



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

MINUTES
REGULAR MEETING

9:00 AM

November 21, 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. Director Polan participated from the teleconference location at 118 Palo Grande, San Antonio, Texas, 78232. Josie Guzman, Clerk of the Board, 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
Ursula Bosson, Customer Service 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

General Manager David Pedersen asked that item 4F be removed from the Consent Calendar for discussion.

Director Coradeschi moved to approve the agenda as amended. Motion seconded by Director Caspary. Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

3. PUBLIC COMMENTS

Pete Weeger, resident on Mulholland Highway, asked the Board for relief for his high water bill. He stated the damage was a consequence of the 2018 Woolsey Fire that weakened his system. General Manager David Pedersen stated that staff would review his request and follow up with him.

Director Caspary suggested that Mr. Weeger might be eligible for Southern California Edison's program to underwrite a portion of the cost for a generator for some of his property's systems.

John Zhao, Director of Facilities and Operations, introduced new employee Jack Recinos, Maintenance Mechanic I. The Board welcomed Mr. Recinos to the District.

4. CONSENT CALENDAR

A List of Demands: November 21, 2023: Receive and file

B Minutes Regular Meeting of October 17, 2023, and Special Meetings of October 30, 2023 and November 1, 2023: Approve

C Directors' Per Diem: October 2023: Ratify

D Financial Review: First Quarter of Fiscal Year 2023-24

Receive and file the financial review for the first quarter of Fiscal Year 2023-24; adopt the updated Capital Improvement Program Budget for Fiscal Year 2023-24; and confirm the previously-approved rate adjustments for potable water, recycled water, and sanitation services, effective on January 1, 2024.

E Monthly Cash and Investment Report: September 2023

Receive and file the Monthly Cash and Investment Report for September 2023.

G Update to Las Virgenes Municipal Water District Code: Purchasing Thresholds

Pass, approve, and adopt proposed Resolution No. 2630, modifying Las Virgenes Municipal Water District Code as it relates to purchasing thresholds.

RESOLUTION NO. 2630

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AMENDING LAS VIRGENES MUNICIPAL WATER DISTRICT CODE TITLE 2, CHAPTER 6, ARTICLE 4 – PURCHASING

(Reference is hereby made to Resolution No. 2630 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

H Update to Las Virgenes Municipal Water District Code: Miscellaneous User Fees

Pass, approve, and adopt proposed Resolution No. 2631, updating miscellaneous user fees, effective on January 1, 2024.

RESOLUTION NO. 2631

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

(Reference is hereby made to Resolution No. 2631 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

I Resolution of Intent for Continuation of Potable Water Standby Charge

Pass, approve, and adopt proposed Resolution No. 2629, initiating proceedings for continuation of the Standby Charge pursuant to the Municipal Water District Law of 1911, ordering notification for those properties that changed ownership since the last Standby Charge assessment, ordering publication of a Notice of Public Hearing in a newspaper of general circulation once a week for a two-week period; and setting a public hearing on the matter for 9:00 a.m., on January 16, 2024.

RESOLUTION NO. 2629

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT INITIATING PROCEEDINGS FOR THE CONTINUATION OF THE WATER AVAILABILITY OR STANDBY CHARGE FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2024.

(Reference is hereby made to Resolution No. 2629 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

J Fiscal Year 2024-25 Proposed Sanitation Rate for Consolidated Sewer Maintenance District: Topanga Tax Zone

Approve a monthly billing rate of \$63.00 per Equivalent Residential Unit for the Consolidated Sewer Maintenance District, Topanga Tax Zone, for Fiscal Year 2024-25.

K Contractual Services Agreement with Quinn Power Systems: Authorization

Authorize the General Manager to execute a one-year contractual services agreement with Quinn Power Systems, in the amount of \$130,000, with four one-year renewal options, for preventive maintenance and as-needed repair of emergency back-up generators.

L Bark Park Agreement with City of Calabasas: Renewal

Authorize the General Manager to execute a five-year agreement with the City of Calabasas, in the amount of \$1.00 annually, for operation of the Calabasas Bark Park on District-owned property.

Director Caspary moved to approve the Consent Calendar Items 4A through 4E, and 4G through 4L. Motion seconded by Director Burns. Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

4. CONSENT CALENDAR – SEPARATE ACTION ITEM

F Update to Las Virgenes Municipal Water District Code: Board Compensation

Pass, approve, and adopt proposed Resolution No. 2628, amending Section 2-2.106 of the Las Virgenes Municipal Water District Code to reflect updates to the Board of Directors' compensation.

RESOLUTION NO. 2628

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

(Reference is hereby made to Resolution No. 2628 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

General Manager David Pedersen presented the report, and noted that changes to Directors' compensation would need to be brought back as an ordinance.

A discussion ensued regarding increasing the Directors' per diem compensation annually based on the Consumer Price Index and revisiting any automatic increases annually.

Keith Lemieux, District Counsel, suggested that the Board could review increasing the Directors' per diem compensation annually, and place an item on the agenda annually for

the Board to elect whether or not to increase the per diem compensation.

General Manager David Pedersen stated that an ordinance to increase the Directors' per diem compensation would be brought back at a future Board Meeting, including the language suggested by District Counsel.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A MWD Representative Report

Glen Peterson, MWD Representative, reported that the MWD Board approved agreements in the amount of \$1,1 million to perform water desalination studies in MWD's service area; authorized a \$3.1 million change order for the contract to replace the overhead bridge cranes at five Colorado River Aqueduct pumping plants; authorized extending the MWD/Quechan Tribe Seasonal Following Pilot Program to provide incentives for land following; authorized sponsoring legislation to amend the Surface Mining and Reclamation Act to eliminate the sunset date to allow MWD to continue operating under the existing master reclamation plan; awarded an \$18.8 million contract to construct a surge protection facility on the Inland Feeder near the Badlands Tunnel; authorized entering into agreements with Coachella Valley Water District, Imperial Irrigation District, and San Diego Conty Water Authority to allow water to be added to Lake Mead under Reclamation's LC Conservation Program; authorized Counsel to opt out of the DuPont and 3M proposed settlements related to PFAS litigation; and authorized entering into a reopening Memorandum of Understanding with AFSCME Local 1902. He also reported that he attended the MWD/Antelope Valley-East Kern Water Agency High Desert Water Bank new groundwater storage project dedication on October 23rd. He responded to questions regarding the funding for the Seasonal Following Pilot Program, the proposed annual MWD rate increase of between five to seven percent, the surge protection facility on the Inland Feeder, and the water desalination study.

B Legislative and Regulatory Updates

Jeremy Wolf, Legislative Program Manager, reported that MWD held a Legislative Coordinators meeting to discuss legislative priorities for 2024, including proposed water bonds AB 1567 (Garcia) and SB 867 (Allen). He stated it was not yet determined which water bond would appear on the November 2024 ballot, and efforts were underway to ensure that the water bond would include funding for water recycling projects. He noted that Senate President Pro Tempore Toni Atkins would be handing leadership to Senator Mark McGuire. He also reported that General Manager David Pedersen provided testimony at the Los Angeles Regional Water Quality Control Board meeting where the Board approved a Basin Plan Amendment establishing specific water quality objectives for chloride in Reach 6 of the Los Angeles River.

General Manager David Pedersen acknowledged John Zhao, Director of Facilities and Operations, and Veronica Hurtado, Water Reclamation Manager, on their efforts in the Basin Plan Amendment to increase the chloride limit for discharges from the Tapia Water Reclamation Facility from 150 milligrams per liter (mg/L) to 190 mg/L, which would

eliminate the need for the Time Schedule Order that had been in place since 2017.

Mr. Wolf also reported that the California Public Utilities Commission unanimously voted to overhaul incentives for owners of apartment buildings, schools, and businesses that install solar panels. He stated that under the new rules, apartment buildings, schools, farms, commercial strips, and other facilities would receive less money from utility companies in exchange for excess solar energy produced and sold back. He also stated that this ruling would have implications on the green energy movement. He also reported that he met with staff from Best Best & Krieger, the Director of Engagement from Ocean Wells, and staff from Congresswoman Julia Brownley's office to discuss the partnership between Ocean Wells and the District. He also reported that Congressman Tony Cardenas announced he would not be running for reelection in 2024, and he had endorsed Assemblywoman Luz Rivas for his Congressional seat.

6. TREASURER

Director Coradeschi stated that he reviewed the expenditures.

7. BOARD OF DIRECTORS (There were no items under this section.)

8. FACILITIES AND OPERATIONS

A 2023 Water, Recycled Water, and Sanitation Capacity Fee Study

Receive and file the 2023 Water, Recycled Water, and Sanitation Capacity Fee study, and authorize staff to initiate a public outreach and notification process for the future adoption of updated potable water and sanitation capacity fees.

Doug Anders, Administrative Services Coordinator, presented the report and a PowerPoint presentation.

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

A discussion ensued regarding the proposed 21.3 percent increase to the sanitation enterprise capacity fees.

John Wright, representing Raftelis, summarized the three approaches for the capacity fee calculation, including buy-in method, incremental cost method, and hybrid method.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

B Contractual Services Agreement with Ontario Refrigeration Service: Amendment

Authorize the General Manager to approve a change order to the contractual services agreement with Ontario Refrigeration Service, Inc., in the amount of \$150,000, for unanticipated repair of heating, ventilation, and air conditioning equipment and emergency replacement of two failed boilers at Headquarters campus.

General Manager David Pedersen presented the report.

Shawn Triplett, Facilities Supervisor, responded to questions regarding the new boilers meeting air quality standards, and the age and maintenance of the HVAC system.

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

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

9. FINANCE AND ADMINISTRATION

A Boardroom Audio/Visual System Upgrade: Update

Review and comment on the proposed design provided by Western Audio Visual & Security for the Boardroom Audio/Visual System Upgrade.

Andrew Spear, Principal Technology Analyst, presented the report and a PowerPoint presentation.

Director Burns moved to approve Item 9A. Motion seconded by Director Coradeschi.

A discussion ensued regarding the possible addition of two HDMI outlets, installation of speakers and monitors at each seat at the dais, revisiting the remodel of the dais and new carpeting, and possible installation of voting equipment in the future.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

B Annual Supply and Delivery of Fire Hydrants: Award

Accept the bid from Famcon Pipe & Supply, Inc., and authorize the General Manager to approve a one-year purchase order, in the amount of \$225,070.73, with four one-year renewal options, for the annual supply and delivery of fire hydrants.

Liz Smith, Purchasing Supervisor, presented the report.

Director Coradeschi moved to approve Item 9B. Motion seconded by Director Caspary.

Andy Arenas, Construction Supervisor, responded to questions regarding the need for higher pressure fire hydrants.

Eric Schlageter, Principal Engineer, acknowledged staff for developing more robust specifications for wet-barrel fire hydrants to address multiple pressure zones within the District.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

10. ENGINEERING AND EXTERNAL AFFAIRS

A Twin Lakes Pump Station Pipeline Project: CEQA Determination and Call for Bids

Find that the work is exempt from the provisions of the California Environmental Quality Act, and authorize the issuance of a call for bids for the Twin Lakes Pump Station Pipeline Project.

Mercedes Acevedo, Assistant Engineer, presented the report and site map.

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

Ms. Acevedo responded to a question regarding the feasibility of the route selected for the project.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

B Jed Smith No. 1, McCoy, and Calabasas Tank Rehabilitation Project: Design Award

Accept the proposal from Cannon Corporation and authorize the General Manager to execute a professional services agreement, in the amount of \$133,980, for design, bidding, and engineering support during construction of the Jed Smith No. 1, McCoy, and Calabasas Tank Rehabilitation Project.

John Soderberg, Assistant Engineer, presented the report.

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

A discussion ensued regarding installing signage to inform the public regarding the project, and the pressure zones serving the three tank sites.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

11. **INFORMATION ITEMS** (There were no items under this section.)

12. **NON-ACTION ITEMS**

A Organization Reports

Director Caspary reported that he attended the Santa Monica Bay Restoration Commission Governing Board Meeting on October 19th, where a call for nominations to the Executive Committee was issued.

Board President Lewitt reported that he attended the Association of Water Agencies of Ventura County (AWAVC) Board of Directors Meeting on November 2nd. He noted that the AWAVC annual holiday mixer would be held on December 12th.

B Director's Reports on Outside Meetings

Director Caspary reported that he attended the WateReuse California Conference on November 28th through 30th, and noted that General Manager David Pedersen would continue to serve as the WateReuse California President for an additional year.

Director Coradeschi reported that he also attended the WateReuse California Conference and the California Special District Association Special District Leadership Academy October 22nd through 25th. He noted that he became aware that not many special districts had adopted a mission and vision statement, and he commended staff for including the District's mission and vision statement goals on staff reports.

Board President Lewitt reported that he also attended the California Special District Association Special District Leadership Academy. He suggested projecting a larger mission and vision statement in the Boardroom. He also reported that he attended the WateReuse California Conference.

Director Burns reported that he also attended the WateReuse California Conference, and noted that attendance had increased significantly compared to previous years.

Director Polan reported that he also attended the WaterReuse California Conference.

C General Manager Reports

(1) General Business

General Manager David Pedersen suggested that the framed mission and vision statement in the Boardroom could be moved behind the dais following completion of the Boardroom Audio/Visual System Upgrade. He referred to an article in *The Acorn* regarding the District gaining access to new water supplies from MWD. He stated that the article referenced the action taken by the MWD Board to address challenges for State Water Project-dependent areas, specifically on the westside including the District, Calleguas Municipal Water District, and City of Los Angeles. He noted that the article referred to installing pumps at two critical stations that would allow MWD to pump water through the Sepulveda Pressure Reducing Station and the Venice Pressure Reducing Station, and 30 cubic feet per second (CFS) would become available when Phase I of the project is completed by 2026. He stated that Phase 2 of the project would include enlarging the pumping equipment at the two facilities, which would increase capacity to 130 CFS, and the project was anticipated for completion in 2032. He also stated that Phase 2 of the project would be capable of transporting water supplies from MWD's Pure Water SoCal Project, the Colorado River, and Diamond Valley Lake. He also stated that District staff would continue to work with MWD staff on a recommendation to the MWD Board for action in February for a comprehensive portfolio solution, including and East-West Conveyance. He reported that John Zhao, Director of Facilities and Operations, would be retiring from the District at the end of December, and following an internal recruitment process, Darrell Johnson was selected to serve as the Interim Director of Facilities and Operations from January through March 2024 and Eric Schlageter would serve as the Interim Director of Facilities and Operations from April through June 2024. He reported that discharge had begun to Malibu Creek, and six inches of rain was recorded at the Tapia Water Reclamation Facility on November 15th. He also reported that back-up generators were used to provide power to District Headquarters following a power outage caused by strong winds. He noted that he and Board President Lewitt would attend the Triunfo Water & Sanitation District's Board Meeting on November 27th to present a plaque recognizing its 60th anniversary.

(2) Follow-Up Items

General Manager David Pedersen stated there were no follow-up items.

D Directors' Comments

Director Polan noted that an article was published in the *Los Angeles Times* regarding Sites Reservoir's schedule and environmental impact report. He inquired whether a future agenda item was needed regarding Pete Weeger's request. General Manager David Pedersen responded that staff would meet with Mr. Weeger and report back to the Board.

Director Caspary noted that MWD Director Glen Peterson was quoted in articles published by *ProPublica* and *The Desert Sun* regarding Imperial Irrigation District,

protection of water rights, and options.

Director Burns suggested that the District include QR codes for the Landscape Transformation Program on front page of the newsletter.

Board President Lewitt noted that notecards were placed next to *The World Stands with Israel* tile for anyone to write a note to the District's partners in Israel to show support.

13. FUTURE AGENDA ITEMS

None.

14. PUBLIC COMMENTS

None.

15. CLOSED SESSION

A Conference with District Counsel – Initiation of Litigation Pursuant to Government Code Section 54956.9(c): One case

The Board recessed to Closed Session at 11:35 a.m. and reconvened to Open Session at 11:55 p.m.

Keith Lemieux, District Counsel, reported that the Board met in Closed Session to discuss Item 15A, and the Board unanimously authorized staff to opt-out of Dupont and 3M's proposed settlements. The motion was made by Director Caspary and seconded by Director Coradeschi.

The motion carried by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

16. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 11:56 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)