

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

Wednesday, April 6, 2022  
8:00 a.m.

**I. CALL TO ORDER**

The Board meeting was called to order at 8:00 a.m. at the District office located at 1021 East Miramar Ave., Claremont, CA, and via teleconference. The presiding officer was President Jody Roberto.

**2. ROLL CALL**

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

**DIRECTORS PRESENT**

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

**STAFF PRESENT**

Matthew Litchfield, General Manager  
Steve Kennedy, Legal Counsel  
Nadia Aguirre, Executive Assistant  
Dominique Aguiar, Operations Supervisor  
Liz Cohn, Senior Financial Analyst  
Freeman Ensign, Operations Supervisor  
Karen Harberson, Compliance Specialist  
Kirk Howie, Chief Administrative Officer  
Steve Lang, Chief Operations Officer  
Sylvie Lee, Chief Water Resources Officer  
James Linthicum, Chief Finance 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: Josh Byerrum, Walnut Valley Water District; Ryan Domino, Lance, Soll & Lunghard, CPA LLP; Kevin Hayakawa, Walnut Valley Water District; Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Jack Kunz; Richard Lambros, Engineering Contractors' Association; Ben Lewis, Golden State Water Company; Szu Lu, Rowland Water District; Jared Macias, Walnut Valley Water District; Myra Malner, Rowland Water District; Richard Martinez, City of La Verne; John Mendoza; Dusty Moasio, Rowland Water District; Tom Monk, Walnut Valley Water District; Carolee Monroe, League of Women Voters; John Monsen, Sierra Club; Bob Pence, Congresswoman Grace Napolitano's – CA Dist. 32; Gabriela Sanchez, Rowland Water District; Sherry Shaw, Walnut Valley Water District; Jennifer Stark, City of Claremont; Tony Zampielo, Main San Gabriel Basin Watermaster

In Person Attendee: Tony Lima, Rowland Water District

**3. FLAG SALUTE**

The flag salute was led by President Roberto.

**4. AGENDA REORDER/ADDITIONS**

Director Kuhn stated he will need to depart the meeting at 10:00 a.m. and requested to move Closed Session Item 9.D prior to 7.A. Legal Counsel Kennedy and the Board agreed that Director Kuhn would provide a short briefing on Item 9.D in Closed Session after Item 7.A.

**5. PUBLIC COMMENT**

President Roberto opened public comment and there was none.

**6. PRESENTATION**

Mr. Ryan Domino from LSL CPA reviewed the audit process for FY ending June 30, 2022. The scope of the audit will examine evidence supporting the amounts and disclosures in the financial statement, gain an understanding of TVMWD's internal controls, and communicate matters concerning fraud, theft, abuse of public funds, or waste. Material misstatements of errors, fraud, misappropriation of assets, and violations of laws or regulations will also be reported. Communication of findings and internal control-related matters are reported at the conclusion of the audit. The audit report is expected to be issued by September 30, 2022.

**7. ACTION AGENDA**

**A. ADOPT RESOLUTION NO. 22-04-923 RE-AUTHORIZING REMOTE TELCONFERENCE MEETINGS PURSUANT TO THE PROVISIONS OF ASSEMBLY BILL 361**

Upon motion and second and no discussion, President Roberto called for a roll call vote.

Moved: Director Kuhn	Second: Director Goytia
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Soto, Ti	
Noes:	
Abstain:	
Motion No. 22-04-5369 Adoption of Resolution No. 22-04-923	
Motion passed 7-0	

The Board agreed to continue with the board meeting and move into Closed Session at 10:00 a.m. for a briefing from Director Kuhn on Item 9.D only.

**8. GENERAL MANAGER'S REPORT**

**A. CSDA COMMERCIAL CARD PROGRAM REBATE**

Chief Finance Officer Linthicum introduced the CSDA commercial card program rebate. TVMWD generated \$767,168 in spending for CY 2021, resulting in a rebate of \$7,672. This

was a 73% increase in spending and rebate from the previous calendar year. This is an informational item only.

#### **B. FY 2021/22 ENCUMBRANCE CARRYFORWARD**

A list of projects that are not likely to be completed by the end of the FY 21/22 was presented in the staff report. Staff is requesting for the funds associated with these projects to be carried forward to FY 22/23. This item will be brought back to a future board meeting for consideration of approval.

#### **C. REVIEW OF THE FY 2022/23 BUDGET**

Chief Finance Officer Linthicum reviewed version 2 of the FY 22/23 budget. MWD is projected to adopt their budget and rates on April 12, 2022, and TVMWD anticipates adopting the budget at the April 20, 2022, board meeting. Director De Jesus provided an update on MWD budget workshop discussions. With MWD's current water rates option, TVMWD would provide a \$2 surcharge discount. However, effective July 1, 2022, there will be a 60% price increase on a primary coagulant due to supply chain challenges and another 20% by January 2023, resulting in a \$200,000 increase to the budget. Staff will attempt to make changes in other areas, but a \$2 surcharge discount may not be possible.

An option was presented to reduce from \$300,000 to \$250,000 the annual pension trust contributions, which would result in a \$1 per acre foot rate reduction. The Board discussed various budget scenarios and options to consider and long-term impact to TVMWD. Chief Finance Officer Linthicum will present an option considering utilizing money from reserves at the next board meeting. General Manager Litchfield reminded the Board of funding impacts due to current drought conditions and how that will impact the TVMWD budget.

#### **D. RESOLUTION NO. 22-04-DRAFT ADOPTING WATER RATES AND CHARGES FOR CY 2023**

The draft rate resolution reflects the rates and charges that will go into effect January 1, 2023, based on the assumption for TVMWD's FY 22/23 budget version 2. TVMWD will apply a surcharge discount of -\$2 per AF to treated water delivered during CY 2023. TVMWD will apply a \$0 surcharge to all untreated water delivered during CY 2023. If TVMWD is unable to provide a discount, the surcharge will apply to both treated and untreated water deliveries. This item will be brought back for consideration of adoption at the April 20, 2022, board meeting.

#### **E. REVIEW OF FY 2022/23 WATER STANDBY CHARGE**

The water standby process will commence with a resolution of intent at the April 20, 2022, board meeting. MWD increased the amount of the Readiness-To-Serve (RTS) charge from \$20.43 to \$24.50. The staff report contains the standby charge implementation schedule. There was no further discussion amongst the Board regarding this item.

## **F. WATER RESOURCES/WATER SUPPLY UPDATE**

Chief Water Resources Officer Lee provided a detailed update on current water resources and water supply conditions for the region. An update was given on both TVMWD water supplies, which include the Colorado River and State Water Project (SWP) water. The monthly precipitation and monthly temperature outlook are below normal. As of March 21, 2022, the Department of Water Resources (DWR) reduced the SWP allocation to 5% due to a historically dry winter and low reservoir levels. The Governor issued an Executive Order calling for more voluntary action from local agencies. The State Water Board will consider further action for additional outdoor watering requirements in the coming months. Claremont and La Verne will be primarily affected by the SWP allocation reduction. DWR will provide human health and safety for the affected areas. Human health and safety is for indoor residential use of 55 gallons per capita, per day, per person. Another highlight of the presentation was the TVMWD Water Supply portfolio including raw water, treated water, groundwater, storage, and conservation. Current planning initiatives and the water supply portfolio moving forward were also briefed.

After the Water Resources/Water Supply Update, the Board convened temporarily into closed session at 10:00 a.m. for a brief update from Director Kuhn regarding Item 9.D. The Board reconvened to open session at 10:16 a.m. Director Kuhn departed the meeting at this time. Legal Counsel Kennedy stated only Item 9. D was discussed and no reportable action was taken.

## **G. GROUNDWATER RELIABILITY PARTNERSHIP PRINCIPLES OF AGREEMENT**

Chief Water Resources Officer Lee discussed the principles of the Groundwater Reliability Partnership Principles Agreement. The City of Glendora is interested in developing its Wells No. 3 and 4 in the City of Irwindale. The wells have not been operated since the 1980's due to contamination in the groundwater quality, nitrates and perchlorates. The potential capacity combined between the two wells is 6,000 acre feet. The Puente Basin Water Agency, along with City of Glendora, are interested in reviving the project from its initial technical study that was completed in 2017. The Groundwater Reliability Partnership Principles of Agreement included in the board packet, provides the framework for the partnership and development of a project that meets the mutual interest of the agencies.

## **H. RESOLUTION TO SUPPORT BUREAU OF RECLAMATION'S WATERSMART REGIONAL DROUGHT RESPONSE PLAN GRANT APPLICATION**

TVMWD has the opportunity to apply for a grant with the Bureau of Reclamation's WaterSMART Regional Drought Response Plan. The funding provides a maximum of \$200,000 per award, with a 50/50 cost share. This will be used as an opportunity to support the development and update of TVMWD's Drought Contingency Plan along with the proposed Water Resources Master Plan. A resolution is required and will be brought to the Board for approval at the April 20, 2022, board meeting. The resolution ensures that TVMWD is committed to 50% funding, pending the grant is awarded.

## **I. MIRMAR PLANT EMERGENCY ELECTRICAL UPGRADES CONTRACT AMENDMENT**

Assistant Engineer Panzer reported on emergency electrical upgrades needed at the Miramar Treatment Plant. The original scope of work needs revision to incorporate recent issues with the electrical breakers and address safety concerns (further outlined in the board packet). The original professional services agreement with Mullen & Associates in the amount of \$74,940, needs to be amended with the two aforementioned tasks at \$41,000, with a revised agreement total of \$115,940. This item will be brought back to the April 20, 2022, board meeting for consideration of approval.

## **J. PROJECTS SUMMARY UPDATE**

Assistant Engineer Panzer presented an update on current TVMWD projects. The equipping stage of the Miragrاند Well Equipping project is approximately 45% complete. The project is still on track for a completion date of late June 2022. The contractor has paved up to the swale and moved the fence back to help alleviate traffic on Grand Ave. The building is completed, and the electrician will be able to start adding electrical to secure the building. The driveway approach heading north from Miramar Ave. to the building has been graded.

The Emerald Service Meter Upgrade is approximately 67% complete and projected to be finished by the end of April 2022. The contractor ran 130 feet of conduit across Emerald Ave. in one day to minimize traffic impacts. City of La Verne's traffic requirements were satisfied, and the project was fully inspected. Southern California Edison will complete their portion of the project in the coming weeks and final street improvements to follow. The electrical cabinet is offset to the side of the pedestrian walkway and will provide ADA access on the walkway.

## **9. CLOSED SESSION**

The Board convened into closed session at 10:45 a.m. to discuss the following items:

### **A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957)**

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

### **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

### **C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION [Government Code Section 54956.9(d)(1)]**

Name of Case: San Diego County Water Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case No. CPF-14-514004

(Consolidated with Case Nos. CPF-16-515282 and CPF-18-516389)

**D. 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

**E. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

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

The Board convened out of closed session and into open session at 1:12 p.m. Legal counsel Kennedy reported the following:

9.A – the Board conducted an evaluation of the General Manager’s performance.

9.B – the Board met with their legal counsel and gave direction with respect to modifying the General Manager’s contract. Two (2) changes were negotiated: (1) contract extension of additional 3-year period; and (2) salary increase of twenty-thousand dollars a year.

9.C and 9.E – the Board discussed the matters, and no reportable action was taken.

**10. FUTURE AGENDA ITEMS**

No future agenda items were requested.

**11. ADJOURNMENT AND NEXT MEETING**

The board meeting was adjourned at 1:14 p.m. to the next regular board meeting scheduled for Wednesday, April 20, 2022.

  
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Jody Roberto  
President, Board of Directors

  
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Recorded by: Nadia Aguirre  
Executive Assistant