



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

**MINUTES**  
**REGULAR MEETING**

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5:00 PM

July 25, 2017

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Dave Roberts.

**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, Len Polan, Glen Peterson, and Lee Renger.  
Absent: Director Jay Lewitt  
Staff Present: David Pedersen, General Manager  
David Lippman, Director of Facilities and Operations  
Don Patterson, Director of Finance and Administration  
Jeff Reinhardt, Public Affairs and Communications Manager  
Josie Guzman, Clerk of the Board  
Wayne Lemieux, District Counsel

**2. APPROVAL OF AGENDA**

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

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

**3. PUBLIC COMMENTS**

None.

**4. CONSENT CALENDAR**

**A List of Demands: July 25, 2017: Ratify**

**B Minutes: Regular Meeting of July 11, 2017: Approve**

**C Potable Water Capacity Fees: Correction to Allocation to Construction and Conservation**

**Pass, approve and adopt proposed Resolution No. 2524, correcting an error and ensuring the proper allocation of potable water capacity fees to construction and conservation.**

Director Caspary referred to Item 4C and requested information regarding the corrected capacity fee calculation. General Manager David Pedersen responded that staff would follow-up.

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

AYES: Caspary, Polan, Renger, Peterson (abstained from Item 4B)  
NOES: None  
ABSENT: Lewitt

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

**A Legislative and Regulatory Updates**

Jeff Reinhardt, Public Affairs and Communications Manager, reported that the State Legislature was currently in recess until August 21st, and during the recess legislative staff and other participants would be working on the framework for long-term water conservation for *Making Water Conservation a California Way of Life*. He reported that a letter was sent to Senator Robert Hertzberg, Chair of the Senate Natural Resources and Water Committee, addressing concerns related to AB 1667 - Water Management Planning. He noted that comments included consideration of credit for recycled water, concerns with enforcement using cease and desist authority and penalties, and concerns related to declaration of water shortage emergencies. He also noted that the District signed a joint letter with WateReuse California to Senator Kevin de Leon regarding SB 5, relating to issuance of a new water bond. He stated that WateReuse California expressed concern regarding the amount that was designated for recycling and potable water reuse issues, and asked that the bond be restored to \$375 million for these purposes. He also stated that the District was monitoring a Federal bill that would designate farms as being preferable to environmental uses of water in California. He noted that there was

discussion regarding a new approach to SB 623 (Monning) related to a public goods charge for a connection fee of \$1 per month per meter.

General Manager David Pedersen reported that the State Water Resources Control Board released the draft Surface Water Augmentation Regulations for public review. He stated that staff would work with WateReuse California and the District's consulting team to provide comments in support of the regulations.

**B Water Supply Conditions Update**

No additional update was provided.

**6. TREASURER**

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

**7. FACILITIES AND OPERATIONS**

**A Refuse Hauling Services: Award of Bid**

**Accept the bid from Waste Management GI Industries, and authorize the General Manager to execute a one-year service agreement, in the amount of \$26,000, with four one-year renewal options not to exceed the original award by more than 10%, for a maximum five-year total amount of \$140,400, for refuse hauling services at the Tapia Water Reclamation Facility and Westlake Filtration Plant.**

General Manager David Pedersen presented the report.

A discussion ensued regarding the competitive bidding process for the District's refuse hauling services.

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

AYES: Caspary, Polan, Renger, Peterson

NOES: None

ABSENT: Lewitt

**B Communications Site Lease Agreement: Las Virgenes Reservoir/Westlake Filtration Plant (Westlake Village, CA)**

**Authorize the General Manager to execute a communications site lease agreement with Los Angeles SMSA Limited Partnership (Verizon Wireless) for a new wireless site installation at Las Virgenes Reservoir/Westlake Filtration Plant in the City of Westlake Village.**

General Manager David Pedersen presented the report.

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

AYES: Caspary, Polan, Renger, Peterson

NOES: None

ABSENT: Lewitt

**C Jed Smith Pipeline Replacement Project: Final Acceptance**

**Execute a Notice of Completion and have the same recorded; approve an additional appropriation, in the amount of \$32,971, for administrative costs; and, in the absence of claims from subcontractors and others, release the retention, in the amount of \$22,80557, within 30 calendar days after filing the Notice of Completion, for the Jed Smith Pipeline Replacement Project.**

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 7C. Motion seconded by Director Renger.

Director Caspary noted that the contractor for the homeowners' association had excavated over the laterals from the water meters to the water main in order to install decomposed granite material. David Lippman, Director of Facilities and Operations, stated that District staff would coordinate with the contractor to ensure that the laterals were not damaged during this work and that the finished grade was smooth.

Motion carried by the following vote:

AYES: Caspary, Polan, Renger, Peterson

NOES: None

ABSENT: Lewitt

**8. FINANCE AND ADMINISTRATION**

**A Monthly Cash and Investment Report: June 2017**

**Receive and file the Monthly Cash and Investment Report for June 2017.**

Don Patterson, Director of Finance and Administration, presented a PowerPoint presentation.

Director Caspary moved to approve Item 8A. Motion seconded by Director Polan.

Don Patterson, Director of Finance and Administration, responded to a question regarding whether revenues generated from penalties paid by the ratepayers were restricted for water conservation purposes by stating that revenue generated from penalties are not restricted because they were adopted as a violation of law and they were not included in the rate structure. He stated that he would bring back an item at the next Board meeting

or during the year-end report to discuss the penalties collected and the revenues generated. He also stated that staff would include the amount of revenues generated from penalties in the Monthly Cash and Investment Report. He further responded to a question regarding the benchmark used for comparing the District's investments by stating that the District has historically used the two and three-year Treasury Notes as the benchmark.

Motion carried by the following vote:

AYES: Caspary, Polan, Renger, Peterson

NOES: None

ABSENT: Lewitt

**B Claim from Craig Steinberg and Pamela Blankenship**

**Deny the claim from Craig Steinberg and Pamela Blankenship.**

General Manager David Pedersen presented the report.

Director Caspary moved to deny the claim. Motion seconded by Director Polan. Motion carried by the following vote:

AYES: Caspary, Polan, Renger, Peterson

NOES: None

ABSENT: Lewitt

**C Supply and Delivery of Diatomaceous Earth: Award of Bid**

**Accept the bid from Dicalite Minerals, Inc., and authorize the General Manager to issue a one-year purchase order, in the amount of \$31,986.07, with four one-year renewal options not to exceed the original award by more than 10%, for a maximum five-year total amount of \$172,724.78, for the supply and delivery of diatomaceous earth.**

General Manager David Pedersen presented the report.

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

AYES: Caspary, Polan, Renger, Peterson

NOES: None

ABSENT: Lewitt

**9. NON-ACTION ITEMS**

**A Organization Reports**

- (1) MWD Representative Report

Board President Peterson noted that he attended the funeral of former MWD General Manager Carl Boronkay. He expressed his appreciation to the Board for adjourning the July 10, 2017 Board meeting in Mr. Boronkay's honor. He also noted that he attended the Joint Meeting of the Special Committee on Bay-Delta and Water Planning and Stewardship and Special Committee on Bay-Delta earlier in the day where they received a presentation on the California WaterFix Operations White Paper.

(2) Other

## **B Director's Reports on Outside Meetings**

Board President Peterson reported that he attended the ACWA Building Committee Meeting in Sacramento.

## **C General Manager Reports**

(1) General Business

General Manager David Pedersen reported that the California Department of Water Resources certified the Environmental Impact Report for the California WaterFix and issued a Notice of Determination. He noted that the next step would involve approval of the project by the Federal Government in the form of a Record of Decision, and approval of a change in the point of diversion for the State Water Project by the State Water Resources Control Board. He also reported that Governor Brown appointed Grant Davis as Director of the California Department of Water Resources. He noted that Mr. Davis is currently the General Manager of Sonoma County Water Agency and the President of WaterReuse California. He also reported that the Triunfo Sanitation District Board of Directors selected and appointed Raymond Tjulander as its new Director, replacing Steven Iceland. He stated that Mr. Tjulander is a retired Chemical Engineer who previously worked for NASA. He noted that Board President Peterson would be hosting the MWD State Water Project Inspection Trip from October 27 through 29, 2017, and he reminded the Board members to submit the names of people they wish to invite. He recommended that the August 22nd Board meeting be canceled due to lack of quorum because several Board members would be attending the California Association of Sanitation Agencies (CASA) Conference or would be away on vacation.

(2) Follow-Up Items

None.

## **D Directors' Comments**

Director Polan inquired whether the November 28th Board meeting would be canceled or rescheduled due to a conflict with the Association of California Water Agencies (ACWA) Fall Conference. General Manager David Pedersen responded that staff would follow-up.

**10. FUTURE AGENDA ITEMS**

None.

**11. PUBLIC COMMENTS**

None.

**12. CLOSED SESSION**

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

San Diego County Water Authority v. Metropolitan Water District of Southern California (2017 case)

District Counsel Wayne Lemieux provided a report in Open Session regarding San Diego County Water Authority's new litigation against Metropolitan Water District of Southern California (MWD), which challenges the readiness to serve charge and capacity charge. He recommended that the Board consider joining other member agencies in MWD's defense, as it had done in the past.

Director Renger moved to join in Metropolitan Water District of Southern California's defense against San Diego County Water Authority. Motion seconded by Director Caspary. Motion carried by the following vote:

AYES: Caspary, Polan, Renger, Peterson

NOES: None

ABSENT: Lewitt

**13. ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **5:48 p.m.**



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

ATTEST:



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

(SEAL)