



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

MINUTES
REGULAR MEETING

9:00 AM

February 7, 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. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Gary Burns, Charles Caspary, Andy Coradeschi, Jay Lewitt, and Len Polan.

Absent: None

Staff Present: David Pedersen, General Manager
Mike McNutt, Public Affairs and Communications Manager
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 AND APPROVAL OF FINDINGS OF RESOLUTION NO. 2609 (AB 361)

General Manager David Pedersen recommended that Item 7B be removed from the agenda pending the outcome of Item 8A, and that the Board consider whether to meet Closed Session Item 12A as this was an information item.

Director Caspary moved to approve the agenda as amended, and approve the findings of Resolution No. 2609 (AB 361). Motion seconded by Director Burns. Motion carried unanimously.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A List of Demands: February 7, 2023: Receive and file

B Minutes Regular Meeting of January 17, 2023: Approve

C Monthly Cash and Investment Report: December 2022

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

D Financial Review: Second Quarter of Fiscal Year 2022-23

Receive and file the financial review for the second quarter of Fiscal Year 2022-23.

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

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

Jeremy Wolf, Legislative Program Manager, reported that the Las Virgenes Unified School District Board appointed Jill Gaines to fill a vacancy following the passing of Dr. Kate Vadehra. He noted that he invited Board Trustee Gaines to tour the Pure Water Demonstration Facility. He also reported that Congressman Adam Schiff and Congresswoman Katie Porter announced their campaign for U.S. Senate. He also reported that he and staff met with Assemblymember Jesse Gabriel to provide updates on current drought conditions and the District's efforts, and Assemblymember Gabriel expressed support for the District's needs. He noted that SB 991 (Newman), became effective January 1st, which would allow public agencies to utilize progressive design-build. He also reported that a new bond measure was being discussed for the 2024 ballot to help fund water supply projects, as well as discussion regarding permit streamlining. He noted that sufficient signatures were gathered for a referendum on the 2024 ballot to repeal SB 1137 (Gonzalez), related to oil and gas operations location restrictions. He also noted that three climate bills were recently introduced: SB 253 (Weiner), Climate

Corporate Data Accountability Act; SB 252 (Gonzalez), Divest funding in public pension; and SB 261 (Stern), requiring any company earning more than \$500 million to prepare climate-related financial risk reports. He stated that the climate efforts were being proposed to cover a projected \$22.5 billion deficit, and Governor Gavin Newsom proposed cutting \$6 billion from the \$54 billion five-year climate spending package. He also noted that February 3rd was the deadline to submit new bills for analysis by the Legislative Analysts' Office; however, spot bills were still being introduced. He responded to questions regarding spot bills, proposed climate bills, meeting with legislators during the ACWA State Legislative Symposium, permit streamlining, SB 23 (Caballero) related to streamlining the regulatory permitting process of water supply and flood risk reduction projects, and SB 991.

B Drought and Water Supply Conditions Update

General Manager David Pedersen presented the report. He noted that the Department of Water Resources had increased the State Water Project allocation from five percent to 30 percent effective January 26th. He stated that under normal years, Metropolitan Water District of Southern California (MWD) projects that a 35 percent allocation is needed, and with the DWR's 30 percent allocation there would be no need for minimum health and safety water supply deliveries. He noted that the statewide average snowpack as of February 1st was 205 percent of normal. He expressed concern that early snowmelt could occur should there be no additional snowfall, which could make water supply challenging. He also reported that Lake Oroville was at 67 percent of capacity, and the water level at the San Luis Reservoir had increased due to water pumping in the Delta. He responded to a question regarding the Folsom Reservoir, which must maintain a rule curve to keep storage available to capture flood flows to prevent flooding and keep the head room in the reservoir. He stated that there was an effort to improve the rule curves by using new science and forecast informed reservoir operations (FIRO) where reservoirs would be operated in real-time based on a forecasted storm. He noted that a presentation would be provided at the Association of California Water Agencies (ACWA) Water Management Committee meeting on February 15th regarding FIRO projects in Sonoma County.

General Manager David Pedersen continued his report and noted that the proposed Delta Conveyance Project was important to address pumping issues and move water during storm events. He stated that the Delta Conveyance Project and the proposed Sites Reservoir Project would have allowed the capture of nearly 200,000 acre-feet of water during the recent storm events. He responded to a question regarding the status of water conditions in the Colorado River by stating that the snowpack in the Upper Colorado was at 144 percent of normal; however, it was still early in the season. He also noted that Lake Powell and Lake Mead were continuing to experience a steep decline in water storage. He also noted that the Lake Mead Surplus/Shortage Outlook was showing a 100 percent shortage for 2023, and MWD would be required to contribute water to the Colorado River under its Drought Contingency Plan in the coming years, which would place additional pressure on the State Water Project.

Board President Lewitt requested receiving the State Water Project Allocation historical ten-year average.

General Manager David Pedersen responded to a question regarding how the 30 percent allocation would affect District customers by stating that water storage was depleted during the drought, and the reservoirs would need to be replenished at San Luis Reservoir, Castaic Lake, and Diamond Valley Lake. He noted that customer demands needed to be met and a minimum amount of storage would need to be replenished to not reimpose some of the strict requirements currently in place, as well as payback the water that was borrowed under the health and safety provision. He also responded to a question regarding Lake Mead's intentionally created surplus (ICS) by stating that this was water that is stored in Lake Mead by MWD to encourage agencies to shore up the water level in the lake; however, pulling this water now could be harmful as it would lower the level of water. He noted that MWD had approximately one million acre-feet of ICS water in Lake Mead, which would be used to meet its contribution needs, and MWD could use this as a strategy to continue to receive full deliveries in the aqueduct while still meeting some of its obligations.

6. TREASURER

Director Coradeschi stated that the Treasurer's report was in order.

7. FINANCE AND ADMINISTRATION

A Potable Water Standby Charge: Adoption of Ordinance

Waive the full reading and give second reading by title only; pass, approve, and adopt proposed Ordinance No. 285 as it relates to continuation of the Potable Water Replacement Fund Standby Charge for Fiscal Year 2023-24; and order publication within 15 days of adoption using a summary of the Ordinance.

ORDINANCE NO. 285 (SECOND READING AND ADOPTION)

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.)

Brian Richie, Finance Manager, presented the report.

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

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

Motion carried unanimously.

B Establishment of Limited Term Positions in the Customer Service Division

(This item was removed from the agenda.)

8. **ENGINEERING AND EXTERNAL AFFAIRS**

A Discontinuation of Local State of Emergency Due to Water Shortage from Drought and De-escalation of Water Shortage Contingency Plan from Stage 3 (Water Shortage Emergency) to State 2 (Water Shortage Warning)

Pass, approve, and adopt proposed Resolution No. 2618, discontinuing a local state of emergency due to water shortage from drought conditions and de-escalation of Water Shortage Contingency Plan from Stage 3 (Water Shortage Emergency) to Stage 2 (Water Shortage Warning).

RESOLUTION NO. 2618

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT DISCONTINUING A STATE OF EMERGENCY DUE TO WATER SHORTAGE FROM DROUGHT CONDITIONS IN THE STATE OF CALIFORNIA, AND DE-ESCALATING IMPLEMENTATION OF THE WATER SHORTAGE CONTINGENCY PLAN FROM STAGE 3 – WATER SHORTAGE EMERGENCY TO STAGE 2 – WATER SHORTAGE WARNING

(Reference is hereby made to Resolution No. 2618 on file in the District’s Resolution Book and by this reference the same is incorporated herein.)

Mike McNutt, Public Affairs and Communications Manager, presented the report and the 2023 Strategic Communications Plan – Drought Messaging.

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

A discussion ensued regarding concerns with high water users continuing to exceed their water budget; bringing back a resolution to continue the flow restriction device program under certain criteria; holding another training webinar on the use of the WaterSmart Portal; continuing drought messaging and asking customers to stay within their efficient water budget tier; and acknowledging customers on their water conservation efforts.

General Manager David Pedersen responded to a question regarding MWD’s one day per week watering restriction by stating that the MWD Board was planning on lifting its emergency water conservation plan at its Board Meeting on March 14th, and he noted that there were incentives available for landscape transformations.

Craig Jones, Resource Conservation Manager, responded to a question regarding the status of the District’s Landscape Transformation Program by stating that the District was seeking and applying for several grant programs for residential and commercial customers, and staff was in the processing of scheduling landscaping workshops.

A discussion ensued regarding messaging via text messages, reserving the use text messages for communicating emergencies, and considering better descriptions of the various stages in the Water Shortage Contingency Plan.

Motion carried unanimously.

9. NON-ACTION ITEMS

A Organization Reports

Director Caspary noted that the Association of California Water Agencies (ACWA) State Legislative Committee would meet virtually on February 10th. He also noted that the ACWA State Legislative Symposium would be held in Sacramento on March 23rd.

B Director's Reports on Outside Meetings

Director Polan reported that he attended the California Association of Sanitation Agencies (CASA) Winter Conference in Palm Springs held on January 25th through 27th. He noted that he attended a session regarding reducing carbon footprint and the movement toward zero emission heavy duty vehicles.

Director Coradeschi reported that he also attended the CASA Winter Conference, and noted that he attended a session regarding per- and polyfluoroalkyl substances (PFAS) and microplastics. He commented that the District was in a unique position as the water received from MWD had very minute concentrations of PFAS, and the water treated by the Las Virgenes-Triunfo Pure Water Project would produce zero PFAS.

Board President Lewitt reported that he also attended the CASA Winter Conference, and noted that Erin Brockovich spoke virtually during a breakfast session and introduced Bob Bowcock, who provided a presentation regarding the history and recent developments related to PFAS. He also noted that Sophia Crocker, Human Resources Manager, provided a presentation regarding recruiting for retention, and he attended a session regarding cyber-physical security.

Director Burns reported that he also attended the CASA Winter Conference, and that he was impressed with the session regarding cyber-physical security.

C General Manager Reports

(1) General Business

General Manager David Pedersen acknowledged Craig Jones on his recent promotion as Resource Conservation Manager. He reported that a 14-inch water main break occurred on Parkway Calabasas during the past weekend, and he recognized Customer Service Field Representatives on their response in making repairs. He also recognized Public Affairs staff on updating the website and social media regarding the status of the repair and for using Everbridge to notify the affected customers. He noted that he would ask Mauricio Guardado, General Manager from United Water Conservation District, to

provide a presentation at a future Board meeting regarding regulatory challenges. He reported that staff conducted testing for PFAS in the influent wastewater, effluent recycled water, and biosolids, and he had spoken with John Zhao, Director of Facilities and Operations, regarding potentially conducting an organized characterization of PFAS where PFAS is detected, levels of PFAS, and types of PFAS. He also reported that the MWD Board was planning on lifting its emergency water conservation plan at its Board Meeting on March 14th, and simultaneously consider issues related to the Colorado River and the broader water supply allocation plan for Southern California. He stated that he was continuing to meet with MWD staff regarding addressing issues for State Water Project-dependent areas; however, MWD was currently focused on its Southern California Pure Water Project, and he would meet with Adel Hagekhalil, MWD General Manager, on February 9th. He also noted that he and Board President Lewitt met Booky Oren from Booky Oren Global Water Technologies when they traveled to Israel for the US-Israel Collaboration on Water Reuse delegation visit. He stated that Booky Oren Global Water Technologies connects leading water agencies globally to share best practices in human resources, operations, water supply, and cyber-security, and the District subscribed to this program on a pilot basis.

(2) Follow-Up Items

General Manager David Pedersen stated that an item regarding purchasing limits would be brought back at a future Board Meeting after a new Purchasing Supervisor is hired.

John Zhao responded to a question regarding the settlement agreement with CHP Clean Energy Las Virgenes LLC (CHPCE) for the Rancho Las Virgenes Co-generation Facility by stating that staff was waiting to hear back from CHPCE.

Director Coradeschi noted that the U.S. Environmental Protection Agency issued guidance on PFAS testing in December, and they were interested in being notified of PFAS testing results from water agencies.

General Manager David Pedersen responded to a question regarding his upcoming meeting with MWD General Manager Adel Hagekhalil by stating that he and representatives from Las Angeles Department of Water and Power and Calleguas Municipal Water District would be attending the meeting. He noted that the MWD Board would hold a Board retreat on February 13th and 14th, where topics of discussion would include increasing costs and water sales.

D Directors' Comments

In response to the comments regarding PFAS, Director Burns noted that PFAS could be found in buttons and zippers, and on anything shiny and smooth.

10. FUTURE AGENDA ITEMS

Director Burns moved to have staff bring back a report on cyber-security and earthquake preparedness. Motion seconded by Director Coradeschi.

11. PUBLIC COMMENTS

None.

12. CLOSED SESSION

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

Tort Claim by Chantal Gillberg

The Board recessed to Closed Session at **11:29 a.m.** and reconvened to Open Session at **11:49 a.m.**

Keith Lemieux, District Counsel, reported that the Board received a report in Closed Session and there was no reportable action.

13. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **11:49 a.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)