



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

MINUTES
REGULAR MEETING

9:00 AM

January 17, 2023

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Jim Korkosz.

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 Gary Burns, Charles Caspary, Andy Coradeschi, Jay Lewitt, and Len Polan (via teleconference).

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
Susan Brown, Administrative Assistant
Keith Lemieux, District Counsel

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

General Manager David Pedersen suggested that Items 5C and 7B be moved to immediately following the Consent Calendar as MWD Representative Glen Peterson had a meeting conflict.

Director Caspary moved to approve the agenda and amend the order of the agenda as suggested, and approve the findings of Resolution No. 2609 (AB 361). Motion seconded by Director Coradeschi. Motion carried unanimously by roll call vote.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A List of Demands: January 17, 2023: Receive and file

B Minutes Regular Meeting of December 20, 2022: Approve

C Directors' Per Diem: December 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 Monthly Cash and Investment Report: November 2022

Receive and file the Monthly Cash and Investment Report for November 2022.

F Statement of Revenues, Expenses, and Changes in Net Position: November 2022

Receive and file the Statement of Revenues, Expenses, and Changes in Net Position for the period ending on November 30, 2022.

G Boardroom Audiovisual System Upgrade: Request for Proposals

Authorize the issuance of a Request for Proposals to upgrade the boardroom audiovisual system.

H Climate Action and Adaptation Plan: Authorization

Authorize the General Manager to execute a professional services agreement with Rincon Consultants, Inc., in the amount of \$125,645, for development of a Climate Action and Adaption Plan.

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

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

C MWD Representative Report

Glen Peterson, MWD Representative, reported that he and MWD Director Cynthia Kurtz from Pasadena Water and Power hosted a recent Colorado River Aqueduct and Hoover Dam Inspection Trip. He also reported the MWD Board awarded a \$59 million contract for construction of the Interstate 215 Freeway tunnel crossing for the Perris Valley Pipeline, the State Water Project had over 100 million acre-feet of water at Lake Oroville compared to six months ago, and MWD Chair Adán Ortega was inducted as Chair for a two-year term beginning January 1, 2023. He noted that MWD Chair Ortega appointed him to serve on the One Water and Stewardship Committee and the Engineering, Operations, and Technology Committee. He also reported that John Hamby from Imperial Irrigation District was elected as Chair of the Colorado River Board.

Board President Lewitt asked Mr. Peterson to communicate to the MWD Board the Board's concerns that drought conditions would continue despite recent rain and snow, and to continue drought and water conservation messaging and develop a long-term policy. Mr. Peterson responded that the MWD Board was continuing to move forward with the connection to the Sepulveda Feeder and approved a contract to construct a bypass pipeline at the Wadsworth Pumping Plant, which would allow water from Diamond Valley Lake to be conveyed to State Water Project-dependent areas in the east side.

7. BOARD OF DIRECTORS

B Appointment of District's MWD Representative

Appoint the District's representative to the Board of Directors of Metropolitan Water District of Southern California.

General Manager David presented the report.

There were no further nominations for the District's MWD Representative.

Lynda Lo-Hill provided a presentation regarding her interest in being appointed as the District's MWD Representative.

Glen Peterson provided comments regarding his interest in being reappointed as the District's MWD Representative.

Director Caspary moved to appoint Glen Peterson as the District's MWD Representative. Motion seconded by Director Polan. Motion carried unanimously by roll call vote.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Recognition of Director Len Polan for Ten Years of Service

Board President Lewitt presented a Certificate of Recognition and ten-year anniversary pin to Director Len Polan in recognition of his ten years of service.

B Recognition of General Manager David Pedersen for Ten Years of Service

Board President Lewitt presented a Certificate of Recognition to General Manager David Pedersen in recognition of his ten years of service.

D Legislative and Regulatory Updates

Joe McDermott, Director of Engineering and External Affairs, introduced newly hired Legislative Program Manager Jeremy Wolf, who would be working with Best Best & Krieger, LLP (BBK), the District's lobbyist, in tracking legislative bills. He noted that Mr. Wolf was recently elected as a City Councilmember for the City of Agoura Hills.

Mr. Wolf noted that he previously worked for Senator Henry Stern. He reported that Dr. Kate Vadehra, former Board President on the Las Virgenes Unified School District, had recently passed away and a new Board Trustee would be appointed. He also reported that BBK provided a copy of a letter from the U.S. Environmental Protection Agency that was sent to Representative Julia Brownley regarding the invitation to apply for Water Infrastructure Finance and Innovation Act (WIFIA) funding for the Pure Water Project Las Virgenes-Triunfo. He noted that Senator Ben Allen was appointed to a second term as Chair of the Senate Environmental Quality Committee, and he was interested in touring District facilities. He also noted that Senator Stern was appointed as the State Senate's appointee to the California Air Resources Board; Senator Dave Min was appointed as the Chair of the Senate Committee on Natural Resources and Water; Assembly Member Rebecca Bauer-Kahan was appointed as Chair of the Committee on Water, Parks, and Wildlife Committee; and Assembly Member Alex Lee was appointed as Chair of the Committee on Environmental Safety and Toxic Materials. He also noted that a tour of District facilities was provided to Assembly Member Jacqui Irwin last Fall. He stated that Assembly Speakership would change in June; therefore, Assembly Member Anthony Rendon would continue as Assembly Speaker through June 2023. He also stated that he would reach out to Assembly Member Robert Rivas, who was also the Chair of the Committee on Agriculture, to discuss the District's efforts. He reported that Governor Gavin Newsom released his proposed budget, and the state was facing a projected \$22.5 billion deficit for the coming fiscal year. He also noted that Governor Newsom unveiled a \$300 billion spending plan, and the state still had \$36.5 billion in reserves. He also noted that \$125 million in general fund would be allocated for a one-time drought contingency as part of the Spring budget when additional water data would be available to address future drought-related needs. He also noted that there was a reduction in general fund in 2023 for per- and polyfluoroalkyl substances (PFAS) cleanup. He responded to a question regarding which legislative representatives would represent the District's service area by stating that he would provide a listing to the Board. He also responded to a question regarding the cause of the state budget deficit by stating that the estimated deficit was caused by factors dealing with the COVID-19 pandemic, inflation, and capital gains.

E Water Supply Conditions Update: Receive and file

Joe McDermott, Director of Engineering and External Affairs, presented the report. He noted that as of January 11th, the State Water Project 8-station index precipitation and snowpack was at 145 percent of normal; however, there was not much change in the Colorado River levels. He also reported that the precipitation at the 8-station index as of January 16th was 36.3 inches. He noted that Lake Oroville was at 47 percent of capacity, the snowpack in the Northern Sierra was at 184 percent of average, the snowpack in the Central Sierra was at 228 percent of average, and the snowpack Southern Sierra was at 269 percent of average. He also reported that there was a 51 percent decrease in water use in December in the District's service area. He stated that the District's Drought and Water Efficiency Committee would discuss possible adjustments to the Flow Restriction Device Program.

A discussion ensued regarding snowfall levels in the Colorado River, water storage levels in Lake Powell and Lake Oroville, average precipitation in the Northern Sierra, and stormwater capture.

Ursula Bosson, Customer Service Manager, presented the Customer Service Drought Metrics. She responded to questions regarding the time period when exceedance notices are sent, and the number of flow restriction devices installed more than once.

Craig Jones, Interim Water Conservation Manager, responded to a question regarding the cost to conduct water surveys by stating that the cost was \$150 per customer paid by the District. Mr. McDermott noted that the District uses penalty revenue to pay for the cost of water surveys.

6. TREASURER

Don Patterson, Director of Finance and Administration/Deputy Treasurer, stated that the Treasurer's report was in order. He responded to a question regarding investment in certificate of deposits by stating that deposits were limited to \$250,000 to be insured by the FDIC or NCUA, including interest payments per banking institution.

7. BOARD OF DIRECTORS

A Election of Officers: President, Vice-President, Secretary, and Treasurer

Accept any final nominations and elect Directors to serve two-year terms as President, Vice-President, Secretary, and Treasurer of the Board.

General Manager David Pedersen presented the report and noted that Director Polan had withdrawn his nomination for Board President.

Director Caspary moved to elect Jay Lewitt as Board President. Motion seconded by Director Coradeschi. Motion carried unanimously by roll call vote.

Directors Polan and Coradeschi provided brief statements regarding their interest in serving as Vice-President.

Director Burns moved to elect Len Polan as Vice-President. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Burns, Caspary, Polan
NOES: Coradeschi, Lewitt
ABSTAIN: None
ABSENT: None

Directors Burns and Coradeschi provided brief statements regarding their interest in serving as Secretary.

Director Caspary moved to elect Gary Burns as Secretary. Motion seconded by Director Polan. Motion carried by the following vote:

AYES: Burns, Caspary, Polan
NOES: Coradeschi
ABSTAIN: Lewitt
ABSENT: None

Directors Coradeschi provided a brief statement regarding his interest in serving as Treasurer.

Director Caspary withdrew his nomination for Treasurer.

Director Caspary moved to elect Andy Coradeschi as Treasurer. Motion seconded by Director Burns. Motion carried unanimously by roll call vote.

C Reappointment of Deputy Secretaries and Deputy Treasurer

Reappoint David W. Pedersen, General Manager, and Josie Guzman, Executive Assistant/Clerk of the Board, as Deputy Secretaries, and Donald Patterson, Director of Finance and Administration, as Deputy Treasurer

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 7C. Motion seconded by Director Coradeschi. Motion carried unanimously by roll call vote.

D Las Virgenes Municipal Water District Code: Update to Section 2-2.104

Pass, approve, and adopt proposed Resolution No. 2616, amending the Las Virgenes Municipal Water District Code as it relates to the nomination and election of officers of the Board of Directors.

RESOLUTION NO. 2616

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AMENDING RESOLUTION NO. 2468 (LAS VIRGENES CODE) AS IT RELATES TO THE BOARD OF DIRECTORS

(Reference is hereby made to Resolution No. 2616 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 Polan moved to approve Item 7D. Motion seconded by Director Coradeschi. Motion carried unanimously by roll call vote.

8. FACILITIES AND OPERATIONS

A Phase 3 White Paper on Tapping into Available Capacity in Existing Infrastructure to Create Water Supply and Water Quality Solutions: Award

Authorize the General Manager to execute a professional services agreement with Jacobs Engineering Group, inc., in the amount of \$372,874, and amend a cooperative funding agreement among 12 public agency participants to collaboratively prepare a Phase 3 White Paper on smart diversion technologies for dry- and wet-weather diversions to create water supply and water quality solutions.

John Zhao, Director of Facilities and Operations, presented the report.

Director Burns moved to approve Item 8A. Motion seconded by Director Caspary.

Mr. Zhao responded to questions regarding the District receiving reimbursement from participating agencies for their share of the study, and the status of work identified in the Phase 2 study, including working with the City of Agoura Hills and the County of Los Angeles on diversion facilities.

A discussion ensued regarding capturing dry-weather diversion, wet weather flow, stormwater, runoff, and seepage; Municipal Separate Storm Sewer System (MS 4) permitting compliance; and use of modern technology to capture as much water as possible.

Motion carried unanimously by roll call vote.

B Environmental Analysis for Rancho Francisco Water Main Extension: Award

Authorize the General Manager to execute a professional services agreement with Keystone Strategic Planning, LLC, in the amount of \$120,000, to perform an environmental analysis for a proposed water main extension along Malibu Canyon Road to serve the Rancho Francisco properties.

John Zhao, Director of Facilities and Operations, presented the report.

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

A discussion ensued regarding the possible location where the proposed water main extension could be installed; the possibility that the District could receive approximately five cubic feet per second (CFS) of water from the Colorado River during drought conditions after the water main extension is installed; the ability for the District to receive water from the State Water Project through the proposed water main extension; and concerns with permitting requirements from the California Coastal Commission.

Motion carried unanimously by roll call vote.

9. FINANCE AND ADMINISTRATION

A Continuation of Potable Water Standby Charge: Public Hearing, Introduction, and First Reading

Waive the full reading and call for proposed Ordinance No. 285 to be given first reading by title only for continuation of the potable water standby charge.

ORDINANCE NO. 285

AN ORDINANCE OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AS IT RELATES TO STANDBY CHARGES FOR THE FISCAL YEAR COMMENCING JULY 1, 2023.

(Reference is hereby made to Ordinance No. 285 on file in the District's Ordinance Book and by this reference the same is incorporated herein.)

Board President Lewitt provided introductory remarks.

Josie Guzman, Clerk of the Board, reported that the District published a notice of public hearing in *The Las Virgenes – Calabasas Enterprise* on December 29, 2022, and January 5, 2023, and approximately 2,616 postcards were mailed to new residents within the service area.

General Manager David Pedersen explained the purpose of the Potable Water Standby Charge. He noted that the second reading and adoption of proposed Ordinance No. 285 would take place at the February 7, 2023 Regular Board meeting.

Board President Lewitt opened the public hearing at **11:23 a.m.**

There were no public comments.

Ms. Guzman confirmed that the District did not receive any written or verbal comments.

Board President Lewitt closed the public hearing at 11:24 a.m.

Director Caspary moved to waive the full reading and call for proposed Ordinance No. 285 to be given first reading by title only for continuation of the potable water standby charge. Motion seconded by Director Coradeschi. Motion carried unanimously by roll call vote.

Keith Lemieux, District Counsel, read Ordinance No. 285 by title only.

10. ENGINEERING AND EXTERNAL AFFAIRS

A **Las Virgenes Municipal Water District Code: Clarification to Various Drought-Related Items**

Pass, approve, and adopt proposed Resolution No. 2617, modifying the Las Virgenes Municipal Water District Code to provide clarification for various drought-related items.

RESOLUTION NO. 2617

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AMENDING THE LAS VIRGENES MUNICIPAL WATER DISTRICT ADMINISTRATIVE CODE

(Reference is hereby made to Resolution No. 2617 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

Joe McDermott, Director of Engineering and External Affairs, presented the report.

Director Polan disconnected from the teleconference at 11:25 a.m.

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

A discussion ensued regarding when a person would be fined for receiving water without prior authorization, and adding "in an effort to circumvent the District's rules and regulations" to Section 7-1.105(c).

Motion carried by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt

NOES: None

ABSTAIN: None

ABSENT: Polan

11. INFORMATION ITEMS

A **Fiscal Year 2021-22 Popular Annual Finance Report**

B Update on Brown Act Requirements for Remote Attendance at Public Meetings

General Manager David Pedersen noted that Governor Gavin Newsom announced that he would end the COVID-19 state of emergency declaration on February 28, 2023, and public agencies would need to comply with traditional Brown Act requirements unless AB 2449 provisions were applicable. He noted that public participation at Board meetings would continue via Zoom.

Keith Lemieux, District Counsel, provided a brief summary of AB 2449, and suggested that the Board follow the traditional Brown Act requirements.

12. NON-ACTION ITEMS

A Organization Reports

Director Caspary reported that he would attend the Association of California Water Agencies (ACWA) State Legislative Committee meeting in Sacramento on January 20th. He noted that the Committee received a request to support legislation to allow water districts to place their fixed service charges on the property tax rolls. He stated that there was concern with risk and loss of transparency if these charges do not appear on customers' water bills. He also noted that there was a proposal to consider having adjudications of water basins be handled by specialized judges. He stated that the State Judicial Council was opposed to this proposal, and ACWA was considering supporting legislation to have more expert judges in water for water law cases. Keith Lemieux, District Counsel, stated that he believed this type of legislation was not necessary because adjudications involve many parties, and it was preferred to have a judge with experience handling complicated cases.

Director Caspary noted that the ACWA State Legislative Committee would discuss SB 3: Discontinuation of residential water service: community water system; consider sponsoring SB 23: Water supply and flood risk reduction projects: expedited permitting; and consider support for SB 39: Sierra Nevada Conservancy: Sierra Nevada Region: subregions: climate resilience and equity. He also noted that each ACWA Region could appoint four members to the ACWA State Legislative Committee, and there was a vacancy to replace Kathy Viatella, who had moved to Santa Clara County. He stated that ACWA Region 8 holds teleconference meetings to discuss Region 8's interests in the legislative agenda prior to the State Legislative Committee Meeting, and he stated that he wanted to ensure that these teleconference meetings would continue to take place. He reported that the Santa Monica Bay Restoration Commission (SMBRC) Executive Committee Meeting would be held on January 19th, where they would set the agenda for the February 16th SMBRC Governing Board Meeting, review the draft Work Plan for 2023-2024, and hold an election for Executive Committee Chair and Vice Chairs.

B Director's Reports on Outside Meetings

Director Coradeschi reported that he attended the MWD Colorado River Aqueduct/Hoover

Dam Inspection Trip that was held January 6th – 8th. He noted that former MWD General Manager Jeff Kightlinger also attended the trip.

Director Caspary reported that he attended the ACWA Infrastructure Work Group Meeting on January 13th where they discussed funding for water infrastructure projects and the possibility of promoting a bond issue for 2024 to promote water supply, improve groundwater capture, and drought infrastructure investments.

C General Manager Reports

(1) General Business

General Manager David Pedersen reminded the Board that the California Association of Sanitation Agencies (CASA) Winter Conference would be held January 25th through 27th in Palm Springs. He reported that the District did not experience major damage from the recent rainstorms. He stated that the Tapia Water Reclamation Facility (Tapia) received record-setting flows, and he recognized staff on their efforts in managing 30 million gallons per day (MGD) during the intense rainfall on the evening of January 9th. He noted that there were several road closures throughout the District's service area and a major sinkhole on Iverson Road in Chatsworth. He stated that a District water main ran through this area, and he acknowledged staff for responding by shutting down the water main to not worsen the condition of the sinkhole. He also noted that the District was experiencing a challenge at Fern and Falls Road in Chatsworth where the water main passes through a privately-owned access road that had washed out. He stated that staff removed the water main that bridged across a creek and installed temporary water service to affected customers.

(2) Follow-Up Items

General Manager David Pedersen stated that an item regarding purchasing limits would be brought back at the next Board meeting.

D Directors' Comments

None.

13. FUTURE AGENDA ITEMS

None.

14. PUBLIC COMMENTS

Clark Stevens, Executive Officer for the Resource Conservation District of the Santa Monica Mountains (RCD), spoke in support of the District continuing negotiations for office lease space in Building No. 1. He noted that the RCD was established over 60 years ago and had recently completed its expansion process with the Los Angeles County Local Formation Commission (LAFCO). He also noted that the RCD was in the process of

completing a municipal study report leading to tax increment received from property owners within their district. He stated that the RCD had a letter of intent to create an arrangement with the District to allow them to occupy office space in Building No. 1 and assist the District in making the building usable and maintained on the District's campus.

15. CLOSED SESSION

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

Tort Claim by Ramon Garces

B Conference with Real Property Negotiators (Government Code Section 54956.8)

Property: 4232 Las Virgenes Road, Building No. 1

District Negotiators: David W. Pedersen, General Manager; Don Patterson, Director of Finance and Administration; and Keith Lemieux, Legal Counsel

Negotiating Parties: Las Virgenes Municipal Water District and the Resource Conservation District of the Santa Monica Mountains

Under Negotiation: Price and terms of potential lease

The Board recessed to Closed Session at **12:17 p.m.** and reconvened to Open Session at **1:39 p.m.**

Keith Lemieux, District Counsel, noted that Directors Caspary and Polan were absent during the Closed Session. He reported that the Board directed staff to send a letter of claim denial for Closed Session Item 15A, tort claim by Ramon Garces. He also reported that there was no reportable action for Closed Session Item 15B.

16. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **1:39 p.m.**



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

ATTEST:



Gary Burns, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)