



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

MINUTES
REGULAR MEETING

9:00 AM

July 18, 2023

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Tim Quinn.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **9:01 a.m.** by Board President Lewitt in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, California 91302. Director Coradeschi participated from the teleconference location at 121 West Kingfisher Way, Lavallette, New Jersey 08735. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Gary Burns, Charles Caspary, Andy Coradeschi (via teleconference), Jay Lewitt, and 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
Josie Guzman, Clerk of the Board
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

Director Caspary moved to approve the agenda. Motion seconded by Director Polan. Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan
NOES: None
ABSTAIN: None
ABSENT: None

3. **PUBLIC COMMENTS**

There were no public comments.

John Zhao, Director of Facilities and Operations, introduced new employee Justin Allen, Facilities Maintenance Worker. The Board welcomed Mr. Allen to the District.

General Manager David Pedersen presented a Certificate of Recognition to Zachary Rosoff, Customer Service Summer Intern, who reported a brush fire in the solar field on June 22, 2023, which was caused when one of the invertors suffered a failure. He stated that the Los Angeles County Fire Department responded quickly to extinguish the fire, which was contained to one-acre and caused minimal damage. The Board acknowledged Mr. Rosoff for his diligence.

4. **CONSENT CALENDAR**

A List of Demands: July 18, 2023: Receive and file

B Minutes Regular Meeting of July 5, 2023: Approve

C Directors' Per Diem: June 2023: Ratify

D Statement of Revenues, Expenses, and Changes in Net Position: May 2023

Receive and file the Statement of Revenues, Expenses, and Changes in Net Position for the period ending on May 31, 2023.

E Las Virgenes Municipal Water District Conflict of Interest Code: Adoption

Pass, approve, and adopt proposed Resolution No. 2625, amending Resolution No. 2468 (Las Virgenes Code) as it relates to the Conflict of Interest Code.

RESOLUTION NO. 2625

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AMENDING RESOLUTION NO. 2468 (LAS VIRGENES CODE) AS IT RELATES TO THE CONFLICT OF INTEREST CODE

(Reference is hereby made to Resolution No. 2625 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

Caspary. Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A MWD Representative Report

Glen Peterson, MWD Representative, reported that new MWD Directors Gary Bryant of Foothill Municipal Water District and Carl Douglas of the City of Los Angeles were inducted to the MWD Board. He also reported that the MWD Board created an Ad Hoc Committee on Policy Impacts of Third-Party Changes to Member Agency Boundaries; authorized a change order to terminate 6.9 kV power cables at all five Colorado River Aqueduct pumping plants; awarded a contract for 50 flow meters to comply with surface water diversion regulations on Delta Island properties; awarded a contract for furnishing and installation of pre-engineering storage buildings at several pumping plants; and conducted performance evaluations of the General Manager, General Counsel, and Ethics Officer.

A discussion ensued regarding MWD's ability to use progressive design-build method of project delivery going forward; MWD's plan to move forward with the East-West Conveyance; challenges in conveying water from Diamond Valley Lake during drought conditions; keeping the Joseph Jensen Treatment Plant at full capacity as opposed to downsizing the plant; concerns with District ratepayers paying for Diamond Valley Lake and Pure Water Southern California without having access to water supplies from these facilities; concerns with lack of local representation regarding issues related to the Delta Conveyance; and the timetable for the Delta Conveyance environmental review process.

B Legislative and Regulatory Updates

Jeremy Wolf, Legislative Program Manager, reported that Governor Gavin Newsom signed the Infrastructure Streamlining Act, which included reform to the California Environmental Quality Act (CEQA), progressive design-build, and fully protected species statues; however, it did not include the Delta Conveyance Project. He also reported that he traveled to Sacramento to meet with Assemblymember Jacqui Irwin, Assemblymember Pilar Schiavo, staff from the offices of Senators Henry Stern and Ben Allen, and key staff members from Senate Natural Resources and Water Committee and the Assembly Water, Parks and Wildlife Committee to discuss the District's need for improved infrastructure and funding for MWD's State Water Project-Dependent areas; the importance of the Delta Conveyance, the need for Sites Reservoir; and new options such as desalination. He stated that they also discussed water recycling funding in future budgets and the importance of including funding in the upcoming Climate Resiliency Bond on the 2024 ballot. He commented that new Assembly Speaker Robert Rivas might be more attentive to issues impacting agricultural communities due to his Central Coast

upbringing and experience with farmworker housing. He provided an update regarding the water rights bills, and noted that both AB 460 and AB 1337 were now two-year bills and discussions would continue with the author and stakeholders. He noted that SB 389 (Allen) related to water rights had major amendments, including the removal of punitive measures and inclusion of a narrow scope of informational orders that the State Water Board might issue. He also reported that Ventura County Supervisor Jeff Gorell visited the Pure Water Demonstration Facility on July 17th, and Supervisor Gorell and his staff indicated they were very impressed with the facility. He stated that Supervisor Gorell would likely sign a letter of support for grant funding for the Pure Water Project Las Virgenes-Triunfo and include a link on his website. He also stated a Special Board Meeting would be scheduled on September 12th at 10:00 a.m. for a discussion with State Parks regarding Rindge Dam.

A brief discussion ensued regarding an article in the *Los Angeles Times* regarding per- and polyfluoroalkyl substances (PFAS). Mike McNutt, Public Affairs and Communications Manager, noted that he was working with a reporter from the *Los Angeles Times* regarding the District's position on PFAS, and he stated that the District's water supply did not contain perfluorooctanoic acid (PFOA) and perfluorooctane sulfonate (PFOS), which were known carcinogens; however, the water supply did contain a known non-carcinogenic compound that was addressed in the District's Water Quality Report. He stated that the District would address this topic and ensure that the District's water supply is safe and healthy to consume.

C Natural Ocean Well Company Presentation on Technology, Approach, and Potential Benefits

Robert Bergstrom, Chief Executive Officer of Natural Ocean Well Company, provided a PowerPoint presentation regarding a new way to obtain supplemental water supplies to California water agencies by using subsea desalination technology. He stated that a subsea modular water farm could be installed 400 meters under the ocean to harvest water, which would be driven by natural ocean pressure instead of using large pumps and motors to pressurize the water. He also stated that an ocean well would not need much onshore real estate, would use less energy compared to a land-based desalination plant, would not pollute, would be affordable, and would not kill marine life. He described the differences between onshore desalination technology and ocean well technology, technology testing efforts, pilot testing at Las Virgenes Reservoir, subsea testing, ongoing outreach to regulators, letters of support received, and financing efforts. He stated that a Memorandum of Understanding would be presented for the Board's consideration in August. He responded to questions regarding the technology to address brine using ocean well technology.

General Manager David Pedersen noted that District staff had been in discussions with the Natural Ocean Well Team for the past eight months, and the District had hosted a series of working group meetings. He stated that the District's role was to bring other water agencies together that have shown interest in this technology, and discuss what needed to be done to have line of sight to commercial readiness. He noted that the District submitted a letter of interest to the State to ensure that this technology would be part of

its plan when considering desalination. He noted that after the Huntington Beach desalination project failed at the California Coastal Commission level, the Governor expressed frustration with California not having a clear pathway for ocean desalination. He also stated that National Ocean Well Company was seeking public agencies to show interest and support, and to show line of sight to a commercially viable project. He noted that National Ocean Well Company was not seeking public agencies to fund research and development, and the District's participation would be in-kind services in making Las Virgenes Reservoir available for testing.

John Zhao, Director of Facilities and Operations, noted that the District applied for a Title XVI Bureau of Reclamation grant for ocean well; however, the application was not successful. He stated that the Bureau of Reclamation indicated there were many regulatory hurdles for permitting through the California Coastal Commission. As a result, the District would participate by allowing testing in Las Virgenes Reservoir, which would hopefully overcome the regulatory and institutional hurdles. He discussed the ocean well brine removal technology, which uses a membrane to wash away salt similar to an under the sink reverse osmosis system. He noted that a discussion was held with MWD staff, and they committed to support this partnership for its Future Supply Action Funding to promote this type of technology.

6. TREASURER

Director Coradeschi stated that that Treasurer's Report was in order.

7. FACILITIES AND OPERATIONS

A **Contractual Services for Electric Motor Repair Services: Change Orders**

Authorize the General Manager to execute change orders with Demaria Electric Motor Services, Inc., and Walton Motors & Controls, Inc., in the amount of \$75,000, for the current term and three remaining renewal options for electric motor repair services.

Doug Anders, Administrative Services Coordinator, presented the report.

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

John Zhao, Director of Facilities and Operations, responded to questions regarding the average age and maintenance of the motors.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

B On-Call Pipeline Repair and Paving/Concrete Services: Change Order

Authorize the General Manager to execute a change order with Toro Enterprises, Inc., in the amount of \$682,154.26, for on-call pipeline repair and paving/concrete services.

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

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

A discussion ensued regarding Toro Enterprises' recent work on the water main break at Lindero Canyon Road and Agoura Road.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

C Rancho Distribution Screw Conveyor No. 1: Purchase Order

Waive formal bidding requirements; re-appropriate \$371,178 in funding from CIP No. 10795, Effluent Pump Station Rehabilitation; and authorize the General Manager to issue a purchase order to Austin-Mac, Inc., in the amount of \$116,376, for replacement of Distribution Screw Conveyor No. 1 at the Rancho Las Virgenes Composting Facility.

Alex Leu, Senior Engineer, presented the report.

Director Caspary moved to approve Item 7C. Motion seconded by Director Burns.

Mr. Leu responded to questions regarding the types of screw conveyors used and their life cycle.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

8. ENGINEERING AND EXTERNAL AFFAIRS

A Climate Action and Adaptation Plan: Progress Report

Receive and file a progress report on the Climate Action and Adaptation Plan.

Joe McDermott, Director of Engineering and External Affairs, provided introductory remarks.

Erica Linard, representing Rincon Consultants, provided a PowerPoint presentation.

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

A discussion ensued regarding including a footnote on items that the District would not be able to control such as SB 100 renewable energy and zero carbon emissions; cost impacts for actions the District would be required to consider that would raise the price of water and reduce demand for water use; protecting Las Virgenes Reservoir from sedimentation associated with extreme climate events; and developing and implementing a wildfire abatement and response policy for District facilities.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

B 2023 Customer Experience Survey Report

Receive and file the 2023 Customer Experience Survey Report.

Joe McDermott, Director of Engineering and External Affairs, provided a PowerPoint presentation.

Director Caspary moved to approve Item 8B. Motion seconded by Director Burns.

Mr. McDermott responded to questions regarding the survey responses; concerns with the format of water bills; concerns that only 31 percent of the respondents were aware of the Pure Water Project Las Virgenes-Triunfo; and customer interactions with staff.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

C Overview of Water Budgets and Proposed Regulatory Framework for Water Use Efficiency Objectives

Receive and file an overview of water budgets and proposed regulatory framework for water use efficiency objectives.

Craig Jones, Resource Conservation Manager, presented the report and PowerPoint

presentation.

General Manager David Pedersen discussed the urban water use objective and bonus incentive for potable recycled water use.

Joe McDermott, Director of Engineering and External Affairs, discussed the implementation of the District's budget-based rates in 2016.

Director Burns moved to approve Item 8C. Motion seconded by Director Caspary.

A discussion ensued regarding the challenges that could be faced in meeting the proposed regulatory framework.

Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

9. NON-ACTION ITEMS

A Organization Reports

Director Caspary stated that the Santa Monica Bay Restoration Commission Governing Board would meet in person on August 17th.

B Director's Reports on Outside Meetings

Director Polan reported that he attended the ACWA Region 8 Program on July 13th for a presentation on the Colorado River agreement and water shortages, and a tour of West Basin Municipal Water District's water recycling facility.

Director Coradeschi reported that he attended meetings in Sacramento on July 11th and 12th with Board President Lewitt, General Manager David Pedersen, Legislative Program Manager Jeremy Wolf, and lobbyist Syrus Devers to meet with State Legislators and their staff to discuss State Water Project-Dependent Areas and the zero percent allocation in 2022; the Pure Water Project Las Virgenes-Triunfo; regional issues such as inaccessibility to water supplies from Diamond Valley Lake; Sites Reservoir; and Delta Conveyance.

Director Burns reported that he also attended the ACWA Region 8 Program and Tour, and stated that he learned that West Basin Municipal Water District produces five different types of recycled water.

Board President Lewitt reported that he also attended the ACWA Region 8 Program and Tour. He noted that Bill Hasencamp presented a history of water supplies from the Colorado River. He also noted that there was a panel discussion regarding perpetual water

shortages, the Delta Conveyance tunnel, and the need for conveyance from MWD's water supplies. He stated that Dave Eggerton, ACWA Executive Director, discussed QuenchCA and the availability of their social media kit.

Mike McNutt, Public Affairs and Communications Manager, noted that QuenchCA was a campaign program to promote capital improvement projects by multiple water agencies. He stated that the program was now offered by a consulting firm for water agencies to pay to promote their capital improvement projects. He also stated that the District was effectively promoting its capital improvement projects.

Board President Lewitt also reported that he attended the meetings with State Legislators in Sacramento on July 11th and 12th. He stated that the joint meeting with Calleguas Municipal Water District Board of Directors held on July 12th was beneficial, and that he hoped similar meetings would be held annually.

C General Manager Reports

(1) General Business

General Manager David Pedersen reminded that Board that the State Water Project Inspection Trip would be held September 8 through 10, 2023, and MWD staff was working on scheduling a tour of the Sites Reservoir site. He reported that water demands had increased to 24 to 25 million gallons per due (MGD) due to warm weather, and the recycled water system was being supplemented with potable water. He noted that the District's phone system would be upgraded on July 21st, which would include a new call back feature. He reported that the District was successful in applying for and receiving Integrated Regional Water Management Plan and an Urban Water Conservation Grants, which would provide funding for landscape transformations. He stated that an article was published in the newspaper regarding PFAS, which referenced a study that showed areas where PFAS was most likely to be found in water supplies. He noted that Southern California was flagged as one of those areas; however, data from the District's area was not included and PFAS was found in southern and southeast Los Angeles County that rely on groundwater. He stated that the District's Public Affairs Team would provide information regarding PFAS.

(2) Follow-Up Items

General Manager David Pedersen stated that staff would bring back a report at a future meeting regarding efforts for developing new water supplies and creating the largest yield of water supplies from the Pure Water Project Las Virgenes-Triunfo.

Joe McDermott, Director of Engineering and External Affairs, responded to a question regarding the status of seeking the Los Angeles County Medical Association's endorsement of the Pure Water Project Las Virgenes-Triunfo by stating that staff reached out to MWD and Los Angeles Department of Water and Power to schedule a meeting to strategize and seek a possible joint endorsement from Los Angeles and Ventura Counties for recycled water projects.

D Directors' Comments

Director Polan referenced the book *The Emerald Mile: The Epic Story of the Fastest Ride in History Through the Heart of the Grand Canyon*, which included efforts by Marshall Litten and the Sierra Club to stop the U.S. Bureau of Reclamations from putting dams in Grand Canyon, and how the 1983 El Niño event swamped the Glen Canyon Dam and filled the reservoirs.

Director Burns reported that an invitation was sent from Mark Toy, General Manager of Yorba Linda Water District, to view their heli-hydrants operations. He stated that he asked for information on how the Oceanside Pure Water Project was accomplished in 18 months.

10. FUTURE AGENDA ITEMS

None.

11. PUBLIC COMMENTS

None.

12. CLOSED SESSION

A Public Employee Performance Evaluation (Government Code Section 54957)

Title: General Manager

B Conference with Labor Negotiators (Government Code Section 54957.6)

Agency Designated Representatives: Board of Directors

Unrepresented Employee: General Manager

The Board recessed to Closed Session at **1:14 p.m.** and reconvened to Open Session at **2:03 p.m.**

Keith Lemieux, District Counsel, reported that the Board met in Closed Session to conduct a performance evaluation of the General Manager.

Director Caspary moved to increase the General Manager's salary compensation by four percent effective the first day of the next pay period, and authorize the Board President to sign the contract reflecting this change. Motion seconded by Director Polan. Motion carried 5-0 by the following roll call vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

13. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 2:05 p.m.



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

ATTEST:



Gary Burns, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)