



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

MINUTES
REGULAR MEETING

5:00 PM

November 10, 2015

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Donald Patterson.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Board President Peterson in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas CA 91302. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Lee Renger, and Glen Peterson
Absent: Director Leonard Polan
Staff Present: David Pedersen, General Manager
Josie Guzman, Clerk of the Board
Carlos Reyes, Director of Resource Conservation and Public Outreach
Donald Patterson, Director of Finance and Administration
David Lippman, Director of Facilities and Operations
Wayne Lemieux, District Counsel

2. APPROVAL OF AGENDA

District Counsel Wayne Lemieux stated there was no update for Closed Session Item 2, and he recommended that it be removed from the agenda.

Director Renger moved to approve the Agenda as amended. Motion seconded by Director Lewitt. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson
NOES: None
ABSENT: Polan

3. PUBLIC COMMENTS

Michael Duberchin, Calabasas resident, stated he did not attend the October 26, 2015 public hearing for the proposed rate changes because he was misinformed by staff regarding the public hearing date. He expressed concern with the text in the yellow door hanger he received indicating staff found his water usage to be higher than normal, and he suggested that the text should be changed to indicate that his water usage might have been higher than usual due to a leak or some other issue. He provided a copy of *The Newsletter of Jewish National Fund*, which contained articles regarding "Solutions for a Water-starved World." He noted that Israel uses drip irrigation for farming, which has reduced water use, and Brazil installed a recycled water system for use by the entire country. He suggested the Board explore desalination and use of recycled water. He stated he believed California could install such a system statewide and not use the excuse that it would be too costly to sustain the system. He also spoke regarding the use of solar energy versus fossil fuel energy to operate desalination facilities, and he spoke in support of toilet to tap technology. He expressed concern with cities allowing growth; increased water rates due to decreased demand; and the loss of property values due to loss of landscaping. He indicated he would be willing to pay more for water so that he does not lose his landscaping, and he asked the Board not to deprive him of this property right.

4. CONSENT CALENDAR

- A List of Demands: November 10, 2015 - Approve**
- B Minutes: Special Meeting of October 26, 2015 and Regular Meeting of October 27, 2015 - Approve**
- C Directors' Per Diem: October 2015 – Ratify**
- D ACWA General Session Membership Meeting and Election of Officers**

Authorize the Board President to serve as the District's voting delegate for the ACWA General Session Membership Meeting on Wednesday, December 2, 2015.

- E 2015 Urban Water Management Plan: Request for Proposals**

Approve the Request for Proposals for preparation of the 2015 Urban Water Management Plan.

- F Renewal of Landscape Maintenance Services Agreement**

Authorize the General Manager to execute a one-year agreement with Villa Esperanza Services, in the amount of \$5,500 per month, with two one-year renewal options for landscape maintenance services.

G J.D. Edwards Software: Annual Support and Maintenance Agreement

Authorize the General Manager to execute an annual support and maintenance agreement with Oracle Corporation, in the amount of \$67,651.86 plus applicable taxes, for the District's J.D. Edwards financial software.

Director Lewitt moved to approve the Consent Calendar as presented. Motion seconded by Director Renger. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson

NOES: None

ABSENT: Polan

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

General Manager David Pedersen reported that the State Water Resources Control Board (Water Board) was in the process of considering the potential extension and modification of the existing Emergency Regulation for Statewide Urban Water Conservation. He noted that the current regulations will expire in mid-February and, if drought conditions do not improve, the Water Board will need to adopt new regulations in January. He noted the Water Board would hold a public workshop on December 7 and staff plans on participating at that meeting and will submit comments.

Board President Peterson mentioned he spoke with Water Board Chair Felicia Marcus regarding the District having to augment flows in the creek to sustain the fish habitat and supplement the recycled water system with potable water. He stated that Chair Marcus indicated these were legitimate arguments, and the District should send a letter in order to request an exception.

B Water Supply Conditions and Drought Responses

General Manager David Pedersen reported that phone calls and messages were sent to customers informing them that with the shorter days they should limit irrigating their landscaping to one day per week.

C Comprehensive Annual Financial Report: Fiscal Year 2014-15

Receive and file the Fiscal Year 2014-15 Comprehensive Annual Financial Report.

Director of Finance and Administration Donald Patterson presented the report.

Ken Pun, representing Pun & McGeady LLP, provided a PowerPoint presentation with the review of the 2015 Independent Audit.

Director Renger moved to approve Item 5C as presented. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson
NOES: None
ABSENT: Polan

6. TREASURER

Director Lewitt stated that the Treasurer's report was in order.

7. BOARD OF DIRECTORS

A Local Agency Formation Commission (LAFCO): Nomination of Candidate for Independent Special District Representative

Nominate a candidate, if any, for consideration to fill an upcoming vacancy as an independent special district representative on the Los Angeles County Local Agency Formation Commission.

General Manager David Pedersen presented the report.

Director Caspary moved to support Donald L. Dear as a candidate to fill an upcoming vacancy as an independent special district representative on the Los Angeles County Local Agency Formation Commission. Motion seconded by Director Renger. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson
NOES: None
ABSENT: Polan

8. FACILITIES AND OPERATIONS

A Fiscal Year 2015-16 Vehicle Replacement Program: Revised Award

Rescind authorization of a purchase order to Paradise Chevrolet of Ventura for two Chevrolet 1500 extended cab trucks, in the amount of \$52,017.60, and authorize the General Manager to approve a purchase order to Thorson GMC of Pasadena for two GMC Sierra 1500 extended cab trucks, in the amount of \$54,659.20.

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 8A as presented. Motion seconded by Director Renger. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson
NOES: None
ABSENT: Polan

9. FINANCE AND ADMINISTRATION

A Resolution of Intent for Continuation of Potable Water Standby Charge

Pass, approve and adopt the proposed Resolution of Intent for continuing the Standby Charge pursuant to the Municipal Water District Law of 1911; order notification for those properties that changed ownership since the last Standby Charge assessment; order publication of a Notice of Public Hearing in a newspaper of general circulation once a week for a two-week period; and set a public hearing on the matter for 5:00 p.m. on January 12, 2016.

RESOLUTION NO. 2476

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT INITIATING PROCEEDINGS FOR THE CONTINUATION OF THE WATER AVAILABILITY OR STANDBY CHARGE FOR THE FISCAL YEAR COMMENCING JULY 1, 2016.

(Reference is hereby made to Resolution No. 2476 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 9A as presented. Motion seconded by Director Lewitt. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson
NOES: None
ABSENT: Polan

B IRS Section 401(a) Plan for Employees: Adoption

Pass, approve and adopt proposed Resolution No. 2477, authorizing the establishment of a 401(a) retirement program.

RESOLUTION NO. 2477

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AUTHORIZING THE ESTABLISHMENT OF A 401(a) RETIREMENT PROGRAM

(Reference is hereby made to Resolution No. 2477 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

General Manager David Pedersen presented the report. He noted there would be no additional cost to the District for establishing a 401(a) retirement program.

Director Renger moved to approve Item 9B as presented. Motion seconded by Director Caspary.

Director of Finance and Administration Donald Patterson responded to a question regarding the potential for future cost for this program to the District by stating that future costs, if any, could be broached during employee labor negotiations.

Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson

NOES: None

ABSENT: Polan

C Claim from Merrill and Leslie Tyler

Deny the claim from Merrill and Leslie Tyler.

General Manager David Pedersen presented the report.

Director Caspary moved to deny the claim from Merrill and Leslie Tyler. Motion seconded by Director Renger. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson

NOES: None

ABSENT: Polan

D Claim from Marvin D. Iannone

Deny the claim from Marvin D. Iannone.

General Manager David Pedersen presented the report.

Director Caspary moved to deny the claim from Marvin D. Iannone. Motion seconded by Director Renger. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson

NOES: None

ABSENT: Polan

F Claim from Valley Circle Townhomes Owners Association

Deny the claim from the Valley Circle Townhomes Owners Association.

General Manager David Pedersen presented the report.

Director Lewitt moved to deny the claim from the Valley Circle Townhomes Owners Association. Motion seconded by Director Renger.

Director of Facilities and Operations David Lippman responded to questions regarding the water pressure regulating station for this community.

Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson

NOES: None

ABSENT: Polan

10. LEGAL SERVICES

A Las Virgenes Municipal District Code: Repeal of Previous Version

Waive the full reading of proposed Ordinance No. 277, as it relates to repealing Ordinance No. 11-86-161 that adopted a previous version of the Las Virgenes Municipal Water District Code; give second reading of the Ordinance by title only; pass, approve and adopt the Ordinance as presented by a roll call vote; and order publication within 30 days of adoption using a summary of the Ordinance.

ORDINANCE NO. 277 (SECOND READING AND ADOPTION)

AN ORDINANCE OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT REPEALING ORDINANCE NO. 11-86-161

(Reference is hereby made to Ordinance No. 277 on file in the District's Ordinance Book and by this reference the same is incorporated herein.)

General Manager David Pedersen presented the report.

Director Renger moved to waive the full reading of proposed Ordinance No. 277, as it relates to repealing Ordinance No. 11-86-161 that adopted a previous version of the Las Virgenes Municipal Water District Code; and give second reading of the Ordinance by title only. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson

NOES: None

ABSENT: Polan

Director Renger moved to pass, approve and adopt Ordinance No. 277 as presented by a roll call vote, and order publication within 30 days of adoption using a summary of the Ordinance. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Lewitt, Renger, Peterson
NOES: None
ABSENT: Polan

District Counsel Wayne Lemieux read Ordinance No. 277 in title only.

11. NON-ACTION ITEMS

A Organization Reports

- (1) MWD Representative Report/Agenda(s)

Board President Peterson reported that the MWD Board approved moving forward with developing a 1-million gallon per day demonstration project to recharge local groundwater basins with advanced treated wastewater; authorized the General Manager to enter into storage and exchange agreements with Antelope Valley-East Kern Water Agency; and authorized the General Manager to enter into a conditional option to acquire property from the Delta Wetlands Properties. He also noted that the Mayor Pro Tem from the City of Compton was inducted as the City's representative on the MWD Board.

- (2) Other

Director Caspary reported that the Santa Monica Bay Restoration Commission met and discussed the Malibu Lagoon, which is exceeding the physical, biological, and chemical responses which were targeted as part of the results and original design. He spoke regarding the efforts of the Los Angeles County Sanitation District and MWD to have a bill passed in Sacramento that gives them statutory authority to manage and recycle stormwater through their wastewater treatment plants. He stated that the stormwater would be part of the long-term supply to provide MWD with 150 million gallons per day of water that has gone through advanced treatment and returned as potable water.

B Director's Reports on Outside Meetings

Board President Peterson reported he attended the Southern California Water Committee meeting on behalf of MWD, and also attended the Los Angeles County Public Relation's Prism Awards where MWD received the Best Team Award.

C General Manager Reports

- (1) General Business

General Manager David Pedersen noted that the Community Open House for the 5-Million Gallon Tank would be held on November 14, 2015, from 10:00 a.m. to 1:00 p.m.

He also noted that approximately 30 people attended the potable water tour on November 7th. He reported that due to tax implications for water conservation rebate programs, the District would be issuing 1099 forms to customers who have participated in the turf removal rebate program.

(2) Follow-Up Items

D Directors' Comments

Director Renger noted he was currently taking a meteorology course at Pierce College and he recommended that everyone view the video on www.stormsurf.com regarding the expected El Niño weather conditions.

12. FUTURE AGENDA ITEMS

None.

13. PUBLIC COMMENTS

None.

14. CLOSED SESSION

The Board recessed to Closed Session at **6:12 p.m.** to discuss the following item:

A Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(a)):

1. Bradly Cohn v. Las Virgenes Municipal Water District, et al.
2. Las Virgenes – Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson (This item was removed from the agenda.)

14. OPEN SESSION AND ADJOURNMENT

The Board reconvened to Open Session at **6:17 p.m.**

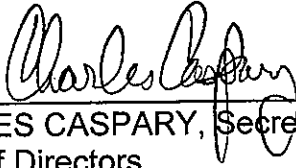
District Counsel Wayne Lemieux reported that during the Closed Session, the Board approved a settlement for Bradly Cohn v. Las Virgenes Municipal Water District, et al.

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:17 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

(SEAL)