

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

Wednesday, September 15, 2021
8:00 a.m.

I. CALL TO ORDER

The Board meeting was called to order at 8:00 a.m. via teleconference. The presiding officer was President Bob Kuhn.

2. FLAG SALUTE

The flag salute was led by President Kuhn.

3. ROLL CALL

Roll call was taken with a quorum of the Board present.

DIRECTORS PRESENT

Bob Kuhn, President
David De Jesus, Vice President
Carlos Goytia, Secretary
Brian Bowcock, Treasurer
Jody Roberto, Director
Danielle Soto, Director
Mike Ti, Director

STAFF PRESENT

Matt Litchfield, General Manager
Steve Kennedy, Legal Counsel
Dominique Aguiar, Operations Supervisor
Nadia Aguirre, Executive Assistant
Liz Cohn, Senior Financial Analyst
Freeman Ensign, Operations Supervisor
Karen Harberson, Compliance Specialist
Kirk Howie, Chief Administrative Officer
Steve Lang, Chief Operations Officer
James Linthicum, Chief Financial Officer
Kevin Panzer, Assistant Engineer
Robert Peng, I.T. Manager
Ben Peralta, Project Manager
Viviana Robles, Human Resources/Risk Manager
Esther Romero, Accounting Technician
Marissa Turner, Admin./Communications Assistant

Virtual Attendees: Maritza Alvarez, Sacred Places Institute for Indigenous Peoples; Ray Baca, Engineering Contractors' Association; Philip Bogdanoff; Jordan Brandman, BIASC; Sara Catalan, Catalan Consulting; Chris Clarke, National Parks Conservation Association; Tom Coleman, Rowland Water District; Courtney Degener, Cadiz Inc.; Neal Desai, National Parks Conservation Association; Demi Espinoza, National Parks Conservation Association; Kevin Hayakawa, Walnut Valley Water District; Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Farid I.B., Riverside Public Utilities; Shawn Igoe, City of La Verne; Richard Lambros, Engineering Contractors' Association; Ben Lewis, Golden State Water Company; Michael Lewis, Lewis Associates, LLC; Tony Lima, Rowland Water District; Szu Lu, Rowland Water District; Myra Malner, Rowland Water District; Gabriela Mendez, Center for Community Action and Environmental Justice; Dave Michalko, Valencia Heights

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Water Company; Tom Monk, Walnut Valley Water District; John Monsen, Sierra Club; Stephanie Moreno, Water Quality Authority; Chisom Obegolu, City of Glendora; Maricela Rosales, Conservation Lands Foundation; Sherry Shaw, Walnut Valley Water District; C. "Robin" Smith, Sierra Club; Skylar Stephens, San Diego County Water Authority; Jon Switalski, Rebuild SoCal Partnership; Lisa Tarpin, Southern California Group; Brian Teuber, Walnut Valley Water District; DeAndre Valencia, BizFed; Dave Warren, Rowland Water District.

4. AGENDA REORDER/ADDITIONS

No reorder or additions to the agenda were requested.

5. PUBLIC COMMENT

Ray Baca commented on the Cadiz project.

Jon Switalski commented on current drought conditions.

Jordan Brandman commented on water supply.

De'Andre Valencia commented on water supply.

Maricela Rosales commented on the Bonanza Springs study.

Maritza Alvarez commented on the Bonanza Springs study.

C. Robin Smith commented on the Cadiz water mining study.

Gabriela Mendez commented on the Cadiz project.

Chris Clarke commented on the Bonanza Springs study.

Demi Espinoza commented on the Bonanza Springs study.

John Monsen commented on the Bonanza Springs study.

Neal Desai commented on the Bonanza Springs study.

Richard Lambros commented on the Bonanza Springs study.

General Manager Litchfield introduced and welcomed three new team members: Assistant Engineer Kevin Panzer, Human Resources/Risk Manager Viviana Robles, and Administrative/Communications Assistant Marissa Turner. President Kuhn welcomed the new team members to TVMWD.

6. CONSENT CALENDAR

The Board was asked to consider consent calendar items (6.A – 6.I) for the September 15, 2021 Board meeting that included: (6.A) Receive, Approve and File Minutes: June 2, 2021 and June 16, 2021; (6.B) Ratify Financial Reports, June & July 2021; (6.C) Receive, Approve and File Financial Reports and Investment Update, August 2021; (6.D) Imported Water Sales, August 2021; (6.E) Miramar Operations Report, August 2021; (6.F) Ratify Director Expense Reports, June & July 2021; (6.G) Approve Director Expense Reports, August 2021; (6.H) Resolution No. 21-09-900 Commemorating MWD General Manager Jeffrey Kightlinger; (6.I) Resolution No. 21-09-901 Tax Sharing Exchange County Lighting Maintenance District 10006, Annexation of Petition No. 70-1016.

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

Moved: Director Soto	Second: Director Roberto
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-09-5328 Approval of Consent Calendar Items 6.A-6.I	
Motion passed 7-0	

7. REPORTS

A. Metropolitan Water District Update

Vice President De Jesus reported on the new Metropolitan Water District (MWD) General Manager Adel Hagekhalil. MWD has undergone some position changes and new positions are being created. A new office is being developed to oversee diversity, equity and inclusion and will work with the Shaw Group to resolve employee concerns. Director Soto requested that TVMWD monitor MWD's development of this office for training opportunities that TVMWD can engage in.

Vice President De Jesus is a member of the property utilization team for Palo Verde Irrigation District (PVID). MWD is establishing property purchasing policies. MWD has committed \$6 million to assist PVID community reduce its use of Colorado River water.

MWD is currently focusing on current drought conditions and working with member agencies on water supply.

B. Legislative Update, September 2021

Mr. Kirk Howie provided a legislative update through September 2021. The deadline for the Assembly and Senate to pass bills was September 10, 2021. TVMWD-sponsored bill AB 703 received statewide support; however, it was not heard in committee and became a two-year bill. Staff will continue to work with Assemblymember Blanca Rubio, who authored the bill and meet with her next week. Directors Roberto and Soto will participate in the meeting. AB 361 is another teleconferencing bill that is active and likely to be signed by the Governor in the coming weeks. AB 703 and AB 361 are comparable bills and TVMWD will

continue to work with CSDA on filling in any gaps between the two bills. Mr. Howie also provided a brief update on AB 68 and SB 9.

Redistricting study consultant Best, Best and Krieger will attend the October 6, 2021 Board meeting to review preliminary census results. Two public hearings could potentially be necessary to review any proposed changes to TVMWD's division maps. The deadline for completing the redistricting process for special districts is scheduled for May 2022.

Arnold and Associates will virtually attend the October 20, 2021 Board meeting to provide an update on year end legislation. President Kuhn requested to include an update on the gut and amend bill.

C. Conservation Update, September 2021

Mr. Howie reported on current conservation and water use efficiency efforts. MWD has allocated funding in the amount of \$374,000 to TVMWD for the current two-year cycle from July 2020 to June 2022. All funds have been committed to projects/programs submitted by our member agencies. Director Roberto requested a report highlighting Walnut Valley Water District and Rowland Water District's utilization of funds. General Manager Litchfield advised MWD is increasing conservation programs for member agencies; however, additional funds are not being provided at this time.

D. Geographic Information System Enterprise Expansion Project

A Geographic Information System (GIS) Enterprise Project Request for Proposals was issued August 2021. The project will expand the existing GIS capabilities to an enterprise-wide system, centralize disparate GIS data into a single source of truth relational database, maintain the most up-to-date asset infrastructure data by developing new workflows and applications and provide staff focused training with GIS tools to maximize benefits of an enterprise GIS. Three proposals were received and after evaluation by staff, Miller Spatial Services was selected based on the long-term flexibility and costs. The proposed firm fee is \$51,340 with an average hourly rate of \$102. Director Soto thanked Mr. Peng for his contributions to TVMWD and is glad to hear staff will receive training.

E. Discussion Regarding Board Meeting Protocols

Executive Order N-08-21, which modifies Brown Act provisions required to hold a public meeting, is set to expire on September 30, 2021. AB 361 is expected to be signed into law by the Governor in the coming week. Legal Counsel Kennedy advised TVMWD is already in compliance with public comment under AB 361. Additional requirements are a state of emergency proclaimed, and the state, local officials or Board recommended measures to impose social distancing or imminent health risk to the public. The determination will need to be made every 30 days via resolution. Further discussion is to be had at the October 6, 2021 Board meeting.

Vice President De Jesus requested protocols for Directors to follow if traveling out of state and teleconferencing under the Brown Act and AB 361.

8. ACTION AGENDA

A. Approve Employee Health Care Costs CY 2022

Ms. Viviana Robles discussed employee health care costs for CY 2022. The 2022 employee benefits renewal was finalized, and the premium renewal will generate a \$17,000 calendar year savings. The staff report includes a summary of 2022 rate changes. The retiree medical plan will now include UnitedHealthcare Medicare Advantage PPO plan for retiree medical and prescription drug coverage. A new mental health plan has launched. President Kuhn requested to further look at employee benefit reimbursements.

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

Moved: Director Soto	Second: Director Goytia
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-09-5329 Approval of Employee Health Care Costs CY 2022	
Motion passed 7-0	

B. Consider Agreement for Operation and Maintenance of the Six Basins Groundwater Project

A draft Agreement for Operation and Maintenance of the Six Basins Groundwater Project was brought to the Board as an informational item in December 2020. General Manager Litchfield worked with Puente Basin Water Agency (PBWA) to finalize the agreement and PBWA approved it August 2021. The agreement will increase PBWA's yield of local supply for their customers and increase TVMWD's yield on Miramar Plant. The agreement demonstrates a cooperative relationship with member agencies. Operations staff will operate and inspect the project and TVMWD is not responsible for maintenance costs and capital investment. Any expenses TVMWD incurs will be reimbursed by PBWA on a monthly basis. Liability to TVMWD is minimal and the drinking water permit will need to be amended. President Kuhn requested to run the agreement through ACWA JPIA. Director Roberto thanked General Manager Litchfield for his work on the agreement.

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 Bowcock
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-09-5330 Approval of an Agreement for Operation and Maintenance of the Six Basins Groundwater Project	
Motion passed 7-0	

C. Ratify Operational Shift Cost Offset Agreement Between Three Valleys MWD and the Metropolitan Water District of Southern California

Mr. James Linthicum briefed the Board on the ratification of the Operational Shift Cost Offset Agreement between TVMWD and MWD. The final State Water Project (SWP) allocation for 2021 was set at only 5 percent. MWD has requested its member agencies to explore possibilities of shifting demands off the State Water Project system and onto Colorado River Supply sources. MWD is picking up the cost difference from SWP water versus Colorado River water as an incentive. The agreement includes TVMWD costs and impact. MWD will pay for the higher costs of taking Colorado River water and will recoup for lost hydroelectric revenue. TVMWD will be made whole for any additional costs that may be incurred.

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

Moved: Director Bowcock	Second: Director Ti
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-09-5331 Ratified Operational Shift Cost Offset Agreement between TVMWD & MWD	
Motion passed 7-0	

D. Approve Resolution No. 21-09-902 Supporting Water Supply Alert Conditions

The Board was asked to consider approving Resolution No. 21-09-902 supporting water supply alert conditions. On July 8, 2021, the Governor issued an executive order to voluntarily reduce water use by 15 percent. On August 17, 2021, the MWD Board adopted a resolution declaring a “Condition 2 – Water Supply Alert”. TVMWD’s resolution does not implement the Water Supply Allocation Plan and provides support in the MWD and TVMWD service area

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

Moved: Director Ti	Second: Director Soto
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Absent:	
Motion No. 21-09-5332 Approval of Resolution No. 21-09-902 Supporting Water Supply Alert Conditions	
Motion passed 7-0	

9. DIRECTORS' / GENERAL MANAGER'S ORAL REPORTS

Director Roberto requested TVMWD adopt a diversity, equity and inclusion plan. Director Roberto also stated Mr. Tom Lindley, former Board Member at Rowland Water District, passed away on September 6, 2021 and asked that his family be kept in prayer.

Director Bowcock reported on the CSDA Conference he attended in Monterey, CA. He was impressed with the meeting sessions and exchange of ideas between General Managers and Directors from different agencies.

The TVMWD office experienced a temporary power outage. Anyone accessing the meeting remotely remained in the meeting.

Legal Counsel Kennedy stated that according to AB 361, if a technological problem occurs the Board must pause the meeting until the issue is resolved.

Vice President De Jesus requested a diversity, equity and inclusion plan sub-committee.

Director Soto commended staff for improvements to the board packet and is glad the flag salute was incorporated back on the agenda.

General Manager Litchfield stated the board agenda, packet and PowerPoint were updated and refreshed. The agenda is hyperlinked directly to staff reports. General Manager Litchfield thanked Executive Assistant Nadia Aguirre for her efforts. Interviews for the Chief Water Resources Officer position will be held September 21, 2021. General Manager Litchfield will be out of the office on October 6, 2021 and Mr. Howie will lead the board meeting.

10. CLOSED SESSION

The Board convened into closed session at 10:40 a.m. to discuss the following items:

A. Conference with Real Property Negotiators (Government Code Section 54956.8)

Property: 613 W. Baseline Rd., Claremont, CA 91711
District Negotiator: Matthew H. Litchfield, General Manager
Negotiating Parties: Potential Buyers
Under Negotiation: Price and Terms of Payment

B. Conference with Legal Counsel – Anticipated Litigation

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

C. 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

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

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

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

President Kuhn departed the Board meeting at 11:20 a.m.

The Board reconvened to regular session at 12:36 p.m. Legal Counsel Kennedy advised there was no reportable action

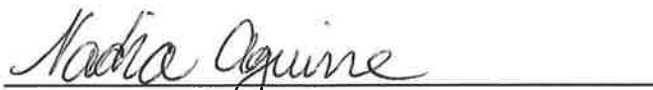
11. FUTURE AGENDA ITEMS

No future agenda items were requested.

12. ADJOURNMENT

Vice President De Jesus adjourned the meeting at 12:36 p.m. to the next regular meeting scheduled for Wednesday, October 6, 2021. The meeting was adjourned in memory of Mr. Lindley and a copy of the minutes will be sent to his family.


Bob Kuhn
President, Board of Directors


Recorded by: Nadia Aguirre
Executive Assistant

