



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

MINUTES
REGULAR MEETING

9:00 AM

June 21, 2022

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Ursula Bosson.

1. **CALL TO ORDER AND ROLL CALL**

The meeting was called to order at **9:00 a.m.** by Board President Lewitt 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 Assembly Bill 361, which suspended certain requirements of the Ralph M. Brown Act to support social distancing guidelines associated with response to the coronavirus (COVID-19) outbreak. Susan Brown, Administrative Assistant, 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
Susan Brown, Administration Assistant
Josie Guzman, Clerk of the Board
Keith Lemieux, District Counsel

2. **APPROVAL OF AGENDA AND APPROVAL OF FINDINGS OF RESOLUTION NO. 2609 (AB 361)**

Director Renger moved to approve the agenda and approve the findings of Resolution No. 2609 (SB 361). Motion seconded by Director Polan. Motion carried unanimously.

3. PUBLIC COMMENTS

There were no public comments.

Joe McDermott, Director of Engineering and External Affairs, introduced new employees Alex Leu, Senior Engineer, and Alexa Hendricks, Resource Conservation Supervisor.

Don Patterson, Director of Finance and Administration, introduced new employees Liza Francisco, Accounting Technician (Payroll); Celeste Juaregui, Senior Accounting Technician; and Jasen Robinson, Technology Support Specialist.

4. CONSENT CALENDAR

A List of Demands: June 21, 2022: Receive and file

B Minutes Regular Meeting of June 7, 2022: Approve

C Directors' Per Diem: May 2022: Ratify

D Continuation of Local State of Emergency Due to Water Shortage from Statewide Drought

Approve the continuation of a local emergency declaration due to water shortage from the statewide drought.

E 13th Biennial Colorado River Symposium: Board Member Attendance

Authorize Board Member attendance and per diem compensation for the 13th Biennial Colorado River Symposium to be held September 21 through 23, 2022, in Santa Fe, New Mexico.

F Annual Blanket Purchase Order with Grainger Industrial Supply: Increase

Authorize the General Manager to approve an increase to the blanket purchase order with Grainger Industrial Supply, in the amount of \$19,500, from \$60,500 to \$80,000 for the current contract term and a corresponding not-to-exceed amount of \$80,000 for the two subsequent one-year renewal options.

G Annual Supply and Delivery of Diatomaceous Earth: Award

Accept the proposals from EP Minerals, LLC and Dicalite Minerals, Inc., and authorize the General Manager to approve blanket purchase orders in the amounts of \$155,631.70 and \$163,426.50, respectively, with four one-year renewal options for the annual supply and delivery of diatomaceous earth.

H Uniform Services Contract: Award

Accept the proposal from Cintas Corporation and authorize the General Manager to execute a five-year contract, in the amount of \$355,000, for uniform services.

I Proposed Update to Strategic Plan: Approval

Approve the updated Strategic Plan.

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

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Proclamation Recognizing Mike Varbel for 37 Years of Service

Board President Lewitt read the proclamation recognizing Mike Varbel, Senior Water Reclamation Plant Operator, in recognition of his retirement following 37 years of service. Mr. Varbel was not present to receive the proclamation, and the proclamation would be provided to him prior to his final day at the District.

B MWD Representative Report

Glen Peterson, MWD Representative, commended the new employees on their new careers at the District. He reported that the MWD Board approved the hiring process for a new General Auditor to replace Gerald Riss, who recently retired. He also reported that the MWD Board amended its Administrative Code regarding Holidays and Annual Leave to add the Juneteenth holiday; funded support of the Colorado River Board and Six Agency Committee for Fiscal Year 2022-23; and directed the Executive Committee to place a closed session item on the agenda to waive confidentiality of the final four Shaw Group reports. He noted that the MWD Inspection Trips would soon restart, and he was hoping to host a trip to the State Water Project (SWP) on October 28th through 30th. He noted due to the limited number of inspection trips and limited amount of guests, he would share a trip with Director Steve Blois from Calleguas Municipal Water District. He also noted that this year was the 100th anniversary of the Colorado River Compact, which established the allotment for the Upper Basin and the Lower Basin and provided a framework for management of the river. He reported that storage on the Colorado River was down 28 percent, and a half million acre feet of water was released from Flaming Gorge to Lake Powell. He responded to a concern regarding the proposed dates for the SWP Inspection Trip as it would be close to the November election date and elected officials might not be available to attend by stating that he would follow-up with Director Blois to revisit the date. He also responded to a question regarding whether MWD might consider providing water from the Colorado River to the District by stating that the District might obtain water through the Sepulveda Feeder and Greg Avenue Pump Station. He noted that the MWD General Manager would present a concrete proposal to the MWD Board in August to assist the District.

C Legislative and Regulatory Updates

Joe McDermott, Director of Engineering and External Affairs, noted that he, Board President Lewitt, Director Caspary, Director Polan, and General Manager David Pedersen would be attending the Association of California Water Agencies (ACWA) Washington DC Conference July 12th through 14th. He also noted that the California Senate and Assembly presented a proposed \$21 billion budget bill, which included \$2 billion to purchase agriculture land in the Central Valley and senior water rights.

General Manager David Pedersen provided an update regarding SB 1157 (Hertzberg), which proposes to lower the existing indoor gallons per capita daily (GPCD) water use efficiency standard. He noted that he provided testimony during the hearing of the Assembly Committee on Water, Parks, and Wildlife Committee. He stated that the District and several water agencies opposed the bill unless amended, and the primary concern was the study called for in statute in 2018 included evaluating the pros and cons of the reductions, impacts, and how to mitigate impacts to water, wastewater, and water recycling. He noted Pablo Garza, Committee Consultant to the Assembly Committee on Water, Parks, and Wildlife Committee, prepared amendments to SB 1157, and Senator Bob Hertzberg agreed to accept the Committee amendments, which included completing the study, considering the quantitative impacts and costs for mitigating impacts, and considering variances for the 2030 standard. He stated that the Committee passed the bill as amended, and several water agencies were changing their position to watch and amend with the exception of ACWA that stayed with an oppose unless amended position. He noted that SB 606 and AB 1668, which passed in 2018, established water use objectives with the sum of indoor water use, outdoor water use, water losses, and variances. He stated that if the District were to focus on outdoor water conservation, it could do so and not place all of its focus on trying to decrease indoor water usage to 42 gallons per capita per day (GPCD). He recommended focusing on water recycling and ensuring that water recycling was prominent in the legislation for variances and for the study in order for the District to be in the best position for recycling wastewater. He responded to questions regarding the likelihood of the Assembly passing SB 1157. He stated that water agencies would likely prepare their own study in advance of the state study jointly funded by ACWA, California Association of Sanitation Agencies (CASA), WaterReuse and California Municipal Utilities Association (CMUA). He also responded to a question regarding whether the reduced GPCD could affect the cost of the Pure Water Project Las Virgenes-Triunfo (Pure Water Project), which was calculated based on 55 GPCD, by stating that it would affect the yield of the project that could affect all of the economics. He noted that wastewater flows began to decline beginning in 2007, and this was the reason the focus on pure water was augmentation and augmenting the sewer flows. He stated that it was best to pursue additional wastewater in partnership with the City of Thousand Oaks, look at urban runoff diversions, and try to bring in new sources of water into the Tapia Water Reclamation Facility to bring to the Pure Water Project. He noted a bonus incentive was included for potable reuse as part of the negotiation to pass SB 606 and AB 1668, which allows a 10 percent or a 15 percent gallon for gallon credit for potable reuse.

Board Present Lewitt suggested speaking with Lindsey Horvath and Bob Hertzberg,

candidates for County Board of Supervisor, prior to the November election to discuss SB 1157 and water resources for fire suppression.

A discussion ensued regarding the possibility of drilling additional wells to provide supplemental water for the Pure Water Project. General Manager David Pedersen stated that a discussion regarding wells could be included at the next JPA Board Meeting.

D Drought and Water Supply Conditions Update

Ursula Bosson, Customer Service Manager, presented the Customer Service Drought Metrics for June 2022.

Joe McDermott, Director of Engineering and External Affairs, stated that future drought metrics reports would include recycled water conservation numbers, overall monthly potable water conservation numbers, number of visits, and number of gallons taken at the recycled water fill station.

A discussion ensued regarding including the number of new and cumulative enrollment in the WaterSmart portal, how often customers use WaterSmart, distinguishing between indoor and outdoor water use, and the number of trees in the service area per square mile. A discussion also ensued regarding providing written materials in Spanish to landscapers regarding water conservation and free compost.

General Manager David Pedersen responded to a question regarding Water Supply Conditions Update, Colorado River Resources, Powell Unregulated Inflow, and noted that although there was 91 percent of normal snowpack, runoff was 59 percent of normal.

Mr. McDermott presented MWD's chart tracking the Emergency Water Conservation Program for SWP-dependent agencies since the implementation of one day per week watering restriction and volumetric limit pathway. He stated that collectively between the six SWP-dependent agencies, reduction in water consumption was six percent below the water conservation limit to date. He also presented a chart showing the District at nine percent over the water conservation limit to date, which was expected as the District was asked for a 74 percent reduction in water consumption. He noted that the District was working on balancing the amount of water taken from Las Virgenes Reservoir in order to conserve this water source as much as possible to maintain an emergency supply.

6. TREASURER

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

7. FINANCE AND ADMINISTRATION

A Proposed Two-Year Budget Plan for Fiscal Years 2022-24

Approve the Two-Year Budget Plan for Fiscal Years 2022-24 and adopt the proposed Fiscal Year 2022-23 Budget.

Debbie Rosales, Financial Analyst II, presented the report.

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

Don Patterson, Director of Finance and Administration, responded to questions regarding tracking the reduction in revenues due to reduced water sales, and use of wasteful water use penalty revenue for expenses related to addressing the drought emergency.

John Zhao, Director of Facilities and Operations, responded to questions regarding the status of the Emergency Recycled Water Distribution Program and increased public training and visits to the recycled water fill station.

Motion carried unanimously.

8. ENGINEERING AND EXTERNAL AFFAIRS

A **Kimberly Pressure Reducing Station No. 45 Rehabilitation Project: Release of Construction Contract**

Authorize the General Manager to release California Civil Engineering Services from the construction contract, in the amount of \$142,370, and issue a new Call for Bids for the Kimberly Pressure Reducing Station No. 45 Rehabilitation Project.

Mercedes Acevedo, Assistant Engineer, presented the report.

Director Polan moved to approve Item 8A. Motion seconded by Director Lo-Hill.

Ms. Acevedo responded to questions regarding the current volatile market for materials and the recommendation to release the contract as the scope of work was beyond the capabilities of the contractor.

Motion carried unanimously.

B **Twin Lakes Pump Station Pipeline Project: Approval of Scope Change No. 3**

Authorize the General Manager to execute Scope Change No. 3, in the amount of \$45,780, for Kennedy/Jenks Consultants, Inc., to provide additional engineering design work for the Twin Lakes Pump Station Pipeline Project.

Mercedes Acevedo, Assistant Engineer, presented the report.

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

A discussion ensued regarding the age of the suction header, preparing descriptions for the easements, and exploring new technology to extend pipe lifespan.

Motion carried unanimously.

C Authorization for Additional Funding for WaterWise Consulting, Inc.

Authorize the General Manager to approve Change Order No. 2, in the amount of \$150,000, for WaterWise Consulting, Inc., to perform additional work for water use surveys, validation of irrigated areas, and assistance with data management for the Flow Restriction Device Program.

Dave Roberts, Resource Conservation Manager, presented the report.

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

A discussion ensued regarding using GIS mapping to review the size of irrigated areas, and using the word “analysis” or “evaluation” instead of “survey” to better describe complimentary water use surveys for customers.

Motion carried unanimously.

D Rachio Weather-Based Irrigation Controller Program: Contract Renewal

Authorize the General Manager to approve a two-year renew with Valley Soil, in the amount of \$500,000, for continuation of the Rachio Weather-Based Irrigation Controller Program.

Dave Roberts, Resource Conservation Manager, presented the report.

Director Polan moved to approve Item 8D. Motion seconded by Director Renger.

Mr. Roberts responded to questions regarding whether the weather-based irrigation controller had the capability to automatically change the schedule to reduce water usage by stating that Rachio did not have a water reduction feature on the controllers at this time. He noted that an email was sent to all Rachio customers in the service area asking that they change the settings in accordance with the one day per week irrigation restrictions.

Motion carried unanimously.

9. NON-ACTION ITEMS

A Organization Reports

Director Caspary reported that he attended the Santa Monica Bay Restoration Commission (SMBRC) Governing Board Meeting on June 16, 2022, which was held in the District’s Board Room. He noted that a presentation was provided by Rosi Dagit from the Resource Conservation District of the Santa Monica Mountains regarding the Santa Monica Bay Action Plan, and a presentation was provided by General Manager David Pedersen regarding the Pure Water Demonstration Facility. He commended Steven Baird, Public Affairs Associate II, for providing an outstanding tour of the facility. He noted

that the District received a grant of approximately \$900,000 towards the project as recommended by the SMBRC.

B Director's Reports on Outside Meetings

None.

C General Manager Reports

(1) General Business

General Manager David Pedersen reported that the flow in Malibu Creek measured 6.9 cubic feet per second (CFS). He noted that there were ongoing discussions with the Regional Water Quality Control Board regarding managing flows below 2.5 CFS as a result of the drought emergency, and whether potable water augmentation would be required to be added to the creek when water was needed for human health and safety purposes. He also noted that flow augmentation was not needed last year, and currently it did not appear that augmentation would be needed this year. He also reported there was increased interest in the Recycled Water Fill Station with a record number of people being trained to receive and obtain free recycled water. He also reported regarding a potential partnership with Los Angeles County Waterworks District No. 29 (Waterworks District No. 29) to construct an emergency interconnection to allow water from the District's system to support the far west side of Waterworks District No. 29 in Encinal Canyon Road. He noted there were recent discussions regarding an additional interconnection that could operate in both directions on Malibu Canyon Road down through the canyon near Pepperdine University. He noted that Waterworks District No. 29 has a connection to the MWD system near Culver City where two major MWD feeders come together: the Sepulveda Feeder which supplies water from the SWP and the Culver City Feeder which supplies water from the Colorado River. He noted that Waterworks District No. 29 was not as severely impacted by the drought because they receive water from the Culver City Feeder. He stated that the benefit of the new interconnection could be in the event of a drought emergency the District could receive Colorado River water from Waterworks District No. 29. He also stated that the Rancho Francisco project was within the District's service area, and the developer expressed interest in connecting to the District's water system and become a potential partner to construct the interconnection with Waterworks District No. 29.

A discussion ensued regarding the concept and challenges related to this potential project.

General Manager David Pedersen also reported that the District was contesting the volumetric amount allocated by MWD. He noted that District staff was working collaboratively on obtaining water for fire suppression purposes, and the District received letters of support from the cities of Hidden Hills, Agoura Hills, and Westlake Village. He stated that staff was working on obtaining a support letter from the Los Angeles County Fire Department. He noted that staff would meet with the Inland Empire Utilities Agency (IEUA), which was part of the East Branch of the SWP. He stated that IEUA had a potential to overproduce from the Chino Groundwater Basin, and there was discussion

regarding the possibility of IEUA to overproduce from the groundwater basin and reduce their need of SWP water to make that water available to the District. He also reported that he, Calleguas Municipal Water District General Manager, Tony Goff, and Los Angeles Department of Water and Power Director of Water Resources David Pettijohn, were working on a long term solution for SWP-dependent areas on the West Branch and exploring solutions for MWD to make improvements to their system. He noted that MWD General Adel Hagekhalil made a commitment to bring an action item to the MWD Board at its meeting in August to solidify this commitment and to implement infrastructure improvements to provide a more reliable water supply in the future. He also reported that a phone system upgrade was implemented at the District to allow for “hold” and “queue” to address the increase in incoming calls related to the drought emergency.

(2) Follow-Up Items

General Manager David Pedersen stated that staff would bring back a report regarding data obtained from the AMR/AMI system to determine how well customers were complying with the one day per week watering schedule. He noted that he provided “Solve the Water Crisis” cards to the Board from a coalition effort spearheaded by the Western Municipal Water District and KP Public Affairs.

D Directors’ Comments

Board President Lewitt acknowledged staff on their efforts in response to the drought emergency.

10. FUTURE AGENDA ITEMS

None.

11. PUBLIC COMMENTS

None.

12. CLOSED SESSION

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

Tort Claim by Karl Heinz Pitsch

B Public Employee Performance Evaluation (Government Code Section 54957):

Title: General Manager

The Board recessed to Closed Session at **12:15 p.m.** and reconvened to Open Session at **1:05 p.m.**

Keith Lemieux, District Counsel, announced that the Board received reports in Closed Session, and the Board directed staff to send a letter of claim denial for Closed Session Item 12A, Tort Claim by Karl Heinz Pitsch. He also stated there was no reportable action for Closed Session Item 12B, and consideration of a contract with the General Manager would be brought back at the next Board Meeting.

13. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned in memory of Guy Meiri, Vice President of Sales and Business Development for IOSight, at **1:07 p.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)