



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

**MINUTES
CORRECTED
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.

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 15th; 2) stated that on May 13th 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 26th; 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 process. The

Board concurred to write our legislators another letter in opposition to SB848 (Wolk).

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 a series of key

tactical actions and activities, things that staff will be working on for the coming year; and that 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

CRA report that was provided to the Board.

11. FUTURE AGENDA ITEMS

None

12. PUBLIC COMMENTS

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.

13. CLOSED SESSION

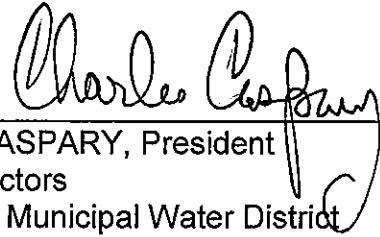
The Board adjourned to Closed Session at **7:01 p.m.**, and reconvened at **7:16 p.m.**

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.**


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

ATTEST:


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

(SEAL)