

**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. – JUNE 12, 2024**

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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 June 12, 2024 at the hour of 4:00 p.m.

**ROLL CALL**

**DIRECTORS PRESENT:** Chavez, Garcia, Fellow, and Santana

**DIRECTORS ABSENT:** Treviño

**STAFF PRESENT:** Tom Love, General Manager; Patty Cortez, Assistant General Manager, External Affairs; Steve O’Neill, District Counsel; Tuan Nguyen, Consulting Engineer; Evelyn Rodriguez, Chief Financial Officer/Chief Administrative Officer; Venessa Navarrete, Executive Assistant; Jennifer Aguilar, Water Use Efficiency Analyst.

**OTHERS PRESENT**

Lynda Noriega, Dave Michalko, David Muse, Che Venegas and Lenet Pacheco.

**ADOPTION OF AGENDA**

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

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

**PRESENTATION OF “BEING WATER WISE IS...” ART CONTEST WINNERS**

The Assistant General Manager, External Affairs, introduced the “Being Water Wise is...” Art Contest winners while the Board presented the awards to those present.

Director Treviño arrived at 4:09 p.m.

Director Trevino commented that our water future is good and that he is proud of the winners.

Secretary Chavez commended the drawings.

Treasurer Garcia congratulated the winners and their parents.

Vice President Fellow stated he hopes one of the winning artworks will be included in Metropolitan’s art contest calendar distributed to millions of people in Southern California.

President Santana stated that being water wise has an impact on our water resources. She then congratulated the winners for their talent.

**PUBLIC COMMENT**

None.

**COMMITTEE REPORTS**

Next scheduled committee meeting dates are as follows:

- (a) Government Affairs and Community Outreach – July 01, 2024, at 4:00 p.m.
- (b) Administration and Finance – July 02, 2024, at 4:00 p.m.
- (c) Water Resources and Facility Management – July 03, 2024, at 4:30 p.m.

President Santana commended the General Manager’s Integrated Resource Plan (IRP) presentation at the last Water Resources and Facility Management Committee meeting stating she is looking forward to future engagement on the IRP.

**CONSENT CALENDAR**

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

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

- (a) Minutes of a public hearing and regular meeting of the Board of Directors held on May 22, 2024 at 4:00 p.m.
- (b) List of Demands
- (c) Financial Reports – April 2024
  - 1. Financial Statements
  - 2. Director’s Public Outreach
- (d) Federal bill positions for: S. 3127, S. 4172, S. 4220, S. 4242, H.R. 4385, H.R. 6053, H.R. 7922, and H.R. 7944.
- (e) Amendment of professional service agreement with G3LA, LLC (DBA G3, Green Gardens Group) for the administration of Upper District’s landscape workshop programs to extend the term to June 30, 2026 and increase the contract amount by \$40,000 with a not to exceed total contract amount of \$140,000.
- (f) Amendment of professional service agreement with 789 Inc. for public relations services to extend the term to June 30, 2025 and increase the contract amount by \$66,900 with a not to exceed total contract amount of \$133,800.

**RESOLUTION NO. 06-24-662,  
 ENDORSING WATERSMART: SMALL-  
 SCALE WATER EFFICIENCY  
 PROJECTS FOR FISCAL YEAR 2024**

The Assistant General Manager, External Affairs, provided an overview of the Plant Voucher Program currently funded through Metropolitan’s Member Agency Administered Program. She stated that Upper District has applied for additional program funding through USBR’s WaterSMART: Small Scale Water Efficiency Projects Grant and that the application requires adoption of a resolution.

On motion by Vice President Fellow, seconded by Secretary Chavez, the Board of Directors adopted Resolution 06-24-662, Endorsing the WaterSMART: Small-Scale Water Efficiency Projects for Fiscal Year 2024 by the following vote:

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

**ADOPT BIENNIAL BUDGET FOR FY  
 2024/25 AND FY 2025/26 AND COST OF  
 LIVING ADJUSTMENT FOR FY 2024/25**

The General Manager reported that the budget was presented and discussed at the Administration and Finance Committee prior to bringing the item to the Board for approval. He highlighted the significant expense related to the three seats that are up for election in 2024 and the increasing MWD readiness-to-serve charge (RTS). He stated that for the past three years, the net RTS charge was fully recovered through the minimum purchase agreement with Watermaster but that this may no longer be possible for the coming fiscal years. He added that staff is working with Watermaster and the producers to come up with a way to pass through the increasing net RTS. He reminded the Board that for budget purposes, staff assumed keeping the surcharge at \$103 per acre foot which would then require selling a minimum of 44,000 acre feet of untreated water for fiscal year 2024/25.

The Chief Financial Officer/Chief Administration Officer provided a brief presentation of the biennial budget for FY 2024/25 and FY 2025/26. She stated

that most of the administrative and program budget categories remained relatively flat except for conservation which went down 11% in FY 2024/25 and water purchases and operating revenue which significantly increased. She explained that the significant increases in water purchases and operating revenue were due to the higher minimum untreated water sales needed to meet the debt service coverage ratio. She then summarized the cost reduction measures undertaken by Upper District that will continue to benefit the FY 2024/25 and FY 2025/26 budgets.

Director Treviño commended the General Manager and the Chief Financial Officer/Chief Administration Officer for their work on the budget.

On motion by Director Treviño, seconded by Treasurer Garcia, the Board of Directors approved the biennial budget for fiscal year 2024/25 and fiscal year 2025/26 as presented and a cost-of-living adjustment for District wages equivalent to 3.90% effective July 1, 2024 by the following vote:

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

**APPROVE ADDITIONAL DISCRETIONARY PAYMENT FOR UPPER DISTRICT’S UNFUNDED ACCRUED LIABILITY WITH CALPERS AND CONTRIBUTION TO THE CALIFORNIA EMPLOYERS’ PENSION PREFUNDING TRUST FUND**

The Chief Financial Officer/Chief Administration Officer stated that the proposed \$1 million discretionary payment for Upper District’s unfunded accrued liability with CalPERS would save the District more than \$0.76 million in interest payments over 20 years based on CalPERS’s discount rate of 6.8%. She then presented the benefits of making an additional contribution of \$1 million to the California Employers’ Pension Prefunding Trust Fund including using the fund as a budgeting tool in the future.

On motion by Director Treviño, seconded by Treasurer Garcia, the Board of Directors authorized the additional discretionary payment of \$1 million to reduce Upper District’s unfunded accrued liability related to pension and the additional \$1 million contribution to the California Employers’ Pension Prefunding Trust Fund by the following vote:

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

**INFORMATION ITEMS**

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

- (a) Press Releases and Newspaper Articles.

**ATTORNEY’S REPORT**

District Counsel reported on transactional matters including working with staff on the Turnkey Turf agreement, finalizing the standby charge ordinance, and reviewing the election and the WaterSMART resolutions. He also provided an update on PFAS developments. He reported that the Upper District has opted out of the two preliminary settlements that have been approved and that a third company, Tyco, has received preliminary approval for a settlement of \$750 million. He reported that there is a deadline of September 23<sup>rd</sup> to opt out. He then reported that the American Water Works Association and the Association of Metropolitan Water Districts have filed a challenge to the USCPA setting of the MCL levels for PFAS. He explained that their arguments are that the EPA estimate of treatment cost are underestimated by 3 or 4 times which, ultimately, can result in higher water cost for all communities across the country in terms of PFAS cleanup. He stated that the associations are alleging there are better science

research that EPA could have relied on and that EPA did not give the public sufficient notice. He stated that he will be tracking the PFAS developments.

President Santana and the Assistant General Manager, External Affairs, briefly discussed the Turnkey Turf agreement.

## **ENGINEER'S REPORT**

The District Engineer reported that as of June 7<sup>th</sup>, the Baldwin Park Key Well was at 239.8 ft., an increase of 0.5 ft from May. He also reported that as of June 11<sup>th</sup>, the total combined storage for the reservoir is 19,991 AF or about 24% of capacity. He then added that the San Gabriel reservoir inflow was about 180 CFS and the release was 180 CFS as of June 11<sup>th</sup>. He also stated that Morris inflow was 158 CFS and the release was at 550 CFS as of June 11<sup>th</sup>. He added that from a recent correspondence with the County, most of the releases from Morris Dam are going to Central Basin to spread at the coastal spreading grounds and approximately 60 CFS is going to the Santa Fe spreading grounds. He reported that there has not been any USG-03 deliveries for the months of April and May. He stated that there was a delivery by San Gabriel Valley Municipal Water District of approximately 29 AF in the month of May. He then reported on the rainfall levels at Pudding Stone Dam and San Gabriel Dam as of May 31, 2024. He reported that during the month of May, 69 wells were sampled under title 22 and that during the month of April, 58 wells were sampled under title 22. He added that no public notices were received for wells shut down due to contamination.

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

## **GENERAL MANAGER'S REPORT**

The General Manager shared that he will be having another discussion on the Integrated Resources Plan with the Water Resources and Facility Management Committee and also at the next Upper District water producer meeting before sharing a presentation to the Board of Directors. He shared the fact sheet on the Delta Conveyance economic value analysis highlighting that the Delta Conveyance will not increase exports from the Delta and will only maintain some of what is expected to lose. He reported that the estimated cost over an estimated life of 100 years is approximately \$1,325 per AF which is lower than the cost estimate for the Pure Water project. He then reported that deliveries through USG-03 are anticipated to start in July at 250 CFS which can increase to 280 to 300 CFS in September. He stated that it is anticipated to get between 85,000 to 89,000 AF stored into the Basin.

The Assistant General Manager, External Affairs, stated that Upper District will be hosting a CAMP4Water briefing with Metropolitan on July 11<sup>th</sup>.

President Santana asked about the MWD cyclic storage. The General Manager stated that the deliveries this summer will be going into the MWD cyclic storage account.

The District Attorney added that the Sites Reservoir was challenged by agencies up north on CEQA grounds. He added that the proponents of the Sites Reservoir prevailed, a significant step towards moving the project forward.

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

## **METROPOLITAN REPORT**

Vice President Fellow stated that Sites Reservoir will be built. He reported that Governor Newsom will leave his one tunnel plans for the next Governor to continue the project. He stated that the farmers believe that Governor Brown was on the right track with a two-tunnel project. He also reported that at the ACWA Board meeting, the farmers provided a presentation. He then reported that MWD has two new board directors, California Water Service Company District Manager, James Crawford representing Central Basin and Jay Lewitt, representing Las

Virgenes Municipal Water District. He shared that Judy Abdo, longest serving female board director at MWD will be retiring and that a wildflower trail at Diamond Valley Lake will be named after her. He also reported that the MWD Board approved a \$10.5 million contract for media conservation messaging. He then reported that MWD will hold an emergency meeting the following day.

**WATER QUALITY AUTHORITY REPORT**

Secretary Chavez reported that WQA has approved a contract with Civic Publications for public outreach messaging.

Secretary Chavez and the General Manager briefly discussed Randy Schoellerman presenting to the Board of Directors.

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

**WATERMASTER REPORT**

President Santana shared that the County water plan was discussed at Watermaster. She reported that the Basin Water Management Committee will be on June 19<sup>th</sup> which will have continued discussion about the County water plan.

**AB 1234 COMPLIANCE REPORT**

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

**DIRECTOR'S COMMENTS**

None.

**FUTURE AGENDA ITEMS**

None

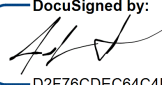
**ADJOURN TO CLOSED SESSION**

None.

**ADJOURNMENT**


President Santana asked if there were other business to come before the Board. There being none, the meeting was adjourned to a regular meeting of the Board of Directors to be held on June 26, 2024, at 4:00 p.m. at 248 E. Foothill Blvd. Room 103, Monrovia, CA 91016.

ATTEST

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PRESIDENT

Signed by:  


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SECRETARY

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