ayes: Hilden, Kwong, Lee, Sinclare, Tang
Noes: None
Absent: None
Abstain: None

President Lee indicated Motion No. 20-07-1553 was approved by a (5-0) roll call vote

- ◆ The Board was asked to receive, approve, and file the June 2020 Consolidated Investment Transactions Report included in the Board packet. (Item 22-C)

Motion No. 20-07-1554: Upon consideration thereof, it was moved by Director Hilden seconded by Director Kwong and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the District’s Consolidated Investment Transactions Report for the Period June 1, 2020 through June 30, 2020. (Item 22-C)

Ayes: Hilden, Kwong, Lee, Sinclare, Tang
Noes: None
Absent: None
Abstain: None

President Lee indicated Motion No. 20-07-1554 was approved by a (5-0) roll call vote

- ◆ The Board received the Revenue Bond Funds Held in Trust and detailed disbursement of bond proceeds report through June 30, 2020. As this was an informational item only, Board action was not needed. (Item 22-D)
- ◆ Mr. Monk referenced the Operations Report included in the Board packet. As this was an informational item only, Board action was not needed. (Item 22-E)

Item 23: Public Comment on Closed Session

- ◆ There were no requests to comment on closed session items. (Item 23)

Item 24: Adjourn to Closed Session – 5:42 p.m.

Item 25: Closed Session – 5:43 p.m.

- A. The Board met in closed session in accordance with Government Code [§54956.9(a)] to discuss existing litigation in the case titled Bonnie Kessner, et al. vs. City of Santa Clara, et al. (Santa Clara County Superior Court Case No. 20CV364054). (Item 25-A)
- B. The Board met in closed session in accordance with Government Code [§54956.9(d)(2)] to discuss initiation of litigation with Legal Counsel – One Potential Case. (Item 25-B)

Item 26: Reconvene in Open Session/Report of Action Taken in Closed Session – 5:54 p.m.

- A. The Board met in closed session in accordance with Government Code [§54956.9(a)] to discuss existing litigation in the case titled Bonnie Kessner, et al. vs. City of Santa Clara, et al. (Santa Clara County Superior Court Case No. 20CV364054). The Board was briefed on the status of that case and no reportable action under the Brown Act was taken.

The Board also met in closed session in accordance with Government Code [§54956.9(d)(2)] 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 26-A)

Adjournment at 5:57 p.m.

Motion No. 20-07-1555: Upon consideration thereof, it was moved by Director Kwong, seconded by Director Tang and unanimously carried (5-0), to adjourn the meeting.

President Lee indicated Motion No. 20-07-1555 was approved by a (5-0) vote

RESOLUTION NO. 07-20-667

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WALNUT VALLEY WATER DISTRICT
ESTABLISHING WATER STANDBY CHARGES
TO HOLDERS OF TITLE TO LAND**

WHEREAS, the California Water District Law commencing with Section 35470 of the California Water Code authorizes the raising of money for District purposes by the levy of standby charges to holders of land to which water may be made available, whether the water was actually used or not; and

WHEREAS, the District may use the proceeds of such charges for the construction of the District's fire related storage requirements and its terminal storage facilities to procure alternate sources of supply, to defray the ordinary operation or maintenance expenses incurred in providing fire protection facilities, and for any other lawful District purpose; and

WHEREAS, on November 5, 1996, the voters in California approved Proposition 218 which revised the authority and procedures for assessments, including Standby Charges; and

WHEREAS, assessments existing on November 5, 1996, are exempt from the procedures and approval process of Proposition 218, provided the assessments are not increased and are imposed exclusively to finance the capital costs or maintenance and operating expenses for water systems; and

WHEREAS, the Board of Directors of Walnut Valley Water District finds and determines the existing Standby Charges are for the purposes permitted under the foregoing exemption provision set forth in Proposition 218 and are, therefore, exempt from the approval and procedural requirements of Proposition 218; and

WHEREAS, the Board of Directors of Walnut Valley Water District further finds and determines it to be in its best interests to continue the existing standby charges being levied by the District;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Secretary shall certify to the County Auditor and the County Assessor of the County of Los Angeles on or before August 10, 2020 the following:

a. The amount of the acreage standby charge per acre shall be Fifty-Six Dollars (\$56.00). The amount of the standby charge for one-fourth acre or less shall be Fourteen Dollars (\$14.00). The amount of the standby charge for a parcel larger than one-fourth acre and less than one acre shall be prorated on the basis of Fifty-Six Dollars (\$56.00) per acre. The total amount of the charges estimated for the entire District is \$936,980. A written report is on file with the Secretary of the District which sets forth the amount of the acreage standby charge for each parcel within the District and which more particularly states the determination of and uses for those charges.

b. The assessee parcels and the assessee names for each parcel of land in the District against whom a standby charge is being levied, and the acreage assessed to such person according to the District records, together with the total amount of the charge to be paid by each assessee parcel.

2. Pursuant to Section 35480 of the California Water Code, the County Assessor and the County Auditor shall thereafter add to the tax bills for each assessee and assessee parcel as so certified in Taxing Agency Code 370.92 (Walnut Valley Water District Improvement District Numbers 4 and 5) in addition to the other charges, the standby charges of the District.

3. Pursuant to Section 35481 of the California Water Code, the County Tax Collector and Treasurer shall thereupon collect, receive, and disburse to the District the standby charges as collected with the regular tax payments to the County.

4. The California Environmental Quality Act does not apply to the matters addressed in this Resolution inasmuch as charges received pursuant to this Resolution are for the purposes of:

- a. Meeting District operating expenses
- b. Purchasing or leasing supplies, equipment, or material
- c. Obtaining funds for capital projects necessary to maintain service within existing service areas.

The finding of exemption from the California Environmental Quality Act is made pursuant to Section 15273 of the District's CEQA Guidelines.

PASSED AND ADOPTED AT A REGULAR MEETING OF THE WALNUT VALLEY WATER DISTRICT held on July 20, 2020, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

/s/Theresa Lee/

President
Board of Directors

ATTEST:

/s/Erik Hitchman

Secretary