



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

MINUTES
REGULAR MEETING

5:00 PM

December 13, 2011

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was given by President Renger.

1. CALL TO ORDER AND ROLL CALL

A Call to order and roll call

The meeting was called to order at 5:02 p.m. by President Renger in the District offices. Assistant Deputy Secretary Conklin called the roll. Those answering present were Directors Bowman, Caspary, Peterson, Renger and Steinhardt.

2. APPROVAL OF AGENDA

A Approval of agenda

On a motion by Director Joseph Bowman, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to Approve the Regular Meeting of December 13, 2011, as presented.

AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

3. PUBLIC COMMENTS

No speaker cards were received from the public.

4. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates
Legislative Update - MWD Legislative Representative
Kathy Cole

Kathy Cole, MWD Executive Legislative Representative provided an update of legislative highlights for calendar year 2011 including SB 215 (Huff) quagga mussels, SB 224 (Pavley) Department of Water Resources contract provisions, SB 263 (Pavley) groundwater

management (vetoed by Governor Brown, but may come back), AB 134 (Dickinson) bill was signed even though MWD opposed it; and discussed upcoming legislative deadlines; status of state budget; potential 2012 legislation (2012 Water Bond; Pension Reform; Lake Mathews; Re-introduction of AB 275 (Solario) rainwater capture; Department of Fish and Game Reform; Energy Public Goods Charge; Water Use Efficiency; SB 263 (Pavley) Groundwater Management; AB 19 (Fong) metering of individual residential and commercial units; SB 200 (Wolk) Delta; and planning documents for Delta Plan, Central Valley Flood Protection Plan and Bay Delta Conservation Plan).

B Backbone Improvement Program - 5-Million Gallon Tank

Direct staff on the preferred site for the 5-million gallon tank at the Las Virgenes Reservoir and direct staff to proceed with retaining a design consultant for the project.

Director of Facilities and Operations Lippman provided an overview and discussed reasoning for staff's recommendation of Site A (less expensive, closer to plant, and no access road needed); stated the improvements are needed to meet current system deficits and future demands; transmission main upgrades are underway in Agoura Hills and Calabasas; and the project will take 6 years to complete. Mr. Lippman also introduced consulting experts who were either making presentations, or were available to respond to questions regarding specific portions of the construction process (Tom Blake, Fugro West-geologist; Gordon Revey-Revey Associates-who showed a video of what a blasting excavation looks like; Glen Hille, AECOM-original designer of the backbone system; Joe Font, VisionScape-3D modeling; and Dr. Richard Hector, Valley Fever specialist who presented "Life Cycles of Valley Fever", addressing infection statistics and how the data relates to the pros and cons of both Site A and Site C, and how the use of water application decreases infection potential). Principal Engineer Zhao responded to questions and concerns posed during the July 30, 2011 workshop including an on-site concrete batch plant (not suitable due to project size); construction traffic (minimal in comparison to regular community traffic patterns); one 5 million gallon tank (\$8.5 million) versus two smaller tanks of one-2 million and one-3 million (\$6.6 million and \$7.5 million respectively); operational considerations (energy, road trips); visual modeling (3D model of construction views provided); and storm drain (12' x 8' box).

Board of Director comments and questions included summary of what reservoir is used for; what would happen if the tank was not built right now (the current deficiency at peak is 3 million gallons, which results in problems meeting demand, fire flow, possible rationing); why has demand increased (more residents, the ways in which water is used, reservoir supply is used throughout, not just in Westlake Village); can we scale back (we want to be proactive versus reactive - if we wait issues may arise for no water to customers or for fire fighting).

Director Bowman read a timeline of public meetings and community outreach related to the 5-million gallon tank project, which has occurred from August 26, 2009 through December 13, 2011, and stated he believes Las Virgenes has been diligent in notifying the public.

Two speaker cards were received from the public (1) Neil Ticktin, who stated he is fair minded, but intolerant of public government non-transparency, does not feel Las Virgenes Water is transparent, but in fact the most arrogant of all public agencies he has ever dealt with, no point in attending meetings as minds are already made up, not just 18 months of construction-but three years, the Sheriff has not been contacted to review a traffic EIR, alternate access is available that does not go through Three Springs, traffic concerns, and this decision is a predetermined decision. (2) Lisa Kryger completed a speaker card, but when called at 6:51 p.m. was no longer present.

Director Renger stated public comments were accepted during each board meeting, but does

not recall Mr. Ticktin being present (Mr. Ticktin stated he attended one meeting, but spoke in regards to another topic and feels comments and questions were limited to specific topics and he was censored and heard the tank was definite). Mr. Ticktin stated according to City of Westlake Village there is access across from Oak Forest (modular homes) versus Three Springs (Director Renger stated the alternate road and costs were reviewed and the Board and staff had done due diligence). Mr. Ticktin would like the Board to delay its decision, have an expert at the Sheriff's Department review a traffic and safety plan, and explore the alternate access road off of Triunfo Canyon across from Oak Forest Mobile Estates versus access through Three Springs.

The Board and staff stated it was premature to develop a traffic plan, project delays to vetting alternate access through the CEQA process, visual impacts, trails would be impacted, and steep gradient of hillside for alternate road construction.

Director Peterson moved to approve the staff recommendation of Site A - this motion failed due to lack of a second. Director Caspary moved to approve a substitute motion to direct staff to conduct an initial environmental assessment of property for possible alternate road access for tank Site C from Triunfo Canyon, west of the modular housing - this motion failed due to lack of a second.

On a motion by Director Charles Caspary, seconded by Director Barry Steinhardt, the Board of Directors voted 3-2 to Approve the second substitute motion made by Director Caspary to direct staff to conduct an initial environmental assessment of the property, for possible alternate road access, from Triunfo Canyon, west of the modular housing, and delaying consideration of a specific site recommendation.

AYES: Director(s) Bowman , Caspary , Steinhardt

NOES: Director(s) Peterson , Renger

The meeting adjourned into break at 7:22 p.m. and readjoined into Open Session at 7:38 p.m.

5. **CONSENT CALENDAR**

On a motion by Director Glen Peterson, seconded by Director Lee Renger, the Board of Directors voted 5-0 to Approve Consent Calendar 5A-5E as presented in the recommendations.

AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

A Minutes: Regular Meeting of October 11, 2011 and November 8, 2011. Approve

B List of Demands: December 13, 2011. Approve

C Directors' Per Diem: November 2011. Ratify

D Urban Water Institute: authorize per diem for February 9-10, 2012 conference discussing water rates; and the associated expenses of approximately \$1,000 per attendee. **Approve**

E Investment Report for the Month of October 2011. Approve

6. **TREASURER**

No report was given.

7. **BOARD OF DIRECTORS**

A Local Agency Formation Commission (LAFCO) Representative: Nomination of Candidate

The Board of Directors, if interested, may nominate a candidate for appointment as special district representative to the Los Angeles Local Agency Formation Commission.

No action was taken on this item.

8. FINANCE AND ADMINISTRATION

A Proposed Insurance Providers for Plan Renewals

Authorize the General Manager to execute a renewal of a one year contract with MetLife Insurance Company to provide dental Insurance coverage at an annual cost of \$160,248; Authorize the General Manager to execute a two year contract with VSP to provide vision insurance coverage at an annual cost of \$14,900; Authorize the General Manager to execute a two year contract with Lincoln Financial to provide life insurance, short and long-term insurance at an annual cost of \$23,500, \$22,671 and \$33,798 respectively.

Human Resources Manager Paniagua and Poms & Associates Senior Vice President, Sherry Skarda discussed the updated insurance quotes as requested by the Board of Directors on November 22, 2011.

On a motion by Director Charles Caspary, seconded by Director Barry Steinhardt, the Board of Directors voted 5-0 to Authorize the General Manager to execute a renewal of a one year contract with MetLife Insurance Company to provide dental insurance coverage at an annual cost of \$151,128.24 with a Usual, Customary and Reasonable (UCR)-90th percentile.

No action was taken in regards to the "DHMO Dental Plan" proposal and Ms. Skarda recommended a mid-year survey to determine employee interest, if any.

AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

On a motion by Director Glen Peterson, seconded by Director Barry Steinhardt, the Board of Directors voted 5-0 to Authorize the General Manager to execute a two year contract with VSP (Choice) to provide vision insurance coverage at an annual cost of \$14,899.80.

AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

On a motion by Director Joseph Bowman, seconded by Director Glen Peterson, the Board of Directors voted 3-2 to Approve reinstatement of Board of Director life insurance coverage and authorize the General Manager to execute a two year contract with Lincoln Financial at an annual cost of \$2,633.78.

On November 22, 2011, the Board of Directors had approved by a vote of 4-0-1 (Ayes: Caspary, Peterson, Renger and Steinhardt; Noes: None and Absent: Bowman) to terminate the \$25,000 per year Board life insurance coverage provision, which would have resulted in a 10% savings. After further consideration Director Peterson requested the Board consider reinstatement of the provision.

AYES: Director(s) Bowman , Caspary , Peterson

NOES: Director(s) Renger , Steinhardt

On a motion by Director Glen Peterson, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to Authorize the General Manager to execute a two year contract with Lincoln Financial to provide employee life insurance at an annual cost of \$23,499.82.

AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

On a motion by Director Barry Steinhardt, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to Authorize the General Manager to execute a two year contract with Lincoln Financial to provide short term disability insurance at an annual cost

of \$22,670.72.

AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

On a motion by Director Barry Steinhardt, seconded by Director Glen Peterson, the Board of Directors voted 5-0 to Authorize the General Manager to execute a two year contract with Lincoln Financial to provide long term disability insurance at an annual cost of \$33,798.49.

AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

9. INFORMATION ITEMS

A Bill Presentment and Payment System - Security and Safeguarding

10. NON-ACTION ITEMS

A Organization Reports(1) MWDa. Representative Report/Agenda(s); (2)Other

(1) MWD Representative Peterson discussed general business of Metropolitan including a long range financial planning workshop; purchase guarantee contracts expire; water replenishment rates; MWD to pay \$560 million to State Water Project; and stated the courts invalidated portions of the quantification agreement.

(2) None.

B Director's Reports on Outside Meetings

Director Caspary reported on his upcoming attendance at the Santa Monica Bay Restoration Commission meeting of December 15, 2011; and his attendance at the ACWA Conference in late November/early December and stated the exhibit hall and presenters were good, Raftelis conducted a financial session, Sonoma's 30-year financial plan, water reuse, and EPA workshop. Director Renger stated he had prepared written notes in regards to his attendance at the ACWA Conference, which were copied to the Board and Clerk as information.

C General Manager Reports

General Manager Mundy provided an update of general business of the District including issuance of a lack of quorum notice for the December 27, 2011 regular board meeting; Limited Service Agreement letters had been mailed to affected customers; 2012 Colorado River Aqueduct tour dates; and holiday invitations from Senators Strickland and Pavley.

D Director's Comments

Director Steinhardt stated he received a call from City of Agoura Hills Mayor Edelston complimenting the District on the Reyes Adobe construction work. Director Bowman stated during the break, Mr. Ticktin had requested board meeting start times be changed to 7:00 p.m.

11. FUTURE AGENDA ITEMS

The Board of Directors requested staff bring forward to their next meeting an item discussing a timeline for the 5-million gallon tank/alternate access road update.

12. CLOSED SESSION

The meeting adjourned into Closed Session at 8:41 p.m.

A Conference with District Counsel - Potential Litigation (Government Code Section 54956.9): One Case

1. In the opinion of District Counsel, disclosure of the identity of the litigant would be prejudicial to the district.

13. OPEN SESSION AND ADJOURNMENT

The meeting reconvened into Open Session at 8:46 p.m. and the Chair declared the meeting adjourned at 8:47 p.m.

Lee Renger

LEE RENGER, President
Board of Directors
Las Virgenes Municipal Water District

ATTEST:

Charles Caspary

CHARLES CASPARY, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)