



**BOARD OF COMMISSIONERS
MEETING AGENDA**

**Thursday, April 1, 2021
To begin at 7:00 A.M.**

Pursuant to the provisions of Executive Order N-25-20 Issued by Governor Gavin Newsom on March 12, 2020, any Commissioner and any member of the public who desires to participate in the open session items of this meeting may do so by accessing the Webex link below without otherwise complying with the Brown Act's teleconference requirements:

<https://walnutvalley.webex.com/meet/bmeeting>
(Computer and Telephone Audio Accessible)

Any member of the public wishing to make any comments to the Commission may do so by accessing the above-referenced link where they may select the option to join via webcam or teleconference. The meeting Chair will acknowledge such individual(s) at the appropriate time in the meeting prior to making his or her comment. Members of the public will be disconnected from the meeting prior to the Closed Session.

NOTE: To comply with the Americans with Disabilities Act, if you need special assistance to participate in any Commission meeting, please contact the Administrative Officer's office at least 4 hours prior to a Commission meeting to inform the Agency of your needs and to determine if accommodation is feasible. Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance, to take action on any item.

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at <https://puentebasin.com/board-packets/>.

- I. Welcome and Introductions Chair Tang
- II. Flag Salute
- III. Roll Call Commissioner Lewis _____ Commissioner Lee _____
 Commissioner Lima _____ Commissioner Tang _____
- IV. Public Comment
The Chair may impose reasonable limitations on public comments to assure an orderly and timely meeting.
- V. [Approval of Minutes for February 4, 2021 \(attachment\)](#) Chair Tang
 - a. Discussion
 - b. Action Taken
- VI. [Discussion and Approval of the FY 2021-22 Budget \(attachment\)](#) Mr. Byerrum
 - a. Discussion
 - b. Action Taken

- VII. Regional Water Supply Reliability Program Updates/Status: Mr. Coleman/
Mr. Hitchman
- (1) California Domestic Water Company
 - (2) Pathfinder Road – Colima Interties
 - (3) Pomona Basin Regional Groundwater Project
 - a. Six Basins Groundwater Project Update
 - b. Proposition 84
 - (4) Proposition 1 Integrated Regional Water Management Grant
- VIII. Commission Follow-Up Mr. Hitchman
- a. Discussion
 - b. Action Taken
- IX. Commissioner Comments
- a. Discussion
 - b. Action Taken
- X. Items for Future Discussion/Review Chair Tang
- a. Discussion
 - b. Action Taken
- XI. Attorney's Report
- a. Legal Counsel will report on matters of interest or having an effect on the Agency
- XII. Public Comment on Closed Session Chair Tang
- XIII. Closed Session
- (1) CONFERENCE WITH REAL PROPERTY NEGOTIATOR [§54956.8]
Property: Acquisition and/or Lease
Negotiators: Tom Coleman, Erik Hitchman
Negotiating Parties: Various Property Owners
Under Negotiations: Price and Payment Term
 - (2) CONFERENCE WITH REAL PROPERTY NEGOTIATOR [§54956.8]
Property: Acquisition and/or Lease of Central Basin Water Rights
Negotiators: Tom Coleman, Erik Hitchman
Negotiating Parties: Various Water Rights Holders
Under Negotiations: Price and Payment Term
 - (3) CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION [§54956.9(d)(4)]
Initiation of Litigation – One Potential Case
- XIV. Reconvene in Open Session
- Report of action, if any, taken in Closed Session
- Adjournment
- Next Commission Meeting: Thursday, June 3, 2021, 7:00 a.m.*

**MINUTES OF MEETING
OF THE BOARD OF COMMISSIONERS OF
PUENTE BASIN WATER AGENCY**

February 4, 2021

Rowland Water District hosted the Zoom Teleconference Meeting

COMMISSIONERS PRESENT:

Theresa Lee, Commissioner
Anthony Lima, Commissioner
Robert Lewis, Commissioner
Jerry Tang, Commissioner
Scarlett Kwong, Alternate Commissioner

STAFF PRESENT:

Erik Hitchman, Administrative Officer
Tom Coleman, Assistant Administrative Officer
Josh Byerrum, Treasurer
Myra Malner, Assistant Treasurer
Jim Ciampa, Legal Counsel
Carmen Fleming, Secretary

Staff, guests and others in attendance: Ms. Rose Perea, Mr. Dave Warren, Rowland Water District; and Ms. Sherry Shaw, Mr. Brian Teuber, Walnut Valley Water District.

The Zoom teleconference meeting was called to order at 7:03 a.m. with Chair Lewis presiding.

Item IV: Public Comment

None.

Item V: Approval of Minutes for December 10, 2020

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Lee, and carried (4-0) to approve the minutes of the Commission meeting held December 10, 2020. A roll call vote was then taken:

Yes: Lee, Lewis, Lima, Tang

Noes: None

Motion Passed (4-0)

Chair Lewis indicated that the motion was approved by a 4-0 roll call vote

Item VI: Receive and File Rowland and Walnut Valley Water Districts' 2021 - PBWA Board Member Appointment Resolutions

- ♦ Mr. Hitchman reported that the attached resolutions appointing Rowland and Walnut Valley Water Districts' Commissioners for 2021 were adopted by Rowland and Walnut Valley Water District's respective Boards of Directors.

Upon consideration thereof, it was moved by Commissioner Lee, seconded by Commissioner Lima, and unanimously carried (4-0), to receive and file the Rowland and Walnut Valley Water Districts' 2021 PBWA Board Member appointment resolutions.

Chair Lewis indicated that the motion was approved by a 4-0 vote

Item VII: Annual Selection of Commission Officers and Commission Staff

- ♦ As per the rotation policy, the Commission selected Commissioner Tang to be the Chair and Commissioner Lima be seated as Vice-Chair of the Puente Basin Water Agency for the 2021 term, effective immediately.

Upon consideration thereof, it was moved by Commissioner Lee, seconded by Commissioner Lewis, and unanimously carried (4-0) that Commissioner Tang be seated as Chair, and

Commissioner Lima be seated as Vice-Chair of the Puente Basin Water Agency for the 2021 term, effective immediately.

Chair Lewis indicated that the motion was approved by a 4-0 vote

Commissioner Tang proceeded as Chair for the remainder of the meeting

- ◆ Also, the annual appointment of Secretary, Treasurer, Administrative Officer, Assistant Administrative Officer and Assistant Treasurer shall be as set forth in the JPA Agreement.

Upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Tang, and unanimously carried (4-0), that, in accordance with the Agency's JPA Agreement, the Agency's administrative positions will be as follows: Mr. Coleman as Assistant Administrative Officer, Ms. Malner as Assistant Treasurer, Ms. Fleming as Secretary, Mr. Byerrum as Treasurer, and Mr. Hitchman as Administrative Officer of the Puente Basin Water Agency, for the 2021 term, effective immediately.

Chair Tang indicated that the motion was approved by a 4-0 vote

Item VIII: Review of Financial Statements: Second Quarter of FY 20-21

- ◆ Mr. Byerrum reviewed the Second Quarter Fiscal Year 2020-21 financials.

Upon consideration thereof, it was moved by Commissioner Lewis, seconded by Commissioner Lee, and unanimously carried (4-0), to approve, receive and file the financial statements for the Second Quarter of Fiscal Year 2020-21.

Yes: Lee, Lewis, Lima, Tang

Noes: None

Motion Passed (4-0)

Chair Tang indicated that the motion was approved by a 4-0 roll call vote

Item IX: ACWA/JPIA President's Special Recognition Awards

Item X: Regional Water Supply Reliability Program Updates/Status:

(1) California Domestic Water Company

- ◆ Mr. Coleman reported that the Cal Domestic project was continuing to operate at a single pump flow.

(2) Pathfinder Road-Colima Interties

- ◆ Ms. Shaw reported that the project is continuing to move forward.

(3) Pomona Basin Regional Groundwater Project

- a. *Six Basins Groundwater Project Update:* Ms. Shaw reported that staff is working with the contractors to continue the work on the project. The installation of the 36-inch valve had taken place successfully. The Old Baldy section of the project was completed and the Durward section is expected to be completed in the coming weeks.

- b. *Proposition 84:* Mr. Hitchman will be preparing and submitting the project quarterly report.

(4) Central Basin Well

- a. *Central Basin Well Site Evaluation:* No updates on this item.

(5) Proposition 1 Integrated Regional Water Management Grant:

- ◆ Mr. Hitchman reported that staff receives regular updates from Wendy La, of LASER, Inc. She is currently tracking the progress of grant-funded projects.

Item XI: Commission Follow-Up

- ♦ The Commission received a follow-up report on prior actions.

Item XII: Commissioner Comments

None.

Item XIII: Items for Future Discussion/Review

None.

Item XIV: Attorney's Report

- ♦ Mr. Ciampa updated the Commission on the start date of the Emergency Preparedness Coordinator for the Public Water Agencies Group (PWAG), as well as the potential WRD funding for PFAS treatment in the Central Basin.

Item XV: Public Comment on Closed Session

There were no requests to comment on closed session.

Item XVI: Closed Session: No Closed Session held

- (1) The Commission met in closed session in accordance with Government Code [§54956.8] to discuss one real property matter. The negotiators are Mr. Tom Coleman and Mr. Erik Hitchman. The negotiating parties are various property owners. Under negotiations are the price and terms of payment.
- (2) The Commission met in closed session in accordance with Government Code [§54956.8] to discuss one real property matter pertaining to the acquisition and/or lease of Central Basin water rights. The negotiators are Mr. Tom Coleman and Mr. Erik Hitchman. The negotiating parties are various water rights holders. Under negotiations are the price and terms of payment.
- (3) The Commission met in closed session in accordance with Government Code 54956.9(d)(4) regarding anticipated litigation concerning one case.

Item XVII: Reconvene in Open Session– No Closed Session held

Adjournment – 7:57 a.m.

There being no further business to discuss, upon consideration thereof, it was moved by Commissioner Lima, seconded by Commissioner Lee and unanimously carried (4-0), to adjourn to the next Commission meeting to be held April 1, 2021.

PUENTE BASIN WATER AGENCY
FY 21-22 OPERATING BUDGET

	Budget FY 19-20	Actual 19-20	Budget FY 20-21	Projected 20-21	Budget FY 21-22	Administrative	TVMWD	CDWC	Pomona Basin	LHHCWD
1 REVENUES:										
2 Administrative Assessment - RWD	\$ 141,520	\$ 89,942	\$ 125,688	\$ 96,508	\$ 125,688	\$ 125,688	\$ -	\$ -	\$ -	\$ -
3 Administrative Assessment - WVWD	141,520	89,942	125,688	96,508	125,688	125,688	-	-	-	-
4 Other	-	29,333	32,000	32,000	32,000	32,000	-	-	-	-
5 Water Sales - Project - RWD	1,067,565	442,371	597,560	441,315	1,387,210	-	-	1,334,160	53,050	-
6 Water Sales - Project - WVWD	1,067,565	442,371	597,560	441,315	1,387,210	-	-	1,334,160	53,050	-
7 Water Sales - TVMWD - RWD	5,525,930	3,850,343	4,817,670	4,244,535	3,674,470	-	3,674,470	-	-	-
8 Water Sales - TVMWD - WVWD	8,355,670	12,382,717	8,895,120	10,394,965	7,861,820	-	7,861,820	-	-	-
9 Project Maintenance Reserve - RWD	7,500	2,779	3,750	2,625	9,375	-	-	9,375	-	-
10 Project Maintenance Reserve - WVWD	7,500	2,779	3,750	2,625	9,375	-	-	9,375	-	-
11 Total Revenues	16,314,770	17,332,577	15,198,785	15,752,395	14,612,835	283,375	11,536,290	2,687,070	106,100	-
12 Use of Stored/Leased Water	1,614,350	585,840	822,470	556,000	2,131,800	-	-	2,131,800	-	-
13 Total	17,929,120	17,918,416	16,021,255	16,308,395	16,744,635	283,375	11,536,290	4,818,870	106,100	-
14 EXPENSES:										
<u>15 Source of Supply</u>										
16 Purchased Water - TVMWD	13,329,740	15,696,247	13,091,350	14,028,390	10,832,730	-	10,832,730	-	-	-
17 Purchased Water - LHHCWD	-	-	-	-	-	-	-	-	-	-
18 Purchased Water - CDWC	1,135,570	415,764	587,360	403,070	1,465,280	-	-	1,465,280	-	-
19 Purchased Water - Old Baldy	-	-	-	-	-	-	-	-	-	-
20 Purchased Water - Durwood	-	-	-	-	-	-	-	-	-	-
21 Purchased Water - Stored Water	1,614,350	585,840	822,470	556,000	2,131,800	-	-	2,131,800	-	-
22 Surcharge - Orchard Dale	-	-	-	-	-	-	-	-	-	-
23 Assessments - WRD	-	-	-	-	-	-	-	-	-	-
24 Assessments - MSGBWM	495,000	176,015	300,000	209,950	750,000	-	-	750,000	-	-
25 Subtotal	16,574,660	16,873,866	14,801,180	15,197,410	15,179,810	-	10,832,730	4,347,080	-	-
<u>26 Fixed Charges</u>										
27 TVMWD Equivalent Small Meters	64,200	64,276	66,650	66,700	72,070	-	72,070	-	-	-
28 TVMWD Water Use Charge	73,400	73,472	71,270	71,340	68,790	-	68,790	-	-	-
29 TVMWD Connected Capacity	61,040	61,115	63,940	63,980	69,410	-	69,410	-	-	-
30 MWD Capacity Reservation Charge	351,120	335,890	417,480	407,030	491,190	-	491,190	-	-	-
31 CDWC - Ready to Serve Charge	7,440	7,436	7,440	7,440	7,440	-	-	7,440	-	-
32 Subtotal	557,200	542,189	626,780	616,490	708,900	-	701,460	7,440	-	-
<u>33 Other Costs</u>										
34 Energy - Pumping and Treatment	300,000	110,127	118,500	94,550	333,750	-	-	333,750	-	-
35 Materials & Supplies - Chemicals	36,000	21,330	21,000	17,410	56,250	-	-	56,250	-	-
36 Materials & Supplies - Other	19,000	12,524	19,000	12,200	19,600	-	-	19,600	-	-
37 Other Costs (Labor etc.)	39,120	24,480	35,520	35,010	38,700	-	-	36,000	-	2,700
38 Lease Agreements - Old Baldy	103,000	103,200	106,300	103,000	106,100	-	-	-	106,100	-
39 Permits & Fees	2,100	2,060	2,100	2,060	2,100	-	2,100	-	-	-
40 Subtotal	499,220	273,723	302,420	264,230	556,500	-	2,100	445,600	106,100	2,700

		Budget FY 19-20	Actual 19-20	Budget FY 20-21	Projected 20-21	Budget FY 21-22	Administrative	TVMWD	CDWC	Pomona Basin	LHHCWD
41	<u>Administrative & General</u>										
42	Legal	100,000	56,798	100,000	50,000	100,000	100,000	-	-	-	-
43	Engineering	5,000	1,396	5,000	1,600	5,000	5,000	-	-	-	-
44	Professional Services- Other	125,000	117,848	125,000	113,620	125,000	125,000	-	-	-	-
45	Insurance - Property & Liability	5,000	2,139	5,000	4,300	5,000	5,000	-	-	-	-
46	Accounting/Auditing	8,040	9,090	8,375	8,375	8,375	8,375	-	-	-	-
47	Administrative Expenses - Other	40,000	35,809	40,000	47,120	40,000	40,000	-	-	-	-
48	Subtotal	283,040	223,081	283,375	225,015	283,375	283,375	-	-	-	-
49	Total Expenses	\$ 17,914,120	\$ 17,912,858	\$ 16,013,755	\$ 16,303,145	\$ 16,728,585	\$ 283,375	\$ 11,536,290	\$ 4,800,120	\$ 106,100	\$ 2,700
50	Other Income/(Expense)	-	-	-	-	-	-	-	-	-	-
51	Interest Income	10,000	21,066	10,000	8,000	6,000	6,000	-	-	-	-
52	Leased Water Revenue	-	-	-	50,000	62,500	62,500	-	-	-	-
53	Depreciation	-	-	-	-	-	-	-	-	-	-
54	Subtotal	10,000	21,066	10,000	58,000	68,500	68,500	-	-	-	-
55	Net Income (Loss) Before Transfers	\$ 25,000	\$ 26,624	\$ 17,500	\$ 63,250	\$ 84,550	\$ 68,500	\$ -	\$ 18,750	\$ -	\$ (2,700)
56	Transfers In: Maint. Reserve Funds Used	-	-	-	-	-	-	-	-	-	-
57	Transfers Out: Maint. Reserve Funds Collected	(15,000)	(5,558)	(7,500)	(5,250)	(18,750)	-	-	(18,750)	-	-
58	Net Income (Loss) After Transfers	\$ 10,000	\$ 21,066	\$ 10,000	\$ 58,000	\$ 65,800	\$ 68,500	\$ -	\$ -	\$ -	\$ (2,700)
59	PBWA Maintenance Reserve					Total	Administrative	TVMWD	CDWC	Pomona Basin	LHHCWD
60	Beginning Balance July 1	\$ 140,599	\$ 140,599	\$ 146,157	\$ 146,157	\$ 151,407	\$ -	\$ -	\$ 130,314	\$ -	\$ 21,094
61	Transfers In	15,000	5,558	7,500	5,250	18,750	-	-	18,750	-	-
62	Transfers Out	-	-	-	-	-	-	-	-	-	-
63	Ending Balance June 30	\$ 155,599	\$ 146,157	\$ 153,657	\$ 151,407	\$ 170,157	\$ -	\$ -	\$ 149,064	\$ -	\$ 21,094

PUENTE BASIN WATER AGENCY FY 2021-22 Budget Supplement

The following is a supplement to the proposed budget and is intended to provide more specific detail and explanation of the major revenues and expenses proposed in the FY 21-22 Operating Budget.

REVENUES

Administrative Assessments RWD/WVWD

Represents payments received from the WVWD and RWD related to the administrative costs of the District. The administrative costs of the District are shared equally by both agencies.

Water Sales - Project RWD/WVWD

Represents payments received from the WVWD and RWD related to the production of water from PBWA water reliability projects. The costs and benefits of these projects is shared equally by the agencies.

Water Sales -TVMWD

Represents payments received from the WVWD and RWD related to water purchased from TVMWD. Unlike the project water sales, the amounts collected from each agency are based on the estimated costs associated with each individual agency's estimated purchases through the Joint Water Line. These costs include both the commodity and fixed charges assessed by TVMWD.

Project Maintenance Reserve

In an effort to ensure sufficient money is available to repair and maintain the LHCWD and CDWC projects, the agencies decided, through separate project agreements, to establish a maintenance reserve account to fund the repair of the facilities. The amounts collected will be reserved for this purpose. For FY 21-22 the budgeted amount is \$18,750, related to expected production from the Cal Domestic project of 3,750 acre-feet. No water production related to other projects has been included in the budget. The maintenance reserve amounts are to be funded equally by the agencies.

Stored/Leased Water

The PBWA, through RWD and WVWD, has over the past several years purchased and stored untreated water in the Main Basin to be used initially by the CDWC project. For the current year budget, it is anticipated that the CDWC project will produce 3,750 AF of water. The average cost of the stored water is \$568.48 per acre-foot, this amount has been included in the budgeted expenses and revenues.

EXPENSES

Source of Supply

Purchased Water - TVMWD - Represents the commodity cost, including TVMWD's surcharge, associated with the purchase of water from TVMWD. Costs are based on purchases of 9,750 acre-feet (RWD 3,125 acre-feet; WVWD 6,625 acre-feet).

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Purchased Water - LHCWD - Represents the estimated charges associated with purchase of water from LHCWD, as outlined in the agreement. For FY 21-22, no water production has been included in the budget.

Purchased Water - CDWC - Represents the estimated charges associated with purchase of water from CDWC, as outlined in the agreement. Includes the cost of untreated water, previously purchased and stored in the Main Basin. Based on water purchases of 3,750 acre-feet.

Surcharge Orchard Dale - In addition to the costs charged by LHCWD, the District must also pay a per acre-foot surcharge to Orchard Dale Water. No amount has been budgeted for FY 21-22.

Assessments - WRD - Represents the cost of replenishment water related to the LHCWD project. Based on water purchases of 3,750 acre-feet

Fixed Charges

These charges represent the fixed charges assessed to each respective agency by TVMWD and CDWC. These charges include the Imported Water Use Charge, Connected Capacity, Equivalent Small Meters, MWD Capacity Reservation Charge, and the CDWC Ready to Serve Charge. For the year the total charges are estimated to be \$701,460. RWD's share of this amount is \$201,390 and WVWD's share is \$500,070.

Other Costs

Energy - Represents the power cost associated with the pumping activities and treatment facilities of the water reliability projects.

Materials and Supplies - Chemicals - Estimated costs for chemicals used for the treatment facilities associated with the water reliability projects.

Materials and Supplies - Other - Estimated costs for other miscellaneous supplies necessary for the operation of the projects.

Other Costs - Estimated costs for RWD Labor and other professional fees related to operating and maintaining the project facilities.

Permits & Fees - Includes costs for WRD Admin Budget, Central Basin Water Rights fees, and Water Research foundation fees paid through TVMWD.

Administrative & General

Legal - To provide funds for legal expense related to the activities of the PBWA.

Engineering - To provide funds for professional engineering fees related to the management and reporting requirements for the Puente Basin

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Professional Services Other - To provide funds for professional services related to state funding, and other outside services not related to a specific project.

Insurance - Property and Liability - To provide funds for property and liability insurance

Accounting - To provide funds for auditing services.

Administrative Expenses - Includes funding for internal labor, ACWA dues, and banking fees attributable to the activities of the PBWA.

Other Income/(Expenses)

Interest Income - Interest received from monies in the LAIF investment account.