



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

MINUTES
REGULAR MEETING

5:00 PM

March 28, 2017

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Director Len Polan.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Vice President Caspary 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
David Lippman, Director of Facilities and Operations
Don Patterson, Director of Finance and Administration
Carlos Reyes, Director of Resource Conservation and Public Outreach
Josie Guzman, Clerk of the Board
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

Director Renger moved to approve the agenda. Motion seconded by Director Lewitt.
Motion carried by the following vote:

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

3. PUBLIC COMMENTS

J.D. Meints, owner and Chief Operating Officer of NuLife Treatment Centers, addressed the Board regarding past due rent for office space leased at the District's headquarters and efforts to bring the rent current. Vice Chair Caspary thanked Mr. Meints for his comments and noted that the Board would discuss this issue during Closed Session.

4. CONSENT CALENDAR

Director Polan referred to Item 4C and inquired regarding the Potable Water Enterprise reserve levels being lower than anticipated. Don Patterson, Director of Finance and Administration, responded that the District had drawn down the potable water reserves for construction of the Backbone Improvements Program. He stated that the District had been covering operations with current revenue this fiscal year, and would cover both operations and capital expenditures with current revenue in the next fiscal year. He also stated that staff anticipated beginning to rebuild reserves in the following fiscal year. He noted that the rate study took into account the balance of the Potable Water Enterprise, and in order to minimize impacts to the ratepayers, the Board adopted the Five-Year Plan, which would gradually build up the rates and start to replenish the reserves.

A List of Demands: March 28, 2017: Ratify

B Minutes: Regular Meeting of March 14, 2017: Approve

C Monthly Cash and Investment Report: February 2017

Receive and file the Monthly Cash and Investment Report for February 2017.

D Request to Increase Annual Purchase Orders: Two Vendors

Approve a \$25,000 increase, from \$35,000 to \$60,000, in the annual purchase order for Consolidated Electrical Distributors and a \$15,000 increase, from \$35,000 to \$50,000, in the annual purchase order for Hach Company.

E Customer Information System: Upgrade to CIS Infinity Version 4

Authorize the General Manager to approve a purchase order to Advanced Utility Systems, in the amount of \$129,250, for the upgrade of CIS Infinity to Version 4.

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

AYES: Caspary, Lewitt, Polan, Renger

NOES: None

ABSENT: Peterson

ABSTAIN: None

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

General Manager David Pedersen reported that the District signed onto letters with the Metropolitan Water District of Southern California (MWD) and member agencies in opposition to AB 791, AB 792, and AB 793, all introduced by Assemblymember Jim Frazier from the Delta area and which are related to hindering the advancement of the Bay-Delta Fix. He noted that AB 791 included measures that would require the State's environmental review to include a breakdown of the actual costs apportioned for State Water Project Contractors, which are currently unknown. He also noted that AB 792 would require the Delta Stewardship Council to make a Certification of Consistency for the Delta Plan, which would disrupt the normal process for the State Water Resources Control Board to approve a change in the point of diversion for water from the State Water Project. He further noted that AB 793 would establish State policies indicating that the natural state of the San Joaquin-Sacramento Bay Delta is recognized and defined as an integral component of California's water infrastructure, and the maintenance and repair of the Delta are eligible for the same forms of financing as other water collection and treatment infrastructure.

B Water Supply Conditions and Drought Response

General Manager David Pedersen reviewed the 8-station index and 5-station index for current daily precipitation, and the statewide summary of snow water content. He noted that the San Luis and Castaic Lake Reservoirs were nearly at capacity.

Jeff Reinhardt, Public Affairs and Communications Manager, responded to a question regarding water levels at Diamond Valley by stating that the reservoir was currently two-thirds full. He noted that MWD was supplying its customers with State Water Project water, and water levels were anticipated to be between 80 to 90 percent full by the end of summer.

General Manager David Pedersen responded to a question regarding water being supplied from the Los Angeles Aqueduct by stating that Los Angeles Mayor Eric Garcetti declared an emergency related to snow melt and runoff from the Eastern Sierras, which could inundate facilities that are normally intended for dust mitigation. He noted that the Los Angeles Department of Water and Power requested assistance from MWD to take water from the Los Angeles Aqueduct, and MWD is receiving the water through the California Aqueduct and sending it to the Jensen Filtration Plant.

6. **TREASURER**

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

7. **FACILITIES AND OPERATIONS**

A Potable Water Air-Vacuum Release Valves Relocation: Call for Bids

Find that the work is categorically exempt from the California Environmental Quality Act and approve the issuance of a Call for Bids for the Potable Water Air-Vacuum Release Valves Relocation Project.

General Manager David Pedersen presented the report.

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

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

B 2016 Bioassessment Report: Approval of Purchase Order

Authorize the General Manager to approve a purchase order to Aquatic Bioassay Consulting Laboratories, Inc., in the amount of \$43,351, for the 2016 bioassessment monitoring report.

General Manager David Pedersen presented the report.

David Lippman, Director of Facilities and Operations, responded to a question related the index used to determine the composition of benthic macroinvertebrates in Malibu Creek.

A discussion ensued regarding past scores showing high concentrations of insects that are salt tolerant and very low numbers of insects that are non-salt tolerant. General Manager David Pedersen noted that the low scores were the result of low numbers of non-salt tolerant insects in Malibu Creek due to high background levels of total dissolved solids (TDS).

Director Renger moved to approve Item 7B. Motion seconded by Director Polan. Motion carried by the following vote:

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

C Assessor Parcel No. 4448-026-050: Annexation

Approve in concept the annexation of APN No. 4448-026-050 into the District's service area.

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

AYES: Caspary, Lewitt, Polan, Renger

NOES: None

ABSENT: Peterson

ABSTAIN: None

8. FINANCE AND ADMINISTRATION

A Travel Expense Policy: Proposed Update

Adopt the proposed update to the Travel Expense Policy.

General Manager David Pedersen presented the report.

Don Patterson, Director of Finance and Administration, responded to questions related to selection of the most cost effective travel methods.

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

AYES: Caspary, Lewitt, Polan, Renger

NOES: None

ABSENT: Peterson

ABSTAIN: None

B Request for Proposals for Employee Total Compensation Study

Authorize issuance of a Request for Proposals to conduct an employee total compensation study.

General Manager David Pedersen presented the report.

Don Patterson, Director of Finance and Administration, responded to questions related to the estimated cost of the study, use of comparator agencies to survey benchmark jobs and benefits, and employees' support of the study.

Director Renger moved to approve Item 8B. Motion seconded by Director Polan. Motion carried by the following vote:

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

9. INFORMATION ITEMS

A Website Hosting and Maintenance Services: Correction to Contract Term Duration

10. NON-ACTION ITEMS

A Organization Reports

- (1) MWD Representative Report – There was no report provided.
- (2) Other

B Director's Reports on Outside Meetings

None.

C General Manager Reports

- (1) General Business

General Manager David Pedersen reported that MWD was in its second day of the temporary shutdown to conduct preventative maintenance and inspections on Jensen Filtration Plant, West Valley Feeder No. 2, and Calabasas Feeder.

- (2) Follow-Up Items

D Directors' Comments

None.

11. FUTURE AGENDA ITEMS

None.

12. PUBLIC COMMENTS

None.

13. **CLOSED SESSION**

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

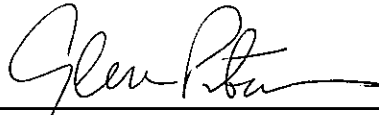
Las Virgenes Municipal Water District v. The Harp LLC, dba NuLife Treatment Centers

The Board recessed to Closed Session at **5:57 p.m.** and reconvened to Open Session at **6:10 p.m.**

District Counsel Lemieux reported that the Board directed staff to prepare a tolling agreement in exchange for certain fees, including back rent and attorney's fees.

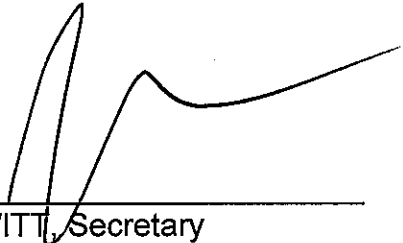
14. **OPEN SESSION AND ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:11 p.m.**, in memory of Ted Grandsen, former Board Member of Calleguas Municipal Water District.



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

ATTEST:



JAY LEWITT, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)