



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

**MINUTES
SPECIAL MEETING**

8:00 AM

April 21, 2014

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Board President, Charles Caspary.

1. CALL TO ORDER AND ROLL CALL

Call to order and roll call

The meeting was called to order at 8:00 a.m. by Board President Caspary in the District offices. Daryl Betancur, Clerk of the Board conducted the roll call.

Present: Director(s): Polan (arrived at 8:15 a.m.), Renger, Steinhardt (arrived at 8:05 a.m.), Peterson and Board President Caspary.
Absent: None.
Staff Present: David Pedersen, General Manager
David Lippman, Director of Facilities and Operations
Carlos Reyes, Director of Resource Conservation and Public Outreach
Don Patterson, Director of Finance and Administration
Daryl Betancur, Clerk of the Board

2. BUDGET/STRATEGIC PLANNING WORKSHOP

General Manager Pedersen reviewed the outline of the workshop and discussed the goals, desired outcomes and proposed next steps. Further, he reviewed an update on progress to accomplish the District's Fiscal Year 2013-2014 Tactical Actions and Activities.

As it relates to the objectives, for objective 2.2, President Caspary requested that staff evaluate the potential effect of the rising elevation of the streambed adjacent to the Tapia Water Reclamation Facility and the potential flood risk. Also President Caspary asked that staff look at the existing land "footprint" for Tapia and the possible need for future land required for facilities to meet new, more stringent regulatory requirements.

For objective 2.6, Director Polan raised the issue of getting the word out with regard to conservation efforts. Additionally, with respect to Objective 3.1, he asked about the means to evaluate the District's financial/investment policies. Answers to these questions were provided by staff.

Following this discussion, President Caspary requested that staff include guidance for field employees when updating the Customer Service Procedure Handbook per Objective 4.1.

In terms of Objective 4.2, there was a brief discussion of web-security and recent concerns with the Heart Bleed Virus.

General Manager Pedersen provided an overview of the District's adopted financial policies. Director Peterson noted that OPEB should be recognized as a debt and pointed out that the Rate Stabilization Fund established with Policy 3 should be used and replenished when necessary. Questions arose with regard to how the budget-based water rates would affect the need and/or use of the Rate Stabilization Fund. Also, there was a question about the definition of the term "reliable revenue sources". Staff agreed to report back with answers to these questions.

For policy 10, Director Polan asked about when the Emergency/Insurance Fund was last utilized with staff agreeing to report back at a later date with an answer.

General Manager Pedersen reviewed the District's Strategic Plan, consisting of seven goals supported by various objectives. Director Peterson noted that the District should update its Strategic Plan every few years.

Director of Finance and Administration Patterson reviewed key budgetary trends and inputs that are being considered for preparation of the Fiscal Year 2014-15 Budget, including: potable water demands, recycled water demands, energy costs, JPA chemical/amendment costs, and personnel costs.

Director of Facilities and Operations Lippman reviewed the draft Infrastructure Investment Plan for Fiscal Year 2014-15 through 2017-18. Director Polan made a comment relative to the definition of climate change v drought. Director Renger asked about the potential effect of an earthquake occurring while the Calabasas Tank Rehabilitation Project is underway with staff responding to the question appropriately. President Caspary requested that staff note in all locations that LADWP will reimburse the JPA for the construction cost of the Woodland Hills Country Club Extension.

Financial Analyst Hamilton reviewed the Fiscal Year 2014-2015 Proposed Preliminary Budget, including: projected working capital balances, potable water expenses, recycled water expenses, sanitation expenses, JPA expenses, internal services expenses, and major capital improvement projects.

Following an extensive discussion on the budget, the Board recessed to a short break at 10:29 a.m., and reconvened at 10:33 a.m.

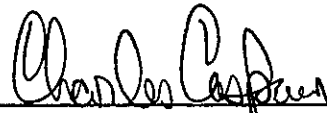
General Manager Pedersen stated that the budget adoption is set up for the first meeting in June.

3. PUBLIC COMMENTS

There were no comments from members of the public.

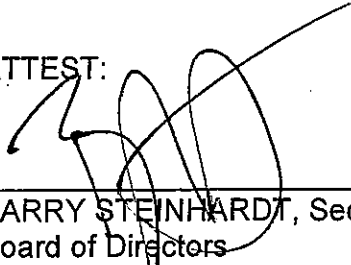
4. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 10:44 p.m. in Memory of Brent Groves.



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

ATTEST:



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

(SEAL)