



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

MINUTES
REGULAR MEETING

9:00 AM

March 19, 2024

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Eric Schlageter.

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, California 91302. Susan Brown, Administrative Assistant, conducted the roll call.

Present: Directors Gary Burns, Charles Caspary, Andy Coradeschi, 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
Darrell Johnson, Interim Director of Facilities and Operations
Susan Brown, Administrative Assistant
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

General Manager David Pedersen asked that Item 7A be removed from the agenda and be brought back to a future agenda.

Director Polan moved to approve the agenda as amended with the removal of Item 7A.

Motion seconded by Director Caspary. Motion carried 5-0 by the following 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 employee Victor Serrano, Facilities Maintenance Worker. The Board welcomed Mr. Serrano to the District.

Joe McDermott, Director of Engineering and External Affairs, introduced new employee Andrew Cerosky, Customer Service Representative. The Board welcomed Mr. Cerosky to the District.

4. CONSENT CALENDAR

A List of Demands: March 19, 2024: Receive and file

B Minutes Regular Meeting of March 5, 2024: Approve

C Directors' Per Diem: February 2024: Ratify

D Annual Supply and Delivery of Polymer: Award

Accept the bid from Solenis, LLC, and authorize the General Manager to issue a one-year purchase order, in the amount of \$215,824.50, with four one-year renewal options using a mutually agreeable inflationary factor for the supply and delivery of polymer.

E 2023 Las Virgenes Reservoir (Westlake) Dam Settlement Report

Receive and file the 2023 Las Virgenes Reservoir (Westlake) Dam Settlement Report.

F Water Main Breaks at 5745 Parkmor Road and Valley Circle Boulevard near Dorie Drive: Continuation of Emergency Declaration

Approve the continuation of an emergency declaration due to a 12-inch water main break at 5745 Parkmor Road in the City of Calabasas and a 30-inch water main break along Valley Circle Boulevard near Dorie Drive in West Hills.

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

Director Caspary.

Motion carried 5-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Presentation on the Delta Conveyance Project

General Manager David Pedersen introduced Graham Bradner, Executive Director of the Delta Conveyance and Construction Authority, Carrie Buckman, Environmental Program Manager for the California Department of Water Resources, and Nina Hawk, Chief of Bay Delta Resources for the Metropolitan Water District of Southern California.

Ms. Buckman provided a PowerPoint presentation regarding the Delta Conveyance Project, including dependence on water that flows from the Delta, adapting to “weather whiplash” and how the Delta Conveyance Project could help, effects of water management, project operations, declining baseline in the State Water Project supplies, and missed opportunities in capturing water during high rain events.

Mr. Bradner continued the PowerPoint presentation, including a description of the Delta Conveyance Project, project advantages, seismic resiliency, cost estimate updates, and project design development.

Ms. Buckman continued the PowerPoint presentation, including project operations, community engagement, creation and components of a Community Benefits Program, California Environmental Quality Act (CEQA) process and status, alternatives to a tunnel, project financing, validation case and decision, future steps, and 2024 project milestones.

Mr. Buckman and Ms. Bradner responded to several questions posed by the Board.

Glen Peterson, MWD Representative, commended Mr. Bradner and Ms. Buckman regarding their detailed presentation, and suggested that they provide the presentation to the other MWD member agencies.

B MWD Representative Report

Glen Peterson, MWD Representative, reported that the MWD Board held a hearing regarding the proposed water rates and charges for Calendar Years 2025 and 2026; approved an amendment to the Capital Investment Plan for Fiscal Years 2022-23 and 2023-24 to include the Sepulveda Feeder Pump Stations Stage 2 Project; created the Ethics, Organizations, and Personnel Subcommittee on 360 Evaluations Review of Direct Reports; appointed Director Jeff Armstrong as Chair of the Subcommittee on Audits;

elected Directors Jeff Armstrong, Juan Garza, and David DeJesus as nonofficer members of the Executive Committee; awarded a contract for nearly \$2 million for procurement of butterfly valves to be installed at the Foothill Pump Station as part of water supply reliability improvements to the Rialto Pipeline service area; approved several amendments to the MWD Administrative Code; and authorized a lease agreement with Lemhi Land and Cattle to grow rice in one of MWD's Delta islands. He responded to questions regarding the surcharge for MWD treated and untreated water.

C Legislative and Regulatory Updates

Jeremy Wolf, Legislative Program Manager, provided a summary of the preliminary results from the March 5, 2024 Primary Election. He stated that the Taxpayer Protection in Government Accountability Act would be included on the November 5, 2024 ballot, which would expand the definition of what constitutes a tax, raise the voter approval threshold for local taxes, and limit certain fees to the least amount necessary to provide services. He noted that the California Association of Sanitation Agencies (CASA), the Association of California Water Agencies (ACWA), the California Special Districts Association (CSDA), over 200 California cities, and labor organizations oppose this ballot measure. He reported that the State Water Resources Control Board's (SWRCB) revised *Making Conservation a California Way of Life* regulations would provide water providers an extra five years to reduce outdoor irrigation. He noted that a public hearing would be held on March 20th regarding the proposed regulations. He stated that a letter of support was sent regarding SB 1169 (Stern) Los Angeles County Flood Control District (LACFCD) Finances, which would eliminate the LACFCD's outdated \$4.5 million debt limit. He also stated that the District joined a coalition regarding SB 1218 (Newman) Emergency Water Supplies, which would change the Water Code to encourage and incentivize the development of emergency water supplies, and also joined a coalition for SB 903 (Skinner) Environmental Health, Product Safety, Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS), which would prohibit the distribution, selling, or offering the sale of products that intentionally added PFAS unless the Department of Toxic Substances has made the determination that the use of PFAS in the product is currently unavoidable.

A discussion ensued regarding the Taxpayer Protection in Government Accountability Act, which would require proposed rate increases to be approved by two-thirds vote, and the impacts to the District by changing the reasonable cost to provide a service to the actual cost to provide a service. There was also discussion that this initiative would threaten the District's pay-go strategy and would supersede provisions of Proposition 218. The Board asked that staff bring back an item to consider sending a letter in opposition to this ballot measure in conjunction with CASA, ACWA, CSDA, and the four local cities.

Craig Jones, Resource Conservation Manager, stated that the SWRCB's comment period regarding the revised *Making Conservation a California Way of Life* regulations would end on March 27th. He provided a summary of the proposed revisions, which include time extension for some of the outdoor water use standards, extension of the allowance of the 20 percent irrigable not-irrigated area for suppliers that are unable to meet their overall water use objective, and delay of enforcement for compliance deadlines until 2027. He noted that the SWRCB's proposed regulations included revised text related to

performance measures for commercial, industrial, and institutional (CII) water use to allow flexibility to the timeline. He stated that staff would monitor SB 1330 (Archuleta) Urban Retail Water Supplier Water Use, and AB 3121 (Hart) Urban Retail Water Suppliers Written Notice Conservation Order Dates.

6. TREASURER

Director Coradeschi stated that he reviewed the expenditures.

7. FACILITIES AND OPERATIONS

A Purchase of Chemical Dosing Trailer: Authorization (This item was removed from the agenda.)

8. FINANCE AND ADMINISTRATION

Items 8A and 8B were presented concurrently.

A Workers Compensation Insurance: Award

Accept the proposal from The Zenith, A Fairfax Company, and authorize the General Manager to execute a one-year agreement, in the amount to \$205,589, with four one-year renewal options for workers compensation insurance provided through the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority.

B Annual Property and Liability Insurance: Renewal

Accept the proposal from Assured Partners, in the aggregate amount of \$3,018,556, and authorize the General Manager to execute the necessary contracts and forms to purchase property and liability insurance for the term of April 1, 2024, through March 31, 2025.

Don Patterson, Director of Finance and Administration, presented Item 8A.

Jeff Dodds, representing Assured Partners of California, responded to a question regarding the 27 percent cost savings in the first year's cost for workers compensation insurance and the guaranteed premium program.

Mr. Patterson presented Item 8B.

Mr. Dodds provided comments regarding the general insurance marketplace.

Paul Fuller, Chief Executive Officer of Allied Public Risk Joint Powers Risk and Insurance Management Authority (JPRIMA), provided comments regarding industry specific market issues and the proposed reduction in wildfire coverage of \$10 million with a \$100,000 deductible.

Director Caspary moved to approve Items 8A and 8B. Motion seconded by Director Polan.

A discussion ensued regarding insurance carriers' concerns with statewide litigation costs.

Motion carried 5-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Lewitt, Polan

NOES: None

ABSTAIN: None

ABSENT: None

9. **NON-ACTION ITEMS**

A Organization Reports

Director Caspary stated that Director Coradeschi would attend as his Alternate to the ACWA State Legislative Committee Meeting on March 22nd.

B Director's Reports on Outside Meetings

Director Polan reported that he attended the WaterReuse Symposium in Denver, Colorado, held March 10th through 13th. He provided a summary of the sessions he attended during the conference.

Director Coradeschi reported that he also attended the WaterReuse Symposium, and he provided a summary of the sessions he attended during the conference.

Board President Lewitt reported that he also attended the WaterReuse Symposium, and he provided a summary of the sessions he attended during the conference. He also noted that the District's Pure Ale was distributed during the conference.

C General Manager Reports

(1) General Business

General Manager David Pedersen noted that a chart was distributed to the Board illustrating MWD's increase to the water treatment surcharge, and stated that the District would work with other MWD member agencies to provide comments. He noted that last year the JPA Board approved the purchase of two replacement agitators for the Rancho Las Virgenes Composting Facility (Rancho), and the equipment had arrived. He reminded the Board that the April 1st JPA Board Meeting was canceled, and a special JPA Board Meeting would be held on April 8th at Triunfo Water & Sanitation District.

Director Caspary asked that staff provide photographs of the old agitators and the replacement agitators.

(2) Follow-Up Items

None.

D Directors' Comments

Director Coradeschi noted that he had viewed the new agitators at Rancho.

10. FUTURE AGENDA ITEMS

None.

11. PUBLIC COMMENTS

None.

12. CLOSED SESSION

A Conference with District Counsel – Anticipated Litigation (Government Code Section 54956.9(d)(2): One item

Tort claim by Iosif Mermelshtayn

B Conference with Legal Counsel – Existing Litigation (Government Code Section 54956.9)

Pacific Bell v. Las Virgenes Municipal Water District

The Board recessed to Closed Session at 11:57 a.m. and reconvened to Open Session at 12:12 p.m.

Keith Lemieux, District Counsel, reported that the Board met in Closed Session to receive reports on Items 12A and 12B, and there was no reportable action.

13. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 12:12 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)