



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

MINUTES
REGULAR MEETING

5:00 PM

September 23, 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 **5:01 p.m.** by Board President Caspary in the District offices. Daryl Betancur, Clerk of the Board conducted the roll call.

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

Absent: None

Staff Present: David Pedersen, General Manager
Daryl Betancur, Clerk of the Board
David R. Lippman, Director 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 the Board may wish to discuss item 8A first because there is a guest who wants to speak on that item.

Director Polan moved to approve the agenda with the noted change. Motion seconded by Director Renger. Motion carried unanimously.

3. PUBLIC COMMENTS

There were no public comments.

4. CONSENT CALENDAR

Prior to the approval of the minutes, Board President Caspary noted that for the record, there are minor corrections to the minutes in that as presented, the minutes show Director of Facilities and Operations Lippman and Director of Finance and Administration Patterson as being present, when in fact, those present instead, were Brett Dingman filling in for Mr. Lippman and Joe Lillio filling in for Mr. Patterson.

With the noted corrections, Director Peterson moved to approve the consent calendar. Motion seconded by Director Renger. Motion carried unanimously.

A Monthly Investment Report as of August 31, 2014. Received and Filed

B Minutes: Regular Meeting of September 9, 2014. Approved

C List of Demands: September 23, 2014. Approved

D Southern California Water Committee Annual Meeting and Dinner- Board Member Attendance.

Authorized Board Member and attendance per diem compensation for the Southern California Water Committee Annual Meeting and Dinner in Universal City on October 23, 2014.

E WaterSmart Innovations attendance and per diem compensation for the WaterSmart Innovations 2014 Conference and Exposition in Las Vegas, Nevada from October through October 10, 2014.

Authorized Board Member attendance and per diem compensation for the WaterSmart Innovations 2014 Conference and Exposition in Las Vegas, Nevada from October 7 through October 10, 2014.

5 ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

General Manager Pedersen updated the Board on pending legislative bills including: AB2104 on the subject of Home Owners Associations (HOA's), which provided protection for property owners who replace their landscaping during and after the drought; SB992, which clarified the language on AB2100, which prohibits HOA's from assessing penalties for individuals failing to water landscaping during a declared drought; SB1036 relative to Urban Water Management Plans, which essentially encourages the inclusion of energy related information in the preparation of Urban Water Management Plans. Spoke relative to SB 1420 (Wolk), which requires the inclusion of a description and evaluation of distribution system water losses in Urban Water Management Plans.

Board President Caspary asked for clarification regarding the new requirements of AB1420 for reporting distribution systems water loss in UWMPs, he recalled that "non-revenue" water reporting was already included in Urban Water Management Plans.

B Water Supply Conditions and Drought Response.

General Manager Pedersen stated that the agenda packet contains the most recent update of Cal OE weekly drought brief. He briefed the Board on the information, conditions and water storage levels at several reservoirs.

Carlos Reyes, Director of Resource Conservation and Public Outreach provided a brief summary of related drought response activities, among these: public efforts to communicate restrictions, website updates, press releases, mass email blasts, robocalls, individualized letters, possibility of bumper stickers and updates to all local City Councils. Mr. Reyes also spoke about the implementation steps taken to date including: issuing 81 warning letters and increase in Mow-no-Mow interest. He commented that at the next Board meeting staff will be bringing information on the issue of swimming pools and the \$1.00 increase for the Mow-no-Mow rebate program.

8 FINANCE AND ADMINISTRATION

A General Liability and Property Insurance Renewal.

Approve the General Liability and Property Insurance proposal by Tolman & Wiker Insurance Services, LLC in the amount of \$724,413.80 for the term of October 1, 2014, through October 1, 2015m, and authorize the General Manager to execute related contracts and forms.

General Manager Pedersen stated that this is the time of the year for the District's General Liability Insurance Renewal.

Jeff Dodds, Insurance Broker with Tolman & Wiker Insurance Services addressed the Board on the proposal and answered the Board's questions relative to claim history, deductible stop loss, structure, pricing and the timeliness of the information being presented.

Director Renger move to approve as presented. Motion seconded by Director Peterson. Motion carried unanimously.

6 TREASURER

Director Polan stated that he had reviewed all invoices and found everything in order. He commented on the amount of the check written to the Las Virgenes Unified School District in the amount of \$107,000 for the educational partnership.

7 FACILITIES AND OPERATIONS

A 16-Inch Potable Water Main Break: Declaration of Emergency and Ratification of Purchase Order.

Declare the 16-inch potable water main break of August 21, 2014 at Calabasas Golf Course an emergency requiring immediate action without delay and ratify the General Manager's authorization of a purchase order in the amount of \$26,395.21 to Toro Enterprises for repair of the pipeline.

B 4-Inch Recycled Water Main Break: Declaration of Emergency and Ratification of Purchase Order.

Declare the 4-inch recycled water main break of August 19, 2014 on Park Granada in Calabasas an emergency requiring immediate action without delay and ratify the General Manager's authorization of a purchase order in the amount of \$25,380 to S & S Paving.

C 8-Inch Sludge Force Main Failure: Declaration of Emergency and Authorization to Procure Good and Services.

Declare the 8-inch sludge force main failure of September 11, 2014 an emergency requiring immediate action without delay and authorize the General Manager to procure goods and services necessary to respond to the emergency, in an amount not to exceed \$75,000, without formal bids, informal bids or requests for proposals.

David Lippman, Director of Facilities and Operations presented a detailed and technical report on these three items and answered questions from the Board relative to the reasons for the failures on these components.

Director Peterson moved to approve staff's recommendations on these three items. Director Polan seconded the motion. Motion carried unanimously.

D Odor Control Scrubber Carbon Replacement: Authorization of Purchase Order

Authorize the General Manager to issue a purchase order in the amount of \$35,615.62 to Prominent Systems, Inc., for carbon tower media replacement at the Tapia Water Reclamation Facility.

General Manager Pedersen explained why there is a need to replace the carbon scrubber media.

Director Polan inquired about the amount included for carbon replacement in the adopted FY 2014-15 budget.

Motion by Director Peterson to approve as presented. Motion seconded by Director Renger. Motion carried unanimously.

E Headquarters Building No. 8 Air Conditioning Unit Replacement: Call for Bids.

Authorize a Call for Bids for the Headquarters Building No. 8 Air Conditioning Replacement Project in accordance with the project specifications and proposed bid schedule.

General Manager Pedersen stated that the chiller and air conditioning unit in the present building has reached its life expectancy and it needs to be replaced.

Larry Miller, Facilities Manager further explained the reason the chiller plant and air conditioning units need immediate replacement; spoke of electricity usage, advantages and disadvantages of thermal energy storage (TES); explained a simplified chiller water system; ice storage tanks; and when the existing equipment was installed, which was in 1994.

Director Peterson moved to approve as presented. Motion seconded by Director Renger. Motion carried unanimously.

9 INFORMATION ITEMS

A Backbone Improvements Program 5-Million-Gallon Tank: Change Order No. 3

B Claim by Howard Tenenbaum

C Utility Branding Networks: Bi-Annual Branding and Rates Workshop.

There were no questions from the Board on these items. Board President Caspary asked for a brief recap of item 9C regarding the utility branding network.

General Manager Pedersen commented that he had attended this workshop on August 28; spoke about the goals of the Utility Branding Network and its principles; that there are only a small group of water agencies participating or engaging in this type of effort; commented that the workshop structure was in the form of representative case studies from different agencies on their approach to utility branding and how they go about implementing utility branding, which is based on an agency's unique and specific needs.

Mr. Pedersen commented that any such effort begins with an inward organizational focus, and it is not about advertising or marketing, but about looking within an organization, looking at the organizational mission and the principles that are important to the organization as well as getting the policy-makers helping to craft the future direction and vision for the organization. Mr. Pedersen stated that essentially this effort helps build value and trust with the customers.

Following Mr. Pedersen's presentation, there were comments and questions from the Board about standards, the relationship between branding and public relations and being more responsive to the rate-payers.

Board President Caspary suggested that staff consider this topic in conjunction with the normal District Strategic Planning effort that occurs in the first quarter of 2015 and that the use of a facilitator could be beneficial.

10 NON-ACTION ITEMS

A Organization Reports

(1) MWD

Director Peterson reported on the tour of the Sweet Canyon, spoke about the farming related issues in the Delta, and several presentations held at MWD including the goals of the Stewardship Council; commented on the issue of contracts and water rights and the cost of water transfers.

(2) Other

None

B Director's Reports on Outside Meetings

Director Polan reported on having attended the AWA event at the Reagan Library where there was a presentation by Michael Fagan, who spoke about historical sea levels and water related issues from a historical perspective.

Director Renger also spoke about having attended the AWA Dinner at the Reagan Library and commented on the issue of climate change.

C General Manager Reports

(1) General Business

General Manager Pedersen commented that water demands are down in the system, which are the result of some of the actions taken in response to the drought conditions; spoke about the events on the community calendar including the Reyes Adobe Days and the Calabasas Pumpkin Festival; spoke about the upcoming events such as the ACWA Regions 8, 9, and 10 event being coordinated by Director Steinhardt, the Southern California Water Committee Dinner to be held on October 23 and the ACWA Fall Conference, which will be held in December.

(2) Follow-Up Items

Stated that the items on the follow-up list will be addressed timely with most of them being completed soon.

D Director's Comments

Director Polan thanked General Manager Pedersen for putting the upcoming Water Summit event in Las Vegas on the agenda. The event is of interest to him because it relates to conservation efforts and other important and relevant water topics.



11 FUTURE AGENDA ITEMS

None

12 PUBLIC COMMENTS

None.

13 CLOSED SESSION

District Counsel Lemieux stated that he had nothing to discuss in closed session. Board President Caspary indicated that the only item for closed session discussion was the labor negotiations item. The Board recessed to closed session at **6:47 p.m.** and reconvened to open session at **7:48 p.m.**

A Conference with Labor Negotiator. Pursuant to Government Code Section 54957.6:

Agency Designated Representative: David W. Pedersen, General Manager; Donald Patterson, Director of Finance and Administration; Sherri Paniagua, Human Resources Manager; Peter Brown, Liebert Cassidy Whitmore.

Employee Organization(s): General and Office Units Represented by Service Employees International Union (SEIU), Local 721



B Conference with District Counsel. Existing Litigation. Pursuant to Government Code Section 54956.9 (a)

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

14 OPEN SESSION AND ADJOURNMENT

Special Counsel, Peter Brown, with Liebert Cassidy Whitmore reported that the Board had met in closed session to address the item related to labor negotiations, direction was given to staff, and no reportable action was taken.

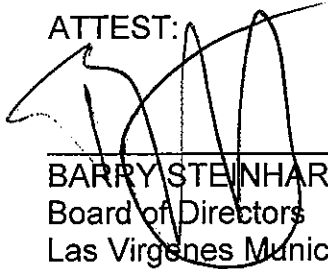
Seeing no further business to come before the Board, the meeting was duly adjourned at **7:48 p.m.**





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

ATTEST:



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

(SEAL)