

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

Wednesday, October 20, 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. FLAG SALUTE

The flag salute was led by President Kuhn.

3. 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
Nadia Aguirre, Executive Assistant
Liz Cohn, Senior Financial Analyst
Freeman Ensign, Operations Supervisor
Karen Harberson, Compliance Specialist
Kirk Howie, Chief Administrative Officer
Steve Lang, Chief Operations Officer
Jonathan Larson, Shift Operator
Leonardo Larios, Shift Operator
James Linthicum, Chief Financial Officer
Kevin Panzer, Assistant Engineer
Robert Peng, I.T. Manager
Ben Peralta, Project Manager
Viviana Robles, Human Resources/Risk Manager
Esther Romero, Accounting Technician
John Suarez, Shift Operator
Marissa Turner, Admin./Communications Assistant

Virtual Attendees: Ray Baca, Engineering Contractors' Association; Jordan Brandman, BIASC; Josh Byerrum, Sara Catalan, Catalan Consulting; Ed Chavez, Upper District; Tom Coleman, Rowland Water District; Courtney Degener, Cadiz Inc.; Neal Desai, National Parks Conservation Association; Chris Diggs, Kristian Foy, Arnold & Associates; Kelly Gardner, Kirk Hamlin, Kevin Hayakawa, Walnut Valley Water District; Edwin Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Rich Kikuchi, LSL; Richard Lambros, Engineering Contractors' Association; Ben Lewis, Golden State Water Company; Tony Lima, Rowland Water District; Szu Lu, Rowland Water District; Myra Malner, Rowland Water District; Richard Martinez, City of La Verne; John Monsen,

Sierra Club; Stephanie Moreno, Water Quality Authority; Laer Pearce, Cadiz; Carlos Rodriguez, BIA Baldy View Chapter; Sherry Shaw, Walnut Valley Water District; C. "Robin" Smith, Sierra Club; Jennifer Stark, City of Claremont; Jon Switalski, Rebuild SoCal Partnership; DeAndre Valencia, BizFed; Dave Warren, Rowland Water District; Janet Zimmerman.

4. AGENDA REORDER/ADDITIONS

No reorder or additions to the agenda were requested.

5. LEGISLATIVE UPDATE, OCTOBER 2021

Mr. Mike Arnold and Ms. Kristi Foy from Arnold & Associates provided a year-end legislative update. We are in the first year of the 2021-2022 session. The 2020 state budget deficit was -\$54 billion and the 2021 state budget surplus is \$100 billion. The recall election was September 14, 2021 and the Governor won with 61.9%. The Governor had until October 10, 2021 to take final action on bills. On behalf of TVMWD, over 46 bills were tracked, with one bill being sponsored, 6 bills supported and 2 bills opposed. TVMWD's teleconferencing bill AB 703, is a two-year bill. Key bills supported are: AB 361, AB 442, SB 230, SB 323, SB 426, SB 559. Key bills opposed are: AB 377, AB 1434. An overview of Gut and Amend, water infrastructure funding and the 2022 election was also provided.

6. PUBLIC COMMENT

Ray Baca commented on the Bonanza Springs study.

Jon Switalski commented on the Bonanza Springs study.

De'Andre Valencia submitted a public comment to be read on his behalf.

Robin Smith commented on the Bonanza Springs study.

Carlos Rodriguez commented on the Bonanza Springs study.

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

John Monsen commented on the Bonanza Springs study.

Richard Lambros commented on the Bonanza Springs study.

Neal Desai had technical difficulties and submitted a public comment to be read on his behalf and was read after Directors/General Manager Reports.

7. CONSENT CALENDAR

The Board was asked to consider consent calendar items 7.A – 7.L for the October 20, 2021 Board meeting that included: (7.A) Receive, Approve and File Minutes, September 15, 2021; (7.B) Receive, Approve and File Financial Reports and Investment Update, September 2021; (7.C) Imported Water Sales, September 2021; (7.D) Miramar Operations Report, September

2021; (7.E) Approve Director Expense Reports, September 2021; (7.F) CY 2022 Holiday Schedule; (7.G) CY 2021 Revised Holiday Schedule; (7.H) Modified Board Meeting Schedule; (7.I) Resolution No. 21-10-904 Tax Sharing Exchange County Sanitation District No. 21, Annexation No. 21-763; (7.J) Resolution No. 21-10-905 Tax Sharing Exchange County Sanitation District No. 21, Annexation No. 21-766; (7.K) Resolution No. 21-10-906 Continuing Remote Teleconference Meetings Pursuant to the Provisions of Assembly Bill 361; (7.L) Consider Approval of Spadra Basin Groundwater Sustainability Agency Monitoring Well Funding Request.

Director Roberto requested to pull Item 7.L for discussion.

Upon motion and second, President Kuhn called for discussion. There being no discussion on Items 7.A – 7.K, President Kuhn called for a roll call vote.

Moved: Director Roberto	Second: Director Goytia
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-10-5334 Approval of Consent Calendar Items 7.A – 7.K	
Motion passed 7-0	

General Manager Litchfield provided background information on the Spadra Basin Groundwater Sustainability Agency Monitoring Well funding request. Director Soto stated she is excited we are partnering with other agencies.

President Kuhn called for a roll call vote.

Moved: Director Roberto	Second: Director Soto
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-10-5335 Approval of Consent Calendar Items 7.L	
Motion passed 7-0	

8. ACTION AGENDA

A. AUDIT AND ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2021

Mr. James Linthicum introduced Mr. Rich Kikuchi and Mr. Kirk Hamblin of LSL CPA's. An extensive audit was conducted by doing an account analysis, several reconciliations, and independent confirmations. An unmodified opinion was issued on statements indicating that the amounts on the statements are correct. A report on internal controls and independent auditors' report was issued indicating no significant deficiencies. TVMWD has received the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for 14 consecutive years. Mr. Linthicum is appreciative of Ms. Liz Cohn and Ms. Esther Romero for their hard work.

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

Moved: Director Goytia	Second: Director De Jesus
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-10-5336 Approval of the Audit and ACFR for FY ending 6/30/21	
Motion passed 7-0	

B. RESERVE SCHEDULE FOR FISCAL YEAR ENDED JUNE 30, 2021

Mr. Linthicum reviewed the Reserves Schedule as of June 30, 2021. \$42,585 remains from projects completed or that will not continue on as of June 30, 2021. Staff is proposing to return those funds to the Capital Asset Reserve category. Seven capital projects remain incomplete as of June 30, 2021 in the amount of \$307,921. Staff recommends carrying these funds forward to FY 21-22 to finish the projects.

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 Bowcock
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-10-5337 Approval of Reserve Schedule for FY ending 6/30/21	
Motion passed 7-0	

9. REPORTS

A. PROJECT SUMMARY UPDATE

Mr. Ben Peralta provided an overview of ongoing district projects. Well No. 1 rehabilitation project has been completed. A new pump was added to increase pumping efficiency and reduce power costs. Over excavation, compaction testing and site grading was performed at the Miragrind Well Equipping project. Electrical conduit trenching began this week.

B. TVMWD TEAM ACHIEVEMENTS & MILESTONES, OCTOBER 2021

General Manager Litchfield recognized the following employees:

- John Suarez, Shift Operator - 10 years of dedicated service at TVMWD
- Leonardo Larios, Shift Operator - received the D5 Distribution Operator Certification
- Jonathan Larson, Shift Operator - completed the ACWA JPIA Operations Certificate Program
- Dominique Aguiar, Operations Supervisor - promoted to T5 Operations Supervisor

10. DIRECTORS' / GENERAL MANAGER'S ORAL REPORTS

Director Goytia thanked General Manager Litchfield for the presentation to the City of Pomona. Pomona Mayor Sandoval thought General Manager Litchfield did a great job and would like him to present again in the future. Director Goytia congratulated employees for their milestones.

Vice President De Jesus commented on the regional Carson project. Topics discussed at the MWD board retreat were General Manager Hagekhalil's One Water Initiative and Diversity, Equity and Inclusion policy.

President Kuhn made a statement on public comment inconsistencies.

General Manager Litchfield stated the ACWA conference starts November 30, 2021 and will be held in Pasadena. The Governor signed an Executive Order extending the drought emergency to all counties, including the MWD service area. General Manager Litchfield will meet with MWD staff on Friday and report back on further developments.

11. CLOSED SESSION

The Board convened into closed session at 10:08 a.m. to discuss the following items:

A. Conference with Legal Counsel – Anticipated Litigation

- Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2)
- One potential case

B. Conference with Legal Counsel – Anticipated Litigation

- Initiation of litigation pursuant to Government Code Section 54956.9(d)(4)
- One potential case

C. Conference With Legal Counsel – Existing Litigation [Government Code Section 54956.9(d)(1)]

Name of Case: San Diego County Water Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case No. CPF-10-510830 (Consolidated with Case No. CPF-12-512466)

Name of Case: San Diego County Water Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case No. CPF-14-514004 (Consolidated with Case Nos. CPF-16-515282 and CPF-18-516389)

The Board reconvened to regular session at 11:35 a.m. Legal Counsel Kennedy advised there was no reportable action.

12. FUTURE AGENDA ITEMS

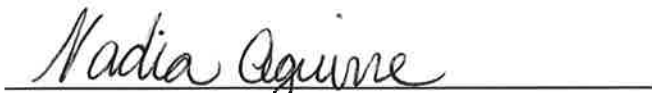
Director Soto requested an update on the Bonanza Spring study at the next board meeting.

13. ADJOURNMENT

The meeting adjourned at 11:37 a.m. to the next regular meeting scheduled for Wednesday, November 3, 2021.



Bob Kuhn
President, Board of Directors



Recorded by: Nadia Aguirre
Executive Assistant