

CALLEGUAS MUNICIPAL WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
September 19, 2018

**MINUTES**

The meeting of the Board of Directors of Calleguas Municipal Water District was held at the District Office, 2100 Olsen Road, Thousand Oaks, California, on September 19, 2018.

The meeting was called to order by Thomas L. Slosson, President of the Board, at 5:00 p.m.

**A. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL**

Directors Present: Thomas L. Slosson, President  
Andres Santamaria, Vice President  
Andy Waters, Secretary  
Steve Blois, Director

Directors Absent: Scott Quady, Treasurer

Staff Present: Susan Mulligan, General Manager  
Tony Goff, Manager of Operations and Maintenance  
Kristine McCaffrey, Manager of Engineering  
Dan Smith, Manager of Finance and Human Resources  
Tori Hren, Safety Officer  
Kara Wade, Clerk of the Board

Legal Counsel Present: Robert Cohen, Cohen & Burge, LLP, District Counsel

**B. MINUTES**

None

**C. WRITTEN COMMUNICATION**

None

**D. ORAL COMMUNICATION**

None

## **E. GENERAL MANAGER**

### **1. Discussion regarding Agreement between Calleguas Municipal Water District and Fox Canyon Groundwater Management Agency to Provide Model Runs**

The General Manager said that this agreement provides for Calleguas to perform model runs for the East Las Posas Basin in support of the Fox Canyon Groundwater Management Agency's (FCGMA) Las Posas Valley Basin Groundwater Sustainability Plan (GSP). The agreement was drafted by Calleguas' Groundwater Counsel, Best Best & Krieger, and reviewed by District Counsel. It protects Calleguas from liability related to this work in the event of litigation and provides for FCGMA to pay \$5,000 for each model run after the first six.

FCGMA does not have a model of its own with which to perform this work. Provision of these services by Calleguas is consistent with the following strategic plan goals:

- Facilitate collaborative planning of recycled water use, brackish groundwater development, stormwater capture, conjunctive use, and other approaches to maximize water resources.
- Work with stakeholders to promote regulation that supports water supply reliability.

United Water Conservation District plans to enter into a similar agreement to perform model runs for the West Las Posas, Oxnard Plain, and Pleasant Valley Basins.

On a motion by Director Waters, seconded by Director Blois, the Board of Directors voted 4-0 to authorize the General Manager to sign the agreement.

AYES: Directors Blois, Waters, Santamaria, Slosson

NOES: None

## **F. FINANCE AND HUMAN RESOURCES**

### **1. August 2018 Water Use and Sales, July 2018 Power Generation, and August 2018 Investment Summary Reports**

The Manager of Finance and Human Resources presented the reports. No action was taken.

### **2. Disbursements for the District's monthly activities for August 2018**

Director Waters presented the disbursement report. The Board asked questions and the managers answered them.

On a motion by Director Waters, seconded by Director Santamaria, the Board of Directors voted 3-0-1 to approve the outstanding bills for payment.

AYES: Directors Waters, Santamaria, Slosson

NOES: None

ABSTAIN: Director Blois

### **3. Update on Calleguas' Safety Plans**

The General Manager said that, although Calleguas has historically had an excellent safety record, the recently hired Safety Officer has reviewed Calleguas' safety plans and determined that it would be beneficial to update them to reflect current operations and regulations. In order to complete this substantial effort in a timely manner, staff proposes to issue a request for proposals for a consultant to review and update the plans to comply with regulatory requirements. The Safety Officer described the regulatory agencies governing environmental and employee safety, and the various plans required by law.

The Board asked questions and the Safety Officer answered them. Citing Calleguas' good safety record, Director Waters expressed doubt as to the need for a consultant to perform this work and expressed a preference that staff do so. The Manager of Finance and Human Resources said that the Safety Officer is busy with day-to-day safety activities and that it would take years for her to do these updates in her available time. The Manager of Finance and Human Resources said that, once a consultant brings all the plans up to date, the Safety Officer would be able to update them continuously thereafter.

No action was taken.

### **4. Quarterly Capital Project Report for period ending June 30, 2018**

The Manager of Finance and Human Resources said that this report provides a snapshot of the financial activity that has occurred on the District's capital projects, the overall amount spent to date on the projects, the phase the projects have been budgeted through, and the estimated date the current phase will be completed. No action was taken.

## **G. OPERATIONS AND MAINTENANCE**

### **1. Discussion regarding repair of the Lynn Road Lateral and Mesa Feeder**

The Manager of Operations and Maintenance said that, on September 8, 2018, a traffic collision occurred along westbound Olsen Road in the vicinity of California Lutheran University. A single vehicle sheared off three air vacuum and release valve (AVAR) assemblies, destroyed three cabinets, and damaged AVAR lateral piping. The Manager of Engineering said that District staff plans to contract for the necessary repair work through the As-Needed Pipeline Services Contract. No action was taken.

2. Discussion regarding Resolution No. 1953, authorization and call for bids for hydroelectric generator maintenance services

A RESOLUTION OF THE BOARD OF DIRECTORS OF CALLEGUAS  
MUNICIPAL WATER DISTRICT  
APPROVING THE SPECIFICATIONS AND CALLING FOR BIDS  
FOR A HYDROELECTRIC GENERATOR  
MAINTENANCE AGREEMENT

The Manager of Operations and Maintenance said that the purpose of this requested action is to approve the publication of a Notice Inviting Bids for hydroelectric generator maintenance services. The contract is to perform preventative and corrective maintenance, as well as rehabilitation services, on the District's five hydroelectric generator assemblies on an as-needed basis. The contract will be effective from January 1, 2019 through December 31, 2019 with an option to renew annually for up to two additional years. This work is estimated to cost \$200,000 over the next three years. Services will be billed as time-and-material tasks.

On a motion by Director Blois, seconded by Director Santamaria, the Board of Directors voted 4-0 to approve Resolution No. 1953. Resolution No. 1953 is attached and made part of these minutes.

AYES: Directors Blois, Waters, Santamaria, Slosson

NOES: None

H. RESOURCES AND PUBLIC AFFAIRS

None

I. ENGINEERING AND CONSTRUCTION

1. Discussion regarding the Agreement Between Crestview Mutual Water Company and Calleguas Municipal Water District for Delivery of Water from Crestview to Calleguas

The Manager of Engineering said that, at the January 17, 2018 Board meeting, the Board authorized the General Manager to negotiate the terms of an agreement with Crestview Mutual Water Company (Crestview) to participate in the Well No. 8 project, subject to subsequent Board approval.

This project arose from discussions with Crestview for the Water Supply Alternatives Study (WSAS). Under the terms of the Agreement, Crestview will construct a new well (Well No. 8) in Camarillo, which can provide approximately 3 cubic feet per second (cfs). The Agreement requires Crestview to design, acquire the right-of-way for, permit, construct, own, operate, maintain, and repair Well No. 8, the pipe connecting Well No. 8 to the Crestview system, and associated facilities, including a natural gas backup generator and connections for a portable diesel generator.

Crestview agrees to have Well No. 8 operational within 5 years. The Agreement also requires Crestview to modify their existing interconnections with Camarillo and California-American Water Co. (CalAm) if Calleguas determines it is beneficial for water supply.

Calleguas will reimburse Crestview for the cost of the Well No. 8 facilities, subject to a total cost cap of \$2.1 million. It is estimated that approximately \$500,000 of that will be spent in this Fiscal Year, which requires a corresponding increase in the Contributed Capital to Others budget. In future years, the anticipated expenditures will be incorporated into the fiscal year budget before it is approved.

Upon request by Calleguas, Crestview is required to deliver 3 cfs to Calleguas for up to 6 months through the planned Crestview-Calleguas Interconnection, existing Crestview-Camarillo Interconnections, and/or existing Crestview-CalAm Interconnection. For every acre-foot of water delivered from Crestview to Calleguas, Calleguas will deliver to Crestview one acre-foot of water at a later date. The water returned to Crestview will be free of charge between October 1 and April 30 and subject to only the capacity charge between May 1 and September 30. In addition, for every acre-foot of water delivered from Crestview to Calleguas, Calleguas will pay Crestview \$316 per acre-foot for administration, conveyance, electricity, and maintenance costs (subject to annual increases in accordance with the Consumer Price Index [CPI]).

If Crestview is unable to produce a combined total of 3 cfs, Crestview will pay a penalty of \$316 per acre-foot (subject to annual increases in accordance with the CPI) for each acre-foot requested by Calleguas but not delivered by Crestview. The penalty does not apply if an act of God makes it impossible for Crestview to meet its own customer demands and also provide water to Calleguas.

Additionally, if requested by Calleguas, Crestview will use its best efforts to provide water at a flow rate above 3 cfs for the first 6 months and at a flow rate above 0 cfs after the first 6 months.

This project is anticipated to be one of the most cost-effective projects to provide additional water supply in an outage. Due to the interrelationship between this Agreement and the existing Agreement Between Crestview Mutual Water Company and Calleguas Municipal Water District for Interconnection Between Their Potable Water Systems, for clarity and ease of implementation, the provisions of the existing agreement were incorporated into this one and it therefore supersedes it. The agreement has been reviewed by legal counsel and is provided in the packet.

The Board discussed the value of a natural gas generator as a backup to the electrical supply and decided that, if Well No. 8 has plugs for connection of a portable diesel generator, the natural gas generator would not provide substantial added value.

On a motion by Director Waters, seconded by Director Blois, the Board of Directors voted 4-0 to authorize the General Manager sign the agreement, with a requirement that Calleguas would not pay for a natural gas generator, and to approve a budget increase in Contributed Capital to Others of \$500,000.

AYES: Directors Blois, Waters, Santamaria, Slosson

NOES: None

**2. Discussion regarding approval of a capital project budget allocation in the amount of \$1,320,000 for the Calleguas-Crestview Interconnection (Project No. 552)**

The Manager of Engineering said that, on January 6, 2016, the Board approved the Agreement Between Crestview Mutual Water Company and Calleguas Municipal Water District for Interconnection Between their Potable Water Systems. She said that, although this agreement would be superseded by the new agreement approved in the previous agenda item, its provisions have been incorporated into the new agreement. The interconnection is a cost effective means of providing up to 5 cfs to Calleguas during outages of imported supplies.

The design of the Calleguas-Crestview Interconnection has now been completed. The previous budget covered only the design phase and the project is now ready to be bid and constructed; additional budget needs to be allocated to move forward with this next phase. The cost of this project has been planned for in the Five-Year Capital Improvement Plan and the necessary funds are available.

On a motion by Director Waters, seconded by Director Blois, the Board of Directors voted 4-0 to approve the budget allocation.

AYES: Directors Blois, Waters, Santamaria, Slosson

NOES: None

**3. Discussion regarding Resolution No. 1954, authorization and call for bids for Calleguas-Crestview Interconnection (Project No. 552), located just east of the intersection of Camino Tierra Santa and Via Zamora in Camarillo**

A RESOLUTION OF THE BOARD OF DIRECTORS OF CALLEGUAS  
MUNICIPAL WATER DISTRICT  
APPROVING THE PLANS AND SPECIFICATIONS  
AND CALLING FOR BIDS FOR  
CALLEGUAS-CRESTVIEW INTERCONNECTION

The Manager of Engineering said that, as discussed above, the Calleguas-Crestview Interconnection will allow Calleguas to receive up to 5 cfs from Crestview during outages of imported supplies. The engineer's estimate for this project is \$947,000.

On a motion by Director Blois, seconded by Director Waters, the Board of Directors voted 4-0 to approve Resolution No. 1954. Resolution No. 1954 is attached and made part of these minutes.

AYES: Directors Blois, Waters, Santamaria, Slosson

NOES: None

**J. STRATEGIC PLANNING**

None

**K. DISTRICT COUNSEL**

None

**L. BOARD OF DIRECTORS**

**1. Oral reports on meetings attended by Board members**

Board members provided oral reports on meetings attended at the expense of the District, pursuant to Government Code Section 53232.3(d). All expenses would be filed at the end of the month, accompanied by receipts.

**2. Discussion regarding upcoming meetings to be attended by Board members**

The Board discussed meetings they planned to attend.

**3. Metropolitan update**

Director Blois said that the Metropolitan Board had received a report on a potential California Aqueduct groundwater storage and pump back project with Antelope Valley East Kern Water Agency and made changes to the structure of the Ethics Office.

**M. CLOSED SESSION**

None

**N. OTHER BUSINESS**

None

**O. FUTURE AGENDA ITEMS**

None

P. ADJOURNMENT

Director Slosson declared the meeting adjourned at 7:04 p.m.

Respectfully submitted,



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Andy Waters, Board Secretary