

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

**Wednesday, April 7, 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
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
Esther Romero, Accounting Technician

Virtual Attendees: Jordan Brandman, Building Industry Association of Southern California; Andy Bullington, City of Covina; Sara Catalan, Catalan Consulting; Ed Chavez, Upper San Gabriel Valley Municipal Water District; Chris Clarke, National Parks Conservation Association; Tom Coleman, Rowland Water District; Neal Desai, National Parks Conservation Association; Demi Espinoza, National Parks Conservation Association; Gregory Foster, Southern California Group; Kelly Gardner, Main San Gabriel Basin Watermaster; Victoria Hahn, Pomona resident; Kirk Hamblin, LSL CPA's; Rick Hansen, Cal Poly Pomona; Kevin Hayakawa, Walnut Valley Water District; Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; 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; Tom Monk, Walnut Valley Water District; John Monsen, The Sierra Club; Toby Moore, Golden State Water Company; Stephanie Moreno, Water Quality Authority; Randall Reed, ACWA JPIA Executive Committee; Jennifer Stark, City of Claremont; Brian Teuber, Walnut

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Valley Water District; Dave Warren, Rowland Water District; 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. Public Comment

Chris Clarke commented on the Bonanza Springs study.

John Mosen commented on the Bonanza Springs study.

6. Presentations

6.A – Mr. Randall Reed, JPIA Executive Committee Member, congratulated the District on receiving a refund check in the amount of \$22,559 for collected excess premiums. An annual analysis determined specific requirements were met. Twelve staff members attended JPIA courses and the District hosted a Defensive Driving course. President Kuhn commended staff for their efforts and asked to agendaize this item at a future Board meeting for consideration of a one-time bonus to staff.

6.B – Mr. Kirk Hamblin from LSL CPA's reviewed the upcoming audit process for FY 2020/21. Auditors will reach out to Board members as part of the audit. Interim audit test work is to be completed this week. The purpose of the audit is to produce the result for the financial statements and deliver an opinion.

7. General Manager's Report

7.A – CSDA Board of Directors Nominations, Seat A Southern Network

Two letters of support were received to consider for CSDA Board nominations to Seat A Southern Network:

- Jo MacKenzie – Vista Irrigation District
- John Skerbelis – Rubidoux Community Services District

The Board directed staff to bring both nominees to the April 21 Board meeting for consideration.

7.B – Redistricting Proposal

The California Fair Maps Act (Election Code Section 21000 et. Seq.) states special districts must review their census data and conduct public hearings on redistricting. TVMWD adopted the current maps via resolution in 2012. The Census Bureau process has been delayed by COVID-19 and data will be made available to local agencies by July 31 or possibly later in the fall. Four (4) redistricting proposals were received and staff is recommending moving forward with Best, Best & Krieger as the lowest, responsive bidder. The mapping kit is a recommended addition at a cost of \$4,500.

This item will be brought back to the April 21 Board meeting for consideration of approval.

7.C – Annual Consideration for Contribution to PARS Trust

The District has an established IRS Section 115 Trust with PARS that provides the ability to legally set-aside funds to reduce the District's pension and OPEB liabilities. The OPEB Trust balance is \$1,090,113 as of February 28, 2021 and staff is recommending no contribution currently. The pension trust balance is \$669,803 as of February 28, 2021. Staff is recommending a \$200,000 contribution to the pension trust as planned in the FY 19/20 budget.

This item will be brought back to the April 21 Board meeting for consideration of approval.

7.D – Review of FY 2020/21 Encumbrance Carryforward

The staff report contains a list of projects that are likely to be incomplete as of June 30, 2021. Staff is requesting funds totaling \$201,013 be carried forward to FY 21/22 to allow for completion.

This item will be brought back to the April 21 Board meeting for consideration of adoption.

7.E – Review of the FY 2021/22 Budget

The first draft of the budget was presented to the Board and member agencies in March. The second draft of the FY 21/22 is included in the board packet and contains minor changes from the first draft. The current discount of \$6 per acre foot for treated water deliveries will be reduced to \$16 for 2022 and the foreseeable future.

This item will be brought back to the April 21 board meeting for consideration of adoption.

7.F – Resolution No. 21-04-DRAFT Adopting Water Rates and Charges for CY 2022

TVMWD will apply a \$0 surcharge to all untreated water delivered during calendar year 2022. A surcharge discount of -\$16 per AF will be applied to treated water delivered during CY 2022. Rates and charges will go into effect January 1, 2022.

This item will be brought back to the April 21 board meeting for consideration of adoption.

7.G – Review FY 2021/22 Water Standby Charge

MWD assesses a Readiness-To-Serve charge to its member agencies. The proposed standby charge for FY 2021/22 for a typical residential homeowner will increase from \$19.90 to \$21.95 per equivalent dwelling unit (EDU). The rate and methodology will be described in the Draft Engineer's Report that will be provided at the April 21 Board meeting. A public meeting to consider the resolution to adopt the standby charge will be held on June 2 and a public hearing to consider adoption of the standby charge will be held on June 16.

7.H – Organizational Chart and Salary Schedule Modifications

Changes to the organizational chart and salary schedule include (1) reclassifying the Human Resources/Risk Manager position from part-time to full-time, including change in salary range and (2) addition of the Operations Supervisor (T5) position and corresponding salary range. Changing the Human Resources/Risk Manager position to full-time will attract the correct level of talent needed for the District. The recommended salary range is \$86,466 to \$138,346, effective July 1, 2021. This position will report to the Chief Administrative Officer. The Operations Supervisor will become two (2) separate classifications: Operations Supervisor and Operations Supervisor (T5). The addition of the Operations Supervisor (T5) position will promote employee retention and encourage operators to pursue T5 certifications. The recommended salary range is \$110,996 to \$177,594, effective July 1, 2021.

Director Ti recommended the addition of employee relations, discrimination and harassment prevention to the Human Resources/Risk Manager job description. Director Bowcock recommended a 3rd party contract Engineer in the future.

This item will be brought back to the April 21 Board meeting for consideration of approval.

7.I – Resolution No. 21-04-DRAFT Contract Compliance Policy

The Contract Compliance Policy will implement a periodic contract compliance review (CCR) for contracts that have terms of five years or more. A CCR will be conducted at a minimum of five-year intervals to ensure contracts are valid and enforceable. CCR's will be conducted by staff and legal counsel, if necessary.

Director Roberto thanked General Manager Litchfield and staff for putting this policy together.

This item will be brought back to the April 21 Board meeting for consideration of approval.

7.J – Projects Summary Update

Mr. Ben Peralta reviewed current ongoing district projects. Included in the report were the Miragrand Well project, Well No. 1 rehabilitation project, shade structure over the chemical feed pumps and electrical design upgrades to provide for portable generators.

8. Closed Session

The Board convened into closed session at 9:40 a.m. to discuss the following items:

8.A – 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

8.B – Conference with Legal Counsel – Anticipated Litigation

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

8.C – Public Employee Performance Evaluation (Government Code Section 54957)

Title: Matthew H. Litchfield, P.E., General Manager

8.D – Conference with Labor Negotiators (Government Code Section 54957.6)

- District Designated Representative: Steven M. Kennedy General Counsel
- Unrepresented Employee: Matthew H. Litchfield, P.E., General Manager

The Board reconvened to regular session at 12:28 p.m. Legal Counsel Kennedy advised items 8.A through 8.D were discussed and no reportable action was taken.

9. Future Agenda Items

No future agenda items were requested.

10. Adjournment

The Board adjourned at 12:28 p.m. to its next regular Board meeting scheduled for Wednesday, April 21, 2021 at 8:00 a.m.



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



Recorded by: Nadia Aguirre
Executive Assistant