



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

MINUTES
REGULAR MEETING

9:00 AM

January 19, 2021

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Darrell Johnson.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **9:00 a.m.** by Board President Lewitt via teleconference in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. The meeting was conducted via teleconference pursuant to the provisions of the Governor's Executive Order, N-29-20, which suspended certain requirements of the Ralph M. Brown Act to support social distancing guidelines associated with response to the coronavirus (COVID-19) outbreak. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Lynda Lo-Hill, Len Polan, and Lee Renger

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
Wayne Lemieux, District Counsel

2. APPROVAL OF AGENDA

Director Polan moved to approve the agenda. Motion seconded by Director Renger.

Motion carried unanimously by roll call vote.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A List of Demands: January 19, 2021: Receive and file

B Minutes Regular Meeting of January 5, 2021: Approve

C Directors' Per Diem – December 2020: Ratify

D CIS Software Upgrade: Authorization of Change Order for Advanced Meter Project and Collections Process

Authorize the General Manager to approve Change Order No. 1, in the amount of \$59,850, to the Annual Support and Maintenance Agreement with Advanced Utility Systems by Harris Industries for upgrades to the Customer Information System.

E Amendment to Las Virgenes Municipal Water District Code: Waiver of Compost Bulk-Loading Fee

Pass, approve, and adopt proposed Resolution No. 2586, modifying the Las Virgenes Municipal Water District Code to allow the General Manager to temporarily waive bulk-loading fees for compost when the Rancho Las Virgenes Composting Facility's Cure Building is filled to capacity and compost supply exceeds demand.

RESOLUTION NO. 2586

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AUTHORIZING ACTIONS TO SUPPORT THE RESPONSE AND RECOVERY EFFORT RELATED TO THE WOOLSEY FIRE

(Reference is hereby made to Resolution No. 2586 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

Director Polan moved to approve the Consent Calendar. Motion seconded by Director Caspary. Motion carried unanimously by roll call vote.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Recognition of Director Charles Caspary for 20 Years of Service

General Manager David Pedersen recognized Director Charles Caspary for 20 Years of

Service on the Las Virgenes Municipal Water District Board of Directors. He noted that Director Caspary would receive a certificate and his 20-year pin.

The Board acknowledged Director Caspary for his service.

B MWD Representative Report

Glen Peterson, MWD Representative, reported that the MWD Board elected Directors Charles Trevino and Michael Hogan to the Executive Committee; approved the final draft of the General Manager's job description for the recruitment brochure; conducted a training session on the Ralph M. Brown Act; and awarded a contract to improve the Disaster Recovery Facility. He noted that Director Jerry Butkiewicz was removed as Vice Chair of the Board, and Directors John Murray and Jesus Quiñonez were presented their 15-year service pins. He reported that water levels in the Colorado River and the State Water Project were low; however, there was much water in storage and water supplies should not be affected.

Director Lo-Hill referred to the recent recorded tour conducted by MWD and inquired whether the MWD staff would be asked to conduct a live-narrated virtual tour. Mr. Peterson responded that it would be up to the tour guides on how tours are presented; however, he stated that he would follow-up with MWD staff. He noted that Board President Lewitt had also asked him to follow-up on MWD outreach regarding water supplies and drought.

Mr. Peterson also responded to a question regarding disagreements related to the appointment of Randy Record as Chair of the Finance and Insurance Committee by stating that he believed it was likely related to the City of Los Angeles and San Diego County Water Authority disagreements related to the former Water Stewardship Charge.

Mr. Peterson also reported that MWD was seeking COVID-19 vaccines for all employees.

Board President Lewitt noted that he spoke with Mr. Peterson regarding asking MWD to educate the public on the importance of the snowpack for the water supply. He also noted that he spoke with General Manager David Pedersen regarding seeking COVID-19 vaccinations for essential District employees who work at District facilities.

C Legislative and Regulatory Updates

Joe McDermott, Director of Engineering and External Affairs, noted that a letter was sent to the State's COVID-19 Task Force recommending that water and wastewater employees who were essential workers be given Category 1B priority to receive the COVID-19 vaccine. He reported that the District did not receive priority, and a copy of the letter was forwarded to Senator Henry Stern's office. He reported that Los Angeles County Supervisor Sheila Kuehl would not seek reelection on the County Board of Supervisors. He also reported that staff spoke with representatives from the California Board of Forestry regarding the proposed revisions to the State Fire Safety regulations in response to receive wildfires in California. He noted that Julia Hall, Senior Legislative

Advocate from the Association of California Water Agencies (ACWA), reached out to the District and other agencies that were impacted by wildfires to seek comments on the draft regulations. He stated that District staff reviewed the proposed changes to the guidelines regarding 100-foot setback requirements, and noted that staff received assurance that the proposed changes would only apply to new development and not to existing infrastructure. He responded to a question regarding whether the proposed guideline changes might apply to the Pure Water Project Las Virgenes-Triunfo by stating that although the project would be new it would not serve new development.

Mr. McDermott also reported that the State Legislature reconvened on January 11th. He noted that Governor Gavin Newsom introduced the proposed state budget on January 8th in the amount of \$227 billion for the next fiscal year. He also noted that the state reported a \$15 billion surplus despite the anticipated budget deficit from economic impacts related to the COVID-19 pandemic. He also noted that the proposed budget included a \$600 stimulus for low-income families, funding for reopening schools, and vaccine distribution. He responded to a question regarding what might have caused the \$15 billion surplus by stating that high income earners were able to work remotely and the state continued to receive tax revenues. General Manager David Pedersen added that the stock market performance and taxes on capital gains shored up revenues to the state.

D Water Supply Conditions Update

Joe McDermott, Director of Engineering and External Affairs, presented the report. He reported that the snowpack in the Sierras was at 51 percent of normal, and the snowpack in the Upper Colorado Basin was at 75 percent of normal. He noted that the District had not yet received its allocation from the State Water Project. He responded to a question regarding precipitation and snowpack reporting for the Lower Colorado River Basin by stating that water is received from the Upper Colorado River Basin, and that to his knowledge there was no reporting from any other basin. General Manager David Pedersen responded to a question regarding distinguishing the Upper and Lower Colorado River Basins on the Water Supply Conditions Report by stating that the areas highlighted in yellow were the areas in the Upper Colorado River Basin.

6. TREASURER

Director Lo-Hill stated that the Treasurer's report was in order.

7. BOARD OF DIRECTORS

A Response to Coronavirus (COVID-19) Pandemic: Continuation of Emergency

Approve the continuation of an emergency declaration for response to the coronavirus (COVID-19) pandemic.

Ursula Bosson, Customer Service Manager, presented the report. She noted that the District began installing flow restriction devices for nonpayment of delinquent accounts.

She stated that staff identified 117 accounts as eligible to have flow restrictors installed, and staff was processing these in groups of 20 in order to evaluate public feedback and perception in order to move forward with this program. She noted that the customers were notified by phone and by receiving a door tag, and only two out of the 20 accounts had flow restriction devices installed. She stated that another 20 accounts were scheduled to have flow restriction devices installed in the coming week, which had dropped to ten after notifications were sent.

Joe McDermott, Director of Engineering and External Affairs, noted that Ms. Bosson was receiving phone calls from other agencies regarding the District's policy on the installation of flow restriction devices for nonpayment of delinquent accounts.

General Manager David Pedersen responded to a question regarding the past due balances compared to the previous reporting period and whether installation of flow restriction devices might have an impact in collecting past due balances by stating that the amount shown on the chart was the cumulative amount that fluctuates monthly. He stated that the amount had decreased likely due to outreach efforts and the policy on installation of flow restriction devices. Ms. Bosson added that recently two customers made significant payments on their past due accounts after they received the flow restriction device notification, and the District was targeting high water users.

Ms. Bosson responded to a question regarding concerns with the large amount of past due accounts by stating that this was due to Governor Gavin Newsom's Executive Order prohibiting water shutoff for nonpayment in response to the COVID-19 pandemic.

Director Caspary suggested reaching out to the Association of California Water Agencies (ACWA) to seek funding from the state's \$15 billion surplus to backstop some of the debt from past due accounts due to the Governor's Executive Order.

Director Polan moved to approve Item 7A. Motion seconded by Director Lo-Hill. Motion carried unanimously by roll call vote.

8. FACILITIES AND OPERATIONS

A Contract Laboratory Services: Award

Authorize the General Manager to execute a one-year agreement with Weck Laboratories, Inc., in the amount of \$167,608, with four one-year renewal options for contract laboratory services.

Doug Anders, Administrative Services Coordinator, presented the report.

Director Polan moved to approve Item 8A. Motion seconded by Director Caspary. Motion carried unanimously by roll call vote.

9. FINANCE AND ADMINISTRATION

A Independent Audit Services: Renewal

Determine whether or not to approve the second one-year renewal option with The Pun Group, and, if approved, authorize the General Manager to execute the agreement, in the amount of \$42,436, for independent audit services.

General Manager David Pedersen presented the report. He stated that staff would propose presenting the next audit in a two-step process in order to be more responsive to the Board's questions. He explained that staff would present the unaudited financial statements at the first meeting in December, and the auditor would present the independent auditor's report at the second meeting in December.

Director Caspary moved to approve Item 9A. Motion seconded by Director Polan.

A discussion ensued regarding maintaining the current agreement for another year and going out to bid for independent auditing services for Fiscal Year 2022.

Director Caspary amended his motion to approve the second one-year renewal option with The Pun Group and authorize the General Manager to execute the agreement, in the amount of \$42,436, for independent audit services, and direct staff to issue a Request for Proposals for audit services for the Board's review before the end of the year, including concurrence by the Las Virgenes – Triunfo Joint Powers Authority (JPA).

Don Patterson, Director of Finance and Administration, responded to a question regarding the timing to issue a Request for Proposal by stating that the process would take approximately three months, which would include 30 to 40 hours of staff time.

Amended motion seconded by Director Polan.

General Manager David Pedersen responded to a question regarding informing the JPA Board regarding the proposal to go out bid for auditing services by stating that staff would share the action taken with the JPA Board, and recommend that the JPA Board take the same action. He noted that there would be advantages to the JPA in using the same auditor.

Motion carried by the following roll call vote:

AYES: Caspary, Lo-Hill, Polan, Renger

NOES: Lewitt

ABSTAIN: None

ABSENT: None

10. ENGINEERING AND EXTERNAL AFFAIRS

A Woolsey Fire Facility Repair Project No. 2, Westlake Filtration Plant: Reject All Bids and Reissue Call for Bids

Reject all bids and authorize the reissuance of a call for Bids for Woolsey Fire Facility Repair Project No. 2.

Veronica Hurtado, Assistant Engineer, presented the report.

Director Polan moved to approve Item 10A. Motion seconded by Director Caspary.

Don Patterson, Director of Finance and Administration, responded to a question regarding whether the District's insurance carrier had reviewed the bids submitted by stating that the insurance carrier did not review the results from the bids; however, they reviewed the plans and specifications and raised questions regarding the scope of work.

Motion carried unanimously by roll call vote.

B Greater Los Angeles County Integrated Regional Water Management Plan: Updated Memorandum of Understanding

Authorize the General Manager to execute the updated Memorandum of Understanding for developing, administering, updating, and implementing the Greater Los Angeles County Integrated Regional Water Management Plan.

General Manager David Pedersen presented the report.

Director Polan moved to approve Item 10B. Motion seconded by Director Caspary.

General Manager David Pedersen responded to a question regarding the parties involved in the Memorandum of Understanding (MOU) by stating that the Leadership Committee consisted of representatives from five sub-regions, including the City of Los Angeles, Los Angeles County Flood Control District, Water Replenishment District of Southern California, West Basin Municipal Water District, the Santa Monica Bay Restoration Commission, and other interest groups that manage water in Los Angeles County. He also responded to a question regarding preparation of the plan document by stating that a consultant under contract with the Los Angeles County Flood Control District would prepare the plan document, and the members of the Leadership Committee have the ability to make suggestions and edits to the document.

Motion carried unanimously by roll call vote.

C Customer Outreach Efforts on Billing Methodology and Residential Water Budgets

Receive and file the report on customer outreach efforts on billing methodology and residential water budgets.

Ursula Bosson, Customer Service Manager, presented the report and PowerPoint presentation.

Director Lo-Hill moved to approve Item 10C. Motion seconded by Director Polan.

Director Lo-Hill asked staff to include the phone number and the link to the webpage for customers who want to make changes to their water budget; make it easy for customers to make changes to their account online when they are unable to contact customer service staff during normal business hours; allow customers to use an online form to make changes without them having to print, complete, and submit the form; contact customers who apply for a smart water controller regarding rates; include additional information on the rate calculator webpage; consider installing vinyl banners outside District properties for additional advertising such as free compost; and make changes to the water adjustment request page to include the ability to update the number of people in the household.

Board President Lewitt suggested making the link more distinct to access additional information on the webpage for customers who receive an electronic bill. He inquired whether the District had invested in social media for additional outreach. Ms. Bosson responded that she would follow-up with staff and report back to the Board.

Board President Lewitt suggested finding ways to ensure that customers are aware they need to update the number of people in their household to determine their water budget. Ms. Bosson noted that the WaterSmart Customer Portal would include water budget information and suggestions on how customers may conserve water.

Motion carried unanimously by roll call vote.

11. NON-ACTION ITEMS

A Organization Reports

None.

B Director's Reports on Outside Meetings

None.

C General Manager Reports

(1) General Business

General Manager David Pedersen reported that the first public meeting regarding proposed rate increases was held on January 13th and another meeting would be held on January 21st. He also reported that a meeting would be held for commercial customers on January 26th. He stated that recordings of the meetings would be posted on the District website. He noted that these meetings were in preparation for the Proposition 218 public hearing scheduled for the February 2nd Board meeting. He mentioned that the one-year anniversary of the Willow Incident would occur on January 26th. He stated that staff was coordinating with the City of Calabasas, Mountains Recreation and Conservation Authority, and the Los Angeles County Sheriff's Department to prepare in case the public

comes to visit the helicopter crash site. He also stated that additional security measures would be implemented at the entrance to the District's property and at the dog park. He noted that the Association of California Water Agencies (ACWA) Spring Conference was rescheduled to May 11th through 14th, and he recommended that the Board reinstate the May 4th Regular Board meeting instead of meeting on May 11th. He also noted that a Special Board meeting would be held on March 23rd so that District Counsel may conduct biennial training for the Board regarding AB 1234 Ethics Training, AB 1661 Sexual Harassment Prevention Training, the Ralph M. Brown Act, conflict of interest, and customer privacy issues. He also reported that staff was conducting outreach regarding availability of excess compost pickup, Monday through Saturday. He noted that the public would need to check in with staff for compost pickup on Monday through Friday. He also reported that the Rancho Las Virgenes Solar Field Landscaping Project was completed, and excess compost was used for the project. He noted that red flag warning conditions were in effect due to high winds. He stated that the District was on high alert for potential wildfires and was experiencing Public Safety Power Shutoff (PSPS) events, which typically affects the Twin Lakes Pump Station. He noted that an emergency generator was staged at the pump station. He also reported the Resource Conservation District of the Santa Monica Mountains expressed an interest in leasing office space on the second floor of Building No. 1. He stated that staff was working on a draft lease agreement to present to the Board in Closed Session in February. He responded to a question regarding the number of people who participated in the public meeting for the proposed rate increases by stating that there were approximately three to five people who participated. He noted that staff conducted extensive outreach by advertising in local newspapers and social media, and a Proposition 218 notice was sent to all customers. He stated that outreach would continue to encourage participation in the upcoming public meetings.

Brett Dingman, Water Reclamation Manager, responded to a question regarding whether appointments were needed for compost pickup Monday through Friday by stating that customers could call Customer Service in advance in order to obtain a gate code for entry to the facility to self-load compost.

General Manager David Pedersen responded to a question regarding whether the people who participated in the January 13th public meeting had any questions regarding the proposed rate increases by stating that they did not pose any questions during the meeting.

(2) Follow-Up Items

General Manager David Pedersen noted a report on the District's collection policy and practices, and a review of their effectiveness would be presented at the February 2nd Board meeting. He also noted that the annual report on contracts issued under the General Manager's authority would be presented at the February 16th Board meeting, including the contracts that include an annual consumer price index (CPI) adjustment.

D Directors' Comments

Board President Lewitt noted that he uses his smartphone to access his account online; however, after clicking on the link for his invoice he was unable go back to the homepage or locate the link where he could make changes to the number of people in the household or access information regarding water budgets. He asked staff to follow-up on customers' access to their accounts who use mobile devices.

12. FUTURE AGENDA ITEMS

None.

13. PUBLIC COMMENTS

None.

14. CLOSED SESSION

A Conference with District Counsel – Anticipated Litigation (Government Code Section 54956.9(d)(2)): Two Cases

Tort Claim by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman

Tort Claim against Southern California Edison

B Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(A)):

George Kreider v. Las Virgenes Municipal Water District, et al.

The Board recessed to Closed Session at **10:55 a.m.** and reconvened to Open Session at **11:10 a.m.**

Wayne Lemieux, District Counsel, announced that the Board received reports in Closed Session, and there was no reportable action taken except for referring one of the tort claims for action.

Director Caspary moved to deny the claim by Dennis Nagdeman and Rebecca Hurst Hass Nagdeman. Motion seconded by Director Polan. Motion carried unanimously by roll call vote.


15. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **11:11 a.m.**



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

ATTEST:



Lee Renger, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)