

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

**Wednesday, February 20, 2019
8:00 a.m.**

1. Call to Order

The Board meeting was called to order at 8:00 a.m. at the District office located at 1021 East Miramar Avenue, Claremont, California. The presiding officer was President Bob Kuhn.

2. Pledge of Allegiance

The flag salute was led by President Bob 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
Brian Bowcock, Secretary
Joe Ruzicka, Treasurer
Carlos Goytia, Director
John Mendoza, Director
Denise Jackman, Director

Staff Present

Matt Litchfield, General Manager
Steve Kennedy, Legal Counsel
Dominique Aguiar, Operations Supervisor
Liz Cohn, Sr. Financial Analyst
Maria Contreras, Administrative Assistant
Mario Garcia Chief of Engineering / Operations Officer
Kirk Howie, Chief Administrative Officer
Steve Lang, Water Operations Manager
James Linthicum, Chief Finance Officer
Ben Peralta, Project Manager

Guest present: Tom Coleman, Rowland Water; Ted Ebenkamp, Walnut Valley Water; Ed Hilden, Walnut Valley Water; Erik Hitchman, Walnut Valley Water; Tony Lima, Rowland Water; Darron Poulsen, City of Pomona; Dave Warren, Rowland Water; Jennifer Stark, City of Claremont; Brian Teuber, Walnut Valley Water, Dave Michalko, Valencia Heights Water; Ben Lewis, Golden State Water

4. Additions to Agenda

No additions to agenda requested.

5. Reorder Agenda

No reorder requested.

6. Public Comment

No public comment requested.

7. Consent Calendar

The Board was asked to consider the consent calendar items (7A-7H) for the February 20, 2019 Board meeting that included: (7A) receive, approve and file, January 2019 Minutes for January 16, 2019 and January 23, 2019; (7B) receive, approve and file financial reports and investment update January 2019; (7C) Imported Water Sales, January 2019; (7D) Miramar Operations Report, January 2019; (7E) approve Resolution No. 19-02-844 Adoption of Reserve Policies and the Associated Goal Levels as Part of the Annual Strategic Plan Adoption; (7F) receive and file FY 18-19 Second Quarter Reserve Update; (7G) approve Resolution No. 19-02-845 Adoption of Investment Policy; (7H) approve to present Rick Hansen with a Proclamation.

Upon motion and second the floor was opened for discussion. There being no discussion, President Kuhn called for the vote.

Moved: Joe Ruzicka; Second: John Mendoza
Motion No. 19-02-5212 – Approving Consent Calendar Items 7A – 7H for February 20, 2019. Motion passed by unanimous vote.

8. General Manager's Report

8.A Legislative Update

Kirk Howie presented the Board with a legislative update regarding new bills to be introduced for the current legislative session and also provided a status report on the legislative bills currently on file.

Kirk Howie mentioned that the Governor did call for a tax on drinking water very much similar to SB 623 from 2018. This would be the water tax on residential bills, roughly \$1.00 per month per meter that would raise approximately \$140 million dollars for projects in disadvantaged communities and areas that don't have the safe drinking water throughout the state. The \$140 million dollar would be ongoing every single year but would not allow for the maintenance and improvements on those projects. Those costs would most likely fall back on the water industry, water agencies to take care of.

There is a new proposal, this year ACWA is working in coordination with the California Municipal Utilities Association (CMUA) to develop a safe drinking water trust as a viable alternative to the proposed water tax legislation.

8.B Director's Expense Reports

Moved: Joe Ruzicka Second: Carlos Goytia
Motion No. 19-02-5213
Approving Directors Expense Reports – January 2019
Motion passed by unanimous vote.

8.C FY 19-20 Strategic Plan

The Strategic Plan is the road map for our vision and mission and communicates this to our employees, board members, and all the citizens affected in our service area. One change, this year is the Organizational chart, reflecting the removal of the Assistant General Manager's position, the reclassification of the Water Operations Manager position to the Chief Operations Officer, the addition of an Instrumentation/Electrical System Operator and the realignment of the Executive Assistant to report directly to the General.

There are other minor changes compared to last year's strategic plan, and staff's recommendation is to approve the FY 19/20 Strategic Plan.

Moved: Goytia Second: Bowcock Motion No. 19-02-5214
Approving FY 19/20 Strategic Plan – January 2019
The motion passed by a 7-0 unanimous vote.

9. Directors' / General Manager Oral Reports

Director Joe Ruzicka – gave the board a brief update on LAFCO matters.

Director John Mendoza - thanked General Manager Matt Litchfield for continued support in assisting him with meeting attendance to the various agencies and being able to learn more about the water industry.

President Bob Kuhn – Reported on Chino Basin Watermaster.,

President Bob Kuhn – Nothing to report on the Water Quality Authority (WQA).

Director David DeJesus – reported on events happening within the Metropolitan Water District (MWD). Three new directors were inducted this month. MWD approved the purchase of an additional 732 acres out in Palo Verde. MWD sold back to the State approximately 243 acres from what is called CHIPS Island located in Solano County.

Director Brian Bowcock – San Gabriel Watermaster - Either through MWD or the member agencies we should notify the public that the drought is not over. Three Valleys should also work at getting the message out to the public.

General Matt Litchfield – Attended the MWD Member Agency meeting. MWD reported that the State Water Project will be invoking Article 21 water availability, which means State Water Project contractors can take water and it does not affect their tally allocation of what is available. MWD reported that they will be taking an additional 19,000AF of Article 21 water, most likely delivering it to Diamond Valley Lake. They are anticipating the state water allocation to go up to at least 25%. They are shifting their operation from the Colorado River Aqueduct to 100% State Project water this month due to repairs along the Colorado aqueduct.

10. Closed session - Announcement of Closed Session Actions

Closed session items:

- Chino Basin Municipal Water District v. City of Chino, et al., San Bernardino County Superior Court Case No. RCV51010.
- San Diego County Authority v. Metropolitan Water District of Southern California, et al., San Francisco County Superior Court Case No. CPF-10-510830.

Mr. Steve Kennedy, Legal Counsel, stated the Board met in closed session to discuss items listed above. With respect to Chino Basin, the Board unanimously authorized its Board President, General Manager and/or Council to execute the 2018 Agreement to Judgement and CAMA Amendments.

Regarding San Diego, no reportable action.

11. Future Agenda Items

None

12. Adjournment

The Board adjourned at 9:58 a.m. to its next regular meeting scheduled for Wednesday, March 6, 2019 at 8:00 a.m.



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

Recorded by: Maria D. Contreras
Administrative Assistant