



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

MINUTES
REGULAR MEETING

5:00 PM

April 24, 2012

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led 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

General Manager Mundy stated he would like to reorder the agenda by presenting "10.A-2012 Customer Survey" to appear after "4.B-Legislative and Regulatory Updates".

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 April 24, 2012, as amended by the recommendation of General Manager Mundy.

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

3. PUBLIC COMMENTS

Two speaker cards were received from the public (1) Merv Wolf representing Padri's Restaurant spoke in regards to how the waterline project in front of the business has effected their volume of business due to the parking situation (4 spaces have been completely blocked off for over a month); they pay City of Agoura Hills \$2,500 per month for additional parking, but it's dangerous to walk from the parking area to the restaurant due to the construction zone; and stated the project has caused their business a financial hardship.

Director of Facilities and Operations Lippman provided an update of the project. Mr. Lippman stated the project started on March 5, 2012; the jack and bore process lasted longer than expected; another 2-3 weeks is needed; ads were placed in the newspaper for notification to the public; and businesses opened during construction notifications were posted.

Mr. Wolf said the business was closed for 6-days, which in their 14 year history was a first; and they understand Las Virgenes is not a guarantor of income. (2) Ms. Devon Wolf completed a speaker card and opted not to formally speak under public comments, but did respond to Board questions.

Director Peterson recommended The Wolf Family go through the formal claim process.

4. **ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS**

A A Proclamation in Recognition of Donald Zimring - Las Virgenes Unified School District

President Renger presented Dr. Zimring with a proclamation in recognition of his service with Las Virgenes Unified School District. The Board extended their well wishes and commented on Dr. Zimring's success not only within the school system, but also within the entire community. Dr. Zimring noted his success was a collaborative effort aided by the relationship with the water district.

B Legislative and Regulatory Updates

General Manager Mundy stated there were no legislative or regulatory reports to be given. Director Bowman requested a copy of presentations made at the April 19, 2012, AWA Annual Symposium.

Agenda item "10A-2012 Customer Survey" was presented at this point in the meeting.

5. **CONSENT CALENDAR**

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

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

A **List of Demands: April 24, 2012. Approve**

B **Investment Report for the Month of March 2012. Approve**

C **Investment Review for the First Quarter 2012. Receive and File**

6. **TREASURER**

Treasurer Steinhardt stated the payables appear to be in order, and that staff is still working on the payment of invoices utilizing a credit card process.

General Manager Mundy introduced Finance Manager Joseph Lillio.

7. **BOARD OF DIRECTORS**

A ACWA General Session Membership Meeting and Voting Delegate

The Board of Directors to designate a representative to serve as voting delegate and attend the ACWA General Session Membership Meeting on Wednesday, May 9, 2012.

On a motion by Director Joseph Bowman, seconded by Director Glen Peterson, the Board of Directors voted 5-0 to Approve the designation of President Renger to serve as voting delegate for the District.

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

B ACWA Health Benefits Authority

Authorize the General Manager to execute all necessary documents for the transfer of health benefits to ACWA Joint Powers Insurance Authority (JPJA); and pass, approve and adopt the proposed Resolution No. 04-12-2430, a certified copy of which, is to be filed with ACWA by the Assistant Deputy Secretary no later than May 31, 2012.

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT CONSENTING TO JOIN THE HEALTH BENEFITS PROGRAM OF THE ACWA JOINT POWERS INSURANCE AUTHORITY, RATIFYING THE ACTION OF THE ACWA HEALTH BENEFITS AUTHORITY BOARD OF DIRECTORS TO TERMINATE THE HEALTH BENEFITS AUTHORITY JOINT POWERS AGREEMENT, AND AUTHORIZING AND DIRECTING THE GENERAL MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS

(Reference is hereby made to Resolution No. 04-12-2430 on file in the District's Resolution Book and by this reference the same is incorporated herein and made a part of hereof.)

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

8. FACILITIES AND OPERATIONS

A 1235' Backbone Improvement Program Agoura Hills Pipeline and Reyes Adobe Waterline and Bridge Crossing - Change Order No.1

Approve Change Order No. 1 in the amount of \$209,048.00

Director of Facilities and Operations Lippman responded to Board comments in regards to the change order amount including change in conditions; pipe work; traffic control; pavement on Agoura Road/Old Highway 101 (under road); and rock removal adjustment for entire project.

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 Call for Bids: Annual Weed Abatement at Various Facilities

Authorize a Call for Bids for Annual Weed Abatement at various facilities.

General Manager Mundy stated this work is a fire department regulation and has a deadline of May 1, 2012; the fire department has allowed additional time for the work to be completed due to unplanned events such as rain and scheduling.

On a motion by Director Glen Peterson, 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

9. FINANCE AND ADMINISTRATION

A Award of Bid: Uniform Service Contract

The Board of Directors authorize the General Manager to issue a contract to Kleen Kraft Uniform Services to provide this service at a bi-weekly price of \$1,571.20.

Human Resources Manager Paniagua presented uniform samples; stated current vendor has made several promises in regards to their service, but has not fulfilled those promises; errors on billings; current supplier brings a sample for bids and then services the account with a much lower level product; MOU requires employees to wear uniforms; the District pays approximately \$500 per month for replacement uniforms and this amount is not included in their bid documents, nor does it appear replacements are provided; jackets and coveralls belong to the District/uniforms are rented; and reported that one bidder, during the bid opening reviewed the current vendors invoice, which happened to be on the customer service counter.

Board comments included asking for a 2-3 year fixed cost bid as set-up is costly; and ensure multi-year contract has an out.

Director Peterson made a motion to approve a multi-year contract with Kleen Kraft. This motion Died for lack of a Second.

On a motion by Director Glen Peterson, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to Approve rejecting all bids and rebidding for a 3-year contract. AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

B Call for Bids: Janitorial Services

Approve proposed bid schedule and Notice Inviting Sealed Bids for janitorial services at all District facilities.

On a motion by Director Barry Steinhardt, 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

C Commercial Paper and Medium Term Notes

Approve adding commercial paper and medium term notes as authorized investments and direct District Counsel to prepare a resolution to that end.

Director of Finance and Administration Hicks stated commercial paper and medium term notes were now an option due to a change in the Government Code, and if approved the District would need to revise its investment policy.

Board comments included "why do commercial versus what we do now?"; is there default insurance available on commercial paper; risk versus reward; is it legal to buy our own paper; concerns in regards to "chasing" investments; stay with current policy and invest conservatively.

On a motion by Director Barry Steinhardt, seconded by Director Lee Renger, the Board of Directors voted 5-0 to Defer making a decision on this item until staff can provide additional information. President Renger recommended consulting with an investment professional. AYES: Director(s) Bowman , Caspary , Peterson , Renger , Steinhardt

D Third Quarter Financial Review

Receive and file.

Director of Finance and Administration Hicks discussed the quarterly financial review and stated the District had been selling more water; the Board expressed concerns in regards to over budgeting (General Manager Mundy stated we use a 3-year average, but water sales are difficult to gauge).

*On a motion by Director Joseph Bowman, 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 , Steinhart*

E Preliminary Budget for Fiscal Year 2012-13

No action is required at this time.

Financial Analyst Hamilton discussed the preliminary budget and noted MWD's January 1, 2013 rate increase; 4/5 Science Program; rate increases for potable and recycled are not included in the numbers as the Board has not approved percentages; and there are no projected increases in sanitation at this time.

Board comments included potable water operations (MWD only, no LVMWD increases included); water conservation expenses (funded by outside agencies, MWD rebate programs, grants and Prop 13 monies); staffing clarifications (two positions were eliminated); increase to account 6812 (number of retirees has increased); increase to account 6830 (General Manager Mundy to review); is television programming included (General Manager Mundy stated "no" as the Board directed staff at their Regular Meeting of March 27, 2012, to review customer interest prior to proceeding due to the large investment for the process and we are not eligible for cable programming as we are not a city).

No action was requested by staff or taken by the Board.

10. RESOURCE CONSERVATION AND PUBLIC OUTREACH

A 2012 Customer Survey

Provide feedback and direct staff as necessary.

Director of Resource Conservation and Public Outreach Reyes introduced Fred Arnstein who was the creator of the District's most recent survey and who also provided the draft for review at tonight's board meeting.

Mr. Arnstein discussed highlights of the 2001 customer survey; the proposed customer survey for 2012, and responded to Board questions including that telephone interviews were used in the last survey as the Internet was not as prominent as it is now; the current survey will be provided to customers via email and Internet starting with 2500 customers (the Board requested an equal number of participants per Division); current circumstances should be included (smart meters, water allocation program, overall water supply in California, water rate increases); a recommendation that questions not be too specific, but we need to ask tough questions; water conservation; recycled water; do you use the composting facility; is survey getting too long, which could potentially deter customers from participating.

President Renger directed the General Manager consider Board comments and come back at the next board meeting with a final draft of the 2012 Customer Survey.

11. INFORMATION ITEMS

A Claim from Joanne Bodenhamer

Board comments included that staff should never bring their own personal equipment to use at District events. General Manager Mundy stated he concurred and that staff had been notified.

12. NON-ACTION ITEMS

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

(1) MWD Representative Peterson reported on general business of the Metropolitan Water District including the Los Angeles Economic Development Corporation (LAEDC) Study regarding San Diego County Water Authority (SDCWA) Water Transfer Costs and Rates, and stated the LAEDC report was funded by 7 member agencies who reviewed transfers; and Yolo County water removal from river.

(2) Director Caspary reported on his attendance at the April 19, 2012, Santa Monica Bay Restoration Commission meeting during which the work-plan for Fiscal Year 2012/13 was discussed; Heal the Bay report on SB 1066 consideration continued to next meeting; and grant monies applied to projects.

B Director's Reports on Outside Meetings

Director Renger reported on his attendance at the AWA Annual Symposium of April 19, 2012, which included discussions of desalination costs are coming down and potable costs are going up; toilet to tap gaining steam; and Director Bowman stated the symposium provided good information.

C General Manager Reports

General Manager Mundy provided an update on general business of the District including upcoming calendar events.

D Director's Comments

Director Bowman discussed his attendance at Rotary Club's Westlake Village Street Fair , stated staff did an excellent job at the event and 14 citizens discussed a variety of topics with him including The Acorn's negativity towards the District and perceived high water rates (he then provided this agency's data, which indicate the District's rates are low to mid-range). One citizen was clearly misinformed regarding the need for the 5-mil tank; and a couple of people said the District's outreach in regards to the tank was not good. Director Bowman requested that a letter be sent to each homeowners association in Westlake Village asking for an opportunity for the District to discuss three issues: smart meters; 5-mil tank project; rates (in one analysis of water available East vs. West we should not use the worst day of the year, and present factual data as to why storage is needed. He questioned whether the Las Virgenes Homeowners Federation would have expressed its unhappiness in regards to spaghetti lines if we had developed a program to help these ratepayers address their financial burden in our customer outreach; we need to be on the offense rather than defensive responding to complaints. We should always market what we are doing.

13. FUTURE AGENDA ITEMS

Director Steinhardt requested an agenda item to discuss hiring an outreach consultant.

14. CLOSED SESSION

The meeting adjourned into Closed Session at 7:58 PM.

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

15. OPEN SESSION AND ADJOURNMENT

The meeting adjourned into Open Session at 8:33 PM. No action was taken pertaining to Closed Session; and the Chair declared the meeting adjourned at 8:34 PM.

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)