

MINUTES
REGULAR BOARD OF DIRECTORS MEETING
THREE VALLEYS MUNICIPAL WATER DISTRICT

Wednesday, March 4, 2020
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
Carlos Goytia, Secretary
Brian Bowcock, Treasurer
Denise Jackman, Director
John Mendoza, Director (arrived
at 8:26 a.m.)
Jody Roberto, Director

Staff Present

Matt Litchfield, General Manager
Steve Kennedy, Legal Counsel
Dominique Aguiar, Operations Supervisor
Nadia Aguirre, Executive Assistant
Liz Cohn, Senior Financial Analyst
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 Finance Officer
Robert Peng, I.T. Manager
Ben Peralta, Project Manager

Guests present: Ted Ebenkamp, Walnut Valley Water District; Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Brian Teuber, Walnut Valley Water District; Tom Coleman, Rowland Water District; Tony Lima, Rowland Water District; Szu Pei Lu-Yang, Rowland Water District; Dave Warren, Rowland Water District; Ben Lewis, Golden State Water Company; Steve Patton, City of Glendora; Andy Malone, Wildermuth Environmental, Inc.; Chris McCarry, Chandler Asset Management; Jayson Schmitt, Chandler Asset Management; Lina Mira, Latino/a Roundtable; Victor Cerno, Engineering Contractors Association.

4. Additions to Agenda

No additions to the agenda were requested.

5. Reorder Agenda

No reorder to the agenda was requested.

6. Public Comment

President Kuhn called for public comment.

There was no public comment.

7. Presentations

Mr. Andy Malone from Wildermuth Environmental, Inc. gave a PowerPoint presentation on Satellite Mapping Systems. The Board had questions and comments for Mr. Malone and thanked him for an informative presentation.

Mr. Jayson Schmitt and Mr. Chris McCary from Chandler Asset Management provided an annual update of TVMWD's Investment Portfolio. President Kuhn requested an update in September 2020.

8. General Manager's Report

8.A – Annual Investment Policy Review

Mr. James Linthicum advised the Board that Chandler Asset Management has performed their annual review of the district's investment policy. There is a minor revision that is redlined in the policy. This Item will be moved to the March 18, 2020 Board meeting for consideration of approval.

8.B – CSDA Commercial Card Program Rebate

Mr. Linthicum reported California Special Districts Association (CSDA) partnered with Umpqua credit card company which the district has been using for over 1 year. The district earned a \$5,000 rebate for purchases of \$500,000 over the last year. There is no maximum on purchase or rebate amounts.

8.C – FY 2020-21 Budget Workshop

Mr. Linthicum reviewed the rate setting cycle for the next fiscal year. The district's discount that is provided to member agencies will change from \$10.00 per acre foot to \$12.00 per acre foot for 2021. Ms. Liz Cohn reviewed the Pass Through Fund that is made up of the MWD Ready to Serve (RTS) Charge and the MWD Capacity Charge. The RTS charge is increasing \$260,000 for the fiscal year and \$230,000 for calendar year 2021. The Standby Charge collected for the fiscal year will increase from \$19.23 to \$20.62 per EDU. The Capacity Charge is increasing \$260,000 for the fiscal year and \$340,000 for calendar year 2021. The rate will increase from \$8,800 to \$11,200 per CFS. MWD's untreated water rate is increasing \$25/AF and the treatment surcharge is increasing \$28/AF. The treated water rate will increase by 5%. The staff report includes vendors/contractors used in an ongoing basis by the

district. All board designated reserves are expected to be at or above the lower goal limits at the end of FY 20-21, including overall board designated reserves to meet the emergency goal of \$10M. Questions and a discussion ensued between Board and staff.

8.D – FY 2020-21 Annual Purchase Orders

Mr. Linthicum reviewed annual purchase orders for FY 2020-21. General purchases exceeding \$50,000 and public projects exceeding \$200,000 are to be approved by the Board. This Item will be moved to the March 18, 2020 Board meeting for consideration of approval. President Kuhn suggested increasing the General Manager's spending authority and requested to bring back for discussion at the April 1, 2020 Board meeting.

8.E – Salary Schedule Effective July 1, 2020

A draft of the salary schedule to be effective July 1, 2020 was reviewed. The salary schedule reflects a 3.17% increase to salary ranges based on the change from calendar year 2018 to 2019 in the Consumer Price Index – Urban Wage Earners and Clerical Workers. These ranges were included in calculating the budget for FY 2020-21. This item will be moved to the March 18, 2020 Board meeting for consideration of approval.

8.F – Chino Basin Watermaster 2020 Optimum Basin Management Program Update (OBMPU) Progress Report, January 2020

Mr. Litchfield briefed the Board on the status of the OBMP through January 2020. A Drafting Orientation session was held on March 2, 2020 to provide an overview of the draft IP and present a process to drafting a final IP Update along with an amendment to the Peace Agreement to accommodate the IP Update. Currently, the OBMP Update is on schedule.

8.G – Resolution No. 20-03-868 Concurring in the Nomination of Director Denise Jackman to the CSDA Board of Directors Vacancy, Seat B Southern Network

At the February 18, 2020 Board meeting, the Board nominated Director Jackman for the CSDA Board of Directors vacancy in the Southern Network, Seat B. A resolution is needed for Director Jackman to submit her nomination package to CSDA.

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

<p>Moved: Director Bowcock Second: Director Goytia Motion No. 20-03-5267 – Approval of Resolution No. 20-03-868 Motion passed unanimously by a 7-0 vote.</p>
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8.H – CSDA Board of Directors Call for Nominations Seat C

CSDA is accepting nominations for the Board of Directors Seat C. The deadline to receive nominations is March 26, 2020. The Board did not make a nomination to move forward.

8.I – Projects Summary Update

Mr. Ben Peralta briefed the Board on the status of district projects. The Grand Ave Well Equipping Project is near completion. Electrical start up and testing will be performed this week. CEQA documentation for the Miragrand Well Project was approved at the February 19 Board meeting. Staff issued and executed a Professional Services Agreement with Geoscience and will begin preparations of the well drilling design and bid package. The Dry Chemical Building modifications were completed and as-built drawings have been submitted. Quotes for the Carport Replacement Project must be submitted by March 9, 2020 to be considered. Recommendations to award a contract will be brought to the March 18, 2020 Board meeting.

9. Closed Session

The Board convened into closed session at 10:02 a.m. to discuss the following items:

9.A – Conference with Legal Counsel – Anticipated Litigation

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

9.B – Public Employee Performance Evaluation (Government Code Section 54957)

Title: General Manager Matthew Litchfield

9.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)

The Board reconvened to regular session at 12:07 a.m. No reportable action was taken on any of the items.

10. Future Agenda Items

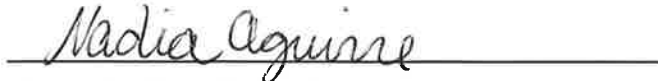
No future agenda items were requested.

11. Adjournment

The Board adjourned at 12:07 a.m. to its next regular Board meeting scheduled for Wednesday, March 18, 2020 at 8:00 a.m.



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



Recorded by: Nadia Aguirre
Executive Assistant