



THREE VALLEYS MUNICIPAL WATER DISTRICT SPECIAL BOARD MEETING WORKSHOP MINUTES

1021 E. Miramar Ave., Claremont, CA 91711

April 27, 2026 | 9:00 a.m.

1. CALL TO ORDER

President Ti called the Special Board of Directors Meeting Workshop to order at 9:00 a.m.

2. ROLL CALL

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

DIRECTORS PRESENT

Mike Ti, President
Carlos Goytia, Vice President
Jeff Hanlon, Secretary/Treasurer
Bob Kuhn, Director
David De Jesus, Director
Jorge Marquez, Director
Jody Roberto, Director

STAFF PRESENT

Steve Kennedy, Legal Counsel
Matthew Litchfield, General Manager
Dom Aguiar, Operations
Brittany Aguilar, Finance Manager
Nadia Aguirre, Executive Board Secretary
Erika Gomez, Chief Finance Officer
Karen Harberson, Compliance Analyst
Kirk Howie, Chief Administrative Officer
Steve Lang, Chief Operations Officer
Sylvie Lee, Chief Water Resources Officer
Josh Olivarez, Finance Analyst
Kevin Panzer, Principal Engineer
Brian Pen, Water Resources Analyst
Robert Peng, IT Manager
Alvin Ramos, IT Analyst
Viviana Robles, Human Resources/Risk Manager
Marissa Turner, Admin. Communications Assistant

Virtual attendees: Dave Michalko, Covina Valley Water Company; Kristie Sanchez, City of La Verne

In person attendees: Tom Coleman, Rowland Water District; Myra Malner, Rowland Water District; Dusty Moio, Rowland Water District; James Ning, Walnut Valley Water District; Sherry Shaw, Walnut Valley Water District

3. FLAG SALUTE

President Ti led the flag salute.

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4. DIRECTOR REMOTE PARTICIPATION PURSUANT TO SB 707 - Notification Due to Just Cause

All Directors attended the Board meeting in person.

5. PUBLIC COMMENT

President Ti opened public comment; there was none.

6. FISCAL YEAR 2026-27 BUDGET WORKSHOP NO. 2 –
PROJECT/PLANNING/DEVELOPMENT COMMITTEE OF THE WHOLE

FY 2027-31 Capital Improvement Plan

Chief Water Resources Officer Lee Staff presented an overview of the FY 2027-31 Capital Improvement Plan (CIP), which outlines a five-year investment strategy totaling approximately \$17.6 million for infrastructure maintenance, replacement, and system improvements. The CIP 5-year expenditure projection is aligned approximately with property tax revenues and structured around repair and replacement projects, capital upgrades, and planning initiatives, with annual expenditures ranging from approximately \$3 million to \$4.1 million. Key priorities include infrastructure reliability, water supply resilience, technology and operational efficiency improvements, and regulatory compliance, including potential investments related to golden mussel mitigation. While the plan is balanced within current revenue projections, rising capital costs may require future consideration of funding strategies to address long-term infrastructure needs.

Budget & Rates

Chief Finance Officer Gomez presented Budget Workshop No. 2 for the FY 2026-27 budget, including updated financial projections, rate structures, and capital planning. MWD costs continue to increase, with Readiness-to-Serve (RTS) charges projected at approximately \$8.6 million, compared to a maximum standby charge revenue of \$5.66 million, resulting in a \$2.9 million shortfall or \$15.07 per equivalent dwelling unit (EDU) to be allocated to member agencies. MWD capacity charges are expected to increase to approximately \$2 million in 2027, and new fixed treatment charges are being implemented as part of a shift from volumetric to fixed cost recovery. As shared earlier, the five-year CIP expenditures approximate projected property tax revenues at \$17.6 million.

Ms. Gomez also reviewed operating and rate projections, including \$1.89 million in operating revenues and \$12.83 million in operating expenses for FY 2026-27. The proposed Three Valleys water rates reflect changes from both MWD and TVMWD components, with the MWD untreated rate at \$1,030/AF in 2027, resulting in a TVMWD untreated rate of \$1,070/AF. The MWD treatment surcharge is reduced from \$544/AF to \$390/AF, driving a decrease in the TVMWD treated water rate from \$1,560/AF in 2026 to \$1,460/AF in 2027.

While the TVMWD surcharge increases from \$32 to \$40/AF, it remains a small portion of the total rate (approximately 2–3%) and results in an estimated \$4 annual impact per household. Overall, the revised rates reflect a shift toward fixed cost recovery, with \$5 million in projected systemwide volumetric rate savings, partially offset by \$3 million in new treatment fixed costs.

Rowland Water District General Manager Tom Coleman thanked the Board and staff for a collaborative and productive budget process. He supports the decision to slow the pace of the CIP and emphasized the importance of balancing infrastructure investment, reserve targets, and potential future financing options.

Walnut Valley Water District General Manager Sherry Shaw echoed Mr. Coleman's comments supporting staff's efforts and commended Ms. Gomez for effectively adapting to MWD's new budgeting model and providing clarity to member agencies.

The Board and General Manager thanked staff for their work during the budget season and the member agencies for collaborating with the District.

7. CLOSED SESSION

The Board convened into closed session at 11:00 a.m. to discuss the following item:

A. THREAT TO PUBLIC SERVICES, FACILITIES, OR CRITICAL INFRASTRUCTURE

[Government Code Section 54957(a)]

Consultation with: Robert Peng, Information Technology Manager

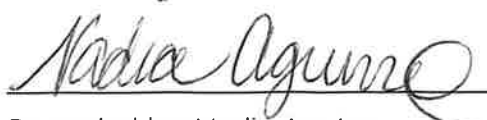
The Board reconvened into open session at 12:05 p.m. Legal Counsel Kennedy stated that no reportable action was taken on item 7.A.

8. ADJOURNMENT

President Ti adjourned the Special Board of Directors Meeting Workshop at 12:06 p.m. to the next regular board meeting scheduled for May 20, 2025.



Mike Ti
President, Board of Directors



Recorded by: Nadia Aguirre
Executive Board Secretary