

MINUTES
REGULAR MEETING OF THE
BOARD OF DIRECTORS
LAS VIRGENES MUNICIPAL WATER DISTRICT

June 23, 2009

1 The Board of Directors of Las Virgenes Municipal Water District met in Regular Meeting at 4232 Las Virgenes Road, in Calabasas, California, at 5:00 PM on Tuesday, June 23, 2009

Vice President Renger called the meeting to order at 5:00 PM

The Pledge of Allegiance to the Flag was given, led by Vice President Renger

Secretary Peterson called the roll. Those answering present were Directors Bowman, Peterson, Renger and Smith.

Directors absent: Caspary - excused.

The Chair declared a quorum present.

2 General Manager Mundy requested agenda item 8B be pulled from the agenda while permitting details are being clarified. It was then moved by Director Peterson, seconded by Director Smith, and unanimously carried, that the agenda for the Regular Meeting of June 23, 2009 be approved as amended, removing agenda item 8B: 24" Recycled Water (REW) Pipeline from Mulholland Hwy. to the Tapia Water Reclamation Facility Project – Call for Bids, and Request for Proposals for Consultant Services.

3 Citizen of the Month - the Board of Directors presented a Proclamation in Recognition of the Los Angeles County Fire Department upon the 50th Anniversary of Las Virgenes Municipal Water District, which was accepted by several members of the Department.

4 Public Comments – Seven speaker cards were received from the public related to agenda item 5: Water Allocation Program Update. Vice President Renger notified the speakers that their public comments would be heard after the staff presentation was completed as it may address some of their concerns.

5 Illustrative and/or Verbal Presentation Agenda Items: Water Allocation Program Update – Director of Resource Conservation and Public Outreach Reyes and Civil Engineering Associate Brown made a presentation, which discussed the background of water conservation, public outreach conducted, public feedback received; and responded to questions from the Board and public in regards to water allocations and budgets.

- Meena Puri spoke in regards to water allocations and stated the letter sent by Las Virgenes does not state which tier level the customer is at and that this information should be included in the budget notifications.
- Ching Wang spoke in regards to yards with landscaping in the shade or sun, which affects water usage due to the heat.
- Len Brenner spoke in regards to water allocations and suggested roll-overs for over/under billing period usages; Metropolitan Water District's annual allocation versus Las Virgenes' bi-monthly water allocation; and asked what Las Virgenes is doing about the future; and stated he feels Las Virgenes is not being equitable to those who have city approved landscaping plans.
- Steve Kessler read excerpts from correspondence he sent to President Caspary; and stated he feels the methodology for determining water allocation budgets is flawed; and that if he does not have an adequate water supply to the trees on his property they will be infested with bark beetles and that nesting areas will be lost for such species as red tail hawks.
- Richard Mertz stated he had Las Virgenes conduct a consultation in regards to water usage at his property and it was recommended that he change out sprinklers; asked why other agencies are cutting a flat 20% and Las Virgenes is not; and wanted to know who was protecting the customers i.e. the Public Utilities Commission or other agency.

- Arthur Guglielmi asked why Las Virgenes chose to protect 2400 customers or approximately 13% who are under their water allocation budget and penalize the other 87% of customers; wanted to know if he cuts water usage at this property who was going to receive the additional water; stated he felt the Board implemented this program because it did not affect them individually; and quoted the definition of a budget from Harvard Business School.
- Rebecca Hennesey stated she inherited the landscaping at her residence and was begging the Board to increase allocations; if the hill behind her home burned the fire department said it would burn her house down; and asked if she was allowed to dig a well on her property.

Vice President Renger stated there would be a break from 7:05 p.m. – 7:10 p.m. after which the board meeting would reconvene.

6 It was moved by Director Bowman, seconded by Director Smith, and unanimously carried, that Consent Calendar Items 6A-6C be approved as presented.

A List of Demands: 06/23/09. APPROVE

B Investment Report for the Month of May 2009. APPROVE

C Call for Bids: Sodium Hypochlorite. APPROVE

7 Miscellaneous Report from Treasurer – Director Smith discussed his and President Caspary's attendance at the June 15, 2009 initial meeting with the auditors; and that he would be discussing travel reimbursements at the July 14, 2009 board meeting.

8 A Offsite Biosolids Disposal during Compost Reactor Building Maintenance: It was moved by Director Bowman, seconded by Vice President Renger, and unanimously carried, that the Board authorize the General Manager to issue a purchase order to Synagro for offsite disposal of biosolids in the amount of \$41.75 per wet ton including \$2,500 for rental of the yard goat.

C Tapia Water Reclamation Facility BNR Phase 1 Project: Ratification of Change Order #5: It was moved by Director Peterson, seconded by Vice President Renger, and unanimously carried, that the Board ratify Change Order #5 for the Tapia BNR Phase 1 Project in the amount of \$42,389.52.

D Rancho Las Virgenes Composting Reactor Building Ceiling Repair: Approval of Engineering Services: It was moved by Vice President Renger, seconded by Director Bowman, and unanimously carried, that the Board accept the proposal from Tectonics to provide engineering services for design of the Rancho Las Virgenes Compost Reactor Building Ceiling Repair in an amount not to exceed \$39,319.00.

9 LVMWD Budget for FY09-10: General Manager Mundy stated a budget item had inadvertently been omitted from the proposed budget for fiscal year 2009-10 and requested the Board modify the motion to include \$92,000 for odor control. Director of Finance and Administration Schmidt made a presentation of the proposed budget for fiscal year 2009-10. It was then moved by Director Peterson, seconded by Vice President Renger, and unanimously carried, that the Board adopt the proposed budget for fiscal year 2009-10 to include \$92,000 for odor control; and direct staff and district counsel to prepare the appropriate ordinances for water and sanitation rate changes, and direct staff to proceed with the preparation of the Proposition 218 notice to pass through unanticipated wholesale water rate increases from MWD.

10 Code Revision – Water Conservation Incentives: It was moved by Director Peterson, seconded by Vice President Renger, and unanimously carried, that full reading of the proposed Ordinance No. 06-09-257 as it relates to Water Conservation Incentives be waived.

It was moved by Director Bowman, seconded by Director Smith, and unanimously carried Ayes: 4; Noes: 0; Abstain: 0 and Absent: 1, that the Board conduct the first reading on the proposed revision to the District's Administrative Code Section 3-4.405 as it relates to Water Conservation Incentives.

ORDINANCE NO. 06-09-257:
AN ORDINANCE OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AMENDING ORDINANCE NO. 11-86-161 (LAS VIRGENES CODE) AS IT RELATES TO WATER CONSERVATION INCENTIVES

(Reference is hereby made to Ordinance 06-09-257 on file in the District's Ordinance Book and by this reference the same is incorporated herein and made a part hereof.)

11 Records and Library Management Services – Award: It was moved by Vice President Renger, seconded by Director Peterson, and unanimously carried, that the Board approve the Agreement for Professional Services with Ictus Consulting, LLC with five (5) one-year contract renewal options.

12 A Organization Reports

(1) MWD Representative Peterson provided an update regarding general business of Metropolitan Water District including the Integrated Resource Plan.

(2) Other: None

B Directors' Reports on Outside Meetings: Directors Renger, Peterson and Smith reported on their attendance at AWA WaterWise Breakfast meeting of June 18, 2009.

C Information Items: None

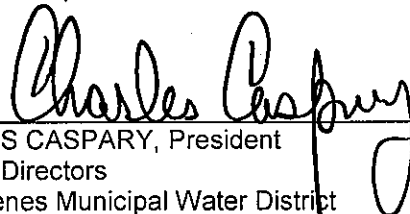
D General Manager Mundy provided an update regarding general business of the District including the Environmental Water Science program, which had two Oak Park students as participants; annual water quality report; and expense reimbursements.

E Director's Comments: Director Bowman inquired to Legal Counsel Lemieux as to whether the District has liability in regards to water allocations.

13 Future Agenda Items: None

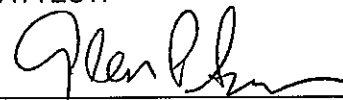
14 The meeting convened into Closed Session at 7:57 p.m. to discuss Existing Litigation: Arnaldes v. EH Excavation, Inc. and Las Virgenes Municipal Water District

15 The meeting reconvened into Open Session at 8:07 p.m. and the Chair declared the meeting adjourned at 8:08 p.m.



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

ATTEST:



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

(SEAL)