

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

**June 21, 2021
MEETING CONDUCTED VIA WEBEX
AT:**

<https://walnutvalley.webex.com/meet/bmeeting>

DIRECTORS PRESENT:

Kevin Hayakawa
Edwin Hilden
Scarlett Kwong
Theresa Lee
Jerry Tang

DIRECTORS ABSENT:

None

STAFF PRESENT:

Erik Hitchman, General Manager/Chief Engineer
Brian Teuber, Assistant General Manager
Josh Byerrum, Finance Manager
Alanna Diaz, Director of Human Resources and Risk Management
Lily Lopez, Director of External Affairs
Gabriela Sanchez, Executive Secretary
Sherry Shaw, Director of Engineering
Thomas Monk, Director of Operations
James Ciampa, Legal Counsel
Ron Woodruff, IT Specialist (Meeting Host)

The meeting was called to order at 5:00 p.m. with President Kwong presiding. All Board meeting participants and guests joined the meeting via the Webex link:

<https://walnutvalley.webex.com/meet/bmeeting>

Guests and others in attendance: Three Valleys Municipal Water District (TVMWD) Directors David De Jesus, Jody Roberto and Mike Ti, and Chief Finance Officer James Linthicum; Habib Isaac of IB Consulting, LLC; Stan Chen and Jeff Helsley of Stetson Engineers Inc.

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

- ◆ President Kwong opened the public hearing to receive comments regarding the adoption of the WVWD Water Standby Charge prepared by IB Consulting, LLC. (Item 6-A)
- ◆ Mr. Byerrum reviewed the report, noting staff is recommending no change in the current assessment. Mr. Habib Isaac, representative of IB Consulting, LLC, was present to respond to public comments, however none were received. President Kwong then closed the public hearing. (Items 6-B, C, D)
- ◆ 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 6-E)

Motion No. 21-06-1668: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to approve continuation of the District Water Standby Charge at its current rate. (Item 6-E)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None

Absent: None

Abstain: None

President Kwong indicated Motion No. 21-06-1668 was approved by a (5-0) roll call vote

- ◆ The Board was asked to receive, approve, and file the Water Standby Charge Report prepared by IB Consulting, LLC. (Item 6-F)

Motion No. 21-06-1669: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Water Standby Charge Report prepared by IB Consulting, LLC. (Item 6-F)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None

Absent: None
Abstain: None

President Kwong indicated Motion No. 21-06-1669 was approved by a (5-0) roll call vote

Item 7: Public Hearing: Consideration of Urban Water Management Plan and Water Shortage Contingency Plan

- ◆ President Kwong opened the public hearing to receive comments regarding the adoption of the 2020 Urban Water Management Plan and Water Shortage Contingency Plan prepared by Stetson Engineers. (Item 7-A)
- ◆ Stetson Engineers representative Mr. Jeff Helsley reviewed respective plan details via a PowerPoint presentation shared with the participants of the meeting. Following the presentation, President Kwong noted Mr. Helsley was available to respond to public comments, however none were received. President Kwong then closed the public hearing. (Items 7-B, C, D)
- ◆ The Board was asked to receive, approve, and file the Urban Water Management Plan. (Item 7-E)

Motion No. 21-06-1670: 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 receive, approve, and file the Urban Water Management Plan. (Item 7-E)

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

President Kwong indicated Motion No. 21-06-1670 was approved by a (5-0) roll call vote

- ◆ The Board was asked to receive, approve, and file the Water Shortage Contingency Plan. (Item 7-F)

Motion No. 21-06-1671: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Hayakawa, and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Water Shortage Contingency Plan. (Item 7-F)

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

President Kwong indicated Motion No. 21-06-1671 was approved by a (5-0) roll call vote

- ◆ The Board was asked to adopt WVWD Resolution No. 06-21-681, Adopting the 2020 Urban Water Management Plan. (Item 7-G)

Motion No. 21-06-1672: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to adopt WVWD Resolution No. 06-21-681, Adopting the 2020 Urban Water Management Plan. (Item 7-G)

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

President Kwong indicated Motion No. 21-06-1672, adopting WVWD Resolution No. 06-21-681, was approved by a (5-0) roll call vote

- ◆ The Board was asked to adopt WVWD Resolution No. 06-21-682, Adopting the Water Shortage Contingency Plan. (Item 7-H)

Motion No. 21-06-1673: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee, and unanimously carried (5-0) by the roll call vote noted below, to adopt WVWD Resolution No. 06-21-682, Adopting the Water Shortage Contingency Plan. (Item 7-H)

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

President Kwong indicated Motion No. 21-06-1673, adopting WVWD Resolution No. 06-21-682, was approved by a (5-0) roll call vote

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 May 17, 2021, minutes of the Special Board meeting held May 20, 2021, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Item 8-1, 2, 3, 4, 5)

Motion No. 21-06-1674: Upon consideration thereof, it was moved by Director Tang, seconded by Director Hilden, and unanimously carried (5-0) by the roll call vote noted below, to approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held May 17, 2021, the minutes of the Special Board meeting held May 20, 2021, the Check Register, the Employee Expense Reimbursement Report, and the Community Outreach Report. (Items 8-1, 2, 3, 4, 5)

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

President Kwong indicated Motion No. 21-06-1674 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 May 2021. (Item 9)

Motion No. 21-06-1675: Upon consideration thereof, it was moved by Director Hayakawa, seconded by Director Hilden 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 May 2021. (Item 9)

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

President Kwong indicated Motion No. 21-06-1675 was approved by a (5-0) roll call vote

Item 10: Treasurer's Report

- ◆ Mr. Byerrum presented the Financial Dashboard as of April 30, 2021, the District Statement of Revenue, Expenses, and Change in Net Positions as of April 30, 2021, the District Statement of Net Positions as of April 30, 2021, and Summary of Cash and Investments as of April 30, 2021. (Items 10-A, B, C, D)

Motion No. 21-06-1676: Upon consideration thereof, it was moved by Director Lee, seconded by Director Hilden and unanimously carried (5-0) by the roll call vote noted below, to receive, approve, and file the Financial Dashboard as of April 30, 2021, the District Statement of Revenue, Expenses, and Change in Net Positions as of April 30, 2021, the District Statement of Net Positions as of April 30, 2021, and Summary of Cash and Investments as of April 30, 2021. (Items 10-A, B, C, D)

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

President Kwong indicated Motion No. 21-06-1676 was approved by a (5-0) roll call vote

Committee Chair Reports**Item 11: Engineering Committee – Director Hayakawa**

- ◆ The Board was asked to receive and file the 2021-22 Final Operating Safe Yield Determination of the Puente Basin Watermaster. The Board was advised that the District was assigned a share of 550 acre-feet for 2021-22, with an estimated total pumping right of 1,237.2 acre-feet. (Item 11-A)

Motion No. 21-06-1677: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Hayakawa and unanimously carried (5-0) by the roll call vote noted below, to receive and file the 2021-22 Puente Basin Watermaster Final Operating Safe Yield Determination of the Puente Basin Watermaster. (Item 11-A)

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

President Kwong indicated Motion No. 21-06-1677 was approved by a (5-0) roll call vote

- ◆ Mr. Monk reviewed the Operations report included in the Board packet. No action was taken by the Board. (Item 11-B)

Item 12: Personnel Committee – Director Tang

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

Item 13: Finance Committee – Director Lee

- ◆ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report for the month ending May 31, 2021 included in the Board packet. (Item 13-A)

Motion No. 21-06-1678: Upon consideration thereof, it was moved by Director Hilden, seconded by Director Lee 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 of May 1, 2021 through May 31, 2021. (Item 13-A)

Ayes: Hayakawa, Hilden, Kwong, Lee, Tang

Noes: None

Absent: None

Abstain: None

President Kwong indicated Motion No. 21-06-1678 was approved by a (5-0) roll call vote

- ◆ As a matter of information only, the Board was advised that in accordance with the District's Unclaimed Funds Policy, on June 9, 2021, the District claimed all payments that remained unclaimed for three years or more (amount totaling \$18,214.90). As this was an informational item only, no Board action was taken. (Item 13-B)
- ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust report. (Item 13-C)

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

- ◆ There were no Public Information/Community Relations/Legislative Action Committee items to come before the Board. (Item 14-A)

Item 15: TVMWD/MWD

- ◆ Updates on TVMWD and MWD business matters were provided by Chief Finance Officer James Linthicum and Director David De Jesus, respectively. Mr. Hitchman took a moment to acknowledge Three Valleys' staff for their leadership entailed in coordination of the Urban Water Management Plan and Water Shortage Contingency Plan among the region's retail water suppliers. (Item 15)

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

- ◆ Included in the Board packet was the P-W-R Joint Water Line Commission water use report for the month of May 2021. A report of the business matters presented at the June 3, 2021 Commission meeting was provided by Mr. Teuber. (Item 16)

Item 17: Puente Basin Water Agency (PBWA)

- ◆ The Board received an update on business matters presented at the June 3, 2021 PBWA meeting. (Item 17)

Item 18: Spadra Basin Groundwater Sustainability Agency

- ◆ Director Tang reported on the June 7, 2021 advisory committee meeting business matters.

Item 19: General Manager's Report

- ◆ The Board received the District's activities calendars for July, August and September 2021. (Item 19-A)

Item 20: Water Supply and Conservation

- ◆ The Board received reports and graphs of the following items: District potable and recycled water use, Calendar Year 2021 purchased water estimate, conservation goal summary, climate summary, and 2021 monthly water consumption versus the 2013 baseline year. The report noted that the District's water usage for May 2021 was 19% lower than usage in May 2013. (Item 20-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of June 15, 2021. (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 Hayakawa reported that during the month of May, he participated in District-hosted meetings such as committee and Board meetings and the 'Water is Life' poster and media contest ceremony. Additionally, he advised that he attended a virtual Heart of Hope Mother's Day celebration, ACWA's Spring Conference, a Walnut City Council meeting, and a TVMWD Board meeting.
- ◆ In addition to the District committee and Board meetings, and the 'Water is Life' poster and media contest ceremony previously reported on, Director Hilden noted that he too attended a virtual TVMWD Board meeting and Walnut City Council meeting.
- ◆ Director Kwong reported on her participation in District committee and Board meetings, her efforts entailed in the judging of 'Water is Life' poster and media artwork submittals, her participation in the virtual 'Water is Life' recognition event, District virtual conservation trainings held in Mandarin, attendance in a Chamber Government Affairs Committee and the Friends of the Library Wine Soiree Fundraiser.
- ◆ In addition to the District committee and Board meetings, conservation workshops, and 'Water is Life' poster and media ceremony previously reported on, Director Lee noted that she joined the Heart of Hope organization in their 2021 Mother's Day celebration in addition to attending a Spadra Basin Executive Committee meeting, Diamond Bar and Walnut City Council meetings, and ACWA's Spring Conference.
- ◆ In addition to the District committee and Board meetings, conservation workshops, and 'Water is Life' poster and media ceremony previously reported on, Director Tang made note of his participation in a Spadra Basin GSA Executive Committee meeting, and Diamond Bar and Walnut City Council meetings.

Item 22: Legal Reports

- ◆ Mr. Ciampa reported on Governor Gavin Newsom's recent Executive Order N-08-21 that lifts various pandemic executive order provisions. Specifically, he reported the moratorium on water service terminations for non-payment will be lifted effective September 30, 2021, as will the current suspension of the Brown Act concerning teleconferencing of public agency board meetings. (Item 22)

Item 23: Items for Future Discussion

- ◆ There were no requests for future discussion items. (Item 23)

Item 24: Board of Directors Business

- ◆ The Board received a memorandum from the Los Angeles County Board of Supervisors Code Review Panel regarding proposed amendments to the District's Conflict of Interest Code. Legal Counsel and Board members entertained discussion regarding the newly added disclosure category 4. Following discussion, Board members advised staff they had no comments to the proposed amendments to the Conflict of Interest Code. No formal Board action was taken on this item. (Item 24-A)
- ◆ The Board was asked to consider adoption of the FY 2021-22 Budget consisting of \$41,595,398 in Revenues, \$37,642,484 in Expenses, \$5,018,814 in Reserve Funding, the District Chart of Positions, the District Organizational Chart, the Employee Salary Ranges, and \$12,366,227 in the Capital Investment Program Budget. (Item 24-B)

Motion No. 21-06-1679: 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 the FY 2021-22 Budget consisting of \$41,595,398 in Revenues, \$37,642,484 in Expenses, \$5,018,814 in Reserve Funding, the District Chart of Positions, the District Organizational Chart, the Employee Salary Ranges, and \$12,366,227 in the Capital Investment Program Budget. (Item 24-B)

***Ayes: Hayakawa, Hilden, Kwong, Lee, Tang
Noes: None
Absent: None
Abstain: None***

President Kwong indicated Motion No. 21-06-1679 was approved by a (5-0) roll call vote

Item 25: Public Comment on Closed Session

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

Item 26: Adjourn to Closed Session – 6:13 p.m.

Item 27: Closed Session – 6:13 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 27-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 27-B)

Item 28: Reconvene in Open Session/Report of Action Taken in Closed Session – 6:16 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.

Adjournment at 6:17 p.m.

RESOLUTION NO. 06-21-681

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WALNUT VALLEY WATER DISTRICT
ADOPTING THE 2020 URBAN WATER
MANAGEMENT PLAN**

WHEREAS, the California Urban Water Management Planning Act requires urban water suppliers providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually prepare and adopt, in accordance with prescribed requirements, an urban water management plan every five years; and


WHEREAS, the California Urban Water Management Planning Act specifies the requirements and procedures for adopting such Urban Water Management Plans; and

WHEREAS, the Board of Directors of Walnut Valley Water District ("District") has duly reviewed, discussed and considered the District's draft Urban Water Management Plan and has determined that Plan to be consistent with the California Urban Water Management Planning Act and to be an accurate representation of the water resources plan for Walnut Valley Water District, and of the District's existing related policies.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Walnut Valley Water District that, on June 21, 2021, this District hereby adopts this 2020 Urban Water Management Plan, in the form presented to the Board of Directors, for submittal to the state of California.

PASSED, APPROVED AND ADOPTED this 21ST day of June 2021 by the following vote:

AYES: Hayakawa, Hilden, Kwong, Lee, Tang
NOES: None
ABSENT: None
ABSTAIN: None



Scarlett Kwong
President, Board of Directors

ATTEST:



Erik Hitchman
Secretary, Board of Directors

RESOLUTION NO. 06-21-682

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WALNUT VALLEY WATER DISTRICT
ADOPTING A WATER SHORTAGE CONTINGENCY PLAN**

WHEREAS, the California Urban Water Management Planning Act requires urban water suppliers providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre-feet of water annually prepare and adopt, in accordance with prescribed requirements, a Water Shortage Contingency Plan as part of its Urban Water Management Plan; and

WHEREAS, the California Urban Water Management Planning Act specifies the requirements and procedures for adopting such Water Shortage Contingency Plan; and

WHEREAS, the Board of Directors of Walnut Valley Water District ("District") has duly reviewed, discussed and considered the District's draft Water Shortage Contingency Plan and has determined that Plan to be consistent with the California Urban Water Management Planning Act and to be an accurate representation of the water resources plan for Walnut Valley Water District, and of the District's existing related policies.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Walnut Valley Water District that, on June 21, 2021, this District hereby adopts this Water Shortage Contingency Plan, in the form presented to the Board of Directors, for submittal to the state of California.

PASSED, APPROVED AND ADOPTED this 21ST day of June 2021 by the following vote:

AYES: Hayakawa, Hilden, Kwong, Lee, Tang
NOES: None
ABSENT: None
ABSTAIN: None



Scarlett Kwong
President, Board of Directors

ATTEST:



Erik Hitchman
Secretary, Board of Directors