



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

MINUTES
ADJOURNED REGULAR MEETING

5:00 PM

October 5, 2021

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Susan Brown.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:01 p.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 Assembly Bill 361, which exempts 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 (via teleconference), 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 AND ADOPTION OF RESOLUTION NO. 2598 (AB 361)

A Implementation of AB 361: Authorizing Revised Use of Teleconferencing for Public Meetings

Pass, approve, and adopt proposed Resolution No. 2598, authorizing the revised use of teleconferencing for public meetings pursuant to the Brown Act provisions enacted by Assembly Bill 361.

RESOLUTION NO. 2598

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AUTHORIZING THE REVISED USE OF TELECONFERENCING FOR PUBLIC MEETINGS

(Reference is hereby made to Resolution No. 2598 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

General Manager David Pedersen asked to move Item 9B to follow Item 6. He presented the report for Item 2A.

Director Caspary moved to approve the agenda as amended and to approve Item 2A. Motion seconded by Director Polan. Motion carried unanimously by roll call vote.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A List of Demands: October 5, 2021: Receive and file

B Minutes Special Meeting of September 15, 2021: Approve

C Water Supply Conditions Update: Receive and file

D Proposed Update to Travel Expense Policy: Approve

Approve the proposed update to the Travel Expense Policy.

E Calleguas-Las Virgenes Interconnection Project: Approval of Scope Change No. 2 for Construction Management and Inspection Services

Authorize the General Manager to execute Scope Change No. 2, in the amount of \$29,865, to Cannon Corp Engineering for additional construction management and inspection services for the Calleguas-Las Virgenes Interconnection Project.

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 Proclamation in Recognition of Water Professionals Appreciation Week

Board President Lewitt read the proclamation in recognition of Water Professionals Appreciation Week.

B MWD Representative Report

Glen Peterson, MWD Representative, reported that MWD Director John W. Murray, Jr., representing the City of Los Angeles, would be stepping down from the MWD Board and would be replaced by Nancy Sutley. He also reported that MWD Director Michael T. Hogan, representing the San Diego County Water Authority, would be stepping down from the MWD Board and would be replaced by Marty Miller. He noted that the MWD Board authorized the MWD General Manager to negotiate settlement on matters related to litigation with the San Diego County Water Authority; awarded a contract to construct Battery Energy Storage System Facilities at the Joseph Jensen and Robert A. Skinner Water Treatment Plants; approved support for the 2021 California Resilience Challenge with a \$200,000 contribution and renewal of MWD's seat on the Steering Committee; and authorized acquiring property located in Riverside County in the Palo Verde Valley, which would be used to fallow land when needed. He also noted that the MWD Board held a retreat on September 29th and 30th in Temecula, where approximately 75 percent of the Directors attended in person. He stated that he would provide a copy of MWD's priorities for the coming year to General Manager David Pedersen.

Board President Lewitt acknowledged MWD Representative Peterson for attending Los Angeles Mayor Eric Garcetti's media event earlier in the day regarding the regional partnership on water conservation.

C Legislative and Regulatory Updates

Joe McDermott, Director of Engineering and External Affairs, reported that he provided testimony during the State Water Resources Control Board meeting on September 21st regarding the update on water production and conservation data reported by Urban Retail Water Suppliers in response to Governor Gavin Newsom's call for a 15 percent voluntary reduction in water use. He noted that the first month's metrics only showed a 1.8 percent reduction in water use statewide. He also noted that he and other water agency representatives provided testimony on water conservation activities and messaging efforts. He noted that the state launched its drought messaging campaign at www.saveourwater.com. He also reported that he attended the virtual South Coast Air Quality Management District (AQMD) Board Meeting on October 1st regarding rule changes for maintaining and operating stationary emergency backup generators, specifically amendment to Rule 1470 related to annual run time for emergency backup generator maintenance and testing and new Rule 118.1 for Public Safety Power Shutoff (PSPS) events. He noted that the new and amended rules would allow flexibility in testing older backup generators for up to 30 hours in any single year; however, the District would still be held to a 20-hour annual running average over a three-year period. He also stated

that agencies could exceed the 200-hour runtime limit due to PSPS events and would be allowed an additional three hours of runtime for warm-up and cool down of emergency generators for each PSPS event. He noted that the AQMD Board voted 13-0 in favor of the rule changes. He stated that the District would need to prepare for the next challenge regarding zero to near-zero emissions solutions. He also provided an update regarding the state's arrearages program to distribute funds that could be used to pay for customers' past due accounts due to the COVID-19 pandemic. He noted that \$330 million was identified following the State Water Resources Control Board's survey of community water systems to determine the total statewide arrearages for water accounts, and there would be funding available to pay for past due wastewater accounts as well. He stated that District staff would complete an application for these funds, and formulate an application process internally for District customers to apply for relief funds. He also stated that it would be prudent to ensure that funding would only go towards customers who demonstrate a financial hardship. He also reported that Governor Newsom extended prohibition of water shutoffs for non-payment through December 31, 2021.

Ana Schwab, federal lobbyist with Best Best & Krieger LLP (BBK), presented the federal legislative update. She noted that the federal fiscal year ended on September 30th, and Congress approved a stop gap measure for federal funding for Fiscal Year 2022 through December 3rd. She stated that this would provide Congress time to complete negotiations on the budget reconciliation bill, which would allow for a large multi-year framework for the current fiscal year and moving forward. She noted that the Senate passed a \$3.5 trillion budget proposal; however, some moderate Senators did not support the proposal and indicated they would support \$1.5 trillion budget proposal. She stated that negotiations continued on the budget reconciliation bill and the debt ceiling, and a credit downturn could occur if a vote is not taken to extend the debt ceiling. She also reported that the Senate passed its major infrastructure bill, which would be up for consideration by the House of Representatives with a vote expected at the end of the month. She also provided an update regarding the National Defense Authorization Act, which was passed by the House of Representatives with some provisions related to per- and polyfluoroalkyl substances (PFAS) provisions including a requirement for the U.S. Environmental Protection Agency (EPA) to set a national standard for PFAS.

Lowry Crook, federal lobbyist with BBK, added that the broader budget reconciliation bill and infrastructure package included water funding. He stated that he expected that funding for water would remain in the infrastructure package; however, funding in the budget reconciliation bill would likely decrease.

Ms. Schwab noted that BBK would prepare a briefing for the District's Congressional representatives regarding current and upcoming drought conditions for a future virtual meeting. She responded to a question regarding H.R. 3339, National Infrastructure Bank Act of 2021, by stating that the goal would be to obtain a drawdown bank for major infrastructure to assist with and subside some of the pressures of the surface transportation bill and other bills such as energy and water or interior and fire. She stated that BBK staff could review the individual bills and the delegation's position on these bills, and make a recommendation if the Board desired.

Ms. Schwab also responded to a question regarding whether H.R. 3112, Western Water Recycling and Drought Relief Act of 2021, was for an earmarked project and whether the District could ask its elected representatives to introduce a bill to assist with funding by stating that H.R. 3112 was an earmark. She noted that the parameters for earmarked projects were that funds must be spent in Fiscal Year 2022, and she suggested that BBK could prepare a request for next year.

Mr. Crook responded to a question regarding legislation related to Navigable Water Protection Rules by stating that following the Arizona Federal Court decision to vacate the 2020 Navigable Waters Protection Rule, the current Administration would propose implementing a modification in the federal register to officially repeal the 2020 rule and then make a new proposal via the federal register, receive comment and approve the new rule to replace the 2020 rule.

Syrus Devers, state lobbyist with Best Best & Krieger LLP (BBK), presented the state legislative update. He reported that he was continuing efforts to inform Legislators of measures that were put into place during the previous drought to deal with water shortage contingency planning. He noted that District staff previously met with Senator Henry Stern and Assembly Member Richard Bloom, and BBK was continuing to contact Legislators who were elected in 2018 and were not present for the water conservation bill package that put drought contingency planning in place. He also reported that the South Coast AQMD adopted new rules regarding maintaining and operating stationary emergency backup generators, and he acknowledged District staff on their efforts for the rule changes. He responded to a question regarding the Department of Water Resources Draft Urban and Multibenefit Drought Relief Program by stating that this program would be included with the Urban Drought Relief Program, which would be open to all applicants. He stated that it was possible that the Pure Water Project Las Virgenes-Triunfo might be eligible for grant funding from this program.

6. TREASURER

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

9. FINANCE AND ADMINISTRATION (Item 9B was moved to follow Item 6.)

B Claim by Zezziska Cevallos

Deny the claim by Zezziska Cevallos.

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

Zezziska Cevallos stated that she experienced issues with water pressure in her home following the District's installation of a new smart water meter. She expressed concern that older infrastructure could not support the new smart meter technology. She also stated she was advised by District staff to have a water pump installed and then file a claim against the District for reimbursement. She requested reimbursement for plumbing expenses and installation of a water pressure booster pump.

Jay Ross spoke in support of Ms. Cevallos' claim and encouraged the Board to approve reimbursement of her expenses.

Director Renger moved to deny the claim by Zezziska Cevallos. Motion seconded by Director Lo-Hill.

A discussion ensued regarding the change in serving this area from LV-1 in Chatsworth due to current hydrological conditions, and the District's requirement for elevation agreements from property owners acknowledging the low water pressure as a condition of water service for parcels in the areas that were developed after the Chatsworth Lake Manor annexation to the District.

Director Caspary moved a substitute motion to reimburse the cost of the water pressure booster pump, but not the cost for the service line.

Ms. Cevallos asked the Board to consider reimbursement of half of her claim.

General Manager David Pedersen suggested that the Board request an executed elevation agreement from Ms. Cevallos as part of the substitute motion.

Director Caspary moved to amend his substitute motion to require the execution of an elevation agreement and approve reimbursement of the cost of the water pressure booster pump, in the amount of \$1,135, as evidenced by the invoice that was attached as part of the claim. Motion seconded by Director Polan.

Substitute motion carried by the following roll call vote:

AYES: Caspary, Lo-Hill, Polan

NOES: Lewitt, Renger

ABSTAIN: None

ABSENT: None

7. FACILITIES AND OPERATIONS

A Policy and Qualifying Events for Per Diem Compensation

Review the information on the policy and qualifying events for director's per diem compensation and determine whether or not clarification is necessary.

General Manager David Pedersen presented the report.

A discussion ensued regarding support for the existing policy and continuing the current practice for Directors to seek Board approval to attend non-qualifying events on a case-by-case basis.

No action was taken.

B Colorado River Water Users Association Annual Conference: Board Member Attendance

Authorize Board Member attendance and per diem compensation for the Colorado River Water Users Association Annual Conference, which will be held December 14 through 16, 2021, in Las Vegas, Nevada.

General Manager David Pedersen presented the report.

Director Polan moved to approve Item 7B. Motion seconded by Director Renger. Motion carried unanimously by roll call vote.

8. FACILITIES AND OPERATIONS

A Contractual Services for Electric Motor Repairs: Award

Accept the proposals from Demaria Electric Motor Services, Inc., and Walton Motors Controls, Inc.; and authorize the General Manager to execute one-year contractual services agreements with each firm, in the amount of \$75,000, with four one-year renewal options for electric motor repairs.

Doug Anders, Administrative Services Coordinator, presented the report.

Director Lo-Hill moved to approve Item 8A. Motion seconded by Director Caspary. Motion carried unanimously by roll call vote.

9. FINANCE AND ADMINISTRATION

A Information Technology Vulnerability Management Platform: Award

Accept the proposal from SHI Corporation and authorize the General Manager to execute a one-year licensing and professional services agreement with SHI Corporation, in the amount of \$79,873.80 plus applicable taxes, together with for one-year renewal options, in the annual amount of \$11,236.70, for the Tenable Comprehensive Risk-Based Vulnerability System.

Ivo Nkwenji, Information Systems Manager, presented the report.

Director Caspary moved to approve Item 9A. Motion seconded by Director Lo-Hill.

Mr. Nkwenji responded to questions regarding the vulnerability management services that would be provided.

Motion carried unanimously by roll call vote.

10. ENGINEERING AND EXTERNAL AFFAIRS

A Meter Reading Services Contract: Approval of Extension

Authorize the General Manager to execute a one-year contract extension with Alexander's Contract Services, Inc., in the amount of \$120,000, for meter reading services.

Joe McDermott, Director of Engineering and External Affairs, presented the report.

Director Renger moved to approve Item 10A. Motion seconded by Director Caspary.

Mr. McDermott responded to questions regarding manual meter reading by in-house Customer Service Field Representatives for customers who opt-out of having an advanced meter installed and for customers in areas with limited wireless access.

Motion carried unanimously by roll call vote.

11. INFORMATION ITEMS

A 90-Day Update on Vacation Accruals

Received and filed the 90-day update on vacation accruals.

12. NON-ACTION ITEMS

A Organization Reports

Director Caspary reported that he attended the Santa Monica Bay Restoration Commission Executive Committee Meeting on September 16th, where the Committee set the agenda for the October 21st Governing Board Meeting. He noted that the agenda would include a presentation by a local school on a Table-to-Farm Community Garden, an update on the Palos Verdes Shelf Superfund Site, and an update on Ocean DDT Disposal Site. He also reported that a final judgment was issued regarding litigation with the Ballona Wetlands Land Trust in which all claims were denied.

B Director's Reports on Outside Meetings

Director Lo-Hill reported that she attended the Association of California Water Agencies (ACWA) Virtual Region 8 Program on September 22nd entitled, "Innovation on the Colorado: MWD's Regional Recycled Water Program and Lower Basin Drought Resilience." She also reported that she attended the Water Education Foundation Virtual Colorado River Symposium, *Navigating Through Crisis*, on September 23rd.

Director Renger reported that he attended the WaterReuse California Annual Conference, held virtually from September 19th through 21st.

Board President Lewitt reported that he attended Los Angeles Mayor Eric Garcetti's media event earlier in the day regarding a regional partnership amongst the Los Angeles

Department of Water and Power, Metropolitan Water District of Southern California, Calleguas Municipal Water District, and Las Virgenes Municipal Water District to shift water demands from the State Water Project to the Colorado River to ensure continued water access for Southern California residents. He also reported that he attended a tour of the Pure Water Demonstration Facility provided to Thousand Oaks Mayor Claudia Bill-de la Peña.

C General Manager Reports

(1) General Business

General Manager David Pedersen reminded the Board of the following upcoming meetings: Special JPA Meeting on October 14th at 9:00 a.m. regarding the Pure Water Project Las Virgenes-Triunfo funding and financing workshop; tour of the Pure Water Demonstration Project on October 20th for representatives from the City of Thousand Oaks; and Southern California Water Coalition Annual Dinner Meeting on October 21st with keynote speaker Senator Henry Stern.

(2) Follow-Up Items

General Manager David Pedersen noted that options to better identify District vehicles would be placed on a future agenda.

D Directors' Comments

Director Renger encouraged the Board to read the book *Water* by Steven Solomon.

Director Polan noted that he borrowed a copy of this book from the Westlake Village Library; the book had been donated to the library by the District.

Director Lo-Hill noted that Olivarez Madruga Lemieux O'Neill LLP (OMLO) was recently named to the 2021 list of "Most Admired Law Firms to Work For" by the *Los Angeles Business Journal*. She congratulated District Counsel Wayne Lemieux and expressed her appreciation for OMLO's expertise.

13. FUTURE AGENDA ITEMS

Director Lo-Hill moved for an update on the oil pipeline spill that occurred recently in Huntington Beach. Motion seconded by Director Renger.

14. PUBLIC COMMENTS

None.

15. CLOSED SESSION

**A Threat to Public Services or Facilities (Government Code Section 54957(a)):
Consultation with Ivo Nkwenji, Security Operations Manager**

(This item was not discussed during Closed Session.)

B Conference with Labor Negotiators (Government Code Section 54957.5):

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

Unrepresented Employee: General Manager

The Board recessed to Closed Session at **7:15 p.m.** and reconvened to Open Session at **7:33 p.m.**

Director Polan departed the meeting from his teleconference location at 7:33 p.m.

Wayne Lemieux, District Counsel, announced that the Board discussed Item 15B during the Closed Session.

Director Caspary moved to approve a compensation adjustment for General Manager David Pedersen to increase his salary by three percent effective October 2, 2021, and to add Management Leave in the same amount, timing, and basis as Department Directors, except that the initial grant shall occur on November 1, 2021 rather than on July 1, 2021, with no proration. Motion seconded by Director Lo-Hill.

Motion carried by the following roll call vote:

AYES: Caspary, Lewitt, Lo-Hill, Renger

NOES: None

ABSTAIN: None

ABSENT: Polan

16. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **7:35 p.m.**



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

ATTEST:



Lee Renger, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)

