

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

Wednesday, April 20, 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
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
Sylvie Lee, Chief Water Resource 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: Michael Arnold, Arnold & Associate's; Ken Bohan, Mt. San Antonio College; Robert Bowcock, Integrated Resource Management, Inc.; Andy Bullington, City of Covina; Josh Byerrum, Walnut Valley Water District; Chris Diggs, City of Pomona; Kristi Foy, Arnold & Associate's; Kelly Gardner, Main San Gabriel Basin Watermaster; Edwin Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; 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; Dave Michalko, Valencia Heights Water Company; Dusty Moio, Rowland Water District; Carolee Monroe, League of Women Voters; John Monsen, Sierra Club; Toby Moore, Golden State Water Company; Gabriela Sanchez, Rowland Water District; Sherry Shaw, Walnut Valley Water District; Jennifer Stark, City of Claremont; Jeremy Swan, City of Claremont

In person attendees: Tom Coleman, Rowland Water District; Tony Lima, Rowland Water District

3. FLAG SALUTE

The flag salute was led by President Roberto.

4. AGENDA REORDER/ADDITIONS

No reorder or additions to the agenda were requested.

5. PUBLIC COMMENT

John Monsen submitted public comment to be read on his behalf.

6. PRESENTATION

Ms. Kristi Foy and Mr. Mike Arnold of Arnold and Associates provided a semi-annual legislative update. The legislature is currently in the second year of a two-year session. They have returned from spring recess and new bills are being worked through policy hearings with a May 6, 2022, deadline. The Legislative Status Report included in the board packet provides a list of bills that are being tracked for potential impact. Currently, no bills are being opposed, and four are in support. Two of the supported bills are senate bills from last year. The other two new bills being supported are in the assembly: (1) AB 2142 - income tax exclusion for turf replacement water conservation programs; (2) AB 2163 – San Gabriel Basin Water Quality Authority Act. Over twenty-seven agencies have signed a coalition letter in support of TVMWD's AB 2449, in addition to other individual letters. A committee hearing date is set for May 4, 2022, in the assembly local government committee. President Roberto, General Manager Litchfield, and Chief Administrative Officer Howie will travel to Sacramento on May 11, 2022, to meet with lobbyists and representatives. A brief update on the upcoming 2022 election was provided. Mr. Arnold complimented staff and appreciates their support.

7. CONSENT CALENDAR

The Board considered consent calendar items 7.A – 7.G for the April 20, 2022 Board meeting that included: (7.A) Receive, Approve and File Minutes, March 2, March 10 (special) and March 16, 2022; (7.B) Receive, Approve and File Financial Reports and Investment Update, March 2022; (7.C) Imported Water Sales, March 2022; (7.D) Miramar Operations Report, March 2022; (7.E) Approve Director Expense Reports, March 2022; (7.F) Approve FY 2021-22 Encumbrance Carryforward; (7.G) Adopt Resolution No. 22-04-924 Continuing Remote Teleconference Meetings Pursuant to the Provisions of AB 361.

Upon motion and second, President Roberto called for discussion. There being 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:	
Absent:	
Motion No. 22-04-5370 Approval of Consent Calendar Items 7.A – 7.G	
Motion passed 7-0	

8. REPORTS

A. LEGISLATIVE UPDATE

Chief Administrative Officer Howie advised that TVMWD’s legislative bill AB 2449 is optional for agencies to administer and not required. AB 2449 protects the privacy of board members locations during board meetings. There could be the opportunity to merge AB 2449 with AB 1944, authored by Assemblymember Lee, at the appropriate time. The agenda is being finalized for the Sacramento lobby day on May 11, 2022.

9. ACTION AGENDA

A. APPROVE FY 2022-23 BUDGET

Chief Financial Officer Linthicum reported that the budget and rates were properly noticed in the newspapers. On April 12, 2022, MWD adopted rates option #4, a 5% rate increase for 2023 and a 5% rate increase for 2024. The Operations and Maintenance budget has been increased approximately \$115,000 due to a significant increase in the chemicals market. Version 3b of the TVMWD budget would (1) not contribute \$300,000 to the PARS pension trust for one year, and (2) provide a \$0 surcharge for 2023, with a tentative outlook to have a \$6/AF surcharge for 2024 and beyond.

Upon motion and second of budget option 3b, and no further discussion, President Roberto called for a roll call vote.

Moved: Director Roberto	Second: Director Goytia
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Ti	
Noes:	
Absent: Soto	
Motion No. 22-04-5371 Approval of FY 22-23 Budget	
Motion passed 6-0-1	

B. APPROVE RESOLUTION NO. 22-04-925 ADOPTING WATER RATES AND CHARGES FOR CY 2023

Based on budget version 3B, TVMWD will apply a surcharge of \$0 per AF to treated water delivered during CY 2023. TVMWD will apply a \$0 surcharge to all untreated water delivered during CY 2023. Capacity and Fixed charges are also included in the rate resolution.

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

Moved: Director Ti Second: Director De Jesus
 Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Ti
 Noes:
 Absent: Soto
 Motion No. 22-04-5372 Approval of Resolution No. 22-04-925 CY 2023
 Water Rates and Charges
 Motion passed 6-0-1

C. RESOLUTION NO. 22-04-926 INITIATING PROCEDURES TO FIX, ADJUST, LEVY AND COLLECT A WATER STANDBY CHARGE

Approval of Resolution No. 22-04-926 starts the process for the water standby charge for FY 22/23. The equivalent dwelling unit charge was reduced from \$24.52 to \$24.18. TVMWD will hold a public meeting on June 1, 2022, and a public hearing to adopt the rates on June 15, 2022. The rate and methodology for the standby charge are in the Engineer’s Report prepared by Harris & Associates.

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

Moved: Director Ti Second: Director Goytia
 Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Ti
 Noes:
 Absent: Soto
 Motion No. 22-04-5373 Approval of Resolution No. 22-24-926 Initiating
 Procedures to Fix, Adjust, Levy and Collect a Water Standby Charge
 Motion passed 6-0-1

D. APPROVE GROUNDWATER RELIABILITY PARTNERSHIP PRINCIPLES OF AGREEMENT

The Groundwater Reliability Partnership Principles of Agreement, in collaboration with the City of Glendora and Puente Basin Water Agency, will reinstate the project to look at bringing back existing Wells No. 3 and No. 4. The agreement starts the study as a joint effort and provides the framework for the development of a project that meets the mutual interest of the agencies.

Upon motion and second, President Roberto called for a roll call vote.

Moved: Director Goytia Second: Director Ti
 Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Ti
 Noes:
 Absent: Soto
 Motion No. 22-04-5374 Approval of Groundwater Reliability Partnership
 Principles of Agreement
 Motion passed 6-0-1

E. RESOLUTION NO. 20-04-927 AUTHORIZING TVMWD'S APPLICATION FOR THE BUREAU OF RECLAMATION'S WATERSMART REGIONAL DROUGHT RESPONSE PROGRAM FOR FY 2022-23

Chief Water Resources Officer Lee provided an update on the application to the Bureau of Reclamations for a funding program. The application was submitted to the Bureau on April 13, 2022. Funding of the grant will enable TVMWD to develop the Water Resources Master Plan and the Drought Contingency Plan. Maximum funding is \$200,000, total project funding request is \$400,000, and TVMWD's cost share portion is \$200,000. The recommendation is to move forward with the Water Resources Master Plan, even if the \$200,000 request is not granted.

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

Moved: Director Kuhn	Second: Director Goytia
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Ti	
Noes:	
Absent: Soto	
Motion No. 22-04-5375 Approval of Resolution No. 20-04-927 Authorizing the Bureau of Reclamation's WaterSMART Application	
Motion passed 6-0-1	

F. APPROVE MIRAMAR PLANT EMERGENCY ELECTRICAL UPGRAGES CONTRACT AMENDMENT

Assistant Engineer Panzer reported on the amendment with Mullen & Associates for additional design tasks to the professional services agreement. Task no. 1 will address value engineering comments and task no. 2 will provide design services and documents for procurement of a new main switchgear. No changes have occurred since this item was brought forth at the previous board meeting on April 6, 2022.

Upon motion and second, President Roberto called for a roll call vote.

Moved: Director Bowcock	Second: Director Kuhn
Ayes: Bowcock, De Jesus, Goytia, Kuhn, Roberto, Ti	
Noes:	
Absent: Soto	
Motion No. 22-04-5376 Approval of Electrical Upgrades Contract Amendment	
Motion passed 6-0-1	

G. ADOPT RESOLUTION NO. 22-04-928 IMPLEMENTING THE WATER SHORTAGE CONTINGENCY PLAN LEVEL 5 FOR STATE WATER PROJECT EXCLUSIVE PORTIONS OF TVMWD SERVICE AREA

General Manager Litchfield and Chief Water Resources Officer Lee provided a PowerPoint presentation on the emergency conservation program. Due to historic dry conditions, the Department of Water resources (DWR) reduced the State Water Project (SWP) allocation

to 5%, triggering a shortage in MWD's SWP service area. Upon adoption of Resolution No. 22-04-928 implementing the Water Shortage Contingency Plan Level 5, SWP exclusive portions of the TVMWD service area will have one watering day per week, with enforcement measures. On April 26, 2022, MWD will have a public hearing and possible action to adopt their emergency conservation program for SWP areas. Local agencies will need to comply by June 1, 2022. In addition to the 5% allocation, DWR will provide human health and safety water. MWD will have to pay the water back to the state system during wet years. Golden State Water Company-Claremont and City of La Verne are TVMWD's main member agencies affected by the SWP dependent area. Chief Water Resources Officer Lee described two methodologies prescribed by MWD for agencies to select from.

Rowland Water District General Manager Tom Coleman stated the numbers will be different for each retail agency based on the number of customers they each have.

Jennifer Stark from City of Claremont thanked General Manager Litchfield and Chief Water Resources Officer Lee for reaching out and explaining the situation. She asked for clarity on penalties and encouraged reaching out to Sustainable Claremont and other community stakeholders for messaging to the community.

Ben Lewis of Golden State Water Company noted the need for a 30-day notice for agencies to communicate a plan to customers.

Upon motion and second, President Roberto called for a roll call vote.

Moved: Director Ti	Second: Director Bowcock
Ayes: Bowcock, De Jesus, Goytia, Roberto, Ti	
Noes: Kuhn	
Absent: Soto	
Motion No. 22-04-5377 Approval of Resolution No. 20-04-928 Implementing WSCP Level 5	
Motion passed 5-1-1	

10. DIRECTORS' / GENERAL MANAGER'S ORAL REPORTS

General Manager Litchfield reported there has been no further progress made on the Bonanza Springs study and no communication with the Bureau of Land Management to date. The March 24, 2022, hearing in federal court was rescheduled to May 2022. A drought press release will be issued regarding today's adoption of Resolution No. 22-04-928.

Director De Jesus reported that at MWD's board meeting the General Manager was authorized to seek 75,000 AF in water transfers from Northern California.

Director Roberto reported on the Earth Day publication featuring National Geographic and TVMWD's Leadership Breakfast.

11. CLOSED SESSION

The Board convened into closed session at 11:09 a.m. to discuss the following items:

A. 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)

B. 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

The Board convened out of closed session and into open session at 11:41 a.m. Legal Counsel Kennedy stated no reportable action was taken.

12. FUTURE AGENDA ITEMS

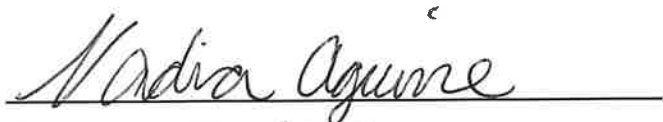
No future agenda items were requested.

13. ADJOURNMENT

The meeting adjourned at 11:42 a.m. to the next regular meeting scheduled for Wednesday, May 18, 2022.



Jody Roberto
President, Board of Directors



Recorded by: Nadia Aguirre
Executive Assistant