

**ADMINISTRATION AND FINANCE  
COMMITTEE MEETING  
AND  
SPECIAL MEETING OF THE  
BOARD OF DIRECTORS**

**Tuesday, April 5, 2022  
4:00 P.M.**

**Committee Members:**

Jennifer Santana, Chair  
Tony R. Fellow, Vice-Chair

**SPECIAL NOTICE - Teleconference Accessibility**

*Pursuant to the newly adopted provisions of the Brown Act and consistent with the Board's Resolution ratifying the declaration of a state of emergency by the State of California in response to the COVID-19 pandemic, the Upper District will hold the public hearing and its board meeting via teleconference or the most rapid means of communication available at the time. Instructions to participate in the teleconference are below:*

**Join Zoom Meeting**

**<https://us02web.zoom.us/j/86587272851>**

**Telephone Dial: 1 (669) 900-6833**

**Meeting ID: 865 8727 2851**

*Public comments may be made through teleconference when prompted by the Chair during the public comment period. Public comments may also be provided by emailing [Venessa@usgvmwd.org](mailto:Venessa@usgvmwd.org) in advance of the meeting. Please indicate "PUBLIC COMMENT" in the subject line.*

*If you have difficulty connecting to the teleconference line, please call (626) 443-2297 or email [Ruben@usgvmwd.org](mailto:Ruben@usgvmwd.org). It may take a few minutes to join Zoom or connect via telephone so please join early.*



602 E. Huntington Drive, Suite B  
Monrovia, CA 91016

(626) 443-2297  
[www.upperdistrict.org](http://www.upperdistrict.org)

\*The Administration and Finance Committee meeting is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to the Administration and Finance Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. To preserve the function of the Committee as advisory to the Board, members of the Board who are not assigned to the Administration and Finance Committee will not vote on matters before the Committee.

**Communications**

1. Call to Order
2. Public Comment

**Discussion/Action**

3. Pension Funding Update (*A representative from GovInvest Inc. will provide a presentation.*)
4. 2022 Meeting Schedule (*Staff memorandum enclosed.*)
5. Resolution No. 4-22-637, Initiating Proceedings for the Establishment of a Water Availability or Standby Charge for Fiscal Year 2022/23 (*Staff memorandum enclosed.*)

**Oral Reports**

6. FY 2022/23 Budget and CY 2023 Water Rates

**Other Matters**

- 7.

**Adjournment**

**Next Meeting:** Tuesday, May 3, 2022 at 4:00 p.m.



**American Disabilities Act Compliance** (*Government Code Section 54954.2(a)*)

To request special assistance to participate in this meeting, please contact the Upper District office at (626) 443-2297 or [venessa@usgvmwd.org](mailto:venessa@usgvmwd.org) at least 24 hours prior to meeting.



# MEMORANDUM



## ITEM 4.

**DATE:** April 1, 2022  
**TO:** Administration and Finance Committee and Board of Directors  
**FROM:** General Manager  
**SUBJECT:** Board and Committee Meeting Schedule

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### **Recommendation**

Staff recommends that the Board of Directors reschedule board and/or committee meetings affected by holidays and conferences in 2022.

### **Background**

This year, a number of regularly scheduled board and committee meetings coincide with certain observed holidays and annual conferences typically attended by board members and staff. In May, the Administration and Finance and Water Resources and Facility Management Committees fall on the week of the ACWA Spring Conference scheduled on May 3-5, 2022. In August, the second board meeting falls on the week of the CSDA annual conference scheduled on August 22 – 25, 2022 and the UWI annual water conference scheduled on August 24 – 26, 2022. In November, the second board meeting falls on the week of Thanksgiving. In December, the first board meeting falls on the week of the CRWUA annual conference scheduled on December 14 – 16, 2022 while the second board meeting of the month falls on the week between Christmas and New Year's.

To address these scheduling conflicts, staff proposes the following meeting schedule for the months of May, August, November, and December 2022 for board consideration:

#### May 2022

- a. Reschedule the Administrative and Finance Committee meeting from Tuesday, May 3<sup>rd</sup>, to Monday, May 9, 2022, and cancel the Water Resources and Facility Management Committee meeting scheduled on May 4, 2022.

#### August 2022

- a. Hold only one board meeting on Wednesday, August 10, 2022.

#### November 2022

- a. Hold only one board meeting on Wednesday, November 9, 2022.

#### December 2022

- a. Reschedule the first board meeting from Wednesday, December 14<sup>th</sup>, to Wednesday, December 7, 2022.
- b. Cancel the Water Resources and Facility Management Committee and Administration and Finance Committee meetings.



# MEMORANDUM



## ITEM 5.

**DATE:** April 1, 2022  
**TO:** Administration and Finance Committee and Board of Directors  
**FROM:** General Manager  
**SUBJECT:** Resolution No. 4-22-637, Initiating Proceedings for the Establishment of a Water Availability or Standby Charge for Fiscal Year 2022/23.

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### **Recommendation**

Staff recommends that the Board of Directors:

1. Adopt Resolution No. 4-22-637 (attached);
2. Schedule a public hearing on May 25, 2022; and
3. Instruct the General Manager to publish notice of the hearing as required by statute.

### **Background**

Since Fiscal Year 1992-93, the Upper District has utilized revenues generated from a water availability standby charge to fund its water conservation and water recycling program capital budgets. That charge was originally established at \$10 per acre/parcel for parcels of land within the District boundaries. If the standby charge is reauthorized for fiscal year 2022/23 at a rate of \$10 per acre/parcel, approximately \$2.05 million in revenue will be generated for the year. Standby charge revenue will be utilized to fund the water recycling and conservation programs.

The attached resolution initiates proceedings for the consideration of a water availability standby charge for fiscal year 2022/23. The resolution also establishes May 25, 2022 as the public hearing date regarding the proposed reauthorization of the water availability standby charge as required under Government Code Section 53753.

Attachment

**RESOLUTION NO. 4-22-637**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT  
INITIATING PROCEEDINGS FOR THE ESTABLISHMENT OF A  
WATER AVAILABILITY OR STANDBY CHARGE FOR  
FISCAL YEAR 2022/23**

**WHEREAS**, the Upper San Gabriel Valley Municipal Water District, herein after referred to as "Upper District", has initiated the design and implementation of the San Gabriel Valley Water Recycling Program; and

**WHEREAS**, the Upper District has executed a Memorandum of Understanding to implement Best Management Practices for Urban Water Conservation requiring the development of comprehensive conservation programs; and

**WHEREAS**, the Upper District has undertaken a Recycled Water Program and a Water Conservation Program that shall require an increased stable revenue source for implementation; and

**WHEREAS**, the state legislature has provided the Upper District with statutory powers to impose water standby or availability of service charges, by and through Water Code Section 71638 et seq., in addition to preexisting District powers to set rates and charges; and

**WHEREAS**, erratically fluctuating water supply conditions have demonstrated the economic and political deficiencies in relying on water sales as the sole alternative revenue source to ad valorem taxes, inasmuch as obtaining reasonably stable revenues from water sales would require rate increases of unacceptable percentages to occur in order to implement necessary water recycling and water conservation projects in a timely manner; and

**WHEREAS**, the Upper District's financial advisors have counseled this Board that a lack of a stable annual revenue source would significantly and adversely impact the Upper District's ability to fund the development and implementation of long term water recycling and water conservation projects required to achieve water supply reliability for the community; and

**WHEREAS**, a program of water standby or availability of service charges collected on parcel or per acre basis would provide a stable and dependable annual revenue source which would allow implementation of necessary projects benefiting the entire Upper District service area; and

**WHEREAS**, information secured from the County of Los Angeles shows estimated revenues to be received from a water standby or availability of service charge of \$10.00 (Ten Dollars) per acre of land, or portion thereof, or \$10.00 (Ten Dollars) for each parcel of land less than an acre, would be approximately \$2,050,000.00 (Two Million and Fifty Thousand Dollars) per year; and

**WHEREAS**, in order to fix such a charge by ordinance pursuant to Water Code Sections 71638, et seq., it is necessary to set forth by resolution the schedule of the proposed charges and give notice of a public hearing; and

**WHEREAS**, the General Manager and staff believe the proposed recommendation is fair, proper and necessary in order to fund the foregoing programs within the existing service area of the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT** as follows:

**Section 1.** In accordance with applicable law, a public hearing is hereby set to receive public comment on the implementation of a water standby or availability of service charge on all lands within the Upper District. Said public hearing shall be conducted at the **Upper San Gabriel Valley Municipal Water District Office, 602 E. Huntington Drive, Suite B, Monrovia, California on May 25 2022 at the hour of 8:00 a.m.**, or as soon thereafter as the matter can be heard for the purpose of considering the adoption of an Ordinance fixing a water availability standby charge on or before the third (3<sup>rd</sup>) Monday of August, 2022; pursuant to the Water Code Sections 71638, et seq. In the event that in-person meetings are still restricted due to the Covid-19 pandemic when either of those meetings are scheduled, Upper District will provide the public with means of virtually attending the meetings and participating in the process, which means will be depicted on the agendas for those meetings.

**Section 2.** The imposition of such a charge for Fiscal Year 2022/23 is \$10.00 (Ten Dollars) per acre of land, or portion thereof, or \$10.00 (Ten Dollars) per parcel of land less than one acre within the boundaries of the Upper District.

**Section 3.** The General Manager/Secretary of the Upper District is hereby directed to cause due notice of the public hearing to be given in compliance with the applicable state law.

**Section 4.** The General Manager shall cause a written Engineer's Report to be prepared and filed with the Secretary of the Upper District and made available for public review on or before May 11, 2022. Said report shall be designed to provide the Board and the public with information describing the benefits which create the basis for water standby or availability of service charges as described herein.

**Section 5.** The General Manager shall cause any and all necessary acts to occur so as to implement this Resolution and conduct the Upper District's public hearing on the proposed water standby or availability of service charge.

**PASSED, APPROVED, AND ADOPTED** this 13<sup>th</sup> day of April, 2022.

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Ed Chavez, President

ATTEST:

\_\_\_\_\_  
Katarina Garcia, Secretary

(SEAL)

APPROVED AS TO FORM:

\_\_\_\_\_  
Steven P. O'Neill, District Counsel