

Please mute your phone/tablet/computer unless speaking.

**AGENDA**  
**REGULAR BOARD MEETING**  
**THREE VALLEYS MUNICIPAL WATER DISTRICT**  
**1021 E. MIRAMAR AVENUE, CLAREMONT, CA 91711**

**Wednesday, May 19, 2021 – 8:00 a.m.**

**SPECIAL NOTICE OF TELECONFERENCE ACCESSIBILITY**

Pursuant to the provisions of Executive Order N-29-20 issued by Governor Newsom in response to the COVID-19 outbreak and as a precaution to our Board of Directors, staff and the public, Three Valleys MWD will hold its Board meeting via teleconference. The public's physical attendance at the district is not allowed. The public may participate in the teleconference by clicking on the link below:

**<https://attendee.gotowebinar.com/register/9026311380594450192>**

*(Dial-in instructions are provided after registering at the link above)*

Any member of the public wishing to participate in Public Comment may do so by filling out the speaker's card at the following link: **<https://arcq.is/0z5GqQ>** or by sending an email to **[naquirre@tvmwd.com](mailto:naquirre@tvmwd.com)**

*The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.*

**Item 1 – Call to Order**

**Kuhn**

**Item 2 – Roll Call**

**Aguirre**

**Item 3 – Additions to Agenda** [Government Code Section 54954.2(b)(2)]

**Kuhn**

Additions to the agenda may be considered when two-thirds of the board members present determine a need for immediate action, and the need to act came to the attention of TVMWD after the agenda was posted; this exception requires a degree of urgency. If fewer than two-thirds of the board members are present, all must affirm the action to add an item to the agenda. *The Board shall call for public comment prior to voting to add any item to the agenda after posting.*

**Item 4 – Reorder Agenda**

**Kuhn**

**Item 5 – Public Comment** (Government Code Section 54954.3)

**Kuhn**

Opportunity for members of the public to directly address the Board on items of public interest within its jurisdiction. The public may also address the Board on items being considered on this agenda. TVMWD requests that all public speakers complete a speaker's card and provide it to the Executive Assistant.

**We request that remarks be limited to three minutes or less. Pursuant to Government Code Section 54954.3, if speaker is utilizing a translator, the total allotted time will be doubled.**

## **Item 6 – Presentations**

Howie

### **6.A – Senate Bill 662 Coalition Letter of Support**

Mr. Robert Cruz, Public Affairs Manager at Southern California Gas Company, will provide an overview of SB 662 (Archuleta).

### **6.B – San Gabriel Valley Economic Partnership Membership**

Howie

Mr. Bill Manis, CEO, and Mr. Brad Jensen, Director of Public Policy at the SGV Economic Partnership will provide membership information.

### **6.C – Investment Portfolio – [enc]**

Linthicum

Mr. Jayson Schmitt from Chandler Asset Management will provide an investment portfolio update.

## **Item 7 – Consent Calendar**

Kuhn

The Board will consider consent calendar items 7.A – 7.I listed below. Consent calendar items are routine in nature and approved by a single motion. Any member of the Board may request that a specific item be pulled from the consent calendar for further discussion.

### **7.A – Receive, Approve and File Minutes, April 2021 – [enc]**

- April 7, 2021 – Regular Board Meeting
- April 21, 2021 – Regular Board Meeting

### **7.B – Receive, Approve and File Financial Reports and Investment Update, April 2021 – [enc]**

- Change in Cash and Cash Equivalents Report
- Consolidated Listing of Investment Portfolio and Investment Report
- YTD District Budget Monthly Status Report
- Warrant List

### **7.C – Imported Water Sales, April 2021 – [enc]**

The Board will review the imported water sales report for March April.

### **7.D – Miramar Operations Report, April 2021 – [enc]**

The Board will review the Miramar Operations report for April 2021.

### **7.E – Approve Director Expense Reports, April 2021 – [enc]**

The Board will consider approval of the April 2021 Director expense reports that include disclosure of per diem requests for meeting attendance and itemization of any expenses incurred by TVMWD.

### **7.F – Resolution No. 21-05-893 Asian American & Pacific Islander Recognition – [enc]**

The Board will consider approval of Resolution No. 21-05-893 recognizing Asian American & Pacific Islander Heritage Month.

**7.G – Budget Amendment for 2020 Board Elections – [enc]**

The Board will consider approval of a budget amendment to cover unexpected costs incurred associated with the 2020 board election.

**7.H – Modified Board Meeting Schedule – [enc]**

The Board will consider approval of a modified board meeting schedule cancelling the following meetings: July 7, 2021; July 21, 2021; August 4, 2021; August 18, 2021.

**7.I – California State Route 57/60 Confluence Chokepoint Relief Program Application – [enc]**

The Board will consider approval of a letter of support for the State Route 57/60 Confluence Chokepoint Relief Program.

**Items 7.A - 7.I – Board Action Required**

Staff recommendation: Approve as presented

**Item 8 – General Manager’s Report**

Litchfield

*The Executive Leadership Team will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.*

**8.A – Metropolitan Water District Update – [enc]**

De Jesus

The Board will be provided an update on current MWD activities

**8.B – Legislative Update, May 2021**

Howie

The Board will be provided a current legislative status update.

**8.C – Resolution No. 21-05-894 Placing Director Bowcock in Nomination to Serve on the ACWA Region 8 Board for the 2022-23 Term – [enc]**

Litchfield

The Board will consider approval of Resolution No. 21-05-894 Nominating Director Bowcock to serve on the ACWA Region 8 Board for the 2022-23 term.

**Items 8.C – Board Action Required**

Staff recommendation: Approve as presented

**8.D – Resolution No. 21-05-895 Adoption of Annual Investment Policy – [enc]**

Linthicum

The Board will consider for approval revisions to TVMWD’s Investment Policy.

**Items 8.D – Board Action Required**

Staff recommendation: Approve as presented

**8.E – Resolution No. 21-05-896 Employee Bonus – [enc]**

Litchfield

The Board will consider approval of Resolution No. 21-05-896 authorizing a one-time discretionary bonus to staff as a result of a refund received by ACWA-JPIA.

**Items 8.E – Board Action Required**

Staff recommendation: Approve as presented

**8.F – Discussion and Possible Action of Approval of an Amendment to the General Manager’s Employment Agreement – [enc]**

Kuhn

The Board will consider approval of an amendment to the General Manager’s employment agreement.

**Items 8.F – Board Action Required**

Approve as presented

**Item 9 – Directors’ / General Manager’s Oral Reports**

Kuhn

Directors and the Managers may report on activities for meetings to which they are assigned to serve as the representative or alternate of TVMWD, and on other areas of interest.

**Item 10 – Future Agenda Items**

Kuhn

**Item 11 – Adjournment and Next Meeting**

Kuhn

The Board will adjourn to a Regular Board Meeting on Wednesday, June 2, 2021 at 8:00 a.m.

**American Disabilities Act Compliance Statement**  
*Government Code Section 54954.2(a)*



*Any request for disability-related modifications or accommodations (including auxiliary aids or services) sought to participate in the above public meeting should be directed to the TVMWD’s Executive Assistant at (909) 621-5568 at least 24 hours prior to meeting.*

**Agenda items received after posting**  
*Government Code Section 54957.5*

*Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the TVMWD office located at, 1021 East Miramar Avenue, Claremont, CA, 91711. The materials will also be posted on the TVMWD website at [www.threevalleys.com](http://www.threevalleys.com).*

*Three Valleys MWD Board Meeting packets and agendas are available for review on its website at [www.threevalleys.com](http://www.threevalleys.com).*

# Three Valleys Municipal Water District

*Period Ending April 30, 2021*

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | [www.chandlerasset.com](http://www.chandlerasset.com)



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# Section 1 | Economic Update

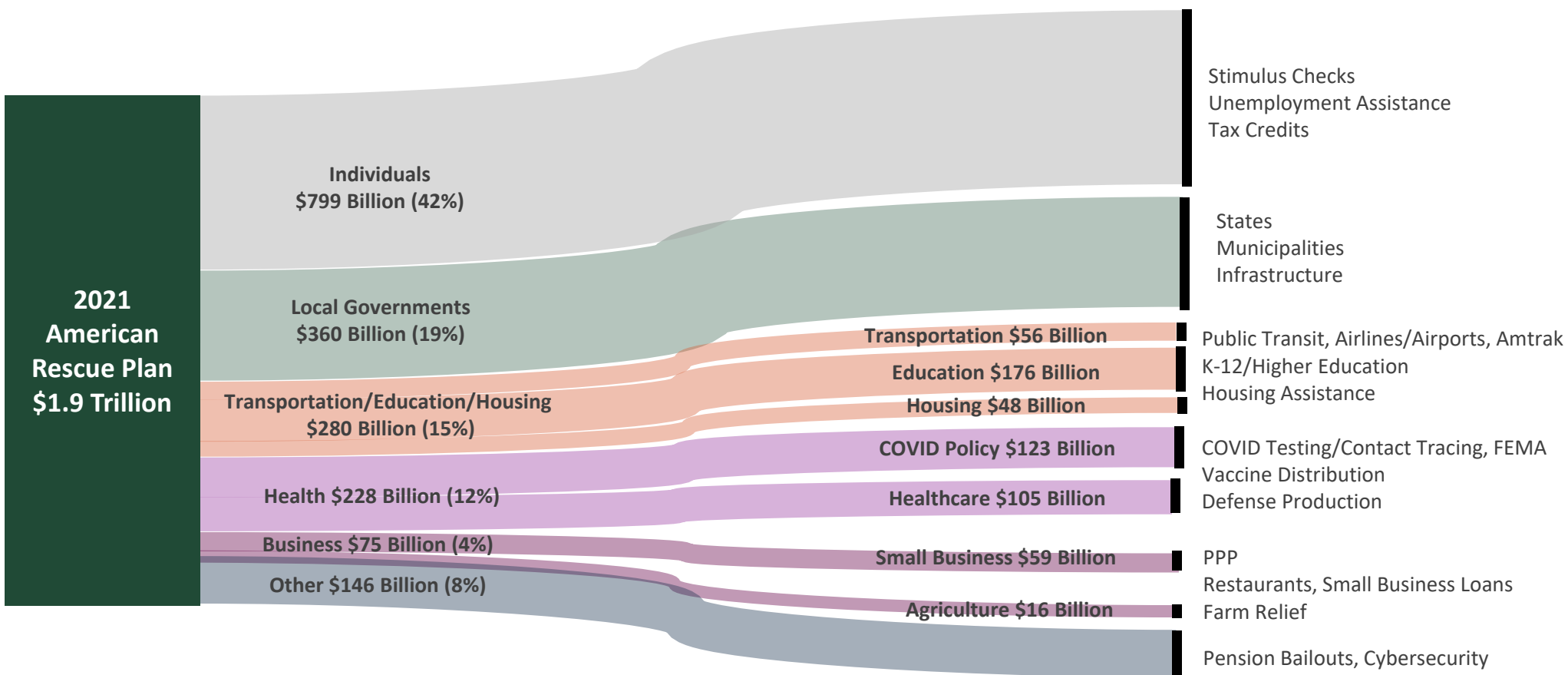
## Economic Update

- We believe accommodative monetary policy, robust fiscal spending, and continued progress on vaccine distribution will provide meaningful tailwinds for the economy in the coming quarters. The vaccine rollout has been faster than expected and more than 30% of the US population is now fully vaccinated, and more than 45% have received at least one dose. Restaurant and bar sales accelerated in March and travel-related spending has started to rebound as the economy reopens. Despite significant progress on the vaccine rollout in the US, and largely better than expected economic data and corporate earnings, the Biden administration continues to push forward with large-scale fiscal spending proposals. President Biden recently proposed plans for more than \$4 trillion in new fiscal spending, which would be in addition to the roughly \$5.5 trillion in pandemic-related fiscal spending that has already been approved since early last year. We expect some version of an infrastructure spending bill to come to fruition later this year. Meanwhile, the Fed has indicated that it plans to keep the fed funds rate near zero until at least 2023. Estimates for US gross domestic product (GDP) growth this year are strong. The current Bloomberg consensus estimate for 2021 US GDP growth is 6.3%.
- The Federal Open Market Committee kept their target fed funds rate and asset purchase program unchanged in April, as expected. The fed funds target rate remains in the range of 0.0% to 0.25%, and the Fed continues to purchase \$80 billion of Treasuries per month, and \$40 billion of agency mortgage-backed securities per month. During his press conference, Fed Chair Powell reiterated that the economy is still a long way from reaching their employment and inflation goals and it is too soon to begin discussing tapering asset purchases. The Fed believes that some parts of the economy will not be able to fully recover until the pandemic is decisively over. Chair Powell also reiterated that near term inflationary pressures are likely to be temporary. Although inflation rates are expected to increase over the next few months, the Fed is not signaling any near-term changes to monetary policy and plans to remain accommodative.
- The yield curve flattened in April but remains steeper on a year-to-date basis. As of April month-end, the yield on 2-year Treasuries was about four basis points higher while the yield on 10-year Treasuries was about 71 basis points higher, on a year-to-date basis. The yield on 10-year Treasuries declined nearly 12 basis points in April, month-over-month. Looking ahead, we believe the Treasury yield curve is poised to modestly steepen further as the year progresses, which would be consistent with an improving economic outlook, more widespread vaccine distribution, the anticipation of ongoing fiscal spending, and a moderate pick-up in inflation.

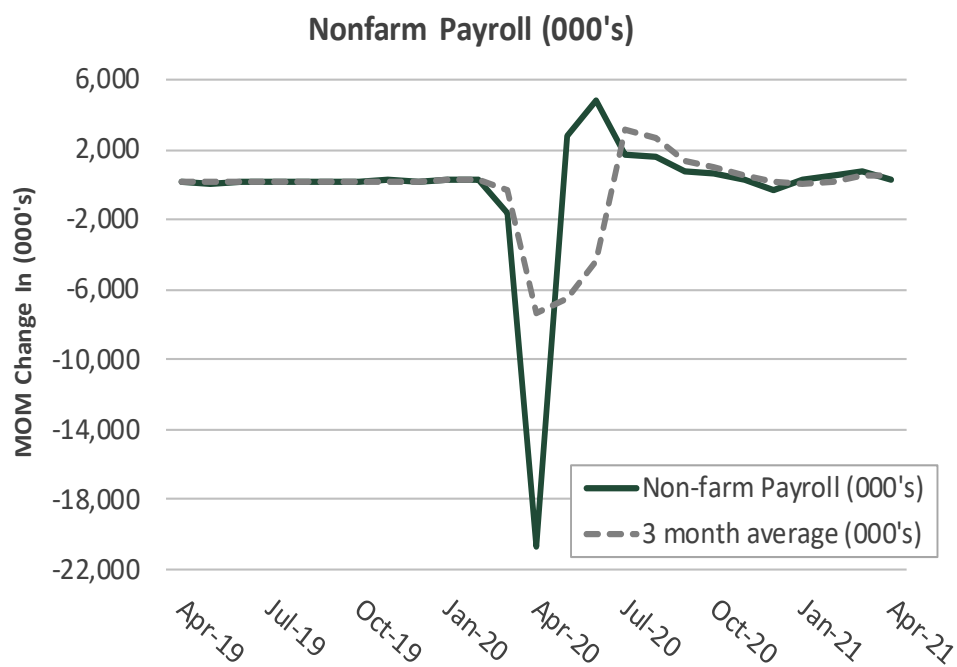


# Will \$5.5 Trillion Stimulus Propel Growth and Inflation?

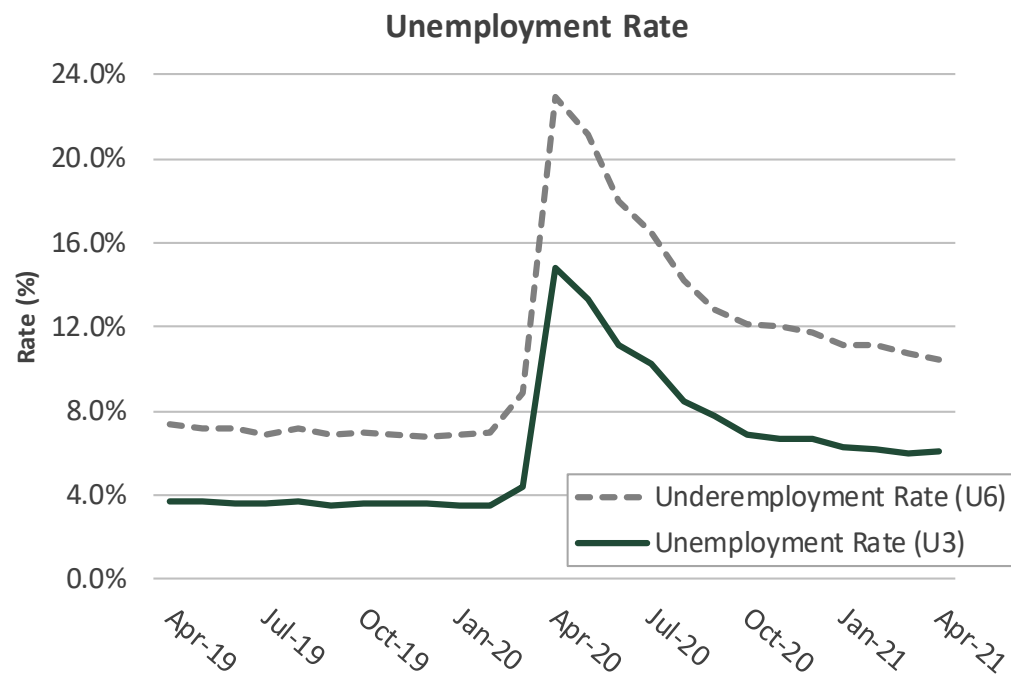
| Fiscal Package          | Amount                |
|-------------------------|-----------------------|
| CARES Act               | \$2.23 Trillion       |
| Coronavirus Relief Bill | \$484 Billion         |
| Phase 4 Stimulus        | \$908 Billion         |
| American Rescue Plan    | \$1.9 Trillion        |
| <b>Total So Far</b>     | <b>\$5.5 Trillion</b> |



# Employment



Source: US Department of Labor

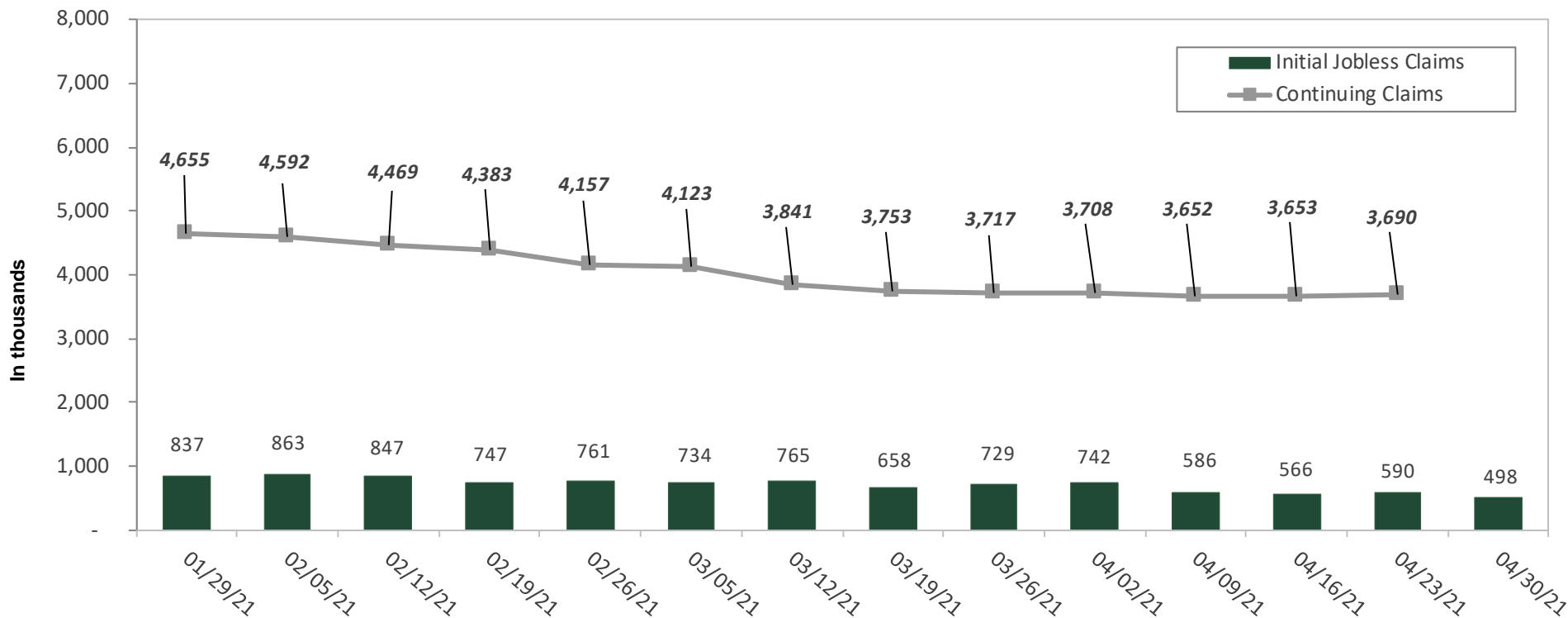


Source: US Department of Labor

The economy added far fewer jobs than expected in April. U.S. nonfarm payrolls increased by 266,000, versus the Bloomberg consensus forecast of 1,000,000. March payrolls were also revised down by 146,000. On a trailing 3-month and 6-month basis, payrolls increased by an average of 524,000 and 294,000 per month, respectively. Payrolls in the leisure and hospitality sector have been driving the job gains in recent months and were up 331,000 in April. Meanwhile, multiple sectors lost jobs in April, including transportation and warehousing, motor vehicle and parts manufacturing, and retail trade. The unemployment rate ticked higher to 6.1% in April from 6.0% in March, as the participation rate increased to 61.7% from 61.5%. Workers who classified themselves as employed but absent from work in April continued to understate the unemployment rate by about 0.3%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, declined to 10.4% in April from 10.7% in March.

# Initial Claims for Unemployment

Initial Claims For Unemployment January 29, 2021 - April 30, 2021

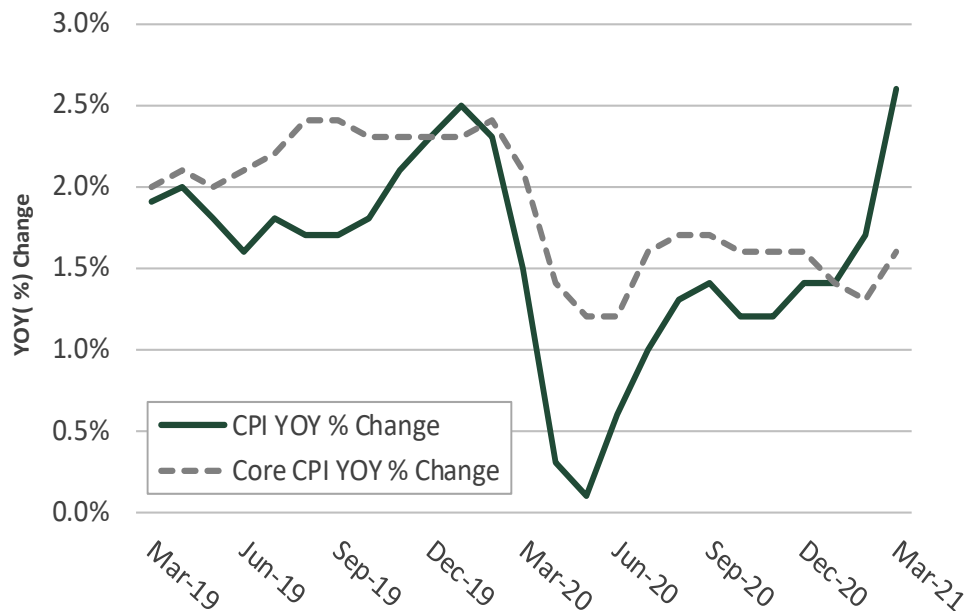


Source: US Department of Labor

In the most recent week, the number of initial jobless claims declined to 498,000 versus 590,000 in the prior week. The level of continuing unemployment claims (where the data is lagged by one week) was fairly stable at 3.690 million versus 3.653 million in the prior week. Although continuing jobless claims are much lower than the peak of nearly 25 million last May, they remained above the 2019 (pre-pandemic) average of 1.7 million.

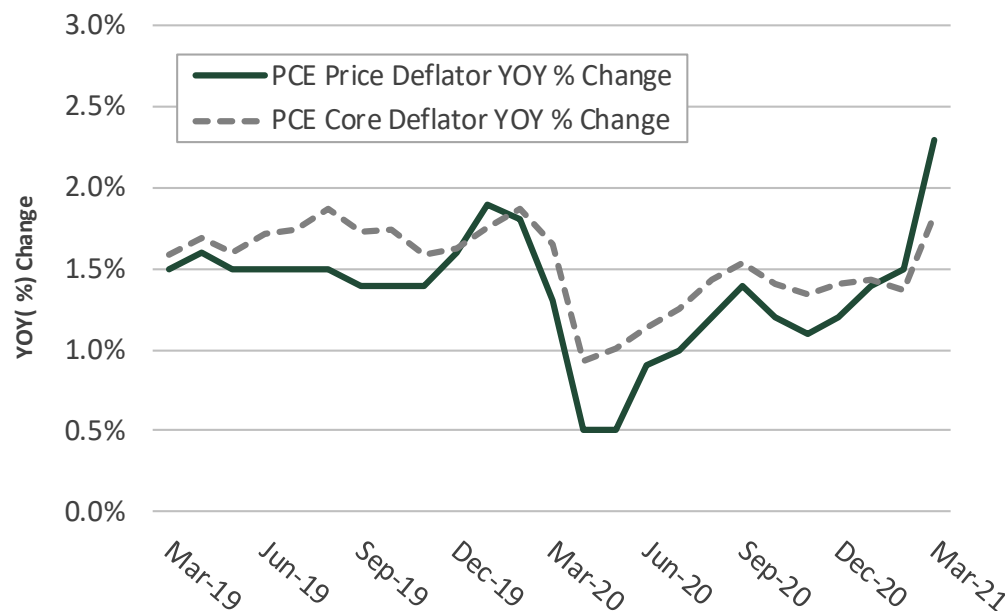
# Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

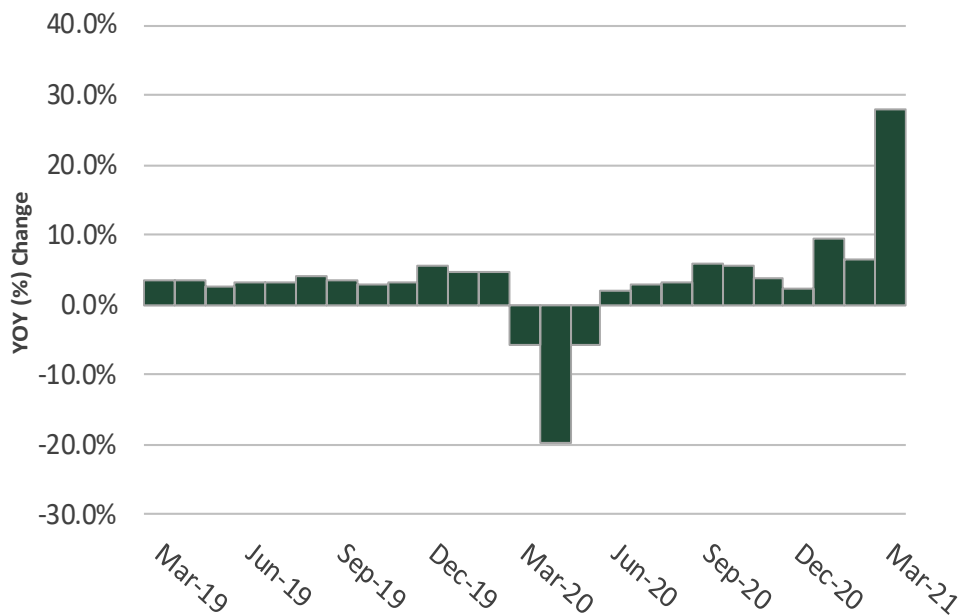


Source: US Department of Commerce

The Consumer Price Index (CPI) was up 2.6% year-over-year in March, versus up 1.7% year-over-year in February. The increase in March was driven by higher energy prices and the base effects of deflationary pressures in the initial stage of the pandemic last year. Core CPI (CPI less food and energy) was up just 1.6% year-over-year in March, versus up 1.3% in February. The Personal Consumption Expenditures (PCE) index was up 2.3% year-over-year in March, versus up 1.5% year-over-year in February. Core PCE, which is the Fed's primary inflation gauge, was up 1.8% year-over-year in March, versus up 1.4% year-over-year in February. Although inflation rates ticked higher in March, core inflation remains below the Fed's longer-run 2.0% target. Over the near-term, the Fed expects "base effects" (i.e., comparing current prices to prices at the early stage of the pandemic when prices were under pressure) will add about 1.0% to headline inflation and 0.7% to core inflation readings. The base effects are expected to dissipate in a few months. Bottlenecks and supply chain disruptions are likely to add to inflation in the near-term as well.

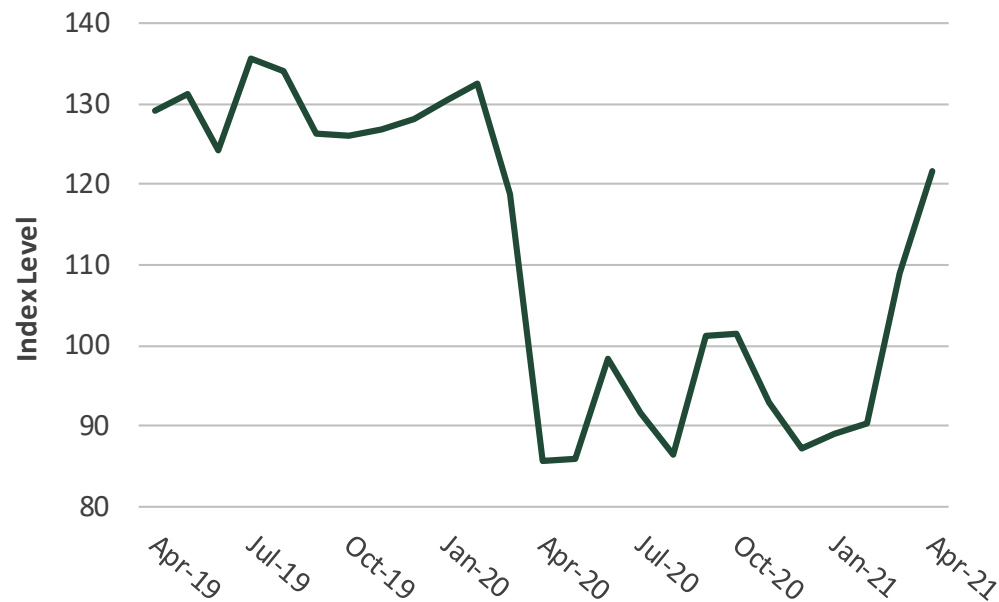
# Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

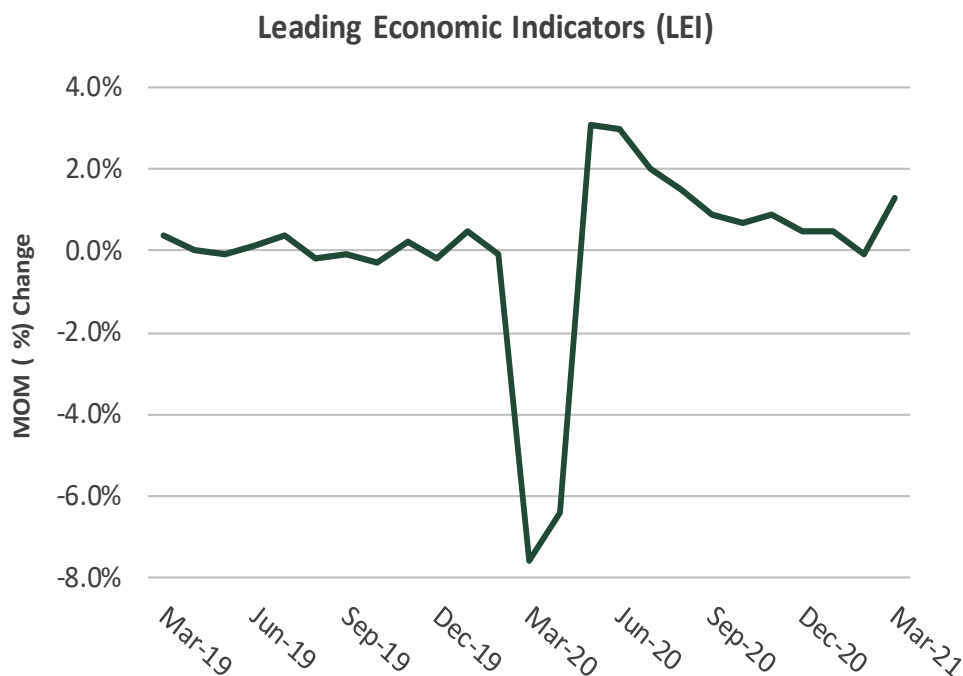
Consumer Confidence



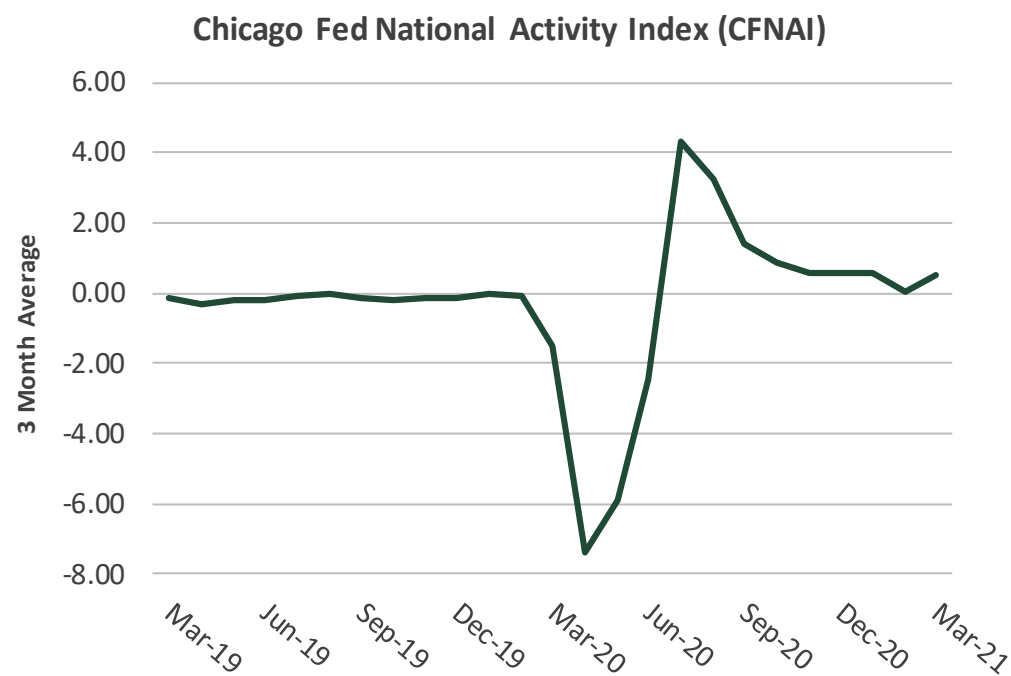
Source: The Conference Board

On a year-over-year basis, retail sales were up 27.7% in March versus up 6.7% in February. On a month-over-month basis, retail sales were even stronger than expected in March, surging 9.8%, following a 2.7% decline in February. The March increase was likely fueled by federal stimulus checks which were delivered early in the month. Pent-up demand, following severe winter weather in February, likely also helped drive March sales. The increase was broad-based across all major categories in March, with particular strength in sporting goods, hobby, instrument & book stores, clothing & accessories, and motor vehicle & parts. The Consumer Confidence index jumped to 121.7 in April from 109.0 in March, which bodes well for consumer spending results for April as well.

## Economic Activity



Source: The Conference Board

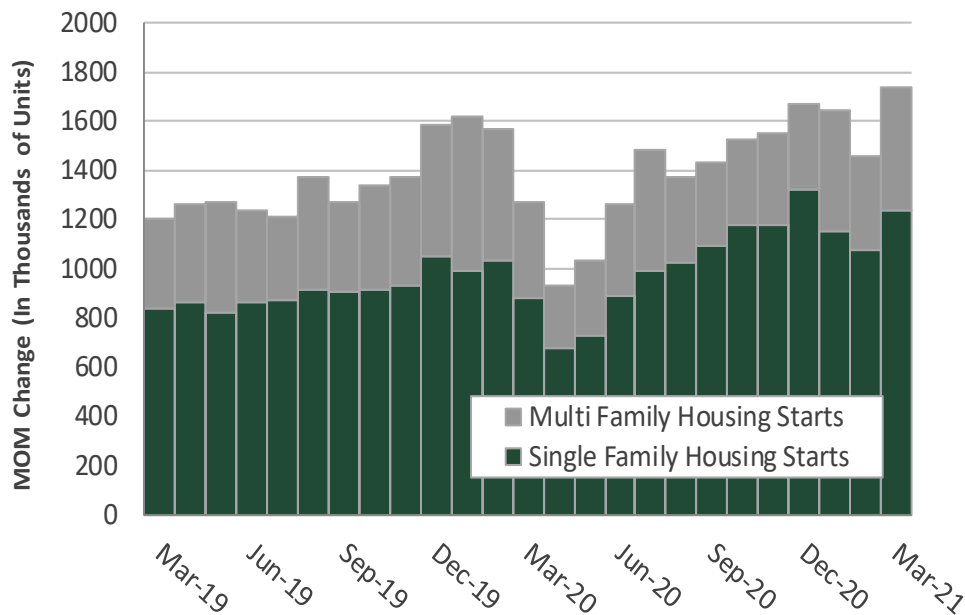


Source: Federal Reserve Bank of Chicago

The Conference Board’s Leading Economic Index (LEI) jumped 1.3% month-over-month in March (much higher than the 0.6% consensus forecast), following a 0.1% decline in February. On a year-over-year basis, the LEI was up 7.9% in March versus down 1.5% in February. This is the first time the index has been positive on a year-over-year basis since the pandemic started, as comparisons have eased. According to the Conference Board, the index suggests that economic momentum is increasing in the near-term, with widespread gains across all ten index components. Meanwhile, the Chicago Fed National Activity Index (CFNAI) increased to +1.71 in March (well ahead of the 0.58 consensus forecast) from -1.20 in February. On a 3-month moving average basis, the CFNAI jumped to +0.54 in March from 0.07 in February, pointing to above-trend economic growth.

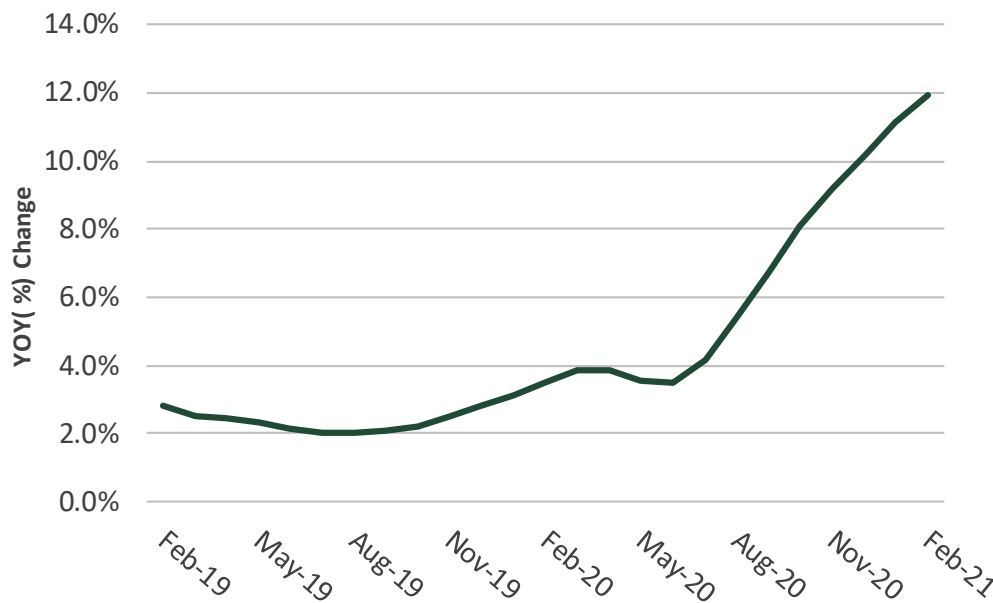
# Housing

Housing Starts



Source: US Department of Commerce

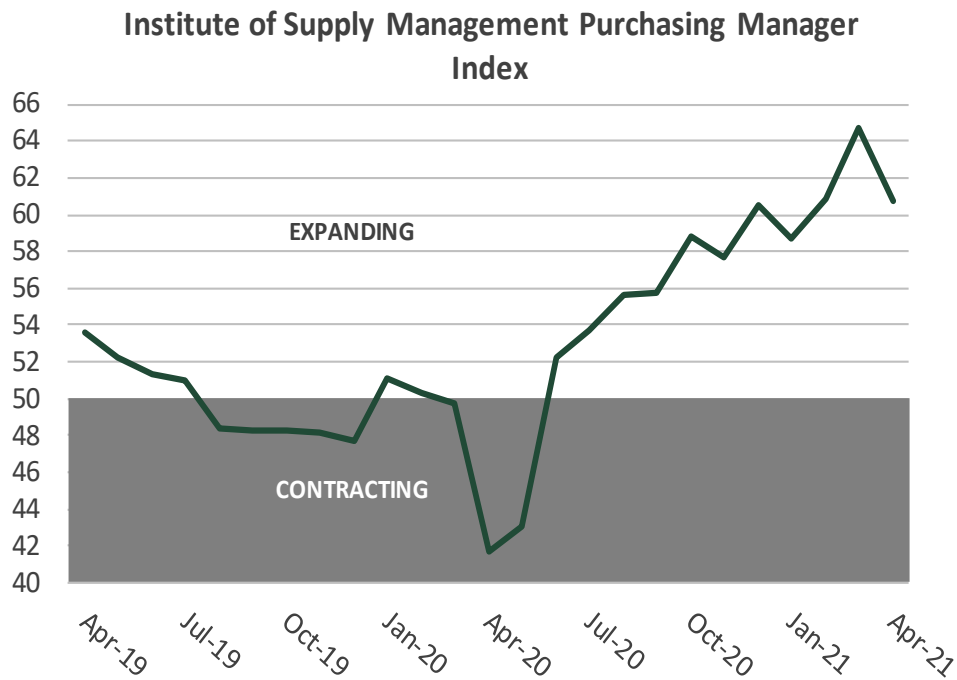
S&P/Case-Shiller 20 City Composite Home Price Index



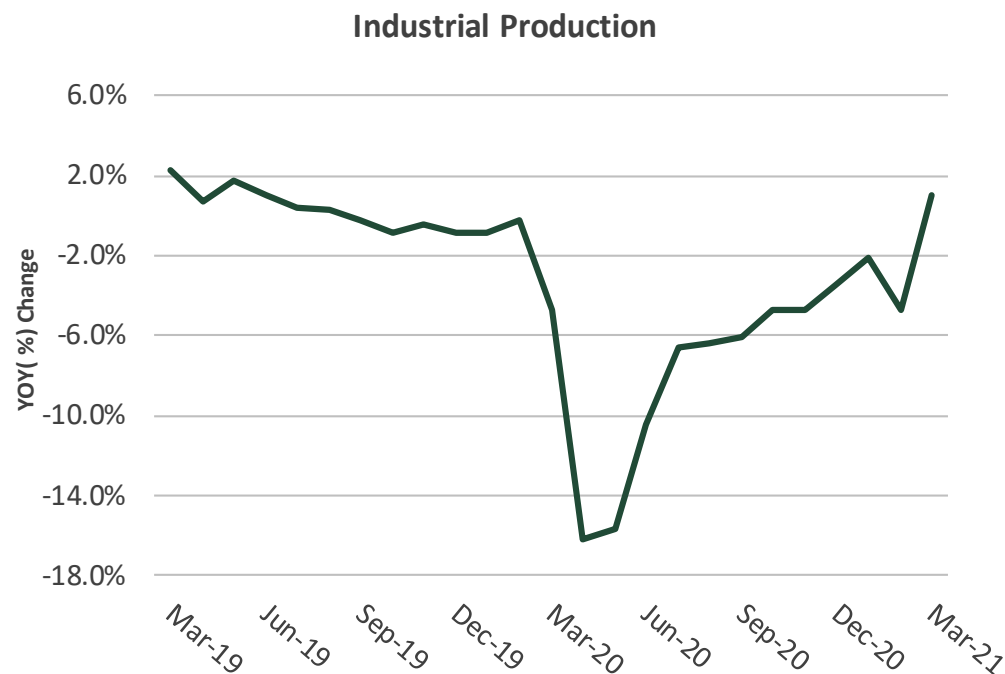
Source: S&P

Total housing starts were stronger than expected in March, up 19.4% to an annual pace of 1,739,000. Single-family starts rose 15.3% in March and multi-family starts were up 30.8%. On a year-over-year basis, housing starts were up 37.0% in March. Permits were also stronger than expected in March, up 2.7% to an annualized rate of 1,766,000. According to the Case-Shiller 20-City home price index, home prices were up 11.9% year-over-year in February versus up 11.1% year-over-year in January. Low inventory and strong demand continues to put upward pressure on home prices.

# Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

The Institute for Supply Management (ISM) manufacturing index declined to 60.7 in April from 64.7 in March. Although the index declined, the results remain strong as readings above 50.0 are indicative of expansion in the manufacturing sector. We believe a weaker US dollar has been supportive of the US manufacturing sector during the pandemic. The Industrial Production index was up 1.0% year-over-year in March, versus down 4.8% in February. On a month-over-month basis, the Industrial Production index increased 1.4% in March, following a 2.6% decline in February. The March rebound was likely driven in part by weather. Capacity Utilization increased to 74.4% in March from 73.4% in February but remains well below the long-run average of 79.8%.

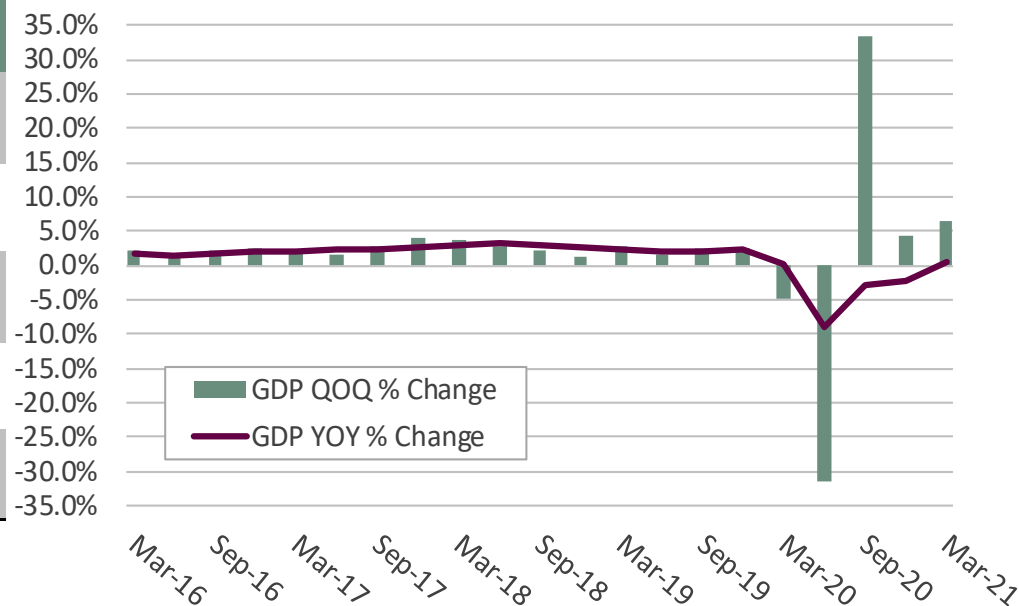


## Gross Domestic Product (GDP)

| Components of GDP                                  | 6/20          | 9/20         | 12/20       | 3/21        |
|----------------------------------------------------|---------------|--------------|-------------|-------------|
| Personal Consumption Expenditures                  | -24.0%        | 25.4%        | 1.6%        | 7.0%        |
| Gross Private Domestic Investment                  | -8.8%         | 12.0%        | 4.4%        | -0.9%       |
| Net Exports and Imports                            | 0.6%          | -3.2%        | -1.5%       | -0.9%       |
| Federal Government Expenditures                    | 1.2%          | -0.4%        | -0.1%       | 0.9%        |
| State and Local (Consumption and Gross Investment) | -0.4%         | -0.4%        | -0.1%       | 0.2%        |
| <b>Total</b>                                       | <b>-31.4%</b> | <b>33.4%</b> | <b>4.3%</b> | <b>6.4%</b> |

Source: US Department of Commerce

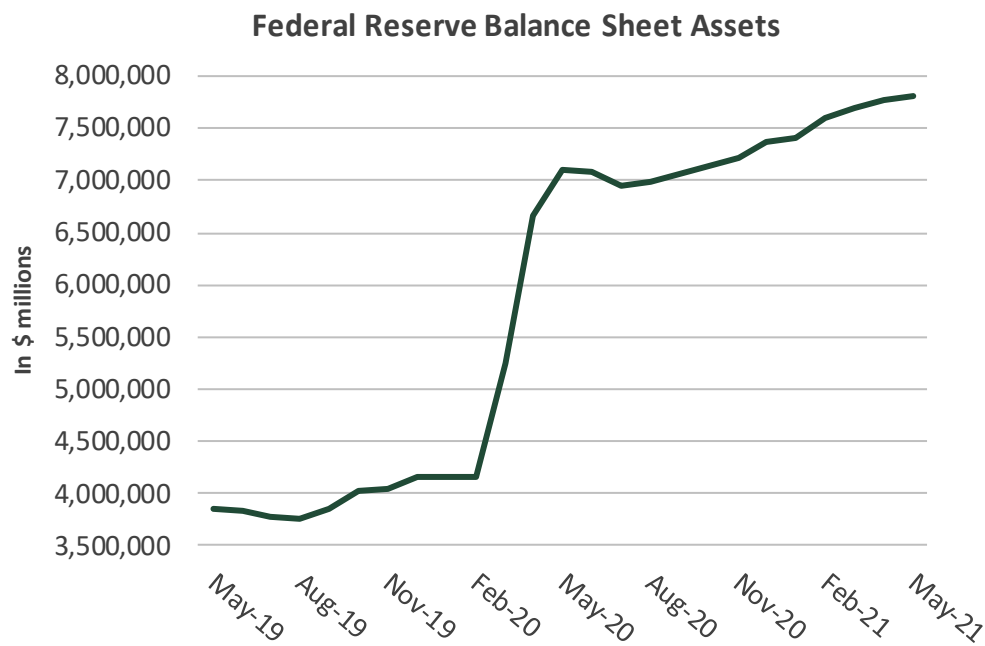
## Gross Domestic Product (GDP)



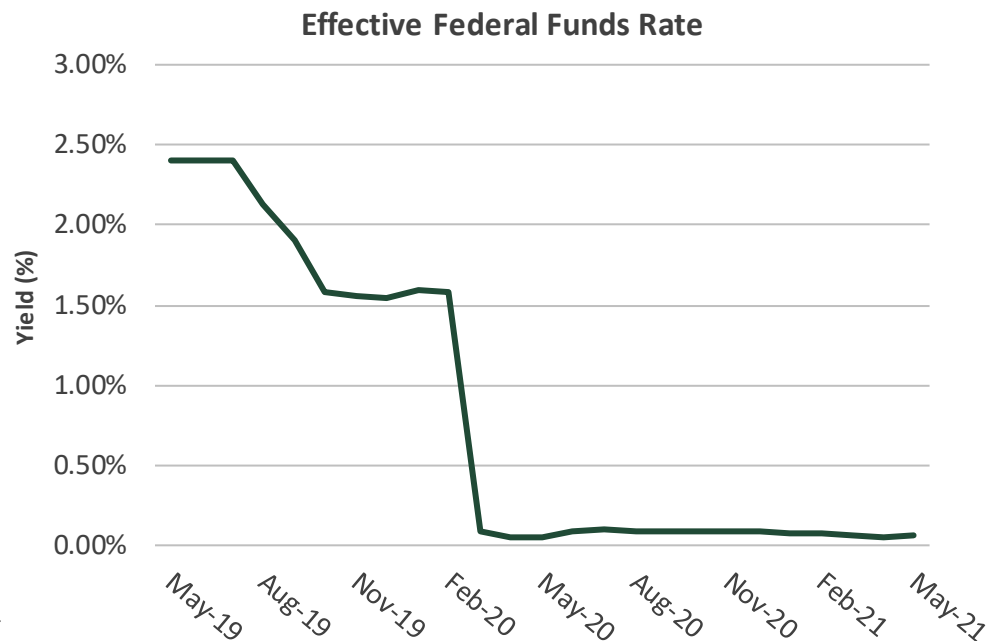
Source: US Department of Commerce

US economic growth accelerated in the first quarter. According to the advance estimate, real US gross domestic product (GDP) grew at an annualized rate of 6.4% in the first quarter (slightly below the upwardly revised 6.7% consensus estimate), following 4.3% growth in the fourth quarter of 2020. Economic growth is expected to accelerate even further in the current quarter to an annualized rate of 8.1%. The consensus forecast for full year 2021 US gross domestic product growth is 6.3%, following a 3.5% decline in 2020.

# Federal Reserve



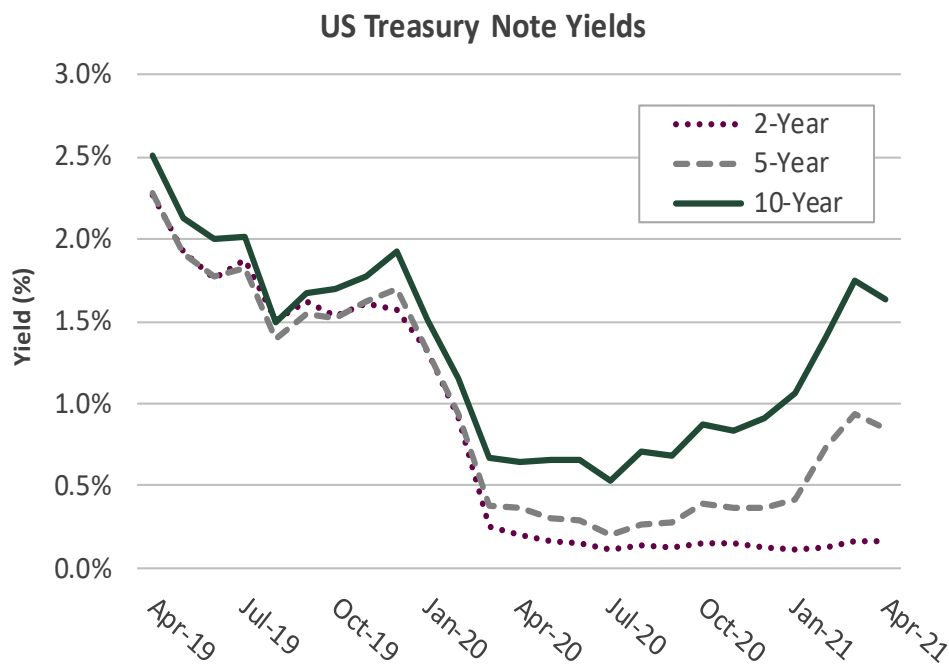
Source: Federal Reserve



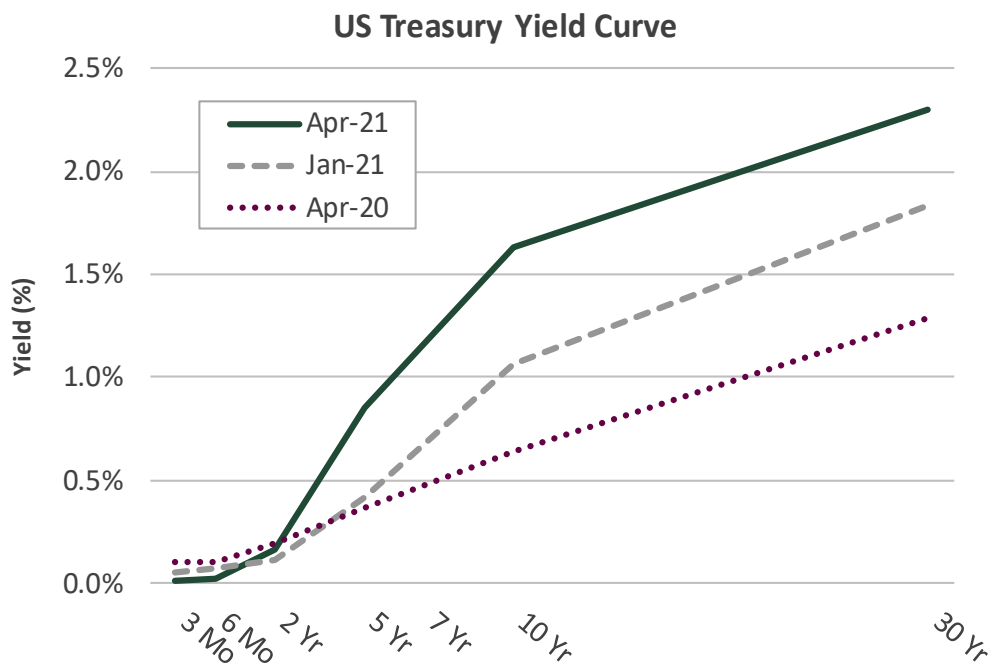
Source: Bloomberg

Last year, the Fed took a wide range of aggressive actions to help stabilize and provide liquidity to the financial markets. The Fed lowered the fed funds target rate to a range of 0.0%-0.25% and continues to purchase Treasury and agency mortgage-backed securities to support smooth market functioning. Last year, policymakers reinstated the Commercial Paper Funding Facility and Money Market Mutual Fund Liquidity Facility. The Fed also established the Primary Market Corporate Credit Facility, Secondary Market Corporate Credit Facility, Term Asset-Backed Securities Loan Facility, Paycheck Protection Program Liquidity Facility, Main Street Lending Facility, and Municipal Liquidity Facility. The Fed has also provided short-term funding through large-scale repo operations and lowered the reserve requirement for depository institutions. Notably, many of the Fed's lending facilities expired at the end of 2020, including the Fed's corporate credit, asset-backed securities, municipal lending, and Main Street Lending programs.

# Bond Yields



Source: Bloomberg



Source: Bloomberg

The treasury yield curve is much steeper relative to this time last year. The 3-month T-bill yield is about eight basis points lower, and the 2-year Treasury yield is about four basis points lower, while the 10-Year Treasury yield is about 99 basis points higher, year-over-year, as of April month-end. The Fed has signaled plans to keep the front end of the Treasury yield curve anchored near zero until at least 2023. We believe longer-term rates still have room to move higher this year.

## Section 2 | Account Profile

## Objectives

### Investment Objectives

The investment objectives of the District, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

### Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

### Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the investment policy and California Government Code.

# Compliance

## Three Valleys Municipal Water District

Assets managed by Chandler Asset Management are in full compliance with state law and with the District's investment policy.

| Category                                                    | Standard                                                                                                                                                                                                          | Comment  |
|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| Treasury Issues                                             | No Limitation                                                                                                                                                                                                     | Complies |
| Agency Issues                                               | No Limitation                                                                                                                                                                                                     | Complies |
| Municipal Securities/<br>Local Agency Bonds                 | Bonds issued by TVMWD; Issued by local agency within the state of California, including pooled investment accounts sponsored by the state of California, County Treasurers, or Joint Power Agencies               | Complies |
| Supranationals                                              | Issued by IBRD, IFC or IADB only; "AA" rated or higher by a NRSRO; 30% maximum; 10% max per issuer                                                                                                                | Complies |
| Banker's Acceptances                                        | "A" rated or higher by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity                                                                                                                             | Complies |
| Commercial Paper                                            | "A-1" rated or equivalent by a NRSRO; "A" rated issuer or equivalent by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issuer must be organized and operating within the US, have AUM >\$500 mil | Complies |
| Corporate Medium Term Notes                                 | "A" rated or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S.                                 | Complies |
| Negotiable Certificates of Deposit                          | 30% maximum; 5% max per issuer                                                                                                                                                                                    | Complies |
| Certificates of Deposits/Time Deposit                       | Collateralized/ FDIC insured                                                                                                                                                                                      | Complies |
| Money Market Mutual Funds                                   | "AAA" rated by 2 NRSROs; 20% maximum; 10% per fund                                                                                                                                                                | Complies |
| Mortgage Pass-throughs, CMOs and<br>Asset Backed Securities | "AA" rated or higher by a NRSRO; 20% maximum; 5% max per issuer                                                                                                                                                   | Complies |
| Local Agency Investment Fund - LAIF                         | Max program limitation                                                                                                                                                                                            | Complies |
| Repurchase Agreements                                       | 102% Collateralized; 1year max maturity                                                                                                                                                                           | Complies |
| Reverse Repurchase Agreements                               | 20% maximum; 92 days max maturity                                                                                                                                                                                 | Complies |
| Prohibited Securities                                       | Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities                                                                                           | Complies |
| Max Per Issuer                                              | 5% of portfolio per issuer (except U.S. Government, Agencies/GSEs, Supranationals, Money Market Mutual Funds, LAIF, LGIP)                                                                                         | Complies |
| Maximum maturity                                            | 5 years                                                                                                                                                                                                           | Complies |

## Portfolio Characteristics

### Three Valleys Municipal Water District

|                                  | 4/30/2021  |           | 1/31/2021 |
|----------------------------------|------------|-----------|-----------|
|                                  | Benchmark* | Portfolio | Portfolio |
| <b>Average Maturity (yrs)</b>    | 2.64       | 2.68      | 2.77      |
| <b>Average Modified Duration</b> | 2.57       | 2.55      | 2.57      |
| <b>Average Purchase Yield</b>    | n/a        | 1.35%     | 2.09%     |
| <b>Average Market Yield</b>      | 0.33%      | 0.40%     | 0.26%     |
| <b>Average Quality**</b>         | AAA        | AA+/Aa1   | AA/Aa1    |
| <b>Total Market Value</b>        |            | 2,837,214 | 1,842,977 |

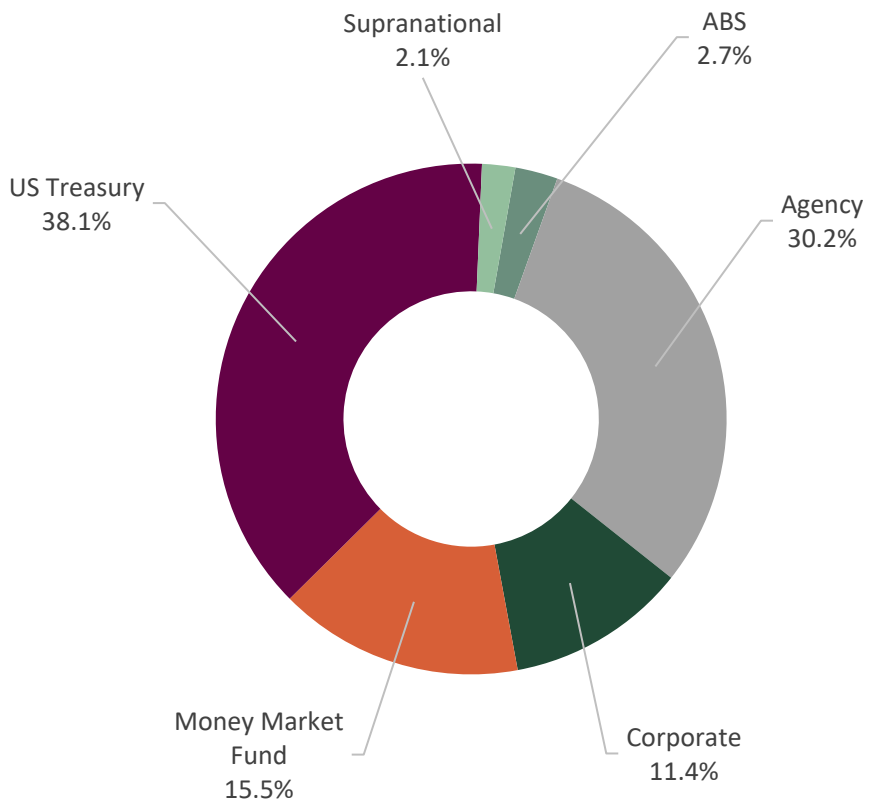
\*ICE BAML 1-5 Year US Treasury/Agency Index

\*\*Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

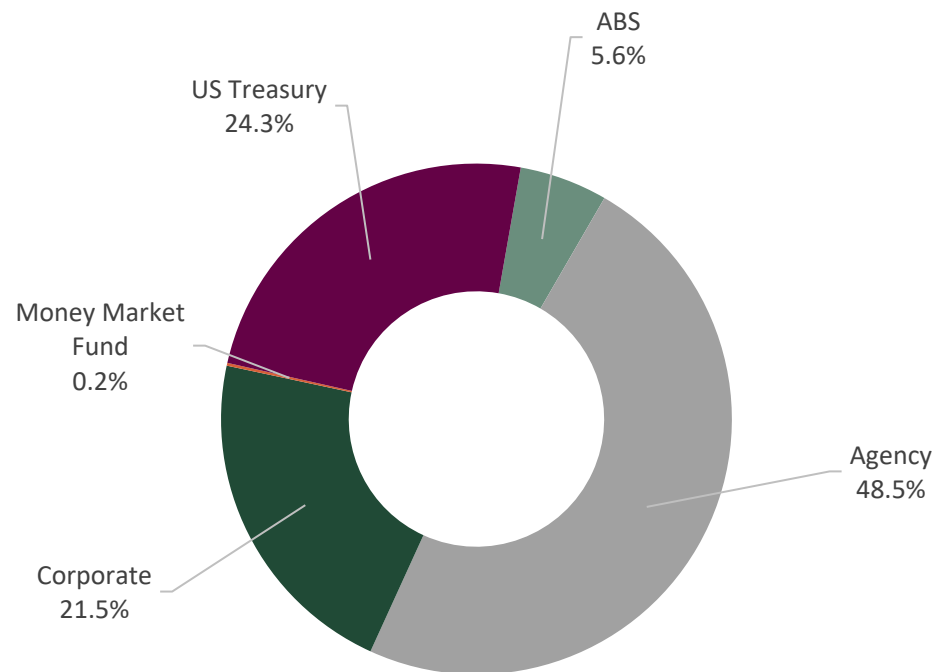
# Sector Distribution

## Three Valleys Municipal Water District

April 30, 2021



January 31, 2021





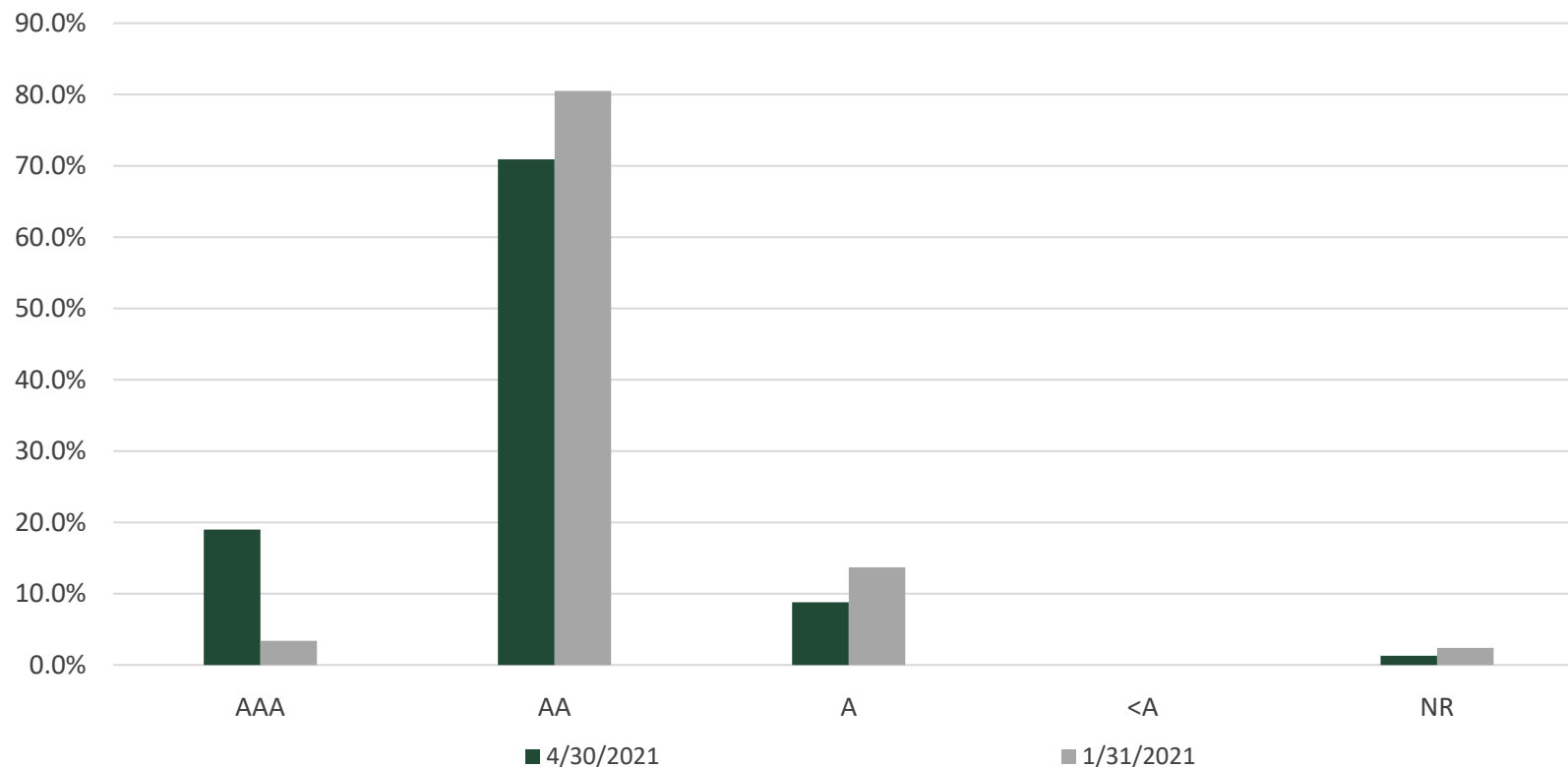
## Issuers

## Three Valleys Municipal Water District – Account #10065

| Issue Name                            | Investment Type   | % Portfolio    |
|---------------------------------------|-------------------|----------------|
| Government of United States           | US Treasury       | 38.13%         |
| First American Govt Oblig Fund        | Money Market Fund | 15.46%         |
| Federal Home Loan Mortgage Corp       | Agency            | 8.39%          |
| Federal Home Loan Bank                | Agency            | 8.35%          |
| Federal National Mortgage Association | Agency            | 7.88%          |
| Federal Farm Credit Bank              | Agency            | 5.55%          |
| JP Morgan Chase & Co                  | Corporate         | 2.72%          |
| Paccar Financial                      | Corporate         | 2.65%          |
| Apple Inc                             | Corporate         | 2.60%          |
| Charles Schwab Corp/The               | Corporate         | 2.58%          |
| Inter-American Dev Bank               | Supranational     | 2.11%          |
| Nissan ABS                            | ABS               | 1.19%          |
| Deere & Company                       | Corporate         | 0.88%          |
| John Deere ABS                        | ABS               | 0.76%          |
| Toyota ABS                            | ABS               | 0.53%          |
| Honda ABS                             | ABS               | 0.21%          |
| <b>TOTAL</b>                          |                   | <b>100.00%</b> |

# Quality Distribution

**Three Valleys Municipal Water District**  
**April 30, 2021 vs. January 31, 2021**

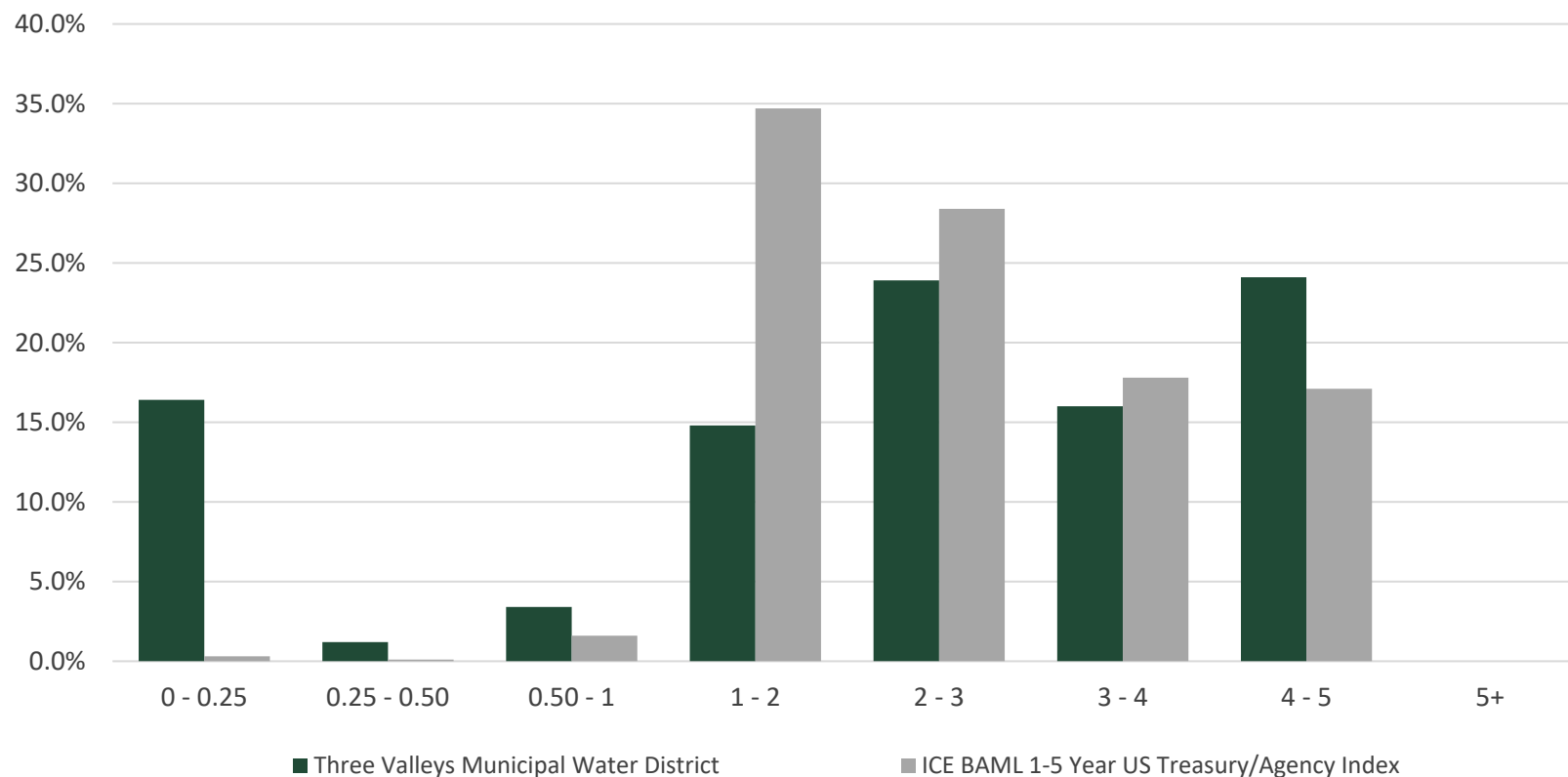


|          | AAA   | AA    | A     | <A   | NR   |
|----------|-------|-------|-------|------|------|
| 04/30/21 | 19.0% | 70.9% | 8.8%  | 0.0% | 1.3% |
| 01/31/21 | 3.4%  | 80.5% | 13.7% | 0.0% | 2.4% |

Source: S&P Ratings

# Duration Distribution

**Three Valleys Municipal Water District  
Portfolio Compared to the Benchmark as of April 30, 2021**

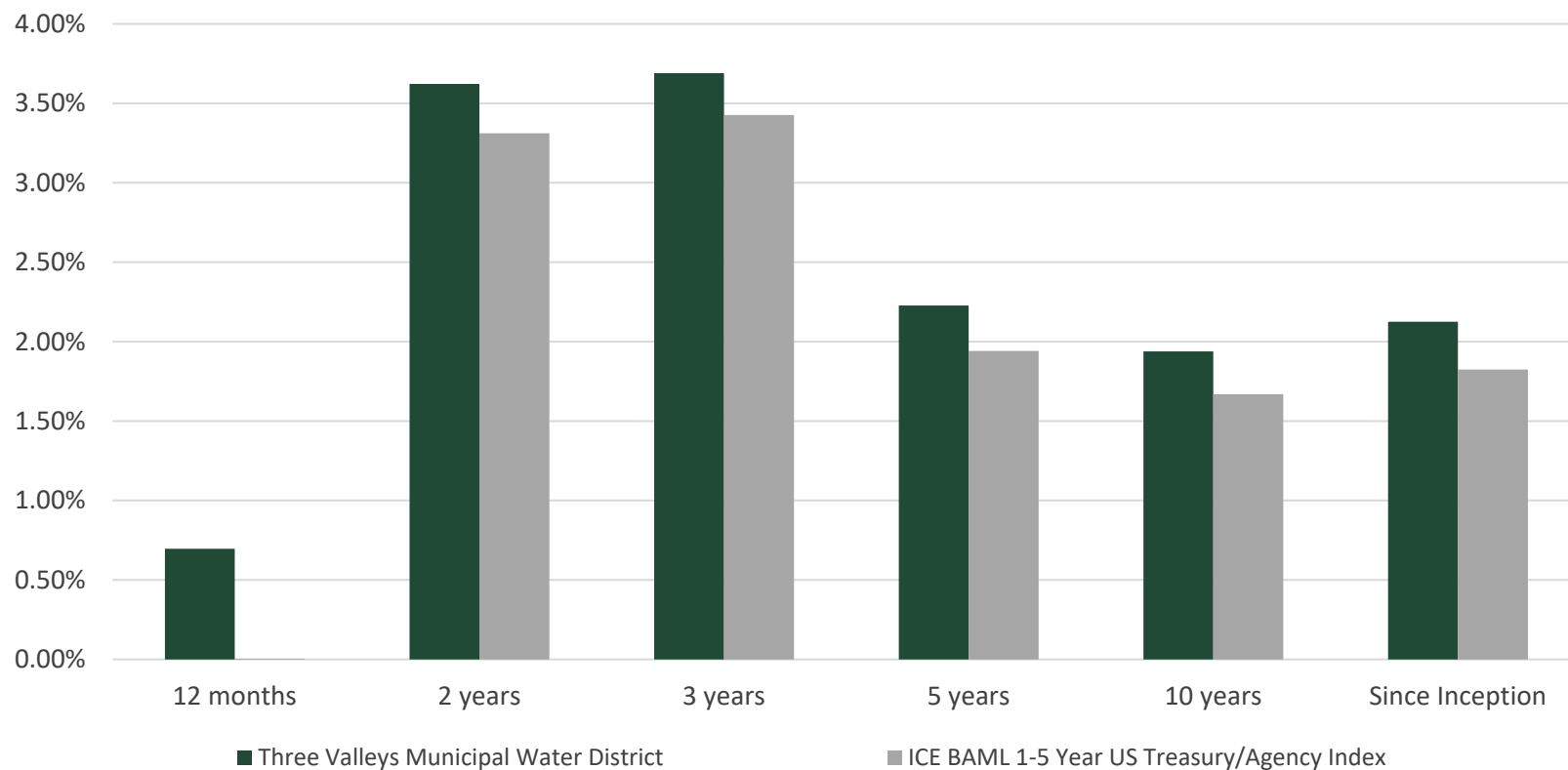


|            | 0 - 0.25 | 0.25 - 0.50 | 0.50 - 1 | 1 - 2 | 2 - 3 | 3 - 4 | 4 - 5 | 5+   |
|------------|----------|-------------|----------|-------|-------|-------|-------|------|
| Portfolio  | 16.4%    | 1.2%        | 3.4%     | 14.8% | 23.9% | 16.0% | 24.1% | 0.0% |
| Benchmark* | 0.3%     | 0.1%        | 1.6%     | 34.7% | 28.4% | 17.8% | 17.1% | 0.0% |

\*ICE BAML 1-5 Year US Treasury/Agency Index

# Investment Performance

**Three Valleys Municipal Water District**  
**Total Rate of Return Annualized Since Inception 04/30/2009**



| TOTAL RATE OF RETURN                       | Annualized |           |         |         |         |          |                 |
|--------------------------------------------|------------|-----------|---------|---------|---------|----------|-----------------|
|                                            | 3 months   | 12 months | 2 years | 3 years | 5 years | 10 years | Since Inception |
| Three Valleys Municipal Water District     | -0.31%     | 0.70%     | 3.62%   | 3.69%   | 2.23%   | 1.94%    | 2.13%           |
| ICE BAML 1-5 Year US Treasury/Agency Index | -0.31%     | 0.00%     | 3.31%   | 3.43%   | 1.94%   | 1.67%    | 1.82%           |

Total rate of return: A measure of a portfolio’s performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

## Section 3 | Portfolio Holdings

## Holdings Report

## Three Valleys Municipal Water District - Account #10065

| CUSIP            | Security Description                                              | Par Value/Units  | Purchase Date<br>Book Yield | Cost Value<br>Book Value             | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.     | % of Port.<br>Gain/Loss       | Moody/S&P<br>Fitch             | Maturity<br>Duration       |
|------------------|-------------------------------------------------------------------|------------------|-----------------------------|--------------------------------------|----------------------|----------------------------------|-------------------------------|--------------------------------|----------------------------|
| <b>ABS</b>       |                                                                   |                  |                             |                                      |                      |                                  |                               |                                |                            |
| 43814UAG4        | Honda Auto Receivables Trust 2018-2 A3<br>3.010% Due 05/18/2022   | 6,027.70         | 05/22/2018<br>3.03%         | 6,027.57<br>6,027.67                 | 100.42<br>0.25%      | 6,052.76<br>6.55                 | 0.21%<br>25.09                | NR / AAA<br>AAA                | 1.05<br>0.15               |
| 47788EAC2        | John Deere Owner Trust 2018-B A3<br>3.080% Due 11/15/2022         | 21,327.09        | 07/18/2018<br>3.10%         | 21,325.47<br>21,326.51               | 100.66<br>0.22%      | 21,468.70<br>29.19               | 0.76%<br>142.19               | Aaa / NR<br>AAA                | 1.55<br>0.23               |
| 65479GAD1        | Nissan Auto Receivables Trust 2018-B A3<br>3.060% Due 03/15/2023  | 33,423.60        | 07/17/2018<br>3.08%         | 33,422.52<br>33,423.36               | 101.11<br>0.14%      | 33,795.40<br>45.46               | 1.19%<br>372.04               | Aaa / AAA<br>NR                | 1.87<br>0.38               |
| 89240BAC2        | Toyota Auto Receivables Owners 2021-A A3<br>0.260% Due 05/15/2025 | 15,000.00        | 02/02/2021<br>0.27%         | 14,997.22<br>14,997.42               | 99.90<br>0.32%       | 14,985.44<br>1.73                | 0.53%<br>(11.98)              | Aaa / NR<br>AAA                | 4.04<br>1.58               |
| <b>TOTAL ABS</b> |                                                                   | <b>75,778.39</b> | <b>2.53%</b>                | <b>75,772.78</b><br><b>75,774.96</b> | <b>0.21%</b>         | <b>76,302.30</b><br><b>82.93</b> | <b>2.69%</b><br><b>527.34</b> | <b>Aaa / AAA</b><br><b>Aaa</b> | <b>2.14</b><br><b>0.56</b> |
| <b>Agency</b>    |                                                                   |                  |                             |                                      |                      |                                  |                               |                                |                            |
| 3130AABG2        | FHLB Note<br>1.875% Due 11/29/2021                                | 20,000.00        | 12/28/2016<br>2.10%         | 19,794.00<br>19,975.68               | 101.05<br>0.07%      | 20,209.36<br>158.33              | 0.72%<br>233.68               | Aaa / AA+<br>AAA               | 0.58<br>0.58               |
| 3133EAYP7        | FFCB Note<br>1.950% Due 07/19/2022                                | 100,000.00       | 07/28/2017<br>1.92%         | 100,138.00<br>100,033.78             | 102.22<br>0.13%      | 102,220.50<br>552.50             | 3.62%<br>2,186.72             | Aaa / AA+<br>AAA               | 1.22<br>1.20               |
| 3137EAEN5        | FHLMC Note<br>2.750% Due 06/19/2023                               | 100,000.00       | 09/27/2018<br>3.03%         | 98,785.00<br>99,451.31               | 105.41<br>0.21%      | 105,412.30<br>1,008.33           | 3.75%<br>5,960.99             | Aaa / AA+<br>AAA               | 2.14<br>2.07               |
| 313383YJ4        | FHLB Note<br>3.375% Due 09/08/2023                                | 100,000.00       | 02/26/2019<br>2.57%         | 103,413.00<br>101,774.59             | 107.23<br>0.29%      | 107,232.00<br>496.88             | 3.80%<br>5,457.41             | Aaa / AA+<br>NR                | 2.36<br>2.27               |
| 3137EAEY1        | FHLMC Note<br>0.125% Due 10/16/2023                               | 30,000.00        | 10/22/2020<br>0.26%         | 29,875.50<br>29,897.24               | 99.66<br>0.26%       | 29,899.32<br>1.56                | 1.05%<br>2.08                 | Aaa / AA+<br>AAA               | 2.46<br>2.45               |
| 3133EDBU5        | FFCB Note<br>3.500% Due 12/20/2023                                | 50,000.00        | 01/16/2019<br>2.74%         | 51,743.00<br>50,933.54               | 108.33<br>0.33%      | 54,164.55<br>636.81              | 1.93%<br>3,231.01             | Aaa / AA+<br>AAA               | 2.64<br>2.52               |
| 3130A1XJ2        | FHLB Note<br>2.875% Due 06/14/2024                                | 100,000.00       | 06/18/2019<br>1.96%         | 104,323.00<br>102,704.84             | 107.71<br>0.39%      | 107,707.30<br>1,094.10           | 3.83%<br>5,002.46             | Aaa / AA+<br>NR                | 3.13<br>2.98               |
| 3137EAEPO        | FHLMC Note<br>1.500% Due 02/12/2025                               | 22,000.00        | 03/24/2020<br>0.95%         | 22,571.34<br>22,442.67               | 103.48<br>0.57%      | 22,765.73<br>72.42               | 0.80%<br>323.06               | Aaa / AA+<br>AAA               | 3.79<br>3.67               |
| 3135G03U5        | FNMA Note<br>0.625% Due 04/22/2025                                | 100,000.00       | 04/27/2020<br>0.67%         | 99,768.00<br>99,814.91               | 99.92<br>0.65%       | 99,917.40<br>15.63               | 3.52%<br>102.49               | Aaa / AA+<br>AAA               | 3.98<br>3.92               |
| 3137EAEU9        | FHLMC Note<br>0.375% Due 07/21/2025                               | 20,000.00        | 07/21/2020<br>0.48%         | 19,900.40<br>19,915.80               | 98.67<br>0.70%       | 19,733.90<br>20.83               | 0.70%<br>(181.90)             | Aaa / AA+<br>AAA               | 4.23<br>4.18               |
| 3135G05X7        | FNMA Note<br>0.375% Due 08/25/2025                                | 60,000.00        | 08/25/2020<br>0.47%         | 59,719.20<br>59,757.23               | 98.64<br>0.70%       | 59,184.30<br>41.25               | 2.09%<br>(572.93)             | Aaa / AA+<br>AAA               | 4.32<br>4.27               |

## Holdings Report

## Three Valleys Municipal Water District - Account #10065

| CUSIP                          | Security Description                                                       | Par Value/Units   | Purchase Date<br>Book Yield | Cost Value<br>Book Value               | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.         | % of Port.<br>Gain/Loss           | Moody/S&P<br>Fitch             | Maturity<br>Duration       |
|--------------------------------|----------------------------------------------------------------------------|-------------------|-----------------------------|----------------------------------------|----------------------|--------------------------------------|-----------------------------------|--------------------------------|----------------------------|
| 3137EAEX3                      | FHLMC Note<br>0.375% Due 09/23/2025                                        | 60,000.00         | 09/23/2020<br>0.44%         | 59,819.40<br>59,840.98                 | 98.41<br>0.74%       | 59,045.16<br>23.75                   | 2.08%<br>(795.82)                 | Aaa / AA+<br>AAA               | 4.40<br>4.35               |
| 3135G06G3                      | FNMA Note<br>0.500% Due 11/07/2025                                         | 65,000.00         | 11/09/2020<br>0.57%         | 64,767.30<br>64,789.02                 | 98.83<br>0.76%       | 64,240.15<br>152.57                  | 2.27%<br>(548.87)                 | Aaa / AA+<br>AAA               | 4.53<br>4.45               |
| <b>TOTAL Agency</b>            |                                                                            | <b>827,000.00</b> | <b>1.61%</b>                | <b>834,617.14</b><br><b>831,331.59</b> | <b>0.42%</b>         | <b>851,731.97</b><br><b>4,274.96</b> | <b>30.17%</b><br><b>20,400.38</b> | <b>Aaa / AA+</b><br><b>Aaa</b> | <b>2.98</b><br><b>2.91</b> |
| <b>Corporate</b>               |                                                                            |                   |                             |                                        |                      |                                      |                                   |                                |                            |
| 48128BAB7                      | JP Morgan Chase & Co Callable Note 1X 1/15/2022<br>2.972% Due 01/15/2023   | 75,000.00         | 10/30/2018<br>3.73%         | 72,801.00<br>74,107.24                 | 101.85<br>0.35%      | 76,387.43<br>656.32                  | 2.72%<br>2,280.19                 | A2 / A-<br>AA-                 | 1.71<br>0.70               |
| 808513AT2                      | Charles Schwab Corp Callable Note Cont 12/25/2022<br>2.650% Due 01/25/2023 | 70,000.00         | 06/01/2018<br>3.31%         | 68,014.10<br>69,257.19                 | 103.80<br>0.34%      | 72,659.16<br>494.67                  | 2.58%<br>3,401.97                 | A2 / A<br>A                    | 1.74<br>1.62               |
| 037833AK6                      | Apple Inc Note<br>2.400% Due 05/03/2023                                    | 70,000.00         | 11/29/2018<br>3.49%         | 66,895.50<br>68,592.88                 | 104.21<br>0.30%      | 72,947.56<br>830.67                  | 2.60%<br>4,354.68                 | Aa1 / AA+<br>NR                | 2.01<br>1.95               |
| 69371RP59                      | Paccar Financial Corp Note<br>3.400% Due 08/09/2023                        | 70,000.00         | 09/10/2018<br>3.37%         | 70,099.40<br>70,046.04                 | 106.71<br>0.43%      | 74,700.36<br>542.11                  | 2.65%<br>4,654.32                 | A1 / A+<br>NR                  | 2.28<br>2.19               |
| 24422EVN6                      | John Deere Capital Corp Note<br>0.450% Due 01/17/2024                      | 25,000.00         | 03/01/2021<br>0.47%         | 24,982.25<br>24,983.23                 | 100.01<br>0.45%      | 25,002.55<br>17.81                   | 0.88%<br>19.32                    | A2 / A<br>A                    | 2.72<br>2.69               |
| <b>TOTAL Corporate</b>         |                                                                            | <b>310,000.00</b> | <b>3.24%</b>                | <b>302,792.25</b><br><b>306,986.58</b> | <b>0.36%</b>         | <b>321,697.06</b><br><b>2,541.58</b> | <b>11.43%</b><br><b>14,710.48</b> | <b>A1 / A+</b><br><b>A+</b>    | <b>1.99</b><br><b>1.69</b> |
| <b>Money Market Fund</b>       |                                                                            |                   |                             |                                        |                      |                                      |                                   |                                |                            |
| 31846V203                      | First American Govt Obligation Fund Class Y                                | 438,764.54        | Various<br>0.01%            | 438,764.54<br>438,764.54               | 1.00<br>0.01%        | 438,764.54<br>0.00                   | 15.46%<br>0.00                    | Aaa / AAA<br>AAA               | 0.00<br>0.00               |
| <b>TOTAL Money Market Fund</b> |                                                                            | <b>438,764.54</b> | <b>0.01%</b>                | <b>438,764.54</b><br><b>438,764.54</b> | <b>0.01%</b>         | <b>438,764.54</b><br><b>0.00</b>     | <b>15.46%</b><br><b>0.00</b>      | <b>Aaa / AAA</b><br><b>Aaa</b> | <b>0.00</b><br><b>0.00</b> |
| <b>Supranational</b>           |                                                                            |                   |                             |                                        |                      |                                      |                                   |                                |                            |
| 4581X0DV7                      | Inter-American Dev Bank Note<br>0.875% Due 04/20/2026                      | 60,000.00         | 04/13/2021<br>0.97%         | 59,725.20<br>59,726.86                 | 99.95<br>0.89%       | 59,967.78<br>16.04                   | 2.11%<br>240.92                   | Aaa / AAA<br>AAA               | 4.98<br>4.85               |
| <b>TOTAL Supranational</b>     |                                                                            | <b>60,000.00</b>  | <b>0.97%</b>                | <b>59,725.20</b><br><b>59,726.86</b>   | <b>0.89%</b>         | <b>59,967.78</b><br><b>16.04</b>     | <b>2.11%</b><br><b>240.92</b>     | <b>Aaa / AAA</b><br><b>Aaa</b> | <b>4.98</b><br><b>4.85</b> |

## Holdings Report

## Three Valleys Municipal Water District - Account #10065

| CUSIP                                   | Security Description                      | Par Value/Units     | Purchase Date<br>Book Yield | Cost Value<br>Book Value                   | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.            | % of Port.<br>Gain/Loss            | Moody/S&P<br>Fitch             | Maturity<br>Duration       |
|-----------------------------------------|-------------------------------------------|---------------------|-----------------------------|--------------------------------------------|----------------------|-----------------------------------------|------------------------------------|--------------------------------|----------------------------|
| <b>US Treasury</b>                      |                                           |                     |                             |                                            |                      |                                         |                                    |                                |                            |
| 912828N30                               | US Treasury Note<br>2.125% Due 12/31/2022 | 70,000.00           | 01/31/2018<br>2.54%         | 68,676.56<br>69,550.99                     | 103.29<br>0.15%      | 72,302.37<br>497.20                     | 2.57%<br>2,751.38                  | Aaa / AA+<br>AAA               | 1.67<br>1.64               |
| 9128284D9                               | US Treasury Note<br>2.500% Due 03/31/2023 | 80,000.00           | 04/29/2019<br>2.29%         | 80,631.25<br>80,308.35                     | 104.46<br>0.17%      | 83,571.84<br>169.40                     | 2.95%<br>3,263.49                  | Aaa / AA+<br>AAA               | 1.92<br>1.88               |
| 9128285P1                               | US Treasury Note<br>2.875% Due 11/30/2023 | 80,000.00           | 03/30/2021<br>0.26%         | 85,546.88<br>85,370.34                     | 106.73<br>0.26%      | 85,381.28<br>960.44                     | 3.04%<br>10.94                     | Aaa / AA+<br>AAA               | 2.59<br>2.48               |
| 912828XT2                               | US Treasury Note<br>2.000% Due 05/31/2024 | 80,000.00           | Various<br>1.27%            | 81,926.96<br>81,744.21                     | 105.01<br>0.37%      | 84,006.24<br>668.13                     | 2.98%<br>2,262.03                  | Aaa / AA+<br>AAA               | 3.09<br>2.98               |
| 912828XX3                               | US Treasury Note<br>2.000% Due 06/30/2024 | 80,000.00           | 08/26/2019<br>1.43%         | 82,109.38<br>81,378.43                     | 105.08<br>0.39%      | 84,062.48<br>534.81                     | 2.98%<br>2,684.05                  | Aaa / AA+<br>AAA               | 3.17<br>3.06               |
| 9128282Y5                               | US Treasury Note<br>2.125% Due 09/30/2024 | 80,000.00           | 11/12/2019<br>1.77%         | 81,337.50<br>80,936.17                     | 105.68<br>0.45%      | 84,540.64<br>143.99                     | 2.98%<br>3,604.47                  | Aaa / AA+<br>AAA               | 3.42<br>3.31               |
| 912828YV6                               | US Treasury Note<br>1.500% Due 11/30/2024 | 80,000.00           | 03/30/2021<br>0.54%         | 82,784.38<br>82,719.97                     | 103.55<br>0.50%      | 82,840.64<br>501.10                     | 2.94%<br>120.67                    | Aaa / AA+<br>AAA               | 3.59<br>3.48               |
| 912828ZF0                               | US Treasury Note<br>0.500% Due 03/31/2025 | 80,000.00           | 03/29/2021<br>0.61%         | 79,665.63<br>79,672.95                     | 99.66<br>0.59%       | 79,731.28<br>33.88                      | 2.81%<br>58.33                     | Aaa / AA+<br>AAA               | 3.92<br>3.87               |
| 91282CAZ4                               | US Treasury Note<br>0.375% Due 11/30/2025 | 85,000.00           | Various<br>0.69%            | 83,754.88<br>83,778.14                     | 98.24<br>0.77%       | 83,505.87<br>133.11                     | 2.95%<br>(272.27)                  | Aaa / AA+<br>AAA               | 4.59<br>4.53               |
| 91282CBC4                               | US Treasury Note<br>0.375% Due 12/31/2025 | 85,000.00           | Various<br>0.65%            | 83,906.44<br>83,928.69                     | 98.11<br>0.79%       | 83,396.31<br>106.54                     | 2.94%<br>(532.38)                  | Aaa / AA+<br>AAA               | 4.67<br>4.61               |
| 91282CBH3                               | US Treasury Note<br>0.375% Due 01/31/2026 | 88,000.00           | Various<br>0.78%            | 86,294.14<br>86,328.45                     | 97.98<br>0.81%       | 86,219.41<br>82.04                      | 3.04%<br>(109.04)                  | Aaa / AA+<br>AAA               | 4.76<br>4.69               |
| 91282CBQ3                               | US Treasury Note<br>0.500% Due 02/28/2026 | 85,000.00           | 03/24/2021<br>0.82%         | 83,681.84<br>83,708.92                     | 98.46<br>0.83%       | 83,691.77<br>71.60                      | 2.95%<br>(17.15)                   | Aaa / AA+<br>AAA               | 4.84<br>4.76               |
| 91282CBT7                               | US Treasury Note<br>0.750% Due 03/31/2026 | 85,000.00           | 04/28/2021<br>0.86%         | 84,558.40<br>84,558.89                     | 99.56<br>0.84%       | 84,628.13<br>54.00                      | 2.98%<br>69.24                     | Aaa / AA+<br>AAA               | 4.92<br>4.81               |
| <b>TOTAL US Treasury</b>                |                                           | <b>1,058,000.00</b> | <b>1.09%</b>                | <b>1,064,874.24</b><br><b>1,063,984.50</b> | <b>0.53%</b>         | <b>1,077,878.26</b><br><b>3,956.24</b>  | <b>38.13%</b><br><b>13,893.76</b>  | <b>Aaa / AA+</b><br><b>Aaa</b> | <b>3.65</b><br><b>3.56</b> |
| <b>TOTAL PORTFOLIO</b>                  |                                           | <b>2,769,542.93</b> | <b>1.35%</b>                | <b>2,776,546.15</b><br><b>2,776,569.03</b> | <b>0.40%</b>         | <b>2,826,341.91</b><br><b>10,871.75</b> | <b>100.00%</b><br><b>49,772.88</b> | <b>Aa1 / AA+</b><br><b>Aaa</b> | <b>2.68</b><br><b>2.55</b> |
| <b>TOTAL MARKET VALUE PLUS ACCRUALS</b> |                                           |                     |                             |                                            |                      | <b>2,837,213.66</b>                     |                                    |                                |                            |



## Section 4 | Transactions

As of April 30, 2021

## Transaction Ledger

## Three Valleys Municipal Water District - Account #10065

January 31, 2021 through April 30, 2021

| Transaction Type          | Settlement Date | CUSIP     | Quantity          | Security Description                                              | Price   | Acq/Disp Yield | Amount            | Interest Pur/Sold | Total Amount      | Gain/Loss   |
|---------------------------|-----------------|-----------|-------------------|-------------------------------------------------------------------|---------|----------------|-------------------|-------------------|-------------------|-------------|
| <b>ACQUISITIONS</b>       |                 |           |                   |                                                                   |         |                |                   |                   |                   |             |
| Purchase                  | 02/08/2021      | 89240BAC2 | 15,000.00         | Toyota Auto Receivables Owners 2021-A A3<br>0.26% Due: 05/15/2025 | 99.981  | 0.27%          | 14,997.22         | 0.00              | 14,997.22         | 0.00        |
| Purchase                  | 02/18/2021      | 91282CBH3 | 18,000.00         | US Treasury Note<br>0.375% Due: 01/31/2026                        | 99.121  | 0.56%          | 17,841.80         | 3.36              | 17,845.16         | 0.00        |
| Purchase                  | 03/04/2021      | 24422EVN6 | 25,000.00         | John Deere Capital Corp Note<br>0.45% Due: 01/17/2024             | 99.929  | 0.47%          | 24,982.25         | 0.00              | 24,982.25         | 0.00        |
| Purchase                  | 03/25/2021      | 91282CBQ3 | 85,000.00         | US Treasury Note<br>0.5% Due: 02/28/2026                          | 98.449  | 0.82%          | 83,681.84         | 28.87             | 83,710.71         | 0.00        |
| Purchase                  | 03/30/2021      | 912828XT2 | 30,000.00         | US Treasury Note<br>2% Due: 05/31/2024                            | 105.141 | 0.37%          | 31,542.19         | 197.80            | 31,739.99         | 0.00        |
| Purchase                  | 03/30/2021      | 912828ZF0 | 80,000.00         | US Treasury Note<br>0.5% Due: 03/31/2025                          | 99.582  | 0.61%          | 79,665.63         | 198.90            | 79,864.53         | 0.00        |
| Purchase                  | 03/30/2021      | 91282CAZ4 | 65,000.00         | US Treasury Note<br>0.375% Due: 11/30/2025                        | 98.082  | 0.79%          | 63,753.32         | 80.36             | 63,833.68         | 0.00        |
| Purchase                  | 03/30/2021      | 91282CBC4 | 50,000.00         | US Treasury Note<br>0.375% Due: 12/31/2025                        | 97.941  | 0.82%          | 48,970.70         | 46.10             | 49,016.80         | 0.00        |
| Purchase                  | 03/30/2021      | 91282CBH3 | 70,000.00         | US Treasury Note<br>0.375% Due: 01/31/2026                        | 97.789  | 0.84%          | 68,452.34         | 42.06             | 68,494.40         | 0.00        |
| Purchase                  | 03/31/2021      | 9128285P1 | 80,000.00         | US Treasury Note<br>2.875% Due: 11/30/2023                        | 106.934 | 0.26%          | 85,546.88         | 764.56            | 86,311.44         | 0.00        |
| Purchase                  | 03/31/2021      | 912828YV6 | 80,000.00         | US Treasury Note<br>1.5% Due: 11/30/2024                          | 103.480 | 0.54%          | 82,784.38         | 398.90            | 83,183.28         | 0.00        |
| Purchase                  | 04/20/2021      | 4581X0DV7 | 60,000.00         | Inter-American Dev Bank Note<br>0.875% Due: 04/20/2026            | 99.542  | 0.97%          | 59,725.20         | 0.00              | 59,725.20         | 0.00        |
| Purchase                  | 04/29/2021      | 91282CBT7 | 85,000.00         | US Treasury Note<br>0.75% Due: 03/31/2026                         | 99.480  | 0.86%          | 84,558.40         | 50.51             | 84,608.91         | 0.00        |
| <b>Subtotal</b>           |                 |           | <b>743,000.00</b> |                                                                   |         |                | <b>746,502.15</b> | <b>1,811.42</b>   | <b>748,313.57</b> | <b>0.00</b> |
| <b>TOTAL ACQUISITIONS</b> |                 |           | <b>743,000.00</b> |                                                                   |         |                | <b>746,502.15</b> | <b>1,811.42</b>   | <b>748,313.57</b> | <b>0.00</b> |

## Transaction Ledger

## Three Valleys Municipal Water District - Account #10065

January 31, 2021 through April 30, 2021

| Transaction Type          | Settlement Date | CUSIP     | Quantity          | Security Description                                                    | Price   | Acq/Disp Yield | Amount            | Interest Pur/Sold | Total Amount      | Gain/Loss     |
|---------------------------|-----------------|-----------|-------------------|-------------------------------------------------------------------------|---------|----------------|-------------------|-------------------|-------------------|---------------|
| <b>DISPOSITIONS</b>       |                 |           |                   |                                                                         |         |                |                   |                   |                   |               |
| Sale                      | 02/04/2021      | 3130AABG2 | 15,000.00         | FHLB Note<br>1.875% Due: 11/29/2021                                     | 101.461 | 2.10%          | 15,219.15         | 50.78             | 15,269.93         | 244.79        |
| Sale                      | 02/18/2021      | 3130AABG2 | 15,000.00         | FHLB Note<br>1.875% Due: 11/29/2021                                     | 101.360 | 2.10%          | 15,204.00         | 61.72             | 15,265.72         | 228.43        |
| Sale                      | 03/03/2021      | 912828N30 | 10,000.00         | US Treasury Note<br>2.125% Due: 12/31/2022                              | 103.652 | 2.54%          | 10,365.23         | 36.40             | 10,401.63         | 435.59        |
| <b>Subtotal</b>           |                 |           | <b>40,000.00</b>  |                                                                         |         |                | <b>40,788.38</b>  | <b>148.90</b>     | <b>40,937.28</b>  | <b>908.81</b> |
| Call                      | 03/26/2021      | 44932HAC7 | 25,000.00         | IBM Credit Corp Note<br>2.2% Due: 09/08/2022                            | 102.853 | 2.60%          | 25,713.28         | 27.50             | 25,740.78         | 0.00          |
| <b>Subtotal</b>           |                 |           | <b>25,000.00</b>  |                                                                         |         |                | <b>25,713.28</b>  | <b>27.50</b>      | <b>25,740.78</b>  | <b>0.00</b>   |
| Maturity                  | 03/15/2021      | 084670BQ0 | 70,000.00         | Berkshire Hathaway Callable Note Cont 2/15/2021<br>2.2% Due: 03/15/2021 | 100.000 |                | 70,000.00         | 0.00              | 70,000.00         | 0.00          |
| <b>Subtotal</b>           |                 |           | <b>70,000.00</b>  |                                                                         |         |                | <b>70,000.00</b>  | <b>0.00</b>       | <b>70,000.00</b>  | <b>0.00</b>   |
| <b>TOTAL DISPOSITIONS</b> |                 |           | <b>135,000.00</b> |                                                                         |         |                | <b>136,501.66</b> | <b>176.40</b>     | <b>136,678.06</b> | <b>908.81</b> |

## Important Disclosures

2021 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

## Benchmark Disclosures

### **ICE BAML 1-5 Year US Treasury/Agency Index**

*The ICE BAML 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: GVA0. Please visit [www.mlindex.ml.com](http://www.mlindex.ml.com) for more information)*

**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 Mosen, 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

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 Monsen 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 agendize 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 3<sup>rd</sup> 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.

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

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Recorded by: Nadia Aguirre  
Executive Assistant

DRAFT

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

**Wednesday, April 21, 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  
Esther Romero, Accounting Technician

Virtual Attendees: Maritza Alvarez, Sacred Places Institute for Indigenous Peoples; Ray Baca, Engineering Contractors' Association; Jayson Baiz, LiUNA; Jordan Brandman, BIASC; Sara Catalan, Catalan Consulting; Chris Clarke, National Parks Conservation Association; Tom Coleman, Rowland Water District; Robert Cruz, SoCal Gas; Courtney Degener, Cadiz, Inc.; Neal Desai, National Parks Conservation Association; Demi Espinoza, National Parks Conservation Association; Gregory Foster, Southern California Group; Matt Gaines, IOUE Local 12; Jose Garcia, LiUNA; Kelly Gardner, Mains San Gabriel Basin Watermaster; Cat Goytia, PVDC; Kevin Hayakawa, Walnut Valley Water District; Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Denise Jackman, resident; Brad Jensen, SGV Economic Partnership; Judy Kuhn, resident; Richard Lambros, Engineering Contractors' Association; Ben Lewis, Golden State Water Company; Richard Licerio, LiUNA; Tony Lima, Rowland Water District; Szu Lu, Rowland Water District; Myra Malner, Rowland Water District; Donald Martens, Pomona Valleys Democratic Club; John Mendoza, Pomona resident; Dave Michalko, Valencia Heights Water Company; Peter Mitchell, OC Cops/CSLEA; John

9677

Monsen, Sierra Club; Toby Moore, Golden State Water Company; Stephanie Moreno, Water Quality Authority; Kris Murray, KLM Strategies; Patrick O'Reilly, OPR; Laer Pearce, Laer Pearce & Associates; Matt Read, IOUE Local 12; Carlos Rodriguez, BIASC, Baldy View Chapter; Barbara Rugeley, LWV; Dave Sorem, Mike Bubalo Construction; Marci Stanage, Rebuild SoCal Partnership; Jennifer Stark, City of Claremont; Mike Suarez, United Voices of Pomona; Pasquale Talarico, Hashtag Pinpoint; Lisa Tarpin, Southern California Group; Brian Teuber, Walnut Valley Water District; Frank Ury, Fenner Valley Water; De'Andre Valencia, BizFed; Ralph Velador, Laborers PSW-ROC, Dave Warren, Rowland Water District; Alex Zamora, LiUNA; Janet Zimmerman, CV Strategies.

**3. Additions to Agenda**

No additions to the agenda were requested.

**4. Reorder Agenda**

President Kuhn requested to reorder the agenda as follows: Item 6 – Presentation, Item 7 – Consent Calendar, and Item 5 – Public Comment.

**5. Public Comment**

Demi Espinoza commented on the Bonanza Springs study.

Donald Martens commented on the Bonanza Springs study. Mr. Martens also submitted a letter from the Pomona Valley Democratic Club that was read on his behalf.

John Monsen commented on the Bonanza Springs study.

Maritza Alvarez commented on the Cadiz project.

Kris Murray commented on the Cadiz project.

Neal Desai commented on the Bonanza Springs study.

Chris Clarke commented on the Bonanza Springs study.

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

Jose Garcia commented on the Cadiz project.

Carlos Rodriguez commented on the Cadiz project.

Teri Malkin submitted a public comment card to be read on her behalf.

Denise Jackman submitted a public comment card to be read on her behalf.

Deandre Valencia commented on the Bonanza Springs study.

Richard Licero submitted a public comment card to be read on his behalf.

Frank Ury commented on the Bonanza Springs study.

Jordan Brandman commented on the Bonanza Springs study.

Bonnie Duenas submitted a public comment card to be read on her behalf.

Matt Gaines commented on the Bonanza Springs study.

Vicki Giansante submitted a public comment card to be read on her behalf.

Matt Read commented on the Cadiz project.

Leah Skinner submitted a public comment card to be read on her behalf.

Ray Baca commented on the Cadiz project.

Alex Zamora submitted a public comment card to be read on his behalf.

Marci Stanage commented on the Bonanza Springs study.

Assemblymember Phillip Chen submitted a public comment card to be read on his behalf.

Jayson Baiz submitted a public comment card to be read on his behalf. Mr. Baiz also commented on the Bonanza Springs study.

Robert Pacheco submitted a public comment card to be read on his behalf.

Richard Lambros commented on the Bonanza Springs study.

Representative Young Kim submitted a public comment card to be read on her behalf.

Director Bowcock read an email from Mr. Brad Jensen. Mr. Jensen also commented on the Bonanza Springs study.

## **6. Presentation**

Mr. Robert Cruz, Public Affairs Manager at Southern California Gas Company, provided an overview of Senate Bill 31 (Cortese) – Decarbonization Programs Act. The bill incorporates building decarbonization within several aspects of electric utility ratepayer funded programs and within future federal moneys to address economic recovery and incorporates requirements for prevailing wage. The bill is currently being amended and could possibly be withdrawn. Mr. Cruz asked the Board to oppose SB 31 by agreeing to place the district logo on a coalition letter. President Kuhn advised that will be discussed during Item 8.C.



**Moved: Director Roberto**                      **Second: Director Goytia**  
**Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti**  
**Noes:**  
**Absent:**  
**Motion No. 21-04-5312 – This item will be moved to the May 19, 2021**  
**for further discussion and possible action**  
**Motion passed 7-0**

Mr. Kirk Howie provided an update on legislative activities through to April 2021. Assemblymember Rubio was asked to consider pulling AB 703 and making it a two-year bill. We will continue moving forward for now. Strategies are being discussed among General Manager Litchfield, Legal Counsel Kennedy, Mr. Howie and the district lobbyists. Mr. Howie provided an overview of AB 703 and two other similar bills that are being considered by the legislature.

#### **8.D – Redistricting Services Proposal**

The Board reviewed a redistricting services proposal from Best, Best & Krieger (BBK). BBK was the lowest, responsive bidder and has expressed confidence in meeting the timeline required to complete the work.

Upon motion and second, President Kuhn called for discussion. There being no further 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. 21-04-5313 – Approval of Redistricting Services with**  
**Best, Best & Krieger**  
**Motion passed 7-0**

#### **8.E – Approve Organizational Chart and Salary Schedule Effective July 1, 2021**

The updated organizational chart and salary schedule reflect the following changes:

- Reclassification of the part-time *Human Resources/Risk Manager* to full-time with a change in salary range and reporting structure.
- Addition of the *Operations Supervisor (T5)* position and corresponding salary range.
- Conversion of the *Engineering Assistant* position to an *Assistant Engineer* position. Since the previous board meeting the Engineering Assistant position has become vacant. The position is being requested to reclassify as Assistant Engineer. The position does not require a professional engineering license but does require a California Engineer-In-Training (EIT) certificate.

The salary schedule reflects adjustments recommended by the General Manager as a result of the 2021 compensation study discussed at the March 3, 2021 Board of Directors meeting. The new ranges will become effective on July 1, 2021.



Upon motion and second, President Kuhn called for discussion. There being no further 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. 21-04-5314 – Approval of Organizational Chart and Salary Schedule, Effective July 1, 2021**  
**Motion passed 7-0**

#### **8.F – Approval of FY 2021/2022 Budget**

The budget and rates were properly noticed in the Inland Valley Daily Bulletin and San Gabriel Valley Tribune on April 15, 2021. Based on the final draft of the budget, TVMWD will still be able to reduce the current discount of \$6 per acre foot to \$16 for 2022 for the treated water rate. Mr. James Linthicum advised the board election invoice received was \$365,000 for the 2020 board election and significantly more than expected. The reserve category will be used to pay for this expense and can be replenished over the next couple of years. It was recommended to take \$200,000 from the water management fund and an additional \$5,000 from general reserves. In addition, TVMWD will preplan by putting \$200,000 into the board election fund now. Even under these changed conditions, the current budget still allows for a surcharge of -\$16.00 on the treated water rate.

Upon motion and second, President Kuhn called for discussion. There being no further 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. 21-04-5315 – Approval of FY 2021/2022 Budget**  
**Motion passed 7-0**

#### **8.G – Approve Resolution No. 21-04-891 Adopting CY 2022 Water Rates and Charges**

The draft rate resolutions reflecting the rates and charges that will go into effect January 1, 2022 are included in the board packet. A surcharge discount of -\$16.00 per acre foot will apply to treated water delivered during calendar year 2022. A \$0 surcharge will apply to all untreated water delivered during calendar year 2022.

Upon motion and second, President Kuhn called for discussion. There being no further discussion, 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. 21-04-5316 – Approval of Resolution No. 21-04-891**  
**Adopting CY 2022 Water Rates and Charges**  
**Motion passed 7-0**

**8.H – Approve Resolution No. 21-04-892 Initiating Procedures to Fix, Adjust, Levy and Collect a Water Standby Charge**

Approval of Resolution No. 21-04-892 starts the process for the water standby charge for FY 21/22. MWD assesses each member agency a Readiness-To-Serve charge. A new vendor, Harris and Associates, was contracted this year to prepare the Engineer's Report. According to the current parcel count and equivalent dwelling unit, the charge will increase from \$19.90 to \$20.37 for FY 21/22. A Public Hearing will be held on June 16, 2021 to consider adoption of the standby charge resolution.

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

**Moved: Director Bowcock                      Second: Director Soto**  
**Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti**  
**Noes:**  
**Absent:**  
**Motion No. 21-04-5317 – Approval of Resolution No. 21-04-892**  
**Initiating Procedures to Fix, Adjust, Levy and Collect a Water**  
**Standby Charge**  
**Motion passed 7-0**

**9. Directors' / General Manager's Oral Reports**

General Manager Litchfield reminded the Board that the historical video shoot will be on May 5<sup>th</sup> at the District.

**10. Closed Session**

The Board convened into closed session at 10:35 a.m. to discuss the following items:

**10.A – Public Employee Performance Evaluation (Government Code Section 54957)**

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

**10.B – 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

**10.C – Conference with Legal Counsel – Anticipated Litigation**

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

The Board reconvened to regular session at 2:05 p.m. Legal Counsel Kennedy advised in regard to Item 10.A, the Board conducted an evaluation of the General Manager. Regarding Item 10.B, the Board gave direction to Legal Counsel to bring back the employment agreement consistent with the instruction provided. Regarding Item 10.C, no reportable action was taken.

**11. Future Agenda Items**

Director Soto asked to agendize at a future meeting a letter of support of the 57/10 interchange project.

Director Ti asked General Manager Litchfield to report at a future meeting on an analysis of water supply reliability consistent with the urban water management plan.

**12. Adjournment**

The Board adjourned at 2:09 p.m. to the next regular meeting scheduled for Wednesday, May 5, 2021.

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Bob Kuhn  
*President, Board of Directors*

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Recorded by: Nadia Aguirre  
Executive Assistant



## Board of Directors Staff Report

**To:** TVMWD Board of Directors  
**From:** Matthew H. Litchfield, General Manager   
**Date:** May 19, 2021  
**Subject:** Change in Cash and Cash Equivalents Report

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|                                     |                         |                          |                        |           |
|-------------------------------------|-------------------------|--------------------------|------------------------|-----------|
| <input type="checkbox"/>            | <b>For Action</b>       | <input type="checkbox"/> | <b>Fiscal Impact</b>   | <b>\$</b> |
| <input checked="" type="checkbox"/> | <b>Information Only</b> | <input type="checkbox"/> | <b>Funds Budgeted:</b> |           |

---

**Staff Recommendation:**

**No Action Necessary – Informational Item Only**

**Discussion:**

Attached for your review is the Change in Cash and Cash Equivalents Report for the period ending April 30, 2021.

**Strategic Plan Objective(s):**

3.1 – Utilize and comply with a set of financial policies to maintain TVMWD’s financial health

**Attachment(s):**

Exhibit A – Change in Cash and Cash Equivalents Report

**Meeting History:**

None

NA/LC



## CHANGE IN CASH AND CASH EQUIVALENTS REPORT

April 1 through April 30, 2021

|                                               | <u>CASH</u>            | <u>CASH<br/>EQUIVALENTS</u> |
|-----------------------------------------------|------------------------|-----------------------------|
| SUMMARY 04/30/2021                            |                        |                             |
| Petty Cash                                    | 6,000.00               |                             |
| Local Agency Investment Fund                  |                        | 67,005.00                   |
| California Asset Management Program(CAMP)     |                        | 11,579.70                   |
| General Checking                              | 1,600,000.00           |                             |
| Sweep Account                                 | 3,315,197.29           |                             |
| U.S. Bank                                     | 5,000.00               |                             |
|                                               | <b>\$ 4,926,197.29</b> | <b>\$ 78,584.70</b>         |
| <b>TOTAL CASH IN BANKS &amp; ON HAND</b>      |                        |                             |
| TOTAL CASH IN BANKS & ON HAND 04/30/21        | \$ 4,926,197.29        | \$ 78,584.70                |
| TOTAL CASH IN BANKS & ON HAND 03/31/21        | \$ 3,712,149.44        | \$ 78,511.06                |
| <b>PERIOD INCREASE (DECREASE)</b>             | <b>\$ 1,214,047.85</b> | <b>\$ 73.64</b>             |
| CHANGE IN CASH POSITION DUE TO:               |                        |                             |
| Water Sales/Charges Revenue                   | 3,040,520.60           |                             |
| Interest Revenue                              | 282.35                 |                             |
| Subvention/RTS Standby Charge Revenue         | 1,749,044.21           |                             |
| Hydroelectric Revenue                         | 11,372.86              |                             |
| Other Revenue                                 | 25,289.30              |                             |
| Cadiz - Bonanza Springs Study                 | 30,000.00              |                             |
| Investment Xfer From Chandler Asset Mgt       |                        |                             |
| LAIF Quarterly Interest                       |                        | 73.12                       |
| California Asset Mgmt Program Interest        |                        | 0.52                        |
| Transfer from LAIF                            |                        |                             |
| Transfer to LAIF                              |                        |                             |
| INFLOWS                                       | 4,856,509.32           | 73.64                       |
| Expenditures                                  | (3,541,161.22)         |                             |
| Current Month Outstanding Payables            | 44,450.35              |                             |
| Prior Month Cleared Payables                  | (141,950.91)           |                             |
| Bank/FSA Svc Fees                             | (175.00)               |                             |
| HRA/HSA Payment                               | (3,624.69)             |                             |
| CalPers Unfunded Liability /1959 Survivor Ben |                        |                             |
| PARS Pension Trust                            |                        |                             |
| Investment Xfer to Chandler Asset Mgt         |                        |                             |
| Transfer from LAIF                            |                        |                             |
| Transfer From CAMP                            |                        |                             |
| OUTFLOWS                                      | (3,642,461.47)         | -                           |
| <b>PERIOD INCREASE (DECREASE)</b>             | <b>1,214,047.85</b>    | <b>73.64</b>                |
|                                               | \$ -                   | \$ (0.00)                   |



**THREE VALLEYS MUNICIPAL WATER DISTRICT**  
**CONSOLIDATED LISTING OF INVESTMENT PORTFOLIO**  
 April 30, 2021

| ITEM                                | BOOK<br>YIELD | BOOK<br>VALUE          | PAR<br>VALUE           | MARKET<br>VALUE        |
|-------------------------------------|---------------|------------------------|------------------------|------------------------|
| Chandler Asset Management           |               |                        |                        |                        |
| ABS - Asset Backed Securities       | 2.53%         | 75,774.96              | 75,778.39              | 76,302.30              |
| Bonds - Agency                      | 1.61%         | 831,331.59             | 827,000.00             | 851,731.97             |
| Commercial Paper                    | 0.00%         | 0.00                   | 0.00                   | 0.00                   |
| Money Market Fund                   | 0.01%         | 438,764.54             | 438,764.54             | 438,764.54             |
| Supranational                       | 0.97%         | 59,726.86              | 60,000.00              | 59,967.78              |
| US Corporate                        | 3.24%         | 306,986.58             | 310,000.00             | 321,697.06             |
| US Treasury                         | 1.09%         | 1,063,984.50           | 1,058,000.00           | 1,077,878.26           |
|                                     | <b>1.35%</b>  | <b>2,776,569.03</b>    | <b>2,769,542.93</b>    | <b>2,826,341.91</b>    |
| Local Agency Invest Fund TVMWD      | 0.36%         | 67,005.00              | 67,005.00              | 67,005.00              |
| California Asset Management Program | 0.06%         | 11,579.70              | 11,579.70              | 11,579.70              |
| <b>Reserve Fund</b>                 |               | <b>\$ 2,855,153.73</b> | <b>\$ 2,848,127.63</b> | <b>\$ 2,904,926.61</b> |
| <hr/>                               |               |                        |                        |                        |
| Checking (Citizens)                 | 0.55%         | 1,600,000.00           | 1,600,000.00           | 1,600,000.00           |
| Sweep Account (Citizens)            | 0.10%         | 3,315,197.29           | 3,315,197.29           | 3,315,197.29           |
| Emergency Checking (U.S. Bank)      | 0.00%         | 5,000.00               | 5,000.00               | 5,000.00               |
| Petty Cash Fund                     | 0.00%         | 6,000.00               | 6,000.00               | 6,000.00               |
| <b>Working Cash</b>                 |               | <b>\$ 4,926,197.29</b> | <b>\$ 4,926,197.29</b> | <b>\$ 4,926,197.29</b> |
| <hr/>                               |               |                        |                        |                        |
| <b>TOTAL PORTFOLIO</b>              | <b>0.65%</b>  | <b>\$ 7,781,351.02</b> | <b>\$ 7,774,324.92</b> | <b>\$ 7,831,123.90</b> |

I certify that this report accurately reflects all investments of Three Valleys Municipal Water District and that all investments and this report are in conformity with Sections 53600 et seq of the California Government Code and the District's annual statement of investment policy (Resolution 20-03-871). The District's investment program herein shown provides sufficient cash flow and liquidity to meet all budgeted expenditures for the next six months.

\_\_\_\_\_  
 MATTHEW H. LITCHFIELD, General Manager/Assistant Treasurer



# Three Valleys Municipal Water District - Account #10065

## MONTHLY ACCOUNT STATEMENT

APRIL 1, 2021 THROUGH APRIL 30, 2021

### Chandler Team:

For questions about your account, please call (800) 317-4747,  
or contact [operations@chandlerasset.com](mailto:operations@chandlerasset.com)

### Custodian

US Bank  
Christopher Isles  
(503) 464-3685

**CHANDLER ASSET MANAGEMENT**  
chandlerasset.com

*Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.*



Three Valleys Municipal Water District

Portfolio Summary

Account #10065

As of April 30, 2021

PORTFOLIO CHARACTERISTICS

|                           |          |
|---------------------------|----------|
| Average Modified Duration | 2.55     |
| Average Coupon            | 1.44%    |
| Average Purchase YTM      | 1.35%    |
| Average Market YTM        | 0.40%    |
| Average S&P/Moody Rating  | AA+/Aa1  |
| Average Final Maturity    | 2.68 yrs |
| Average Life              | 2.61 yrs |

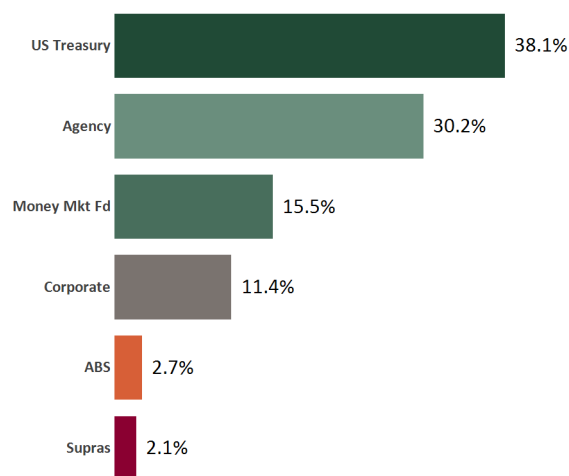
ACCOUNT SUMMARY

|                           | Beg. Values<br>as of 3/31/21 | End Values<br>as of 4/30/21 |
|---------------------------|------------------------------|-----------------------------|
| Market Value              | 2,824,243                    | 2,826,342                   |
| Accrued Interest          | 8,092                        | 10,872                      |
| <b>Total Market Value</b> | <b>2,832,334</b>             | <b>2,837,214</b>            |
| Income Earned             | 3,771                        | 3,031                       |
| Cont/WD                   |                              | -338                        |
| Par                       | 2,768,691                    | 2,769,543                   |
| Book Value                | 2,776,656                    | 2,776,569                   |
| Cost Value                | 2,776,410                    | 2,776,546                   |

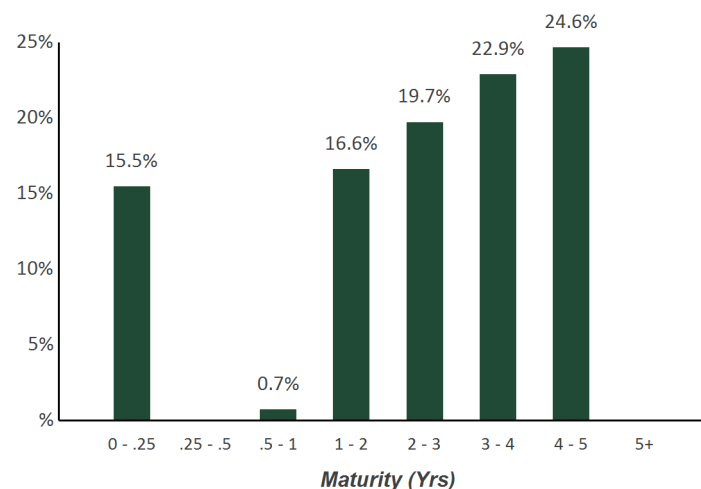
TOP ISSUERS

|                                 |              |
|---------------------------------|--------------|
| Government of United States     | 38.1%        |
| First American Govt Oblig Fund  | 15.5%        |
| Federal Home Loan Mortgage Corp | 8.4%         |
| Federal Home Loan Bank          | 8.3%         |
| Federal National Mortgage Assoc | 7.9%         |
| Federal Farm Credit Bank        | 5.6%         |
| JP Morgan Chase & Co            | 2.7%         |
| Paccar Financial                | 2.7%         |
| <b>Total</b>                    | <b>89.1%</b> |

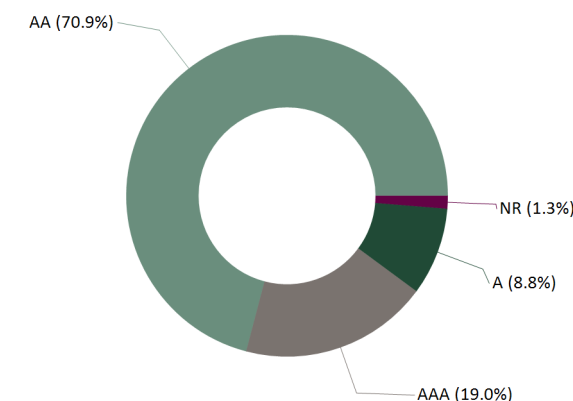
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

| TOTAL RATE OF RETURN                       | 1M    | 3M     | YTD    | 1YR   | Annualized |       |       |       |           |
|--------------------------------------------|-------|--------|--------|-------|------------|-------|-------|-------|-----------|
|                                            |       |        |        |       | 2YRS       | 3YRS  | 5YRS  | 10YRS | 4/30/2009 |
| Three Valleys Municipal Water District     | 0.18% | -0.31% | -0.34% | 0.70% | 3.62%      | 3.69% | 2.23% | 1.94% | 2.13%     |
| ICE BAML 1-5 Year US Treasury/Agency Index | 0.16% | -0.31% | -0.36% | 0.00% | 3.31%      | 3.43% | 1.94% | 1.67% | 1.82%     |



## Statement of Compliance

As of April 30, 2021

### Three Valleys Municipal Water District

*Assets managed by Chandler Asset Management are in full compliance with state law and with the District's investment policy.*

| Category                                                    | Standard                                                                                                                                                                                                          | Comment         |
|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Treasury Issues                                             | No Limitation                                                                                                                                                                                                     | <i>Complies</i> |
| Agency Issues                                               | No Limitation                                                                                                                                                                                                     | <i>Complies</i> |
| Municipal Securities/<br>Local Agency Bonds                 | Bonds issued by TVMWD; Issued by local agency within the state of California, including pooled investment accounts sponsored by the state of California, County Treasurers, or Joint Power Agencies               | <i>Complies</i> |
| Supranationals                                              | Issued by IBRD, IFC or IADB only; "AA" rated or higher by a NRSRO; 30% maximum; 10% max per issuer                                                                                                                | <i>Complies</i> |
| Banker's Acceptances                                        | "A" rated or higher by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity                                                                                                                             | <i>Complies</i> |
| Commercial Paper                                            | "A-1" rated or equivalent by a NRSRO; "A" rated issuer or equivalent by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issuer must be organized and operating within the US, have AUM >\$500 mil | <i>Complies</i> |
| Corporate Medium Term Notes                                 | "A" rated or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S.                                 | <i>Complies</i> |
| Negotiable Certificates of Deposit                          | 30% maximum; 5% max per issuer                                                                                                                                                                                    | <i>Complies</i> |
| Certificates of Deposits/Time Deposit                       | Collateralized/ FDIC insured                                                                                                                                                                                      | <i>Complies</i> |
| Money Market Mutual Funds                                   | "AAA" rated by 2 NRSROs; 20% maximum; 10% per fund                                                                                                                                                                | <i>Complies</i> |
| Mortgage Pass-throughs, CMOs and<br>Asset Backed Securities | "AA" rated or higher by a NRSRO; 20% maximum; 5% max per issuer                                                                                                                                                   | <i>Complies</i> |
| Local Agency Investment Fund - LAIF                         | Max program limitation                                                                                                                                                                                            | <i>Complies</i> |
| Repurchase Agreements                                       | 102% Collateralized; 1year max maturity                                                                                                                                                                           | <i>Complies</i> |
| Reverse Repurchase Agreements                               | 20% maximum; 92 days max maturity                                                                                                                                                                                 | <i>Complies</i> |
| Prohibited Securities                                       | Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities                                                                                           | <i>Complies</i> |
| Max Per Issuer                                              | 5% of portfolio per issuer (except U.S. Government, Agencies/GSEs, Supranationals, Money Market Mutual Funds, LAIF, LGIP)                                                                                         | <i>Complies</i> |
| Maximum maturity                                            | 5 years                                                                                                                                                                                                           | <i>Complies</i> |



## Three Valleys Municipal Water District

## Reconciliation Summary

Account #10065

As of April 30, 2021

| BOOK VALUE RECONCILIATION        |              |                       |
|----------------------------------|--------------|-----------------------|
| <b>BEGINNING BOOK VALUE</b>      |              | <b>\$2,776,656.08</b> |
| <b>Acquisition</b>               |              |                       |
| + Security Purchases             | \$144,283.60 |                       |
| + Money Market Fund Purchases    | \$13,212.27  |                       |
| + Money Market Contributions     | \$0.00       |                       |
| + Security Contributions         | \$0.00       |                       |
| + Security Transfers             | \$0.00       |                       |
| <b>Total Acquisitions</b>        |              | <b>\$157,495.87</b>   |
| <b>Dispositions</b>              |              |                       |
| - Security Sales                 | \$0.00       |                       |
| - Money Market Fund Sales        | \$144,334.11 |                       |
| - MMF Withdrawals                | \$337.52     |                       |
| - Security Withdrawals           | \$0.00       |                       |
| - Security Transfers             | \$0.00       |                       |
| - Other Dispositions             | \$0.00       |                       |
| - Maturities                     | \$0.00       |                       |
| - Calls                          | \$0.00       |                       |
| - Principal Paydowns             | \$12,688.60  |                       |
| <b>Total Dispositions</b>        |              | <b>\$157,360.23</b>   |
| <b>Amortization/Accretion</b>    |              |                       |
| +/- Net Accretion                | (\$222.69)   |                       |
|                                  |              | (\$222.69)            |
| <b>Gain/Loss on Dispositions</b> |              |                       |
| +/- Realized Gain/Loss           | \$0.00       |                       |
|                                  |              | \$0.00                |
| <b>ENDING BOOK VALUE</b>         |              | <b>\$2,776,569.03</b> |

| CASH TRANSACTION SUMMARY       |                     |                     |
|--------------------------------|---------------------|---------------------|
| <b>BEGINNING BALANCE</b>       |                     | <b>\$570,223.90</b> |
| <b>Acquisition</b>             |                     |                     |
| Contributions                  | \$0.00              |                     |
| Security Sale Proceeds         | \$0.00              |                     |
| Accrued Interest Received      | \$0.00              |                     |
| Interest Received              | \$521.96            |                     |
| Dividend Received              | \$1.71              |                     |
| Principal on Maturities        | \$0.00              |                     |
| Interest on Maturities         | \$0.00              |                     |
| Calls/Redemption (Principal)   | \$0.00              |                     |
| Interest from Calls/Redemption | \$0.00              |                     |
| Principal Paydown              | \$12,688.60         |                     |
| <b>Total Acquisitions</b>      | <b>\$13,212.27</b>  |                     |
| <b>Dispositions</b>            |                     |                     |
| Withdrawals                    | \$337.52            |                     |
| Security Purchase              | \$144,283.60        |                     |
| Accrued Interest Paid          | \$50.51             |                     |
| <b>Total Dispositions</b>      | <b>\$144,671.63</b> |                     |
| <b>ENDING BOOK VALUE</b>       |                     | <b>\$438,764.54</b> |



## Three Valleys Municipal Water District

## Holdings Report

Account #10065

As of April 30, 2021

| CUSIP            | Security Description                                                | Par Value/Units  | Purchase Date<br>Book Yield | Cost Value<br>Book Value             | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.     | % of Port.<br>Gain/Loss       | Moody/S&P<br>Fitch             | Maturity<br>Duration       |
|------------------|---------------------------------------------------------------------|------------------|-----------------------------|--------------------------------------|----------------------|----------------------------------|-------------------------------|--------------------------------|----------------------------|
| <b>ABS</b>       |                                                                     |                  |                             |                                      |                      |                                  |                               |                                |                            |
| 43814UAG4        | Honda Auto Receivables Trust 2018-2<br>A3<br>3.01% Due 5/18/2022    | 6,027.70         | 05/22/2018<br>3.03%         | 6,027.57<br>6,027.67                 | 100.42<br>0.25%      | 6,052.76<br>6.55                 | 0.21%<br>25.09                | NR / AAA<br>AAA                | 1.05<br>0.15               |
| 47788EAC2        | John Deere Owner Trust 2018-B A3<br>3.08% Due 11/15/2022            | 21,327.09        | 07/18/2018<br>3.10%         | 21,325.47<br>21,326.51               | 100.66<br>0.22%      | 21,468.70<br>29.19               | 0.76%<br>142.19               | Aaa / NR<br>AAA                | 1.55<br>0.23               |
| 65479GAD1        | Nissan Auto Receivables Trust 2018-B<br>A3<br>3.06% Due 3/15/2023   | 33,423.60        | 07/17/2018<br>3.08%         | 33,422.52<br>33,423.36               | 101.11<br>0.14%      | 33,795.40<br>45.46               | 1.19%<br>372.04               | Aaa / AAA<br>NR                | 1.87<br>0.38               |
| 89240BAC2        | Toyota Auto Receivables Owners 2021-<br>A A3<br>0.26% Due 5/15/2025 | 15,000.00        | 02/02/2021<br>0.27%         | 14,997.22<br>14,997.42               | 99.90<br>0.32%       | 14,985.44<br>1.73                | 0.53%<br>(11.98)              | Aaa / NR<br>AAA                | 4.04<br>1.58               |
| <b>Total ABS</b> |                                                                     | <b>75,778.39</b> | <b>2.53%</b>                | <b>75,772.78</b><br><b>75,774.96</b> | <b>0.21%</b>         | <b>76,302.30</b><br><b>82.93</b> | <b>2.69%</b><br><b>527.34</b> | <b>Aaa / AAA</b><br><b>AAA</b> | <b>2.14</b><br><b>0.56</b> |
| <b>AGENCY</b>    |                                                                     |                  |                             |                                      |                      |                                  |                               |                                |                            |
| 3130AABG2        | FHLB Note<br>1.875% Due 11/29/2021                                  | 20,000.00        | 12/28/2016<br>2.10%         | 19,794.00<br>19,975.68               | 101.05<br>0.07%      | 20,209.36<br>158.33              | 0.72%<br>233.68               | Aaa / AA+<br>AAA               | 0.58<br>0.58               |
| 3133EAYP7        | FFCB Note<br>1.95% Due 7/19/2022                                    | 100,000.00       | 07/28/2017<br>1.92%         | 100,138.00<br>100,033.78             | 102.22<br>0.13%      | 102,220.50<br>552.50             | 3.62%<br>2,186.72             | Aaa / AA+<br>AAA               | 1.22<br>1.20               |
| 3137EAEN5        | FHLMC Note<br>2.75% Due 6/19/2023                                   | 100,000.00       | 09/27/2018<br>3.03%         | 98,785.00<br>99,451.31               | 105.41<br>0.21%      | 105,412.30<br>1,008.33           | 3.75%<br>5,960.99             | Aaa / AA+<br>AAA               | 2.14<br>2.07               |
| 313383YJ4        | FHLB Note<br>3.375% Due 9/8/2023                                    | 100,000.00       | 02/26/2019<br>2.57%         | 103,413.00<br>101,774.59             | 107.23<br>0.29%      | 107,232.00<br>496.88             | 3.80%<br>5,457.41             | Aaa / AA+<br>NR                | 2.36<br>2.27               |
| 3137EAEY1        | FHLMC Note<br>0.125% Due 10/16/2023                                 | 30,000.00        | 10/22/2020<br>0.26%         | 29,875.50<br>29,897.24               | 99.66<br>0.26%       | 29,899.32<br>1.56                | 1.05%<br>2.08                 | Aaa / AA+<br>AAA               | 2.46<br>2.45               |
| 3133EDBU5        | FFCB Note<br>3.5% Due 12/20/2023                                    | 50,000.00        | 01/16/2019<br>2.74%         | 51,743.00<br>50,933.54               | 108.33<br>0.33%      | 54,164.55<br>636.81              | 1.93%<br>3,231.01             | Aaa / AA+<br>AAA               | 2.64<br>2.52               |
| 3130A1XJ2        | FHLB Note<br>2.875% Due 6/14/2024                                   | 100,000.00       | 06/18/2019<br>1.96%         | 104,323.00<br>102,704.84             | 107.71<br>0.39%      | 107,707.30<br>1,094.10           | 3.83%<br>5,002.46             | Aaa / AA+<br>NR                | 3.13<br>2.98               |
| 3137EAEP0        | FHLMC Note<br>1.5% Due 2/12/2025                                    | 22,000.00        | 03/24/2020<br>0.95%         | 22,571.34<br>22,442.67               | 103.48<br>0.57%      | 22,765.73<br>72.42               | 0.80%<br>323.06               | Aaa / AA+<br>AAA               | 3.79<br>3.67               |
| 3135G03U5        | FNMA Note<br>0.625% Due 4/22/2025                                   | 100,000.00       | 04/27/2020<br>0.67%         | 99,768.00<br>99,814.91               | 99.92<br>0.65%       | 99,917.40<br>15.63               | 3.52%<br>102.49               | Aaa / AA+<br>AAA               | 3.98<br>3.92               |



## Three Valleys Municipal Water District

## Holdings Report

Account #10065

As of April 30, 2021

| CUSIP                          | Security Description                                                        | Par Value/Units   | Purchase Date<br>Book Yield | Cost Value<br>Book Value               | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.         | % of Port.<br>Gain/Loss           | Moody/S&P<br>Fitch             | Maturity<br>Duration       |
|--------------------------------|-----------------------------------------------------------------------------|-------------------|-----------------------------|----------------------------------------|----------------------|--------------------------------------|-----------------------------------|--------------------------------|----------------------------|
| <b>AGENCY</b>                  |                                                                             |                   |                             |                                        |                      |                                      |                                   |                                |                            |
| 3137EAEU9                      | FHLMC Note<br>0.375% Due 7/21/2025                                          | 20,000.00         | 07/21/2020<br>0.48%         | 19,900.40<br>19,915.80                 | 98.67<br>0.70%       | 19,733.90<br>20.83                   | 0.70%<br>(181.90)                 | Aaa / AA+<br>AAA               | 4.23<br>4.18               |
| 3135G05X7                      | FNMA Note<br>0.375% Due 8/25/2025                                           | 60,000.00         | 08/25/2020<br>0.47%         | 59,719.20<br>59,757.23                 | 98.64<br>0.70%       | 59,184.30<br>41.25                   | 2.09%<br>(572.93)                 | Aaa / AA+<br>AAA               | 4.32<br>4.27               |
| 3137EAEX3                      | FHLMC Note<br>0.375% Due 9/23/2025                                          | 60,000.00         | 09/23/2020<br>0.44%         | 59,819.40<br>59,840.98                 | 98.41<br>0.74%       | 59,045.16<br>23.75                   | 2.08%<br>(795.82)                 | Aaa / AA+<br>AAA               | 4.40<br>4.35               |
| 3135G06G3                      | FNMA Note<br>0.5% Due 11/7/2025                                             | 65,000.00         | 11/09/2020<br>0.57%         | 64,767.30<br>64,789.02                 | 98.83<br>0.76%       | 64,240.15<br>152.57                  | 2.27%<br>(548.87)                 | Aaa / AA+<br>AAA               | 4.53<br>4.45               |
| <b>Total Agency</b>            |                                                                             | <b>827,000.00</b> | <b>1.61%</b>                | <b>834,617.14</b><br><b>831,331.59</b> | <b>0.42%</b>         | <b>851,731.97</b><br><b>4,274.96</b> | <b>30.17%</b><br><b>20,400.38</b> | <b>Aaa / AA+</b><br><b>AAA</b> | <b>2.98</b><br><b>2.91</b> |
| <b>CORPORATE</b>               |                                                                             |                   |                             |                                        |                      |                                      |                                   |                                |                            |
| 48128BAB7                      | JP Morgan Chase & Co Callable Note 1X<br>1/15/2022<br>2.972% Due 1/15/2023  | 75,000.00         | 10/30/2018<br>3.73%         | 72,801.00<br>74,107.24                 | 101.85<br>0.35%      | 76,387.43<br>656.32                  | 2.72%<br>2,280.19                 | A2 / A-<br>AA-                 | 1.71<br>0.70               |
| 808513AT2                      | Charles Schwab Corp Callable Note<br>Cont 12/25/2022<br>2.65% Due 1/25/2023 | 70,000.00         | 06/01/2018<br>3.31%         | 68,014.10<br>69,257.19                 | 103.80<br>0.34%      | 72,659.16<br>494.67                  | 2.58%<br>3,401.97                 | A2 / A<br>A                    | 1.74<br>1.62               |
| 037833AK6                      | Apple Inc Note<br>2.4% Due 5/3/2023                                         | 70,000.00         | 11/29/2018<br>3.49%         | 66,895.50<br>68,592.88                 | 104.21<br>0.30%      | 72,947.56<br>830.67                  | 2.60%<br>4,354.68                 | Aa1 / AA+<br>NR                | 2.01<br>1.95               |
| 69371RP59                      | Paccar Financial Corp Note<br>3.4% Due 8/9/2023                             | 70,000.00         | 09/10/2018<br>3.37%         | 70,099.40<br>70,046.04                 | 106.71<br>0.43%      | 74,700.36<br>542.11                  | 2.65%<br>4,654.32                 | A1 / A+<br>NR                  | 2.28<br>2.19               |
| 24422EVN6                      | John Deere Capital Corp Note<br>0.45% Due 1/17/2024                         | 25,000.00         | 03/01/2021<br>0.47%         | 24,982.25<br>24,983.23                 | 100.01<br>0.45%      | 25,002.55<br>17.81                   | 0.88%<br>19.32                    | A2 / A<br>A                    | 2.72<br>2.69               |
| <b>Total Corporate</b>         |                                                                             | <b>310,000.00</b> | <b>3.24%</b>                | <b>302,792.25</b><br><b>306,986.58</b> | <b>0.36%</b>         | <b>321,697.06</b><br><b>2,541.58</b> | <b>11.43%</b><br><b>14,710.48</b> | <b>A1 / A+</b><br><b>A+</b>    | <b>1.99</b><br><b>1.69</b> |
| <b>MONEY MARKET FUND</b>       |                                                                             |                   |                             |                                        |                      |                                      |                                   |                                |                            |
| 31846V203                      | First American Govt Obligation Fund<br>Class Y                              | 438,764.54        | Various<br>0.01%            | 438,764.54<br>438,764.54               | 1.00<br>0.01%        | 438,764.54<br>0.00                   | 15.46%<br>0.00                    | Aaa / AAA<br>AAA               | 0.00<br>0.00               |
| <b>Total Money Market Fund</b> |                                                                             | <b>438,764.54</b> | <b>0.01%</b>                | <b>438,764.54</b>                      | <b>0.01%</b>         | <b>438,764.54</b><br><b>0.00</b>     | <b>15.46%</b><br><b>0.00</b>      | <b>Aaa / AAA</b><br><b>AAA</b> | <b>0.00</b><br><b>0.00</b> |



## Three Valleys Municipal Water District

## Holdings Report

Account #10065

As of April 30, 2021

| CUSIP                      | Security Description                                 | Par Value/Units  | Purchase Date<br>Book Yield | Cost Value<br>Book Value             | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.     | % of Port.<br>Gain/Loss       | Moody/S&P<br>Fitch             | Maturity<br>Duration       |
|----------------------------|------------------------------------------------------|------------------|-----------------------------|--------------------------------------|----------------------|----------------------------------|-------------------------------|--------------------------------|----------------------------|
| <b>SUPRANATIONAL</b>       |                                                      |                  |                             |                                      |                      |                                  |                               |                                |                            |
| 4581X0DV7                  | Inter-American Dev Bank Note<br>0.875% Due 4/20/2026 | 60,000.00        | 04/13/2021<br>0.97%         | 59,725.20<br>59,726.86               | 99.95<br>0.89%       | 59,967.78<br>16.04               | 2.11%<br>240.92               | Aaa / AAA<br>AAA               | 4.98<br>4.85               |
| <b>Total Supranational</b> |                                                      | <b>60,000.00</b> | <b>0.97%</b>                | <b>59,725.20</b><br><b>59,726.86</b> | <b>0.89%</b>         | <b>59,967.78</b><br><b>16.04</b> | <b>2.11%</b><br><b>240.92</b> | <b>Aaa / AAA</b><br><b>AAA</b> | <b>4.98</b><br><b>4.85</b> |
| <b>US TREASURY</b>         |                                                      |                  |                             |                                      |                      |                                  |                               |                                |                            |
| 912828N30                  | US Treasury Note<br>2.125% Due 12/31/2022            | 70,000.00        | 01/31/2018<br>2.54%         | 68,676.56<br>69,550.99               | 103.29<br>0.15%      | 72,302.37<br>497.20              | 2.57%<br>2,751.38             | Aaa / AA+<br>AAA               | 1.67<br>1.64               |
| 9128284D9                  | US Treasury Note<br>2.5% Due 3/31/2023               | 80,000.00        | 04/29/2019<br>2.29%         | 80,631.25<br>80,308.35               | 104.46<br>0.17%      | 83,571.84<br>169.40              | 2.95%<br>3,263.49             | Aaa / AA+<br>AAA               | 1.92<br>1.88               |
| 9128285P1                  | US Treasury Note<br>2.875% Due 11/30/2023            | 80,000.00        | 03/30/2021<br>0.26%         | 85,546.88<br>85,370.34               | 106.73<br>0.26%      | 85,381.28<br>960.44              | 3.04%<br>10.94                | Aaa / AA+<br>AAA               | 2.59<br>2.48               |
| 912828XT2                  | US Treasury Note<br>2% Due 5/31/2024                 | 80,000.00        | Various<br>1.27%            | 81,926.96<br>81,744.21               | 105.01<br>0.37%      | 84,006.24<br>668.13              | 2.98%<br>2,262.03             | Aaa / AA+<br>AAA               | 3.09<br>2.98               |
| 912828XX3                  | US Treasury Note<br>2% Due 6/30/2024                 | 80,000.00        | 08/26/2019<br>1.43%         | 82,109.38<br>81,378.43               | 105.08<br>0.39%      | 84,062.48<br>534.81              | 2.98%<br>2,684.05             | Aaa / AA+<br>AAA               | 3.17<br>3.06               |
| 9128282Y5                  | US Treasury Note<br>2.125% Due 9/30/2024             | 80,000.00        | 11/12/2019<br>1.77%         | 81,337.50<br>80,936.17               | 105.68<br>0.45%      | 84,540.64<br>143.99              | 2.98%<br>3,604.47             | Aaa / AA+<br>AAA               | 3.42<br>3.31               |
| 912828YV6                  | US Treasury Note<br>1.5% Due 11/30/2024              | 80,000.00        | 03/30/2021<br>0.54%         | 82,784.38<br>82,719.97               | 103.55<br>0.50%      | 82,840.64<br>501.10              | 2.94%<br>120.67               | Aaa / AA+<br>AAA               | 3.59<br>3.48               |
| 912828ZF0                  | US Treasury Note<br>0.5% Due 3/31/2025               | 80,000.00        | 03/29/2021<br>0.61%         | 79,665.63<br>79,672.95               | 99.66<br>0.59%       | 79,731.28<br>33.88               | 2.81%<br>58.33                | Aaa / AA+<br>AAA               | 3.92<br>3.87               |
| 91282CAZ4                  | US Treasury Note<br>0.375% Due 11/30/2025            | 85,000.00        | Various<br>0.69%            | 83,754.88<br>83,778.14               | 98.24<br>0.77%       | 83,505.87<br>133.11              | 2.95%<br>(272.27)             | Aaa / AA+<br>AAA               | 4.59<br>4.53               |
| 91282CBC4                  | US Treasury Note<br>0.375% Due 12/31/2025            | 85,000.00        | Various<br>0.65%            | 83,906.44<br>83,928.69               | 98.11<br>0.79%       | 83,396.31<br>106.54              | 2.94%<br>(532.38)             | Aaa / AA+<br>AAA               | 4.67<br>4.61               |
| 91282CBH3                  | US Treasury Note<br>0.375% Due 1/31/2026             | 88,000.00        | Various<br>0.78%            | 86,294.14<br>86,328.45               | 97.98<br>0.81%       | 86,219.41<br>82.04               | 3.04%<br>(109.04)             | Aaa / AA+<br>AAA               | 4.76<br>4.69               |
| 91282CBQ3                  | US Treasury Note<br>0.5% Due 2/28/2026               | 85,000.00        | 03/24/2021<br>0.82%         | 83,681.84<br>83,708.92               | 98.46<br>0.83%       | 83,691.77<br>71.60               | 2.95%<br>(17.15)              | Aaa / AA+<br>AAA               | 4.84<br>4.76               |



## Three Valleys Municipal Water District

## Holdings Report

Account #10065

As of April 30, 2021

| CUSIP                                  | Security Description                    | Par Value/Units     | Purchase Date<br>Book Yield | Cost Value<br>Book Value                   | Mkt Price<br>Mkt YTM | Market Value<br>Accrued Int.            | % of Port.<br>Gain/Loss            | Moody/S&P<br>Fitch             | Maturity<br>Duration       |
|----------------------------------------|-----------------------------------------|---------------------|-----------------------------|--------------------------------------------|----------------------|-----------------------------------------|------------------------------------|--------------------------------|----------------------------|
| <b>US TREASURY</b>                     |                                         |                     |                             |                                            |                      |                                         |                                    |                                |                            |
| 91282CBT7                              | US Treasury Note<br>0.75% Due 3/31/2026 | 85,000.00           | 04/28/2021<br>0.86%         | 84,558.40<br>84,558.89                     | 99.56<br>0.84%       | 84,628.13<br>54.00                      | 2.98%<br>69.24                     | Aaa / AA+<br>AAA               | 4.92<br>4.81               |
| <b>Total US Treasury</b>               |                                         | <b>1,058,000.00</b> | <b>1.09%</b>                | <b>1,064,874.24</b><br><b>1,063,984.50</b> | <b>0.53%</b>         | <b>1,077,878.26</b><br><b>3,956.24</b>  | <b>38.13%</b><br><b>13,893.76</b>  | <b>Aaa / AA+</b><br><b>AAA</b> | <b>3.65</b><br><b>3.56</b> |
| <b>TOTAL PORTFOLIO</b>                 |                                         | <b>2,769,542.93</b> | <b>1.35%</b>                | <b>2,776,546.15</b><br><b>2,776,569.03</b> | <b>0.40%</b>         | <b>2,826,341.91</b><br><b>10,871.75</b> | <b>100.00%</b><br><b>49,772.88</b> | <b>Aa1 / AA+</b><br><b>AAA</b> | <b>2.68</b><br><b>2.55</b> |
| <b>TOTAL MARKET VALUE PLUS ACCRUED</b> |                                         |                     |                             |                                            |                      | <b>2,837,213.66</b>                     |                                    |                                |                            |



## Three Valleys Municipal Water District

## Transaction Ledger

Account #10065

As of April 30, 2021

| Transaction Type          | Settlement Date | CUSIP     | Quantity          | Security Description                                  | Price   | Acq/Disp Yield | Amount            | Interest Pur/Sold | Total Amount      | Gain/Loss   |
|---------------------------|-----------------|-----------|-------------------|-------------------------------------------------------|---------|----------------|-------------------|-------------------|-------------------|-------------|
| <b>ACQUISITIONS</b>       |                 |           |                   |                                                       |         |                |                   |                   |                   |             |
| Purchase                  | 04/01/2021      | 31846V203 | 1.71              | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 1.71              | 0.00              | 1.71              | 0.00        |
| Purchase                  | 04/15/2021      | 31846V203 | 3.25              | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 3.25              | 0.00              | 3.25              | 0.00        |
| Purchase                  | 04/15/2021      | 31846V203 | 5,944.11          | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 5,944.11          | 0.00              | 5,944.11          | 0.00        |
| Purchase                  | 04/15/2021      | 31846V203 | 4,651.73          | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 4,651.73          | 0.00              | 4,651.73          | 0.00        |
| Purchase                  | 04/16/2021      | 31846V203 | 18.75             | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 18.75             | 0.00              | 18.75             | 0.00        |
| Purchase                  | 04/19/2021      | 31846V203 | 2,280.22          | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 2,280.22          | 0.00              | 2,280.22          | 0.00        |
| Purchase                  | 04/20/2021      | 4581X0DV7 | 60,000.00         | Inter-American Dev Bank Note 0.875% Due 4/20/2026     | 99.542  | 0.97%          | 59,725.20         | 0.00              | 59,725.20         | 0.00        |
| Purchase                  | 04/22/2021      | 31846V203 | 312.50            | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 312.50            | 0.00              | 312.50            | 0.00        |
| Purchase                  | 04/29/2021      | 91282CBT7 | 85,000.00         | US Treasury Note 0.75% Due 3/31/2026                  | 99.480  | 0.86%          | 84,558.40         | 50.51             | 84,608.91         | 0.00        |
| <b>Subtotal</b>           |                 |           | <b>158,212.27</b> |                                                       |         |                | <b>157,495.87</b> | <b>50.51</b>      | <b>157,546.38</b> | <b>0.00</b> |
| <b>TOTAL ACQUISITIONS</b> |                 |           | <b>158,212.27</b> |                                                       |         |                | <b>157,495.87</b> | <b>50.51</b>      | <b>157,546.38</b> | <b>0.00</b> |
| <b>DISPOSITIONS</b>       |                 |           |                   |                                                       |         |                |                   |                   |                   |             |
| Sale                      | 04/20/2021      | 31846V203 | 59,725.20         | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 59,725.20         | 0.00              | 59,725.20         | 0.00        |
| Sale                      | 04/29/2021      | 31846V203 | 84,608.91         | First American Govt Obligation Fund Class Y           | 1.000   | 0.01%          | 84,608.91         | 0.00              | 84,608.91         | 0.00        |
| <b>Subtotal</b>           |                 |           | <b>144,334.11</b> |                                                       |         |                | <b>144,334.11</b> | <b>0.00</b>       | <b>144,334.11</b> | <b>0.00</b> |
| Paydown                   | 04/15/2021      | 47788EAC2 | 5,874.29          | John Deere Owner Trust 2018-B A3 3.08% Due 11/15/2022 | 100.000 |                | 5,874.29          | 69.82             | 5,944.11          | 0.00        |



## Three Valleys Municipal Water District

## Transaction Ledger

Account #10065

As of April 30, 2021

| Transaction Type                | Settlement Date | CUSIP     | Quantity          | Security Description                                            | Price   | Acq/Disp Yield | Amount            | Interest Pur/Sold | Total Amount      | Gain/Loss   |
|---------------------------------|-----------------|-----------|-------------------|-----------------------------------------------------------------|---------|----------------|-------------------|-------------------|-------------------|-------------|
| <b>DISPOSITIONS</b>             |                 |           |                   |                                                                 |         |                |                   |                   |                   |             |
| Paydown                         | 04/15/2021      | 65479GAD1 | 4,554.88          | Nissan Auto Receivables Trust 2018-B A3<br>3.06% Due 3/15/2023  | 100.000 |                | 4,554.88          | 96.85             | 4,651.73          | 0.00        |
| Paydown                         | 04/15/2021      | 89240BAC2 | 0.00              | Toyota Auto Receivables Owners 2021-A A3<br>0.26% Due 5/15/2025 | 100.000 |                | 0.00              | 3.25              | 3.25              | 0.00        |
| Paydown                         | 04/19/2021      | 43814UAG4 | 2,259.43          | Honda Auto Receivables Trust 2018-2 A3<br>3.01% Due 5/18/2022   | 100.000 |                | 2,259.43          | 20.79             | 2,280.22          | 0.00        |
| <b>Subtotal</b>                 |                 |           | <b>12,688.60</b>  |                                                                 |         |                | <b>12,688.60</b>  | <b>190.71</b>     | <b>12,879.31</b>  | <b>0.00</b> |
| Security Withdrawal             | 04/05/2021      | 31846V203 | 233.35            | First American Govt Obligation Fund Class Y                     | 1.000   |                | 233.35            | 0.00              | 233.35            | 0.00        |
| Security Withdrawal             | 04/27/2021      | 31846V203 | 104.17            | First American Govt Obligation Fund Class Y                     | 1.000   |                | 104.17            | 0.00              | 104.17            | 0.00        |
| <b>Subtotal</b>                 |                 |           | <b>337.52</b>     |                                                                 |         |                | <b>337.52</b>     | <b>0.00</b>       | <b>337.52</b>     | <b>0.00</b> |
| <b>TOTAL DISPOSITIONS</b>       |                 |           | <b>157,360.23</b> |                                                                 |         |                | <b>157,360.23</b> | <b>190.71</b>     | <b>157,550.94</b> | <b>0.00</b> |
| <b>OTHER TRANSACTIONS</b>       |                 |           |                   |                                                                 |         |                |                   |                   |                   |             |
| Interest                        | 04/16/2021      | 3137EAEY1 | 30,000.00         | FHLMC Note<br>0.125% Due 10/16/2023                             | 0.000   |                | 18.75             | 0.00              | 18.75             | 0.00        |
| Interest                        | 04/22/2021      | 3135G03U5 | 100,000.00        | FNMA Note<br>0.625% Due 4/22/2025                               | 0.000   |                | 312.50            | 0.00              | 312.50            | 0.00        |
| <b>Subtotal</b>                 |                 |           | <b>130,000.00</b> |                                                                 |         |                | <b>331.25</b>     | <b>0.00</b>       | <b>331.25</b>     | <b>0.00</b> |
| Dividend                        | 04/01/2021      | 31846V203 | 570,223.90        | First American Govt Obligation Fund Class Y                     | 0.000   |                | 1.71              | 0.00              | 1.71              | 0.00        |
| <b>Subtotal</b>                 |                 |           | <b>570,223.90</b> |                                                                 |         |                | <b>1.71</b>       | <b>0.00</b>       | <b>1.71</b>       | <b>0.00</b> |
| <b>TOTAL OTHER TRANSACTIONS</b> |                 |           | <b>700,223.90</b> |                                                                 |         |                | <b>332.96</b>     | <b>0.00</b>       | <b>332.96</b>     | <b>0.00</b> |





## Three Valleys Municipal Water District

## Income Earned

Account #10065

As of April 30, 2021

| CUSIP               | Security Description                                    | Trade Date<br>Settle Date<br>Units     | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|---------------------|---------------------------------------------------------|----------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------|
| <b>FIXED INCOME</b> |                                                         |                                        |                                                                             |                                                                    |                                                                             |              |
| 037833AK6           | Apple Inc<br>Note<br>2.4% Due 05/03/2023                | 11/29/2018<br>11/30/2018<br>70,000.00  | 68,535.21<br>0.00<br>0.00<br>68,592.88                                      | 690.67<br>0.00<br>830.67<br>140.00                                 | 57.67<br>0.00<br>57.67<br>197.67                                            | 197.67       |
| 24422EVN6           | John Deere Capital Corp<br>Note<br>0.45% Due 01/17/2024 | 03/01/2021<br>03/04/2021<br>25,000.00  | 24,982.72<br>0.00<br>0.00<br>24,983.23                                      | 8.44<br>0.00<br>17.81<br>9.37                                      | 0.51<br>0.00<br>0.51<br>9.88                                                | 9.88         |
| 3130A1XJ2           | FHLB<br>Note<br>2.875% Due 06/14/2024                   | 06/18/2019<br>06/19/2019<br>100,000.00 | 102,776.02<br>0.00<br>0.00<br>102,704.84                                    | 854.51<br>0.00<br>1,094.10<br>239.59                               | 0.00<br>71.18<br>(71.18)<br>168.41                                          | 168.41       |
| 3130AABG2           | FHLB<br>Note<br>1.875% Due 11/29/2021                   | 12/28/2016<br>12/29/2016<br>20,000.00  | 19,972.24<br>0.00<br>0.00<br>19,975.68                                      | 127.08<br>0.00<br>158.33<br>31.25                                  | 3.44<br>0.00<br>3.44<br>34.69                                               | 34.69        |
| 313383YJ4           | FHLB<br>Note<br>3.375% Due 09/08/2023                   | 02/26/2019<br>02/27/2019<br>100,000.00 | 101,836.50<br>0.00<br>0.00<br>101,774.59                                    | 215.63<br>0.00<br>496.88<br>281.25                                 | 0.00<br>61.91<br>(61.91)<br>219.34                                          | 219.34       |
| 3133EAYP7           | FFCB<br>Note<br>1.95% Due 07/19/2022                    | 07/28/2017<br>07/31/2017<br>100,000.00 | 100,036.06<br>0.00<br>0.00<br>100,033.78                                    | 390.00<br>0.00<br>552.50<br>162.50                                 | 0.00<br>2.28<br>(2.28)<br>160.22                                            | 160.22       |
| 3133EDBU5           | FFCB<br>Note<br>3.5% Due 12/20/2023                     | 01/16/2019<br>01/17/2019<br>50,000.00  | 50,962.62<br>0.00<br>0.00<br>50,933.54                                      | 490.97<br>0.00<br>636.81<br>145.84                                 | 0.00<br>29.08<br>(29.08)<br>116.76                                          | 116.76       |
| 3135G03U5           | FNMA<br>Note<br>0.625% Due 04/22/2025                   | 04/27/2020<br>04/28/2020<br>100,000.00 | 99,811.09<br>0.00<br>0.00<br>99,814.91                                      | 276.04<br>312.50<br>15.63<br>52.09                                 | 3.82<br>0.00<br>3.82<br>55.91                                               | 55.91        |
| 3135G05X7           | FNMA<br>Note<br>0.375% Due 08/25/2025                   | 08/25/2020<br>08/27/2020<br>60,000.00  | 59,752.61<br>0.00<br>0.00<br>59,757.23                                      | 22.50<br>0.00<br>41.25<br>18.75                                    | 4.62<br>0.00<br>4.62<br>23.37                                               | 23.37        |



## Three Valleys Municipal Water District

## Income Earned

Account #10065

As of April 30, 2021

| CUSIP     | Security Description                                              | Trade Date<br>Settle Date<br>Units     | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|-------------------------------------------------------------------|----------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------|
| 3135G06G3 | FNMA<br>Note<br>0.5% Due 11/07/2025                               | 11/09/2020<br>11/12/2020<br>65,000.00  | 64,785.19<br>0.00<br>0.00<br>64,789.02                                      | 125.49<br>0.00<br>152.57<br>27.08                                  | 3.83<br>0.00<br>3.83<br>30.91                                               | 30.91        |
| 3137EAEN5 | FHLMC<br>Note<br>2.75% Due 06/19/2023                             | 09/27/2018<br>09/28/2018<br>100,000.00 | 99,430.18<br>0.00<br>0.00<br>99,451.31                                      | 779.17<br>0.00<br>1,008.33<br>229.16                               | 21.13<br>0.00<br>21.13<br>250.29                                            | 250.29       |
| 3137EAEP0 | FHLMC<br>Note<br>1.5% Due 02/12/2025                              | 03/24/2020<br>03/25/2020<br>22,000.00  | 22,452.27<br>0.00<br>0.00<br>22,442.67                                      | 44.92<br>0.00<br>72.42<br>27.50                                    | 0.00<br>9.60<br>(9.60)<br>17.90                                             | 17.90        |
| 3137EAEU9 | FHLMC<br>Note<br>0.375% Due 07/21/2025                            | 07/21/2020<br>07/23/2020<br>20,000.00  | 19,914.16<br>0.00<br>0.00<br>19,915.80                                      | 14.58<br>0.00<br>20.83<br>6.25                                     | 1.64<br>0.00<br>1.64<br>7.89                                                | 7.89         |
| 3137EAEX3 | FHLMC<br>Note<br>0.375% Due 09/23/2025                            | 09/23/2020<br>09/25/2020<br>60,000.00  | 59,838.01<br>0.00<br>0.00<br>59,840.98                                      | 5.00<br>0.00<br>23.75<br>18.75                                     | 2.97<br>0.00<br>2.97<br>21.72                                               | 21.72        |
| 3137EAEY1 | FHLMC<br>Note<br>0.125% Due 10/16/2023                            | 10/22/2020<br>10/23/2020<br>30,000.00  | 29,893.81<br>0.00<br>0.00<br>29,897.24                                      | 17.19<br>18.75<br>1.56<br>3.12                                     | 3.43<br>0.00<br>3.43<br>6.55                                                | 6.55         |
| 43814UAG4 | Honda Auto Receivables Trust<br>2018-2 A3<br>3.01% Due 05/18/2022 | 05/22/2018<br>05/30/2018<br>6,027.70   | 8,287.08<br>0.00<br>2,259.43<br>6,027.67                                    | 9.01<br>20.79<br>6.55<br>18.33                                     | 0.02<br>0.00<br>0.02<br>18.35                                               | 18.35        |
| 4581X0DV7 | Inter-American Dev Bank<br>Note<br>0.875% Due 04/20/2026          | 04/13/2021<br>04/20/2021<br>60,000.00  | 0.00<br>59,725.20<br>0.00<br>59,726.86                                      | 0.00<br>0.00<br>16.04<br>16.04                                     | 1.66<br>0.00<br>1.66<br>17.70                                               | 17.70        |
| 47788EAC2 | John Deere Owner Trust<br>2018-B A3<br>3.08% Due 11/15/2022       | 07/18/2018<br>07/25/2018<br>21,327.09  | 27,200.60<br>0.00<br>5,874.29<br>21,326.51                                  | 37.24<br>69.82<br>29.19<br>61.77                                   | 0.20<br>0.00<br>0.20<br>61.97                                               | 61.97        |



## Three Valleys Municipal Water District

## Income Earned

Account #10065

As of April 30, 2021

| CUSIP     | Security Description                                                         | Trade Date<br>Settle Date<br>Units    | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|------------------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------|
| 48128BAB7 | JP Morgan Chase & Co<br>Callable Note 1X 1/15/2022<br>2.972% Due 01/15/2023  | 10/30/2018<br>10/31/2018<br>75,000.00 | 74,064.32<br>0.00<br>0.00<br>74,107.24                                      | 470.57<br>0.00<br>656.32<br>185.75                                 | 42.92<br>0.00<br>42.92<br>228.67                                            | 228.67       |
| 65479GAD1 | Nissan Auto Receivables Trust<br>2018-B A3<br>3.06% Due 03/15/2023           | 07/17/2018<br>07/25/2018<br>33,423.60 | 37,978.18<br>0.00<br>4,554.88<br>33,423.36                                  | 51.65<br>96.85<br>45.46<br>90.66                                   | 0.06<br>0.00<br>0.06<br>90.72                                               | 90.72        |
| 69371RP59 | Paccar Financial Corp<br>Note<br>3.4% Due 08/09/2023                         | 09/10/2018<br>09/12/2018<br>70,000.00 | 70,047.70<br>0.00<br>0.00<br>70,046.04                                      | 343.78<br>0.00<br>542.11<br>198.33                                 | 0.00<br>1.66<br>(1.66)<br>196.67                                            | 196.67       |
| 808513AT2 | Charles Schwab Corp<br>Callable Note Cont 12/25/2022<br>2.65% Due 01/25/2023 | 06/01/2018<br>06/05/2018<br>70,000.00 | 69,222.04<br>0.00<br>0.00<br>69,257.19                                      | 340.08<br>0.00<br>494.67<br>154.59                                 | 35.15<br>0.00<br>35.15<br>189.74                                            | 189.74       |
| 89240BAC2 | Toyota Auto Receivables Owners<br>2021-A A3<br>0.26% Due 05/15/2025          | 02/02/2021<br>02/08/2021<br>15,000.00 | 14,997.35<br>0.00<br>0.00<br>14,997.42                                      | 1.73<br>3.25<br>1.73<br>3.25                                       | 0.07<br>0.00<br>0.07<br>3.32                                                | 3.32         |
| 9128282Y5 | US Treasury<br>Note<br>2.125% Due 09/30/2024                                 | 11/12/2019<br>11/13/2019<br>80,000.00 | 80,958.68<br>0.00<br>0.00<br>80,936.17                                      | 4.64<br>0.00<br>143.99<br>139.35                                   | 0.00<br>22.51<br>(22.51)<br>116.84                                          | 116.84       |
| 9128284D9 | US Treasury<br>Note<br>2.5% Due 03/31/2023                                   | 04/29/2019<br>04/30/2019<br>80,000.00 | 80,321.58<br>0.00<br>0.00<br>80,308.35                                      | 5.46<br>0.00<br>169.40<br>163.94                                   | 0.00<br>13.23<br>(13.23)<br>150.71                                          | 150.71       |
| 9128285P1 | US Treasury<br>Note<br>2.875% Due 11/30/2023                                 | 03/30/2021<br>03/31/2021<br>80,000.00 | 85,541.19<br>0.00<br>0.00<br>85,370.34                                      | 770.88<br>0.00<br>960.44<br>189.56                                 | 0.00<br>170.85<br>(170.85)<br>18.71                                         | 18.71        |
| 912828N30 | US Treasury<br>Note<br>2.125% Due 12/31/2022                                 | 01/31/2018<br>01/31/2018<br>70,000.00 | 69,528.87<br>0.00<br>0.00<br>69,550.99                                      | 373.93<br>0.00<br>497.20<br>123.27                                 | 22.12<br>0.00<br>22.12<br>145.39                                            | 145.39       |



## Three Valleys Municipal Water District

## Income Earned

Account #10065

As of April 30, 2021

| CUSIP     | Security Description                         | Trade Date<br>Settle Date<br>Units    | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income |
|-----------|----------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------|
| 912828XT2 | US Treasury<br>Note<br>2% Due 05/31/2024     | Various<br>Various<br>80,000.00       | 81,790.68<br>0.00<br>0.00<br>81,744.21                                      | 536.26<br>0.00<br>668.13<br>131.87                                 | 0.00<br>46.47<br>(46.47)<br>85.40                                           | 85.40        |
| 912828XX3 | US Treasury<br>Note<br>2% Due 06/30/2024     | 08/26/2019<br>08/27/2019<br>80,000.00 | 81,414.20<br>0.00<br>0.00<br>81,378.43                                      | 402.21<br>0.00<br>534.81<br>132.60                                 | 0.00<br>35.77<br>(35.77)<br>96.83                                           | 96.83        |
| 912828YV6 | US Treasury<br>Note<br>1.5% Due 11/30/2024   | 03/30/2021<br>03/31/2021<br>80,000.00 | 82,782.30<br>0.00<br>0.00<br>82,719.97                                      | 402.20<br>0.00<br>501.10<br>98.90                                  | 0.00<br>62.33<br>(62.33)<br>36.57                                           | 36.57        |
| 912828ZF0 | US Treasury<br>Note<br>0.5% Due 03/31/2025   | 03/29/2021<br>03/30/2021<br>80,000.00 | 79,666.09<br>0.00<br>0.00<br>79,672.95                                      | 1.09<br>0.00<br>33.88<br>32.79                                     | 6.86<br>0.00<br>6.86<br>39.65                                               | 39.65        |
| 91282CAZ4 | US Treasury<br>Note<br>0.375% Due 11/30/2025 | Various<br>Various<br>85,000.00       | 83,756.25<br>0.00<br>0.00<br>83,778.14                                      | 106.84<br>0.00<br>133.11<br>26.27                                  | 21.92<br>0.03<br>21.89<br>48.16                                             | 48.16        |
| 91282CBC4 | US Treasury<br>Note<br>0.375% Due 12/31/2025 | Various<br>Various<br>85,000.00       | 83,909.85<br>0.00<br>0.00<br>83,928.69                                      | 80.12<br>0.00<br>106.54<br>26.42                                   | 18.84<br>0.00<br>18.84<br>45.26                                             | 45.26        |
| 91282CBH3 | US Treasury<br>Note<br>0.375% Due 01/31/2026 | Various<br>Various<br>88,000.00       | 86,299.57<br>0.00<br>0.00<br>86,328.45                                      | 54.70<br>0.00<br>82.04<br>27.34                                    | 28.88<br>0.00<br>28.88<br>56.22                                             | 56.22        |
| 91282CBQ3 | US Treasury<br>Note<br>0.5% Due 02/28/2026   | 03/24/2021<br>03/25/2021<br>85,000.00 | 83,686.96<br>0.00<br>0.00<br>83,708.92                                      | 36.96<br>0.00<br>71.60<br>34.64                                    | 21.96<br>0.00<br>21.96<br>56.60                                             | 56.60        |
| 91282CBT7 | US Treasury<br>Note<br>0.75% Due 03/31/2026  | 04/28/2021<br>04/29/2021<br>85,000.00 | 0.00<br>84,558.40<br>0.00<br>84,558.89                                      | 0.00<br>(50.51)<br>54.00<br>3.49                                   | 0.49<br>0.00<br>0.49<br>3.98                                                | 3.98         |



## Three Valleys Municipal Water District

Account #10065

## Income Earned

As of April 30, 2021

| CUSIP                              | Security Description         | Trade Date<br>Settle Date<br>Units | Book Value: Begin<br>Book Value: Acq<br>Book Value: Disp<br>Book Value: End | Prior Accrued<br>Inc. Received<br>Ending Accrued<br>Total Interest | Accr. Of Discount<br>Amort. Of Premium<br>Net Accret/Amort<br>Income Earned | Total Income    |
|------------------------------------|------------------------------|------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------|
|                                    |                              |                                    | 2,206,432.18                                                                | 8,091.54                                                           | 304.21                                                                      |                 |
|                                    |                              |                                    | 144,283.60                                                                  | 471.45                                                             | 526.90                                                                      |                 |
|                                    |                              |                                    | 12,688.60                                                                   | 10,871.75                                                          | (222.69)                                                                    |                 |
| <b>Total Fixed Income</b>          |                              | <b>2,330,778.39</b>                | <b>2,337,804.49</b>                                                         | <b>3,251.66</b>                                                    | <b>3,028.97</b>                                                             | <b>3,028.97</b> |
| <b>CASH &amp; EQUIVALENT</b>       |                              |                                    |                                                                             |                                                                    |                                                                             |                 |
| 31846V203                          | First American               | Various                            | 570,223.90                                                                  | 0.00                                                               | 0.00                                                                        | 1.71            |
|                                    | Govt Obligation Fund Class Y | Various                            | 13,212.27                                                                   | 1.71                                                               | 0.00                                                                        |                 |
|                                    |                              | 438,764.54                         | 144,671.63                                                                  | 0.00                                                               | 0.00                                                                        |                 |
|                                    |                              |                                    | 438,764.54                                                                  | 1.71                                                               | 1.71                                                                        |                 |
|                                    |                              |                                    | <b>570,223.90</b>                                                           | <b>0.00</b>                                                        | <b>0.00</b>                                                                 |                 |
|                                    |                              |                                    | <b>13,212.27</b>                                                            | <b>1.71</b>                                                        | <b>0.00</b>                                                                 |                 |
| <b>Total Cash &amp; Equivalent</b> |                              | <b>438,764.54</b>                  | <b>438,764.54</b>                                                           | <b>1.71</b>                                                        | <b>1.71</b>                                                                 | <b>1.71</b>     |
|                                    |                              |                                    | 2,776,656.08                                                                | 8,091.54                                                           | 304.21                                                                      |                 |
|                                    |                              |                                    | 157,495.87                                                                  | 473.16                                                             | 526.90                                                                      |                 |
|                                    |                              |                                    | 157,360.23                                                                  | 10,871.75                                                          | (222.69)                                                                    |                 |
| <b>TOTAL PORTFOLIO</b>             |                              | <b>2,769,542.93</b>                | <b>2,776,569.03</b>                                                         | <b>3,253.37</b>                                                    | <b>3,030.68</b>                                                             | <b>3,030.68</b> |



Chandler Asset Management, Inc. ("Chandler") is an SEC registered investment adviser. For additional information about our firm, please see our current disclosures (Form ADV). To obtain a copy of our current disclosures, you may contact your client service representative by calling the number on the front of this statement or you may visit our website at [www.chandlerasset.com](http://www.chandlerasset.com).

Information contained in this monthly statement is confidential and is provided for informational purposes only and should not be construed as specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of this statement, but may become outdated or superseded at any time without notice.

**Custody:** Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

**Valuation:** Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

**Performance:** Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Source ice Data Indices, LLC ("ICE"), used with permission. ICE PERMITS USE OF THE ICE INDICES AND RELATED DATA ON AN "AS IS" BASIS; ICE, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES OR THEIR RESPECTIVE THIRD PARTY PROVIDERS GUARANTEE THE QUALITY, ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND LICENSEE'S USE IS AT LICENSEE'S OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY DO NOT SPONSOR, ENDORSE, OR RECOMMEND CHANDLER, OR ANY OF ITS PRODUCTS OR SERVICES.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

**Ratings:** Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.


Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.



| Benchmark Index                            | Disclosure                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ICE BAML 1-5 Year US Treasury/Agency Index | The ICE BAML 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: GVA0. Please visit <a href="http://www.mlindex.ml.com">www.mlindex.ml.com</a> for more information) |



## Board of Directors Staff Report

**To:** TVMWD Board of Directors  
**From:** Matthew H. Litchfield, General Manager   
**Date:** May 19, 2021  
**Subject:** YTD District Budget Status Report

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|                                                      |                                          |    |
|------------------------------------------------------|------------------------------------------|----|
| <input type="checkbox"/> For Action                  | <input type="checkbox"/> Fiscal Impact   | \$ |
| <input checked="" type="checkbox"/> Information Only | <input type="checkbox"/> Funds Budgeted: |    |

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**Staff Recommendation:**

**No Action Necessary – Informational Item Only**

**Discussion:**

Attached for your review is the YTD District Budget Status Report for the period ending April 30, 2021.

The **Hydroelectric Revenue** exceeds budget because there is an increased flow to the JWL (Joint Water Line) as we increase our efforts to maximize Miramar plant deliveries.

The **Grants and Other Revenue** line item reflects the following:

- \$110,000 final payment received for Termination and Release of the 1984 Grant Easement for the 901 Corporate Center Drive, Pomona property.
- \$155,000 received to offset expected expenses for the Bonanza Springs Study. The expenses are reported under the **Planning & Resources** line item.

The final two payments due in FY 2020-2021 for the **MWD RTS Charge** and **MWD Capacity Charge** were billed this month.

The **Membership Dues & Fees** line item is slightly over budget due to a few membership dues that were higher than planned.

The **Board Elections** costs incurred and passed on to the District from the Los Angeles County Registrar-Recorder/County Clerk for the 2020 election were significantly higher than expected. Funds will be transferred from the Water Management Reserves and General Reserves to cover the expense.

**Strategic Plan Objective(s):**

3.1 – Utilize and comply with a set of financial policies to maintain TVMWD’s financial health



**Attachment(s):**

Exhibit A – YTD District Budget Status Report

**Meeting History:**

None


NA/LC

| THREE VALLEYS MUNICIPAL WATER DISTRICT    |                   |                     |              |                  |
|-------------------------------------------|-------------------|---------------------|--------------|------------------|
| DISTRICT BUDGET - FISCAL YEAR 2020-2021   |                   |                     |              |                  |
| Month Ending April 30, 2021               |                   |                     |              |                  |
|                                           | 2020-2021         | Annual              | 2020-2021    | 2020-2021        |
|                                           | YTD               | Budget              | Percent      | Balance          |
|                                           | Actual            | All Funds           | of Budget    | Remaining        |
| <b>REVENUES</b>                           |                   |                     |              |                  |
| <b>OPERATING REVENUES</b>                 |                   |                     |              |                  |
| Water Sales                               | 57,589,930        | 63,627,104          | 90.5%        | 6,037,174        |
| MWD RTS Standby Charge                    | 3,236,344         | 3,687,227           | 87.8%        | 450,883          |
| MWD Capacity Charge Assessment            | 1,139,756         | 1,394,595           | 81.7%        | 254,839          |
| TVMWD Fixed Charges                       | 593,327           | 717,787             | 82.7%        | 124,460          |
| Hydroelectric Revenue                     | 206,800           | 164,000             | 126.1%       | (42,800)         |
| <b>NON-OPERATING REVENUES</b>             |                   |                     |              |                  |
| Property Taxes                            | 2,219,681         | 2,346,337           | 94.6%        | 126,656          |
| Interest Income                           | 87,465            | 146,350             | 59.8%        | 58,885           |
| Pumpback O&M/Reservoir #2 Reimbursement   | 1,583             | 20,000              | 7.9%         | 18,417           |
| Grants and Other Revenue                  | 254,190           | 109,296             | 232.6%       | (144,894)        |
| <b>TOTAL REVENUES</b>                     | <b>65,329,076</b> | <b>72,212,696</b>   | <b>90.5%</b> | <b>6,883,620</b> |
| <b>EXPENSES</b>                           |                   |                     |              |                  |
| <b>OPERATING EXPENSES</b>                 |                   |                     |              |                  |
| MWD Water Purchases                       | 51,618,870        | 57,641,851          | 89.6%        | 6,022,981        |
| MWD RTS Standby Charge                    | 3,729,221         | 3,687,227           | 101.1%       | (41,994)         |
| Staff Compensation                        | 3,781,909         | 4,377,912           | 86.4%        | 596,003          |
| MWD Capacity Charge                       | 1,393,275         | 1,394,595           | 99.9%        | 1,320            |
| Operations and Maintenance                | 1,516,097         | 1,656,585           | 91.5%        | 140,488          |
| Professional Services                     | 500,953           | 549,255             | 91.2%        | 48,302           |
| Directors Compensation                    | 201,289           | 323,892             | 62.1%        | 122,603          |
| Communication and Conservation Programs   | 99,761            | 163,000             | 61.2%        | 63,239           |
| Planning & Resources                      | 248,656           | 246,479             | 100.9%       | (2,177)          |
| Membership Dues and Fees                  | 89,951            | 87,989              | 102.2%       | (1,962)          |
| Hydroelectric Facilities                  | 19,918            | 39,000              | 51.1%        | 19,082           |
| Board Elections                           | 364,951           | -                   | 0.0%         | (364,951)        |
| <b>NON OPERATING EXPENSES</b>             |                   |                     |              |                  |
| Pumpback O&M/Reservoir #2 Expenses        | 7,611             | 20,000              | 38.1%        | 12,389           |
| <b>RESERVE EXPENSES</b>                   |                   |                     |              |                  |
| Reserve Replenishment                     | -                 | 238,182             | 0.0%         | 238,182          |
| <b>CAPITAL INVESTMENT</b>                 |                   |                     |              |                  |
| Capital Repair & Replacement              | 371,653           | 560,780             | 66.3%        | 189,127          |
| Capital Investment Program                | 1,607,727         | 1,915,581           | 83.9%        | 307,854          |
| <b>TOTAL EXPENSES</b>                     | <b>65,551,842</b> | <b>72,902,328</b>   | <b>89.9%</b> | <b>7,350,486</b> |
| <b>NET INCOME (LOSS) BEFORE TRANSFERS</b> |                   | <b>(689,632)</b>    |              |                  |
| TRANSFER FROM/(TO) CAPITAL RESERVES       |                   | (210,337)           |              |                  |
| TRANSFER IN FROM OPPORTUNITY RESERVE      |                   |                     |              |                  |
| TRANSFER IN FROM ENCUMBERED RESERVES      |                   | 396,462             |              |                  |
| <b>NET INCOME (LOSS) AFTER TRANSFERS</b>  |                   | <b>\$ (503,507)</b> |              |                  |

*\*\*This budget is prepared on a modified cash-basis of accounting, which is a basis of accounting other than generally accepted accounting principles (GAAP).*



## Board of Directors Staff Report

**To:** TVMWD Board of Directors  
**From:** Matthew H. Litchfield, General Manager   
**Date:** May 19, 2021  
**Subject:** **Warrant List**

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|                                                       |                                                          |                        |
|-------------------------------------------------------|----------------------------------------------------------|------------------------|
| <input checked="" type="checkbox"/> <b>For Action</b> | <input checked="" type="checkbox"/> <b>Fiscal Impact</b> | <b>\$ 3,536,376.91</b> |
| <input type="checkbox"/> <b>Information Only</b>      | <input type="checkbox"/> <b>Funds Budgeted:</b>          |                        |

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**Staff Recommendation:**

**Receive and file the Warrant List for the period ending April 30, 2021 as presented.**

**Discussion:**

The monthly warrant list is provided for your information.

General checks 51033 through 51094 totaling \$851,789.21 are listed on pages 1 to 2.

MWD February water invoice totaling \$2,425,492.40 is listed on page 3.

Wire transfers for taxing agencies, benefit payments and PERS totaling \$99,391.78 are listed on page 3.

Total payroll checks 13964 through 14016 totaling \$159,703.52 are listed on page 3.

Umpqua Bank invoices details are listed on pages 4 to 5.

**Strategic Plan Objective(s):**

3.1 – Utilize and comply with a set of financial policies to maintain TVMWD's financial health

**Attachment(s):**

Exhibit A – Warrant List

**Meeting History:**

None

NA/LC



THREE VALLEYS MUNICIPAL WATER DISTRICT  
Warrant List  
April 2021

General Checks 51033 through 51094  
Payroll Wire Transfer 3068 through 3083  
Payroll Checks 13964 through 14016

| Check Number | Vendor                         | Description                                                                   | Paid Amount |
|--------------|--------------------------------|-------------------------------------------------------------------------------|-------------|
| 51033        | DE LAGE LANDEN FIN SVCS, INC.  | POSTAGE METER LEASING CHARGES 3/15/21 - 4/14/21                               | 124.52      |
| 51034        | HACH COMPANY                   | MONOCHLORAMINE/AMMONIA/CHLORINE ANALYZER KIT/SAMPLE VIALS/FREE CHLORINE SETS  | 3,463.47    |
| 51035        | JERICO SYSTEMS, INC.           | SIX BASINS STRATEGIC PLAN PROGRAMMATIC EIR - EIR DEVELOPMENT                  | 34,528.67   |
| 51036        | KYLE GROUNDWATER, INC.         | WELL #1 REHAB HYDROGEOLOGICAL SERVICES - FEB                                  | 5,176.00    |
| 51037        | MC MASTER-CARR SUPPLY COMPANY  | HEX SCREW/HEX NUT/WASHERS/LIGHT BULBS/PLUGS/DRILL BITS/SOCKETS                | 8.12        |
| 51038        | NELSON, RICHARD F.             | D3 CERTIFICATION RENEWAL                                                      | 90.00       |
| 51039        | D & H WATER SYSTEMS INC.       | TUBE ASSY                                                                     | 415.49      |
| 51040        | LARRY BURKE ENTERPRISES        | SERVER UPS BATTERY                                                            | 133.57      |
| 51041        | LINCOLN LIFE, EMPL SVCS(5H-26) | 457 DEFRO: APRIL 4 PAYROLL                                                    | 9,477.50    |
| 51042        | MULLEN & ASSOCIATES, INC.      | EMERGENCY ELECTRICAL UPGRADES THROUGH 03/15/21                                | 14,850.00   |
| 51043        | POLYDYNE, INC                  | CLARIFLOC A-6360                                                              | 1,122.34    |
| 51044        | PRIME SYSTEMS IND AUTOMATION   | GENERAL SCADA PROGRAMMING JAN 1 THROUGH MAR 31, 2021                          | 26,499.70   |
| 51045        | SOUTHERN CALIFORNIA EDISON     | GRAND AVE/MIRAMAR/WILLIAMS/FULTON/PM-26/SCADA/PUMPBACK - MAR                  | 12,127.92   |
| 51046        | STETSON ENGINEERS, INC.        | SERVICES FOR PREPARATION OF THE 2020 REGIONAL URBAN WATER MANAGEMENT          | 10,184.00   |
| 51047        | ZIM INDUSTRIES, INC.           | MIRAGRAND WELL RETENTION                                                      | 52,853.78   |
| 51048        | BBVA COMPASS                   | OIL & FILTER CHANGE/INSPECTION & TIRE ROTATION FOR DISTRICT VEHICLES          | 212.46      |
| 51049        | CELL BUSINESS EQUIPMENT        | PLOTTER LEASE - APR                                                           | 268.27      |
| 51050        | GOSNELL, MARK                  | MIRAGRAND WELL NEIGHBOR VEHICLES CLEANING                                     | 500.00      |
| 51051        | LOWE'S                         | LIGHT/BATTERIES/GLOVES/ROLLING TOOL BAGS/BROOM/RISER DATA CABLE/MODULAR PLUGS | 300.20      |
| 51052        | PEST OPTIONS INC.              | MICE/RATS CONTROL                                                             | 370.00      |
| 51053        | JCI JONES CHEMICALS, INC.      | CHLORINE                                                                      | 5,677.54    |
| 51054        | SOUTHERN CALIFORNIA EDISON     | MIRAMAR/WILLIAMS/FULTON - MAR                                                 | 454.10      |
| 51055        | AQUILOGIC, INC.                | CADIZ STUDY PLAN 1/30/21 - 2/26/21                                            | 28,224.28   |
| 51056        | FRISCH ENGINEERING, INC.       | HYDRO 1 REPAIRS                                                               | 13,472.00   |
| 51057        | HACH COMPANY                   | SODIUM CHLORIDE/CALVER POWDER PILLOWS                                         | 237.73      |
| 51058        | KAO CHIH HSIUNG CHIEN SHU JU   | FY 19-20 RTS STANDBY CHARGE OVER LEVY REFUND TO PROPERTY OWNER                | 355.37      |
| 51059        | LEGEND PUMP & WELL SRVC, INC   | WELL 1 REHAB - FURNISH & INSTALL TEST PUMP                                    | 18,772.00   |
| 51060        | SWRCB - ELAP FEES              | ELAP RENEWAL APPLICATION FEE                                                  | 2,800.00    |
| 51061        | UMPQUA BANK                    | UMPQUA BANK INVOICE DETAIL - LAST PAGE                                        | 28,235.09   |
| 51062        | UMPQUA BANK                    | UMPQUA BANK INVOICE DETAIL - LAST PAGE                                        | 7,226.55    |
| 51063        | WEX BANK                       | FUEL 3/01/21 - 3/31/21                                                        | 1,262.60    |
| 51064        | ACWA/JPIA                      | WORKER'S COMPENSATION 1/01/21 - 3/31/21                                       | 9,380.40    |



THREE VALLEYS MUNICIPAL WATER DISTRICT  
Warrant List  
April 2021

Item 7.B - Exhibit A

**General Checks 51033 through 51094**  
**Payroll Wire Transfer 3068 through 3083**  
**Payroll Checks 13964 through 14016**

| Check Number                         | Vendor                                         | Description                                                                      | Paid Amount          |
|--------------------------------------|------------------------------------------------|----------------------------------------------------------------------------------|----------------------|
| 51065                                | AFLAC                                          | AFLAC SUPP. INS: APRIL 2021 (EMPLOYEE REIMBURSED)                                | 1,057.80             |
| 51066                                | ARMSTRONG & WALKER, LANDSCAPE ARCHITECTURE     | MIRAGRAND WELL LANDSCAPE DESIGN - MAR                                            | 4,214.75             |
| 51067                                | BRUNICK, MCELHANEY & KENNEDY                   | LEGAL FEES - MAR                                                                 | 19,498.00            |
| 51068                                | C.P. CONSTRUCTION CO.                          | AIR VAC CONSTRUCT AT MIRAMAR AND MILLS                                           | 25,280.17            |
| 51069                                | DENALI WATER SOLUTIONS, LLC                    | SLUDGE REMOVAL - MAR                                                             | 12,439.11            |
| 51070                                | GREEN MEDIA CREATIONS, INC.                    | REMOTE LEARNING CLASSES HOSTED BY ROWLAND/WALNUT/POMONA -MAR (REIMBURSED BY MWD) | 4,750.00             |
| 51071                                | KEMIRA WATER SOLUTIONS, INC.                   | PAX-XL19                                                                         | 16,457.80            |
| 51072                                | LA REGISTRAR-RECORDER/CO CLERK                 | NOVEMBER 2020 BOARD DIRECTORS ELECTION                                           | 364,950.89           |
| 51073                                | LINCOLN FINANCIAL GROUP                        | 401A MAINTENANCE FEES - REGULATORY RESTATEMENT                                   | 750.00               |
| 51074                                | LINCOLN LIFE, EMPL SVCS(5H-26)                 | 457 DEF RD: APRIL 18 PAYROLL                                                     | 9,477.50             |
| 51075                                | MICHAEL J ARNOLD & ASSOC, INC.                 | LEGISLATIVE CONSULTANT APR/MAR EXPENSES                                          | 6,084.00             |
| 51076                                | PUBLIC WATER AGENCIES GROUP                    | EMERGENCY PREPAREDNESS PROGRAM ASSESSMENT/ASSESSMENT FOR 1ST QTR 2021            | 1,838.75             |
| 51077                                | RELIANCE STANDARD LIFE INS.                    | ST/LT DISAB: APRIL 2021                                                          | 925.58               |
| 51078                                | SOCALGAS                                       | FULTON SERVICE 3/08/21 - 4/06/21                                                 | 14.30                |
| 51079                                | WATERWISE CONSULTING, INC.                     | WALNUT VALLEY WD VIRTUAL SURVEY PROGRAM - (REIMBURSED BY MWD)                    | 700.00               |
| 51080                                | ACWA/JPIA                                      | ACWA EMPLOYEE BENEFITS - MAY 2021                                                | 47,910.93            |
| 51081                                | LANCASTER, CHRISTOPHER W.                      | EARTH DAY 2021 "TAPPING INTO LOCAL RESOURCES" LA TIMES/SGV/INLAND BULLETIN ADS   | 7,800.00             |
| 51082                                | LINCOLN LIFE, EMPL SVCS(5H-26)                 | 457 DEF RD: BOARD-APRIL 2021                                                     | 4,532.32             |
| 51083                                | RELIANCE STANDARD LIFE INS CO.                 | GROUP LIFE INSURANCE: APRIL 2021                                                 | 1,275.03             |
| 51084                                | SAN GABRIEL VALLEY MWD                         | WATER DELIVERY TO NORTH AZUSA CONNECTION                                         | 3,985.00             |
| 51085                                | SYNCB/AMAZON                                   | ELECTRIC TOOLS KIT/RAPID CHARGER/SANDER/SAW/LITHIUM-ION BATTERIES/LAPTOP CHARGER | 1,945.32             |
| 51086                                | CA DEPT OF TAX & FEE ADMIN                     | 2021 USE TAX QUARTER 1                                                           | 148.00               |
| 51087                                | CLS LANDSCAPE MANAGEMENT                       | TREE TRIMMING/REMOVALS                                                           | 475.00               |
| 51088                                | HACH COMPANY                                   | AMMONIA/MONOCHLORAMINE/CHLORINE/NITRITE/HARDNESS/ALKALINITY/BUFFER SOLUTIONS     | 2,580.95             |
| 51089                                | LIEBERT CASSIDY WHITMORE                       | LEGAL FEES - MAR                                                                 | 6,387.00             |
| 51090                                | P&D VENTURES INC, DBA JAN-PRO CLEANING SYST    | JANITORIAL SERVICE - MAY                                                         | 414.20               |
| 51091                                | R & B AUTOMATION, INC.                         | ACTUATOR REPAIRS AT LIVE OAK                                                     | 1,010.00             |
| 51092                                | JCI JONES CHEMICALS, INC.                      | CHLORINE                                                                         | 5,677.54             |
| 51093                                | JEFFREY C. SCHENKEL, DBA SOUTH COAST MEDIA SVC | OUTREACH AD                                                                      | 564.00               |
| 51094                                | SOUTHERN CALIFORNIA EDISON                     | GRAND AVE/MIRAMAR/WILLIAMS/FULTON - MAR                                          | 9,841.60             |
| <b>TOTAL AMOUNT OF CHECKS LISTED</b> |                                                |                                                                                  | <b>\$ 851,789.21</b> |



THREE VALLEYS MUNICIPAL WATER DISTRICT  
Warrant List  
April 2021

Item 7.B - Exhibit A

**General Checks 51033 through 51094**  
**Payroll Wire Transfer 3068 through 3083**  
**Payroll Checks 13964 through 14016**

| Check Number                                         | Vendor                         | Description                                     | Paid Amount                                  |
|------------------------------------------------------|--------------------------------|-------------------------------------------------|----------------------------------------------|
| 12813                                                | METROPOLITAN WATER DISTRICT    | FEBRUARY 2021 MWD WATER INVOICE                 | 2,425,492.40                                 |
| <b>TOTAL AMOUNT OF WIRE TRANSFERS</b>                |                                |                                                 | <b>\$ 2,425,492.40</b>                       |
| 3068                                                 | FEDERAL TAX PAYMENT            | FED TAX: APRIL 4 PAYROLL                        | 16,171.70                                    |
| 3069                                                 | BASIC PACIFIC                  | HEALTH SAVINGS ACCT: APRIL 4 PAYROLL            | 1,579.16                                     |
| 3070                                                 | PUBLIC EMPLOYEES RETIREMENT SY | PERS CONTR: APRIL 4 PAYROLL                     | 19,276.22                                    |
| 3071                                                 | STATE TAX PAYMENT              | STATE TAX: APRIL 4 PAYROLL                      | 6,532.27                                     |
| 3072                                                 | CALPERS-457 PLAN               | PERS-457 DEFERRED COMPEMP LOAN: APRIL 4 PAYROLL | 3,609.37                                     |
| 3073                                                 | LINCOLN FINANCIAL GROUP        | 401A DEFRD: APRIL 4 PAYROLL                     | 600.00                                       |
| 3074                                                 | FEDERAL TAX PAYMENT            | FED TAX: APRIL 18 PAYROLL                       | 16,245.01                                    |
| 3075                                                 | BASIC PACIFIC                  | HEALTH SAVINGS ACCT: APRIL 18 PAYROLL           | 1,579.16                                     |
| 3076                                                 | PUBLIC EMPLOYEES RETIREMENT SY | PERS CONTR: APRIL 18 PAYROLL                    | 19,474.80                                    |
| 3077                                                 | STATE TAX PAYMENT              | STATE TAX: APRIL 18 PAYROLL                     | 6,532.60                                     |
| 3078                                                 | CALPERS-457 PLAN               | PERS-457 DEFERRED COMP: APRIL 18 PAYROLL        | 3,310.00                                     |
| 3079                                                 | LINCOLN FINANCIAL GROUP        | 401A DEFRD: APRIL 18 PAYROLL                    | 600.00                                       |
| 3080                                                 | FEDERAL TAX PAYMENT            | FED TAX: BOARD-APRIL 2021                       | 1,476.73                                     |
| 3081                                                 | BASIC PACIFIC                  | HEALTH SAVINGS ACCT: BOARD-APRIL 2021           | 533.25                                       |
| 3082                                                 | STATE TAX PAYMENT              | STATE TAX: BOARD-APRIL 2021                     | 331.51                                       |
| 3083                                                 | CALPERS-457 PLAN               | PERS-457 DEFERRED COMP: BOARD-APRIL 2021        | 1,540.00                                     |
| <b>TOTAL AMOUNT OF PAYROLL WIRE TRANSFERS LISTED</b> |                                |                                                 | <b>\$ 99,391.78</b>                          |
| <br>                                                 |                                |                                                 |                                              |
| <b>PAYROLL SUMMARY</b>                               |                                |                                                 |                                              |
| Check# 13964 - 14016                                 |                                |                                                 | <b>TOTAL AMOUNT OF PAYROLL CHECKS LISTED</b> |
|                                                      |                                |                                                 | <b>\$ 159,703.52</b>                         |
| <b>TOTAL April 2021 CASH DISBURSEMENTS</b>           |                                |                                                 | <b>\$ 3,536,376.91</b>                       |



THREE VALLEYS MUNICIPAL WATER DISTRICT  
 Warrant List  
 April 2021  
 Umpqua Bank E-Payables Invoice Detail Check 51061  
 Umpqua Bank Credit Cards Invoice Detail Check 51062

Item 7.B - Exhibit A

| Check Number | Vendor                          | Description                                                    | Paid Amount |
|--------------|---------------------------------|----------------------------------------------------------------|-------------|
| 51061        | ACCENT COMPUTER SOLUTIONS, INC. | IT SERVICES - MAR/PROTECH/OFFICE 365 BUSINESS                  | 5,001.09    |
| 51061        | AIRGAS SPECIALTY PRODUCTS       | AMMONIA/AMMONIUM HYDROXIDE/INLET VALVE SERVICE                 | 2,712.40    |
| 51061        | ALS GROUP USA, CORP             | LABORATORY TESTING - THM                                       | 400.00      |
| 51061        | AZUSA LIGHT & WATER             | ELECTRIC UTILITY 1/12/21 TO 2/08/21                            | 32.75       |
| 51061        | B & K ELECTRIC WHOLESALE        | ELECTRICAL MATERIALS - ETHERNET IP                             | 2,503.57    |
| 51061        | BURLINGTON SAFTY LAB OF CA,INC  | GLOVES RETESTED                                                | 25.00       |
| 51061        | CA-NV SECTION AWWA              | WATER QUALITY ANALYST CERTIFICATION RENEWAL - LARIOS           | 75.00       |
| 51061        | CANON FINANCIAL SERVICES,INC.   | COPY MACHINE LEASE - FEB                                       | 1,931.12    |
| 51061        | CITY OF CLAREMONT               | REFUSE PICKUP/STREET SWEEPING - FEB                            | 156.58      |
| 51061        | CLINICAL LABORATORY OF SB, INC  | LABORATORY TESTING - JAN                                       | 465.00      |
| 51061        | CONSOLIDATED ELECTRICAL         | ELECTRICAL MATERIALS FOR CHEMICAL BUILDING                     | 356.25      |
| 51061        | EUROFINS EATON ANALYTICAL       | LABORATORY TESTING - SPECIAL ANALYSIS/WTP                      | 290.00      |
| 51061        | FEDEX                           | SHIPPING CHARGES - STANDBY CHARGE CONTRACT                     | 9.40        |
| 51061        | FRANCOTYP-POSTALIA, INC.        | POSTAGE MACHINE LEASE 2/8/21 - 5/7/21                          | 111.69      |
| 51061        | FRONTIER                        | DSL FOR SCADA 2/10/21 - 3/09/21                                | 95.98       |
| 51061        | GRAINGER                        | GLOVES/ARC FLASH PROTECTIVE CLOTHING                           | 545.10      |
| 51061        | GROUND CONTROL SYSTEMS, INC.    | IDIRECT EMERGENCY RESPONDER SERVICES FEE - MAR                 | 279.00      |
| 51061        | HARRINGTON IND PLASTICS, LLC    | BUSHING/ADAPTERS                                               | 40.94       |
| 51061        | HD SUPPLY FACILITIES MAINT LTD  | AMMONIA/MONOCHLORAMINE                                         | 265.15      |
| 51061        | INTERFACE SECURITY SYSTEMS LLC  | EOC WIRELESS BROADBAND SERVICE - MAR                           | 134.88      |
| 51061        | LIGHT BULBS ETC.                | FULTON LIGHTING TIMER/SENSOR                                   | 38.83       |
| 51061        | MICROBIOLOGICS INC              | STAPHYLOCOCCUS AUREUS SUBSP.                                   | 169.02      |
| 51061        | MSDSOONLINE, INC.               | MSDSOONLINE HQ RENEWAL                                         | 2,474.00    |
| 51061        | RANCHO SANTA ANA BOTANIC GARDEN | SPRING AT CALIFORNIA BOTANIC GARDEN SPONSORSHIP                | 250.00      |
| 51061        | SUEZ WTS ANALYTICAL INSTRUMENT  | OPTIONAL MAINTENANCE AGREEMENT SALES TAX REIMBURSEMENT         | (721.62)    |
| 51061        | TELEPACIFIC COMMUNICATIONS      | TELEPHONE SERVICE 2/16/21 - 3/15/21                            | 1,537.99    |
| 51061        | TIME WARNER CABLE               | BROADBAND SERVICES - WILLIAMS/PLANT 2/FULTON 2/09/21 - 3/20/21 | 239.97      |
| 51061        | UNDERGROUND SERVICE ALERT       | DIGALERT TICKETS - FEB / CALIFORNIA STATE REGULATORY FEE       | 96.70       |



THREE VALLEYS MUNICIPAL WATER DISTRICT  
 Warrant List  
 April 2021  
 Umpqua Bank E-Payables Invoice Detail Check 51061  
 Umpqua Bank Credit Cards Invoice Detail Check 51062

## Item 7.B - Exhibit A

| Check Number                                                   | Vendor                     | Description                                                                               | Paid Amount         |
|----------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------|---------------------|
| 51061                                                          | UPS                        | SHIPPING CHARGES - GLOVES RETESTED/RETURN MERCHANDISE                                     | 78.77               |
| 51061                                                          | VERIZON WIRELESS           | CELLULAR/IPAD/HARNESS FLEET SERVICES/MOBILE BROADBAND 2/26/21 - 3/25/21                   | 1,818.71            |
| 51061                                                          | VWR INTERNATIONAL INC.     | RAGS/PETRI DISH/BUFFER SOLUTIONS                                                          | 1,831.82            |
| 51061                                                          | WILLDAN FINANCIAL SERVICES | WATER STANDBY CHARGE ASSESSMENT FY 20-21                                                  | 4,990.00            |
| <b>TOTAL AMOUNT OF UMPQUA BANK E-PAYABLES SERVICES INVOICE</b> |                            |                                                                                           | <b>\$ 28,235.09</b> |
|                                                                |                            |                                                                                           |                     |
| 51062                                                          | AWWA                       | 6/14-16/21 ANNUAL CONFERENCE - PERALTA                                                    | 295.00              |
| 51062                                                          | CA-NV SECTION AWWA         | 3/23/21 OPERATOR SYMPOSIUM - BURROUGHS/HARBERSON / 3/30/31 WATER TREATMENT - SUAREZ       | 800.00              |
| 51062                                                          | CALORIQUE                  | RETURN MERCHANDISE                                                                        | (122.22)            |
| 51062                                                          | CDW GOVERNMENT LLC         | ADOBE ACROBAT PRO DC FOR TEAMS LICENSING                                                  | 92.76               |
| 51062                                                          | CHEMEX INDUSTRIES INC.     | GRAFFITI REMOVER                                                                          | 199.25              |
| 51062                                                          | CSDA                       | 3/24/21 SDLA MODULE GOVERNANCE - KELLETT / 3/24/21 SLDA MODULE GOVERNANCE CREDIT- ROBERTO | 25.00               |
| 51062                                                          | GO DADDY                   | TVMWD.COM DOMAIN RENEWAL                                                                  | 109.02              |
| 51062                                                          | HIRSCH PIPE & SUPPLY       | GRAND AVE WELL PARTS                                                                      | 72.31               |
| 51062                                                          | HOME DEPOT CREDIT SERVICES | SALT                                                                                      | 736.08              |
| 51062                                                          | HOUSE OF LUMBER LLC        | DRAWERS FOR CAMERA EQUIPMENT                                                              | 162.95              |
| 51062                                                          | IDENTOGO                   | TSA PRECHECK RENEWAL - KUHN                                                               | 85.00               |
| 51062                                                          | LIEBERT CASSIDY WHITMORE   | 3/31/21 THE AMERICAN RESCUE PLAN ACT WEBINAR - COHN/LINTHICUM/ROMERO                      | 225.00              |
| 51062                                                          | LOGMEIN USA, INC.          | GO TO WEBINAR PRO RENEWAL                                                                 | 2,388.00            |
| 51062                                                          | MISCELLANEOUS VENDORS      | EVENTS REGISTRATIONS & EXPENSES - MAR                                                     | 46.03               |
| 51062                                                          | MISSION AUDIO              | DISTRICT VEHICLES ALARM INSTALL                                                           | 998.00              |
| 51062                                                          | O'REILLY AUTO PARTS        | MINI BULBS FOR DISTRICT VEHICLE                                                           | 16.14               |
| 51062                                                          | QUICK QUACK CAR WASH       | DISTRICT VEHICLE CAR WASH MEMBERSHIP                                                      | 29.99               |
| 51062                                                          | SCWUA                      | 3/23/21 WATER TREATMENT EXAM REFRESHER - HARBERSON/HERNANDEZ                              | 50.00               |
| 51062                                                          | SGV ECONOMIC PARTNERSHIP   | 3/24/21 FORECAST SUMMIT - DE JESUS/GOYTIA/LITCHFIELD/TI                                   | 70.00               |
| 51062                                                          | SHUTTERFLY, INC            | CANVAS PHOTOS FOR WEST MEETING ROOM                                                       | 349.24              |
| 51062                                                          | VIMEO, INC.                | VIDEO CREATION SOFTWARE                                                                   | 599.00              |
| <b>TOTAL AMOUNT OF UMPQUA BANK CARD SERVICES INVOICE</b>       |                            |                                                                                           | <b>\$ 7,226.55</b>  |





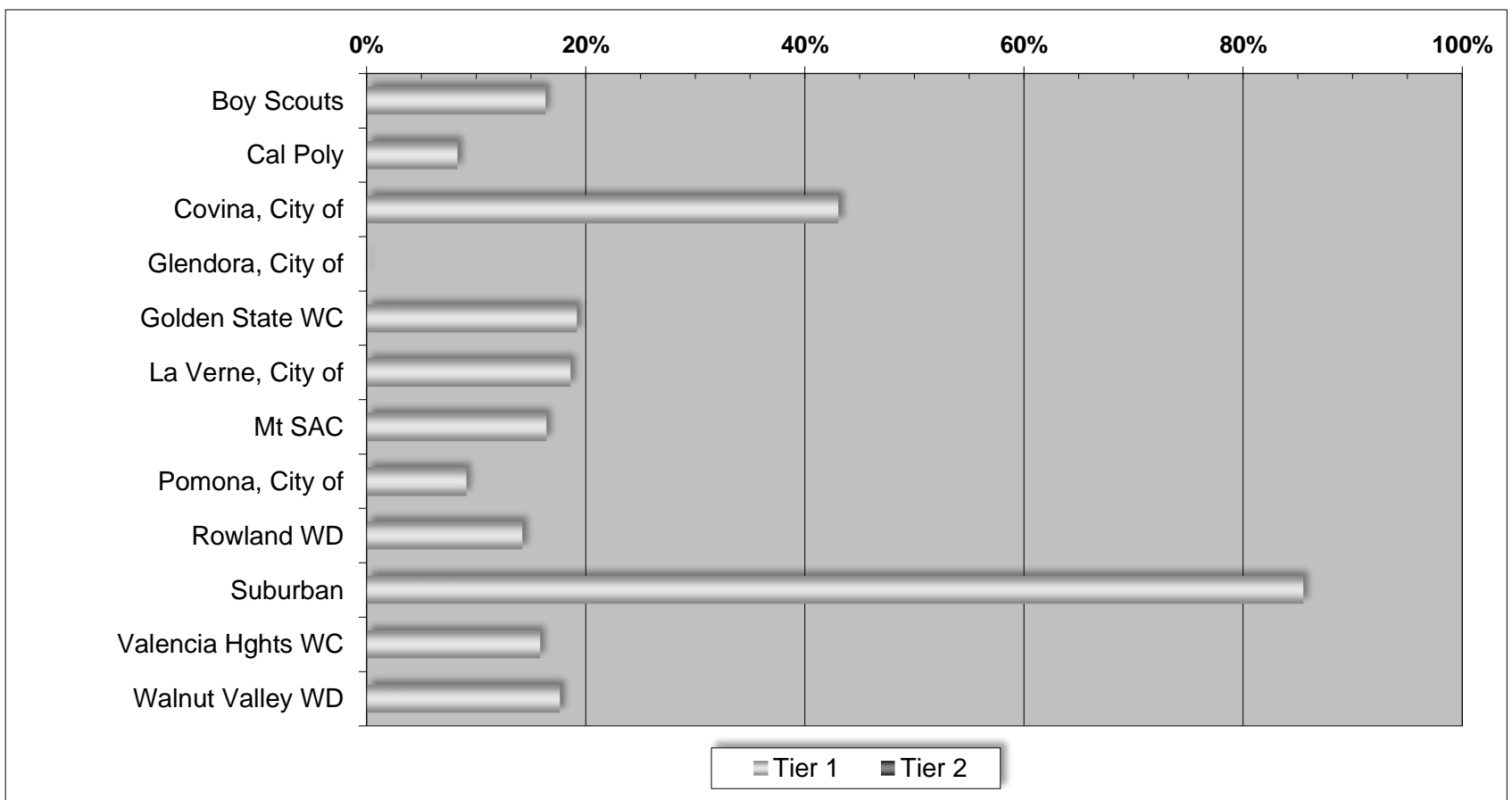
**Tier 1 Balance (in Acre-Feet)  
Calendar Year 2021  
(through April 2021)**

| Agency                         | Tier 1 Allocation |          |         |       |           | Balance  |
|--------------------------------|-------------------|----------|---------|-------|-----------|----------|
|                                |                   | Weymouth | Miramar | CIC   | Spreading |          |
| Boy Scouts of America          | 36                | 5.8      | 0.0     | 0.0   | 0.0       | 29.8     |
| Cal Poly Pomona                | 269               | 22.2     | 0.0     | 0.0   | 0.0       | 246.8    |
| Covina, City of *              | 1,568             | 0.0      | 0.0     | 675.1 | 0.0       | 892.9    |
| Glendora, City of *            | 4,101             | 0.0      | 0.0     | 0.0   | 0.0       | 4,101.3  |
| Golden State Water Company *   | 15,714            | 1,675.6  | 1,218.0 | 111.9 | 0.0       | 12,708.4 |
| La Verne, City of              | 8,026             | 0.0      | 1,208.2 | 0.0   | 282.5     | 6,535.6  |
| Mt San Antonio College         | 699               | 114.4    | 0.0     | 0.0   | 0.0       | 584.6    |
| Pomona, City of *              | 7,052             | 334.1    | 304.9   | 0.0   | 0.0       | 6,413.3  |
| Rowland Water District *       | 14,741            | 1,329.8  | 763.6   | 0.0   | 0.0       | 12,647.6 |
| Suburban Water Systems *       | 1,961             | 712.7    | 0.0     | 963.0 | 0.0       | 285.2    |
| Three Valleys MWD              | NA                |          |         |       | 0.0       | NA       |
| Valencia Heights Water Co *    | 464               | 0.0      | 0.0     | 73.3  | 0.0       | 390.7    |
| Walnut Valley Water District * | 26,057            | 3,008.3  | 1,584.3 | 0.0   | 0.0       | 21,464.1 |

\* Deliveries to JWV are assigned to Pomona, RWD, and WVWD.  
 Deliveries to BGL are assigned to Suburban, VHW, GSWC and WVWD.  
 Deliveries to CIC are assigned to Covina, Glendora, GSWC, SWS, and VHW.  
 Quantities apportioned to above agencies are preliminary based on available data.

**TVMWD Tier 1 Allowable = 80,688**  
**MWD Tier 1 Deliveries = 13,409**  
**TVMWD Tier 1 Balance = 67,279**

**Overage by Individual Agencies 0.0**





**Three Valleys Municipal Water District  
Miramar Operations Report**

**APRIL 2021**

**Water Quality**

The treatment plant produced treated water that met or exceeded state and federal drinking water standards.

Water quality data for the month of April (unless otherwise noted)

|                       | Location                           | Results            | Units | Limits | Water Quality Goals                                          |
|-----------------------|------------------------------------|--------------------|-------|--------|--------------------------------------------------------------|
| Turbidity             | Raw                                | <b>0.59</b>        | NTU   | N/A    |                                                              |
| Turbidity             | Reservoir Effluent                 | <b>0.05</b>        | NTU   | 0.3    | 0.04-0.08 NTU                                                |
| MIB                   | Lake Silverwood                    | <b>ND</b>          | ng/L  | N/A    | DWR results as of May 5, 2021                                |
| Geosmin               | Lake Silverwood                    | <b>3</b>           | ng/L  | N/A    | DWR results as of May 5, 2021                                |
| Total Trihalomethanes | Distribution System                | <b>49.80-54.30</b> | µg/l  | 80     | Ranges from 4 distribution locations (Mar 2021 results)      |
| Haloacetic Acids      | Distribution System                | <b>7.22-9.34</b>   | µg/l  | 60     |                                                              |
| Nitrate               | Reservoir Effluent                 | <b>0.7</b>         | mg/L  | 10     | <2.0 mg/L                                                    |
| Nitrite               | Reservoir Effluent                 | <b>0.010</b>       | mg/L  | 1      | <0.008 mg/L                                                  |
| PFAS                  | Raw                                | <b>ND</b>          | µg/l  | N/A    | June 2019 results                                            |
| Total Organic Carbon  | RAA Ratio (Running Annual Average) | <b>1.27</b>        |       | 1.00   | * RAA results should be greater than minimum limit to comply |

Reportable violations made to SWRCB:

**NONE**

\*RAA - Running Annual Average

**Monthly Plant Production**

|                                                  | Capacity         | Monthly %              |
|--------------------------------------------------|------------------|------------------------|
| <b>Potable water produced from Miramar Plant</b> | <b>1769.6 AF</b> | <b>1785.1 AF 99.1%</b> |

**Monthly Well Production**

|                                      | Days in service | Same month prior year | Days in service   |
|--------------------------------------|-----------------|-----------------------|-------------------|
| Well #1                              | <b>0</b>        | <b>0.0 AF</b>         | <b>20.8 AF 17</b> |
| Well #2                              | <b>27</b>       | <b>79.5 AF</b>        | <b>48.2 AF 17</b> |
| Grand Ave Well                       | <b>29</b>       | <b>92.6 AF</b>        | <b>- AF 0</b>     |
| <b>Total Monthly Well Production</b> |                 | <b>172.1 AF</b>       | <b>69.0 AF</b>    |

**Monthly Sales**

|                                 |                  |               |
|---------------------------------|------------------|---------------|
| La Verne                        | <b>401.0 AF</b>  | <b>20.7%</b>  |
| GSWC (Claremont)                | <b>305.4 AF</b>  | <b>15.7%</b>  |
| GSWC (San Dimas)                | <b>140.2 AF</b>  | <b>7.2%</b>   |
| PWR-JWL                         | <b>1094.0 AF</b> | <b>56.3%</b>  |
| Pomona (Mills)                  | <b>0.0 AF</b>    | <b>0.0%</b>   |
| TVMWD Admin                     | <b>1.2 AF</b>    | <b>0.1%</b>   |
| <b>Total Potable Water Sold</b> | <b>1941.7 AF</b> | <b>100.0%</b> |

## Year To Date 2020-21

|                                                     | Actual             | Budget             | % of Budget   |
|-----------------------------------------------------|--------------------|--------------------|---------------|
| Potable Water Sold from Miramar Plant (90.1%)       | 15,136.5 AF        | 12,322.0 AF        | 122.8%        |
| Total Well Production (9.9%)                        | 1,668.0            | 1,282.3            | 130.1%        |
| <b>Total Potable Water Sold (Plant &amp; Wells)</b> | <b>16,804.5 AF</b> | <b>13,604.4 AF</b> | <b>123.5%</b> |
| Average monthly water sold                          | 1,680.5 AF         |                    |               |

## Hydroelectric Generation (kWh) FY 2020-21

|          | Monthly kWh |         | YTD kWh   |           | % of Budget |
|----------|-------------|---------|-----------|-----------|-------------|
|          | Actual      | Budget  | Actual    | Budget    |             |
| Miramar  |             |         |           |           |             |
| Hydro 1  | 144,448     | 124,563 | 1,310,451 | 1,176,428 | 111.4%      |
| Hydro 2  | 4,243       | 8,007   | 102,107   | 152,135   | 67.1%       |
| Hydro 3  | 18,796      | 16,230  | 294,534   | 308,377   | 95.5%       |
| Williams | 184,160     | 74,356  | 1,257,280 | 677,464   | 185.6%      |
| Fulton   | 110,640     | 34,808  | 1,058,640 | 328,739   | 322.0%      |
|          | 462,287     | 257,964 | 4,023,012 | 2,643,143 | 152.2%      |

## Operations/Maintenance Review

## Special Activities

- ▶ Due to the COVID-19 Pandemic, all Administrative staff is now working remotely. Operations staff has been decreased to limit contact as much as possible. Distribution sampling and lab analysis continues as normal.
- ▶ The outside contractor completed the rehabilitation work/pump test for Well #1 and the re-design plan has been finalized.
- ▶ Operations staff, in conjunction with MWD and WVWD has finalized the live signal of the PM-15 flow to TVMWD SCADA to assist the Operators when making flow changes.
- ▶ The contractor cross-checked and calibrated the Grand Ave well meter. Test results indicate the meter is within proper accuracy standard.
- ▶ Operations staff met with SCE to begin the replacement of the Emerald meter connection cabinet.

## Outages/Repairs

- ▶ None

## Unbudgeted Activities

- ▶ None

## Other

- ▶ All onsite tours were canceled due to the COVID-19 Pandemic until further notice.
- ▶ Several of the Operations staff were interviewed by the consultant, CV Strategies, as part of the historical documentary of the Three Valleys Municipal Water District.
- ▶ Operations staff received their annual Ammonia Safety training via Target Safety Solutions. Tests were submitted to staff and CEU certificates will be distributed.

Submitted by:

*Steve Lang*Steve Lang  
Chief Operations Officer



# Name: Brian Bowcock, Division 3

Compensated Meetings

| Meeting Date                                                                                                             | Meeting / Description                 | Mileage (assumed as roundtrip unless noted) |         | Compensation |            |          |
|--------------------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------------|---------|--------------|------------|----------|
|                                                                                                                          |                                       | From City                                   | To City | Miles        | Mileage \$ |          |
| 4/1/2021                                                                                                                 | Calgon meeting                        | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Treatment of water with carbon media. Looking at this because of taste and odor from MWD silver lake during algae plume. |                                       |                                             |         |              |            |          |
| 4/6/2021                                                                                                                 | Rebuild SoCal Partnership             | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Congresswoman Grace Napalitano . Update on water issues at the Federal level                                             |                                       |                                             |         |              |            |          |
| 4/7/2021                                                                                                                 | TVMWD BOD meeting                     | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Regular board meeting workshop style Discussion of issues within the region                                              |                                       |                                             |         |              |            |          |
| 4/8/2021                                                                                                                 | SGV Legislative Coalition of Chambers | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Reports from staff for Senators, Congresswomen, Assembly members and LA County Supervisors.                              |                                       |                                             |         |              |            |          |
| 4/10/2021                                                                                                                | Cadiz Tour of Facilities              | La Verne                                    | Amboy   | 0            | \$0.00     | \$200.00 |
| Visiting first hand the facilities and the Bonanza Site                                                                  |                                       |                                             |         |              |            |          |
| 4/14/2021                                                                                                                | SGV Watermaster                       | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Regular monthly meeting for the area purveyors and engineer report of the Key well                                       |                                       |                                             |         |              |            |          |
| 4/16/2021                                                                                                                | SGVE Partnership meeting              | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Senator Anthony Portantino update for California                                                                         |                                       |                                             |         |              |            |          |
| 4/21/2021                                                                                                                | TVMWD BOD meeting                     | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Regular monthly meeting and General Mgr. review. Along with discussion of the CADIZ project.                             |                                       |                                             |         |              |            |          |
| 4/22/2021                                                                                                                | SCWUA                                 | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Administration Day speaker Chris Rix Quarterback for LA Chargers and University of Florida                               |                                       |                                             |         |              |            |          |
| 4/28/2021                                                                                                                | Six Basins Watermaster                | La Verne                                    | virtual | 0            | \$0.00     | \$200.00 |
| Regular monthly meeting update of the board and discussion of hiring a new law firm                                      |                                       |                                             |         |              |            |          |

Approved

Brian Bowcock

|                                |                   |
|--------------------------------|-------------------|
| Subtotal Meeting Compensation: | \$2,000.00        |
| Mandatory Deferred Comp 7.5%   | (\$150.00)        |
| Subtotal Mileage Reimbursement | \$0.00            |
| <b>Total</b>                   | <b>\$1,850.00</b> |

Thursday, May 6, 2021

## Name: Brian Bowcock, Division 3



## Non-Compensated Meetings

| Meeting Date | Meeting / Description                                                                                                                      | Meeting Location |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 4/1/2021     | WELL group                                                                                                                                 | virtual          |
|              | Need of water in the Central Valley. Program done by Latinos for Water. Representatives from different water agencies and State officials. |                  |
| 4/7/2021     | La Verne Chamber of Commerce                                                                                                               | virtual          |
|              | State of the City address by Mayor Tim Hepburn                                                                                             |                  |
| 4/7/2021     | SGVE Partnership                                                                                                                           | virtual          |
|              | Congresswoman Grace Napalitano Water issues at the Federal level and her different committees that she serves on.                          |                  |
| 4/8/2021     | SGV Gov. Affairs Committee                                                                                                                 | virtual          |
|              | Effort to recall Gov. Newsom Explained by Adam Probolsky                                                                                   |                  |
| 4/12/2021    | SGV Gov. Affairs Committee                                                                                                                 | virtual          |
|              | Paulina Velasco from Velada Consulting update of Quemetco with hazard waste {batteries}                                                    |                  |
| 4/13/2021    | Claremont Chamber of Commerce                                                                                                              | virtual          |
|              | Manager from Ontario Airport with an update on flights because of the PANDEMIC and their future                                            |                  |
| 4/14/2021    | Active Claremont BOD meeting                                                                                                               | virtual          |
|              | Preparing for the regular monthly meeting                                                                                                  |                  |
| 4/14/2021    | Personal meeting with Pomona College                                                                                                       | virtual          |
|              | Discussion for their school project CADIZ                                                                                                  |                  |

| Meeting Date | Meeting / Description                                                                                                                                   | Meeting Location |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 4/14/2021    | WQA<br>Legislative and Communication Committees meeting                                                                                                 | virtual          |
| 4/16/2021    | Citrus College Foundation meeting<br>Finance, Investments, report by the President of the College Dr. Perry update on returning to the campus.          | virtual          |
| 4/19/2021    | Citrus College Foundation BOD meeting<br>Regular monthly meeting and update of the Campus                                                               | virtual          |
| 4/20/2021    | LV Chamber of Commerce meeting<br>Discussion of working with the small businesses in town reopening because of the virus.                               | virtual          |
| 4/22/2021    | Active Claremont<br>Speaker, Executive Director for Claremont Chamber Randy Lopez up date on Business in Claremont                                      | virtual          |
| 4/23/2021    | SGE Partnership<br>Speaker Assemblywoman Blanca Rubio update on her role on different proposals and bills.                                              | virtual          |
| 4/23/2021    | SGVE Partnership<br>Speaker, Assemblywoman Blanca Rubio update on issues and bills in California that she has presented and issues within her District. | virtual          |
| 4/27/2021    | Claremont University Club<br>Speaker was the Mayor of Pomona Tim Sandoval on the City update.                                                           | virtual          |
| 4/27/2021    | Government Technology<br>Creating a digital work space for your employees                                                                               | virtual          |

| Meeting Date | Meeting / Description | Meeting Location |
|--------------|-----------------------|------------------|
|--------------|-----------------------|------------------|

|           |             |         |
|-----------|-------------|---------|
| 4/27/2021 | Water Forum | virtual |
|-----------|-------------|---------|

Discussion of whether to have a water conference this year or to hold off for another year by the committee. We are a partner.

|           |                             |         |
|-----------|-----------------------------|---------|
| 4/28/2021 | La Verne Julr 4th Committee | virtual |
|-----------|-----------------------------|---------|

Discussion as to whether have a parade, fireworks etc.

|           |               |         |
|-----------|---------------|---------|
| 4/29/2021 | SCW Coalition | virtual |
|-----------|---------------|---------|

Drought, are we ready

Thursday, May 6, 2021



| Meeting Date                                                                                                                                                                                                               | Meeting / Description                                   | Mileage (assumed as roundtrip unless noted) |         |       | Compensation |          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------|---------|-------|--------------|----------|
|                                                                                                                                                                                                                            |                                                         | From City                                   | To City | Miles | Mileage \$   |          |
| 4/1/2021                                                                                                                                                                                                                   | Meeting with GM and Board President                     | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| Meeting was held to provide a status update on MWD and Chino Basin related matters, preliminary GM evaluation procedures. State Allocation reduction concerns and other matters.                                           |                                                         |                                             |         |       |              |          |
| 4/2/2021                                                                                                                                                                                                                   | San Gabriel Valley Directors only Caucus                | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| Meeting called with Pasadena, Foothill Directors regarding MWD agenda issues including current Personnel matters that are required to be confidential.                                                                     |                                                         |                                             |         |       |              |          |
| 4/7/2021                                                                                                                                                                                                                   | TVMWD Board Workshop Meeting                            | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| The meeting addressed a number of upcoming issues including a redistricting proposal as required, proposed annual contribution to PARS Trust, 2021/2022 Budget, water rates and charges, and standby charge to name a few. |                                                         |                                             |         |       |              |          |
| 4/8/2021                                                                                                                                                                                                                   | Chino Basin Appropriative Pool Meeting                  | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| The attendees were provided with project updates and progress on the ongoing budget.                                                                                                                                       |                                                         |                                             |         |       |              |          |
| 4/9/2021                                                                                                                                                                                                                   | Northern Caucus Meeting                                 | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| Discussion with staff of regular District followed by a "directors only" session with legal counsel to discuss potential litigation issues.                                                                                |                                                         |                                             |         |       |              |          |
| 4/19/2021                                                                                                                                                                                                                  | Walnut Valley Water District Board Meeting              | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| Attended the meeting as the districts designated representative and reported on activities related to MWD and GM Litchfield who was also in attendance reported on TVMWD activities.                                       |                                                         |                                             |         |       |              |          |
| 4/20/2021                                                                                                                                                                                                                  | SCWUA Surface Water and Surface Water Treatment Webinar | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| This 2 hour class offered a historical perspective to water supplies and treatment as California's population grew and a need to establish a reliable clean water supply was established.                                  |                                                         |                                             |         |       |              |          |
| 4/21/2021                                                                                                                                                                                                                  | TVMWD Monthly Board Meeting                             | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| Attended the Board meeting representing Division 02 and acted in the best interest of both my division and the District. Provided oral reports on MWD. Attended the closed session as required.                            |                                                         |                                             |         |       |              |          |
| 4/22/2021                                                                                                                                                                                                                  | Chino Basin Watermaster Meeting                         | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| Attended the meeting as the voting alternate to the Districts representative (Dir Kuhn). Attended a closed session to discuss annual performance review of the GM. Dir Kuhn reported on open session matters.              |                                                         |                                             |         |       |              |          |
| 4/26/2021                                                                                                                                                                                                                  | San Gabriel Valley Water Assoc. Directors Meeting       | Walnut                                      | Virtual | 0     | \$0.00       | \$200.00 |
| Monthly meeting to discuss Legislative matters and bill updates and progress made. In addition we heard reports from various agencies and I provided an MWD report and GM Litchfield provided a TVMWD update.              |                                                         |                                             |         |       |              |          |

| Meeting Date | Meeting / Description | Mileage (assumed as roundtrip unless noted) |         |       | Compensation |
|--------------|-----------------------|---------------------------------------------|---------|-------|--------------|
|              |                       | From City                                   | To City | Miles | Mileage \$   |

**Item 7.E**

**Approved**

|                                |            |
|--------------------------------|------------|
| Subtotal Meeting Compensation: | \$2,000.00 |
| Mandatory Defered Comp 7.5%    | (\$150.00) |
| Subtotal Mileage Reimbursement | \$0.00     |
| Total                          | \$1,850.00 |

David De Jesus

Thursday, May 6, 2021



| Meeting Date                                                                                                                                                                                                                                                                                                                             | Meeting / Description                               | Mileage (assumed as roundtrip unless noted) |         |       |            | Compensation |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|---------------------------------------------|---------|-------|------------|--------------|
|                                                                                                                                                                                                                                                                                                                                          |                                                     | From City                                   | To City | Miles | Mileage \$ |              |
| 4/5/2021                                                                                                                                                                                                                                                                                                                                 | Special Executive Committee Meeting                 | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| This was the kickoff GM candidate evaluation Meeting. Applications were vetted, discussed and then decided on which ones should be forwarded to the initial interview with the Executive Committee.                                                                                                                                      |                                                     |                                             |         |       |            |              |
| 4/6/2021                                                                                                                                                                                                                                                                                                                                 | Meeting with Congresswoman Grace Napolitano         | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Hosted by Rebuild SoCal Partnership to inform the participants with upcoming financial opportunities for Infrastructure projects. As the MWD board director representing Three Valleys, I was able to share with the Congresswoman Three Valleys appreciation for her work in DC and Three Valleys commitment to assist where requested. |                                                     |                                             |         |       |            |              |
| 4/12/2021                                                                                                                                                                                                                                                                                                                                | Monthly Committee Meeting Day                       | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Attended several meetings through out the day as required representing Three Valleys service area.                                                                                                                                                                                                                                       |                                                     |                                             |         |       |            |              |
| 4/13/2021                                                                                                                                                                                                                                                                                                                                | Monthly Board Meeting Day                           | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Attended the board meeting as required. Oral report to be provided on pertinent issues.                                                                                                                                                                                                                                                  |                                                     |                                             |         |       |            |              |
| 4/14/2021                                                                                                                                                                                                                                                                                                                                | Special Executive Committee Meeting (1 of 3)        | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Confidential Personnel Interviews for the GM Position (Day 1)                                                                                                                                                                                                                                                                            |                                                     |                                             |         |       |            |              |
| 4/15/2021                                                                                                                                                                                                                                                                                                                                | Special Executive Committee Meeting (Day 2 of 3)    | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Confidential Personnel Interviews for the GM Position (Day 2)                                                                                                                                                                                                                                                                            |                                                     |                                             |         |       |            |              |
| 4/16/2021                                                                                                                                                                                                                                                                                                                                | Special Executive Committee Meeting (Day 3 of 3)    | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Confidential Personnel Interviews for the GM Position (Day 3)                                                                                                                                                                                                                                                                            |                                                     |                                             |         |       |            |              |
| 4/23/2021                                                                                                                                                                                                                                                                                                                                | Meeting with Water Operation Manager Brent Yamasaki | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| I was provided with water supply updates conditions and monthly production flows. We also discussed possible strategic incentives.                                                                                                                                                                                                       |                                                     |                                             |         |       |            |              |
| 4/27/2021                                                                                                                                                                                                                                                                                                                                | MWD Executive Committee Meeting                     | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Routine agenda items were quickly dispatched in order to go into close session and discuss GM selection process going into the short list interviews with all of the directors.                                                                                                                                                          |                                                     |                                             |         |       |            |              |
| 4/29/2021                                                                                                                                                                                                                                                                                                                                | So Cal Water Coalition                              | Walnut                                      | Virtual | 0     | \$0.00     | \$200.00     |
| This meeting discussed the real sobering possibility that Southern California may be entering into another drought season.                                                                                                                                                                                                               |                                                     |                                             |         |       |            |              |

|                 |                                |                   |
|-----------------|--------------------------------|-------------------|
| <b>Approved</b> | Subtotal Meeting Compensation: | \$2,000.00        |
|                 | Mandatory Deferred Comp 7.5%   | (\$150.00)        |
|                 | Subtotal Mileage Reimbursement | \$0.00            |
|                 | <b>Total</b>                   | <b>\$1,850.00</b> |

David De Jesus

Thursday, May 6, 2021

# Name: Carlos Goytia, Division 1

Compensated Meetings



| Meeting Date                                                                                                             | Meeting / Description                    | Mileage (assumed as roundtrip unless noted) |         |       |            | Compensation |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------------------|---------|-------|------------|--------------|
|                                                                                                                          |                                          | From City                                   | To City | Miles | Mileage \$ |              |
| 4/1/2021                                                                                                                 | Meeting w/Director J.Santana<br>USGVMWD  | Pomona                                      | Pomona  | 0     | \$0.00     | \$200.00     |
| Discussion on issues related to water and business in the SGV                                                            |                                          |                                             |         |       |            |              |
| 4/5/2021                                                                                                                 | Spadra Basin GSA                         | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Executive Committee Meeting with stakeholders within TVMWD service area                                                  |                                          |                                             |         |       |            |              |
| 4/6/2021                                                                                                                 | SGVEP-Congressmember Grace<br>Napolatano | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Congressional updates related to the San Gabriel Valley                                                                  |                                          |                                             |         |       |            |              |
| 4/7/2021                                                                                                                 | TVMWD Board Meeting Workshop             | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Attended and participated in board meeting deliberations and discussions                                                 |                                          |                                             |         |       |            |              |
| 4/19/2021                                                                                                                | City of Pomona Council Meeting           | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Met with councilmembers Nora Garcia and Victor Preciado and attended virtual council meeting                             |                                          |                                             |         |       |            |              |
| 4/14/2021                                                                                                                | Pomona COVID19 Action Committee          | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Community basic needs planning with community stakeholders                                                               |                                          |                                             |         |       |            |              |
| 4/15/2021                                                                                                                | SGVCOG                                   | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Governing Board Meeting attended and participated in boardroom discussions and deliberations                             |                                          |                                             |         |       |            |              |
| 4/16/2021                                                                                                                | Meeting w/Director Gracie Torres<br>WMWD | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Met also with Commissioner Kareem Gongora to discuss IE works career pathways in water                                   |                                          |                                             |         |       |            |              |
| 4/21/2021                                                                                                                | TVMWD Board Meeting                      | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Attended and participated in board deliberation and discussions                                                          |                                          |                                             |         |       |            |              |
| 4/23/2021                                                                                                                | SGVEP Legislative Updates                | Pomona                                      | Virtual | 0     | \$0.00     | \$200.00     |
| Legislative updates with Assembly member Blanca Rubio to discuss issues and updates in regards to the San Gabriel Valley |                                          |                                             |         |       |            |              |

Approved:

\_\_\_\_\_  
Carlos Goytia

Monday, May 10, 2021

|                                |                   |
|--------------------------------|-------------------|
| Subtotal Meeting Compensation: | \$2,000.00        |
| Mandatory Deferred Comp 7.5%   | (\$150.00)        |
| Subtotal Mileage Reimbursement | \$0.00            |
| <b>Total</b>                   | <b>\$1,850.00</b> |

# Name: Bob Kuhn, Division 4

Compensated Meetings



| Meeting Date                                                                                                                                                                                                               | Meeting / Description                                       | Mileage (assumed as roundtrip unless noted) |             |       |            | Compensation |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|---------------------------------------------|-------------|-------|------------|--------------|
|                                                                                                                                                                                                                            |                                                             | From City                                   | To City     | Miles | Mileage \$ |              |
| 4/1/2021                                                                                                                                                                                                                   | Meeting with GM Briefing for upcoming board meeting         | Glendora                                    | Virtual     | 0     | \$0.00     | \$200.00     |
| Review the Agenda for the board meeting.                                                                                                                                                                                   |                                                             |                                             |             |       |            |              |
| 4/2/2021                                                                                                                                                                                                                   | GM and Legal counsel                                        | Glendora                                    | Virtual     | 0     | \$0.00     | \$200.00     |
| Discussion of items to be reviewed with the entire board in closed session                                                                                                                                                 |                                                             |                                             |             |       |            |              |
| 4/7/2021                                                                                                                                                                                                                   | Board Workshop                                              | Glendora                                    | Claremont   | 20    | \$11.20    | \$200.00     |
| Regular workshop discussing the business of the district                                                                                                                                                                   |                                                             |                                             |             |       |            |              |
| 4/10/2021                                                                                                                                                                                                                  | Cadiz Valley Water Conservation, Recovery & Storage Project | Glendora                                    | Cadiz Ranch | 415   | \$232.40   | \$200.00     |
| Correct some of the misconception the desert folks and Native Americans are spreading about the project and the study. Visit the man altered Bonanza Spring area to better understand the issues.                          |                                                             |                                             |             |       |            |              |
| 4/16/2021                                                                                                                                                                                                                  | SGVEP Zoom meeting with Senator Anthony Portantino          | Glendora                                    | Virtual     | 0     | \$0.00     | \$200.00     |
| Open discussion of issues going on in the State. Several of the items included Mental Health, Affordable housing a new bill by Bizz Fed SB15, Small Business Loans, SB387 Police Training courses, some discussion on SB45 |                                                             |                                             |             |       |            |              |
| 4/20/2021                                                                                                                                                                                                                  | Review of Agenda with GM, Legal Council, VP.                | Glendora                                    | Virtual     | 0     | \$0.00     | \$200.00     |
| Talked about the agenda items, reviewed the GM evaluation. Also discussed future items regarding district business.                                                                                                        |                                                             |                                             |             |       |            |              |
| 4/21/2021                                                                                                                                                                                                                  | TVMWD Boardmeeting                                          | Glendora                                    | Claremont   | 20    | \$11.20    | \$200.00     |
| Public comment, Presentation SB 31, general business of the district, Closed Session GM performance evaluation                                                                                                             |                                                             |                                             |             |       |            |              |

Approved

Bob Kuhn

Monday, May 10, 2021

|                                |                   |
|--------------------------------|-------------------|
| Subtotal Meeting Compensation: | \$1,400.00        |
| Mandatory Deferred Comp 7.5%   | (\$105.00)        |
| Subtotal Mileage Reimbursement | \$254.80          |
| <b>Total</b>                   | <b>\$1,549.80</b> |

Name: Bob Kuhn, Division 4

Non-Compensated Meetings



| Meeting Date | Meeting / Description                           | Meeting Location |
|--------------|-------------------------------------------------|------------------|
| 4/23/2021    | SGVEP meeting with Assembly member Blanca Rubio | Virtual          |

Several Mayors and council members from the San Gabriel Valley, elected member of Special districts with business leaders. She gave an update on important legislation working through committees. She ask that the partnership put together some members that are willing to call and send letters to committee members when the need comes ups.

Monday, May 10, 2021



# Name: Jody Roberto, Division 5

Compensated Meetings

| Meeting Date                                                                                                                                                                                                                                                                                                                 | Meeting / Description                                                               | Mileage (assumed as roundtrip unless noted) |         |       | Compensation |            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------|---------|-------|--------------|------------|
|                                                                                                                                                                                                                                                                                                                              |                                                                                     | From City                                   | To City | Miles |              | Mileage \$ |
| 4/5/2021                                                                                                                                                                                                                                                                                                                     | Spadra Basin Advisory Committee Meeting                                             | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| Tim, Matt and I attended the meeting. Staff reviewed Technical Memorandum 4 (TM4) and comments received as well as other projects they are working on. There was mention of possibly seeking Biden admin infrastructure funding.                                                                                             |                                                                                     |                                             |         |       |              |            |
| 4/7/2021                                                                                                                                                                                                                                                                                                                     | TVMWD Board Meeting                                                                 | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| Regular meeting to review board business. James went over some of the budget items, Ben gave an update on district projects and Matt presented a proposed compliance policy that will create a schedule to regularly review district contracts.                                                                              |                                                                                     |                                             |         |       |              |            |
| 4/12/2021                                                                                                                                                                                                                                                                                                                    | California Special Districts Association (CSDA) Leadership training                 | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| Attended CSDA leadership workshop on Fulfilling Your Districts Mission - Charting the course                                                                                                                                                                                                                                 |                                                                                     |                                             |         |       |              |            |
| 4/13/2021                                                                                                                                                                                                                                                                                                                    | CSDA Leadership training                                                            | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| Attended CSDA Leadership Workshop - Get The Word Out, Best Practices for Communication and Outreach. Very good info was provided by presenter.                                                                                                                                                                               |                                                                                     |                                             |         |       |              |            |
| 4/15/2021                                                                                                                                                                                                                                                                                                                    | San Gabriel Valley Council of Government Meeting                                    | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| The Capitol projects committee reported there is lack of funding to complete current projects in works. The members had a long discussion on recommended resolution denouncing AAPI hate and violence. Some members wanted resolution to include all races. Board approved resolution 15 specific to AAPI hate and violence. |                                                                                     |                                             |         |       |              |            |
| 4/16/2021                                                                                                                                                                                                                                                                                                                    | San Gabriel Valley Economic Partnership legislative meeting with Senator Portantino | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| Bob, Brian and I attended the SGVEP meeting. Senator Portantino provided a legislative update and went over his bills and \$80 million bond he has authored.                                                                                                                                                                 |                                                                                     |                                             |         |       |              |            |
| 4/21/2021                                                                                                                                                                                                                                                                                                                    | Three Valley MWD Board Meeting                                                      | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| Regular board meeting to discuss district business. Approved 2021/2022 budget, adopted 2022 water rates and 2021/2022 standby charge.                                                                                                                                                                                        |                                                                                     |                                             |         |       |              |            |
| 4/23/2021                                                                                                                                                                                                                                                                                                                    | San Gabriel Valley Economic Partnership Legislative meeting                         | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| Bob, Carlos, Brian, Kirk and I attended the SGVEP legislative meeting with Assemblywoman Blanca Rubio. Asm Rubio shared that she is the Chair of the San Gabriel Valley legislative caucus and newly formed Moderate Democrat Caucus. Kirk thanked the Assemblywoman for authoring our bill AB 703.                          |                                                                                     |                                             |         |       |              |            |
| 4/19/2021                                                                                                                                                                                                                                                                                                                    | Walnut Valley Water District Meeting                                                | Diamond Bar                                 | Virtual | 0     | \$0.00       | \$200.00   |
| David, Mike, Matt and I attended the meeting. David provided MWD update, Matt gave TVMWD update. Walnut Valley received \$108,000 insurance refund.                                                                                                                                                                          |                                                                                     |                                             |         |       |              |            |

# Item 7.E

| Meeting Date                                                                                                                                                      | Meeting / Description                | Mileage (assumed as roundtrip unless noted) |         |       |            | Compensation |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------|---------|-------|------------|--------------|
|                                                                                                                                                                   |                                      | From City                                   | To City | Miles | Mileage \$ |              |
| 4/28/2021                                                                                                                                                         | Six Basins Watermaster Board Meeting | Diamond Bar                                 | Virtual | 0     | \$0.00     | \$200.00     |
| Brian, Matt, Tim and I attended the Six Basins board meeting. Staff discussed the EIR for Claremont Village South and provided update on status of the MS4 study. |                                      |                                             |         |       |            |              |

|                                              |                                |            |
|----------------------------------------------|--------------------------------|------------|
| <b>Approved</b><br><br>_____<br>Jody Roberto | Subtotal Meeting Compensation: | \$2,000.00 |
|                                              | Mandatory Deferred Comp 7.5%   | (\$150.00) |
|                                              | Subtotal Mileage Reimbursement | \$0.00     |
|                                              | Total                          | \$1,850.00 |

Monday, May 10, 2021



Name: Jody Roberto, Division 5

Non-Compensated Meetings



| Meeting Date | Meeting / Description                                      | Meeting Location |
|--------------|------------------------------------------------------------|------------------|
| 4/29/2021    | Southern California Water Coalition "Drought Are We Ready" | Virtual          |

The SCWC meeting on the drought was facilitated by Charlie Wilson and included a panel of water leaders. They all agreed we are more prepared this time for a drought than before due to measures put in place and still being utilized. A statewide approach and collaboration will help create an efficiency plan.

Monday, May 10, 2021

# Name: Danielle Soto, Division 6

Compensated Meetings



| Meeting Date | Meeting / Description    | Mileage (assumed as roundtrip unless noted) |         |       |            | Compensation |
|--------------|--------------------------|---------------------------------------------|---------|-------|------------|--------------|
|              |                          | From City                                   | To City | Miles | Mileage \$ |              |
| 4/7/2021     | TVMWD Regular Board mtg. | Pomona                                      | virtual | 0     | \$0.00     | \$200.00     |

I participated in our regularly scheduled meeting.

|           |                         |        |         |   |        |          |
|-----------|-------------------------|--------|---------|---|--------|----------|
| 4/21/2021 | TVMWD Regular Board Mtg | Pomona | virtual | 0 | \$0.00 | \$200.00 |
|-----------|-------------------------|--------|---------|---|--------|----------|

I participated in our regularly scheduled meeting.

**Approved**

\_\_\_\_\_  
Danielle Soto

Wednesday, May 12, 2021

|                                |                 |
|--------------------------------|-----------------|
| Subtotal Meeting Compensation: | \$400.00        |
| Mandatory Deferred Comp 7.5%   | (\$30.00)       |
| Subtotal Mileage Reimbursement | \$0.00          |
| <b>Total</b>                   | <b>\$370.00</b> |



# Name: Mike Ti, Division 7

Compensated Meetings

| Meeting Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Meeting / Description                                                      | Mileage (assumed as roundtrip unless noted) |               |       | Compensation |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|---------------------------------------------|---------------|-------|--------------|----------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                            | From City                                   | To City       | Miles | Mileage \$   |          |
| 4/7/2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | TVMWD Regular Board Meeting                                                | West Covina                                 | Virtual       | 0     | \$0.00       | \$200.00 |
| TVMWD regular board meeting - heard public comments on the Bonanza Spring study; discussions on the description of the financial audit process by LSL CPAs, nomination statements for CSDA candidates for the Southern Network, redistricting, annual contribution to PARS trust, encumbrance carryforward, budget and water rates, org chart and salary schedule, and contract compliance policy. Closed session discussions with legal counsel.                                                                                                                                                                                                                                                                                                            |                                                                            |                                             |               |       |              |          |
| 4/10/2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Site Visit at the Cadiz Inc. Property and Meeting with NPCA's Chris Clarke | West Covina                                 | Mojave Desert | 400   | \$224.00     | \$200.00 |
| I drove to the Cadiz property in the Mojave Desert with Pres. Bob Kuhn, and Dir. Brian Bowcock to meet with Cadiz's CEO Scott Slater and his staff. We heard a presentation on the Cadiz project that included technical information on the geology and hydraulics of the region and their environmental mitigation plans, current farming practices, and future potential of exporting its water for urban use. We also toured their lemon farm. In the afternoon, I met with Chris Clarke of the NPCA at the Amboy Crater National Natural Landmark to discuss his organization's interest in the conservation and the preservation of the desert and the potential impacts of the Cadiz water project on the natural and cultural heritage of the region. |                                                                            |                                             |               |       |              |          |
| 4/12/2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Meeting with GM Matt Litchfield and Water Resource Mgr Tim Kellett         | West Covina                                 | Virtual       | 0     | \$0.00       | \$200.00 |
| Dir Soto and I met with Matt Litchfield and Tim Kellett to discuss TVMWD's water supply reliability analysis.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                            |                                             |               |       |              |          |
| 4/13/2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Rowland Water District Regular Board Meeting                               | West Covina                                 | Virtual       | 0     | \$0.00       | \$200.00 |
| Rowland Water District regular board meeting - heard discussion and consideration of district businesses including issuance of refunding bonds, lease agreement for a cell tower, agreement for customer to down size water meter, budget update, and other items.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                            |                                             |               |       |              |          |
| 4/19/2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Walnut Valley WD Regular Board Meeting                                     | West Covina                                 | Virtual       | 0     | \$0.00       | \$200.00 |
| I attended WVWD's regular board meeting with directors De Jesus and Roberto and GM Matt Litchfield. The board received approved various items including the financial dashboard, microwave replacement, amendment to CALPERS, social media rules of use, and AAPI heritage month recognition resolution.                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                            |                                             |               |       |              |          |
| 4/21/2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | TVMWD Regular Board Meeting                                                | West Covina                                 | Virtual       | 0     | \$0.00       | \$200.00 |
| TVMWD Regular Board Meeting: heard public comments on the Bonanza Spring study, conservation report, Bonanza Spring study update, legislative update; approved org chart and salary schedule, FY2021/22 budget, water rates and charges; initiate procedures to fix and collect standby charges; and GM performance evaluation (closed session).                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                            |                                             |               |       |              |          |
| 4/26/2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Conservation Activity                                                      | West Covina                                 | Virtual       | 0     | \$0.00       | \$200.00 |
| Director Soto and I met with Matt Litchfield and Kirk Howie to discuss conservation budget and the coordination efforts with retail agencies to develop conservation programs and messaging.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                            |                                             |               |       |              |          |
| 4/28/2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | IRWD Michelson Recycling Facility Tour                                     | West Covina                                 | Virtual       | 0     | \$0.00       | \$200.00 |
| Presentation and virtual tour of IRWD Michelson Recycling Facility, discussion on treatment processes, water quality, solid waste management, recycle water uses, power management (production and storage), Q&A.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                            |                                             |               |       |              |          |

Approved

Mike Ti

Monday, May 10, 2021

|                                |                   |
|--------------------------------|-------------------|
| Subtotal Meeting Compensation: | \$1,600.00        |
| Mandatory Deferred Comp 7.5%   | (\$120.00)        |
| Subtotal Mileage Reimbursement | \$224.00          |
| <b>Total</b>                   | <b>\$1,704.00</b> |

Name: Mike Ti, Division 7

Non-Compensated Meetings



| Meeting Date | Meeting / Description                                                                                                                                                    | Meeting Location |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 4/22/2021    | District Finance Training: PARS & CALPERS<br>Part 1 of 3 training on district finance with Matt Litchfield and James Linthicum: PARS and CALPERS                         | Virtual          |
| 4/27/2021    | District Finance Training: District Investment & OPEB<br>Part 2 of 3 training on district finance with Matt Litchfield and James Linthicum: District Investment and OPEB | Virtual          |

Monday, May 10, 2021

**RESOLUTION NO. 21-05-893****RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE THREE VALLEYS MUNICIPAL WATER DISTRICT  
RECOGNIZING ASIAN AMERICAN & PACIFIC ISLANDER  
HERITAGE MONTH**

**WHEREAS**, Asian American & Pacific Islander Heritage Month seeks to honor and recognize the contributions of residents and descendants from Asia, India and the Pacific Islands in the United States; and

**WHEREAS**, Asian American & Pacific Islander Heritage was celebrated beginning in 1978 and was made into a month-long event in 1992; and

**WHEREAS**, the month of May was chosen as Asian American & Pacific Islander Heritage Month to commemorate the immigration of the first Japanese citizen, Nakahama Manjiro, to the United States on May 7, 1843, and the anniversary of the May 10, 1869 completion of the first Transcontinental Railroad; and

**WHEREAS**, the District's service area population is widely represented by Asian American & Pacific Islander and includes devoted community members who serve as artists, business owners, educators, health care professionals, lawyers and judges, clergy members, first responders and military personnel; and

**WHEREAS**, we celebrate the achievements and contributions of Asian American & Pacific Islanders that enrich the local community; and

**WHEREAS**, during the month of May, Three Valleys Municipal Water District is proud to celebrate Asian American & Pacific Islander Heritage Month, and commemorate the essential contributions, sacrifices, and accomplishments that Asian American & Pacific Islanders have made to California and the District;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Three Valleys Municipal Water District that May 2021 is recognized as Asian American & Pacific Islander Heritage Month.

**ADOPTED** and **PASSED** at a meeting of the Three Valleys Municipal Water District Board of Directors held via teleconference, on the 19<sup>th</sup> day of May 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Bob G. Kuhn, President

ATTEST:

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Carlos Goytia, Secretary

SEAL:



# BUDGET AMENDMENT

To: Finance Department

Fiscal Year: 20/21

From: Administrative Department  
Department

Date: 05/19/2021

Subject: Transfer to cover unexpected board election costs for 2020

Please process this request and distribute the budget amendment as follows:

## Expenditure Amendment

| Ref No.            | Line Item Description     | Account Number | FY Budget (\$) |              |         | Reserve Funds (\$) |              |         |
|--------------------|---------------------------|----------------|----------------|--------------|---------|--------------------|--------------|---------|
|                    |                           |                | Existing       | Change (+/-) | Revised | Existing           | Change (+/-) | Balance |
| 1                  | Board Election            | 20.25.56101    | 0              | 365,000      | 365,000 |                    |              | 0       |
| 2                  | Board Election Reserves   |                | 160,000        | (160,000)    | 0       |                    |              | 0       |
| 3                  | Water Management Reserves |                | 200,000        | (200,000)    | 0       |                    |              | 0       |
| 4                  | General Reserves          |                | 5,000          | (5,000)      | 0       |                    |              | 0       |
| 5                  |                           |                |                |              | 0       |                    |              | 0       |
| 6                  |                           |                |                |              | 0       |                    |              | 0       |
| 7                  |                           |                |                |              | 0       |                    |              | 0       |
| 8                  |                           |                |                |              | 0       |                    |              | 0       |
| 9                  |                           |                |                |              | 0       |                    |              | 0       |
| 10                 |                           |                |                |              | 0       |                    |              | 0       |
| <b>NET CHANGE:</b> |                           |                |                | \$0          |         |                    | \$0          |         |

**Attach staff report, motion, committee and/or board minutes associated with this budget amendment**

- Amendment Procedure**
1. If required by District policy, General Manager requests Board approval of budget amendment. Request to amend budget must be included in the staff report.
  2. Upon Board approval, the Finance Department secures all necessary signatures to complete the Budget Amendment form. The staff report and board minutes, if any, should be attached to the form.
  3. Finance Department maintains all appropriate documentation and processes the budget entry.
  4. A fiscal year file will also be kept to hold all budget amendment forms for auditor review.


|                                 |                          |                          |             |
|---------------------------------|--------------------------|--------------------------|-------------|
|                                 | YES                      | NO                       |             |
| Committee Review:               | <input type="checkbox"/> | <input type="checkbox"/> | Date: _____ |
| Board Approval:                 | <input type="checkbox"/> | <input type="checkbox"/> | Date: _____ |
| _____                           |                          |                          | Date: _____ |
| Chief Finance Officer Signature |                          |                          |             |
| _____                           |                          |                          | Date: _____ |
| General Manager Signature       |                          |                          |             |

**Finance Dept Use Only**

|                   |  |
|-------------------|--|
| Date Received     |  |
| Board Report Date |  |
| Motion #          |  |
| Date Posted       |  |
| Posted By         |  |



## Board of Directors Staff Report

**To:** TVMWD Board of Directors  
**From:** Matthew H. Litchfield, General Manager   
**Date:** May 19, 2021  
**Subject:** **Modified Board Meeting Schedule**

---

|                                                       |                                                 |           |
|-------------------------------------------------------|-------------------------------------------------|-----------|
| <input checked="" type="checkbox"/> <b>For Action</b> | <input type="checkbox"/> <b>Fiscal Impact</b>   | <b>\$</b> |
| <input type="checkbox"/> <b>Information Only</b>      | <input type="checkbox"/> <b>Funds Budgeted:</b> |           |

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### **Staff Recommendation:**

The Board will consider approval of a modified Board meeting schedule. It is proposed the Board:

1. **Cancel the following meetings: July 7, 2021; July 21, 2021; August 4, 2021; August 18, 2021.**
2. **Direct staff to issue proper notice of meeting cancellations.**

### **Discussion:**

In prior years, the Board has occasionally cancelled all meetings during the summer months of July and August, and at other times has chosen a modified schedule.

With the budget/rate adoption process now completed and limited regular business anticipated, the Board will now determine what action to take relative to its summer schedule. The following Board meetings are presently on the calendar:

- July 7, 2021
- July 21, 2021
- August 4, 2021
- August 18, 2021

The Board will be provided with an information packet of ongoing activities at Three Valleys for any month that a Board meeting is not held. At any time during the proposed summer schedule a special meeting can be called to attend to necessary business.

**Strategic Plan Objective(s):**

3.3 – Be accountable and transparent with major decisions.

**Attachment(s):**

None

**Meeting History:**

None

NA/ML





## BOARD OF DIRECTORS

Brian Bowcock  
David D. De Jesus  
Carlos Goytia  
Bob Kuhn  
Jody Roberto  
Danielle Soto  
Mike Ti

## GENERAL MANAGER/CHIEF ENGINEER

Matthew H. Litchfield, P.E.

May 19, 2021

The Honorable Peter P. Buttigieg  
U.S. Secretary of Transportation  
1200 New Jersey Avenue, SE  
Washington, DC 20590

**RE: California State Route 57/60 Confluence Chokepoint Relief Program Application for the Infrastructure for Rebuilding America (INFRA) Program - Fiscal Year 2021**

Dear Secretary Buttigieg:

On behalf of the Three Valleys Municipal Water District, I am writing to express our support for Los Angeles County Metropolitan Transportation Authority's (Metro) grant application for the **State Route (SR) 57/60 Confluence Chokepoint Relief Program** (the "Project").

**Metro's request for \$30,000,000 in INFRA funding represents 11% of the total Project cost of \$273,900,000.** Metro has worked diligently with Caltrans to assemble significant state and local funding commitments, in the amount of \$242,100,000, to serve as match for this important national and regional project that embodies the goals of the INFRA program.

Growth in global trade and local socio-economic changes have caused State Routes (SR) 57 and 60 to emerge as two of the most heavily traveled freight highway corridors in the country. In the eastern San Gabriel Valley – near the convergence Los Angeles, Orange, San Bernardino and Riverside counties – these two major highways merge for approximately 2.5-miles and form a dangerous confluence chokepoint consistently ranked by the American Transportation Research Institute as the worst truck bottleneck in California and one of the worst truck bottlenecks in the U.S.

The Project will improve the movement of goods and people through the confluence that serves as a vital freight highway connection linking Southern California ports, intermodal yards, warehousing complexes and manufacturing facilities that drive the regional, state and national economy and support export-dependent industries throughout the Western United States.

The Project will improve safety and help combat climate change in Southern California. The SR 57/60 Confluence claims the second-highest truck accident location in Southern California with a truck-related accident rate 50 percent higher than the state average. By reducing delays associated with these accidents and recurrent bottleneck congestion, the Project will improve the flow of goods and people while simultaneously reducing air quality impacts associated with local truck-related emissions and greenhouse gases (GHG). These outcomes will support the South Coast Air Basin's efforts to achieve air quality goals for a federal non-attainment region striving to improve public health and combat climate change through strategic investment.

The effects of traffic congestion through the SR 57/60 Confluence not only reduce the economic competitiveness of the nation's most valuable trade gateway, but also generate local impacts. The chokepoint creates regional traffic spillover into the surrounding cities, causing reduced mobility, accessibility to quality regional transit and barriers to employment for residents from nearby disadvantaged communities seeking freight and logistics-related jobs concentrated in this part of Southern California. The Project will benefit local transit agencies that operate in the area due to overall reduced congestion, creating opportunity for these agencies to provide better transit opportunities as they transition to zero-emission fleets in the near future.

The large commitment of local and state funds for the Project demonstrates the priority given to this project of national significance. This importance has only been heightened as Southern California seeks to recover economically from the COVID-19 crisis, which has demonstrated clearly to all the vital role that goods movement plays in distributing vaccines, bringing food to markets, supplying hospitals with life-saving medicine and personal protective equipment and helping keep businesses stocked with products to sell. With nearly one in every three jobs in Southern California derived from the movement of goods through the region, fixing this chokepoint will support the region's need for greater efficiency in the movement of goods that serve the needs of the national and local economy.

The planned Project improvements have been designed to 90% – 95% completion and have been shown to improve safety, address the current infrastructure configuration, ease traffic congestion, improve system reliability, enhance freight movement and economic vitality and improve environmental sustainability with benefits that significantly exceed costs. I appreciate your favorable consideration of Metro's highly merited request for federal support of this important Project. If you have questions about our support, you may contact me at 909-621-5568 or via email at [mlitchfield@tvmwd.com](mailto:mlitchfield@tvmwd.com).

Sincerely,




Matthew H. Litchfield, P.E.  
General Manager

cc: Patrick Chandler, LA Metro Community Relations Manager



## Board of Directors Staff Report

**To:** TVMWD Board of Directors  
**From:** Matthew H. Litchfield, General Manager   
**Date:** May 19, 2021  
**Subject:** Metropolitan Water District Update

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|                                                             |                                                 |           |
|-------------------------------------------------------------|-------------------------------------------------|-----------|
| <input type="checkbox"/> <b>For Action</b>                  | <input type="checkbox"/> <b>Fiscal Impact</b>   | <b>\$</b> |
| <input checked="" type="checkbox"/> <b>Information Only</b> | <input type="checkbox"/> <b>Funds Budgeted:</b> |           |

---

**Staff Recommendation:**

**No Action Necessary – Informational Item Only**

**Discussion:**

Vice President De Jesus will provide a periodic update on Metropolitan Water District (MWD) activities. Attached are the MWD Board Meeting summaries for April and May 2021.

Staff will place this item on the agenda every other month going forward. Staff will also work with Director DeJesus to schedule periodic presentations by MWD staff on important projects and endeavors in the future.

**Strategic Plan Objective(s):**

2.4 - Increase involvement and awareness of all aspects of MWD

**Attachment(s):**

Exhibit A – MWD April & May 2021 Board Meeting Summaries

**Meeting History:**

None

NA/ML

**Summary Report for  
The Metropolitan Water District of Southern California  
Board Meeting  
April 13, 2021**

**CONSENT CALENDAR ITEMS – ACTION**

The Board:

Approved resolutions fixing and adopting a Readiness-to-Serve Charge and a Capacity Charge for calendar year 2022. **(Agenda Item 7-1)**

Adopted a resolution authorizing moneys in the Iron Mountain Landfill Closure/Postclosure Maintenance Fund to be used to pay for potential non-water corrective actions, if necessary; and amended Sections 5200 and 5201 of the Metropolitan Water District Administrative Code to reflect that funds available in the Iron Mountain Landfill Closure/Postclosure Maintenance Fund may be used to cover potential non-water corrective actions. **(Agenda Item 7-2)**

Authorized the General Manager to:

(a) Secure one-year water transfers with various water districts north of the Sacramento-San Joaquin River Delta for up to 65,000 AF of additional supplies; (b) Secure storage and conveyance agreements with the Department of Water Resources and various water districts north of the Sacramento-San Joaquin River Delta to facilitate these transfers consistent with Articles 55 and 56 of Metropolitan's State Water Project Supply Contract; and (c) Pay up to \$44 million from the State Water Project Budget for such transfers; and to Grant the General Manager final decision-making authority to determine whether or not to move forward with these transfers following completion of any environmental reviews required under CEQA, subject to the terms and conditions set forth in the board letter. **(Agenda Item 7-3)**

Authorized an agreement with HDR Engineering, Inc. in an amount not to exceed \$1,700,000 for engineering services to replace the CRA transformers; and an agreement with Geosyntec Consultants, Inc. in an amount not to exceed \$360,000 for environmental site assessments. **(Agenda Item 7-4)**

Authorized a four-year, \$483,000 extension to an agreement with ZGlobal Inc., for a new not-to-exceed amount of \$733,000, for power scheduling services. **(Agenda Item 7-5)**

Authorized the General Manager to enter into six temporary skilled labor agreements with 22nd Century Technologies, Inc., Johnson Services Group, Tryfacta, Inc., Abacus Service Corporation, EPCM-RMS, Inc. and Skillset Group, LLC, each with an initial amount of \$250,000 per year, and each with up to four annual renewal options, with a maximum amount of \$2 million per year for all six contracts. **(Agenda Item 7-7)**

Authorized an agreement with Syntech Systems Inc. in an amount not to exceed \$1,104,000 for the Fuel Management System Upgrade. **(Agenda Item 7-8)**

Authorized a professional services contract with Morris and Willner Partners Inc., in an amount not to exceed \$2.43 million for the implementation (including the first five years of support maintenance) of the custom developed Water Information System. **(Agenda Item 7-9)**

Approved amendments to the Administrative Code set forth in Attachment 2 of the board letter to reflect all changes recommended by the board letter. **(Agenda Item 7-10)**

Authorized the grant of a ten-year license with options to renew to Crown Castle for telecommunication purposes. **(Agenda Item 7-11)**

Authorized the granting of a ten-year license to the city of Anaheim for telecommunication purposes. **(Agenda Item 7-12)**

### **CONSENT CALENDAR OTHER ITEMS – ACTION**

Approved Commendatory Resolution for Director Sylvia Ballin representing the City of San Fernando **(Agenda Item 6C)**

Approved Commendatory Resolution for Director Jesus Quiñonez representing the City of Los Angeles **(Agenda Item 6D)**

### **OTHER MATTERS AND REPORTS**

Presented Commendatory Resolution to Director Adan Ortega representing the City of Fullerton. **(Agenda Item 5G)**

### **THIS INFORMATION SHOULD NOT BE CONSIDERED THE OFFICIAL MINUTES OF THE MEETING.**

Board letters related to the items in this summary are generally posted in the Board Letter Archive approximately one week after the board meeting. In order to view them and their attachments, please copy and paste the following into your browser:

<http://mwdh2o.com/WhoWeAre/Board/Board-Meeting/Pages/search.aspx>

All current month materials, before they are moved to the Board Letter Archive, are available on the public website here: <http://mwdh2o.com/WhoWeAre/archived-board-meetings>

**Summary Report for  
The Metropolitan Water District of Southern California  
Board Meeting  
May 11, 2021**

**CONSENT CALENDAR ITEMS – ACTION**

The Board:

Adopted the resolution to continue the Standby Charge for fiscal year 2021/22.  
**(Agenda Item 7-1)**

Approved the draft of Appendix A; authorized the General Manager, or other designee of the Ad Hoc Committee, to finalize, with changes approved by the General Manager and General Counsel, Appendix A.; and authorized distribution of Appendix A, finalized by the General Manager or other designee of the Ad Hoc Committee, in connection with the sale or remarketing of bonds. **(Agenda Item 7-2)**

Authorized increase of \$200,000 in change order authority for rehabilitation of the Greg Avenue Pump Station, up to an aggregate amount not to exceed \$1,848,750; and authorized increase of \$350,000 to the agreement with Black & Veatch for a new not-to-exceed amount of \$1,250,000. **(Agenda Item 7-4)**

Awarded \$2,022,000 contract to R2BUILD to upgrade the flow monitoring equipment at Mile 12 along the Colorado River Aqueduct. **(Agenda Item 7-5)**

Reviewed and considered the city of Santa Monica's CEQA documents and take related CEQA actions, and authorized the General Manager to enter into a Local Resources Program Agreement with the city of Santa Monica for the Santa Monica Sustainable Water Supply Project for up to 2,300 AFY of advanced treated recycled water under the terms included in the Board letter. **(Agenda Item 7-6)**

Authorized the General Manager to enter into agreements to provide a cost-offset credit of up to \$332 per AF in CY 2021 and \$349 per AF in CY 2022 for net increased costs incurred by a member agency from shifting operations to improve regional reliability, consistent with the terms in Attachment 1 of the board letter. **(Agenda Item 7-7)**

Adopted the 2020 UWMP and its resolution for submittal to the State of California in order to comply with the Urban Water Management Planning Act in the California Water Code.; adopted Appendix 11 Addendum to the 2015 UWMP and its resolution for submittal to the State of California in order to include in Metropolitan's 2015 UWMP all of the elements described in Delta Plan Policy WR P1, Reduce Reliance on the Delta Through Improved Regional Water Self-Reliance (Cal. Code Regs., tit. 23, § 5003, subd. (c)(1)) to support a certification of consistency for one or more future water supply covered actions in the Delta; adopted the WSCP and its resolution for submittal to the State of California in order to comply with the Urban Water Management Planning Act in the California Water Code.  
**(Agenda Item 7-8)**

Expressed opposition, unless amended, for AB 1195. **(Agenda Item 7-9)**

Authorized the granting of a permanent power line easement for overhead power lines to Southern California Edison. **(Agenda Item 7-10)**

Authorized an agreement with Helix Environmental Planning, Inc. in an amount not to exceed \$250,000 for CEQA documentation; and authorized an agreement with Fugro USA Land, Inc. in an amount not to exceed \$350,000 for geotechnical services to support the Desert Housing and Property Improvements Program. **(Agenda Item 7-11)**

Authorized the General Counsel to retain the firms listed in the board letter as Bond Counsel, Co-Bond Counsel, and Disclosure Counsel through June 30, 2024; and determined that Bond Counsel, Co-Bond Counsel, and Disclosure Counsel fees may be approved by the General Counsel in amounts sufficient to procure Bond Counsel, Co-Bond Counsel, or Disclosure Counsel services for bond issues and for legal advice, as described in the board letter. **(Agenda Item 7-12)**

Authorized an increase in the maximum amount payable under contract with Meyers Nave for legal services by \$210,000 to an amount not to exceed \$410,000 in the matter of *Imperial Irrigation District v. Metropolitan Water District of Southern California, et al.* **(Agenda Item 7-13)**

### **THIS INFORMATION SHOULD NOT BE CONSIDERED THE OFFICIAL MINUTES OF THE MEETING.**

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## Board of Directors Staff Report

**To:** TVMWD Board of Directors

**From:** Matthew H. Litchfield, General Manager

**Date:** May 19, 2021

**Subject:** **Resolution No. 21-05-894 Placing Director Bowcock in Nomination to serve on ACWA Region 8 Board for the 2022-23 Term**

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|                                                       |                                                 |           |
|-------------------------------------------------------|-------------------------------------------------|-----------|
| <input checked="" type="checkbox"/> <b>For Action</b> | <input type="checkbox"/> <b>Fiscal Impact</b>   | <b>\$</b> |
| <input type="checkbox"/> <b>Information Only</b>      | <input type="checkbox"/> <b>Funds Budgeted:</b> |           |

---

**Staff Recommendation:**

**Approve nominating Director Brian Bowcock as a candidate to serve on the ACWA Region 8 Board as a Director for the 2022-23 Term.**

**Discussion:**

On May 4, 2021, the ACWA Region 8 Nominations Committee sent an email to all member agency Board Presidents and General Managers announcing a call for nominations. The Region 8 Nominating Committee is looking for ACWA members who are interested in leading the direction of ACWA Region 8 for the 2022-23 term. The Nominating Committee is currently seeking candidates for the Region 8 Board, which is comprised of Chair, Vice Chair and up to five (5) Board Member positions. Following is the election timeline:

|                    |                                                                                            |
|--------------------|--------------------------------------------------------------------------------------------|
| July 11 - 31, 2021 | Recommended slate announced                                                                |
| August 2, 2021     | Election begins – ballot sent to General Managers/Board Presidents (one ballot per agency) |
| September 30, 2021 | Election ballots due                                                                       |
| October 4, 2021    | Election results announced                                                                 |
| January 1, 2021    | Two-year term commences                                                                    |

Director Bowcock has previously served on the ACWA Region 8 Board, first completing an unexpired term during the 2014-15 Term, and then the 2016-17 Term and 2018-19 Term. He has expressed interest in continuing this service. Approval of Resolution No. 21-05-894 will affirm TVMWD’s support of this nomination. Staff is seeking direction to complete all required documentation and return to ACWA by June 30, 2021.



**Strategic Plan Objective(s):**

3.3 – Be accountable and transparent with major decisions

**Attachment(s):**

Exhibit A – ACWA Region 8 Board Candidate Nomination Form

Exhibit B – Resolution No. 21-05-894

Exhibit C – Call for Nomination Letter

**Meeting History:**

None

ML/NA

# REGION BOARD CANDIDATE NOMINATION FORM



Submit completed form by **June 30, 2021** to [regionelections@acwa.com](mailto:regionelections@acwa.com)

|                                                    |                                                                                                                                             |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Candidate: Brian Bowcock                   | Title: Director, Division 3                                                                                                                 |
| Agency: Three Valleys Municipal Water District     | Agency Phone: 909-621-5568                                                                                                                  |
| Direct Phone: 909-227-6962                         | E-mail: <a href="mailto:brianbowcock@verizon.net">brianbowcock@verizon.net</a> ; <a href="mailto:bbowcock@tvmwd.com">bbowcock@tvmwd.com</a> |
| Address: 1021 E. Miramar Ave., Claremont, CA 91711 | ACWA Region: 8 County: Los Angeles                                                                                                          |

**Region Board Position Preference**  
If you are interested in more than one position, please indicate priority - 1st, 2nd and 3rd choice.

Chair:

Vice Chair:

Board Member:

**Agency Function(s)**  
Check all that apply

Wholesale

Urban Water Supply

Ag Water Supply

Sewage Treatment

Retailer

Wastewater Reclamation

Flood Control

Groundwater Management / Replenishment

Other:

**If you are not chosen for the recommended slate, would you like to be listed in the ballot's individual candidate section?**  
If neither is selected, your name will **NOT** appear on the ballot.

Yes

No

**Describe your ACWA-related activities that help qualify you for this office:**

I have been on the ACWA Membership Committee for in excess of 14 years.

I am the voting delegate for Three Valleys MWD for the ACWA/JPIA.

I have been a member of ACWA for more than 34 year.

**Write below or attach a half-page bio summarizing the experience and qualifications that make you a viable candidate for ACWA Region leadership.** Please include the number of years you have served in your current agency position, the number of years you have been involved in water issues and in what capacity you have been involved in the water community.

Director of Three Valleys MWD for 18 years.

Public Works Director (retired) City of La Verne 22 years.

City of Ontario 12 years.

Monte Vista Water District 6 years.

I have been in the water field for 61 years.

*I acknowledge that the role of a region board member is to actively participate on the Region Board during my term, including attending region board and membership meetings, participating in region conference calls, participating in ACWA's Outreach Program, as well as other ACWA functions to set an example of commitment to the region and the association.*

I hereby submit my name for consideration by the Nominating Committee.

 Director, TVMWD 5/5/2021

Signature Title Date

Please attach a copy of your agency's resolution of support / sponsorship for your candidacy.

RESOLUTION NO. 21-05-894

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THREE VALLEYS MUNICIPAL WATER DISTRICT  
PLACING IN NOMINATION, DIRECTOR FREDERICK "BRIAN" BOWCOCK  
AS A MEMBER OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES  
REGION 8 BOARD OF DIRECTORS FOR THE 2022-23 TERM**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THREE VALLEYS  
MUNICIPAL WATER DISTRICT AS FOLLOWS:**

A. Recitals

- (i) The Board of Directors of Three Valleys Municipal Water District does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA).
- (ii) Frederick "Brian" Bowcock is currently serving on the 2020-21 ACWA Membership Committee.

B. Resolves

**NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF  
THREE VALLEYS MUNICIPAL WATER DISTRICT,**

- (i) Does place its full and unreserved support in the nomination of Frederick "Brian" Bowcock for the Director of ACWA Region 8 for the 2022-23 Term.
- (ii) Does hereby determine that the expenses attendant with the service of Frederick "Brian" Bowcock in ACWA Region 8 shall be borne by Three Valleys Municipal Water District.

**ADOPTED** and **PASSED** at a meeting of the Three Valleys Municipal Water District's Board of Directors held via teleconference, on this 19<sup>th</sup> day of May 2021 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

---

Bob G. Kuhn, President

ATTEST:

---

Carlos Goytia, Secretary

SEAL:

## MEMORANDUM

Date: May 3, 2021

To: ACWA REGION 8 MEMBER AGENCY PRESIDENTS AND GENERAL MANAGERS  
(sent via e-mail)

From: ACWA REGION 8 NOMINATING COMMITTEE

- **Jerry Gladbach, Santa Clarita Valley Water Agency**
- **Anthony Goff, Calleguas Municipal Water District**
- **Dave Pedersen, Las Virgenes Municipal Water District**

The Region 8 Nominating Committee is looking for ACWA members who are interested in leading the direction of ACWA Region 8 for the 2022-2023 term. The Nominating Committee is currently seeking candidates for the Region 8 Board, which is comprised of Chair, Vice Chair and up to five Board Member positions.

The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 8 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 8. The members of the Region 8 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

If you, or someone within your agency, are interested in serving in a leadership role within ACWA by becoming a Region 8 Board Member, please familiarize yourself with the [Role of the Regions](#) and Responsibilities; the [Election Timeline](#); and the [Region 8 Rules and Regulations](#) and complete the following steps:

- **Complete the attached Region Board Candidate Nomination Form [HERE](#)**
- **Obtain a Resolution of Support from your agency's Board of Directors** (Sample Resolution [HERE](#))
- **Submit the requested information to ACWA as indicated by Wednesday, June 30, 2021**

The Region 8 Nominating Committee will announce their recommended slate by July 31, 2021. On August 2, 2021 the election will begin with ballots sent to General Managers and Board Presidents. One ballot per agency will be counted. The election will be completed on September 30, 2021. On October 4, 2021, election results will be announced. The newly elected Region 8 Board Members will begin their two-year term of service on January 1, 2022.

If you have any questions, please contact Regional Affairs Representative Augustine Han, at [augustineh@acwa.com](mailto:augustineh@acwa.com) or (916) 441-4545.

## 2021 ACWA Region Election Timeline 2022-2023 Term

**February 26:**

### **NOMINATING COMMITTEES APPOINTED**

- With concurrence of the region board, the region chairs appoint at least three region members to serve as the respective region's Nominating Committee
- Those serving on nominating committees are ineligible to seek region offices
- Nominating Committee members are posted online at [www.acwa.com](http://www.acwa.com)

**March 1-31:**

### **NOMINATING COMMITTEE TRAINING**

- Nominating Committee packets will be e-mailed to each committee member
- ACWA staff will hold a Zoom training session with the nominating committees to educate them on their specific roles and duties
  - Regions 1-10 Nominating Committees: via Zoom

**May 3:**

### **CALL FOR CANDIDATES**

- The Call for Candidate Nominations packet will be e-mailed to ACWA member agency Board Presidents and General Managers

**June 30:**

### **DEADLINE FOR COMPLETED NOMINATION FORMS**

- Deadline to submit all Nomination Forms and Board Resolutions of Support for Candidacy for region positions
- Nominating Committee members may need to solicit additional candidates in person to achieve a full complement of nominees for the slate

**July 1:**

### **CANDIDATE INFORMATION TO NOMINATING COMMITTEES**

- All information submitted by candidates will be forwarded by ACWA staff to the respective region Nominating Committee members with a cover memo explaining their task

**July 11 - 31:**

**RECOMMENDED SLATES SELECTED**

- Nominating Committees will meet to determine the recommended individuals for their region. The slate will be placed on the election ballot.
- Nominating Committee Chairs will inform their respective ACWA Regional Affairs Representative of their recommended slate by July 23
- Candidates will be notified of the recommended slate by July 30
- The Nominating Committee Chair will approve the official region ballot

**August 2:**

**ELECTIONS BEGIN**

- All 10 official electronic ballots identifying the recommended slate and any additional candidates for consideration for each region will be produced and e-mailed to ACWA member agencies only
- Only one ballot per agency will be counted

**September 30:**

**ELECTION BALLOTS DUE**

- ***Deadline for all region elections. All region ballots must be received by ACWA by **September 30, 2021*****

**October 4:**


**ANNOUNCEMENT OF ELECTION RESULTS**

- Newly-elected members of the region boards will be contacted accordingly
- An ACWA Advisory will be distributed electronically to all members reporting the statewide region election results
- Results will be posted at [acwa.com](http://acwa.com) and will be published in the October issue of ACWA News



## Board of Directors Staff Report

**To:** TVMWD Board of Directors

**From:** Matthew H. Litchfield, General Manager 

**Date:** May 19, 2021

**Subject:** **Resolution No. 21-05-895 Adoption of Annual Investment Policy**

---

|                                                       |                                                |                                                |
|-------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <input checked="" type="checkbox"/> <b>For Action</b> | <input type="checkbox"/> <b>Fiscal Impact</b>  | <input type="checkbox"/> <b>Funds Budgeted</b> |
| <input type="checkbox"/> <b>Information Only</b>      | <input type="checkbox"/> <b>Cost Estimate:</b> | <b>\$</b>                                      |

---

**Requested Action:**

**Staff is recommending approval of Resolution No. 21-05-895 TVMWD Investment Policy.**

**Background:**

Board policy dictates that an annual review of TVMWD's investment policy take place. This stems from Government Code section 53646 requiring agencies to develop an investment policy and implement periodic changes that may occur in reporting requirements. If changes to the existing policy are recommended, a new resolution is issued with the Board approved recommendations.

**Discussion:**

Attached for Board approval is the most recently adopted (March 4, 2020) TVMWD investment policy updated to reflect two changes suggested by Chandler Asset Management.

- The percentage of outstanding commercial paper TVMWD may purchase from any single issuer was reduced from 10% to 5% (Page 4; Section 8g) to be consistent with Risk language in Section 13c of this policy.
- The added language (Page 8; Section 11.0), a provision sunseting on January 1, 2026, allows for the investment of funds in securities backed by the U.S. Government that could result in a zero or negative interest accrual if held to maturity was included to be consistent with SB 998 Local Government; investments. SB 998 became effective January 1, 2021.

These changes are considered minor and do not alter current practices.

**Fiscal Impact:**

None

**Strategic Plan Objective(s):**

3.1 – Utilize and comply with a set of financial policies to maintain TVMWD's financial health

3.3 – Be accountable and transparent with major decisions

**Attachment(s):**

Exhibit A – Annual Investment Policy Resolution 2021

**Meeting History:**

None

NA/LC



**RESOLUTION NO. 21-05-895**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THREE VALLEYS MUNICIPAL WATER DISTRICT  
ESTABLISHING AN INVESTMENT POLICY**

**1.0 POLICY**

WHEREAS; the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern; and

WHEREAS; the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of California Government Code Sections 5922 and 53601 et seq.; and

WHEREAS; the General Manager of the Three Valleys Municipal Water District ("TVMWD") shall annually prepare and submit a statement of investment policy and such policy, and any changes thereto, shall be considered by the Board of Directors at a public meeting;

NOW THEREFORE, it shall be the policy of TVMWD to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of TVMWD and conforming to all statutes governing the investment of TVMWD funds.

**2.0 SCOPE**

This investment policy applies to all financial assets of TVMWD except bond funds and funds held in trust for pension and OPEB liabilities. All funds are accounted for in the annual audit.

**3.0 PRUDENCE**

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of TVMWD, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of TVMWD. The standard of prudence to be used by investment officials shall be the "prudent investor" standard California Government Code 53600.3 and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

#### **4.0 OBJECTIVES**

When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objectives, in priority order, of the investment activities shall be:

1. Safety: Safety of principal is the foremost objective of the investment program. Investments of TVMWD shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

2. Liquidity: The investment portfolio will remain sufficiently liquid to enable TVMWD to meet all operating requirements which might be reasonably anticipated.

3. Return on Investments: The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and the cash flow characteristics of the portfolio.

#### **5.0 DELEGATION OF AUTHORITY**

Authority to manage the investment program is derived from California Government Code 53607, et seq. By annually adopting this investment policy, responsibility for the investment program is hereby delegated by the Board to the General Manager who shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, PSA repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts, as appropriate. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the General Manager. The General Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Under the provisions of California Government Code 53600.3, the General Manager is a trustee and a fiduciary subject to the prudent investor standard.

TVMWD may engage the services of one or more external investment managers to assist in the management of the TVMWD's investment portfolio in a manner consistent with the TVMWD's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

**6.0 ETHICS AND CONFLICTS OF INTEREST**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the General Manager any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of TVMWD.

**7.0 AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS**

The General Manager will maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment and financial advisory services in the State of California. No public deposit shall be made except in a qualified public depository as established by state laws.

For brokers/dealers of government securities and other investments, TVMWD shall select only broker/dealers who are licensed and in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers or other applicable self-regulatory organizations.

Before engaging in investment transactions with a broker/dealer, the General Manager shall have received from said firm a signed Certification Form. This form shall attest that the individual responsible for TVMWD's account with that firm has reviewed TVMWD's Investment Policy and that the firm understands the policy and intends to present investment recommendations and transactions to TVMWD that are appropriate under the terms and conditions of the Investment Policy. An annual review of the financial condition and registrations of qualified bidders will be conducted by the General Manager. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which TVMWD invests.

All financial institutions and broker/dealers who desire to conduct investment transactions with TVMWD must supply the General Manager with the following: audited financial statements, proof of FINRA certification, trading resolution, proof of State of California registration, completed broker/dealer questionnaire, certification of having read the TVMWD's investment policy and depository contracts.

Selection of broker/dealers used by an external investment adviser retained by TVMWD will be at the sole discretion of the investment adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing new issue securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

### **8.0 AUTHORIZED AND SUITABLE INVESTMENTS**

TVMWD is empowered by California Government Code 53601 et seq. to invest in the following:

- a. Bonds issued by TVMWD.
- b. United States Treasury Bills, Notes and Bonds.
- c. Registered state warrants or treasury notes or bonds issued by the State of California.
- d. Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or Joint Powers Agencies.
- e. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by, or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- f. Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances may not exceed 180 days maturity or 40% of the TVMWD's money that may be invested pursuant to this policy. However, no more than 30% of TVMWD's moneys may be invested in the bankers' acceptances of any one commercial bank pursuant to this policy. They are issued by institutions which have short-term debt obligations rated "A-1" or higher, or the equivalent, by at least one NRSRO; or long-term debt obligations which are rated in the "A" category or higher, or the equivalent, by at least one NRSRO.
- g. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided by a NRSRO. Eligible commercial paper shall have a maximum maturity of 270 days or less. TVMWD shall invest no more than 25% of its money in eligible commercial paper. TVMWD may purchase no more than 5% of the outstanding commercial paper of any single issuer. The entity that issues the commercial paper shall meet all the following conditions in either paragraph 1 or 2:

1. The entity meets the following criteria:
  - a. Is organized and operating in the US as a general corporation.
  - b. Has total assets in excess of \$500,000,000
  - c. Has debt other than commercial paper, if any, that is rated in a rating category of "A" or its equivalent or higher by an NRSRO.
2. The entity meets the following criteria:
  - a. Is organized within the US as a special purpose corporation, trust, or limited liability company.
  - b. Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
  - c. Has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.
- h. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30% of TVMWD's money which may be invested pursuant to this policy.
- i. Repurchase/Reverse Repurchase Agreements of any securities authorized by Section 53601. Securities purchased under these agreements shall be no less than 102% of market value and are subject to the special limits in California Government Code 53601(i). Repurchase Agreements are subject to a Master Repurchase Agreement between TVMWD and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA). The total of all reverse repurchase agreement and securities lending agreements on investments owned by TVMWD may not exceed 20% of the base value of the portfolio.
- j. Medium term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in the "A" category or better, or the equivalent, by a NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this policy and may not exceed 30% of TVMWD's money which may be invested pursuant to this policy.
- k. Mutual funds and money market mutual funds that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

1. Mutual Funds that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:
    - a. Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs; or
    - b. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.
    - c. No more than 10% may be invested in the shares of any one mutual fund.
  2. Money Market Mutual Funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
    - a. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs; or
    - b. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
    - c. No more than 20% of the portfolio may be invested in Money Market Mutual Funds.
  3. No more than 20% of the portfolio may be invested in these securities.
- I. Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

- m. Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by California Government Code Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by California Government Code Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
- n. Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond from issuers not defined in sections "b" and "e" of the authorized investment sections of this policy with a maximum of five years maturity. Securities eligible for investment under this subdivision shall be rated in a rating category of "AA" or higher, or the equivalent, by at least one NRSRO. Purchase of securities authorized by this subdivision may not exceed 20% of TVMWD's money that may be invested pursuant to this policy.
- o. Supranationals, provided that issues are US dollar denominated, senior unsecured, unsubordinated, obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. Securities eligible under this subdivision will be rated in the "AA" category or higher, or the equivalent, by a NRSRO. No more than 30% of the total portfolio may be invested in these securities. No more than 10% of the portfolio may be invested in any single issuer, and the maximum maturity may not exceed five years.
- p. Any other investment security authorized under the provisions of California Government Code 5922 and 53601.

### **9.0 INVESTMENT POOLS / MUTUAL FUNDS**

TVMWD shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. The General Manager shall develop a questionnaire which will answer the following general questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.

3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. Are reserves, retained earnings, etc. utilized by the pool/fund?
7. A fee schedule, and when and how is it assessed.
8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

### **10.0 MAXIMUM MATURITIES**

Such investments shall be limited to securities that at the time of the investment have a term remaining to maturity of five years or less, or as provided above. To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.

### **11.0 PROHIBITED INVESTMENTS AND PRACTICES**

TVMWD shall not invest any funds covered by this Investment Policy in inverse floaters, range notes, interest-only strips derived from mortgage pools, options and futures, or any investment that may result in a zero interest accrual if held to maturity. Under a provision sunseting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted. Also prohibited is trading securities for the sole purpose of speculating on the future direction of interest rates, purchasing or selling securities on margin, securities lending or any form of borrowing or leverage, and the purchase of foreign currency denominated securities.

### **12.0 REVIEW OF INVESTMENT PORTFOLIO**

The General Manager shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to TVMWD.

### **13.0 MITIGATING CREDIT RISK IN THE PORTFOLIO**

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. TVMWD shall mitigate credit risk by adopting the following strategies:

- a. TVMWD may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity or yield of the portfolio in response to the market conditions or TVMWD's risk preferences; and.
- b. If securities owned by the TVMWD are downgraded to a level below the credit quality required by this Investment Policy, it shall be the TVMWD's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio. If a decision is made to retain



a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported quarterly to the governing board.

- c. No more than 5% of the total portfolio may be invested in securities of any single issuers, except where the issuer is the US Government, its Agencies and GSEs, an authorized Supranational issuer, or where the security is a Money Market Mutual Fund, Local Agency Investment Fund (LAIF), or other Local Government Investment Pool, or where otherwise specified in this investment policy.

### **14.0 COLLATERALIZATION**

All certificates of deposit must be collateralized by United States Treasury Obligations. Collateral must be held by a third-party trustee and valued on a monthly basis. The percentage of collateralizations on repurchase and reverse agreements will adhere to the amount required under California Government Code 53601(i)(2).

**Certificates of Deposit (CDs).** TVMWD shall require any commercial bank or savings and loan association to deposit eligible securities with an agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

**Collateralization of Bank Deposits.** This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. TVMWD shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

**Repurchase Agreements.** TVMWD requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- TVMWD shall receive monthly statements of collateral.

### **15.0 SAFEKEEPING AND CUSTODY**

All security transactions entered into by TVMWD shall be conducted on delivery-versus-

payment (DVP) basis. All securities purchased or acquired shall be held by a third-party custodian designated by the General Manager and evidenced by safekeeping receipts.

### **16.0 DIVERSIFICATION**

TVMWD will diversify its investments by security type and institution. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of securities. No more than 5% of the total portfolio may be invested in securities of any single issuer, except where the issuer is the US Government, its Agencies and GSEs, an authorized Supranational issuer or where the security is a Money Market Mutual Fund, Local Agency Investment Fund (LAIF) or other Local Government Investment Pool, unless otherwise specified in this investment policy. Diversification strategies shall be reviewed and revised periodically. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- a. Maturities selected shall provide for stability of income and liquidity.
- b. Disbursement and payroll dates shall be covered through maturities of investments, marketable United States Treasury bills or other cash equivalent instruments such as money market mutual funds.

### **17.0 INTERNAL CONTROLS**

The General Manager shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

### **18.0 REPORTING**

The General Manager shall submit to each member of the Board of Directors an investment report monthly, within 30 days after the end of the reporting period in accordance with California Government Code Section 53607. These reports will disclose, at minimum, the following information about the characteristics of the portfolio:

1. An asset listing showing par value, cost and independent third-party fair market value of each security as of the date of the report, the source of the valuation, type of investment, issuer, maturity date and interest rate.
2. Monthly transactions for the period.
3. A one-page summary report that shows:
  - a. Average maturity of the portfolio and modified duration of the portfolio;
  - b. Maturity distribution of the portfolio;

- c. Average portfolio credit quality; and,
  - d. Time-weighted total rate of return for the portfolio for the prior one month, three months, twelve months and since inception compared to TVMWD's market benchmark returns for the same periods;
4. A statement of compliance with investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, including a justification for their presence in the portfolio and a timetable for resolution.
  5. A statement that TVMWD has adequate funds to meet its cash flow requirements for the next six months.

A comprehensive annual report will be presented. This report will include comparisons of the portfolio's return to the benchmark return, suggest policies and improvements that might enhance the investment program, and will include an investment plan for the coming year.

#### **19.0 INVESTMENT POLICY ADOPTION**

The Investment Policy shall be adopted by resolution of TVMWD. Moreover, the Policy shall be reviewed on an annual basis, and modifications must be approved by the Board of Directors.

The General Manager shall establish written investment policy procedures for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, master repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the TVMWD.

#### **20.0 PERFORMANCE EVALUATION**

The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account TVMWD's risk constraints, the cash flow characteristics of the portfolio, state and local laws and ordinances or resolutions that restrict investments.

The General Manager shall monitor and evaluate the portfolio's performance relative to market benchmark, which will be included in the General Manager's quarterly report. The General Manager shall select an appropriate, readily available index to use as a market benchmark.

#### **21.0 REVIEW OF INVESTMENT PORTFOLIO**

The General Manager shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the Board.

### **22.0 GLOSSARY**

**Agencies.** Shorthand market terminology for any obligation issued by a government-sponsored entity (GSE), or a federally related institution. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

**FFCB.** The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

**FHLB.** The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

**FHLMC.** Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “Freddie Mac” issues discount notes, bonds and mortgage pass-through securities.

**FNMA.** Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “Fannie Mae,” issues discount notes, bonds and mortgage pass-through securities.

**GNMA.** The Government National Mortgage Association, known as “Ginnie Mae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

**PEFCO.** The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

**TVA.** The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

**Asked.** The price at which a seller offers to sell a security.

**Asset Backed Securities.** Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

**Average Life.** In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

**Banker’s Acceptance.** A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

**Benchmark.** A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

**Bid.** The price at which a buyer offers to buy a security.

**Broker.** A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

- Callable.** A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.
- Certificate of Deposit (CD).** A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.
- Collateral.** Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.
- Collateralized Mortgage Obligations (CMO).** Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.
- Commercial Paper.** The short-term unsecured debt of corporations.
- Cost Yield.** The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.
- Coupon.** The rate of return at which interest is paid on a bond.
- Credit Risk.** The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.
- Current Yield.** The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.
- Dealer.** A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.
- Debenture.** A bond secured only by the general credit of the issuer.
- Delivery vs. Payment (DVP).** A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.
- Derivative.** Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

- Discount.** The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.
- Diversification.** Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.
- Duration.** The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See modified duration).
- Federal Funds Rate.** The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.
- Federal Open Market Committee.** A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.
- Haircut.** The margin or difference between the actual market value of a security and the value assessed by the lending side of a transaction (i.e. a repo).
- Leverage.** Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.
- Liquidity.** The speed and ease with which an asset can be converted to cash.
- Make Whole Call.** A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."
- Margin.** The difference between the market value of a security and the loan a broker makes using that security as collateral.
- Market Risk.** The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.
- Market Value.** The price at which a security can be traded.
- Marking to Market.** The process of posting current market values for securities in a portfolio.
- Maturity.** The final date upon which the principal of a security becomes due and payable.
- Medium Term Notes.** Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.
- Modified Duration.** The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

**Money Market.** The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

**Mortgage Pass-Through Securities.** A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

**Municipal Securities.** Securities issued by state and local agencies to finance capital and operating expenses.

**Mutual Fund.** An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

**Nationally Recognized Statistical Rating Organization (NRSRO).** A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Moody's, S&P and Fitch.

**Premium.** The difference between the par value of a bond and the cost of the bond, when the cost is above par.

**Prepayment Speed.** A measure of how quickly principal is repaid to investors in mortgage securities

**Prepayment Window.** The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

**Primary Dealer.** A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

**Prudent Person (Prudent Investor) Rule.** A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

**Realized Yield.** The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

**Regional Dealer.** A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

**Repurchase Agreement.** Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

**Safekeeping.** A service to bank customers whereby securities are held by the bank in the customer's name.

**Structured Note.** A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

**Total Rate of Return.** A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

**U.S. Treasury Obligations.** Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**Treasury Bills.** All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

**Treasury Notes.** All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

**Treasury Bonds.** All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

**Volatility.** The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

**Yield to Maturity.** The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.



**ADOPTED** and **PASSED** at a meeting of the Three Valleys Municipal Water District's Board of Directors held via teleconference, on this 19<sup>th</sup> day of May 2021 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

ATTEST:


\_\_\_\_\_  
Bob G. Kuhn, President

\_\_\_\_\_  
Carlos Goytia, Secretary

SEAL:



## Board of Directors Staff Report

**To:** TVMWD Board of Directors  
**From:** Matthew H. Litchfield, General Manager   
**Date:** May 19, 2021  
**Subject:** Resolution No. 21-05-896 Employee Bonus

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|                                                       |                                                          |                 |
|-------------------------------------------------------|----------------------------------------------------------|-----------------|
| <input checked="" type="checkbox"/> <b>For Action</b> | <input checked="" type="checkbox"/> <b>Fiscal Impact</b> | <b>\$21,000</b> |
| <input type="checkbox"/> <b>Information Only</b>      | <input type="checkbox"/> <b>Funds Budgeted:</b>          |                 |

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**Recommendation:**

**Approval of Resolution No. 21-05-896 authorizing a one-time discretionary bonus in the amount of \$1,000 to each full-time employee.**

**Discussion:**

Included for review and consideration is Resolution No. 21-05-896 that identifies prior case law relative to such distribution. At the April 7, 2021 board meeting, TVMWD was recognized by ACWA-JPIA with a refund check. As noted by ACWA-JPIA Executive Committee Member Randall Reed, TVMWD's claims experience in liability, property and workers' compensation insurance is compared with the average of the ACWA-JPIA pool. TVMWD's E-MODs (Experience Modification) for each coverage area are always better than average, which has allowed TVMWD to receive an annual refund numerous times.

Recent refund amounts:

- 2021 \$22,559
- 2019 \$21,359
- 2018 \$48,281
- 2017 \$52,027
- 2016 \$ 5,213
- 2015 \$17,118
- 2011 \$38,528
- 2010 \$43,034

In recognition of employee's efforts to control liability, property and workers' compensation insurance costs, the Board President is proposing a one-time discretionary bonus in the amount of \$1,000 to each full-time employee. Both the General Manager and employees no longer with TVMWD are not eligible for the bonus.

**Strategic Plan Objective(s):**

3.3 – Be accountable and transparent with major decisions

**Attachment(s):**

Exhibit A – Resolution No. 21-05-896

**Meeting History:**

April 7, 2021 – Board of Directors Meeting - Presentation of Refund Check by ACWA-JPIA Executive Committee Member, Randall Reed

NA/ML

**RESOLUTION NO. 21-05-896**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THREE VALLEYS MUNICIPAL WATER DISTRICT  
TO AUTHORIZE ONE-TIME EMPLOYEE BONUS**

**WHEREAS**, the Three Valleys Municipal Water District is a public agency organized and operating pursuant to the Municipal Water District Law of 1911 (California Water Code Section 71000 et seq.); and

**WHEREAS**, the California Constitution provides in Article XVI, Section 6, that “[a] political corporation or subdivision of the State ... shall [not] have power to make any gift, or authorize the making of any gift, or any public money or thing of value to any individual, municipal or other corporation whatever ...”; and

**WHEREAS**, in the case of employment, courts have found that lump-sum payments to certain employees for work already performed are not invalid as a gift of public funds serving no substantial public purpose because they ensure continued recruitment and retention of qualified employees and resolve perceived uncertainty about proper salary levels [Jarvis v. Cory (1980) 28 Cal. 3d 562, 620 P.2d 598, 170 Cal. Rptr. 11]; and

**WHEREAS**, courts have further held that the granting of benefits to employees for past services is not a gift of public funds, but rather an effort to advance an important public purpose to further the District’s self-interest in retaining the most competent employees in a highly competitive market [San Joaquin County Employees’ Association, Inc. v. San Joaquin County (1974) 39 Cal. App. 3d 83, 113 Cal. Rptr. 912; Walker v. Los Angeles County (1961) 55 Cal. 2d 626, 361 P.2d 247, 12 Cal. Rptr. 671]; and

**WHEREAS**, the facts and circumstances of the ACWA-JPIA refund of \$22,559 to the District as described in the staff report attached hereto and incorporated herein by this reference (“Staff Report”) supports a determination by the District’s Board of Directors (“Board”) that an award of a one-time bonus in the amount of \$1,000 to each full-time District employee would serve a well-recognized public purpose in the governmental agency employment context within the scope of established case law such that any such award by the Board would not constitute an unconstitutional gift of public funds.

**NOW THEREFORE BE IT RESOLVED** by the Board that, based upon the unique facts and circumstances described in the Staff Report and other evidence presented to the Board, the Board hereby finds and determines that an award of a bonus to District employees in a total sum not to exceed the savings directly attributable to employee conduct would serve to advance the dual public purposes of promoting workplace safety and retaining a highly-competent staff, and thus hereby approves the issuance of a one-time bonus in the amount of \$1,000 to each full-time District employee.

**ADOPTED** and **PASSED** at a meeting of the Three Valleys Municipal Water District's Board of Directors held via teleconference, on this 19<sup>th</sup> day of May 2021 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Bob G. Kuhn, President

ATTEST:

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Carlos Goytia, Secretary

SEAL:



## **EMPLOYMENT AGREEMENT**

THIS AGREEMENT is made and entered effective this 1<sup>st</sup> day of July, 2021, by and between THREE VALLEYS MUNICIPAL WATER DISTRICT (hereinafter referred to as “DISTRICT”) and MATTHEW LITCHFIELD (hereinafter referred to as “EMPLOYEE”).

### **RECITALS**

A. WHEREAS, the DISTRICT is a municipal water district organized and operating pursuant to California Water Code Section 71000 et seq., and is governed by a Board of Directors (hereinafter referred to as “BOARD”) composed of elected representatives from the seven divisions that comprise the DISTRICT. (The BOARD and the EMPLOYEE are sometimes collectively referred to herein as the “PARTIES.”)

B. WHEREAS, the BOARD desires to employ the services of EMPLOYEE as General Manager of the DISTRICT for the term specified herein.

C. WHEREAS, the BOARD desires to provide certain benefits, establish certain conditions of employment, and set certain working conditions of said EMPLOYEE.

D. WHEREAS, the BOARD desires to (1) secure and retain the services of EMPLOYEE, (2) ensure EMPLOYEE’s morale, and (3) provide a just means for terminating EMPLOYEE’s services at any time during the term of employment by the DISTRICT.

E. WHEREAS, the BOARD has determined to secure the continued services of EMPLOYEE to meet the needs of the DISTRICT, to provide for the

general supervision and direction of DISTRICT staff, operations, and activities, under the direction of the BOARD, and to perform all other duties required or deemed necessary by the BOARD.

F. WHEREAS, the BOARD finds and determines that it is in the best interest of the DISTRICT to enter into an Employment Agreement with EMPLOYEE under the terms and conditions set forth herein.

G. WHEREAS, EMPLOYEE desires to accept employment as General Manager of said DISTRICT under the terms and conditions set forth herein.

### COVENANTS

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises and conditions contained herein, the parties hereto agree as follows:

1. Incorporation of Recitals. The foregoing Recitals, and each of them, are hereby incorporated herein as though set forth in full.

2. Definitions. As used in this Agreement, the terms set forth below shall mean the following:

(a) Base Salary. The term “Base Salary” shall be defined as EMPLOYEE’s annual gross compensation, exclusive of retirement contributions made on behalf of EMPLOYEE and the cost of any insurance or other benefits made available to EMPLOYEE. Base Salary shall be payable to EMPLOYEE in pro rata installments consistent with the DISTRICT’s regular pay period cycles, and subject to appropriate withholdings.

(b) Executive Leave. The term “Executive Leave” shall be defined as leave time granted to EMPLOYEE in lieu of sick, management, or vacation leave and is in lieu of any rights to compensatory or overtime pay.

3. Duties and Authority. The DISTRICT shall employ EMPLOYEE as the General Manager of the DISTRICT, with full power and authority to perform all applicable statutory functions and duties and to comply with all ordinances, resolutions, policies, and/or minute actions of the BOARD, and all applicable laws, rules, regulations, and guidelines of the State of California and/or other agencies having jurisdiction within or over the DISTRICT. EMPLOYEE’s duties

shall include, but shall not be limited to, supervising the DISTRICT's personnel and financial matters, attending meetings of the BOARD and its Committees, supervising the administration of all operations of the DISTRICT, subject to policies set by the BOARD, and managing and conducting all of the business of the DISTRICT. In addition, EMPLOYEE shall perform any special duties assigned or delegated to him by the BOARD.

4. Restrictions on Outside Business Activities. In order that nothing interfere with the performance of EMPLOYEE's duties under this Agreement or create any conflict of interests during his employment, EMPLOYEE shall devote his full energies, interest, abilities, and productive time to the satisfactory performance of this Agreement and shall not engage in any other outside business activities except as otherwise approved by the BOARD.

5. Term of Employment. Subject to negotiated extension or earlier expiration or termination as provided for in this Agreement, EMPLOYEE shall be employed by the DISTRICT for a period beginning on the effective date of this Agreement and terminating on June 30, 2024.

6. Compensation. During the term of this Agreement, the DISTRICT shall pay to EMPLOYEE an annual Base Salary in the amount of \$265,000.00, subject to possible adjustment pursuant to Paragraph 9 below. Should this Agreement be terminated on a date other than the first day of a month, the Base Salary compensation shall be further prorated for that month.

7. Benefits.

(a) Uniformity. During the employment term, EMPLOYEE shall be entitled to receive the same level of employment benefits generally provided by BOARD-approved policy of the DISTRICT, except as otherwise set forth in Subparagraph 7(b) of this Agreement.

(b) Executive Leave. During the employment term, EMPLOYEE shall be entitled to thirty (30) days of Executive Leave each fiscal year, to be taken at times mutually agreed upon by the PARTIES. Executive Leave shall be credited in a lump sum at the beginning of each fiscal year. Up to ten (10) days of unused Executive Leave may be carried over and used in the following fiscal year. EMPLOYEE may not accumulate more than forty (40) days of unused Executive



Leave at any point in time during the employment term. Unused Executive Leave balances will be cashed out at the end of each fiscal year and upon termination of employment.

8. Professional Development Allowance. Subject to the BOARD's sole discretion, the DISTRICT shall pay the reasonable amount of expenses incurred by EMPLOYEE during the term of this Agreement for professional dues, licenses, subscriptions, and official travel, meals, and subsistence.

9. Performance Evaluation. The BOARD shall evaluate the performance of EMPLOYEE on or before June 30 of each year during the employment term, or more often at the BOARD's discretion. Such evaluation(s) shall be used as a basis for determining in the exercise of the BOARD's sole discretion any increases to Base Salary and/or other employment benefits, as well as EMPLOYEE's work plan for the next fiscal year. The BOARD may choose to contribute to EMPLOYEE's 457 Plan and/or 401A Plan in addition to or in lieu of changes to Base Salary.

10. Termination of Agreement.

(a) Termination Without Cause. EMPLOYEE serves at the pleasure of the BOARD. The BOARD may, forthwith and without prior notice, terminate this Agreement with or without cause. Upon the effective date of termination without cause, the DISTRICT shall make, as an agreed-upon severance, a lump-sum payment to EMPLOYEE in an amount equal to his then-current Base Salary prorated over the balance of the unexpired term of this Agreement as set forth in Paragraph 5 above, or over a period of nine (9) months, whichever is less.

(b) Termination for Cause. The BOARD may terminate this Agreement at any time, if EMPLOYEE commits any material act of dishonesty; discloses confidential information; is guilty of gross carelessness or misconduct; unjustifiably neglects any duties under this Agreement which has a substantial adverse effect on the DISTRICT's finances, financial ability, or position; or acts in any way that has a substantial adverse effect on the DISTRICT's reputation. In the event that EMPLOYEE is terminated with cause, he will not qualify for the DISTRICT's Retiree Medical Plan (unless such disqualification is prohibited by

applicable law) and he will not be due any severance pay as provided for under Subparagraph 1(a) above.

(c) Termination on Resignation. EMPLOYEE may terminate this Agreement by giving the BOARD at least thirty (30) days, or more if possible, prior written notice of resignation. Should EMPLOYEE voluntarily terminate this Agreement, he will not be due any severance pay as provided for under Subparagraph 10(a) above.

(d) Termination on Abandonment or Disability. During the term of this Agreement, if EMPLOYEE fails for a four (4) month period, or for eighty percent (80%) or more of the normal working days during a six (6) month period, to perform his duties under this Agreement in his normal and regular manner because of disability, then this Agreement may be terminated. The BOARD has advised the EMPLOYEE that it currently maintains state disability insurance through payroll deductions for its employees. During the term of this Agreement, the DISTRICT shall maintain short term and long term disability insurance covering EMPLOYEE on terms and conditions no less favorable than the terms and conditions in effect as of the effective date of this Agreement. If and to the extent that EMPLOYEE receives payments in connection with such disability insurance during the period in which the DISTRICT is obligated to make payments concerning disability compensation, provided that EMPLOYEE has made timely application therefor, the DISTRICT shall be relieved of the obligation to make such payments to EMPLOYEE to the extent of the amounts so received by EMPLOYEE, but, except as so qualified, the DISTRICT's obligation to make such payments shall continue in full. In the event that EMPLOYEE is terminated pursuant to this Subparagraph, he will not qualify for the DISTRICT's Retiree Medical Plan (unless such disqualification is prohibited by applicable law) and he will not be due any severance pay as provided for under Subparagraph 10(a) above. Notwithstanding the foregoing, nothing in this Agreement shall relieve DISTRICT of its obligations under the Americans With Disabilities Act or its state law counterparts.

(e) Termination on Death. If EMPLOYEE dies during the term of this Agreement, this Agreement shall be terminated on the last day of the

calendar month of his death. All accrued benefits which have a cash value shall be paid to EMPLOYEE's beneficiary within thirty (30) days of the termination date or on a later date at the election of said beneficiary.

11. Miscellaneous Provisions.

(a) Integration. This Agreement contains the entire agreement between the PARTIES and supersedes all prior oral and written agreements, understandings, commitments, and practices between the PARTIES, including all prior employment agreements, whether or not fully performed by EMPLOYEE before the date of this Agreement. No amendment to this Agreement may be made except by a writing signed by the PARTIES.

(b) Severability. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable as applied to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

(c) Arbitration. Any dispute or claim arising out of or relating to this Agreement, except for the termination provisions of Paragraph 10 above, may be settled by arbitration. Arbitration may be initiated by either the EMPLOYEE or the BOARD. The PARTIES shall promptly appoint a neutral arbitrator who shall take such actions, interview such persons and review such information and documents as he/she may deem necessary, and conduct an informal hearing in which both PARTIES and their respective witnesses may present information and argument. The PARTIES shall each be permitted to examine all documents presented to the arbitrator and shall have a reasonable opportunity to respond to them. In the event any action is brought to enforce this Agreement or relating to EMPLOYEE's employment, the prevailing party shall be entitled to reimbursement of his or its reasonable attorneys' fees and costs.

(d) Agreement is Binding. This Agreement shall be binding upon and inure to the benefit of the DISTRICT, its successors and assigns, and shall be binding upon EMPLOYEE, his administrators, executors, legatees, heirs, and assigns.

(e) Assignment. EMPLOYEE may not assign or otherwise encumber this Agreement in whole or in part. Any such attempted assignment or encumbrance shall be null and void.

(f) Notices. Any notice to the BOARD required or permitted under this Agreement shall be given in writing to the BOARD either by personal delivery, or by certified mail, return receipt requested, postage prepaid, to the BOARD at the DISTRICT's then principal place of business. Any such notice to EMPLOYEE shall be given in a like manner and, if mailed, shall be addressed to EMPLOYEE at his home address then shown in the DISTRICT's files. For the purpose of determining compliance with any time limit in this Agreement, a notice shall be deemed to have been duly given (i) on the date of personal delivery, or (ii) on the second business day after mailing, if mailed to the party to whom the notice is to be given in the manner provided in this subparagraph.

(g) Waiver. The failure of any PARTY to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other PARTY shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power for all or any other times.

IN WITNESS WHEREOF, PARTIES have executed this Agreement to be effective on the day and year first above written.

**EMPLOYEE**

**DISTRICT**

\_\_\_\_\_  
Matthew H. Litchfield

\_\_\_\_\_  
Bob G. Kuhn, President  
Board of Directors  
Three Valleys Municipal Water District

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_