



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

MINUTES
REGULAR MEETING

9:00 AM

January 16, 2024

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Darrell Johnson.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **9:00 a.m.** by Vice President Polan in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, California 91302. Board President Lewitt participated from the teleconference location at The Luxor Hotel, 3900 S. Las Vegas Boulevard, Las Vegas, Nevada, 89119. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Gary Burns, Charles Caspary, Andy Coradeschi, Jay Lewitt, (via teleconference), 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
Darrell Johnson, Interim 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 Coradeschi. 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.

Darrell Johnson, Interim Director of Facilities and Operations, introduced new employees Erick Rivas, Water Distribution Operator II, and Spencer Kratochvil, Fleet Coordinator. The Board welcomed Mr. Rivas and Mr. Kratochvil to the District.

4. CONSENT CALENDAR

- A List of Demands: January 16, 2024: Receive and file**
- B Minutes Regular Meeting of December 16, 2023: Approve**
- C Directors' Per Diem: December 2023: Ratify**
- D Monthly Cash and Investment Report: November 2023**

Receive and file the Monthly Cash and Investment Report for November 2023.

- E Statement of Revenues, Expenses, and Changes in Net Position: November 2023**

Receive and file the Statement of Revenues, Expenses, and Changes in Net Position for the period ending November 30, 2023.

Director Coradeschi 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 Fallbrook Public Utilities District finalized its detachment from San Diego County Water Authority and joined Eastern Municipal Water District. He noted that MWD was facing a \$450 million budget deficit at the end of the year, and the MWD Board would be taking this into consideration when

setting its rates. He also reported that the MWD Board authorized a change order to upgrade the domestic water treatment systems at five Colorado River Aqueduct pumping plants; approved 47 license agreements; approved the list of certified assessed valuations for Fiscal Year 2023-24; and approved the formation of an Ad Hoc Committee on the Bay Delta. He responded to a question regarding MWD member agencies' efforts in providing comments to the State Water Resources Control Board (SWRCB) on *Making Conservation a California Way of Life* regulations by stating that the MWD Board adopted Legislative Priorities and Principles, and he would follow-up regarding MWD providing comments on this regulation.

Director Caspary expressed an interest in sending a strong response to the SWRCB regarding *Making Conservation a California Way of Life* regulations due to decreased water use compared to 20 years ago.

B Legislative and Regulatory Updates

Jeremy Wolf, Legislative Program Manager, reported that the state would be facing a \$37.9 billion deficit due to lower state revenues, delayed tax deadlines, and overspending based on inaccurate budget projections. He provided an overview of Governor Gavin Newsom's \$291.5 billion budget proposal. He noted that proposed budget cuts would affect funding for watershed climate resilience programs, water recycling and groundwater cleanup, and per- and polyfluoroalkyl substances (PFAS). He stated that Governor Newsom did not release priorities for a climate resources bond, and he would continue to move forward with a long-term plan for the Delta tunnel project. He also reported that the Legislature would hold hearings on the revised budget plan in May and would have until June 15th to pass a balanced budget, and Governor Newsom would have until July 1st to agree on a final Fiscal Year 2024-25 budget spending plan. He noted that he submitted a \$10 million budget request to Senator Ben Allen for the Pure Water Project Las Virgenes-Triunfo. He also reported that the Legislative Analyst's Office issued a report expressing concern with the stringent standards for outdoor water use and costs on the proposed regulations for *Making Conservation a California Water of Life*. He noted that the regulations were expected to be adopted by summer and take effect in October. He provided an update regarding SB 366 (Caballero), The California Water Plan Long-Term Supply Targets, and stated that the California Municipal Utilities Association (CMUA) was working on finalizing bill amendments. He also stated that he would bring back proposed legislative policy principles at the next Board meeting.

Director Caspary asked Mr. Wolf to provide a copy of the state bill matrix that includes water-related legislation.

Mr. Wolf responded to questions regarding the status of the climate resources bond, which was expected to be placed on the November 2024 ballot.

6. TREASURER

Director Coradeschi stated that he reviewed the expenditures.

7. BOARD OF DIRECTORS

A Local Agency Formation Commission: Nomination of Candidates for Independent Special District Voting Member

Nominate candidate, if any, for consideration to fill an upcoming vacancy as the independent special district voting member on the Los Angeles County Local Agency Formation Commission.

General Manager David Pedersen presented the report.

Director Burns moved to nominate himself and approve Item 7A. Motion seconded by Director Coradeschi.

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

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

B Update to LVMWD Code Pertaining to Board Compensation: Adoption of Ordinance

Waive the full reading and give second reading by title only; pass, approve, and adopt proposed Ordinance No. 286, amending Section 2-2.106 of the Las Virgenes Municipal Water District Code to reflect updates to Board compensation; and order publication within 15 days of adoption using a summary of the Ordinance.

ORDINANCE NO. 286 (SECOND READING AND ADOPTION)

AN ORDINANCE OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AMENDING THE ADMINISTRATIVE CODE AS IT RELATES TO DIRECTORS' COMPENSATION

(Reference is hereby made to Ordinance No. 286 on file in the District's Ordinance Book and by this reference the same is incorporated herein.)

General Manager David Pedersen presented the report.

Director Coradeschi moved to approve Item 7B. Motion seconded by Director Burns.

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

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

ABSENT: None

District Counsel Keith Lemieux read Ordinance No. 286 in title only.

8. **FINANCE AND ADMINISTRATION**

A Continuation of Potable Water Standby Charge: Public Hearing, Introduction, and First Reading

Conduct a public hearing, introduce, and waive the full reading, and call for proposed Ordinance No. 287 to be given first reading by title only for continuation of the potable water standby charge.

ORDINANCE NO. 287

AN ORDINANCE OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AS IT RELATES TO STANDBY CHARGES FOR THE FISCAL YEAR COMMENCING JULY 1, 2024.

(Reference is hereby made to Ordinance No. 287 on file in the District's Ordinance Book and by this reference the same is incorporated herein.)

Vice President Polan provided introductory remarks.

Josie Guzman, Clerk of the Board, confirmed that the District published a notice of public hearing in *The Las Virgenes – Calabasas Enterprise* on December 28, 2023, and January 4, 2024.

General Manager David Pedersen provided the report.

Vice President Polan opened the public hearing at **9:43 a.m.**

There were no public comments.

Ms. Guzman confirmed that the District did not receive any written or verbal comments.

Vice President Polan closed the public hearing at **9:43 a.m.**

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

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

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

District Counsel Keith Lemieux read Ordinance No. 287 in title only.

B Water and Sanitation Capacity Fees: Public Hearing

Conduct a public hearing for the proposed update to the Water and Sanitation Capacity Fees.

Vice President Polan provided introductory remarks.

Josie Guzman, Clerk of the Board, confirmed that the District published a notice of public hearing in *The Las Virgenes – Calabasas Enterprise* on January 4, and 11, 2024.

Brian Richie, Finance Manager, provided the report.

Vice President Polan opened the public hearing at 9:47 a.m.

There were no public comments.

Ms. Guzman confirmed that the District did not receive any written or verbal comments.

Vice President Polan closed the public hearing at 9:47 a.m., and noted that adoption of a proposed resolution would take place at the February 6, 2024 Regular Board Meeting.

C Exception to the CalPERS 180-Day Wait Period for Retired Annuitant Assignment

Pass, approve, and adopt proposed Resolution No. 2633, approving an exception to the CalPERS 180-Day Wait Period for John Zhao’s retired annuitant assignment.

RESOLUTION NO. 2633

A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT FOR CALPERS 180-DAY WAIT PERIOD EXCEPTION – GOVERNMENT CODE SECTION 7522.56

(Reference is hereby made to Resolution No. 2633 on file in the District’s Resolution Book and by this reference the same is incorporated herein.)

Sophia Crocker, Human Resources Manager, presented the report.

Director Caspary moved to approve Item 8C. Motion seconded by Board President Lewitt.

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

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

D Internship Program Update

Receive and file an update on the Internship Program.

Sophia Crocker, Human Resources Manager, presented the report.

Darrell Johnson, Interim Director of Facilities and Operations, provided an overview of activities performed by Interns in Facilities and Operations.

Ursula Bosson, Customer Service Manager, provided an overview of activities performed by Interns in Customer Service.

Craig Jones, Resource Conservation Manager, provided an overview of activities performed by Interns in Resource Conservation.

Mike McNutt, Public Affairs and Communications Manager, provided an overview of activities performed by Interns in Public Affairs.

Board President Lewitt departed from the meeting at 10:09 a.m.

Joe McDermott, Director of Engineering and External Affairs, stated that part of the commitment for the Internship Program was to provide professional growth opportunities and supervisory experience to current District employees to be eligible for future management opportunities.

Stone Halpern, Intern, shared his experience working with the District and expressed his appreciation.

Kayley Norman, Intern, shared her experience working at the District and expressed her appreciation.

General Manager David Pedersen noted that the Interns were performing meaningful work and bringing ideas into the workplace. He acknowledged the Interns for their work ethic and enthusiasm.

The update on the Internship Program was received and filed.

9. ENGINEERING AND EXTERNAL AFFAIRS

A Cornell Pump Station Improvement Project: CEQA Determination and Call for Bids

Find that the work is exempt from the provisions of the California Environmental Quality Act, and authorize the issuance of a call for Bids for the Cornell Pump Station Improvement Project.

Alex Leu, Senior Engineer, presented the report.

Director Caspary moved to approve Item 9A. Motion seconded by Director Coradeschi.

A discussion ensued regarding coordinating the project with repair work related to MWD's Calabaras Feeder, and selling or trading in the existing natural gas-powered engine to maximize the District's return on investment.

Motion carried 4-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Polan

NOES: None

ABSTAIN: None

ABSENT: Lewitt

B Twin Lakes Pump Station Pipeline Project: Scope Change No. 4

Authorize the General Manager to execute Scope Change No. 4, in the amount of \$60,000, to Hamner, Jewell and Associates, for additional easement acquisition support services for the Twin Lakes Pump Station Pipeline Project.

Alex Leu, Senior Engineer, presented the report.

Director Caspary moved to approve Item 9B. Motion seconded by Director Coradeschi.

A discussion ensued regarding soliciting public agencies and elected officials' assistance in negotiating and obtaining the required easements.

Motion carried 4-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Polan

NOES: None

ABSTAIN: None

ABSENT: Lewitt

10. INFORMATION ITEMS

A Fiscal Year 2022-23 Popular Annual Financial Report

11. NON-ACTION ITEMS

A Organization Reports

Director Caspary reported that the Association of California Water Agencies (ACWA) State Legislative Committee would meet in Sacramento on January 19th to review the bill packet.

B Director's Reports on Outside Meetings

Director Coradeschi reported that he viewed the January 8th MWD Engineering, Operations, and Technology Committee Meeting, where they discussed zero emission fleet mandates.

Director Burns reported that he met with City of Calabasas City Councilmembers and other elected officials to promote heli-hydrants.

General Manager David Pedersen noted that a meeting was held with Los Angeles County Fire Department staff to identify areas where heli-hydrants might be beneficial, and an item would be brought back to the Board.

C General Manager Reports

(1) General Business

General Manager David Pedersen stated that he provide the Board a copy of the Legislative Analyst's Office Report on *Making Conservation a California Way of Life*. He stated that staff would continue to monitor the proposed climate resources bond, which was expected to be placed on the November 2024 ballot. He reported that the MWD shutdown of West Valley Feeder Nos. 1 and 2 and the Calabasas Feeder were taking place January 15th through 26th for pipeline inspections. He stated that the Westlake Filtration Plant was online, and the interconnection with the Los Angeles Department of Water and Power was activated. He also reported that a water main break occurred on January 14th on Mulholland Highway near the intersection of Dry Canyon Cold Creek Road, which was repaired by staff without incident. He reminded the Board that a JPA Special Meeting would be held on January 31st for a workshop to discuss issues related to the Pure Water Project Las Virgenes-Triunfo, such as a dual concentrate pipeline and direct potable reuse regulations.

(2) Follow-Up Items

None.

D Directors' Comments

Vice President Polan inquired regarding the status of the Landscape Transformation Program. Joe McDermott, Director of Engineering and External Affairs, responded that an update would be provided at the Strategic Planning Workshop on February 13th.

General Manager David Pedersen stated that the Strategic Planning Workshop would include discussion regarding the two-year budget for Fiscal Years 2024-2026. He noted that he was exploring the use of a facilitator to assist during the workshop as suggested by Director Burns.

12. FUTURE AGENDA ITEMS

None.

13. PUBLIC COMMENTS

None.

14. CLOSED SESSION

**A Threat to Public Services or Facilities (Government Code Section 54957):
One Matter**

Consultation with Risk Assessment Consultant, Eide Bailly LLP

The Board recessed to Closed Session at **10:56 a.m.** and reconvened to Open Session at **11:54 p.m.**

Keith Lemieux, District Counsel, reported that the Board met in Closed Session to receive a report on Item 14A, 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 **11:55 a.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)