

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

**Wednesday, May 15, 2019
8:00 a.m.**

1. Call to Order

The Board meeting was called to order at 8:00 a.m. at the District office located at 1021 East Miramar Avenue, Claremont, California. The presiding officer was President Bob Kuhn.

2. Pledge of Allegiance

The flag salute was led by President Bob 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
Brian Bowcock, Secretary
Joe Ruzicka, Treasurer
Carlos Goytia, Director (ar. 8:07 am)
John Mendoza, Director
Denise Jackman, Director

Staff Present

Matt Litchfield, General Manager
Steve Kennedy, Legal Counsel
Liz Cohn, Sr. Financial Analyst
Nadia Aguirre, Executive Assistant
Karen Harberson, Compliance Specialist
Kirk Howie, Chief Administrative Officer
Steve Lang, Chief Operations Officer
James Linthicum, Chief Finance Officer
Ben Peralta, Project Manager
Freeman Ensign, Operations Supervisor

Guest present: Ted Ebenkamp, Walnut Valley Water; Ed Hilden, Walnut Valley Water; Erik Hitchman, Walnut Valley Water; Brian Teuber, Walnut Valley Water; Ben Lewis, Golden State Water; Tony Lima, Rowland Water; Szu Pei-Lu-Yang, Rowland Water; Darron Poulsen, City of Pomona; Jennifer Stark, City of Claremont.

4. Additions to Agenda

No additions to agenda requested.

5. Reorder Agenda

No reorder to the agenda requested.

6. Public Comment

No public comment.

7. Consent Calendar

The Board was asked to consider consent calendar items (7.A-7.G) for the May 15, 2019 Board meeting that included: (7.A) receive, approve and file, April 2019 Minutes for April 3, 2019 and April 17, 2019; (7.B) receive, approve and file financial reports and investment update, April 2019; (7.C) Imported Water Sales, April 2019; (7.D) Miramar Operations Report, April 2019; (7.E) FY 2018-19 Third Quarter Reserve Update; (7F) Resolution No. 19-05-850 and Resolution No. 19-05-851 Tax Sharing Exchange County Lighting Maintenance District 1687, Annexation 6-116; (7.G) Resolution No. 19-05-852 Concurring in the Nomination of Kathleen Tiegs, Cucamonga Valley Water District to the CSDA Board of Directors.

Upon motion, President Kuhn called for discussion. There being no discussion, President Kuhn called for the vote.

Moved: Joe Ruzicka Second:
Motion No. 19-05-5227 – Approving Consent Calendar Items 7.A – 7.G for May 15, 2019.
Motion passed by 6-0 vote; Director Goytia was absent from the vote.

8. General Manager's Report

8.A – Legislative Update, May 2019

Mr. Kirk Howie presented the current legislative status update to the Board. Currently, there are two (2) bills of importance to TVMWD, AB 217 Safe Drinking Water for All Act (oppose) and SB 669 Water Quality: Safe Drinking Water Fund (support). AB 217 pushes for water tax of \$0.50 on the unit charge per month per customer and provides a provision for a water trust component to help fund for safe drinking water for disadvantaged communities. The concern is there is no cap on the meter charge and fees can be raised at any time. This bills language needs to be amended for TVMWD to support it. Metropolitan Water District (MWD) has taken a neutral stance; California Special Districts Association (CSDA) and the Association of California Water Agencies (ACWA) are in opposition.

SB 669 does not include a tax but does include a provision for a trust to be set up with general funds. The bill does not look to fund the trust in one year but in years of excess funds for safe drinking water. SB 669 is supported by TVMWD, MWD, ACWA, CSDA and California Municipal Utilities Association (CMUA).

Mr. Howie will report back on all bills at the June 19, 2019 board meeting.

8.B – Director Expense Reports, April 2019

The Board was asked to consider approval of the director expense reports submitted for reimbursement for April 2019.

Upon motion and second, President Kuhn called for discussion. There being no discussion, President Kuhn called for the vote.

**Moved: Ruzicka Second: Bowcock
Motion No. 19-05-5228 – Approving Director Expense Reports –
April 2019.
Motion passed by a 7-0 unanimous vote.**

8.C – Approval of 2019 Organizational Chart and Salary Schedules Modifications

Mr. Litchfield advised the Board of the organizational study completed by staff and consultant with recommended changes. To remain compliant with CalPERS and California Code Regulations, staff is seeking approval from the Board to adopt the following organizational chart changes and salary schedules: reclassification of the *Administrative Assistant* to *Administrative/Communications Assistant* and change in salary range; change in title of *Engineer* to *Engineering Assistant*; addition of the part-time *Human Resources/Risk Manager* position; and the addition of the *Information Technology Manager* position.

Upon motion and second, President Kuhn called for discussion. There being no further discussion, President Kuhn called for the vote.

**Moved: Ruzicka Second: DeJesus
Motion No. 19-05-5229 – Approving 2019 Organizational Chart and
Salary Schedules Modifications.
Motion passed by a 7-0 unanimous vote.**

8.D – Approval of Resolution No. 19-05-853 Employee Bonus

Mr. Litchfield presented the Board with Resolution No. 19-05-853 Employee Bonus. ACWA-JPIA recognized the District with a refund in the amount of \$21,359 on April 3, 2019. Approval of this resolution authorizes a one-time discretionary bonus in the amount of \$1,000 to each full-time employee. The General Manager and employees hired in 2019 are not eligible for the bonus.

Director Bowcock stated all 7 board members appreciate staff's efforts and thank them for their hard work.

Upon motion and second, President Kuhn called for discussion. There being no further discussion, President Kuhn called for the vote.

Moved: Bowcock Second: Goytia
Motion No. 19-05-5230 – Approving Resolution No. 19-05-853
Employee Bonus
Motion passed by a 7-0 unanimous vote.

8.E – Approval of Resignation Notice Incentive Policy

Mr. Litchfield advised staff would like to table this item and bring back at a future date.

9. Directors' / General Manager Oral Reports

President Kuhn – reported on Executive Board meeting at ACWA Conference on Monday, May 6, 2019. A possible increase of future property insurance rates was discussed. President Kuhn suggested all agencies should study their deductibles and what can be tolerated.

Director Joe Ruzicka – LAFCO will continue to hold Summer meetings. The Consolidated Oversight Board approved the recommendation for Glendora to dissolve their units. A discussion will be held regarding lack of legal counsel and lack of quorum at meetings.

Director Bowcock – reported on Main San Gabriel Basin Watermaster Operating Safe Yield set to 150,000 acre-feet for 2019-20 and 130,000 acre-feet the following years. In addition, Director Bowcock commented on Director Jackman's participation at the ACWA conference and involvement in ACWA committee's down the road. He believes she will make a positive contribution to whichever committee she represents.

Director DeJesus – reported on MWD: (1) change order to project increase cost associated with 2018 tariff increase the U.S. imposed on China; (2) water demand is low and MWD is looking at rehab of treatment facilities; (3) emergency storage was reviewed in committee; (4) May 21, 2019 MWD's negotiating team will meet regarding the San Diego lawsuits to continue settlement discussions.

Mr. Litchfield – reminded staff of the Solar Cup Challenge on May 18, 2019 and the Leadership Breakfast on May 30, 2019.

10. Closed session - Announcement of Closed Session Actions

The Board convened to closed session at 8:54 a.m. to discuss the following items:

(10.A) - Conference with Legal Counsel – Existing Litigation [Government Code Section 54956.9(d)(1)]

- Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino County Superior Court Case No. RCV51010.
- Upper San Gabriel Valley Municipal Water District v. City of Alhambra, et al., Los Angeles County Superior Court Case No. C924128.

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(10.B) - Conference with Real Property Negotiators (Government Code Section 54956.8)

- Property: 901 Corporate Center Drive, Pomona, California
- District Negotiator: Matthew Litchfield, General Manager
- Negotiating Parties: Foremost Corporate, LLC
- Under Negotiation: Price and Terms of Payment for Revised Easement

(10.C) - Conference with Labor Negotiator (Government Code Section 54957.6)

- District Designated Representative: Steven M. Kennedy, General Counsel
- Unrepresented Employee: General Manager

The Board reconvened to regular session at 11:30 a.m. Mr. Kennedy, General Counsel provided the following report of closed session actions:


(10.A) No reportable action taken; (10.B) no reportable action taken; and (10.C) the Board unanimously authorized for an increase in the General Manager's annual base salary to \$230,000 effective July 1, 2019. No other action was taken on this matter.

11. Future Agenda Items

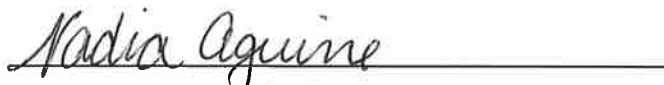
None

12. Adjournment

The Board adjourned at 11:31 a.m. to its next regular meeting scheduled for Wednesday, June 5, 2019 at 8:00 a.m.



Bob Kuhn
President, Board of Directors
Three Valleys Municipal Water District



Recorded by: Nadia Aguirre
Executive Assistant