

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

**July 26, 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  
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 and Jody Roberto.

**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 Regular Board meeting held June 21, 2021, minutes of the Special Board meeting held June 24, 2021, the Check Register, the Employee Expense Reimbursement Report, Community Outreach Report, and adopt the Negotiated Tax Exchange Resolution Annexation of Petition No. 70-1019 to County Lighting Maintenance District 10006. (Item 6-1, 2, 3, 4, 5,6)

***Motion No. 21-07-1681: 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 approve the Consent Calendar, consisting of the minutes of the Regular Board meeting held June 21, 2021, the minutes of the Special Board meeting held June 24, 2021, the Check Register, the Employee Expense Reimbursement Report, the Community Outreach Report, and to adopt Negotiated Tax Exchange Resolution Annexation of Petition No. 70-1019 to County Lighting Maintenance District 10006. (Items 6-1, 2, 3, 4, 5, 6)***

***Ayes: Hayakawa, Hilden, Kwong, Lee, Tang***

***Noes: None***

***Absent: None***

***Abstain: None***

**President Kwong indicated Motion No. 21-07-1681, approving the consent calendar and adopting the Negotiated Tax Exchange Resolution, 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 2021. (Item 7)

***Motion No. 21-07-1682: 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 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 2021. (Item 7)***

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

President Kwong indicated Motion No. 21-07-1682 was approved by a (5-0) roll call vote

**Item 8: Treasurer's Report**

- ◆ Mr. Byerrum presented the Financial Dashboard as of May 31, 2021, the District Statement of Revenue, Expenses, and Change in Net Positions as of May 31, 2021, the District Statement of Net Positions as of May 31, 2021, and Summary of Cash and Investments as of May 31, 2021. (Items 8-A, B, C, D)

**Motion No. 21-07-1683:** *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 May 31, 2021, the District Statement of Revenue, Expenses, and Change in Net Positions as of May 31, 2021, the District Statement of Net Positions as of May 31, 2021, and Summary of Cash and Investments as of May 31, 2021. (Items 8-A, B, C, D)*

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

President Kwong indicated Motion No. 21-07-1683 was approved by a (5-0) roll call vote

**Committee Chair Reports**

**Item 9: Engineering Committee – Director Hayakawa**

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

**Item 10: Personnel Committee – Director Tang**

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

**Item 11: Finance Committee – Director Lee**

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

**Item 12: 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 12)

**Item 13: TVMWD/MWD**

- ◆ Updates on TVMWD and MWD business matters were provided by Director David De Jesus. (Item 13)

**Item 14: 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 June 2021. (Item 14)

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

- ◆ Director Lee spoke on business matters conducted at the July 13, 2021, Special PBWA meeting (Item 15)

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

- ◆ Director Tang reported on the July 20, 2021, Spadra project site tour. (Item 16)

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

- ◆ The Board received the District's activities calendars for August, September, and October 2021. (Item 17-A)
- ◆ Mr. Hitchman Advised the Board that the District received an AA+ credit rating from Standard & Poor's.

**Item 18: 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 June 2021 was 19.61% lower than usage in June 2013. (Item 18-A)
- ◆ The Board viewed reports on California's water supply and reservoir conditions as of July 20, 2021. (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 Hayakawa reported that during the month of June he attended District committee and Board meetings in addition to TVMWD Board meetings and a P-W-R JWL Commission meeting.
- ◆ In addition to the District committee and Board meetings, Director Hilden noted that he too attended TVMWD Board meetings and the P-W-R JWL Commission meeting.
- ◆ In addition to the District committee and Board meetings previously reported on, Director Lee reported on her participation in a Spadra Basin Advisory Committee meeting and a Puente Basin Water Agency (PBWA) meeting.
- ◆ Director Tang reported on his participation in District committee and Board meetings, a PBWA meeting, a Spadra Basin Advisory Committee meeting, and the AWWA ACE21 conference.
- ◆ Director Kwong advised that she attended District committee and Board meetings, conducted Board President's duty by executing District resolutions, attended a P-W-R JWL Commission meeting, and participated in the AWWA ACE21 virtual conference.

**Item 20: Legal Reports**

- ◆ Mr. Ciampa reported on California's plan to provide financial assistance to water purveyors for COVID-related unpaid customer water bills. He will apprise the Board as guidance details are made available. (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 a sole source contract to DSK Landscape Architects (DSK), in the amount of \$67,500, for landscape architectural services for the WVWD Headquarters Facility (P.N. 19-3569LA). (Item 22-A)

***Motion No. 21-07-1684: Upon consideration thereof, it was moved by Director Lee seconded by Director Tang and unanimously carried (5-0) by the roll call vote noted below, to authorize the General Manager to execute a sole source contract to DSK Landscape Architects (DSK), in the amount of \$67,500, for landscape architectural services for the WVWD Headquarters Facility (P.N. 19-3569LA). (Item 22-A)***

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

**President Kwong indicated Motion No. 21-07-1684 was approved by a (5-0) roll call vote**

- ◆ The Board was asked to accept the work as installed for the Main Extension - Pathfinder Reservoir to Brea Canyon Road (P.N. 19-3626) and authorize the filing of a Notice of Completion. (Item 22-B)

***Motion No. 21-07-1685: Upon consideration thereof, it was moved by Director Lee seconded by Director Kwong and unanimously carried (5-0) by the roll call vote noted below, to accept the work as installed for the Main Extension - Pathfinder Reservoir to Brea Canyon Road (P.N. 19-3626) and authorize the filing of a Notice of Completion. (Item 22-B)***

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

**President Kwong indicated Motion No. 21-07-1685 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 22-C)
- ◆ The Board was asked to receive, approve, and file the District's Consolidated Investment Transactions Report for the month ending June 30, 2021 included in the Board packet. (Item 22-D)

***Motion No. 21-07-1686: 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 District's Consolidated Investment Transactions Report for the period of June 1, 2021 through June 30, 2021. (Item 22-D)***

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

**Abstain: None**

**President Kwong indicated Motion No. 21-07-1686 was approved by a (5-0) roll call vote**

- ◆ The Board was asked to adopt Resolution No. 07-21-684 “Establishing Water Standby Charges to Holders of Title to Land” for submittal to the Los Angeles County Auditor Controller. (Item 22-E)

**Motion No. 21-07-1687: 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 adopt Resolution No. 07-21-684 “Establishing Water Standby Charges to Holders of Title to Land” for submittal to the Los Angeles County Auditor Controller. (Item 22-E)**

**Ayes: Hayakawa, Hilden, Kwong, Lee, Tang**

**Noes: None**

**Absent: None**

**Abstain: None**

**President Kwong indicated Motion No. 21-07-1687, adopting WVWD Resolution No. 07-21-684, was approved by a (5-0) roll call vote**

- ◆ As a matter of information only, the Board received a Revenue Bond Funds Held in Trust report. (Item 22-F)

**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 – 5:43 p.m.**

**Item 25: Closed Session – 5:44 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 – 5:46 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 5:50 p.m.**

**RESOLUTION NO. 07-21-684**

**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, 2021 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 \$928,031. 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 26, 2021, by the following roll call vote:**

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

  
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President  
Board of Directors

ATTEST:   
\_\_\_\_\_  
Secretary