



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

MINUTES
REGULAR MEETING

5:00 PM

March 8, 2016

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Director Jay Lewitt.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Vice President Renger 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, Leonard Polan, and Lee Renger.

Absent: Director Glen Peterson

Staff Present: David Pedersen, General Manager
Josie Guzman, Clerk of the Board
David Lippman, Director of Facilities and Operations
Donald Patterson, Director of Finance and Administration
Carlos Reyes, Director of Resource Conservation and Public Outreach
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

Vice President Renger noted that staff had requested the Board pull Item 4C from the Consent Calendar in order to correct a typographical error. General Manager David Pedersen stated there was no update for Closed Session Item 13A, and he recommended that it be removed from the agenda.

Director Caspary moved to pull Item 4C from the Consent Calendar, remove Item 13A, and approve the agenda as amended. Motion seconded by Director Lewitt. Motion carried by the following vote:

AYES: Caspary, Lewitt, Polan, Renger

NOES: None

ABSENT: Peterson

3. PUBLIC COMMENTS

Joel Friedman provided a copy of his written comments for the record. He requested the Board reconsider its monthly water budget policy and adopt an annual water budget rollover plan. The Board discussed placing this request on a future agenda.

Don Schmitz stated that several of his neighbors in the Santa Monica Mountains area live three miles away from water infrastructure and they rely on ground wells for water. He also stated that his neighbors have been unable to obtain a water meter from the District that would allow a truck to access a hydrant and haul potable water to their properties. He also stated that District staff had adopted a policy that only allows temporary water meters for construction purposes. He expressed concern that property owners who paid into the water system early on do not have access to water. He requested the Board direct staff to issue temporary water meters and bill the property owners the appropriate water rates.

Paula Pool, mother of five, displayed some of the t-shirts her children were awarded from participating in District activities. She expressed concern with the amount of her recent sewer bill, which she noted had increased 50 percent and was based on the number of people in her household. She noted that staff found a billing error because the bill was not capped at six people per household; however, she was still concerned with the amount of the bill. She noted that the Los Angeles Department of Water and Power bases its sewer charges on water usage while Las Virgenes Municipal Water District bases its sewer charges on 55 gallons per day per person. She also expressed concern with the proposed six percent increase over the next few years.

Gabrielle Harris noted that Mr. Schmitz had provided the same comments she had planned to give. She stated she has two wells on her property that stopped functioning, and she currently pays \$500 per load to have water delivered. She asked that the Board allow issuance of a temporary water meter so that a water truck may provide water to her property.

General Manager David Pedersen noted that one of the steps staff had taken in order to meet the goal for drought response measures was to not issue any new temporary water meters. He suggested that the District could issue a temporary water meter to Ms. Harris under his discretion and staff could bring back a policy recommendation for the Board's consideration at a future meeting. The Board concurred with Mr. Pedersen's suggestion.

4. **CONSENT CALENDAR**

- A List of Demands: March 8, 2016 - Approve
- B Minutes: Regular Meeting of February 9, 2016 - Approve
- D Cash and Investment Report for January 2016 - Receive and file
- E Mailing of Customer Bills and Notices: Contract Amendment

Authorize the General Manager to increase the contract amount with V3 Printing Corporation for the current one-year term and remaining renewal option, from \$77,655 to \$155,310, for mailing of customer bills and notices.

Director Caspary moved to approve Consent Calendar Items 4A, 4B, 4D, and 4E. Motion seconded by Director Lewitt. Motion carried by the following vote.

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

4. **CONSENT CALENDAR** (Separate Action Item)

- C Directors' Per Diem: February 2016 – Ratify

General Manager David Pedersen noted a typographical error in Board President Peterson's Per Diem form, which should reflect ten meetings for Metropolitan Water District (MWD) and six meetings for Las Virgenes Municipal Water District.

Director Caspary moved to ratify Item 4C as corrected. Motion seconded by Director Polan. Motion carried by the following vote:

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

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

- A Legislative and Regulatory Updates

General Manager David Pedersen reported that he and Directors Peterson, Polan, and Lewitt attended the California Association of Sanitation Agencies (CASA) and Association of California Water Agencies (ACWA) Washington DC Conferences, and met with members of Congress and their staff who represent the JPA's service area. He noted that they discussed the JPA's stakeholder effort for the Recycled Water Seasonal Storage Project, Scenarios 4 and 5. He stated that the legislators expressed interest in writing letters of support when the JPA is prepared to seek federal funding for the

projects. He also stated there was much discussion regarding a new drought bill, which was introduced by Senator Dianne Feinstein. He noted that Senator Feinstein spoke before a joint group of CASA and ACWA, and the District had issued a letter of support for Senator Feinstein's drought bill. He also noted that Congressman Garamendi introduced a nearly duplicate copy of the Senator Feinstein's bill; however, there had not been much movement on this bill so far. He stated that another key item discussed was a tax exemption from federal income tax for water conservation rebates. He noted that Congressman Huffman introduced the Water Conservation Rebate Tax Parity Act, H.R. 4615. He also noted that Congressman Denham introduced The Save our Salmon Act, H.R. 4582. He explained that the Central Valley Improvement Project Act includes provisions that support doubling the anadromous fish population, such as the striped bass, in the Delta. He stated that one issue is that some of these fish are predatory fish, and H.R. 4582 would exclude the striped bass in order to protect native fish populations, such as salmon. He also noted that an Assembly Constitutional Amendment, ACA 8 (Bloom) proposes to adjust the voter threshold for an ad valorem tax for the purpose of servicing debt issued for water and wastewater infrastructure. He noted that the threshold for general obligations bonds currently requires two-thirds voter approval and the amendment would change the threshold to 55 percent voter approval. He also noted that a number of MWD member agencies were considering support for this bill.

Director Caspary inquired whether ACA 8 also includes provisions for stormwater infrastructure. General Manager David Pedersen responded he believed the proposed bill included stormwater but would follow-up and forward a copy of the bill to the Board.

B Water Supply Conditions and Drought Response

General Manager David Pedersen reported there was no rain during the month of February. He noted that evapotranspiration data from the weather station in West Hills was 30 percent higher than in February 2013. He stated the District experienced lower water conservation savings with a four percent reduction as compared to February 2013. He also reported that the District's water conservation regulation standard was expected to be modified from 36 to 34 percent. He noted that March has brought above average rainfall so far, and the eight station index was showing 42 inches of total rainfall for the season compared to an average year of 50 inches by April 1st. He also noted that the five station index was showing 32 inches out of 40 inches average by April 1st. He stated that the snowpack was falling a bit below average; however, water storage in Oroville and Lake Shasta Reservoirs had increased by 500,000 acre feet over the past week.

6. TREASURER

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

7. FACILITIES AND OPERATIONS

A Twin Lakes Tanks Drainage Project: Call for Bids

Approve the issuance of a Call for Bids for the Twin Lakes Tanks Drainage Project.

General Manager David Pedersen presented the report.

Director Polan moved to approve Item 7A as presented. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Lewitt, Polan, Renger

NOES: None

ABSENT: Peterson

8. FINANCE AND ADMINISTRATION

A Claim from Jeffrey A. Jones

Approve payment, in the amount of \$2,800, for the cost of pumping excess water that may have entered the claimant's septic system and deny the remainder of the claim for unsubstantiated damages to the claimant's driveway and for lost wages.

General Manager David Pedersen noted that staff negotiated a settlement with the claimant in the amount of \$2,800, and a settlement agreement and release was signed earlier in the day.

No further Board action was needed.

9. INFORMATION ITEMS

A Claim from Chateau Park Homeowners Association

B Claim from Hidden Hills Community Association

General Manager David Pedersen presented the reports and noted that both of the claims were settled.

10. NON-ACTION ITEMS

A Organization Reports

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

No MWD report was given.

- (2) Other

Director Caspary reported he attended the Santa Monica Bay Restoration Commission meeting in February. He noted that Enrique Zaldivar from LA Sanitation was elected as the new Chair. He stated he had forwarded a copy of the list of members to staff, and he asked that a copy be forwarded to the JPA Board as well. He stated he would be

attending the Santa Monica Bay Restoration Commission Watershed Advisory Council Meeting at the end of the month. He noted that the JPA could make recommendations to the Governing Board for additions and modifications to its Work Plan. He also noted that staff could provide comment on the Work Plan via the Commission's website.

B Director's Reports on Outside Meetings

Director Polan reported he participated in the ACWA Region 8 Water Management Committee webinar where they discussed concerns with desalination, developing a plan for indirect potable reuse and direct potable reuse, handling of reservoirs based on forecasting models, and the State Water Board's Emergency Regulations that focus on urban users rather than agricultural users.

Director Lewitt reported he attended the ACWA Washington DC Conference. He noted that he attended Senator Dianne Feinstein's presentation on the new drought bill. He also noted that he met with Congresswoman Napolitano's staff, and they were very helpful. He thanked the Board for allowing him to attend the conference.

C General Manager Reports

(1) General Business

General Manager David Pedersen noted that the first billing cycle for budget based rates for all customers was completed the previous week. He stated that challenges included the new bill format, programming of the billing system, and questions and answers/quality control to ensure that the bills were calculated properly. He noted that customers' key concerns were sewer charges for larger households and requests for adjustments for irrigated areas. He noted that staff encountered two billing issues with the first being that 80 commercial accounts were underbilled. He explained that water budgets for commercial customers are set at 90 percent of a three-year average; however, the percentage did not calculate properly. He also noted that the second billing issue was that 125 sewer customers with more than six residents residing in the household were overbilled because the billing system erroneously did not cap these households at six individuals. He stated that these customers would be issued credits and adjustments to their bills. He noted that staff was working on making improvements to the bill format to include improved graphics so that customers may compare their water usage to their water budgets.

A discussion ensued regarding the methodology for sewer rates based on water usage. General Manager David Pedersen stated that it would be challenging for the District to use this methodology due to the majority of water usage being outdoors. He stated that the Board adopted the methodology of basing sewer charges according to the number of individuals in a household as the most equitable approach. Director Caspary suggested the Board consider looking at the accuracy of the projections for cost versus revenue generated and consider whether adjustments are needed, and to annually review the six percent increase before the increase is implemented.

Director Caspary referred to the Special JPA meeting scheduled on March 15th and inquired whether staff had received an update from the City of Thousand Oaks on their potential use of the treatment plant for groundwater under Scenario 4. General Manager David Pedersen responded that the issue would be discussed at the meeting.

(2) Follow-Up Items

D Directors' Comments

Vice President Renger noted that the stormsurf.com website shows that El Niño conditions have shifted to the east and are becoming inactive. He stated it appeared La Niña conditions would be likely next year.

11. FUTURE AGENDA ITEMS

Future agenda items requested during the meeting included reconsideration of the monthly water budget policy/annual water budget rollover plan and consideration of a policy on issuing temporary water meters during the drought.

12. PUBLIC COMMENTS

None.

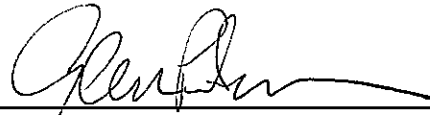
13. CLOSED SESSION (This item was removed from the agenda.)

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

1. Las Virgenes – Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson (TMDL cases)
2. Las Virgenes – Triunfo Joint Powers Authority v. United States Environmental Protection Agency (FOIA cases)

14. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:09 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)