



Administration and Finance Committee
Meeting and Special Meeting of the Board of
Directors

Tuesday, November 3, 2026
4:30 PM

Committee Members:

Jennifer Santana, Chair

Charles Treviño, Vice-Chair

*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 Water Resources and Facility Management Committee may attend and participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the Committee as advisory to the Board, members of the Board who are not assigned to the Water Resources and Facility Management Committee will not vote on matters before the Committee.

Communications

1. Call to Order
2. Public Comment

Discussion/Action

3. Proposed Amendments to Policy Section 2.5 - Board Compensation and Reimbursement
4. Proposed Amendments to Policy Section 3.5 – Vehicle Use
5. Executive Management Manual Update

Oral Reports

6. Annual Comprehensive Financial Report

Other Matters

Adjournment

Next Meeting: TBD.



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

To request special assistance to participate in this meeting, please contact the [District](#) office at (626) 443-2297.



MEMORANDUM

ITEM 3. ACTION

DATE: November 3, 2026

TO: Administration & Finance Committee and Board of Directors

FROM: General Manager

SUBJECT: Policy Manual Sections 2.5 Board Compensation and Reimbursement

Recommendation

Staff recommends the committee approve the proposed amendments to Policy Section 2.5 – Board Compensation and Reimbursement of Upper Water's Policy Manual.

Background

Beginning in January 2026, staff has worked on updating Upper Water's Policy Manual which contains a comprehensive listing of Upper Water's current policies and serve as a resource for Directors, staff and members of the public in determining Board member conduct and provides rules and guidance for agency operations.

For policy changes to Section 2.5, an Ad-Hoc Committee was formed to review the section and determine updates to language and terms. The Ad-Hoc Committee consisted of Director Katarina Garcia and Director Ed Chavez. The committee met with staff, the General Manager and District Counsel in September 2026 and October 2026 to provide feedback and direction on proposed changes.

These changes have been incorporated and consist of the following summary:

- **Meeting stipend:** updates language to \$324.00 per day and now references Ordinance No. 25-2 and future Board ordinances instead of past ordinances.
- **Vehicle allowance** is amended to \$378.00 per month; and proposed future adjustments will be calculated from the CPI-Fuel Index to the IRS standard mileage rate.
- **Communications allowance** is amended to \$216.00 per month, with adjustments considered during the budget adoption process and effective each July.
- **IT equipment** is amended to \$1,000 every four years and requires receipt of purchase for reimbursement.
- **Credit card receipts** are due monthly instead of "within 60 days," and references Policy 2.17.7 for unsupported charges.

Throughout the policy, "Upper District" is edited to "Upper Water" to reflect the agency's current name. A redlined version of the revised sections is included as Attachment 1.

Attachment

Upper San Gabriel Valley Municipal Water District Manual of Policies		
Policy Number & Subject Name	Date Adopted	Date Revised
	05-03-11	11-01-11 04-02-13 11-04-14 08-04-15

2.5 Board Member Compensation and Reimbursement

Purpose

2.5.1 Members of the Board of Directors shall receive remuneration not to exceed that which is allowed by law and as set forth by Upper ~~District~~Water resolution.

Background

2.5.2 Members of the Board of Directors are expected to attend water agency meetings, industry conferences and community events functions relative to the function on behalf of Upper WaterDistrict. For such relevant attendance, As such, they are entitled to compensation as allowed by law and further described in this policy.

Policy

2.5.3 Protocols regarding attendance at approved compensable meetings and activities by members of the Board of Directors are set forth as follows:

- (a) Members of the Board of Directors shall receive compensation for attendance at all approved compensable meetings and activities and for services rendered at the request of, or authorized by, the Board for a cumulative total ~~of~~ not to exceed ten (10) days in any calendar month as allowed under Water Code Sections 20201 and 20202. Board members shall receive compensation for no more than one compensable meeting in any calendar day.
- (b) Members of the Board of Directors shall receive compensation in an amount per day of service for attendance at approved compensable meetings and activities as set forth in Ordinance No. 25-2~~Ordinance No. 91-1 as amended by ordinance 05-2~~ and pursuant to Water Code Sections 20201 and 20202.
- (c) Board members will be compensated in the amount of ~~\$324.00~~200.00 or as hereinafter adjusted by ordinance adopted by the Board, pursuant to Ordinance No. 91-1 as amended by ordinance 05-2 for their attendance at meetings and activities that are reasonable and necessary for the efficient and effective governance of the Upper San Gabriel Valley Municipal Water District. Except as compensated by the Main San Gabriel Basin Watermaster or the San Gabriel Basin Water Quality Authority, or otherwise limited by

this resolution, Board members will receive compensation for attendance at the following specific and general meetings:

- (1) All Upper ~~District-Water~~ Board and committee meetings.
 - (2) Meetings of city councils, chambers of commerce and governing boards of other neighboring regional water districts and Upper Water District member agencies sub-agencies.
 - (3) Board meetings, hearings, committee meetings, workshops and events of Metropolitan Water District of Southern California ("MWD"), Main San Gabriel Basin Watermaster, San Gabriel Basin Water Quality Authority and San Gabriel Valley Water Association, Association of Groundwater Agencies, National Groundwater Association, California Special Districts Association, Colorado River Water Users Association, Association of California Water Agencies, American Water Works Association, Independent Cities Association, California Contract Cities Association, San Gabriel Valley Council of Governments, San Gabriel Valley Economic Partnership, Urban Water Institute.
 - (4) Upper ~~WaterDistrict~~ sponsored events that all Board members have the opportunity to attend such as an Upper ~~District-Water~~ sponsored water awareness festival, groundbreaking ceremony for an Upper ~~District-Water~~ sponsored or co-sponsored project, or Upper ~~District-Water~~ sponsored or co-sponsored watershed or water conservation event.
 - (5) Other water industry-related conferences, seminars, meetings and activities, specifically agendized and approved by the Board of Directors in a public meeting through the agenda process.
 - (6) Scheduled Mmeetings where Directors discuss with their constituents and the public, the importance of water conservation, available programs and rebates for water conservation and other Upper ~~District-Water~~ projects, initiatives and programs.
- (d) Board members that serve as Upper ~~District-Water's~~ appointed members of the Main San Gabriel Basin Watermaster and/or San Gabriel Basin Water Quality Authority will be compensated for their attendance at meetings of those agencies, by those agencies, in accordance with policies of those agencies. However, the Upper-~~DistrictWater~~ will pay its representatives to the Main San Gabriel Basin Watermaster and/or San Gabriel Basin Water Quality Authority the difference between the meeting stipend of those agencies and the then current meeting stipend of ~~the~~ Upper WaterDistrict. A stipend differential must be listed on the requesting Board member's expense report and will be counted towards that member's ten (10) compensable meetings per month limitation for the month in which the meeting was attended as set forth in Policy No. 2.65.3 (a) of this manual. In addition, the differential stipend will be counted towards that member's one (1) meeting per day limitation for the day in which the meeting was attended as set forth in Paragraph 2.6.3 (a) of this Section.

(e) ~~Members of the~~ Board of Directors shall be reimbursed for all legitimate, reasonable and necessary expenses incurred in attending approved compensable meetings and activities when so authorized in accordance with Resolution No. 8-04-428.

(1) Directors shall be reimbursed for use of their personal vehicles for District business at the flat rate of ~~\$378.00~~²⁶~~349.46~~ a month. All automobile travel (owned or rented) in the State of California within a 150-mile radius of the Upper District headquarters is covered by the District's vehicle allowance policy. Mileage incurred for travel within these limitations is not reimbursable. ~~The District will not pay or reimburse a Director for a car rental. Mileage incurred for travel beyond these limitations is reimbursable at the standard IRS mileage reimbursement rate except for the departing (first) and returning (last) 150 miles. and rental vehicles are prohibited from being used for such travel. Alternatively, Directors may choose to receive reimbursement for actual mileage incurred during any given month at the prevailing IRS approved rate. Directors who receive the monthly allowance shall not receive reimbursement for mileage from the District, or from any other agency. The option to receive the monthly allowance or the reimbursement for actual mileage incurred shall be at the sole discretion of each Director, and shall be made no later than the last day of the preceding month. The car allowance~~ increase amount shall be calculated annually each July and increased based on the ~~Consumer Price Index (CPI-U), Los Angeles Area—Fuel percentage~~ percentage change in the Internal Revenue Service mileage reimbursement rate, for the previous 12 month period. The General Manager shall then give notice of ~~the CPI or~~ IRS mileage rate increase, if any, to the Board of Directors for consideration implementation each July in accordance with the District's annual budget review or biennial budget adoption. August. Any increase shall be effective each July. In no event shall the car allowance be less than the previous year. As a condition of receiving the monthly vehicle allowance ~~and/or mileage reimbursement~~, Directors are required to have a valid driver's license, verifiable by staff through the Department of Motor Vehicles' (DMV) Employer Pull Notice Program. Directors are also required to maintain their own vehicle and liability insurance policy. A copy of the insurance policy shall be provided to Upper ~~Water District.~~ Directors are required to notify Upper ~~Water District~~ of any change or loss of insurance coverage.

(2) Directors shall ~~also~~ be reimbursed for costs related to communications. ~~Alternatively,~~ Directors may receive a communications allowance in the performance of their official duties of ~~\$216.00~~^{167.41} per month. The covered costs include but are not limited to cellular phone expenses, internet fees, equipment or media. The communications allowance amount increase shall be calculated each July and increased based on by the CPI for all urban consumers in the Los Angeles County area for the month of April. The General Manager shall then give notice of the potential CPI rate increase to the Board of Directors for consideration in

Commented [MK1]: We should have a additional insured provision covering the District.

Commented [PC2R1]: Check with ACWA/JPIA on liability pool

~~accordance with the District's annual budget review or biennial budget adoption, previous 12-month period. The General Manager shall then give notice of the CPI rate increase to the Board of Directors.~~ Any increase shall be effective each ~~August~~ July 1st. In no event shall the communications allowance be less than the previous year. The option to receive the monthly communication allowance or the reimbursement for actual communication-related expenses in connection with District business shall be at the sole discretion of each Director and shall be made prior to January 1st for the following year.

- (3) Directors ~~will receive a reimbursable~~ may be reimbursed for IT equipment ~~expenses allowance of~~ up to \$~~500~~1,000 once every four years. Directors shall submit a receipt of purchase for reimbursement up to the allowable amount. The four year period resets on the date of reimbursement.
- (4) District-issued credit cards shall be used by Directors for all travel and travel-related expenses. Directors are required to submit detailed receipts supporting the credit card charges within ~~30~~ 60 days. ~~Otherwise, unsupported charges will be deducted from their next monthly reimbursement. Per Policy 2.17.7, users with unsupported charges, late or lost receipts may be required to reimburse the District.~~
- (f) All members of the Board of Directors ~~of the Upper District~~ are eligible to serve as a representative of ~~the Upper District~~ Water to the MWD Board of Directors. All MWD representatives (both board members and non-members) serve at the pleasure of the Board and may be appointed, removed, or replaced at any time. A non-member of the Board of Directors of ~~the Upper Water District~~ may serve as a representative of ~~the Upper Water District~~ to the MWD Board of Directors, provided:
 - (1) The non-member is nominated and elected to serve by a majority (three {3} or more) of the members of the Board of Directors of ~~the Upper Water District~~;
 - (2) The non-member is eligible to vote in Upper Water District elections;
 - (3) The non-member is, at the time of appointment and for all times thereafter, a resident in of the Upper District Water service area;
 - (4) The non-member is determined by the Board of Directors ~~of the Upper District~~ to be qualified to act as a representative to the MWD Board of Directors;
- (g) In accordance with Resolution 1-10-473, A ~~The non-member of the Board of Directors the District,~~ if nominated and ~~elected~~ appointed to serve as a representative of the District to the MWD Board of Directors, shall receive as compensation/reimbursement, ~~in accordance with Resolution 1-10-473,~~ the following:
 - (1) A stipend, equal to the existing stipend of an Upper Water District Board member, to attend an MWD Board meeting or assigned committee meeting, or a meeting of ~~the Upper Water District~~. The stipend shall not exceed ten (10) meetings per month or one (1) per day.

- (2) Reimbursement of transportation expenses, consistent with Upper ~~WaterDistrict~~ Board policy, to go to and from all authorized meetings of MWD or ~~the~~ Upper ~~WaterDistrict~~.
- (h) Except as otherwise prohibited under the California Government Code or other applicable law, representatives to the MWD who are also members of the Upper ~~WaterDistrict~~ Board may receive compensation for ~~up to~~ an additional ten (10) meetings in addition to the total number of meetings authorized by Upper ~~WaterDistrict~~ Board Policy. A representative, who is a non-member of the Board of Directors of ~~the~~ Upper ~~WaterDistrict~~, may be eligible to attend Upper ~~WaterDistrict~~ approved events, conferences and activities provided prior approval is received from the ~~Upper Water~~ Board of Directors, ~~of the Upper District~~.
- (i) Members of the Board of Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve ~~their ability to serve as a Director of~~ Upper ~~Water District operation~~. Except as otherwise provided within this policy, there is no limit as to the number of Directors attending a particular approved compensable meeting when it is apparent that their attendance is beneficial to ~~the~~ Upper ~~WaterDistrict~~ ~~and only if such attendance is in compliance with the Brown Act. "Junkets" (a pleasure tour or journey taken at public expense), are not permitted under any circumstance.~~
- (j) It is the policy of ~~the~~ Upper ~~WaterDistrict~~ to encourage Board member development and excellence of performance by reimbursing appropriate expenses incurred related to the attendance at approved compensable meetings and activities.
- (k) Expenses to ~~the~~ Upper ~~WaterDistrict~~ for Board of Directors' attendance at approved compensable meetings and activities should be minimized by utilizing recommendations for transportation and housing accommodations put forth by the General Manager and by:
- (1) Utilizing hotel(s) recommended by the event sponsor ~~in order~~ to obtain discounted rates.
 - (2) Directors traveling together whenever feasible and economically beneficial.
 - (3) Requesting reservations sufficiently in advance, when possible, to obtain discounted air fares and other transportation, hotel rates and registration fees.
- (l) To the extent the Upper ~~WaterDistrict Board~~ has not already approved and paid costs and expenses in advance, Directors, shall use their district issued credit card for authorized travel expenses and as a condition to any reimbursement authorized under these procedures, shall provide produce and present to the Upper District, a completed an expense reimbursement report that includes satisfactory documentation and receipts evidencing or substantiating, all actual, and reasonable and necessary expenses, incurred, and not otherwise reimbursed by the Upper WaterDistrict, in the Director's performance of duties as provided herein.
- (m) ~~The~~ Upper ~~WaterDistrict~~ does not prohibit a Director's spouse or other companion from traveling with the Board Member to approved compensable meetings and activities. However, the Board Member will be ~~financially personally~~ responsible for all expenses

associated with the spouse or companion's travel reservations, cost and attendance at the meeting or activity.

- (n) A Director shall not attend a conference or training event for which there is an expense to ~~the~~ Upper WaterDistrict, if it occurs after they have announced their pending resignation, after a censure by the Board, or if it occurs after an election in which it has been determined that they will not retain their seat on the Board. A Director shall not attend, at Upper Water expenseexpense, a conference or training event when it is apparent that there is no significant benefit to ~~the~~ Upper WaterDistrict.
- (o) Upon returning from approved seminars, workshops, conferences, or educational meetings where expenses are reimbursed by ~~the~~ Upper WaterDistrict, Directors will either prepare a written report for distribution to the Board, or make a verbal report at a regular meeting of the Board in compliance with AB 1234. Said report shall detail what was learned at the session(s) that will be of benefit to ~~the~~ Upper WaterDistrict. ~~Materials from the session(s) may be delivered to the Upper District office to be included in the Upper District library for the future use of other Directors.~~
- (p) The Board ~~shallis directed to~~ evaluate all related policies, all requests for compensation for attendance at meetings, informational and educational conferences, seminars and workshops and related expenses, to the standard of reasonable and necessary uses of public funds doctrine.



MEMORANDUM

ITEM 4. Action Item

DATE: November 3, 2026
TO: Administration and Finance Committee and Board of Directors
FROM: General Manager
SUBJECT: Proposed Amendments to Policy Section 3.5 – Vehicle Use

Recommendation

Staff recommends that the Board of Directors approve the proposed amendments to Policy Section 3.5 –Vehicle Use.

Background

Staff has completed a review of the Vehicle Use Policy (Section 3.5) and identified proposed revisions. These changes include cleanup language and limited modifications to the existing policy to better reflect current employee practices. The revisions also provide additional clarification regarding the proper use of the District vehicle and the circumstances under which reimbursement may be applicable.

Attachments

1. Redline Policy Manual - Sect 3.5 Vehicle Use (D) 9.24.26

Upper San Gabriel Valley Municipal Water District Manual of Policies		
Policy Number & Subject Name	Date Adopted	Date Revised
	05-03-11	

3.5 Vehicle Use Policy

Purpose

3.5.1 To provide guidance for vehicle use of the official Upper ~~Water District~~ vehicle by staff.

Background

3.5.2 The vehicle owned by the ~~Upper~~ District is to be used for approved official ~~Upper~~ District business only. The vehicle may only be operated by ~~a representative an employee~~ of the ~~Upper~~ District who has a valid California Driver's License and is covered by the Upper ~~Water's District's~~ automobile insurance policy and has completed the defensive driving training required by ACWA/JPIA. The vehicle must be operated in a lawful manner and only for the reasonable purposes for which it was designed.

Policy

3.5.3 The vehicle is intended to be used for local Upper ~~Water District~~ business only. Approved uses include:

- (a) Picking up office supplies and materials.
- (b) Transporting and hauling ~~Upper~~ District displays and materials to meetings and events.
- (c) Transportation to local meetings, seminars and workshops.
- (d) Small-group tours of local water facilities.
- (e) Other uses approved in advance by the General Manager or ~~Chief Financial Officer~~ Assistant General Manager.

3.5.4 Employees must track the mileage of the District vehicles used for approved transportation. District petty cash funds or authorized credit cards shall be used to purchase fuel and any other necessary vehicle-related supplies or services.

3.5.4.3.5.5 Normally, employees will be encouraged to use the ~~Upper~~ District vehicle for ~~Upper~~ District business. However, should a personal vehicle be used for approved ~~Upper~~ District business, the ~~Upper~~ District will reimburse the employee for personal vehicle use at the ~~then current~~ Internal Revenue Service ~~Upper District~~ mileage rate unless otherwise specified by employment agreement or contract. Employees must use personal funds ~~or credit cards~~ to purchase their own gasoline or other items for their personal vehicles, ~~keep track of mileage the vehicle is driven on approved Upper District business~~ and request reimbursement on the mileage alone. ~~Upper~~ District petty cash funds or credit cards may not be used for personal vehicles.