

MONTE VISTA IRRIGATION COMPANY

10575 Central Avenue, Montclair, California • (909) 624-0035

Teleconference: (773) 231-9226 Meeting ID 238-267-3925 Password 007304

Video: <https://meetings.ringcentral.com/my/boardmeeting> Password 007304

NOTICE AND AGENDA OF REGULAR BOARD OF DIRECTORS MEETING

WEDNESDAY, JULY 12, 2023 • 6:00 P.M.

Interested members of the public may participate in the meeting to observe and/or provide public comment by using the access information listed above.

1. Call to Order/Flag Salute/Roll Call

2. Public Comment/Open Forum

Members of the public may address the Board of Directors on any item that is within the jurisdiction of the Board; however, no action may be taken on any item not appearing on the agenda unless the action is otherwise authorized by Subdivision (b) of Section 54954.2 of the California Government Code. Comments are limited to three (3) minutes per speaker.

3. Agenda Changes/Additions

In accordance with Section 54954.2 of the Government Code (the Brown Act), additions to the agenda require a two-thirds vote of the legislative body, or if less than two-thirds of the members are present, a unanimous vote of those members present. It shall be determined that there is a need to take immediate action and that the need for action came to the attention of the local agency subsequent to the posting of the agenda.

4. Meeting Minutes

Meeting Date: January 25, 2023

Recommendation: Approve as presented.

5. Statement of Cash Transactions through June 30, 2023

Presenter: Leah Nazaroff, Accounting Manager

Recommendation: Approve as presented.

6. Budget Adoption Fiscal Year Ending 2024

Presenter: Leah Nazaroff, Accounting Manager

Recommendation: Approve as presented.

7. Manager Comments

8. Board Comments

9. Closed Session

A. Conference with Legal Counsel – Existing Litigation (Gov. Code §54956.9[d][1])

CBMWD v. City of Chino et al. (Superior Court of California, County of San Bernardino, Case Number RCV 51010)

10. Adjournment

DECLARATION OF POSTING

In accordance with the requirement of California Government Code §54954.2, this agenda has been posted in the display case at the gated entrance to our main office at 10575 Central Avenue, Montclair, California not less than seventy-two (72) hours prior to the meeting date and time above.

Written materials relating to open session agenda items, including those distributed to the majority of the Board of Directors after distribution of this agenda package, are available for public inspection during normal business hours at the District's main office, located at 10575 Central Avenue, Montclair, California.

Pursuant to the Americans with Disabilities Act, persons with a disability who require a disability-related modification or accommodation in order to participate in a meeting may request such modification or accommodation from the District's Board Secretary at (909) 624-0035 or by email at BoardSecretary@mvwd.org. Notification forty-eight (48) hours prior to the meeting will enable District staff to make reasonable arrangements to assure accessibility to the meeting.

BOARD OF DIRECTORS MEETING MINUTES OF THE MONTE VISTA IRRIGATION COMPANY

January 25, 2023

DIRECTORS PRESENT

Sandra Rose, President
G. Michael Milhiser, Vice President
Tony Lopez, Board Auditor
Philip Erwin, Director
Manny Martinez, Director

DIRECTORS ABSENT

None.

STAFF PRESENT

Justin Scott-Coe, Manager/Secretary
Andrew Gagen, Legal Counsel
Stephanie Reimer, Treasurer
A. William Schwartz, Director of Engineering, Operations, & Maintenance (Monte Vista Water District)
Betty Conti, Human Resources & Risk Manager (Monte Vista Water District)
Hilton Saenz, Facilities and Distribution Manager (Monte Vista Water District)
Kelley Donaldson, Community Affairs Manager (Monte Vista Water District)
Leah Nazaroff, Accounting Manager (Monte Vista Water District)
Juan Ventura, Information Technology and Customer Service Manager (Monte Vista Water District)
Brandi Goodman-Decoud, Executive Assistant II (Monte Vista Water District)

OTHERS IN ATTENDANCE

None.

ITEM 1: CALL TO ORDER/FLAG SALUTE

President Rose called the meeting to order at 6:00 p.m.
Justin Scott-Coe led those assembled in the Flag Salute.

ROLL CALL

Ms. Brandi Goodman-Decoud called roll and noted all members as present. Mr. Andrew Gagen stated that the Board of Directors (Board) meeting of the Monte Vista Irrigation Company (Company) will be conducted consistent with the provisions in Government Code section 54953(e), as recently amended by Assembly Bill 361, and pursuant to District Resolution. The directors and staff were reminded that any votes taken during the portion of the meeting when Board members or the public are participating remotely must be taken by roll call vote. .

ITEM 2: PUBLIC COMMENT/OPEN FORUM

None.

ITEM 3: AGENDA CHANGES/ADDITIONS

There were no agenda changes or additions.

ITEM 4: RESOLUTION 6-23: RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS

Upon motion by Director Martinez seconded by Vice-President Milhiser, and unanimously carried:

M23-01-01

MOVED: Adopt Resolution 6-23, Re-authorizing remote teleconference meetings pursuant to Brown Act provisions, as by roll call vote:

President Rose	aye
Vice President Milhiser	aye
Board Auditor Lopez	aye
Director Erwin	aye
Director Martinez	aye

ITEM 5: MEETING MINUTES

Upon motion by Board Auditor Lopez, seconded by Director Erwin, and unanimously carried:

M22-01-02

MOVED: Approval of the meeting minutes of July 13, 2022, as by roll call vote:

President Rose	aye
Vice President Milhiser	aye
Board Auditor Lopez	aye
Director Erwin	aye
Director Martinez	aye

ITEM 6: STATEMENT OF CASH TRANSACTIONS THROUGH DECEMBER 31, 2022

Ms. Leah Nazaroff presented the Statement of Cash Transactions through December 31, 2022.

Upon motion by Vice-President Milhiser, seconded by Director Lopez, and unanimously carried:

M22-01-03

MOVED: Approve the Statement of Cash Transactions through December 31, 2022 as presented, as by roll call vote:

President Rose	aye
Vice President Milhiser	aye
Board Auditor Lopez	aye
Director Erwin	aye
Director Martinez	aye

ITEM 7: FISCAL YEAR ENDING 2022 AUDIT FOR THE MONTE VISTA IRRIGATION COMPANY

Ms. Leah Nazaroff presented the Fiscal Year Ending 2022 Audit for the Monte Vista Irrigation Company and reported a clean unmodified opinion.

Upon motion by Director Martinez, seconded by Director Erwin, and unanimously carried:

M22-01-04

MOVED: Approve the Fiscal Year Ending 2022 Audit for the Monte Vista Irrigation Company as presented, as by roll call vote:

President Rose	aye
Vice President Milhiser	aye
Board Auditor Lopez	aye
Director Erwin	aye
Director Martinez	aye

ITEM 8: OUTSTANDING ACCOUNTS RECEIVABLE FROM MONTE VISTA WATER DISTRICT

Ms. Leah Nazaroff presented the outstanding accounts receivable from Monte Vista Water District. This item was received and filed.

ITEM 9: REVIEW OF THE MONTE VISTA IRRIGATION COMPANY

Ms. Stephanie Reimer and Mr. Justin Scott-Coe provided a brief review of the Monte Vista Irrigation Company.

This item was received and filed.

ITEM 10: MANAGER'S COMMENTS

Manager Justin Scott-Coe stated that Item 6 addressed the Board's request to better understand legal cost allocation and noted that Staff will further evaluate.

ITEM 11: BOARD COMMENTS

There were no Board member comments.

ITEM 12: CLOSED SESSION

President Rose recessed the meeting to closed session at 6:33 p.m. to discuss:

A. Conference with Legal Counsel – Existing Litigation (Gov. Code §54956.9[d][1])

CBMWD v. City of Chino et al. (Superior Court of California, County of San Bernardino, Case Number RCV 51010)

President Rose reconvened the meeting into open session at 6:38 p.m. Mr. Gagen stated there was no reportable action.

ITEM 13: ADJOURNMENT

Upon motion by Vice President Milhiser, seconded by Director Lopez, and unanimously carried:

M22-01-05

MOVED: Approved to adjourn the meeting, as by roll call vote:

President Rose	aye
Vice President Milhiser	aye
Board Auditor Lopez	aye
Director Erwin	aye
Director Martinez	aye

There being no further business, President Rose adjourned the meeting at 6:38 p.m.

Respectfully submitted,

Justin M. Scott-Coe
General Manager/Secretary

DRAFT

Check History Listing
Monte Vista Water District

Bank code: mvicap

Check #	Date	Vendor	Status	Clear/Void Date	Invoice	Inv. Date	Amount Paid	Check Total
1422	07/21/2022	010961 NOSSAMAN LLP	C	07/31/2022	536678 MVIC	07/15/2022	846.18	846.18
1423	07/28/2022	008985 PHILLIP ERWIN	C	08/31/2022	07-2022MVIC	07/13/2022	250.00	250.00
1424	07/28/2022	008986 ANTHONY LOPEZ	C	08/31/2022	07-2022MVIC	07/13/2022	250.00	250.00
1425	07/28/2022	008987 MANNY MARTINEZ	C	08/31/2022	07-2022MVIC	07/13/2022	250.00	250.00
1426	07/28/2022	008988 G. MICHAEL MILHISER	C	08/31/2022	07-2022MVIC	07/13/2022	250.00	250.00
1427	07/28/2022	008989 SANDRA ROSE	C	08/31/2022	07-2022MVIC	07/13/2022	250.00	250.00
1428	09/08/2022	000046 CHINO BASIN WATERMAS	C	09/30/2022	AP22-10	11/18/2021	58.69	
			C	09/30/2022	AP22-10_LEG	04/01/2022	50.98	109.67
1429	11/10/2022	000070 FEDAK & BROWN LLP	C	11/30/2022	103122-F&B MVIC	10/31/2022	1,225.00	1,225.00
1430	12/14/2022	000046 CHINO BASIN WATERMAS	C	12/31/2022	AP23-10	11/18/2022	19,600.12	19,600.12
1431	12/14/2022	000070 FEDAK & BROWN LLP	C	12/31/2022	113022-F&B MVIC	11/30/2022	980.00	980.00
1432	01/12/2023	000070 FEDAK & BROWN LLP	C	01/31/2023	123122-F&B MVIC	12/22/2022	370.00	370.00
1433	01/12/2023	010961 NOSSAMAN LLP	C	01/31/2023	543074 MVIC	01/06/2023	12,745.42	
			C	01/31/2023	542891 MVIC	12/23/2022	1,817.50	14,562.92
1434	02/03/2023	008985 PHILLIP ERWIN	C	02/28/2023	01-2023 MVIC	01/25/2023	250.00	250.00
1435	02/03/2023	008986 ANTHONY LOPEZ	C	02/28/2023	01-2023 MVIC	01/25/2023	250.00	250.00
1436	02/03/2023	008987 MANNY MARTINEZ	C	02/28/2023	01-2023MVIC	01/25/2023	250.00	250.00
1437	02/03/2023	008988 G. MICHAEL MILHISER	C	02/28/2023	01-2023MVIC	01/25/2023	250.00	250.00
1438	02/03/2023	008989 SANDRA ROSE	C	02/28/2023	01-2023MVIC	01/25/2023	250.00	250.00
1439	02/09/2023	010961 NOSSAMAN LLP	C	02/28/2023	544196 MVIC	02/07/2023	872.12	872.12
1440	03/09/2023	011271 C.J. BROWN & COMPANY,	C	03/31/2023	022823-CJB MVIC	03/07/2023	1,050.00	1,050.00
1441	03/16/2023	010961 NOSSAMAN LLP	C	03/31/2023	545369 MVIC	03/08/2023	857.43	857.43
1442	04/13/2023	011271 C.J. BROWN & COMPANY,	C	04/30/2023	033123-CJB MVIC	03/31/2023	250.00	250.00

Check History Listing
Monte Vista Water District

Bank code: mvicap

Check #	Date	Vendor	Status	Clear/Void Date	Invoice	Inv. Date	Amount Paid	Check Total
1443	04/13/2023	010961 NOSSAMAN LLP	C	04/30/2023	546321 MVIC	04/07/2023	1,244.91	1,244.91
1444	05/11/2023	008980 HUB INTERNATIONAL INS	C	05/31/2023	3167162	05/03/2023	2,061.00	2,061.00
1445	05/11/2023	010961 NOSSAMAN LLP	C	05/31/2023	547293 MVIC	05/03/2023	4,230.94	4,230.94
1446	06/15/2023	010961 NOSSAMAN LLP			548626 MVIC	06/07/2023	5,563.53	5,563.53
mvicap Total:								56,323.82
Total Checks:								56,323.82

25 checks in this report



Monte Vista Irrigation Company

July 12, 2023

Honorable Board of Directors
Monte Vista Irrigation Company

SUBJECT: Fiscal Year Ending 2024 Budget

STAFF RECOMMENDATION:

It is recommended that the Board of Directors review and approve the proposed Fiscal Year Ending 2024 Budget for the Monte Vista Irrigation Company.

FINANCIAL IMPACT:

The proposed Fiscal Year Ending 2024 Budget is projected to decrease working capital reserves by \$127,000.

DISCUSSION:

The proposed Fiscal Year Ending (FYE) 2024 Budget for the Monte Vista Irrigation Company (Company) is presented as a preliminary financial outline for anticipated transactions in the coming year. The proposed operating budget has been developed to be consistent with the Monte Vista Water District's (District) water supply approach for the coming FYE 2024. One of the key components of the District's adopted long-range supply plan is to annually "under-produce" a portion of its Chino Basin production rights, resulting in an increase in water held in storage. For FYE 2024, the District should again be able to implement this strategy without purchasing annual Company production rights. Aside from foregoing the annual transfer and sale of leased water rights to the District, the Company is planning to have minimal transactions in FYE 2024.

Revenue

The only source of revenue for FYE 2024 will be monies derived from interest income on funds held by the District in the Local Agency Investment Fund on behalf of the Company. These funds are anticipated to generate revenue of approximately \$4,300 in FYE 2024.

Expenditures

Anticipated FYE 2024 expenditures total approximately \$131,300. Approximately \$40,000 is projected in external attorney fees related to the appeal of the Watermaster Court ruling on April 22, 2022. The Chino Basin Watermaster assessment totaling \$25,000 is for transactions associated with FYE 2023 activity representing the Company's share of costs for recharge basin improvements and annual administrative assessments.

10575 Central Avenue, Montclair, CA 91763 • (909) 624-0035 • Fax (909) 624-4725

Sandra S. Rose
President

G. Michael Milhiser
Vice President

Tony Lopez
Board Auditor

Philip L. Erwin
Director

Manny Martinez
Director

Administrative expenditures of \$23,300 are forecasted for FYE 2024 and represent the minimal staff time required to handle the general administration functions associated with accounting, disbursements, management, and overall record-keeping for the Company. The Company's plant maintenance expenditures are comprised of utility and office equipment maintenance costs and are budgeted at \$33,400 for FYE 2024. This is up approximately 40% over the FYE 2023 budget due to an increase in expenses related to the Enterprise Resource Program (ERP) implementation in FYE 2024. Other expenses total \$9,600 and reflect costs associated with an independent annual audit, tax return preparation and filing fees, Board of Directors (Board) fees, and liability insurance.

As we move forward into FYE 2024, staff will keep the Board apprised of both activities and potential strategies that may be advantageous and merit Board discussion as it relates to the Company.

Respectfully submitted,



Leah I. Nazaroff
Accounting Manager



Stephanie A. Reimer
Treasurer



Justin M. Scott-Coe
Manager

Attachment

1. Fiscal Year Ending 2024 Monte Vista Irrigation Company Budget

FYE 2024

Monte Vista Irrigation Company

Proposed Budget

Revenue

Lease/Purchase of Production Rights	\$0
Investment Income	<u>4,300</u>
<i>Subtotal</i>	\$4,300

Notes

Based upon no transfer of production rights
Interest income on investments

Expenditures

Watermaster Assessments	25,000	Production Year Assessments
Administration Costs	23,300	Staff, time & material costs
Board of Directors Fees	2,500	Director expenditures
Insurance	2,100	General liability/PO liability/E&O
Accounting and Audit	5,000	Accounting, audit and filing expenditures
Legal	40,000	Legal expenditures
Plant Maintenance	<u>33,400</u>	Utility power & general plant costs
<i>Subtotal</i>	\$131,300	

Total Operational Revenue (Deficit) (\$127,000)