

CALLEGUAS MUNICIPAL WATER DISTRICT
BOARD OF DIRECTORS MEETING
December 18, 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 December 18, 2019.

The meeting was called to order by Thomas L. Slosson, President of the Board, at 5:05 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
Rob Peters, 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

None

C. WRITTEN COMMUNICATION

None

D. ORAL COMMUNICATION

Dan Naumann and Bruce Dandy, members of the United Water Conservation District (United) Board of Directors, gave an update on United activities and expressed their appreciation for the relationship between United and Calleguas through the years.

E. GENERAL MANAGER

None

F. FINANCE AND HUMAN RESOURCES

1. November 2019 Water Use and Sales, October 2019 Power Generation, and November 2019 Investment Summary Reports

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

2. Disbursements for the District's monthly activities for November 2019

Director Quady presented the disbursement report. The Board asked questions, which the managers answered.

On a motion by Director Quady, seconded by Director Santamaria, the Board of Directors voted 5-0 to approve the outstanding bills for payment.

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

NOES: None

3. October 2019 Financial Statements

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

4. Quarterly Capital Projects Report for the period ending September 30, 2019

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

5. Discussion regarding employee cost of living adjustment and revised salary schedule

The Manager of Finance and Human Resources said that Section 12.4.2 (b) of Calleguas' Administrative Code states: "In December of each year, the General Manager shall recommend to the Board a percentage cost-of-living adjustment (COLA) based on the Federal Consumer Price Index (CPI) Report for the 12 month period ending in November for the urban area in closest proximity to the District. Any COLA approved by the Board shall become effective January 1 and apply to salaries, tuition reimbursement amounts, special duty incentive pay, and daily on-call duty pay. The COLA does not apply to the salaries of the General Manager and District Counsel."

Calleguas has high quality, lean, and hardworking staff, and it was recommended that the Board approve a COLA effective January 1, 2020 and adopt the resultant revised salary schedule. The increase in the CPI from November 2018 to November 2019 is 3.2%. The budget for the current fiscal year assumed an increase of 3.5%.

On a motion by Director Blois, seconded by Director Quady, the Board of Directors voted 5-0 to approve a cost of living adjustment of 3.2% effective January 1, 2020 and adopt a revised salary schedule.

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

NOES: None

G. OPERATIONS AND MAINTENANCE

None

H. RESOURCES AND PUBLIC AFFAIRS

None

I. ENGINEERING AND CONSTRUCTION

1. Construction Update

The Manager of Engineering presented construction photos from ongoing projects. No action was taken.

2. Approval of a new capital project: Fairview Well Rehabilitation (Project No. 589)

The Manager of Engineering said that Fairview Well is located at Fairview Pump Station. The well was constructed in 1992 and was operated as an aquifer storage and recovery well until 1998. Since that time, the well has remained inactive, except for groundwater monitoring. Use of the well as a backup source to supply groundwater to Ventura County Waterworks District No. 1 (VCWWD1) during imported water outages was analyzed as part of the Water Supply Alternatives Study (WSAS). The WSAS indicated that, following an investigation of the well condition and water quality, the well may be returned to service, which would require both redevelopment of the well and system upgrades. This is a cost-effective way to provide an alternative supply of water to VCWWD1, which is highly dependent on imported water, during imported water outages.

The project requires both redevelopment of the well and associated system upgrades (electrical and mechanical improvements). Due to these requirements, the proposed approach to the project is not typical and the initial budget covers the following:

- Initial video survey to determine the feasibility and appropriate methods for redevelopment of the well

- Preparation of Contract Documents for well redevelopment
- Post-redevelopment video survey of the well to document the results of the well redevelopment
- Preparation of a Preliminary Design Report for system upgrades (new well pump and motor, new motor control center, programmable logic controller, provisions for backup generation, replacement of piping and associated appurtenances, and addition of a disinfection system)

The initial budget does not include the cost of well redevelopment or design and construction of the system upgrades, which will be addressed separately in subsequent capital project budget requests. Estimated construction costs will follow once preliminary design is complete.

On a motion by Director Waters, seconded by Director Blois, the Board of Directors voted 5-0 to approve the new capital project and budget of \$210,000.

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

3. Discussion regarding approval of professional services by Michael K. Nunley & Associates Inc. to perform design, bid, and construction services for well redevelopment and preliminary design for system upgrades for the Fairview Well Rehabilitation (Project No. 589), for an amount not-to-exceed \$157,813

The Manager of Engineering said that the Fairview Well Rehabilitation is described in the agenda item above. The professional services include the following:

- Initial video survey and preparation of a well redevelopment technical memorandum
- Contract Documents for well development
- Bid and construction phase services for well redevelopment
- Post redevelopment video survey and preparation of a technical memorandum summarizing the results of the cleaning, testing, and water quality sampling
- Preparation of a Preliminary Design Report for system upgrades

Michael K. Nunley & Associates Inc. (MKN) has relevant experience and expertise, and is familiar with the type of work associated with rehabilitation of groundwater wells. MKN's work on other projects has been of good quality and the cost for professional services is reasonable for the work required.

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

AYES: Directors Blois, Waters, Quady, 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 provided an overview of topics discussed at recent Metropolitan committee and Board meetings. He discussed a broad range of issues, including: (1) the Metropolitan Board decision to suspend collection of the water stewardship portion of the rate and fund associated demand management programs from the unexpended balance of funds; (2) the budget and rate setting process for Fiscal Period 2020-2022; (3) the process for updating the Integrated Water Resource Management Plan in 2020; (4) the process of re-evaluating the rate structure for the Fiscal Period 2022-2024 budget; and (5) the decision by the Metropolitan Board to authorize Local Resource Program funding to help fund the City of San Diego's Pure Water project for indirect potable reuse of highly treated wastewater through surface reservoir augmentation.

M. CLOSED SESSION

None

N. OTHER BUSINESS

None

O. FUTURE AGENDA ITEMS

None

P. ADJOURNMENT

Director Slosson declared the meeting adjourned at 6:20 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Andy Waters", is written over a horizontal line.

Andy Waters, Board Secretary