



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

MINUTES  
REGULAR MEETING

5:00 PM

May 27, 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

A Call to order and roll call

The meeting was called to order at 5:00 p.m. by Board President Caspary in the District offices. Daryl Betancur, Clerk of the Board conducted the roll call.

Present: Directors, Polan, Renger, Steinhardt, Peterson and Board President Caspary.

Absent: None

Staff Present: David Pedersen, General Manager  
Daryl Betancur, Clerk of the Board  
David Lippman, Director of Facilities and Operations  
Carol Palma, Manager of Resource Conservation and Public Outreach  
Don Patterson, Director of Finance and Administration  
Wayne Lemieux, District Counsel

2. APPROVAL OF AGENDA

A Approval of agenda

General Manager Pedersen indicated that there were no changes to the agenda.

On a motion by Director Renger, seconded by Director Peterson, the Board of Directors voted 5-0 to approve the agenda as presented. Motion carried unanimously.

**3. PUBLIC COMMENTS**

None

**4. CONSENT CALENDAR**

**A List of Demands: May 27, 2014. Approve**

**B Monthly Investment Report as of April 30, 2014. Receive and File**

**C Minutes: Special Meeting of April 21, 2014 and Regular Meeting of May 13, 2014. Approve**

Director Polan moved to approve the consent calendar items 4A-4C, seconded by Director Renger. Motion carried unanimously.

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

**A MWD Solar Cup Presentation**

Students and teachers from both schools Calabasas High and Camp David Gonzalez were present to brief the Board on their experiences at this event.

**B Introduction to Utility Branding**

General Manager Pedersen stated that on January 28, 2014, there was a request from Director Polan for the District to take a look at branding or potentially rebranding the District and requested that this be placed on a future agenda; that staff had spent time reviewing the activities of the Utility Branding Network and that their intent is to help water agencies take advantage of and understand branding concepts. Following his brief remarks, Mr. Pedersen introduced Mr. John Ruetten, the Principal Consultant for the Utility Branding Network (UBN). Mr. Ruetten proceeded to present on the issue of branding.

Mr. Ruetten defined for the Board the concept of branding; what it entails, what it is not; values; transparency; what people want; that branding relates to value and value relates to price; that branding creates a compelling argument for specific investments; that it is important to maintain relationships with influential customers and spoke about brand categories, standards, and core values.

There were several comments and questions from the Board about whether or not Mr. Ruetten was making a formal proposal; that the Board would like to see a branding effort in the future and that this could be placed on a future agenda; that it would be helpful to get an example of a branding effort before and after; that the presentation was very informative because it answered questions about trust and return on investment. Other comments made related to core values and that all Board members need to share the same core values for an effort like this to move forward.

**C Update on City of Calabasas Projects: Lost Hills Interchange Improvements and Las Virgenes Road Widening.**

John Zhao, Principal Engineer presented the report and provided a brief summary of the projects that the city of Calabasas has underway that will impact District facilities; spoke about the Lost Hills Interchange project and stated that they are redoing the north bound off ramp and also the northbound on ramp and making improvements to the entrance to the freeway for the north bound on ramp from the current location; also that the project includes adding a five lane overpass replacing the current two lane overpass; spoke about project limits and that this project will not have an impact on the potable system; however, it will have an impact on the recycled water system.

Mr. Zhao stated that the City of Calabasas is going to incorporate the District's design into their bidding documents and that the District will pay the construction line item bid price for the relocation of the 10" recycled water main; and that we will pay a proportional share of project management with the inspection to be conducted by District staff.

There were several comments by members of the Board regarding pricing, the way similar projects were built such as the Reyes Adobe project. Mr. Zhao explained how this earlier project was executed. Other comments included whether or not we can continue to use the present overcrossing; whether we could sit down with Calabasas City staff and review bids; Mr. Pedersen stated that we have the option to approve or disapprove the contractor's bid because that is part of the specifications of the reimbursement agreement with the City. Mr. Zhao explained in detail the Las Virgenes Road Widening Project. Board President Caspary asked a question relative to the proposed signal for the intersection at the entrance to District Headquarters; Mr. Zhao clarified that it would be a four-way signal and intersection. Additionally, there were comments from the Board regarding the impacts of these projects being done concurrently and the timing of them.

#### **D Governor's Proclamation of a Continued State of Emergency: Update on District's Drought Response Efforts**

Carol Palma, Resource Conservation and Public Outreach Manager spoke about the key actions taken to date. Ms. Palma gave a brief overview of the State Emergency Drought Declarations by the Governor; spoke about the drought conditions in terms of percentages commenting that the 8-station index is at 58% of average; that statewide snowpack is at 33 % of average; that Lake Oroville is at 50% and Saint Luis Reservoir; Castaic Lake and Diamond Valley Lake are at 44%, 68% and 70% respectively.

Ms. Palma's presentation also included topics related to water conservation efforts for different types of customers; and the District's response including mandatory implementation of water conservation measures.

#### **E Legislative and Regulatory Updates**

General Manager Pedersen spoke about a few items of relevance to the Board stating that at the federal level there were two bills in the Senate that moved forward. First, the Water Resources Reform and Development Act, which was approved in the Senate by a 91 to 7 vote so that bill is moving forward as HR 3080, which will be going to the President for approval; and that staff will look into how that might provide an opportunity for the District and the JPA to seek funding for the potential seasonal storage project. Mr. Pedersen also spoke about another bill that moved out of the Senate and that is the Emergency Drought Relief Act, which was a bill sponsored by Senator Feinstein which was approved in the Senate and now moves to the House. Mr. Pedersen also reported on a meeting that happened on Thursday at King Gillette Ranch, a meeting of the MS 4 Group comprised of LA County Flood Control District, Agoura Hills, Calabasas, Hidden Hills and Westlake Village where Enhanced Watershed Management Plan issues were discussed.

#### **6. TREASURER**

Treasurer Polan stated that he had nothing to report and that he had enjoyed the analysis presented and the level of detail provided in the new version of the Monthly Investment Report.

#### **7. BOARD OF DIRECTORS**

##### **A General District Election on November 4, 2014: Resolution No. 2457**

**Pass, approve and adopt as presented Resolution no. 2457, pertaining to a General District Election to be held in the District on Tuesday, November 4, 2014; and authorize the Secretary of the Board of Directors to submit executed certified copies of said Resolution to the Board of**

## **Supervisors and the Registrar-Recorder/County Clerk of the County of Los Angeles.**

General Manager Pedersen made brief comments related to the item and stated that this is for the election for Districts 2, 3, and 5 respectively.

Director Polan asked a question relative to the cost of a contested election as opposed to an uncontested election; and whether or not this was a fixed cost.

Director Peterson moved to adopt the Resolution as presented. Motion seconded by Director Renger and carried unanimously.

### **8. FACILITIES AND OPERATIONS**

#### **A Potable Water Master Plan Update 2014: Final Draft**

**Provide staff with comments on the final draft of the Potable Water Master Plan Update 2014.**

General Manager Pedersen presented the staff report and stated that the comments given to staff at a previous meeting had been incorporated into the final draft, which is prepared and ready for the Board to receive and file.

Mr. Roger Null presented the key components of the plan including goals and objectives; discussion of technical elements; current and projected demands; hydraulic system modeling; potential system deficiencies; capital improvement plan and the summary of findings.

Following Mr. Null's presentation, there were a number of comments and questions from the Board related to: inconsistencies in terms of population; drought rebound factor; water demands based on economic forecast/analysis; and projected climate change.

Board President Caspary stated that if there are inconsistencies or questions on the report that those should be clearly identified so that staff can correct them prior to the Board accepting this at the next meeting. Further, President Caspary stated that instead of doing another major re-write that going forward perhaps there could be an addendum that answers these kinds of questions as they become available.

General Manager Pedersen suggested that if the Board has some specific questions, perhaps staff could have individual meetings with Board members. Board President Caspary stated that perhaps all Board members could write their questions down provide them to the General Manager and the answers could be made available to the entire Board.

Following a lengthy discussion on this subject, the Board concurred to have Board members provide items that they need clarification on to General Manager Pedersen and have those answers available to the entire Board.

#### **B Calabasas Tank Rehabilitation Project: Construction Award**

**Award a construction contract to Blastco, Inc., in the amount of \$2,197,538 for the Calabasas Tank Rehabilitation Project, reject all remaining bids upon receipt of duly executed contract documents, and approve additional appropriation of \$1,780,038 for CIP Project No. 10508 to complete the work.**

General Manager Pedersen presented the staff report indicating that this project involves four main components: 1) recoating the interior/exterior of the tank; 2) a variety of structural improvements; 3) seismic improvements to the tank; and 4) site improvements including fencing, and access road paving; that the project went through a prequalification process and that the Board back in late February approved four contractors to bid on the project. Mr. Pedersen indicated that staff is recommending

Blatsco, Inc., whose bid came in at 6% below the Engineer's estimate. Further, he stated that after the bid opening staff received a letter and a request for a meeting that was held with the Painters and Allied Trades Compliance Administrative Trust regarding some concerns about alleged violations of labor regulations by Blastco. Mr. Pedersen summarized the actions taken by staff related to these allegations and received satisfactory information from Blatsco, Inc., addressing these concerns.

Gary Nye, attorney representing Blatsco, Inc., addressed the Board on these allegations and provided specific detail on what had transpired.

Miguel Gastelum, representing the Painters and Allied Trades spoke relative to the concerns they had with Blatsco, Inc., and why they felt they were a non-responsive bidder and thus should not be awarded the contract.

After a brief discussion on the subject, Director Steinhardt moved to award a construction contract to Blastco, Inc., as staff is recommending. Motion seconded by Director Caspary and carried unanimously.

## 9. INFORMATION ITEMS

### A Restrictions on the Use of Turf Grass in Landscaping

There were no questions on the subject. Director Polan observed that these restrictions are very important because they relate to water conservation efforts.

## 10. NON-ACTION ITEMS

### A Organization Reports

#### (1) MWD

Director Peterson reported that Randy Record held his first meeting as Chairman of the MWD Board; and that there was a great presentation on the Bay Delta; the cost to individual Districts; and reported on the State Water Project Contract.

There were no other reports.

#### (2) Other – None

### B Director's Reports on Outside Meetings

Director Renger reported on the AWA meeting stated that at the meeting, there was a report about the Water Bond.

Director Polan also spoke about having attended the AWA meeting.

Board President Caspary commented on his attendance at the same meeting also (AWA) and spoke about the legislative bills that are being worked on.

Director Steinhardt reported on the Agoura Hills Public Safety Day event and complemented staff for a job well executed.

### C General Manager Reports

#### (1) General Business

Mr. Pedersen highlighted some events for the Board including: City of Calabasas City Council meeting library book presentation; the Watershed Tour sponsored by UCLA; and

that coming up in June there is an event for Supervisor Zev Yaroslavsky at King Gillette Ranch; the CASA annual conference in Monterey in August.

(2) Follow-Up Items

None.

**D Director's Comments**

Director Polan commented about the events at Fukushima and the impacts of caesium137 on local water sources and whether or not monitoring for radioactive materials is done.

General Manager Pedersen stated that there are California Drinking Water Standards as well as Federal Drinking Water Standards which include monitoring for radionuclides but caesium is not one of them. Director Polan asked if Mr. Pedersen could check about the types of items that the State checks for in the local water sources and report back.

**11. FUTURE AGENDA ITEMS**

None, although Director Renger asked if staff could run two scenarios through the hydraulic model for fire flows of 7,500 gallons per minute and 10,000 gallons per minute for four areas: north Morrison Ranch, Hidden Hills, Monte Nido and the Malibou Lake area; and asked whether or not this could be made into an agenda item.

Board President asked about how the flows were established. A brief discussion took place relative to required fire flows.

District Counsel Lemieux commented on the appropriateness of Directors directing staff to spend money on these types of things; although it is appropriate for the Board to inquiry in a general sense about studies related to these issues, it may be necessary for the Board to approve studies that require a significant expenditure. General Manager Pedersen agreed to determine the level of effort to accomplish this task.

**12. PUBLIC COMMENTS**

There were no public comments.

**13. CLOSED SESSION**


District Counsel Lemieux stated that since there was no news on any of the closed session matters, the Board does not need a closed session.

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

1. Las Virgenes – Triunfo Joint Powers Authority v. United States Environmental Protection Agency
2. Heal the Bay, Inc. v. Lisa P. Jackson
3. San Diego County Water Authority v. Metropolitan Water District of Southern California, et al.

**14. OPEN SESSION AND ADJOURNMENT**

No actions were taken during closed session. Seeing no further business to come before the Board, the meeting was duly adjourned at **7:54 p.m.**

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

ATTEST:

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

(SEAL)