



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

MINUTES REGULAR MEETING

5:00 PM

March 25, 2014

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the flag was led by President 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 President Caspary in the District offices. Secretary, Joanne Bodenhamer conducted the roll call. Those present were Directors Caspary, Peterson, Polan, Renger and Steinhardt.

2. APPROVAL OF AGENDA

A Approval of agenda

There were no proposed changes for the agenda.

On a motion by Director Lee Renger, seconded by Director Leonard Polan, the Board of Directors voted 5-0 to approve the agenda as published.

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

NOES: None

3. PUBLIC COMMENTS

Neil Ticktin of Westlake Village spoke about the Governor's announcement about the drought that took place after the approval of the tank project; with the calculations that staff has done, permanent conservation of about 1/3, will completely eliminate the need for the tank; we have a very motivated population to conserve if the conservation method is made easy; the money is there if the tank building is stopped immediately; there is a termination clause in the tank contract, and while it will cost some money, the project can be stopped at any time; the community will respect the Board if the project is stopped.

John Storajev of Westlake Village expressed his concerns with the tank project and stated that he is concerned with the activity taking place as he and his wife work out of the house and it is affecting their business; it is noisy, lots of dust and they are unable to move because of property values going down. He asked for compensation for loss of business.

Director Steinhardt asked staff to direct Mr. Storajev on how to file a claim for compensation of loss of his business.

Anup Bhowmik of Westlake Village asked a series of questions relative to where he can find the documentation that justifies the need for the tank. He was referred to the website to find this information and was asked to leave his contact information so that someone can get back to him on his concerns.

Gene Crubaugh of Westlake Village stated that he is in agreement with the three previous speakers; and that his main concern is safety because the blasting could potentially cause a flood.

There was a brief discussion with Directors indicating that there is some level of grandstanding at this meeting with others interjecting stating that the Board collectively has a duty to listen to the constituents concerns and address them.

Debra Levine of Westlake Village stated that she lives before the first speed bump off the side of the road so she does not see the trucks and can barely hear them; she is far enough away that she is not impacted, but she has a lot of concerns; she is concerned that there are different reports of the distance of blasting; she does not feel the blasting should occur until the safety distance is established; there is concern that the blasting will release Valley Fever spores and how that is mitigated; there is concern about the need for the tank when there are other options; Ms. Levine would like to see some permanent action from the District now to get to the 20 by 2020 goals. There was a brief discussion related to the issues raised by Ms. Levine relative to dust control, Valley fever and the amount of water being used.

Director Peterson asked General Manager Pedersen if the Valley Fever report was on the website with Mr. Pedersen stating that in fact such information is on the website. Ms. Levine was asked to leave her contact information as well for someone to get back to her.

Dr. Robin Wasserman of Westlake Village stated that she has been requesting a document from the Board justifying the tank project for months and that she has not been provided with accurate information and questioned as to why the Board is providing outdated information as justification for building the tank; and that she will continue seeking answers on this matter.

Chuck Stahardt of Westlake Village asked that what is wrong with answering the questions of the public and the he concurs with the others who are in opposition to the project. He also stated that he feels the Board does not have a personal interest with what is taking place in Three Springs because they do not live there. He made relative comments about the blasting, inaccurate information provided and the safety issues surrounding the blasting.

Director Caspary requested that members of the public who are unable to find answers to their questions on the website and to get their contact information to the Clerk of the Board and they will be directed to where they can find the answers.

Susan Chavalier of Westlake Village spoke on her opposition to the tank project; stating that she believes the residents are being put in danger; the scope of the project for over a year and a half is invasive. She expressed concerns with the safety of the dam.

Marilyn Murkey of Westlake Village stated that the construction is going on above her house and made several comments regarding the disturbance of her peace; potential damage to her house because of the blasting, noise issues and the timing of the blasting in the mornings.

Director Polan made a motion that an item be put on the agenda for a better process for approaching individuals of greatest concern to try to help them out; Director Steinhardt seconded the motion. Director Caspary directed staff to put it on a future agenda.

4. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

General Manager Pedersen gave a brief update on several water bond proposals including AB 1331, Rendon Bill; the reorganization of the drinking water program within the State Water Resources Control Board; the state released a preliminary plan for that reorganization; the SWRCB is going to take up the effort on the potable water discharge permit at their level.

Discussion and comments took place and Board questions were answered.

5. CONSENT CALENDAR

A List of Demands: March 25, 2014. Approve

B Minutes: Special Meeting of January 30, 2014 and Special Meeting of March 13, 2014. Approve

General Manager Pedersen called attention to a typographical error on item 4B, the minutes of January 30th under item 1, it should reflect that Directors Renger and Peterson were absent originally; it was recommended that the Board consider the minutes for approval with that correction.

There was a motion and a second. However the roll call vote was temporarily withheld as there were several other public speakers who did not realize a public speaker card needed to be filled out to speak.

C Investment Report for the Month of February 2014. Approve

On a motion by Director Glen Peterson, seconded by Director Lee Renger, the Board of Directors voted 5-0 to approve the Consent Calendar as presented.

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

NOES: None

The meeting was then opened back for public comment.

John Storojev of Westlake Village, who lived less than 1000 feet from the tank site stated that he comes with mixed feelings and that he is saddened by the whole situation that the project went through with a one-vote difference for a \$13 million project for the 5 million gallon tank.

Mr. Storojev indicated that his concern is with the day-to-day activity as he runs a business out of the house and that his home business is suffering due to all of the construction. He expressed concerns about the noise and the dust; and that he cannot move; that his home business is economically impacted and that they do not receive compensation for these losses.

Director Steinhardt stated that he has a concern about having a home office and not being able to work there; he requested staff to direct Mr. Storojev on how to file a claim to be compensated for his loss.

Anup Bhowmik of Westlake Village asked again where he can find documentation that justifies the need for the tank and was again directed to the website.

6. TREASURER

Director Polan found everything to be in order.

7. BOARD OF DIRECTORS

A Local Agency Formation Commission: Candidate Nominations

Consider candidates for nomination as Local Agency Formation Commission Special District and Special District Alternate representatives; select the candidates for nomination, if any; and authorize the General Manager to submit the nomination form by April 7, 2014.

General Manager Pedersen reported that the Board previously considered this item stating that this is an opportunity for the Board to nominate candidates for the local agency formation commission; the representatives for Special District Representative and Special District Alternate are up for reelection; notice was received from LAFCO on February 6th that the election process was starting; the incumbents for those positions are Jerry Gladbach, Special District Representative with Castaic Lake Water Agency and Joseph Ruzicka, Special District Alternate; both candidates are seeking reelection.

Director Caspary asked the Board who they would like; Director Steinhardt suggested waiting until everyone submits their nomination papers before someone is endorsed; no nominations were made.

8. FACILITIES AND OPERATIONS

A 2014 Las Virgenes Dam Settlement Report

Receive and file the 2014 Las Virgenes Dam Settlement Report, LVMWD Report No. 2545.00.

General Manager Pedersen gave an overview of the item stating the item includes a copy of the Annual Las Virgenes Dam Settlement Report; the report consists of two parts monitoring horizontal and vertical movements of the dam; it has been conducted annually since the dam was constructed in 1972; the report provides measurements and compares to previous measurements dating back to 1972; the report shows no items of concern and staff recommends to receive and file the report; the next survey will be done in January of 2015.

Discussion took place and questions of the Board were answered.

On a motion by Director Lee Renger, seconded by Director Charles Caspary, the Board of Directors voted 5-0 to approve to receive and file the 2014 Las Virgenes Dam Settlement Report.

AYES: Director(s) Polan, Renger, Steinhardt, Petersen and Caspary
NOES: None

9. RESOURCE CONSERVATION AND PUBLIC OUTREACH

A Budget-Based Water Rates: Proposed Action Plan and Timeline

Approve the proposed Action Plan and Timeline for Budget-Based Water Rates.

General Manager Pedersen gave an overview of the proposed action plan on Budget-Based Water Rates stating that this item was originally discussed with the Board in November of 2013 and was proposed to comply with the requirements of 20 by 2020; the other two components include additional water conservation incentives and converting customers to recycled water; two Special Board Meetings were held to discuss the plan on January 30th and March 13th; he turned it over to Director of Resource Conservation and Public Outreach Reyes.

Mr. Reyes reviewed the four documents that were attached in the agenda packets and stated that attachment A is the proposed action plan, which he noted some additions; on the timeline provided the timeline was shifted to have a start date of May 2014; dates were added for when the Board is expected to take action and make decisions; under the financial study, the Board will be provided with regular updates of where the process is and along the way decisions will need to be made; a timeline was added for an indoor water use study; attachment C was added which outlines the estimated costs for the transition; the aerial imagery cost is based on a 6" resolution, alternately the Board can consider a much lower resolution of 1'; it is very important to get the most accurate data and staff believes the 6" resolution is more appropriate under item number 4, the financial study, the cost was based on a study done in 2007, so that was escalated to current dollars; the indoor use study cost is \$97,000; a proposal was solicited from a consultant who did a similar study for the State; additionally attached is a Draft Outreach Plan which has the activities broken out into different months.

A lengthy discussion took place on the item and Board questions were answered.

Director Peterson requested an item be brought back to the Board on going to monthly billing; Mr. Reyes stated he will add it to part of the presentation at the next meeting.

On a motion by Director Lee Renger, seconded by Director Glen Peterson, the Board of Directors voted 4-0 -1 to Approve the proposed Action Plan and Timeline for Budget Based Water Rates.

AYES: Director(s) Polan, Renger, Peterson and Caspary

NOES: None

ABSTAIN: Director(s) Steinhardt

10. INFORMATION ITEMS

A Tree People's Conservation Programs

B Claim from Marilyn Howard.

Director Polan commented that payment of the claim for Marylyn Howard is the right thing to do.

C Update of Las Virgenes Municipal Water District Code: Proposed Process and Timeline.

Director Renger asked how the item was going to be handled and if there would be workshops with Mr. General Manager Pedersen stating that staff proposes to have mini workshops under the agenda category "Illustrative and/or Verbal Presentation Agenda Items" during the 2nd meeting of each month.

11. NON-ACTION ITEMS

A

Director Polan asked if water was still being taken from fire hydrants and being delivered to Hidden Valley with Mr. Pedersen providing satisfactory answers.

Director Steinhardt commented that tonight quite a few people spoke and he doesn't think there are a lot of people who understand what is going on in the community; that there are severe disturbances in the lives of people and that he wishes there was more that it could be done.

Director Peterson wanted to know if it was true that someone put glue in the lock at the construction site at Three Springs with General Manager Pedersen stating that it was true and that police were made aware of the incident.

B Director's Reports on Outside Meetings

Director Peterson reported that Col. John Foley died last Friday and that there will be a celebration of life for him in late April.

Mr. Peterson requested to adjourn the meeting in memory of Col. John Foley and to send his wife a notice of the adjournment.

Director Peterson gave an overview of the MWD meeting including their plans in light of the drought; they had their first executive committee meeting since John's passing; the Vice Presidents decided they will each chair a meeting in rotation and next month they will decide what they will do in terms of an election; they will most likely elect the Chairman for the rest of this year and the next two years.

Director Polan reported that on March 20th, he attended the AWA Breakfast and there was a wonderful presentation indicating that Ventura County is the number one agricultural county in the Nation for its area and spoke about the topics covered at the meeting including: they talked about a bug that is going around and which attacks live oaks, avocados, it attacks almost any other tree; they also spoke about water being pumped out of the United Water Conservation Water District; the District is approaching zero water in August; now the farms are coming together to figure out what to do.

Director Polan just got back from the Colorado River Aqueduct and Hoover Dam tour and commented that if you go out and stand next to a river of water 18 feet wide and 10 feet deep flow towards the city at 8mph, you would understand the effort being put forth to get water to everyone to have water to drink and live life; we must retain and sustain our environment.

Director Peterson reported that he attended the Colorado River Tour along with Dave Pedersen; there were a lot of intelligent questions asked on the tour; everyone seemed to learn a lot; Director Peterson would like to extend the length of the Hoover trip next time; there is a lot to see there; Al was a new tour guide and did a really good job; staff was thanked for doing a good job.

C General Manager Reports

(1) General Business

(2) Follow-Up Items

General Manager Pedersen gave an update on the construction in progress at Three Springs indicating that construction began at the beginning of March; that yesterday was the first heavy construction day and that with anticipation of that work, fliers were hand-delivered to the residents with information about the project, how to sign up for e-notifications, the work that has been done and what will be coming up; 12 of 18 pipe supports on the face of the dam done, the remaining 6 will be completed in the next two days; the crest of the dam has been based and paved; staff has been out there continuously along with hired sheriff patrol cars to make sure the work was being done safely; the next phase of work will involve the grading and blasting; no blasting has been done as of yet; blasting plan has been submitted to DSOD and it is under review and near completion; no blasting will be done until it is completed; there will be another community notification prior to the blasting work being performed; a log of customer contacts is being maintained of the complaints, comments or questions; there are a total of 25 inquiries; tomorrow night there will be a discussion of the project at the City of Westlake Village meeting; blasting expert, Gordon Revey and dam safety expert Craig Prentice will be available to answer questions; the construction is being monitored closely by Las Virgenes and Westlake Village City staff and things have gone well.

Mr. Pedersen would like to schedule a strategic planning workshop with the Board; looking at April 17th from 8:00 a.m. until noon; he will send out a notice and if there is a conflict will look at another day; Director Steinhardt stated he would be out of town from the 15th - 19th; an alternate date will be looked at.

The upcoming community calendar and Board events were announced. Follow-up items were reviewed accordingly.

Mr. Pedersen expressed how much he liked the Colorado River Tour and commented that it is a great opportunity to engage with customers.

Legal Counsel Lemieux stated there were no significant items to report during closed session.

Director Polan wanted to know if there was anything else that could be done to minimize the dust at Three Springs with General Manager Pedersen stating that the best way to control dust is to use water and that the paving of the road will help also.

12. FUTURE AGENDA ITEMS

There were no future agenda items presented.

13. PUBLIC COMMENTS

There were no public speaker cards.

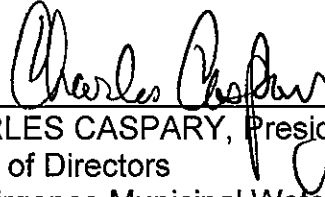
14. CLOSED SESSION

A Conference with District Counsel – Existing Litigation (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.
4. Pacific Bell Telephone Company v. Las Virgenes Municipal Water District, et al.

15. OPEN SESSION AND ADJOURNMENT

There being no further business before the Board, the meeting was adjourned in memory of Col. John Foley at 7:16 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)