

**A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
248 E. FOOTHILL BLVD, ROOM #103, MONROVIA, CALIFORNIA 91016
4:00 P.M. – SEPTEMBER 11, 2024**

A regular meeting of the Board of Directors was held in the office of the District, 248 E. Foothill Blvd, Rm. 103, City of Monrovia, County of Los Angeles, State of California, within said Water District, on September 11, 2024 at the hour of 4:00 p.m.

ROLL CALL

DIRECTORS PRESENT: Santana, Fellow, and Chavez

DIRECTORS ABSENT: Treviño, Garcia

STAFF PRESENT: Tom Love, General Manager; Patricia Cortez, Assistant General Manager, External Affairs; Martin Koczanowicz, District Counsel; Steve Johnson, District Engineer; Venessa Navarrette, Executive Assistant; Jennifer Aguilar, Water Use Efficiency Analyst; Katherine Vazquez, Government and Community Affairs Assistant; Priscilla Lu, Accounting/Financial Analyst; and Alexis Silva, Intern.

OTHERS PRESENT

David Muse, Carlos Cardona, Lynda Noriega, Russ Bryden, Jose Martinez, Mindy Yeh and Ben Yeh.

ADOPTION OF AGENDA

On motion by Vice President Fellow, seconded by Secretary Chavez, the agenda was adopted as presented by the following vote:

AYES: SANTANA, FELLOW, AND CHAVEZ
NOES: NONE
ABSTAIN: NONE
ABSENT: TREVIÑO, GARCIA

PUBLIC COMMENT

None.

COMMITTEE REPORTS

Next scheduled committee meeting dates are as follows:

- (a) Administration and Finance – October 1, 2024 at 4:30 p.m.
- (b) Government Affairs and Community Outreach – October 2, 2024 at 4:30 p.m.
- (c) Water Resources and Facility Management – October 7, 2024 at 4:30 p.m.

CONSENT CALENDAR

On motion by Vice President Fellow, seconded by Secretary Chavez, the consent calendar was approved by the following vote:

AYES: SANTANA, FELLOW, AND CHAVEZ
NOES: NONE
ABSTAIN: NONE
ABSENT: TREVIÑO, GARCIA

- (a) Minutes of a regular meeting of the Board of Directors held on August 28, 2024 at 4:00 p.m.
- (b) List of Demands
- (c) Financial Reports – July 2024
 - 1. Financial Statements
 - 2. Director’s Public Outreach
- (d) Audio/Visual and Security System Upgrade Contract

**FEDERAL LEGISLATIVE BILL
POSITIONS S. 4897**

Patty Cortez, Assistant General Manager, External Affairs, gave a brief overview of federal legislative bill S. 4897 pertaining to the Water Tax Parity Act, and Proposition 4, Climate Resources Bond.

Vice President Fellow moved to approve staff recommendation to support S. 4897 and Proposition 4 which are consistent with Upper District’s 2023-24 Legislative Policy Principles adopted by the Board in January 2023.

Secretary Chavez seconded the motion, which was approved by the following vote:

AYES: SANTANA, FELLOW, AND CHAVEZ
NOES: NONE
ABSTAIN: NONE
ABSENT: TREVIÑO, GARCIA

**RESOLUTION NO. 09-24-664,
HONORING AND COMMEMORATING
THE OUTSTANDING SERVICE AND
ACCOMPLISHMENTS OF
CONGRESSWOMAN GRACE
NAPOLITANO UPON HER
RETIREMENT FROM THE U.S. HOUSE
OF REPRESENTATIVES**

Vice President Fellow moved to approve staff’s recommendation to adopt Resolution No. 09-24-664, honoring and commemorating the outstanding service and accomplishments of Congresswoman Grace Napolitano upon her retirement from the U.S. House of Representatives.

Secretary Chavez seconded the motion, which was approved by the following vote:

AYES: SANTANA, FELLOW, AND CHAVEZ
NOES: NONE
ABSTAIN: NONE
ABSENT: TREVIÑO, GARCIA

Secretary Chavez and the General Manager discussed the resolution, which will be presented at a reception for Congresswoman Napolitano on September 21st.

The General Manager stepped out.

**REVIEW OF UPPER DISTRICT BOARD
CODE OF CONDUCT**

President Santana moved to table the item until the full board is present to discuss the matter. Vice President Fellow seconded the motion, which was approved by the following vote:

AYES: SANTANA, FELLOW, AND CHAVEZ
NOES: NONE
ABSTAIN: NONE
ABSENT: TREVIÑO, GARCIA

The General Manager returned to the meeting.

STRATEGIC PLAN UPDATE

The General Manager provided an update on some goals and core values for the District’s 5-year strategic plan adopted by the Board in 2023. He reviewed the strategic plan progress and highlighted the four goals related to water reliability, financial integrity, workforce and governance, and community representation and engagement. He then summarized the accomplishments related to these goals. Finally, he reaffirmed commitment to achieving the goals of the strategic plan and thanked the Board for their support.

Director Garcia arrived at 4:09 p.m.

President Santana and the General Manager discussed a detailed matrix of the strategic plan objectives and progress, which will be included in the next update, along with a color-coded report card.

INFORMATION ITEMS

(a) Press Releases and News Articles.

ATTORNEY'S REPORT

District Counsel reported working with staff on administrative matters including the issue on Marjani Builders' retention which was withheld due to the contractor's breach of contract.

The General Manager added that District Counsel drafted a legal response denying the contractor's request for the release of funds.

ENGINEER'S REPORT

The District Engineer reported on hydrologic conditions, basin deliveries, reservoir storage, canyon inflows and releases, and rainfall average. He also reported working with staff on the evaluation of Sunny Slope Water Company and San Gabriel County Water District's interconnection options, updating the emergency response action plan for the District, a feasibility study on reactivating the Monrovia connection, updating the integrated resource plan, and continued collaboration with Three Valleys Municipal Water District on gap areas and boundary adjustments.

GENERAL MANAGER'S REPORT

The General Manager announced that Ms. Cortez is celebrating her 11th anniversary with Upper District. He then reported that Brian Thomas, former CFO of Metropolitan, will assist in reviewing potential rate structures options and that a workshop with the producers is scheduled for September 18th. He added that a resolution on the 2025 rates and charges will be presented to the Board for adoption in October. He also reported that the Bridge Fire near San Gabriel River is still 0% contained and has burned nearly 50,000 acres. He stated that immediate impacts of the fire include potential access issues to county facilities, and long-term concerns include water quality and algae growth in the spreading grounds.

WATERMASTER REPORT

Russ Bryden, Watermaster's Executive Officer, added more details about the area affected by the Bridge Fire. He stated that the County's Emergency Declaration helps to address concerns of sediment displacing water and impacting dam functionality. He then gave an update on the basin elevation and the imported water deliveries for San Gabriel Valley Municipal Water District, Three Valleys Municipal Water District and Upper District.

He also provided an update on Watermaster's activity, including preparations for its September financial cycle, strategic planning aligned with Upper District to achieve a unified vision, and ongoing discussions on the rate structure and financial models.

Secretary Chavez and the General Manager discussed ensuring preparedness for natural disasters in California, specifically the impact of earthquakes, fires and water quality.

The General Manager clarified that forest fire retardants do not contain PFAS, though they may affect water quality.

A summary report was provided in the Board's agenda packet.

METROPOLITAN REPORT

Vice President Fellow reported on Metropolitan receiving one of the highest bond rating of any institutions despite its current challenges. He then reported ongoing discussions with State Senator Collins about funding water projects. He highlighted the need for cost estimates and evaluation of projects, including Sites Reservoir, Delta Conveyance, and Pure Water. He shared plans for an art exhibit for the "Liquid Gold" art collection. He also announced plans to name the California Aqueduct after Senator Dianne Feinstein with a presentation planned at the Patent Museum.

A summary report was provided in the Board's agenda packet.

WATER QUALITY AUTHORITY REPORT

Secretary Chavez reported on an adopted resolution imposing an annual prescriptive rights assessment. He also reported on an amendment to the Executive Director's contract including a cost-of-living adjustment of approximately 3.5%.

A summary report was provided in the Board's agenda packet.

AB 1234 COMPLIANCE REPORT

A summary report was provided in the Board's agenda packet.

DIRECTORS COMMENTS

Treasurer Garcia expressed excitement at the positive response to the water grant posts on Instagram from various school districts. She thanked staff for their outreach efforts.

FUTURE AGENDA ITEMS

President Santana stated that Item 7 (d) was tabled for discussion at a future meeting.

ADJOURN TO CLOSED SESSION

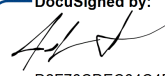
A closed session was held pursuant to Government Code section 54957; Public Employee Performance Review; Position: General Manager.

REPORT ON CLOSED SESSION

The Board reconvened after closed session. District Counsel reported that a discussion was held by the Board and that no formal action was taken during closed session.

ADJOURNMENT

President Santana asked if there were any other business to come before the Board. There being none, the meeting was duly adjourned to a regular meeting of the Board of Directors to be held on September 25, 2024, at 4:00 p.m., at 248 E. Foothill Blvd., Room #103, Monrovia, CA 91016.

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PRESIDENT

ATTEST

Signed by:


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SECRETARY

SEAL

Attachment 1
 Consent Item 6 (b)
 September 11, 2024

Demands numbered 22590 through 22622 on the General Fund Account of the Upper District at Citizens Business Bank, in the amount of \$615,178.76 and demands numbered 1251 through 1254 on the Water Fund Account at the same bank in the amount of \$1,045,280.25.

22590	Kelly Associates Management Group	Inv. July 2024, Team Building Services, June - July 2024 <i>(Previously Paid 8/14/24)</i>	\$	13,055.00
22591	Extreme Window Tinting	Inv. 2180, Building Improvements <i>(Previously Paid 8/27/24)</i>		10,346.00
22592	Extreme Window Tinting	Inv. 2179, Building Improvemnts <i>(Previously Paid 9/01/24)</i>		4,640.00
22593	789, Inc.	Inv. USGV-429180, Branding and Creative Services, September 2024 <i>(Board approved 7/12/23)</i>		5,575.00
22594	Aaron Read & Associates, LLC	Inv. 213574, State Legislative Advocacy Services, July 2024 <i>(Board approved 10/12/22)</i>		10,000.00
22595	ACWA/JPIA	Inv. 0703464, Health Insurance Premium - September 2024		30,613.33
22596	Aleshire & Wynder, LLP	Professional Services, July 2024 Inv. 88786, Transactional Fees Inv. 89026, Retainer <i>(Board approved 04/13/22)</i>	1,916.20 <u>4,576.00</u>	6,492.20
22597	Best Best & Krieger, LLP	Inv. 1003402, Federal Legislative Advocacy Services through 07/31/24 <i>(Board approved 10/12/22)</i>		7,500.00
22598	Civic Publications, Inc.	Inv. 1866, 2024 Civic Leadership Magazine, Summer Ad		5,000.00
22599	Covina Valley Optimist	Inv. 10/14/24UD, 4th Annual Golf Tournament Sponsorship		500.00
22600	Creative Management Solutions	Inv. 1, Phase 1 - Classification and Compensation Study		1,280.00
22601	Department of Water & Power	Inv. GA436407, Recycled Water Program Permit Fees, September 2024		83.33
22602	Foothill Municipal Water District	Inv. 600, Strategic Consulting Services, August 2024 Cost-Share		2,500.00
22603	Image Property Services, LLC	Inv. MCS-12207, Janitorial Services, March 2024		1,907.59
22604	Joey C. Soto	Inv. 2024-UD-GA-JUL-118, Grant Writing Services, July 2024 <i>(Board approved 06/08/22)</i>		550.00
22605	Kelly Associates Management Group	Inv. August 2024, Team Building Services, August 2024		812.50
22606	Kelly Services, Inc.	Inv. 5603445830, Temporary Services Week Ending 07/28/24 Inv. 5603462756, Temporary Services Week Ending 08/04/24 Inv. 5603514754, Temporary Services Week Ending 08/11/24 <i>(Board approved 02/17/19)</i>	531.02 498.77 <u>409.34</u>	1,439.13
22607	San Gabriel Valley Water Association	Inv. 08/08/24AF, Quarterly Breakfast Meeting		30.00
22608	Southern CA Water Coalition	Inv. 1936, Annual Patron Membership, FY 24/25		5,000.00
22609	Spectrum Reach/Charter	Inv. 320059092, Water Campaign Ads, July 2024 Inv. 320059093, Water Campaign Ads, July 2024	1,800.00 <u>2,032.90</u>	3,832.90
22610	Traci Salazar	Inv. 09/01/24UD, Samson Bear Painting		4,000.00
22611	Upper District Payroll Fund	Inv. JUL 24, Reimbursement of Payroll and Payroll Taxes for Employees Inv. JUL 24D, Reimbursement of Payroll Taxes for Directors	149,487.61 <u>7,324.62</u>	156,812.23

22612	Upper District Revolving Fund	Inv. AUG 24, Revolving Fund Account Replenishment - August 2024		
		Office Supplies	378.67	
		Computer Systems/Equipment/Maintenance/Insurance/Outside Service	559.13	
		Directors's Outreach	1,380.00	
		Telephone/Utilities/Building Maintenance	7,007.03	
		Meeting/Travel/Conferences/Dues/Assessments/Membership	70.90	
		Water Conservation Program Expenses	1,325.35	
		WRP Operation & Maintenance/Permits/Water Purchases/Public Info	51,410.60	
		Medical/ODA Reimbursement/Processing Fee/Others	<u>12,025.25</u>	74,156.93
22613	U.S. Bank Corporate Payment System	CalCard Changes through 08/22/24		
		Meetings, Travel, Conferences	6,701.73	
		Computer Systems/Office Equipment/Supplies/Maintenance & Service/Utilities	1,129.91	
		Conservation Program Expenses, Education and Outreach	<u>1,877.71</u>	9,709.35
22614	VC3, Inc.	Inv. VC#-163975, IT Management Support, August 2024 (Board approved 10/11/23)		3,100.00
22615	YWCA of San Gabriel Valley	Inv. 09/28/24UD, WINGS Seminar & Luncheon Sponsorship		1,000.00
22616	San Gabriel Valley Water Company	Prop 84 Grant, Release of Retention Funds		150,157.61
22617	RH Cemetary Corp.	Prop 84 Grant, Release of Retention Funds		51,213.42
22618	La Puente Valley County Water District	Prop 84 Grant, Release of Retention Funds		49,867.17
22619	Ed Chavez	Director's Compensation, August 2024		
		10 Days District Business	2,550.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(2,040.00)	
		Less Taxes Withheld	<u>(1,025.56)</u>	1.31
22620	Charles Treviño	Director's Compensation, August 2024		
		10 Days District Business	2,550.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(1,015.91)</u>	1,550.96
22621	Jennifer Santana	Director's Compensation, August 2024		
		6 Days District Business	1,530.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(210.61)</u>	1,336.26
22622	Katarina Garcia	Director's Compensation, July 2024		
		5 Days District Business	1,275.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(175.33)</u>	1,116.54
		TOTAL		\$ 615,178.76
1251	Central Basin MWD	Invoice No. USGV-JUL24, Purchase of 2.3 AF of Recycled Water in June 2024 (Previously Paid 09/01/24)		\$ 1,793.65
1252	Metropolitan Water District	Invoice No. 11575, Purchase of 321.3 AF of Treated Water in July 2024, including RTS and Capacity Charges for the quarter.		1,016,733.25
1253	San Gabriel Valley MWD	Invoice No. 567, 103.82 AF of Water Delivered through the Alhambra/MWD Exchange Agreement in July 2024 @ \$240 per AF		24,916.80
1254	Suburban Water System	Invoice No. 6766, Phase IIB Normal Operating Charge, August 2024		<u>1,836.55</u>
		TOTAL		\$ 1,045,280.25