

**PUBLIC HEARING AND 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. – May 25, 2022**

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 held a public hearing and a regular meeting of the Board of Directors via Zoom teleconference on May 25, 2022 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; Steven O'Neill, District Counsel; Steve Johnson, District Engineer; Evelyn Rodriguez, Director of Finance and Administration; Patricia Cortez, Director of Government and Community Affairs; Venessa Navarrete, Executive Assistant; Ruben Gallegos, Project Assistant; Jennifer Aguilar, Water Use Efficiency Analyst; and Nichol Delgado, Government and Community Affairs Representative.

OTHERS PRESENT

Andy Bullington, Anteneh Tesfaye, Anthony Alberti, Benjamin Lewis, Charley Bell, Cris Fealty, Cynthia Sternquist, Dan Arrighi, Dave Michalko, David Muse, Ernesto Venegas, Ted Gerber, Javier Vargas, Jo-Anne Bogias, Jose Martinez, Kelly Gardner, Kimberly Skorheim, Marty Zvirbulis, Robert DiPrimio, Roy Frausto, Stephanie Moreno, Susana Hernandez, Tara Robinson, and Anthony Zampiello.

ADOPTION OF AGENDA

On motion by Secretary Garcia, seconded by Director Fellow, the agenda was unanimously adopted by the following roll call vote:

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

**PUBLIC HEARING REGARDING
PROPOSED REAUTHORIZATION OF
A WATER AVAILABILITY STANDBY
CHARGE FOR FISCAL YEAR 2022/23**

President Chavez opened the public hearing regarding the proposed reauthorization of a water availability standby charge for fiscal year 2022/23.

The General Manager stated that the standby charge has been around since the 1990s and that, at \$10 per parcel per acre, it provides an additional \$2 million in annual revenues. He added that the public hearing is an annual requirement for the implementation of the standby charge.

The Director of Finance and Administration stated that the standby charge is readopted each year by the Board. She added that the public hearing was advertised in three different newspaper publications on May 11th and May 18th.

The General Manager reiterated the importance of the standby charge in providing funding for recycled water, conservation and outreach programs.

President Ed Chavez invited public comments.

The Executive Assistant stated that no written comments were received.

Cynthia Sternquist provided oral comments stating that this was the first time she heard about the District's standby charge. She then questioned the outreach efforts done and asked the District to outreach to cities in the future.

Director Fellow stated that this was the only financial tool we can use for conservation and outreach messaging during this dire drought.

Director Santana asked Director Fellow if Metropolitan Water District is asking for 15% or 20% water use reduction. Director Fellow clarified and said MWD is asking for 15% but really encouraging 20%.

Director Santana stated that the recycled water and conservation programs will help eliminate our dependency on imported water, and that the standby charge helps achieve this. She added that as Chair of the Administration and Finance Committee, she is proud of what the Board and Upper District have accomplished in keeping costs down.

Director Fellow stated that a water supply presentation was given to the Arcadia Council who were pleased and receptive of the drought and conservation messaging.

President Chavez closed and public hearing and adjourned to a regular meeting of the Board of Directors.

PUBLIC COMMENT

None.

COMMITTEE REPORTS

None.

CONSENT CALENDAR

President Chavez moved to approve Consent Calendar item (a). Secretary Garcia seconded the motion, which was unanimously approved by the following roll call vote:

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

(a) Minutes of a regular meeting of the Board of Directors held on May 11, 2022 at 8:00 a.m.

**ADOPT ORDINANCE NO. 22-1
IMPOSING STANDBY CHARGES
FOR FISCAL YEAR COMMENCING
JULY 1, 2022**

Director Fellow moved to adopt Ordinance No.22-1, Imposing Standby Charges for Fiscal Year Commencing July 1, 2022. Secretary Garcia seconded the motion, which was unanimously approved by the following roll call vote:

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

**APPROVE THE FISCAL YEAR 2022/23
BUDGET AND CALENDAR YEAR 2023
WATER RATES AND CHARGES**

Director Fellow moved to approve the Fiscal Year 2022/23 Budget, including a cost-of-living adjustment for district wages equivalent to five percent, and Resolution No. 05-22-642, adopting the water rates and charges for calendar year 2023. Secretary Garcia seconded the motion, which was unanimously approved by the following roll call vote:

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

**CONSERVATION COMMUNICATION
 PLAN UPDATE**

The Director of Government and Community Affairs introduced 789Inc. represented by Charley Bell and Kimberly Skorheim to present the concept and design for Upper District's conservation and drought communication campaign. She mentioned that the District was able to leverage the Member Agency Administered funding from Metropolitan Water District to pay for the entirety of the campaign.

Charley Bell stated that the campaign's goal is to brand Upper District and develop a conservation message. He stated that this targeted campaign would focus on "Connection, Comprehension, and Conservation."

Treasurer Trevino asked for clarification on the disclaimer at the bottom of the advertisement. Charley clarified that the section is used for additional texts, adding that applications for the campaign would be posters, digitals, bus shelters, and social media.

The Director of Government and Community Affairs stated that Metropolitan Water District would be increasing its "This is How I Save Water" campaign in the San Gabriel Valley which would complement the District's messaging.

Vice President Santana and Secretary Garcia both provided positive comments on the campaign.

The General Manager stated that the District has been outreaching to its residents throughout the service area for years and have constantly adapted and improved upon its message especially during the pandemic. He added that Metropolitan Water District funds have been very helpful and useful for Upper District.

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

INFORMATION ITEMS

- (a) Press Releases and News Articles

ATTORNEY'S REPORT

District Counsel updated the Board on the San Diego County Water Authority (SDCWA) court case against Metropolitan Water District, providing a historical overview of the case and its implications on Upper District. He stated that the case involved the offsetting benefits from the 2003 agreement between Metropolitan and SDCWA. SDCWA contends that the agreement was negotiated as a "wheeling agreement" rather than an "exchange agreement" as Metropolitan contends. SDCWA is seeking over \$340 million from Metropolitan in the lawsuit, determined by SDCWA as the value of the offsetting benefits that Metropolitan failed to deliver. Both sides will deliver final arguments on August 27, 2022. The Court will take all evidence under submission and a ruling is expected in September. He added that this will affect all Metropolitan member agencies and that he will keep the Board updated.

Director Fellow thanked District Counsel for his comprehensive report.

District Engineer and District Counsel discussed the concept of wheeling rates and the difference between Metropolitan's rate and what SDCWA believes the wheeling rate should be.

ENGINEER’S REPORT

The District Engineer provided a brief report on hydrologic conditions, basin deliveries, reservoir storage, canyon releases and rainfall averages. He stated that it is very dry, and water is scarce. He stated that the Baldwin Park Key Well groundwater elevation was 186.1 feet as of May 20, 2022. He then reported that no notices of wells shutdown due to contamination were received during the month of May 2022.

GENERAL MANAGER’S REPORT

The General Manager reported on the hydrology of the basin, stating that the Key Well is projected to go down and that conservation and shifts in imported water sources will help the situation. He mentioned that based on his conversations with Metropolitan, Upper District should be able to receive water deliveries using its unused monthly allocation under the volumetric limits path at the end of Fall.

The General Manager then announced Priscilla’s five years with the District, Ruben’s 16 years, and Venessa’s birthday the following day.

DIRECTORS COMMENTS

Director Fellow congratulated Priscilla for her hard work at the District. He reported that Metropolitan’s General Manager and Chair met with the Governor and that the Governor expressed disappointment with the low conservation numbers and warned of mandatory water restrictions. Director Fellow then thanked the San Gabriel Valley Water Association for their breakfast meeting. He also mentioned working on a panel discussion of female leaders in the water industry.

Secretary Garcia congratulated staff on work anniversaries.

Treasurer Treviño stated that Upper District needs to improve outreach efforts to cities.

Vice President Santana stated that Upper District leveraged Metropolitan funds for the outreach campaign and thanked staff. She added that Upper District partnered with Cal American Water to provide a water conservation presentation to the City of Duarte.

FUTURE AGENDA ITEMS

None.

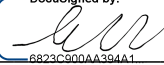
ADJOURN TO CLOSED SESSION

None.

General Manager suggested that the board meeting be adjourned in memory of the children victims in the recent school shooting in Texas.

ADJOURNMENT

Board President asked if there was any other business to come before the Board. There being none, the meeting was duly adjourned in memory of the children who lost their lives at the recent Texas school shooting to a regular meeting of the Board of Directors to be held on June 8, 2022, at 8:00 a.m. via teleconference or the most rapid means of communication available at the time.

DocuSigned by:

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PRESIDENT

ATTEST

DocuSigned by:

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SECRETARY

SEAL