



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

MINUTES
REGULAR MEETING

5:00 PM

September 12, 2017

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Keith Lemieux.

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, 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
Jeff Reinhardt, Public Affairs and Communications Manager
Josie Guzman, Clerk of the Board
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

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

3. PUBLIC COMMENTS

James Beautrow, speaking on behalf of his mother-in-law, Lydia Karpik, stated that she was over 80 years of age, she has lived in Calabasas for over 40 years, and her residence is served by a septic system. He also stated that the septic tank is failing, and he has been assisting her with looking into connecting her property to the sewer system. He noted that he contacted District staff in the spring, and he was informed at that time that the sewer connection fee would be \$7,000. He stated that he received a bid from a contractor in August, and when he contacted District staff to move forward with the sewer connection, he was informed that the sewer connection fee had increased to \$10,000. He explained that he was not been informed by staff that they could have paid a deposit towards the sewer connection at the previous rate, nor was his mother-in-law aware that the sewer connection fee was scheduled to be increased because she is enrolled in auto-pay and does not have an email address to receive notifications. He asked the Board to consider allowing his mother-in-law to pay the previous amount of \$7,000, instead of \$10,000, so that she may move forward with connecting her property to the sewer system.

Lydia Karpik stated that she is a widow who lives alone on the property, and she asked the Board to consider her request.

Director Caspary suggested the District consider allowing the customer to pay the \$7,000 now and defer payment of the remaining \$3,000, including interest at the District's rate of return on its capital, to be paid when the property is sold. Board President Peterson asked staff to bring back a recommendation at a future meeting.

4. CONSENT CALENDAR

- A List of Demands: September 12, 2017: Ratify**
- B Minutes: Regular Meeting of August 7, 2017: Approve**
- C Directors' Per Diem – August 2017: Ratify**
- D Monthly Cash and Investment Report – July 2017**

Receive and file the monthly cash and investment report for July 2017.

- E ACWA Region 8 Board Election Ballot: Approve Nominating Committee's Recommended Slate**

Cast a vote for the Nominating Committee's Recommended Slate for the ACWA Region 8 Board Election and authorize the General Manager to execute and return the completed ballot to ACWA no later than September 29, 2017.

- F Expression of Support for California WaterFix: Resolution**

Pass, approve and adopt proposed Resolution No. 2528, expressing support for the California WaterFix.

RESOLUTION NO. 2528

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT IN SUPPORT OF THE CALIFORNIA WATERFIX

(Reference is hereby made to Resolution No. 2528 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

G Fiscal Year 2016-17 Capacity Fee Report

Receive and file the Fiscal Year 2016-17 Capacity Fee Report.

H 16-Inch Water Main Break at Parkway Calabasas North of Park Entrada: End of Emergency

Declare an end to the emergency and ratify the General Manager's approval of a purchase order to Toro Enterprises, Inc., in an amount not to exceed \$50,000, for repair of a 16-inch water main break at parkway Calabasas, north of Park Entrada.

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

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

Jeff Reinhardt, Public Affairs and Communications Manager, reported that the Legislature had until midnight on September 15th to take action on legislative bills. He noted that the District sent letters of support as amended for AB 1668 (Friedman): Water Management Planning, and SB 606 (Skinner/Hertzberg): Water Management Planning. He reported that staff would be monitoring SB 5, which primarily deals with park bond funds and includes funding for recycled water elements. He noted that AB 18: The Clean Water, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 was the companion bill to SB 5. He reported that the District issued letters of support for SCR 80 (Dodd): Water Professional Appreciation Week. He also noted that ACWA sent an outreach advisory urging its members to remain on high alert for action related to SB 623 (Monning), which proposes a tax on drinking water as a means of funding safe drinking water solutions for disadvantaged communities.

B Water Supply Conditions Update

No additional update was provided.

6. TREASURER

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

7. BOARD OF DIRECTORS

A ACWA Statewide Positons of President and Vice President: Nominations and Support of Candidates

Pass, approve and adopt Resolution No. 2526, nominating and supporting Brent Hastey as a candidate for the office of ACWA President.

RESOLUTION NO. 2526

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT TO NOMINATE AND SUPPORT BRENT HASTEY AS A CANDIDATE FOR THE POSITION OF ACWA PRESIDENT

Pass, approve and adopt Resolution No. 2527, nominating and supporting Steven E. LaMar as a candidate for the office of ACWA Vice President.

RESOLUTION NO. 2527

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT TO NOMIANTE AND SUPPORT STEVEN E. LAMAR AS A CANDIDATE FOR THE POSITION OF ACWA VICE PRESIDENT

(Reference is hereby made to Resolution Nos. 2526 and 2527 on file in the District's Resolution Book and by this reference the same is incorporated and made a part hereof.)

Director Caspary moved to approve Item 7A. Motion seconded by Director Polan. Motion carried unanimously.

8. FACILITIES AND OPERATIONS

A Centrate Equalization Tank Project: Notice of Default and Public Hearing

Designate the General Manager as a hearing officer and authorize him to notice and conduct a public hearing, in accordance with Public Contract Code Section 4110, for a violation of the Subletting and Subcontracting Fair Practices Act on the Centrate Equalization Tank Project.

General Manager David Pedersen presented the report.

Director Renger moved to approve Item 8A. Motion seconded by Director Lewitt. Motion carried unanimously.

B Tract No. 53138 (Deerlake Ranch, Chatsworth): Approval of Water System Design Report and Certification of Environmental Impact Report

Approve the Water System Design Report, LVMWD Report No. 2130.05; certify the Environmental Impact Report and subsequent addendum approved by County of Los Angeles; and authorize the General Manager to file a Notice of Determination with the County of Los Angeles Registrar-Recorder/County Clerk for Tract No. 53138, Deerlake Ranch in Chatsworth.

John Zhao, Principal Engineer, presented the report and a PowerPoint presentation.

John Schatz, representing Forestar Chatsworth, LLC, expressed support for staff's recommendation and referred to the requirement to build the tank before Phase 2. He asked the Board to consider allowing the developer to prepare a study for an alternative to install pumps with back-up power generation in the interim until the tank is built.

Keltie Cole, Vice President of Community Development for Forestar Chatsworth, LLC, also asked the Board to consider their request for installation of temporary power generation at the pump station until the tank is built, allowing for a portion of Phase 2 lots to be provided water service.

Director Lewitt moved to approve Item 8B. Motion seconded by Director Polan.

David Lippman, Director of Facilities and Operations, responded to a question regarding whether adding pumping capacity would adequately serve Phase 2 and meet water system design standards by stating that the concept would be for the District to provide temporary emergency power and some additional pumping capacity at the Twin Lakes Pump Station in order to bridge the gap while they complete the tank. He noted that the reason for the study would be to determine whether this alternative is technically feasible and to determine the cost.

Ms. Cole responded to a question regarding whether the open space/slope lots would remain vacant by stating that the County of Los Angeles approved 314 lots. She confirmed that the conservation easement must remain in perpetuity.

John Zhao, Principal Engineer, responded to a question regarding the coordination and collection of connection fees, which would be paid as work begins on each phase. He also responded to a question regarding demand projections by stating that the revised study used multi-year data that currently calls for 240 to 250 gallons per day. He noted that the updated report uses a higher peaking factor, and the maximum daily demand increased because of the peaking factors. David Lippman, Director of Facilities and Operations, added that staff was able to apply the budget-based rate structure to all 314 lots.

General Manager David Pedersen addressed the project phasing and stated that staff would look at the option of providing backup power generation in order to provide pumping as an interim solution until the tank is completed. He stated that staff would need to conduct technical work to ensure that this option meets the District's needs, and if so, staff would support the approach to project phasing.

Ms. Cole responded to a question regarding the timeframe for building the tank by stating that the planning process would take six months followed by manufacturing and installation, which would take one year, for a total of 18 to 24 months for the tank to be built. She noted that the pump station would be installed as soon as possible.

Motion carried unanimously.

9. FINANCE AND ADMINISTRATION

A 2017 General Liability and Property Insurance Renewal: Approval

Accept the proposal from Tolman and Wiker Insurance Services, LLC, in the aggregate amount of \$839,546; budget and appropriate an additional \$84,736; and authorize the General Manager to execute the necessary contracts and forms to purchase general liability and property insurance from Argonaut Insurance Company/Trident Public Risk Solutions for the term of October 1, 2017 through September 30, 2018.

Don Patterson, Director of Finance and Administration, presented the report.

John Dodds, representing Tolman & Wiker, reviewed the proposal summary for the District's general liability and property insurance policies.

Director Caspary moved to approve Item 9A. Motion seconded by Director Lewitt.

A discussion ensued regarding the proposal to increase the District's self-insured retention from \$50,000 to \$100,000 for the property and casualty lines of coverage.

Motion carried unanimously.

10. RESOURCE CONSERVATION AND PUBLIC OUTREACH

A Las Virgenes Unified School District: Approval of Check for the 4/5 Science Team

Approve a check to Las Virgenes Unified School District, in the amount of \$107,000, to fund the 4/5 Science Team water-related curriculum for Fiscal Year 2017-18.

Director Polan moved to approve Item 10A. Motion seconded by Director Lewitt. Motion carried unanimously.

11. INFORMATION ITEMS

A 2018 ACWA/JPIA Medical Insurance Premiums

B Wasteful Water Use Penalties

A discussion ensued regarding trends observed; how customers enrolled in auto-pay are notified that they are paying penalties; how many email addresses the District has for its customers; whether to post the amount of wasteful water use penalties collected and a heat map on the District's website; and whether the District could send postcards and/or emails to customers to alert them that they are paying penalties and could eliminate those penalties by supporting customers to reduce their water usage.

12. NON-ACTION ITEMS

A Organization Reports

(1) MWD Representative Report/Agenda(s)

Board President Peterson reported that the MWD Board met earlier in the day and discussed supporting a program to augment MWD's Colorado River supply through the funding of projects in Mexico, an agreement with the employees' union, several employee performance evaluations, and the resignation of the Ethics Officer. He also reported that ACWA Executive Director Tim Quinn was recuperating well from his recent health issues.

(2) Other

Director Caspary reported that the Santa Monica Bay Restoration Commission's funding from the U.S. Environmental Protection Agency would be matched at the current level.

B Director's Reports on Outside Meetings

Director Lewitt reported on his attendance at the California Association of Sanitation Agencies (CASA) Annual Conference.

Director Polan also reported on his attendance at the CASA Conference and the ACWA Region 8 meeting.

Director Lewitt noted that General Manager David Pedersen was selected to provide testimony in Washington D.C. on September 26, 2017.

C General Manager Reports

(1) General Business

General Manager David Pedersen reported that the Las Virgenes Reservoir Dam Inundation Study and Emergency Action Plan was in the process of being updated. He noted that the Agoura Hills State of the City Address would be held on October 25th, and he asked the Board to inform staff whether they plan to attend. He also noted that Senator Henry Stern and the City of Agoura Hills were seeking volunteers for a creek clean-up scheduled on September 16th, meeting at the corner of Kanan Road and Agoura Road. He reported that he would be absent from the September 26th Board meeting due to traveling to Washington D.C. to provide testimony on funding for water and wastewater projects and to support longer terms for NPDES permits. He noted that there were very

few items scheduled on the agenda and suggested the Board cancel the September 26th Board meeting. He also suggested the Board cancel the November 28th Board meeting due to a conflict with the ACWA Fall Conference. The Board concurred with canceling the September 26 and November 28, 2017 Board meetings.

(2) Follow-Up Items

D Directors' Comments

Board President Peterson and Director Lewitt expressed their interest in attending the Agoura Hills State of the City Address.

13. FUTURE AGENDA ITEMS

Director Polan moved for a future agenda item to discuss pipe failures associated with improper installation and information on whether this might be a systemic issue. Motion seconded by Director Renger.

Director Renger moved for a future agenda item to discuss publishing wasteful water use penalties, trends, and general areas where customers are receiving penalties on the District's website. Motion seconded by Director Caspary.

Director Caspary moved for a future agenda item for staff to bring back a recommendation to increase customer participation in receiving notice by email and perhaps enter all customers with a current email address into a raffle to receive a monthly water conservation prize. Motion seconded by Director Polan.

14. PUBLIC COMMENTS


None.

15. CLOSED SESSION

None.

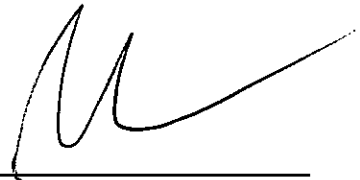
16. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 6:39 p.m., in memory of John Bressan, former District employee.



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

ATTEST:



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

(SEAL)