

**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. – November 13, 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 November 13, 2024 at the hour of 4:00 p.m.

ROLL CALL

DIRECTORS Santana, Chavez, Garcia and Treviño
PRESENT:
DIRECTORS Fellow
ABSENT:
STAFF Tom Love, General Manager; Patty Cortez, Assistant General
PRESENT: Manager, External Affairs; Evelyn Rodriguez, Chief Financial
 Officer/Chief Administrative Officer; Steve O’Neill, District
 Counsel; Stan Chen, District Engineer; Venessa Navarrette,
 Executive Assistant; and Alexis Silva, Intern

OTHERS PRESENT

Lenet Pacheco, David Muse, Jose Martinez, Ray Cordero, Ana Schwab, Madeline Voitier, Christopher Keosian, and Lowry Crook (via Zoom)

ADOPTION OF AGENDA

District Counsel requested addition of Resolution No. 11-24-666, Supporting the Delta Conveyance Project, to the agenda. He explained that subsequent to the posting of the agenda, an item concerning the Delta Conveyance Project, and requiring board action, arose. He requested the Board to consider making a motion to add this item to the agenda.

On motion by Director Treviño, seconded by Treasurer Garcia, the amended agenda was adopted as presented by the following vote:

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

PUBLIC COMMENT

None.

COMMITTEE REPORTS

None.

CONSENT CALENDAR

On motion by Director Treviño, seconded by Treasurer Garcia, the consent calendar was approved by the following vote:

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

- (a) Minutes of a regular meeting of the Board of Directors held on October 23, 2024 at 4:00 p.m.
- (b) List of Demands
- (c) Financial Reports – September 2024
 - 1. Financial Statements
 - 2. Quarterly Report on District Investments
 - 3. Director’s Public Outreach

FEDERAL LEGISLATIVE WRAP-UP

Ana Schwab, legislative consultant from Best Best & Krieger LLP (BBK), along with Madeline Voitier, Christopher Keosian and Lowry Crook (via Zoom), reported that there is an opportunity with the current Congress to move the Water Conservation Tax Parity Act, a measure that Upper District has been a champion of which would allow for water conservation programs to be non-taxable income,

forward. She added that after this year's election, they are waiting to see if any end-of-year packages will come together because of the makeup of the next Congress and what they are going to utilize, if any, of the work that is still outstanding.

Ms. Schwab stated that there are four main items Congress needs to finalize: the Farm bill, the National Defense Authorization Act, the Water Resources Development Act, and the federal appropriations. She then reported that Senator Thune of South Dakota is now the leader of the Senate Republicans while the House Republicans voted to support speaker Mike Johnson as the leader, and Congressman Steve Scalise to be the number two republican. She added that the House Democrats will hold their elections next week, followed by committee assignments.

She then reported that there is a budget reconciliation that the Republicans will try to use at the beginning of next year that will help advance some of the president-elect's priorities. She added that there are still a lot of opportunities with the new administration and new Congress for the infrastructure development that Upper District is supporting as well as continuing to see development for funding throughout, in terms of resiliency and climate change, to still be addressed. She added that having worked with the Trump administration previously, water and water conservation was something that the president-elect was very supportive of. She added that since Congress is ending, any bills that are outstanding and did not get signed into law will have to start over if members of Congress want them to be reintroduced.

She stated that for the first quarter of next year, BBK will be busy advancing the priorities of the District and utilizing the relationships with Congressman Chu and Congressman Cisneros for the San Gabriel Valley area. She added losing Congressman Napolitano will be a huge loss for California water but that they will work with the new committee makeups to ensure her portfolio is picked up.

President Santana, Ms. Schwab and Mr. Crook discussed potential impact on federal funding, if any, for California under the new administration.

Director Treviño and Ms. Schwab briefly discussed who is being considered for Secretary of the Interior and any potential changes to the Department of Energy.

WATER EDUCATION GRANTS PROJECT

Patty Cortez, Assistant General Manager, provided an overview of the FY 24/25 Water Education Grant Program. She reported that 12 applications totaling \$11,347.71 were received, stating that each grant has a maximum of \$1,000 that can be applied for. She reported that since Upper District did not reach the full allocation of \$20,000, staff is recommending that the Board of Directors approve funding for the 12 applications and leave the deadline open to allow continued outreach to teachers. She added that three additional applications were received after the deadline, which can receive funding if the deadline is extended.

Secretary Chavez and Ms. Cortez discussed whether there will be a grant check presentation. Ms. Cortez explained the application process, stating that if the Board would like to have a presentation, checks could be presented at the January 2025 board meeting. They also discussed the strategy to fully utilize the remaining allocated funds.

President Santana and Ms. Cortez briefly discussed working on having District 5 schools more involved.

On motion by Treasurer Garcia, seconded by Secretary Chavez, the Board of Directors approved the 12 water education grant applications received as well as the deadline extension by the following vote:

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

**RESOLUTION NO. 11-24-666,
 SUPPORTING THE DELTA
 CONVEYANCE PROJECT**

The General Manager provided a brief update on the Delta Conveyance Project, stating it has completed its environmental review. He reported that the Metropolitan Water District of Southern California (MWD) is preparing for the next round of funding from the state water project contractors to continue the engineering and planning work on the project. He added that MWD will consider the funding at their next board meeting on December 10, 2024. He then requested that the Board of Directors adopt Resolution No. 11-24-666, Supporting the Delta Conveyance Project, to show Upper District’s support in continuing the project.

Director Treviño and the General Manager discussed the cost estimate for the Delta Conveyance Project of about 20 billion dollars and MWD’s share being about 46%. Director Treviño expressed his concern and preference to spend the money on local projects.

President Santana recognized Director Treviño’s observation and stated that after reviewing the Integrated Resource Plan (IRP), local project possibilities are quite exhausted. She stated that the Delta Conveyance Project is going to be something the San Gabriel Valley will be reliant on until the Pure Water of Southern California Project (Pure Water) is built.

The General Manager reported that neither Pure Water nor Delta Conveyance Project has received approval for construction and that the decision to spend 20 billion dollars will not be made until a few years from now.

Director Treviño expressed concern about spending taxpayers’ money this way. He stated he will support the resolution for the sake of unity, but this project should be closely monitored.

On motion by Treasurer Garcia, seconded by Secretary Chavez, Resolution No. 11-24-666, Supporting the Delta Conveyance Project, was adopted by the following vote:

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

INFORMATION ITEMS

Press Releases and News Articles.

ATTORNEY’S REPORT

District Counsel reported working with staff on administrative matters including responding to a Public Records Act request, an audit letter response and draft changes to the conflict of interest code. He also reported working with staff on a Delta Conveyance and an MWD letter.

ENGINEER'S REPORT

District Engineer provided updates on various projects, including interconnection efforts for Sunny Slope and San Gabriel County Water District, and the reactivation of Monrovia's USG-7 connection. He also reported that a meeting is scheduled to review the IRP's potential water supply and regional demand estimates based on climate change impacts. He then provided a brief update on the Upper District and Three Valleys boundary changes and updates.

GENERAL MANAGER'S REPORT

The General Manager provided an update on USG-3 deliveries, explaining that USG-3 was temporarily turned off to make way for the Department of Water Resources' project at Devil Canyon. He then reported estimated yearend delivery to be close to 90,000 acre-feet. He added that based on Watermaster's purchases, this is about three years water supply in the basin.

The General Manager also reported on MWD's ongoing activities including: the Climate Adaptation Master Plan, the development of a new business model, ongoing workshops on refinement of the treatment surcharge and a potential new program the MWD Board of Directors will consider at their next board meeting - a revision to the Reverse Cyclic Program. He stated that if approved, the new program will allow purchases of treated water at this year's rate for deferred delivery by MWD over the next five years. He added that with the treated rate increasing by 11% in January 2025, pre-purchasing water will provide a good return on investment.

President Santana and the General Manager briefly discussed the basin levels and delivering imported water to the basin.

METROPOLITAN REPORT

The General Manager reported that the MWD meetings have been rescheduled due to the Veterans Day holiday. He also reported that there will be a San Gabriel Valley Northern Caucus meeting to review the MWD agenda. He stated that the agenda includes an item on Pure Water term sheets which are anticipated to turn into memorandums of agreements for agencies that will use water from the project. He stated that he intends to attend the meeting and advocate for MWD's continuation of Pure Water.

WATER QUALITY AUTHORITY REPORT

Secretary Chavez reported that the WQA celebrated with La Puente County Water District for their 100th anniversary and that the WQA cash investments for the third quarter is in good standing.

WATERMASTER REPORT

Mr. Russ Bryden, Executive Officer, reported on the basin levels being at 244 ft. He then stated that the relationship between, and progress of Upper District, Watermaster and the producers in managing the basin is headed in the right direction. He added that there is about 3 ½ years of storage in the basin. He then reported that Watermaster is preparing to send Upper District a purchase letter for about 30,000 AF of water.

AB 1234 COMPLIANCE REPORT

None.

DIRECTORS' COMMENTS

Secretary Chavez congratulated Treasurer Garcia and Director Treviño for their reelection.

Treasurer Garcia expressed gratitude for Upper District's hosting of a swearing-in ceremony.

President Santana congratulated the Directors who won the election.

FUTURE AGENDA ITEM

None.

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 December 11, 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

Demands numbered 22652 through 22690 on the General Fund Account of the Upper District at Citizens Business Bank, in the amount of \$569,782.82 and demands numbered 1264 through 1272 on the Water Fund Account at the same bank in the amount of \$499,825.58.

22652	789, Inc.	Inv. USGV-428101, Branding and Creative Services, November 2024 <i>(Board approved 7/12/23)</i>		\$ 5,575.00
22653	Aaron Read & Associates, LLC	Inv. 213689, State Legislative Advocacy Services, September 2024 Inv. 213745, State Legislative Advocacy Services, October 2024 <i>(Board approved 10/12/22)</i>	10,000.00 <u>10,000.00</u>	20,000.00
22654	ACWA	Inv. 2025, 2025 Annual Agency Dues		23,345.00
22655	ACWA/JPIA	Inv. 510, Auto and General Liability, 10/1/24 - 2025		60,824.32
22656	ACWA/JPIA	Inv. 0704004, Health Insurance Premium - November 2024		30,612.03
22657	Aleshire & Wynder, LLP	Professional Services, September 2024 Inv. 90412, Transactional Fees Inv. 90413, Transactional Fees Inv. 90414, Retainer <i>(Board approved 04/13/22)</i>	2,688.40 84.40 <u>4,576.00</u>	7,348.80
22658	Best Best & Krieger, LLP	Inv. 1009940, Federal Legislative Advocacy Services through 09/30/24 <i>(Board approved 10/12/22)</i>		7,500.00
22659	Bizfed	Inv. 5981, 2025 Annual Membership Dues		7,000.00
22660	Creative Management Solutions	Inv. 2, Phase 2, HR Support Services		4,160.00
22661	Department of Water & Power	Inv. GA437054, Recycled Water Program Permit Fees, November 2024		83.33
22662	Ecotech Services, Inc.	Inv. 3168, Home Leak Repair Kits, September 2024 Inv. 3173, Landscaping Maintenance, October 2024 <i>(Board approved 06/08/22)</i>	4,950.00 <u>900.00</u>	5,850.00
22663	G3, Green Gardens Group, LLC	Inv. 1299, Virtual Conservation Workshop, 10/09/24 Inv. 1300, Virtual Conservation Workshop, 10/26/24 <i>(Board approved 03/08/23)</i>	1,875.00 <u>1,500.00</u>	3,375.00
22664	Image Property Solutions	Inv. MCS6185, Janitorial Services, August 2024 Inv. MCS7157, Janitorial Services, September 2024 Inv. MCS7441, Consumables, August 2024 Inv. MCS7663, Consumables, September 2024 Inv. MCS7739, Janitorial Services, October 2024	1,907.59 1,907.59 517.51 358.95 <u>1,907.59</u>	6,599.23
22665	Joey C. Soto	Inv. 2024-UD-GA-SEP-120, Grant Writing Services, September 2024 <i>(Board approved 06/08/22)</i>		787.50
22666	Kelly Associates Mgmt Group	Inv. September 2024, HR Support Services		975.00
22667	Kelly Services, Inc.	Inv. 5604482124, Temporary Services Weeks Ending 09/29/24 Inv. 5604515146, Temporary Services Week Ending 10/06/24 Inv. 5604677715, Temporary Services Week Ending 10/13/24 <i>(Board approved 02/17/19)</i>	673.84 554.18 <u>656.96</u>	1,884.98
22668	La Opinion	Inv. 129490924, Conserve-A-Palooza Ads, 09/28/24		1,250.00
22669	Rogers, Anderson, Malody & Scott	Inv. 76027, Progress Payment for FY 23/24 Audit <i>(Board approved 06/19/19)</i>		12,600.00
22670	San Gabriel Valley Conservation and Service Corps	Inv. 11/04/24UD, 2nd Annual Golf Tournament Sponsorship		250.00
22671	San Gabriel Valley Newspaper	Inv. 0000602185, Conserve-A-Palooza Ads, 09/29/24		3,319.62
22672	Spectrum Reach	Inv. 300034945, Water Conservation Ads, Aug 2024 Inv. 300034946, Water Conservation Ads, Aug 2024 Inv. 800057569, Water Conservation Ads, Sept 2024 Inv. 800057570, Water Conservation Ads, Sept 2024	2,001.40 1,800.00 1,800.00 <u>1,972.70</u>	7,574.10

22673	Stetson Engineers, Inc.	Inv. 2533-221, General Engineering Support Services, August 2024 Inv. 2728-029, Integrated Resources Plan Update, August 2024	21,582.88 <u>9,113.23</u>	30,696.11
22674	Upper District Payroll Fund	Inv. SEPT 24, Reimbursement of Payroll and Payroll Taxes for Employees Inv. SEPT 24D, Reimbursement of Payroll Taxes for Directors	148,853.96 <u>10,508.01</u>	159,361.97
22675	U.S. Bank Corporate Payment System	CalCard Charges through 10/22/24 Meetings, Travel, Conferences Computer Systems/Office Equipment/Supplies/Maintenance & Service/Utilities Conservation Program Expenses, Education and Outreach	2,184.76 1,474.72 <u>1,794.67</u>	5,454.15
22676	VC3, Inc.	Inv. VC3-173859, IT Management Services, October 2024 (Board approved 10/11/23)		3,100.00
22677	WaterReuse Association	Inv. D55808, 2025 Annual Membership Dues		18,657.59
22678	Water Education for Latino Leaders	Inv. 2024-51, 2025 Associated Membership Dues		10,000.00
22679	Wildan Financial Services	Inv. 010-59179, FY 2024/25 Standby Charge Services through June 2024 (Board approved 04/03/19)		3,633.30
22680	Upper District Revolving Fund	Inv. Oct 24, Revolving Fund Account Replenishment - October 2024 Office Supplies Computer Systems/Equipment/Maintenance/Insurance/Outside Service Directors's Outreach Telephone/Utilities/Building Maintenance Meeting/Travel/Conferences/Dues/Assessments/Membership Workers Compensation Water Conservation Program Expenses WRP Operation & Maintenance/Permits/Water Purchases/Public Info Medical/ODA Reimbursement/Processing Fee/Others (Previously Paid 11/04/24)	839.85 1,174.26 1,820.00 10,565.67 93.31 2,423.13 1,991.56 80,679.33 <u>7,014.11</u>	106,601.22
22681	Ed Chavez	Director's Compensation, October 2024 10 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	2,550.00 516.87 (2,040.00) <u>(1,025.56)</u>	1.31
22682	Charles Treviño	Director's Compensation, October 2024 10 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	2,550.00 516.87 (500.00) <u>(1,015.91)</u>	1,550.96
22683	Jennifer Santana	Director's Compensation, October 2024 5 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	1,275.00 516.87 (500.00) <u>(331.06)</u>	960.81
22684	Katarina Garcia	Director's Compensation, October 2024 7 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	1,785.00 516.87 (500.00) <u>(278.96)</u>	1,522.91
22685	Katarina Garcia	Director's Compensation, September 2024 7 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Let: 9*	1,785.00 516.87 (500.00) <u>(278.96)</u>	1,522.91
22686	Anthony Fellow	Director's Compensation, August 2024 10 Days District Business 10 Days MWD Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	2,550.00 2,550.00 516.87 (500.00) <u>(1,546.18)</u>	3,570.69
22687	Katarina Garcia	Director's Compensation, August 2024 7 Days District Business Meeting/Travel Expenses/Allowance Less Deferred Comp. Less Taxes Withheld	1,785.00 516.87 (500.00) <u>(278.96)</u>	1,522.91

22688	Anthony Fellow	Director's Compensation, July 2024		
		10 Days District Business	2,550.00	
		10 Days MWD Business	2,550.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(1,546.18)</u>	3,570.69
22689	Anthony Fellow	Director's Compensation, June 2024		
		10 Days District Business	2,550.00	
		10 Days MWD Business	2,550.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(1,546.18)</u>	3,570.69
22690	Anthony Fellow	Director's Compensation, May 2024		
		10 Days District Business	2,550.00	
		10 Days MWD Business	2,550.00	
		Meeting/Travel Expenses/Allowance	516.87	
		Less Deferred Comp.	(500.00)	
		Less Taxes Withheld	<u>(1,546.18)</u>	<u>3,570.69</u>
			TOTAL	<u>\$ 569,782.82</u>

1264	Central Basin MWD	Invoice No. USGV-SEP24, Purchase of 4.6 AF of Recycled Water in August 2024 <i>(Previously Paid 11/04/24)</i>		3,345.38
1265	City of Industry City Hall	Invoice No. OCT 24O&M, O&M Cost Reconciliation for Jan - Jun 2024		13,189.86
1266	City of Industry City Hall	Invoice No. R08312024-D, Purchase of 102.5 AF of Recycled Water in August 2024		39,975.00
1267	City of Industry City Hall	Invoice No. R08312024-E, CIP Charge for August 2024 @ \$98 per AF		10,045.00
1268	City of Industry City Hall	Invoice No. R09302024-D, Purchase of 75.6 AF of Recycled Water in September		29,484.00
1269	City of Industry City Hall	Invoice No. R09302024-E, CIP Charge for September 2024 @ \$98 per AF		7,408.80
1270	Metropolitan Water District	Invoice No. 11635, Purchase of 296.3 AF of Treated Water in September 2024		370,593.79
1271	San Gabriel Valley MWD	Invoice No. 569, 99.78 AF of Water Delivered through the Alhambra/MWD Exchange Agreement in September 2024 @ \$240 per AF		23,947.20
1272	Suburban Water System	Invoice No. 6771, Phase IIB Normal Operating Charge, October 2024		<u>1,836.55</u>
			TOTAL	<u>\$ 499,825.58</u>