



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

**MINUTES**  
**REGULAR MEETING**

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9:00 AM

October 6, 2020

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Stephen Bigilen.

**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 Lo-Hill 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: October 6, 2020: Receive and file**

**B Minutes Regular Meeting of September 15, 2020: Approve**

**C Monthly Cash and Investment Report: August 2020**

**Receive and file the Monthly Cash and Investment Report for August 2020.**

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

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

**A Proclamation Recognizing Jeff Helgager, Water Distribution Operator III, for 34 Years of Service**

Board President Lewitt read the proclamation recognizing Jeff Helgager, Water Distribution Operator III, for 34 years of service.

Mr. Helgager stated that he was proud to have served the District for 34 years. He commended the Board and management for their leadership, and acknowledged his past and present coworkers.

The Board and General Manager David Pedersen acknowledged Mr. Helgager for his years of service.

**B MWD Representative Report**

Glen Peterson, MWD Representative, acknowledged Mr. Helgager and wished him well on his retirement. He reported that the MWD Board met on September 15th where they adopted a resolution to issue up to \$255 million of water revenue bonds; awarded a \$13.4 contract to replace the overhead bridge cranes at five Colorado River Aqueduct pumping plants; expressed unanimous support for Proposition 16, the "Allows Diversity as a Factor in Public Employment, Education, and Contract Decisions" Legislative Constitutional Amendment; and authorized an amendment to the agreement with the California Department of Water Resources to purchase surface water supplies from Yuba County Water Agency. He also reported that the MWD Board approved cost-containment measures to address COVID-19 financial impacts, including suspending non-essential employee travel and Directors' inspection trips, and hiring essential new positions only.

He noted that the Finance and Insurance Committee would hold a mid-cycle budget review to discuss water demands, sales, and expenditures. He also provided an update regarding the MWD Chair election and noted that current Chair Gloria Gray and Director Adan Ortega were seeking election. He also reported that a virtual engineering and operations tour would be held within the next few weeks. Lastly, he reported that former MWD Directors Ronald Deaten, former General Manager of the Los Angeles Department of Water and Power, and Michael Nolan, former City of Burbank Representative, had recently passed away.

### **C Legislative and Regulatory Updates**

Joe McDermott, Director of Engineering and External Affairs, noted that the State Legislature was currently in recess. No additional update was provided.

### **D Water Supply Conditions Update**

Joe McDermott, Director of Engineering and External Affairs, reported that the new water year began on October 1st and the rainy season would begin on October 15th. He stated that above-average temperatures were predicted for the western states for the months of October and November. He also stated that it was too soon to predict whether drought conditions would occur in the coming year. He noted that water levels in the major reservoirs of the State Water Project were above normal, with the exception of Lake Oroville, which was lowered in preparation for winter storms.

## **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.**

Ursula Bosson, Customer Service Manager, presented the report.

Joe McDermott, Director of Engineering and External Affairs, reported that staff was in the process of exploring the installation of flow restrictors for customers whose accounts were above 200 percent of their water budget and 60 days past due with no payment plan arrangements. He stated that installation of a flow restrictor would allow water flow for essential household needs; however, it would restrict water flow for outdoor irrigation. He noted that Governor Gavin Newsom's executive order related to prohibiting water shutoff for nonpayment but did not address restrictions for wasteful water use by customers, nor did it categorize outdoor irrigation as an essential need. He stated that staff was working with District Counsel to assist in interpreting Governor Newsom's executive order. He noted that fire sprinkler systems would not operate as intended with the installation of a

flow restrictor. He also noted that 79 accounts were currently categorized as wasteful water users and 60 days past due without current payment arrangements.

General Manager David Pedersen suggested that staff could bring back a policy for the Board's consideration at a future meeting. He stated that the District was not shutting off water for customers who were facing financial hardship during the COVID-19 pandemic; however, wasteful water use was inconsistent with financial hardship. He noted that eventually the District would need to reconcile past due accounts and bring the accounts back into good standing. He stated that alternatives might include federal or state assistance, requiring payment from customers, or considering forgiveness of outstanding balances, which would be unfair to customers who paid their accounts as they would be paying for those customers who did not pay their balances. He also stated that the hope would be that customers would not need to have flow restrictors installed after receiving notice and bringing their accounts into good standing. He noted that the proposed policy would include plenty of advanced notice by mail, door hanger, and phone call to allow customers to respond.

Director Lo-Hill moved to approve Item 7A. Motion seconded by Director Caspary.

A discussion ensued regarding potential liability concerns with the installation of flow restrictors on meters serving homes with fire sprinkler systems; concerns with water pressure when showers are in use and toilets are flushed simultaneously; charging customers for the installation of flow restrictors; concerns with potential impacts to water heaters; concerns with the potential threat of litigation; ways to make numerous contacts with customers including knocking on doors, phone calls, and email prior to installing a flow restrictor; and exploring the procedures to record a lien against a property associated with a delinquent account.

Motion carried unanimously by roll call vote.

## 8. FACILITIES AND OPERATIONS

### A **Multi-Site Battery Energy Storage System Project: Request for Proposals**

**Accept the proposal from TerraVerde Energy, LLC; authorize the General Manager to execute a professional services agreement, in the amount of \$28,625, and apply for Self-Generation Incentive Program funding; and approve the issuance of a Request for Proposals for the Multi-Site Battery Energy Storage System Project.**

General Manager David Pedersen provided introductory remarks and noted that a copy of the Battery Energy Storage Systems and Resiliency Financial Analysis Results Summary was provided to the Board.

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

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

Mr. Zhao responded to a question regarding the calculation of the net energy metering solar photovoltaic (NEM Solar PV) and battery energy storage system (BESS) 25-year savings term versus the 15-year battery life by stating that the NEM Solar PV has an estimated life of 25 years; however, the calculation for the BESS included a 15-year estimated battery life. He noted that the battery portion was a small part of the solar energy production. He also responded to a question regarding replacement costs for parts by stating that these costs were included as part of the developer's cost. He also responded to questions regarding the current power purchase agreement rates, cost estimates for net project material, and annual operating costs.

General Manager David Pedersen stated that staff would bring back the responses to the Request for Proposals (RFP) at future JPA and LVMWD Board meetings.

Mr. Zhao responded to a question regarding the availability of State Self-Generation Incentive Program (SGIP) funding for Phase 1 of the project by stating that the application period had opened on October 5th for battery energy storage only. He also responded to a question regarding battery recycling by stating that the RFP would require that the batteries be recycled, and the District would include a financial mechanism similar to a bond or escrow account to ensure there are resources available to recycle the batteries. He also responded to a question regarding what would be included in the RFP by stating the RFP would emphasize standalone BESS and include the solar aspect of the project.

Motion carried unanimously by roll call vote.

## **9. ENGINEERING AND EXTERNAL AFFAIRS**

### **A U.S. Bureau of Reclamation WaterSMART Water and Energy Efficiency Grant**

**Pass, approve and adopt proposed Resolution No. 2581, authorizing submittal of a grant funding application to the U.S. Bureau of Reclamation for a WaterSMART Water and Energy Efficiency Grant and execution of a grant funding agreement, if successful in the application process.**

#### **RESOLUTION NO. 2581**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AUTHORIZING THE GENERAL MANAGER, OR DESIGNEE, TO APPLY FOR, RECEIVE, FUNDS, ENTER INTO A COOPERATIVE AGREEMENT, AND ADMINISTER A GRANT FOR THE 2020 BUREAU OF RECLAMATION WATER AND ENERGY EFFICIENCY GRANT, IF SUCCESSFUL**

(Reference is hereby made to Resolution No. 2581 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 Lo-Hill moved to approve Item 9A. Motion seconded by Director Polan. Motion carried unanimously by roll call vote.

## 11. NON-ACTION ITEMS

### A Organization Reports - (This item was presented out of sequence.)

Director Caspary noted that the Santa Monica Bay Restoration Commission Governing Board was considering moving its October 15th meeting to October 22nd due to a conflict with the Los Angeles Regional Water Quality Control Board's draft MS4 Permit public workshop.

## 10 INFORMATION ITEMS

### A Management of Water Quality at the Las Virgenes Reservoir

Director Lo-Hill commented that it appeared that the Pure Water Project Las Virgenes-Triunfo would have a positive effect on the health of Las Virgenes Reservoir. John Zhao, Director of Facilities and Operations, added that continuous aeration and mixing would assist with moving the water to keep it from stagnating.

Director Renger inquired whether SolarBees were being considered instead of pumped air to mix the water in the reservoir. Mr. Zhao responded that SolarBees do not have enough capacity because it would draw water slowly and it would be cost prohibitive. He stated that fine bubble aeration would be the most cost effective way to get oxygen into the water. He also stated that floating solar might be considered to power the aeration system for cost and efficiency purposes.

## 11. NON-ACTION ITEMS

### B Director's Reports on Outside Meetings

Director Caspary reported that he attended the Association of Water Agencies of Ventura County (AWAVC) Virtual WaterWise Program on September 24th. He stated that he enjoyed the presentation regarding Calleguas Municipal Water District's Supply Alternatives Study.

Board Present Lewitt reported that he also attended the AWAVC Virtual WaterWise Program on September 24th, and noted that the Calleguas-Las Virgenes Interconnection Project was mentioned. He also reported that he attended the virtual MWD Executive Committee meeting where the Committee discussed battery energy storage at the Joseph Jensen Water Treatment Plant and the F. E. Weymouth Water Treatment Plant. He suggested that the District might consider joining them on this effort or seeking their expertise.

Director Lo-Hill reported that she attended the WaterReuse Virtual Symposium, and stated that she enjoyed the session regarding Israel's water recycling efforts.

Board President Lewitt reported that he also attended the WaterReuse Virtual Symposium, and stated that there was an interesting presentation regarding Germany brewing beer with recycled water.

## **C General Manager Reports**

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

General Manager David Pedersen noted that staff repaired a water main break that occurred in First Neighborhood in the City of Westlake Village on October 1st, and repaired a water main break on Mulholland Highway near Viewpoint school on October 4th. He also reported that five District employees from the Construction Crew were currently under quarantine due to potential exposure to COVID-19. He noted that Toro Enterprises was available to assist the District in making pipeline repairs. He also reported that the summer operation of the Westlake Filtration Plant, which included conducting water quality sampling for total trihalomethanes, was completed on October 2nd. He noted that John Zhao, Director of Facilities Operations, was providing technical assistance to Lake Lindero in the City of Agoura Hills, which was experiencing water quality and fish kill issues. He explained that an algae bloom in the lake depleted oxygen levels, which resulted in the fish kill. He also reported that a virtual Tap-in event would be scheduled in November, which would focus on education and water careers. He stated that he would provide additional details at the next Board meeting.

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

## **D Directors' Comments**

Director Polan commented on a program available on Netflix entitled "Occupied", which dealt with Norway's oil and gas production and turning off hydroelectricity due to environmental concerns.

## **12. FUTURE AGENDA ITEMS**

None.

## **13. PUBLIC COMMENTS**

Michael Hart provided a PowerPoint presentation for the Board's consideration regarding a memorial park for a natural or green burial site at the Rancho Las Virgenes Farm Sprayfields. He suggested that a memorial park could produce revenue for the Pure Water Project Las Virgenes-Triunfo. He asked that the Board consider allowing him an opportunity to provide a more detailed presentation.

## **14. CLOSED SESSION**

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

**Jane Mania v. Las Virgenes Municipal Water District**

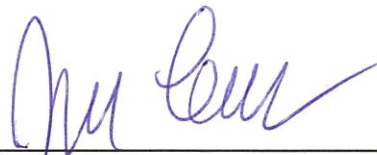
The Board recessed to Closed Session at 10:35 a.m. and reconvened to Open Session at 10:47 a.m.

Wayne Lemieux, District Counsel, reported that the Board met in Closed Session to receive a report, and there was no reportable action.

**15. OPEN SESSION AND ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at 10:47 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)