



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

MINUTES
REGULAR MEETING

9:00 AM

April 18, 2023

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Eric Schlageter.

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. 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
Joe McDermott, Director of Engineering and External Affairs
Don Patterson, Director of Finance and Administration
Darrell Johnson, Water Systems Manager
Josie Guzman, Clerk of the Board
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

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

3. PUBLIC COMMENTS

There were no public comments.

Don Patterson, Director of Finance and Administration, introduced new employee Liz Smith, Purchasing Supervisor.

Joe McDermott, Director of Engineering and External Affairs, introduced new employees Alejandro Jauregui, Field Customer Service Technician I, and Dale Starr, Field Customer Service Technician I.

Darrell Johnson, Water Systems Manager, introduced new employee Bina Kapoor, Laboratory Technician I.

The Board welcomed the new employees to the District.

4. CONSENT CALENDAR

Director Caspary pulled Items 4D and 4E for discussion.

A List of Demands: April 18, 2023: Receive and file

B Minutes Special Meeting of March 28, 2023, and Regular Meeting of April 4, 2023: Approve

C Directors' Per Diem: March 2023: Ratify

Director Caspary moved to approve Consent Calendar Items 4A, 4B, and 4C. Motion seconded by Director Polan. Motion carried unanimously.

4. CONSENT CALENDAR – SEPARATE ACTION ITEMS

D Annual Supply and Delivery of Red Dye Diesel Fuel: Award

Accept the bid from Dion & Sons, Inc., and authorize the General Manager to execute a one-year purchase contract, in the amount of \$75,000 with four one-year renewal options, for the purchase and delivery of red dye diesel fuel.

E Annual Supply and Delivery of Unleaded and Diesel Fuel: Award

Accept the bid from Merrimac Energy Group, and authorize the General Manager to execute a one-year purchase contract, in the amount of \$225,000, with four one-year renewal options for the purchase and delivery of unleaded and ultra-low sulfur diesel fuel.

Director Caspary moved to approve Consent Calendar Items 4D and 4E. Motion seconded by Director Polan.

Darrell Johnson, Water Systems Manager, responded to a question regarding whether

red dye diesel would be a straight No. 2 diesel mix or bio-blend diesel by stating that the proposal received for red dye diesel could contain concentrations up to seven percent of biodiesel. He noted that the underground and aboveground storage tanks were serviced monthly to stabilize, filter, and treat against algae growth.

Director Caspary asked staff to ensure that the District purchases and receives the specified straight No. 2 diesel or bio-blend diesel prior to executing a final contract.

Motion carried unanimously.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A MWD Representative Report

Glen Peterson, MWD Representative, reported that the MWD Board awarded a contract for seismic upgrades for the Foothill Hydroelectric Plant and Control Building; approved an agreement for detailed seismic analysis of the Lake Skinner outlet tower; increased the agreement with Brown & Caldwell to explore potential modifications to the existing East-West conveyance and distribution systems; authorized an agreement to provide Rubidoux Community Services District assistance with water deliveries; authorized the General Manager to support and co-sponsor, if amendments are made, to AB 1572 (Friedman) Potable Water Non-functional Turf; and approved naming the MWD Boardroom in honor of former MWD Chair Phillip J. Pace. He noted that he invited MWD Chair Adán Ortega, Jr. to visit the District's facilities. He responded to a question regarding the approval of a construction contract for structural protection measures at 24 cut-and-cover conduit locations along the Colorado River Aqueduct by stating that some of the areas were exposed due to heavy rain.

A discussion ensued regarding the expectation that discussions on modifications to the East-West conveyance and distribution systems would continue to move forward, and regarding the invitation to MWD Chair Ortega to tour District facilities.

B Legislative and Regulatory Updates

Jeremy Wolf, Legislative Program Manager, reported that he was tracking ballot measures as they qualify for the November 2024 ballot. He also reported that he attended the Association of California Water Agencies (ACWA) Legislative Symposium and the ACWA State Legislative Committee Meeting on March 23rd and 24th. He stated that he, Director Caspary, Director Coradeschi, Syrus Devers, state lobbyist with Best Best & Krieger LLP, and General Manager David Pedersen met with staff from the Senate Environmental Quality Committee regarding legislative issues, water rights, and environmental bonds. He noted that the state budget was forecast at \$22.5 billion; however, there were discussions that the forecast could be as high as \$70 billion. He also noted that the May revise was forthcoming, and June 15th would be the deadline to set the state budget. He stated that he was working with the General Manager and MWD staff to ensure that water reuse, water recycling, and State Water Project-dependent area issues would be included in the state budget. He also reported that Senator Ben Allen toured the Pure Water

Demonstration Facility, Tapia Water Reclamation Facility, and Rancho Las Virgenes Composting Facility. He noted that Senator Allen's staff mentioned they were very supportive of the Pure Water Project Las Virgenes-Triunfo. He also reported that the District submitted a letter in support for SB 867 (Allen), Drought and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, and Parks Creation and Outdoor Access Bond Act of 2023, which stressed the inclusion of water recycling. He also reported that a letter of support was sent for SB 366 (Caballero), The California Water for All Initiative, also known as the "Big Bold Water Plan." He noted that the bill was sponsored by the California Municipal Utilities Association (CMUA), and would make legislative findings to enact future legislation that modernizes California's water plan, including the establishment of long-term water supply targets. He also reported that letters of support were sent for AB 682 (Mathis), State Water Resources Control Board, Online Search Tool, Funding Applications; AB 1211 (Mathis), Safe Drinking Water State Revolving Fund, Internet Website Information, Updates; and AB 1594 (Garcia), Medium- and Heavy-Duty Zero-Emission Vehicles, Public Agency Utilities. He noted that the California Air Resources Board would take final action on a rule that would make publicly owned utilities purchase 100 percent medium and heavy-duty zero emission vehicles beginning 2027, and AB 1594 would ensure that publicly owned utilities would have a realistic pathway to produce zero-emission vehicles where feasible, and would provide for a longer, more realistic timeline to meet the zero-emission fleet regulation.

A discussion ensued regarding the current timeline for to implement the purchase of new medium and heavy-duty zero emission vehicles, concern with the availability of zero-emission fleet vehicles, and concern with the sunset date for diesel powered vehicles.

Mr. Wolf responded to a question regarding whether amendments were accepted for AB 1337 (Wicks), State Water Resources Control Board Water Diversion Curtailment by stating that he would follow-up.

6. TREASURER

Director Coradeschi reported that he reviewed the expenditures and noted that the District purchased water from the Los Angeles Department of Water and Power (LA DWP).

General Manager David Pedersen stated that the District receives water from LA DWP during MWD shutdowns from its distribution system supplied from the State Water Project and Owens Valley.

7. ENGINEERING AND EXTERNAL AFFAIRS

A Deactivation of Water Shortage Contingency Plan: Approval

Pass, approve, and adopt proposed Resolution No. 2621, deactivating the Water Shortage Contingency Plan due to improve hydrologic conditions.

RESOLUTION NO. 2621

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGEENS MUNICIPAL WATER DISTRICT DEACTIVATING THE WATER SHORTAGE CONTINGENCY PLAN

(Reference is hereby made to Resolution No. 2621 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 Coradeschi moved to approve Item 7A. Motion seconded by Director Caspary.

Mr. McDermott responded to questions regarding impacts from AB 1668 and SB 606 establishing indoor water efficiency standards from 55 gallons per person per day (GPCD) to 42 GPCD. He noted that the overall indoor/outdoor reduction target of 156 GPCD was due to the number of oversized lots in the District's service area.

A discussion ensued regarding the plant factor for existing landscaping at 0.8 and new landscaping at 0.55, and concerns with the State Water Board's proposal to change the existing landscape efficiency plant factor to 0.55.

Motion carried unanimously.

B Modification of Wasteful Water Use Penalties: Approval

Pass, approve, and adopt proposed Resolution No. 2622, modifying the Las Virgenes Municipal Water District Code pertaining to the assessment of penalties for wasteful water use.

RESOLUTION NO. 2622

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AMENDING THE LAS VIRGEENS MUNICIPAL WATER DISTRICT ADMINISTRATIVE CODE MODIFYING THE ASSESSMENT OF PENALTIES FOR WASTEFUL WATER USE

(Reference is hereby made to Resolution No. 2622 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 Caspary moved to approve Item 7B including resetting the penalty count for all customers to "zero" on January 1st of each year, table the additional fourth and fifth penalty levels for 90 days, and request that staff provide a chart showing previous penalty levels and collections for the current and proposed Stage 3 Water Shortage Contingency Plan. Motion seconded by Director Polan.

Don Patterson, Director of Finance and Administration, noted that penalty revenue collected could be used to fund one-time projects and programs, and that the penalty

revenue had only been used for water conservation programs based on Board direction.

A discussion ensued regarding the recommendation for resetting the penalty count date to January 1st of each year.

Ursula Bosson, Customer Service Manager, responded to a question regarding the number of penalties in 2023 by noting that there was a typographical error in the chart, which should indicate 779 penalties in February and 584 penalties in March.

A discussion ensued regarding whether the same customers were continuing to exceed their water budgets; whether customers were using less water or if recent rains caused less water usage; revisiting water use penalties in 90 days; tracking customers who have had a flow restriction device installed; the possibility of using penalty revenue to install demonstration gardens; the possibility of sending letters to customers who were currently over their water budgets informing them that the Board would be considering implementation of additional penalty levels; and concerns with spending resources to contact wasteful water use customers.

General Manager David Pedersen stated that staff could bring back an updated heat map showing geographic distribution and penalty revenue trends.

Mike McNutt, Public Affairs and Communications Manager, stated that the District not only had the responsibility to provide water to customers reliably and cost effectively, but it also needed to provide customers with the tools and education to make better informed choices. He also stated that customers needed to pay for their water usage and take the tools provided, implement the tools, educate themselves, and implement conservation as a California way of life. He expressed concern that the District does not possess the staffing capacity nor the time to meet with each individual customer who consistently flouts and uses 200 percent or more of their water budget.

A discussion ensued regarding the current and proposed penalty structure for customers who exceed 200 percent of their water budget.

General Manager David Pedersen stated that staff would bring back additional information regarding penalty trends and key drivers in 90 days.

Director Caspary withdrew his motion.

Director Caspary moved to approve Item 7B and have staff bring back a 90-day review with additional information and heat map. Motion seconded by Director Coradeschi.

Motion carried by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt

NOES: Polan

ABSTAIN: None

ABSENT: None

8. INFORMATION ITEMS

A Customer Service Drought Metrics for 2023

9. NON-ACTION ITEMS

A Organization Reports

Director Caspary reported that the ACWA State Legislative Committee might call a meeting on April 20th to discuss AB 1337 (Wicks), which would substantially modify water rights. He also reported that the Santa Monica Bay Restoration Commission (SMBRC) Governing Board would meet on April 20th, and would consider the draft Fiscal Year 2024 Work Plan. He also reported that Marissa Caringella, SMRBC Chief Administrative Director, had taken a position with United Water Conservation District; however, he was unaware of the status to hire a replacement.

B Director's Reports on Outside Meetings

None.

C General Manager Reports

(1) General Business

General Manager David Pedersen reported that Susana Arredondo was appointed as the new Executive Officer for the Los Angeles Regional Water Quality Control Board. He noted that Ms. Arredondo previously worked for a wastewater facility. He also reported that the creek avoidance period for discharge to Malibu Creek began on April 15th, and staff would begin to operate the Sprayfields and 005 Discharge to the Los Angeles River system. He noted that Las Virgenes Reservoir was at 85 percent capacity, and had captured 1,083 acre-feet from runoff. He also noted that 500 acre-feet of water was purchased and placed in the reservoir.

Don Patterson, Director of Finance and Administration, responded to questions regarding the value of the captured runoff water to Las Virgenes Reservoir.

(2) Follow-Up Items

General Manager David Pedersen noted that staff would bring back an item regarding purchasing code revisions since that the new Purchasing Supervisor was recently hired.

D Directors' Comments

Director Polan reported that he posted an item on NextDoor regarding the availability of a District-subsidized weather-based irrigation controller, and he inquired regarding the status of this program. Craig Jones, Resource Conservation Manager, responded that an email notification was sent the previous week regarding the availability of a \$10 rebate

towards a Rachio weather-based irrigation controller.

Director Caspary acknowledged Don Patterson, Director of Finance and Administration, for his explanation of the calculation of the value of the water captured in Las Virgenes Reservoir. He also acknowledged General Manager David Pedersen and staff for their efforts regarding water supplies for State Water Project Dependent-areas.

10. FUTURE AGENDA ITEMS

Director Polan moved to have a future agenda item to explore the explanation of the evapotranspiration factor that would be considered by the State Water Resources Control Board for future regulations. Motion seconded by Director Burns.

9. NON-ACTION ITEMS

D **Directors' Comments**

The Board returned to Directors' Comments.

Director Burns noted that he received the email notification regarding the Rachio rebate, and that he placed a link on his email signature. He expressed an interest in knowing how many more customers could receive a rebate depending on funding availability. He also stated that he attended Presidents' Council of homeowners' associations of Los Angeles, surrounding areas, and Ventura the past weekend, and that the group planned on meeting quarterly.

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 Judie Stein

Board President Lewitt stated that if the Board had no questions regarding the Closed Sessions Item, the Board could move forward with a motion.

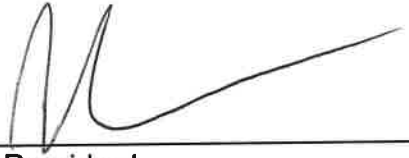
Director Caspary moved to deny the tort claim by Judie Stein. Motion seconded by Director Coradeschi. Motion carried by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt

NOES: None

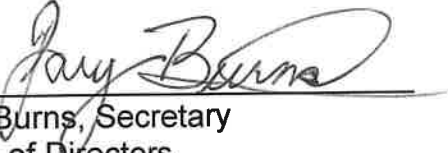
ABSTAIN: Polan

ABSENT: None



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

ATTEST:



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

(SEAL)