



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

**MINUTES**  
**REGULAR MEETING**

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5:00 PM

April 24, 2018

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Pat Madrugo.

**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, Len Polan, and Glen Peterson.  
Absent: Director Renger  
Staff Present: David Pedersen, General Manager  
Don Patterson, Director of Finance and Administration  
Joe McDermott, Director of Resource Conservation and Public Outreach  
John Zhao, Principal Engineer  
Josie Guzman, Clerk of the Board  
Keith Lemieux, District Counsel

**2. APPROVAL OF AGENDA**

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

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

ABSENT: Renger

**3. PUBLIC COMMENTS**

None.

**4. CONSENT CALENDAR**

**A List of Demands: April 24, 2018: Ratify**

**B Monthly Investment Report for March 2018**

**Receive and file the Monthly Investment Report for March 2018.**

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

AYES: Caspary, Lewitt, Polan, Peterson

NOES: None

ABSTAIN: None

ABSENT: Renger

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

**A 60th Anniversary Recognition of Partner in Service, Los Angeles County Sheriff's Department**

Board President Peterson recognized the Los Angeles County Sheriff's Department – Malibu/Lost Hills Station as the District's Partner in Service. Captain Joshua Thai expressed his appreciation and stated that it was an honor to accept the recognition on behalf of the Malibu/Lost Hills Station.

**B Legislative and Regulatory Updates**

Joe McDermott, Director of Resource Conservation and Public Outreach, reported that he and Director Polan attended the California Association of Sanitation Agencies (CASA) and WaterReuse Public Policy Forum in Sacramento where they met with Senator Henry Stern and with staff from Assemblymember Richard Bloom's office. He stated that CASA and WaterReuse are monitoring SB 1215 (Hertzberg) Septic to Sewer Consolidations, AB 2072 (Quirk) State Water Resources Control Board Constituents of Emerging Concern Program, AB 2379 (Bloom) Waste Management Polyester Microfiber, and SB 1263 (Portantino) Ocean Protection Council Statewide Microplastics Strategy. He noted that the District sent a letter in opposition to SB 831 (Wieckowski) Accessory Dwelling Units, which would prohibit local governments from assessing fees for construction of accessory dwelling units. He also noted that staff continues to monitor the State Water Resources Control Board's proposal to restrict irrigating turf in street medians and parkways. He stated that irrigation systems installed in street medians and parkways prior to January 1,

2019, would be grandfathered in. He also stated that many agencies oppose this regulation due to concerns that it is overreaching and takes away water rights.

General Manager David Pedersen provided an update regarding SB 1489 (Stern) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018: Water Recycling. He stated that SB 1489 proposes to amend a legacy statute that was adopted by a voter initiative in 2000 that prevents water recycling funds channeled through the State Water Board's Water Recycling Account from being used for reservoir augmentation, which affects the Pure Water Project. He noted that the bill was set for hearing by the Senate Natural Resources and Water Committee; however, Committee Chair Hertzberg pulled this item from the agenda due to his concerns with constitutionality issues and concerns that a voter initiative would be required to amend the statute. He stated that staff reviewed the statute from a legal standpoint and was confident that amending the statute by a Senate Bill would adhere to Constitutional requirements. He also stated that the bill needed to have been signed by the Governor before the voters vote on Proposition 68 at the June 5th Primary Election. He stated that staff would seek an Assembly Bill that could be amended to include this language and consider seeking creative administrative approaches that might allow the District to apply for these funds for a portion of the project.

### **C Water Supply Conditions Update**

Joe McDermott, Director of Resource Conservation and Public Outreach, presented the report.

### **D Preliminary Fiscal Years 2018-20 Two-Year Budget Plan**

Angela Saccareccia, Finance Manager, provided a PowerPoint presentation.

A discussion ensued regarding the possibility of using a portion of the penalty revenue collected to reduce the Other Post-Employment Benefits (OPEB) unfunded liability and for new water conservation programs such as a Weather-based Irrigation Controller Program and a Rain Barrel Program.

The Board expressed support for using penalty revenue for the two water conservation programs and for the AMR/AMI Project.

Director Caspary requested information on the number of rain barrels installed for customers and asking these customers if they are still interested in keeping the rain barrels because the rain barrels could be repurposed and provided to other customers.

Dave Roberts, Resource Conservation Manager, continued the PowerPoint presentation and discussed the proposed Rain Barrel Program and Weather-based Irrigation Controller Program. He noted that staff would also be launching a landscape initiative and one-on-one consultations with the highest water users.

Director Lewitt requested that staff promote having customers review their sprinklers to ensure that water is not spraying onto the sidewalk or the street.

Don Patterson, Director of Finance and Administration, stated that staff would bring back the draft revised financial policies at the next Board meeting to reflect the changes discussed at the Strategic Planning Workshop.

6. **TREASURER**

There was no Treasurer's report.

7. **FACILITIES AND OPERATIONS**

**A Conrad N. Hilton Foundation: Update on Campus Expansion and Special Permit to Discharge Groundwater to Sanitary Sewer**

**Receive and file an update on the Conrad N. Hilton Foundation Campus Expansion Project and authorize the General Manager to develop and issue a special permit for the discharge of pumped groundwater to the sanitary sewer system pursuant to Section 5-4.203 of the Las Virgenes Municipal Water District Code.**

General Manager David Pedersen introduced Frans Bigelow from BD Associates, Pat Madruga and Katherine Miller from the Conrad N. Hilton Foundation, and Metra Mimori from ZGF Architects.

Frans Bigelow provided a PowerPoint presentation with an overview of the Conrad N. Hilton Foundation Campus Expansion Project.

General Manager David Pedersen presented the staff report. He discussed the Hilton Foundation's goal moving toward net-zero water consumption and request to pump a small volume of groundwater discharge from the parking garage into the District's sanitary sewer system.

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

AYES: Caspary, Lewitt, Polan, Peterson

NOES: None

ABSTAIN: None

ABSENT: Renger

Pat Madrugo, Vice President and Chief Financial Officer of the Conrad N. Hilton Foundation, congratulated the District on its 60th anniversary and invited the Board to tour the facilities.

**B Westlake Filtration Plant Landscaping Improvements Project: Call for Bids**

**Authorize a Call for Bids for the Westlake Filtration Plant Landscaping Improvements Project.**

General Manager David Pedersen presented the report.

Director Polan moved to approve Item 7B. Motion seconded by Director Lewitt.

John Zhao, Principal Engineer, discussed postponing the bid date if needed resulting from any comments or suggestions received from the City of Westlake for the proposed landscape improvements.

General Manager David Pedersen discussed the status of landscaping following installation of Verizon's proposed cell tower and the Gas Company seeking alternatives to lower and screen its pole.

Motion carried by the following vote:

AYES: Caspary, Lewitt, Polan, Peterson

NOES: None

ABSTAIN: None

ABSENT: Renger

**C Tract No. 53138 Deerlake Ranch, Chatsworth: Acceptance of Off-site Waterline Dedication**

**Approve the dedication of property by Forestar Chatsworth, LLC; and authorize the General Manager to execute an acceptance of the dedication of property for Tract No. 53138 Deerlake Ranch, Chatsworth.**

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

AYES: Caspary, Lewitt, Polan, Peterson

NOES: None

ABSTAIN: None

ABSENT: Renger

**8. FINANCE AND ADMINISTRATION**

**A Update on Employee Total Compensation Study and Discussion of Compensation Philosophy**

**Receive and file an update on the Employee Total Compensation Study and provide direction, if any, on the District's compensation philosophy.**

General Manager David Pedersen presented the report.

A discussion ensued regarding the District's compensation philosophy and the Board's previous direction for a non-prescriptive philosophy.

Director Caspary moved to receive and file Item 8A. Motion seconded by Director Polan. Motion carried by the following vote:

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

**B Remote Analog Phone Line Replacement**

**Accept the proposal from TPx and authorize the General Manager to execute a three-year agreement, in the annual amount of \$48,816, for five analog phone lines and one 1.5 MB Internet connection per phone system.**

General Manager David Pedersen presented the report.

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

Mike McIntyre, SCADA Systems Analyst, responded to a question regarding connectivity using remote analog phone lines when connectivity is interrupted, installation of 1.5 MB T-1 line for Internet connection per phone system.

Motion carried by the following vote:

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

**C Financial Review: Third Quarter of Fiscal Year 2017-18**

**Receive and file the financial review for the third quarter of Fiscal Year 2017-18.**

Director Caspary moved to receive and file Item 8C. Motion seconded by Director Lewitt. Motion carried by the following vote:

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

**9. INFORMATION ITEMS**

**A Calabasas Feeder Outage Study**

**B Claim by Benton and Kate Ward**

**C Claim by Janet Ackerman**

**10. NON-ACTION ITEMS**

**A Organization Reports**

(1) MWD Representative Report

Board President Peterson stated that he was proud of his vote in support of the California WaterFix earlier this month. He reported that a Design and Construction Joint Powers Authority would be formed and governed by five agencies, including the Metropolitan Water District. He also reported that the Special Committee on the Bay Delta, Executive Committee, and the Audit and Ethics Committee met earlier in the day.

Director Caspary inquired regarding the status of the California Water Commission's decision related to the Water Storage Investment Program to fund Proposition 1 public benefit projects. General Manager David Pedersen noted that the Commission would be meeting on April 25th and 26th, and he would follow-up and provide information to the Board.

(2) Other

Director Caspary reported that he attended the Santa Monica Bay Restoration Commission Governing Board meeting on April 19th where they discussed the Proposition 12 Grant Award Process. He noted that although funds were proposed to be allocated for the Ballona Wetlands Restoration and the Rindge Dam Material Beneficial Removal Projects, neither would be able to take advantage of Proposition 12 funds due to their inability to meet the deadline. He also noted that due to time constraints on Proposition 12 funding, the Governing Board delegated authority of recommending projects to the Governing Board's staff, and the State Coastal Conservancy Board would ultimately award the funds.

Director Caspary also reported that he provided an update regarding the Pure Water Project to Dr. Stephen Bay from the Southern California Coastal Water Research Project (SCCWRP). He stated that Dr. Bay indicated that SCCWRP had studied some of the contaminants of emerging concern and developed a list of four contaminants. He noted that he provided General Manager David Pedersen's contact information to Dr. Bay so that SCCWRP's research could be made available to the District.

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

Director Polan reported that he attended the CASA and WaterReuse Public Policy Forum in Sacramento where he met with Senator Henry Stern and with Assemblymember Richard Bloom's staff. He noted that he joined representatives from the Goleta Sanitary District to meet with Senator Hannah-Beth Jackson. He also reported that he attended the Association of Water Agencies of Ventura County's (AWAVC) Water Symposium on April 19th, where a presentation was provided by Jon Christensen on maintaining water

in the future. He noted that Ron Merkling from Casitas Water District provided a presentation on public outreach and the power of social media. He also reported that he attended the Calabasas Mayor's Luncheon for the State of the City Address and the Westlake City Street Fair. He conveyed that Westlake Councilmember Brad Halpern mentioned that he enjoyed attending the MWD Colorado River Aqueduct and Hoover Dam Inspection Trip.

Director Lewitt reported that he also attended the AWAVC Water Symposium where a presentation was provided by Karla Nemeth, Director of the California Department of Water Resources. He also reported that he attended the MWD Colorado River Aqueduct and Hoover Dam Inspection Trip, along with former Senator Fran Pavley, Joe Del Bosque, and Westlake City Councilmembers Brad Halpern and Kelly Honig, who have now expressed support for the Pure Water Demonstration Project. He suggested that City Councilmembers be encouraged to attend these tours.

### **C General Manager Reports**

#### **(1) General Business**

General Manager David Pedersen noted that the District would be participating in the annual "Take Your Daughters and Sons to Work Day" on April 25th, and participants would visit the Westlake Filtration Plant and Tapia Water Reclamation Facility. He noted that commemorative 60th Anniversary lunchboxes were provided to the Board, and they would also be provided to the children that attend District tours.

#### **(2) Follow-Up Items**

### **D Directors' Comments**

Director Caspary referred to an article indicating that two-thirds of people in California that are served by water systems that fail to meet the State standard are within three miles of a system that is compliant. He expressed concern that the proposed water tax would do nothing regarding governance issues and would only sustain failing systems in perpetuity. He also expressed concern with Senator Hertzberg's proposed bill to give the State Water Resources Control Board the authority to force sewer system conversions from septic tanks into adjoining responsible sewer agencies. He inquired whether the District had conducted outreach regarding the proposed bill. General Manager David Pedersen responded that staff issued a press release, posted several items on social media, and addressed concerns with the District's lobbyist. He noted that there has been much opposition to the water tax and support for AB 2050 Small System Water Authority Act of 2018.

## **11. FUTURE AGENDA ITEMS**

None.



12. **PUBLIC COMMENTS**

None.

13. **CLOSED SESSION**

**A Conference with Labor Negotiator (Government Code Section 54957.6)**

**Agency Designated Representative: David W. Pedersen, General Manager; Donald Patterson, Director of Finance and Administration; Sherri Paniagua, Human Resources Director; and Kristi Reccia, Liebert Cassidy Whitmore**


**Employee Organization(s): Las Virgenes Manager, Supervisor, Professional and Confidential Employees Association**

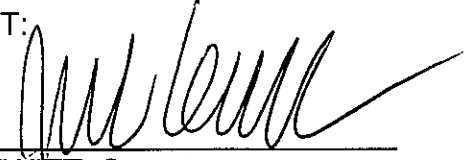
The Board recessed to Closed Session at **7:20 p.m.** and reconvened to Open Session at **7:37 p.m.**

District Counsel Keith Lemieux reported that the Board received a report during the Closed Session and provided direction to staff, and there was no reportable action.

14. **OPEN SESSION AND ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **7:38 p.m.**, in memory of former Board Member Hal Helsley.

  
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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)