

**A REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE UPPER SAN GABRIEL VALLEY MUNICIPAL WATER DISTRICT
602 E. HUNTINGTON DRIVE, SUITE B, MONROVIA, CALIFORNIA 91016
8:00 A.M. – September 22, 2021**

Pursuant to Executive Order N-29-20 issued by Governor Newsom in response to the COVID-19 pandemic, the Upper District held a regular meeting of the Board of Directors via Zoom teleconference on September 22, 2021 at the hour of 8:00 a.m.

ROLL CALL

DIRECTORS PRESENT: Chavez, Treviño, Garcia, Santana, and Fellow.

DIRECTORS ABSENT: None.

STAFF PRESENT: Tom Love, General Manager; Steve O’Neill, District Counsel; Steve Johnson, Consulting Engineer; Evelyn Rodriguez, Director of Finance and Administration; Patricia Cortez, Director of Government and Community Affairs; Nichol Delgado, Government and Community Affairs Representative; Venessa Navarrette, Executive Assistant; Ruben Gallegos, Project Assistant; Priscilla Lu, Accounting/Financial Analyst, and Valeria Rodrigue, Administrative Assistant.

OTHERS PRESENT

Jenny Savron, Drew Atwater, Katano Kasaine, Dan Arrighi, Lenet Pacheco, Kelly Gardner, Anthony Alberti, Jared Macias, Andy Bullington, Stephanie Moreno, Lynda Noriega, Arrica Jimenez, Ben Lewis, Anteneh Tesfaye, Skylar Stephens, Paul Zampello, Dave Michalko, Brittany Macias, Roy Frausto, Che Venegas, and Ted Gerber.

ADOPTION OF AGENDA

On motion by Treasurer Treviño, seconded by Director Fellow, the agenda was adopted by the following roll call vote:

FELLOW: AYE
SANTANA: AYE
GARCIA: AYE
CHAVEZ: AYE
TREVIÑO: AYE

PUBLIC COMMENT

None.

COMMITTEE REPORTS

Next scheduled committee meeting dates are as follows:
Government Affairs and Community Outreach - October 4, 2021 at 4:00 p.m.
Administration and Finance - October 5, 2021 at 4:00 p.m.
(c) Water Resources and Facility Management – October 6, 2021 at 4:00 p.m.

CONSENT CALENDAR

Director Fellow moved to approve the Consent Calendar items (a) and (b). Treasurer Treviño seconded the motion, which was unanimously approved by the following roll call vote:

FELLOW: AYE
TREVIÑO: AYE
GARCIA: AYE
SANTANA: AYE
CHAVEZ: AYE

Minutes of a regular meeting of the Board of Directors held on September 8, 2021 at 8:00 a.m.

Updated Employee Handbook

MWD RATE REFINEMENT REVIEW OF DEMAND MANAGEMENT COST RECOVERY ALTERNATIVES

The General Manager gave a brief summary of Metropolitan's new demand management charge, intended to replace the water stewardship rate that has been suspended for two years. He stated that the demand management charge will fund Metropolitan's local resource and conservation programs. He also stated that now is the appropriate time to present demand management cost recovery alternatives to the Board and the producers.

The General Manager then introduced Ms. Katano Kasaine, Assistant General Manager/ CFO from Metropolitan and Mr. Drew Atwater, Manager of Rates, Charges & Financial Planning from Metropolitan.

Mr. Atwater presented Metropolitan's demand management cost recovery and discussed the key reasons for doing demand management, the Demand Management Program results and the complexity of demand management cost recovery. He also summarized the eight alternatives selected by member agencies.

The General Manager, Mr. Atwater and Ms. Kasaine discussed the estimated member agency impacts of the demand management cost recovery alternatives. The General Manager stated that the water stewardship rate was challenged legally by the San Diego County Water Authority. Ms. Kasaine added that member agency impacts will be driven by the result of the pending lawsuit and the decision of the Metropolitan Board.

Vice President Santana, Mr. Atwater and Ms. Kasaine discussed the dramatic impact of one of the demand management cost recovery alternatives to the City of Compton.

Ms. Kasaine reiterated that the Metropolitan Board is looking for more conversations with member agencies before making a decision and adopting a funding mechanism.

President Chavez thanked Mr. Atwater and Ms. Kasaine for their presentation and for providing information to the Board.

INFORMATION ITEMS

The following items listed on the agenda for the information of the Board were read and ordered received and filed:

Press Releases and News Articles

ATTORNEY'S REPORT

District Counsel reported on transactional matters and recent consultations with staff regarding a water fill station agreement, the readiness-to-serve charge and potential alternative revenue sources for the District, amendments to the General Manager's contract, and developing an approach for AB 361 to allow continuation of remote meetings after the September 30th deadline.

ENGINEER'S REPORT

The District Engineer provided a report on hydrologic conditions, basin deliveries, reservoir storage and rainfall averages. He stated that the Baldwin Park Key Well groundwater elevation has dropped to 185.8 feet as of September 17, 2021. He stated that if not for the 150,000 acre feet of water in cyclic storage, the basin would be below historic lows. He also reported on a recent status conference with Judge Duffy-Lewis.

GENERAL MANAGER'S REPORT

The General Manager reported that the new employee will start on October 1st and will be introduced to the Board at a board meeting in October. He then provided an update on the ongoing discussions with the producers regarding the increasing Metropolitan's net readiness-to-serve charge and Upper District rate structure.

ADJOURN TO CLOSED SESSION

A closed session was held pursuant to Government Code Section 54957: Performance Review: General Manager.

President Chavez left the meeting.

RESUME REGULAR MEETING AND REPORT ON CLOSED SESSION

The Board reconvened after closed session. District Counsel reported that the Board met in closed session to discuss the performance review of the General Manager. He added that the Board has completed the review and that the Board may now consider the adjustment to the General Manager’s compensation, if desired.

CONSIDER APPROVAL OF GENERAL MANAGER’S PERFORMANCE EVALUATION AND AMENDED CONTRACT

Director Fellow moved to approve a cost of living adjustment of 3.6% for the General Manager. Secretary Garcia seconded the motion, which was approved by the following roll call vote:

FELLOW:	AYE
TREVIÑO:	AYE
GARCIA:	AYE
SANTANA:	AYE
CHAVEZ:	ABSENT

DIRECTORS COMMENTS

Director Fellow reported on an upcoming Metropolitan Board retreat in Temecula. He stated that most directors need more education on Metropolitan’s rate refinement process. He then reported on Metropolitan’s negotiation with the San Diego County Water Authority to end the lawsuits.

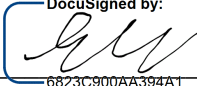
Vice President Santana reported that the San Gabriel Valley Water Association met with legislators and circulated a letter in Sacramento for drought and fire funding. She also reported on a recent Metropolitan presentation to the San Gabriel Valley Council of Governments board.

FUTURE AGENDA ITEMS

None.

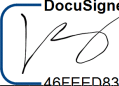
ADJOURNMENT

Vice President Santana asked if there were 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 October 13, 2021, at 8:00 a.m. via teleconference or the most rapid means of communication available at the time.

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 PRESIDENT

ATTEST

DocuSigned by:

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 SECRETARY

SEAL