



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

**AGENDA**  
**REGULAR MEETING**

Members of the public wishing to address the Board of Directors are advised that a statement of Public Comment Protocols is available from the Clerk of the Board. Prior to speaking, each speaker is asked to review these protocols and **MUST** complete a speakers' card and hand it to the Clerk of the Board. Speakers will be recognized in the order cards are received.

The Public Comments agenda item is presented to allow the public to address the Board on matters not on the agenda. The public may present comments on any agenda item at the time the item is called upon for discussion.

Materials prepared by the District in connection with subject matter on the agenda are available for public inspection at 4232 Las Virgenes Road, Calabasas, CA 91302. Materials prepared by the District and distributed to the Board during this meeting are available for public inspection at the meeting or as soon thereafter as possible. Materials presented to the Board by the public will be maintained as part of the records of these proceedings and are available upon written request to the Clerk of the Board.

5:00 PM

June 24, 2014

PLEDGE OF ALLEGIANCE

**1. CALL TO ORDER AND ROLL CALL**

**A** The meeting was called to order at \_\_\_\_\_ p.m. by \_\_\_\_\_ in the District offices, and the Secretary called the roll.

<u>Board of Directors</u>	<u>Present</u>	<u>Left</u>	<u>Absent</u>
Charles Caspary, President	_____	_____	_____
Glen Peterson, Vice President/MWD Rep.	_____	_____	_____
Barry Steinhardt, Secretary	_____	_____	_____
Leonard Polan, Treasurer	_____	_____	_____
Lee Renger, Director	_____	_____	_____

## 2. APPROVAL OF AGENDA

- A Moved by Director\_\_\_\_\_, seconded by Director\_\_\_\_\_, that the agenda for the Regular Meeting of June 24, 2014, be approved as presented/amended.

## 3. PUBLIC COMMENTS

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

## 4. CONSENT CALENDAR

- A List of Demands: June 24, 2014 (P. 6) Approve
- B Monthly Investment Report as of May 31, 2014 (P. 37) Receive and File  
Receive and File the Monthly Investment Report for May 2014.
- C Minutes: Regular Meeting of April 8, 2014 and Regular Meeting of June 10, 2014 (P. 45) Approve

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

- A Legislative and Regulatory Updates

## 6. TREASURER

## 7. BOARD OF DIRECTORS

- A Consideration of Policy for Planning and Management Documents (P. 60)

Consider the policy recommended by Director Len Polan related to the District's planning and management documents, and determine whether or not to approve the policy or some variation thereof.

## 8. FACILITIES AND OPERATIONS

- A Tapia Headworks Grit Conveyor: Final Acceptance (P. 61)

Approve the execution of a Notice of Completion by the Secretary of the Board and have the same recorded; and in the absence of claims from subcontractors and others, release the retention in the amount of \$5,736.25 within 30 calendar days after filing the Notice of Completion for the Tapia Headworks Grit Conveyor Project.

- B Barrymore Drive Slope Repair and Pavement Restoration: Final Acceptance (P. 69)

Approve the execution of a Notice of Completion by the Secretary of the Board and have the same recorded; and in the absence of claims from subcontractors or others, release the retention in the amount of \$2,358.45 within 30 calendar days after filing the Notice of Completion for the Barrymore Drive Slope Repair and Pavement Restoration Project.

- C Potable Water Master Plan Update 2014: Receive and File (P. 76)

Receive and file the Potable Water Master Plan Update 2014 (LVMWD Report No. 2562.00), and approve a budget and appropriation increase of \$24,518 to CIP Job No. 10510 for the Potable Water Master Plan Update 2014.

## 9. FINANCE AND ADMINISTRATION

### A Independent Audit Services: Acceptance of Proposal (P. 81)

Accept the proposal from Pun & McGeady LLP to provide independent audit services to the District and Las Virgenes-Triunfo Joint Powers Authority and authorize the General Manager to execute a one-year professional services agreement with Pun & McGeady LLP in the amount of \$30,000 with up to four one-year renewal options using a 3% escalation factor per year.

### B Adoption of a Resolution Establishing Salaries for Officers and Employees (P. 84)

Pass, approve and adopt Resolution No. 2458, establishing salaries for officers and employees of the Las Virgenes Municipal Water District.

#### **RESOLUTION NO. 2458: A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ESTABLISHING SALARIES FOR OFFICERS AND EMPLOYEES.**

(Reference is hereby made to Resolution No. 2458 on file in the District's Resolution Book and by this reference the same is incorporated and made a part hereof.)

### C Street Lighting Negotiated Tax Exchange Resolution from Annexation of Territory, Parcel Map No. 72018, to County Lighting Maintenance District 1687 (P. 90)

Pass, approve and adopt Resolution No. 2459, approving and accepting the negotiated exchange of property tax revenues resulting from annexation of Parcel Map No. 72018 to County Lighting Maintenance District 1687.

#### **RESOLUTION NO. 2459: JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF TRUSTEES OF THE LOS ANGELES COUNTY WEST VECTOR CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE RESOURCE CONSERVATION DISTRICT OF THE SANTA MONICA MOUNTAINS, THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER DISTRICT, THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT NO. 9 AND THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT U-2 APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF PARCEL MAP NO. 72018 TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687.**

(Reference is hereby made to Resolution No. 2459 on file in the District's Resolution Book and by this reference the same is incorporated and made a part hereof).

## 10. RESOURCE CONSERVATION AND PUBLIC OUTREACH

### A Winter Water Usage for Fiscal Year 2014-15 Sanitation Service Charges (P. 98)

Consider the application of winter water usage for the period of December 1, 2013, through March 31, 2014, to Fiscal Year 2014-15 Sanitation Service Charges for single-family residential customers in accordance with the Board-approved methodology, and determine whether or not a change in the methodology is necessary due to current drought conditions.

## 11. LEGAL SERVICES

### A Update of Las Virgenes Municipal Water District Code: Review Session No. 2

**(P. 101)**

Review the proposed updates to Title 2, Chapters 1 through 3, of the Las Virgenes Municipal Water District Code and provide feedback to staff and the District's Legal Counsel.

**B Amendment to Agreement with Lemieux & O'Neill for Professional Legal Services (P. 163)**

Approve an amendment to the professional services agreement with Lemieux & O'Neill, a professional law corporation, to increase the fixed monthly fee for transactional legal services by \$1,000 per month, from \$6,000 to \$7,000 per month, effective July 1, 2014.

**12. INFORMATION ITEMS**

- A CalTRUST Pooled Investment Account (P. 166)**
- B Backbone Improvements Program 5-Million-Gallon Tank: Change Order No. 2 (P. 211)**
- C Drought, Climate Change and Local Water Supply and Demand (P. 214)**
- D Enhancements to MWD's Water Conservation Programs (P. 216)**

**13. NON-ACTION ITEMS**

- A Organization Reports**
  - (1) MWD
    - a. Representative Report/Agenda(s)
  - (2) Other
- B Director's Reports on Outside Meetings**
- C General Manager Reports**
  - (1) General Business
  - (2) Follow-Up Items
- D Director's Comments**

**14. FUTURE AGENDA ITEMS**

**15. PUBLIC COMMENTS**

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

**16. CLOSED SESSION**

- A Conference with District Counsel – Public Employment Performance Evaluation (Government Code Section 54957); Title: General Manager**

17. OPEN SESSION AND ADJOURNMENT

LAS VIRGENES MUNICIPAL WATER DISTRICT

To: LEONARD POLAN, TREASURER

Payments for Board Meeting of: June 24, 2014

Upon certification by the Treasurer the checks and wire transfers were correct and supporting documents available,  
- it is recommended the following demands on the various funds be approved and payments authorized.

Wells Fargo Bank A/C No. 4806-994448

Checks Nos. 66084 through 66228 were issued in the total amount of

\$ 1,368,238.35

Payments through wire transfers as follows:

None

Total payments \$ 1,368,238.35

(Reference is hereby made to these demands on file in the District's Check Register and by this reference the same is incorporated herein and made a part hereof.)

ITEM 4A

**CHECK LISTING FOR BOARD MEETING  
06/24/14**

Company Name	Company No.	Check No. 66084 thru 66119 06/10/14	Amount	Check No. 66120 thru 66163 06/17/14	Amount	Check No. 66164 thru 66228 06/24/14	Amount	Total
Potable Water Operations	101	8,229.82		124,763.97		29,381.01		162,374.80
Recycled Water Operations	102		525.15					525.15
Sanitation Operations	130	3,889.52		8,230.33		192.35		12,312.20
Potable Water Construction	201							0.00
Water Conservation Construction	203							0.00
Sani- Construction	230							0.00
Potable Water Replacement	301		2,504.91			154,050.72		156,555.63
Reclaimed Water Replace	302							0.00
Sanitation Replacement	330							0.00
Internal Service	701	75,370.05		35,269.46		63,544.88		174,184.39
JPA Operations	751	30,573.99		263,224.26		116,140.58		409,938.83
JPA Construction	752							0.00
JPA Replacement	754	12,855.62				439,491.73		452,347.35
<b>Total Printed</b>		<b>130,919.00</b>		<b>434,518.08</b>		<b>802,801.27</b>		<b>1,368,238.35</b>

**Voided Checks/payment stopped:**

<b>Total Voids</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>
<b>Net Total</b>		<b>130,919.00</b>		<b>434,518.08</b>		<b>802,801.27</b>		<b>1,368,238.35</b>

Batch Number - 231485  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Ilim Co	Amount	Invoice Number
66084	06/10/14	19070	ADDISON FOREST PRODUCTS, LLC	40 YDS WOOD SHAVINGS	PV	132991	001 00701	360.00	1108
66085	06/10/14	8680	ADS, LLC	Payment Amount 5/14 ADS FLW	PV	133064	001 00701	673.15	12878.22-0514
				MNT					
				5/14 ADS FLW	PV	133064	002 00701	2,019.45	12878.22-0514
				MNT					
66086	06/10/14	17077	AECOM USA, INC.	Payment Amount 3/8-4/25/14	PV	133063	001 00701	12,855.62	37443013
				DEMO DESIGN					
				Payment Amount					
66087	06/10/14	2383	AMERICAN WATER WORKS ASSOC	M56	PV	133033	001 00701	104.50	0000899216
				NITRIFICATN					
				PRV/CNTRL					
				Payment Amount					
66088	06/10/14	2659	AT&T	SRV	PV	132989	001 00701	278.83	0119/052214
				5/22-6/21/14					
				SRV	PV	132990	001 00101	55.58	2150/052014
				5/20-6/19/14					
				SRV	PV	133035	001 00101	55.58	7426/052314
				5/23-6/22/14					
				SRV	PV	133036	001 00101	55.58	5388/052314
				5/23-6/22/14					
				SRV	PV	133037	001 00101	57.58	2430/052314
				5/23-6/22/14					
				SRV	PV	133038	001 00101	122.58	0210/052314
				5/23-6/22/14					
				SRV	PV	133039	001 00701	60.18	1984/052314
				5/23-6/22/14					
				Payment Amount					
66089	06/10/14	18782	BURTON BRIL	REIMB	PV	133025	001 00701	84.36	050814
				685.91					
				EXP-WSTWTR					
				CLSS 5/6-5/8					
				Payment Amount					
66090	06/10/14	2536	CITY OF LOS ANGELES	ASSFC	PV	133032	001 00130	3,216.37	ASSFC/MAR-APR 14
				CONN-MARIAPR					
				14					
				Payment Amount					
66091	06/10/14	4586	CONSOLIDATED ELECTRICAL	8 LED FLD	PV	133104	001 00701	2,180.00	9009-696644
				LGTS-TAPIA					

ITEM 14



Batch Number - 231485  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key	Key	Amount	Invoice Number
Number	Date	Number				Number	Item	Code		Number
DISTRIBUTORS										
66092	06/10/14	8559	CONSTRUCTION FABRICATORS, INC.	COND BODY, OLET BX, RCPT	PV	133105	001	00701	97.15	9009-696482
				14 AWG THHN STR	PV	133106	001	00701	192.98	9009-696790
				4-PHX TRIO-DIODES-	PV	133107	001	00701	374.18	9009-696638
				AB 5-STK LGHT LED	PV	133108	001	00701	748.02	9009-696228
				DISCOUNT-AB 5-STK LGHT	PD	133109	001	00751	10.29	9009-696228
				LED	PV	133112	001	00701	81.68	9009-696880
				50-1/2 STL CONDUIT	PV	133111	001	00701	10,997.00	10908
				Payment Amount					3,663.72	
66093	06/10/14	18441	EMPLOYEE RELATIONS NETWORK	DOWN PMT-18"X70" CONVEYOR	PV	133034	001	00701	117.50	67556
				Payment Amount					10,997.00	
66094	06/10/14	8173	EXCEL PRINT RESOURCES	INDEX CARDS@BRD MTGS	PV	133030	001	00701	220.56	2256
				Payment Amount					117.50	
66095	06/10/14	2659	FEDERAL EXPRESS CORP	PKG DEL 5/22/14	PV	133110	001	00701	48.38	2-670-74713
				Payment Amount					220.56	
66096	06/10/14	19146	LOURDES FIGUEROA	REIMB EXP-LCW WKSHPS 5/7/14	PV	133026	001	00701	93.26	050714
				Payment Amount					48.38	
66097	06/10/14	16809	ICTUS CONSULTING, LLC	4/14 RECORDS MGT SVC	PV	133062	001	00701	1,820.00	LVMWD-140401
				Payment Amount					93.26	
66098	06/10/14	3164	LEMIEUX & O'NEILL	RETAINER- MAY'14 PROF SRV- MAY'14	PV	133020	001	00701	6,000.00	140-999M/0514
				Payment Amount					1,820.00	
				Payment Amount					1,820.00	



Batch Number - 231485  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Sub Message	Ty	Document Number	Key	Amount	Invoice Number
						Number	Item Co		
				PROF SRV- MAY*14	PV	133021	002 00701	66.00	140M/0514
				PROF SRV- MAY*14	PV	133021	003 00701	336.10	140M/0514
				PROF SRV- MAY*14	PV	133021	004 00701	20.00	140M/0514
				PROF SRV- MAY*14	PV	133021	005 00701	54,377.10	140M/0514
				PROF SRV- MAY*14	PV	133021	006 00701	81.42	140M/0514
				PROF SRV- MAY*14	PV	133021	007 00701	1,408.25	140M/0514
				PROF SRV- MAY*14	PV	133021	008 00701	8,505.25	140M/0514
				Payment Amount				73,576.12	
66099	06/10/14	18940	MP PRINTING & MAILING	POSTAGE (EST)-WTR QUALITY RPT	PV	132985	001 00101	5,618.71	54824
				Payment Amount				5,618.71	709368
66100	06/10/14	2842	NAPAAUTO PARTS	DIELECTRC GREASE&PTX ULT BLK	PV	133007	001 00701	25.14	
				SHOP STOCK TRANFLU&BRK FLUID	PV	133008	001 00701	187.07	706292
				VEH#155 ALTERNATR&CR DEPOSIT	PV	133009	001 00701	168.19	707120
				INV#707120-AL TERNATR DEPOSIT	PD	133010	001 00701	64.86-	707122
				Payment Amount				315.54	
66101	06/10/14	19164	DONALD PATTERSON	REIMB EXP-GFOA CONF 5/18-5/21	PV	133023	001 00701	116.58	052114
				Payment Amount				116.58	
66102	06/10/14	18821	LEONARD POLAN	REIMB EXP-ACWA CONF 5/6-5/9/14	PV	133028	001 00701	1,145.41	050914
				Payment Amount				1,145.41	
66103	06/10/14	8635	ERIK RABAJA	REIMB	PV	133024	001 00701	76.62	050814

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Batch Number - 231485

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key	Co	Amount	Invoice Number
66104	06/10/14	14677	LEE RENGER	EXP-WSTWTR CLSS 5/6-5/8 Payment Amount	PV	133123	001	00701	76.62	050914
66105	06/10/14	17174	ROTH STAFFING COMPANIES, LP	REIMB EXP-ACWA CONF 5/5-5/9/14 Payment Amount	PV	133029	001	00701	477.91	12992443
66106	06/10/14	10182	SHAMROCK SUPPLY CO.	TEMP SRV W/E 5/18/14 S.T. Payment Amount	PV	133004	001	00701	440.40	1834064
66107	06/10/14	18953	JOSEPH SINGLEY	MISC TOOLS 4" ADJUSTABLE WRENCH Payment Amount	PV	133005	001	00701	858.11	1837613
66108	06/10/14	4440	SOUTHWEST CHLORINATION, INC.	REIMB-SOLAR CUP MEALS 5/16&18 Payment Amount	PV	133031	001	00101	17.88	060514
66109	06/10/14	18055	BARRY STEINHARDT	CHLRN SADLTR&MORRIS ON TNK 3/12 Payment Amount	PV	132987	001	00101	90.45	7318
66110	06/10/14	14479	STEPHEN'S VIDEO PRODUCTIONS	REIMB EXP-ACWA CONF 5/6-5/9/14 Payment Amount	PV	133027	001	00701	335.70	050914
66111	06/10/14	9505	TIRE MAN AGOURA	REIMB EXP-ACWA CONF 5/6-5/9/14 Payment Amount	PV	133065	001	00701	1,119.21	6-3-14
66112	06/10/14	19135	TRANSUNION RISK AND ALTERNATIVE	REIMB EXP-ACWA CONF 5/6-5/9/14 Payment Amount	PV	133006	001	00701	1,090.00	2033176
66113	06/10/14	18810	UNIFIRST CORPORATION	VEH#849- 4 NEW TIRES Payment Amount	PV	132988	001	00701	567.73	974571/MAY14
				ONLINE SRCH BAD DEBT-MAY14 Payment Amount	PV	133040	001	00701	123.00	645377

ITEM 4A

Batch Number - 231485  
Bank Account - 00146807 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Document . . . Ty Number	Key Illn Co	Amount	Invoice Number
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133040 002 00701	17.60	645377	
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133041 001 00701	45.40	646777	
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133041 002 00701	47.10	646777	
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133042 001 00701	45.40	648195	
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133042 002 00701	17.60	648195	
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133043 001 00701	45.40	649626	
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133043 002 00701	47.10	649626	
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133044 001 00701	45.40	651067	
A	5/14		MATS/TWLS, UNIFORMS@TAPI	PV	133044 002 00701	17.60	651067	
A	5/14		MATS/TWLS, UNIFORMS@MLK	PV	133045 001 00701	13.88	645376	
A	5/14		MATS/TWLS, UNIFORMS@MLK	PV	133045 002 00701	6.40	645376	

Batch Number - 231485  
Bank Account - 00146807 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Item Co	Amount	Invoice Number
				MATS/TWLS, UNIFORMS@WLK	PV	133046	001 00701	13.88	646776
				5/14 MATS/TWLS, UNIFORMS@WLK	PV	133046	002 00701	17.90	646776
				5/14 MATS/TWLS, UNIFORMS@WLK	PV	133047	001 00701	13.88	648194
				5/14 MATS/TWLS, UNIFORMS@WLK	PV	133047	002 00701	6.40	648194
				5/14 MATS/TWLS, UNIFORMS@WLK	PV	133048	001 00701	13.88	649625
				5/14 MATS/TWLS, UNIFORMS@WLK	PV	133048	002 00701	17.90	649625
				5/14 MATS/TWLS, UNIFORMS@WLK	PV	133049	001 00701	13.88	651066
				5/14 MATS/TWLS, UNIFORMS@WLK	PV	133049	002 00701	6.40	651066
				5/14 MATS/TWLS, UNIFORMS@WLK	PV	133050	001 00701	183.03	645379
				5/14 MATS/TWLS, UNIFORMS@HQ	PV	133051	001 00701	204.03	646779
				5/14 MATS/TWLS, UNIFORMS@HQ	PV	133052	001 00701	188.41	648197
				5/14 MATS/TWLS, UNIFORMS@HQ	PV	133053	001 00701	209.41	649628
				5/14 MATS/TWLS, UNIFORMS@HQ	PV	133054	001 00701	188.41	651069

ITEM 4A

Batch Number - 231485

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
66114	06/10/14			5/14 MATS/TWLS, UNIFORMS@RLV	PV	133055	001	00701	20.34	645378
66115	06/10/14			5/14 MATS/TWLS, UNIFORMS@RLV	PV	133055	002	00701	20.80	645378
66116	06/10/14			5/14 MATS/TWLS, UNIFORMS@RLV	PV	133056	001	00701	20.34	646778
				5/14 MATS/TWLS, UNIFORMS@RLV	PV	133056	002	00701	30.30	646778
				5/14 MATS/TWLS, UNIFORMS@RLV	PV	133057	001	00701	20.34	648196
				5/14 MATS/TWLS, UNIFORMS@RLV	PV	133057	002	00701	20.80	648196
				5/14 MATS/TWLS, UNIFORMS@RLV	PV	133058	001	00701	20.34	649627
				5/14 MATS/TWLS, UNIFORMS@RLV	PV	133058	002	00701	30.30	649627
				5/14 MATS/TWLS, UNIFORMS@RLV	PV	133059	001	00701	20.34	651068
				5/14 MATS/TWLS, UNIFORMS@RLV	PV	133059	002	00701	20.80	651068
66114	06/10/14	2780	VALLEY NEWS GROUP	Payment Amount 2.ADS-WTR	PV	133124	001	00101	1,696.39	
				CONSV 5/22/14					310.00	
66115	06/10/14	17065	VANTAGE AIR, INC.	Payment Amount RPR ICE MCHN-MAINT YARD	PV	132886	001	00701	251.00	46121
66116	06/10/14	13326	VILLA ESPERANZA SERVICES	Payment Amount LANDSCAPE SRV-MAY'14	PV	133060	001	00701	1,114.75	LVMWD 2014-06

ITM A

Batch Number - 231485

Bank Account - 00146807 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Item Co	Amount	Invoice Number
66117	06/10/14	3035	VWR SCIENTIFIC	LANDSCAPE	PV	133060	002 00701	3,096.32	LVMWD 2014-06
				SRV-MAY'14					
				LANDSCAPE	PV	133060	004 00701	571.93	LVMWD 2014-06
				SRV-MAY'14					
				Payment Amount			4,783.00		
				ELECTRODE	PV	133001	001 00701	470.35	8057368091
				FLAT BLB COMB					
				FREIGHT	PV	133001	002 00701	9.66	8057368091
				KIM WIPES	PV	133002	001 00701	57.02	8057707392
				FREIGHT	PV	133002	002 00701	25.99	8057707392
				ERICHROME	PV	133003	001 00701	42.73	8057800887
				BLACK T					
				INDICATOR					
				FREIGHT	PV	133003	002 00701	14.95	8057800887
				Alt Payee					
				3216 VWR INTERNATIONAL, INC					
				P. O. BOX 640169					
				PITTSBURGH PA 15264-0169					
				Payment Amount			620.70		
66118	06/10/14	3048	WEST COAST AIR	A/C PM-RLV	PV	133051	001 00701	254.00	SS7064
				5/14					
				CONDITIONING					
				Payment Amount			254.00		
66119	06/10/14	16569	WAYNE WINK	REIMB	PV	133022	001 00701	74.76	050814
				EXP-WSTWTR					
				CLSS 5/6-5/8					
				Payment Amount			74.76		
				Total Amount of Payments Written			130,919.00		
				Total Number of Payments Written			36		

Batch Number - 231700  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	TY	Document Number	Key Item	Key Co	Amount	Invoice Number
66120	06/17/14	2372	ALLIED ELECTRONICS, INC.	6 MOV PA SERIES	PV	133145	001	00751	255.20	9002941992
Alt Payee 6456 ALLIED ELECTRONIC ACCOUNTS RECEIVABLE DEPT P O BOX 2325 FORT WORTH TX 76113-2325										
66121	06/17/14	2869	AT&T	Payment Amount					255.20	
				SRV	PV	133244	001	00101	60.08	9054/060514
				6/5-7/4/14						
				SRV	PV	133245	001	00701	292.42	9065/060514
				6/5-7/4/14						
				SRV	PV	133246	001	00701	294.10	9268/060514
				6/5-7/4/14						
66122	06/17/14	2407	ATLAS TOWING	Payment Amount					145.00	49659
				TOWED	PV	133147	001	00701		
				VEH#824-WLK TO HQ SHOP						
				Payment Amount					145.00	
66123	06/17/14	7965	B&B PALLET CO.	55 YDS WOOD CHIPS	PV	133081	001	00701	638.00	111627
				55 YDS WOOD CHIPS	PV	133082	001	00701	638.00	111628
				55 YDS WOOD CHIPS	PV	133083	001	00701	638.00	111629
				55 YDS WOOD CHIPS	PV	133084	001	00701	638.00	111630
				Payment Amount					2,552.00	
66124	06/17/14	2417	B&R TOOL & SUPPLY CO	22 PC 1/2" SOCKET SET	PV	133080	001	00701	1,377.87	1280060-0001-01
				FREIGHT	PV	133080	002	00701	17.83	1280060-0001-01
				Payment Amount					1,395.70	
66125	06/17/14	18071	BLUE DIAMOND MATERIALS	2.54 TN PAVING MTLs	PV	133155	001	00701	227.53	275990 RI
				Payment Amount					227.53	
66126	06/17/14	19134	GRETCHEN BULLOCK	REIMB EXP-CAPPO MTG 5/22/14	PV	133142	001	00701	69.28	052214
				Payment Amount					69.28	

ITEM 4A



Las Virgenes Municipal Water  
A/P Auto Payment Register

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Batch Number - 231700  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	TY	Document Number	Item	Co	Key	Amount	Invoice Number
66127	06/17/14	18739	CALIFORNIA HAZARDOUS SERVICES, INC.	5/2 GFI RESET-PMP/CRD RDR	PV	133091	001	00701		1,140.00	55441
66128	06/17/14	2510	CALTROL, INC	5/16 DIESEL DISP SVC 5/16 MONITOR CERTIFICATION Payment Amount	PV	133082	001	00701		807.50	55440
				LINER ASSBLY, PIN, &SLEEVE	PV	133275	001	00701		1,275.04	306882 RI
66129	06/17/14	8004	CANON SOLUTIONS AMERICA, INC.	2/27-5/26/14 CPR 5250 MNT	PV	133203	001	00701		179.52	4012964357
66130	06/17/14	19226	CITY OF RANCHO PALOS VERDES	CSMFO FLSA LNCHN 6/26-JL&SP	PV	133018	001	00701		80.00	062614
66131	06/17/14	2541	CITY OF WESTLAKE VILLAGE	LA SHERIFF SRV@3 SPRNG RD	PV	133199	001	00301		1,980.74	143903NH/1443 48NH
66132	06/17/14	17852	CYBER COPY	RW MASTER PLANS SAN MASTER PLANS PW MASTER PLANS	PV	133193	001	00701		256.15	A018293
66133	06/17/14	18688	DATAFORM PRINT COMMUNICATION	1,572 SALON BOARDS	PV	133125	001	00701		1,070.93	11464

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Batch Number - 231700  
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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Itrm Co	Amount	Invoice Number
66134	06/17/14	11330	DIAL SECURITY	1,572 SALON BOARDS	PV	133125	002 00701	46.84	11464
				1,500 TAPE MEASURES	PV	133126	001 00701	1,226.25	11473
				1,500 TAPE MEASURES	PV	133126	002 00701	256.96	11473
				1,600 LUGGAGE TAGS	PV	133266	001 00701	784.80	11463
				1,600 LUGGAGE TAGS	PV	133266	002 00701	26.39	11463
				Payment Amount			3,412.17		
66135	06/17/14	11330	DIAL SECURITY	6/14 SECURITY SVC@HQ&HQ LOBBY	PV	133149	001 00701	278.00	224496
				6/14 SECURITY SVC@TAPIA	PV	133150	001 00701	45.00	224497
				6/14 SECURITY SVC@RLV	PV	133151	001 00701	80.00	224498
				6/14 SECURITY SVC@RLV FARM	PV	133152	001 00701	35.00	224499
				6/14 SECURITY SVC@WLK	PV	133153	001 00701	70.00	224500
				6/14 SECURITY SVC@WLK P/S	PV	133154	001 00701	35.00	224501
				Payment Amount			543.00		
66135	06/17/14	17918	EARTHLINK BUSINESS CO.	MPLS LINES 6/1-6/30/14	PV	133148	001 00701	3,848.69	131806/2506011 40
				Payment Amount			3,848.69		
66136	06/17/14	2658	FEDERAL EXPRESS CORP	PKG DEL 5/30/14	PV	133144	001 00701	38.38	2-677-85671
				Payment Amount			38.38		
66137	06/17/14	2655	FERGUSON ENTERPRISES	4 ANGLE FIRE HEADS, HP	PV	133094	001 00701	2,310.80	0475857
				Payment Amount			2,310.80		
			All Payee	3207 FERGUSON ENTERPRISES, INC. #1083 FILE 56809 LOS ANGELES CA 90074-6809					
66138	06/17/14	6770	G.I. INDUSTRIES	5/16-5/27/14 DISP@SHOP	PV	133171	001 00701	395.01	2668793-0283- 7



Batch Number - 231700  
 Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Number	Document	Key Ilm Co	Amount	Invoice Number
				BLDG						
				6/14 DISP@HQ & SHOP	PV	133172	001 00701	001 00701	645.28	2688909-0283-9
				6/14 DISP@RLV	PV	133173	001 00701	001 00701	80.57	2688907-0283-3
				6/14 DISP@TAPIA-RA	PV	133174	001 00701	001 00701	1,006.38	2522418-0283-1
				GS/GRIT						
				6/14 DISP@RLV FARM	PV	133175	001 00701	001 00701	80.57	2688908-0283-1
				6/14 DISP@TAPIA	PV	133176	001 00701	001 00701	491.55	2522417-0283-3
				6/14 DISP@WLK	PV	133177	001 00701	001 00701	194.04	2378317-0283-0
				6/14 DISP@TAPIA	PV	133178	001 00701	001 00701	368.23	2522399-0283-3
				6/14 DISP@RLV	PV	133179	001 00701	001 00701	229.00	2688800-0283-0
									3,490.63	
66139	06/17/14	2701	Alt Payee G.I. INDUSTRIES P. O. BOX 541065 LOS ANGELES CA 90054-1065							
				DAMAGED VEH#901&902 BOXES	PV	133196	001 00701	001 00701	2,086.81	9420073059
				DAMAGED VEH#901&902 BOXES	PD	133197	001 00701	001 00701	2,086.81	9464248427
				RLV TUBG, CNCTR, &TAPE	PV	133267	001 00701	001 00701	310.27	9441401552
				VEH#893 TRK BOX&RLV RPR	PV	133268	001 00701	001 00701	1,043.40	9441401545
				PARTS VEH#893 TRK BOX&RLV RPR	PV	133268	002 00701	002 00701	942.57	9441401545
				PARTS SLZR PMP PRESSURE TANK	PV	133272	001 00701	001 00701	478.68	9442488988
				METRIC CMB WRENCH SET	PV	133273	001 00701	001 00701	104.92	9436638739

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key	Amount	Invoice Number	
		Alt Payee				Number	Item	Co		
56140	06/17/14	5453	GRAINGER, INC. DEPT 805178142 PALATINE IL 60038-0001	Payment Amount 10 DPD TOT	PV	133276	001	00701	2,879.84	8852519
			HACH COMPANY	CHLORINE					253.43	
				100/PK						
				FREIGHT	PV	133276	002	00701	30.47	8852519
		6442	HACH COMPANY 2207 COLLECTIONS CENTER DR CHICAGO IL 60693							
66141	06/17/14	3083	JCI JONES CHEMICALS, INC	Payment Amount 4,135 GAL SODIUM BISULFITE 4,911 GAL HYPOCHLORITE 4,485 GAL HYPOCHLORITE	PV	133269	001	00701	283.90	619218
									5,623.60	
									2,858.05	619017
									2,610.14	619307
66142	06/17/14	2752	KAMAN INDUSTRIAL TECHNOLOGIES	Payment Amount WSU BIO-CIRCLE	PV	133274	001	00701	11,091.79	U950833
									890.51	
									445.25	U850833
									445.25	U950833
66143	06/17/14	9517	NANETTE AND DAVID KLEIN	Payment Amount CLAIM-HOT WTR CIR SYS	PV	133215	001	00101	1,781.01	CLAIM021414
									1,310.00	
66144	06/17/14	3352	LAS VIRGENES MUNICIPAL WATER DISTRICT	Payment Amount CLBS PIPELN 4/30-5/27/14	PV	133019	001	00301	1,310.00	7727/052814
									524.17	
66145	06/17/14	2814	MCMaster-CARR	Payment Amount 6-PMP GAUGE	PV	133180	001	00701	524.17	87492050
									675.38	

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	TY	Document Number	Key	Amount	Invoice Number
SUPPLY CO									
			MC MASTER-CARR	W/FT HD SCALE	PV	133180	002 00701	7.82	87492050
			P. O. BOX 7690	6-PMP GAUGE	PV	133181	001 00701	452.92	87606680
			CHICAGO IL 60680-7690	W/FT HD SCALE	PV	133181	002 00701	7.21	87606680
All Payee 3197 MC MASTER-CARR									
P. O. BOX 7690									
CHICAGO IL 60680-7690									
			MOTION INDUSTRIES, INC.	BALDOR MOTOR FOR SAMPLE PUMP	PV	133200	001 00751	408.66	CA22-578515
66146	06/17/14	2839		MOTION INDUSTRIES, INC.	PV	133201	001 00751	640.26	CA22-578555
All Payee 10317 MOTION INDUSTRIES INC.									
FILE 749376									
LOS ANGELES CA 90074									
			MSO TECHNOLOGIES	BLOWERS	PV	133012	001 00701	420.00	4660
66147	06/17/14	2365		MSO TECHNOLOGIES	PV	133012	001 00701	420.00	4660
			PRECISION FLUID POWER INC.	REBUILT OILGEAR PUMP	PV	133017	001 00701	2,475.00	68558
66148	06/17/14	18508		PRECISION FLUID POWER INC.	PV	133017	001 00701	2,475.00	68558
All Payee 17174 ROTH STAFFING COMPANIES, LP									
			ROTH STAFFING COMPANIES, LP	TEMP SRV W/E 5/25/14 S. T.	PV	133128	001 00701	440.40	12996023
66149	06/17/14	17174		ROTH STAFFING COMPANIES, LP	PV	133128	001 00701	440.40	12996023
All Payee 6940 SECTRAN SECURITY, INC.									
			SECTRAN SECURITY, INC.	JUN'14 COURIER SRV	PV	133202	001 00701	304.40	14060600
66150	06/17/14	6940		SECTRAN SECURITY, INC.	PV	133202	001 00701	304.40	14060600
ITEM 4									
All Payee 2857 SOUTHERN CALIFORNIA EDISON									
			SOUTHERN CALIFORNIA EDISON	RLV COMPOST PLNT-5/1-6/2/14	PV	133090	001 00751	27,086.76	5165-46/060314
66151	06/17/14	2857		SOUTHERN CALIFORNIA EDISON	PV	133090	001 00751	27,086.76	5165-46/060314
All Payee 2857 SOUTHERN ENERGY-MAY'14									
			SOUTHERN ENERGY-MAY'14	ENERGY-MAY'14	PV	133130	001 00101	2,958.15	2869/060414
66152	06/17/14	2857		SOUTHERN ENERGY-MAY'14	PV	133130	001 00101	2,958.15	2869/060414

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Payment Number	Date	Address Number	Name	Payment Stub Message	Ty	Document . . . . .	Key	Amount	Invoice Number
						Number	Item Co		
			CALIFORNIA						
			EDISON						
				ENERGY-MAY'14	PV	133130	002 00101	2,569.90	2869/060414
				ENERGY-MAY'14	PV	133130	003 00101	28.15	2869/060414
				ENERGY-MAY'14	PV	133130	004 00101	560.47	2869/060414
				ENERGY-MAY'14	PV	133130	005 00101	74.52	2869/060414
				ENERGY-MAY'14	PV	133130	006 00101	20.41	2869/060414
				ENERGY-MAY'14	PV	133130	007 00101	17.22	2869/060414
				ENERGY-MAY'14	PV	133130	008 00101	11.48	2869/060414
				ENERGY-MAY'14	PV	133130	009 00101	24.24	2869/060414
				ENERGY-MAY'14	PV	133130	010 00101	26.75	2869/060414
				ENERGY-MAY'14	PV	133130	011 00101	29.82	2869/060414
				ENERGY-MAY'14	PV	133130	012 00101	29.41	2869/060414
				ENERGY-MAY'14	PV	133130	013 00101	3,720.66	2869/060414
				ENERGY-MAY'14	PV	133130	014 00101	6,107.51	2869/060414
				ENERGY-MAY'14	PV	133130	015 00101	81.32	2869/060414
				ENERGY-MAY'14	PV	133130	016 00101	10,078.39	2869/060414
				ENERGY-MAY'14	PV	133130	017 00101	1,084.34	2869/060414
				ENERGY-MAY'14	PV	133130	018 00101	24.80	2869/060414
				ENERGY-MAY'14	PV	133130	019 00101	279.33	2869/060414
				ENERGY-MAY'14	PV	133130	020 00101	4,164.19	2869/060414
				ENERGY-MAY'14	PV	133130	021 00101	77,641.08	2869/060414
				ENERGY-MAY'14	PV	133130	022 00101	19,410.27	2869/060414
				ENERGY-MAY'14	PV	133130	023 00101	62,323.64	2869/060414
				ENERGY-MAY'14	PV	133130	024 00101	41,549.09	2869/060414
				ENERGY-MAY'14	PV	133130	025 00101	29.68	2869/060414
				ENERGY-MAY'14	PV	133130	026 00101	881.13	2869/060414
				ENERGY-MAY'14	PV	133130	027 00101	1,153.19	2869/060414
				ENERGY-MAY'14	PV	133130	028 00101	5,400.88	2869/060414
				ENERGY-MAY'14	PV	133130	029 00101	242.26	2869/060414
				ENERGY-MAY'14	PV	133130	030 00101	778.52	2869/060414
				ENERGY-MAY'14	PV	133130	031 00101	988.74	2869/060414
				ENERGY-MAY'14	PV	133130	032 00101	4,424.29	2869/060414
				ENERGY-MAY'14	PV	133130	033 00101	30.99	2869/060414
				ENERGY-MAY'14	PV	133130	034 00101	1,893.85	2869/060414
				ENERGY-MAY'14	PV	133130	035 00101	33.39	2869/060414
				ENERGY-MAY'14	PV	133130	036 00101	600.97	2869/060414
				ENERGY-MAY'14	PV	133130	037 00101	29.31	2869/060414
				ENERGY-MAY'14	PV	133130	038 00101	8,496.89	2869/060414
				ENERGY-MAY'14	PV	133130	039 00101	16,548.94	2869/060414
				ENERGY-MAY'14	PV	133130	040 00101	12,579.33	2869/060414

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Payment Number	Payment Date	Name	Address Number	Payment Stub Message	Ty	Document . . . Number	Key lim Co	Amount	Invoice Number
				ENERGY-MAY'14	PV	133130	041 00101	3,091.41	2869/060414
				ENERGY-MAY'14	PV	133130	042 00101	1,582.21	2869/060414
				ENERGY-MAY'14	PV	133130	043 00101	4,396.65	2869/060414
				ENERGY-MAY'14	PV	133130	044 00101	14,712.97	2869/060414
				ENERGY-MAY'14	PV	133130	045 00101	5,246.30	2869/060414
				ENERGY-MAY'14	PV	133130	046 00101	5,548.04	2869/060414
				ENERGY-MAY'14	PV	133130	047 00101	112.82	2869/060414
				ENERGY-MAY'14	PV	133130	048 00101	505.81	2869/060414
				ENERGY-MAY'14	PV	133130	049 00101	135.65	2869/060414
				ENERGY-MAY'14	PV	133130	050 00101	61.90	2869/060414
				ENERGY-MAY'14	PV	133130	051 00101	1,236.09	2869/060414
				ENERGY-MAY'14	PV	133130	052 00101	3,116.54	2869/060414
				ENERGY-MAY'14	PV	133130	053 00101	3,746.09	2869/060414
				ENERGY-MAY'14	PV	133130	054 00101	26.75	2869/060414
				ENERGY-MAY'14	PV	133130	055 00101	27.31	2869/060414
				ENERGY-MAY'14	PV	133130	056 00101	29.11	2869/060414
				ENERGY-MAY'14	PV	133130	057 00101	610.39	2869/060414
				ENERGY-MAY'14	PV	133130	058 00101	29.51	2869/060414
				ENERGY-MAY'14	PV	133130	059 00101	589.90	2869/060414
				ENERGY-MAY'14	PV	133130	060 00101	969.19	2869/060414
				ENERGY-MAY'14	PV	133130	061 00101	14.07	2869/060414
				ENERGY-MAY'14	PV	133130	062 00101	14.07	2869/060414
				ENERGY-MAY'14	PV	133130	063 00101	511.08	2869/060414
				ENERGY-MAY'14	PV	133130	064 00101	37.01	2869/060414
				ENERGY-MAY'14	PV	133130	065 00101	655.44	2869/060414
				ENERGY-MAY'14	PV	133130	066 00101	2,158.75	2869/060414
				ENERGY-MAY'14	PV	133130	067 00101	2,764.48	2869/060414
				ENERGY-MAY'14	PV	133130	068 00101	1,382.24	2869/060414
				Payment Amount			340,239.48		
66153	06/17/14	SOUTHERN CALIFORNIA GAS CO	2958	JBR P/S 5/5-6/4/14	PV	133140	001 00101	19.22	1200/060614
				WLK P/S 5/1-6/1/14	PV	133141	001 00101	2,580.48	9400/060514
				Payment Amount			2,599.70		
66154	06/17/14	STATE BOARD OF EQUALIZATION	2964	SALES/USE TAX-PREPMT MAY'14	PV	133216	001 00701	962.00	97817865/MAY14
				Payment Amount			962.00		
66155	06/17/14	THATCHER CO. OF CALIFORNIA	12149	4900 LB SODIUM	PV	133014	001 00701	1,308.55	232582

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key	Item	Co	Amount	Invoice Number
66156	06/17/14	9505	TIRE MAN AGOURA	BICARBONATE Payment Amount VEH#804 NEW TIRES	PV	133143	001	00701		1,308.55 654.93	2033616
66157	06/17/14	3003	U.S. POSTAL SERVICE (HASLER)	Payment Amount PRE-PD POSTAGE #239643	PV	133139	001	00701		5,000.00	239643/061014
66158	06/17/14	17065	VANTAGEAIR, INC.	Payment Amount REPAIR ICE MACHINE	PV	133198	001	00751		371.25	46219
66159	06/17/14	16542	VISION INTERNET PROVIDERS, INC.	Payment Amount FTP W/UP TO 2GB 2014-15	PV	133146	001	00701		600.00	27609
66160	06/17/14	16583	WAUKESHA-PEAR CE INDUSTRIES, INC.	Payment Amount IGNITION MODULE	PV	133085	001	00701		600.00 4,103.14	30104797
66161	06/17/14	18914	WECK LABORATORIES, INC.	Payment Amount LAB SRV @ WESTLAKE	PV	133086	001	00701		53.00	W4E1136-LV
				LAB SRV@TAPIA EFF-NON NPDES	PV	133087	001	00701		7.00	W4E1155-LV
				LAB SRV@TAPIA GRNDWTR	PV	133088	001	00701		72.00	W4E1156-LV
				LAB SRV@RLV FARM	PV	133089	001	00701		124.00	W4E1380-LV
				LAB SRV@MALIBU CREEK	PV	133214	001	00701		360.00	W4C0215-LV
66162	06/17/14	3049	WEST COAST WATER SERVICE, INC	Payment Amount 6/14 WTR TRMT FOR BOILER	PV	133013	001	00701		616.00 322.00	23093
66163	06/17/14	3067	XEROX CORPORATION	Payment Amount LEASE-5/14 5740PT @OPS	PV	133011	001	00701		322.00 212.02	074315326

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Payment Number	Date	Address Number	Name	Payment Stub Message	Document Ty Number	Key Lim Co	Amount	Invoice Number
Payment Amount							212.02	
Total Amount of Payments Written							434,518.08	
Total Number of Payments Written							44	

Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Ltm	Key Co	Amount	Invoice Number
66164	06/24/14	16051	ACCURATE TELECOM INC.	HQ INTERNET	PV	133233	001	00701	184.21	13255
				MODEM INSTALL					184.21	
				Payment Amount						
66165	06/24/14	2317	ACORN NEWSPAPER	WTR CONSRV	PV	133113	001	00101	6,796.28	870105/MAY14
				ADS-MAY14						
				Payment Amount					6,796.28	
66166	06/24/14	18555	ARGO CHEMICAL INC.	31,100 LBS	PV	133103	001	00701	5,067.90	1405207
				AMMONIA SOL						
				Payment Amount					5,067.90	
66167	06/24/14	2869	AT&T	SRV	PV	133247	001	00101	388.59	2043/060714
				6/7--7/6/14						
				SRV	PV	133248	001	00101	192.35	2045/060714
				6/7--7/6/14						
				-SRV	PV	133249	001	00701	111.88	7719/060714
				6/7--7/6/14						
				SRV	PV	133250	001	00701	111.88	7720/060714
				6/7--7/6/14						
				SRV	PV	133251	001	00701	81.55	7721/060714
				6/7--7/6/14						
				SRV	PV	133252	001	00101	64.25	0123/060714
				6/7--7/6/14						
				SRV	PV	133253	001	00101	31.65	0124/060714
				6/7--7/6/14						
				SRV	PV	133254	001	00130	192.35	2220/060714
				6/7--7/6/14						
				Payment Amount					1,174.50	
66168	06/24/14	18565	AT&T	SRV	PV	133222	001	00701	689.26	1657/060514
				6/5-7/4/14						
				Payment Amount					689.26	
66169	06/24/14	7965	8&B PALLET CO.	55 YDS WOOD	PV	133183	001	00701	638.00	111631
				CHIPS						
				55 YDS WOOD	PV	133184	001	00701	638.00	111632
				CHIPS						
				55 YDS WOOD	PV	133185	001	00701	638.00	111633
				CHIPS						
				55 YDS WOOD	PV	133186	001	00701	638.00	111634
				CHIPS						
				55 YDS WOOD	PV	133187	001	00701	638.00	111801
				CHIPS						
				Payment Amount					3,190.00	
66170	06/24/14	18893	BILLTRUST	5/14	PV	133129	001	00701	5,001.43	100079

ITEM 4A

Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Item	Co	Amount	Invoice Number
E-BILL/PMT										
66171	06/24/14	19227	JOHN BLAS	PROCESSING	PV	133137	001	00101	5,001.43	1020194
				Payment Amount						
				TURF RMVL					522.00	
				REBATE						
66172	06/24/14	19219	BLU HOMES INC.	Payment Amount	PV	133134	001	00101	1,314.04	9987882
				RFND BAL-						
				CLOSED A/C						
66173	06/24/14	15635	BRENNTAG PACIFIC, INC.	Payment Amount	PV	133206	001	00701	2,876.40	BP1423041
				2,790 LB						
				CITRIC ACID						
				50%						
66174	06/24/14	17247	BURNS PACIFIC CONSTRUCTION INC.	Payment Amount	PV	133213	001	00101	1,121.83	9998047
				RFND BAL-						
				CLOSED A/C						
66175	06/24/14	15567	GETOVA CORP.	Payment Amount	PV	133234	001	00701	10,312.00	10238
				SW MAINT						
				7/14-8/15						
66176	06/24/14	9244	CHEMTRADE CHEMICALS US LLC	Payment Amount	PV	133159	001	00701	6,197.30	90649718
				44,740 LB						
				ALUM SULFATE						
All Payee 16714 CHEMTRADE CHEMICALS US LLC P.O. BOX 730276 DALLAS TX 75373-0276										
66177	06/24/14	2543	CLA-VAL CO	Payment Amount	PV	133161	001	00701	963.86	638836
				RPR 5 CSM-11						
				DIST						
66178	06/24/14	2565	CONEJO AWARDS	Payment Amount	PV	133210	001	00701	13.44	83251
				NAME						
				BADGE-L.POLAN						
				AWARD PLAQUE						
66179	06/24/14	2547	COUNTY SANITATION DISTRICTS OF LA COUNTY	Payment Amount	PV	133211	001	00101	12.69	83252
				5/14					26.13	
				RAGS/GRIT						
				HAULING						
66180	06/24/14	6965	CS-AMSCO	Payment Amount	PV	133235	001	00701	644.54	48892053114
				LV-2 ACTUATOR					644.54	

ITEM 4A

Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty Number	Key Firm Co	Amount	Invoice Number
66181	06/24/14	2605	DELTA PACIFIC INDUSTRIES	LV-2 ACTUATOR Payment Amount	PV 133099	002 00701	64.95	9051
							4,244.01	
66182	06/24/14	18111	ELECSYS INTERNATIONAL CORPORATION	WINDSHLD WSHR FLUID Payment Amount	PV 133212	001 00701	499.22	36452
66183	06/24/14	2654	FAMCON PIPE	JULY14-MAINT CHG Payment Amount	PV 133204	001 00701	261.00	125601
66184	06/24/14	19228	DOROTHY GEVA	2'x1-1/2" CLA-VAL #990S 10 GTE VALVES&COPLNG S Payment Amount	PV 133238	001 00701	22,562.22	159136
66185	06/24/14	2701	GRAINGER, INC.	RFND BAL- CLOSED A/C Payment Amount	PV 133135	001 00101	177.45	045756
							23,488.72	
							177.45	
66186	06/24/14	18646	ENGINEERING, INC.	LAMP RECYCLG KIT SHOP UTILITY TABLE 2 DIGITAL TIMERS HOT WTR CIRC PUMP FOR FLTR WTR ULTRSNL LVL TRANSMITTER MULTI-HD PUSH BUTTON VEH#9016902 TRK BOX Payment Amount	PV 133118	001 00701	52.34	9443313094
							259.72	9447872301
							37.06	9444506589
							1,018.83	9447195547
							931.95	9448303181
							50.73	9452253520
							2,086.81	9450816948
							4,437.44	
							3,707.82	00157519-B

ITEM 4A

Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Ilm Co	Amount	Invoice Number
66187	06/24/14	15626	IMAD RASOOL	5/4-5/31/14 CEN TNK CP SYS Payment Amount RFND BAL- CLOSED A/C	PV	133209	001 00701	1,011.65	00157512-B
66188	06/24/14	2736	IRON MOUNTAIN RECORDS MANAGEMENT	6/14 RECORDS STORAGE Payment Amount	PV	133158	001 00701	572.07	KKK5797
66189	06/24/14	19230	ROBERT IRVING	TURF RMVL REBATE Payment Amount	PV	133162	001 00101	4,001.00	610135
66190	06/24/14	3083	JCI JONES CHEMICALS, INC	5,040 GAL HYPOCHLORITE Payment Amount	PV	133100	001 00701	2,933.13	619626
66191	06/24/14	2745	JOEY M'S UPHOLSTERERS	4,590 GAL HYPOCHLORITE 4,848 GAL HYPOCHLORITE 4,680 GAL SODIUM BISULFITE Payment Amount	PV	133205	001 00701	605.25	052714
66192	06/24/14	18535	KEMIRA WATER SOLUTIONS, INC.	10.14 TN FERRIC CHLORIDE Payment Amount	PV	133102	001 00701	6,064.12	9017393358
66193	06/24/14	5230	KENNEDY/JENKS CONSULTANTS	3RD DGSTR Payment Amount	PV	133232	001 00701	29,457.68	83068

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Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document		Key Item Co	Amount	Invoice Number
					Ty	Number			
CNST									
66194	06/24/14	19229	MORTEZA KHALEGI	Payment Amount RFND BAL-	PV	133136	001 00101	29,457.68 5.25	069418
66185	06/24/14	3352	LAS VIRGENES MUNICIPAL WATER DISTRICT	CLOSED/VC Payment Amount JED SMITH P/S 3/26-5/27/14	PV	133114	001 00101	5.25 44.49	0254/060414
66196	06/24/14	2590	LOS ANGELES DAILY NEWS	3RD DIGESTER RW 4/30-5/29/14 3RD DIGESTER 4/30-5/29/14	PV	133115	001 00754	193.36 33.37	7677/060414
66197	06/24/14	19026	MNS ENGINEERS, INC.	5 MG TNK 4/30-5/29/14 Payment Amount 5/25 DROUGHT EMRGY AD	PV	133117	001 00301	1,819.33 2,090.55 350.00	7992/060414
66198	06/24/14	2835	MODERN TOOL CO	Payment Amount CHNNL MXNG IMPV-APR'14	PV	133095	001 00701	5,106.25	64364
66199	06/24/14	2842	NAPA AUTO PARTS	PRIMRY CLARIFR-APR'1 4	PV	133096	001 00701	2,425.00	64363
66200	06/24/14	16687	NEWBURY PARK TREE SERVICE, INC.	Payment Amount 2 STEEL SHAFTS Payment Amount MISC SHOP SUPPLIES Payment Amount TREE SRV@HQ&RLV FARM 6/3/14 TREE SRV@HQ&RLV FARM 6/3/14	PV	133229	001 00701	7,531.25 322.50 180.58	44491
66201	06/24/14	2302	OFFICE DEPOT	Payment Amount TEA BAGS & S'	PV	133243	001 00701	180.58 2,065.00	709479
66202	06/24/14	2302	OFFICE DEPOT	Payment Amount	PV	133131	001 00701	1,095.00	9824
66203	06/24/14	2302	OFFICE DEPOT	Payment Amount	PV	133131	002 00701	970.00	9824
66204	06/24/14	2302	OFFICE DEPOT	Payment Amount	PV	133165	001 00701	11.46	715388277601

ITEM 4A

Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment . . . . . Number	Date	Address Number	Name	Payment Stub Message	Document . . . . . Ty Number	Key Item Co	Amount	Invoice Number
				CABLE				
				TEA BAGS & 6'	PV 133165	002 00701	11.82	715388277001
				CABLE				
				BREAKROOM	PV 133166	001 00701	188.22	715388458001
				SUPPLIES				
				SELF INK	PV 133167	001 00701	25.22	712441759001
				STAMP-D.BETAN				
				CUR				
				SHREDDER-K-RE	PV 133168	001 00701	135.28	712441902001
				ED				
				MISC OFFICE	PV 133169	001 00701	54.82	712441903001
				SUPPLIES&SWEE				
				TNR				
				MISC OFFICE	PV 133169	002 00701	9.99	712441903001
				SUPPLIES&SWEE				
				TNR				
				MISC OFFICE	PV 133170	001 00701	794.15	712717127001
				SUPPLIES-HQ				
				Payment Amount			1,230.96	
66202	06/24/14	19195	OFFSHORE CONSTRUCTION INC.	PMT#1-CLFR#1 REHB P/E 5/29/14 10% RETENTION-PMT #1	PV 133097	001 00701	36,625.00	10512/#1
				Payment Amount			32,962.50	
66203	06/24/14	15469	OLYMPIC PAINTING CO.	48 HYDRNTS&15 AIRBAG CANS	PV 133160	001 00701	2,520.00	10020
				Payment Amount			2,520.00	
66204	06/24/14	18946	PACIFIC ADVANCED CIVIL ENGINEERING, INC.	PMT#6-GRIT CONVYR	PV 133262	001 00701	10,425.00	10499/#6
				5% RETENTION-PMT #6	PD 133263	001 00754	521.25-	10499/RTIN#6
				Payment Amount			9,903.75	
66205	06/24/14	18874	PACIFIC HYDROTECH CORPORATION	PMT#13-3RD DIGESTER	PV 132997	001 00701	351,133.94	10487/#13

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Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
				5% RETENTION-PMT #13	PD	132998	001	00754	17,556.70	10487/RTN#13
				Payment Amount				333,577.24		
66206	06/24/14	17190	JASON POMERANTZ	TURF RMVL	PV	133138	001	00101	732.00	2201390
				REBATE				732.00		
				Payment Amount				109,171.60		
66207	06/24/14	18945	PRESTON PIPELINES, INC.	PMT#8-CLBS PIPELINE	PV	133225	001	00701	109,171.60	10344/#8
				5% RETENTION/PMT #8	PD	133226	001	00301	5,458.58	10344/RTN#8
				Payment Amount				103,713.02		
66208	06/24/14	2585	PURETEC	5/14 WTR TRMT FOR BOILER	PV	133189	001	00701	315.84	1319477
				6/14- 8" D.I. RENTAL	PV	133190	001	00701	22.94	1324178
				5/28/14 TNK EXCHNG SRV	PV	133181	001	00701	213.29	1322532
				6/14- 14" D.I. RENTAL	PV	133182	001	00701	94.29	1323971
				UV LAMP&20" MICRON FLTR	PV	133277	001	00701	411.42	1322809
				Payment Amount				1,057.78		
66209	06/24/14	17174	ROTH STAFFING COMPANIES, LP	TEMP SRV W/E 6/1/14 S.T.	PV	133255	001	00701	293.60	12998030
				TEMP SRV W/E 6/8/14 S.T.	PV	133256	001	00701	293.60	13000771
				Payment Amount				587.20		
66210	06/24/14	2956	SOUTH COAST AIR QUALITY MGMT DIST	PERMIT MOD-3RD DIGESTER	PV	133261	001	00754	7,264.23	PERMIT73RDDIG ESTER
				Payment Amount				7,264.23		
66211	06/24/14	2957	SOUTHERN CALIFORNIA EDISON	RW P/S 5/1-6/2/14 NEM	PV	133217	001	00751	57,927.37	4500-42/06111 4
				Payment Amount				57,927.37		
66212	06/24/14	2958	SOUTHERN CALIFORNIA GAS CO	HO/OPS 5/7-6/6/14	PV	133218	001	00701	1,873.87	3600/061014

ITEM 4A



Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key	Key	Amount	Invoice Number
							Trm	Co		
				RLV	PV	133219	001	00751	115.69	4200/061014
				5/7-6/6/14						
				CORNELL	PV	133220	001	00101	1,606.83	0400/061014
				5/7-6/6/14						
				TAPIA	PV	133221	001	00751	774.97	4000/061014
				5/7-6/6/14						
				Payment Amount				4,371.36		
66213	06/24/14	8645	SOUTHERN CALIFORNIA TROPHY COMPANY	AWRDS-LACSON & CUARESMA	PV	133224	001	00701	405.36	060051-14
				Payment Amount				405.36		
66214	06/24/14	18684	STAR BRITE BUILDING MAINTENANCE, INC	6/14 JANITORIAL SRV	PV	133257	001	00701	2,251.50	24604
				6/14 JANITORIAL SRV	PV	133257	002	00701	921.25	24604
				6/14 JANITORIAL SRV	PV	133257	003	00701	390.25	24604
				6/14 JANITORIAL SRV	PV	133257	004	00701	831.00	24604
				6/14 JANITORIAL SRV	PV	133257	005	00701	1,044.75	24604
				Payment Amount				5,438.75		
66215	06/24/14	19087	TOMASH & ASSOCIATES	APR-MAY/RATE STRCTR DEV	PV	133223	001	00701	2,250.00	052714
				Payment Amount				2,250.00		
66216	06/24/14	17645	TORO ENTERPRISES INC.	PMT#1-BARYMR DR SLP RPR	PV	133227	001	00701	47,169.00	10553/PMT#1
				5% RETENTION/PMT #1	PD	133228	001	00301	2,358.45	10553/RTN#1
				Payment Amount				44,810.55		
66217	06/24/14	3006	UNDERGROUND	213 NEW	PV	133258	001	00701	319.50	520140399

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Batch Number - 231703

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document . . .	Key	Amount	Invoice Number
Number	Date	Number	Name	Message	Number	Item Co	Amount	Number
			SERVICE ALERT	TICKETS-MAY*1				
				4				
				Payment Amount			319.50	
66218	06/24/14	16271	USA MOBILITY WIRELESS, INC	PAGER SRV 6/10--7/10/14	PV 133260	001 00701	86.37	X0143084F
				PAGER SRV 6/10--7/10/14	PV 133260	002 00701	69.82	X0143084F
				PAGER SRV 6/10--7/10/14	PV 133260	003 00701	40.73	X0143084F
				PAGER SRV 6/10--7/10/14	PV 133260	004 00701	40.73	X0143084F
				Payment Amount			237.65	
66219	06/24/14	2780	VALLEY NEWS GROUP	2 CONSRV WTR ADS@5/29/14	PV 133163	001 00101	330.00	5-30
				2 CONSRV WTR ADS@6/5/14	PV 133164	001 00101	360.00	6-5
				Payment Amount			690.00	
66220	06/24/14	16623	VELOCITY TECHNOLOGY SOLUTIONS, INC.	7/14 DISASTER RECOVERY	PV 133000	001 00701	3,114.00	302027
				Payment Amount			3,114.00	
66221	06/24/14	18504	VENTURA PEST CONTROL	JUN'14 PEST CNTRL	PV 133240	001 00701	110.00	418420
				JUN'14 PEST CNTRL	PV 133240	003 00701	380.00	418420
				JUN'14 PEST CNTRL	PV 133240	010 00701	195.00	418420
				Payment Amount			685.00	
66222	06/24/14	2436	VINCE BARNES AUTOMOTIVE	VEH#902 INSTL LIGHT BR/CTRL BX	PV 132993	001 00701	375.00	020351
				VEH#823 RPR BRKS,WHEEL BRNGS	PV 132994	001 00701	437.20	020357
				VEH#804 BRK RPR,OIL/FLT CHG	PV 133241	001 00701	827.68	020382
				VEH#816 WTR PMP, HOSE, THRMOST	PV 133242	001 00701	431.69	020377

Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document	Key	Amount	Invoice Number
Number	Date	Number		TY	Number	Item Co	Amount	Number
66223	06/24/14	3035	VWR SCIENTIFIC	2-PLATE COUNT	133156	001 00701	140.68	8057858172
				AGAR				
				FREIGHT	133156	002 00701	14.68	8057858172
				POTASSIUM	133157	001 00701	114.29	8057862001
				SODIUM				
				TARTRATE				
				FREIGHT	133157	002 00701	13.55	8057862001
			Alt Payee					
			3216 VWR INTERNATIONAL, INC					
			P. O. BOX 640169					
			PITTSBURGH PA 15264-0169					
				Payment Amount			2,071.57	
66224	06/24/14	3109	W. LITTEN	SRV	132995	001 00701	4,841.95	0320310
				5/11-5/17/14@				
				RANCHO				
				SRV	132996	001 00701	4,966.30	0320311
				5/18-5/24/14@				
				RANCHO				
				SRV	133016	001 00701	3,711.60	0320312
				5/25-5/31/14@				
				RANCHO				
				Payment Amount			13,519.85	
66225	06/24/14	18137	WALTER SURFACE TECHNOLOGIES	SVC PARTS	133188	001 00701	150.00	1125424
				WASHERS				
				SVC PARTS	133188	002 00701	300.00	1125424
				WASHERS				
				Payment Amount			450.00	
66226	06/24/14	18643	WARD CORPORATION	RFND BAL -	133133	001 00101	1,216.79	9998052
				CLOSED A/C				
				Payment Amount			1,216.79	
66227	06/24/14	3048	WEST COAST AIR CONDITIONING	BLDG#8 VLV	133259	001 00701	1,493.51	S56985
				ACTUATOR RPR				
				Payment Amount			1,493.51	
66228	06/24/14	18922	1ST ENTERPRISE BANK	RTN#13/RLV	132999	001 00754	17,556.70	10487/RTN#13
				3RD DIGESTER				
				Payment Amount			17,556.70	
				Total Amount of Payments Written			802,801.27	

ITEM 4A

Las Virgenes Municipal Water  
A/P Auto Payment Register

R04576  
Batch Number - 231703  
Bank Account - 00146807 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Ty	Number	Document . . .	Key	Amount	Invoice Number
Total Number of Payments Written										
										65

ITEM 4A



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

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**Subject: Monthly Investment Report as of May 31, 2014**

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**SUMMARY:**

The Monthly Investment Report transmits to the Board a summary of all investments held by the District as of the end of each month. It has been the District's practice to transmit this report as a Summary of Investments that list all securities held in a spreadsheet format reviewed and signed by the Board Treasurer. This report represents a revised format that staff has developed and will continue to modify in an effort to provide additional information and context related to the Monthly Investment Report.

**RECOMMENDATION(S):**

Receive and File the Monthly Investment Report for May 2014.

**DISCUSSION:**

The Monthly Investment Report provides an update of the District's pooled investments, including funds held in the Local Agency Investment Pool (LAIF), direct investments, and investments held for the Refunding Bond reserve, sweep accounts and money market accounts. As of May 31, 2014, the District held \$70,820,037 in its portfolio. The majority of the funds are held in the District's investment accounts that had a May 31, 2014 market value of \$46,497,583 or 65.7% of the District's total portfolio. LAIF held \$21,509,168 or 30.4% of the District's total portfolio. The significant portion of remaining funds were held as required reserves for the District's 2009 Refunding Revenue Bond.

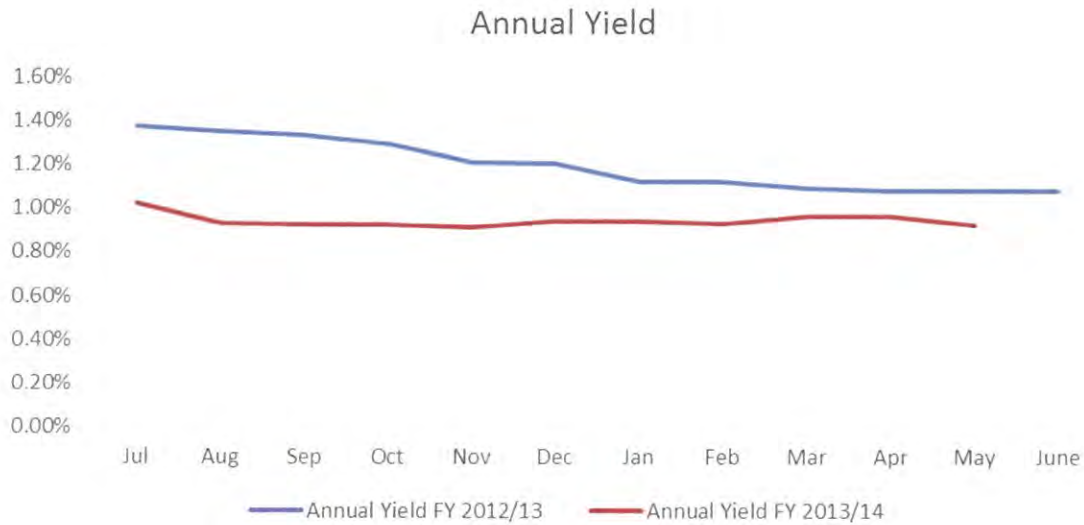
Prepared By: Joseph Lillio, Finance Manager

**ATTACHMENTS:**

[Charts](#)

[Investment Report](#)

[Appendix A](#)



The interest earned from all investments in the portfolio during the current fiscal year (FY) has trailed FY 12/13 as anticipated. The following chart shows cumulative interest earned over the previous fiscal year. Since there is no indication of interest rates increasing through the remainder of the current fiscal year and into the next fiscal year, staff projects that the current trend will continue.

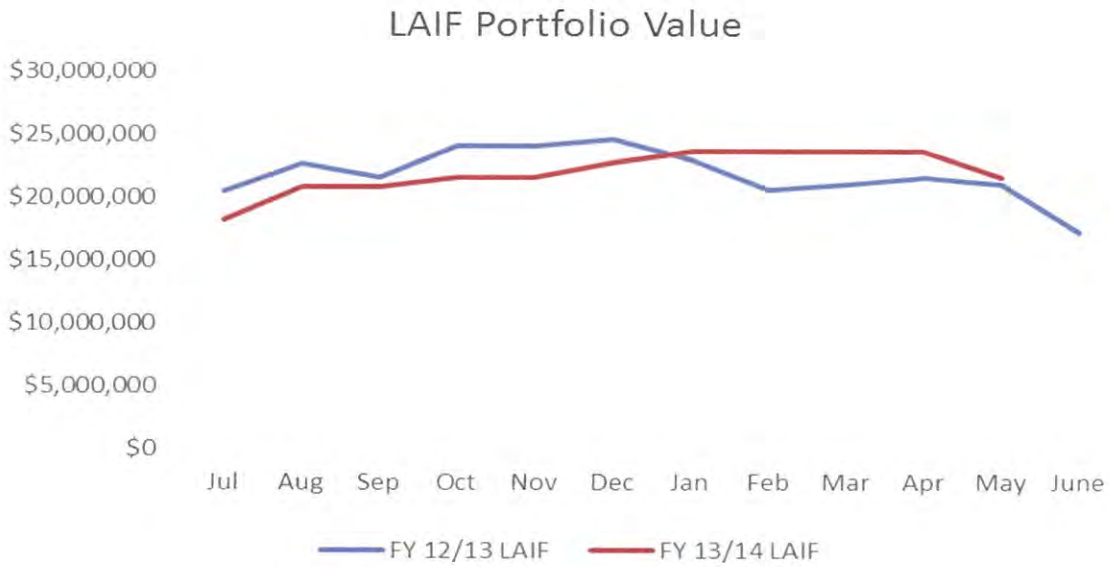


The market value of the portfolio as of May 31, 2014 is \$70.82M. This compares to a balance of \$73.26M from May 31, 2013. This year-over-year difference reflects a decrease of 3.4%. The portfolio typically fluctuates as funding is needed for capital projects. The chart below shows the total portfolio value over time.

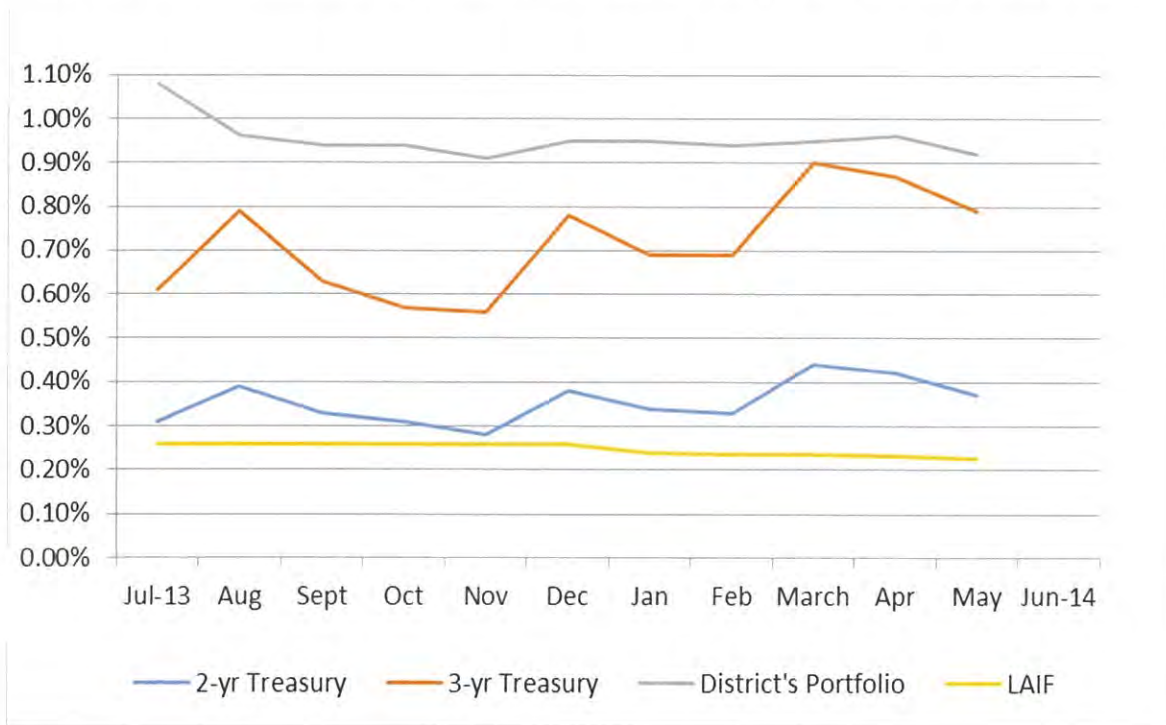


On average, the District maintains approximately 30-35% of the portfolio in LAIF and 65-70% in direct investments. The following charts show the value of the District’s Investment Portfolio and LAIF. The charts visually show the District’s rebalancing of funds to the Investment Portfolio from LAIF during the last half of fiscal year 12/13 to achieve slightly better yields while still maintaining needed liquidity.





The following chart depicts annualized yields on the District’s portfolio for FY 2013-14 in comparison to comparative benchmarks; the 2-year U.S. Treasury yield, the 3-year U.S. Treasury yield and LAIF.



The District’s Investment Portfolio is detailed on the following pages and includes a market value of \$3,736,478 in investments that are maturing within six months and \$42,761,105 in securities maturing in more than six months.



Date: June 13, 2014  
 To: David W. Pedersen, General Manager  
 From: Finance and Administration Department  
 Subject: Investment Report for the Month of May 2014

**Summary of Investments**

Investments Maturing Within Six Months:

Disc./Cpn Rate	Yield To Maturity	Investment Type	Date Invested	Date Matures	Book Value	Par Value	Market Value	Market Value Source
1.150%	1.150%	FHLB-Callable Coupon	11/24/10	07/24/14	1,000,000	1,000,000	1,001,530	Custodian
1.500%	1.500%	FNMA-Callable Coupon	09/08/10	09/08/14	1,000,000	1,000,000	1,003,840	Custodian
		Sub-Total			2,000,000	2,000,000	2,005,370	

Investments Maturing After Six Months:

2.000%	2.000%	FHLB-Bullet	03/15/11	03/30/15	1,000,000	1,000,000	1,015,410	Custodian
1.250%	1.250%	FHLMC-Callable Coupon	02/17/12	02/17/17	1,000,000	1,000,000	1,003,930	Custodian
0.670%	0.670%	FNMA-Bullet	03/26/12	08/26/15	1,000,000	1,000,000	1,005,220	Custodian
1.050%	1.050%	FFCB-Bullet	03/28/12	03/28/16	1,000,000	1,000,000	1,014,470	Custodian
1.270%	1.270%	FHLB-Bullet	03/30/12	03/02/17	1,000,000	1,000,000	1,014,140	Custodian
0.750%	0.750%	KYSHSG-Municipal Bond	06/27/12	07/01/14	485,000	485,000	485,000	Custodian
0.980%	0.980%	FFCB-Callable Coupon	09/18/12	09/18/17	1,000,000	1,000,000	997,680	Custodian
0.900%	0.921%	FNMA-Callable Coupon	10/25/12	10/25/17	999,000	1,000,000	993,440	Custodian
0.625%	0.700%	FHLMC-Bullet	10/26/12	11/01/16	997,040	1,000,000	1,001,100	Custodian
0.820%	0.860%	FFCB-Callable Coupon	10/26/12	07/11/17	998,000	1,000,000	994,180	Custodian
0.75% & Up <sup>1</sup>	1.045%	FNMA-Callable Coupon	11/21/12	11/21/17	1,000,000	1,000,000	997,530	Custodian
0.625%	0.625%	FNMA-Callable Coupon	11/28/12	11/28/16	2,000,000	2,000,000	1,990,940	Custodian
0.740%	0.550%	Montgomery-Muni Bond	11/29/12	04/01/15	1,004,400	1,000,000	1,000,480	Custodian
0.5% & Up <sup>2</sup>	1.047%	FNMA-Callable Coupon	12/07/12	11/28/17	1,000,000	1,000,000	999,920	Custodian
0.600%	0.600%	FFCB-Callable Coupon	12/13/12	12/12/16	1,000,000	1,000,000	999,060	Custodian
0.600%	0.580%	Port Auth NY&NJ-MuniBon	12/19/12	12/01/15	1,000,580	1,000,000	997,340	Custodian
0.600%	0.600%	FFCB-Bullet	12/27/12	12/27/16	1,000,000	1,000,000	998,690	Custodian
0.500%	0.500%	FHLB-Callable Coupon	12/28/12	06/28/16	1,000,000	1,000,000	997,750	Custodian
0.850%	0.850%	AZSHGR-Muni Bond	01/17/13	06/01/15	2,205,000	2,205,000	2,215,253	Custodian
0.5% & Up <sup>3</sup>	1.141%	FHLB-Callable Coupon	02/07/13	02/07/18	1,000,000	1,000,000	995,630	Custodian
1.585%	1.100%	LVNSCD-Muni Bond	02/20/13	11/01/17	1,022,130	1,000,000	1,008,470	Custodian
0.600%	0.600%	FNMA-Callable Coupon	02/25/13	08/25/16	1,000,000	1,000,000	998,950	Custodian
1.000%	1.000%	NJSMFH-Muni Bond	03/26/13	11/01/14	1,245,000	1,245,000	1,246,108	Custodian
0.690%	0.690%	PST-Muni Bond	03/26/13	11/01/16	1,000,000	1,000,000	994,530	Custodian
1.000%	1.000%	FHLMC-Callable Coupon	03/26/13	03/26/18	1,000,000	1,000,000	986,160	Custodian
0.8% & Up <sup>4</sup>	1.145%	FNMA-Callable Coupon	03/27/13	03/27/18	1,000,000	1,000,000	997,000	Custodian
0.85% & Up <sup>5</sup>	1.170%	FNMA-Callable Coupon	03/28/13	03/28/18	1,000,000	1,000,000	996,030	Custodian
1.020%	1.020%	FHLMC-Callable Coupon	04/30/13	04/30/18	999,500	1,000,000	983,410	Custodian

**LVMWD Investment Report for the Month Ending May 31, 2014**

Disc./Cpn Rate	Yield To Maturity	Investment Type	Date Invested	Date Matures	Book Value	Par Value	Market Value	Market Value Source
<b>Investments Maturing After Six Months (continued):</b>								
0.950%	0.950%	FHLMC-Callable Coupon	05/22/13	05/22/18	1,000,000	1,000,000	983,850	Custodian
0.750%	0.750%	FHLMC-Callable Coupon	05/28/13	11/28/17	1,000,000	1,000,000	982,200	Custodian
0.75% & Up <sup>6</sup>	1.117%	FNMA-Callable Coupon	05/29/13	05/29/18	1,000,000	1,000,000	994,380	Custodian
0.832%	0.832%	ARLDEV-Muni Bond	06/03/13	12/15/16	1,585,000	1,585,000	1,581,862	Custodian
1.250%	1.250%	FHLB-Callable Coupon	06/26/13	06/26/18	1,000,000	1,000,000	1,004,010	Custodian
1% <sup>2</sup> / <sub>2</sub> %	1.896%	FNMA-Callable Coupon	12/05/13	12/05/18	1,000,000	1,000,000	1,000,060	Custodian
1.870%	1.870%	FHLB-Callable Coupon	12/26/13	12/26/18	1,000,000	1,000,000	1,007,170	Custodian
0.25% & Up <sup>8</sup>	1.944%	FHLMC-Callable Coupon	12/30/13	06/30/17	1,000,000	1,000,000	999,840	Custodian
0.5% & Up <sup>9</sup>	2.067%	FHLB-Callable Coupon	01/31/14	01/30/19	1,000,000	1,000,000	1,000,450	Custodian
0.625% & Up <sup>10</sup>	1.648%	FHLMC-Callable Coupon	02/05/14	02/05/18	1,000,000	1,000,000	1,000,740	Custodian
1.300%	1.300%	FHLMC-Callable Coupon	02/27/14	02/27/18	1,000,000	1,000,000	998,070	Custodian
1.800%	1.800%	FHLMC-Callable Coupon	02/27/14	02/27/19	1,000,000	1,000,000	1,006,750	Custodian
1.800%	1.800%	FHLMC-Callable Coupon	03/12/14	03/12/19	1,000,000	1,000,000	1,007,750	Custodian
1% <sup>2</sup> / <sub>2</sub> % <sup>11</sup>	1.896%	FHLB-Callable Coupon	05/28/14	05/28/19	1,000,000	1,000,000	997,260	Custodian
					44,540,650	44,520,000	44,492,213	
					46,540,650	46,520,000	46,497,583	
					<b>Sub-Total</b>			
					<b>Total Investments</b>			

Note: Gov. Agency Coupon Notes will distribute interest every six month.

- 1-CPNRT=0.75% to 1/1/15; thereafter 1.5%.
- 3-CPNRT=0.5% to 2/1/16; 0.75% to 2/1/16; 1% to 2/1/16; 1.5% to 2/1/17; thereafter 2%.
- 5-CPNRT=0.85% to 9/1/15; 1% to 9/1/16; 1.5% to 9/1/17; thereafter 2.5%.
- 7-CPNRT=1% to 6/1/14; thereafter 2%.
- 9-CPNRT=0.5% to 7/1/14; thereafter 2.25%.
- 11-CPNRT=1% to 1/1/14; thereafter 2%.
- 2-CPNRT=0.5% to 8/1/14; 1% to 8/1/15; thereafter 1.5%.
- 4-CPNRT=0.8% to 9/1/15; thereafter 1.5%.
- 6-CPNRT=0.75% to 5/1/16; 1% to 5/1/17; 2% to 11/1/17; thereafter 3%.
- 8-CPNRT=0.25% to 6/1/14; 1% to 12/1/14; 1.5% to 6/1/15; 2% to 12/1/15; 2.5% to 6/1/16; 3% to 12/1/16; thereafter 3.5
- 10-CPNRT=0.625% to 2/1/15; thereafter 2%.

**Interest earnings for the month were as followed:**

	Amount Earned/Accrued	Current Yield
Refunding Revenue Bonds - Reserve Fund (Bank of New York Mellon)	\$525	0.228%
Local Agency Investment Fund (LAIF)	35,863	0.920%
Reich & Tang Daily Income - US Treasury Money Market Fund	4,087	0.228%
Sweep Accounts (Wells Fargo Bank/Bank of New York Mellon)	0	0.010%
<b>Total Earnings</b>	<b>13</b>	<b>0.010%</b>

**Schedule of Investment Balance Limitations (Per District investment policy)**

The source of the market valuation is as followed:

Investments (Note 1)	Total Amount Invested	% of Total	Max. Limit Allowed
Refunding Revenue Bonds - Reserve Fund (Bank of New York Mellon/LAIF)	\$46,540,650	65.72%	no limit
Reich & Tang Daily Income - US Treasury Money Market Fund (Union Bank)	2,764,862	3.90%	1 yr debt pmnt.
Local Agency Investment Fund (LAIF)	5,357	0.01%	no limit
<b>Total</b>	<b>\$70,820,037</b>	<b>30.37%</b>	<b>50,000,000</b>
	(Note 2)	<b>100.00%</b>	

Note 1: The average weighted duration for investments, excluding LAIF, is 1,035 days, which is under the assumption that callable coupons will not be called and will be held until maturity.  
 Note 2: In May 2014, Joint Powers Authority's participation in investment is \$6,700,372.08, of which \$5,310,350.88 (or 79.25%) belongs to LV.

LVMWD Investment Report for the Month Ending May 31, 2014

Bank Account Balances as of May 31, 2014:

Bank Name	Account Type	Amount
Wells Fargo Bank	Checking	\$56,199 (Note 3)
Wells Fargo Bank	Sweep	2,135,046
Bank of New York Mellon	Money Market	0
Total		<u>\$2,191,245</u>

Note 3: This is bank balance without adjusting for outstanding checks. The total amount of outstanding checks is unavailable at the time of reporting.

"All District investments are included in this report and all investments, except those relating to debt issues and deferred compensation programs funds, conform to District investment policy. All investment transactions within the period covered by this report, except for the exceptions noted above, conform to District investment policy. Deferred compensation program funds are not included in this report; their investment is directed by individual employees participating in the deferred compensation program and not by the District. Debt issue funds are included in this report; their investment is controlled by specific provisions of the issuance documents and not by the District."

"The deposits and investments of the District safeguard the principal and maintain the liquidity needs of the District, providing the District with the ability to meet expenditure requirements for the next six months. The maturity dates are compatible with foreseeable cash flow requirements. The deposits and investments can be easily and rapidly converted into cash without substantial loss of value."

Approved for June 24, 2014 Agenda:



David W. Pedersen, General Manager

I HEREBY CERTIFY THAT THE FOREGOING IS TRUE AND CORRECT

TO THE BEST OF MY KNOWLEDGE

Leonard Polan, Treasurer

Definitions

- Disc./Cpn Rate – The yield paid by a fixed income security.
- Yield to Maturity – The rate of return of a security held to maturity when interest payments, market value and par value are considered.
- Bullet – A fixed income security that cannot be redeemed by the issuer until the maturity date.
- Callable – A fixed income security that can be redeemed by the issuer before the maturity date.
- Book Value – The price paid for the security.
- Par Value – The face value of a security.
- Market Value – The current price of a security.
- Custodian – The financial institution that holds securities for an investor.

Investment Abbreviations

- FHLB – Federal Home Loan Bank
- FHLMC – Federal Home Loan Mortgage Corporation (Freddie Mac)
- FNMA – Federal National Mortgage Association (Fannie Mae)
- FFCB – Federal Farm Credit Bank
- Bonds
  - NYCGEN – New York City Transitional Finance Authority Future Tax Secured Bond
  - KYSHSG – Kentucky State Housing
  - Montgomery – Montgomery, AL General Obligation Bond
  - PORTRN – Port Authority of New York & New Jersey Revenue Bond
  - AZSHGR – Arizona Board of Regents University of Arizona System Revenue Bond
  - LVNSCD – Las Virgenes Unified School District
  - NJSMFH – New Jersey State Mortgage Finance & Housing
  - PTS – Port of Seattle
  - ARLDEV – Arlington County Development Authority Revenue Bond



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

**MINUTES**  
**REGULAR MEETING**

5:00 PM

April 8, 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. Joanne Bodenhamer, Acting 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  
 Joanne Bodenhamer, Acting 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 K. Lemieux, District Counsel

Board President Caspary stated that due to the crowd and the solar cup presentation that he would like to change the order of the agenda as published and make item 5A, the Solar Cup presentation the first item on the agenda; followed by public comments, and the consent calendar etc.

General Manager Pedersen stated that he would like to request that Item 8 B be removed from the agenda due to discussions with the developer that are on-going and occurred after the agenda was published.

**5 A Solar Cup Presentation**

General Manager Pedersen made brief comments related to the presentation and asked ~~David~~ **ITEM 4C** Low,

Public Affairs Associate to introduce the two teams. Ms. Low introduced the two teams; <sup>46</sup> Camp David Gonzalez and Calabasas High School; and stated that this is one of the events that the District sponsors for the spring.

## 2. APPROVAL OF AGENDA

### A Approval of agenda

Director Polan moved to approve the agenda as modified. Seconded by Director Renger and carried unanimously.

## 3. PUBLIC COMMENTS

Following the Solar Cup presentation, the Board moved on to the public comments section of the agenda.

Pam Fair of SEIU local 721 in Ventura addressed the Board regarding the employees they represent; the good work that the employees do for the community and that they have been a welcomed presence in the community until the issues with Three Springs developed, which was a decision by the Board not the employees. She further commented that residents in this area are quite unhappy with the project moving forward and that a handful of residents are getting angrier and angrier by the day and are taking their frustrations out on the men and women who have nothing to do with the Board's decision; that these employees are simply trying to complete their assigned duties for the District. She stated that the District as a government body has a duty to keep these employees safe and free from harassment.

She articulated for the Board the harassing situations that these employees have been subjected to from some residents of the Three Springs neighborhood and provided details relative to how employees have been verbally abused; stated that facilities have been tampered with; and that intimidating threats have been made to District employees to the extent that the Sheriff's had to be notified; she stated that the situation is escalating and urged the Board to take action before the situation gets worse.

Following Ms. Fair's statement, there were comments and questions from the Board with Director Steinhardt stating that he does not appreciate being singled out and that such area is not his area; he commented that he has friends throughout the District and that he knows a lot of people in many parts of the District and inquired as to why he was being singled out.

Ms. Fair stated that she made mention of his name because he has been quite vocal in his opposition to the project and people have been ramped up and now the employees are asking for him to help ramp them down.

Director Steinhardt stated that he does not nor will he advocate for any type of violence against anyone and that he will not condone nor tolerate any harassment against any District employee.

## 4. CONSENT CALENDAR

A List of Demands: April 8, 2014. Approve

B Minutes: Regular Meeting of February 11, 2014. Approve

C Director's Per Diem: March 2014. Ratify

General Manager Pedersen requested that item 4C be pulled from the consent calendar to allow for discussion.

ITEM 4C

**4. C Director's Per Diem: March 2014. Ratify**

General Manager Pedersen stated that he had requested this item be pulled from the consent calendar to allow the Board to address a question with respect to the Board's policy and past practice for per diem compensation for Directors as to what is referred to as travel days. Mr. Pedersen indicated that clarification is needed relative to whether or not a travel day in qualifies in accordance with District policy and the Administrative Code for per diem compensation.

Director Polan stated that he prefers to travel the day before especially if the meeting is in Sacramento in order to be ready for the next day as opposed to traveling the morning of the actual event; he stated that he advocates that the Board allows payment/reimbursement for travel days.

Board President Caspary stated that if there is a valid reason it makes sense to do that; that there have to be some qualifiers so that everybody knows what the specific rules are;

Director Peterson commented that he currently attends meetings at 10:0 a.m. on the ACWA State Legislative Committee and that it is not an issue.

Board President Caspary stated that staff is to bring changes predicated on the provisions of the LV code, and that this could be better spelled out

Director Renger stated that he will be traveling to the CASA Conference in Monterey in May and that he has a committee meeting at 10:00 a.m. and that he plans to drive the night before; that however, he will not be seeking a per diem, that the hotel for the night before provided by the District is sufficient.

Board President Caspary sought clarification from District Counsel about what the code says about travel days with Mr. Lemieux stating that the code does not mention travel other than for expense reimbursement purposes; that the question is whether travel can be considered service rendered at the request of the Board and that is something that the Board needs to decide; that if the Board desires staff to bring back a policy statement as an amendment to the administrative code that can be done; an amendment to the code is not on the agenda this evening.

Director Steinhardt commented that this has been a policy of the Board and management since he joined the Board; that he had sat down with staff to be instructed on how to fill out the per diem, expense reports etc., and he was told what to do; that this is the first time this has come up; that if he has to take off from work he loses money.

After a lengthy discussion on the subject, Board President Caspary asked for a motion. Director Steinhardt moved to approve all ten days as presented. Motion seconded by Director Polan and carried by the following roll call vote:

AYES:	Director(s):	Polan, Steinhardt, and Board President Caspary
NOES:	Director(s):	Peterson
ABSTAIN:	Director(s):	Renger

Direction was provided to General Manager Pedersen to bring back a revised policy statement for the Board's consideration.

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

**B Award Presentation by Ventura County APWA for Project of the Year, Emergency Repair Category: Calabasas Road Pipeline Replacement Project**

General Manager Pedersen commented that the District was fortunate to receive an award on a project for which many employees worked hard; and that Ms. Julia Aranda, the Vice President of the American Public Works Association (APWA) Ventura County Chapter was there to present the award.

Ms. Aranda made brief comments related to the work that was done and commented about the efficient and timely response of District staff.

ITEM AC

## C Legislative and Regulatory Updates

General Manager Pedersen stated he had no substantial updates.

### 6. TREASURER

Treasurer Polan stated that he had nothing to report.

### 7. BOARD OF DIRECTORS

#### A ACWA Polling for 2014 Water Bond: Request for Contribution

**Approve a \$5,000 contribution to ACWA for the collection of polling data to determine the level of support for a modified 2014 Water Bond.**

General Manager Pedersen made brief comments on this item related to Mr. Tim Quinn's earlier briefing relative to the Water Bond.

Director Peterson moved to approve the recommendation. Motion seconded by Director Renger and carried unanimously.

AYES:	Director(s):	Polan, Renger, Steinhardt, Peterson and Board President Caspary
NOES:	Director(s):	None
ABSTAIN:	Director(s):	None

### 8. FACILITIES AND OPERATIONS

#### A 24563 Piuma Road (APN 4453-025-003): Approval of Proposed Water Main Extension Concept

**Approve the water main extension concept for 24563 Piuma Road (APN 4453-025-003) and authorize the General Manager to execute a water main extension agreement with the property owner in a form approved by the District's Legal Counsel.**

General Manager Pedersen indicated that this item deals with the conceptual proposal to extend an existing water main that terminates near Piuma Road and Casa Del Sol Way to serve a new home being constructed.

David Lippman, Director of Facilities and Operations explained for the Board what the proposal entailed.

There were some comments and questions from the Board related to the issues associated with the easement, costs, limited service agreement and the length of the extension.

The record reflects Board's approval of staff's recommendation by unanimous consent.

#### B Tract No. 46799-02: Quitclaim of Surplus Easement

**Declare the blanket easement for Tract No. 46799-02, Los Angeles County Recorder's Document No. 01-1954455, surplus and authorize the General Manager to quitclaim the easement.**

Item 8 B was removed from the agenda at the request of General Manager Pedersen.

ITEM 4C



## 9. FINANCE AND ADMINISTRATION

49

### A Regulatory Maintenance and Replacement Program: Contract for Purchase and Delivery of Cla-Val Parts and Products.

**Authorize the General Manager to execute a month-to-month contract with Famcon Pipe & Supply, Inc., through June 30, 2014 for an amount not-to-exceed \$100,000, for the purchase and delivery of Cla-Val parts and products.**

General Manager Pedersen explained that this is a three-year regular replacement program; that it is due to the District experiencing a number of regulator failures; that its purpose is to replace those regulators that are over 10 years old and most likely to fail; that there are a total of 1,580 regulators that require maintenance or replacement and that these will be replaced over a three-year span.

There were some brief comments from the Board.

Director Steinhardt moved to approve staff's recommendation. Motion seconded by Director Polan. Motion carried unanimously.

### B Ford Meter Box Parts and Fittings: Award of Bid

**Accept the bid from Famcon Pipe and Supply, Inc., and authorize the General Manager to execute a one-year contract in the amount of \$49,373.53, with three one-year renewal options, for the supply of Ford Meter Box parts and fittings.**

General Manager Pedersen presented the staff report and answered questions from the Board relative to the bid process.

Director Steinhardt moved to accept staff's recommendation. Motion seconded by Board President Caspary and carried unanimously.

## 10. RESOURCE CONSERVATION AND PUBLIC OUTREACH

### A Water Based Water Rates: Approval of Proposals for Consulting Services and Aerial Imagery, and Update on Automated Meter Reading Implementation Project.

**Approve the proposal from Tom Asch & Associates and authorize the General Manager to execute a professional services agreement to provide advisory consulting services in an amount not-to-exceed \$37,500 for transitioning to budget-based water rates; and approve the proposal from Eagle Aerial Imaging and authorize the General Manager to execute a professional services agreement for an amount not-to exceed \$49,220, plus applicable sales tax, to provide aerial imagery and irrigated area data for District-served parcels.**

Mr. Pedersen, General Manager stated that item 10A and B are interrelated; however, they will be discussed separately; commented that Tom Ash will continue assisting on this issue by providing consulting services in terms of transitioning to budget-based water rates in accordance with the timeline established by the Board on March 25; spoke about the proposal from Eagle Aerial and update on the AMR/AMI effort that the District is working on.

Carlos Reyes, Director of Resource Conservation and Public Outreach presented the staff report and spoke about the following: that this item is seeking approval for the General Manager to be authorized to engage in two consulting service agreements; that on the Automated Meter Reading (AMR) implementation project, no action is required tonight.

Mr. Reyes explained in detail item 10B stating that this item deals with the financial rate study to support and compliment the District's transition to budget-based water rates.

ITEM AC

Following Mr. Reyes presentation, there was an extensive discussion with comments and questions from the Board.

Director Peterson moved to accept staff's recommendation. Motion seconded by Board President Caspary and carried unanimously.

## **B Financial Analysis and Rate Study: Approval of RFP**

General Manager Pedersen presented the staff report along with Don Patterson, Director of Finance and Administration. Mr. Patterson highlighted for the Board some of the key components of the study, among these: sanitation rates; potable rates; water rates and recycled water rates as well as other miscellaneous fees that have not been reviewed for a long time such as deposit fees, late fees; those types of fees that are occasional.

Following Mr. Patterson's presentation, there were some comments and questions from the Board related to: hook-up fees; objectives; monthly readings; conservation efforts; estimates on how many people could be expected to violate the norms and use that as part of the information to set the rate structure and other related topics.

Director Renger moved to approve staff's recommendation. Motion seconded by Director Peterson and carried unanimously.

## **11. INFORMATION ITEMS**

### **A Backbone Improvement Program 5-Million-Gallon Tank Project: Questions about Blasting and Dam Safety**

Board President Caspary stated that for the record; that there are letters from the Division of Safety and Dams etc.

There were no questions from the Board.

## **12. NON-ACTION ITEMS**

### **A Organization Reports**

#### **(1) MWD**

##### **a. Representative Report/Agenda (s)**

Director Peterson reported on MWD having two new directors; spoke about being appointed as Delegate to the Colorado River Board; the bi-annual budget hearing; and that the rate increases are to be kept to a minimum.

#### **(2) Other**

### **B Director's Reports on Outside Meetings**

Director Steinhardt reported on having attended the ACWA Board meeting where he came in as the replacement for Chair for the meeting; reported on the Executive Committee and that there is a new hire who is Sean Randall who is replacing Marsha Wolfe. Also, reported on a discussion related to a problem with PERS that ACWA is involved with.

### **C General Manager Reports**

#### **(1) General Business**

ITEM 4C

General Manager Pedersen reported on the Calabasas pipeline and stated that it is now completed; reported on the New Executive Assistant/Clerk of the Board who will be starting on April 14; and thanked Joanne Bodenhamer for her stepping in as temporary Clerk of the Board and having done an excellent job. Mr. Pedersen also spoke about some of the items on the calendar that are coming up.

## **(2) Follow-up Items**

### **D Director's Comments**

Board President Caspary thanked staff for the event on Thursday night that was well executed.

## **13. FUTURE AGENDA ITEMS**

Director Polan made comments related to rodenticides stating that this impacts the food chain with the predators dying; and that he would like to have an agenda item on the topic with staff to bring back other recommendations. Director Polan moved to have this on the next agenda. Director Steinhardt seconded.

## **14. PUBLIC COMMENTS**

There were no public comments.

## **15. CLOSED SESSION**

District Counsel Lemieux indicated that there was no need for 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.

## **16. OPEN SESSION AND ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at 7:55 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)



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

**MINUTES  
REGULAR MEETING**

5:00 PM

June 10, 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  
Larry Miller, Manager of Facilities and Operations  
Carlos Reyes, Director 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 Polan, the Board of Directors voted 5-0 to approve the agenda as presented. Motion carried unanimously.

ITEM 4C

### 3. PUBLIC COMMENTS

None

### 4. CONSENT CALENDAR

**A List of Demands: June 10, 2014. Approve**

**B Director's Per Diem: May 30, 2014. Ratify**

**C Minutes: Regular Meeting of March 25, 2014 and Regular Meeting of May 27, 2014. Approve**

Director Steinhardt asked a question relative to item 4B and asked whether or not there is a change in the procedure whereby there is now a requirement to list all the dates that members of the Board attend meetings on behalf of the Board.

Board President Caspary stated that the procedure has not changed though he lists all of the meetings he attends simply for transparency purposes but that is not mandatory.

Further, Director Steinhardt sought clarification on Director Peterson's per diem report and stated that he cannot read the report; he suggested that staff perhaps can type this form. Director Peterson provided appropriate clarification.

With respect to the minutes, Director Steinhardt objected to the level of detail and indicated that he had a number of comments on the utility branding item from the previous meeting and that such comments were not included. Clerk of the Board Betancur stated that the minutes are not a verbatim transcript and that the Board had recently approved summary minutes; that the commentary was not included and will not be included in as much detail going forward in accordance with what the Board had approved.

Director Renger moved to approve the consent calendar items 4A-4C, seconded by Director Peterson. (Primary motion).

Director Steinhardt moved that the previous motion be modified to approve item 4A and 4B and not 4C. Director Polan seconded. (Secondary motion).

A vote was taken on the primary motion, which carried by the following vote:

AYES: Director(s): Renger, Peterson and Board President Caspary  
 NOES: Director(s): Polan and Steinhardt  
 ABSTAIN: Director(s): None

The record reflects Directors Steinhardt and Polan's objections to the minutes with respect to level of detail.

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

#### A Legislative and Regulatory Update

General Manager Pedersen updated the Board on the following items: 1) an active legislative calendar with the constitutional deadline for approval of the State budget on June 15<sup>th</sup>; 2) stated that on May 13<sup>th</sup> the Governor presented his revised budget proposal; 3) spoke about the water bond proposal and related amendments; 4) stated that the deadline for ballot initiatives was June 26<sup>th</sup>; and 5) that the District had made efforts in articulating its position on the importance of the Water Bond.

There were some comments and questions from the Board regarding the water bond proposal.

6. **TREASURER**

Treasurer Polan stated that he had nothing to report.

7. **FACILITIES AND OPERATIONS**

A **23371 Palm Canyon Lane, Malibu: Detachment Request**

**Approve in concept the detachment of APN 4452-027-009 from the Las Virgenes Municipal Water District's service area.**

General Manager Pedersen presented the staff report and stated that this is a single-family residence at Serra Retreat; that the subject property is on the city of Malibu boundary though the property lies within the unincorporated County area; that the property is comprised of two parcels, which are located in two separate service areas, the unincorporated portion of the property is within Las Virgenes Municipal Water District Service Area and the portion in the City of Malibu is within the service area of Waterworks District 29. Mr. Pedersen further stated that there is currently reorganization by LAFCO for the parcel in Las Virgenes Municipal Water District service area such that it will be annexed to Waterworks District 29.

Hal Helsley spoke relative to his concerns with the tax implications of detached parcels; commented that such detachments set a precedent for others, which may have a similar agreement with the District to move in or out of the District; that perhaps all of these parcels need to be cleaned-up; spoke about the tax implications of Improvement Districts and perhaps establishing a fee to cover those long-term commitments within the Improvement District.

Following a brief discussion relative to implications of the tax burden to different jurisdictions with parcels moving in and out of specific service areas; discussion on liability issues and desire to have a more comprehensive process to carry out these detachments, Director Peterson moved to approve in concept the Detachment Request of APN 4452-027-009 from the Las Virgenes Municipal Water District's Service area. Motion seconded by Director Renger and carried unanimously.

8. **FINANCE AND ADMINISTRATION**

A **Purchase and Delivery of Cla-Val Parts and Products: Request for Bids**

**Authorize a Request for Bids in accordance with the proposed bid schedule for the purchase and delivery of Cla-Val Parts and products.**

General Manager Pedersen presented the staff report indicating that this a three-year program to replace more than 1,500 regulators that are more than 10 years old.

Director Steinhardt moved to authorize request for bids. Director Renger seconded. Motion carried unanimously.

B **Strategic Plan Update: Proposed Fiscal Year 2014-15 Tactical Actions and Activities.**

**Approve the Proposed Fiscal Year 2014-15 Tactical Actions and Activities.**

General Manager Pedersen presented the staff report indicating that this is a follow-up to the April 21 Special Board Meeting to discuss the strategic planning and also the Fiscal Year 2014-2015 budget; that at that time the Board had discussed goals and objectives of the District; talked about working groups, which provided input and lead to revisions to the goals and objectives. Mr. Pedersen further stated that each year in conjunction with the budget process staff proposes to the Board ~~TEMCO~~ of key

tactical actions and activities, things that staff will be working on for the coming year; and that<sup>56</sup>this is a draft for the Board to consider.

General Manager Pedersen discussed and highlighted most of the important tactical actions included in the staff report.

Hal Helsley spoke relative to the Tapia footprint and the constraints that have been placed on it; spoke about objective #4 in relation to water conservation; complimented District staff regarding the community outreach efforts and communication on the subject of water conservation.

There were several comments and questions by members of the Board on the following topics: Flood Plain maps; severity of rain events, which could potentially impact the flood plain; the Tapia footprint and related constraints; water quality limitations as it relates to Tapia; treatment standards and associated costs.

Director Peterson spoke about the sensitivity of the Tapia Footprint and that if the District is to expand as long as the District stays within the footprint, there are no complications and subsequently there will be no major opposition from that community; however; that if the District starts to expand, it is anticipated that we will have significant opposition.

Director Polan had several questions regarding the presented tactical actions; water consumption; water conservation and nitrification.

Upon a substantive discussion on the matter, Director Peterson moved to approve the proposed fiscal year 2014-15 tactical actions and activities. Director Polan seconded. Motion carried by the following vote:

AYES: Director(s): Polan, Renger, Peterson and Board President Caspary  
NOES: Director(s): Steinhardt  
ABSTAIN: Director(s): None

### **C Proposed Fiscal Year 2014-15 Operating and Capital Improvement Budget.**

**Adopt the proposed Fiscal Year 2014-15 Operating and Capital Improvement Budget; approve the proposed staffing changes and direct staff to update the salary schedule for approval by the Board; and authorize the General Manager to pre-pay the District's Fiscal Year 2014-15 annual required contribution to CalPERS in the amount of \$1,701,878.**

Don Patterson, Director of Finance and Administration presented a brief staff report stating that there are no significant changes from the preliminary budget that was presented to the Board in April; that some of the notable items include three position changes that were not discussed at the April workshop, and that the budget includes a recommendation of continuing to prepay PERS.

Mr. Patterson explained the budget in terms of the total budget and expenditures and revenues as well as related budgetary assumptions.

After a brief discussion, Director Peterson moved to approve the FY 2014-15 Operating and Capital Improvement Budget as presented. Motion seconded by Director Renger and carried by the following vote:

AYES: Director(s): Polan, Renger, Peterson and Board President Caspary  
NOES: Director(s): None  
ABSTAIN: Director(s): Steinhardt



## 9. INFORMATION ITEMS

### A Frank Bonvino v. Las Virgenes Municipal Water District

General Manager Pedersen provided a brief summary of the activities associated with this legal matter to date.

Director Steinhardt commented that no one should be celebrating on this as the District prevailed only due to a procedural technicality regarding the timing of the filings.

## 10. NON-ACTION ITEMS

### A Organization Reports

#### (1) MWD

Director Peterson reported that Chairman Record approved no committee assignment changes but that in the next month he will be appointing the Vice Chairman; that he will wait until the end of the year and keep the committees as they are currently; reported on the statement of investment policy, which was approved; and that Director Koretz asked that MWD look at sustainability as it relates to the investment choices; also made comments related to the fact that there are now many young professionals working for MWD.

There were no other reports.

#### (2) Other – None

### B Director's Reports on Outside Meetings

None

### C General Manager Reports

#### (1) General Business

General Manager Pedersen reported on the LAFCO election results; that he had met with Director Polan and had received comments on the Master Plans and that he had also received comments from Board President Caspary and that staff will be compiling those comments and providing responses accordingly and such will be provided to the entire Board at the next meeting; reported on the public service announcement video clip prepared by the students at Camp David Gonzalez as part of the Solar Cup effort; spoke about the ACWA event scheduled for June 12 where an update on the water bond issue will be provided; and the traveling art show for the poster contest.

#### (2) Follow-Up Items

None.

### D Director's Comments

Director Polan commented that he had met with General Manager Pedersen on the Potable Water Master Plan and Sanitation Master Plan and that he is concerned with the coordination on the planning document; he finds that there is a lack of coordination; that he prefers to see a better plan in the future; spoke about having a way to cross reference the material included in these plans; and spoke about water conditions in the

## **11. FUTURE AGENDA ITEMS**

Director Polan stated that he wanted to introduce as a formal motion to have an item placed on the agenda asking Las Virgenes Municipal Water District to adopt a policy from this point forward that on major documents for planning and management be clearly communicated in writing with facts, figures, assumptions, reasons and justifications with correct cross references ensuring that the Water District is complying and adhering to the basic standards of transparency. Motion seconded by Director Steinhardt.

## **12. PUBLIC COMMENTS**

There were no public comments.

## **13. CLOSED SESSION**

The Board adjourned to Closed Session at 7:01 p.m., and reconvened at 7:16 p.m.

### **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**

District Counsel Lemieux explained that no reportable actions were taken during closed session. Seeing no further business to come before the Board, the meeting was duly adjourned at 7:17 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)



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: General Manager

**Subject: Consideration of Policy for Planning and Management Documents**

**SUMMARY:**

On June 10, 2014, Director Len Polan requested a future agenda item *"that the Las Virgenes Municipal Water District's Board of Directors make it a policy that from this point forward, our major documents for planning and management will be clearly communicated in writing, with facts, figures, assumptions, reasons and justifications with the correct cross references ensuring this water district [is] complying and adhering to basic standards of transparency."*

**RECOMMENDATION(S):**

Consider the policy recommended by Director Len Polan related to the District's planning and management documents, and determine whether or not to approve the policy or some variation thereof.

**FINANCIAL IMPACT:**

There is no financial impact associated with this item.

**DISCUSSION:**

The District prepares a variety of planning document that are critical to ensure that the infrastructure of the District meets both the current and future water and sanitation needs of the region's customers. Most recently, the District and Kennedy/Jenks Consultants have nearly completed the Potable Water, Recycled Water, Sanitation and Integrated Master Plan Updates 2014. Also, the District prepares an annual Infrastructure Investment Plan, an Urban Water Management Plan every five years, and water system reports as needed.

As with all technical reports, it is important that these documents are well-organized with a table of contents, clearly identify assumptions or the basis for analysis, define key terms and/or acronyms, include sufficient facts and figures to support the findings, and contain references citing sources. An executive summary is also normally helpful to aid the reader to become acquainted with the material without having to read it all. Additionally, appendices should be included to provide supporting documentation, additional analyses, and/or important references. In preparing the documents, the audience or likely reader should be considered to determine the level of detail and amount of background information that should be provided.

Staff is open to feedback from the Board to improve the District's planning and management documents.

Prepared By: David W. Pedersen, General Manager



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

**Subject: Tapia Headworks Grit Conveyor: Final Acceptance**

Las Virgenes-Triunfo Joint Powers Authority approved funding for this matter in the Joint Powers Authority Budget. This recommendation is before the LVMWD Board of Directors for action, as Administering Agent, as authorized in the Joint Powers Authority Agreement.

**SUMMARY:**

On October 7, 2013, the JPA Board awarded the Tapia Headworks Grit Conveyor Project to Pacific Advanced Civil Engineering (PACE) in the amount of \$112,800. The project consisted of installation of a conveyor to improve handling of grit from the classifiers at the headworks of the Tapia Water Reclamation Facility into exterior trash bins. One change order was administratively approved for \$1,925.

**RECOMMENDATION(S):**

Approve the execution of a Notice of Completion by the Secretary of the Board and have the same recorded; and in the absence of claims from subcontractors and others, release the retention in the amount of \$5,736.25 within 30 calendar days after filing the Notice of Completion for the Tapia Headworks Grit Conveyor Project.

**FINANCIAL IMPACT:**

Sufficient funds are available in the adopted Fiscal Year 2013-2014 Budget for the project.

The final construction costs are summarized as follows:

Construction Contract \$112,800.00

Change Order No. 1 \$1,925.00

**Total Cost \$114,725.00**

**DISCUSSION:**

Change Order No. 1, in the amount of \$1,925, was administratively approved by the General Manager for additional items that were not included in the original design of the project. The change order consisted of the addition of two 8-inch x 8-inch drain boxes and 4-inch PVC piping for the concrete pad holding the grit bin to allow residual moisture within the bins to drain back into the sewer system. Change Order No.1 also included additional hours required for programming the controls for the system.

Attached for reference are copies of photos of the completed conveyor system, Change Order No. 1, and the Notice of Completion.

Prepared By: Eric Schlageter, P.E., Associate Engineer

**ITEM 8-A**

**ATTACHMENTS:**

Grit Conveyor Photos

Grit Conveyor Change Order #1

Notice of Completion



CAUTION  
HIGH VOLTAGE



84





4232 Las Virgenes Road  
Calabasas, California 91302-1994

## CONTRACT CHANGE ORDER

No. 1

Project Tapia Grit Conveyor System

Project No. Acct. No. 10499.1880.605

Contractor Pacific Advanced Civil Engineering, Inc

Date 05/30/2014

CONTRACTOR CHANGE ORDER NO. 1 The Contractor is hereby authorized and directed to make the herein described changes from the Plans and Specifications or do the following work not included in the Plans and Specifications for the construction of this project.

This change requested by: Pacific Advanced Civil Engineering, Inc.

### DESCRIPTION OF CHANGE:

	Description	Amount	Days
1	To provide (2) 8" x 8" drain Boxes and 4" PVC drain for concrete pad	\$1,300.00	0
2	5 Hours of additional programming for control & instrumentation specialist for the zero-speed PLC	\$625.00	0
	<b>TOTAL</b>	<b>\$1,925.00</b>	<b>0</b>

INCREASES  
TOTAL AT AGREED PRICES OR FORCE ACCOUNT \$1,925.00  
DECREASES

Contract Change Order No. 1 Project No. 10499 Acct. No. 1880.605

Date 5/30/2014

(2) Estimate of increases and/or decreases in contract items at contract unit prices:

**INCREASES**

Item	Description	Quantity	Unit Price	Total
<b>TOTAL INCREASES</b>				<b>\$N/A</b>

**DECREASES**

Item	Description	Quantity	Unit Price	Total
<b>TOTAL DECREASES</b>				<b>\$</b>

TOTAL NET \_\_\_\_\_ IN CONTRACT ITEMS AT CONTRACT UNIT PRICES \$ \_\_\_\_\_

TOTAL COST OF THIS CHANGE ORDER **\$1,925.00**

**INCREASE**

**DECREASE**

It is agreed 0 consecutive calendar days extension of time will be allowed by reason of this change.

Recommended by

Departmental Approval

Eric Schlageter, P.E.  
Project Engineer

David R. Lippman  
Director of Facilities and Operations

ACCEPTED:

APPROVED:

Pacific Advanced Civil Engineering

Las Virgenes Municipal Water District

By: Kevin Yung

By: David W. Pedersen  
David W. Pedersen, General Manager

Date: 6-5-14

Date: 06/16/14

Note: Attention is called to the sections of the Special Provisions and Standard Provisions on EXTRA, ADDITIONAL OR OMITTED WORK.

- THIS CHANGE ORDER IS NOT EFFECTIVE UNTIL APPROVED BY OWNER
- IF ACCEPTABLE TO THE CONTRACTOR, THIS CHANGE ORDER IS EFFECTIVE IMMEDIATELY

Las Virgenes Municipal Water District

AND WHEN RECORDED MAIL TO

Name Joanne Bodenhamer
Street Address 4232 Las Virgenes Road
City & State Calabasas CA 91302
Zip

T 420 LEGAL (9-94)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Notice of Completion

NOTICE IS HEREBY GIVEN THAT:

- 1. The undersigned is the owner of the interest or estate stated below in the property hereinafter described.
2. The full name of the undersigned is Las Virgenes Municipal Water District (NAME).
3. The full address of the undersigned is 4232 Las Virgenes Road, Calabasas CA 91302
(NUMBER AND STREET, CITY, STATE, ZIP).
4. The nature of the title of the undersigned is
(E.G., owner in fee OR vendee under contract of purchase OR lessee OR OTHER APPROPRIATE DESIGNATION).
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:
Names Addresses
N/A
6. The names of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commencement of the work of improvement herein referred to are (OR IF NO TRANSFER WAS MADE, INSERT THE WORD "none"):
Names Addresses
N/A
7. A work of improvement on the property hereinafter described was completed on May 23, 2014 (DATE).
8. The name of the original contractor, if any, for the work of improvement was Pacific Aquascape International, Inc.
(NAME OF CONTRACTOR, OR IF NO CONTRACTOR FOR THE WORK OF IMPROVEMENT AS A WHOLE, INSERT THE WORD "none"). [IF NOTICE COVERS COMPLETION OF CONTRACT FOR ONLY PART OF THE WORK OF IMPROVEMENT, ADD: The kind of work done or material furnished was
(GIVE GENERAL STATEMENT, E.G., furnishing of concrete for sidewalks).
9. The property on which the work of improvement was completed is in the City of Los Angeles, County of Los Angeles, State of California, and is described as follows:
Tapia Water Reclamation Facility Headworks
(set forth description of jobsite sufficient for identification, using legal description if possible).
10. The street address of the said property is None
(NUMBER AND STREET, OR, IF THERE IS NO OFFICIAL STREET ADDRESS, INSERT THE WORD "none").

Dated: June 24, 2014

Las Virgenes Municipal Water District

(SIGNATURE)
Barry S. Steinhardt, Secretary of the Board
(TYPED NAME)

VERIFICATION

I, the undersigned, say:
I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Calabasas, California, this 24th day of June, 2014

(SIGNATURE) Barry S. Steinhardt, Secretary of the Board

**DO NOT RECORD**

**Recommended Procedure in the Preparation of a Notice of Completion**

A notice of completion must be filed for record *within 10 days* after completion of the work of improvement (to be computed exclusive of the day of completion), as provided in section 3093, Civil Code.

The "owner" who must file for record a notice of completion of a building or other work of improvement means the owner (or his successor in interest at the date of notice is filed) on whose behalf the work was done, though his ownership is less than the fee title. For example, if A is the owner in fee, and B, lessee under a lease, causes a building to be constructed, then B, or whoever has succeeded to his interest at the date the notice is filed, must file the notice.

If the ownership is in *two or more persons as joint tenants or tenants in common*, the notice may be signed by any one of the co-owners (in fact, the foregoing form is designed for giving of the notice by only one co-tenant), but the names and addresses of the other co-owners must be stated in paragraph 5 of the form.

In paragraphs 3 and 5, the full address called for should include street number, city, county and state.

As to paragraph 6, insert the date of completion of the work of improvement as a *whole* if applicable. However, if the notice is to be given only of completion of a particular contract, where work of improvement is made pursuant to two or more original contracts, strike the words "a work of improvement" and insert a general statement of the kind of work done or materials furnished pursuant to such contract (e.g. "The foundations for the improvements").

If the notice is to be given as a notice of completion of the work of improvement as a *whole*, insert the name of the prime contractor, if any, in paragraph 7. No contractor's name need be given if there is no general contractor, e.g., on so-called "owner-builder jobs". However, if the notice is to be given only of completion of a particular contract, where work of improvement is made pursuant to two or more original contracts, insert the name of the contractor who performed that particular contract.

Paragraph 8 should be completed only where the notice is signed by a successor in interest of the owner who caused the improvement to be constructed.

In paragraph 9, insert the *full legal* description, not merely a street address or tax description. Refer to deed or policy of title insurance. If the space provided for description is not sufficient, a rider may be attached.

In paragraph 10, show the street address, if any, assigned to the property by any competent public or governmental authority.

**NOTICE  
OF COMPLETION**

CHICAGO TITLE COMPANY



WESTERN DIVISION HEADQUARTERS  
246 S. LOS ROBLES AVENUE, SUITE 105  
PASADENA, CALIFORNIA 91101-2820  
(818) 432-7600

CHICAGO TITLE COMPANY





June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

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**Subject: Barrymore Drive Slope Repair and Pavement Restoration: Final Acceptance**

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**SUMMARY:**

On May 13, 2014, the Board authorized the General Manager to take emergency action to repair and restore the slope and adjacent asphalt pavement damage due to a water main break along Barrymore Drive. The work was awarded to Toro Enterprises in the amount of \$47,169.00 following informal bidding procedures. The Board also authorized a \$15,000 contingency for extra work based upon field inspection by a geotechnical engineer.

On May 22, 2014, Toro Enterprises completed the work at a total cost of \$47,169. The contingency amount of \$15,000 was not required for completion of the project. Attached are copies of photographs of the restored slope and roadway and the Notice of Completion.

**RECOMMENDATION(S):**

Approve the execution of a Notice of Completion by the Secretary of the Board and have the same recorded; and in the absence of claims from subcontractors or others, release the retention in the amount of \$2,358.45 within 30 calendar days after filing the Notice of Completion for the Barrymore Drive Slope Repair and Pavement Restoration Project.

**FINANCIAL IMPACT:**

Sufficient funds are available in the adopted Fiscal Year 2013-14 Budget for the project, which had a total cost of \$47,169.

Prepared By: Eric Schlageter, P.E., Associate Engineer

**ATTACHMENTS:**

[Barrymore Restoration Photos](#)

[Notice of Completion](#)



8B

ITEM

8/B



8B





8B



Las Virgenes Municipal Water District

AND WHEN RECORDED MAIL TO

Name Joanne Bodenhamer
Street Address 4232 Las Virgenes Road
City & State Calabasas CA 91302
Zip

T 420 LEGAL (9-94)

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Notice of Completion

NOTICE IS HEREBY GIVEN THAT:

- 1. The undersigned is the owner of the interest or estate stated below in the property hereinafter described.
2. The full name of the undersigned is Las Virgenes Municipal Water District (NAME).
3. The full address of the undersigned is 4232 Las Virgenes Road, Calabasas CA 91302
4. The nature of the title of the undersigned is
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:
6. The names of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commencement of the work of improvement herein referred to are (OR IF NO TRANSFER WAS MADE, INSERT THE WORD "none"):
7. A work of improvement on the property hereinafter described was completed on May 13, 2014 (DATE).
8. The name of the original contractor, if any, for the work of improvement was Toro Enterprises
9. The property on which the work of improvement was completed is in the City of Los Angeles, County of Los Angeles, State of California, and is described as follows:
10. The street address of the said property is None

Dated: June 24, 2014

Las Virgenes Municipal Water District

(SIGNATURE)
Barry S. Steinhardt, Secretary of the Board (TYPED NAME)

VERIFICATION

I, the undersigned, say:
I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Calabasas, California, this 24th day of June, 2014

(SIGNATURE) Barry S. Steinhardt, Secretary of the Board

**DO NOT RECORD****Recommended Procedure in the Preparation of a Notice of Completion**

A notice of completion must be filed for record *within 10 days* after completion of the work of improvement (to be computed exclusive of the day of completion), as provided in section 3093, Civil Code.

The "owner" who must file for record a notice of completion of a building or other work of improvement means the owner (or his successor in interest at the date of notice is filed) on whose behalf the work was done, though his ownership is less than the fee title. For example, if A is the owner in fee, and B, lessee under a lease, causes a building to be constructed, then B, or whoever has succeeded to his interest at the date the notice is filed, must file the notice.

If the ownership is in *two or more persons as joint tenants or tenants in common*, the notice may be signed by any one of the co-owners (in fact, the foregoing form is designed for giving of the notice by only one co-tenant), but the names and addresses of the other co-owners must be stated in paragraph 5 of the form.

In paragraphs 3 and 5, the full address called for should include street number, city, county and state.

As to paragraph 6, insert the date of completion of the work of improvement as a *whole* if applicable. However, if the notice is to be given only of completion of a particular contract, where work of improvement is made pursuant to two or more original contracts, strike the words "a work of improvement" and insert a general statement of the kind of work done or materials furnished pursuant to such contract (e.g. "The foundations for the improvements").

If the notice is to be given as a notice of completion of the work of improvement as a *whole*, insert the name of the prime contractor, if any, in paragraph 7. No contractor's name need be given if there is no general contractor, e.g., on so-called "owner-builder jobs". However, if the notice is to be given only of completion of a particular contract, where work of improvement is made pursuant to two or more original contracts, insert the name of the contractor who performed that particular contract.

Paragraph 8 should be completed only where the notice is signed by a successor in interest of the owner who caused the improvement to be constructed.

In paragraph 9, insert the *full legal* description, not merely a street address or tax description. Refer to deed or policy of title insurance. If the space provided for description is not sufficient, a rider may be attached.

In paragraph 10, show the street address, if any, assigned to the property by any competent public or governmental authority.

**NOTICE  
OF COMPLETION**

CHICAGO TITLE COMPANY



WESTERN DIVISION HEADQUARTERS  
245 S. LOS ROBLES AVENUE, SUITE 105  
PASADENA, CALIFORNIA 91101-2820  
(616) 432-7600

CHICAGO TITLE COMPANY



ITEM 83



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

**Subject: Potable Water Master Plan Update 2014: Receive and File**

**SUMMARY:**

On May 27, 2014, staff and Kennedy/Jenks Consultants presented the Board with a final draft of the Potable Water Master Plan Update 2014. At the meeting, the Board provided staff with comments on the document, and Board President Charles Caspary asked Board Members to provide any additional comments to staff in writing within 72 hours.

Staff received additional comments via email from President Caspary on May 30th. Also, staff met with Director Len Polan on June 3rd and noted his additional questions and comments. Attached for reference is a summary of the questions and comments along with staff's responses.

Additionally, Kennedy/Jenks Consultants has requested a budget increase in the amount of \$24,518, or approximately 14%, to account for the higher than proposed level-of-effort required to complete the Potable Water Master Plan Update 2014.

**RECOMMENDATION(S):**

Receive and file the Potable Water Master Plan Update 2014 (LVMWD Report No. 2562.00), and approve a budget and appropriation increase of \$24,518 to CIP Job No. 10510 for the Potable Water Master Plan Update 2014.

**FINANCIAL IMPACT:**

The adopted Fiscal Year 2013-14 Budget includes \$178,319 for the Potable Water Master Plan Update 2014 (CIP Job No. 10510). A budget and appropriation increase in the amount of \$24,518 is requested for CIP Job No. 10510.

**DISCUSSION:**

**Background:**

The Potable Water Master Plan Update 2014 is a long-range planning document aimed to ensure that the infrastructure of the District meets the water needs of the region's customers through 2035. The plan addresses the following three primary objectives: (1) to estimate future water demands based on population projections, land use data and census information; (2) to evaluate the District's infrastructure to meet customer needs through 2035; and (3) to identify infrastructure improvements necessary to address current and future deficiencies.

**Coordination with Cities and County of Los Angeles:**

In preparing the Potable Water Master Plan Update 2014, contacts were made with the four local cities (Calabasas, Hidden Hills, Agoura Hills and Westlake Village) and the County of Los Angeles to obtain local growth projections and land use information. Pursuant to Government Code Section 65580-65589.3, the

cities were required to update the housing elements of their general plans in 2013. Data obtained from the updated housing elements and discussions with city staff and/or their planning consultants was used for the population projections included in the document. Population projections for the unincorporated County areas were based on land use information and census-oriented persons per household data.

Additionally, letters were sent to the planning directors for each of the cities and to the Los Angeles County Department of Regional Planning, transmitting a copy of Potable Water Master Plan Update 2014 and noting the use of their population projections and land use data.

Budget and Appropriation Increase:

Kennedy/Jenks Consultants requested a budget increase in the amount of \$31,500 for additional costs associated with completion of the Potable Water Master Plan Update 2014. The budget increase was requested for the following items:

- GIS Mapping and Land Use Projections: There was substantially more effort required for this task due to significantly more coordination with the City/County land use planning agencies and greater reconciliation of SCAG/Census data. Also, the demand analysis incorporated additional drought response strategies and a sensitivity analysis of demand that was not originally anticipated.
- Hydraulic Modeling: The number of additional facilities and controls required in the hydraulic model was greater than anticipated and resulted in an increased level-of-effort. Also, the fire flow analysis included a more detailed effort to model deficiencies as identified by the District.
- Additional Review and Comment Iterations: Additional reports and revision iterations went beyond the level projected in the original scope of work.

Finally, there was a credit in the amount of \$6,982 for completion of the Integrated Master Plan Update 2014 due to efficiencies achieved through the use of information that was already included in the Potable Water Master Plan Update 2014. Considering the credit, a net budget increase of \$24,518 (\$31,500 minus \$6,982) would be sufficient for the project.

Prepared By: John Zhao, P.E., Principal Engineer

**ATTACHMENTS:**

[Summary of Board Member Questions/Comments and Staff Responses](#)

### Summary of Board Member Questions/Comments and Staff Responses

Director Charles Caspary provided three written comments:

- Las Virgenes MWD Historical Water Demand data are shown through 2012, Figure ES-1 on Ex Summary page II, Figure 2-1 on page 2-1, and Table 2-1 on page 2-2. Does 2013 demand data show continuing drought recovery and economic demand recovery?

Yes, the 2013 demand data shows a continuing trend of drought rebound and economic recovery that began in 2011. In calendar year 2013, 23,021 acre-feet of potable water was delivered, of which 226 acre feet was used for supplement to the recycled water system.

- In Section 2.2.1 on page 2-4 the text says that 2012 calendar year billing information reflects "20,350 customer accounts, using approximately 25,570 acre feet of water." This 25,570 AF number is repeated in the Technical memorandum on page A-5. 2012 usage is shown as 20,297 AF in Figure ES-1 on Ex Summary page II, Figure 2-1 on page 2-1, and Table 2-1 on page 2-2. Why is there a difference between these demand numbers?

The 25,570 acre-foot figure includes both potable and recycled water deliveries; whereas, the 20,297 acre-foot figure includes only potable water deliveries. The reference to 20,350 customer accounts refers to the total number of accounts, including potable and recycled water. The applicable sections will be revised to clarify this point.

- Water Duty Factor (WDF) is discussed on pages 2-11 and 2-12 and shown as gallons per capita per day. Does the WDF include projected commercial /industrial, irrigation and non revenue consumption? Why is the WDF of 347 / 348 GPD at build out different than the estimated 2010 water use of 238 GPD shown at the bottom of page 2-9 and Table 2-3? (these numbers are farther apart than would seem to be indicated after allowing for drought and economic recovery).

Yes, the WDFs include all potable water use classes: residential, irrigation, commercial, fire and unaccounted for water. The WDFs at build out differ from the estimated 2010 water use of 238 GPD because they include upward adjustments for drought rebound (31% for Scenario 1, 0% for Scenario 2 and 16% for Scenario 3) and economic recovery (25%). Table 2-4 on page 2-11 shows the results of this analysis using 2010 data as the basis.

Director Barry Steinhardt made several general and specific comments at the May 27, 2014 Board meeting. Following is a summary of the specific comments:

- The first paragraph on page ES-I quotes the population as "roughly 65,000 people" yet Figure ES-3 starts at about 71,000 people. Why the difference?

The first two paragraphs of the Executive Summary are intended to introduce the District in very general terms and include a rough figure for the number of people receiving services from the District, rounded to the nearest thousand; whereas, Figure ES-3 reflects the 2010 population of 70,138 for the District's service area, which includes some people not receiving services from the District (i.e. those with private wells and/or septic systems). However, the rough figure will be revised to 70,000 people because it more accurately reflects the current "round" number of people receiving services from the District.

- Commented that the local cities should have been contacted to verify land use and population projections.

As described in Sections 2.2.2.2.1 (page 2-8) and 2.2.2.2.2 (pages 2-8 and 2-9), contacts were made with the four local cities (Calabasas, Hidden Hills, Agoura Hills and Westlake Village) and the County of Los Angeles to obtain local growth projections and land use information. Pursuant to Government Code Section 65580-65589.8, the cities were required to update the housing elements of their general plans in 2013. Data obtained from the updated housing elements and discussions with city staff and/or their planning consultants was used for the population projections shown in Table 2-2 on page 2-8. Footnotes for Table 2-2 reflect the specific references. Population projections for the unincorporated County areas were based on land use information and census-oriented persons per household data. References for the source documents used for the population projections will be added to “References” section at the end of the Master Plan.

Director Len Polan made several general and specific comments at the May 27, 2014 Board meeting and provided additional specific comments at a June 3, 2014 meeting with staff. Following is a summary of the specific comments:

- The first paragraph on page ES-I quotes the population as “roughly 65,000 people” yet Figure ES-3 starts at about 71,000 people. Why the difference?

The first two paragraphs of the Executive Summary are intended to introduce the District in very general terms and include a rough figure for the number of people receiving services from the District, rounded to the nearest thousand; whereas, Figure ES-3 reflects the 2010 population of 70,138 for the District’s service area, which includes some people not receiving services from the District (i.e. those with private wells and/or septic systems). However, the rough figure will be revised to 70,000 people because it more accurately reflects the current “round” number of people receiving services from the District.

- Include a paragraph at the beginning of the Executive Summary that describes the District’s mission and goals and conservation ethic and the relationship to master planning. Staff suggests the addition of the following paragraph:

*“The District’s Mission Statement is ‘Dedicated to Providing Quality Water and Wastewater Services’ while valuing customer service, fiscal responsibility, our employees, reliable infrastructure, community involvement, environmental stewardship, and vision and innovation. Master planning is one of several planning tools utilized by the District to achieve its mission. Among the other planning tools are the strategic plan with tactical actions and activities, Urban Water Management Plan, Infrastructure Investment Plan, financial plans and annual budgets. The Master Plan and these other planning documents allow the District to plan and prepare for changing supply water supply conditions and demands, resulting from both short- and long-term changes in the environment, land use plans, regulations and the economy.”*

- Revise the first sentence of the third paragraph on page ES-IV from “As discussed with District staff and the Board of Directors, Scenario 3 is believed to be the most appropriate demand scenario...” to “Scenario 3 is considered to be the most appropriate demand scenario...”

- Revise the first sentence of the third paragraph on page ES-VI from “Based on these and other factors, the District concluded that it is reasonable to expect that MWDSC would have sufficient supplies...” to “The District expects that MWDSC would have sufficient supplies...”
- On page ES-VII, the following three changes are proposed:
  - In first sentence of the second paragraph, reference to the “1235-foot main zone” will be clarified to indicate that it is 1235 feet above mean sea level (MSL).
  - In the second sentence of the third paragraph, the phrase “and when supplies are low.” will revised to “and when supplies are limited or not available from MWDSC.”
  - In the first sentence of the fifth paragraph, the phrase “can operate properly.” will be revised to “can operate to meet design criteria and regulatory requirements.”
- On page ES-IX, the following two changes are proposed:
  - In the second sentence of the first paragraph, strike “that” preceding “the Jed Smith”.
  - In the second sentence of the last paragraph, the phrase “with the new 5 MG tanks,” will be revised to “with the new 5MG tank currently under construction,”.
- On page ES-X, delete the footnote under Table ES-7.
- Why does the Executive Summary lack “cross-references” to direct the reader to the more thorough discussion of the various topics in the body of the document?

An executive summary is intended to be a short, concise document that summarizes a much longer report, so readers can rapidly become acquainted with a large body of material without having to read it all. An executive summary should “stand on its own” and be able to be read separately from the main report. As a result, executive summaries do not normally include cross-references to the main report. Such references could be added, but they would lengthen and complicate the executive summary, which could lessen its effectiveness. The Table of Contents (pages i through vi) is helpful to locate specific items in the main report.

#####





June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject: Independent Audit Services: Acceptance of Proposal**

**SUMMARY:**

The District received 15 proposals for professional independent audit services, including a proposal from White Nelson Diehl Evans LLP who performed last year's audit for the District and JPA. A staff review committee was formed to evaluate the 15 proposals. The four highest-rated firms were invited for interviews; three firms completed the interview process.

The top two firms from the interviews were invited to give presentations to the Board's Audit Committee, consisting of President Charles Caspary and Treasurer Len Polan. Following the presentations, the Audit Committee met to discuss the qualifications of the two highest-rated firms and agreed to recommend that the Board accept the proposal from Pun & McGeady LLP.

**RECOMMENDATION(S):**

Accept the proposal from Pun & McGeady LLP to provide independent audit services to the District and Las Virgenes-Triunfo Joint Powers Authority and authorize the General Manager to execute a one-year professional services agreement with Pun & McGeady LLP in the amount of \$30,000 with up to four one-year renewal options using a 3% escalation factor per year.

**FINANCIAL IMPACT:**

Sufficient funds are included in the adopted FY 2014-15 Budget for the independent audit services. Funds for additional year audit services will be included in the proposed future fiscal year budgets.

**DISCUSSION:**

On March 11, 2014, the Board approved a Request for Proposals (RFP) to provide professional audit services to the District and JPA. The scope of work was prepared in conformance with the Government Finance Officers Association (GFOA) Best Practices Guidelines. The Los Angeles County Grand Jury has issued guidance that audit services should be considered at least once every five years. As a result, it is anticipated that the selected firm will provide audit services for the District and JPA for a minimum of 3 and a maximum of five years, subject to meeting the Board's performance expectations.

The RFP was sent to known firms providing audit services and advertised on the California Society of Municipal Finance Officers (CSMFO) website. CSMFO has a strong regional and statewide presence in the government finance community and likely supported the strong response to the RFP with 15 proposals received. The responses were initially reviewed and ranked by a staff review committee consisting of the Director of Finance and Administration, Finance Manager, and Senior Accountant. The four highest-rated firms were invited for interviews; however, one firm declined to participate. Following the interviews, the two highest-rated firms were referred to the Board's Audit Committee, consisting of President Charles Caspary and Treasurer Len Polan. The Audit Committee recommends that the Board accept the proposal from Pun & McGeady LLP.

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Pun & McGeady LLP was formed from auditors previously employed by the firm of Caporicci & Larsen CPAs, which had served government agencies since 1989 prior to being purchased. The key Pun & McGeady LLP personnel proposed for assignment to the District and JPA audit originally came from Caporicci & Larson and provide extensive government audit experience. Pun & McGeady LLP presented a comprehensive approach to the audit services, demonstrated thorough knowledge of current and upcoming Government Accounting Standards Board (GASB) requirements, and proposed a team with a track record of successfully performing government agency audits. Additionally, the firm offers annual client seminars that assist staff in keeping current on the latest changes affecting government accounting and auditing.

Reference checks for Pun & McGeady LLP revealed that the firm has a record of professional and efficient services that meet deadlines. It was also reported that the firm provides valuable guidance and helps to identify operational efficiencies.

The Pun & McGeady LLP proposal is in the amount of \$30,000 for the first year of audit services, \$27,000 for the District and \$3,000 for the JPA, with an annual escalation factor of approximately 3% for future years. Because the District did not receive any federal funds during Fiscal Year 2013-14, single audit services that are associated with federal funds will not be required for the first year. However, should the District require a single audit, Pun & McGeady LLP has proposed to provide the services for an additional fee of \$2,000.

Based on the Audit Committee's recommendation that the Board accept the proposal from Pun & McGeady LLP, staff recommends that the Board authorize the General Manager to execute a one-year professional services agreement with Pun & McGeady LLP in the amount of \$30,000 with up to four one-year renewal options using a 3% escalation factor per year. The agreement will be structured such that the renewal options will only be exercised if staff and the Board are satisfied with the performance of Pun & McGeady LLP.

Prepared By: Don Patterson, Director of Finance & Administration and Joseph Lillio, Finance Manager

**ATTACHMENTS:**

[Audit Services RFP Responses](#)

<b>RFP Pricing Results for a 3-year Contract Inclusive of the JPA Audit (without Single Audit)</b>	
<b><u>Firm Name</u></b>	<b><u>3-Year Contract Amount</u></b>
JJACPA, Inc	\$74,400
Badawi & Associates	\$76,994
Brown Armstrong CPAs	\$87,210
Moss, Levy & Hartzheim, LLP	\$87,321
Pun & McGeedy LLP	\$92,909
White Nelson Diehl Evans	\$95,600
James Marita & Company LLP	\$96,800
Vasquez & Company LLP	\$103,929
Nigro & Nigro PC	\$104,625
LSL CPA	\$105,636
MHM - Mayer Hoffman McCann PC	\$111,870
Van Lant & Fankhanel, LLP	\$112,600
Moss-Adams LLP	\$120,648
Hinricher, Douglas & Porter LLP	\$168,322
Charles Z. Fedak & Company	\$186,855



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject: Adoption of a Resolution Establishing Salaries for Officers and Employees**

**SUMMARY:**

On June 10, 2014 and in conjunction with adoption of the Fiscal Year 2014-15 Budget, the Board approved three staffing changes and directed staff to update the District's salary schedule. The attached Resolution consists of an updated salary schedule for the District, incorporating the Board-approved increase in the salary grade for the Senior Accountant position.

**RECOMMENDATION(S):**

Pass, approve and adopt Resolution No. 2458, establishing salaries for officers and employees of the Las Virgenes Municipal Water District.

**RESOLUTION NO. 2458: A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ESTABLISHING SALARIES FOR OFFICERS AND EMPLOYEES.**

(Reference is hereby made to Resolution No. 2458 on file in the District's Resolution Book and by this reference the same is incorporated and made a part hereof.)

**FINANCIAL IMPACT:**

There is no immediate financial impact associated with adoption of the Resolution. However, once the Senior Accountant reaches the top of the new salary range, the annual increase in cost for the position will be \$6,602.

**DISCUSSION:**

On June 10, 2014, the Board approved the following staffing changes in conjunction with adoption of the Fiscal Year 2014-15 Budget:

- Reclassification of the Senior Accountant position from Salary Grade M67 to M74 to support organizational changes in the Finance Department that will result in the Senior Accountant supervising two staff members.
- Deletion of a Communications and Media Coordinator position (Salary Grade 52) and addition of a Public Affairs Associate position (Salary Grade M80) to reflect new higher-level duties associated with the District's social media presence and public outreach efforts through other electronic media.
- Deletion of a Junior Engineer position (Salary Grade M66) and addition of an Assistant/Associate Engineer position (Salary Grade M79/92). This position is currently filled at the Junior Engineer level; however, if the position becomes vacant, staff proposes to fill it at the Assistant Engineer level to align with current Department needs.

Adoption of the attached Resolution is necessary to implement the salary change approved by the Board for the Senior Accountant position, which will become effective on July 1, 2014. The salary for the position will be increased from Salary Grade M67 (\$33.862 to \$44.020 per hour) to Salary Grade M74 (\$36.305 to \$46.405 per hour).

\$47,194). Placement within the new salary range will be determined in accordance with District policy and as specified in the Supervisory, Professional, and Confidential Unit Memorandum of Understanding (MOU).

The salary ranges for all of the remaining represented positions match those called for in the currently-approved MOUs for the various bargaining units and, for the unrepresented positions, match those previously approved by the Board.

The other two staffing changes approved by the Board do not involve changes to the salary schedule and, therefore, do not require further action.

Prepared By: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

Salary Resolution

**RESOLUTION NO: 2458****A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ESTABLISHING SALARIES FOR OFFICERS AND EMPLOYEES**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT** as follows:

**Section 1. Purpose and Scope**

This resolution establishes salary levels for employees.

**Section 2. General and Office Unit Classifications: Effective July 1, 2014**

(a) Effective July 1, 2014, classifications in the General Unit and Office Unit shall be paid between the following starting and ending hourly salaries.

<b>Classification</b>	<b>Starting Salary</b>	<b>Ending Salary</b>
Account Clerk I	\$19.510	\$24.168
Account Clerk II	\$21.766	\$26.964
Accounting Technician	\$24.774	\$30.688
Buyer	\$27.914	\$34.580
Collections Systems Technician	\$26.296	\$32.577
Communications & Media Coordinator	\$27.914	\$34.580
Compliance Inspector	\$27.914	\$34.580
Computer Support Specialist	\$27.914	\$34.580
Cross Connection Inspector	\$29.042	\$35.978
Customer Service Representative	\$23.082	\$28.592
Drafting Technician I	\$26.821	\$33.225
Drafting Technician II	\$29.922	\$37.067
Electrical/Instrumentation Technician I	\$27.363	\$33.898
Electrical/Instrumentation Technician II	\$32.086	\$39.749
Facilities Inspector	\$30.528	\$37.818
Facilities Maintenance Worker	\$20.918	\$25.913
Field Customer Service Representative I	\$20.711	\$25.656
Field Customer Service Representative II	\$22.877	\$28.339
Fleet Technician	\$27.363	\$33.898
GIS Technician	\$29.922	\$37.067
Laboratory Assistant	\$21.338	\$26.434
Laboratory Technician I	\$25.270	\$31.305
Laboratory Technician II	\$29.631	\$36.707
Maintenance Mechanic I	\$25.270	\$31.305
Maintenance Mechanic II	\$29.631	\$36.707
Planning & New Development Technician	\$29.922	\$37.067
Receptionist/Office Assistant	\$20.689	\$25.629

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SCADA Systems Specialist	\$35.442	\$43.905
Secretary	\$24.478	\$30.322
Senior Account Clerk	\$23.106	\$28.624
Senior Accounting Technician	\$27.094	\$33.564
Senior Field Customer Service Representative	\$28.475	\$35.274
Senior Instrumentation/Electrical Technician	\$34.743	\$43.041
Senior Maintenance Mechanic	\$32.086	\$39.749
Senior Water Distribution Operator	\$33.387	\$41.361
Senior Water Reclamation Plant Operator	\$33.387	\$41.361
Senior Water Treatment Plant Operator	\$33.387	\$41.361
Senior Water Worker	\$28.475	\$35.274
Storekeeper	\$26.293	\$32.571
Water Reclamation Plant Operator I	\$24.774	\$30.688
Water Reclamation Plant Operator II	\$30.834	\$38.197
Water Reclamation Plant Operator Training	\$22.877	\$28.339
Water Treatment Plant Operator II	\$26.296	\$32.577
Water Treatment Plant Operator III	\$30.226	\$37.444
Water Worker I	\$20.711	\$25.656
Water Worker II	\$22.877	\$28.339
Water Worker III	\$26.296	\$32.577

- (b) Whenever possible, personnel will be hired at the above listed starting salary. With the approval of the General Manager, advanced step placement is possible to recruit an exceptionally well qualified candidate or to complete a difficult recruitment. Employees will be subject to annual merit review for possible increases.

**Section 3. Supervisor, Professional & Confidential Unit Classifications:  
Effective July 1, 2014**

- (a) Effective July 1, 2014, classifications in the Supervisor, Professional & Confidential Unit shall be paid between the following starting and ending hourly salaries.

<b>Classification</b>	<b>Starting Salary</b>	<b>Ending Salary</b>
Administrative Services Coordinator	\$39.705	\$51.616
Assistant Engineer	\$38.155	\$49.601
Associate Engineer	\$43.425	\$56.452
Chief Water Reclamation Plant Operator	\$41.729	\$54.248
Civil Engineering Assistant	\$35.945	\$46.728
Civil Engineering Associate	\$43.425	\$56.452
Compost Operations Supervisor	\$39.705	\$51.616
Construction Supervisor	\$39.705	\$51.616
Customer Service Operations Supervisor	\$39.705	\$51.616
Customer Service Program Supervisor	\$39.705	\$51.616

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Electrical/Instrumentation Supervisor	\$39.705	\$51.616
Environmental Analyst I	\$31.272	\$40.653
Environmental Analyst II	\$36.303	\$47.194
Facilities Maintenance Supervisor	\$39.705	\$51.616
Financial Analyst	\$39.705	\$51.616
Human Resources Coordinator	\$28.592	\$37.169
Junior Engineer	\$33.525	\$43.583
Laboratory Supervisor	\$41.729	\$54.248
Management Analyst I	\$31.272	\$40.653
Management Analyst II	\$36.303	\$47.194
Public Affairs Associate	\$38.537	\$50.098
Senior Accountant	\$36.303	\$47.194
Systems Analyst	\$39.311	\$51.104
Water Conservation Coordinator	\$39.705	\$51.616
Water Production & Treatment Supervisor	\$41.729	\$54.248

(b) Starting and ending figures establish pay limits with no fixed intermediate steps. Movement of an employee between the figures shall be based on performance and in accordance with the Unit's collective bargaining agreement.

#### **Section 4. Management Unit Classifications: Effective July 1, 2014**

(a) Effective July 1, 2014, classifications in the Management Unit shall be paid between the following starting and ending hourly salaries.

<b>Classification</b>	<b>Starting Salary</b>	<b>Ending Salary</b>
Executive Assistant/Clerk of the Board	\$40.323	\$56.452
Customer Services Manager	\$47.754	\$66.855
Finance Manager	\$47.754	\$66.855
Information Services Manager	\$50.189	\$70.265
Principal Engineer	\$51.710	\$72.394
Public Affairs & Communications Manager	\$47.754	\$66.855
Resource Conservation Manager	\$51.710	\$72.394
Water Reclamation Manager/Engineer	\$51.710	\$72.394
Water Systems & Facilities Manager	\$51.710	\$72.394

(b) Starting and ending figures establish pay limits with no fixed intermediate steps. Movement of an employee between the figures shall be based on performance and in accordance with the Unit's collective bargaining agreement.

#### **Section 5. Unrepresented Classifications: Effective July 1, 2014**

(a) Effective July 1, 2014, classifications that are unrepresented shall be paid between the following starting and ending hourly salaries.

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<b>Classification</b>	<b>Starting Salary</b>	<b>Ending Salary</b>
Director of Facilities & Operations	\$62,559	\$95,465
Director of Finance & Administration	\$62,559	\$95,465
Director of Resource Conservation & Public Outreach	\$62,559	\$95,465
Human Resources Manager	\$50,189	\$70,968

- (b) Starting and ending figures establish pay limits with no fixed intermediate steps. Movement of an employee between the figures shall be based on performance and with the approval of the General Manager.

### **Section 6. Temporary Positions**

- (a) Temporary positions are not eligible for benefits other than salary; and temporary part-time positions shall be paid in accordance with the type of work performed.
- (b) Student Workers shall be paid \$9.00 to \$10.50 per hour.
- (c) Interns:
- (1) Upper division candidates for Bachelor degree programs shall be paid \$11.00 to \$15.00 per hour.
  - (2) Candidates for Master degree programs shall be paid \$14.00 to \$18.00 per hour.
  - (3) Candidates for Doctoral degree programs shall be paid \$14.00 to \$20.00 per hour.

**PASSED, APPROVED AND ADOPTED** this 24<sup>th</sup> day of June 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

\_\_\_\_\_  
Charles Caspary, President

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Barry S. Steinhardt, Secretary

\_\_\_\_\_  
Wayne K. Lemieux, Legal Counsel

(SEAL)

ITEM 9B



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject: Street Lighting Negotiated Tax Exchange Resolution from Annexation of Territory, Parcel Map No. 72018, to County Lighting Maintenance District 1687**

**SUMMARY:**

On May 22, 2014, the District received the attached Street Lighting Negotiated Tax Exchange Resolution for processing from the Los Angeles County Department of Public Works. When a new street lighting district is formed or parcels are annexed to an existing County street lighting district, all non-exempt taxing agencies must share a portion of its property tax revenue with the street lighting district. As a result, this annexation will result in a reduction of approximately \$1.16 annually from the District's property tax revenue.

**RECOMMENDATION(S):**

Pass, approve and adopt Resolution No. 2459, approving and accepting the negotiated exchange of property tax revenues resulting from annexation of Parcel Map No. 72018 to County Lighting Maintenance District 1687.

**RESOLUTION NO. 2459: JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF TRUSTEES OF THE LOS ANGELES COUNTY WEST VECTOR CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE RESOURCE CONSERVATION DISTRICT OF THE SANTA MONICA MOUNTAINS, THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER DISTRICT, THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT NO. 9 AND THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT U-2 APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF PARCEL MAP NO. 72018 TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687.**

(Reference is hereby made to Resolution No. 2459 on file in the District's Resolution Book and by this reference the same is incorporated and made a part hereof).

**FINANCIAL IMPACT:**

This action will result in an annual reduction of \$1.16 in property tax revenue to the District.

**DISCUSSION:**

Under County policy, when new properties are annexed into a County Lighting Maintenance District, all non-exempt entities are required to forego a portion of their share of property tax for transfer to the County Lighting Maintenance District. Las Virgenes Municipal Water District is not an exempt agency and, therefore, must transfer 0.000014159 of its share of property tax for Parcel Map No. 72018 to the County Lighting District. Completion of the transfer requires the Board to adopt the attached Resolution.

Prepared By: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

[Street Lighting Tax Exchange Resolution](#)



GAIL FARBER, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>



ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

May 22, 2014

IN REPLY PLEASE  
REFER TO FILE T-5

Mr. David W. Pedersen  
General Manager  
Las Virgenes Municipal Water District  
4232 Las Virgenes Road  
Calabasas, CA 91302

Dear Mr. Pedersen:

**STREET LIGHTING DISTRICT  
NEGOTIATED TAX EXCHANGE RESOLUTION RESULTING FROM  
ANNEXATION OF TERRITORY PARCEL MAP NO. 72018 TO  
COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

This letter is to request that the Las Virgenes Municipal Water District, the Las Virgenes Municipal Water Improvement District No. 9, and the Las Virgenes Municipal Water Improvement District U-2 participate in the exchange of ad valorem property tax in conjunction with the annexation of territory known as Parcel Map No. 72018 to County Lighting Maintenance District 1687. This proposed exchange would provide revenue to County Lighting Maintenance District 1687 to partially fund the operation and maintenance of new street lighting services to be provided within the annexed territory. This territory, whose boundary is shown on the enclosed proposed annexation map, is being processed for the Board of Supervisors' concurrent approval of the annexation and transfer of ad valorem property tax between the affected taxing agencies and County Lighting Maintenance District 1687.

For new annexations to a County Lighting Maintenance District, our procedures require us to process the exchange of property tax revenues with all nonexempt taxing agencies. Under Section 99.01 of the California Revenue and Taxation Code, special districts providing new services to an area as a result of a jurisdictional change are entitled to a share of the annual tax increment generated in the area being annexed. County Lighting Maintenance District 1687 meets the definition of a special district under Section 95(m) of the California Revenue and Taxation Code. County Lighting Maintenance District 1687's share of the annual tax increment is to be taken from all of the other local taxing agencies providing services within the annexed area, with the exception of school entities, which are exempted by law. If a taxing agency involved in the negotiation does not adopt a resolution providing for the exchange of property tax revenue, the Board can determine the exchange of property tax revenue for that taxing agency.

Mr. David W. Pedersen  
 May 22, 2014  
 Page 2

Enclosed are three Joint Resolutions between the County of Los Angeles and the Las Virgenes Municipal Water District, the County of Los Angeles and the Las Virgenes Municipal Water Improvement District No. 9, and the County of Los Angeles and the Las Virgenes Municipal Water Improvement District U-2 approving and accepting the negotiated exchange of property tax revenues resulting from the annexation of the subject territory to County Lighting Maintenance District 1687. Attached to each Joint Resolution is a Property Tax Transfer Resolution Worksheet listing the share of the annual tax increment to be exchanged between the Las Virgenes Municipal Water District, the Las Virgenes Municipal Water Improvement District No. 9, the Las Virgenes Municipal Water Improvement District U-2, other affected taxing agencies, and County Lighting Maintenance District 1687. The tax-sharing ratios listed on the worksheets were calculated using a formula approved by the Auditor-Controller and County Counsel. As shown on the Property Tax Transfer Resolution Worksheet for Parcel Map No. 72018, Tax Rate Area 15159, the current tax share ratio for the Las Virgenes Municipal Water District is 0.000729743. Out of the Las Virgenes Municipal Water District tax share, the Las Virgenes Municipal Water District would allocate 0.000014159 to County Lighting Maintenance District 1687, with a net share to the Las Virgenes Municipal Water District of 0.000715584, or monetarily speaking, a \$10,000 increment in assessed valuation of a parcel means that the parcel will pay an additional \$100 in property taxes, of which the Las Virgenes Municipal Water District would receive \$0.0716 and County Lighting Maintenance District 1687 would receive \$0.0014.

Please have the resolutions executed and returned to us in the enclosed self-addressed envelope by July 15, 2014.

If you have any questions, please contact Ms. Tigist Desta of Traffic and Lighting Division, Street Lighting Section, at (626) 300-4755.

Very truly yours,

GAIL FARBER  
 Director of Public Works

  
 DEAN R. LEHMAN  
 Assistant Deputy Director  
 Traffic and Lighting Division

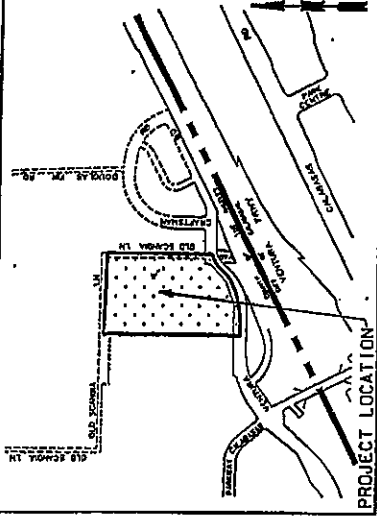
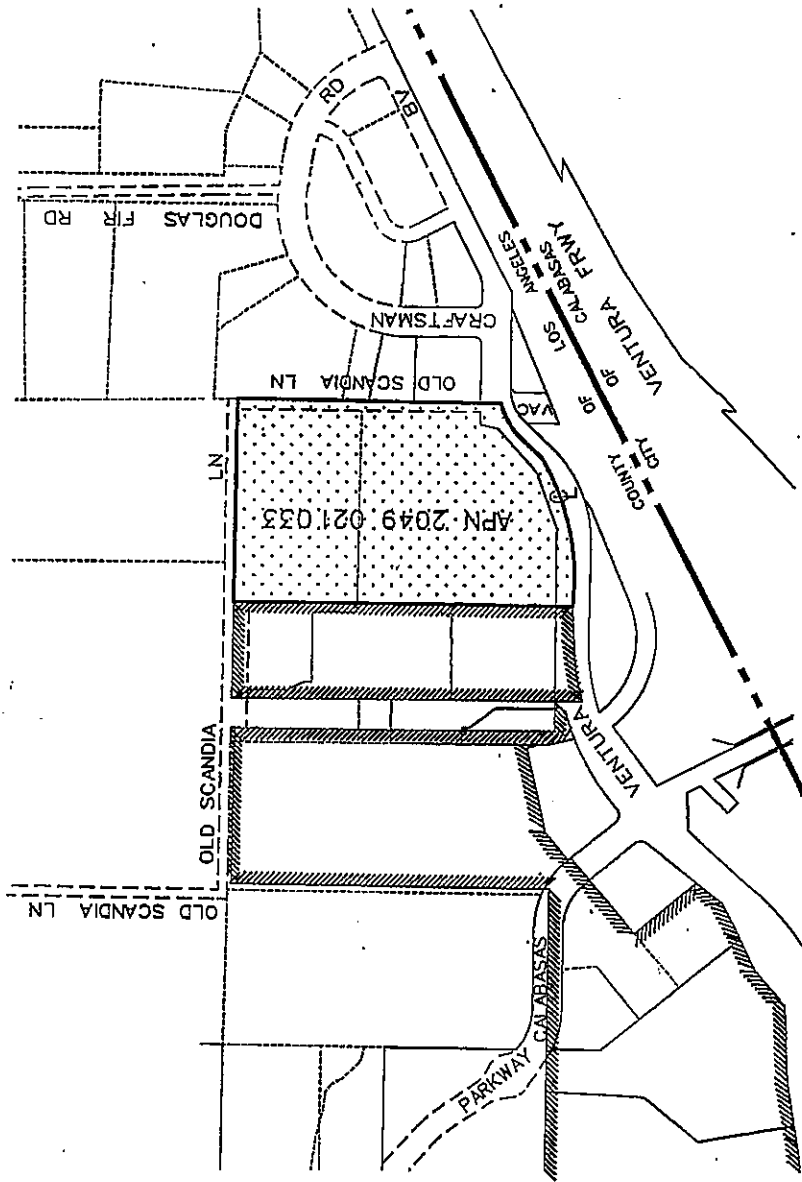
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Enc.

ITEM 9C

PARCEL MAP NO. 72018



T. G. page 559-E4

TBA  
15159

NOT TO SCALE

<p>LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS TRAFFIC AND LIGHTING DIVISION STREET LIGHTING SECTION</p>	
<p>CLMD 1687 AGOURA' AREA</p>	
Prepared By TO	Sheet 1 of 1 SUP. DIST. 3
Recommended By <i>Jacobina Pharis</i>	Date 10/16/13
Approved By <i>Gregory A. Jensen</i>	Date 10/22/13

<p>PROPOSED ANNEXATION TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687 AND COUNTY LIGHTING DISTRICT LLA-1 (UNINCORPORATED ZONE)</p>	<p>PROPOSED ANNEXATION AREA</p>
<p>EXISTING LIGHTING MAINTENANCE DISTRICT 1687</p>	<p>CITY/COUNTY BOUNDARY</p>

**RESOLUTION NO. 2459**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE LOS ANGELES COUNTY WEST VECTOR CONTROL  
DISTRICT, THE BOARD OF DIRECTORS OF THE RESOURCE CONSERVATION DISTRICT  
OF THE SANTA MONICA MOUNTAINS, THE BOARD OF DIRECTORS OF THE  
LAS VIRGENES MUNICIPAL WATER DISTRICT, THE BOARD OF DIRECTORS OF THE  
LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT NO.9, AND THE BOARD  
OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT  
DISTRICT U-2 APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF  
PROPERTY TAX REVENUES RESULTING FROM  
ANNEXATION OF PARCEL MAP NO. 72018  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

WHEREAS, pursuant to Section 99.01 of the California Revenue and Taxation Code, prior to the effective date of any jurisdictional change that will result in a special district providing one or more services to an area where those services have not previously been provided by any local agency, the special district and each local agency that receives an apportionment of property tax revenue from the area must negotiate an exchange of property tax increment generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, acting on behalf of the County Lighting Maintenance District 1687, the County General Fund, the County of Los Angeles Public Library, the County of Los Angeles Road District 3, the Consolidated Fire Protection District of Los Angeles County, the County of Los Angeles Flood Control Drainage Improvement Maintenance District, and the Los Angeles County Flood Control District; the Board of Trustees of the Los Angeles County West Vector Control District; the Board of Directors of the Resource Conservation District of the Santa Monica Mountains; the Board of Directors of the Las Virgenes Municipal Water District; the Board of Directors of the Las Virgenes Municipal Water Improvement District No. 9; and the Board of Directors of the Las Virgenes Municipal Water Improvement District U-2 have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation proposal identified as Parcel Map No. 72018 to County Lighting Maintenance District 1687 is as shown on the attached Property Tax Transfer Resolution Worksheet.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The negotiated exchange of property tax revenues between the County Lighting Maintenance District 1687, the County General Fund, the County of Los Angeles Public Library, the County of Los Angeles Road District 3, the Consolidated Fire Protection District of Los Angeles County, the County of Los Angeles Flood Control Drainage Improvement Maintenance District, the Los Angeles County Flood Control District, the Los Angeles County West Vector Control District, the Resource Conservation District of the Santa Monica Mountains, the Las Virgenes Municipal Water District, the Las Virgenes Municipal Water Improvement District No. 9, and the Las Virgenes Municipal Water Improvement District U-2 resulting from annexation of Parcel Map No. 72018 to County Lighting Maintenance District

1687 is approved and accepted.

2. For fiscal years commencing on or after July 1, 2015, or the July 1 after the effective date of this jurisdictional change, whichever is later, the property tax revenue increment generated from the area within Parcel Map No. 72018, Tax Rate Area 15159, shall be allocated to the affected agencies as indicated on the Property Tax Transfer Resolution Worksheet.

3. No transfer of property tax revenues other than those specified in Paragraph 2 shall be made as a result of annexation of Parcel Map No. 72018.

4. If at any time after the effective date of this resolution the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect, thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year, and any amounts of property tax received in excess of that which is proper shall be refunded to the appropriate agency.

PASSED, APPROVED AND ADOPTED this 24<sup>th</sup> day of June, 2014, by the following vote:

AYES:	Director(s):
NOES:	Director(s):
ABSENT:	Director(s):
ABSTAIN:	Director(s):

LAS VIRGENES MUNICIPAL  
WATER DISTRICT

\_\_\_\_\_  
Charles Caspary,  
President  
Board of Directors

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Barry Steinhardt,  
Secretary

\_\_\_\_\_  
Wayne K. Lemieux  
District Counsel

ANNEXATION TO: CO LIGHTING MAINT DIST NO 1687  
 ACCOUNT NUMBER: 019.40  
 TRA: 15159  
 EFFECTIVE DATE: 07/01/2013  
 ANNEXATION NUMBER: PM 72018  
 PROJECT NAME: PARCEL MAP NO. 72018  
 DISTRICT SHARE: 0.019403093

ACCOUNT #	TAXING AGENCY	CURRENT TAX SHARE	PERCENT	PROPOSED DIST SHARE	ALLOCATED SHARE	ADJUSTMENTS	NET SHARE
001.05	LOS ANGELES COUNTY GENERAL	0.326637868	32.6648 %	0.019403093	0.006337796	-0.006485595	0.320152273
001.20	L.A. COUNTY ACCUM CAP OUTLAY	0.000116244	0.0116 %	0.019403093	0.000002255	0.000000000	0.000116244
003.01	L A COUNTY LIBRARY	0.023931055	2.3931 %	0.019403093	0.000464336	-0.000464336	0.023466719
005.15	ROAD DIST # 3	0.006411153	0.6411 %	0.019403093	0.000124396	-0.000124396	0.006286757
007.30	CONSOL. FIRE PRO.DIST.OF L.A.CO.	0.178762796	17.8762 %	0.019403093	0.003468551	-0.003468551	0.175294245
007.31	L A C FIRE-FFW	0.007501097	0.7501 %	0.019403093	0.000145544	0.000000000	0.007501097
030.10	L.A.CO.FL.CON.DR.IMP.DIST.MAINT.	0.001787387	0.1787 %	0.019403093	0.000034680	-0.000034680	0.001752707
030.70	LA CO FLOOD CONTROL MAINT	0.010115022	1.0115 %	0.019403093	0.000196262	-0.000196262	0.009918760
061.10	L A CO WEST VECTOR CONTROL DIST.	0.000251867	0.0251 %	0.019403093	0.000004886	-0.000004886	0.000246981
068.22	RCD OF THE SANTA MONICA.MTNS	0.000764544	0.0764 %	0.019403093	0.000014834	-0.000014834	0.000749710
363.05	LAS VIRGENES MUN WATER DISTRICT	0.000729743	0.0729 %	0.019403093	0.000014159	-0.000014159	0.000715584
363.10	LAS VIRGENES MUN W.DIS-IMP.D. #9	0.000851542	0.0851 %	0.019403093	0.000016522	-0.000016522	0.000835020
363.51	LAS VIRGENES MUN W.DIS-IMP.D.U-2	0.000529404	0.0529 %	0.019403093	0.000010272	-0.000010272	0.000519132
400.00	EDUCATIONAL REV AUGMENTATION FD	0.064303406	6.4303 %	0.019403093	0.001247684	EXEMPT	0.064303406
400.01	EDUCATIONAL AUG FD IMPOUND	0.131877650	13.1877 %	0.019403093	0.002558834	EXEMPT	0.131877650
400.15	COUNTY SCHOOL SERVICES	0.001441809	0.1441 %	0.019403093	0.000027975	EXEMPT	0.001441809
400.21	CHILDREN'S INSTILL TUITION FUND	0.002861703	0.2861 %	0.019403093	0.000055525	EXEMPT	0.002861703
805.04	L.A.CITY COMMUNITY COLLEGE DIST	0.030770981	3.0770 %	0.019403093	0.000597052	EXEMPT	0.030770981
805.20	L.A.COMM.COLL.CHILDREN'S CTR FD	0.000318242	0.0318 %	0.019403093	0.000006174	EXEMPT	0.000318242



ANNEXATION NUMBER: PM 72018 PROJECT NAME: PARCEL MAP NO. 72018 TRA: 15159

ACCOUNT #	TAXING AGENCY	CURRENT TAX SHARE	PERCENT	PROPOSED DIST SHARE	ALLOCATED SHARE	ADJUSTMENTS	NET SHARE
881.03	LAS VIRGENES UNIFIED SCHOOL DIST	0.202434878	20.2434 %	0.019403093	0.003927862	EXEMPT	0.202434878
881.06	CO.SCH.SERV.FD.- LAS VIRGENES	0.007601609	0.7601 %	0.019403093	0.000147494	EXEMPT	0.007601609
***019.40	CO LIGHTING MAINT DIST NO 1687	0.000000000	0.0000 %	0.019403093	0.000000000	0.000000000	0.010834493
TOTAL:		1.000000000	100.0000 %		0.019403093	-0.010834493	1.000000000



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Resource Conservation & Public Outreach

**Subject: Winter Water Usage for Fiscal Year 2014-15 Sanitation Service Charges**

**SUMMARY:**

On February 11, 2014, Director Lee Renger requested a future agenda item to discuss a concern that customers may experience higher sanitation bills in Fiscal Year 2014-15 due to higher than normal winter water usage resulting from the drought. To investigate the concern, staff completed an analysis of average winter water usage for the period of December 1, 2013, through March 31, 2014, which will be used as the basis for FY 2014-15 Sanitation Service Charges for single-family residential customers.

Based on the analysis, 15,241 (86%) of the District's single-family residential customers currently pay the maximum sanitation service charge of \$108.56. The remaining 2,167 (14%) single-family residential customers currently pay less due to their winter water usage of 15 hcf or below for the period of December 1, 2012, through March 31, 2013. The analysis shows that the number of customers paying less than the maximum will decline to 1,740 in FY 2014-15 after applying the updated winter water usage data. The net result of this change, in conjunction with implementation of the Board-approved 2.0% sanitation service charge increase for these customers in FY 2014-15, will be a revenue increase of \$89,752, or 0.5% of the total sanitation service fees budget of \$17 million. Attachment A provides a tabulation of the analysis results.

Overall, both annual and winter water usage for single-family residential customers increased by 17% over the past year. As a result, 1,181 customers will experience higher sanitation service charges in FY 2014-15 due to their increase in winter water usage. However, on the other hand, 765 customers will experience lower sanitation service charges due to reductions in their winter water usage.

Given the drought conditions, the Board could opt to apply the lower of the past two year's winter water usage for the purpose of FY 2014-15 Sanitation Service Charges to provide some relief to the 1,181 customers who will experience higher bills. The financial impact of such an action would be a \$133,752 reduction in revenue. However, such an action may be viewed negatively by the 765 customers who effectively managed to reduce their winter water usage despite the drought conditions.

**RECOMMENDATION(S):**

Consider the application of winter water usage for the period of December 1, 2013, through March 31, 2014, to Fiscal Year 2014-15 Sanitation Service Charges for single-family residential customers in accordance with the Board-approved methodology, and determine whether or not a change in the methodology is necessary due to current drought conditions.

**FINANCIAL IMPACT:**

The application of the winter water usage for the period of December 1, 2013, through March 31, 2014, to FY 2014-15 Sanitation Service Charges for single-family residential customers, in conjunction with implementation of the Board-approved 2.0% sanitation service charge increase for these customers, will result in a revenue increase of \$89,752. A change in methodology to utilize the lower of the past two year's winter water usage would result in a revenue decrease of approximately \$133,752.

**DISCUSSION:**

Winter water usage is currently used as a proxy for indoor water usage, or sewer flow, from a single-family residential home based on the principle that little water is used for outdoor irrigation during the winter months. Winter water usage is the average potable water usage from December 1st through March 31st. The figure is used as the basis for sanitation service charges in the following fiscal year.

A winter water usage of 10 hcf (hundred cubic feet) or less corresponds to the minimum bi-monthly sewer service charge of \$74.31, while a winter water usage of 16 hcf or more corresponds to the maximum bi-monthly sewer service charge of \$108.56. Charges for winter water usage from 11 to 15 hcf are based on a sliding scale. The Board-approved sanitation service charges for FY 2013-14 and FY 2014-15 are shown on Attachment A.

Prepared By: Carlos Reyes, Director of Resource Conservation & Public Outreach

**ATTACHMENTS:**

Attachment A - Analysis

<b>Sanitation Service Charge</b>		
<b>Winter Water Use Average (hcf)</b>	<b>FY 2013/14</b>	<b>FY 2014/15</b>
<=10	\$ 74.31	\$ 75.80
11	\$ 80.02	\$ 81.63
12	\$ 85.73	\$ 87.45
13	\$ 91.44	\$ 93.27
14	\$ 97.15	\$ 99.10
15	\$ 102.86	\$ 104.92
>=16	\$ 108.56	\$ 110.74

<b>Single Family Residential Customers - Breakdown by Winter Water Usage</b>						
<b>Winter Water Use Average (hcf)</b>	<b>FY 2012/13</b>		<b>FY 2013/14</b>		<b>FY 2014/15</b>	
	<b>Number</b>	<b>Total</b>	<b>Number</b>	<b>Total</b>	<b>Number</b>	<b>Total</b>
<=10	1,038	2,201	976	2,167	841	1,740
11	166		215		164	
12	250		217		166	
13	209		242		185	
14	229		240		176	
15	309		277		208	
>=16	13,656		13,656		13,074	
<b>Total</b>		<b>15,857</b>		<b>15,241</b>		<b>15,381</b>

<b>Revenue Impact Analysis for FY 2014/15</b>				
<b>Sanitation Charge Change</b>		<b>Number</b>	<b>Revenue</b>	
<b>From</b>	<b>To</b>		<b>Increase</b>	<b>Decrease</b>
No change (See Note.)		588	\$ 6,006	
Reduced	Reduced - lower	425		\$ (13,859)
Reduced	Reduced - higher	387	\$ 33,893	
Maximum	Reduced	340		\$ (36,147)
Reduced	Maximum	794	\$ 99,859	
<b>Total</b>			<b>\$ 139,758</b>	<b>\$ (50,007)</b>
<b>Net</b>			<b>\$ 89,752</b>	
<p>No. of customers whose usage decreased is 765 (= 425 + 340).            No. of customers whose usage increased is 1,181 (= 387 + 794).</p> <p>Note: The analysis includes the 2% approved increase for sanitation service charges for FY 2014/15.</p>				



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject: Update of Las Virgenes Municipal Water District Code: Review Session No. 2**

**SUMMARY:**

This item involves the review of proposed updates to Title 2, Chapters 1 through 3, of the Las Virgenes Municipal Water District Code (Code). Attached for reference are three versions of the subject Code sections: (1) the current Code sections; (2) a red-lined version; and (3) a clean, proposed version. The District's Legal Counsel will review the proposed changes with the Board and request feedback. Additionally, staff seeks feedback on the best means to present proposed changes to the Board in the future to facilitate the Code review process.

**RECOMMENDATION(S):**

Review the proposed updates to Title 2, Chapters 1 through 3, of the Las Virgenes Municipal Water District Code and provide feedback to staff and the District's Legal Counsel.

**DISCUSSION:**

On November 12, 2013, the Board approved the District's Fiscal Year 2013-14 Tactical Actions and Activities proposed within the broader framework of the Strategic Plan Goals and Objectives. Among the goals was to update the Las Virgenes Municipal Water District Code (Code) to modernize its language, eliminate potential inconsistencies, and consolidate related provisions.

Staff proposed to accomplish this task by dividing the Code into smaller parts that would provide the Board with the opportunity to discuss each section in more detail. On April 22, 2014, the Board reviewed the first section of the Code, Title 1, General Provisions. Among the input received was direction to develop a better means to present the changed information in a manner that would facilitate the Board's review. In response to that direction, this item includes a red-lined version of the Code sections in addition to the current and proposed Code sections.

After receiving input from the Board, the proposed revisions to the Code will remain in draft form until completion of the entire review process. Upon completion, the Board will have an opportunity to review the proposed Code in its entirety prior to its adoption.

Prepared By: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

[Title 2, Chapters 1-3, Current](#)

[Title 2, Chapters 1-3, Red-lined](#)

[Title 2, Chapters 1-3, Proposed/Clean](#)

**TITLE 2 - ADMINISTRATION**

**CHAPTER 1. GENERAL PROVISIONS**

2-1.101 **PURPOSE**

This Title provides the members of the board and the district's staff with a statement of instructions and policy to implement the Municipal Water District Law of 1911.

2-1.102 **SCOPE**

This Title includes provisions dealing with the administration of the district. Provisions dealing with delivery of services and the enforcement of rules and regulations concerning service are contained elsewhere in this Code.

2-1.103 **DEFINITIONS**

The definitions set forth in Title 1, Chapter 1 of the Las Virgenes Code are hereby incorporated by this reference.

2-1.104 **OFFICIAL SEAL OF AUTHORITY**

The following design is hereby determined to be, and it is hereby adopted as the official seal of the district:

The seal is circular in form and has engraved on the outer edge of the face, the words: "LAS VIRGENES MUNICIPAL WATER DISTRICT" and within the circle the words "INCORPORATED 1958 CALIFORNIA", as shown.



**CHAPTER 2. BOARD OF DIRECTORS**

**ARTICLE 1 - ELECTION, APPOINTMENT AND OATHS**

2-2.101      **ELECTION**

(a)      Members of the board shall be elected to office in accordance with the provisions of the Municipal Water District Law of 1911.

(b)      Directors shall be elected on the following schedule: with terms commencing at the time stated and every fourth year thereafter:

Director Representing	Division 1 -- January 1961
	Division 2 -- January 1963
	Division 3 -- January 1963
	Division 4 -- January 1961
	Division 5 -- January 1963

2-2.102      **APPOINTMENTS**

When a vacancy occurs on the board, the remaining members of the board may fill such vacancy by appointment in accordance with law.

2-2.103      **OATH OF OFFICE**

Persons elected to the board shall take the oath of office in the manner and at the time prescribed for county officers. Persons appointed to the board shall take the oath of office prior to assuming office. The Secretary shall administer the oath.

## ARTICLE 2 - ORGANIZATION AND BOARD OFFICERS

### 2-2.201 DIVISIONS

The district is divided into five (5) Divisions as shown on the Official Map of Division Boundaries on file in the district offices. Each division is represented by one Director.

### 2-2.202 OFFICERS OF THE BOARD

The Offices of President, Vice President, Secretary and Treasurer shall be appointed by the board from its members at the first meeting in the month of January of each odd-numbered year.

### 2-2.203 POWERS AND DUTIES OF BOARD OFFICERS

Certain duties are hereby delegated to board Officers beyond those provided for by statute:

- (a) The President serves as presiding officer.
- (b) The Vice-President serves as Parliamentarian and as presiding officer in the absence of the President.
- (c) The Secretary is responsible for the accuracy and availability of the minutes of Board Meetings and the Official Record of all ordinances, resolutions and orders passed or adopted by the board. The Secretary shall certify to the passage and adoption of all ordinances, resolutions and orders of the board, to the filing of all documents filed with, or by order of the board to the official status, capacity and signature of all officers and employees of the district, and to all matters appearing off record in the files and records of the district and of its board or of any office or officer of the district.
- (d) The Treasurer is responsible for receiving and depositing all monies of the district, the certification that checks presented for board approval in payment of obligations of the district are correct and supporting documents available, and the investment of district funds.



### ARTICLE 3 - MEETINGS

#### 2-2.301 GENERAL

(a) All meetings of the board and any advisory body shall be open to the public and all persons shall be permitted to attend. No action shall be taken by secret ballot at such meetings.

(b) The following terms are defined for the purpose of this article:

Advisory body means a decision-making or advisory body created by formal action of the board. An ad hoc committee composed solely of two or less uncompensated members in an advisory body only if the committee has continuing jurisdiction or meets pursuant to a schedule fixed by the board.

Meeting includes any congregation of a quorum of the board or advisory body at the same time and place to hear, discuss or deliberate on any ruling within the jurisdiction of the district; and any use of direct communications, personal intermediaries or technological devices by a quorum of the board or an advisory body to develop a collective concurrence to action by the board or advisory body.

Meeting does not include: individual contacts between members and any other person; attendance at a conference or similar gathering open to the public involving discussions of issues of interest to the public generally by public agencies specifically, if a quorum does not discuss district business; attendance at open and publicized meetings addressing topics of community concern by someone not associated with the district, if a quorum does not discuss district business; or attendance at social or ceremonial events, if quorum does not discuss district business.

Member means a director or member of an advisory body.

(c) All meetings of the board and all meetings of advisory bodies shall be held within the district, except: to comply with State or Federal law or court order; to inspect real property or personal property which cannot be moved; to meet with another public agency at the other agency on multi-agency matters; to discuss legislative or regulatory matters with state or federal officials; to discuss matters relating to a district facility in the facility; and to consult with legal counsel at counsel's office if so doing will result in reduction in legal fees associated with the meeting.

#### 2-2.302 REGULAR AND SPECIAL MEETINGS

(a) The board shall hold regular meetings on the second and fourth Tuesday of each and every month at the hour of 5 o'clock p.m. at the district's headquarters located at 4232 Las Virgenes Road, Calabasas, California, 91302. A regular meeting may be adjourned by the board or by less than a quorum to another time. An adjourned regular meeting is a regular meeting for all purposes if held within five days of the regular meeting. If the adjourned meeting is held more than five days after the regular meeting, a new agenda shall be posted.

(b) Special Meetings may be called by the President, Vice President or Secretary upon a twenty-four hour notice to each member.

(c) An emergency meeting may be called without a twenty-four hour notice or agenda if necessary due to disruption or threatened disruption of district facilities by work

stoppage or crippling disaster or other activity severely impairing public health or safety as determined by a majority of the members.

(d) Each advisory body may establish a time and place for regular meetings and may call special meetings in the same manner as the board.

#### 2-2.303 RECORD OF PROCEEDINGS

(a) All Public Hearings of the Board shall be mechanically recorded, the recordings retained for a period of six months, and then erased. Closed Session portions of the meeting will not be recorded. The Secretary shall prepare written minutes of meetings, which shall be available for public inspection when approved by the board.

(b) Any person attending an open meeting of the board may record the proceeding on audio or video media unless the board finds the recording cannot continue without noise, illumination or obstruction of view constituting a persistent disruption of proceedings.

#### 2-2.304 RULES OF CONDUCT

(a) The affirmative vote of at least three directors is necessary for the board to take action. The board shall take action by motion, resolution or ordinance. Motions and resolutions may be adopted on voice vote; roll call shall be taken if requested by any director. Ordinances shall be adopted on roll call vote.

(b) The district may use video teleconferencing to receive public comment or testimony and for deliberations of the board. If video teleconferencing is used, the agenda shall be posted at all video teleconference locations and reasonable rules shall be adopted to protect the statutory and constitutional rights of the parties and the public appearing before the board.

(c) Except as otherwise required by law, and unless waived, proceedings of the board shall be conducted in accordance with the latest edition of Robert's Rules of Order. Advisory bodies shall adopt rules of order appropriate to their work.

(d) If any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the board may order the meeting room cleared and continue in closed session. The board may establish a procedure for readmitting individuals not responsible for willfully disturbing the orderly conduct of the meeting.

(e) The board shall not prohibit public criticism of the policies, procedures, programs or services of the district or of the acts or decisions of the board. However, no privilege or protection is hereby conferred for expression beyond that otherwise provided by law.

#### 2-2.305 AGENDA

(a) The General Manager shall prepare the agenda. The President shall approve the agenda before distribution. At least seventy-two hours before a regular meeting, or at least twenty-four hours prior to a special meeting, the Secretary shall post an agenda containing a brief, general description of each item of business to be transacted or

discussed at the meeting, including the items to be discussed in closed session. The posting shall be freely accessible to the public.

(b) The agenda for all meetings shall include the opportunity for the public to address the board prior to taking action on any matter. The agenda for regular and adjourned regular meetings shall include the opportunity for the public to address the board on matters within the jurisdiction of the district but not on the agenda. During public comments, a director may request a matter be included on the agenda for a future meeting. With the concurrence of a second director, the General Manager shall arrange for the matter to be placed on a future agenda as promptly as feasible.

(c) No action shall be taken on matters not shown on the posted agenda, except members may briefly respond to statements made or questions posed during public comment; request for clarification; provide a reference to staff or other resources for factual information; request staff to report back to the board at a subsequent meeting or direct staff to place a matter of business on a future agenda.

(d) Prior to discussion of any matter on the agenda, the board may add matters to the agenda upon a majority finding an emergency exists or upon at least a two-thirds vote finding there is a need to take immediate action and the need for action came to the attention of the district subsequent to the posting of the agenda. If only three directors are present, the finding of the need for action shall be by unanimous vote.

(e) The agenda shall describe matters to be discussed in closed session in substantially the following form:

(1) For closed session under Government Code Section 54956.7: 'License/Permit Determination';

(2) For closed session under Government Code Section 54956.8 "Conference with Real Property Negotiator [property identity, negotiating partners, subject of negotiations]";

(3) For closed session under Government Code Section 54956.9: "Conference with Legal Counsel - Existing Litigation [name of case unless disclosure would jeopardize service or settlement]"; or "Conference with Legal Counsel - Anticipated Litigation [potential case name] 'Liability Claims [name of claimant]'";

(4) For closed session under Government Code Section 54956.94: "Liability Claims [name of claimant]";

(5) For closed session under Government Code Section 54957: "Threat to Public Services or Facilities [name of law enforcement agency and title of officer]"; or "Public Employee [specify position]"; or "Public Employee Performance Evaluation [specify position]"; or "Public Employee Discipline/Dismissal/Release";

(6) For closed session under Government Code Section 54957.6 "Conference with Labor Negotiator [name of agency representative and employee organization or un-represented employee]".

(f) Meetings to consider new or increased general tax or assessment shall be preceded by at least forty-five days notice as specified by law.

2-2.306

CLOSED SESSIONS

- (a) The board may conduct a closed session at a regular or special meeting to:
- (1) Consider a license or permit application;
  - (2) Consider property acquisition or disposition by eminent domain or otherwise;
  - (3) Consider pending or potential claims or litigation;
  - (4) Consider threats to public services or facilities;
  - (5) Consider the appointment, promotion or job performance of employees;
  - (6) Consider charges levied against an employee;
  - (7) Establish the district's position concerning employee negotiations; or
  - (8) Conduct any district business when public session is not possible due to riot or other interruption.
- (b) Whenever possible, the board shall avoid taking action in closed session. Action may be taken in closed session when necessary to avoid prejudice to the district. Action taken in closed session and the vote, abstention or absence of each member shall be publicly reported as follows:
- (1) Approval of an agreement concluding real estate negotiations shall be reported after the agreement is final, as follows:
    - (i) If the board's approval renders the agreement final, the board shall report approval and the substance of the agreement in open session at the public meeting when the closed session is held.
    - (ii) If final approval rests with the other party to the negotiations, the district shall disclose the approval and the substance of the agreement upon inquiry by any person, as soon as the other party or its agent has informed the district of its approval.
  - (2) Approval given to counsel to defend, or seek or refrain from seeking appellate review or relief, or to enter as an amicus curiae in any form of litigation shall be reported in open session at the public meeting when the closed session is disclosed to any person upon inquiry, unless to do so would jeopardize the district's ability to effectuate service of process on one or more unserved parties, or would jeopardize its ability to conclude existing settlement negotiations to its advantage.
  - (3) Approval given to counsel for a settlement of pending litigation, at any stage prior to or during a judicial or quasi-judicial proceeding shall be reported after the settlement is final, as follows:
    - (i) If the board accepts a settlement offer signed by the opposing party, the board shall report acceptance and identify the substance of the agreement in open session at the public meeting when the closed session is held.
    - (ii) If final approval rests with some other party to the litigation or with the court, the district shall disclose the approval, and identify the substance of the agreement upon inquiry by any person when the settlement becomes final.
  - (4) Disposition reached as to claims discussed in closed session shall be reported in the same manner as the settlement of pending litigation.
  - (5) Action taken to appoint, employ, dismiss, accept the resignation of, or otherwise affect the employment status of a public employee shall be reported at the

ITEM 11A

public meeting when the closed session is held. Such report shall identify the title of the position and specify any change in compensation. However, a report of dismissal or of non-renewal of an employment contract shall be deferred until the first public meeting following the exhaustion of the employee's administrative remedies.

(6) Approval of an agreement concluding labor negotiations shall be reported after the agreement is final and has been accepted or ratified by the other party. The report shall identify the item approved and the other party or parties to the negotiation.

(c) Reports required by this section may be made orally or in writing. The board shall provide to any person who has submitted a written request to the board within twenty-four hours of the posting of the agenda, or to any person who has made a standing request for all documentation as part of the request for notice of meetings, if the requester is present at the time the closed session ends, copies of any contracts, settlement agreements, or other documents finally approved or adopted in the closed session. If the action taken results in one or more substantive amendments to the related documents requiring retyping, the documents need not be released until the retyping is completed during normal business hours, if the president, or designee, orally summarizes the substance of the amendments for the benefit of the document requester or any other person present and requesting the information. The documentation shall be available to any person on the next business day following the meeting in which the action referred to is taken, or, in the case of substantial amendments, when any necessary retyping is complete.

(d) After completing a closed session, counsel shall prepare a confidential memorandum stating the purpose of the closed session and the action taken, if any. This memorandum is confidential and shall be filed in the office of the General Manager.

## ARTICLE 4 - COMPENSATION AND EXPENSES

2-2.401<sup>1</sup>

### COMPENSATION

(a) Each director shall be paid \$200.00 for each day's attendance at meetings of the board, and for each day's service rendered as director by request of the board, not exceeding a total of ten (10) days in any calendar month. A director shall be compensated for no more than one authorized meeting per day even if more than one meeting is attended in one day.

(b) Each representative of the district on the Board of Directors of the Metropolitan Water District of Southern California shall be paid \$200.00 for each day's attendance at meetings of the Board of Directors of the Metropolitan Water District of Southern California or committees thereof, and for each day's service rendered as director, not exceeding a total of ten (10) days in any calendar month. The representative shall be compensated for no more than one meeting per day even if more than one meeting is attended in one day.

(c) On January 1st of each year, compensation to each director and each representative of this district's Metropolitan Water District of Southern California Board of Directors may be increased up to a maximum of five percent (5%), upon approval by the board.

(d) Directors may attend general meetings and educational seminars conducted by Association of California Water Agencies (ACWA), the California Association of Sanitation Agencies (CASA), Public Officials for Water and Environmental Reform (POWER) and the Association of Water Agencies of Ventura County (AWA). Directors are also authorized to attend various other meetings and committee meetings if appointed to serve by the board as the board's delegate/committee member. Directors may request, verbally or in writing, the board to authorize attendance at meetings and seminars conducted by other organizations on subjects related to district operations. At least annually, the board shall determine the meetings for which directors shall be compensated.

(e) Directors shall submit claims for compensation. The Secretary of the Board shall authorize payment for meetings and service and shall report such payments at a regular meeting following the month of submittal at which time the board may ratify or disapprove payment of the claim(s).

2-2.402

### EXPENSES

(a) If previously approved by the board, a director shall receive actual, reasonable and necessary reimbursement for travel, meals, lodging, registration and similar expenses incurred on district business.

(b) The reimbursement rates for lodging shall not exceed the posted rates for a trade conference, but if the posted rates are not available, the reimbursement rate shall be comparable to the posted rates. The reimbursement rates for travel and meals (see district's Meal Reimbursement Policy) shall not exceed reasonable and necessary amounts if these expenses are incurred in connection with an event for which rates are not posted.

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<sup>1</sup> Section 2-2.401 was amended by Resolution No. 03-08-2379 on March 11, 2008.

(c) Claims for expense reimbursement shall be submitted to the Clerk of the Board on forms provided by the district within 90-days after the expense has been incurred. The Clerk shall determine whether the claim satisfies the requirements of this section and if the claim is denied, the claimant may appeal to the board.

(d) During December, the district shall publish in a newspaper of general circulation a notice of availability of records of expense reimbursement in the amount of \$100 or more per item paid to directors and employees. The record of such expense shall be posted on the official bulletin board during December and January.

## CHAPTER 3. DISTRICT OFFICERS

### ARTICLE 1 - GENERAL MANAGER

#### 2-3.101 GENERAL MANAGER

The General Manager shall be appointed by the board as the chief administrative officer, and shall be responsible directly to the board. He shall have full charge and control of the planning, design, construction, operation and maintenance of the water, recycled water and sanitation facilities, and the administration of the business affairs of the district within the program and policies established by the board.

#### 2-3.102 PLANNING AND DESIGN

The General Manager is responsible to the board for the planning and design of all district water, recycled water, and sanitation facilities and beneficial recycling to ensure that the district systems and facilities are adequate to meet the expected needs. The use of consulting engineers will be recommended by the General Manager to the board, as required.

#### 2-3.103 CONSTRUCTION, OPERATION AND MAINTENANCE

The General Manager has full responsibility to the Board of Directors for the construction, operation and maintenance of water, recycled water and sanitation facilities and beneficial recycling to ensure conformance with the programs and policies approved by the board.

#### 2-3.104 ADMINISTRATION OF BUSINESS AFFAIRS OF THE DISTRICT

The General Manager shall have full power and authority to administer the business affairs of the district within the programs and policies established by the board, including: purchasing; customer service (billing and collection); accounting; employing promoting, demoting, transferring and discharging employees and assistants, and fixing their compensation in accordance with the salary policies and schedules approved by the board.

#### 2-3.105 PERSONNEL RULES & REGULATIONS

The General Manager shall submit recommended personnel rules and regulations, including salary recommendations, from time to time, to the board for approval. Such recommendations may be in the form of amendments to Memoranda of Understanding for represented employee groups or new provisions of a Management Handbook for Executive, Managerial, Supervisorial, Professional and Confidential employees. Such recommendations, when approved, shall supersede this title. Current policies, procedures, rules and regulations are as contained in Memoranda of Understanding between the district and the office and General Units of employees and as contained in the Management Handbook which is applicable to Executive, Managerial, Supervisorial, Professional and Confidential Employees and will remain so, until said document is next modified.



2-3.106      EMERGENCY POWERS

If an emergency arises which would ordinarily be brought to the attention of the board but insufficient time exists within which to give notice as required by law, the General Manager is authorized, in his discretion, to take emergency action as he deems appropriate and reasonable.

2-3.107<sup>2,3</sup>      AGREEMENT AND AUTHORIZATIONS

(a)      The General Manager may bind this District by contract relating to the following subject matters:

- (1)      Limited Service
- (2)      Pressure Limits
- (3)      Main Extension
- (4)      Temporary Service
- (5)      Extraterritorial Service
- (6)      Interties with other water utilities or suppliers
- (7)      Recycled Water Improvement (to a maximum of \$25,000 per agreement)
- (8)      Deposit Agreements

2-3.108      TITLE PAGE ACKNOWLEDGEMENTS

The General Manager may accept the conveyance of real property on behalf of the district by affixing a certificate of acceptance on the deed, map or other instrument of conveyance if the property to be conveyed is to be used in connection with the construction, operation or maintenance of facilities owned or to be acquired by the district as authorized by the board.

2-3.109      COLLECTION OF DELINQUENT ACCOUNTS

The General Manager is authorized to engage a collection agency to collect all accounts delinquent over three months where district collection efforts have proven unsuccessful.

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<sup>2</sup> Amended per Resolution No. 06-13-2440 on June 11, 2013.

<sup>3</sup> Amended per Resolution No. 10-13-2446 on October 22, 2013.

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**ARTICLE 2. DISTRICT COUNSEL**

2-3.201

**DISTRICT COUNSEL**

The district Counsel shall be appointed by the board, and shall be directly responsible to the board. He shall provide legal advice and services as requested by the board or any officer of the board, and shall assist the General Manager and the district's department heads on legal problems which may arise in the administration of their respective duties. District Counsel will recommend appointment of Special Counsel for litigation as required. The compensation of District Counsel and any Special Counsel will be set by the board.

### ARTICLE 3 - DEPARTMENTS

#### 2-3.301 DEPARTMENTS ESTABLISHED

The administration of the district is divided into the following departments: Finance and Administration, Facilities and Operations and Resource Conservation and Public Outreach. Each department shall be directed by a Department Head who shall report to the General Manager.

#### 2-3.302 FINANCE AND ADMINISTRATION DEPARTMENT

The Director of Finance and Administration shall direct the areas of personnel and labor relations, purchasing, compliance inspection, accounting/budgeting, risk/safety/security, and computer systems/administration.

#### 2-3.303 FACILITIES AND OPERATIONS

The Director of Facilities and Operations shall direct the Facilities and Operations Department. The Facilities and Operations Department shall be responsible for all professional engineering and related technical services including the design of district improvements, the review of the design, inspection, and certification of improvements to the district's facilities which are offered for dedication, the preparation of planning reports and feasibility analyses.

The Director of Facilities & Operations shall direct the Water Division. This Division shall be responsible for the operation and maintenance of the district's potable water treatment, storage and for transmission and distribution of recycled water.

The Director of Facilities & Operations shall direct the Water Reclamation Division. The Division shall be responsible for the operation and maintenance of facilities for the collection and treatment of sewage and composting of solids.

#### 2-3.304 RESOURCE CONSERVATION AND PUBLIC OUTREACH

The Director of Resource Conservation and Public Outreach shall direct the Resource Conservation and Public Outreach Department. The Resource Conservation Department shall be responsible for the areas of water conservation, public awareness and education programs, interagency liaison development of interagency environmental resource conservation activities and legislative liaison, new business service, customer billings, compliance inspection, planning administration, civil engineering, drafting and GIS.

**ARTICLE 4 - CONSULTANTS****2-3.401 CONSULTANTS: GENERAL**

The district may, from time to time, engage professional consultants to provide specialized service not otherwise performed by the district personnel.

**2-3.402 BOND COUNSEL**

Bond Counsel shall be appointed by the board and shall be directly responsible to the board and shall provide legal advice and service on the authorization of bonds, elections and sale of bonds as requested by the board. Bond Counsel shall also assist the Treasure, General Manager and the district's department heads on legal problems relative to bonds, which may arise in the administration of the district. The compensation of the Bond Counsel will be set by the Board.

**2-3.403 AUDITOR**

An independent auditor shall be appointed by the Board to perform an annual audit of the district's financial statements with compensation set by the Board.

**2-3.404 ENGINEER**

Consulting Engineers shall be appointed by the Board to assist the Facilities and Operations Department on an as-needed basis.

**2-3.405 RIGHT-OF-WAY AGENTS**

Right-of-Way Agents shall be appointed by the Board to assist in securing real property for district purposes on an as-needed basis.

TITLE 2 -- ADMINISTRATIONCHAPTERARTICLE 1 -- GENERAL PROVISIONS**2-1.101 PURPOSE**

This Title provides ~~the members of the board~~Directors and ~~the district's~~ staff with a statement of instructions and policy to implement the Municipal Water District Law of 1911.

**2-1.102 SCOPE**

This Title ~~includes provisions dealing~~deals with the administration of the ~~district~~District. Provisions ~~dealing with~~for delivery of services and the enforcement of rules and regulations concerning service are contained elsewhere in this Code.

**2-1.103 DEFINITIONSDISTRICT SEAL: ADOPTION AND DESCRIPTION**

~~The definitions set forth~~A seal, in Title 1, Chapter 1 ~~the form set out in this section, is adopted as the seal of the~~ Las Virgenes ~~Code are hereby incorporated by this reference.~~

**~~2-1.104~~ OFFICIAL SEAL OF AUTHORITY**

~~The~~ Municipal Water District. The seal shall be circular and carry the following design is hereby determined to be, and it is hereby adopted as the official seal of the district:

~~The seal is circular in form and has engraved on the outer edge of the face, the words: "LAS VIRGENES MUNICIPAL WATER DISTRICT" and~~

figures: “Las Virgenes Municipal Water District,” and within the circle, the words “~~INCORPORATED~~Incorporated 1958, CALIFORNIA”, as shown, California.”



CHAPTER 2.



ARTICLE 2 – BOARD OF DIRECTORS

ARTICLE 1 – 2.201 ELECTION, APPOINTMENT AND OATHS

2-2.101 ELECTION

(a) ~~(a) Members of the board~~Directors shall be elected to office in accordance with the ~~provisions of the~~ Municipal Water District Law of 1911.

~~(b)~~(b) The District is divided into five (5) Divisions as shown on the Official Map of Division Boundaries on file in the District offices. One Director represents each division.

~~(b)~~(c) Directors shall be elected on the following schedule: with terms commencing at the time stated and every fourth year thereafter:

Director Representing ~~Division 1~~ January– December 1961

Division 2 ~~January– December~~ 1963

Division 3 ~~January– December~~ 1963

Division 4 ~~January– December~~ 1961

~~Division 5~~ January–

December 1963

~~(d)~~ The statement of qualifications of candidates appearing in the official voter materials shall be limited to 200 words and shall be paid by the candidate.

~~(e)~~ Government Code section 871013 authorizes the District to adopt campaign contribution regulations not in conflict with state law. This section is adopted pursuant to section 871013. Candidates for the office

of member of the board of directors shall file a written report with the Registrar of Voters of the County of Los Angeles which discloses campaign contributions of \$50.00 or more. This report shall be filed on the same form and at the same time as campaign disclosure statements filed pursuant to state law. The Secretary shall notify the Registrar of Voters that the District has adopted this regulation and shall request the Registrar to provide written notice of this regulation to each candidate.

**2-2.102.202****APPOINTMENTS**

When a vacancy occurs on the ~~board~~Board outside the election cycle, the remaining ~~members of the board~~directors may fill such vacancy by appointment in accordance with law.

**2-2.103.203****OATH OF OFFICE**

Persons elected ~~to the board~~or appointed as directors shall take the oath of office in the manner and at the time prescribed ~~for county officers.~~  
~~Persons appointed to the board shall take the oath of office~~by law prior to assuming office. The Secretary shall administer the oath.

~~ARTICLE 2 – ORGANIZATION AND BOARD OFFICERS~~

~~2-2.201~~ 2-2.202 ~~DIVISIONS~~

~~The district is divided into five (5) Divisions as shown on the Official Map of Division Boundaries on file in the district offices. Each division is represented by one Director.~~

2-2.202 ~~2.204~~ **OFFICERS OF THE BOARD**

The Offices of President, Vice President, Secretary and Treasurer shall be appointed by the ~~board~~Board from its members at the first meeting in the month of January of each odd-numbered year.

2-2.203 ~~2.205~~ **POWERS AND DUTIES OF BOARD OFFICERS**

~~Certain~~The following duties are ~~hereby~~ delegated to ~~board~~ Officers of the Board beyond those provided for by statute:

- (a) The President serves as presiding officer at Board meetings.
- (b) The Vice-President serves as Parliamentarian and as presiding officer in the absence of the President.
- (c) The Secretary is responsible for the accuracy, status and availability of the minutes of Board ~~Meetings~~meetings and the ~~Official Record of all~~ ordinances, resolutions and orders passed or adopted by the ~~board. The Secretary shall certify to the passage and adoption of all ordinances, resolutions and orders of the board, to the filing of all documents filed with, or by order of the board to the official status, capacity and signature of all officers and employees of the district, and to~~

~~all matters appearing off record in the files and records of the district and of its board or of any office or officer of the district. Board.~~

(d) The Treasurer ~~is responsible for receiving and depositing all~~shall receive and deposit monies of the ~~district, the certification that District,~~certify checks presented for ~~board approval in~~ payment of obligations ~~of the district~~ are correct and supporting documents available, and ~~shall the investment of district~~shall invest funds.

## 2.206 COMPENSATION [The location of this section was changed.]

(a) Each Director shall be paid \$200.00 for each day's attendance at meetings of the Board, and for each day's service rendered as director by request of the Board, not exceeding a total of ten (10) days in any calendar month. A Director shall be compensated for no more than one authorized meeting per day even if more than one meeting is attended in one day.

(b) Each representative of the District on the Board of Directors of the Metropolitan Water District of Southern California shall be paid \$200.00 for each day's attendance at meetings of the Board of Directors of the Metropolitan Water District of Southern California or committees thereof, and for each day's service rendered as director, not exceeding a total of ten (10) additional days in any calendar month. The representative shall be compensated for no more than one meeting per day even if more than one meeting is attended in one day.

(c) On the first Board meeting in January of each year, compensation to each Director and each representative of the District on the Metropolitan Water District of Southern California Board of Directors may be increased prospectively up to a maximum of five percent (5%), upon approval by the Board each calendar year following the operative

date of the last adjustment.

(d) Directors may attend general meetings and educational seminars conducted by Association of California Water Agencies (ACWA), the California Association of Sanitation Agencies (CASA), Public Officials for Water and Environmental Reform (POWER) and the Association of Water Agencies of Ventura County (AWA). Directors are also authorized to attend various other meetings and committee meetings if appointed to serve by the board as the board’s delegate/committee member.

Directors may request, verbally or in writing, the board to authorize attendance at meetings and seminars conducted by other organizations on subjects related to district operations. At least annually, the board shall determine the meetings for which directors shall be compensated.

(e) Directors shall submit claims for meeting compensation. The Secretary of the Board shall authorize payment for meetings and service and shall report such payments at a regular meeting following the month of submittal at which time the Board may ratify or disapprove payment of the claim(s).

(f) Directors shall be entitled to compensation for actual travel associated with authorized meetings or educational seminars as follows:

(1) For travel outside California, up to one day prior to the start of the event and one day following conclusion of the event;

(2) For travel in California but outside Los Angeles, Orange and Ventura Counties, up to one day prior to the start of the event or one day following conclusion of the event; or

(3) For travel in Los Angeles, Orange and Ventura Counties, compensation is not normally provided for travel except under extenuating circumstances as approved by the Board.

**2.207 EXPENSES [The location of this section was changed.]**

- (a) ~~If previously approved by the board, a~~ Ddirector shall be reimbursed for~~receive~~ actual, reasonable and necessary expenses reimbursement for travel, meals, lodging, registration and similar expenses incurred on District business.
- (b) The reimbursement rates for lodging shall not exceed the posted rates for a trade conference, but if rooms with the posted rates are not available, the reimbursement rate shall be comparable to the posted rates. The reimbursement rates for travel and meals shall not exceed reasonable and necessary amounts, and shall comply with Internal Revenue Service rules and regulations.
- (c) Claims for expense reimbursement shall be submitted to the Secretary for approval. A Director must submit receipts to receive reimbursement, unless obtaining a receipt is impractical. Alcoholic beverages and other non-essential expenses including, but not limited to, in-room movies, service bar, will not be reimbursed. Expense claims must be submitted within 60 days after the travel is complete or the expense is incurred.
- (d) Expenses related to a spouse's attendance shall not be reimbursed and must be promptly reimbursed to the District if incurred on the District's account.
- (e) During December, the District shall post on the District website and shall publish in a newspaper of general circulation a notice of availability of records of expense reimbursement in the amount of \$100 or more per item paid to directors and employees. The record of such expense shall be posted on the official bulletin board during December and January.

~~ARTICLE 3~~

2.209MEETINGS

~~2-2.301~~ 2.209: GENERAL

~~(a)~~(a) ~~All meetings~~Meetings of the ~~board~~Board and ~~any~~ advisory ~~body~~bodies shall be open to the public. ~~and all persons shall be permitted to attend.~~

~~(a)~~(b) No action shall be taken by secret ballot ~~at such meetings.~~

~~(b)~~(b) ~~The following terms are defined for definitions contained in the purpose of this article:~~

~~Advisory body means a decision-making or advisory body created by formal action of the board. An ad hoc committee composed solely of two or less uncompensated members in an advisory body only if the committee has continuing jurisdiction or meets pursuant to a schedule fixed by the board.~~

~~Meeting includes any congregation of a quorum of the board or advisory body at the same time and place to hear, discuss or deliberate on any ruling within the jurisdiction of the district; and any use of direct communications, personal intermediaries or technological devices by a quorum of the board or an advisory body to develop a collective concurrence to action by the board or advisory body.~~

~~Meeting does not include: individual contacts between members and any other person; attendance at a conference or similar gathering open to the public involving discussions of issues of interest to the public generally by public agencies specifically, if a quorum does not discuss district business; attendance at open and publicized meetings addressing topics of community concern by someone not associated with the district, if a quorum does not discuss district business; or attendance at social or ceremonial events, if quorum does not discuss district business.~~

~~Member means a director or member of an advisory body.~~

~~(b)~~(c) ~~(c)~~ ~~All meetings of the board and all meetings of advisory bodies~~Brown Act shall be held within the district, except: to comply with

~~State or Federal law or court order; to inspect real property or personal property which cannot be moved; to meet with another public agency at the other agency on multi-agency matters; to discuss legislative or regulatory matters with state or federal officials; to discuss matters relating to a district facility in the facility; and to consult with legal counsel at counsel's office if so doing will result in reduction in legal fees associated with the meeting used for this Article.~~

## 2-2.302.210

### REGULAR AND SPECIAL MEETINGS

(a) The ~~board~~Board shall hold regular meetings on the second and fourth Tuesday of each ~~and every~~ month at the hour of 5 o'clock p.m. at the ~~district's~~District's headquarters ~~located at 4232 Las Virgenes Road, Calabasas, California, 91302.~~ A regular meeting may be adjourned by the board or by less than a quorum to another time. An adjourned regular meeting is a regular meeting for all purposes if held ~~within five days of the regular meeting.~~ If the adjourned meeting is held more than five days after the regular meeting, a new agenda shall be posted.

(b)~~Special Meetings may be called by the~~(b) \_\_\_\_\_ The President, Vice President or Secretary may call a special meeting upon a twenty-four hour actual notice to each ~~member~~Director.

(c) An emergency meeting may be called ~~without~~by a majority of the Board on less than twenty-four hour notice ~~or~~and without an agenda ~~if necessary due to~~ deal with disruption or threatened disruption of ~~district facilities~~service by work stoppage ~~or~~, crippling disaster or other ~~activity~~event severely impairing public health or safety ~~as determined by a majority of the members.~~



~~(d) Each advisory body may establish a time and place for regular meetings and may call special meetings in the same manner as the board.~~

## ~~2.211~~ 2.303 ~~211~~

### RECORD OF PROCEEDINGS

(a) ~~All Public Hearings of the Board meetings~~ shall be ~~mechanically~~ digitally recorded, ~~and~~ the recordings retained for a period of ~~5 six months~~ 5 years, and then erased. Closed ~~Session portions of the meeting will~~ Sessions shall not be recorded. The Secretary shall prepare written minutes of meetings, ~~which shall be~~ available for public inspection when approved by the ~~board~~ Board.

(b) ~~Any person~~ Person attending an open meeting of the ~~board~~ Board may record the proceeding on audio or video media unless the ~~board~~ Board finds the recording ~~cannot continue without noise, illumination or obstruction of view constituting~~ is a persistent disruption of proceedings.

## ~~2-2.304~~ 212

### RULES OF CONDUCT

(a) The affirmative vote of at least three ~~directors~~ Directors is necessary for the ~~board~~ Board to take action. The ~~board~~ Board shall take action by motion, resolution or ordinance. ~~Motions and resolutions may be adopted on voice~~ The vote; ~~roll call shall be taken if requested by any director. Ordinances shall be adopted on roll call vote, including~~ abstentions, shall be recorded in the minutes.

~~(b) The district may use video teleconferencing to receive public comment or testimony and for deliberations of the board. If video~~

~~teleconferencing is used, the agenda shall be posted at all video teleconference locations and reasonable rules shall be adopted to protect the statutory and constitutional rights of the parties and the public appearing before the board.~~

~~(b)~~ Except as otherwise required by law, and unless waived, proceedings of the ~~board~~Board shall be conducted in accordance with the latest edition of Robert's Rules of Order. Advisory bodies shall adopt rules of order appropriate to their work.

~~(c)~~ If ~~any meeting is willfully interrupted by~~ a group or groups of persons ~~willfully interrupts the meeting~~ so as to ~~render the~~make orderly conduct ~~of such meeting~~ unfeasible and order cannot be restored by the removal of individuals who are ~~willfully~~ interrupting the meeting, the ~~board~~Board may order the meeting room cleared and continue in closed session. The ~~board~~Board may establish a procedure for readmitting individuals not responsible for willfully disturbing the orderly conduct of the meeting.

~~(d)~~ The ~~board~~Board shall not prohibit public criticism of the policies, procedures, programs or services of the ~~district~~District or of the acts or decisions of the ~~board~~Board. However, no privilege or protection is ~~hereby~~ conferred for expression beyond that otherwise provided by law.

## 2-2.305.213

### AGENDA

~~(a)~~ ~~(a)~~ — The General Manager shall prepare the agenda. The President shall approve the agenda before distribution. ~~At least seventy-two hours before a regular meeting, or at least twenty four hours prior to a special meeting, the~~

~~(a)(b)~~ (b) The Secretary shall post an agenda containing a brief, general description of each item of business to be transacted or discussed at the meeting, including the items to be discussed in closed session—at least seventy-two hours before a regular meeting, or at least twenty-four hours prior to a special meeting. Meetings to consider new or increased general tax or assessment shall be preceded by at least forty-five days' notice. The posting shall be freely accessible to the public.

~~(b)(c)~~ (b)—The agenda ~~for all meetings~~ shall include the opportunity for the public to address the ~~board~~Board prior to taking action on any matter. The agenda for regular and adjourned regular meetings shall include the opportunity for the public to address the ~~board~~Board on matters within the jurisdiction of the ~~district~~District but not on the agenda. During public comments, a ~~director~~Director may request a matter be included on the agenda for a future meeting. ~~If~~With the concurrence of a second~~if another~~ director agrees, the General Manager shall arrange for the matter to be placed on a future agenda as promptly as feasible.

~~(c)(d)~~ (c)—No action shall be taken on matters not shown on the posted agenda, except members may briefly respond to statements made or questions posed during public comment; request for clarification; provide a reference to staff or other resources for factual information; or request staff to report back to the ~~board~~Board at a subsequent meeting ~~or direct staff to place a matter of business on a future agenda.~~

~~(d)(e)~~ (d)—Prior to discussion of ~~a~~any matter on the agenda, the ~~board~~Board may add matters to the agenda upon a majority finding an emergency exists or upon at least a two-thirds vote finding there is a

need to take immediate action and the need for action came to the attention of the ~~district~~District subsequent to the posting of the agenda. If only three ~~directors~~Directors are present, the finding of the need for action shall be by unanimous vote.

~~(e)~~The agenda shall describe matters to be discussed in closed session in substantially the ~~following~~ form: -

~~\_\_\_\_\_ (1) \_\_\_\_\_ For closed session under Government Code Section 54956.7: ‘License/Permit Determination’;~~

~~\_\_\_\_\_ (2) \_\_\_\_\_ For closed session under Government Code Section 54956.8 “Conference with Real Property Negotiator [property identity, negotiating partners, subject of negotiations]”;~~

~~\_\_\_\_\_ (3) \_\_\_\_\_ For closed session under Government Code Section 54956.9: “Conference with Legal Counsel – Existing Litigation [name of case unless disclosure would jeopardize service or settlement]”; or “Conference with Legal Counsel – Anticipated Litigation [potential case name] ‘Liability Claims [name of claimant]’”;~~

~~\_\_\_\_\_ (4) \_\_\_\_\_ For closed session under Government Code Section 54956.94: “Liability Claims [name of claimant]”;~~

~~\_\_\_\_\_ (5) \_\_\_\_\_ For closed session under Government Code Section 54957: “Threat to Public Services or Facilities [name of law enforcement agency and title of officer]”; or “Public Employee [specify position]”; or “Public Employee Performance Evaluation [specify position]”; or “Public Employee Discipline/Dismissal/Release”;~~

~~\_\_\_\_\_ (6) \_\_\_\_\_ For closed session under Government Code Section 54957.6 “Conference with Labor Negotiator [name of agency representative and employee organization or un-represented employee]”.~~

~~(e)~~(f) Meetings to consider new or increased general tax or assessment shall be preceded ~~required~~ by ~~the~~ at least forty five days notice as specified by law the Brown Act.

2-2.306.214

**CLOSED SESSIONS**

(a) The ~~Board~~~~board~~Board may conduct a closed session at a regular or special meeting to:

- ~~(1) Consider a license or permit application;~~
- ~~(2) Consider property acquisition or disposition by eminent domain or otherwise;~~
- ~~(3) Consider pending or potential claims or litigation;~~
- ~~(4) Consider threats to public services or facilities;~~
- ~~(5) Consider the appointment, promotion or job performance of employees;~~
- ~~(6) Consider charges levied against an employee;~~
- ~~(7) Establish consider matters permitted by the district's position concerning employee negotiations; or Brown Act to be considered in closed session.~~
- ~~(8) Conduct any district business when public session is not possible due to riot or other interruption.~~

(b) ~~Whenever~~When possible, the ~~board~~Board shall avoid taking action in closed session. ~~Action~~but action may be taken in closed session when necessary to avoid prejudice to the ~~district~~District. Action taken in closed session and the vote, abstention or absence of each ~~member~~Director shall be publicly reported as follows:

(1) Approval of an agreement concluding real estate negotiations shall be reported after the agreement is final, as follows:

- ~~(i)~~ a. If the ~~board's~~Board's approval renders the agreement final, the ~~board~~Board shall report approval and the substance of the agreement in open session at the public meeting when the closed session is held.

\_\_\_\_\_ ~~(ii)~~ \_\_\_\_\_ b. If final approval rests with the other party to the negotiations, the ~~district~~District shall disclose the approval and the substance of the agreement upon inquiry by any person, as soon as the other party or its agent has informed the ~~district~~District of its approval.

(2) Approval given to general counsel to defend, or seek or refrain from seeking appellate review or relief, or to enter as an amicus curiae in any form of litigation shall be reported in open session at the public meeting when the closed session is held and disclosed to any person upon inquiry, unless to do so would jeopardize the ~~district's~~District's ability to effectuate service of process on one or more unserved parties, or would jeopardize its ability to conclude existing settlement negotiations to its advantage.

(3) Approval given to counsel for a settlement of pending litigation, at any stage prior to or during a judicial or quasi-judicial proceeding shall be reported after the settlement is final, as follows:

\_\_\_\_\_ ~~(i)~~ \_\_\_\_\_ a. If the ~~board~~Board accepts a settlement offer signed by the opposing party, the ~~board~~Board shall report acceptance and identify the substance of the agreement in open session at the public meeting when the closed session is held.

\_\_\_\_\_ ~~(ii)~~ \_\_\_\_\_ b. If final approval rests with some other party to the litigation or with the court, the ~~district~~District shall disclose the approval, and identify the substance of the agreement upon inquiry by any person when the settlement becomes final.

(4) Disposition reached as to claims discussed in closed session shall be reported in the same manner as the settlement of pending litigation.

(5) Action taken to appoint, employ, dismiss, accept the resignation of, or otherwise affect the employment status of a public employee shall be reported at the public meeting when the closed session is held. Such report shall identify the title of the position and specify any change in compensation. However, a report of dismissal or of non-renewal of an employment contract shall be deferred until the first public meeting following the exhaustion of the employee's administrative remedies.

(6) Approval of an agreement concluding labor negotiations shall be reported after the agreement is final and has been accepted or ratified by the other party. The report shall identify the item approved and the other party or parties to the negotiation.

(c) Reports required by this section may be made orally or in writing. The ~~board~~Board shall provide to a person who has submitted a written request to the ~~board~~Board within twenty-four hours of the posting of the agenda, or to ~~any~~any person who has made a standing request for ~~all~~ documentation as part of the request for notice of meetings, if the requester is present at the time the closed session ends, copies of any contracts, settlement agreements, or other documents finally approved or adopted in the closed session. ~~If the action taken results in one or more substantive amendments to the related documents requiring retyping, the documents need not be released until the retyping is completed during normal business hours, if the president, or designee, orally summarizes the substance of the amendments for the benefit of~~

~~the document requester or any other person present and requesting the information. The documentation shall be available to any person on the next business day following the meeting in which the action referred to is taken, or, in the case of substantial amendments, when any necessary retyping is complete.~~

(d) After completing a closed session, counsel shall prepare a ~~confidential~~ memorandum stating the purpose of the closed session and the action taken, if any. This memorandum is confidential and shall be filed in the office of the General Manager.



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ARTICLE ~~34~~ ~~COMPENSATION~~3 – OTHER OFFICERS AND ~~CERTAIN~~EXPENSESCERTAIN  
EMPLOYEES

2-~~301~~ ~~PURPOSE~~

This Article deals with officers who report to the Board.

2.~~302~~~~4011~~ ~~COMPENSATION~~302 ~~GENERAL~~

~~(a) — Each director shall be paid \$200.00 for each day’s attendance at meetings of the board, and for each day’s service rendered as director by request of the board, not exceeding a total of ten (10) days in any calendar month. A director shall be compensated for no more than one authorized meeting per day even if more than one meeting is attended in one day.~~

~~(b) — Each representative of the district on the Board of Directors of the Metropolitan Water District of Southern California shall be paid \$200.00 for each day’s attendance at meetings of the Board of Directors of the Metropolitan Water District of Southern California or committees thereof, and for each day’s service rendered as director, not exceeding a total of ten (10) days in any calendar month.~~

~~(c) — On January 1st of each year, compensation to each director and each representative of this district’s Metropolitan Water District of Southern California Board of Directors may be increased up to a maximum of five percent (5%), upon approval by the board.~~

~~(e) — Directors shall submit claims for compensation. The Secretary of the Board shall authorize payment for meetings and service and shall report such payments at a regular meeting following the month of submittal at which time the board may ratify or disapprove payment of the claim(s).~~

2-2.402 ~~EXPENSES~~

<sup>1</sup>Section 2-2.401 was amended by Resolution No. 03-08-2379 on March 11, 2008.

~~(a) — If previously approved by the board, a director shall receive actual, reasonable and necessary reimbursement for travel, meals, lodging, registration and similar expenses incurred on district business.~~

~~(b) — The reimbursement rates for lodging shall not exceed the posted rates for a trade conference, but if the posted rates are not available, the reimbursement rate shall be comparable to the posted rates. The reimbursement rates for travel and meals (see district's Meal Reimbursement Policy) shall not exceed reasonable and necessary amounts if these expenses are incurred in connection with an event for which rates are not posted.~~

~~(c) — Claims for expense reimbursement shall be submitted to the Clerk of the Board on forms provided by the district within 90 days after the expense has been incurred. The Clerk shall determine whether the claim satisfies the requirements of this section and if the claim is denied, the claimant may appeal to the board.~~

~~(d) — During December, the district shall publish in a newspaper of general circulation a notice of availability of records of expense reimbursement in the amount of \$100 or more per item paid to directors and employees. The record of such expense shall be posted on the official bulletin board during December and January.~~

**CHAPTER 3. DISTRICT OFFICERS****ARTICLE 1. GENERAL MANAGER**

(a) The General Manager, Auditor, Secretary, and General Counsel ultimately report to the Board. The Auditor, Secretary and General Counsel shall deal with the Board through the General Manager. Directors are encouraged to deal with these officers through the General Manager but the Board may deal directly with these officers as the need arises.

(b) Directors shall not deal with other officers or employees except for brief inquiry or as authorized by the General Manager and Board.

**2-3.101.303****GENERAL MANAGER**

(a)General Manager: The General Manager shall be appointed by the board as the chief administrative officer, and shall be responsible directly to the board. He shall have full charge and control of the planning, design, construction, operation and maintenance of the water, recycled water and sanitation facilities, and the administration of the business affairs of the district within the program and policies established by the board.

**2-3.102 PLANNING AND DESIGN**

(b)Planning and Design: The General Manager is responsible to the board for the planning and design of all district water, recycled water, and sanitation facilities and beneficial recycling to ensure that the district systems and facilities are adequate to meet the expected needs. The use of consulting engineers will be recommended by the General Manager to the board, as required-

**2-3.103 CONSTRUCTION, OPERATION AND MAINTENANCE**

.(c) Construction, Operation and Maintenance: The General Manager has full responsibility to the Board of Directors for the construction, operation and maintenance of water, recycled water and sanitation facilities and beneficial recycling to ensure conformance with the programs and policies approved by the board.

~~2-3.104~~ ~~ADMINISTRATION OF BUSINESS AFFAIRS OF THE DISTRICT~~

(d)Administration of Business Affairs of the District: The General Manager shall have full power and authority to administer the business affairs of the district within the programs and policies established by the board, including: purchasing; customer service (billing and collection); accounting; employing promoting, demoting, transferring and discharging employees and assistants, and fixing their compensation in accordance with the salary policies and schedules approved by the board.

~~2-3.105~~ ~~PERSONNEL RULES & REGULATIONS~~

(e)Personnel Rules and Regulations: The General Manager shall submit recommended personnel rules and regulations, including salary recommendations, from time to time, to the board for approval. Such recommendations may be in the form of amendments to Memoranda of Understanding for represented employee groups or new provisions of a Management Handbook for Executive, Managerial, Supervisorial, Professional and Confidential employees. Such recommendations, when approved, shall supersede this title. Current policies, procedures, rules and regulations are as contained in Memoranda of Understanding between the district and the office and General Units of employees and as contained in the Management Handbook which is applicable to

Executive, Managerial, Supervisorial, Professional and Confidential Employees and will remain so, until said document is next modified.

~~2-3.106~~ EMERGENCY POWERS

(f)Emergency Powers: If an emergency arises which would ordinarily be brought to the attention of the board but insufficient time exists within which to give notice as required by law, the General Manager is authorized, in his discretion, to take emergency action as he deems appropriate and reasonable.

~~2-3.1072-3~~ AGREEMENT AND AUTHORIZATIONS

~~(a)~~(g) Agreement and Authorizations: The General Manager may bind this District by contract relating to the following subject matters:

(1) ~~\_\_\_\_\_~~ Limited Service

~~\_\_\_\_\_~~  
(2) ~~\_\_\_\_\_~~ Pressure Limits

~~\_\_\_\_\_~~  
(3) ~~\_\_\_\_\_~~ Main Extension

~~\_\_\_\_\_~~  
(4) ~~\_\_\_\_\_~~ Temporary Service

~~\_\_\_\_\_~~  
(5) ~~\_\_\_\_\_~~ Extraterritorial Service

~~\_\_\_\_\_~~  
(6) ~~\_\_\_\_\_~~ Interties with other water utilities or suppliers

~~\_\_\_\_\_~~  
(7) ~~\_\_\_\_\_~~ Recycled Water Improvement (to a maximum of \$25,000 per agreement)

~~\_\_\_\_\_~~  
(8) ~~\_\_\_\_\_~~ Deposit Agreements

~~2-3.108~~ TITLE PAGE ACKNOWLEDGEMENTS

~~2~~Amended per Resolution No. 06-13-2440 on June 11, 2013.

~~3~~Amended per Resolution No. 10-13-2446 on October 22, 2013.

(h) Title Page Acknowledgements: The General Manager may accept the conveyance of real property on behalf of the district by affixing a certificate of acceptance on the deed, map or other instrument of conveyance if the property to be conveyed is to be used in connection with the construction, operation or maintenance of facilities owned or to be acquired by the district as authorized by the board.

~~2-3.109~~ COLLECTION OF DELINQUENT ACCOUNTS

(i) Collection of Delinquent Accounts: The General Manager is authorized to engage a collection agency to collect all accounts delinquent over three months where district collection efforts have proven unsuccessful.



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ARTICLE 2.304      TREASURER

The ~~DISTRICT~~Treasurer shall perform the duties set forth in the Municipal Water District Law of 1911 and other similar duties assigned by law or the Board. The Treasurer shall serve as the in-office auditor of the Board, provided this auditor is not responsible for the outside, independent audit.

2.305SECRETARY

The Secretary shall be elected by the Board and is responsible for the accuracy and availability of the records of the District.

2.306GENERAL COUNSEL

~~2-3.201~~      ~~DISTRICT COUNSEL~~

~~The ~~district~~General Counsel shall be appointed by the ~~board~~Board, and ~~is shall be directly~~is responsible to the ~~board~~. ~~He~~Board. Counsel shall provide legal advice ~~and services~~ as requested by the board ~~or any officer of the board~~, and shall assist the General Manager and ~~the district's~~ department heads on legal problems ~~which may arise~~arising in the administration of their respective duties. ~~District~~Counsel will recommend appointment of ~~Special Counsel~~special counsel for litigation as required. The ~~Board will set the~~ compensation of ~~District Counsel~~general and ~~any Special Counsel will be set by the board~~special counsel.~~

~~2-3.403~~ AUDITOR

(b) An independent auditor, also known as an “outside” auditor, shall be appointed by the Board to perform an independent annual audit of the ~~District’s~~ ~~district’s~~ District’s financial statements.

**TITLE 2 – ADMINISTRATION**

**ARTICLE 1 – GENERAL**

**2.101 PURPOSE**

This Title provides Directors and staff with a statement of instructions and policy to implement the Municipal Water District Law of 1911.

**2.102 SCOPE**

This Title deals with the administration of the District. Provisions for delivery of services and the enforcement of rules and regulations concerning service are contained elsewhere in this Code.

**2.103 DISTRICT SEAL: ADOPTION AND DESCRIPTION**

A seal, in the form set out in this section, is adopted as the seal of Las Virgenes Municipal Water District. The seal shall be circular and carry the following words and figures: "Las Virgenes Municipal Water District," and within the circle, the words "Incorporated 1958, California."

**ARTICLE 2 – BOARD OF DIRECTORS**

**2.201 ELECTION**

- (a) Directors shall be elected to office in accordance with the Municipal Water District Law of 1911.
- (b) The District is divided into five (5) Divisions as shown on the Official Map of Division Boundaries on file in the District offices. One Director represents each division.
- (c) Directors shall be elected on the following schedule: with terms commencing at the time stated and every fourth year thereafter:

Director Representing Division 1 – December 1961

Division 2 – December 1963

Division 3 – December 1963

Division 4 – December 1961

Division 5 – December 1963

- (d) The statement of qualifications of candidates appearing in the official voter materials shall be limited to 200 words and shall be paid by the candidate.
- (e) Government Code section 871013 authorizes the District to adopt campaign contribution regulations not in conflict with state law. This section is adopted pursuant to section 871013. Candidates for the office of member of the board of directors shall file a written report with the Registrar of Voters of the County of Los Angeles which discloses campaign contributions of \$50.00 or more. This report shall be filed on the same form and at the same time as campaign disclosure statements filed pursuant to state law. The Secretary shall notify the Registrar of Voters that the District has adopted this regulation and shall request the Registrar to provide written notice of this regulation to each candidate.

**2.202 APPOINTMENTS**

When a vacancy occurs on the Board outside the election cycle, the remaining directors may fill such vacancy by appointment in accordance with law.

**2.203 OATH OF OFFICE**

Persons elected or appointed as directors shall take the oath of office in the manner and at the time prescribed by law prior to assuming office. The Secretary shall administer the oath.

**2.204 OFFICERS OF THE BOARD**

The Offices of President, Vice President, Secretary and Treasurer shall be appointed by the Board from its members at the first meeting in the month of January of each odd-numbered year.

**2.205 POWERS AND DUTIES OF BOARD OFFICERS**

The following duties are delegated to Officers of the Board beyond those provided for by statute:

- (a) The President serves as presiding officer at Board meetings.
- (b) The Vice-President serves as Parliamentarian and as presiding officer in the absence of the President.
- (c) The Secretary is responsible for the accuracy, status and availability of the minutes of Board meetings and the ordinances, resolutions and orders passed or adopted by the Board.
- (d) The Treasurer shall receive and deposit monies of the District, certify checks presented for payment of obligations are correct and supporting documents available, and shall invest funds.

**2.206            COMPENSATION**

(a) Each Director shall be paid \$200.00 for each day's attendance at meetings of the Board, and for each day's service rendered as director by request of the Board, not exceeding a total of ten (10) days in any calendar month. A Director shall be compensated for no more than one authorized meeting per day even if more than one meeting is attended in one day.

(b) Each representative of the District on the Board of Directors of the Metropolitan Water District of Southern California shall be paid \$200.00 for each day's attendance at meetings of the Board of Directors of the Metropolitan Water District of Southern California or committees thereof, and for each day's service rendered as director, not exceeding a total of ten (10) additional days in any calendar month. The representative shall be compensated for no more than one meeting per day even if more than one meeting is attended in one day.

(c) On the first Board meeting in January of each year, compensation to each Director and each representative of the District on the Metropolitan Water District of Southern California Board of Directors may be increased prospectively up to a maximum of five percent (5%), upon approval by the Board each calendar year following the operative date of the last adjustment.

(d) Directors may attend general meetings and educational seminars conducted by Association of California Water Agencies (ACWA), the California Association of Sanitation Agencies (CASA), Public Officials for Water and Environmental Reform (POWER) and the Association of Water Agencies of Ventura County (AWA). Directors are also authorized to attend various other meetings and committee meetings if appointed to serve by the board as the board's delegate/committee member. Directors may request, verbally or in writing, the board to authorize attendance at meetings and seminars conducted by other organizations on subjects related to district operations. At least annually, the board

shall determine the meetings for which directors shall be compensated.

(e) Directors shall submit claims for meeting compensation. The Secretary of the Board shall authorize payment for meetings and service and shall report such payments at a regular meeting following the month of submittal at which time the Board may ratify or disapprove payment of the claim(s).

(f) Directors shall be entitled to compensation for actual travel associated with authorized meetings or educational seminars as follows:

(1) For travel outside California, up to one day prior to the start of the event and one day following conclusion of the event;

(2) For travel in California but outside Los Angeles, Orange and Ventura Counties, up to one day prior to the start of the event or one day following conclusion of the event; or

(3) For travel in Los Angeles, Orange and Ventura Counties, compensation is not normally provided for travel except under extenuating circumstances as approved by the Board.

## **2.207 EXPENSES**

(a) A Director shall be reimbursed for actual, reasonable and necessary expenses for travel, meals, lodging, registration and similar expenses incurred on District business.

(b) The reimbursement rates for lodging shall not exceed the posted rates for a trade conference, but if rooms with the posted rates are not available, the reimbursement rate shall be comparable to the posted rates. The reimbursement rates for travel and meals shall not exceed reasonable and necessary amounts, and shall comply with Internal Revenue Service rules and regulations.

(c) Claims for expense reimbursement shall be submitted to the Secretary for approval. A Director must submit receipts to receive reimbursement, unless obtaining a receipt is impractical.

Alcoholic beverages and other non-essential expenses including, but not



limited to, in-room movies, service bar, will not be reimbursed. Expense claims must be submitted within 60 days after the travel is complete or the expense is incurred.

(d) Expenses related to a spouse's attendance shall not be reimbursed and must be promptly reimbursed to the District if incurred on the District's account.

(e) During December, the District shall post on the District website and shall publish in a newspaper of general circulation a notice of availability of records of expense reimbursement in the amount of \$100 or more per item paid to directors and employees. The record of such expense shall be posted on the official bulletin board during December and January.

## **2.209 MEETINGS: GENERAL**

(a) Meetings of the Board and advisory bodies shall be open to the public.

(b) No action shall be taken by secret ballot.

(c) The definitions contained in the Brown Act shall be used for this Article.

## **2.210 REGULAR AND SPECIAL MEETINGS**

(a) The Board shall hold regular meetings on the second and fourth Tuesday of each month at the hour of 5 o'clock p.m. at the District's headquarters.

(b) The President, Vice President or Secretary may call a special meeting upon a twenty-four hour actual notice to each Director.

(c) An emergency meeting may be called by a majority of the Board on less than twenty-four hour notice and without an agenda to deal with disruption or threatened disruption of service by work stoppage, crippling disaster or other event severely impairing public health or safety.

**2.211 RECORD OF PROCEEDINGS**

- (a) Public meetings shall be digitally recorded and the recordings retained for a period of 5 years, and then erased. Closed Sessions shall not be recorded. The Secretary shall prepare written minutes of meetings available for public inspection when approved by the Board.
- (b) Person attending an open meeting of the Board may record the proceeding on audio or video media unless the Board finds the recording is a persistent disruption of proceedings.

**2.212 RULES OF CONDUCT**

- (a) The affirmative vote of at least three Directors is necessary for the Board to take action. The Board shall take action by motion, resolution or ordinance. The vote, including abstentions, shall be recorded in the minutes.
- (b) Except as otherwise required by law, and unless waived, proceedings of the Board shall be conducted in accordance with the latest edition of Robert's Rules of Order. Advisory bodies shall adopt rules of order appropriate to their work.
- (c) If a group or groups of persons willfully interrupts the meeting so as to make orderly conduct unfeasible and order cannot be restored by the removal of individuals who are interrupting the meeting, the Board may order the meeting room cleared and continue in closed session. The Board may establish a procedure for readmitting individuals not responsible for willfully disturbing the orderly conduct of the meeting.
- (d) The Board shall not prohibit public criticism of the policies, procedures, programs or services of the District or of the acts or decisions of the Board. However, no privilege or protection is conferred for expression beyond that otherwise provided by law.

**2.213 AGENDA**

- (a) The General Manager shall prepare the agenda. The President shall approve the agenda before distribution.
- (b) The Secretary shall post an agenda containing a brief, general description of each item of business to be transacted or discussed at the meeting, including the items to be discussed in closed session at least seventy-two hours before a regular meeting, or at least twenty-four hours prior to a special meeting. Meetings to consider new or increased general tax or assessment shall be preceded by at least forty-five days' notice. The posting shall be freely accessible to the public.
- (c) The agenda shall include the opportunity for the public to address the Board prior to taking action on any matter. The agenda for regular and adjourned regular meetings shall include the opportunity for the public to address the Board on matters within the jurisdiction of the District but not on the agenda. During public comments, a Director may request a matter be included on the agenda for a future meeting. If another director agrees, the General Manager shall arrange for the matter to be placed on a future agenda as promptly as feasible.
- (d) No action shall be taken on matters not shown on the posted agenda, except members may briefly respond to statements made or questions posed during public comment; request for clarification; provide a reference to staff or other resources for factual information; or request staff to report back to the Board at a subsequent meeting.
- (e) Prior to discussion of a matter on the agenda, the Board may add matters to the agenda upon a majority finding an emergency exists or upon at least a two-thirds vote finding there is a need to take immediate action and the need for action came to the attention of the District subsequent to the posting of the agenda. If only three Directors are present, the finding of the need for action shall be by unanimous vote.
- (f) The agenda shall describe matters to be discussed in closed session in substantially the form required by the Brown Act.

**2.214 CLOSED SESSIONS**

(a) The Board may conduct a closed session at a regular or special meeting to consider matters permitted by the Brown Act to be considered in closed session.

(b) When possible, the Board shall avoid taking action in closed session but action may be taken in closed session when necessary to avoid prejudice to the District. Action taken in closed session and the vote, abstention or absence of each Director shall be publicly reported as follows:

(1) Approval of an agreement concluding real estate negotiations shall be reported after the agreement is final, as follows:

a. If the Board's approval renders the agreement final, the Board shall report approval and the substance of the agreement in open session at the public meeting when the closed session is held.

b. If final approval rests with the other party to the negotiations, the District shall disclose the approval and the substance of the agreement upon inquiry by any person, as soon as the other party or its agent has informed the District of its approval.

(2) Approval given to general counsel to defend, or seek or refrain from seeking appellate review or relief, or to enter as an amicus curiae in any form of litigation shall be reported in open session at the public meeting when the closed session is held and disclosed to any person upon inquiry, unless to do so would jeopardize the District's ability to effectuate service of process on one or more unserved parties, or would jeopardize its ability to conclude existing settlement negotiations to its advantage.

(3) Approval given to counsel for a settlement of pending litigation, at any stage prior to or during a judicial or quasi-judicial proceeding shall be reported after the settlement is final, as follows:

a. If the Board accepts a settlement offer signed by the opposing party, the Board shall report acceptance and identify the substance of the agreement in open session at the public meeting when the closed session is held.

b. If final approval rests with some other party to the litigation or with the court, the District shall disclose the approval, and identify the substance of the agreement upon inquiry by any person when the settlement becomes final.

(4) Disposition reached as to claims discussed in closed session shall be reported in the same manner as the settlement of pending litigation.

(5) Action taken to appoint, employ, dismiss, accept the resignation of, or otherwise affect the employment status of a public employee shall be reported at the public meeting when the closed session is held. Such report shall identify the title of the position and specify any change in compensation. However, a report of dismissal or of non-renewal of an employment contract shall be deferred until the first public meeting following the exhaustion of the employee's administrative remedies.

(6) Approval of an agreement concluding labor negotiations shall be reported after the agreement is final and has been accepted or ratified by the other party. The report shall identify the item approved and the other party or parties to the negotiation.

(c) Reports required by this section may be made orally or in writing. The Board shall provide to a person who has submitted a written request to the Board within twenty-four hours of the posting of the agenda, or to a person who has made a standing request for documentation as part of the request for notice of meetings, if the requester is present at the time the closed session ends, copies of any contracts, settlement agreements, or other documents finally approved or adopted in the closed session.

(d) After completing a closed session, counsel shall prepare a memorandum stating the purpose of the closed session and the action

taken, if any. This memorandum is confidential and shall be filed in the office of the General Manager.

**ARTICLE 3 – OTHER OFFICERS AND CERTAIN EMPLOYEES**

**2.301 PURPOSE**

This Article deals with officers who report to the Board.

**2.302 GENERAL**

(a) The General Manager, Auditor, Secretary, and General Counsel ultimately report to the Board. The Auditor, Secretary and General Counsel shall deal with the Board through the General Manager.

Directors are encouraged to deal with these officers through the General Manager but the Board may deal directly with these officers as the need arises.

(b) Directors shall not deal with other officers or employees except for brief inquiry or as authorized by the General Manager and Board.

**2.303 GENERAL MANAGER**

(a) General Manager: The General Manager shall be appointed by the board as the chief administrative officer, and shall be responsible directly to the board. He shall have full charge and control of the planning, design, construction, operation and maintenance of the water, recycled water and sanitation facilities, and the administration of the business affairs of the district within the program and policies established by the board.

(b) Planning and Design: The General Manager is responsible to the board for the planning and design of all district water, recycled water, and sanitation facilities and beneficial recycling to ensure that the district systems and facilities are adequate to meet the expected needs. The use of consulting engineers will be recommended by the General Manager to the board, as required.

- (c) Construction, Operation and Maintenance: The General Manager has full responsibility to the Board of Directors for the construction, operation and maintenance of water, recycled water and sanitation facilities and beneficial recycling to ensure conformance with the programs and policies approved by the board.
- (d) Administration of Business Affairs of the District: The General Manager shall have full power and authority to administer the business affairs of the district within the programs and policies established by the board, including: purchasing; customer service (billing and collection); accounting; employing promoting, demoting, transferring and discharging employees and assistants, and fixing their compensation in accordance with the salary policies and schedules approved by the board.
- (e) Personnel Rules and Regulations: The General Manager shall submit recommended personnel rules and regulations, including salary recommendations, from time to time, to the board for approval. Such recommendations may be in the form of amendments to Memoranda of Understanding for represented employee groups or new provisions of a Management Handbook for Executive, Managerial, Supervisorial, Professional and Confidential employees. Such recommendations, when approved, shall supersede this title. Current policies, procedures, rules and regulations are as contained in Memoranda of Understanding between the district and the office and General Units of employees and as contained in the Management Handbook which is applicable to Executive, Managerial, Supervisorial, Professional and Confidential Employees and will remain so, until said document is next modified.
- (f) Emergency Powers: If an emergency arises which would ordinarily be brought to the attention of the board but insufficient time exists within which to give notice as required by law, the General Manager is authorized, in his discretion, to take emergency action as he deems appropriate and reasonable.
- (g) Agreement and Authorizations: The General Manager may bind this District by contract relating to the following subject matters:



- (1) Limited Service
  - (2) Pressure Limits
  - (3) Main Extension
  - (4) Temporary Service
  - (5) Extraterritorial Service
  - (6) Interties with other water utilities or suppliers
  - (7) Recycled Water Improvement (to a maximum of \$25,000 per agreement)
  - (8) Deposit Agreements
- (h) Title Page Acknowledgements: The General Manager may accept the conveyance of real property on behalf of the district by affixing a certificate of acceptance on the deed, map or other instrument of conveyance if the property to be conveyed is to be used in connection with the construction, operation or maintenance of facilities owned or to be acquired by the district as authorized by the board.
- (i) Collection of Delinquent Accounts: The General Manager is authorized to engage a collection agency to collect all accounts delinquent over three months where district collection efforts have proven unsuccessful.

**2.304 TREASURER**

The Treasurer shall perform the duties set forth in the Municipal Water District Law of 1911 and other similar duties assigned by law or the Board. The Treasurer shall serve as the in-office auditor of the Board, provided this auditor is not responsible for the outside, independent audit.

**2.305 SECRETARY**

The Secretary shall be elected by the Board and is responsible for the accuracy and availability of the records of the District.

**2.306 GENERAL COUNSEL**

General Counsel shall be appointed by the Board, and is responsible to the Board. Counsel shall provide legal advice as requested by the board, and shall assist the General Manager and department heads on legal problems arising in the administration of their respective duties. Counsel will recommend appointment of special counsel for litigation as required. The Board will set the compensation of general and special counsel.

**2.307 CONSULTANTS**

- (a) The General Manager may engage consultants as from time-to-time necessary, in accordance with purchasing procedures.
- (b) An independent auditor, also known as an “outside” auditor, shall be appointed by the Board to perform an independent annual audit of the District’s financial statements.



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject: Amendment to Agreement with Lemieux & O'Neill for Professional Legal Services**

**SUMMARY:**

The District contracts with Lemieux & O'Neill, a professional law corporation, for legal services to the District. The contract includes the provision legal services for routine transactional matters at a fixed monthly rate of \$6,000. The fixed monthly fee or "retainer" amount was last increased in 2008. Based on the attached request from District Counsel Wayne Lemieux, staff recommends that the Board approve an increase the fixed monthly fee by \$1,000 per month, from \$6,000 to \$7,000 per month

**RECOMMENDATION(S):**

Approve an amendment to the professional services agreement with Lemieux & O'Neill, a professional law corporation, to increase the fixed monthly fee for transactional legal services by \$1,000 per month, from \$6,000 to \$7,000 per month, effective July 1, 2014.

**FINANCIAL IMPACT:**

This action will result in a \$12,000 annual increase in the cost of transactional legal services. Sufficient funds are available for the increase in the adopted Fiscal Year 2014-15 Budget.

**DISCUSSION:**

In 2008, the District executed its current Agreement with Lemieux & O'Neill, a professional law corporation, for legal services required by the District. The Agreement provides for various transactional services for a fixed monthly fee of \$6,000 per month. Among the services provided as part of the fixed monthly fee are attendance at Board meetings, review of contracts, and legal advice provided to the Board and General Manager.

On March 24, 2014, the Board received the attached letter from District Counsel Lemieux requesting an increase to the fixed monthly fee. The letter provided information to assist the Board in considering the request, including the average amount of time spent on transactional services for the District.

Additionally, staff reviewed invoices from Lemieux & O'Neill for the last three years to determine the average amount of time spent on transactional services. Staff determined that Lemieux & O'Neill averaged 27.5 hours per month on these services. This figure is slightly different than reflected on the chart in the letter because it was based on a fiscal year average rather than the calendar-year average in the letter. If the services were billed hourly for the services, the District would have spent an average of \$8,587 per month based on the current billing rates of the attorneys who provided the services.

Prepared By: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

Letter from Wayne Lemieux

ITEM 11B

March 25, 2014

Charles Caspary, President/Board of Directors  
Las Virgenes Municipal Water District  
5537 Round Meadow Road  
Hidden Hill, CA 91302

Re: **2013 YEAR END REPORT AND 2014 BUDGET**

The following is our annual report on legal services to aid in the preparation of the 2014-2015 budget.<sup>1</sup>

**2013 CALENDAR YEAR**

**Transactional Services**

We provide legal advice on transactional matters under a flat monthly rate of \$6,000.00. During 2013, transactional work averaged 32 hours per month, ranging 55.7 hours to 20.4 hours. The effective hourly rate for 2013 was \$186 per hour.<sup>2</sup>

**Litigation Services**

We provide litigation services at hourly rates. The following shows the fees for litigation services during the last calendar year.

<b>Case</b>	<b>Total Attorney Fees</b>
Cooper Cross Complaint	\$ 1,664.00
Onsite	\$ 975.00
Arnaldes	\$ 920.00
Weber Cross Complaint	\$ 2,688.00
Roscco Holdings	\$ 6,254.00
Milgee	\$15,225.00
Agoura Hills	\$ 1,852.00
Met I	\$ 1,801.75
Met II	\$18,259.02
	<b>\$49,638.77</b>

<sup>1</sup> Because of timing, the following information is compiled on a calendar year basis.

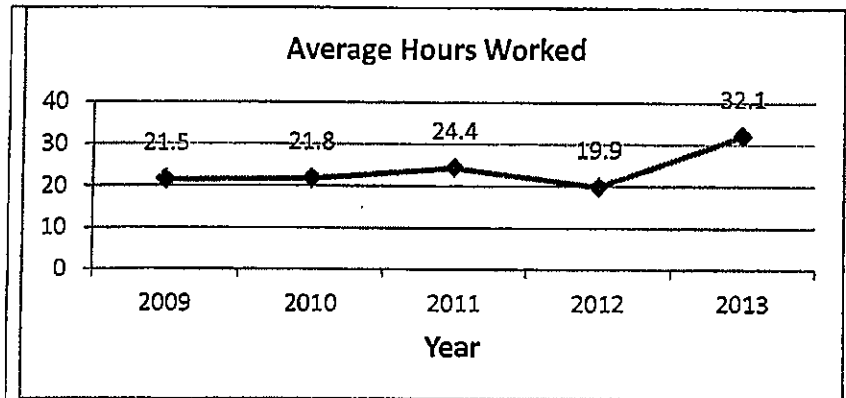
<sup>2</sup> The effective rate reflects the work performed by attorneys with different billing rates, but I performed about half the work.

## 2014 CALENDAR YEAR

### Transactional Services

Flat fee retainers are helpful because they provide a fixed budget. However, retainers still need to be reviewed from time-to-time to verify a general relationship to hourly rates. Our retainer has been unchanged for the last five years.

The amount of future transactional services will depend on the future level of the District business activities. History can be helpful by showing trends.



The history of the past five years indicates demands on our time will probably not decrease. In the short term, requirements will probably increase because blocks of time will be needed during fiscal years 2014 – 2015 for review of the Las Virgenes Code and staff seminars. To cover anticipated increases in time requirements and to address the existing deficit, we request the District to consider an increase on the monthly retainer to \$7,000.00 per month.

### Litigation

Litigation services are difficult to predict because the plaintiff gets to choose when to sue. This limitation notwithstanding, we anticipate litigation fees for the District for 2014 to be \$50,000.00.<sup>3</sup>

Very truly yours,

LEMIEUX & O'NEILL

  
Wayne K. Lemieux

WKL/mdd

cc: David Pedersen, General Manager  
Glen Peterson, Director  
Leonard Polan, Director  
Lee Renger, Director  
Barry Steinhardt, Director

<sup>3</sup> The most extensive litigation – the EPA cases – will appear on the Joint Venture budget letter under separate cover.



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject: CalTRUST Pooled Investment Account**

**SUMMARY:**

The District manages an investment portfolio of more than \$70 million in accordance with the Board's adopted Investment Policy. The portfolio includes over \$45 million in various bonds and over \$20 million in short-term investments in the Local Agency Investment Fund (LAIF). Details of the District's current investment holdings are provided in the Monthly Investment Report.

Staff routinely monitors and actively manages the District's investment portfolio. To provide greater diversification while continuing to comply with the District's Investment Policies, staff periodically researches and evaluates alternative investment options. An investment instrument not previously utilized by the District is the Investment Trust of California (CalTRUST), which is similar to LAIF but with a record of higher yields.

Because CalTRUST's investments comply with the Board's Investment Policy, staff proposes to transfer a portion of the District's funds currently held in an LAIF account to a CalTRUST account. Investment in CalTRUST is expected to improve the overall yield of the District's portfolio while maintaining the flexibility and liquidity required.

**DISCUSSION:**

A number of California public agencies have created the Investment Trust of California Joint Powers Authority (JPA), commonly known as CalTRUST. The purpose of the JPA is to pool local agency assets for investment purposes. Investment opportunities through the CalTRUST Program are open to any public agency in California. At the present time, there are over 140 CalTRUST participants, consisting of special districts, cities and counties.

Section 2-5.607(a)(6) of the District's Investment Policy (copy attached) permits investment in "*local government investment pools or mutual funds in the private sector that adhere to the Government Code parameters for eligible investments. These are similar to LAIF in function and practice but are not administered by the state.*" See CalTRUST falls within this investment category.

CalTRUST invests in fixed income securities eligible for local agency investment pursuant to California Government Code Sections 53601 and 53635. A Board of Trustees supervises and administers the investment programs of the JPA. CalTRUST maintains and administers three pooled accounts that would be available to the District:

- o **Money Market Account:** an existing SEC-registered money market fund, which is rated "AAA" by Standard & Poor's and "Aaa" by Moody's Investor Services, and maintains a dollar-weighted average maturity of less than 60 days;
- o **Short-Term Account:** maintains a target duration of 0 to 2 years; and
- o **Medium-Term Account:** maintains a target duration of 1.5 to 3.5 years.

ITEM 12A

The JPA's Board of Trustees consists of up to 15 members, all of whom are experienced investment officers or employees of the public agency members. The Trustees are responsible for setting the overall policies and procedures of the JPA and for hiring and supervising the activities of the program administrator, investment advisor, custodian, auditor, and legal counsel.

CalTRUST has a Program Administration Agreement with the CSAC Finance Corporation for administrative services. The CSAC Finance Corporation, formed in 1986, provides a broad range of financial services through the California Statewide Communities Development Authority, a joint powers authority, which currently includes 57 counties, more than 225 cities, and more than 50 special districts throughout the state.

CalTRUST also has an Investment Advisory Agreement with Wells Capital Management (WellsCap), which serves as investment advisor to the JPA. Subject to overall policy direction of the Board of Trustees, the investment advisor is responsible for the daily management of the investment affairs and research related to the JPA's accounts. WellsCap is an asset management and broker/dealer firm and is a wholly-owned subsidiary of Wells Fargo Bank, N.A.

The District currently uses the Local Agency Investment Fund (LAIF) administered by the State Treasurer as an instrument for managing the liquidity of its portfolio. The District typically maintains a portfolio balance of \$20 to \$24 million in LAIF. CalTRUST will give the District an additional investment instrument to manage liquidity and possibly bond proceeds, where appropriate, and if used in conjunction with LAIF, will provide increased diversification in the liquidity portfolio of the District.

One of the principal advantages of CalTRUST is its flexibility. The Money Market Account permits daily transactions with same-day liquidity provided that the redemption requests are received by 1:00 p.m. Pacific Standard Time. There is no limit on the amount of funds that may be invested. The Short-Term Account permits an unlimited number of transactions per month with prior day notice and also has no limit on the amount of funds that may be invested. The Medium-Term Account permit investments, withdrawals and transfers once per month with five days advance notice.

Currently, the JPA requires a minimum investment of \$250,000. CalTRUST provides printed statements on a monthly basis, as well as 24-hour, password-protected member account information via online access. Additionally, CalTRUST posts earned interest on a monthly basis; whereas, LAIF posts earned interest quarterly. For comparison, LAIF has restrictions on the amount of funds that can be on deposit at any one time and a limitation of 15 monthly transactions.

There is no cost associated with joining CalTRUST, and no out-of-pocket expenses for money invested in CalTRUST. As with LAIF, all expenses associated with participation in CalTRUST are deducted from the investment yield. In addition, there are no transaction costs associated with contributions to, withdrawals from, or transfer between CalTRUST accounts.

Presently, the total annualized net yields of the CalTRUST Money Market Account and Short-Term Account are 0.06% (6 basis points) and 0.40% (40 basis points), respectively. The Short-Term Account is structured in similar manner as LAIF and would be the most likely for the District's use. The total annualized net yield for the Medium-Term Account is 0.73% (73 basis points). For comparison, LAIF has an annualized net yield of 0.23% (23 basis points).

The District proposes to continue to invest in LAIF in conjunction with CalTRUST to diversify and manage the liquidity needs of the District. Attached for reference is a copy of the CalTRUST Information Sheet.

Prepared By: Joseph Lillio, Finance Manager

**ATTACHMENTS:**

[LVMWD Investment Policy](#)

[CalTRUST Information Sheet](#)

## ARTICLE 6 - INVESTMENT POLICY

### 2-5.601 INVESTMENT

The district shall invest surplus money in a manner providing maximum security while meeting the cash flow demands and conforming to statutes governing the investment of public funds. This investment policy governs investments except funds related to debt issues controlled by specific provisions of the issuance documents, and deferred compensation program money is directed by individual employees participating in the deferred compensation program.

### 2-5.602 BASIC POLICY AND STATEMENT OF OBJECTIVES

(a) Investments shall be made with judgment and care under circumstances the prevailing that persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

(b) The standard of prudence to be used by the investment officials shall be the prudent person standard and shall be applied in the context of managing an overall portfolio. Investment officers who act in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of the personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

(c) Everyone involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or impair their ability to make impartial investment decisions. Each employee involved in the investment process will receive a copy of this investment policy and certify that they have read the policy.

(d) The primary objectives in priority order of investment activities are:

**Safety:** Safety of principal is the foremost objective of the investment program. Investments of the district shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

**Liquidity:** The district's investment portfolio will remain sufficiently liquid to enable the district to meet all operating requirements that might be reasonably anticipated.

**Return on Investment:** The district's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the district's investment risk constraints and the cash flow characteristics of the portfolio.

### 2-5.603<sup>4</sup> PRUDENT PERSON

As in investment standard, any investment shall be made as if it is one that would be purchased by a prudent person using the same discretion and intelligence that a person would use in managing his own affairs and certainly not for speculation.

<sup>4</sup> Section 2-5.603 was amended by Resolution No. 06-13-2441 on June 11, 2013.



2-5.604<sup>5</sup> CRITERIA FOR INVESTMENT

The following criteria will be used in evaluating financial institutions which are eligible for deposits:

- (a) Must be federally insured and have total assets of at least \$10 billion and a net worth ratio of at least three percent.
- (b) Collateral shall be deposited in accordance with the Government Code, consisting of one of the following:
  - (1) Collateral comprised of mortgages/trust deeds must be provided which at all times is in an amount in value at least fifty percent in excess of the amount deposited.
  - (2) Collateral comprised of eligible securities other than mortgages/trust deeds must be provided which at all times is in an amount in value at least ten percent in excess of the amount deposited.
- (c) The Treasurer may waive the first \$250,000 of collateral security if the institution is insured pursuant to Federal law.

2-5.605 TERM OF INVESTMENT

The district will match investments with anticipated cash flow requirements with a maximum allowed maturity of five years.

2-5.606 DELEGATION OF AUTHORITY

(a) The Treasurer is responsible for the investments. Daily management responsibility for the investment program is delegated to the Director of Finance and Administration who shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include reference to safekeeping, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions.

(b) No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance and Administration. The Director of Finance and Administration shall establish a system of controls to regulate the activities of subordinate officials.

2-5.607<sup>6,7</sup> AUTHORIZED INVESTMENTS

(a) The following investments are authorized:

(1) United States Treasury Bills, Bonds and Notes, or those mutual funds for which the full faith and credit of the United States is pledged for payment of principal and

<sup>5</sup> Section 2-5.604 was amended by Resolution No. 06-13-2441 on June 11, 2013.

<sup>6</sup> Section 2-5.607 was amended by Res. No. 02-09-2386 on February 10, 2009.

<sup>7</sup> Section 2-5.607 was amended by Resolution No. 06-13-2441 on June 11, 2013.

interest. There is no limit to the amount of the investment portfolio that may be invested in U. S. Treasury Notes.

(2) Obligations issued by the United States Government Agencies, such as the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), the Federal National Mortgage Association (FNMA), and the Student Loan Marketing Association (SLMA), and mutual funds that consist of these obligations. There is no limit to the amount of the investment portfolio that may be invested in Federal Agencies.

(3) Time deposits, non-negotiable and collateralized in accordance with the Government Code in those U.S. banks and savings and loan associations that meet the requirements as evaluated by a nationally recognized statistical rating organization (NSRO) as designated by the Securities and Exchange Commission, for the qualitative and quantitative analysis of financial institutions. The issuer firm should have been in existence for at least five years. The District may waive the first \$100,000 of collateral security for such deposits if the institution is insured pursuant to federal law. To secure such deposits, an institution shall maintain in the collateral pool securities having a market value of at least 10% in excess of the total amount deposited. Real estate mortgages may not be accepted as collateral. The maximum term for deposits shall be one year. In general, the issuer must have a minimum tier one risk-based capital ratio of 6% as determined by the FDIC and their operation must have been profitable during their last reporting period. No more than 25% of the market value of the portfolio may be vested in time deposits.

(4) Repurchase agreements with banks and dealers with which the District has entered into a master repurchase contract that specifies terms and conditions of repurchase agreements. The transactions shall be limited to primary dealers and the top twenty-five U.S. banking institutions according to asset size. The maturity of repurchase agreements shall not exceed thirty days. The market value of the securities used as collateral for repurchase agreements shall be monitored daily by the investment staff and will not be allowed to fall below 100% of the value of the repurchase agreement. In order to conform with provisions of the Federal Bankruptcy Code, which provides for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be certificates of deposit, eligible banker's acceptances, or securities that are either direct obligations of, or that are fully guaranteed as to principal and interest by the United States or any agency of the United States. A perfected security interest shall always be maintained in the securities, subject to a repurchase agreement. No more than 10% of the market value of the portfolio may be invested in reverse repurchase agreements.

(5) Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum amount permitted by law.

(6) Local government investment pools or mutual funds in private sector that adhere to the Government Code parameters for eligible investments. These are similar to LAIF in function and practice but are not administered through the state.

(7) Bonds, notes issued by local agencies, state of California, and any of the other 49 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency, such as Las Virgenes Municipal Water District. The maturity of such bonds or notes should not exceed five years from the date of purchase. The long-term ratings of such bonds should have at least AA- by Standard and Poor's (S&P) or Aa3 by Moody's, or the short-term ratings

should have at least A-1 by S&P, and P-1 by Moody's. There is no limit to the amount of the investment portfolio that may be invested in municipal bonds.

(b) Ineligible investments include, but are not limited to, common stocks and corporate bonds, inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages and mutual funds. The use of derivatives, options, futures or buying on margin is also specifically prohibited. Securities that could result in zero interest accrual if held to maturity are ineligible. Security transactions shall be conducted on delivery-versus-payment basis. Securities purchased or acquired by the District shall be held in safekeeping by a third party only pursuant to a custodial agreement as required by Government Code §53601.

2-5.608

#### REPORTING REQUIREMENTS

(a) The district shall maintain a complete and timely record of investment transactions.

(b) The Director of Finance and Administration shall prepare and the Treasurer shall submit a monthly investment report of funds directly controlled and managed by the district including a detailed listing of all investment transactions opened and closed during a report period or, if none, a statement to that effect. The report shall be submitted monthly to each director. The report shall include the rating for each banker's acceptance and commercial paper.

(c) Each calendar quarter, the Director of Finance and Administration shall submit an investment report approved by the Treasurer showing a description of the portfolio, the type of investments, the issuers, maturity dates, par values and current market values of each component of the portfolio. The report will include the source of the portfolio valuation. This report shall be submitted to each director.

(d) Each investment report shall be submitted within thirty days following the end of the period covered by the report and must also include certification by the General Manager that investment actions executed since the last report are in compliance with the investment policy or state areas of noncompliance; and the district will meet its expenditure obligations for the next six months or state why sufficient money shall, or may, not be available as required by law.

2-5.609<sup>8</sup>

#### AUTHORIZED FINANCIAL DEALS AND INSTITUTIONS

(a) The Director of Finance and Administration will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in California. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except in a qualified public depository as established by state laws.

(b) Financial institutions, brokers and dealers who desire to become qualified bidders for investment transactions must supply the District with the following:

- Audited financial statements
- Proof of National Association of Security Dealers (NASD) certification

<sup>8</sup> Section 2-5.609 amended by Res No. 02-09-2386 on February 10, 2009.

- Proof of California registration

(c) Each financial institution must certify to the District in writing that it has received and read a copy of the District's Investment Policy and that it will comply with that policy in its investment recommendations to the District.

(d) A current audited financial statement is required to be on file for each financial institution, brokers and dealers through which the District invests.

2-5.610<sup>9</sup>

REVIEW AND REVISION

From time-to-time, the board shall review the investment policy, including the delegation of authority to invest funds, to sell or exchange securities, or to add new investment instruments in the future.

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<sup>9</sup> Section 2-5.610 was amended by Resolution No. 06-13-2441 on June 11, 2013.

**INVESTMENT TRUST OF CALIFORNIA,**

**doing business as**



**A JOINT POWERS AUTHORITY**

**INFORMATION STATEMENT**

**FOR THE SHARES PROGRAM**

**FEBRUARY 24, 2005**  
**(REVISED SEPTEMBER 11, 2013)**

1100 K STREET, SUITE 101  
SACRAMENTO, CALIFORNIA 95814  
TELEPHONE: 888-422-8778

## SUMMARY OF THIS INFORMATION STATEMENT

The following is only a summary of the information that appears elsewhere in this Information Statement (the "Information Statement") for the Shares Program (as hereinafter defined) and in the Joint Exercise of Powers Agreement (the "Agreement," which is provided separately) of the Investment Trust of California, doing business as CalTRUST ("CalTRUST"). All capitalized terms used, but not otherwise defined, herein shall have the meanings ascribed to such terms in the Agreement. Prospective Members of or Participants in CalTRUST should consult their own advisers as to the consequences of participation in CalTRUST and investment through the Shares Program. This Information Statement provides detailed information about CalTRUST. Please read it carefully and retain it for future reference.

**CalTRUST** Investment Trust of California, doing business as CalTRUST, is a California joint powers authority that has been established by its members ("Members") pursuant to the Agreement. CalTRUST's principal executive office is 1100 K Street, Suite 101, Sacramento, California 95814 and its telephone number is (888) 422-8778. CalTRUST is subject to the California Joint Exercise of Powers Act.

**Members** Each Member must be a California "Public Agency" as that term is defined in Section 6509.7 of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (the "Joint Exercise of Powers Act"), which, as of the date of this Information Statement, is defined as "the federal government or any federal department or agency, this state, another state or any state department or agency, a county, county board of education, county superintendent of schools, city, public corporation, public district, or regional transportation commission of the State of California or another state, or any joint powers authority formed pursuant to Article 1 of the Joint Exercise of Powers Act by any of these agencies," and includes "a nonprofit corporation whose membership is confined to public agencies or public officials."

Each Member is also either a political subdivision of a state, or an agency, authority, or instrumentality of the United States, a state or any political subdivision of a state, as those terms are used in the Investment Company Act of 1940, as amended (the "1940 Act").

**Participants** Each participant ("Participant") must be a California Public Agency, as that term is defined in Section 6509.7 of the Joint Exercise of Powers Act, which, as of the date of this Information Statement, is defined as "the federal government or any federal department or agency, this state, another state or any state department or agency, a county, county board of education,

county superintendent of schools, city, public corporation, public district, or regional transportation commission of the State of California or another state, or any joint powers authority formed pursuant to Article 1 of the Joint Exercise of Powers Act by any of these agencies," and includes "a nonprofit corporation whose membership is confined to public agencies or public officials."

**Purpose**

The purpose of CalTRUST is to consolidate investment activities of its Participants and thereby reduce duplication, achieve economies of scale and carry out coherent and consolidated investment strategies through the issuance of shares of beneficial interest in investments purchased by CalTRUST (the "Shares Program"). The California Government Code provides that Public Agencies may purchase shares of beneficial interest issued by a joint powers authority, such as CalTRUST, organized pursuant to Section 6509.7 of the Act.

All money not required for the immediate needs of a Public Agency may be invested in certain investments described in this Information Statement. However, the California Government Code limits the amount of surplus money of a Public Agency that may be invested in such investments. Funds consisting of tax-exempt bond proceeds may be subject to investment restrictions, arbitrage management and rebate requirements under federal tax laws. Public Agencies seeking to invest tax-exempt bond proceeds should consult professional advisers familiar with those requirements to determine whether investing through the Shares Series is appropriate. CalTRUST reserves the right to prohibit the investment of bond proceeds or limit the investment of bond proceeds by a Public Agency to less than 10% of the net asset value of a Series of Shares.

**Series**

CalTRUST currently offers four accounts or series of Shares to provide Public Agencies with a convenient method of pooling funds, (i) the "CalTRUST Short-Term Fund" Series, (ii) the "CalTRUST Medium-Term Fund" Series, (iii) the "CalTRUST Long-Term Fund" Series, and (iv) the Wells Fargo Advantage Funds Heritage Money Market Fund, Select Class shares, offered to California Public Agencies through CalTRUST as the "CalTRUST Heritage Money Market Fund" (each, a "Series" and collectively, the "Series").

**Investment Objectives**

Each Series seeks to attain as high a level of current income as is consistent with the preservation of principal. The funds in each Series will be invested in only fixed-income oriented investments permitted in accordance with Sections 53601 and 53635 of the

California Government Code. The CalTRUST Short-Term Fund will have a target portfolio duration of 0 to 2 years. The CalTRUST Medium-Term Fund will have a target portfolio duration of 1-1/2 to 3-1/2 years. The CalTRUST Long-Term Fund will have a target portfolio duration of 5 to 7 years. The CalTRUST Heritage Money Market Fund has a maximum dollar-weighted average maturity of 60 days, and a maximum dollar-weighted average life of 120 days, in accordance with Rule 2a-7 of the Investment Company Act of 1940.

## Risks

The principal risks of investing through the Shares Program, which could adversely affect the market value, yield and total return of a Series of Shares, include market risk, interest rate risk, credit risk, issuer risk, liquidity risk, mortgage risk and management risk. These risks are discussed in more detail later. The values of the Shares of a Series change in response to movements in interest rates. If rates rise, the values of debt securities generally fall. The longer the average duration of a Series' investment portfolio, the greater the potential change in value. The values of the Shares of a Series may also decline in response to events affecting the issuer of any securities held in the applicable Series or its credit rating. The value of some mortgage-backed and asset-backed securities in which funds attributable to a Series of Shares may be invested also may fall because of unanticipated levels of principal prepayments that can occur when interest rates decline.

*The Shares in the CalTRUST Short-Term Fund, CalTRUST Medium-Term Fund and CalTRUST Long-Term Fund are not registered under any federal or state securities law. Neither CalTRUST, the CalTRUST Short-Term Fund, CalTRUST Medium-Term Fund, nor the CalTRUST Long-Term Fund is registered under the Investment Company Act of 1940 (the 1940 Act). For that reason, CalTRUST, the CalTRUST Short-Term Fund, the CalTRUST Medium-Term Fund, and the CalTRUST Long-Term Fund are not subject to the various protections of the 1940 Act, which apply to certain pooled vehicles such as money market funds and other mutual funds.*

*The shares in the CalTRUST Heritage Money Market Fund are registered with the Securities and Exchange Commission (SEC) under the provisions of Rule 2a-7 of the Investment Company Act of 1940. Additional information regarding the CalTRUST Heritage Money Market Fund can be found in the Wells Fargo Advantage Funds Heritage Money Market Fund Select Class shares fund prospectus, available online at:*



[http://a584.g.akamai.net/f/584/1326/1d/www.wellsfargoadvantagefunds.com/pdf/prospectus/prospectus\\_moneymarket\\_select.pdf](http://a584.g.akamai.net/f/584/1326/1d/www.wellsfargoadvantagefunds.com/pdf/prospectus/prospectus_moneymarket_select.pdf).

<b>Net Asset Value</b>	The net asset value of the CalTRUST Short-Term Fund is calculated daily. The net asset values of the CalTRUST Medium-Term Fund and the CalTRUST Long-Term Fund are calculated daily, although shares in these funds are redeemed once per month on the last Business Day of the month. The net asset value of the CalTRUST Heritage Money Market Fund is calculated multiple times daily (as of July 1, 2013, seven times per day). Income from each Series is reinvested in the applicable Series.
<b>How to Participate</b>	To participate in CalTRUST, authorized officials of the Participant should first read this entire Information Statement and the Agreement, as well as the Investment Advisory Agreement. The Participant must then complete and submit to the Administrator, a Program Registration Form and Participation Agreement.
<b>How to Purchase Shares</b>	Once appropriate accounts have been established, Shares may be purchased by wiring funds to the Custodian (defined below) from the Participant's bank, along with written instructions as described in more detail in this Information Statement.
<b>How to Sell Shares</b>	Shares may be sold by requesting a wire transfer, as described in more detail in this Information Statement.
<b>Minimum Purchase</b>	A Participant must purchase a total of at least \$250,000 of Shares through one or more Series in order to participate. The Administrator (defined below) may waive that minimum purchase in its discretion.
<b>Series Expenses</b>	The costs and fees for each Series are set forth in Section X hereto.
<b>Board of Trustees</b>	CalTRUST is currently governed by a Board of Trustees of ten Trustees, at least seventy-five percent (75%) of whom are members of the governing body, officers, or personnel of the Members. The Board is responsible for setting overall policies and procedures for CalTRUST and the Shares Program, for retaining the Administrator, Custodian, Investment Advisor, and other agents of CalTRUST.
<b>Administrator</b>	The " <u>Administrator</u> " is the entity engaged by CalTRUST to serve as the subadministrator to CalTRUST and administrator of the Shares Program pursuant to the terms of the Administration

Agreement. CSAC Finance Corporation, with an office at 1100 K Street, Suite 101, Sacramento, California 95814, is the Administrator for the Shares Program.

**Custodian** The “Custodian” is the entity engaged by CalTRUST to serve as the custodian for the Shares Program pursuant to the terms of the Custodial Agreement. Wells Fargo Bank, N.A. a custodial bank with an office at 525 Market Street, San Francisco, CA 94105 is the Custodian for each Series.

**Investment Advisor** The “Investment Advisor” is the entity engaged by CalTRUST to serve as the investment advisor to the Shares Program pursuant to the terms of the Advisory Agreement. Wells Capital Management, a wholly-owned subsidiary of Wells Fargo Bank, NA, with its principal office at 525 Market Street, 10<sup>th</sup> Floor, San Francisco, CA 94105, is the Investment Advisor to CalTRUST and the Shares Program.

**Auditors** The financial statements of CalTRUST will be audited annually by an independent auditor to be selected by CalTRUST. The fiscal year for CalTRUST ends each June 30.

## SECTION I

### INSTRUCTIONS ON HOW TO PARTICIPATE IN THE SHARES PROGRAM

#### STEP ONE: READ THIS ENTIRE INFORMATION STATEMENT BEFORE INVESTING

A prospective Participant in CalTRUST should carefully read this entire Information Statement and the complete Agreement and the documents referred to herein and therein (copies of which will be provided separately) before investing funds through the investment program offered by CalTRUST whereby Participants purchase shares of beneficial interest in a Series (the "Shares Program"). ***However, the contents of this Information Statement should not be considered to be legal, tax or investment advice, and prospective Participants should consult with their own counsel and advisers as to all matters concerning investment through the Shares Program.*** Participants should keep a copy of this Information Statement for their records.

#### STEP TWO: OPENING AN ACCOUNT

Prospective Participants must complete a Program Registration Form and Participation Agreement (attached to this Information Statement as Attachment A), and forward it to:

***CSAC Finance Corporation  
1100 K Street, Suite 101  
Sacramento, California 95814  
Attention: CalTRUST***

There is no limit on the number of accounts that can be opened by a Participant. Additional forms of Program Registration Form and Participation Agreement are provided for this purpose. The Administrator will notify the prospective Participant of its approval of the application(s) and the account number(s) assigned. ***The Administrator reserves the right to reject any application in its discretion.***

Instructions on the Program Registration Form and Participation Agreement will remain in effect until the Administrator receives written notification to change them. Any changes to addresses, account registrations, names or signatures of authorized officials, or other critical information will require appropriate documentation. Instructions or forms may be obtained by calling the Administrator at (888) 422-8778, and asking for CalTRUST Service Center.

## SECTION II

### INVESTMENT STRATEGIES AND OBJECTIVES

#### A. PURPOSE: WHO MAY INVEST

CalTRUST is a separate joint powers authority and public agency established by its members ("Members") under the provisions of Section 6509.7 of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (the "Joint Exercise of Powers Act") to provide Public Agencies with consolidated investment activities and thereby reduce duplication, achieve economies of scale and carry out coherent and consolidated investment strategies. Members and Participants must each be a California "Public Agency" as that term is defined in Section 6509.7 of the Joint Exercise of Powers Act, which, as of the date of this Information Statement, is defined as "the federal government or any federal department or agency, this state, another state or any state department or agency, a county, county board of education, county superintendent of schools, city, public corporation, public district, or regional transportation commission of the State of California or another state, or any joint powers authority formed pursuant to Article 1 of the Joint Exercise of Powers Act by any of these agencies," and includes "a nonprofit corporation whose membership is confined to public agencies or public officials."

All money not required for the immediate needs of Public Agencies may be invested in certain investments described in this Information Statement. However, the California Government Code limits the amount of surplus money of a Public Agency that may be invested in such investments.

*Funds consisting of tax-exempt bond proceeds may be subject to investment restrictions, arbitrage management and rebate requirements under federal tax laws.* Although CalTRUST does not initially intend to permit Participants to invest tax-exempt bond proceeds to the extent that the bond proceeds of a Participant would constitute greater than 10% of the assets in any Series, if the 10% threshold is later or inadvertently reached with respect to a Series, such Series will no longer qualify as an "external" commingled fund with the consequence that Participants will be deemed to have received, for purposes of arbitrage rebate and yield calculations, phantom income equal to the reasonable administrative costs related to overhead and other indirect costs that would otherwise have been deductible for such calculations. *Public Agencies that invest tax-exempt bond proceeds should consult professional advisers familiar with those requirements to determine whether investing through the Shares Program is appropriate.*

## B. SERIES BENCHMARKS

CalTRUST currently offers four accounts or series of Shares to provide Public Agencies with a convenient method of pooling funds, (i) the "CalTRUST Short-Term Fund" Series, (ii) the "CalTRUST Medium-Term Fund" Series, (iii) the "CalTRUST Long-Term Fund" Series, and (iv) the CalTRUST Heritage Money Market Fund (each, a "Series" and collectively, the "Series"). All Shares issued hereunder, including without limitation, Shares issued in connection with a dividend in Shares or a division of Shares, shall be fully paid and nonassessable. Each Series of Shares will be benchmarked against a fund or index believed by the Investment Advisor to be comparable in investment strategy and duration. The current benchmarks are described below. If a benchmark fund or index were to modify its strategy or duration in the future, the Investment Advisor could select alternate benchmarks with which to compare a Series' performance.

### ***Short-Term Fund Benchmark:***

The performance benchmarks for the Short-Term Fund are the investment funds specified below:

#### ***Short-Term Fund: Local Agency Investment Fund ("LAIF")***

LAIF is an investment alternative for California's local governments and special districts, which was enabled under Section 16429.1 et seq. of the California Government Code. LAIF invests in certain securities authorized by Sections 16430 and 16480.4 of the California Government Code. In 2006, LAIF had \$16.7 billion under management. LAIF conducts a market valuation of its investments each month.

#### ***Barclays Short-term Gov/Corp Index***

The Barclays Short-term Gov/Corp Index is an unmanaged index consisting of the cumulative daily total returns of US Treasuries, federal agency securities and investment-grade corporate bonds with maturities between one and twelve months.

The index is re-balanced on the last calendar day of the month. Issues that meet the qualifying criteria are included in the index for the following month. Issues that no longer meet the criteria during the course of the month remain in the index until the next month-end rebalancing at which point they are dropped from the index.

An index is not available for direct investment and does not reflect the deduction of fees and expenses.

**Medium-Term Fund Benchmark:**

The performance benchmark for the Medium-term Fund is the unmanaged index specified below:

***Medium-Term Fund: Bank of America Merrill Lynch 1-3 Year AAA-A US Corporate & Government Index***

The BofA Merrill Lynch 1-3 Year AAA-A US Corporate & Government Index is a subset of The BofA Merrill Lynch US Corporate & Government Index including all securities with a remaining term to final maturity less than 3 years and rated AAA through A3, inclusive.

The BofA Merrill Lynch US Corporate & Government Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasury, US agency, foreign government, supranational and corporate securities.

For the 'A or better' or AAA-A indices, qualifying securities must have a AAA through A3 rating (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for US Treasuries and \$250 million for all other securities. Bills, inflation-linked debt and strips are excluded from the Index; however, original issue zero coupon bonds are included in the Index and the amounts outstanding of qualifying coupon securities are not reduced by any portions that have been stripped. 144a securities, both with and without registration rights, and corporate pay-in-kind securities, including toggle notes, qualify for inclusion. Callable perpetual securities qualify provided they are at least one year from the first call date. Fixed-to-floating rate securities also qualify provided they are callable within the fixed rate period and are at least one year from the last call prior to the date the bond transitions from a fixed to a floating rate security. Eurodollar bonds (USD bonds not issued in the US domestic market), tax-exempt US municipal, warrant-bearing, dividends-received-deduction-eligible (DRD-eligible) and defaulted securities are excluded from the Index.

An index is not available for direct investment and does not reflect the deduction of fees and expenses.

**Long-Term Fund Benchmark:**

The performance benchmark for the Long-Term Fund is the unmanaged index specified below:

***Long-Term Fund:*** *As of the date of this Information Statement, a benchmark had not yet been selected for the Long-Term Fund, which has yet to be activated by the CalTRUST Board of Trustees.*

*There can be no assurance that any Series will perform as well as or better than its designated benchmark fund or index.*

***CalTRUST Heritage Money Market Fund Benchmark:***

The performance benchmark for the CalTRUST Heritage Money Market Fund is the unmanaged index specified below:

***Lipper Institutional Money Market Funds Average***

The Lipper Institutional Money Market Funds Average (the Lipper Average) is an average of funds that invest in high quality financial instruments rated in top two grades with dollar-weighted average maturities of less than 90 days.

Funds included in the Lipper Average require high minimum investments and have lower total expense ratios relative to other money market funds. These funds intend to keep a constant net asset value.

The Lipper Average is not available for direct investment and does not include the effect of sales charges on total return.

**C. MINIMUM PURCHASE**

A Participant must purchase a total of at least \$250,000 of Shares through one or more Series in order to participate.

**D. INVESTMENT BENEFITS**

The Investment Advisor seeks to provide the following benefits to purchasers of Shares in any Series:

- **Preservation of Principal.** Preserve principal to the extent reasonably possible in accordance with the applicable investment strategy by investing only in fixed-income oriented Authorized Investments, and in accordance with an investment strategy designed to preserve capital.
- **Liquidity.** Provide liquidity so that Participants have ready access to their Shares to the extent described in this Information Statement.
- **Income.** Provide as high a level of current income in each Series as is consistent with preserving principal and maintaining liquidity.

- **Professional Management.** Investments are managed by investment professionals that follow both general economic and current market conditions affecting interest rates and the value of fixed-income oriented investments.
- **Diversification.** Each Participant in a Series will own Shares in a diversified portfolio of high quality securities.
- **Accounting, Safekeeping and Separate Series.** The Participants' investments are accounted for in compliance with governmental accounting and auditing requirements, and Participants will be provided with all necessary information to do the bookkeeping and safekeeping associated with the ownership of the Shares. Participants will have secure online access to their accounts, as well as being provided with monthly statements.

*There can be no assurance that the investment objectives of any particular Series will be achieved.*

#### E. AUTHORIZED INVESTMENTS

The securities purchased by CalTRUST through the Investment Advisor will be comprised exclusively of the investments described below (the "Authorized Investments"). These investments are authorized investments under the California Government Code, as may be amended from time to time, for money not required for the immediate needs of Public Agencies. The California Government Code limits the amount of surplus money of a Public Agency which may be invested in certain of the investments described below. Each Participant shall be responsible for monitoring the aggregate amount of its investments in any of these kinds of investments to assure its own compliance with the California Government Code. None of the Investment Advisor, the Administrator or CalTRUST shall be responsible for such monitoring. *The Board may revise this Investment Policy from time to time subject to Section 4.2(a) of the Agreement.* Pursuant to the Agreement, the Board shall cause the amended Investment Policy to be delivered to each Participant.

1. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
2. Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.



3. Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
4. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
5. Bankers acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers acceptances may not exceed 180 days' maturity or 40 percent of the assets in a Series. However, no more than 30 percent of the assets in a Series may be bankers acceptances of any one commercial bank.
6. Commercial paper of "Prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization ("NRSRO"). The entity that issues the commercial paper shall meet all of the following criteria in either clause (a) or (b): (a)(i) is organized and operating in the United States as a general corporation, (ii) has total assets in excess of five hundred million dollars (\$500,000,000) and (iii) has debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO; or (b)(i) is organized within the United States as a special purpose corporation, trust, or limited liability company, (ii) has programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond and (iii) has commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO. Eligible commercial paper shall have a maximum maturity of 270 days or less. No more than 25 percent of the assets in a Series may be eligible commercial paper. No more than 10 percent of the assets in a Series may be outstanding commercial paper of any single issuer. No more than 10 percent of the outstanding commercial paper of any single issuer may be purchased for a Series.
7. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the California Financial Code), or a state or federal credit union, or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the assets in a Series. Purchases shall not exceed the shareholder's equity of any depository bank. Shareholder's equity shall be determined in accordance with Section 118 of the California Financial Code, but shall be deemed to include capital notes and debentures. Purchases shall not exceed the total of the net worth of any savings association or federal association, except that deposits not exceeding a total of

five hundred thousand dollars (\$500,000) may be made to a savings association or federal association without regard to the net worth of that depository, if such deposits are insured or secured as required by law. Purchases of negotiable certificates of deposit from any regularly chartered credit union shall not exceed the total of the unimpaired capital and surplus of the credit union, as defined by rule of the California Commissioner of Financial Institutions, except that the deposit to any credit union share account in an amount not exceeding five hundred thousand dollars (\$500,000) may be made if the share accounts of that credit union are insured or guaranteed pursuant to Section 14858 of the California Financial Code or are secured as required by law. Purchases of negotiable certificates of deposit issued by a state or federal credit union are prohibited if a member of the legislative body of any Participant, or any person with investment decisionmaking authority for any Participant, also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

8. Investments in repurchase agreements of Authorized Investments as long as the agreements are subject to the requirements of California Government Code Section 53601(i), including the delivery requirements specified in California Government Code Section 53601(i). “Repurchase agreement” means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank’s customer book-entry account may be used for book-entry delivery. Investments in repurchase agreements may be made, on any Authorized Investments, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.
9. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subsection shall be rated “A” or better by a nationally recognized rating service. Purchases of medium-term notes (not including other Authorized Investments) may not exceed 30 percent of the assets in a Series.

10. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. Such companies shall have attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs or retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). The purchase price of shares of beneficial interest purchased pursuant to this subsection shall not include any commission that the companies may charge and shall not exceed 20 percent of the assets in a Series.
11. Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by California Government Code Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by California Government Code Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
12. Any mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this subsection shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subsection may not exceed 20 percent of the assets in a Series.

Funds invested through a Series will be invested by the Investment Advisor in accordance with the prudent investor standard of the California Government Code. Any investments consisting of notes, bonds, bills, certificates of indebtedness, warrants, or registered warrants shall be legal investments for savings banks in the State of California. Funds invested through a Series will not be invested in any inverse floaters, range notes or mortgage-derived, interest-only strips, or in any security that could result in zero interest accrual if held to maturity.

The authorizing statute, charter, or bylaws of a Participant or the trust indenture or ordinance or resolution under which the debt obligations of a Participant are issued or its funds are invested may contain investment restrictions which prohibit or otherwise limit investment in one or more of the above-described investments. Accordingly, *Participants should consult with their legal counsel and/or financial adviser regarding the legality of investing funds through the Shares Program.*

*CalTRUST is not registered as an investment company under the Investment Company Act of 1940 and, accordingly, is not subject to the provisions of that Act and the rules thereunder, including the protective rules relating to registered money market funds and other types of mutual funds.*

#### F. DURATION OF SERIES AND MATURITY OF INVESTMENTS

Each Series seeks to attain as high a level of current income as is consistent with the preservation of principal. Each Series will invest in only fixed-income oriented Authorized Investments. The Short-Term Fund seeks a target portfolio duration of 0 to 2 years. The Medium-Term Fund seeks a target portfolio duration of 1<sup>1</sup>/<sub>2</sub> to 3<sup>1</sup>/<sub>2</sub> years. The Long-Term Fund seeks a target portfolio duration of 5 to 7 years. The CalTRUST Heritage Money Market Fund has a maximum dollar-weighted average maturity of 60 days and a maximum dollar-weighted average life of 120 days, in accordance with Rule 2a-7 of the Investment Company Act of 1940..

Each Series invests in a diversified portfolio of fixed-income oriented investments of varying maturities with a different portfolio “duration.” Duration is a measure of the expected life of a fixed-income oriented investment that was developed as a more precise alternative to the concept of “term to maturity.” Duration incorporates a bond’s yield, coupon interest payments, final maturity, call and put features and prepayment exposure into one measure. Traditionally, a fixed-income oriented investment’s “term to maturity” has been used to determine the sensitivity of the investment’s price to changes in interest rates (which is the “interest rate risk” or “volatility” of the investment). However, “term to maturity” measures only the time until a fixed-income oriented investment provides its final payment, taking no account of the pattern of the investment’s payments prior to maturity. Duration is used in the management of a Series as a tool to measure interest rate risk. For example, a Series with a portfolio duration of two years would be expected to change in value 2% for every 1% move in interest rates

#### G. RISKS

1. General. Because the values of the Shares of a Series will change with market conditions, so will the value of a Participant’s investment through the Shares program. *A Participant could lose money on an investment through*

*the Shares Program or an investment through the Shares Program could underperform other investments.* The Medium-Term Fund and Long-Term Fund have the potential for greater return and loss than the Short-Term Fund. The Series are subject primarily to interest rate and credit risk. Interest rate risk is the potential for a decline in bond prices due to rising interest rates. In general, bond prices vary inversely with interest rates. The change in bond price depends on several factors, including the bond's maturity date. In general, bonds with longer maturities are more sensitive to changes in interest rates than bonds with shorter maturities. Credit risk is the possibility that a bond issuer will fail to make timely payments of interest or principal to a Series.

2. Obligations of Agencies or Instrumentalities of the United States Government. Certain short-term obligations of agencies or instrumentalities of the United States Government purchased with funds invested through the Series may only be backed by the issuing agency or instrumentality and may not be backed by the full faith and credit of the United States Government. For example, securities issued by the Federal Home Loan Banks and the Federal Home Loan Mortgage Corporation are supported only by the credit of the agency or instrumentality that issued them, and not by the United States Government, and securities issued by the Federal Farm Credit System and the Federal National Mortgage Association are supported by the agency's or instrumentality's right to borrow money from the U.S. Treasury under certain circumstances

## H. INVESTMENT RESTRICTIONS

The Board has adopted the following investment restrictions for the Shares Program. Funds invested through a Series will not be used to:

1. Purchase any securities other than those described under "Authorized Investments," unless California law at some future date redefines the types of securities which are legal investments for all classes of Participants, in which case the permitted investments for the Series may be changed by the Board to conform to California law.
2. Invest in securities of any issuer in which a Trustee, officer, employee, agent or adviser of CalTRUST is an officer, director or 5% shareholder unless such investment is periodically authorized by resolution adopted by the Board, excluding officers, directors or 5% shareholders of such issuer.
3. Make loans, except that repurchase agreements may be entered into as specified under "Authorized Investments."
4. Borrow money or pledge, hypothecate or mortgage the assets in a Series or otherwise engage in any transaction that has the effect of creating leverage

with respect to a Series; *provided, however*, that short-term credits necessary for the settlement of securities trades may be used, and forward purchases and sales of securities that are expected to settle beyond a normal “T+3” basis may be entered into.

5. Purchase the securities of any issuer (other than obligations issued and guaranteed as to principal and interest by the government of the United States, its agencies or instrumentalities) if, as a result, more than 10% of the total assets in a series would be invested in the securities of any one issuer.

**I. APPLICATION OF PERCENTAGES**

Any percentage limitation or rating requirement described under “Investment Strategies and Objectives” will be applied at the time of purchase.

**J. NOTICE TO PARTICIPANTS OF MATERIAL CHANGE TO INVESTMENT STRATEGIES AND OBJECTIVES OR INVESTMENT POLICY**

The Board may revise the Investment Policy from time to time subject to Section 4.2(a) of the Agreement; and may revise the investment strategies and objectives of any Series from time to time. Any material change in the investment strategies and objectives for any Series adopted by the Board shall be communicated, in writing, to each Participant prior to the effective date of such change.

### SECTION III

#### INCOME AND VALUE OF THE SERIES

**A. INCOME AND DIVIDENDS OF THE SERIES**

***Short-Term Fund***

As of 1:00 p.m. Pacific time each day that the Custodian is open for business (a “Business Day”), the net income of the Short-Term Fund is determined and declared as a dividend to Participants of record as of the close of business on that day. Shares purchased as of 1:00 p.m. on any Business Day will begin earning dividends on such date of purchase. Shares will continue to earn dividends until the Business Day such Shares are redeemed and the funds are wired to the Participant. Earnings for Saturdays, Sundays and holidays are declared on the next Business Day. Dividends declared are paid monthly on the last Business Day of each month and are automatically re-invested in each Series by purchase of additional Shares of such Series.

**Medium-Term Fund and Long-Term Fund**

As of 1:00 p.m. Pacific time on the last Business Day of each month, the net income of the Medium-Term Fund and the Long-Term Fund is determined and declared as a dividend to Participants of record as of the close of business on that day. Shares purchased as of the last Business Day of a month will begin earning dividends for the following month. Shares will continue to earn dividends until the Business Day such Shares are redeemed and the funds are wired to the Participant. Dividends declared are paid monthly on the last Business Day of each month and are automatically re-invested in each Series by purchase of additional Shares of such Series.

If Shares are redeemed from any Series in any month prior to the payment of dividends on the last Business Day of such month (including in the case of an emergency as approved by the Board of Trustees or otherwise), the Participant shall be entitled to receive a pro rata portion of the dividends such Participant would otherwise be entitled to receive, up to the date of redemption, which shall be paid on the last Business Day of such month.

For the purpose of calculating dividends, net income of each Series consists of interest earned plus or minus any discounts or premiums ratably amortized to the date of maturity and all realized gains and losses on the sale of securities prior to maturity, less all accrued expenses of such Series, including the fees described under "Expenses of the Trust."

Each Series may attempt to maximize yields through trading to take advantage of short-term market variations. These policies may result in high portfolio turnover. However, because the cost of transactions of the type in which the Series engage is small, a high turnover rate is not expected to affect materially income or net asset value.

**Money Market Fund**

As of 1:00 p.m. Pacific time each day that the Custodian is open for business (a "Business Day"), the net income of the CalTRUST Heritage Money Market Fund is determined and declared as a dividend to Participants of record as of the close of business on that day. Shares purchased as of 1:00 p.m. on any Business Day will begin earning dividends on such date of purchase. Shares will continue to earn dividends until the Business Day such Shares are redeemed and the funds are wired to the Participant. Earnings for Saturdays, Sundays and holidays are declared on the next Business Day. Dividends declared are paid monthly on the last Business Day of each month and are automatically re-invested in each Series by purchase of additional Shares of such Series.

**B. VALUATION OF SERIES**

The net asset value of the Shares of the Short-Term Fund is normally determined by the Administrator as of 1:00 p.m. Pacific time on each Business Day. The net

asset values of the Shares of the Medium-Term Fund and the Long-Term Fund are normally determined by the Administrator as of 1:00 p.m. Pacific time on each Business Day, although shares in these funds are redeemed once per month on the last Business Day of the month. The net asset value of the shares of the CalTRUST Heritage Money Market Fund is determined multiple times each Business Day (as of July 1, 2013, seven times each Business Day).

The net asset value per Share of each Series is computed by dividing the total value of the securities and other assets of such Series, less any liabilities, by the total outstanding Shares of such Series. Liabilities include all accrued expenses and fees of such Series, including the fees described under “Expenses of the Trust.”

The net asset value per share of each Series normally is determined on the specified day if banks are open for business and the New York Stock Exchange is open for trading. With the exception of the value of securities in the CalTRUST Heritage Money Market Fund, the value of a Series’ portfolio securities is determined on the basis of the market value of such securities or, if market quotations are not readily available, at fair value under guidelines established by the Trustees. Investments with short remaining maturities may be valued at amortized cost which the Board has determined to equal fair value. Securities in the CalTRUST Heritage Money Market Fund are valued using the amortized cost method, in accordance with Rule 2a-7 under the Investment Company Act of 1940. Additional detail regarding the determination of the net asset value of the shares of the CalTRUST Heritage Money Market Fund can be found in the Wells Fargo Advantage Funds Heritage Money Market Fund Select Class shares fund prospectus, available online at:

[http://a584.g.akamai.net/f/584/1326/1d/www.wellsfargoadvantagefunds.com/pdf/prospectus/prospectus\\_moneymarket\\_select.pdf](http://a584.g.akamai.net/f/584/1326/1d/www.wellsfargoadvantagefunds.com/pdf/prospectus/prospectus_moneymarket_select.pdf)

The market value basis for net asset value per Share of each Series may be affected by general changes in interest rates resulting in increases or decreases in the value of securities held by such Series. The market value of such securities will tend to vary inversely to changes in prevailing interest rates. Thus, if interest rates rise after a security is purchased, such a security, if sold, might be sold at a price less than its cost. Similarly, if interest rates decline, such a security, if sold, might be sold at a price greater than its cost. If a security is held to maturity, no loss or gain is normally realized as a result of these price fluctuations. Redemptions by Participants could require the sale of portfolio securities prior to maturity.

The Administrator normally will announce the net asset value of the Shares of the Short-Term Fund by 9:00 a.m. on the Business Day after it is determined and will announce the net asset values of the Shares of the Medium-Term Fund and Long-Term Fund within three Business Days after they are determined.



## C. YIELD INFORMATION

### *Short-Term Fund, Medium-Term Fund & Long-Term Fund*

The aggregate and average annual total return, current annualized yield and effective annual yield of the Short-Term Fund, Medium-Term Fund and Long-Term Fund may, from time to time, be quoted in reports, literature and advertisements published by CalTRUST.

Current annualized yield of the Short-Term Fund is computed by averaging the daily dividend declared by such Series during the prior seven calendar day period, dividing by the average daily net asset value per Share of such Series over the same period, and multiplying the result by 365.

Current annualized yield of the Medium-Term Fund and the Long-Term Fund is computed by averaging the monthly dividend declared by the applicable Series during the prior months of such calendar year, dividing by the average monthly net asset value per Share of the applicable Series over the same period, and multiplying the result by 12.

The “effective annual yield” of each Series, which reflects the value of compounding and represents the annualization of the current yield with all dividends reinvested, may also be quoted. Effective annual yield of each Series is computed by dividing the monthly dividend rate of such Series by 12, adding 1 and raising the sum to the power of 12, and subtracting 1 from the result.

### *CalTRUST Heritage Money Market Fund*

Pursuant to SEC rules governing registered money market funds, the CalTRUST Heritage Money Market Fund may quote a “7-Day Gross Yield”. The 7-day gross yield is determined based on the 7 days ended on the last day of the prior month, by taking the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical pre-existing account having a balance of one share at the beginning of the period and dividing the difference by the value of the account at the beginning of the base period to obtain the base period return, and then multiplying the base period return by (365/7) with the resulting yield figure carried to at least the nearest hundredth of one percent. The 7-day gross yield does not reflect a deduction of shareholders fees and fund operating expenses.

Additional information regarding the determination and reporting of the “7-Day Gross Yield” can be found on the SEC website at:

<http://www.sec.gov/rules/final/2010/ic-29132.pdf>.

The yields of each Series quoted should not be considered a representation of the yield of such Series in the future, since the yield is not fixed. Actual yields of

each Series will depend on the type, quality, yield and maturities of securities held by such Series, changes in interest rates, market conditions and other factors.

## SECTION IV

### INVESTMENTS AND WITHDRAWALS

#### A. ACCOUNTS

Before funds are invested under the Shares Program, Participants will need to establish appropriate accounts pursuant to the procedure described under “Instructions on How to Participate.” Each Participant will have master account(s) representing the total funds invested through the Short-Term Fund, Medium-Term Fund, Long-Term Fund, and/or CalTRUST Heritage Money Market Fund, as applicable, by such Participant.

The Administrator will process investments, withdrawals and transfers only on Business Days.

#### B. INVESTMENTS

Investments in a Series can be made by wire transfer of immediately available funds from the Participant’s bank to the Custodian. However, *the Administrator reserves the right to reject any investment and to limit the size of a Participant’s account.*

Investment in a Series may be through the CalTRUST Online Portal, by following the steps outlined in the “CalTRUST Online Trading User Guide”, which is available to all participants at [www.caltrust.org](http://www.caltrust.org), or by following both of the following steps:

**Step 1:** Provide the Administrator with the following information, either in writing by mail, courier service, or facsimile (Attention: CalTRUST Service Center, 1100 K Street, Suite 101, Sacramento, California 95814; Fax 252-972-1908), by telephone 888-422-8778, or via the online portal.

- Participant’s account name
- Participant’s CalTRUST account number
- Amount being wired
- Type of wire – Federal Reserve or bank
- Name of Participant’s bank sending wire

**Step 2:** Instruct the Participant's bank to wire funds as follows (Federal Reserve wire if possible). Please contact the CalTRUST Customer Service Center at (888) 422-8778 for wiring instructions.

To receive wiring instructions with respect to the Long-Term Fund, a Participant should contact the Administrator.

CalTRUST does not charge a fee for receipt of these wires. However, a Participant's bank may charge a fee for wiring funds.

### **Short-Term Fund**

***Investments will not begin earning income unless and until the Administrator receives the requisite advance notice and the Custodian receives a Federal Reserve wire or bank wire convertible to Federal Funds on a same-day basis.*** When the Administrator receives the requisite advance notice and the funds are received by the Custodian, investments will be made and begin earning income on the Business Day on which funds are received.

Notice will be considered given on a particular Business Day if received by the Administrator before 1:00 p.m. Pacific time; otherwise it will be considered given on the next Business Day. Funds will be considered delivered on a particular Business Day if the wire is received by the Custodian before 1:00 p.m. Pacific time, otherwise funds will be considered delivered on the next Business Day.

### **Medium-Term Fund and Long-Term Fund**

Funds may be invested in the Medium-Term Fund or the Long-Term Fund only once per month on the last Business Day of the month; *provided, however*, that the Administrator receives at least five Business Days' prior notice of the investment (*i.e.*, on or before the fifth to the last Business Day of the month), and the Custodian receives a Federal Reserve wire or bank wire convertible to Federal Funds on a same-day basis within five Business Days after such notice is received by the Administrator (*i.e.*, on or before the last Business Day of the month).

***Investments will not begin earning income unless and until the Administrator receives the requisite advance notice and the funds are received by the Custodian within the requisite time.*** When the Administrator receives the requisite advance notice and the funds are received by the Custodian within the requisite time, investments will be made and begin earning income for the following month.

***In any particular month, if a Participant gives late notice or transmits late funds (i.e., the Administrator receives notice of the investment after the fifth to the last Business Day of such month or the Custodian receives the funds after the last Business Day of such month), then from the Business Day on which funds***

*are received until the last Business Day of the following month, such funds shall be automatically invested in the Short-Term Fund.* In any particular month, if the Administrator receives requisite notice (*i.e.*, on or before the fifth to the last Business Day of such month) and the Custodian receives the funds before the last Business Day of such month, then from the Business Day on which funds are received until the last Business Day of such month, such funds shall be automatically and temporarily invested in the Short-Term Fund. On the last Business Day of the applicable month, such funds shall be automatically transferred from the Short-Term Fund and invested in the Medium-Term Fund or the Long-Term Fund as specified in the notice, unless such notice is properly withdrawn by providing the Administrator with at least five Business Days' prior notice.

Notice will be considered given on a particular Business Day if received by the Administrator before 1:00 p.m. Pacific time, otherwise it will be considered given on the next Business Day. Funds will be considered delivered on a particular Business Day if the wire is received by the Custodian before 1:00 p.m. Pacific time, otherwise funds will be considered delivered on the next Business Day.

#### **Money Market Fund**

*Investments will not begin earning income unless and until the Administrator receives the requisite advance notice and the Custodian receives a Federal Reserve wire or bank wire convertible to Federal Funds on a same-day basis.* When the Administrator receives the requisite advance notice and the funds are received by the Custodian, investments will be made and begin earning income on the Business Day on which funds are received.

Notice will be considered given on a particular Business Day if received by the Administrator before 1:00 p.m. Pacific time; otherwise it will be considered given on the next Business Day. Funds will be considered delivered on a particular Business Day if the wire is received by the Custodian before 1:00 p.m. Pacific time, otherwise funds will be considered delivered on the next Business Day.

### **C. SALES**

Withdrawals from an account shall be made by requesting a wire transfer of immediately available funds from the Custodian to the Participant's bank.

Withdrawals from a Series may be made through the CalTRUST Online Portal, by following the steps outlined in the "CalTRUST Online Trading User Guide", which is available to all participants at [www.caltrust.org](http://www.caltrust.org), or by providing the Administrator with the following information, either in writing by mail, courier service or facsimile (Attention: CalTRUST Service Center, 1100 K Street, Suite 101, Sacramento, California 95814, Fax (310) 826-3188), by telephone 888-422-8778.

- Participant's account name
- Participant's account number
- Amount to be wired

***Funds may be transferred by wire only to the bank account specified in the Participant's Account Registration Form and Participation Agreement.*** Changes to the Participant's specified bank account must be received in writing properly executed before they can be effective.

#### **Short-Term Fund**

Shares in the Short-Term Fund will be redeemed in the amount of the withdrawal at the net asset value per Share next determined after receipt of a request for wire transfer. Funds will remain invested in the Series until the day they are wired. ***Funds will not be wired unless and until the Administrator receives the requisite notice.*** Notice will be considered given on a particular Business Day if received by the Administrator before 1:00 p.m. Pacific time; otherwise it will be considered given on the next Business Day.

#### **Medium-Term Fund and Long-Term Fund**

Funds may be withdrawn from the Medium-Term Fund or the Long-Term Fund only once per month on the last Business Day of the month; *provided, however*, that the Administrator receives at least five Business Days' prior notice of the request for wire transfer.

Shares in each Series will be redeemed in the amount of the withdrawal at the net asset value per Share determined by the Administrator on the last Business Day of each month. Funds will remain invested in the Series until the day they are wired. ***Funds will be wired on the last Business Day of the month for which the Administrator receives the requisite notice, and will not be wired in any month unless and until the Administrator receives the requisite notice.*** Notice will be considered given on a particular Business Day if received by the Administrator before 1:00 p.m. Pacific time; otherwise it will be considered given on the next Business Day.

***Notwithstanding the foregoing limitations, in the event of an emergency as approved by the Board of Trustees (or a committee of the Board of Trustees or designated Trustee(s)), withdrawals may be made at such times and on such prior notice, if any, as determined by the Board of Trustees (or a committee of the Board of Trustees or designated Trustee(s)).*** In such instance, Shares in each Series will be redeemed in the amount of the withdrawal at the net asset value per Share next determined after receipt of a request for wire transfer.

### ***Money Market Fund***

Shares in the CalTRUST Heritage Money Market Fund will be redeemed in the amount of the withdrawal at the net asset value per Share next determined after receipt of a request for wire transfer. Funds will remain invested in the Series until the day they are wired. ***Funds will not be wired unless and until the Administrator receives the requisite notice.*** Notice will be considered given on a particular Business Day if received by the Administrator before 1:00 p.m. Pacific time; otherwise it will be considered given on the next Business Day.

***The Agreement permits the Trustees to suspend the right of withdrawal from the Series or to postpone the date of payment of redemption proceeds if the New York Stock Exchange is closed other than for customary weekend and holiday closings, if trading on that Exchange is restricted, or if, in the opinion of the Trustees, an emergency exists such that disposal of Shares or determination of net asset value is not reasonably practicable.*** If the right of withdrawal is suspended, a Participant may either withdraw its request for withdrawal or receive payment based on the net asset value next determined after termination of the suspension.

***CalTRUST may, and is authorized by each Participant to, redeem Shares owned by such Participant (i) to the extent necessary to reimburse CalTRUST for any loss it has sustained by reason of the failure of such Participant to make full payment for Shares purchased by such Participant, (ii) to the extent necessary to collect any charge relating to a transaction effected for the benefit of such Participant which is applicable to Shares, or (iii) as otherwise deemed necessary and desirable by the Board for CalTRUST to effectively carry out its obligations under the Agreement, this Information Statement, comply with applicable law, or any other obligations in connection with the affairs of CalTRUST.*** Redemption payments may be made in whole or in part in securities or other property of the Series. ***Participants receiving any such securities or other property on redemption will bear any costs of sale.***

## **D. Transfers**

Transfers among the Short-Term Fund, Medium-Term Fund, Long-Term Fund, and CalTRUST Heritage Money Market Fund will be considered a withdrawal from one Series and a deposit to another Series subject to the restrictions, limitations and notice requirements above. Transfers may be accomplished through the CalTRUST Online Portal, by following the steps outlined in the “CalTRUST Online Trading User Guide”, which is available to all participants at [www.caltrust.org](http://www.caltrust.org), or by providing the Administrator with the following information, in writing properly executed by mail, courier service or facsimile (Attention: CalTRUST Service Center, 1100 K Street, Suite 101, Sacramento, California 95814, Fax (310) 826-3188), by telephone 888-422-8778.

- Participant’s account name from which funds will be transferred

- Participant's account name to which funds will be transferred
- Participant's CalTRUST account number from which funds will be transferred
- Participant's CalTRUST account number to which funds will be transferred.
- Amount being transferred

## SECTION V

### OTHER SERVICES

#### A. ONLINE ACCESS

Secure online access will be available to Participants with respect to their accounts. Information with respect to each Series, including current yield, up-to-date account information, and a transaction history will be available online. Confirmations of each deposit and withdrawal of funds will be available online to a Participant within one Business Day of the transaction.

#### B. STATEMENTS

At the end of each month, a statement of each account will be mailed to each Participant which will show the dividend paid and the account balance as of the statement date.

## SECTION VI

### TRUSTEES AND OFFICERS

#### A. BOARD OF TRUSTEES

*CalTRUST* currently has a Board of Trustees that consists of ten Trustees, which may be increased or decreased from time to time by the then-current Board to no fewer than three and not greater than fifteen Trustees. The Board is responsible for the overall management, supervision and administration of *CalTRUST*, including formulation of investment and operating policy guidelines of the Series. In addition, the Board oversees the activities of the Administrator, the Investment Advisor, the Custodian, legal counsel, independent auditors and other service providers and agents of *CalTRUST* and monitors the investment performance of each Series and the method of valuing the Shares.

The names and affiliations of the Trustees are as follows:

**Dave Ciapponi**, Westlands Water District

**John Colville**, City of Sacramento

**Rod Dole**, Retired

**Glenn Duncan**, City of Chino

**Don Kent**, Riverside County

**Geoffrey Kiehl**, City of Palm Springs

**Chuck Lomeli**, Solano County  
**Dan McAllister**, San Diego County  
**Russell Watts**, Contra Costa County  
**Mary Zeeb**, Monterey County

Trustees are appointed by the initial Members and the Board. At least seventy-five percent (75%) of Trustees shall be members of the governing body, officers or personnel of the Members. Trustees currently serve without compensation, but all Trustees, except affiliates of the Investment Advisor, if any, are reimbursed by CalTRUST for reasonable travel and other out-of-pocket expenses incurred in connection with their duties as Trustees.

## **B. OFFICERS**

The names and affiliations of the executive officers are as follows:

**President:** Charles Lomeli, Solano County  
**Vice President:** Glenn Duncan, City of Chino  
**Treasurer:** Dan McAllister, San Diego County  
**Secretary:** Dave Ciapponi, Westlands Water District

The officers are appointed by the Board and serve at the discretion of the Board. The officers currently serve without compensation, but all officers, except affiliates of the Investment Advisor, if any, are reimbursed by CalTRUST for reasonable travel and other out-of-pocket expenses incurred in connection with their duties as officers.



## SECTION VII

### ADMINISTRATOR

#### A. ADMINISTRATOR

CSAC Finance Corporation (the “Administrator”), with an office at 1100 K Street, Suite 101, Sacramento, California 95814, is the administrator of the Shares Program and subadministrator to *Cal*TRUST. The Administrator was formed in 1986.

#### B. ADMINISTRATIVE SERVICES

The Administrator supervises the administrative and ministerial aspects of *Cal*TRUST’s operations and assists with the administration of the Shares Program, pursuant to a program administration agreement with *Cal*TRUST and the Investment Advisor (the “Administration Agreement”). The Administration Agreement will remain in effect until terminated, and may not be assigned by the Administrator without the consent of the Board; *provided, however*, that such consent will be deemed given if a majority of the Board does not object in writing within 60 days after receiving written notice of a proposed assignment. The Administration Agreement may be terminated by either *Cal*TRUST or the Administrator, at any time and without penalty, upon at least 180 days’ prior written notice to the other parties, or by any party that is not in breach of the Administration Agreement, without penalty, upon at least 60 days’ prior written notice to the other party, if the other party is in material breach of the Administration Agreement and such breach has not been cured within 30 days’ notice thereof to such other party.

The Administrator provides the following customer service, administrative and marketing services to *Cal*TRUST and for the Shares Program in accordance with the Administration Agreement:

- Operation of a toll-free telephone facility to be used exclusively by Participants or by Public Agencies interested in becoming Participants in *Cal*TRUST.
- Making available to Participants confirmation of each Participant’s investment and redemption transactions, and preparation and provision of monthly statements summarizing transactions, earnings, and assets for the Shares Program;
- Maintenance of the books and records of *Cal*TRUST and the Shares Program, including Participant account records;

- Supervision, under the general direction of the Board, of all administrative aspects of operations, including, but not limited to, facilitation and providing notice of meetings of Participants and the Board, making statutory and regulatory filings and otherwise assisting in the compliance with applicable California law, and preparing staff analyses for the Board;
- At the request of *CalTRUST*, developing procedures to assist *CalTRUST* and its Participants with, among other matters, filing of Fair Political Practices Commission forms, adherence of *CalTRUST* to its investment objectives, policies, restrictions, tax matters and applicable laws and regulations;
- Management of legal procedures and policies, legal services and independent accountant services;
- Periodic updating and preparation of the Information Statement;
- Preparation of tax returns, financial statements and reports for *CalTRUST*;
- Coordination of the activities of the Custodian;
- Provision of office space, equipment and personnel to administer the Shares Program;
- Printing and distribution to Public Agencies of the Information Statement and other documents;
- Coordination of marketing activities and preparation and distribution of explanatory and promotional materials;
- Determination of dividends and net asset value of the Shares in accordance with the policies of *CalTRUST* and the JPA Agreement;
- Facilitating the procedures necessary for Participants to withdraw investments;
- Performing agreed upon services necessary in connection with the administration of *CalTRUST*, including registrar, transfer agent and record keeper functions, accounting and clerical services; and
- Supervising third parties retained by the Administrator, if any, to perform any or all of the administrative and ministerial services listed above.

## SECTION VIII

### INVESTMENT ADVISOR

#### A. INVESTMENT ADVISOR

Wells Capital Management, a registered investment advisor with its principal office at 525 Market Street, 10<sup>th</sup> Floor, San Francisco, CA 94105, is the Investment Advisor with respect to the Shares Program. The daily management of the investment affairs and research relating to the Shares Program is conducted by or under the supervision of the Investment Advisor.

Wells Capital Management is a wholly owned asset management subsidiary of Wells Fargo Bank, N.A. Assets under management total over \$343 billion, as of June 30, 2013. Wells Capital Management has a substantial presence in the cash markets with \$131 billion in money market assets under management, as of June 30, 2013, as well as expertise and asset scale in both taxable and tax-exempt short duration fixed income of \$61 billion under management, as of June 30, 2013.

#### B. ADVISORY SERVICES

The Investment Advisor manages the investment of the assets in each Series, including the placement of orders for the purchase and sale of investments, pursuant to an investment advisory agreement with CalTRUST (the “Advisory Agreement”). The Investment Advisor obtains and evaluates such information and advice relating to the economy and the securities markets as it considers necessary or useful to manage continuously the assets of CalTRUST in a manner consistent with each Series’ investment objectives and policies. The Advisory Agreement may not be assigned by the Investment Advisor without the consent of the Administrator and the CalTRUST Board of Trustees; *provided, however*, that such consent will be deemed given if a majority of the Board does not object in writing within 60 days after receiving written notice of a proposed assignment. The Advisory Agreement may be terminated by either party, at any time and without penalty, upon at least 30 days’ prior written notice to the other party.

#### C. INVESTMENT TRANSACTIONS

The Investment Advisor is responsible for decisions to buy and sell securities for CalTRUST and arranges for the execution of security transactions on behalf of each Series. Purchases of securities are made from dealers, underwriters and issuers. Sales prior to maturity are made to dealers and other persons. Money market instruments bought from dealers are generally traded on a “net” basis, with dealers acting as principal for their own accounts without a stated commission, although the price of the instrument usually includes a profit to the dealer. Thus, the Series do not normally incur any brokerage commission expense on such transactions. Securities purchased in underwritten offerings

include a fixed amount of compensation to the underwriter, generally referred to as the underwriter's commission or discount. When securities are purchased or sold directly from or to an issuer, no commissions or discounts are paid.

The policy of *CalTRUST* regarding purchases and sales of securities is that primary consideration will be given to obtaining the most favorable price and efficient execution of transactions. In seeking to implement this policy, the Investment Advisor will effect transactions with those dealers whom the Investment Advisor believes provide the most favorable price and efficient execution. If the Investment Advisor believes such price and execution can be obtained from more than one dealer, it may give consideration to placing portfolio transactions with those dealers who also furnish research and other services to *CalTRUST*. Such services may include, but are not limited to, any one or more of the following: information as to the availability of securities for purchase or sale; statistical or factual information or opinions pertaining to investments; wire services; and appraisals or evaluations of portfolio securities. The services received by the Investment Advisor from dealers may be of benefit to it in the management of accounts of some or all of its other clients and may not in all cases benefit *CalTRUST* directly. While such services are useful and important in supplementing its own research and facilities, the Investment Advisor believes the value of such services is not determinable and does not significantly reduce its expenses. *CalTRUST* does not reduce the management fee paid to the Investment Advisor by any amount that may be attributable to the value of such services.

## **SECTION IX**

### **CUSTODIAN**

#### **A. CUSTODIAN**

Wells Fargo Bank, N.A. a custodial bank with an office at 525 Market Street, San Francisco, CA 94105 is the Custodian for each Series.

#### **B. CUSTODIAL SERVICES**

The Custodian holds all cash and securities of each Series, pursuant to an Institutional Custody Agreement with *CalTRUST* (the "Custodial Agreement"). The Custodian does not participate in determining the investment policies of *CalTRUST* or in investment decisions. *CalTRUST* may invest in the Custodian's obligations and may buy or sell securities through the Custodian.

## SECTION X

### SERIES EXPENSES

#### Total Annual Operating Expenses of the CalTRUST Short-Term Fund

	<u>Average Daily Net Assets in the Short-Term Fund<sup>1</sup></u>			
	<u>Up to \$300 Million</u>	<u>\$300 to \$500 Million</u>	<u>\$500 Million to \$1 Billion</u>	<u>Over \$1 Billion</u>
Investment Advisory Fee <sup>2</sup>	0.073%	0.073%	0.07%	0.06%
Fund Accounting Fee <sup>3</sup>	0.03%	0.02%	0.02%	0.02%
Administrative Fee <sup>4</sup>	0.04%	0.04%	0.04%	0.04%
Contingent Fee for Other Operating Expenses <sup>5</sup>	0.01%	0.01%	0.01%	0.01%
<b>Total Annual Operating Expenses</b>	<b>0.153%</b>	<b>0.143%</b>	<b>0.14%</b>	<b>0.13%</b>

<sup>1</sup>“Average daily net assets” means the average daily value of total assets minus accrued liabilities. The first \$300 Million of net assets in the Short-Term Fund will be charged the first tier rate; the next \$200 Million to \$500 Million of net assets in the Short-Term Fund will be charged the second tier rate; the next \$500 Million to \$1 Billion of net assets in the Short-Term Fund will be charged the third tier rate; and all net assets in the Short-Term Fund over \$1 Billion will be charged the fourth tier rate.

<sup>2</sup> Calculated on a daily basis and deducted monthly by the Investment Advisor from the net assets in the Short-Term Fund.

<sup>3</sup> Calculated on a daily basis and paid monthly to the Fund Accountant from the net assets in the Short-Term Fund.

<sup>4</sup> Calculated on a daily basis and paid monthly to the Administrator from the net assets in the Short-Term Fund. The Administrator will be responsible for account administration, custodial, transfer agency, record keeping, and accounting fees, and ordinary out-of-pocket disbursements, which disbursements may include, without limitation, the costs of legal procedures and policies, periodic updating and preparation of the Information Statement, and preparation of tax returns, financial statements and reports, printing and distribution costs, the costs and expenses of holding any meetings of the Board, fees of other consultants and professionals engaged on behalf of CalTRUST, all expenses of computing the market value of the Short-Term Fund, overnight delivery and courier services, postage, telephone and telecommunication charges, pricing services, terminals, transmitting lines and expenses in connection therewith, travel on CalTRUST business, and costs of preparing books, presentations and other materials for the Board, with respect to the Short-Term Fund.

<sup>5</sup> The Short-Term Fund will also be responsible for legal and audit fees, insurance (including trustees and officers insurance) premiums, Trustees’ and officers’ reasonable travel and other expenses, and the costs of making statutory and regulatory filings and other general compliance with any applicable federal or state laws, as well as all extraordinary expenses, including, without limitation, all reasonable expenses incurred by CalTRUST, the Administrator or the Investment Advisor to establish, organize and otherwise commence operations of CalTRUST and the

arrangements contemplated by this Information Statement and the Agreement, and litigation costs (including reasonable attorneys' fees), if any, with respect to the Short-Term Fund.

### **Total Annual Operating Expenses of the *Cal*TRUST Medium-Term Fund and the *Cal*TRUST Long-Term Fund**

	<u>Average Daily Net Assets in the Medium-Term or Long-Term Fund<sup>1</sup></u>			
	<u>Up to \$300 Million</u>	<u>\$300 to \$500 Million</u>	<u>\$500 Million to \$1 Billion</u>	<u>Over \$1 Billion</u>
Investment Advisory Fee <sup>2</sup>	0.173%	0.173%	0.16%	0.14%
Fund Accounting Fee <sup>3</sup>	0.03%	0.02%	0.02%	0.02%
Administrative Fee <sup>4</sup>	0.04%	0.04%	0.04%	0.04%
Contingent Fee for Other Operating Expenses <sup>5</sup>	0.01%	0.01%	0.01%	0.01%
<b><u>Total Annual Operating Expenses</u></b>	<b>0.253%</b>	<b>0.243%</b>	<b>0.23%</b>	<b>0.21%</b>

<sup>1</sup> "Average daily net assets" means the average daily value of total assets minus accrued liabilities. The first \$300 Million of net assets in the Medium-Term Fund or the Long-Term Fund, as appropriate, will be charged the first tier rate; the next \$200 Million to \$500 Million of net assets in the Medium-Term Fund or the Long-Term Fund, as appropriate, will be charged the second tier rate; the next \$500 Million to \$1 Billion of net assets in the Medium-Term Fund or the Long-Term Fund, as appropriate, will be charged the third tier rate; and all net assets in the Medium-Term Fund or the Long-Term Fund, as appropriate, over \$1 Billion will be charged the fourth tier rate, as appropriate.

<sup>2</sup> Deducted monthly by the Investment Advisor from the net assets in the Medium-Term Fund or the Long-Term Fund, as appropriate.

<sup>3</sup> Paid monthly to the Fund Accountant from the net assets in the Medium-Term Fund or the Long-Term Fund, as appropriate.

<sup>4</sup> Paid monthly to the Administrator from the net assets in the Medium-Term Fund or the Long-Term Fund, as appropriate. The Administrator will be responsible for account administration, custodial, transfer agency, record keeping, and accounting fees, and ordinary out-of-pocket disbursements, which disbursements may include, without limitation, the costs of legal procedures and policies, periodic updating and preparation of the Information Statement, and preparation of tax returns, financial statements and reports, printing and distribution costs, printing and distribution costs, the costs and expenses of holding any meetings of the Board, fees of other consultants and professionals engaged on behalf of *Cal*TRUST, all expenses of computing the market value of the Medium-Term Fund or Long-Term Fund, as appropriate, overnight delivery and courier services, postage, telephone and telecommunication charges, pricing services, terminals, transmitting lines and expenses in connection therewith, travel on *Cal*TRUST business, and costs of preparing books, presentations and other materials for the Board, with respect to the Medium-Term Fund or the Long-Term Fund, as appropriate.

<sup>5</sup> The Medium-Term Fund or the Long-Term Fund, as appropriate, will also be responsible for legal and audit fees, insurance (including trustees and officers insurance) premiums, Trustees' and officers' reasonable travel and other expenses, and the costs of making statutory and regulatory

filings and other general compliance with any applicable federal or state laws, as well as all extraordinary expenses, including, without limitation, all reasonable expenses incurred by CalTRUST, the Administrator or the Investment Advisor to establish, organize and otherwise commence operations of CalTRUST and the arrangements contemplated by this Information Statement and the Agreement, and litigation costs (including reasonable attorneys' fees), if any, with respect to the Medium-Term Fund or the Long-Term Fund, as appropriate.

### ***Total Annual Operating Expenses of the CalTRUST Heritage Money Market Fund***

The total annual operating expenses of the CalTRUST Heritage Money Market Fund, as of July 1, 2013, are 0.13% per year of total average daily net assets in the CalTRUST Heritage Money Market Fund. Additional detail regarding Annual Fund Operating Expenses for the CalTRUST Heritage Money Market Fund can be found in the Wells Fargo Advantage Funds Heritage Money Market Fund Select Class shares fund prospectus, available online at:

[http://a584.g.akamai.net/f/584/1326/1d/www.wellsfargoadvantagefunds.com/pdf/prospectus/prospectus\\_moneymarket\\_select.pdf](http://a584.g.akamai.net/f/584/1326/1d/www.wellsfargoadvantagefunds.com/pdf/prospectus/prospectus_moneymarket_select.pdf).

## **SECTION XI**

### **JOINT EXERCISE OF POWERS AGREEMENT**

CalTRUST is a separate public agency established as a joint powers authority under the laws of the state of California by execution of a Joint Powers Authority Agreement by certain Public Agencies as the initial Members of CalTRUST. Additional Public Agencies may become Members of CalTRUST by approving a resolution to adopt the Agreement and by signing a counterpart signature page to the Agreement.

Copies of the Agreement may be obtained from the Administrator and should be read before a Public Agency participates in CalTRUST. ***All descriptions contained in this Information Statement are subject to the specific language of the Agreement.***

For all matters requiring action by Participants, such action will be taken in proportion to the relative market value of each Participant's Shares of a Series.

The Agreement may be amended by the Board, except to the extent an amendment would adversely affect (i) the Shares Program in which case the amendment shall be subject to approval by a majority of the Shares or (ii) one or more Series of Shares, in which case the amendment shall be subject to approval by a majority of the Shares of any Series affected by such amendment. Among other things, the Board may also amend this Agreement without such Participant approval to change the name of CalTRUST or any Series, to establish and designate additional Series, to supply any omission herein or to correct or supplement any ambiguous defective or inconsistent provision hereof, or if they deem it necessary, to conform the Agreement to the requirements of applicable laws or regulations or to eliminate or reduce any taxes which may be payable by CalTRUST

or the Participants, or as otherwise provided herein, but the Trustees shall not be liable for failing to do so.

No amendment may be made which would change any rights with respect to any Share by reducing the amount payable thereon upon liquidation of *CalTRUST* or by diminishing or eliminating any approval rights pertaining thereto, except with the vote of a majority of the Trustees and the approval of the holders of two-thirds (2/3) of the Shares outstanding and the holders of two-thirds (2/3) of the Shares of any Series affected by such amendment. Nothing in the Agreement permits its amendment to impair the exemption from personal liability of the Members, Participants, Trustees, officers, employees and agents of *CalTRUST* or to permit assessments upon Participants.



## SECTION XII

### PARTICIPANT AND TRUSTEE LIABILITY

#### A. PARTICIPANT LIABILITY

*Cal*TRUST is an entity separate from its Members and the Participants and the Agreement expressly provides that except in the case of fraud or willful misconduct, no Member or Participant shall be subject to any personal liability whatsoever to any person in connection with property or the acts, obligations or affairs of *Cal*TRUST, and all such persons shall look solely to *Cal*TRUST property for satisfaction of claims of any nature arising in connection with the affairs of *Cal*TRUST.

#### B. LIABILITY OF TRUSTEES AND OTHERS

The Agreement provides that no Trustee, officer or employee of *Cal*TRUST will be liable for any action or failure to act, and that each will be indemnified by *Cal*TRUST against all claims and liabilities as provided in the Agreement, except that no indemnification will be provided for such person's own bad faith, willful misfeasance, gross negligence or reckless disregard of duty.

The California Joint Exercise of Powers Act provides that all immunities from liability that apply to the activity of Trustees, Members, officers, employees or agents of the Members when performing their functions within the territorial limits of their respective Public Agencies will apply to them to the same degree and extent while engaged in the performance of any of their functions and duties associated with *Cal*TRUST.

*Cal*TRUST shall purchase and maintain insurance on behalf of each Trustee, officer, employee or agent of *Cal*TRUST against any liability asserted against or incurred by such person in such capacity or arising out of such person's status as such, but only to the extent that *Cal*TRUST would have the power to indemnify such person against that liability under the Agreement, unless *Cal*TRUST determines that such insurance is not cost effective for *Cal*TRUST or is otherwise impracticable.

\* \* \*

**ATTACHMENT A**

See attached Program Registration Form and Participation Agreement.



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

**Subject: Backbone Improvements Program 5-Million-Gallon Tank: Change Order No. 2**

**SUMMARY:**

On January 14, 2014, the Board awarded a contract to Pacific Hydrotech Corporation for the construction of the five-million gallon tank, a component of the Backbone Improvements Program. Change Order No. 1 was administratively approved on February 5, 2014 for a time extension of 45 days at no additional cost, revising the project completion date to June 23, 2015. The extension was needed to provide sufficient time for the Memorandum of Understanding (MOU) with the City of Westlake Village to be fully executed prior to the start of construction.

During construction, several changes were made based on material submittals and construction methods proposed by the Pacific Hydrotech Corporation. The following items are included in Change Order No. 2: (1) deletion of the interior lining and modification of the exterior coating system for the 42-inch steel pipe casing; (2) removal of the asphalt prime coat for the road base and asphalt paving of the access road over the saddle dam; (3) addition of six days to the completion date due to Red Flag Alert days; (4) revision of the delivery times from 8:30 a.m. to 2:30 p.m. to 8:15 a.m. to 2:15 p.m in accordance with the final version of the MOU with the City of Westlake Village. The District will receive a credit of \$106,680 for Change Order No. 2, and the revised project completion date will be June 29, 2014.

Following is a summary of construction contract amount:

Original Contract	\$ 10,754,620.00
Change Order No. 1	\$ 0.00
Change Order No. 2	(\$ 106,680.00)
<b>Revised Total</b>	<b>\$ 10,647,940.00</b>

Prepared By: Lindsay Cao, P.E., Associate Engineer

**ATTACHMENTS:**

[Change Order No.2](#)



**CONTRACT CHANGE ORDER**

No. 2

4232 Las Virgenes Road  
Calabasas, California 91302-1994

Project 1235 Foot backbone improvements – 5 MG Tank

Project No. Acct. No. 10476

Contractor Pacific Hydrotech, Inc.

Date June 3, 2014

CONTRACTOR CHANGE ORDER NO. 2. The Contractor is hereby authorized and directed to make the herein described changes from the Plans and Specifications or do the following work not included in the Plans and Specifications for the construction of this project.

This change requested by: Pacific Hydrotech Corporation and AECOM Technology Corporation

**DESCRIPTION OF CHANGE:**

Change order No. 2 has been prepared to include the following:

- **Item 1** - Revise the coating system as shown on Drawing G-02, this change was requested by the Contractor.
  - Delete the lining system of the 42" steel casing.
  - Revise 42" steel casing sections from 40' to 60' reducing the amount of welds, coating repairs and truck trips.
  - Replace the coating system for the 42" steel casing and 6" electrical conduit across saddle dam from system 66 to a Carboline Polyclad 975 epoxy coating (minimum 20 mil dry fill thickness) and 3 mil dry fill thickness Aliphatic Polyurethane top coat.
  - Revise exposed sections of 8" DW pipe and appurtenances (at Westlake Filtration Plant) and 36" Filtered Water Inlet and Filtered Water outlet pipes across the Westlake Saddle Dam (between headwalls and casing) from system 66 to a Devoe 233 liquid epoxy coating (15 to 20 mil dry film thickness) and 3 mil dry film thickness Aliphatic Poly Urethane top coat. The Exposed portions of the FWI and FWO will be field applied with an Aliphatic Poly Urethane top coat (minimum 3 mil DFT). Note these sections are cement mortar lined per G-02.
  - Revise coating of 36" FWI and FWO (Carrier pipe inside steel casing across saddle dam) from system 66, Fusion Bonded Epoxy Coating to Devoe 233 carrier pipe (15 to 20 mil dry fill thickness). Note these sections are cement mortar lined per G-02.
  - Buried steel pipe remains unchanged
  - Final Color of exposed steel pipe will be G245 Dunes Tan.
- **Item 2** - Delete the asphalt prime coat from specification section 321216.2.03- Change was requested by the Engineer
- **Item 3** – Add two days to the Contract completion due to the LVMWD not allowing work to proceed on April 30<sup>th</sup> and May 1<sup>st</sup> where high winds were in effect and a Red Flag Warning was in effect per LA County Fire. Add one additional day for May 2<sup>nd</sup> where explosives could not be supplied to the project. A letter from the Contractor's Explosive supplier was received acknowledging that the explosives could not be supplied on this day. This activity is on the critical path.
- **Item 4** – Add three days to the Contract completion date due to the LVMWD not allowing work to proceed on May 13<sup>th</sup> through 15<sup>th</sup> where high winds were in effect and a Red Flag Warning was in effect per LA County Fire. The red flag warning expired at 8:00 pm on Thursday May 15<sup>th</sup>
- **Item 5** – Revise material and equipment delivery times in specification section 015526.1.07.B from 8:30 am to 2:30 pm to 8:15 am to 2:15 pm

TOTAL DECREASE AT AGREED PRICES (\$106,680)

ITEM 12B

Contract Change Order No. 2 Project No. Acct. No. 10476

Date June 3, 2014

(2) Estimate of increases and/or decreases in contract items at contract unit prices:

**INCREASES**

Item	Description	Quantity	Unit Price	Total	
				TOTAL INCREASES	<u>\$0</u>

**DECREASES**

Item	Description	Quantity	Unit Price	Total	
				TOTAL DECREASES	<u>(\$106,680.00)</u>

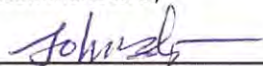
**TOTAL COST OF THIS CHANGE ORDER (\$106,680.00) credit**

ORIGINAL CONTRACT PRICE	\$	<u>10,754,620.00</u>
PREVIOUS CHANGE ORDERS	\$	<u>0.00</u>
CURRENT CONTRACT PRICE	\$	<u>10,754,620.00</u>
CHANGE ORDER NO. 2	\$	<u>(\$106,680.00)</u>
NEW CONTRACT AMOUNT	\$	<u>10,647,940.00</u>
ADJUSTMENT OF CALENDAR DAYS	\$	<u>6</u>


Revised Completion Date – July 1<sup>st</sup>, 2015 (See items 3 and 4 above)

It is agreed 6 consecutive calendar days extension of time will be allowed by reason of this change.

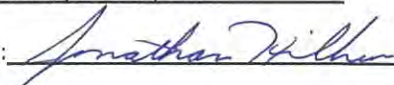
Recommended by

  
 \_\_\_\_\_  
 John Zhao, P.E.  
 Principal Engineer

Departmental Approval

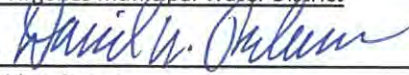
  
 \_\_\_\_\_  
 David R. Lippman  
 Director of Facilities and Operations

ACCEPTED:

Pacific Hydrotech, Inc.  
 \_\_\_\_\_  
 By:   
 \_\_\_\_\_

Date: 6/4/14

APPROVED:

Las Virgenes Municipal Water District  
 \_\_\_\_\_  
 By:   
 \_\_\_\_\_  
 David Pedersen  
 General Manager

Date: 06/05/14

Note: Attention is called to the sections of the Special Provisions and Standard Provisions on EXTRA, ADDITIONAL OR OMITTED WORK.

- THIS CHANGE ORDER IS NOT EFFECTIVE UNTIL APPROVED BY OWNER
- IF ACCEPTABLE TO THE CONTRACTOR, THIS CHANGE ORDER IS EFFECTIVE IMMEDIATELY

ITEM 12B



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Resource Conservation & Public Outreach

**Subject: Drought, Climate Change and Local Water Supply and Demand**

**SUMMARY:**

On April 22, 2014, Director Len Polan requested a future agenda item to discuss the terms “drought” and “climate change” in the context of current water supply conditions.

Drought is a prolonged period of abnormally low rainfall, but even a prolonged drought, by itself, is not necessarily indicative of climate change. Still, the occurrence of drought conditions twice within the last five years, including the driest single year of 2013 in state history, has prompted considerable interest within the water supply community on the potential impacts of climate change on drought and both water supply and demand.

This report reviews definitions of drought, weather and climate change, and summarizes recent work on climate change projections for both imported State Water Project supplies and projected changes in local weather within the Los Angeles Basin relevant to outdoor water demand.

**DISCUSSION:**

Weather changes all the time at multiple timescales (daily, seasonally and annually), but on longer, decadal timescales, there tends to be an average value for temperature or rainfall around which weather fluctuates on shorter timescales. These long-term average values are, in general terms, a region’s *climate*, with more specific terms used to describe particular types of climate, such as so-called “Mediterranean” climates with wet and dry periods associated with particular months.

Locally, we live within a Mediterranean climate, and the wet and dry periods define our seasons. Climates are associated with particular geographic areas, which also vary in size. At the smallest scale, there are microclimates, where average rainfall and temperature in a small area is significantly different from the climate in the surrounding area. For example, the Monte Nido area is generally cooler on average than the rest of the District’s service area. At the other extreme is global climate, where temperatures are averaged over the entire globe.

The definition of drought as abnormally dry weather begs the question of what constitutes “abnormal,” important in any discussion on drought and climate change. Drought in any region specifically refers to those periods when the weather - rainfall in particular - fluctuates well below the region’s long-term average value. If these periods continue long enough to significantly change the long-term average itself (in comparison to previous, historical variations), then this is *prima facie* evidence that the climate has changed, irrespective of why it has changed.

At global scales, the scientific consensus is very strong that globally-averaged temperature is rising, and that human influences are an important driver behind the increase. However, translating the results of global climate models to local or even regional scales is very challenging as a technical exercise, underscoring the significance of a recent UCLA study<sup>[i]</sup> that “downscaled” global climate models to the Los Angeles region in sufficient detail to provide quantitative projections of future rainfall and temperature trends for both

century and end-of-century time periods under both "business as usual" and "aggressive" scenarios of greenhouse gas emission reductions. Of particular relevance for District operations is the study's finding that the

number of extremely hot days (> 95° F) is projected to increase mid-century by 17 and 26 days for the "aggressive" and "business as usual" greenhouse gas emission reduction scenarios, respectively.

While this study provides the first quantitative projections related to local climate, what matters most with respect to water supply are the climate projections for the State Water Project (SWP) source watersheds in the northern part of the state. For this purpose, the most quantitative projections for SWP deliveries under climate change scenarios are contained in the California Department of Water Resources (DWR) 2013 update to its SWP delivery projections previously released in 2011<sup>[ii]</sup>. The update concludes that an additional decrease of 1% to 5% in dry-weather SWP deliveries can be expected due to climate change by mid-century, which is in addition to existing decreases in dry-weather SWP deliveries of 9% to 38%, depending on the length of the drought (i.e. a single year or up to six years).

A major difficulty for planning purposes is that, while global average temperatures have already increased beyond the envelope of historical variability, statistically significant changes in local climate predicted by the UCLA study may not be detectable until mid-century. In contrast, most projects (infrastructure in particular) to mitigate predicted shortfalls in water supply require considerable advance planning and significant time and resources for implementation. For this reason, climate change mitigation in a water supply/demand context faces a "Catch-22" situation, where certainty of need may occur too late to mitigate it. This situation is already present insofar as the UCLA study finds that local warming will proceed at least through mid-century whether efforts to reduce greenhouse gas emissions proceed or not. Complicating this dilemma further is the reality that both greenhouse gas emission reductions and, probably, impacts on regional water supply and demand as well, may be complicated by on-going debates on global warming that have unpredictable political dimensions.

In this regard, one positive feature of both water supply and demand management efforts is that, even in the event that new science and/or political developments discount climate change impacts, there are many reasons why increased reliability of water supplies and additional conservation should proceed, independent of climate change. The last decade in particular has seen unprecedented changes in California water management driven by increased allocations to sustain aquatic wildlife, new and very restrictive regulations on water agencies at both state and federal levels to meet both Clean Water Act and Endangered Species Act mandates, population growth, and new development. Most of these changes will require changes in both water supply infrastructure and demand management that differ very little from those necessary in the event that the climate change projections in these two studies come to pass.

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[i] 21<sup>st</sup> Century Precipitation Changes Over the Los Angeles Region (Berg et al., 2013).  
[http://web.atmos.ucla.edu/csrl/publications/Hall/LARC\\_precip\\_Manuscript\\_and\\_figs\\_submitted.pdf](http://web.atmos.ucla.edu/csrl/publications/Hall/LARC_precip_Manuscript_and_figs_submitted.pdf)

[ii] State Water Project Draft Delivery Reliability Report. State of California Natural Resources Agency, Dept. of Water Resources (December 2013).  
[http://www.water.ca.gov/news/newsreleases/2013/121013drr2013\\_report.pdf](http://www.water.ca.gov/news/newsreleases/2013/121013drr2013_report.pdf)

Prepared By: Randal Orton, Resource Conservation Manager



June 24, 2014 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Resource Conservation & Public Outreach

**Subject: Enhancements to MWD's Water Conservation Programs**

**SUMMARY:**

On May 13, 2014, the Metropolitan Water District of Southern California (MWD) approved enhancements to a number of its water conservation programs in response to the statewide drought conditions and Governor's Executive Order to redouble current conservation efforts. This report provides a summary of those water conservation program enhancements. No action is required by the Board to provide these enhancements to the District's customers.

**DISCUSSION:**

Following is a summary of recent enhancements to key MWD water conservation programs available directly or indirectly, through a Member Agency-administered program, to the District's customers.

1. Turf Removal Program (District-Administered Program):

The incentive for Turf Removal Program was increased from \$1.00 to \$2.00 per square foot of turf removed. MWD found that agencies offering additional financial incentives experienced up to 50% higher participation rates than those that did not. Synthetic turf is eligible for incentive through the MWD-administered program, which is available regionally through SoCal Water\$mart. The District's website has been updated to reflect the higher \$2.00 per square foot incentive and the 2,500-square-foot limitation was removed given that MWD has designated more funding for the program.

As background, the District began administering the MWD-funded Turf Removal Program in April 2012 as the Mow-No-Mow Program. The personal interaction with customers promotes good customer service, maintains District's presence in the community, facilitates promotion of other conservation programs and complements the District's outreach efforts. All other water conservation programs are administered through SoCal Water\$mart.

In October 2013, some changes to the District's Mow-No-Mow Program were implemented based on feedback received from the Board. These changes included new eligibility of side and back yards and a requirement to review water usage with the customer six months after project completion.

In March 2014, the Board voted not to authorize the eligibility of artificial turf for the Mow-No-Mow Program as it was viewed as cross-purpose to the the District's promotion of California-friendly landscaping. Artificial turf has not been eligible for the Mow-No-Program since its inception; however, it is eligible through MWD for customers who are not covered by a Member Agency-administered program. Some District customers have, and continue to express, concerns that the Mow-No-Mow Program does not include incentives for installation of artificial turf.

2. Rain Barrels:

The popularity of rain barrels surpassed MWD staff's expectations. An incentive of \$75 per barrel was

ITEM 12D



offered under a pilot program with a total budget of \$500,000. Because 95% of the funding was committed seven months after the program began, MWD has decided to continue the rebate. To-date, only five District customers have received rain barrels through the program. Staff suspects that the low participation rate is due to the lack of rainfall and, therefore, limited effectiveness of the rain barrels. However, the use of rain barrels does support an overall conservation and reuse ethic.

### 3. New On-Site Recycled Water Conversions:

The incentive for customers to complete on-site private plumbing system improvements to receive recycled water service was increased from two years worth of water savings to up to five years worth of water savings. Staff is currently evaluating several potential recycled water conversion projects that may qualify for this increased incentive.

### 4. Residential High Efficiency Toilets (HETs):

The rebate for HETs, which was originally set to expire on June 30, 2014, will continue and be set at \$100 per unit.

### 5. Other Conservation Program Changes:

A new rebate of \$145 per unit for 4-liter (1.06 gallons per flush or less) HETs for multi-family residential customers was added.

The rebate for smart irrigation controllers was increased from \$25 to \$35 per station for residential and commercial customers with an acre or more of landscaping.

Prepared By: Carlos G. Reyes, Director of Resource Conservation and Public Outreach