



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

**MINUTES
REGULAR MEETING**

5:00 PM

December 9, 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, Lewitt, Polan, Renger, 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 there were no proposed changes to the agenda.

Director Renger moved to approve the agenda as presented. Motion seconded by Director Polan. Motion carried unanimously.

3. PUBLIC COMMENTS

Roberta Bronstein-Wilson addressed the Board relative to the subject of respectful business conduct during Board meetings and asked that the Board adopt a policy similar to that adopted by the Thousand Oaks City Council on the subject, which is prominently displayed outside the Council Chambers.

4. CONSENT CALENDAR

Director Peterson moved to approve the consent calendar items 4A-4D. Motion seconded by Director Renger. Motion carried unanimously.

A **Official Canvass Certificate and Statement of Votes Cast: Divisions 2, 3, and 5. Received and filed**

B **Director's Per Diem: November 2014 Ratified**

C **List of Demands: December 9, 2014 Approved**

D **Minutes: Regular Meeting of November 11, 2014 Approved**

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A **Proclamation in Recognition of Employee's Service and Upcoming Retirements: Dion Agnew, Ed Cuaresma, Deborah Low and Jim Olney.**

Board President Caspary stated that there were four long-term employees who were retiring from the District and that on behalf of the entire Board of Directors he wished to offer congratulations for their dedication and years of service to the organization. Proclamations were presented to the above mentioned employees.

B **Oath of Office for Jay Lewitt, Glen Peterson and Lee Renger**

Mr. Glenn Freeman administered the Ceremonial Oath of Office to incoming Director Lewitt; Dave Pedersen, General Manager administered the Ceremonial Oath of Office to re-elected Board members, Lee Renger and Glen Peterson. The formal oath of office for the Directors had been completed prior to the meeting.

C **Comprehensive Annual Financial Report for Fiscal Year 2013-2014.**

Mr. Ken Pun from the auditing firm of Pun and McGeedy made a brief presentation regarding the Annual Financial Report and recent audit for Fiscal Year 2013-2014, which found everything to be in order.

D **Legislative and Regulatory Updates**

General Manager Pedersen introduced Kathy Cole, who then presented the legislative update commenting on the year's accomplishments, the past legislative session, pending bills and the new legislative session with new incoming legislators and the reorganization taking place in the different committees both in the Senate and Assembly.

E **Budget-Based Water Rates: Proposal for Expedited Implementation**

General Manager Pedersen provided a brief summary on the District's efforts in its transition to Budget Based Rates and the possibility of expediting its implementation.

6. TREASURER

Director Polan commented that he had reviewed the demands with staff and found everything in order.

7. **BOARD OF DIRECTORS**

A Election of Officers: President, Vice-President, Secretary and Treasurer

Nominate and elect Directors to serve two-year terms as President, Vice-President, Secretary and Treasurer of the Board of Directors.

Nominations for the Office of President were opened by Board President Caspary.

Board President Caspary nominated Vice-President Peterson. Motion seconded by Director Lewitt. District Counsel Lemieux commented that nominations do not need to be seconded.

Board President Caspary asked if there were any other nominations for President, seeing none, he entertained a motion to close the nomination period. Motion by Director Renger to close the nomination period. Motion seconded by Director Lewitt. Motion carried unanimously.

Board President Caspary called for a vote to elect Director Peterson to the Office of President. Upon unanimous vote, Director Peterson assumed the office of President of the Board.

President Peterson thanked past president Caspary for his service as President of the Board.

President Peterson called for nominations for the Office of Vice President.

Director Caspary nominated Director Lee Renger for the office of Vice President. Board President Peterson asked if there were any other nominations, seeing none, he entertained a motion to close nominations. Director Caspary moved to close nominations. Motion seconded by Director Lewitt. Motion carried unanimously.

Director Caspary moved to elect Director Renger as Vice President. Motion seconded by Director Polan. Motion carried unanimously.

Board President Peterson called for nominations for the office of Secretary.

Director Polan nominated himself for the office of Secretary. Vice President Renger seconded the nomination. Director Caspary nominated himself for the office of Secretary. Board President Peterson asked if there were any other nominations, seeing none, he entertained a motion to close nominations. Vice President Renger moved to close nominations. Motion seconded by Director Caspary. Motion carried unanimously.

President Peterson called for a vote for Director Polan as Secretary of the Board. Nomination failed with two in favor (Polan/Renger); three opposed (Lewitt, Caspary and Peterson).

President Peterson called for a vote for Director Caspary as Secretary of the Board. The nomination carried with four in favor (Lewitt, Renger, Caspary and Peterson; one opposed (Polan).

Board President Peterson called for nominations for the office of Treasurer.

Director Renger nominated Director Lewitt for the office of Treasurer. Board President Peterson asked if there were any other nominations, seeing none, he called for a motion to close nominations. Director Renger moved to close nominations. Motion seconded by Director Polan. Motion carried unanimously.

President Peterson called for a vote for the office of Treasurer. Upon unanimous vote, Director Lewitt was elected as the Board Treasurer.

B Appointment of Deputy Secretaries and Deputy Treasurer

Appoint David W. Pedersen, General Manager and Daryl A. Betancur, Executive Assistant/Clerk of the Board, as Deputy Secretaries and Donald Patterson, Director of Finance and Administration as Deputy Treasurer.

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

8. FACILITIES AND OPERATIONS

A Calleguas Municipal Water District-Las Virgenes Municipal Water District Interconnection: Approval of Term Sheets.

Approve the term sheet for a proposed interconnection between the District and Calleguas Municipal Water District, and authorize staff to develop a draft cooperative agreement for preparation of preliminary design and environmental documentation for the project.

David Lippman, Director of Facilities and Maintenance presented the staff report providing a summary and background as well as the benefits of the proposed interconnection project.

There were two main questions that arose during the course of the discussion: 1) estimated cost of the interconnection via the new, proposed alignment; and 2) capacity of the Cornell Pump Station.

B 30-Inch Potable Water Main Break: Continuation of Emergency Declaration

Continue the emergency declaration for the 30-inch potable water main break on Valley Circle Boulevard in West Hills.

General Manager Pedersen stated that this was the continuation of an emergency that was declared by the Board at an earlier meeting. President Peterson asked District Counsel Lemieux, if it was necessary to continue the emergency at every meeting; Mr. Lemieux indicated that it was not necessary.

Director Renger moved to approve as presented. Director Caspary seconded the motion. Motion carried unanimously.

C Purchase Order for Metropolitan Water District System Water: Approval Authorization

Authorize the General Manager to execute a 10-year "purchase order" agreement with the Metropolitan Water District of Southern California for the purchase of imported water.

General Manager Pedersen presented the staff report and spoke briefly about the agreement that is currently in place, which is set to expire; spoke about the process and purpose of the purchase order, commenting that the purchase order: 1) sets a minimum amount that a member agency commits to purchase over the term of the purchase order, and 2) sets the Tier 1 maximum, which is the maximum amount that can be purchased at what is generally referred to as the base cost for treated water.

Director Polan moved to approve as presented. Motion seconded by Director Caspary. Motion carried unanimously.

D Lease of Vacant Office Space in Buildings Nos. 1 and 8

Authorize the General Manager to negotiate and execute a lease agreement, in a form approved by the District's Legal Counsel, for the vacant suite in Building No. 8, provided that the terms result in a minimum net effective rate of \$1.22 per square foot without allowance for tenant

improvements.

General Manager Pedersen stated that this item was a continuation of the item presented to the Board at the second meeting in October 2014 and asked Larry Miller, Water Systems and Facilities Manager to brief the Board on the item.

Mr. Miller spoke about the concepts proposed for Building Nos. 1 and 8, which included recommendations made by Westcord such as obtaining a unique street address for Building No. 1, and that this is being worked on; further, another recommendation was that the District hire a professional design firm to evaluate the space and provide easel-ready idea concepts to assist prospective tenants to visualize the possibilities for the space when entering the building.

Mr. Miller briefed the Board about the key modifications to Building No. 1 to make it tenant-ready.

There were some questions from the Board to staff regarding parking and other proposed modifications to the buildings.

Director Caspary moved to approve. Motion seconded by Director Polan. Motion carried unanimously.

E Backbone Improvements Program 5-Million-Gallon Tank: Change Order No. 4 and Additional Scope of Work for Materials Testing.

Authorize the General Manager to execute a change in scope agreement with Geolabs Westlake Village in the amount of \$29,845.75 for additional geotechnical and materials testing services required for construction of the 5-Million-Gallon Tank Project.

General Manager Pedersen updated the Board on the change order and spoke about the amount and the items included as part of the change order, which included of some credits to the District; spoke about the color swatches for the paint for the exterior walls of the 5-million-gallon water tank.

Director Caspary moved to approve subject to clarification that the net effective rate of \$1.22 per square foot was after inclusion of any allowance for tenant improvements amortized over the term of the lease to the gross lease amount. Motion seconded by Director Renger. Motion carried unanimously.

F Tapia Channel Mixing Improvements: Call for Bids

Authorize a call for bids in accordance with the project specifications and bid schedule.

Dave Pedersen General Manager made brief comments relative to the purpose of the project.

Director Caspary moved to approve. Motion seconded by Director Lewitt. Motion carried unanimously.

9. FINANCE AND ADMINISTRATION

A Claim for Moshe Porat

Deny claim from Moshe Porat

General Manager Pedersen presented the staff report. Following a brief discussion, the Board directed staff to file a police report and also inform the claimant that the District took this action when they are notified of the claim's denial.

Director Caspary moved to deny the claim. Motion seconded by Director Renger. Motion carried unanimously.

10. INFORMATION ITEMS

A Reportable Expense Reimbursement for Fiscal Year 2013-14

Received and filed without discussion.

11. NON-ACTION ITEMS

A Organization Reports

(1) MWD

Board President Peterson reported on two important issues that came up on the MWD's Board agenda, including the Water Supply Allocation Plan; spoke about groundwater recharge and the increase in the conservation in incentives for the current year.

(2) Other

None

B Director's Reports on Outside Meetings

Director Caspary reported on having attended the ACWA Fall Conference in San Diego; he mentioned that there was a lot of good information available, particularly on the subject of budget-based water rates.

Director Polan spoke also about having attended the ACWA Fall Conference and spoke about the information he obtained regarding budget-based rates.

Director Lewitt mentioned that he too had attended the conference and that there was a lot of information, which is all new to him, however, he found the presentation on the issues in Australia informative and requested that staff obtain a copy of the PowerPoint presentation.

C General Manager Reports

(1) General Business

General Manager Pedersen updated the Board on a couple of items including: the process to select the color for the 5-million-gallon water tank; reported that staff feels comfortable with the color selected; also reported on the Water Supply Allocation Plan and the increase to the MWD incentive program to support the District's Mow-no-Mow program.

(2) Follow-Up Items

None

D Director's Comments

Directors Renger commented that the rock extracted from the water main break should be part of the landscape concept up front.

12. FUTURE AGENDA ITEMS

Place on a future agenda the issue of Board Meeting protocol and rules of conduct.

13. PUBLIC COMMENTS

There were no other public comments.

14. CLOSED SESSION

The Board took a brief recess at 7:56 p.m. and reconvened from recess at 8:01 p.m. The Board recessed to closed session at 8:02 p.m. and reconvened at 10:06 p.m.

Special Counsel Brown Reported that the Board had met in closed session to discuss the item listed under 14A regarding conference with labor negotiator and reported that direction had been provided to staff.

District Counsel Lemieux stated that the Board had met in closed session to discuss the remaining items listed on the closed session agenda, but there were no reportable actions.

A Conference with Labor Negotiator- Anticipated Litigation (Pursuant to Government Code Section 54956.6)

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

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

B Conference with District Counsel- Anticipated Litigation (Pursuant to Government Code Section 54956.9 (b))

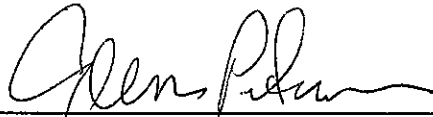
Number of Cases: 1

C 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.

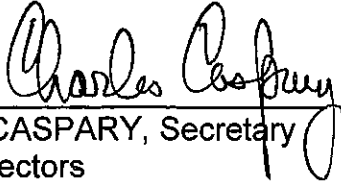
15. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 10:06 p.m.



GLEN PETERSON, President
Board of Directors
Las Virgenes Municipal Water District

ATTEST:



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

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