



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

MINUTES
REGULAR MEETING

9:00 AM

November 2, 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 **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 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. Susan Brown, Administrative Assistant, 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
Susan Brown, Administrative Assistant
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA AND APPROVAL OF FINDINGS OF RESOLUTION NO. 2598 (AB 361) REGARDING USE OF TELECONFERENCING

Director Renger moved to approve the agenda and findings of Resolution No. 2598 (AB 361) regarding use of teleconferencing. Motion seconded by Director Polan. Motion carried unanimously.

3. PUBLIC COMMENTS

There were no public comments.

John Zhao, Director of Facilities and Operations, introduced new employee Chris Boddy, Water Reclamation Plant Operator, and Brian Lopez, Electrician.

Joe McDermott, Director of Engineering and External Affairs, introduced Angela Lima, Office Customer Service Representative, and Francisco "Frank" Palos, Field Customer Service Representative.

Don Patterson, Director of Finance and Administration, introduced Tiffany Armstead, Administrative Specialist – Risk Management, and Brian Richie, Finance Manager.

The Board welcomed all of the new employees to the District.

4. CONSENT CALENDAR

A List of Demands: November 2, 2021: Receive and file

B Minutes Regular Meeting of October 19, 2021: Approve

C Water Supply Conditions Update: Receive and file

D Claim by Glenda Grant

Deny the claim by Glenda Grant.

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

Joe McDermott, Director of Engineering and External Affairs, provided an update regarding the state's arrearages program, which would distribute funds to pay for customers' past due accounts due to the COVID-19 pandemic. He noted that approximately \$336 million was available for past due potable water accounts for the eligibility period of March 4, 2020 through June 15, 2021, and the District was eligible to receive approximately \$200,000 to apply credits towards past due accounts. He also noted that the State Water Resources Control Board (SWRCB) did not establish a screening process for determining funding eligibility. He stated that the District

established a program for installation of flow restriction devices for delinquent accounts; however, the program was paused in order to coordinate with the arrearages program. He noted that staff had initially begun a process to screen customers with a focus on providing relief to those who truly experienced a hardship; however, after conferring with the SWRCB, staff was informed that a screening process could not be established, therefore credits would be applied evenly to past due accounts regardless of hardship. He also reported that a program to assist with wastewater arrearages would come in early 2022, and the District would be eligible to receive approximately \$100,000 from this program. He noted that approximately \$300,000 would likely remain in uncollected accounts after the arrearages funding is applied towards water and wastewater past due accounts. He also noted that historically the District averaged \$100,000 to \$200,000 in past due accounts. He stated that the District could reinstate the installation of flow restriction devices and begin disconnecting water service for non-payment after December 31, 2021.

General Manager David Pedersen added that eligible customers who did not pay their water and wastewater bills during the time period of March 4, 2020 through June 15, 2021 would have a credit applied for the eligible portion of their unpaid amount, and they would be required to enter into a payment agreement for the ineligible portion.

6. TREASURER

Director Lo-Hill stated that the Treasurer’s report was in order. She noted that interviews for auditing services would be held on November 8th, and the MWD Finance and Insurance Committee would hold a Demand Management Cost Recovery and Rate Refinement Workshop on November 8th.

7. BOARD OF DIRECTORS

A Declaration of a State of Emergency due to Drought and Activation of Water Shortage Contingency Plan at Stage 3 – Water Shortage Emergency

Pass, approve, and adopt proposed Resolution No. 2599, declaring a state of emergency due to water shortage from drought conditions in the State of California and activating the Water Shortage Contingency Plan at Stage 3 – Water Shortage Emergency.

RESOLUTION NO. 2599

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT DECLARING A STATE OF EMERGENCY DUE TO WATER SHORTAGE FROM DROUGHT CONDITIONS IN THE STATE OF CALIFORNIA AND ACTIVATING THE WATER SHORTAGE CONTINGENCY PLAN AT STAGE 3 – WATER SHORTAGE EMERGENCY

(Reference is hereby made to Resolution No. 2599 on file in the LVMWD’s Resolution Book and by this reference the same is incorporated herein.)

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

A discussion ensued regarding amending the penalty structure after November 30, 2021, following the activation of the Stage 3 Water Shortage Emergency.

Director Caspary moved to approve Item 7A. Motion seconded by Director Renger.

A discussion ensued regarding spending penalty funds on water conservation messaging efforts, prioritizing infrastructure projects to obtain water from the Colorado River, and preparing a training video on how to adjust weather-based irrigation controllers.

Dave Roberts, Resource Conservation Manager, noted that a workshop would be held that evening to instruct customers on the use of the Rachio weather-based irrigation controller and how to adjust the settings to achieve a 25 percent reduction in outdoor water usage. He also noted that the workshop would be recorded and uploaded to the District's website. He stated that staff sent emails to customers with the Rachio controller to inform them that staff would be available to assist them in adjusting their controllers to be more efficient with outdoor water use.

A discussion ensued regarding conducting outreach to customers with Automatic Meter Reading/Advanced Metering Infrastructure (AMR/AMI) meters and encouraging them to enroll in the WaterSmart portal; using visuals when conducting outreach to customers; asking customers to not plant grass at this time; asking customer to decrease indoor water use; asking customer to allow their lawn to go dormant; educating customers on types of ground cover; and conducting outreach to homeowners' associations.

Mike McNutt, Public Affairs and Communications Manager, addressed the various types of messaging that would be used to conduct outreach to customers.

A discussion ensued regarding the use of Caltrans and school electronic message boards and posting yard signs on prime corners in the District's neighborhoods.

Motion carried unanimously.

8. FACILITIES AND OPERATIONS

A Communication Facilities License Program: Approval and Implementation

Approve the proposed Communication Facilities License Program; and authorize the General Manager to execute an initial two-year professional services agreement with ATS Communications, including three one-year renewal options, to administer and implement the Communication Facilities License Program.

Doug Anders, Administrative Services Coordinator, presented the report.

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

Tony Ingegnere, representing ATS Communications, provided an overview of their services, and responded to questions regarding the rate structure.

A discussion ensued regarding ensuring that any communication licenses with cell site companies be maintained properly and not to allow a third party to acquire these licenses.

Motion carried unanimously.

B On-Call Pipeline Repair and Paving Services: Scope Change No. 1

Authorize the General Manager to approve Scope Change No. 1 to Toro Enterprises, Inc., in the amount of \$600,000, for additional on-call pipeline repair and paving services.

Jim Korkosz, Facilities Manager, presented the report.

Director Polan moved to approve Item 8B. Motion seconded by Director Lo-Hill.

Director Renger stepped out of the Board Room at 10:53 a.m.

John Zhao, Director of Facilities and Operations, responded to questions regarding the current unit price per square foot for paving based on standard design.

Motion carried by the following vote:

AYES: Caspary, Lewitt, Lo-Hill, Polan

NOES: None

ABSTAIN: None

ABSENT: Renger

9. ENGINEERING AND EXTERNAL AFFAIRS

A Cornell Pump Station Improvements Project: Award of Design and Engineering Services during Construction

Accept the proposal from Cannon Corporation; and authorize the General Manager to execute a professional services agreement, in the amount of \$326,582.40, for design and engineering services during construction for the Cornell Pump Station Improvements Project.

Veronica Hurtado, Assistant Engineer, presented the report.

Director Renger returned to the Board Room at 10:57 a.m.

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

A discussion ensued regarding concerns with the cost of the design work; the possibility

of replacing the original natural gas-powered engine rather than having it upgraded; contacting the Waukesha engine supplier to ask for the price of a new engine; the importance of the pump station in conveying water from the west side of the system to the east during planned or unplanned outages; having staff bring back additional detail of all of the specific elements of the project; and coordinating with the City of Agoura Hills on its Linear Park Project.

Motion carried by the following vote:

AYES: Lewitt, Lo-Hill, Polan, Renger

NOES: Caspary

ABSTAIN: None

ABSENT: None

B Application for U.S. Bureau of Reclamation WaterSMART: Water and Energy Efficiency Grant for Large Meter Advanced Metering Infrastructure Project

Pass, approve, and adopt Resolution No. 2600, authorizing submittal of a grant funding application and execution of a grant funding agreement, if awarded.

RESOLUTION NO. 2600

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 2022 BUREAU OF RECLAMATION WATER AND ENERGY EFFICIENCY GRANT

(Reference is hereby made to Resolution No. 2600 on file in the LVMWD's Resolution Book and by this reference the same is incorporated herein.)

Craig Jones, Management Analyst II, presented the report.

Director Polan moved to approve Item 9B. Motion seconded by Director Lo-Hill.

A discussion ensued regarding the life span of large meters, technology improvements, and changes to usage.

Motion carried unanimously.

10. INFORMATION ITEMS

A GFOA Award of Financial Reporting Achievement

Board President Lewitt acknowledged Don Patterson, Director of Finance and Administration, on achieving the GFOA award. Mr. Patterson acknowledged Angela Saccareccia, Finance Manager, and staff on their efforts.

11. NON-ACTION ITEMS

A Organization Reports

None.

B Director's Reports on Outside Meetings

Director Polan reported that he attended a local event where he spoke with several customers regarding their water usage. He noted that one resident expressed concern with the requirement by the Three Springs Homeowners Association to maintain a green lawn.

C General Manager Reports

(1) General Business

General Manager David Pedersen reported that staff was working with MWD regarding the drought and developing short and long-term solutions to address the State Water Project exclusive areas. He noted that MWD was proposing significant investment in outreach and communications related to the drought. He addressed the costs for the Cornell Pump Station Improvements Project and stated that the scope of work would include design and engineering support during construction. He noted that the engineering costs prior to construction would be approximately \$157,000, which would include \$44,000 for permitting costs.

Board President Lewitt asked staff to communicate to the ratepayers that by using less water the District could place more water back in the reservoirs. He also asked staff to share water conservation efforts by Calleguas Municipal Water District and the Los Angeles Department of Water and Power.

(2) Follow-Up Items

General Manager David Pedersen noted that a report regarding District vehicle branding would be included on a future agenda.

D Directors' Comments

None.

12. FUTURE AGENDA ITEMS

Board President Lewitt requested a future agenda item to review and discuss the four stages of escalating response to a water shortage caused by drought and emergencies.

13. PUBLIC COMMENTS

None.

14. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **11:25 a.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)