

**MINUTES
REGULAR BOARD OF DIRECTORS MEETING
THREE VALLEYS MUNICIPAL WATER DISTRICT
VIA TELECONFERENCE**

**Wednesday, June 16, 2021
8:00 a.m.**

1. Call to Order

The Board meeting was called to order at 8:00 a.m. via teleconference. The presiding officer was President Bob Kuhn.

2. Roll Call

Roll call was taken with a quorum of the Board present.

Directors Present

Bob Kuhn, President
David De Jesus, Vice President
Carlos Goytia, Secretary
Brian Bowcock, Treasurer
Jody Roberto, Director
Danielle Soto, Director
Mike Ti, Director

Staff Present

Matt Litchfield, General Manager
Steve Kennedy, Legal Counsel
Dominique Aguiar, Operations Supervisor
Nadia Aguirre, Executive Assistant
Liz Cohn, Senior Financial Analyst
Maria Contreras, Admin./Communications Assistant
Freeman Ensign, Operations Supervisor
Karen Harberson, Compliance Specialist
Kirk Howie, Chief Administrative Officer
Tim Kellett, Chief Water Resources Officer
Steve Lang, Chief Operations Officer
James Linthicum, Chief Financial Officer
Robert Peng, I.T. Manager
Ben Peralta, Project Manager

Virtual Attendees: Maritza Alvarez, Sacred Places Institute for Indigenous Peoples; Ray Baca, Engineering Contractors' Association; Jayson Baiz, LiUNA; Jordan Brandman, BIASC; Andy Bullington, City of Covina; Josh Byerrum, Walnut Valley Water District; Sara Catalan, Catalan Consulting; Ed Chavez, Upper San Gabriel Valley Municipal Water District; Stan Chen, Stetson Engineers; Moises Cisneros, Ignite Movements; Chris Clarke, National Parks Conservation Association; Tom Coleman, Rowland Water District; Courtney Degener, Cadiz Inc.; Stacy Doolittle; Tami Eaton, Harris & Associates; Demi Espinoza, National Parks Conservation Association; Gregory Foster, Southern California Group; Kristian Foy, Arnold & Associates; Matt Gaines, IUOE Local 12; Jose Garcia, LiUNA; Catalina Goytia; Kevin Hayakawa, Walnut Valley Water District; Jeff Helsley, Stetson Engineers; Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Denise Jackman, resident; Jack Lam, Stetson Engineers; Richard Lambros, Engineering Contractors' Association; Ben Lewis, Golden State Water Company; Richard Licerio, Laborers' Union Member; Tony Lima, Rowland Water District; Szu Lu, Rowland Water District; Myra Malner, Rowland Water District; Bill Manis, SGV Economic Partnership; Gabriela Mendez, Center for Community Action and

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Environmental Justice; John Mendoza, resident; Dave Michalko, Valencia Heights Water Company; Tom Monk, Walnut Valley Water District; John Monsen, Sierra Club; Stephanie Moreno, Water Quality Authority; Laer Pearce, Laer Pearce & Associates; Jose Radillo, LiUNA; Eddie Rivera; Carlos Rodriguez, Building Industry Association; Thomas Ruiz, LiUNA; Randy Schoellerman, Water Quality Authority; Sherry Shaw, Walnut Valley Water District; Paul Smith, 29 Palms Inn; Jennifer Stark, City of Claremont; Lisa Tarpin, Southern California Group; De'Andre Valencia, BizFed; Ralph Velador, LiUNA; Alex Zamora, LiUNA; Janet Zimmerman, CV Strategies.

3. Additions to Agenda

No additions to the agenda were requested.

4. Reorder Agenda

No reorder to the agenda was requested.

5. Directors' Comments Regarding Bonanza Springs Study

Director Soto stated the following:

Thank you Chair. I would like to take this time to address the Board and the public on why I called for a vote to review our continued involvement in the Bonanza Springs Study and why I have since pulled that request and now it's discussion here today at the Board level.

I have many entities I consider myself accountable to in varying degrees: my conscience, the public and my fellow board members. Thanks to a few folks I believe I found a way to appease my conscience, provide public disclosure on my views regarding the issue, and not alienate my fellow board members. In this way, I may now be on record of my opinion regarding the appropriateness of Three Valleys Municipal Water District's role with the Bonanza Spring study.

For the past six months we have heard from both sides of the issue and reviewed a significant amount of previously published material on the subject. I believe that the lack of an RFP process was a serious error. I believe that the time to work with stakeholders was at the outset through the formation of an advisory committee made of a cross section of invested stakeholders, including Native Americans, to structure the study's RFP and make consultant recommendations to the Board.

I believe that it was inappropriate to hire a consulting firm with the lead having already published an Op-Ed favoring a project that the study relates to. At the outset, the study loses its objective value, due to this bias. For me, it holds no credibility.

It is my understanding that there continues to be no work being performed onsite as the Bureau of Land Management has yet to issue any permits for the Study. I ask that should the green light be given by the BLM and permits issued to begin the non-invasive work contemplated in Phases A and B of the Study, that the Study come back to the Board to review our continued involvement with the Bonanza Spring study

before the commencement of any physically-destructive onsite work, or if the BLM determines that an Environmental Assessment is necessary in connection with Phase C of the Study then I would like it to come back before the Board as well.

I'm happy to hear any other comments from my fellow board members if they have any and with that, that concludes my remarks. Thank you, Chairman.

President Kuhn asked for comments from the Board and there were none.

6. Presentation

Mr. Mike Arnold and Ms. Kristi Foy from Arnold & Associates provided a mid-year legislative update. This is the first year of a two-year session and the last day of session is September 10, 2021. Over 2,700 bills were introduced this year and members were limited to only 12 bills per member. The deadline to get through the Policy committee is July 14, 2021. AB 703 (Rubio) was assigned to the Assembly and Local Government committee, along with 2 other key bills, that will change the Brown Act. AB 703 is a two-year bill and will be reviewed next year. Other key bills being supported include AB 361 (Rivas), SB 230 (Portantino), SB 426 (Rubio), SB 559 (Hurtado). Key bills being opposed are AB 377 (Rivas) and AB 1434 (Friedman). A placeholder budget was passed by Legislature to Governor Newsom. The state has seen an unexpected increase in revenue. Over \$100 billion more than anticipated has come in this year. A final package should be in place by July 1, 2021 at the start of the new fiscal year. A \$3.475 billion drought relief and water infrastructure proposal is being worked on and will include \$1 billion in electric and \$1 billion in water relief fund.

7. Public Comment

Prior to public comment commencing, Legal Counsel Kennedy clarified that the public comment period is open to both items 5 and 7. Public comment can include agenda items and non-agenda items within the jurisdiction of TVMWD, as noted on the agenda. The presentation was held between items 5 and 7 so that the public could have the opportunity to incorporate their response to Director Soto's statement into their comments if they wished. In addition, the order of the agenda accommodated the guest speakers for item 6. There is not a legal requirement under the Brown Act for the Board to hear comments to item 5 before moving to item 6 because under Government Code section 54954.3(a), public comment is only required before or during an item if the Board will be considering taking action on that item and item 5 was not agendized for action.

Richard Lambros advised the following people submitted for public comment and wished to yield their time: Carlos Rodriguez, De'Andre Valencia, Bill Manis, Ralph Velador, Matt Gaines, Thomas Ruiz and Monique Manzanaras. In addition, he commented on the Bonanza Springs study.

Chris Clarke submitted a public comment to be read on his behalf.

Ray Baca commented on the Bonanza Springs study.

Marci Stange submitted a public comment to be read on her behalf.

Stacy Doolittle commented on the Cadiz project.

Gayle Pacheco submitted a public comment to be read on her behalf.

Paul Smith submitted a public comment to be read on his behalf.

John Monsen commented on the Bonanza Springs study.

Guillermo Gonzalez submitted a public comment to be read on his behalf.

Ileene Anderson submitted a public comment to be read on her behalf.

Gabriela Mendez commented on the Cadiz project.

Mary Ann Ruiz submitted a public comment to be read on her behalf.

Maritza Alvarez commented on the Cadiz project.

Moises Cisneros submitted a public comment to be read on his behalf.

Demi Espinoza commented on the Bonanza Springs study.

Sorrel Stielstra submitted a public comment to be read on her behalf.

Hugh Coxe submitted a public comment to be read on his behalf.

8. Public Hearing Standby Charge

President Kuhn opened the Public Hearing for the standby charge at 9:21 a.m. Mr. James Linthicum stated the standby charge is collected via property taxes to offset MWD's Readiness-to-Serve charge. The standby charge increased from \$19.90 to \$20.43 per equivalent dwelling unit (EDU). Harris & Associates provided the Engineer's report attached in the board packet. The Public Hearing was noticed in the *Inland Valley Daily Bulletin* and *San Gabriel Valley Tribune* on June 2 and 9, 2021, and no written protests were received. President Kuhn closed the Public Hearing at 9:25 a.m.

9. Approval of Resolution No. 21-06-897 Adopting the FY 2021/22 Standby Charge

Upon motion and second, President Kuhn called for discussion. Director De Jesus suggested an informal discussion among the Board in the near future to discuss the standby charge increase surpassing the EDU maximum. A roll call vote was taken.

Moved: Director De Jesus	Second: Director Soto
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-06-5324 – Approval of Resolution No. 21-06-897	
Motion passed 7-0	

10. Public Hearing Draft 2020 Urban Water Management Plan

President Kuhn opened the public hearing at 9:27 a.m. Mr. Timothy Kellett advised the Public Hearing was noticed in the Inland Valley Daily Bulletin and San Gabriel Valley Tribune on June 2 and 9, 2021, and no written protests were received. President Kuhn closed the public hearing at 9:28 a.m.

11. Approve Resolution No. 21-06-898 to Adopt the Urban Water Management Plan (UWMP) and Resolution No. 21-06-899 to Adopt the Water Shortage Contingency Plan (WSCP)

Upon motion and second, President Kuhn called for discussion. Director Ti inquired on the supply and demand balance and confirmed with Mr. Kellett that supply demands are met in each scenario. The Cadiz project is not a part of the supply options. President Kuhn called for a roll call vote.

Moved: Director Roberto	Second: Director Bowcock
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-06-5325 – Approval of Resolution No. 21-06-898 (UWMP) and Resolution No. 21-06-899 (WSCP)	
Motion passed 7-0	

12. Consent Calendar

The Board was asked to consider consent calendar items (12.A - 12.F) for the June 16, 2021 Board meeting that included: (12.A) Receive, Approve and File Minutes: May 19, 2021; (12.B) Receive, Approve and File Financial Reports and Investment Update, May 2021; (12.C) Imported Water Sales, May 2021; (12.D) Miramar Operations Report, May 2021; (12.E) Approve Director Expense Reports, May 2021; (12.F) FY 2021/22 General Manger's Work Plan.

Upon motion and second, President Kuhn called for discussion. There being no discussion, President Kuhn called for a roll call vote.

Moved: Director Soto	Second: Director Roberto
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-06-5326 – Approval of Consent Calendar Items 12.A-12.F	
Motion passed 7-0	

13. General Manager's Report

13.A – Projects Summary Update

Mr. Ben Peralta provided a projects summary update. In regards to the Well No. 1 rehabilitation project, the contractor has disinfected the well and the new pump assembly has been installed. The Miragrand Well equipping project should last approximately 10 months, followed by landscape and irrigation installation and the DDW permit amendment. Ninety percent of the electrical design project is completed. Informal construction quotes will be obtained and construction should last approximately one month.

13.B – Award Miragrand Well Equipping Contract, Project No. 58463

Final bids for the Miragrand Well Equipping project were received and reviewed by staff. The apparent low bidder, Pyramid Building & Engineering, withdrew their bid. The second low bidder, Pacific Hydrotech Corporation (PHC), is acceptable and staff is recommending awarding them the construction contract for equipping the Miragrand Well.

Upon motion and second, President Kuhn called for discussion. There being no discussion, President Kuhn called for a roll call vote.

Moved: Director Soto

Second: Director Ti

Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti

Noes:

Absent:

Motion No. 21-06-5327 – Award the construction contract to PHC for equipping of Miragrand Well, not to exceed \$2,893,600; authorize budget amendment of \$2,185,000 to FY 21/22 annual budget.

Motion passed 7-0

14. Directors' / General Manager's Oral Reports

Director De Jesus stated Adel Hagekhalil has been confirmed as MWD's new General Manager commencing July 2021. Director De Jesus also provided an update on current drought conditions.

Director Soto thanked Director De Jesus as the MWD representative and for keeping the TVWMD board informed of MWD activities.

Director Ti thanked Director De Jesus for representing TVWMD with integrity as the MWD Director. He looks forward to working with the new General Manager.

Director Goytia thanked Director De Jesus for representing TVMWD as the MWD Director.

Director Roberto thanked Director De Jesus for representing TVMWD as the MWD Director.

Director Kuhn reported on Chino Basin Wastewater (CBWM) and acknowledged that Chris Diggs of the City of Pomona has requested a meeting with CBWM regarding the subsidence issue.

General Manager Litchfield stated the next Leadership Breakfast will be in February 2022. He will reach out to the new MWD General Manager to consider being the guest speaker. Additionally, CSDA will host their annual conference in Monterey August 30 to September 2, 2021. General Manager Litchfield asked for direction on TVMWD's September 1st Board meeting as most Directors will be in attendance at the conference.

President Kuhn inquired if any Board Members objected to cancelling the September 1, 2021 Board meeting. Hearing no objection, the September 1, 2021 Board meeting was officially cancelled.

15. Closed Session

The Board convened into closed session at 10:03 a.m. to discuss the following items:

15.A – Conference with Real Property Negotiators (Government Code Section 54956.8)

- Property: 613 W. Baseline Rd., Claremont, CA 91711
- District Negotiator: Matthew H. Litchfield, General Manager
- Negotiating Parties: Potential Buyers
- Under Negotiation: Price and Terms of Payment

15.B – Conference with Legal Counsel – Existing Litigation [Government Code Section 54956.9(d)(1)]

Name of Case: Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino County Superior Court Case No. RCV RS 51010

The Board reconvened to regular session at 11:06 a.m. Legal Counsel Kennedy advised there was no reportable action.

16. Future Agenda Items


No future agenda items were requested.

17. Adjournment

The Board adjourned at 11:06 a.m. to the next regular meeting scheduled for Wednesday, September 15, 2021.



Bob Kuhn
President, Board of Directors



Recorded by: Nadia Aguirre
Executive Assistant