



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

**MINUTES**  
**REGULAR MEETING**

5:00 PM

January 24, 2012

**PLEDGE OF ALLEGIANCE**

At the request of President Renger, the Pledge of Allegiance to the Flag was given by Director Bowman.

**1. CALL TO ORDER AND ROLL CALL**

**A** Call to order and roll call

The meeting was called to order at 5:00 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 Charles Caspary, seconded by Director Barry Steinhardt, the Board of Directors voted 5-0 to Approve the Regular Meeting of January 24, 2012, 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** San Diego County Water Authority Cost Shift to Member Agencies

General Manager Mundy provided an overview of potential effects on Las Virgenes MWD if San Diego County Water Authority (SDCWA) were to shift their costs to Metropolitan's member agencies, which include increased transportation costs, rate structure changes, legal fees, and

higher cost of State Water Project supplies. Mr. Mundy stated all of the potential increases would be passed to customers through their water bills and water supplies will be less reliable.

**B Legislative and Regulatory Updates**

No report was given.

**5. CONSENT CALENDAR**

*On a motion by Director Glen Peterson, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to Approve Consent Calendar 5A-5D as presented in the recommendations.*

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

**A Minutes: Regular Meetings of December 13, 2011. Approve**

**B List of Demands: January 24, 2012. Approve**

**C Investment Report for the Month of December 2011. Approve**

**D Investment Review for the Fourth Quarter 2011. Receive and File**

**6. TREASURER**

Treasurer Steinhardt stated the checks were in order; and that he had requested that Director of Finance and Administration Hicks look into utilizing credit cards offering a mileage program for paying invoices and also requested cell phone contracts be renegotiated with the current carrier to lower costs.

**7. BOARD OF DIRECTORS**

**A City of Calabasas: Consideration of AMR/AMI Meter Opt-Out**

The Board of Directors to discuss the request from City of Calabasas' Calabasas Communications and Technology Commission in regards to consideration of an opt-out program for AMR/AMI meters. Staff recommends not offering an Opt-Out Program.

General Manager Mundy stated as clarification to the agenda recommendation, the Calabasas City Council had requested the District consider an opt-out program, which was done at the recommendation of the Calabasas Communications and Technology Commission.

Director of Resource Conservation and Public Outreach Reyes discussed the "hole" in the system opt-out programs create, costs are difficult to determine, consideration of drive times for meter reading, the California Public Utilities Commission (CPUC) would be considering an opt-out program for private sector utilities recognizing costs associated with reading analog meters (proposed \$90 one-time opt-out fee and \$10 each time the meter is read; and a provision for low income residents of a one-time opt-out fee of \$10 and \$5 each time the meter is read; CPUC to track costs and revenue for opt-out programs); and placement on a delay list to either install AMR/AMI, or pay opt-out costs; San Diego is awaiting the CPUC decision and City Council of Glendale is considering an opt-out program at their January 24, 2012 meeting (Glendale is considering a one-time fee of \$55 and a bimonthly fee of \$34; also customers who opt-out are no longer eligible for leak adjustments).

Seven speaker cards were received from the public (1) Manuela Saul, wants an opt-out program; (2) Ryan Aragachi, does not want radiation and wants Las Virgenes to read meters; (3) Tony Coroalles (City Manager - City of Calabasas), reiterated the city's position of requesting Las Virgenes have an opt-out program, consider other agency's processes (Director

Caspary requested information on their citywide WiFi project - Mr. Coroalles stated the project was rejected as they do not own their own poles and are using hot spots instead), Mr. Coroalles stated the city is not making a case just a request; (4) Linda Stock, agenda recommendation goes against the tide by saying customers should not have opt-out rights and respectfully requests the right to opt-out; (5) Ric Embree, Las Virgenes will not get out of reading meters completely, obligated to read meters manually at least once per year, in this economy are AMR/AMI costs justified, antennae above ground, is Las Virgenes networking with other utilities "mesh network", Board and staff stated the antennae are underground and that AMR signals only when read and AMI signals every 20 seconds for 1/8 of a second; (6) Liz Barris (non-Las Virgenes customer), address choice of this controversial issue, Tobin & Associates in a lawsuit with several entities regarding privacy/unethical to charge for opt-out/constitutional rights (4th and 14th amendments), listen to constituents of all cities, and (7) Liat Samouhi, Mr. Reyes provided a good summary and CPUC is considering analog, and is requesting Las Virgenes wait until the February 1, 2012, CPUC decision is reached before considering opt-out, stated she is a member of Consumers Powers Alliance, bottom line is consumer rights for opt-out and ADA compliance; and the Alliance will seek legal action if necessary, wants a meaningful analysis of Las Virgenes' smart meters (Ms. Samouhi asked Clerk of the Board Conklin if petitions expressing public protest of AMR/AMI had been received by the District (Ms. Samouhi was notified that at the time of the board meeting **no** petitions had been received)).

Board comments included if anyone opts out and uses analog they will not be eligible for leak adjustments, there should be an opt-out program, meter reading costs should be passed to analog customers, opt-out by contract with customer(s), AMR/AMI information could be useful for 20 x 2020, and there is a need to communicate to customers why the District decided AMR/AMI meters were the way to go.

A motion was made by Director Bowman to stop the installation program for a period of time, communicate to the rate payers the health risks, costs, and to provide an explanation of the program and why it was implemented. **The motion failed due to a lack of a second.**

Director of Resource Conservation and Public Outreach Reyes stated the District had completed its installation for the year; and General Manager Mundy added the District had expended its budgeted funds therefore no further AMR would be installed during the current fiscal year.

President Renger directed staff to develop a district-wide opt-out program, which will include financial consequences and loss of the existing leak adjustment policy provision.

*On a motion by Director Barry Steinhardt, seconded by Director Lee Renger, the Board of Directors voted 2-3 to Approve w/ Conditions development of an opt-out program to include financial consequences and a no leak adjustment provision if opt-out. **The motion failed due a lack of majority vote.***

*AYES: Director(s) Renger , Steinhardt*

*NOES: Director(s) Bowman , Caspary , Peterson*

President Renger reiterated his earlier direction to staff to develop a district-wide opt-out program, which will include financial consequences and loss of the existing leak adjustment policy provision.

The meeting adjourned to break at 6:33 p.m.

The meeting reconvened at 6:42 p.m.

## 8. FACILITIES AND OPERATIONS

### **A** Las Virgenes Municipal Water District Potable Water Distribution Leak/Break Summary - September 2008 to September 2011

Receive and File LVMWD Report 2489.00 "Las Virgenes Municipal Water District Potable Water Distribution Leak/Break Summary 9/2008-9/2011"

Director of Facilities and Operations Lippman discussed the findings of the leak and break summary, and noted there was no unusual numbers of leaks during the reporting period.

Director Peterson requested the Red Rock fault be plotted on the leak map to see if there is any correlation between breaks and seismic activity. Director Bowman requested a similar summary be reported to the Board every two years.

*On a motion by Director Joseph Bowman, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to Approve the recommendation as presented.  
AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt*

### **B** Long Valley Road Waterline Replacement Project: Approval of Plans and Specifications and Call for Bids

Approve the plans and specifications for the Long Valley Road Waterline Replacement project; and authorize a Call for Bids in accordance with the project specifications and the proposed Bid Schedule.

Director of Facilities and Operations Lippman stated the item summary should read "The water main was installed in September of **1962** (not 1978) by the Hidden Hills Mutual Water Company"; the City of Hidden Hills, the homeowners association, and 14 homeowners directly effected would be provided a fact sheet related to the project; and the fire hydrants would be brought up to new standards.

Director Caspary recommended The Hidden Hills Horsemen's Association also receive formal notification of the project.

*On a motion by Director Charles Caspary, seconded by Director Glen Peterson, the Board of Directors voted 5-0 to Approve the recommendations as presented.  
AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt*

### **C** Adopt Negative Declaration and Accept Initial Study for the Tapia Alternative Disinfection Project

Receive and file report #2488.00 Tapia Water Reclamation Facility Disinfection Project Initial Study/Negative Declaration; approve and adopt the Negative Declaration for the Tapia Alternative Disinfection Project; and direct staff to file the Notice of Determination with the Recorder for the County of Los Angeles.

*On a motion by Director Lee Renger, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to Approve the recommendations as presented.  
AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt*

## 9. FINANCE AND ADMINISTRATION

### **A** Claim by Viewpoint School

Deny the claim from National Subrogation Services for \$83,669.

*On a motion by Director Joseph Bowman, seconded by Director Glen Peterson, the Board*

*of Directors voted 5-0 to Approve the recommendation as presented.  
AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt*

## **B Request for Proposals - Professional Audit Services**

Approve the Request for Proposals for Professional Audit Services.

Director of Finance and Administration Hicks stated audit service proposals are submitted every five years in accordance with Government Finance Officers Association (GFOA) Best Practices, and that Diehl Evans can participate in the bid process and if successful contracted again.

Director Peterson requested that if Diehl Evans receives the award of bid two new account managers be used.

*On a motion by Director Charles Caspary, seconded by Director Barry Steinhardt, the Board of Directors voted 5-0 to Approve the recommendation as presented.  
AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt*

## **C Second Quarter Financial Review**

Receive and file.

*On a motion by Director Glen Peterson, seconded by Director Lee Renger, the Board of Directors voted 5-0 to Approve the recommendation as presented.  
AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt*

## **10. LEGAL SERVICES**

### **A Potable Water Replacement Fund Standby Charge**

The full reading of the proposed Ordinance No. 01-12-269 as it relates to continuation of the Water Replacement Fund Standby Charge for fiscal year commencing July 1, 2012, be waived, and the Board order publication within 30-days of adoption using a summary of the ordinance.

The Board by a roll call vote of Ayes: Noes: Abstain: Absent: that Rules and Regulations for Water Standby Charge Deferrals be approved; and the proposed Ordinance No. 01-12-269 as it relates to continuation of the Water Replacement Fund Standby Charge for fiscal year commencing July 1, 2012, given second reading by title only, be passed, approved and adopted as presented.

### **ORDINANCE NO. 01-12-269**

### **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, 2012**

(Reference is hereby made to Ordinance No. 01-12-269 on file in the District's Ordinance Book and by this reference the same is incorporated herein and made a part of hereof.)

*On a motion by Director Glen Peterson, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to Approve the recommendations as presented in paragraph one.  
AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt*

*On a motion by Director Glen Peterson, seconded by Director Lee Renger, the Board of Directors voted 5-0 to Approve by a roll call vote of Ayes: 5; Noes: 0; Abstain: 0; Absent:*

*0; conducted by Assistant Deputy Secretary Conklin, the recommendations as presented in paragraph two. Legal Counsel O'Neill gave the second reading of the Ordinance by title only.*

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

## **11. INFORMATION ITEMS**

### **A Claim from Las Virgenes Hills Community Homeowners Association**

## **12. NON-ACTION ITEMS**

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

(1) MWD Representative Peterson discussed general business of Metropolitan including their second long range financial planning workshop; staffing levels; Delta surcharge; proposed rate increases; Calleguas MWD bought out Metropolitan's interest in the Las Posas Basin; OPEB pay-go; Diamond Valley Lake property development ideas; and Ellen Hanak's Public Policy Institute of California report on the Bay Delta.

(2) Director Steinhardt reported on his attendance at the ACWA Region 8 Committee meeting during which Chair Gail Pringle stated more agency participation is needed within the region and will attempt to provide agendas earlier than usual to allow for comments; and that he was named ACWA Region 8 Vice Chair.

### **B Director's Reports on Outside Meetings**

Directors Renger and Caspary reported on topics discussed during the AWA meeting including Calleguas' salinity plant and their ASR project for emergency supplies only, state water conditions, and groundwater modeling; Director Peterson reported on his attendance at the ACWA State Legislative Committee meeting during which they reviewed proposed bills; Director Bowman reported on topics discussed during the CASA Mid-Year Conference including General Manager Mundy's presentation on nutrients and requested drivers for sewer rate increases be included as part of the financial planning workshop; and Director Caspary noted organizational changes at Heal the Bay.

### **C General Manager Reports**

General Manager Mundy provided an update of general business of the District including calendar events; Metropolitan artwork display; introduced Doug Anders as the newly hired Administrative Services Coordinator; stated Violet Liou would be retiring in March 2012; and the information Director Bowman requested in regards to vested sick leave and vested vacation had been provided in board folders along with an updated benefits spreadsheet.

### **D Director's Comments**

Director Bowman stated Councilmember Rutherford requested information on sewer rates (costs associated with staying out of the creek and the incremental cost of composting versus hauling). Director Caspary discussed the recent Ventura County Star article regarding skyrocketing costs associated with sewer rates, and stated the Malibou Lake community is interested in building a walkway over the sewer bridge by the dam. Director Steinhardt discussed his attendance at the Chamber of Commerce function supporting "My Stuff Bags". President Renger discussed a telephone call he received from Triunfo Sanitation District (TSD) Chair, Mike Paule in regards to dissolving the Las Virgenes - Triunfo Joint Powers Authority and Director Bowman commented the City of Thousand Oaks is looking into disbanding TSD.

## **13. FUTURE AGENDA ITEMS**

None.

**14. CLOSED SESSION**

The meeting adjourned into Closed Session at 7:43 p.m.

**A Conference with District Counsel - Existing Litigation (Government Code Section 54956.9(a)):**

1. Weber v. Las Virgenes Municipal Water District

**B Public Employee Performance Evaluation--General Manager (Government Code Section 54957 (b))**

**C Conference with Legal Counsel--Anticipated Litigation (Government Code Section 54956.9 (b)): One Case**

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

**15. OPEN SESSION AND ADJOURNMENT**

The meeting reconvened into Open Session at 8:32 p.m., and the Chair declared the meeting adjourned at 8:33 p.m.

*Lee Renger*

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

ATTEST:

*Charles Caspary*

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

(SEAL)