



LAS VIRGENES MUNICIPAL WATER DISTRICT
4232 Las Virgenes Road, Calabasas CA 91302

MINUTES
SPECIAL MEETING

3:30 PM

September 26, 2019

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Keith Lemieux.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **3:30 p.m.** by Board President Lewitt in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Lynda Lo-Hill, Len Polan, and Lee Renger (arrived at 3:36 p.m.)

Absent: None

Staff Present: David Pedersen, General Manager
Joe McDermott, Director of Engineering and External Affairs
Don Patterson, Director of Finance and Administration
John Zhao, Director of Facilities and Operations
Josie Guzman, Clerk of the Board
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

Director Polan moved to approve the agenda. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Lewitt, Lo-Hill, Polan

NOES: None

ABSTAIN: None
ABSENT: Renger

3. **PUBLIC COMMENTS**

None.

4. **ACTION ITEMS**

A Liability and Property Insurance Renewal

Accept the proposals from Tolman & Wiker Insurance Services, LLC; appropriate an additional \$652,380; and authorize the General Manager to execute the necessary contracts and forms from Allied World Assurance Company/Joint Powers Risk and Insurance Management Authority (JPRIMA), in the first year aggregate amount of \$1,518,847, to purchase liability and property insurance for the three-year term of October 1, 2019 through March 31, 2023, with future year premium increases not to exceed 15 percent.

General Manager David Pedersen provided introductory remarks.

Don Patterson, Director of Finance and Administration, presented the report.

Director Renger arrived at 3:36 p.m.

Jeff Dodds, representing Tolman & Wiker Insurance Services, LLC, provided an overview of general insurance market conditions. He noted that recent California wildfires, adverse court decisions, and inverse condemnation had impacted public agencies in securing property and liability insurance coverage. He summarized the District's two options for property and liability insurance coverage: (1) Glatfelter Insurance Group/Trident Public Risk Solutions, and (2) Allied World Assurance Company/JPRIMA. He stated that JPRIMA is a joint powers authority that is fully reinsured with no risk sharing by the members, no joint and several liability, no retrospective premium adjustments and no assessments, and explained that coverage would include a \$100,000 self-insured retention.

Paul Fuller, Chief Executive Officer representing Allied World Assurance Company, provided an overview of the JPRIMA program and insurance coverage with the proposed \$216 million blanket policy limit and \$11 million liability limit.

Jim Byrum, President and Chief Executive Officer of JPRIMA, provided a summary of the origin and governing structure of the JPRIMA program.

Mr. Patterson compared the costs and coverage limits for property and liability insurance provided by JPRIMA versus Glatfelter/Trident.

Director Caspary moved to approve Item 4A. Motion seconded by Director Renger.

Mr. Dodds responded to a question regarding notifying the District and/or the JPRIMA program when an insurer cancels insurance coverage by stating that the California Department of Insurance requires a 45-day notice. Mr. Fuller added that JPRIMA's reinsurer, Berkshire Hathaway/Gen Re, is required to provide a 180-day notice should there be any material change in reinsurance terms above 25 percent.

Mr. Fuller responded to questions regarding possible legislative relief from inverse condemnation and the potential effects on coverage terms and premiums.

A discussion ensued regarding the Glatfelter/Trident option, which would include a higher risk profile for the District in exchange for a lower overall premium.

Motion carried unanimously.

B Jim Bridger Pipeline Replacement Project: Revised Declaration of Emergency

Repeal Resolution No. 2562; pass, approve and adopt proposed Resolution No. 2563; find that the proposed work is exempt from the California Environmental Quality Act; authorize the General Manager to award a construction contract to Toro Enterprises Inc., in the amount of \$200,660; and appropriate \$230,759 for the Jim Bridger Road Water Main Replacement Project.

RESOLUTION NO. 2563

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT FINDING THAT AN EMERGENCY WILL NOT PERMIT A DELAY RESULTING FROM A COMPETITIVE SOLICITATION FOR REPLACEMENT OF A DETERIORATED WATER MAIN ALONG JIM BRIDGER ROAD IN THE CITY OF HIDDEN HILLS

(Reference is hereby made to Resolution No. 2563 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

General Manager David Pedersen presented the report.

Director Renger moved to approve Item 4B. Motion seconded by Director Polan.

General Manager David Pedersen responded to questions regarding the length of deteriorated water main that would be replaced and the proposals received for permanent replacement of 1,000 feet of pipeline without installing an above-ground pipeline.

Motion carried unanimously.

5. PUBLIC COMMENTS

Director Caspary acknowledged the District's construction crew and engineering staff for their efforts related to the Jim Bridger Water Main Replacement Project.

General Manager David Pedersen noted that there were no action items scheduled for the October 3, 2019 Special Board Meeting, and he recommended not holding the meeting. He stated that any Consent Calendar and Information Items could be carried forward to the October 15, 2019 Regular Board Meeting. The Board agreed.

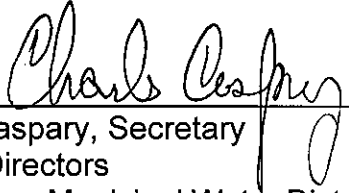
6. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **5:03 p.m.**



Jay Lewitt, President
Board of Directors
Las Virgenes Municipal Water District

ATTEST:



Charles Caspary, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)