



Chino Hills · Diamond Bar · Industry

**TRES HERMANOS CONSERVATION AUTHORITY
BOARD OF DIRECTORS MEETING**

**WEDNESDAY, APRIL 12, 2023, AGENDA
6:00 P.M.**

**CITY OF CHINO HILLS - COUNCIL CHAMBERS
14000 CITY CENTER DRIVE
CHINO HILLS, CALIFORNIA
AND REMOTELY VIA ZOOM
MEETING ID 815 2001 0855**

**BOARD DIRECTORS
CHAIR, STAN LIU
VICE-CHAIR, PETER ROGERS
DIRECTOR, ANDREW CHOU
DIRECTOR, CATHY MARCUCCI
DIRECTOR, RAY MARQUEZ
DIRECTOR, CORY MOSS
DIRECTOR, NEWELL RUGGLES**

This Tres Hermanos Conservation Authority meeting shall be in person in the Council Chambers, City of Chino Hills City Hall and remotely via Zoom meeting ID 815 2001 0855, temporarily in response to Director Marquez's request to allow him to appear remotely because his attendance at the League of California Cities City Leader's Summit is a just cause exception that justifies remote attendance under Government Code Section 54953(f). To allow for public attendance and participation and if you would like to speak on an agenda item, you can access the meeting remotely: Join from a PC, Mac, iPad, iPhone, or Android device, or by phone. Please use this URL <https://us02web.zoom.us/j/81520010855>. If you do not wish for your name to appear on the screen, then use the drop-down menu and click on "rename" to rename yourself to be anonymous. Or join by phone: 1-669-900-6833 Enter Meeting ID: 815 2001 0855. If you want to comment during the public comment portion of the agenda, Press *9 and we will select you from the meeting cue. NOTE: Your phone number is captured by the zoom software and is subject to the Public Records Act unless you first dial *67 before dialing the numbers as shown above to remain anonymous

This agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action shall be taken on any item not appearing on the agenda unless the Board of Directors makes a determination that an emergency exists or that a need to take immediate action on the item came to the attention of the City subsequent to the posting of the agenda. The Secretary of the Board has on file copies of written documentation relating to each item of business on this Agenda available for public inspection in the Office of the Chino Hills City Clerk, in the public binder located at the entrance to the Council Chambers while the meeting is in session, and on the Authority's website at www.treshermanos.org. Materials related to an item on this Agenda submitted to the Directors after distribution of the agenda packet are available for public inspection in the Office of the Chino Hills City Clerk at 14000 City Center Drive, Chino Hills, CA during normal business hours.

Speaker Cards - Those persons wishing to address the Directors in person on any matter, whether or not it appears on the agenda, are requested to complete and submit to the Authority Secretary a "Request to Speak" card available at the entrance to the City Council Chambers. In accordance with the Public Records Act, any information you provide on this form is available to the public. **You are not required to provide personal information in order to speak, except to the extent necessary for the Secretary of the Board to call upon you.** Comments will be limited to five minutes per speaker.

Emails and documents submitted will be considered a public document subject to posting on the City's website and are subject to the Public Records Act.

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in the Board meeting, please contact the Authority Secretary, (909) 364-2620, at least 48 hours prior to the meeting to enable the Authority to make reasonable arrangements.

PLEASE SILENCE ALL ELECTRONIC DEVICES WHILE BOARD IS IN SESSION. Thank you.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE

ROLL CALL

1. PUBLIC COMMENTS: At this time members of the public may address the Authority regarding any items within the subject matter jurisdiction of the Authority provided NO action or discussion may be taken on any item not appearing on the agenda, except the Authority may BRIEFLY respond to statements made or questions posed. Comments are limited to five minutes per Speaker.

CONSENT CALENDAR:

2. Approve March 8, 2023 Regular Meeting Minutes
3. Receive and file Payment Register for month ended February 28, 2023
4. Receive and file Treasurer's Report for the month ended February 28, 2023

OLD BUSINESS:

There is none.

NEW BUSINESS:

5. Discuss transitioning meeting schedule from monthly to bi-monthly or quarterly, and if alternate schedule is authorized, direct secretary to prepare Resolution to adopt the change at a future meeting

AUTHORITY DIRECTOR COMMENTS:

ADJOURNMENT: The next regular Tres Hermanos Conservation Authority meeting will be Wednesday, May 10, 2023 at 6:00 p.m.

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CALL TO ORDER

The Regular Meeting of the Tres Hermanos Conservation Authority was called to order by Chair Liu at 6:02 p.m. in the City of Chino Hills Council Chambers, City Hall.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Vice-Chair Rogers.

ROLL CALL:

Directors in attendance: Stan Liu, Chair
Peter Rogers, Vice-Chair
Andrew Chou, Director
Cathy Marcucci, Director
Ray Marquez, Director
Cory Moss, Director
Mark Radecki, Alternate Director

Directors absent: None

Staff in attendance: Benjamin Montgomery, Executive Director
Joshua Nelson, Deputy Executive Director
Dan Fox, Administrative Director
Christa Buhagiar, Treasurer
Cheryl Balz, Authority Secretary
Lynnae Sisemore, Assistant City Clerk

Staff in attendance online: Tracy Egoscue, Authority General Counsel (via zoom)

Director Moss announced Director Marcucci's battle with thyroid cancer and commended her for persevering through her condition and for her continued dedication to her commitments. She said she was elated to see her colleague this evening.

1. PUBLIC COMMENTS:

Melanie Schlotterbeck, Hills for Everyone, attended via zoom as a reasonable accommodation and stated that she is part of the Friends of Harbors, Beaches and Parks (FHBP) group, which is an environmental organization that aims to protect coastal areas, hillsides, countywide parks, and open space. She announced that FHBP will host a series of workshops called the 30x30 Campaign with the goal to protect 30 percent of California's land and water. She said an upcoming workshop will be held on Thursday, April 27th from 10:00 a.m. to 11:30 a.m. via a Zoom webinar with keynote speakers to discuss advance

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mitigation, restoration and stewardship, and measuring outcomes. A copy of the flyer is on file at the City of Chino Hills City Clerk's office.

CONSENT CALENDAR:

2. MINUTES OF THE JANUARY 11, 2023 REGULAR MEETING.

RECOMMENDED ACTION: THAT THE AUTHORITY APPROVE THE JANUARY 11, 2023, REGULAR TRES HERMANOS CONSERVATION AUTHORITY MEETING MINUTES.

3. PAYMENT REGISTER.

RECOMMENDED ACTION: THAT THE AUTHORITY RECEIVE AND FILE THE PAYMENT REGISTERS FOR THE MONTHS ENDED DECEMBER 31, 2022, AND JANUARY 31, 2023.

4. TREASURER'S REPORT.

RECOMMENDED ACTION: THAT THE AUTHORITY RECEIVE AND FILE THE TREASURER'S REPORTS FOR THE MONTHS ENDED DECEMBER 31, 2022, AND JANUARY 31, 2023.

5. STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2023-24.

*RECOMMENDED ACTION: THAT THE AUTHORITY ADOPT **RESOLUTION NO. THCA 2023-02** ENTITLED: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY, ADOPTING THE STATEMENT OF INVESTMENT POLICY FOR FISCAL YEAR 2023-24.*

A motion was made by Vice-Chair Rogers and seconded by Director Moss to approve the Consent Calendar as presented. Motion carried 7-0-0 as follows:

AYES:	DIRECTORS:	CHOU, MARCUCCI, MARQUEZ, MOSS, RADECKI, VICE-CHAIR ROGERS, CHAIR LIU
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	NONE
ABSTAIN:	DIRECTORS:	NONE

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OLD BUSINESS: There was none.

NEW BUSINESS:

6. MID-YEAR BUDGET REVIEW FOR FISCAL YEAR 2022-23.

RECOMMENDATION ACTION: THAT THE AUTHORITY ADOPT A RESOLUTION ENTITLED: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY, ADOPTING A BUDGET AMENDMENT FOR FISCAL YEAR 2022-23 INCREASING THE EXPENDITURE BUDGET BY \$124,236 AND INCREASING THE FUND BALANCE RESERVE BY \$14,457 FOR A TOTAL REVENUE INCREASE OF \$138,639 BASED ON MID-YEAR BUDGET REVIEW.

Treasurer Buhagiar provided a PowerPoint presentation and briefed the Director's on the staff report, which is on file at the City of Chino Hills City Clerk's office.

Discussion ensued about the rental property security, renter's health, liability of person entering property on renter's behalf, and wildfire mitigation.

Following discussion, a motion was made by Director Moss and Seconded by Vice-Chair Rogers to adopt **Resolution No. THCA 2023-03** of the Board of Directors of the Tres Hermanos Conservation Authority, Adopting a Budget Amendment for Fiscal Year 2022-23 Increasing the Expenditure Budget by \$124,236 and Increasing the Fund Balance Reserve by \$14,457 for a Total Revenue Increase of \$138,639 Based on Mid-Year Budget Review.

Motion carried 7-0-0 as follows:

AYES:	DIRECTORS:	CHOU, MARCUCCI, MARQUEZ, MOSS, RADECKI, VICE-CHAIR ROGERS, CHAIR LIU
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	NONE
ABSTAIN:	DIRECTORS:	NONE

7. BUDGET FOR FISCAL YEAR 2023-24.

RECOMMENDATION ACTION: THAT THE AUTHORITY ADOPT A RESOLUTION ENTITLED: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY, ADOPTING A BUDGET FOR FISCAL YEAR 2023-24

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Treasurer Christa Buhagiar provided a PowerPoint presentation and briefed the Director's on the staff report, which is on file at the City of Chino Hills City Clerk's office.

Jim Gallagher, Chino Hills resident, inquired about the budget amendment, decreasing legal services, and property maintenance.

Director Marquez inquired about what the "other revenue" item listed on the budget consists of. Treasurer Buhagiar stated that other revenues are for the tenant house and cattle grazing water and rental costs.

Following discussion, a motion was made by Director Marcucci Seconded by Director Moss to adopt **Resolution No. THCA 2023-04** of the Board of Directors of the Tres Hermanos Conservation Authority, Adopting a Budget for Fiscal Year 2023-24

Motion carried 7-0-0 as follows:

AYES:	DIRECTORS:	CHOU, MARCUCCI, MARQUEZ, MOSS, RADECKI, VICE-CHAIR ROGERS, CHAIR LIU
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	NONE
ABSTAIN:	DIRECTORS:	NONE

AUTHORITY STAFF AND AUTHORITY DIRECTOR COMMENTS:

Executive Director Montgomery welcomed and thanked everyone for their participation in tonight's meeting.

Director Marquez inquired about any issues with the lake that may have occurred with the recent rainfall. Deputy Executive Director Nelson replied that the lake is certainly full, but no issues have arised.

Director Marquez gave accolades to Director Marcucci and encouraged her to keep up a strong fight with her battle with cancer.

Director Moss echoed Director Marquez's sentiments about Director Marcucci.

Vice Chair Rogers also agreed with Director Marquez's sentiments about Director Marcucci and said he was glad to be a part of a group that sustains the integrity of the Tres Hermanos property.

Alternate Director Radecki said that it was an honor to fill in as an alternate this evening. Chair Liu wished Director Marcucci all the best and for a speedy recovery.

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ADJOURNMENT: There being no further business, Chair Liu adjourned the Tres Hermanos Conservation Authority Regular Meeting at 6:25 p.m.

STAN LIU
CHAIR

CHERYL BALZ
AUTHORITY SECRETARY

DRAFT



Chino Hills · Diamond Bar · Industry

Date: April 12, 2023
To: Chair and Board of Directors
From: Benjamin Montgomery, Executive Director
Subject: Payment Register

Recommendation:

That the Authority receive and file the payment register for the month ended February 28, 2023.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.2 Disbursements, the warrants and wire transfers of the Authority should be periodically reviewed by the Board.

Attached for your review is the payment register for the month ended February 28, 2023. These payments may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number.

This register contains a payment made using a six-digit Chino Hills EFT because the Lance, Soll & Lunghard LLP invoice contained City of Chino Hills and Tres Hermanos charges.

Respectfully Submitted,

Recommended By:

Handwritten signature of Benjamin Montgomery in blue ink.

Benjamin Montgomery
Executive Director

Handwritten signature of Christa Buhagiar in blue ink.

Christa Buhagiar
Finance Director

Attachments Payment Register - February 2023

Tres Hermanos Conservation Authority

Payment Register

From 2/1/2023 to 2/28/2023

#	DATE	VENDOR NAME	CONTRACT/ PO#	DESCRIPTION	RETENTION	INVOICE AMT
5156	2/8/2023	C & C ENGINEERING, INC.	THCA20-002	CNC/SITE INSPECT/DEC22		\$4,040.00
TOTAL						\$4,040.00
5157	2/8/2023	DIAMOND ENVIRONMENTAL SERVICES	THCA22-005	DIAMOND/RESTROOM RENT-DELIVERY/NOV22		\$65.89
	2/8/2023	DIAMOND ENVIRONMENTAL SERVICES	THCA22-005	DIAMOND/ RESTROOM RENT/NOV22		\$106.37
	2/8/2023	DIAMOND ENVIRONMENTAL SERVICES	THCA22-005	DIAMOND/ RESTROOM RENT/DEC22		\$106.37
	2/8/2023	DIAMOND ENVIRONMENTAL SERVICES	THCA22-005	DIAMOND/ RESTROOM RENT/JAN23		\$106.37
TOTAL						\$385.00
105816	2/1/2023	LANCE, SOLL & LUNGHARD LLP	A2021-065	FINANCIAL AUDITING SERVICES		\$60.00
TOTAL						\$60.00
TOTAL						\$4,485.00

Note: The payments above may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number. Chino Hills EFT payments have a six-digit number starting with a "1".



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Date: April 12, 2023
To: Chair and Board of Directors
From: Benjamin Montgomery, Executive Director
Subject: Treasurer's Report

Recommendation:

That the Authority receive and file the Treasurer's Report for the month ended February 28, 2023.

Background/Analysis:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.3 Accounts, the Treasurer must verify and report in writing, at least quarterly, the amount of money held for the Authority and the amount of interest earnings, revenues, and expenditures since the last report. Attached for your information is the Treasurer's Report for the month ended February 28, 2023.

Respectfully Submitted,

Recommended By:

A handwritten signature in blue ink that reads "Ben Montgomery".

Benjamin Montgomery
Executive Director

A handwritten signature in blue ink that reads "Christa Buhagiar".

Christa Buhagiar
Finance Director

Attachments Treasurer's Report - February 2023

**Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended February 28, 2023**

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market LAIF Account	\$ 48,679	\$ 48,679	0.02%	n/a	30.45%
	113,279	111,171	2.62%	n/a	69.55%
Total Investment Portfolio	\$ 161,958	\$ 159,850			100.00%

Blended Yield of Cash and Investments	1.83%
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Benchmarks:	
LAIF	2.62%
6mo U.S. Treasury	5.17%
2yr U.S. Treasury	4.81%
5yr U.S. Treasury	4.18%

I hereby certify that the investments are in compliance with the investment policy adopted by the the Board of Directors. The investment portfolio provides sufficient funds to meet the budgeted expenditures over the next six months. This report meets the requirements of Government Code Section 53646.



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended February 28, 2023

	<u>Budget 2022/23</u>	<u>February 2023</u>	<u>Fiscal Year To Date 2022/23</u>	<u>% of Budget Used</u>
Revenues:				
Interest Income	\$ -	\$ 1	\$ 1,424	-
Fair Market Value Adjustment	-	-	1,951	-
Rental Income	13,743	1,072	10,155	74%
Reimbursements	4,920	217	2,253	46%
Contributions from Member Agencies	187,943	-	187,943	100%
Total Revenues	<u>206,606</u>	<u>1,290</u>	<u>203,726</u>	<u>99%</u>
Expenditures:				
Contractual Services	113,973	4,425	52,949	46%
Bank Charges	180	1	43	24%
Audit Services	2,040	60	2,040	100%
Legal Services	6,720	-	2,625	39%
Security Services	42,501	-	18,576	44%
Professional Services	27,397	306	2,908	11%
Liability Insurance	19,800	-	1,737	9%
Office Supplies	1,519	-	60	4%
Water	4,920	-	2,037	41%
Permits & Fees	5,445	-	470	9%
Total Expenditures	<u>224,495</u>	<u>4,792</u>	<u>83,445</u>	<u>37%</u>
Excess of Revenues Over/(Under) Expenditures	<u>\$ (17,889)</u>	<u>\$ (3,502)</u>	<u>\$ 120,281</u>	
Fund Balances:				
Beginning of Fiscal Year			\$ 38,307	
Excess of Revenues Over/(Under) Expenditures			120,281	
As of February 28, 2023			<u>\$ 158,588</u>	A
Fund Balances by City:				
Chino Hills			\$ 52,863	
Diamond Bar			52,862	
Industry			52,863	
Total Fund Balances by City			<u>\$ 158,588</u>	

A The ending fund balance in the amount of \$158,588 differs from the bank balance of \$161,958. The (\$3,370) difference is the net of (\$3,741) in outstanding checks, (\$306) in accounts payable, (\$60) payable to City for reimbursement of LSL invoice and \$737 in accounts receivable.



Chino Hills · Diamond Bar · Industry

Date: April 12, 2023

To: Chair and Board of Directors

From: Benjamin Montgomery, Executive Director

Subject: Tres Hermanos Conservation Authority Meeting Frequency

Recommendation:

Discuss the possibility of transitioning the Tres Hermanos Conservation Authority meeting schedule from a monthly meeting to an alternate schedule such as bi-monthly or quarterly. If an alternate meeting schedule is desired by the Board, direct the Secretary to prepare a Resolution to be brought back to a future meeting adopting the change.

Background/Analysis:

The February 5, 2019, Amended and Restated Tres Hermanos Conservation Authority (Authority) Joint Powers Agreement (JPA) by and between the City of Industry, City of Chino Hills, and City of Diamond Bar, establishes the general purpose of the Authority as the overall conservation, use and potential improvement of the Tres Hermanos Property. The Board of Directors meets as prescribed in the JPA to carry out this purpose. The items presented to the Board of Directors at Authority meetings generally consist of regular administrative and non-controversial items. Authority meetings usually last less than 30 minutes.

From April 2020 through January 2023, Authority meetings have been held in a manner that allowed remote Board participation consistent with provisions established by Executive Order N-29-20 issued by Governor Newsom or State Assembly Bill 361.

Section 3.4 of the JPA establishes that the time of regular meetings of the Board of Directors shall be determined by resolution. It also requires that all meetings of the Authority be called, noticed and conducted in accordance with the Ralph M. Brown Act or other open meeting laws. Meetings are to be held at the City Hall of the Member whose City Manager serves as the Executive Director, which is currently the City of Chino Hills. Section 3.5 of the JPA establishes that attendance by a majority of the Directors at a meeting, must include at least one Director from the City of Chino Hills, City of Diamond Bar and City of Industry. In addition, Chapter 6 of the JPA establishes that all actions of the seven-person board require at least four votes, including at least two votes from the City of Industry and at least one vote from Chino Hills and Diamond Bar.

The Authority's regular meeting schedule was originally established by Resolution No. THCA 2019-05 and subsequently revised by Resolution No. THCA 2022-08 to the current meeting date / time being the second Wednesday of each month at 6:00 p.m.

Given the short duration of regular meetings, the quorum and voting requirements, staff has introduced this item to give the Board an opportunity to consider alternative meeting schedules. As examples, the Board could discuss moving to a bi-monthly schedule with regular meetings occurring six times a year on the second Wednesday of January, March, May, July, September, and November at 6:00 p.m. Alternatively, the Board could consider moving to a quarterly meeting schedule with regular meetings occurring four times a year in January, April, July and October. Or the Board could maintain the current monthly meeting schedule.

If the Board elects to move to an alternative meeting schedule, a resolution will be drafted by staff and brought back to the next meeting in May for adoption.

Fiscal Impact:

There is no fiscal impact.

Respectfully Submitted,

Recommended By:



Benjamin Montgomery
Executive Director



Cheryl Balz
Secretary