



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

MINUTES
SPECIAL MEETING

5:00 PM

April 13, 2017

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Darrell Johnson.

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. Mary Capps, Secretary of Finance and Administration, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Leonard Polan, Glen Peterson, and Lee Renger.

Absent: None

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
Mary Capps, Secretary of Finance and Administration
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

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

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A List of Demands: April 13, 2017: Ratify

B Minutes: Regular Meeting of March 28, 2017: Approve.

Director Caspary moved to approve the Consent Calendar. Motion seconded by Director Renger.

Director Polan referred to Item 4B, Minutes of the Regular Meeting of March 28, 2017, Item 4 and inquired if the language used was the most accurate related to the potable water reserve levels and the balance in the Potable Water Enterprise. Following a brief discussion, the following modifications to the minutes were proposed, "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."

Director Caspary moved to accept the changes to the Minutes of the Regular Meeting of March 28, 2017. Motion seconded by Director Renger. Motion carried unanimously to approve the Consent Calendar, including the modified minutes of the Regular Meeting of March 28, 2017.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

General Manager David Pedersen reported that the District had been working with a group of Association of California Water Agencies (ACWA) members on the Governor's Executive Order, which called for a new long-term water use efficiency framework in California. He noted that several administrative agencies in the Governor's office worked on the Executive Order, including the State Water Resources Control Board. A draft report was issued, and the District and many other water agencies submitted comments. The final framework was issued by the Governor's office simultaneously with the Governor's new Executive Order, lifting the drought emergency for the majority of the State, with the exception of four counties. The new framework is workable for the District due to the budget-based water rates currently in place. The Governor proposed to enact the Executive Order through Budget Trailer Bill 810. General Manager David

Pedersen expressed concerns with the trailer bill because such bills are primarily intended for budget-related matters and do not provide the normal opportunity to propose changes and amendments. ACWA and a number of ACWA members have been working on legislation to create policy bills that include more clarity on the actual content of the framework that was published, and they believe that the right way to do this is through a conventional bill that goes through the policy committees. The District has issued support letters for policy bills AB 1654 and AB 968 by Assemblymember Blanca Rubio, and MWD issued support of AB 1654. The District is also proposing to speak with its lobbyist in Sacramento and Assemblymember Richard Bloom's office, regarding concerns with the proposed enactment of the framework through the budget trailer bill process.

Jeff Reinhardt, Public Affairs and Communications Manager, responded to a series of questions regarding Assemblymember Bloom's influence over budget trailer bills as the Chair of Budget Subcommittee 3. Mr. Reinhardt explained that the budget trailer bill had not been scheduled for a hearing date; however, AB 1654 and AB 968 were scheduled to be heard on April 25th. He also stated that Assemblymember Bloom could suggest and recommend edits to the bill as a subcommittee member.

General Manager David Pedersen reported that the Regional Water Quality Control Board (RWQCB) issued a tentative NPDES permit for Tapia. The RWQCB issued a pre-release draft to the District and allowed staff to make comments, incorporating all of the District's initial comments in the final publication. The public hearing notice was published and posted for public review with comments due by May 8th at 5:00 p.m. and the hearing scheduled for June 1st. District staff will be present at the hearing to provide comments. The issue at hand is the chloride limit for discharges to the Los Angeles River. District staff is working on a request for a time schedule order that would allow Tapia to discharge at the higher chloride concentration of 190 milligrams per liter (mg/L) for an interim period, and Tapia would need to meet certain requirements within a two and one-half year period.

David Lippman, Director of Facilities and Operations, responded to a series of questions regarding the chloride levels and explained that Tapia chloride levels were currently at 190 mg/L, compared to the proposed limit of 150 mg/L, and that the District intends to look at various sources of chloride. He stated that staff hopes the solution to the problem will be a regulatory remedy such as a Basin Plan Amendment or site specific objective that will allow continued discharges at 190 mg/L.

Brett Dingman, Water Reclamation Manager, responded to a question regarding the effects of altering the treatment method from liquid-gaseous chlorine to sodium hypochlorite by stating that the sodium hypochlorite used to treat the water adds approximately 20 mg/L of chloride. General Manager David Pedersen added that one of the important factors is that the channel between Tapia's discharge to the Los Angeles River and the Sepulveda Flood Control Basin is entirely concrete lined, and there are no beneficial uses that are sensitive to chloride, which was recognized by the RWQCB staff.

B Water Supply Conditions and Drought Response

No discussion was held.

6. TREASURER

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

7. BOARD OF DIRECTORS

A Reschedule May 9, 2017 Board Meeting and Schedule Strategic Planning Workshop

Cancel and reschedule the May 9, 2017 Regular Board meeting and schedule a special Board meeting for a Strategic Planning Workshop.

General Manager David Pedersen presented the report.

Director Polan moved to cancel the May 9, 2017 Regular Board meeting and schedule a Special Board meeting for a Strategic Planning Workshop on May 4, 2017. Motion seconded by Director Caspary. Motion carried unanimously.

B Board Per Diem Rate: Annual Review

Consider the results of the per diem rate survey and an adjustment, if any, to the current per diem rate.

General Manager David Pedersen presented the report.

Director Polan moved to increase the per diem to \$220 per meeting up to 10 meetings per month. Motion seconded by Director Lewitt. Motion carried by the following vote:

AYES: Lewitt, Polan, Peterson

NOES: Caspary, Renger

ABSENT: None

ABSTAIN: None

C Directors' Per Diem: March 2017

Discuss and ratify the Directors' Per Diem for March 2017.

A discussion took place regarding the potential for a Brown Act violation when a Director had unexpectedly arrived to attend a meeting in Washington D.C. The Board discussed the concern and importance of adhering to the Brown Act. Director Caspary suggested that in the future the Board President appoint those Directors that are designated to represent the District at events or meetings in advance.

Director Caspary moved to ratify Item 7C. Motion seconded by Director Renger. Motion carried unanimously.

8. GENERAL MANAGER

A Pure Water Project Las Virgenes-Triunfo: Resolution for Planning Grant Application to State Water Resources Control Board

Pass, approve and adopt proposed Resolution No. 2511, authorizing the General Manager to sign and file a financial assistance application for a planning grant from the State Water Resources Control Board.

RESOLUTION NO. 2511

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AUTHORIZING THE GENERAL MANAGER TO SIGN AND FILE A FINANCIAL ASSISTANCE APPLICATION FOR A PLANNING GRANT AGREEMENT FROM THE STATE WATER RESOURCES CONTROL BOARD, WATER RECYCLING FUNDING PROGRAM FOR THE PURE WATER PROJECT LAS VIRGENES-TRIUNFO

(Reference is hereby made to Resolution No. 2511 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 Polan moved to approve Item 8A. Motion seconded by Director Caspary. Motion carried unanimously.

9. FACILITIES AND OPERATIONS

A Agoura Road Recycled Water Main Extension: Final Acceptance

Approve an additional appropriation of \$52,396.36 for CIP Job No. 10592, and authorize reimbursement to the City of Agoura Hills, in the amount of \$73,590.72, for change orders for the Agoura Road Recycled Water Main Extension Project.

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 9A. Motion seconded by Director Renger. Motion carried unanimously.

B Las Virgenes Road Pressure Reducing Station No. 49 Rehabilitation Project: Finance Acceptance

Execute a Notice of Completion and have the same recorded, and authorize the General Manager to release the retention, in the amount of \$3,372.50, within 30

calendar days after filing the Notice of Completion, for the Las Virgenes Road Pressure Reducing Station No. 49 Rehabilitation Project.

General Manager David Pedersen presented the report.

Director Polan moved to approve Item 9B. Motion seconded by Director Lewitt. Motion carried unanimously.

10. RESOURCE CONSERVATION AND PUBLIC OUTREACH

A Resolution of Support for ACWA's Policy Statement on Bay-Delta Flow Requirements

Pass, approve and adopt proposed Resolution No. 2510, supporting the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements.

RESOLUTION NO. 2510

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT IN SUPPORT OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES' POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS.

(Reference is hereby made to Resolution No. 2510 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 Polan moved to approve Item 10A. Motion seconded by Director Renger. Motion carried unanimously.

11. NON-ACTION ITEMS

A Organization Reports

(1) MWD Representative Report/Agenda(s)

Board President Peterson reported that MWD considered and voted on sharing treatment charges across the system, and the vote failed 34% to 62%. He also reported that he would begin taking his MWD Inspection Tours to the location of the future Sites Reservoir after visiting Oroville. The Sites Reservoir is proposed to be a 1.8 million acre-foot reservoir and is being supported by many Northern California agencies. MWD is funding \$1.5 million to the planning and hoping to get 50,000 acre-feet of water out of it. Lastly, the City of Los Angeles declared an emergency due to an endangered fish species that lives in the Owens Gorge, and the City needs to release 40,000 acre-feet of water. MWD has agreed to take an unbalanced exchange and agreed that for every two gallons of water they will return one.

- (2) Other

B Director's Reports on Outside Meetings

Director Renger reported that he attended the ACWA Energy Storage Conference in Sacramento and learned some interesting concepts; however, he did not see any viable options for the District.

Director Polan reported that he attended the California Water Policy Committee Conference in San Diego where he met with a college professor and discussed possible internships for graduate students. He noted that during the meeting there was much discussion regarding salt buildup and the threat to California's water supply. There are 60,000 square miles of farmland in the Central Valley and 7 million acres are subject to salt buildup, and the effort to reduce the salinity is going to require a great effort. He explained that Assemblymember Richard Bloom had helped to pass AB 2480, which declared it state policy to recognize and define state watersheds as integral components of California's water system.

C General Manager Reports

- (1) General Business

General Manager David Pedersen reminded the Board of the Las Virgenes-Triunfo Joint Powers Authority (JPA) Special Board Meeting on April 18, 2017, at 5:30 p.m. He also noted that a copy of the court's order dismissing the case of JPA v. United States Environmental Protection Agency was distributed to the Board.

- (2) Follow-Up Items

None.

D Directors' Comments

Director Caspary discussed the passing of former employee Mike Brown, who was instrumental in developing the District's Geographic Information System. Board President Peterson noted that the Board previously adjourned a Board meeting in memory of Mike Brown.

Sherri Paniagua, Human Resources Manager, introduced Jaime Lepe, Human Resources Intern, who began employment with the District on April 4th. She noted that Mr. Lepe is currently pursuing his Master's degree in Human Resources at Pepperdine University.

FUTURE AGENDA ITEMS

Director Caspary requested a future agenda item to review Directors' insurance coverage.

12. **PUBLIC COMMENTS**

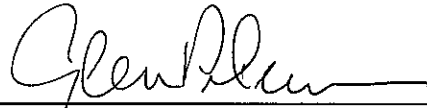
None.

13. **CLOSED SESSION**

None.

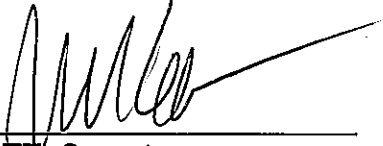
14. **ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:29 p.m.**



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

ATTEST:



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

(SEAL)

