



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

MINUTES
REGULAR MEETING

5:00 PM

February 9, 2016

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Jeffery Reinhardt.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Board President Peterson in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas CA 91302. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Leonard Polan, Lee Renger, and Glen Peterson

Absent: None

Staff Present: David Pedersen, General Manager
Josie Guzman, Clerk of the Board
David Lippman, Director of Facilities and Operations
Donald Patterson, Director of Finance and Administration
Carlos Reyes, Director of Resource Conservation and Public Outreach
Keith Lemieux, District Counsel

2. APPROVAL OF AGENDA

General Manager David Pedersen asked that Item 7C be moved to follow Item 7A. He also asked that Item 8A be removed per the claimant's request, and he recommended that Closed Session Item 13A be removed because there was no update to provide to the Board.

Director Lewitt moved to approve the agenda as amended. Motion seconded by Director Caspary. Motion carried unanimously.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A List of Demands: February 9, 2016 - Approve

B Minutes: Regular Meeting of January 26, 2016 - Approve

C Directors' Per Diem: January 2016 – Ratify

D Financial Review: Second Quarter of Fiscal Year 2015-16

Receive and file the financial review for the second quarter of Fiscal Year 2015-16.

E Uniform Service Contract: Award

Accept the proposal from Prudential Overall Supply and authorize the General Manager to execute an initial three-year contract, in an amount not to exceed \$60,000, with two one-year renewal options for uniform service.

F Palo Comado Canyon Road Potable Water Main Relocation Project: Final Acceptance

Approve execution of a Notice of Completion and have the same recorded; in the absence of claims from subcontractors and others, release the retention in the amount of \$5,443.75 within 30 calendar days after filing the Notice of Completion; approve an additional appropriation, in the amount of \$21,424.50, for CIP Job No. 10606, Palo Comado Canyon Road Potable Water Main Relocation Project; declare the easement for Tract No. 8451, Los Angeles County Recorder's Document No. 8347, as surplus property; and authorize the General Manager to execute a quitclaim deed to extinguish the easement.

G Detachment of 23371 Palm Canyon, Malibu: Approval of Revised Resolutions

Pass, approve and adopt proposed Resolution Nos. 2483 and 2484, approving the detachment of APN 4452-027-009 from the District's service area.

RESOLUTION NO. 2483

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF DIRECTORS OF THE LAS VIRGENES

MUNICIPAL WATER DISTRICT, AND THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT NO. 12, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF PROPERTY DESIGNATED AS ANNEXATION 29-3, AS A PART OF LOCAL AGENCY FORMATION COMMISSION REORGANIZATION 2014-06, TO LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU

RESOLUTION NO. 2484

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER DISTRICT, AND THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT NO. 12, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION OF PROPERTY DESIGNATED AS ANNEXATION 29-3, AS A PART OF LOCAL AGENCY FORMATION COMMISSION REORGANIZATION 2014-06, TO LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU

(Reference is hereby made to Resolution Nos. 2483 and 2484 on file in the District's Resolution Book and by this reference the same are incorporated herein.)

Director Polan moved to approve the Consent Calendar as presented. Motion seconded by Director Renger. Motion carried unanimously.

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A Legislative and Regulatory Updates

General Manager David Pedersen reported that the State Water Resources Control Board approved extending the emergency water conservation regulations for an additional 270 days at its meeting on February 2, 2016. He provided an update on AB 1713 (Eggman), which proposes bringing the Sacramento-San Joaquin Delta (Bay-Delta) fix to a public vote. He noted that the District would participate in signing a coalition letter in opposition to this bill due to inconsistency with the co-equal goals that were established by the Legislature for the Bay-Delta. He reported that Senator Dianne Feinstein proposed a comprehensive Drought Relief Act that includes local and regional funds for the State. He noted that the District sent a letter of support, and a copy of the support letter was provided to the Board.

B Water Supply Conditions and Drought Response

General Manager David Pedersen reported that the District achieved an 18 percent reduction in water usage in January compared to 2013, for a cumulative reduction of 29.5 percent. He noted that although there was much rain and snow in January,

February has been quite warm due to a high pressure system.

6. **TREASURER**

Director Lewitt stated that the Treasurer's report was in order.

7. **FACILITIES AND OPERATIONS**

A Easement Encroachment at 4191 Vicasa Drive, Calabasas: Revised Consent Agreement

Approve and execute the Consent Agreement with the Parker Family Trust for an easement encroachment at 4191 Vicasa Drive, Calabasas.

General Manager David Pedersen presented the report.

Ray Parker, Jr., property owner, stepped forward to respond to the Board's questions. Monte Amendt, Mr. Parker's contractor, noted that the plans that were originally presented included incorrect information regarding the size of the footings and blockwall. He stated that the size of the footings and blockwall would be much larger.

Director of Facilities and Operations David Lippman responded to a question regarding the encasement of the pipe in concrete by stating that this was a standard detail for pipes that need additional protection. He also stated that should the pipe require repair in the future, the encasement could be cut from both ends to facilitate the removal and replacement of the pipe section.

Director Polan moved to approve Item 7A as presented. Motion seconded by Director Renger. Motion carried unanimously.

C Topanga Canyon Boulevard Parcels: Detachment Request

Consider whether or not to approve in concept the detachment of APN Nos. 2173-013-004, 2173-013-005 and 2173-013-006 from the District's service area.

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 7C as presented in concept. Motion seconded by Director Renger.

Steve Weiser, property owner, spoke regarding his efforts to obtain water to his property and his inability to secure an easement from any of the nearby properties.

Motion carried unanimously.

Board President Peterson presented Director Caspary with a certificate and District pin in recognition of his 15 years of service. Director Caspary expressed his appreciation in serving the District.

B Area 6 Reorganization: Annexation and Sphere of Influence Amendment

Pass, approve and adopt proposed Resolution No. 2485, requesting the Local Agency Formation Commission to initiate proceedings for the reorganization of territory and amendment of the District's sphere of influence.

RESOLUTION NO. 2485

RESOLUTION OF APPLICATION BY LAS VIRGENES MUNICIPAL WATER DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO INITIATE PROCEEDINGS FOR THE REORGANIZATION OF TERRITORY LAFCO DESIGNATION NO. 2016-01 TO THE LAS VIRGENES MUNICIPAL WATER DISTRICT AND SPHERE OF INFLUENCE (SOI) AMENDMENT OF THE LAS VIRGENES MUNICIPAL WATER DISTRICT

(Reference is hereby made to Resolution No. 2485 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 7B as presented. Motion seconded by Director Polan. Motion carried unanimously.

D Infrastructure Investment Plan: Fiscal Years 2016-17 through 2020-21

Receive and file the Infrastructure Investment Plan for Fiscal Years 2016-17 through 2020-21.

Director of Facilities and Operations David Lippman presented the report. He responded to a question related to the Recycled Water Seasonal Storage Project Phase 2 by stating that this project entails the continuation of the plan of action and begins the planning efforts for the next two fiscal years. He explained that the planning efforts would include predesign, CEQA, and interagency agreements, followed by design and construction. He also responded to a question regarding the Cornell Pump Station Upgrade by noting that the upgrade would be for capacity expansion of the facility.

Director Renger moved to approve Item 7D as presented. Motion seconded by Director Lewitt. Motion carried unanimously.

E 2016 Potable Water and Sanitation Capacity Fees Study

Budget and appropriate \$42,500 for a study of the District's potable water and sanitation capacity fees, and authorize the General Manager to execute a professional services agreement with Raftelis Financial Consultants, in an amount not to exceed \$42,500, to complete the study.

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 7E as presented. Motion seconded by Director Lewitt.

Director of Facilities and Operations David Lippman responded to a question regarding potential impacts of the new TMDL and summer permit limits by stating that the Infrastructure Investment Plan (IIP) provides a five-year plan of what could be used in developing new capacity fees, including the cost for TMDL compliance, plan of action for the Recycled Water Seasonal Storage Project, and efforts at the Tapia Water Reclamation Facility. He stated that staff would bring back revised policies for the Board's consideration once the Capacity Fees Study is completed, and conduct outreach to the development community to make them aware of any impacts from the new connection fee changes. He also responded to a question regarding the current capacity fees by referencing the list of current fees attached to the staff report. He noted that the Capacity Fees Study would only address potable water and sanitation capacity fees; however, a portion of the potable water capacity fee goes into the conservation fund, which helps fund recycled water projects.

Board President Peterson suggested the Board revisit the conservation fee in the future because the amount has remained unchanged for several years.

Motion carried unanimously.

F Saddletree Tank Rehabilitation Project: Construction Award

Find that the Saddletree Tank Rehabilitation Project is categorically exempt from the requirements of the California Environmental Quality Act and authorize the General Manager to file a Notice of Exemption; award a construction contract to Paso Robles Tank, Inc., in the amount of \$364,674, for the project; and reject all remaining bids upon receipt of duly executed contract documents.

General Manager David Pedersen presented the report.

Director Polan moved to approve Item 7F as presented. Motion seconded by Director Caspary.

Director of Facilities and Operations David Lippman addressed concerns regarding disruption to the community due to construction activities by stating that construction activities and minimal deliveries would take place around the tank site. He stated that staff would implement an outreach plan for the adjacent homeowners to explain construction activities and provide updates. He also addressed a question regarding the

removal of lead-coating from the tank exterior by stating that the lead-coating would be completely encapsulated.

Motion carried unanimously.

G Rancho Las Virgenes Composting Facility; Replacement of Loader

Authorize the General Manager to issue a purchase order to Coastline Equipment Company of Oxnard, in the amount of \$163,336.50, for a John Deere 444K 4WD loader and execute Carl Moyer Program Contract No. 16169 for \$38,936 in grant funding; and declare Vehicle No. 710, the existing Volvo L70 loader, as surplus equipment for disposal in accordance with the grant requirements.

General Manager David Pedersen presented the report.

Director Renger moved to approve Item 7G as presented. Motion seconded by Director Polan.

Water Reclamation Manager Brett Dingman responded to a question related to compliance with the grant conditions by stating that staff would prepare quarterly reports until the new loader is received and prepare annual reports for the next three years. He also addressed questions related to the possibility of salvaging some of the items from the existing loader prior to its destruction.

Motion carried unanimously.

8. FINANCE AND ADMINISTRATION

A Claim from Jeffrey A. Jones (This item was removed from the agenda)

B Claim from Shannon Barnholtz

Deny the claim from Shannon Barnholtz

General Manager David Pedersen presented the report.

Director Renger moved to deny the claim from Shannon Barnholtz. Motion seconded by Director Lewitt. Motion carried unanimously.

9. INFORMATION ITEMS

A Claim from Santos Flaniken

B Consulting Services to Support Water Budget Development

10. NON-ACTION ITEMS

A Organization Reports

- (1) MWD Representative Report/Agenda(s)

Board President Peterson reported that the MWD held a budget hearing the previous day; however, he was unable to stay for the entire meeting due to his not feeling well. He noted that MWD's two-year budget calls for 4.5 percent increases for the next several years to pay for programming for the past two years.

- (2) Other

B Director's Reports on Outside Meetings

Director Lewitt reported he attended the ACWA Federal Affairs Committee Meeting in Sacramento on January 27, 2016, to prepare for the upcoming ACWA Washington DC Conference.

Director Polan reported that he and Triunfo Sanitation District Director Steve Iceland hosted the Quarterly Watershed and Wastewater Resident Tour on February 6, 2016. He noted that approximately 50 people attended the tour.

C General Manager Reports

- (1) General Business

General Manager David Pedersen stated that a Special JPA Meeting would be held on February 29, 2016, for a Closed Session to discuss the current litigation. He also stated that a Special JPA Meeting would be held on March 15, 2016, at 5:00 p.m. for the Recycled Water Seasonal Storage Project Workshop No. 3, which would focus on technical issues associated with the two scenarios. He noted that several Board Directors and staff would be attending the CASA and ACWA Washington DC Conferences, which begin the week of February 22, 2016. He stated they would also make office visits to Legislators to discuss some of the District's major issues. He noted he would be on vacation from February 11 through February 19, 2016, and he would be attending the Washington DC Conference and making office visits from February 22 through 26, 2016. He stated he would be back in the office on February 29, 2016. He provided a brief update on budget based billing and noted that much work had been done on quality assurance/quality control prior to issuing the first set of budget based bills. He also noted that the first cycle billing would be delayed one week. Board President Peterson requested that staff provide a sample copy of a bill via email to the Boardmembers.

- (2) Follow-Up Items

D Directors' Comments

Director Polan requested clarification on whether *The Current Flow* would only be available electronically. Director of Resource Conservation and Public Outreach Carlos Reyes responded that a paper copy of *The Current Flow* would continue to be sent and electronic copies would be available upon request.

11. FUTURE AGENDA ITEMS

None.

12. PUBLIC COMMENTS

None.

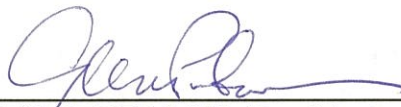
13. CLOSED SESSION (This item was removed from the agenda.)

A Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(a)):

Las Virgenes – Triunfo Joint Powers Authority v. United States Environmental Protection Agency and Heal the Bay, Inc. v. Lisa P. Jackson

14. OPEN SESSION AND ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:07 p.m.**



GLEN PETERSON, President
Board of Directors
Las Virgenes Municipal Water District

ATTEST:



CHARLES CASPARY, Secretary
Board of Directors
Las Virgenes Municipal Water District

(SEAL)