

CALLEGUAS MUNICIPAL WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
January 16, 2019

**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 January 16, 2019.

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  
Scott Quady, Treasurer  
Andy Waters, Secretary  
Steve Blois, Director

Staff Present: Susan Mulligan, General Manager  
Eric Bergh, Manager of Resources  
Tony Goff, Manager of Operations and Maintenance  
Henry Graumlich, Manager of Strategic Planning  
Kristine McCaffrey, Manager of Engineering  
Dan Smith, Manager of Finance and Human Resources  
Kara Wade, Clerk of the Board

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

**B. MINUTES**

On a motion by Director Quady, seconded by Director Blois, the Board of Directors voted 4-0-1 to approve the December 19, 2018 minutes.

AYES: Directors Blois, Waters, Quady, Slosson

NOES: None

ABSTAIN: Director Santamaria

**C. WRITTEN COMMUNICATION**

None.

**D. ORAL COMMUNICATION**

None.

Director Slosson said that Items F-1 through F-7 would be heard at this time.

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

### **1. Fiscal Year 2017-18 Audit Report**

A representative of the District's auditor, White Nelson Diehl Evans LLP, presented the report to the Board. No action was taken.

### **2. Fourth Quarter 2018 Investment Report**

Calleguas' new account manager from Wells Capital, Lyle Defenbaugh, introduced himself and reviewed the performance of the District's investment portfolio. Director Blois requested that staff consider whether the benchmark used to evaluate portfolio performance is the most applicable. The General Manager said that staff would work with the Finance Committee to study benchmarks and return with a recommendation. No action was taken.

### **3. November 2018 Financial Statements**

The Board asked questions and the Manager of Finance and Human Resources answered them. No action was taken.

### **4. December 2018 Water Use and Sales, November 2018 Power Generation, and December 2018 Investment Summary Reports**

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

### **5. Disbursements for the District's monthly activities for December 2018**

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

On a motion by Director Quady, seconded by Director Santamaria, the Board of Directors voted 4-0-1 to approve the outstanding bills for payment.

AYES: Directors Waters, Quady, Santamaria, Slosson

NOES: None

ABSTAIN: Director Blois

## 6. Finance Committee Report

Committee Chair Quady summarized the discussion from the Finance Committee meeting held on January 2, 2019. He said that the committee reviewed the District's draft FY 2017-18 audited Financial Statements in detail with the Manager of Finance and Human Resources. No action was taken.

## 7. Discussion regarding changes to the salary schedule and organization chart

The Manager of Operations and Maintenance made a brief presentation describing proposed organizational changes. He said that the changes would:

- Keep the water distribution system operating reliably by adding three employees to divisions that perform preventive maintenance on electrical, mechanical, and instrumentation components so they can accomplish their work on a schedule necessary for proper operation. Failure of one of these components could cause damage to pipelines, pumps, or other infrastructure.
- Enable Calleguas to be fully prepared for emergencies by adding an emergency response coordinator position to develop response plans consistent with state and federal requirements, establish a system of interagency communications for emergencies, train employees, and implement practices consistent with Federal Emergency Management Agency (FEMA) funding requirements.
- Keep departments and divisions focused on their assigned responsibilities by consolidating administrative support, procurement, records retention, inventory and fleet management, and other functions into a separate division.

He said that the annual cost of the proposed changes in salary and benefits is \$463,000 to \$629,000 and noted that two new vehicles would need to be purchased.

The Water Quality and Operations Committee reviewed the proposed staff changes in detail on December 18, 2018 and determined that they are needed.

On a motion by Director Waters, seconded by Director Quady, the Board of Directors voted 5-0 to approve a new salary schedule and organization chart to reflect the following changes:

- adding two Electro-Mechanical Technician positions; one Control Systems Specialist position; one Emergency Response Coordinator position; and one General Services Supervisor position;
- eliminating one Department Administrator position;
- establishing two pay levels for the Facilities Coordinator position;
- moving the Facilities Coordinator position from the System Maintenance Division to a new General Services Division and moving two administrative assistant positions from the Resources Department to a new General Services Division;

and to approve an increase of \$200,000 to the Fiscal Year 2018-19 Salaries and Benefits Budget to implement the changes.

AYES: Directors Blois, Waters, Quady, Santamaria, Slosson  
NOES: None

#### E. GENERAL MANAGER

##### 1. December 2018 Monthly Status Report

The Board asked questions and the General Manager and department managers answered them. No action was taken.

At 6:12 p.m. Director Slosson adjourned for a short break. At 6:17 p.m., Director Slosson reconvened the meeting.

#### G. OPERATIONS AND MAINTENANCE

None.

#### H. RESOURCES AND PUBLIC AFFAIRS

##### 1. Water Supply Update

The Manager of Resources gave a brief update on water supply conditions. No action was taken.

#### I. ENGINEERING AND CONSTRUCTION

##### 1. Change Order Report for Q4 2018

The Manager of Engineering provided Change Order summaries for the following projects:

- Wellfield Emergency Generators (Project No. 494)
- Grandsen Pump Station, Phase 2 (Project No. 500)
- Plastic Pipe Storage Project (Project No. 534) **(Completed)**

Dam, Dike 1, and Springville Reservoir Erosion Repair and Drainage Improvements (Project No. 565) and Las Posas Basin Deep Groundwater Monitoring Project, Deep Wells No. 2 and No. 3 (Project No. 527-2) did not have any change orders during the reporting period. No action was taken.

## 2. Engineering and Construction Committee Report

Committee Chair Blois summarized the discussion from the Engineering and Construction Committee meeting held on January 15, 2019. He said the committee members toured the Wellfield Emergency Generators, storage for steel pipe and liners, and the recently completed Plastic Pipe Storage Project and received an update on the Five Year Capital Improvement Program. No action was taken.

## 3. Discussion regarding Conejo Valley Feeder Repair

The Manager of Engineering provided a brief update on the leak investigation and repair for the Conejo Valley Feeder in Sunset Hills Golf Course. No action was taken.

## 4. Discussion regarding approval of a capital project budget increase in the amount of \$50,000 for Dam, Dike 1, and Springville Reservoir Erosion Repair and Drainage Improvements (Project No. 565)

The Manager of Engineering said that additional capital project budget is required to complete the Dam, Dike 1, and Springville Reservoir Erosion Repair and Drainage Improvements (Project No. 565), primarily due to the following:

- Significant modifications to the planned drainage improvements at Dam and Dike 1 to adjust to the field conditions encountered, including utilities in different locations than anticipated, utilities that were not anticipated at all, and underlying ground conditions that were not visible due to dense brush.
- Additional work requested by the Division of Safety of Dams during its 2018 annual inspection to reinforce the Lake Bard spillway. This inspection occurred once the project was underway, but the work needed to be accomplished in a timely fashion and the most efficient and cost effective way to do so was to add it to this project by change order.
- Higher than anticipated quantities for erosion repair, which were bid as unit price bid items. After clearing and grubbing, the extent of the areas requiring backfill were found to be more extensive than anticipated.

On a motion by Director Blois, seconded by Director Santamaria, the Board of Directors voted 5-0 to approve the budget increase.

AYES: Directors Blois, Waters, Quady, Santamaria, Slosson

NOES: None

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## J. STRATEGIC PLANNING

None

**K. DISTRICT COUNSEL**

None

**L. BOARD OF DIRECTORS**

**1. Five Year Service Pin for Director Steve Blois**

The Board President gave a 5 year service pin to Director Blois. The General Manager spoke about his hard work on the Metropolitan Board to promote and implement California WaterFix.

**2. Election of Board Officers**

The General Manager said that Section 2.6 of the Calleguas Administrative Code states: "At the first meeting in January of the year following any election at which any Director is qualified, the Board shall elect one of its members as its presiding officer, who shall have the title of 'President of the Board'. At the same time, the Board shall also select Directors to serve as Vice President, Treasurer, and Secretary of the Board."

On a motion by Director Waters, seconded by Director Santamaria, the Board of Directors voted 5-0 to have all officer positions remain the same.

AYES: Directors Blois, Waters, Quady, Santamaria, Slosson

NOES: None

**3. Discussion regarding Board committee appointments**

The General Manager said that Section 3.2.1(a)(2) of the Calleguas Administrative Code states that one of the duties of the Board President is "Appointing members to committees of the Board and assigning chairperson responsibilities on an as-needed basis." This item is included on the agenda so that Board members may discuss the matter and the President may take action.

After a brief Board discussion, President Slosson appointed all Board members to the same committee positions that they currently hold.

**4. Discussion regarding Board ancillary duties**

The General Manager said that the Board members currently perform various ancillary duties to serve the mission of Calleguas through participation in the activities of other organizations. This item is placed on the agenda so that the Board may make additional assignments or change existing assignments if it so desires.

She said that Director Slosson had been asked to serve as President or Vice President of the Ventura County Special Districts Association (VCSDA), which would be a two-year term.

The Board elected to have all ancillary duties remain the same, with the addition of Director Slosson's new role at VCSDA.

**5. Discussion of a notice to set date, time, and place of public hearing to consider amending CMWD Ordinance No. 15, Setting Directors' Compensation**

The General Manager said that Section 2.1.1 (b) of the Calleguas Administrative Code states that "Annually, the Board will review the compensation paid to Directors and may make changes to the established compensation rate by amending Ordinance No. 15 and setting a new compensation rate in accordance with applicable law." The last adjustment of the compensation of the Board was February 1, 2017, when Ordinance No. 15 was amended to increase the compensation to \$220.00 per meeting.

The Board must follow a formal public notice and hearing process each time it intends to increase its compensation.

On a motion by Director Santamaria, seconded by Director Blois, the Board of Directors voted 4-1 to set the date, time, and place of a public hearing to be March 6, 2019, at 5:00 p.m., at the District's headquarters located at 2100 Olsen Road, Thousand Oaks, California and that the Board would consider an increase to \$225.00 per meeting.

AYES: Directors Blois, Waters, Santamaria, Slosson

NOES: Director Quady

**6. 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.

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

The Board discussed meetings they planned to attend.

**8. Metropolitan update**

Director Blois said that the Board discussed the history of cost allocations for the State Water Project in anticipation of upcoming discussions about cost allocations for California WaterFix as well as proposed changes to the turf rebate program.

M. CLOSED SESSION

1. Closed Session conference with legal counsel regarding existing litigation pursuant to Government Code Section 54956.9(d)(2): Kunisawa v. CMWD, et al., Case No. VCSC 56-2017-00496652-CU-EI-VTA

At 7:14 p.m., Director Slosson adjourned to Closed Session to discuss Item M-1 as stated on the agenda.

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CLOSED SESSION CONTINUING

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At 7:19 p.m., Director Slosson reconvened the meeting to Open Session.

Regarding M-1, District Counsel stated that, on a motion by Director Waters, seconded by Director Quady, the Board of Directors voted 4-0-1 to settle the matter referred to on the agenda and to execute a settlement agreement. Once finalized, the settlement agreement will be available pursuant to Government Code 54957.1 (a)(3).

AYES: Directors Waters, Quady, Santamaria, Slosson

NOES: None

ABSTAIN: Director Blois

N. OTHER BUSINESS

None

O. FUTURE AGENDA ITEMS

None

P. ADJOURNMENT

Director Slosson declared the meeting adjourned at 7:20 p.m.

Respectfully submitted,



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Andy Waters, Board Secretary