



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

MINUTES
REGULAR MEETING

9:00 AM

April 16, 2024

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Adán Ortega, Jr.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **9:02 a.m.** by Board President Lewitt in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, California 91302. Josie Guzman, Clerk of the Board, conducted the roll call.

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

Absent: Gary Burns

Staff Present: David Pedersen, General Manager
Joe McDermott, Director of Engineering and External Affairs
Don Patterson, Director of Finance and Administration
Eric Schlageter, Interim Director of Facilities and Operations
Josie Guzman, Clerk of the Board
Steven O'Neill, District Counsel

2. APPROVAL OF AGENDA

Director Polan moved to approve the agenda. Motion seconded by Director Coradeschi. Motion carried 4-0 by the following vote:

AYES: Caspary, Coradeschi, Lewitt, Polan

NOES: None
ABSTAIN: None
ABSENT: Burns

3. PUBLIC COMMENTS

Paul Blair addressed Closed Session Item 13A, Claim by Paul and Susy Blair. He stated that his 17-year-old son drove through the area of the water main break and mudslide, and a tree fell onto the vehicle. He also stated that his son did not see any emergency vehicles when the incident occurred, and he took a photograph. He also stated that his son saw a park ranger drive by who asked if he was fine. He asked the Board to consider reimbursing his \$1,000 insurance deductible for the repairs to his vehicle as this was an unexpected event.

Joe McDermott, Director of Engineering and External Affairs, introduced new employee Shane Johnson, Field Operations Technician I. The Board welcomed Mr. Johnson to the District.

Eric Schlageter, Interim Director of Facilities and Operations, introduced new employee Dario Guevara Lopez, Electrical and Instrumentation Technician I. The Board welcomed Mr. Lopez to the District.

Mr. Schlageter also introduced Bryan Payan, Water Distribution Operator I. The Board welcomed Mr. Payan to the District.

4. CONSENT CALENDAR

Director Polan asked to pull Item 4G for discussion.

- A List of Demands: April 16, 2024: Receive and file**
- B Minutes Regular Meeting of April 2, 2024: Approve**
- C Directors' Per Diem: March 2024: Ratify**
- D Statement of Revenues, Expenses, and Changes in Net Position: February 2024**

Receive and file the Statement of Revenues, Expenses, and Changes in Net Position for the period ending on February 29, 2024.

- E Fiscal Year 2022-23 Single Audit Report on Federal Awards**

Receive and file the Fiscal Year 2022-23 Single Audit Report on Federal Awards.

- F Tyler Technologies Software and Maintenance Agreement: Renewal**

Authorize the General Manager to execute a one-year agreement, in the amount of \$240,000, with Tyler Technologies with four one-year renewal options based on an annual escalator not to exceed five percent; and authorize an additional one-time fee, in the amount of \$33,219, for implementation of the Accounts Receivable module of Tyler Enterprise ERP System.

Director Polan moved to approve Consent Calendar Items 4A through 4F. Motion seconded by Director Coradeschi. Motion carried 4-0 by the following vote:

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

4. CONSENT CALENDAR – SEPARATE ACTION ITEM

G Water Main Breaks at 5745 Parkmor Road and Valley Circle Boulevard near Dorie Drive: Continuation of Emergency Declaration

Approve the continuation of an emergency declaration due to a 12-inch water main break at 5745 Parkmor Road in the City of Calabasas and a 30-inch water main break along Valley Circle Boulevard near Dorie Drive in West Hills.

General Manager David Pedersen responded to a question regarding the status of the water main breaks by stating that repairs to the water main break along Valley Circle Boulevard were completed, and staff would bring back an information item with the final costs. He also stated that repairs to the water main break on Parkmor Road were more complex, and staff would provide an update at the next Board meeting.

Director Polan moved to approve Item 4G. Motion seconded by Director Caspary. Motion carried 4-0 by the following vote:

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

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Presentation by MWD Board Chair Adán Ortega, Jr., General Manager Adel Hagekhalil, and Executive Officer/Assistant General Manager Deven Upadhyay on MWD’s Climate Adaption Master Plan for Water (CAMP4W) and Related Water Supply and Affordability Issues

Board President Lewitt welcomed and introduced Adán Ortega, Jr., MWD Chairman of the Board; Adel Hagekhalil, MWD CEO/General Manager; Deven Upadhyay, MWD Executive Officer/Assistant General Manager; and Liz Crosson, MWD Chief Sustainability, Innovation and Resilience Officer. He noted that the District purchases its water supply from MWD, and the District was concerned with resiliency and ensuring that there was enough water for its customers. He stated that the District was working on the development of the Pure Water Project Las Virgenes-Triunfo, and pursuing ocean well technology. He thanked the MWD Board for approving Local Resources Program funding for the Pure Water Project Las Virgenes-Triunfo, and for advancing the Sepulveda Feeder Pump Station Project.

Mr. Ortega acknowledged MWD Representative Glen Peterson for his role in the approval of MWD's biennial budget. He read from his prepared statement, and addressed reliance on the Colorado River; increased water levels at Lake Mead through investments in conservation and supply offsets; the decline in water consumption and water sales, which were addressed in MWD's adopted biennial budget; and MWD's new business model, Climate Action Master Plan for Water (CAMP4W).

Mr. Hagekhalil acknowledged MWD Representative Glen Peterson for his institutional knowledge and advocacy, and General Manager David Pedersen for his efforts on water reuse and climate adaptation. He stated that MWD managed water through smart water management, integration, innovation, and inclusion. He addressed the need for water storage, conveyance, recycled water supply, and conservation. He also stated that MWD was moving forward with conveyance and projects to provide additional water supplies to the eastern portion of the MWD service area. He noted that MWD built the Antelope Valley-East Kern (AVEK) Water Agency underground storage to provide water storage south of the Delta, and would work on connecting directly to the western branch of the State Water Project. He noted that MWD representatives discussed investing in climate resiliency and a bond measure with elected officials in Sacramento. He also stated that MWD would launch a discussion on how to create funding to move forward in a fair and equitable manner and address inequities.

Mr. Upadhyay provided a PowerPoint presentation regarding MWD's new facilities and programs, cost effective projects providing timely relief for implementation, and projects targeted for improvements.

Ms. Crosson continued the presentation, including the CAMP4W business plan, climate impacts on operations and water supply, climate change impacts beyond drought, MWD Board priorities influencing multiple CAMP4W outcomes, climate decision-making framework, CAMP4W evolution, and CAMP4W next steps.

A discussion ensued regarding support for the AVEK underground storage, MWD Inspection Trips, and the possibility of the District and the four local cities subsidizing inspection trips.

B MWD Representative Report

Glen Peterson, MWD Representative, reported that the MWD Board awarded a contract for laboratory equipment for the Water Quality Laboratory; authorized an agreement for final design for the Prestressed Concrete Cylinder Pipe Rehabilitation Program for the Sepulveda Feeder; expressed support for broadening priorities to include funding for Delta levee maintenance in the state's climate resiliency bond proposals; authorized Local Resources Program agreements for the Las Virgenes-Triunfo Pure Water Project, Eastern Municipal Water District's Perris North Basin Groundwater Contamination Prevention and Remediation Program, Los Angeles Department of Water and Power's Groundwater Replenishment Project, and Municipal Water District of Orange County and South Coast Water District for the Doheny Ocean Desalination Project; approved the Fiscal Year 2024-25 and Fiscal Year 2025-26 Biennial Budget with overall rate increases of 8.5 percent in Calendar Year 2025 and 8.5 percent in Calendar Year 2026, and setting the Ad Valorem property tax rate at .007 percent; and approved funding for MWD inspection tours.

C Legislative and Regulatory Updates

Jeremy Wolf, Legislative Program Manager, provided an overview of the State Legislative Symposium held on April 10th in Sacramento. He noted that meetings were held with staff from Assemblymembers Jesse Gabriel, Jacqui Irwin, and Pilar Schiavo's offices, and with Senator Howard Stern.

Board President Lewitt stated that he reiterated to the elected officials that the District was a water district without water, and he shared the District's efforts to diversify its water portfolio and education activities.

Director Coradeschi stated that the group reiterated to the elected officials the history of the Pure Water Project Las Virgenes-Triunfo.

Director Caspary stated that the trip was an opportunity to meet the elected officials' staff, and he acknowledged District staff for scheduling meetings.

Mr. Wolf reported that discussions were held with Assemblywoman Irwin regarding the Delta Conveyance, ocean wells, per- and polyfluoroalkyl substances (PFAS), climate resilience bonds, and an update regarding the Pure Water Project Las Virgenes-Triunfo. He provided an update regarding the state budget and noted that budget reductions would not be reflected in the legislation until June, and it was not likely that state funding would be provided this year for the Pure Water Project Las Virgenes-Triunfo. He provided an update regarding climate resilience bond bills AB 1567 (Garcia) and SB 867 (Allen), and stated that Governor Gavin Newsom

announced that the state had an \$18 billion capacity for bonds; therefore, a climate resilience bond would only be estimated in the \$6 billion to \$7 billion range. He stated that staff was monitoring AB 2079 (Bennett), which would place restrictions on large scale capacity wells and over-drafted basins. and would create a new process outside of the Sustainable Groundwater Management Act (SGMA) framework. He also stated that staff was monitoring AB 2257 (Wilson), which would require exhausting all administrative remedies before filing a lawsuit under Proposition 218, and AB 1827 (Papan), regarding local government fees and charges for water and higher-consumptive water parcels. He noted that AB 2614 (Ramos) would provide significant power to tribal water rights, and if passed, would impact the Bay Delta Plan and the voluntary agreements, which could impact the amount of water available from the State Water Project. He also reported that the U.S. Environmental Protection Agency (EPA) announced the final national drinking water regulations for six types of PFAS. He also reported that California salmon fishing was banned for the second year in a row in order to protect the dwindling salmon population. He also reported that Senator Steven Bradford announced his campaign for Lieutenant Governor in 2026.

D 2024 Rate Comparison Study

Joe McDermott, Director of Engineering and External Affairs, provided a PowerPoint presentation regarding the 2024 Rate Comparison Study, which compared residential water and sanitation rates with neighboring agencies.

6. TREASURER

Director Coradeschi stated that he reviewed the expenditures and suggested increased messaging on MWD's rate increases.

7. BOARD OF DIRECTORS

A Los Angeles County Water Plan: Adoption

Pass, approve, and adopt proposed Resolution No. 2637, adopting the Los Angeles County Water Plan.

RESOLUTION NO. 2637

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ADOPTING THE LOS ANGELES COUNTY WATER PLAN

(Reference is hereby made to Resolution No. 2637 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 Coradeschi moved to approve Item 7A. Motion seconded by Director Caspary.

A discussion ensued regarding the use of water from the groundwater basin underneath Westlake Village and Agoura Hills, which would be part of the water supply augmentation for the Pure Water Project Las Virgenes-Triunfo.

Motion carried 4-0 by the following vote:

AYES: Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: Burns

8. FINANCE AND ADMINISTRATION

A Annual Review of District's Investment, Financial, and Debt Management Policies

Review and provide feedback on the District's Investment, Financial, and Debt Management Policies.

Don Patterson, Director of Finance and Administration, presented the report. He responded to a request to insert the word "or" between the words "issue" and "utilize" under 5.0 – Prohibited Debt by stating that he would do so.

9. ENGINEERING AND EXTERNAL AFFAIRS

A Potable Water Pipeline Condition Assessment, Rehabilitation, and Replacement Study: Award

Accept the proposal from HDR Engineering, Inc., and authorize the General Manager to execute a professional services agreement, in the amount of \$263,940, for the Potable Water Pipeline Condition Assessment, Rehabilitation, and Replacement Study.

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

Director Caspary moved to approve Item 9A. Motion seconded by Director Polan.

Motion carried 4-0 by the following vote:

AYES: Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: Burns

B Cornell Pump Station Improvement Project: Construction Award

Award a construction contract to Pacific Hydrotech Corporation, in the amount of \$5,464,100, and reject all remaining bids upon receipt of duly executed documents for the Cornell Pump Station Improvement Project: re-appropriate funding from CIP Job No. 10556 – Interconnection with Calleguas Municipal Water District in the amount of \$1,500,000, CIP Job No. 10672 – Stationary Emergency Generators in the amount of \$500,000, and CIP Job No. 10430 – Twin Lakes Pump Station Pipeline in the amount of \$976,918, to CIP Job. No. 10655 – Cornell Pump Station Improvement Project; authorize the General Manager to execute Contract Amendment No. 2 with Cannon Corporation, in the amount of \$66,106, for additional design services associated with the pump station building upgrades, and authorize the General Manager to execute a Memorandum of Agreement with the City of Agoura Hills, in an amount not to exceed \$220,000, for reimbursement of the water main relocation, hardscaping, and exterior building upgrade costs associated with the City’s Ladyface Greenway Project.

Alex Leu, Senior Engineer, presented the report.

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

A discussion ensued regarding the proposed Memorandum of Understanding with the City of Agoura Hills, and the re-appropriation of funding from capital improvement projects that were completed.

Motion carried 4-0 by the following vote:

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

C Taxpayer Protection and Government Accountability Act: Oppose

Oppose the Taxpayer Protection and Government Accountability Act.

Jeremy Wolf, Legislative Program Manager, presented the report.

Don Patterson, Director of Finance and Administration, discussed potential impacts to the District for setting rates pursuant to the California Constitution.

Steve O’Neill, District Counsel, noted that all of his clients were opposed as the initiative would introduce levels of uncertainty and would be retroactive to 2022.

Director Polan moved to approve Item 9C. Motion seconded by Director Coradeschi.

A discussion ensued regarding the District signing onto coalition letters to oppose the initiative, and the inability for the District to spend funds to influence voters regarding the initiative.

Motion carried 4-0 by the following vote:

AYES: Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: Burns

10. NON-ACTION ITEMS

A Organization Reports

Director Caspary reported that he attended the Association of California Water Agencies (ACWA) Legislative Symposium and ACWA State Legislative Committee Meetings April 10th and 11th. He noted that three bills were introduced regarding the California Air Resources Board's (CARB) proposed advanced clean fleet regulations to exempt local governments and establish an appeals advisory committee. He stated that ACWA was supporting changes to the *Making Conservation as a California Way of Life* regulations to allow water agencies an additional five years to comply with the requirements. He noted that the May 10th ACWA State Legislative Committee meeting was canceled and would be rescheduled.

B Director's Reports on Outside Meetings

None.

C General Manager Reports

(1) General Business

General Manager David Pedersen reported that the creek avoidance period began on April 15th, and discharge would be prohibited to Malibu Creek from the Tapia Water Reclamation Facility (Tapia). He also reported that a kickoff meeting for the Pure Water Project Las Virgenes- Triunfo Progressive Design-Build Team was held April 11th, and two JPA Board workshops regarding architectural elements would be scheduled. He noted that staff participated in booths at the Great Race of Agoura Hills and Calabasas Earth Day events on April 13th, which were well attended. He reminded that Board that the May 6th JPA and May 7th LVMWD Board Meetings would be canceled due to conflicts with the ACWA Spring Conference.

Veronica Hurtado, Water Reclamation Manager, responded to a question regarding the disposal strategy for recycled water during the creek avoidance period by stating that recycled water would be sent to the recycled water distribution system, otherwise it would be sent to the sprayfields or the 005 effluent outfall to the Los

Angeles River system.

(2) Follow-Up Items

None.

D Directors' Comments

None.

11. FUTURE AGENDA ITEMS

None.

12. PUBLIC COMMENTS

None.

13. CLOSED SESSION

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

Tort claims by Paul and Susy Blair, and Sean and Angie Murphy

B Conference with District Counsel – Existing Litigation (Government Code Section 54956.9):

San Diego County Water Authority v. Metropolitan Water District of Southern California (Lead Case No. CPF-14-514004 consolidated with Case Nos. CPF-16-515282 and CPF 18-516389)

The Board recessed to Closed Session at **12:02 p.m.** and reconvened to Open Session at **12:50 p.m.**

Steven O'Neill, District Counsel, reported that the Board met in Closed Session for Items 13A and 13B. He stated that the Board voted to approve payment on the tort claim by Paul and Susy Blair up to \$1,000 towards the claimant's insurance deductible. He also stated that no formal actions were taken on the tort claim by Sean and Angie Murphy nor San Diego County Water Authority v. Metropolitan Water District of Southern California.

14. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **12:51 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)