

CALLEGUAS MUNICIPAL WATER DISTRICT
BOARD OF DIRECTORS MEETING
November 6, 2019

MINUTES

The regular meeting of the Board of Directors of Calleguas Municipal Water District was held at the District Office, 2100 Olsen Road, Thousand Oaks, California, on November 6, 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
Andy Waters, Secretary
Scott Quady, Treasurer
Steve Blois, Director

Staff Present: Anthony Goff, General Manager
Dan Drugan, Manager of Resources
Henry Graumlich, Manager of Strategic Planning
Fernando Baez, Senior Project Manager
Rob Peters, Manager of Operations and Maintenance
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 Santamaria, seconded by Director Quady, the Board of Directors voted 3-0-2 to approve the October 16, 2019 minutes.

AYES: Directors Quady, Santamaria, Slosson

NOES: None

ABSTAIN: Directors Blois, Waters

C. WRITTEN COMMUNICATION

None

D. ORAL COMMUNICATION

None

E. GENERAL MANAGER

1. October 2019 Monthly Status Report

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

F. FINANCE AND HUMAN RESOURCES

1. Finance Committee Report

Committee Chair Quady summarized the discussion from the Finance Committee meeting held on November 5, 2019. The committee items discussed were : current results for pension liabilities and other post-employment benefits (OPEB); the salary survey; and Director travel reimbursement procedures. No action was taken.

2. September 2019 Financial Statements

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

3. Discussion regarding approval of budget increase in the amount of \$82,000 for increasing the storage on the SAN Server (\$7,000), upgrading all computers to the Windows 10 operating system (\$23,000) and upgrading all computers to Office 365 (\$52,000).

The Manager of Finance and Human Resources said that, during the last few months, several issues have arisen regarding the District's computer systems. The SAN server, which stores all District data, is currently at 82% capacity and will run out of storage capacity shortly. \$7,000 is needed to increase storage and continue operating reliably.

The Manager of Finance and Human Resources was also notified that, as of January 1, 2020, Microsoft will only support the Windows 10 operating system. The District currently has 33 essential computers that need to upgrade to Windows 10. Total cost to replace these computers will be approximately \$23,000.

Lastly, the District is looking to upgrade all of its computers to Office 365. Microsoft is phasing out the individual Office suite of products and has moved to the subscription based Office 365. Moving to Office 365 will allow all computers at the District to have the same versions of office products, including Excel, Word, and Exchange. Currently,

not all versions are compatible and can vary significantly in look and function. The cost of implementing this would be approximately \$52,000.

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

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

NOES: None

4. Third Quarter 2019 Consultant Reports

The Manager of Finance and Human Resources provided an overview of the report to the Board. No action was taken.

G. OPERATIONS AND MAINTENANCE

1. Operational and emergency response activities related to the recent Easy Fire

The Manager of Operations and Maintenance provided an update on operations of the Calleguas distribution system and activation of Calleguas' Emergency Operations Center during the recent Easy Fire. No action was taken.

H. RESOURCES AND PUBLIC AFFAIRS

1. Discussion regarding agreements for participation in the Metropolitan Cyclic Storage Program for CY 2019

The Manager of Resources said that staff previously briefed the Board on Metropolitan's Cyclic Storage Program in August 2019. Metropolitan allowed its member agencies to immediately participate in the Program and cyclic deliveries to Calleguas commenced in June 2019. Follow up agreements and amendments to the original 2017 Cyclic Storage Agreement were formalized concurrently with those deliveries. The first amendment to Calleguas' Cyclic Storage Agreement increases the maximum amount of water that can be stored under the Program from 5,000 acre-feet (AF) to 10,000 AF. The second agreement regarding "Direct Treated Deliveries to Calleguas-Metropolitan Cyclic Account" allows the District to receive a credit of up to \$225 per AF to offset the increased costs incurred to capture additional supplies.

The District is targeting 6,000 AF of injection through the Las Posas Aquifer Storage and Recovery Project that will be designated as injected in accordance with the Cyclic Storage Program. The District plans to buy all 6,000 AF at the CY 2019 Tier 1 rate. Approximately 3,000 AF will be eligible for a cost-offset credit.

On a motion by Director Santamaria, seconded by Director Blois, the Board of Directors voted 5-0 to authorize the General Manager to execute the documents required to enter into Cyclic Storage Agreements with Metropolitan Water District.

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

I. ENGINEERING AND CONSTRUCTION

1. Discussion regarding approval of budget increase in the amount of \$53,000 for the Salinity Management Pipeline, Phase 3 (Project No. 536)

The Senior Project Manager said that negotiations with the City of Camarillo to install a portion of the Salinity Management Pipeline (SMP), Phase 3 in the Upland Road bridge resulted in an agreement in December 2016 allowing Calleguas to use the bridge if certain conditions are met. The agreement requires that Calleguas complete a structural analysis to demonstrate that the bridge can handle the additional load and prepare plans showing an appropriate level of design to support that analysis. Perliter & Ingalsbe (P&I) contracted with a bridge engineering consultant to perform the structural analysis, which concluded that the bridge has sufficient residual structural capacity to carry the SMP 3 pipeline. Since the completion of the initial analysis, Camarillo has required that the structural analysis be revised to include pipeline break scenarios that could result in the discharge of water into the bridge deck and determine resulting loading and structural implications. Additionally, Camarillo is requiring that the same bridge engineer who performed the structural analysis serve as the bridge engineer of record through construction.

Since completing its contractual obligations, P&I's original bridge engineering consultant has decided not to continue their work. Staff has attempted to convince Camarillo to allow the District to allow the use of a different bridge engineer for the remainder of the analysis, but has been unsuccessful. As a result, it is necessary to contract with a second bridge engineer to re-perform the structural analysis. The second structural analysis will also include the pipe break scenarios required by Camarillo.

Although this requires that Calleguas perform the structural analysis again, this approach remains the preferred one, as the alternative would be to tunnel under Calleguas Creek. Tunneling would be much more expensive and involve a much higher level of construction risk than installing the pipeline in the Upland Road bridge.

The additional budget would allow P&I's new bridge engineering consultant to perform the structural analysis as required by the City.

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

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

NOES: None

2. Discussion regarding an amendment to the scope of work for professional services by Perliter & Ingalsbe for preliminary design of the Salinity Management Pipeline, Phase 3 (Project No. 536), increasing the not-to-exceed amount by \$40,779

The Senior Project Manager said that, as described above, in order to comply with Camarillo's requirements for the structural analysis, P&I needs to perform additional services not anticipated in the original scope of work. P&I has contracted with a new bridge engineer, ARCON Structural Engineers, Inc. (ARCON), to perform the analysis and additional pipeline break scenarios. In addition to providing these services, ARCON has agreed to provide services through final design and construction, if requested.

This additional scope increases the not-to-exceed cost by \$40,779 from \$171,816 to \$212,594. The cost increase for additional services is reasonable for the additional work required and P&I's performance on this project has been of good quality.

On a motion by Director Santamaria, seconded by Director Waters, the Board of Directors voted 5-0 to approve the professional services.

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

NOES: None

3. Discussion regarding Easement Deed for Las Posas Basin Deep Groundwater Monitoring Project, Monitoring Well No. 2, Project No. 527-2 (Daryl Edward Smith and Susan Lillis Smith), located at 10968 Broadway Road in unincorporated Ventura County, California

The Senior Project Manager said that this right of way acquisition is for deep groundwater Monitoring Well No. 2 (MW2), located at 10968 Broadway Road in unincorporated Ventura County, California. The Agreement to Install Monitoring Well provided the District access to install MW2 and, once construction of the well was complete, required the property owner to grant an easement with a 40-year term to the District. The monitoring well was constructed on an area measuring 100 square feet. The right-of-way acquisition also includes right of entry to the easement location. Calleguas agreed to pay the property owner \$23,228 for all of the necessary property rights, including compensation required in the Agreement (\$18,728), compensation required in Amendment No. 1 to the Agreement (\$2,000), and four one-month extensions to the Well Installation Period as required in the Agreement (4 x \$625), of which \$11,364 has already been paid.

On a motion by Director Blois, seconded by Director Santamaria, the Board of Directors voted 5-0 to authorize the President of the Board and the General Manager to sign the certificate of acceptance for the Easement Deed for CMWD Parcel No. 2925.

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

4. **Discussion regarding Easement Deed for Las Posas Basin Deep Groundwater Monitoring Project, Monitoring Well No. 3, Project No. 527-2 (Jacob Dakessian, Trustee of the Survivor's Trust established under the Dakessian Family Trusts, as to an undivided 50% tenancy in common interest and to Jacob Dakessian, Trustee of the Unified Credit Trust established under the Dakessian Family Trusts, as to an undivided 50% tenancy in common), located at APN 503-0-050-275 near 9325 Wailing Siren Ranch Drive in unincorporated Ventura County, California**

The Senior Project Manager said that this right of way acquisition is for deep groundwater Monitoring Well No. 3 (MW3), located at APN 503-0-050-275 near 9325 Wailing Siren Ranch Drive in unincorporated Ventura County, California. The Agreement to Install Monitoring Well provided the District access to install MW3 and, once construction of the well was complete, required the property owner to grant an easement with a 40-year term to the District. The monitoring well was constructed on an area measuring approximately 350 square feet. The right-of-way acquisition also includes right of entry to the easement location. Calleguas agreed to pay the property owner \$21,500 for all of the necessary property rights including compensation required in the Agreement (\$19,500) and compensation required in Amendment No. 1 to the Agreement (\$2,000), of which \$11,750 has already been paid.

On a motion by Director Blois, seconded by Director Quady, the Board of Directors voted 5-0 to authorize the President of the Board and the General Manager to sign the certificate of acceptance for the Easement Deed for CMWD Parcel No. 2926.

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

J. STRATEGIC PLANNING

1. Discussion regarding Metropolitan Board retreat

The Manager of Strategic Planning provided a summary of the issues discussed at the October 21-22 Metropolitan Board of Directors retreat. The issues discussed at the retreat have implications for how the District will provide value to its purveyors. No action was taken.

K. DISTRICT COUNSEL

None

L. BOARD OF DIRECTORS

1. Oral report 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 provided an overview of topics discussed at recent Metropolitan committee and Board meetings. He said that the City of Camarillo's Local Resources Program Project was approved. He met with Kathryn Mallon, Executive Director of the Delta Conveyance and Construction Authority, and received an update on engineering design considerations for the delta conveyance tunnel project.

4. Designation of a Board Member to vote on behalf of Calleguas at the Association of California Water Agencies (ACWA) General Session Membership Meeting at the 2019 Fall Conference

The General Manager said that there will be a General Session Membership Meeting at the 2019 Fall Conference in San Diego, California, on Wednesday, December 4. The purpose of the meeting is to formally nominate and elect ACWA's President and Vice President for the 2020-2021 term.

Enclosed for reference were:

- a memo from ACWA describing the election, and
- letters sent to Calleguas by the candidates for ACWA President and Vice President.

On a motion by Director Quady, seconded by Director Santamaria, the Board of Directors voted 5-0 to select Steve Blois to vote on behalf of Calleguas at the ACWA General Membership Meeting and authorize the General Manager to sign and submit the proxy designation form accordingly.

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

NOES: None

M. CLOSED SESSION

None

N. OTHER BUSINESS

None

O. FUTURE AGENDA ITEMS

None

P. ADJOURNMENT

Director Slosson declared the meeting adjourned at 7:06 p.m.

Respectfully submitted,



Scott Quady, Board Treasurer