



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

MINUTES
REGULAR MEETING

9:00 AM

December 6, 2022

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Lee Renger.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **9:00 a.m.** by Board President Lewitt 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 suspended 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 Gary Burns, Charles Caspary, Andy Coradeschi, Jay Lewitt, Len Polan

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
Susan Brown, Administrative Assistant
Josie Guzman, Clerk of the Board
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA AND APPROVAL OF FINDINGS OF RESOLUTION NO. 2609 (AB 361)

Director Caspary moved to approve the agenda and approve the findings of Resolution No. 2609 (AB 361). Motion seconded by Director Polan. Motion carried unanimously.

3. PUBLIC COMMENTS

There were not public comments.

Board President Lewitt introduced and welcomed Division 3 Director Gary Burns and Division 2 Director Andy Coradeschi.

Don Patterson, Director of Finance and Administration, introduced new employees Arezoo Mohandessi, Systems Coordinator, and Kenneth Brasher, SCADA Analyst. The Board welcomed the new employees to the District.

John Zhao announced that Veronica Hurtado, Assistant Engineering, was promoted to Water Reclamation Manager. The Board congratulated Ms. Hurtado on her promotion.

4. CONSENT CALENDAR

A List of Demands: December 6, 2022: Receive and file

B Minutes Regular Meeting of November 15, 2022: Approve

C Continuation of Local State of Emergency Due to Water Shortage from Statewide Drought

Approve the continuation of a local emergency declaration due to water shortage from the statewide drought.

D Consideration of Non-Qualifying Event for Directors' Per Diem Compensation

Authorize Board Member attendance and per diem compensation for Heal the Bay's ONE Water Day Event held on December 2, 2022.

E Annual Report: Records Review and Destruction

Authorize the destruction of records in accordance with the District's records retention schedule and the Las Virgenes Municipal Water District Code.

F Monthly Cash and Investment Report: October 2022

Receive and file the Monthly Cash and Investment Report for October 2022

G CIS Software: Annual Support and Maintenance Agreement

Authorize the General Manager to execute an annual support and maintenance agreement with Advanced Utility Systems, in the amount of \$125,000, for the Customer Information System software.

H Annual Supply and Delivery of Unleaded and Diesel Fuel: Change Order

Authorize the General Manager to approve a change order with Merricac Energy Group, in the amount of \$90,000, for supply and delivery of unleaded and diesel fuel.

I Salary Resolution and Management Handbook Update: Approval

Pass, approve, and adopt proposed Resolution No. 2614, establishing salaries for employees; and approve the updated Management Handbook

RESOLUTION NO. 2614

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ESTABLISHING SALARIES FOR EMPLOYEES

(Reference is hereby made to Resolution No. 2614 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

Director Polan moved to approve the Consent Calendar. Motion seconded by Director Coradeschi. Motion carried unanimously.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Recognition of LVMWD Director Lee Renger

Board President Lewitt read a proclamation recognizing Lee Renger for his 17 years of service as Division 3 Director. The Board expressed their appreciation to former Director Renger.

Former Director Renger thanked the Board and wished them the best.

B Oath of Office for Directors for Division 2, Division 3, and Division 5

Josie Guzman, Clerk of the Board, administered the Oath of Office to Division 2 Director Andy Coradeschi, Division 3 Director Gary Burns, and Division 5 Director Jay Lewitt.

Director Burns noted that he attended several District and MWD tours in the past few years, and he was impressed with their operations.

Director Coradeschi stated that he was excited to serve on the Board, and that he was impressed with the Board and District staff.

Board President Lewitt stated that he was looking forward to serving on the Board for the next four years. He also stated that he was impressed with District staff, and that he was expecting the Board to work collaboratively as they face many water-related issues.

Director Caspary acknowledged Directors Burns, Coradeschi, and Lewitt, and stated that District customers would benefit from their efforts.

C Legislative and Regulatory Updates

Joe McDermott, Director of Engineering and External Affairs, noted that staff from Best Best & Krieger, the District's lobbyists, would provide a report at the following week's JPA meeting. He provided a brief overview of federal and state elections results, and the impacts to the District. He noted that a tour of District facilities was provided to Assemblywoman Jacqui Irwin on November 15th. He also noted that recruitment for the Legislative Program Manager was completed.

D Drought and Water Supply Conditions Update

Joe McDermott, Director of Engineering and External Affairs, reported that the California Department of Water Resources announced the initial five percent allocation from the State Water Project, and a final allocation would be in May or June. He also reported that the 8-station index was at 84 percent of normal for precipitation; however, reservoir levels were below average.

Board President Lewitt reminded everyone to continue to conserve water.

Director Caspary noted that the reservoirs that serve California were only at 25 percent of capacity, which would drastically affect residents next summer.

6. TREASURER

Don Patterson, Director of Finance and Administration/Deputy Treasurer, stated that the Treasurer's report was in order.

7. FINANCE AND ADMINISTRATION

A Fiscal Year 2021-22 Annual Comprehensive Financial Report

Receive and file the Fiscal Year 2021-22 Annual Comprehensive Financial Report.

Don Patterson, Director of Finance and Administration, provided introductory remarks.

Brian Richie, Finance Manager, presented the report and explained the new lease standard under GASB Statement No. 87, which requires recording the value of the District's lease receivables and liabilities on the balance sheet. He introduced Veronica Hernandez and Scott Manno from Rogers, Anderson, Malody, & Scott, LLP.

Veronica Hernandez, Audit Supervisor, reviewed the District's responsibility for the audit, responsibilities of the auditor, audit process, auditor's unmodified opinion, and other key points.

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

Ms. Hernandez responded to a question regarding testing of internal controls processes, such as testing for separation of duties. Scott Manno provided other examples of review of internal control processes, such as ensuring there were two signatures on checks over \$10,000 and timecard approval.

Board President Lewitt reported that he attended a meeting with the auditors prior to the Board meeting, and that he was comfortable with the audit results.

Mr. Patterson responded to questions regarding the approved budget for penalty revenue to fund drought response expenditures and drought education programs.

General Manager David Pedersen noted a correction to the \$10 Standby Charge, which was only charged to parcels of one acre or less.

Motion carried unanimously.

8. NON-ACTION ITEMS

A Organization Reports

Director Caspary reported that the Association of California Water Agencies (ACWA) State Legislative Committee would hold a workshop to review proposed legislation to allow water districts to bill fixed charges on the property tax rolls. He noted that there was concern that the proposed legislation might be considered a new tax under Proposition 218. He also reported that the Santa Monica Bay Restoration Commission Governing Board would meet on December 15th, where they would consider the election of the Chair.

B Director's Reports on Outside Meetings

Director Polan reported that he attended the ACWA Fall Conference in Palm Springs where he attended sessions regarding Fenner Valley Water Authority's Cadiz Valley Water Conservation, Recovery and Storage Project; a briefing regarding recent court ruling regarding tree removal to mitigate fire hazards; a briefing regarding the legality of administrative law; and support for native plants in front gardens as opposed to artificial turf and rocks.

Director Coradeschi reported that he also attended the ACWA Fall Conference. He stated that he enjoyed becoming acquainted with the Directors and staff, and that the presentations were very interesting.

Board President Lewitt reported that he also attended the ACWA Fall Conference. He noted that he serves on the ACWA Federal Affairs Committee, and they discussed the \$4 billion in drought relief funding secured through the Inflation Reduction Act; submitted comments to the U.S. Environmental Protection Agency regarding its proposed rules designating per- and polyfluoroalkyl substances (PFAS) as hazardous substances; submitted comments regarding the possibility of waiving restrictions imposed by the Build America Buy America Act; and that the Water Resources Development Act and the Farm Bill were expected to pass before the end of this Congressional session. He also noted that the Israeli Ambassador to the Pacific Northwest spoke regarding water leadership and exporting water to the Palestinian Authority and Jordan; a presentation was provided by Robert Bergstrom from Natural Ocean Well regarding ocean and seawater desalination; and a presentation was provided by Don Patterson, Director of Finance and Administration, regarding financing.

C General Manager Reports

(1) General Business

General Manager David Pedersen reported that he attended the ACWA Fall Conference. He noted that the District would host a presentation by Natural Ocean Well Co. on December 19th regarding its seawater desalination proposal. He reminded the Board that the next Board meeting would be held on December 20th, and the Board would begin the two-step process to nominate Board Officers to serve as President, Vice-President, Secretary, and Treasurer for a two-year term. He stated that the election of Board Officers would take place at the January 17, 2023 Board Meeting. He also stated that the Board would also nominate the MWD Representative from amongst the Board or from the public. He also reminded the Board that a Special JPA Meeting would be held on December 13th, which would include consideration to certify the final Programmatic Environmental Impact Report for the Pure Water Project Las Virgenes-Triunfo, and receive and file the Fiscal Year 2021-22 Annual Financial Statements and Independent Auditor's Report. He also reported that the California Department of Fish and Wildlife was proposing to list Southern Steelhead as a candidate species under the California Endangered Species Act. He stated that the ACWA Steelhead Work Group and United Water Conservation District were proposing to prepare a Species Viability Assessment, and were seeking other water agencies to participate in completing this study. He stated that an item would be brought back at a future meeting for the Board's consideration. He also reported that he attended meetings at MWD related to its Emergency Water Conservation Plan, which included a volumetric limit based on population. He stated that he believed this was not the appropriate method to allocate water and it did not serve the District well. He noted that he was successful in having this rationale changed, and the allocation could reflect some additional factors to more fairly allocate water next year.

(2) Follow-Up Items

General Manager David Pedersen stated an item would be brought back at a future Board Meeting regarding the possibility of increasing the General Manager's purchasing authority.

D Directors' Comments

Director Polan acknowledged Debbie Rosales, Financial Analyst II, on her efforts in financial reporting.

9. FUTURE AGENDA ITEMS

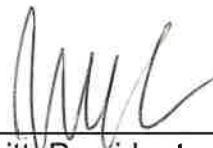
None.

10. PUBLIC COMMENTS

Dennis Washburn, representing the Conejo/Las Virgenes Future Foundation, provided copies of a brochure of the Santa Monica Mountains National Recreation Area. He referenced the book *Water Always Wins*, and stated that outgoing Calabasas Mayor Mary Sue Maurer made this the focus of her retirement speech. He congratulated new Directors Burns and Coradeschi, and he thanked outgoing Directors Lo-Hill and Renger for their service. He also acknowledged General Manager David Pedersen and John Zhao, Director of Facilities and Operations, for their past presentations at the Conejo/Las Virgenes Future Foundation.

11. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **10:11 a.m.** in honor of Lynda Lo-Hill's service as Division 2 Director and in honor of Lee Renger's service as Division 3 Director.



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

ATTEST:



Josie Guzman, Deputy Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)

