



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

**MINUTES**  
**REGULAR MEETING**

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9:00 AM

July 21, 2020

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Glen Peterson.

**1. CALL TO ORDER AND ROLL CALL**

The meeting was called to order at **9:00 a.m.** by Board President Lewitt via teleconference in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. The meeting was conducted via teleconference pursuant to the provisions of the Governor's Executive Order, N-29-20, which suspended certain requirements of the Ralph M. Brown Act to support social distancing guidelines associated with response to the coronavirus (COVID-19) outbreak. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Lynda Lo-Hill, Len Polan, and Lee Renger

Absent: None

Staff Present: David Pedersen, General Manager  
Joe McDermott, Director of Engineering and External Affairs  
Don Patterson, Director of Finance and Administration  
John Zhao, Director of Facilities and Operations  
Josie Guzman, Clerk of the Board  
Wayne Lemieux, District Counsel

**2. APPROVAL OF AGENDA**

Director Polan moved to approve the agenda. Motion seconded by Director Renger.

Motion carried unanimously by roll call vote.

**3. PUBLIC COMMENTS**

None.

**4. CONSENT CALENDAR**

**A List of Demands: July 21, 2020: Receive and file**

**B Minutes Regular Meeting of July 7, 2020**

**C Directors' Per Diem – June 2020: Ratify**

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

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

**A MWD Representative Report**

Glen Peterson, MWD Representative, reported that the MWD Committee and Board meetings held on July 14th included one and one-half hours of testimony from the public and various environmental interest groups regarding the recruitment process for the new MWD General Manager. He noted that the MWD Executive Committee would conduct the General Manager recruitment. He also reported that the MWD Board discussed the funding source for the Local Resources Program (LRP). He noted that the MWD Board previously decided not to charge the Water Stewardship Rate for two years and recommended that it be placed as a set aside charge for all agencies. He also reported that the MWD Board authorized entering into Local Resources Program Agreements for the East County Advanced Water Purification Project and the Escondido Membrane Filtration Reverse Osmosis Facility Project. He noted that the San Diego County Water Authority filed a motion to move forward with its lawsuit regarding the MWD 2018 rates. He also reported that MWD Director Brett Barbre, representing the Municipal Water District of Orange County, resigned from the MWD Board due to a conflict as he was hired as the General Manager for the Yorba Linda Water District. He also reported that the upgrades to MWD's headquarters building were progressing.

**B Legislative and Regulatory Updates**

Joe McDermott, Director of Engineering and External Affairs, reported that a letter of support for H.R. 7073, Special Districts Provide Essential Service Act, was sent to Congressman John Garamendi. He stated that this bill would provide financial support to special districts affected by the COVID-19 pandemic.

Syrus Devers, the District's lobbyist representing Best Best & Krieger LLP, provided an update regarding SB 1099 (Dodd) related to emergency generator testing. He noted that

the bill came out of the Senate with amendments from the Environmental Quality Committee in a form that was not desirable; however, there were some discussions initiated with the South Coast Air Quality Management District (SCAQMD). He stated that Danielle Blacet-Hyden, Deputy Executive Director of the California Mutual Utilities Association (CMUA), requested amendment of the bill in anticipation of an agreement with SCAQMD. He noted that the amended bill calls for air districts that do not have a rule with runtime limits would be required to designate sufficient runtime hours for Public Safety Power Shutoffs (PSPS) and testing when developing a rule. He stated that if negotiations do not proceed as expected, there would be an option to pursue striking a key phrase from the bill to make it applicable statewide to every air district including SCAQMD. He also stated that a counter-proposal from SCAQMD was pending and that he was optimistic that something realistic would be received. He also stated that SCAQMD had discussed granting automatic variances during a PSPS, and suggested they had a way for dealing with testing and maintenance that was not disclosed.

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

No additional update was provided.

### **6. TREASURER**

Director Lo-Hill stated that the Treasurer's report was in order.

### **7. BOARD OF DIRECTORS**

#### **A Response to Coronavirus (COVID-19) Pandemic: Continuation of Emergency**

**Approve the continuation of an emergency declaration for response to the coronavirus (COVID-19) pandemic.**

General Manager David Pedersen presented the report. He noted that the District's COVID-19 Return to Onsite Work Plan was updated and converted to a four-phase plan. He also noted that the District was currently operating under Phase 1, and Phase 2 would include having all office staff gradually increase the amount of time spent in the office up to 50 percent of the time, while maintaining current social distancing and face covering standards.

Ursula Bosson, Customer Service Manager, provided an update on customer-related impacts of COVID-19, including customer calls, payment plan arrangements, a comparison of yearly balances due, payment numbers and totals comparing current and previous year/month data, and customers' use of on-line features. She responded to a question regarding the financial impacts to the District compared to other water agencies by stating that she contacted the City of Santa Barbara and Padre Dam Municipal Water District who were experiencing greater financial impacts. She also responded to a question regarding bringing customers' defaulted accounts back into good standing by stating that staff was reaching out to customers to offer them long-term payment plans. General Manager David Pedersen added that the focus has been to assist customers in

setting up payments plans to avoid increasingly large balances. He stated that a policy discussion would need to take place to address accounts in default. He noted that staff was working on advocating for relief to assist these customers at the state and federal levels. He also noted that was no discussion at the Governor's office regarding when water agencies may begin to disconnect water services for non-payment.

Director Polan moved to approve Item 7A. Motion seconded by Director Lo-Hill. Motion carried unanimously by roll call vote.

## 8. FACILITIES AND OPERATIONS

### A Fiscal Year 2020-21 Mobile Emergency Generators Purchase: Award

**Authorize the General Manager to issue a purchase order to United Rentals, in the amount of \$140,000 plus tax, for two 100 kW Cummins T4F mobile emergency generators.**

John Zhao, Director of Facilities and Operations, presented the report.

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

Mr. Zhao responded to a question regarding allowable runtime for testing mobile emergency generators, life expectancy of the existing stationary generators, availability of existing trailers to transport the mobile emergency generators, and the District's need to pay sales tax to purchase the mobile emergency generators.

Motion carried unanimously by roll call vote.

## 9. FINANCE AND ADMINISTRATION

### A 2020 Financial Analysis and Rate Study: Guiding Principles and Commercial Budgets

**Review and provide feedback on proposed guiding principles and changes to commercial water budgets for the 2020 Financial Analysis and Rate Study.**

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

Director Polan moved to approve Item 9A. Motion seconded by Director Renger.

Mr. Patterson responded to questions regarding the proposed modification to the guiding principles to re-examine commercial water budgets to promote efficient use in a manner that supports business and economic development.

Ursula Bosson, Customer Service Manager, discussed the recommendation to adopt a two-year rolling average for commercial water budgets and elimination of the 90 percent rolling average. She shared a sample bill for a local fast food restaurant that experienced

a fire, which resulted in decreased water usage. She noted that staff provided a billing adjustment for the customer.

Mr. Patterson recommended moving forward with developing commercial water budgets based on a two-year rolling average, and working with Engineering and External Affairs staff to build in additional water conservation programs, outreach, and incentives for commercial customers.

Director Caspary asked that staff bring back a recommendation for potential general policies regarding development of a low-income rate assistance plan.

Mr. Patterson responded to a question regarding developing a long-term policy for commercial water budgets with the current COVID-19 disruption by stating that the financial analysis and rate study would be prepared for the next five-year period. He also stated that he believed the state would develop a policy for commercial budgets, and the District would be in a position to implement the state regulations with the next rate study.

General Manager David Pedersen added that the state was originally going to move quickly on this effort, and the District expressed concern and caution due to many variables that affect commercial business water usage. He stated that the District wanted to ensure that a policy is not developed that would discourage business growth. He noted that the state has been responsive and expressed commitment to work with stakeholder groups.

Motion carried unanimously by roll call vote.

#### **B Claim by Jennifer Singer**

**Deny the claim by Jennifer Singer.**

General Manager David Pedersen presented the report.

Director Renger moved to deny the claim by Jennifer Singer. Motion seconded by Director Caspary.

Director Lo-Hill commented that the District takes fire suppression very seriously, and always comply with the Fire Department's mandated clearance.

Motion carried unanimously by roll call vote.

### **10. ENGINEERING AND EXTERNAL AFFAIRS**

#### **A AMI/AMR Customer Interface Portal: Award**

**Accept the proposal from WaterSmart Software, Inc., and authorize the General Manager to execute an initial one-year agreement, in the amount of \$63,750, for the implementation and hosting of a Customer Interface Platform with four one-year renewal options for hosting, beginning at \$49,130 in Year 2 and escalating by three**

percent annually through Year 5, for a total cost of \$269,490 over five years.

Ursula Bosson, Customer Service Manager, presented the report.

Director Caspary moved to approve Item 10A. Motion seconded by Board President Lewitt.

Ms. Bosson responded to a question regarding the timing of the contract and the installation of first 200 meters by stating that the alpha phase of the project to install the initial meters would occur in August or September 2020, at which time staff would work with WaterSmart to implement the customer interface portal.

Joe McDermott, Director of Engineering and External Affairs, discussed WaterSmart's qualifications and cost competitiveness.

Brandon Sherman, Regional Sales Director from WaterSmart Software, Inc., responded to questions related to the mobile interface, which has been optimized for use with smartphones and tablets.

Motion carried unanimously by roll call vote.

#### **B Tree Maintenance and Removal Services: Award**

**Authorize the General Manager to execute a Contractual Services Agreement with Newbury Park Tree Services, in an amount not to exceed \$98,000, utilizing hourly rates provided through the competitive process completed by the City of Malibu for tree maintenance and removal services.**

Dave Roberts, Resource Conservation Manager, presented the report.

Director Lo-Hill moved to approve Item 10B. Motion seconded by Director Polan. Motion carried unanimously by roll call vote.

The Board recessed to a break at 10:31 a.m. and reconvened at 10:38 a.m.

### **11. INFORMATION ITEMS**

#### **A Claim by Maria Spirtos**

### **12. NON-ACTION ITEMS**

#### **A Organization Reports**

Director Caspary reported that he attended the Santa Monica Bay Restoration Commission Executive Committee teleconference on July 16th. He noted that the Executive Committee discussed a new Memorandum of Understanding with the United States Environmental Protection Agency and the California Environmental Protection Agency, which includes the addition of two non-voting members and authorizes

appointment to subcommittees to consider issues concerning the Santa Monica Bay. He asked Director Lo-Hill to follow up with MWD Representative Glen Peterson regarding how MWD governs its committees and their actions. He stated that the Santa Monica Bay Restoration Commission Governing Board would receive a report at its next meeting regarding the formation of subcommittees and an update from the California Department of Fish and Wildlife regarding the Ballona Wetlands Restoration Project. He also reported that he would attend the Association of California Water Agencies State Legislative Committee teleconference meeting on July 24th.

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

Director Lo-Hill reported that she attended the MWD Board and Committee meetings via teleconference on July 14th. She noted that there was much interest in the recruitment process for the new MWD General Manager, and the MWD Board was also looking into battery storage for several MWD facilities. She also reported that she attended the United Water Conservation District's Board meeting via teleconference, and she encouraged the Board to attend other water district board meetings in this manner to become familiar with their operations.

Board President Lewitt reported that he also attended the MWD Board meeting via teleconference. He noted that several environmental groups expressed interest in the recruitment process for the new MWD General Manager.

Director Polan reported that he attended the Association of California Water Agencies (ACWA) Water Management Committee meeting on July 15th where they discussed the voluntary agreements and impacts and lawsuits related to the management of the Delta.

## **C General Manager Reports**

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

General Manager David Pedersen reported that the recycled water system was being supplemented with potable water by two cubic feet per second (CFS) due to high demands. He also reported that Malibu Creek flows remained above the 2.5 CFS threshold; therefore, no flow augmentation was needed. He noted that the Westlake Filtration Plant would be operated beginning in August, and customers would be notified in advance. He announced that the Las Virgenes-Triunfo Joint Powers Authority would be hosting a virtual tour of the Pure Water Demonstration Facility as part of the Association of Water Agencies of Ventura County's Virtual WaterWise Breakfast Program on July 23rd. He noted that Sheldon Berger, Director of United Water Conservation District, would be included as part of the virtual tour. He also reported that he would hold two all-hands meetings for employees on July 22nd to provide updates on District activities.

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

General Manager David Pedersen stated that staff was continuing to work on the follow-up items and that he would provide an updated list to the Board. He noted that a report

on CalPERS retirement matters would be presented at a Board meeting in August.

**D Directors' Comments**

Board President Lewitt thanked staff for providing him a new facemask with the District's logo.

**13. FUTURE AGENDA ITEMS**

None.

**14. PUBLIC COMMENTS**

None.

**15. CLOSED SESSION**

**A Conference with Legal Counsel on Liability Claim (Government Code Section 94956.9(d)(2)):**

**Claimant: Jennifer Singer**

**B Public Employee Performance Evaluation (Government Code Section 54957):**

**Title: General Manager**

**C Conference with Labor Negotiators (Government Code Section 54957.6):**

**Agency Designated Representatives: Las Virgenes Municipal Water District Board of Directors**

**Unrepresented Employee: General Manager**

The Board recessed to Closed Session at **10:53 a.m.** and reconvened to Open Session at **11:48 a.m.**

Wayne Lemieux, District Counsel, reported that the Board did not discuss Item 15A during Closed Session as the Board acted upon this matter in Open Session. He also reported that the Board met in Closed Session for a public employee evaluation for the General Manager and conference with labor negotiator regarding the General Manager's salary, and no action was taken.

**16. OPEN SESSION AND ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **11:48 a.m.**

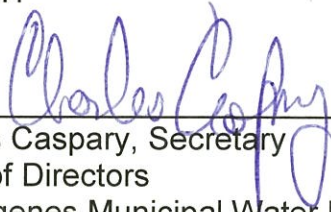




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Jay Lewitt, President  
Board of Directors  
Las Virgenes Municipal Water District

ATTEST:



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Charles Caspary, Secretary  
Board of Directors  
Las Virgenes Municipal Water District

(SEAL)