



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

MINUTES
SPECIAL MEETING

5:00 PM

May 29, 2013

PLEDGE OF ALLEGIANCE

At the request of Vice President Peterson, the Pledge of Allegiance to the Flag was led by Director Steinhardt.

1. CALL TO ORDER AND ROLL CALL

A Call to order and roll call

The meeting was called to order at 5:01 p.m. by Vice President Peterson in the District offices. Deputy Secretary Conklin called the roll. Those answering present were Directors Peterson, Polan, Renger, and Steinhardt. Absent: Caspary.

2. APPROVAL OF AGENDA

A Approval of agenda

On a motion by Director Lee Renger, seconded by Director Glen Peterson, the Board of Directors voted 4-0 -1 to Approve the agenda for the Special Board Meeting of May 29, 2013, as presented.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

3. PUBLIC COMMENTS

No speaker cards were received from the public.

4. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Los Angeles County Fire Department Presentation

Bernard McDuel, Supervising Fire Prevention Engineering Assistant with County of Los Angeles Fire Department, stated he could discuss regulations, but not fire fighting, which would

have to be addressed by a Battalion Chief; and provided a briefing including the topics of regulations, policies, ordinances, Regulation #8 Fire Flow and Hydrant Requirements (currently not available to the public as the regulation is being reviewed/revised), reduction of required flow to buildings with sprinkler systems or firewalls.

A summary of Board comments and fire department responses included: who sets fire flow requirements (the Division of the State Architect (DSA) - minimum fire flow for 2 hours); buildings versus wildfires (no specific flow unless there are buildings or permitted sites); homes next to open space when there are fires (1250 gallons per minute (gpm) are required - if new homes then sprinkler systems should be installed); Oakland fires - tank went dry and later burned; is the fire department aware there are deficiencies in Las Virgenes' system (yes, but doesn't have a list of deficiencies with him); can fire department deny permits (yes); would the 5-million gallon tank help (can't answer and defers to a Battalion Chief); how about untreated water (doesn't see a problem, but cannot be 100% sure).

Vice President Peterson requested a Battalion Chief and a representative of the California Department of Public Health attend the June 11th board meeting to provide additional information.

B Overview of 5-Million-Gallon Tank Design "Open House"

Director of Resource Conservation and Public Outreach Reyes discussed the upcoming Open House, which will be held on Saturday, June 8th (affected parties for tank construction were notified of the event, input on landscape and tank color will be requested (landscape design renderings and three color options will be available), set-up stations (welcome, 5-million gallon tank information, project schedule station for milestones, mitigation station (requirements in design specifications to minimize blasting and traffic), Backbone Improvement Program station, comment forms at each station); Open House discussed at the May 22nd City of Westlake Village Council meeting; City of Westlake Village staff posted Open House information to their web page; 1600 letters were mailed to everyone on Lindero Canyon, Three Springs and their Homeowners Association; Open House information was posted to Las Virgenes' web page; prior to the Open House District staff will contact the officials of all affected homeowners associations, churches and schools; an email blast will be sent to all customers.

Director Polan stated he would like to see the display presentation plan prior to the event.

C Legislative and Regulatory Updates

General Manager Pedersen provided a legislative update including: AB 145 (Perea) Health and Safety Code, related to drinking water program (oppose unless amended); Senator Pavley's regional water solutions event on June 7th (Director Peterson attending); EPA extended TMDL adoption deadline to July 2nd.

Director Peterson reported on Senator Pavley's upcoming event of June 7th and discussed concerns in regards to support of portfolio-based Bay Delta Conservation Plan (BDCP) option and 3,000 cfs (cubic feet per second) and stated the last four chapters of the BDCP were released May 29th.

5. CONSENT CALENDAR

A Minutes: Regular Meetings of November 13, 2012, April 9, 2013 and April 23, 2013; and Special Meeting of April 24, 2013. **Approve**

On a motion by Director Lee Renger, seconded by Director Barry Steinhardt, the Board of

Directors voted 3-0 -1 -1 to Approve Consent Calendar 5A "Minutes: Regular Meeting of November 13, 2012". Director Polan stated he was abstaining from approval of 2012 Minutes as he was not on the Board of Directors at the time.

AYES: Director(s) Peterson , Renger , Steinhardt

ABSTAIN: Director(s) Polan

ABSENT: Director(s) Caspary

On a motion by Director Lee Renger, seconded by Director Barry Steinhardt, the Board of Directors voted 4-0 -1 to Approve Consent Calendar 5A "Minutes: Regular Meetings of April 9, 2013 and April 23, 2013; and Special Meeting of April 24, 2013"; and Consent Calendar 5B-5C as presented in the recommendations.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

B List of Demands: May 29, 2013. **Approve**

C Investment Report for the Month of April 2013. **Approve**

6. TREASURER

Treasurer Polan stated he had reviewed the checks and everything was in order.

7. BOARD OF DIRECTORS

A Calabasas Road 10-inch Water Main Repair and Replacement: Continuation of Emergency Authorization

Approve continuation of the emergency authorization for the General Manager to replace approximately 1,500 feet of deteriorated 10-inch water main on Calabasas Road following informal bidding procedures in an amount not to exceed \$700,000.

Director of Facilities and Operations Lippman provided an update in regards to the emergency authorization including summary of bids received (Kennedy/Jenks was directed to begin work); slip-line; approximately 33 road cuts would be needed to reconnect service lateral, valves and fire hydrants; City of Calabasas Council was updated and will be updated again in June.

One Board comment was received in regards to cost savings as a result of slip-line (the savings would be in paving).

On a motion by Director Barry Steinhardt, seconded by Director Leonard Polan, the Board of Directors voted 4-0 -1 to Approve the recommendation as presented.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

B Nominations for ACWA Region 8 Board of Directors

Support the nomination of Director Barry Steinhardt to serve as Vice Chair of the ACWA Region 8 Board of Directors for the 2014-15 term, and authorize staff and legal counsel to prepare a resolution expressing support for his nomination for Board approval and submission to ACWA by June 30, 2013.

General Manager Pedersen discussed support of Director Steinhardt for nomination as Vice Chair of the ACWA Region 8 Board (Director Steinhardt currently serves as the ACWA Region 8 Alternate).

On a motion by Director Leonard Polan, seconded by Director Lee Renger, the Board of Directors voted 4-0 -1 to Approve the recommendations as presented.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

8. FACILITIES AND OPERATIONS

A Building No. 1 Improvements: Update and Asbestos Abatement

Waive the formal bidding process for the asbestos abatement for Building No. 1, and authorize the General Manager to issue a purchase order to Zenco Engineering in the amount of \$43,250.00 for the work.

Director of Facilities and Operations Lippman provided an update related to Building #1 including elevator, parking, circular driveway (City of Calabasas approved in March 2013; plans are being submitted to the Building Department next); zoning to be heard in July; City Council in August (CUP (Conditional Use Permit) needed for medical buildings); asbestos survey was completed (\$43,250 abatement proposal); to date \$93,698 has been expended.

General Manager Pedersen stated he had toured Building #1 with the leasing agent, awkward components to the building; three vaults, which block locations for TIs (tenant improvements); potential for medical use (higher quality tenants, longer term leases, etc.); staff would like to look at high level review of a new building option prior to moving forward with installation of an elevator; concerns in regards to age of the building; hold off on approved work, but move forward with zoning changes.

A summary of Board comments included: what is the City going to say about parking (permit looked at parking); Building #8 (tenants want a stand alone facility, two entrances, two restrooms, divide into two suites).

General Manager Pedersen recommended a fatal flaw analysis, CUP, and parking be considered.

Director Renger made a motion to authorize the General Manager to issue a purchase order in the amount of \$43,250 for asbestos abatement; Director Peterson requested addition of a long term land lease option; Director Steinhardt requested clarification (Renger: General Manager to spend money on asbestos if he determines work on Building #1 needs to be done); if building is torn down does asbestos work remain the same (some form of asbestos remediation will still need to be completed).

On a motion by Director Lee Renger, seconded by Director Glen Peterson, the Board of Directors voted 2-2 -1 to Approve the recommendation as amended to include a long term land lease option.

AYES: Director(s) Peterson , Renger

NOES: Director(s) Polan , Steinhardt

ABSENT: Director(s) Caspary

Motion failed to pass due lack of a majority vote.

B Primary Tank Rehabilitation Project: Award of Engineering Contract

Authorize the General Manager to execute a professional services agreement with MNS Engineers, Inc. in the amount of \$74,516.00 for the Primary Tank Rehabilitation Project.

General Manger Pedersen stated Civiltec Engineering's bid was non-responsive.

A summary of Board comments included: Principal Engineer Zhao made a great presentation, did someone ask Civiltec about bid (Zhao: Civiltec did respond, but not sufficiently as this is not

their area of expertise); clarify process for coring and testing.

On a motion by Director Barry Steinhardt, seconded by Director Lee Renger, the Board of Directors voted 4-0 -1 to Approve the recommendation as presented.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

C Rehabilitation of 18-inch REW Pipeline from Tapia State Park to Camp David Gonzales - Change Order Nos. 1 and 2 and Final Acceptance

Ratify Change Order No. 1; approve execution of a Notice of Completion by the Secretary of the Board for and on behalf of the District and have the same recorded; and, in the absence of claims from subcontractors or others, release the retention in the amount of \$7,778.13 thirty calendar days after filing the Notice of Completion for the Rehabilitation of 18-inch Recycled Water Pipeline from Tapia State Park to Camp David Gonzales Project.

General Manager Pedersen stated the change order exceeded his approval authority, change order was a result of 27' of additional pipe and a 24" valve (flange was not needed, but it was part of the contract).

On a motion by Director Leonard Polan, seconded by Director Lee Renger, the Board of Directors voted 4-0 -1 to Approve the recommendations as presented.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

D Supply and Delivery of Ammonium Hydroxide: Award of Bid

Authorize the General Manager to execute a one-year contract with two one-year renewal options to Argo Chemical, Inc. for the supply and delivery of ammonium hydroxide.

General Manager Pedersen stated the ammonium hydroxide was for Tapia and Westlake only; Airgas would not agree to the worker's compensation subrogation as part of the insurance requirements.

On a motion by Director Lee Renger, seconded by Director Leonard Polan, the Board of Directors voted 4-0 -1 to Approve the recommendation as presented.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

E Vendor Change for Outside Laboratory Services

Authorize the General Manager to issue a purchase order to Weck Laboratories, Inc. in an amount not to exceed \$80,000 for laboratory services.

General Manager Pedersen discussed historical outside laboratory services for testing that cannot be performed at the District's lab and stated the transition to Weck would result in a significant cost savings.

A summary of Board comments included: will the transition to Weck be seamless (Director of Facilities and Operations Lippman stated the District has a good level of confidence in Weck and had reviewed their references, quality control process, etc.).

On a motion by Director Leonard Polan, seconded by Director Barry Steinhardt, the Board of Directors voted 4-0 -1 to Approve the recommendation as presented.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

F Water Supply Assessment for the Proposed Westlake Village Business Park Specific Plan, LVMWD Report No. 2523.00

Approve the Water Supply Assessment for the proposed Westlake Village Business Park Specific Plan, LVMWD Report No. 2523.00.

General Manager Pedersen discussed SB 610 and SB 221 (water supply planning efforts (intended to provide a better level of planning for agencies and purveyors)).

Director Renger inquired of Legal Counsel Lemieux as to whether this was a legal commitment to provide water for 20-years (Lemieux: no, just that water is available).

A summary of Board comments included: confused as to why this is new development as the buildings have been there 23-years (re-development); land use (will be in planning documents); will this come up again in the future (it could if land is being re-developed, looks at supply not infrastructure needed to supply the water); Water System Design Report is normally paid for by the developer, is Las Virgenes paying (a request was made to the City in regards to their reimbursing the District, but there was no response, water supply assessment is \$15,000).

On a motion by Director Lee Renger, seconded by Director Glen Peterson, the Board of Directors voted 4-0 -1 to Approve the recommendation as presented.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

9. FINANCE AND ADMINISTRATION

A Proposed Update to District's Strategic Plan

Approve the proposed update to the goals and objectives in the District's Strategic Plan.

General Manager Pedersen stated next steps were tactical (go through the activities and actions).

Director Steinhardt requested this item be tabled as he would like Board President Caspary present for the discussion.

On a motion by Director Barry Steinhardt, seconded by Director Leonard Polan, the Board of Directors voted 4-0 -1 to Defer consideration of the "Proposed Update to District's Strategic Plan" until the board meeting of June 11, 2013.

AYES: Director(s) Peterson , Polan , Renger , Steinhardt

ABSENT: Director(s) Caspary

10. INFORMATION ITEMS

A 2012 California Water Agency Benchmarking Results

General Manager Pedersen stated the District is agency "M" in Eastern Municipal Water District's report entitled "California Water Agency Comparative Benchmarking Analysis - Agency Assessment".

Director Peterson inquired as to what year the data was collected (Administrative Service Coordinator Anders stated 2011 data was used).

11. NON-ACTION ITEMS

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

(1) MWD Representative Peterson reported on general business of Metropolitan Water District including the last four chapters of the BDCP (Bay Delta Conservation Plan) had been released; Yolo Bypass; and Stewardship Program.

(2) Director Steinhardt reported that he would be attending the May 31, 2013, ACWA Board Meeting on behalf of Region 8 Chair, Gail Pringle.

B Director's Reports on Outside Meetings

None.

C General Manager Reports (1) General Business; (2) Follow-Up Items

(1) General Manager Pedersen provided an update on general business of the District including fish flow (below 2.5 cfs for 3-days, recycled water releases began on May 23rd); upcoming calendar events (June 25th Public Financing Authority meeting, May 30th Chamber meeting; June 1st JPA Watershed Tour; June 8th Open House for proposed 5-million gallon tank; June 12th book donation at City of Westlake Village).

(2) General Manager Pedersen provided an update on follow up items including means to recover cost to prepare Water Supply Assessment; vulnerability to cyber security threats; SB 135 Earthquake Early Warning System (monitoring legislation, MWD supports, funding); working on mobile device concept for iPads; fire flow demands associated with the Oakland Fire (Director Renger provided a written report on the Oakland Fire to the Board and discussed hydrant to fire department fitting connections (were not compatible sizes); radio system communications were not compatible; power failure and seismic protection (Director of Facilities and Operations Lippman discussed the use of fixed and mobile generators, and flexible boots for seismic protection (based on analysis/differs by tank)).

General Manager Pedersen also reported on his findings from Camrosa Water District related to the recent fire event around the area of California State University Channel Islands, Camrosa's General Manager was not sure of the flow rates, but demands increased by 30% (estimate of 3900 gpm); requested information from California American Water in regards to the Camarillo Springs Fire around the Dos Vientos area, but received no response).

D Director's Comments

None.

12. FUTURE AGENDA ITEMS

None.

The meeting convened into break at 6:38 p.m.

13. CLOSED SESSION

The meeting reconvened into Closed Session at 6:43 p.m.

A Labor Negotiations (Government Code Section 54957.6):

1. Employee Compensation and Benefits

B 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.

C Conference with District Counsel - Existing Litigation:

1. Heal the Bay, Inc. v. Lisa P. Jackson

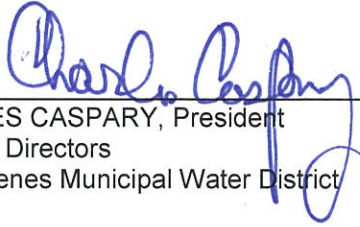
D Conference with District Counsel - Existing Litigation (Government Code Section 54956.9 (a)):

1. Las Virgenes Municipal Water District v. Millgee Investment Company, Inc.

14. OPEN SESSION AND ADJOURNMENT

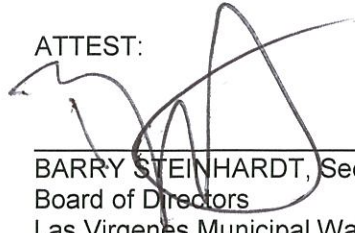
The meeting convened into Open Session at 7:53 p.m. No reportable actions were taken during Closed Session.

The Vice Chair declared the meeting adjourned at 7:54 p.m.



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

ATTEST:



BARRY STEINHARDT, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)