



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

MINUTES
REGULAR MEETING

9:00 AM

May 4, 2021

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by John Zhao.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **9:00 a.m.** by Board President Lewitt in person and 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 in-person and 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 (via teleconference), 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
Keith 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: May 4, 2021: Receive and file

B Minutes Regular Meeting of April 20, 2021: Approve

B Water Supply Conditions Update: Receive and file

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

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

E Annual Purchase Order with Grainger Industrial Supply: Approval of Increase

Authorize the General Manager to approve an increase to the purchase order with Grainger Industrial Supply, in the amount of \$10,000, from \$45,000 to \$55,000, and three one-year renewal options in the annual amount of \$55,000.

F Designation of Agents for Coordination with California Governor's Office of Emergency Services

Approve and adopt and updated CalOES Form 130, designating and authorizing the General Manager, Director of Finance and Administration, and Director of Engineering and External Affairs to represent the District with the California Governor's Office of Emergency Services.

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

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

Joe McDermott, Director of Engineering and External Affairs, provided an update regarding AB 1434 (Friedman), Urban Water Use Objectives, Indoor Residential Water Use, which proposes to reduce the current standard for indoor residential water use of 55 gallons per capita daily (GPCD) to 48 GPCD beginning on January 1, 2023, followed by reductions to 44 GPCD beginning on January 1, 2025, and 40 GPCD beginning on January 1, 2030. He stated that the District was concerned with outdoor water usage, and

noted that the average District customer uses 250 GPCD combined indoor and outdoor water usage. He stated that the District was focused on water conservation measures through the Smart Irrigation Controller Program, Automatic Meter Reading/Advanced Metering Infrastructure Project, and the Landscape Conversion Initiative. He also reported that a copy of a letter in support, if amended, was sent regarding SB 533 (Stern), Deenergization Events and Electrical Grid Resiliency. He stated that the letter included recommendations to amend to the bill to provide flexibility for planning, design, and environmental compliance; however, the recommendations were not included in the proposed bill. He also provided an update regarding discussions with representatives from the South Coast Air Quality Management District (AQMD) regarding tentative changes to the regulations for emergency generator runtimes and Public Safety Power Shutoff (PSPS) events. He noted that proposed rule changes for the exceedance of 200 hours for running emergency generators for PSPS events would likely occur later in the year. He also noted that the rule changes would allow emergency generators to run for three additional hours for PSPS events for warmup and/or cool down. He noted that the currently proposed changes would allow 60 hours of runtime per three-year period with a maximum in any one year of 30 hours instead of the current 20 hours per year maximum. He stated that the California Air Resources Board (CARB) was not in support of potential changes to regulations related to increasing emergency generator maintenance and testing runtime limits. He also stated that AQMD would hold another stakeholders workshop to discuss the potential changes to regulations.

A discussion ensued regarding whether PSPS events occurred in Westlake Village since most of the power lines were located underground. John Zhao, Director of Facilities and Operations, noted that Southern California Edison would shut off major transmission from the substation in the event of extreme wind conditions and wildfires, which could affect all of the District's service area.

Director Caspary asked staff to monitor grant funding opportunities to replace emergency backup generators. He reported that he attended the Association of California Water Agencies (ACWA) State Legislative Committee Meeting on April 30th, where they discussed SB 223 (Dodd), Discontinuation of Residential Water Service. He noted that the proposed bill was amended to reflect that waiver of fees for disconnection and reconnection of water service could not be made due to statutes in the California Constitution, which does not allow water systems to use rate revenues to waive fees. He also noted that ACWA was opposed to SB 223 as it did not amend the establishment of a pilot program for an arrearage management plan program. He also reported that there appeared to be a gap of \$7.5 million for the Safe and Affordable Funding Equity and Resilience (SAFER) Program Needs Assessment.

The Board discussed concerns with AB 1434 and the possibility that the District might need to revisit water rates should the bill move forward. The Board also discussed educating customers on utilizing the WaterSmart Customer Portal to monitor their real-time water usage, reaching out to Senator Stern regarding SB 533, and monitoring SB 222 (Dodd), Water Rate Assistance Program for impacts to the District.

6. TREASURER

Director Lo-Hill noted that the List of Demands included several refunds to ratepayers for developer and capacity fees of approximately \$3,000.

7. FACILITIES AND OPERATIONS

A **Vehicle Replacement Program for Fiscal Year 2020-21: Purchase Order Authorization**

Authorize the General Manager to issue a purchase order to Fritts Ford of Riverside, in the amount of \$48,152.63, for a Ford F-350 4x4 regular cab utility bed service truck.

Shawn Triplett, Facilities Maintenance Supervisor, presented the report.

Director Renger moved to approve Item 7A. Motion seconded by Director Polan.

A discussion ensued regarding the lack of interest from local dealerships in submitting proposals for District vehicles.

Motion carried unanimously by roll call vote.

8. ENGINEERING AND EXTERNAL AFFAIRS

A **Review of Policy Granting Relief to Specified Customers to Support Rebuilding of Homes Destroyed in Woolsey Fire.**

Review the policy established by Resolution No. 2557, granting relief to specified customers to support the rebuilding of homes destroyed by the Woolsey Fire, and determine whether or not to amend the eligibility criteria.

Joe McDermott, Director of Engineering and External Affairs, presented the report. He noted that the Board previously approved allowing eligible customers to receive credit for an existing 3/4-inch meter at the then-current rates for a 1-inch meter for a replacement dwelling plus five percent as measured by square footage to provide relief to customers experiencing a hardship.

Director Caspary moved to extend the credit for replacing an existing 3/4-inch meter for eligible customers to December 31, 2022, and keep the provision for replacement dwelling at no more than five percent larger in square footage.

Director Renger moved a substitute motion to eliminate the requirement for no more than five percent larger in square footage replacement dwelling in its entirety. Substitute motion seconded by Director Polan.

A discussion ensued regarding concerns with impacts to the District's water distribution system due to flow requirements for fire sprinkler systems; possible impacts to support fire-fighting efforts to homes with fire sprinkler systems with 1-inch water meters installed;

and consideration for customers who already paid to upsize to a 1-inch water meter to rebuild their homes destroyed by the Woolsey Fire.

General Manager David Pedersen noted that there could be an option for customers to have a 3/4-inch meter installed for residential water service and a separate 1-inch meter installed for the fire sprinkler service, which could potentially result in a cost savings.

A discussion ensued regarding the possibility of having to recalculate water demands in order to accommodate homes with fire sprinkler systems and accessory dwelling units, and placing funds in capital reserve for these purposes.

John Zhao, Director of Facilities and Operations, responded to concerns regarding the fire sprinkler draw capacity to the water distribution system by stating that the system was designed based on the maximum daily demand and for one single residential structure fire at 1,250 gallons per minute for two hours. He noted that the fire sprinkler system draw capacity would be between the maximum daily demand and the fire flow demand.

Director Renger withdrew his substitute motion.

Tony Rodriguez, resident of Malibou Lake, noted that installing fire sprinklers and upgrading to a 1-inch water meter were mandatory for people who rebuild their homes destroyed in the Woolsey Fire. He stated that it was his understanding that 80 percent of the people who lost their homes in the Woolsey Fire were underinsured, and 50 percent of the people were unable to rebuild their homes due to financial hardship. He also stated that his home was underinsured and construction costs had increased during the COVID-19 pandemic, which caused financial hardship to rebuild his home. He also stated that he was not provided the option to have a separate 1-inch meter installed for the fire sprinkler system, and he noted that he already paid to have a 1-inch meter installed. He asked the Board to consider a broader definition for financial hardship.

Director Renger seconded the motion to extend the credit for replacing an existing 3/4-inch meter for eligible customers to December 31, 2022, and keep the provision for replacement dwelling at no more than five percent larger in square footage.

A discussion ensued regarding extending the credit beyond 2022 and the Board's previous approval to provide a credit for replacement dwelling plus five percent by square footage.

Motion carried by the following roll call vote:

AYES: Caspary, Lewitt, Renger
NOES: Lo-Hill, Polan
ABSTAIN: None
ABSENT: None

B Digital Media Advertising for LV Tap Campaign: Award

Accept the proposal from Adtaxi and authorize the General Manager to execute an agreement, in the amount of \$30,000, for a three-month trial of digital media

advertising for the LV Tap Campaign.

Mike McNutt, Public Affairs and Communications Manager, presented the report.

Director Caspary moved to approve Item 8B. Motion seconded by Director Polan.

A discussion ensued regarding concerns with anomalies in the analytics for current website traffic caused by Amazon web service bots and HubSpot, which inflated the total number of sessions without contributing to the Google Analytics metrics. Steven Baird, Public Affairs Associate II, responded that the current analytics provided in the Monthly Report of District Activities were corrected, and Adtaxi would share their expertise to ensure the accuracy of the web analytics data.

A discussion ensued regarding conducting a survey following the three-month trial for the number of people who drink from the tap versus those purchasing bottled water; advertising brief segments promoting the LV Tap Campaign on Amazon Prime, Hulu, etc., within the District's service area; and demonstrating the safety of the District's tap water to gain trust for the Pure Water Project Las Virgenes-Triunfo.

Motion carried unanimously by roll call vote.

9. INFORMATION ITEMS

A 2021 Property and Liability Insurance Renewal

Don Patterson, Director of Finance and Administration, responded to a question regarding previous increases to property and liability insurance premiums by stating that the premiums had increased 69 percent following the Woolsey Fire and subsequently increased 10 percent.

10. NON-ACTION ITEMS

A Organization Reports

Director Caspary noted that the next ACWA State Legislative Committee Meeting would be held on May 21st.

B Director's Reports on Outside Meetings

Board President Lewitt reported that he attended the Southern California Water Coalition "Drought: Are We Ready" Program on April 29th. He commented that the State might soon declare a drought, and he suggested that the District proclaim a drought in the service area, institute polices for water conservation measures, and provide one to two months' advance notice to customers before imposing fines for wasteful water use.

C General Manager Reports

(1) General Business

General Manager David Pedersen stated that staff would meet to discuss drought messaging to the public and report back to the Board. He noted that the Board previously canceled the May 18th Regular Board meeting, and the next meeting would be held on May 25th for the Strategic Planning Workshop. He noted that designated Board Members, staff, and the District's lobbyist would meet with Congressional representatives the week of May 17th. He reported that the interior work for the Saddle Peak Tank was completed, the tank was refilled, and exterior work was on-going. He also reported that the County of Los Angeles was currently in the orange tier, and the District had moved into Phase 3 of its Return to On-Site Work Plan for COVID-19. He explained that Stage 3 allowed for resumption of in-person Board meetings, on-site outdoor water tasting and garden tours of the Pure Water Demonstration Facility, and office staff to return to the office at least 50 percent of the time. He noted that additional changes would occur once the County of Los Angeles entered the yellow tier. He noted that Steven O'Neill, District Counsel, requested that the Closed Session Item be deferred to a future Board meeting due to a conflict with his schedule.

(2) Follow-Up Items

None.

D Directors' Comments

None.

11. FUTURE AGENDA ITEMS

Director Lo-Hill moved to consider changing the amount of time allowed for Public Comment from two minutes to four minutes, and to reduce the amount of time to two minutes if there are many people wishing to make Public Comment. Motion seconded by Director Caspary.

Director Lo-Hill withdrew her motion after it was noted that the amount of time allowed for Public Comment was currently five minutes.

Director Caspary moved to consider the capacity of and impacts to the existing water distribution system with new accessory dwelling units now being permitted. Motion seconded by Director Polan.

12. PUBLIC COMMENTS

None.

13. CLOSED SESSION – (This item was deferred to a future Board meeting)

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

San Diego County Water Authority v. Metropolitan Water District of Southern California, et al.

14. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **10:51 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)